

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.

6.—Consumer Price Index Numbers, 1940-67

(1949=100)

Year	Index	Year	Index	Year	Index	Year	Index
1940.....	65.7	1947.....	84.8	1954.....	116.2	1961.....	129.2
1941.....	69.6	1948.....	97.0	1955.....	116.4	1962.....	130.7
1942.....	72.9	1949.....	100.0	1956.....	118.1	1963.....	133.0
1943.....	74.2	1950.....	102.9	1957.....	121.9	1964.....	135.4
1944.....	74.6	1951.....	113.7	1958.....	125.1	1965.....	138.7
1945.....	75.0	1952.....	116.5	1959.....	126.5	1966.....	143.9
1946.....	77.5	1953.....	115.5	1960.....	128.0	1967.....	149.0

The behaviour of the consumer price index during the years of almost continuous economic growth following the end of the Second World War up to 1959 is discussed in the 1962 Year Book at pp. 928-929 and the movement during 1959-65 in subsequent editions. Between 1965 and 1966 the rate of consumer price rise advanced, averaging 3.7 p.c., with the largest increases occurring in food (6.3 p.c.), clothing (3.8 p.c.) and health and personal care (3.1 p.c.). In 1967 the upward trend continued with prices averaging 3.5 p.c. higher than the previous year. The largest increases occurred in health and personal care (5.1 p.c.), recreation and reading (5.1 p.c.), clothing (5.0 p.c.) and food (1.3 p.c.).

7.—Consumer Price Index Numbers, 1958-67

(1949=100)

Year	Food	Housing	Clothing	Transportation	Health and Personal Care	Recreation and Reading	Tobacco and Alcohol	Composite Index
GROUP WEIGHT AS A PERCENTAGE OF TOTAL.....	27	32	11	12	7	5	6	100
1958.....	122.1	129.0	109.7	133.8	145.4	138.4	110.6	125.1
1959.....	121.1	131.4	109.9	138.4	150.2	141.7	114.0	126.5
1960.....	122.2	132.7	110.9	140.3	154.5	144.3	115.8	128.0
1961.....	124.0	133.2	112.5	140.6	155.3	146.1	116.3	129.2
1962.....	126.2	134.8	113.5	140.4	158.3	147.3	117.8	130.7
1963.....	130.3	136.2	116.3	140.4	162.4	149.3	118.1	133.0
1964.....	132.4	138.4	119.2	142.0	167.8	151.8	120.2	135.4
1965.....	135.9	140.9	121.4	147.3	175.5	154.3	122.3	138.7
1966.....	144.5	144.7	126.0	150.8	180.9	158.7	125.1	143.9
1967.....	146.4	151.0	132.3	157.2	190.2	166.8	128.3	149.0