

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

The official Canadian index numbers of wholesale prices along with the other price indexes computed by the Dominion Bureau of Statistics were revised in 1928; when the list of commodities was increased from 236 to 502. The weighting system was extended to obtain a fairer distribution of importance among sub-groups, and the base was shifted to the year 1926. By that time most of the leading countries of the world had completed post-war currency reorganization, and a reasonable degree of price stability seemed to have been established. Commodities and weights were again revised at the beginning of 1934, bringing the total number of price series in the index up to 567.

The outstanding development in the field of prices since the base revision to 1926 has been the marked dispersion among various price groups between August, 1929, and the beginning of 1933. From 1926 to the latter part of 1929 a moderate decline occurred, but its effect upon the price structure was not great. Subsequent dislocation, however, was extremely serious as may be observed from the following percentage declines of group prices between August, 1929, and February, 1933: Canadian farm products, 60.7 p.c.; raw and partly manufactured materials, 50.5 p.c.; fully and chiefly manufactured goods, 29.3 p.c.; and the average of all commodities at wholesale, 35.5 p.c. From March, 1933, to December, 1934, the movement of commodity prices has been broadly upward, and the advance for primary products considerably more rapid than that for manufactured products. The following index numbers show the relationship between the average of all commodities and specified commodity groups for December, 1934: all commodities 100.0; Canadian farm products, 86.5; raw and partly manufactured materials, 90.3; and fully and chiefly manufactured materials, 102.1. This represents material improvement over conditions existing at the nadir of the depression, although it is evident that equilibrium has not yet been restored.

2.—Weighted General Wholesale Price Index Numbers, by Months, 1925-34.

(1926=100.)

Month.	1925.	1926.	1927.	1928.	1929.	1930.	1931.	1932.	1933.	1934. ¹
January.....	106.0	103.0	97.8	96.9	94.0	95.3	75.9	69.5	63.8	70.7
February.....	105.4	102.1	97.6	96.8	95.0	93.9	75.5	68.9	63.5	72.1
March.....	103.5	101.3	97.3	97.7	95.6	91.8	74.5	69.0	64.3	72.1
April.....	100.2	101.2	97.3	98.3	94.5	91.2	73.9	68.2	65.3	71.3
May.....	101.7	100.2	98.3	97.9	93.4	89.7	72.5	67.4	66.7	71.1
June.....	101.5	100.1	98.7	96.9	93.4	87.7	71.8	66.4	67.5	72.0
July.....	101.2	100.1	98.5	96.0	97.2	85.3	71.3	66.5 ²	70.5	72.0
August.....	101.7	99.1	98.3	95.3	98.4	83.7	70.5	66.7	69.5	72.2
September.....	100.0	98.5	97.1	95.4	97.8	82.1	69.7	65.9	68.9	71.9
October.....	99.9	98.1	97.2	95.2	96.8	81.0	69.9	65.0	67.9	71.3
November.....	103.2	97.7	96.9	94.9	95.7	79.5	70.7	64.7	68.9	71.1
December.....	104.7	97.9	97.2	94.6	96.0	77.7	70.4	64.0	69.0	71.1
Yearly Averages.	102.6	100.0	97.7	96.4	95.6	86.6	72.1	66.7	67.1	71.6

¹ Subject to revision.² Revised since the publication of the 1933 Year Book.