

the foundation for our enquiry, namely, that the cost of living has gone up so many points in such and such a period, then to test it accurately, we have to understand the method by which that has been arrived at.

Mr. BEAUDRY: I agree with you up to a point, but I do not think the basis upon which the work of the enquiry is to be laid can be stated so simply. It is one of the adjuncts which we are going to use. We are going to have many other means of determining actual prices and actual rises beyond the index which may be exact or may be incorrect. In so far as we are going to have all available means of testing and finding out what the actual figures are, I do not think we should attach too much importance to this at this stage.

Mr. CLEAVER: Before we conclude our morning session, could the witness be allowed to complete his general explanation of exhibit 1?

The CHAIRMAN: Yes, I was coming to that.

The WITNESS: Section 6 on page 36 deals with various subjects such as national account, that is income and expenditure, and one of the items of national income, wages, salaries and supplementary labour income and another item, net income of agriculture by provinces.

Then, after that we have certain indexes for hourly wage rates. This is data which is compiled by the Department of Labour.

We also have the average weekly earnings from 1941 to 1947 on page 43. This is not confined to wages only but includes wages and salaries of the reporting firms.

By Mr. Winters:

Q. Where is that break-down by provinces which you mentioned?—A. That is the net income of agriculture by provinces on page 41. Now, perhaps I ought to make this cautionary statement regarding that. It does not indicate the total income of agriculture. It is a figure, of course, which we use in computing our national income statistics and it relates only to the income from operations on the farm. In the same national income compilation there will be, of course, the income from forestry, for example. If the farmer has been working in the woods and received some income from that source, it would be included under the forestry item. Therefore it does not appear in here.

By Mr. Cleaver:

Q. Do these remarks which you are now making pertain only to the statement in regard to the provincial breakdown? Referring to page 38 of the exhibit—I beg your pardon, 36 in the exhibit, item No. 4, Net Income of Agriculture; is that an all-inclusive item?—A. It is not.

Q. Where would I find the balance of income of agriculture?—A. It is not possible for us, at the present time, to segregate the income which farmers received from other sectors of the economy such as, say, forestry. We cannot give you what the total income of agriculture is.

Q. Then, is it not correct that the total national income of Canada in 1938 was \$5,141,000,000?—A. That is right.

Q. Does that item leave out this?—A. Oh, no.

Q. All right then, going down your total and adding it up, where do I look to find the income from lumber and logging?—A. It is divided amongst the other factors of production. For example, if a farmer who is working in the woods obtains salaries or wages—

Q. I would find that under item 1?—A. Yes, it would be there but they are all, of course, hidden. We cannot segregate them.