

This vigorous price ceiling policy was effective in controlling prices and in breaking off the inflationary spiral; and for four and a half years the Canadian price level was held to a steady level. I would count the reasons for our success in price control as chiefly three in number: first, the whole-hearted support for the policy from practically every industry, group, section and class; second, it was a highly realistic policy, ably administered and firmly applied; and third, thanks to your later price controls and to the effective work of the wartime inter-allied Combined Boards, it did not have to suffer the excessive strains of rapidly rising prices beyond our borders.

There were many differences of detail between our price ceiling and yours. We used subsidies more frequently than you did and I think we did a more effective job of mobilizing public opinion, especially that of the women, behind our policy. But it was in our decontrol programme that we differed more sharply from you. In thinking over our plans for decontrol, away back in 1944, we felt that the process of decontrol, the programme of dismantling our wartime restrictions, would probably have to be spread over a period of about two years. And while our plans were always kept flexible, we always had about a two year period in mind.

Broadly speaking wartime civilian controls were of two kinds - supply controls and price controls. It seemed clear to us that supply controls could probably be relaxed quite quickly, but that price decontrols would have to be approached more cautiously.

We therefore relaxed our supply controls fairly quickly and by the end of 1945 most of them had disappeared. Price and rationing decontrol, however, was not even begun until February 1946, and for more than a year after that was handled in a careful and cautious manner. It was not until the Spring of 1947, less than a year ago, that we began to decontrol and de-ration the staple constituents of the people's food, fuel, clothing and shelter.

During the year 1947 decontrol proceeded at a more rapid pace, and we had in mind the possibility, if not the probability of complete decontrol by the Spring of 1948. Eggs and poultry were decontrolled and meat rationing discontinued in March and April; dairy products were decontrolled and de-rationed in June; ceilings on canned fruits and vegetables disappeared during the summer, and those on meats, textiles and feed grains in the autumn. Sugar was de-rationed in November. Four months ago all that remained of price control were the ceilings on wheat, sugar, oils and fats, soap, shortening, primary iron and steel, and tin. In addition we continued and still continue our rent and eviction controls.

One point deserves special mention. Under authority conferred by Parliament, our government has never lost its power to reimpose price ceilings whenever conditions warrant them; and the sharp further upswing in prices early this winter caused the government to use these powers. During the past three months we have reimposed ceilings on most canned fruits and vegetables, on butter and on cabbages. The government, in addition, has directed the Prices Board to draft the necessary orders reimposing ceilings on all meats. Further, in view of presently unsettled conditions, the government has invited Parliament to extend its price controlling powers for another year, that is, to March 31, 1949.

In brief, the present position in Canada is that Parliament has not withdrawn from the government the general power to control prices; that the government has power to retain price ceilings and to

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