

## Section 2.—Retail Prices and Cost of Living.

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. Index numbers of retail prices and cost of living, issued by the Bureau, have for their object the measurement of the general movement of such prices and costs in the Dominion as a whole, and are so calculated as to make comparisons possible with other general index numbers constructed on similar principles, for example, the index of wholesale 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.

The computations of the Labour Department are designed to show changes in the cost of living for workmen in cities. They are thus more limited in scope and far more restricted in application than the Bureau of Statistics index. As a development of retail prices and cost of living studies, investigations into the living expenditures of families in representative cities have been made by the Bureau of Statistics. These supplement the general index numbers and serve as a very good guide to changes in cost of living between different cities and in different parts of the country. This Section is divided into three subsections: Subsection 1 dealing with general index numbers of retail prices and services; Subsection 2, which summarizes the Bureau's recent investigation into the family living expenditures of wage-earners in 12 representative cities of Canada; and Subsection 3 with cost of living of wage-earners (this material formerly appeared as Sec. 3 of Part II of the Labour and Wages chapter).

### Subsection 1. The Bureau of Statistics Index Numbers of Retail Prices and Services.

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 chapter. A description of the system of weighting of individual items, sub-groups, and groups, and of the method of construction of this index number is given at pp. 812-818 of the 1931 Year Book. As will be seen from Table 9, the general cost of living index moved up from 83.1 in 1937 to 84.0 in 1938, continuing the upward trend apparent after July, 1933. Higher prices ruled in all groups. The monthly index for living costs fluctuated during 1938 between 84.8 and 83.5.

### 9.—Index Numbers of Retail Prices, Rents, and Costs of Services (on the 1926 Base), 1926-38 and by Months, 1937, 1938, and January-April, 1939.

NOTE.—Statistics for 1913-25 are given at p. 820 of the 1938 Year Book. Monthly figures prior to 1937 will be found in the corresponding table of previous editions of the Year Book.

Year.	Food Index.	Fuel Index.	Rent Index.	Clothing Index.	Sundries Index.	Total Index.
1926	100.0	100.0	100.0	100.0	100.0	100.0
1927	98.0	97.9	98.8	97.5	99.1	98.4
1928	98.6	96.9	101.2	97.1	98.8	98.9
1929	101.0	94.4	103.3	96.9	99.0	99.9
1930	98.6	95.7	105.9	93.9	99.4	99.2
1931	77.3	94.2	103.0	82.2	97.4	89.6
1932	64.3	91.4	94.7	72.3	94.6	81.4
1933	63.7	87.7	85.1	67.1	92.6	77.5
1934	69.4	87.7	86.1	69.7	92.1	78.6
1935	70.4	86.8	81.3	69.9	92.2	79.1
1936	73.4	86.4	83.7	70.5	92.8	80.8