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Reimposed Vegetable Prices: The Honourable Douglas Abbott, Minister of Finance, announced Monday that the Government would not hesitate to take action to curb price speculation in foodstuffs of a basic character.

"The government has noted with concern that marked price increases have taken place during the past week, particularly in some processed foods, under circumstances which cannot be justified by increased costs," Mr. Abbott declared.

"Furthermore, rumours about present and potential shortages of some food supplies are being bandied about in such a manner as to intensify fear of scarcities. Such stories are having the effect of disturbing consumers and increasing the pressure on prices.

"I cannot state too emphatically that fears about shortages of essential foods or, indeed, of any essential of life in Canada, are entirely unwarranted.

"It is true that the program recently announced by government to meet the drain on our U.S. dollar reserves, does restrict or prohibit a wide range of imports of commodities and some foodstuffs which hitherto have been imported from foreign markets.

"But, as I stressed in the statement I made when this program was announced, it is essential that we keep a proper perspective about the meaning of the restrictions imposed.

"There is absolutely no justification whatever for any panic buying of basic foodstuffs such as has been reported in the press over the past week. Domestic supplies of such items as potatoes, cabbage, onions and carrots are fully adequate for this season of the year and for several months to come.

"Moreover, on items of such a basic character, the government will not hesitate to augment the supply if real shortages are being experienced and would do so, in case of real need, either through direct purchase from foreign markets, as was done during the war, or by facilitating import through amendments to the list of goods now prohibited or under quota.

"I have too much confidence in the good sense of the Canadian people to believe that these stories of panic buying accurately reflect the general state of the public mind.

"On the other hand, I know too, that there is always a small minority seeking to take an advantage at any time when conditions are such as to favor speculative positions.

"Consequently, in view of some serious price increases which have recently taken place, I have directed the Wartime Prices and Trade Board to re-impose price ceilings on the more important varieties of canned fruits and vegetables and, as well, to be prepared to re-impose mark-up control on fresh fruits and vegetables and canned fruit juices.

"It is not the intention of the Government to move back toward any general system of price control. The case of basic vegetables, both fresh and canned, is a special one. The whole year's supply has now been produced and a large part has left the hands of the grower and producer. The costs of the year's supply have been established and it would not be fair to either producer or consumer to permit unjustifiable price increases.

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