

Commercial Accommodation.—The decontrol of commercial accommodation was completed on Mar. 8, 1948, when all remaining regulations in this field were withdrawn.

In the early months of 1947 a number of important changes were made in the rental and eviction regulations affecting commercial accommodation including the authorization of a 25 p.c. rental increase in return for a two-year extension of the lease.* Further decontrol became effective June 19, 1947, when rent and eviction controls were lifted on several types of commercial accommodation including gasoline service stations let by refiners or distributors, automobile parking or sales lots, meeting halls and motion picture theatres. At the same time the Minister of Finance announced the eventual complete decontrol of commercial accommodation which became effective on Mar. 8, 1948. By this time freedom of bargaining already prevailed with respect to a substantial proportion of commercial accommodation, while much more was held under leases which would not expire until 1949 or even later. Rent control on all hotel accommodation was terminated on Apr. 7, 1947.

Section 1.—Wholesale and Retail Prices

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 are frequently very sensitive and 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 may be strongly influenced by local conditions 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.

Subsection 1.—Wholesale Prices

Historical Record of Prices.—Wholesale price index numbers in Canada cover the period dating from Confederation in 1867. An intermittent decline characterized the first 30 years of this interval, followed by a gradual advance for a period of 16 years prior to the outbreak of war in 1914; from an average of 43·6 in 1897, the general wholesale index (1926=100) advanced without appreciable interruption to 64·4 in July, 1914. By the end of the War in November, 1918, this index had reached 132·8, and it continued upward to a post-war inflationary peak of 164·3 in May, 1920. The subsequent deflationary period lasted about two years, and between 1922 and 1929 price levels remained in comparative stability. Annual averages in this interval held between a high of 102·6 for 1925 and 95·6 for 1929. For the four years following 1929, depressionary influences were so severe that prices fell to the level of those of 1913. In February, 1933, the wholesale index touched an extreme low of 63·5 before turning upward again. Irregular recovery then continued until 1937, but the highest point reached, 87·6 in July, 1937, was substantially below the 1926 average. The collapse of the wheat market

* See Canada Year Book 1947, p. 923.