

Highway Construction Price Index.—A system of annual base-weighted and current-weighted bid price indexes (1956=100) relating mainly to provincial highway construction was developed recently, by which price movement is shown for completed units of work such as earth excavation or crushed gravel in place. DBS Reference Paper 62-520 contains tables, explanatory text, charts and weights relating to these indexes. Current indexes are published from time to time in the monthly reports on *Prices and Price Indexes* (Catalogue No. 62-002).

World Wholesale Price Indexes.—Price changes within different countries have varied widely during the years. Comparisons of Canadian wholesale price indexes with those of other countries are given in Table 5.

5.—Index Numbers of Wholesale Prices in Canada and Other Countries, 1962-64

(1958=100)

SOURCE: *United Nations Monthly Bulletin of Statistics*, June 1965.

Country	1962	1963	1964	Country	1962	1963	1964
Belgium.....	101	104	109	India.....	115	119	134
Brazil.....	383	664	1,275	Iran ¹	103	104	108
Britain.....	100	102	106	Ireland.....	105	106	113
Canada	105	107	108	Korea, Republic of.....	140	168	227
Chile.....	149	229	345	Netherlands.....	99	101	108
Denmark.....	105	108	111	New Zealand.....	102	105	110
Dominican Republic (Santo Domingo).....	100	107	105	Norway.....	104	104	109
France.....	113	117	119	Sweden.....	107	110	115
Germany, Federal Republic of.....	103	104	104	Switzerland.....	102	106	109
Greece.....	104	110	114	Turkey.....	137	143	142
				United Arab Republic.....	101	100	105
				United States.....	100	100	100

¹ Base Mar. 21, 1959—Mar. 20, 1960=100.

Section 2.—Consumer Price Index*

The purpose of the consumer price index is to measure the movement from month to month in retail prices of goods and services bought by a representative cross-section of the Canadian urban population. For a particular article or service, a price index number is simply the price of the article in one period of time expressed as a percentage of its price in a reference period, usually called a base period. However, indexes for individual goods may be combined to form indexes representing prices of broad groups of goods and services. Thus, the consumer price index relates to the wide range of goods and services bought by Canadian urban families. The index expresses the combined prices of such goods each month as a percentage of their prices in the base period 1949.

The group of goods and services represented in the index is called the index "basket" and "weights" are assigned to the price indexes of individual items for purposes of combining them into an over-all or composite index. The weights reflect the relative importance of items in expenditures of middle-size urban families with medium incomes. The basket is an unchanging or equivalent quantity and quality of goods and services. Only prices change from month to month and the index, therefore, measures the effect of changing prices on the cost of purchasing the fixed basket. The basket and weights now used in the index are based on expenditures in 1957 of families of two to six persons, with annual incomes of \$2,500 to \$7,000, living in cities of 30,000 population or over.

* A comprehensive description of the index is contained in the publication *The Consumer Price Index (1949=100)*—Revision Based on 1967 Expenditures (Catalogue No. 62-518).