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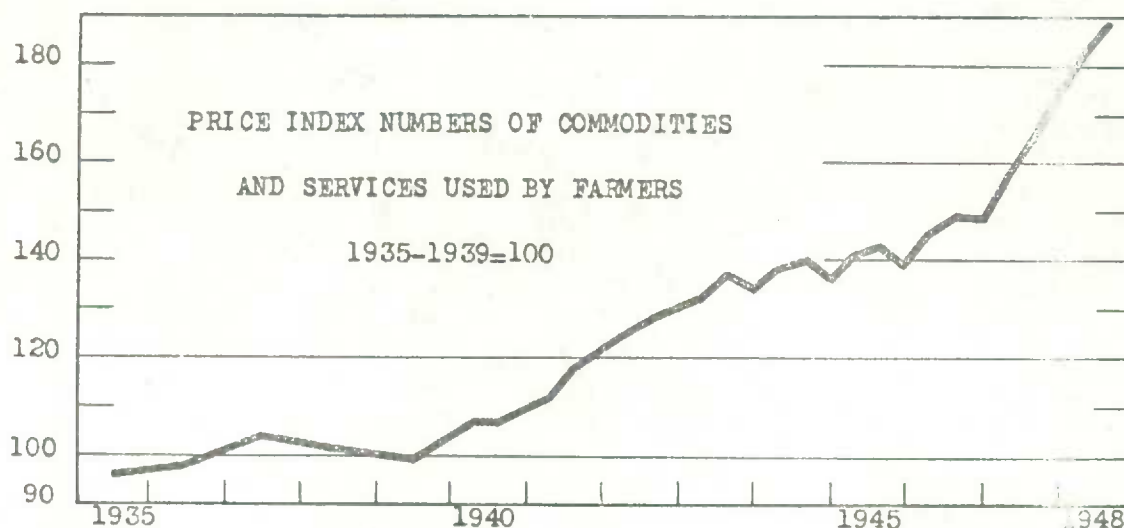
PRICE INDEX NUMBERS OF COMMODITIES AND SERVICES USED BY FARMERS

(1935-39=100)

AUGUST, 1948

Increases in equipment and materials prices, farm wage rates and farm family living costs advanced the Dominion composite index of commodities and services used by farmers 6.0 points between April and August, 1948. At 189.2 the August index was 23.6 points higher than that for August, 1947. Exclusive of living costs, the Dominion composite index rose 6.1 points between April and August, and 23.9 points in the year.

For all Canada, equipment and materials prices advanced 4.1 points from April to August; farm wage rates were up 21.0 points and farm family living costs 5.8 points. Regional index numbers for eastern and western Canada showed the following point increases respectively: equipment and materials, 2.6 and 5.6; wage rates, 23.8 and 17.0; living costs, 5.0 and 6.7.



The four main series entering the Dominion composite index are shown below, together with the composite index, inclusive and exclusive of living costs:

	Composite Index Inclusive of Living Costs	Composite Index Exclusive of Living Costs	Equipment and Materials	Tax and Interest Rates	Farm Wage Rates	Farm Family Living Costs
	(a)	(a)				
August, 1948	189.2	202.3	177.0	119.8	398.4	169.5
April, 1948	183.2	196.2	172.9	119.8	377.4	163.7
January, 1948	174.7	187.6	169.8	119.8	337.8	155.3
August, 1947	165.6	178.4	146.3	119.8	370.6	146.5
1939	99.4	99.3	95.7	101.1	110.3	99.5

(a) 1947 and 1948 indexes are subject to revision since tax and interest rate figures are preliminary.

TABLE 1. - PRICE INDEX NUMBERS OF COMMODITIES AND SERVICES USED BY
FARMERS AND FARM FAMILY LIVING COSTS
(1935-39=100)

	Equipment and Materials	Tax and Interest Rates (a)	Farm Wage Rates	Composite Index Exclusive of Living Costs (a)	Farm Family Living Costs	Composite Index Inclusive of Living Costs (a)
ALL CANADA						
1926	119.9	135.5	164.5	130.6	121.1	126.8
1939	95.7	101.1	110.3	99.3	99.5	99.4
1946 - August ...	129.4	117.2	343.8	162.7	130.5	149.8
1947 - January ..	132.2	119.8	303.1	158.3	132.3	147.9
April	140.1	119.8	350.5	171.1	136.1	157.1
August ...	146.3	119.8	370.6	178.4	146.5	165.6
1948 - January ..	169.8	119.8	337.8	187.6	155.3	174.7
April	172.9	119.8	377.4	196.2	163.7	183.2
August	177.0	119.8	398.4	202.3	169.5	189.2
EASTERN CANADA						
1926	122.8	128.4	151.1	129.5	120.2	125.8
1939	94.8	99.2	110.6	98.7	99.5	99.0
1946 - August ...	131.3	100.7	333.1	165.2	130.6	151.4
1947 - January ..	134.0	106.7	321.5	165.7	131.9	152.2
April	139.5	106.7	344.8	173.6	135.9	158.5
August ...	146.0	106.7	364.7	181.5	146.3	167.4
1948 - January ..	176.1	106.7	355.9	198.3	154.9	180.9
April	177.4	106.7	370.3	201.9	163.4	186.5
August ...	180.0	106.7	394.1	208.2	168.4	192.3
WESTERN CANADA						
1926	117.1	141.6	183.5	131.8	121.9	127.8
1939	96.6	102.7	109.9	99.8	99.5	99.7
1946 - August ...	127.5	131.2	358.9	160.3	130.3	148.3
1947 - January ..	130.5	130.9	276.9	150.9	132.6	143.6
April	140.7	130.9	358.5	168.6	136.4	155.7
August ...	146.5	130.9	379.1	175.2	146.8	163.8
1948 - January ..	163.8	130.9	312.1	176.9	155.7	168.4
April	168.5	130.9	387.5	190.4	164.0	179.8
August ...	174.1	130.9	404.5	196.3	170.7	186.1

(a) 1947 and 1948 indexes are subject to revision, since tax and interest rate figures are preliminary.

TABLE 2. - GROUP INDEX NUMBERS OF EQUIPMENT AND MATERIALS USED BY FARMERS (1935-39=100)

	Farm Machinery	Building Materials	Gasolene, Oil, Grease	Feed	Fer- tilizer	Binder Twine	Seed	Hard- ware
ALL CANADA								
1926	97.6	114.0	127.7	136.4	129.4	184.6	130.2	104.0
1939	103.6	108.1	96.2	80.5	100.2	93.8	79.4	101.6
1946 - August	121.6	176.0	117.4	128.9	115.8	126.4	142.6	122.8
1947 - January	128.1	177.4	117.7	130.2	120.3	126.4	146.0	124.0
April	125.4	178.8	122.4	142.7	120.3	226.2	168.9	128.2
August	125.4	204.0	123.6	146.5	120.8	226.2	189.9	136.9
1948 - January	138.8	217.7	134.0	202.4	131.2	226.2	252.2	142.4
April	138.8	222.6	137.0	201.3	131.2	294.0	241.2	156.1
August	148.5	234.0	139.7	208.2	132.2	294.0	223.4	159.4
EASTERN CANADA								
1926	97.0	114.0	136.6	134.9	129.4	184.6	121.4	101.9
1939	104.3	108.1	100.1	81.0	100.1	93.8	82.4	102.1
1946 - August	122.0	175.7	129.7	126.8	117.2	126.4	141.6	123.2
1947 - January	128.0	177.4	130.3	128.4	122.1	126.4	145.2	124.5
April	125.0	179.7	133.3	140.0	122.1	226.2	149.8	127.1
August	125.0	197.8	134.7	143.8	122.1	226.2	178.9	136.3
1948 - January	138.7	210.3	146.9	204.1	133.2	226.2	250.5	141.6
April	138.7	215.3	148.4	201.5	133.2	294.0	237.6	156.8
August	145.7	222.2	150.4	205.5	133.2	294.0	229.0	158.7
WESTERN CANADA								
1926	97.8	114.0	122.6	141.6	129.4	184.6	137.5	106.3
1939	103.3	106.1	93.9	78.7	101.3	93.8	76.9	101.0
1946 - August	121.4	176.3	110.3	136.3	102.7	126.4	143.3	122.3
1947 - January	128.2	177.3	110.5	136.6	102.7	126.4	146.6	123.5
April	125.5	177.8	116.1	152.3	102.7	226.2	134.9	129.4
August	125.5	210.5	117.2	156.4	105.6	226.2	199.2	137.5
1948 - January	138.8	225.6	126.6	196.2	112.3	226.2	253.6	143.3
April	138.8	230.2	130.4	200.9	112.3	294.0	244.2	155.4
August	149.6	246.5	133.5	217.9	123.1	294.0	213.7	160.1

TABLE 3. - GROUP INDEX NUMBERS OF CANADIAN FARM FAMILY LIVING COSTS (1935-39 = 100)

	Composite Index	Food	Clothing	Fuel	Household Equipment	Health Maintenance	Miscel- laneous
ALL CANADA							
1926	121.1	134.0	138.5	125.3	107.7	95.8	102.3
1939	99.5	95.0	100.7	99.5	101.1	100.9	100.5
1946 - August	130.5	135.7	136.9	124.1	143.7	116.3	110.6
1947 - January	132.3	138.3	136.9	130.9	143.7	122.5	111.1
April	136.1	147.4	140.9	132.1	146.5	122.7	111.1
August	146.5	154.1	160.9	141.7	164.1	122.7	111.4
1948 - January	155.3	181.2	160.9	150.1	164.1	134.5	113.5
April	163.7	183.7	183.4	154.7	173.9	134.9	113.4
August	169.5	193.7	190.4	160.9	179.4	136.5	113.5
EASTERN CANADA							
1926	120.2	136.1	134.8	119.5	108.0	95.8	102.3
1939	99.5	96.3	100.2	98.9	100.9	100.8	100.6
1946 - August	130.6	140.1	138.5	118.9	137.6	116.3	110.8
1947 - January	131.9	142.3	138.5	119.2	137.6	122.5	111.4
April	135.9	151.1	142.7	120.2	141.8	122.7	111.4
August	146.3	158.0	164.0	128.1	157.6	122.7	111.7
1948 - January	154.9	185.3	164.0	137.4	157.6	134.5	113.8
April	163.4	189.0	185.2	138.4	169.4	135.0	113.7
August	168.4	198.9	191.3	141.5	173.1	136.5	113.8
WESTERN CANADA							
1926	121.9	131.9	138.1	131.2	107.4	95.8	102.4
1939	99.5	95.7	101.1	100.2	101.2	100.9	100.5
1946 - August	130.3	131.4	135.4	129.3	149.9	116.4	110.4
1947 - January	132.6	134.2	135.4	142.5	149.9	122.6	110.9
April	136.4	143.7	139.2	143.9	151.1	122.7	110.9
August	146.8	150.1	157.8	155.3	170.6	122.7	111.1
1948 - January	155.7	177.1	157.8	162.7	170.6	134.4	113.2
April	164.0	178.4	181.6	170.9	178.3	134.9	113.1
August	170.7	188.4	189.5	180.2	185.7	136.5	113.2

TABLE 4. - COMPOSITE PRICE INDEX NUMBERS OF COMMODITIES AND SERVICES
USED BY FARMERS, EXCLUSIVE OF LIVING COSTS
(1935-39=100)

	All Canada	Eastern Canada	Western Canada
1913	-	-	-
1914	85.3	87.4	83.3
1915	91.6	95.0	88.2
1916	100.5	102.3	98.8
1917	140.5	145.6	135.4
1918	160.2	161.7	158.6
1919	167.9	167.6	168.1
1920	186.5	190.0	183.1
1921	152.5	146.4	158.6
1922	134.1	131.9	136.6
1923	130.6	129.9	131.3
1924	131.9	130.7	133.3
1925	131.8	130.4	133.2
1926	130.6	129.5	131.8
1927	131.2	131.8	130.7
1928	129.3	128.2	130.4
1929	127.9	127.8	128.1
1930	117.0	115.5	118.5
1931	100.9	99.1	102.7
1932	93.3	89.6	96.9
1933	89.8	87.3	92.4
1934	95.5	94.7	96.4
1935	95.4	94.7	96.1
1936	98.1	97.7	98.5
1937	105.3	107.5	103.1
1938	101.7	101.5	101.9
1939	99.3	98.7	99.8
1940 - April	107.8	108.3	107.2
August	105.9	106.6	105.3
1941 - April	112.4	114.5	110.2
August	119.8	122.7	117.0
1942 - April	129.7	133.7	125.6
August	133.5	138.0	128.9
1943 - April	139.3	142.2	136.5
August	147.5	155.2	139.7
1944 - January	142.3	147.9	136.7
April	149.4	151.3	147.4
August	152.2	153.9	150.5
1945 - January	146.1	151.2	141.1
April	153.4	155.5	151.3
August	156.9	160.5	153.4
1946 - January	149.7	154.9	144.4
April	158.7	161.2	156.2
August	162.7	165.2	160.3
1947 - January	158.3	165.7	150.9
April	171.1	173.6	168.6
August	178.4	181.5	175.2
1948 - January	187.6	198.3	176.9
April	196.2	201.9	190.4
August	202.3	208.2	196.3

APPENDIX ON METHOD OF CONSTRUCTION OF

"PRICE INDEX NUMBERS OF COMMODITIES AND SERVICES USED BY FARMERS"

The composite index of prices of commodities and services used by farmers consists of four parts: Equipment and Materials, Tax and Interest Rates, Farm Wage Rates and Farm Family Living Costs. Separate indexes are made for Eastern and Western Canada, and the final totals combined into a Dominion index. The series, Equipment and Materials and Farm Family Living Costs, are available back to 1913; Farm Wage Rates and Tax Rates to 1914; and Interest Rates to 1917.

The weights are based upon several sources, chief of which are the results of a 1938 survey of 1,692 farm families, in which farmers reported spending about 40 per cent of operating outlay for living expenses and the remaining 60 per cent for direct operating costs. Capital expenditures, such as land and live stock, were recorded but have not been represented in these index numbers.

Prices for implements are obtained from price lists issued by manufacturers of this equipment. Building materials' prices are collected from selected retail sources serving farm communities. Gasolene, oil, grease and kerosene prices also come from retailers in farm communities. Farmers are exempt from certain taxes on these petroleum items. Fertilizer, seed and binder twine prices are obtained from large firms or organizations supplying these items. Feed and hardware are priced three times a year in centres where farmers deal.

Tax rates are calculated from a special sample of rural municipality records giving assessed land valuations and comparable total amounts of land taxes levied. They are revised once a year.

Mortgage interest rates are computed from farm crop correspondents' returns, indicating the prevailing level of rates in farm communities.

Wage rates are provided three times a year by crop correspondents reporting to the Dominion Bureau of Statistics, Agricultural Division. They are average wages of male farm help, quoted on both "with board" and "without board" bases and including seasonal help.

The farm family living cost price data are obtained by direct mail questionnaires addressed thrice yearly to grocers and other retailers in a cross-country sample of rural towns. Mail-order catalogues are relied upon to a large extent for clothing and sundry prices.

The price index series, Commodities and Services Used by Farmers exclusive of Living Costs, 1914-1948, appears on page 5 of this bulletin. A complete record of all other series, together with the weighting system used, is available in Price Index Numbers of Commodities and Services Used by Farmers, 1913-1948, Dominion Bureau of Statistics, Ottawa, July 21, 1948.

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