

II.—RETAIL PRICES.

The Dominion Bureau of Statistics, in addition to wholesale prices, collects retail prices in some 60 Canadian cities for foods, fuel and lighting, clothing and miscellaneous items, including data concerning the costs of various services. Prices are collected by the Bureau for over 80 food commodities, these are averaged along with certain prices received through agents of the Department of Labour, and are then handed to the latter for insertion monthly in the "Labour Gazette". The fuel group includes prices for coal and rates for electricity and gas. Information is collected for 44 clothing items and percentage price changes are computed therefrom. Miscellaneous items include prices for toilet articles, medicines, tobacco, books, newspapers, furniture and house furnishings; also the costs of services, including data for hospitals, laundries, barbers, street-car transportation, doctors, telephones and entertainment. Rentals are collected by the Department of Labour.

1.—New Index Number of Retail Prices, Rents and Costs of Services, 1914-1926.

A new index number of retail prices, rents and costs of services has been computed by the Bureau on the basis of prices in 1913 and carried back by months to that year. Current index numbers are based on materials collected by the Bureau, save in the case of rentals, which are collected by the Department of Labour. The Bureau is also indebted to the Department of Labour for much of the basic price data pertaining to earlier years. Index numbers have been computed for food, fuel and lighting, clothing, rent, sundries and total. Each item is weighted on the principle of aggregate consumption. The result is a series of general index numbers which indicate the trend of retail prices, etc.

This index number has for its object the measurement of the general movement of retail prices and living costs in the *Dominion as a whole*. It is constructed in such a manner as to make possible comparisons with other general index numbers, such as the index of wholesale prices. *It is not intended to be a measurement of the cost of living of any particular class or section in the Dominion.* Costs of living show considerable diversity in the various sections of the Dominion, and wage disputes in any particular section necessitate a special review for the section concerned. For the purpose, however, of showing broad general tendencies in living costs over the Dominion as a whole the Bureau's index number of retail prices, rents and costs of services is suitable.

Table 7 shows that the general movement of retail prices and living costs in the Dominion has fluctuated between 50 and 55 p.c. above 1913 level during 1925 and 1926. These figures represent a decline in the neighborhood of 40 or 50 points from the peak index numbers attained in 1920. In 1925 the general index tended to rise slightly, but this tendency was reversed during 1926, as the index declined until December of that year.