

CHAPTER XXIII.—PRICES*

CONSPECTUS

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For purposes of statistical analysis, commodity prices are usually divided into two principal groups, wholesale prices and retail prices. The term 'wholesale' is not used literally, and primary producers, factory and jobbers quotations, as well as actual wholesale prices, are often included in this group. Markets in which this type of price is quoted are usually well organized, and frequently very sensitive. They are responsive to changing business and monetary conditions. Wholesale quotations are preferred, therefore, for sensitive index numbers of prices designed to reflect price reactions to economic factors.

Retail prices represent more diffused markets and are less sensitive. There is ordinarily a lag of several months between this type of quotation and its wholesale counterpart. Retail prices are important from a statistical point of view, however, because they indicate changes in living costs and, along with measurements of income, show fluctuations in the economic well-being of the community.

THE ACTIVITIES OF THE WARTIME PRICES AND TRADE BOARD IN CONTROLLING PRICES, RENTS AND SUPPLIES†

The functions of the Wartime Prices and Trade Board are to prevent prices and living costs from rising, and to assure a sufficient supply and orderly distribution of necessary civilian goods and services. The activities of the Board up to the end of 1943 are outlined at pp. 724-727 of the 1942 Year Book and pp. 776-783, 354-362 and 521-526 of the 1943-44 Year Book. The present article, dealing chiefly with developments in 1944, outlines the main problems of price control in Canada and briefly summarizes the Board's activities in maintaining civilian supplies. The Board's controls over the distribution of goods in short supply are described in the chapter on Internal Trade (pp. 567-571). A more comprehensive account of the Board's activities may be found in the three Reports to Parliament, covering the periods Sept. 3, 1939-Mar. 31, 1943; Apr. 1, 1943-Dec. 30, 1943; and Jan. 1, 1944-Dec. 31, 1944, respectively.

Price Control.—Price control in Canada is based on the general principle that maximum (ceiling) prices should be in line with the prices prevailing in the basic period, Sept. 15 to Oct. 11, 1941. This principle has been applied either by holding each seller to the highest price he obtained for a particular article in the

* Except as otherwise credited, the sections of this Chapter have been revised by H. F. Greenway, M.A., Chief, Prices Branch, Dominion Bureau of Statistics. This Branch compiles and publishes statistics on: Wholesale and Retail Prices and Services; Cost of Living; Prices of Securities and Bond Yields. For a complete list of the publications of this Branch see Chapter XXX, Section I, under Internal Trade.

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