

Section 2.—Retail Prices of Commodities.

Collection of data and calculation of index numbers of retail prices and the cost of living are carried out in co-operation by the Dominion Bureau of Statistics (Department of Trade and Commerce) and the Department of Labour. Resultant series of index numbers are computed from different points of view. The computations of the Labour Department are designed to show changes in the cost of living for workingmen in cities. They are constructed from family budgets, principally a weekly family budget of staple foods, fuel and rent published monthly in the *Labour Gazette* since 1915 and annually since 1911; in addition, figures are included for clothing and sundry items and further data for fuel, light and rent. The Labour Department aims by this method to have a basis for computation that can be readily applied to the data for any given locality or district at any time, or for any class of labour, for instance, coal miners, who usually do not live in cities. Index numbers of retail prices and costs of living issued by the Bureau are constructed from a more general point of view, having for their object the measurement of the general movement of such prices and costs in the Dominion as a whole, and being so calculated as to make comparisons possible with other general index numbers constructed on similar principles, for example, the index of whole-sale prices. Calculated as they are on the aggregative principle, *i.e.*, the total consumption of each commodity, the Bureau's index numbers afford an excellent measurement of changes in the average cost of living in the Dominion as distinguished from that of any particular class or section.

In the Bureau's index 1926 is taken as the base year and is represented by 100 to bring it into conformity with other series of index numbers shown in this report. The Labour Department uses 1913 as 100 for both cost of living and wages index numbers. As will be seen from Table 7, the general cost of living was slightly lower again, having fallen from 100.0 in 1929 to 99.3 in 1930. This decline would have been considerably larger had it not been for the rentals index, which advanced from 103.3 to 105.9. Food and clothing were both appreciably below corresponding figures for 1929, while fuel and miscellaneous items recorded very little change.

Weighting.—The system of weighting involves weights for (1) individual items, (2) sub-groups and (3) group weights as shown in the description of group index numbers. The whole weighting system is based on estimated aggregate consumption in Canada. Separate index numbers are calculated for food, fuel and lighting, rent, clothing and sundries.

Food.—In the Dominion Bureau of Statistics index of the cost of living the food group includes 46 items, which are:—

Beef, sirloin steak	Butter, creamery	Prunes
Beef, shoulder roast	Cheese, old and new	Raisins
Veal	Bread	Currants
Mutton	Soda biscuits	Jam
Pork, fresh	Flour	Peaches
Pork, salt	Rolled oats	Marmalade
Bacon	Rice	Corn syrup
Ham	Tapioca	Sugar, granulated
Fish, cod	Tomatoes	Sugar, yellow
Fish, finnan haddie	Peas	Coffee
Fish, salmon	Corn	Tea
Lard	Beans	Cocoa
Eggs, fresh	Onions	Vinegar
Eggs, storage	Potatoes	Salt
Milk	Apples	Pepper
Butter, dairy		