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*Our Food
Costs*

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CANADA DEPARTMENT OF AGRICULTURE

The Canadian homemaker complains about her grocery bill—and with reason. Food prices have more than doubled in the past 25 years and continue to increase. The weekly food basket to feed a family of four cost about \$25 in 1962 (Figure 1). The same amount of food would have cost \$10 during 1935–39 and \$20 in 1948–50.

COST OF WEEK'S FOOD FOR FAMILY OF FOUR



Figure 1

But while Mrs. Homemaker spends more on food, she also has more money to spend; incomes have quadrupled during the past 25 years.

Food is purchased from "take-home pay"—the amount left after deducting income tax, pension and unemployment insurance. When all Canadian families are considered together, take-home pay plus the baby bonus, old-age pension and other such items of income are called "disposable income." Figure 2 illustrates what has happened to disposable income. Like food prices, it has increased sharply.

DISPOSABLE INCOME PER PERSON PER YEAR



Figure 2

Though food prices and incomes have both increased, incomes have led the way. If Mrs. Homemaker had bought the same kinds and amounts of food in 1935–39 as she does today, with a week's take-home pay she could have fed her family for 2.6 weeks (Figure 3). A week's pay in 1962 would have bought enough food for 4.6 weeks. (One basket contains a week's supply of food.)

BASKETS OF FOOD WHICH COULD BE BOUGHT WITH ONE WEEK'S INCOME

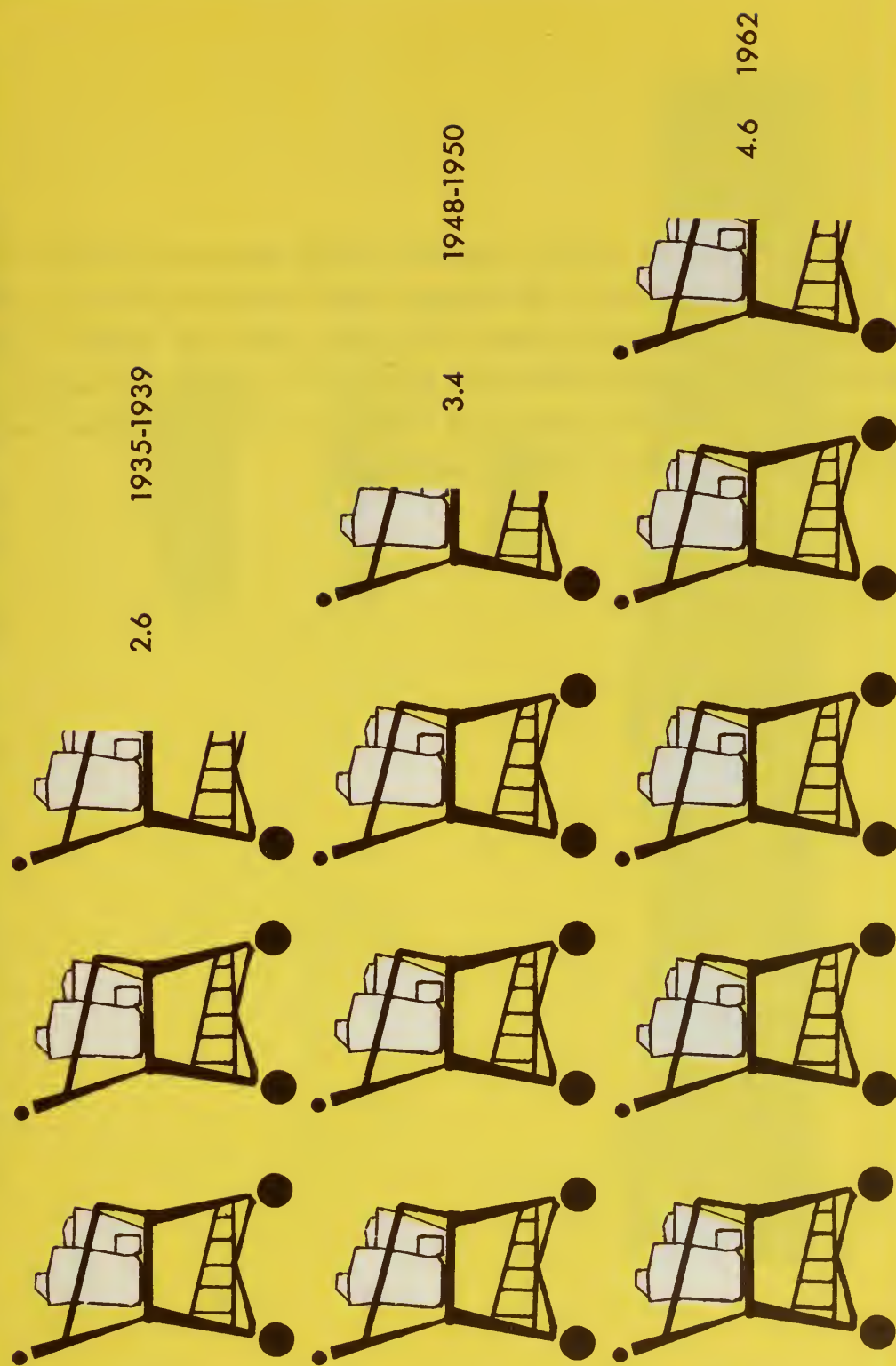


Figure 3

Canadians spent about a quarter of their income on food in 1935, and they still do (Figure 4). As incomes have increased, there has been more money available for food. Of every dollar of added income, almost 25 cents has gone for food. Part of this has been absorbed by higher prices, part has been used for better food, and the rest has paid for more services, such as packaging.

PERCENTAGE OF DISPOSABLE INCOME SPENT ON FOOD

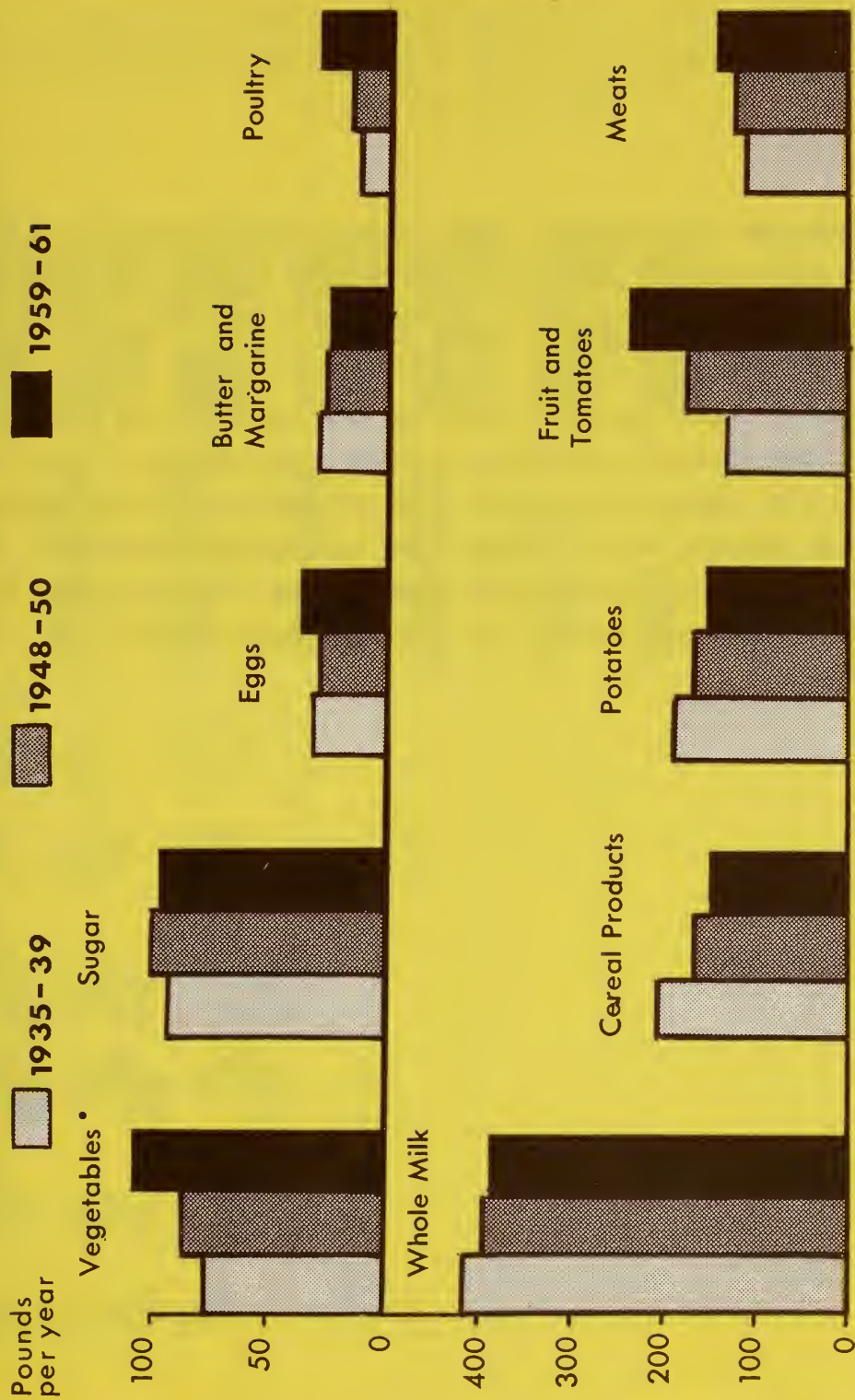


Figure 4

The Canadian diet has changed considerably since 1935-39. The consumption of fruits, tomatoes, most vegetables, meats and poultry has shown a marked increase, while that of grain products and potatoes has declined sharply. Changes in the consumption of other major foods, like butter and margarine, fluid whole milk, eggs and sugar, have been less noticeable.

Tastes have taken an expensive turn. Fruits, vegetables and meat cost more than grain products and potatoes for the amount of energy they give. However, these foods have improved the nutritive value of the diet and have made everyday meals more varied and appealing.

CONSUMPTION PER PERSON OF SPECIFIED FOOD CLASSES



* Excluding potatoes and tomatoes.

Figure 5

The worker may still ask: "Can I buy as much food with an hour's work now as I could 10 years ago?" In Figures 6 and 7, the quantities of various foods that could be bought with an hour's wages in 1948-50 and 1962 are shown.

Wages in manufacturing industries are used for this comparison because these industries employ a large percentage of the wage earners in big cities, where data are available on food prices. In small urban centers, and in mining and lumbering communities, food prices probably have followed the same trend, but may be at lower or higher levels depending on transportation costs and other circumstances.

QUANTITIES OF SPECIFIC FOOD WHICH COULD BE BOUGHT
WITH ONE HOUR'S WAGES IN MANUFACTURING INDUSTRIES
1948-50 and 1962

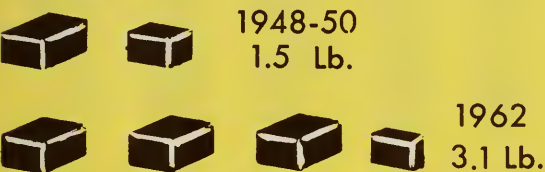
BREAD



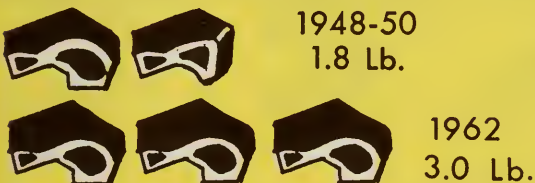
MILK



BUTTER



PORK



BEEF



Figure 6

The foods in Figures 6 and 7 were selected as representative in the food budget. The quantity that an hour's wage will buy has increased for all of them. The results would be similar for most other foods.

MORE INFORMATION

The following publications may be obtained from the Dominion Bureau of Statistics:

Canadian Statistical Review

National Accounts, Income and Expenditure

Apparent per Capita Domestic Disappearance of Food in Canada

Urban Family Food Expenditure

**QUANTITIES OF SPECIFIC FOOD WHICH COULD BE BOUGHT
WITH ONE HOUR'S WAGES IN MANUFACTURING INDUSTRIES**

1948-50 and 1962

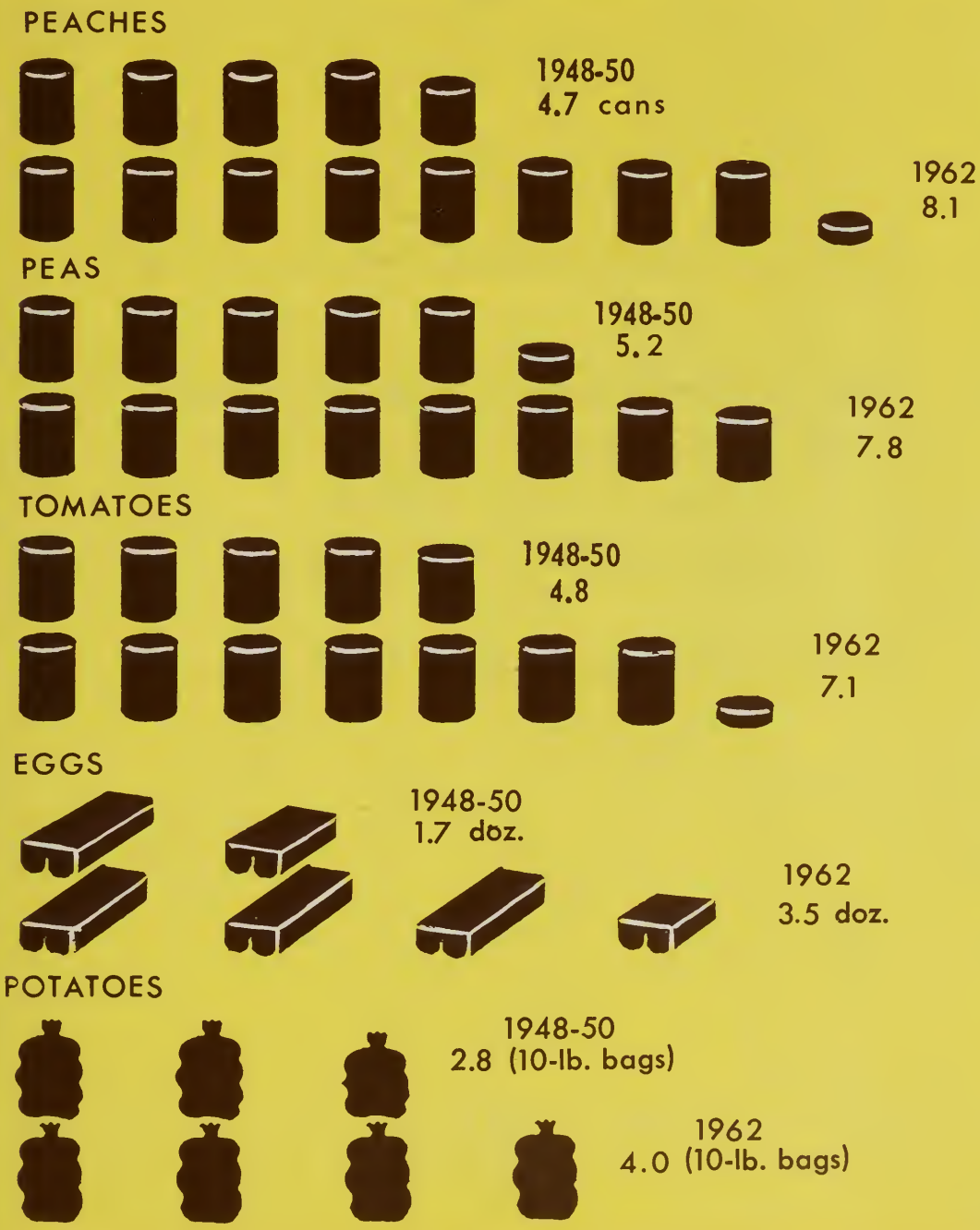


Figure 7

First printed July 1959
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Copies of this publication may be obtained from:

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