

1.—Annual Index Numbers of Wholesale Prices in Canada, 1867-1932.

(1913=100.)

1867	133.0	1883	106.0	1899	81.4	1916	131.6
1868	128.7	1884	100.6	1900	85.8	1917	178.5
1869	126.5	1885	92.7	1901	84.5	1918	199.0
1870	123.5	1886	90.7	1902	86.2	1919	209.2
1871	124.5	1887	91.9	1903	86.9	1920	243.5
1872	135.7	1888	93.5	1904	87.0	1921	171.8
1873	133.8	1889	92.6	1905	87.8	1922	152.0
1874	129.0	1890	93.0	1906	82.6	1923	153.0
1875	120.7	1891	91.4	1907	95.2	1924	155.2
1876	116.6	1892	86.2	1908	93.9	1925	160.3
1877	115.1	1893	85.2	1909	91.4	1926	156.2
1878	104.3	1894	80.6	1910	94.3	1927	152.6
1879	101.0	1895	79.5	1911	95.0	1928	150.6
1880	112.9	1896	76.0	1912	99.5	1929	149.3
1881	109.9	1897	75.6	1913	100.0	1930	135.3
1882	113.1	1898	77.8	1914	102.3	1931	112.6
				1915	100.0	1932	104.2

Commencing in the fall of 1929, a severe economic depression set in which was accompanied by a drastic decline in wholesale prices. From 153.7 for August of that year the index continued to recede with few interruptions until December, 1932, when it stood at 100.0.

Subsection 2.—The Index Number on a Post-War Base (1926).

The official Canadian index number of wholesale prices and other price indexes computed by the Dominion Bureau of Statistics were revised, when prices appeared to have arrived at a condition of post-war normalcy, and calculated with the year 1926 as base.

Details of the method of constructing the new index number—the price series included, the weighting and the classification of commodities—were given at pp. 803-805 of the 1931 Year Book. The Dominion Bureau of Statistics annual index number of wholesale prices (1926=100) averaged 66.7 in 1932 against 72.1 in 1931. Monthly numbers declined in 1932, with a minor mid-summer interruption, from 69.5 in January to 64.0 in December, when the index was on an exact par with the 1913 average. Vegetable products, animal products, wood and wood products, and non-ferrous metals were chiefly responsible for the further recession in prices, although minor decreases occurred for textiles, iron products, non-metallics and chemicals. January and December group indexes, listed respectively, were as follows: vegetable products 56.0 and 50.1; animals and their products 65.0 and 57.4; fibres, textiles, and textile products 71.0 and 68.5; wood, wood products and paper 73.6 and 63.8; iron and its products 86.8 and 86.2; non-ferrous metals and their products 66.6 and 57.5; non-metallic minerals and their products 87.3 and 86.1; and chemicals and allied products 85.6 and 83.6.

Declines in both raw and partly manufactured, and fully and chiefly manufactured goods were less marked than in 1931. The first group fell from 61.9 to 55.0, and the second from 74.8 to 69.8 between 1931 and 1932. Animal and marine products in both sections were decidedly weak. There was little change apparent in the gap between raw and finished product prices, which became so marked during 1930-31, when raw field products dropped so precipitously.

A further fall of 14.0 p.c. occurred in the Canadian farm products index, as compared with a 31.6 p.c. decrease in 1931. The 1931 and 1932 annual average indexes were 56.3 and 48.4 respectively. Animal products declined from 77.6 to 60.7 and field products from 43.6 to 41.1.