

retail price levels, the returns received from them are given considerable weight in the compilation of the clothing index data. The following Canadian cities are covered by departmental store price schedules:—Montreal, Toronto, Winnipeg, Saskatoon, Regina, Calgary, Lethbridge and Vancouver.

In calculating the index number for this group separate indexes are first computed for the three sub-groups, men's clothing, women's clothing, and women's dress goods, and these are weighted by the figures 50 p.c., 33·3 p.c. and 16·7 p.c. respectively in order to arrive at the final group index.

Because of the difficulty of following clothing prices through a period of time of any length owing to changes in style and season, the index numbers for this group are calculated by the link relative method and afterwards tied up into chain relatives:—That is to say, index numbers are calculated for each commodity from current prices with immediately preceding prices as a base and the resulting index is multiplied by the last of the indexes on the 1926 base to make a continuous chain. Individual index numbers are then weighted by estimated consumption and combined into the final clothing index.

Rent.—In order to follow the trend of rentals, four types of dwelling are used, viz., house, duplex, flat and apartment, and in each case, with the exception of duplex houses, information is utilized regarding both lower and medium grade dwellings. In all about 500 schedules are sent out semi-annually. The averages resulting from the compilation of these data are weighted as follows:—

Sub-group weights—		
A. Grade of Dwelling—		
Lower grade.....		40 p.c.
Medium grade.....		60 p.c.
		<hr/> 100 p.c.
B. Type of Dwelling—		
	Lower Grade.	Medium Grade.
	p.c.	p.c.
House.....	84·6	73·3
Duplex.....	—	8·3
Flat.....	7·7	7·7
Apartment.....	7·7	10·7
	<hr/> 100·0	<hr/> 100·0

In calculating the general rental index, seven sub-indexes are made, corresponding to the type of dwellings noted above. These indexes are based upon averages of rental quotations for each city. After the city averages have been weighted, the sub-indexes are obtained by the aggregate method. The two sets of sub-group weights are then applied to obtain the final index. In order to calculate the total cost of living index numbers, that of the rental group is weighted by 20 p.c.

For a time, in calculating its rental index numbers, the Bureau took account of three grades of dwellings, lower, medium grade, and better grade dwellings. Also two sizes for each grade were included. The range of quotations for better grade dwellings was so wide, however, that it was not possible to arrive at average rental figures that were of any value. Experience proved also that quotations for two sizes of each item are not necessary, since the trend of rentals is shown accurately by quotations for one typical size.