

I.—WHOLESALE PRICES OF COMMODITIES.

The Dominion Bureau of Statistics issues monthly in a press letter, entitled "Prices and Price Indexes", the official index number of wholesale prices in Canada. This index, while constructed with a view to giving continuity with that issued from 1910 to 1917 by the Department of Labour, has been improved by the adoption of several ideas developed in the science of index number-making since the old index was first computed, and by the substitution of new commodities or price series for those which have ceased to be representative as a result of the passage of time. A description of the method used in making this index number will be found on pp. 712-714 of the 1924 edition of the Canada Year Book.

The Price Movement, 1925.—The general level of prices in 1925 moved upward 5.1 points, the Bureau's weighted index number for 236 commodities being 155.2 in 1924 and 160.3 in 1925. This upward movement was, however, not characteristic of all groups of commodities. It was, in fact, due to the influence of three out of eight main groups. The chief factor in the rise of the general level was the strength of the vegetable products group, which includes grain and potatoes. Rubber also exerted an influence in this group. Fibres, textiles and textile products dropped 9.2 points, wood, wood products and paper 7.5 points, iron and its products 9.4 points, non-metallic minerals and their products 6.8 points and chemicals and allied products 4.7 points. These declines were more than counter-balanced by a rise in the vegetable products group of 19.7 points, an 11.9 point rise in animals and their products and a 9.3 point rise in non-ferrous metals and their products.

In January, 1925, due to higher grain and wool prices, the index number rose to 165.5 from 160.9 in December, 1924. This was the highest level for the year. Grain and wool prices began to decline after the commencement of the year and, due chiefly to this cause and to seasonal influences, the index declined to 156.5 by April. From May to August it fluctuated around 158 and 159 and dropped to 156.2 in September. In November it rose to 161.2 and to 163.5 in December. The influence of higher prices for grains and potatoes and certain seasonal tendencies such as those in butter and egg prices were paramount at the end of the year.

Statistical Tables.—In Table 1 are shown the index numbers of wholesale prices for the eight recognized chief groups of commodities, classified according to their chief component materials, for each year from 1890 to 1926; these index numbers are unweighted prior to 1913 and weighted in years subsequent to 1913. The weighted general index number for all the 236 commodities included is shown by months for the eight years 1919 to 1926 in Table 2, while in Table 3 the monthly weighted index numbers of commodities are presented by groups for each month from January, 1921. Monthly weighted index numbers of commodities according to the purpose classification are given from January, 1922, in Table 4, yearly index numbers of groups of commodities from 1916 on a classification according to origin in Table 5, and monthly index numbers by origin in Table 6.

The fluctuations of prices shown in these tables are also illustrated by several diagrams, that on page 729 showing the course of wholesale prices in Canada from 1915 to 1925, charted by months. Smaller diagrams on page 733 show the fluctuations in the prices of consumers' and producers' goods, of manufacturers' materials and building and construction materials through the three years 1923, 1924 and 1925, a notable feature being the drop in building and construction materials in the latter half of 1924. Again, the diagrams on page 737 show the course of the prices of Canadian farm products and of all raw and all manufactured commodities