

PRICE MOVEMENTS

JANUARY 1968

THE CONSUMER PRICE INDEX:
(1949=100)

The Consumer Price Index for Canada increased by 0.5 per cent to 152.6 at the beginning of January from 151.8 at the beginning of December. The January 1968 index was 4.5 per cent above the January 1967 level of 146.0. Major contributors to the advance since the preceding month were an increase of 1.2 per cent in the Food index and of 0.6 per cent in the Housing index. The Tobacco and Alcohol component advanced a further 2.5 per cent, partially reflecting increased excise taxes on these products. The Transportation and the Recreation and Reading indexes each rose by 0.3 per cent, while the Health and Personal Care component decreased marginally by 0.1 per cent. A more marked decline of 1.0 per cent occurred in the Clothing component, reflecting the many sales that occur at the beginning of the year.

Consumer Price Indexes (1949=100)

	Component Weight (1)	Index			Per Cent Change	
		1968	1967		Jan. 1968 From	
		Jan.	Dec.	Jan.	Dec. 1967	Jan. 1967
ALL-ITEMS	100	152.6	151.8	146.0	+ 0.5	+ 4.5
Food	27	150.4	148.6	144.9	+ 1.2	+ 3.8
Housing (2)	32	154.7	153.8	147.6	+ 0.6	+ 4.8
Clothing	11	133.4	134.7	128.6	- 1.0	+ 3.7
Transportation	12	160.0	159.6	153.0	+ 0.3	+ 4.6
Health and Personal Care	7	193.6	193.8	184.9	- 0.1	+ 4.7
Recreation and Reading	5	170.2	169.7	161.9	+ 0.3	+ 5.1
Tobacco and Alcohol	6	136.3	133.0	126.5	+ 2.5	+ 7.7

(1) Component weights indicate the relative importance of item groups.

(2) This index is composed of shelter and household operation.

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Prices Division

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WHOLESALE PRICE INDEXES (WEEKLY)¹

(1935-1939 = 100)

The price index of 30 Industrial Materials, calculated as an unweighted geometric average, decreased 0.5 per cent to 255.2 from 256.5 in the four-week period December 29th to January 26th. Prices declined for five commodities, advanced for seven and remained unchanged for eighteen. Principal changes included lower prices for raw rubber, steers, raw sugar, tin and hogs, and higher prices for beef hides.

In the same four-week period, the price index of Canadian Farm Products at terminal markets declined 0.9 per cent to 252.9 from 255.2. The Animal Products index moved down 2.5 per cent to 316.1 from 324.1 as a result of lower prices for eggs, steers and hogs on both Eastern and Western markets, and for calves and raw wool in the West. Higher prices were shown for lambs on both markets and for raw wool, calves and poultry in the East. The Field Products index advanced 1.8 per cent to 189.6 from 186.2 reflecting higher prices for potatoes, hay, corn and wheat on the Eastern market and for rye and flax in the West. Prices were lower for oats and tobacco in the East and hay in the West.

Wholesale Price Indexes (1935-1939 = 100)

	1968 Week Ended				1967	Monthly Indexes		
	Jan. 26th	Jan. 19th	Jan. 12th	Jan. 5th	Dec. 29th	Jan. (P) 1968	Dec. 1967	Jan. 1967
Industrial Materials	255.2	255.7	255.7	255.9	256.5r	255.7	254.3	253.5
Canadian Farm Products	252.9	253.0	255.6	254.6	255.2	253.0	256.3	249.7
Field	189.6	189.6	189.2	186.4	186.2	189.6	186.2	175.3
Animal	316.1	316.3	322.0	322.8	324.1	316.3	326.4	324.1
Regional Indexes:								
Eastern Canada	272.4	274.0	275.5	271.9	272.7	274.0	274.2	275.2
Western Canada	233.3	231.9	235.7	237.3	237.6	231.9	238.4	224.2

1 - All 1967 indexes are subject to revision. For Canadian Farm Products, indexes subsequent to July 1966 are subject to revision as and when participation payments are announced for Western grains.

(P) - Preliminary.

r - Revised.

SECURITY PRICE INDEXES:

(1956 = 100)

The Investors' Index of common stock prices eased 0.7 per cent to 172.8 from 174.0 in the four-week period December 28th to January 25th. Indexes for all three major groups decreased, headed by Industrials down 0.8 per cent to 183.3 from 184.7, closely followed by Finance down 0.7 per cent to 135.4 from 136.4, and by Utilities down 0.4 per cent to 161.9 from 162.6. Within Industrials, indexes for seven sub-groups decreased and six increased. Decreases ranged from 5.3 per cent for Pulp and Paper to 0.6 per cent for Chemicals, the former to 101.3 from 107.0 and the latter to 99.1 from 99.7. Construction, registering the largest increase, advanced 4.8 per cent to 63.2 from 60.3, closely followed by Foods up 4.3 per cent to 208.0 from 199.5. In Finance, indexes for both sub-groups decreased as Banks moved down 0.9 per cent to 139.2 from 140.5, and Investment and Loan eased 0.3 per cent to 127.7 from 128.1. In Utilities, indexes for three of the five sub-groups decreased. Decreases were led by Pipelines down 5.0 per cent to 176.5 from 185.7, closely followed by Transportation down 4.9 per cent to 176.4 from 185.4. Gas Distribution, being the largest increase, advanced 7.1 per cent to 401.0 from 374.5.

In the same period, the index of Mining stock prices rose 1.4 per cent to 111.4 from 109.9, as Golds increased 1.9 per cent to 163.4 from 160.3 and Base Metals edged up 0.7 per cent to 82.9 from 82.3.

Of the two supplementary price indexes, Uraniums decreased 2.5 per cent to 270.4 from 277.2 while Primary Oils and Gas edged up 0.3 per cent to 224.2 from 223.5.

Weekly Security Price Indexes (1956 = 100)

	Number of Stocks Priced	1968 Week Ended				1967	Monthly Average		
		Jan. 25th	Jan. 18th	Jan. 11th	Jan. 4th	Dec. 28th	Jan. 1968	Dec. 1967	Jan. 1967
Investors Price Index:									
Total Index	114	172.8	177.1	174.0	173.8	174.0	174.4	173.6	163.3
Industrials	80	183.3	188.6	184.6	184.4	184.7	185.2	184.5	171.1
Utilities	20	161.9	163.1	161.3	162.8	162.6	162.3	161.8	156.0
Finance ¹	14	135.4	139.6	138.6	136.0	136.4	137.4	135.4	134.3
Banks	6	139.2	145.1	143.5	139.9	140.5	141.9	139.1	130.3
Mining Stock Price Index:									
Total Index	24	111.4	114.3	112.2	108.6	109.9	111.6	107.0	102.6
Golds	13	163.4	168.6	164.7	155.9	160.3	163.2	152.1	123.0
Base Metals	11	82.9	84.5	83.5	82.7	82.3	83.4	82.3	91.3
Supplementary Indexes:									
Uraniums	6	270.4	276.6	279.1	280.0	277.2	276.5	268.6	195.0
Primary Oils and Gas	6	224.2	227.6	232.6	228.0	223.5	228.1	220.4	160.1

¹ Composed of Banks and Investment and Loan.



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THE CONSUMER PRICE INDEX: (Continued from Page 1)

(1949=100)

The Food index rose 1.2 per cent to 150.4 from 148.6 in December as a result of marked advances in some seasonal items. Among staple items, bread, flour and margarine prices increased, those for sugar and eggs declined, while quotations for fresh milk and butter remained unchanged from the previous month. A significant increase was recorded in the price of chocolate bars on a per ounce basis. Among produce items, substantial advances in the prices of cabbage, carrots, celery, lettuce and oranges outweighed price declines for grapefruit and bananas. Canned fruits, vegetables and juices were generally higher in price. Movements of meat prices were mixed: higher quotations were recorded for fresh pork, chicken, and some packaged meats, while lower prices prevailed for turkey and smoked ham. The Food index in January 1968 was 3.8 per cent above its level of twelve months earlier.

The Housing index rose 0.6 per cent to 154.7 in January from 153.8 a month earlier, due to generally higher shelter costs. Home-ownership costs rose by 1.7 per cent in response to higher levels of mortgage interest and real property taxes. Rents edged up in most cities and domestic electricity and gas costs also increased. Most homefurnishings declined fractionally in price, reflecting the many January sales for these items. The January 1968 Housing index was 4.8 per cent above that of January 1967.

The Clothing index declined by 1.0 per cent to 133.4 in January from 134.7 in December, as a result of sales in a wide range of items. The men's, women's and children's clothing sub-groups all registered declines, with the most marked price decreases occurring in winter outerwear. In the clothing group, only footwear showed a slight upward movement. The January 1968 Clothing index was 3.7 per cent above its level of January 1967.

The Transportation index rose by 0.3 per cent to 160.0 in January from 159.6 a month earlier. There was a slight decrease in the price of new automobiles, but this decrease was outweighed by a rise in train fares and higher gasoline prices in some cities. The Transportation index in January was 4.6 per cent above its level of twelve months previous.

The Health and Personal Care index declined by 0.1 per cent to 193.6 in January from 193.8 in December. Slight decreases in the prices of razor blades and some toiletries more than offset a price rise in cleansing tissues. The January 1968 level of this main component index was 4.7 per cent above its corresponding January 1967 level.

The Recreation and Reading index rose by 0.3 per cent to 170.2 in January from 169.7 a month earlier. Decreases in the price of radio and television sets were outweighed by increases in the price of phonograph records in some cities, coupled with higher subscription rates for some Toronto and Montreal daily newspapers. The Recreation and Reading component in January 1968 stood 5.1 per cent over its level of twelve months earlier.

The Tobacco and Alcohol component advanced by 2.5 per cent to 136.3 in January from 133.0 in December. The imposition of higher excise taxes on alcoholic beverages was chiefly responsible for the general price rise. This latest movement brought the January 1968 Tobacco and Alcohol index to a level 7.7 per cent above its January 1967 counterpart.

NOTE

For comprehensive detail on these and other price statistics, see Prices and Price Indexes (Monthly), Catalogue No. 52-002. Price: \$4.00 Per Year; Single Copies 10¢.