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PRICE MOVEMENTS

JUNE 1962

THE CONSUMER PRICE INDEX: (1949=100)

The Consumer Price Index rose 0.3 per cent from 130.1 to 130.5 between May and June 1962 as a result of increases in the Food, Housing and Clothing indexes. The Transportation, Health and Personal Care, and Tobacco and Alcohol indexes were unchanged while the Recreation and Reading index declined fractionally.

Consumer Price Indexes (1949=100)

	Component Weights (1)	1962		
		June	May	April
All-Items	100	130.5	130.1	130.3
Food	27	125.6	124.5	125.8
Housing (2)	32	134.9	134.5	134.0
Clothing	11	113.1	112.8	113.2
Transportation	12	140.4	140.4	140.2
Health and Personal Care	7	158.2	158.2	158.1
Recreation and Reading	5	147.0	147.1	146.6
Tobacco and Alcohol	6	117.9	117.9	117.9

- (1) Component weights indicate the relative importance of item groups.
(2) This index is composed of shelter and household operation.

The Food index increased 0.9 per cent from 124.5 to 125.6 as higher prices were reported for a wide range of items including beef, fresh and cured pork, lamb, veal, chicken, flour, cheese, cake mix, coffee, most fresh vegetables, grapefruit and apples. Prices were lower for eggs, fresh milk, some fats, strawberries, orange juice and canned vegetables.

The Housing index rose 0.3 per cent from 134.5 to 134.9
(Continued on Page 4)

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Prepared in Prices Division

WHOLESALE PRICE INDEXES (WEEKLY)¹
(1935-1939 = 100)

The price index of 30 Industrial Materials, calculated as an unweighted geometric average, eased 0.1 per cent in the three-week period June 1st to June 22nd. Prices for 8 commodities declined and 6 advanced, while 16 were unchanged. Changes included decreases for linseed oil, tin, raw rubber, steel scrap and domestic lead, and increases for hogs, fir timber, raw wool, steers and raw sugar.

In the same period, the price index of Canadian Farm Products at terminal markets advanced 1.9 per cent. The Animal Products index rose 3.0 per cent reflecting higher prices on both Eastern and Western markets for hogs, raw wool and steers, and for eggs in the East. Prices were lower for calves both East and West and for eggs in the West. The Field Products index moved up 0.1 per cent as prices advanced for potatoes on both Eastern and Western markets and for oats in the East. Showing lower were prices of flax, rye and hay in the West and rye, hay, barley and peas in the East.

Wholesale Price Indexes (1935-1939 = 100)

	1962 Week Ended					Monthly Average		
	June 29th	June 22nd	June 15th	June 8th	June 1st	June ^(P) 1962	May 1962	June 1961
Industrial Materials	NOT AVAILABLE	252.8	253.2	252.9	253.0	253.0	251.8	239.7
Canadian Farm Products		229.3	228.8	227.1	225.1	228.4	222.8	228.6
Field		172.2	172.0	172.0	172.0	172.1	168.9	192.5
Animal		286.5	285.7	282.1	278.2	284.8	276.7	264.7
Regional Indexes:								
Eastern Canada		245.2	244.5	242.0	239.3	243.9	236.9	237.8
Western Canada	213.5	213.2	212.2	211.0	213.0	208.6	219.4	

1 - All 1962 indexes are subject to revision. For Canadian Farm Products, indexes from July 1961 are subject to revision as and when participation payments are announced for Western grains.

(P)- Preliminary, average of 3 weeks.

NOTICE TO USERS OF WHOLESALE PRICE INDEX NUMBERS OF CANADIAN FARM PRODUCTS

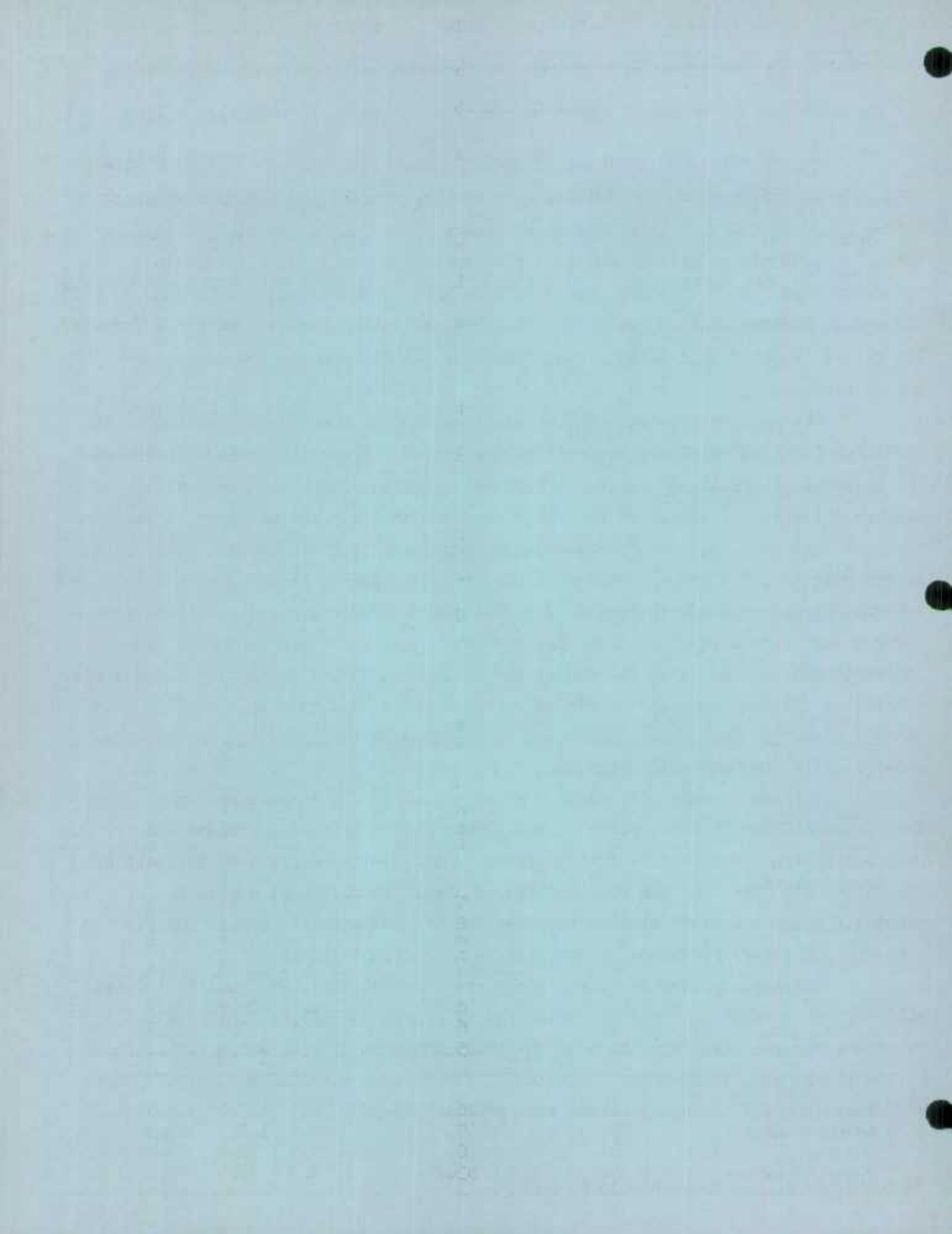
1935-39 = 100

The Wholesale Price Index of Canadian Farm Products at terminal markets, 1935-39 = 100, is soon to be replaced by a new series entitled "Index Numbers of Prices Paid for Canadian Primary Farm Products, 1956 = 100". Complete details of commodity content, weighting, and construction methods will be contained in a reference paper which will also carry indexes monthly and annually from January 1956. Subsequent indexes will appear in the monthly publication "Prices and Price Indexes". The reference paper will include comparisons of the old and the new series over the period since 1956.

The major change between the existing and the new indexes relates to the marketing level at which the commodities are priced. The existing index measures the movement of producers' prices at terminal markets. The new indexes will measure the movement of prices paid by purchasers at the point of entry of the farm products into exports, domestic processing, and domestic fresh market. This shift in the pricing point was undertaken to permit production of indexes which are immediately comparable with indexes for past years. Under present marketing procedures for Western grains, particularly wheat, final prices to producers are announced many months after the end of the crop year, during which time indexes are subject to frequent and major revision and lack comparability with preceding crop years. Somewhat similar problems exist where Canadian farm products are marketed under a deficiency payments programme.

The new indexes will measure price movements for three Canadian primary farm product flows at their point of entry into (1) exports, (2a) domestic processing, and (2b) domestic fresh market. Indexes will be produced for each of the three categories and for combinations of them. In addition, animal and vegetable product indexes will be produced for the two domestic series and for domestic and export combined. There will be no regional indexes.

The price reference base for the new index will be 1956 and the indexes will express current prices as a percentage of prices in 1956. Weights, which represent the relative importance of the price movement of each commodity included in the index, will be based on the value of commodities entering each of the three marketing channels during the three year period 1955-57.



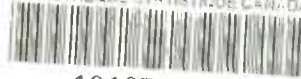
SECURITY PRICE INDEXES: The Investors Index of common stock prices, on the base 1935-39=100, moved down 6.5 per cent in the four-week period May 31st to June 28th. Decreases for major groups were: Banks, 7.5 per cent, Industrials, 6.7 per cent, and Utilities, 4.1 per cent. Within Industrials, all nine sub-groups declined, led by Machinery and Equipment, down 10.3 per cent from 604.5 to 542.1, Milling and Grains, down 8.6 per cent from 219.4 to 200.6 and Oils, down 7.0 per cent from 217.8 to 202.5. All three sub-groups within Utilities declined with Power and Traction down 6.1 per cent from 191.8 to 180.1, Transportation down 4.6 per cent from 318.7 to 304.0 and Telephones down 3.1 per cent from 143.5 to 139.0.

The index of Mining Stocks, on the base 1935-39=100, moved 0.5 per cent lower reflecting a decrease of 3.9 per cent for Base Metals and an increase of 3.5 per cent for Golds.

Four supplementary indexes on the base 1956=100 declined as follows: Investment and Loan, down 14.9 per cent; Primary Oils and Gas, 11.2 per cent; Pipelines, 10.4 per cent; and Uraniums, 7.7 per cent.

Weekly Security Price Indexes

	1962 Week Ended					Monthly Average		
	June 28th	June 21st	June 14th	June 7th	May 31st	June 1962	May 1962	June 1961
(1935 - 1939 = 100)								
Investors Price Index								
86 Common Stocks	275.2	269.4	277.9	293.2	294.3	278.9	310.3	316.4
Industrials(66).....	285.5	280.8	288.0	305.0	306.1	289.8	323.7	330.9
Utilities(14).....	201.9	198.6	203.8	212.3	210.6	204.2	219.2	223.2
Banks(6).....	342.0	318.9	347.8	362.4	369.7	342.8	387.4	385.5
Mining Stock Price Index								
25 Stocks	130.8	134.7	136.0	134.2	131.4	133.9	136.5	121.9
Golds(17).....	90.9	95.5	96.9	91.2	87.8	93.6	88.5	73.8
Base Metals(8).....	222.3	224.5	225.5	232.6	231.2	226.2	246.4	232.1
(1956 = 100)								
5 Pipelines.....	124.1	120.5	126.6	137.8	138.5	127.2	144.6	137.8
8 Investment and loan	136.8	141.1	147.7	156.3	160.8	145.5	169.9	179.6
6 Uraniums	69.2	69.4	70.1	73.8	75.0	70.6	79.7	71.5
9 Primary Oil and Gas	52.3	49.5	53.2	59.1	58.9	53.5	62.2	58.2



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THE CONSUMER PRICE INDEX: (Continued from Page 1)
(1949=100)

as both the shelter and household operation components moved to higher levels. In shelter, both rents and home-ownership were up. The movement in rents, the first in almost a year, reflected changes which are attributable to the traditional moving month of May. In household operation, prices were higher for furniture, floor coverings, utensils and equipment. Lower prices were recorded for textiles, and supplies and services, the latter index reflecting lower premiums for insurance on household effects.

The Clothing index was up 0.3 per cent from 112.8 to 113.1 as a result of price increases for men's and children's wear, piece goods, and clothing services which includes laundry, dry cleaning and shoe repairs. Women's wear prices were lower.

The Transportation index was unchanged at 140.4. Somewhat higher prices for gasoline, train and bus fares, were not sufficient to move the group index.

The Health and Personal Care index remained at its May level of 158.2. The health care component was lower as a result of price decreases for pharmaceuticals while the personal care index moved up due to higher prices for personal care items, including toothpaste, shaving cream and razor blades.

The Recreation and Reading index declined 0.1 per cent, from 147.1 to 147.0, with lower prices for bicycles and camera film in recreation, offsetting higher prices for sports equipment. The reading index was unchanged.

The Tobacco and Alcohol index remained unchanged at its May level of 117.9.