

The Department of Agriculture, on the other hand, is responsible for the primary production of agricultural foodstuffs, and it has certain functions to perform in the distribution of agricultural products. In order to clarify relationships with the wartime prices and trade board, the following working principles have been adopted:

1. The Department of Agriculture is responsible for seeing that the greatest possible production is forthcoming within the price ceilings established by the wartime prices and trade board.

2. If the desired production cannot be obtained within established price ceilings, there will be consultation between the Department of Agriculture and the wartime prices and trade board. Such consultation will include consideration of subsidies, price adjustments, or a decision to regard the estimated deficiency of supply as non-essential.

3. Recommendations to council respecting subsidies to primary producers will be made by the Minister of Agriculture. Consumer subsidies, however, that is those designed specifically to reduce costs to the consumer, will be the responsibility of the wartime prices and trade board but any such subsidies relating to agricultural products produced in Canada will be a subject of consultation with the Department of Agriculture.

4. Export of such foods as are made available under contract to the united nations (except wheat for milling or flour, which are under Trade and Commerce) will be supervised by the Department of Agriculture.

5. All other steps necessary and desirable for the encouragement of domestic food production by primary producers rest with the Department of Agriculture rather than the wartime prices and trade board.

In the matter of distribution the Department of Agriculture is responsible for any necessary diversion of meat products, dairy products, poultry products, and fresh or dried fruits and vegetables to the armed forces and other priority users in accordance with approved allocations. Distribution to retailers and to ultimate civilian consumers is the responsibility of the board. To avoid duplication of services and staff there will be the closest possible cooperation between the board and the department in the inter-area wholesale movement of foodstuffs for civilian consumption. Wherever possible the use of existing machinery and mutual use of employees and offices will be arranged.

Hon. members will see from this statement that the lines of demarcation are simple and

clear. In essence, the Department of Agriculture is responsible for production by primary producers, for export arrangements under contract to meet the needs of Great Britain and the united nations and, where its field organization is already functioning, for inter-area distribution and transfer of supplies as required. The wartime prices and trade board is responsible for imports, and for wholesale and retail distribution. The board also has final responsibility in all matters of price and rationing. Wherever there are mutual interests, there will be the fullest consultation, interchange of information, and cooperation and mutual use of offices and staff.

In this statement I have dealt with the wartime prices and trade board's relationships to the Department of Agriculture. A similar clarification of relationships with the Department of Fisheries has also been reached.

Another rearrangement in jurisdiction with a view to clarification of duties and responsibilities has been arrived at between the wartime industries control board of the Department of Munitions and Supply and the Department of Finance, and has to do with certain domestic end products of a civilian character heretofore under the jurisdiction of the controller of supplies, and to the control over coal and wood fuel.

In the division of jurisdiction between the Departments of Munitions and Supply and Finance, more particularly between the wartime industries control board and the wartime prices and trade board, there is, as I have said, a certain amount of inevitable overlapping of authority, but in so far as it is possible to state a general principle, it is that jurisdiction over basic materials or end products, the principal use of which is for war purposes, should rest with the wartime industries control board, while those which are primarily of a civilian nature should be with the wartime prices and trade board.

Prior to the introduction of the price ceiling policy and the establishment of industry administrators by the wartime prices and trade board, a number of end products of a civilian nature were declared to be "supplies" and were brought under the jurisdiction of the controller of supplies, not because the end products themselves were direct war requirements, but primarily because of their critical material content. These items have now been transferred from the controller of supplies to the appropriate industry administrators of the wartime prices and trade board.

In line with the general principle the control of oil, electrical energy and gas rests with the