

new index reflects changes in the cost of a pre-determined family standard; and no account was taken of shifting planes of living because of changes in economic circumstances, e.g., variations in income or direct taxation, or because of changing ages or variation in numbers of persons in the family. A brief description of the family it represents may help those using the index to visualize the level of living and family type to which it applies.

The family type was determined before expenditure records were collected in order to make certain that they were obtained from families that would be typical of Canada's urban wage-earner population. After careful study of the 1931 urban census records with reference to family size, numbers of children, conjugal condition of family heads, earnings, tenure and racial origin, it was decided to collect living-expenditure records from families satisfying the following conditions:—

1. Husband and wife living in the home as joint heads with from one to five children.
2. Completely self-supporting during the survey year, with family earnings ranging from \$450 to \$2,500 during that period.
3. Living in self-contained dwelling units, not sharing either kitchen or bathroom facilities with other families.

The 1,439 families for which records were collected averaged 4.6 persons; the majority of these families had two or three children each. Family earnings, in many cases, were supplemented by other small sources of income, and total family incomes between \$1,200 and \$1,600 were the most common. There were approximately two tenant families to every home-owning family, and about one family in three operated a motor-car.

A detailed description of methods used in constructing the index is given in a mimeographed bulletin "Living Costs in Canada, 1940", obtainable from the Dominion Statistician.

Cost of Living in 1940.—According to the Bureau's new cost of living index on the base 1935-39=100, living costs advanced 4.0 p.c. during 1940, the index for December, 1940, being 108.0 as compared with 103.8 and 100.8 for December and August, 1939, respectively. While all constituent groups contributed to the 1940 increase, the greatest advances were noted for the clothing group, which rose 9.9 p.c. to 113.5, and for home furnishings which rose 6.3 p.c. to 110.7. Since August, 1939, indexes for these two series have advanced 13.4 p.c. and 9.7 p.c., respectively. The retail food price index rose 4.2 p.c. in 1940, and 9.9 p.c. since August, 1939; residential rentals advanced 3.2 p.c. and 3.8 p.c. in these same intervals. The December, 1940, fuel and lighting index was 9.6 p.c. above the August, 1939, level, of which 2.9 p.c. was added in 1940. The smallest net advance, by December, 1940, was shown by an index of miscellaneous items, which moved up only 1.5 p.c. over pre-war levels, with about one-half of this amount added since December, 1939.