

### 21.3.3 Consumer expenditure

Household surveys of family expenditure provide information on consumer spending that can be related to family characteristics, such as geographical location, family size, income level, etc. In general, a survey program has consisted of two phases — the collection by means of monthly record-keeping surveys throughout the reference year of detailed information on family food expenditures, and the collection of information by annual recall of all family expenditure, income and change in assets and liabilities. In 1953, the small-scale continuing survey was initiated, and until 1968 seven survey programs were conducted. In three survey years (1959, 1964 and 1967) the monthly surveys were omitted and the annual recall surveys were enlarged in size and scope to refer to all families and individuals regardless of family type or income.

A primary purpose of such surveys is to provide information for constructing, reviewing and revising the weights of consumer price indexes. In more recent years a growing demand for expenditure statistics to serve other needs of government, business, welfare organizations and academic research culminated in the expansion of the 1969-70 survey program to provide a large-scale national survey for the first time since 1948-49, covering both urban and rural households in the ten provinces; the Yukon Territory and the Northwest Territories were not included. The family expenditure survey undertaken for 1971 was designed to collect expenditures on shelter and household durable goods purchases. Family records were obtained from a sample of about 3,600 families and individuals in eight major regional cities (St. John's, Halifax, Montreal, Ottawa, Toronto, Winnipeg, Edmonton and Vancouver).

Table 21.21 presents a summary of family expenditures for families of two or more persons in eight Canadian cities, classified by family income in 1971.

### 21.3.4 Wholesale price index

The term "wholesale prices" refers to transactions that occur below the retail level. It relates to sales and purchases of raw materials, semi-processed goods and manufactured products. Indexes of wholesale prices are constructed in two ways: on an industry basis, in which the indexes are prepared for individual industries and aggregated for groups of industries; and on a commodity basis, in which indexes are prepared for individual commodities and aggregated for groups of commodities. "Industry selling price indexes" for manufacturing industries are the principal industry-classified indexes available in Canada. The "general wholesale index" is the major commodity-classified index.

Wholesale price indexes and individual price series have numerous uses, one of the most important of which is in escalator clauses of contracts where prices quoted are linked to movements of specified price indexes. They are also of major importance in studies of replacement and construction costs in investment projects; analyses of price movements of both individual items and commodity groups in relation to purchases and sales; industrial planning and market analysis; valuations for tax purposes and inventory analysis; and studies of changes in real production. Foreign companies also utilize the indexes in assessing the competitive position of Canadian goods.

**Industry selling price indexes (manufacturing).** Indexes of the selling prices of some 100 individual industries classified to manufacturing in the Standard Industrial Classification are produced and published monthly. In addition, indexes are published for 12 major groups of manufacturing industries and a composite gross weighted index for all manufacturing has been introduced recently.

The indexes measure the movements through time of prices received by manufacturers for their products. Prices reflected in the index are f.o.b. manufacturers' establishment, excluding taxes levied on manufacturers' sales. The items in the current indexes and their weights, indicating their relative importance, are based on manufacturers' shipments in 1961. The composite gross weighted index for manufacturing is presented in Table 21.22, for the years 1962-72.

**The general wholesale index** includes mainly manufacturers' prices but also incorporates those of wholesalers proper, assemblers of primary products, agents and operators of other types of commercial enterprises which trade in commodities of a type, or in quantities characteristic of primary marketing functions. Prices are grouped according to a commodity classification scheme based on chief component material similarities. Indexes classified according to degree of manufacture are also available. In Table 21.23, the general wholesale