

I should also explain, Mr. Chairman, in so far as the actual average retail prices are concerned, I have taken the liberty of adjusting them to comparable containers. There are very few of those, but I have adjusted the American prices to the Imperial quart because the American price quotes the American quart. You have to add one-sixth, I think it is, to the American price to get the equivalent of an Imperial quart of milk. They quote cheese by the pound so I cut their price in half to compare it with our half pound. Their cornflakes are in a larger container, so I adjusted the price to the eight ounce container. Those are the official, national averages in cents per pound or per quart as the case may be as of mid-December in each country.

The CHAIRMAN: I think we will all agree with the suggestion made by Mr. Maybank that this be printed immediately following the statement in the record, for the convenience of those who will be following this record. I shall presume that suggestion meets with your approval unless I hear something to the contrary.

Agreed.

*By Mr. Irvine:*

Q. I should like to ask a question in clarification before we commence questioning on the substance of the brief. On page 7, the last paragraph but one, it is stated that,

At present the only subsidy we are still operating is on oils and fats. I presume that refers specifically to the Wartime Prices and Trade Board. For instance, are there not subsidies on steel and subsidies on freight as well as other subsidies?—A. Yes, Mr. Irvine, and perhaps I should make it clear that in preparing this statement, as Chairman of the Wartime Prices and Trade Board, I did not feel I should make statements of fact about subsidies to be paid by munitions and supply or by the Department of Agriculture. If the committee wants me to do so, I may say there are, I understand, certain subsidies in the field of iron and steel. I think there are still some on coal, though I would not be sure of that. Certainly, the seed grain freight subsidy from prairie points, both east and west, to B.C. and eastern Canada, is being paid.

At the moment, I cannot recall any others. What my formal statement implies is that the Wartime Prices and Trade Board is operating only the oils and fats subsidy today.

*By the Chairman:*

Q. There is a subsidy on some ship transport, too, is there not?—A. There are many subsidies or subventions or quality bonuses. It is a little difficult to know which is which. I believe the government, as I understand it, speaking with some diffidence as a civil servant on this point, does not regard the quality bonus on cheese, for example, as a subsidy. It is a means of improving the quality of the cheese. The same thing is true in connection with hogs. I believe that has been going on for a good many years, long before the war. It is paid by the provinces as well as by the federal government.

There are subventions, as they are sometimes called, on certain ship lines.

Mr. LESAGE: Steamship subsidies?

The WITNESS: I think all subsidies, subventions or bonus payments or quality payments, must have varying degrees of effect on prices or on cost. It is probably possible to draw a distinction between subsidies where the intent is to affect the price rather than attempt to do something else.

*By Mr. Fleming:*

Q. May I ask Mr. Taylor if the Wartime Prices and Trade Board expected or anticipated the recent rise in the cost of living?—A. Well, Mr. Fleming, the