

Much has already been accomplished:—

(a) *Rationing*.—On the 22nd February last cream was derationed, followed by the freeing of butter on 5th June. Petrol was derationed on 1st June. It is still too early to know the effect of derationing on sales of butter, but the increase in consumption of cream has been much lower than was expected.

(b) *Price Control*.—It has been found possible to free from price control a wide range of goods and services. On account of the continuing pressure of purchasing power on available goods and services it has, however, not been possible to move more rapidly towards our objective of complete decontrol. Some commodities, including foodstuffs, clothing, and raw materials, remain subject to control meantime, but will be freed immediately it becomes evident that the removal of control will not seriously affect the cost of living and economic stability generally. We believe that an abundant supply of goods, with competition among traders, is a much better regulator of prices than any control system, and that is the basis of our policy in relaxing controls.

(c) *Import Control*.—During the past few years a costly and inefficient system of import control has been developed on no clearly defined basis. Buying and selling of import licences has been widespread and has been a contributing factor in raising costs. On the 17th May last the Government appointed an Import Advisory Committee whose primary function is to overhaul the import licensing system and its administration. It has already prepared a licensing schedule for 1951 under which many items can be bought from soft-currency countries without licences. These include most raw materials and machinery, many essential foodstuffs, medical supplies, certain textiles, and books, amounting to a total of about £45 million in value, which is nearly one-third of all our imports. Import licences for the remaining controlled items are now available for use in any soft-currency country. The Committee is making a searching investigation into the present licensing system, and I am confident that simpler and more satisfactory methods of control will be devised.

(d) *Land Sales*.—Sales of urban property were freed from control on 23rd February last, and just how successful this move has been in bringing houses and properties on the market will be obvious to all. While there are still ex-servicemen eligible for