

CONSUMER PRICE INDEX

SEPTEMBER 1953

Consumer Price Index Up Slightly Between  
 August and September 1953.  
 Food Down; All Other Groups Up

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: This report presents the Consumer Price Index for :  
 : September 1953 for the average of U.S. cities and :  
 : for individual cities. The measure of price change :  
 : from January 1953 forward is based on the revised :  
 : index structure. Information about the index re- :  
 : vision is given in the February 1953 Monthly Labor :  
 : Review or is available upon request. :

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A decline in retail food prices between August and September 1953 was not sufficient to offset higher prices for all other classes of consumer goods and services, and the Consumer Price Index increased by 0.2 percent, the U.S. Department of Labor's Bureau of Labor Statistics reported today. Food declined 0.3 percent; Apparel was up 1.0 percent; Housing was up 0.3 percent; Medical Care costs rose 0.7 percent; Personal Care and Reading and Recreation, 0.2 percent; and Transportation and Other Goods and Services averaged 0.1 percent higher than in August.

The U. S. All Items index for September 1953 was 115.2 (1947-49 = 100). It was 1.0 percent higher than a year ago and 13.2 percent above the pre-Korea level of June 1950. Converted to a base of 1935-39 = 100, the September index was 192.6.

Retail prices have moved up gradually since February 1953 for a total rise of 1.6 percent. This has been due chiefly to increased charges for services. Commodity prices on the average have changed very little since the end of 1952, whereas service rates are up about 3 percent and rents more than 4 percent. These increases in services and rents continue the steady upward trend since pre-World War II, but even with these recent advances, prices of services and rents have not increased as much over their pre-war levels as have commodity prices.

FOOD Retail food prices averaged lower in 35 of the 46 cities, causing the U.S. Food index to decline 0.3 percent from August to September. The index for September was 113.8 (1947-49 = 100), 1.4 percent below September 1952, but 13.2 percent above the level of June 1950. The continued fall in the Fruits and Vegetables index (5.4 percent) along with a moderate decline of 0.5 percent in the Meats, Poultry and Fish index offset the advances made in other food subgroups during the month.

The largest decreases were in the smaller cities; food prices for the average of the five largest metropolitan centers increased. This difference in movement was due to a combination of factors, including bread price increases in some of the largest cities, as well as increases for beef and pork which were counter to the general trend elsewhere. Rising restaurant meal prices in these cities were a further contributing factor.

Price decreases averaged about 12 percent for fresh vegetables and 6 percent for fresh fruits. These were led by sharp reductions in the prices of tomatoes, lettuce, sweetpotatoes, apples, and grapes, reflecting more plentiful supplies of these items on the market.

Decreases averaging one percent or less occurred in the prices of beef and veal, pork, other meats, and poultry. Lamb prices were down about 5 percent. Prices of fish were slightly higher.

Except for cities surveyed in New England, egg prices continued their seasonal rise with an increase of about  $4\frac{1}{2}$  percent over the month. This contributed heavily to the 2.0 percent advance in the index of Other Foods at Home. Higher prices for coffee and lard were also important in the movement of this subgroup.

The Cereals and Bakery Products index rose 0.7 percent as a result of higher bread prices in some cities. Prices of fresh milk went up in several places, chiefly accounting for the increase of 0.5 percent in the Dairy Products index. Restaurant meals averaged 0.6 percent higher.

HOUSING Housing costs rose 0.3 percent between August and September, as Rent and Housefurnishings advanced 0.7 percent. Solid Fuels and Fuel Oil prices were 0.6 percent higher than in August, and Household Operation costs rose 0.2 percent during the month. Gas and electricity rates were unchanged on the average.

The Rent index in September was 6.5 percent higher than a year earlier and 15.9 percent above June 1950, reflecting continuing effects of rent decontrol.

The rise of 0.7 percent in prices of Housefurnishings was caused chiefly by increases in prices of sheets, following reductions for August sales, and higher prices for living room furniture and electric toasters in some cities. Lower prices were reported for washing machines.

In the Solid Fuels and Fuel Oil subgroup prices for bituminous coal, anthracite, and fuel oil all were higher. The increase in Household Operation costs was mainly due to rising prices for laundry service, laundry soap and detergents.

APPAREL The rise of 1.0 percent in apparel prices resulted chiefly from higher prices for fall and winter clothing items priced in September for the first time since the end of the previous winter season. Among these were women's and girls' wool coats, women's wool and rayon suits, and boys' wool suits. Prices also were higher for men's year-round suits, while lower prices were reported for men's work trousers. Most of the rise in apparel prices was for women's and girls' apparel, but prices were also slightly higher for footwear and clothing for other family members. On the average, apparel prices were 0.5 percent lower than a year ago.

OTHER GROUPS The rise of 0.7 percent in costs of Medical Care was due chiefly to higher rates for group hospitalization plans and dentists' fees in some cities.

Higher charges for beauty shop services were mainly responsible for the rise of 0.2 percent for Personal Care. Reading and Recreation costs averaged 0.2 percent higher than in August as higher motion picture theatre admissions more than offset price reductions for a number of commodities -- toys, sporting goods, and television sets.

Higher prices for gasoline and motor oil in cities surveyed for the first time since the general increases of early summer were the chief factor in the Transportation rise of 0.1 percent. Auto repair services also were higher in some cities. Prices of used cars, however, continued to decline throughout the country, and were responsible for declines in transportation indexes for four of the five large cities priced in August and September. Other Goods and Services rose 0.1 percent during the month.

TABLE 1. CONSUMER PRICE INDEX <sup>1/</sup> -- U.S. AVERAGE ALL ITEMS AND COMMODITY GROUPS  
Indexes and Percent Changes for Selected Dates

GROUP	September 1953	August 1953	July 1953	September 1952	June 1950	Year 1939
	This Month	Last Month	2 Months Ago	Last Year	Pre-Korea	Pre- World War II
INDEXES (1947-49 = 100)						
ALL ITEMS	115.2	115.0	114.7	114.1	101.8	59.4
FOOD <sup>2/</sup>	113.8	114.1	113.8	115.4	100.5	47.1
Food at home	113.5	114.1	113.8	115.4	100.5	47.1
Cereals and bakery products	120.3	119.5	119.1	117.4	102.7	57.2
Meats, poultry and fish	113.5	114.1	112.0	119.2	106.1	41.6
Dairy products	109.6	109.1	108.3	112.5	92.3	49.8
Fruits and vegetables	106.6	112.7	118.2	111.5	102.5	46.3
Other foods at home	116.7	114.4	112.3	113.7	94.1	<u>6/</u>
HOUSING <sup>3/</sup>	118.4	118.0	117.8	114.8	104.9	<u>6/</u>
Rent	126.0	125.1	123.8	118.3	108.7	86.6
Gas and electricity	106.9	106.9	106.4	105.0	102.7	104.9
Solid fuels and fuel oil	124.6	123.9	123.7	119.6	107.6	56.4
Housefurnishings	108.1	107.4	108.1	108.1	97.4	53.4
Household operation	116.0	115.8	115.7	112.1	99.6	<u>6/</u>
APPAREL <sup>4/</sup>	105.3	104.3	104.4	105.8	96.5	52.5
TRANSPORTATION	130.7	130.6	129.7	127.7	109.9	<u>6/</u>
MEDICAL CARE	122.6	121.8	121.5	118.8	105.4	<u>6/</u>
PERSONAL CARE	112.9	112.7	112.6	112.1	99.2	<u>6/</u>
READING AND RECREATION	107.8	107.6	107.4	107.3	102.5	<u>6/</u>
OTHER GOODS AND SERVICES <sup>5/</sup>	118.5	118.4	118.3	115.9	103.7	<u>6/</u>

PERCENT CHANGE TO SEPTEMBER 1953 FROM:

	August 1953	July 1953	September 1952	June 1950	Year 1939
ALL ITEMS	0.2	0.4	1.0	13.2	93.9
FOOD <sup>2/</sup>	- 0.3	0	- 1.4	13.2	141.6
Food at home	- 0.5	- 0.3	- 1.6	12.9	141.0
Cereals and bakery products	0.7	1.0	2.5	17.1	110.3
Meats, poultry and fish	- 0.5	1.3	- 4.8	7.0	172.8
Dairy products	0.5	1.2	- 2.6	18.7	120.1
Fruits and vegetables	- 5.4	- 9.3	- 4.4	4.0	130.2
Other foods at home	2.0	3.9	2.6	24.0	141.1 <u>7/</u>
HOUSING <sup>3/</sup>	0.3	0.5	3.1	12.9	55.6 <u>7/</u>
Rent	0.7	1.3	6.5	15.9	45.5
Gas and electricity	0	0.5	1.8	4.1	1.9
Solid fuels and fuel oil	0.6	0.7	4.2	15.8	120.9
Housefurnishings	0.7	0	0	11.0	102.4
Household operation	0.2	0.3	3.5	16.5	69.6 <u>7/</u>
APPAREL <sup>4/</sup>	1.0	0.9	- 0.5	9.1	100.6
TRANSPORTATION	0.1	0.8	2.3	18.9	89.7 <u>7/</u>
MEDICAL CARE	0.7	0.9	3.2	16.3	68.9 <u>7/</u>
PERSONAL CARE	3.2	0.3	0.7	13.8	89.4 <u>7/</u>
READING AND RECREATION	0.2	0.4	0.5	5.2	71.1 <u>7/</u>
OTHER GOODS AND SERVICES <sup>5/</sup>	0.1	0.2	2.2	14.3	67.8 <u>7/</u>

<sup>1/</sup> See General Explanation at end of tables.

<sup>2/</sup> Includes "Food away from home".

<sup>3/</sup> Includes "Other shelter"; estimates for rent, home purchase, and other home owner costs are reflected monthly in total housing and all items.

<sup>4/</sup> Indexes for subgroups of apparel not yet available.

<sup>5/</sup> Includes tobacco, alcoholic beverages, and "miscellaneous services" (such as legal services, banking fees, burial services, etc.).

<sup>6/</sup> Not available.

<sup>7/</sup> Approximate.

TABLE 2. CONSUMER PRICE INDEX <sup>1/</sup> -- ALL ITEMS INDEXES FOR SELECTED DATES  
U.S. Average and 20 Large Cities

City	( 1 9 4 7 - 4 9 = 1 0 0 )					(1935-39 = 100)
	September 1953	August 1953	July 1953	September 1952	June 1950	September 1953 <sup>2/</sup>
U.S. AVERAGE <sup>3/</sup>	115.2	115.0	114.7	114.1	101.8	192.6
CITIES PRICED MONTHLY:						
Chicago	116.6	116.3	115.7	115.0	102.8	198.6
Detroit	116.9	116.9	116.9	114.7	102.8	197.3
Los Angeles	116.2	115.8	115.8	115.0	101.3	194.2
New York	113.2	112.7	112.1	112.4	100.9	187.3
Philadelphia	115.2	114.9	114.7	114.7	101.6	191.7
CITIES PRICED IN JAN., APR., JULY, OCT. <sup>4/</sup>						
				July 1952	April 1950	July 1953
Boston			113.1	113.7	101.2	182.1
Kansas City			115.3	115.3	101.4	185.6
Minneapolis			115.6	114.9 <sup>5/</sup>	102.1 <sup>5/</sup>	191.4
Pittsburgh			113.8	113.0	99.9	193.5
Portland, Ore.			115.5	114.7	101.5	200.0
CITIES PRICED IN MAR., JUNE, SEPT., DEC. <sup>4/</sup>						
				September 1952	June 1950	September 1953
Atlanta	117.6			117.0 <sup>6/</sup>	101.3 <sup>6/</sup>	199.4
Baltimore	115.0			115.0	101.6	197.7
Cincinnati	115.3			113.2	101.2	194.2
St. Louis	117.1			115.5	101.1	195.4
San Francisco	116.9			114.5	100.9	199.8
CITIES PRICED IN FEB., MAY, AUG., NOV. <sup>4/</sup>						
				August 1952	May 1950	August 1953
Cleveland		115.1		114.0	100.4	196.1
Houston		116.8		115.8	103.5	197.7
Scranton		113.2		114.0	100.2	188.1
Seattle		116.8		114.6	102.0	199.6
Washington, D. C.		114.2		114.1	101.6	187.5

<sup>1/</sup> See General Explanation at end of tables.

<sup>2/</sup> These are the same indexes shown in columns 1, 2 or 3, converted to a base of 1935-39 = 100.

<sup>3/</sup> The U.S. Average is based on prices collected in 46 cities. In addition to the 20 cities listed individually, 26 cities are included in the national average. Indexes are not calculated for these 26 cities.

<sup>4/</sup> Foods, fuels, rents and a few other items priced monthly; other commodities and services priced quarterly.

<sup>5/</sup> June 1952 and June 1950; formerly priced March, June, September, December.

<sup>6/</sup> August 1952 and May 1950; formerly priced February, May, August, November.

TABLE 3. CONSUMER PRICE INDEX <sup>1/</sup> -- PERCENT CHANGES FROM AUGUST 1953 TO SEPTEMBER 1953  
U.S. Average and Five Cities Priced Monthly  
All Items and Commodity Groups

City	All Items	Food <sup>2/</sup>	Housing <sup>3/</sup>	Apparel <sup>4/</sup>	Trans- portation	Medical Care	Personal Care	Reading & Recreation	Other Goods & Services <sup>5/</sup>
U.S. AVERAGE	0.2	- 0.3	0.3	1.0	0.1	0.7	0.2	0.2	0.1
Chicago	0.3	0.2	0.4	1.1	- 0.4	0	0.1	- 0.4	0.1
Detroit	0	0	0.2	- 0.1	- 0.3	- 0.1	0.2	0	0
Los Angeles	0.3	0.4	0.2	1.3	- 0.5	0.2	0.2	1.2	0.6
New York	0.4	0.4	0.2	1.6	- 0.1	0	0.1	0.2	0.1
Philadelphia	0.3	- 0.7	0.3	2.7	0.4	0.1	0.5	2.2	0.2

See footnotes on table 1 and General Explanation at end of tables.

TABLE 4. CONSUMER PRICE INDEX 1/ -- ALL ITEMS AND COMMODITY GROUPS  
September 1953 Indexes and Percent Changes, June 1953 to September 1953  
U.S. Average and 10 Cities Priced in September

City	All Items	Total Food 2/	Housing						Apparel 4/	Transportation	Medical Care	Personal Care	Reading & Recreation	Other Goods & Services 5/
			Total 3/	Rent	Gas & Electricity	Fuels & Oil	House-furnishings	Household Operation						
September 1953 Indexes (1947-49 = 100)														
U.S. AVERAGE	115.2	113.8	118.4	126.0	106.9	124.6	108.1	116.0	105.3	130.7	122.6	112.9	107.8	118.5
Atlanta	117.6	114.7	124.0	129.1	108.8	115.9	113.8	127.7	111.1	129.1	117.2	115.0	111.2	117.6
Baltimore	115.0	114.7	113.6	121.7	97.4	124.5	103.2	109.2	103.5	140.1	132.6	108.1	113.0	119.0
Chicago	116.6	112.5	123.6	135.5	99.9	122.9	109.8	120.2	108.4	133.8	121.2	114.3	110.9	113.0
Cincinnati	115.3	116.9	116.5		113.2	125.2	103.9	121.4	104.9	131.6	123.0	109.7	99.7	116.2
Detroit	116.9	116.7	120.4		109.3	118.7	110.6	106.4	103.2	127.2	121.4	119.5	109.6	123.6
Los Angeles	116.2	113.8	124.0		109.5		110.7	107.7	104.2	127.6	120.4	117.8	103.3	114.4
New York	113.2	112.6	115.1		108.8	128.8	107.7	118.8	105.9	134.0	121.6	106.9	106.4	119.1
Philadelphia	115.2	115.7	113.3		101.8	123.0	110.4	113.4	106.5	135.3	120.4	116.9	111.3	122.2
St. Louis	117.1	115.7	118.6		99.4	130.7	109.4	117.2	106.0	137.0	133.0	110.0	99.8	116.7
San Francisco	116.9	114.1	118.3		130.1		109.7	109.0	105.1	143.6	122.6	112.9	104.7	115.3
Percent Change -- June 1953 to September 1953														
U.S. AVERAGE	0.6	0.1	0.9	2.2	0.5	2.3	0.1	0.5	0.7	1.0	1.2	0.3	0	0.3
Atlanta	0.4	0.2	1.1	6/ 0.9	0.2	3.3	1.0	0.5	0.7	- 0.1	- 1.4	- 0.2	0.1	0
Baltimore	- 0.1	0.1	0.3	6/ 1.2	0.1	2.0	- 0.2	0	- 0.7	0.9	0.5	0.2	- 5.3	0.1
Chicago	1.1	0.1	2.7	6/ 9.7	- 0.1	2.6	0.1	1.3	1.5	0	1.0	0.1	0.9	0.1
Cincinnati	0.7	0	1.3		0.1	5.7	- 0.5	4.9	0.1	1.2	1.2	0.3	0.6	0.2
Detroit	0.3	0	1.2		0.8	1.5	- 0.2	- 0.2	- 0.3	0.2	0.1	0	- 1.1	- 0.1
Los Angeles	0.7	1.3	0.4		0		- 0.3	0.1	1.0	0.6	0.4	0.3	- 0.4	0.4
New York	1.1	0.5	0.6		0.8	2.4	- 0.6	0.2	1.0	5.1	0.9	0.2	0.3	0.7
Philadelphia	0.5	- 0.1	0.6		0	4.1	0.5	0.7	2.3	1.3	0.1	0.6	- 0.8	0.2
St. Louis	1.1	0.6	2.5		- 0.7	2.2	0.3	0.4	1.3	0.1	- 0.1	0.2	- 0.3	0.5
San Francisco	0.7	0	1.1		0		0	0	1.4	1.1	1.3	0	- 0.4	- 0.1

1/ through 5/, see footnotes on table 1 and General Explanation at end of tables.  
6/ Change from March 1953 to September 1953.

TABLE 5. CONSUMER PRICE INDEX 1/ -- FOOD AND ITS SUBGROUPS  
September 1953 Indexes and Percent Changes, August 1953 to September 1953  
U.S. Average and 20 Large Cities  
(1947-49 = 100)

City	Total Food 2/		Total Food at Home		Cereals & Bakery Products		Meats, Poultry & Fish		Dairy Products		Fruits & Vegetables		Other Foods at Home	
	Index	Percent Change	Index	Percent Change	Index	Percent Change	Index	Percent Change	Index	Percent Change	Index	Percent Change	Index	Percent Change
U.S. AVERAGE	113.8	- 0.3	113.5	- 0.5	120.3	0.7	113.5	- 0.5	109.6	0.5	106.6	- 5.4	116.7	2.0
Atlanta	114.7	- 0.4	114.7	- 0.5	116.8	- 0.6	118.9	- 2.1	110.1	0	115.8	- 2.4	109.2	2.4
Baltimore	114.7	0.2	114.3	0	116.9	0.3	115.7	- 0.9	112.1	- 0.1	107.7	- 2.5	115.5	2.8
Boston	111.9	- 0.6	111.5	- 0.7	118.7	0.9	111.3	0.2	110.6	2.5	104.0	- 6.7	109.9	- 0.7
Chicago	112.5	0.2	112.0	0.2	116.3	1.9	108.5	0.7	110.2	0.4	105.5	- 5.0	122.5	2.3
Cincinnati	116.9	- 0.2	117.0	- 0.3	119.9	- 0.2	118.4	0.9	111.9	- 0.2	109.6	- 4.6	122.6	1.3
Cleveland	111.3	- 0.8	111.2	- 1.0	117.0	0.3	109.5	- 1.3	105.9	0.8	102.7	- 6.6	118.7	1.7
Detroit	116.7	0	116.3	- 0.1	118.5	1.9	114.4	1.1	109.4	0	114.3	- 6.3	118.3	1.9
Houston	112.2	- 0.5	112.0	- 0.6	114.9	- 0.3	110.3	- 0.6	107.0	- 0.9	112.2	- 2.5	114.2	0.6
Kansas City	111.5	- 0.4	111.0	- 0.5	120.4	0	109.1	- 1.4	108.7	2.3	103.8	- 5.6	113.1	2.1
Los Angeles	113.8	0.4	112.9	0.2	122.6	- 0.2	112.4	- 0.2	108.5	- 0.2	103.2	- 1.2	116.8	1.6
Minneapolis	112.8	- 0.4	112.6	- 0.4	121.7	1.7	105.9	- 1.5	106.7	0	111.0	- 5.5	123.0	3.0
New York	112.6	0.4	112.6	0.4	124.8	1.3	113.3	0.3	107.6	1.2	103.0	- 3.2	116.4	2.2
Philadelphia	115.7	- 0.7	115.5	- 0.9	120.8	1.6	114.8	- 1.7	111.1	0	111.3	- 5.5	116.7	2.1
Pittsburgh	115.7	0.3	115.7	0.3	119.8	0.1	111.8	- 0.6	112.5	2.7	108.7	- 5.0	126.3	3.6
Portland, Ore.	113.8	- 0.6	114.0	- 0.8	117.6	- 0.1	117.2	- 1.5	109.4	0	102.7	- 4.7	119.5	1.7
St. Louis	115.7	- 1.3	115.2	- 1.8	115.6	0.6	114.5	- 1.0	106.1	0	112.8	- 10.6	123.8	1.5
San Francisco	114.1	0.6	114.0	0.2	127.8	0.3	112.0	- 0.4	109.9	0.2	107.3	- 3.1	116.0	3.1
Scranton	113.2	- 0.4	112.8	- 0.5	116.6	0.3	112.7	- 1.7	112.4	2.3	102.1	- 4.2	115.6	1.0
Seattle	112.6	- 0.9	112.5	- 1.1	122.4	2.0	111.5	- 1.6	106.9	- 0.1	105.5	- 6.7	115.4	1.3
Washington, D.C.	112.6	- 0.6	112.3	- 0.7	115.0	- 0.4	111.1	- 2.1	114.6	0.3	104.5	- 2.4	113.8	1.5

See footnotes on table 1 and General Explanation at end of tables.

The Consumer Price Index (revised January 1953) measures the average change in prices of goods and services purchased by city wage-earner and clerical-worker families. The goods and services included in the index "market basket" are those required to maintain the level of living characteristic of such families in 1952. The quantities and qualities of the items in the "market basket" remain the same between consecutive pricing periods, so that the index measures the effect of price change only on the cost of living of these families.

The indexes are presented on a base of 1947-49=100. The index numbers thus show the average increase or decrease in prices from the 1947-49 average. (For convenience of users, these indexes are also shown on the base 1935-39=100. Note that they are calculated using the new samples, items and weights). The city indexes do not indicate whether it costs more to live in one city than in another. Comparisons of city indexes show only whether prices have risen more or less in one city than another since the base period.

The Bureau has been compiling the Consumer Price Index for nearly 40 years. At four different times it has been necessary to bring the "market basket" of goods and services up to date and to modernize the samples and methods of calculation. The indexes in this report are revised as of January 1953. The "market basket" is based on extensive surveys of postwar expenditure patterns of city families, and reflects changes that have occurred since prewar in the amounts, kinds and qualities of things people buy, as well as new things that were not part of our pattern of living a few years ago.

About 300 items are priced to estimate the average change in prices of all items in the "market basket." Among these items are all the important goods and services that wage and clerical workers buy. Prices are collected at regular intervals, and the successive prices are compared to determine price changes. The items priced are described by detailed specifications to insure that as far as possible, the same quality is priced each time, and that differences in reported prices are measures of price change only. Prices are obtained in a sample of 46 cities representative of all cities in the U.S., including the 12 largest urban areas with populations over 1 million, 9 other large cities, 9 medium-sized cities, and 16 small cities. In each city, prices are reported by stores of various kinds and by service establishments and individuals (such as physicians and dentists) from whom wage and clerical workers buy goods and services.

Foods, fuels, rents, and a few other items are priced monthly in all cities. Prices of most other goods and services are obtained on a regular rotating pricing cycle--monthly in the 5 largest cities, every 3 months in 25 large and medium-sized cities, and every 4 months in the 16 smallest cities. In any given month, goods and services other than foods, fuels and rents are priced in 17 or 18 cities out of the 46. Price collection extends over 3 or 4 weeks, centered on the 15th of the month. Prices for a few items (e.g., auto insurance, railroad fares) are computed from published sources.

Food. Food prices are collected monthly from chain and representative independent food stores in all 46 cities, during the first 3 days of the week which includes the 15th of the month. Prices for restaurant meals are based on menus collected on the regular pricing cycle for each city as described above.

Rent. Rents are obtained each month by mail from tenants of representative samples of dwellings in each of the 46 cities, and once every 2 years by personal visit, when local samples of dwellings are also reviewed. The rent index measures changes in rent from one period to another for the same rented dwellings, with the same facilities, furnishings and services.

Other Shelter. Materials and services for house maintenance and repair are priced on the regular city pricing cycle. Prices of houses, fire insurance rates, mortgage interest and taxes, which change only occasionally, are obtained annually or biennially, and changes estimated between pricing dates. Sales prices of houses are obtained from records of mortgages insured by the Federal Housing Administration.

Fuels, including Gas and Electricity. Prices prevailing on the 15th of the month are collected monthly by mail from fuel dealers and utility companies in 46 cities.

All Goods and Services other than Foods, Fuels and Rents. Prices are collected in person, on the city cycle described above, from samples of representative department stores, apparel and shoe stores, housefurnishings and appliance dealers, barber shops, beauty shops, doctors, hospitals, moving picture theaters, etc. Prices for such items as newspapers, street car and bus fares, and telephone service are collected by mail. Prices of used cars are obtained from car dealers through a trade association.

Price changes for all items in each city are combined in accordance with their importance in the "market basket" for that city to obtain an average price change for that city. Price changes for the 46 cities are combined for the U.S. with the use of 1950 population data. Each city is given an importance or weight proportionate to the wage-earner and clerical-worker population it represents in the index. The 12 largest cities, each weighted by its own population, when combined have about two-fifths of the total weight in the national index. Each of the 3 other city-size groups has about one-fifth of the total weight; i.e., the 9 other large cities, the 9 medium-sized cities, and the 16 small cities. City indexes are compiled for the 20 largest of the 46 cities priced for the national average. The remaining 26 cities in which prices are collected are:

Anna, Illinois	Huntington, W. Virginia	Pulaski, Virginia
Camden, Arkansas	Laconia, New Hampshire	Ravenna, Ohio
Canton, Ohio	Lodi, California	Rawlins, Wyoming
Charleston, W. Virginia	Lynchburg, Virginia	San Jose, California
Evansville, Indiana	Madill, Oklahoma	Sandpoint, Idaho
Garrett, Indiana	Madison, Wisconsin	Shawnee, Oklahoma
Glendale, Arizona	Middlesboro, Kentucky	Shenandoah, Iowa
Grand Forks, N. Dakota	Middletown, Connecticut	Youngstown, Ohio
Grand Island, Nebraska	Newark, Ohio	

The present index, as described above, has been linked (spliced) to the "interim adjusted" Consumer Price Index for 34 cities, issued through December 1952, to form a continuous series back to 1913. <sup>1/</sup>

For detailed descriptions of the Consumer Price Index, its uses and limitations, see the following:

"The Consumer Price Index," A Short Description of the Index as Revised, 1953.

"The Revised Consumers' Price Index--A Summary of Changes in the Index and Suggestions for Transition from the 'Interim Adjusted' and 'Old Series' Indexes to the Revised Index."

Bureau of Labor Statistics Bulletin No. 1039: "Interim Adjustment of the Consumers' Price Index."

January 1951 Report: "Consumers' Price Index and Retail Food Prices."

December 1952 Report: "Consumers' Price Index and Retail Food Prices."

Monthly Labor Review articles:

The Revised Consumer Price Index (February 1953).

Adjusted Consumers' Price Index: Relative Importance of Items (June 1951).

Interim Adjustment of Consumers' Price Index (April 1951).

Selection of Cities for Consumer Expenditure Survey-1950 (April 1951).

Revision of the Consumers' Price Index (July 1950).

<sup>1/</sup> See December 1952 report, "Consumers' Price Index and Retail Food Prices." Tables of rebased "interim adjusted" indexes for the U. S. and for 20 cities are available upon request.

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