

United States. It was therefore decided to stop issuing lists of items to be decontrolled, but rather issue a single order listing those goods and services still under price control.

This change in the form of price control released a great variety of things from price control, but it was impressively clear from the twenty printed pages of things remaining under control that they included almost everything of any importance to the average consumer and average individual producer.

When the July, 1946 order was issued it had been expected to follow up with a further major installment of price decontrol in October, but the series of protracted industrial disputes that summer caused a set-back to supply, and no further price decontrol orders were issued in 1946.

The next step was in January 1947 when price controls were lifted on almost everything except the staple constituents of food, fuel, clothing and shelter. At the same time a flexible programme was prepared, which would make it possible to withdraw all controls (except rent control) by March 31, 1948. The programme was to withdraw each control at the season of the year when supplies were at their seasonal peak. There were two reasons for this: first, it was desirable to remove controls at a time when supply in relation to demand was at its peak in order to avoid temporary price aberrations, and second it was desirable in the case of farm produce to apply the principle of the free market at a time when the primary producer could share in such benefits as might accrue from a free market. Because of the complex relationships of one set of prices to another it was not always possible to apply this approach to each individual commodity, but it was applied to broad groups of commodities. Thus eggs and poultry were decontrolled in the early spring; butter and dairy products in the early summer; canned goods in the middle and late summer; and cotton textiles, meat, feed grains and farm machinery in the autumn.

The remaining rationing controls also disappeared during 1947,—meat in March; butter and evaporated milk in June; and the sugar-preserves ration was progressively liberalized during the course of the year, and finally eliminated in November.

The board retains power to reimpose ceiling. In January 1947 we reimposed ceilings on used bags and bagging, which had an important bearing on feed and fertilizer prices. In November ceilings were reestablished on the principal canned fruits and vegetables, and more recently on butter, grapes and cabbages. The board has also used its power on several occasions to serve individual price directives on individual sellers, the principal commodities affected being pulp and fertilizers.

Paralleling its reduction in functions and activities the board has progressively reduced its organization and staff. At the peak of activities we had a staff of 5,700 with offices located in about 130 cities and towns. Our general programme has been to dissolve each commodity administration 30 to 60 days after the commodity has been decontrolled, and to close out local offices as the volume of work fell off.

As of December 31st we had a staff of about 1,160. About two-thirds of this number are assigned to rent control work and are spread through about 40 local offices. The remainder are either at head office or in the five regional offices still remaining open. Since January 1st we have been re-engaging staff, chiefly investigators, to strengthen our field organization.

III

I come now to my third part, in which I suggest some of the general factors that are contributing to rising prices. I make these suggestions, in a very brief and far too simplified form, but they may serve as indications of some