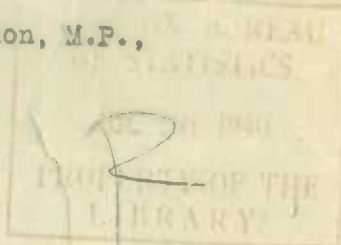


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FARM FAMILY LIVING COSTS, 1940 (SPRING)

The semi-annual index of farm family living costs issued by the Dominion Bureau of Statistics showed an increase of 6.5 p.c. to 87.2 for the Dominion between the fall of 1939 and the spring of 1940. The eastern and western regional indexes which are combined in the composite figure indicated slight differences, the eastern series advancing 7.1 p.c. to 88.0, and the western index gaining only 5.6 p.c. to 86.1. An index of Dominion urban living costs rose 3.3 p.c. to 85.7 in this period or less than one-half the amount recorded by the farm index. On the other hand, a sharp increase of 23.5 p.c. to 72.1 was noted for the Canadian Farm Products wholesale price index between August, 1939, and April, 1940, thereby reducing materially the spread between the things farmers buy and those they sell. The Bureau's general wholesale index of 567 commodity price series moved up 14.8 p.c. to 83.1 in the same interval.

Compared with Dominion farm family index levels of former years, the 1940 spring level was the highest since 1930 when the index was 94.3. This was true also of the eastern series, but for the West the current index was still fractionally below 1931 levels.

Comparatively sharp advances occurred in the majority of farm living budget groups. Foods showed the sharpest advance, the Dominion average rising 12.2 p.c. to 79.9 between August, 1939 and April, 1940. Compared with a year ago, the April, 1940 index had registered an increase of 11.4 p.c. As in the composite index of farm family living costs, the rise in food prices in the East exceeded that for the West, although the amount was small, (less than 1 p.c.). However, the level of food prices in the West relative to the 1926 base, still remained above eastern levels as has been the case since 1932. While price advances among foods were general over the past eight months, some individual items showed comparatively large increases, notably tea, coffee, butter, cheese, granulated sugar and flour.

Following closely the advance in foods the Dominion index for clothing moved 11.9 p.c. higher to 82.5 between August and April. In the East the advance amounted to 13.2 p.c., bringing the index to 84.0, while in the West the index gained 9.9 p.c. to 80.2. Prices for practically all types of clothing shared in the advance though increases in woollens and leather goods (shoes) predominated. For these latter items eastern prices showed the sharper increase.

Led by a 7.8 p.c. increase to an index level of 100.5 for household equipment prices in the East, the composite household equipment group index gained 7.7 p.c. to 100.5 between August and April. In the West prices for household equipment items gained 7.6 p.c. to 100.8. This was the only group index showing a level of prices higher than in the base year (1926). Food prices remained the lowest relative to the base year.

The movement in fuel prices over the past half year was relatively narrow when compared with other groups. The advance of 2.4 p.c. to 82.2 for the composite index was largely due to a 3.3 p.c. increase in eastern fuel prices, western prices advancing only 0.9 p.c. to 77.4 in the same period. In the East increases were general for coal (anthracite), coke, wood and coal oil, though there was a slight downward tendency for the last mentioned item in Ontario. In the West small advances occurred for coal (bituminous) wood and coal oil while coke tended to weaken in all provinces with the exception of British Columbia.



Table 1. - Index Numbers of Canadian Farm Living Costs and Related Series, 1913 - 1940.  
(1926=100)

Year	Canadian Farm Living Costs -			Canadian Urban Living Costs	Wholesale Prices of Canadian Farm Products
	Eastern Canada	Western Canada	Dominion Average		
1913 .....	63.7	69.4	66.0	65.4	64.1
1920 .....	143.9	145.4	144.5	124.2	160.6
1926 .....	100.0	100.0	100.0	100.0	100.0
1927 .....	99.0	99.5	99.2	98.4	102.1
1928 .....	97.9	98.4	98.1	98.9	100.7
1929 .....	97.9	96.4	97.5	99.9	100.8
1930 .....	94.7	93.7	94.3	99.2	82.3
1931 .....	86.4	86.3	86.4	89.6	56.3
1932 .....	81.0	80.9	81.0	81.3	48.1
1933 .....	79.5	79.3	79.4	77.5	51.0
1934 .....	81.1	80.5	80.9	78.6	59.0
1935 .....	81.4	80.8	81.2	79.1	63.5
1936 .....	81.7	80.9	81.4	80.8	69.4
1937 .....	84.9	84.0	84.5	83.1	87.1
1938 .....	84.5	83.3	84.0	84.0	73.6
1939 Spring .....	82.6	81.7	82.2	83.1	65.5
Fall .....	82.2	81.5	81.9	83.0	58.4
1940 Spring .....	88.0	86.1	87.2	85.7	72.1

Table II. - Group Index Numbers of Canadian Farm Living Costs, 1939 - 1940.  
(1926=100)

Group	Eastern Canada Farm Families	Western Canada Farm Families	Dominion Average for Farm Families
<u>Composite Index</u>			
1939 - Spring .....	82.6	81.7	82.2
- Fall .....	82.2	81.5	81.9
1940 - Spring .....	88.0	86.1	87.2
<u>Food</u>			
1939 - Spring .....	71.0	72.8	71.7
- Fall .....	70.6	72.1	71.2
1940 - Spring .....	79.4	80.6	79.9
<u>Clothing</u>			
1939 - Spring .....	74.5	72.9	73.9
- Fall .....	74.2	73.0	73.7
1940 - Spring .....	84.0	80.2	82.5
<u>Fuel</u>			
1939 - Spring .....	83.5	77.0	80.9
- Fall .....	82.7	76.7	80.3
1940 - Spring .....	85.4	77.4	82.2
<u>Household Equipment</u>			
1939 - Spring .....	94.0	94.2	94.1
- Fall .....	93.0	93.7+	93.3+
1940 - Spring .....	100.3	100.8	100.5
<u>Health Maintenance Costs<sup>x</sup></u>			
1939 - Spring .....	93.0	89.0	91.4
- Fall .....	93.0	89.0	91.4
1940 - Spring .....	93.0	89.0	91.4
<u>Miscellaneous Costs<sup>x</sup></u>			
1939 - Spring .....	99.0	98.7	98.9
Fall .....	99.0	98.7	98.9
1940 Spring .....	99.0	98.7	98.9

<sup>x</sup> Nominal indexes - data not yet available.    + Revised.

