Similarly it will be found that the Harvester Basis equivalent for Melbourne in November, 1920, based upon the increase shown in the cost of all commodities from 1914, was £4 11s. 9d.

In such a computation as the above the assumption is made that for the period from 1907 to 1914 the variations in prices of clothing and of miscellaneous requirements combined were identical over all with the variation in food, groceries and housing.

CHAPTER VIII.—WHOLESALE PRICES.

1. **General.**—The results of an investigation into wholesale prices in Melbourne from 1861 to 1921 were given in some detail in previous Reports. In this Section results are included for the year 1922.

The data upon which the investigation is based were obtained mainly from reports of Melbourne market prices published in the ordinary press and in special trade reviews. In any case of doubt as to the reliability of the figures, the records thus obtained were verified by reference to well-known and important business firms dealing in the articles in question. Every care was taken to ensure that the prices quoted for each article refer to a uniform quality, and, in cases where more than one source of information was utilised for obtaining prices of single commodities, special precautions were taken to ensure substantial continuity of quality or grade. In most cases, monthly prices were obtained (but where daily or weekly quotations were available, these were adopted), and arithmetic averages for the several years were computed. In regard, however, to a few commodities, such as coal, tea, cotton and wool, since monthly prices were not available for back years, yearly averages, based in each case on reliable data, were secured.

It was at first intended to obtain records on the lines indicated for a uniform list of commodities for the capital city in each State. Owing, however, to the large amount of work involved, and to the difficulty experienced in obtaining regularly the prices of anything like a uniform representative list of commodities from the information published in some of these cities, this idea has for the present been abandoned.

2. **Basis.**—Retail prices have the advantage that a comparatively small list of commodities suffices to represent a large proportion of the average expenditure. They are, however, subject to the difficulty that their variations depend largely upon local conditions, and it is therefore, necessary to collect the data over a wide area. Wholesale prices, on the other hand, are fixed usually at one or two centres, but a much larger list of commodities must be covered.

The index-numbers up to the year 1911 are based on the prices of eighty commodities, but since that year the number has been increased to ninety-two.* The methods followed for the computation of the wholesale price index-numbers are the same as those adopted in regard to retail prices. The commodities included, the units of measurements for which the prices are taken, and the mass-units, indicating the relative extent to which each commodity, in the units of measurement specified, is used or consumed, are shown in the following statement.

* In the computation of the index-numbers for years prior to 1911, the aggregate expenditure on 80 commodities in 1911 is taken as base (= 1000), while for later years the aggregate expenditure on 92 commodities in 1911 is taken.

Melbourne Wholesale Prices, Commodities included, Units of Measurement, and "Mass-Units."

Commodity.	Brand.	Unit.	Mass Unit.
GROUP I.			
Iron—			
Pig	M'x'd Nos.	ton	6½
Rod and Bar	Stafford	,,	3½
Angle and T	,,	,,	3½
Plate	,,	,,	3
Hoop	,,	,,	¾
Galvanized	26 gauge	,,	5
Tinned Plates	I.C. Coke	cwt.	60
Fencing Wire	No. 8	ton	6
Zinc, Sheet		,,	1
Lead, Sheet		,,	½
,, Pipes		,,	¼
Copper Sheet		lb.	2,000
Quicksilver		,,	12
Coal	New c'stle on Wharf	ton	600
GROUP II.			
Branbags		doz.	110
Cornsacks		,,	250
Woolpacks		each	200
Leather—			
Waxed Kip		lb.	600
Waxed Split		,,	600
Light Crop		,,	600
Cotton	Raw	,,	24,000
Wool	Greasy	,,	12,200
Twine	Reaper and Binder	,,	150
Tallow	Mutton Prime	ton	1½
GROUP III.			
Wheat		bushel	500
Flour		ton	48
Bran		,,	14
Pollard		,,	14
Oats	Milling	bushel	1,200
Oatmeal	Colonial	ton	1½
Barley	Malting	bushel	150
,,	Feed	,,	100
Maize		,,	1,000
Hay	Best M'ng'r Prime	ton	135
Chaff		,,	135
Straw	Victorian	,,	25
Peas		bushel	55
Potatoes		ton	40
Malt	Victorian	bushel	140
Onions		ton	3
GROUP IV.			
Ham		lb.	800
Bacon		,,	3,200
Cheese		,,	1,500
Butter	Best Fresh	,,	9,500
Lard	Bulk	,,	200
Eggs	Ordinary	doz.	1,800
Honey		lb.	600
Beeswax		,,	40
Condensed Milk	Bacchus Marsh	doz. lb	160

Commodity.	Brand	Unit	Mass Unit
GROUP V.			
Currants		lb.	1,400
Raisins	Sultanas	,,	1,400
Herrings	1-lb. fresh	doz. 1 lb. tins	50
Salmon	1 lb. tall Alaska	,,	50
Sardines	Halves	doz. halves	100
Coffee	Plantation	lb.	200
Cocoa	McKenzie's	,,	100
Sugar	No. 1A	ton	22
Macaroni		lb.	200
Sago		cwt.	7
Rice		ton	2
Salt	Australian fine	,,	7
Salt	Rock	,,	1
Mustard	Coleman's	doz. 1 lb. tins	6
Starch	Coleman's White	lb.	100
Blue	Keen's	,,	50
Matches	Aust'an. Safety	gross	90
Candles	Rangoon	lb.	1,600
Tobacco	Two Seas in Po'kot Pcs.	,,	1,900
Tea		,,	3,000
Kerosene		gallon	1,700
GROUP VI.			
Beef	Average quality.	100 lbs.	390
Mutton	,,	lb.	33,000
Veal	,,	,,	2,000
Lamb	,,	,,	5,500
Pork	,,	,,	3,700
GROUP VII.			
Timber :—	Flooring		
,,	6 x 1½	100 ft. lin.	30
,,	6 x 1¼	,,	30
,,	6 x 1	,,	30
,,	6 x ¾	,,	30
	Weather-boards	,,	200
	Oregon	1000 ft. sup	20
	Shelving	,,	10
Cement	Portland	cask	30
White Lead		ton	¼
Slates	Welsh 20 x 10	1,000	¼
GROUP VIII.			
Cream of Tartar	In Kegs	lb.	400
Carbonate of Soda		ton	¼
Saltpetre	Refined	,,	¼
Sulphur		,,	¼
Caustic Soda		cwt.	7
Alum	Lump	ton	¼
Cyanide Potassium		lb.	570

3. **Index Numbers.**—Index-numbers have been computed for each group of commodities, as well as for all groups. These index-numbers are shown in the following table :—

Melbourne Wholesale Prices, Index-Numbers, 1861 to 1922, Computed to Year 1911 as Base (= 1000).

YEAR	I. Metals and Coal.	II. Jute, Leather, &c.	III. Agricultural Produce, &c.	IV. Dairy Produce.	V. Groceries.	VI. Meat.	VII. Building Materials.	VIII. Chemicals.	All Commodities together.
1861 ..	1,438	1,381	1,583	1,008	1,063	..	1,070	2,030	1,538
1871 ..	1,096	1,257	1,236	864	1,586	..	1,044	1,409	1,229
1881 ..	1,178	1,115	1,012	935	1,421	..	1,001	1,587	1,121
1891 ..	895	847	1,024	995	1,032	888	780	1,194	945
1901 ..	1,061	774	928	1,029	1,048	1,345	841	917	974
1911 ..	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1912 ..	1,021	991	1,370	1,206	1,052	1,357	1,057	978	1,170
1913 ..	1,046	1,070	1,097	1,054	1,024	1,252	1,128	995	1,088
1914 ..	1,099	1,032	1,207	1,137	1,021	1,507	1,081	1,253	1,149
1915 ..	1,284	1,017	2,162	1,530	1,133	2,435	1,275	1,528	1,604
1916 ..	1,695	1,423	1,208	1,485	1,322	2,515	1,491	1,760	1,504
1917 ..	2,129	2,003	1,157	1,423	1,343	2,403	1,884	2,171	1,662
1918 ..	2,416	2,360	1,444	1,454	1,422	2,385	2,686	3,225	1,934
1919 ..	2,125	2,363	1,985	1,651	1,516	2,348	2,851	2,898	2,055
1920 ..	2,298	2,624	2,439	2,209	1,918	3,279	3,226	2,825	2,480
1921 ..	2,173	1,362	1,767	2,000	1,976	2,158	2,733	2,303	1,903
1922 ..	1,942	1,681	1,628	1,648	1,869	1,787	2,005	1,965	1,758

NOTE.—The figures given in this table are comparable in the vertical columns, but are not directly comparable horizontally. The index-numbers are reversible.

The index-numbers have in each case been computed with the prices in the year 1911 as base ; that is to say, they show the amount which would have had to be expended in each of the years specified in order to purchase what would have cost £1000 in 1911 distributed in purchasing the relative quantities (indicated by the mass-units) of the several commodities included in such group, and in all groups respectively. Thus, in the last column the cost of the relative quantities of the various commodities was 1229 in 1871, and 974 in 1901, as compared with 1000 in 1911 and 1758 in 1922. In other words, prices were lower in 1911 than in either 1871 or 1922, and the purchasing-power of money in 1911 was accordingly greater. Again, prices were higher in 1911 than in 1901, and the purchasing-power of money in the former year was therefore less.

The general index-number for the year 1922 shows a decrease of 7.6 per cent. compared with that for 1921. With the exception of Group II. (Jute, Leather, etc.), which shows an increase of 23.4 per cent., all groups show decreases ranging from 5.4 per cent. in the case of Group V. (Groceries), to 26.6 per cent. in the case of Group VII. (Building Materials).

The index-numbers for the full period from 1871 to 1911 (and for 1861 and 1866) are given in Report No. 1, page 48.

4. **Quarterly Variations in Price Levels.**—In the following table are shown the index-numbers for the four quarters of 1922 and the first quarter of 1923 :—

Melbourne Wholesale Prices, Quarterly Index-Numbers for 1922, and First Quarter, 1923 (Base 1911 = 1000).

GROUP.	No. of Commodities.	INDEX NUMBERS.				
		Jan. to March, 1922.	April to June, 1922.	July to Sept., 1922.	Oct. to Dec., 1922.	Jan. to March, 1923.
I. Metals and Coal	14	2,021	1,977	1,907	1,802	1,841
II. Textiles, Leather, etc.	10	1,496	1,628	1,668	1,933	2,129
III. Agricultural Produce	16	1,519	1,570	1,669	1,755	1,718
IV. Dairy Produce	9	1,436	1,765	1,787	1,603	1,703
V. Groceries	21	1,928	1,896	1,865	1,787	1,758
VI. Meat	5	1,490	1,712	1,982	1,965	1,919
VII. Building Materials	10	2,112	1,972	1,842	2,096	2,092
VIII. Chemicals	7	1,998	1,947	2,018	1,899	1,963
ALL GROUPS*	92	1,671	1,743	1,786	1,831	1,851

* Weighted average.

5. **Variations since Outbreak of War.**—The variations in the index-numbers of the separate commodity groups for the years 1915 to 1922, and for each month from January, 1922 to April 1923, are shown the following table, taking July, 1914, the last month before the outbreak of war, as base (= 1000) for each group :—

Melbourne Wholesale Prices, Index-Numbers, July 1914, Years 1915 to 1922, and Monthly, January 1922 to April, 1923 (Base July 1914 = 1000).

Period.	I. Metals and Coal.	II. Textiles, Leather, etc.	III. Agricultural Produce.	IV. Dairy Produce.	V. Groceries	VI. Meat.	VII. Building Materials.	VIII. Chemicals.	All Groups.
July 1914 ..	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Year 1915 ..	1,166	934	2,024	1,272	1,098	1,502	1,164	1,490	1,406
,, 1916 ..	1,539	1,307	1,130	1,235	1,266	1,551	1,361	1,716	1,318
,, 1917 ..	1,919	1,841	1,084	1,181	1,302	1,480	1,722	2,141	1,456
,, 1918 ..	2,197	2,324	1,351	1,210	1,378	1,469	2,448	3,085	1,695
,, 1919 ..	1,930	2,169	1,858	1,373	1,469	1,448	2,602	2,827	1,801
,, 1920 ..	2,091	2,480	2,288	1,840	1,860	2,022	2,943	2,764	2,178
,, 1921 ..	1,974	1,250	1,653	1,663	1,916	1,331	2,495	2,246	1,668
,, 1922 ..	1,763	1,643	1,523	1,370	1,811	1,102	1,830	1,917	1,541
Jan. 1922	1,845	1,390	1,402	1,184	1,881	922	1,961	2,003	1,467
Feb. ,,	1,838	1,361	1,423	1,188	1,865	927	1,949	1,944	1,466
March ,,	1,823	1,370	1,440	1,209	1,858	907	1,874	1,898	1,463
April ,,	1,814	1,404	1,444	1,340	1,841	915	1,904	1,922	1,482
May ,,	1,792	1,495	1,495	1,547	1,839	1,092	1,800	1,899	1,546
June ,,	1,781	1,588	1,475	1,515	1,834	1,100	1,694	1,878	1,556
July ,,	1,764	1,555	1,532	1,564	1,810	1,185	1,681	1,991	1,569
August ,,	1,723	1,473	1,555	1,438	1,809	1,243	1,677	1,991	1,552
Sept. ,,	1,709	1,566	1,600	1,454	1,803	1,240	1,687	1,923	1,577
Oct. ,,	1,698	1,638	1,560	1,397	1,807	1,322	1,788	1,878	1,589
Nov. ,,	1,688	1,877	1,677	1,338	1,693	1,178	1,911	1,839	1,621
Dec. ,,	1,686	1,808	1,690	1,264	1,696	1,134	2,041	1,859	1,606
Jan. 1923	1,686	1,902	1,640	1,344	1,696	1,224	1,982	1,875	1,627
Feb. ,,	1,681	1,978	1,569	1,397	1,704	1,156	1,902	1,942	1,612
March ,,	1,648	1,985	1,601	1,507	1,710	1,170	1,845	1,925	1,628
April ,,	1,646	1,930	1,686	1,659	1,723	1,178	1,864	1,805	1,660

6. **Seasonal Fluctuations.**—In order to show the seasonal fluctuations in wholesale prices, index-numbers have been computed for each quarter of the year 1922. These are shown in the following table, firstly, computed with the year 1911 as base, and secondly, with the

average prices for the year 1922 as base. Corresponding figures for purchasing-power of money (retail prices of food, groceries and of house rent) have been included for comparative purposes.

Melbourne Wholesale and Retail Prices—Quarterly Index-Numbers, 1922.

Particulars.	Jan. to March.	April to June.	July to Sept.	Oct. to Dec.	Whole Year.
Wholesale Price Index-Numbers with 1911 as base (= 1,000)	1,671	1,743	1,786	1,831	1,758
Wholesale Price Index-Numbers with average for 1922 as base (= 1,000)	951	991	1,016	1,042	1,000
Retail Price (Food, Groceries, and House Rent) Index-Numbers, with average for 1922 as base (= 1,000)	964	1,001	1,022	1,011	1,000

In both wholesale and retail prices there was a considerable decrease during the year 1922 as compared with the year 1921.

7. **Prices, 1921 and 1922.**—In Appendix III. particulars are given as to the average prices of the particular brands of commodities used in computing the index-numbers in the years 1921 and 1922. Corresponding information for previous years, as far back as 1871 was given in the Appendixes to previous Reports.

CHAPTER IX.—IMPORT AND EXPORT PRICE INDEX-NUMBERS

1. **General.**—The list of commodities included in the investigation into import and export prices for the year 1921-1922, as well as the mass units, units of measurement, and sources of information, are the same as those in the previous investigations for the years 1901 to 1913, particulars of which are given on pages 66 to 68 of Report No. 1 on "Prices, Price Indexes and Cost of Living in Australia," and in Report No. 5, pp. 41 to 43. These index-numbers are computed annually, the data being obtained from the returns of imports and exports.

2. **Import and Export Price Index-Numbers, 1901-1921-22.**—Owing to the change in the system of collecting the statistics of imports and exports in Australia, by which the figures are made up to the end of the financial year at 30th June instead of at 31st December, as heretofore, the index-numbers in the last line of the following table represent the import and export values for the twelve months ending 30th June, 1922. The index-number for import and export prices in Australia for 1921-22 was 1608, compared with 2307 for 1920-21. This shews a decrease of 30.3 per cent. during the twelve months. The index-numbers for previous years for the various groups and for all groups combined are shown in the following table :—