U.S. DEPARTMENT OF LABOR Bureau of Labor Statistics Washington 25, D. C.

CONSUMER PRICE INDEX

MARCH 1954

Consumer Price Index Down 0.2 Percent Between February and March 1954

:This report presents the Consumer Price Index : for the U.S. and for individual cities. A de-: :scription of the index is available on request.:

Consumer prices in U.S. cities decreased 0.2 percent between February and March, according to the U.S. Department of Labor's Bureau of Labor Statistics. Food and apparel prices were 0.4 percent lower on the average. Transportation was down 0.3 percent. Rents and services continued to rise. Rents were up 0.1 percent; Medical Care, Personal Care, and Reading and Recreation each advanced 0.2 percent.

The All Items index for March was 114.8 (1947-49 = 100), 0.5 percent below the October 1953 peak. It was 1.1 percent higher than a year ago, and 12.8 percent above the level of June 1950. On a base of 1935-39 = 100, the index for March was 191.9.

Reductions in excise taxes and in the support price of butter, which became effective April 1, are not yet reflected in the index.

The food index, at 112.1 (1947-49 = 100), was 0.4 percent above a year ago, but about 4 percent below its August 1952 peak. From February to March, egg prices dropped nearly 12 percent, with seasonal declines reported throughout the country. Dairy products dropped 0.9 percent. Milk prices were reduced 1 to 5 percent in many cities and butter and cheese prices fell 1 percent. Prices of all cuts of beef, veal and pork (except pork chops) decreased. Potato prices continued to decline, going down by 5 percent over the month. Prices of most fresh produce were higher. Coffee prices went up about 6 percent to bring the average price for the nation to over \$1.05 a pound, 15 percent higher than last December. Bread prices were reduced in a few cities. Restaurant meals averaged slightly higher in March.

Average residential rents increased 0.1 percent over the month, but some scattered decreases were reported. The rate of increase in rents has slowed considerably since November 1953 as the effects of decontrol have largely been dissipated. Sales on housefurnishings items continued in some cities while in others prices returned to earlier levels.

After four months of steady decline, apparel prices were over 1 percent below October 1953. Work clothing prices -- on overalls, work trousers, shirts and dungarees -- have been reduced 20¢ to 50¢ in the last 3 months. Women's hosiery prices continued their steady decline. Spring seasonal clothing prices were higher than at the end of last spring.

OTHER GOODS Used car prices were lower in March in most cities and some AND SERVICES price reductions by dealers were reported for new cars.

Charges for services -- medical care, personal care and reading and recreation -- again advanced. Further increases were recorded for doctor's fees and other medical care services; some motion picture theatres raised prices for special features; barber and beauty shop charges continued to advance generally. Laundry and toilet soaps were higher in most cities, reflecting higher prices for fats and oils at wholesale. Prices of other toilet articles also increased.

GROUP	March 1954	February 1954	January 1954	March 1953	June 1950	Year 1939	
	This Month	Last Month	2 Months Ago	Last Year	Pre-Korea	Pre- World War I	
	īn	DEXES (1947-	49 - 100)				
ALL ITEMS	114.8	115.0	115.2	113.6	101.8	59.4	
FOOD <u>2</u> /	112.1	112.6	113.1	111.7	100.5	47.1	
Food at home	111.4	112.0	112.6	111.3	100.5	47.1	
Cereals and bakery products	121.2	121.3	121.2	117.7	102.	57.2	
Meats, poultry and fish	109.5	109.7	110.2	107.4	106.1	41.6	
Dairy products	108. 0	109.0	109.7	110.3	92.3	49.8	
Fruits and vegetables	107.8	108.0	110.8	115.5	102.5	46.3	
Other foods at home	112.3	114.0	113.5	109.1	94.1	48.4	
HOUSING 3/	119.0	118.9	118.8	116.8	104.9	76.1	
Rent	128.0	127.9	127.8	121.7	108.7	86.6	
Gas and electricity	107.6	107.5	107.1	106.5	102.7	104.9	
Solid fuels and fuel oil	125.8	126.2	125.7	124.4	107.6	56.4	
Housefurnishings	107.2	107.2	107.2	108.0	97.4	53.4	
Household operation	117.5	117.3	117.2	114.0	99.6	68.4	
APPAREL 4/	104.3	104.7	104.9	104.7	96.5	52.5	
TRANSPORTATION	129.0	129.4	130.5	129.3	109.9	68.9	
MEDICAL CARE	124.4	124.1	123.7	119.5	105.4	72.6	
PERSONAL CARE	114.1	113.9	113.7	112.4	99.2	59.6	
READING AND RECREATION	108.2	108.0	108.7	107.7	102.5	63.0	
OTHER GOODS AND SERVICES 5/	120.1	120.2	120.3	117.5	103.7	70.6	
	PERCENT (CHANGE TO MAR	CH 1954 FROM:				
		February 1954	January 1954	March 1953	June 1950	Year 1939	
LL ITEMS		- 0.2	- 0.3	1.1	12.8		
FOOD <u>2</u> /					1	93.3	
1000 <u>2</u> /		- 0.4	- 0.9	0.4	11.5	138.0	
Food at home		- 0.5	- 1.1	0.1	10.8	136.5	
Cereals and bakery products		- 0.1	0	3.0	18.0	111.9	
Meats, poultry and fish		- 0.2	- 0.6	2.0	3.2	163.2	
Dairy products		- 0.9	- 1.5	- 2.1	17.0	116.9	
Fruits and vegetables		- 0.2	- 2.7	- 6.7	5.2	132.8	
Other foods at home		- 1.5	- 1.1	2.9	19.3	132.0	
Housing 3/		0.1	0.2	1.9	13.4	56.4	
Rent		0.1	0.2	5.2	17.8	47.8	
Gas and electricity		0.1	0.5	1.0	4.8	2.6	
Solid fuels and fuel oil		- 0.3	0.1	1.1	16.9	123.0	
Housefurnishings		0	0	- 0.7	10.1	100.7	
Household operation		0.2	0.3	3.1	18.0	71.8	
APPAREL 4/		- 0.4	- 0.6	- 0.4	8.1	98.7	
TRANSPORTATION		- 0.3	- 1.1	- 0.2	17.4	87.2	
		1			i	1	

OTHER GOODS AND SERVICES 5/

MEDICAL CARE

PERSONAL CARE

READING AND RECREATION

0.2

0.2

- 0.1

0.6

0.4

- 0.5

- 0.2

18.0

15.0

5.6

15.8

71.3

91.4

71.7

70.1

4.1

1.5

0.5

^{1/} See General Explanation at end of tables.
2/ Includes "Food away from home."
3/ Includes "Other shelter"; estimates for rent, home purchase, and other home owner costs are reflected monthly in total housing and all items.

^{4/} Indexes for subgroups of apparel not yet available.
5/ Includes tobacco, alcoholic beverages, and "miscellaneous services" (such as legal services, banking fees, burial services, etc.).

City		(1935-39 = 100)				
	March 1954	February 1954	January 1954	March 1953	June 1950	March 2/ 1954
U. S. AVERAGE 3/	114.8	115.0	115.2	113.6	101.8	191.9
CITIES PRICED MONTHLY:						
Chicago Detroit Los Angeles New York Philadelphia	116.7 116.5 116.2 112.4 114.9	116.7 116.4 116.6 112.8 115.2	116.7 117.0 116.8 113.0 115.3	113.8 115.2 115.4 111.2 114.1	102.8 102.8 101.3 100.9 101.6	198.7 196.7 194.2 186.0 191.2
CITIES PRICED IN JAN., APR., JULY, OCT. 4/				January 1953	April 1950	January 1954
Boston Kansas City Minneapolis Pittsburgh Portland, Ore.			112.7 115.0 116.6 114.4 115.4	112.1 114.3 114.4 112.6 114.6	101.2 101.4 102.1 <u>5</u> / 99.9 101.5	181.4 185.2 193.1 194.5 199.9
CITIES PRICED IN MAR., JUNE, SEPT., DEC. 4/				March 1953	June 1950	March 1954
Atlanta Baltimore Cincinnati St. Louis San Francisco	117.0 114.8 114.2 116.9 116.5			116.7 114.2 112.6 114.7 115.5	101.3 <u>6/</u> 101.6 101.2 101.1 100.9	198.4 197.3 192.3 195.1 199.1
CITIES PRICED IN FEB., MAY, AUG., NOV. $\frac{4}{}$				February 1953	May 1950	February 1954
Cleveland Houston Scranton Seattle Washington, D. C.		115.2 116.9 113.2 116.2 114.1		112.5 116.1 112.2 114.6 113.0	100.4 103.5 100.2 102.0 101.6	196.3 197.9 188.1 198.6 187.4

TABLE 3. CONSUMER PRICE INDEX 1/- PERCENT CHANGES FROM FEBRUARY 1954 TO MARCH 1954 U.S. Average and Five Cities Priced Monthly All Items and Commodity Groups

City	All Items	Food <u>2</u> /	Housing	Apparel	Trans- portation	Medical Care	Personal Care	Reading & Recreation	Other Goods & Services 5/
U.S. AVERAGE	- 0.2	- 0.4	0.1	- 0.4	- 0.3	0.2	0.2	0.2	- 0.1
Chicago Detroit Los Angeles New York Philadelphia	0 0.1 - 0.3 - 0.4 - 0.3	- 0.4 0 - 0.8 - 0.6 - 0.7	0.2 0.2 0 0	0.1 - 0.3 0.1 - 0.4 - 0.3	- 0.1 - 0.4 - 0.5 - 0.4 0.1	0 0 0.2 0 - 0.1	0.4 0.1 0 0 0.7	- 0.1 1.2 0.4 - 1.7 0.3	0 0 - 0.2 - 0.1 - 0.1

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

^{1/} See General Explanation at end of tables.
2/ These are the same indexes shown in column 1, 2 or 3, converted to a base of 1935-39 = 100.
3/ 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.
4/ Foods, fuels, rents and a few other items priced monthly; other commodities and services priced quarterly.
5/ June 1950; formerly priced March, June, September, December.
6/ May 1950; formerly priced February, May, August, November.

					Hou	sing			T		Ι	Γ		
City	All Items	Total Food	Total	Rent	Gas & Elec- tri- city	Solid Fuels & Fuel Oil	House- fur- nish- ings	House- hold Opera- tion	Apparel	Trans- porta- tion	Medi- cal Care	Per- sonal Care	Read- ing & Recre- ation	Other Goods & Services 5/
March 1954 Indexes (1947-49 = 100)														
U.S. AVERAGE	114.8	112.1	119.0	128.0	107.6	125.8	107.2	117.5	104.3	129.0	124.4	114.1	108.2	120.1
Atlanta Baltimore Chicago Cincinnati Detroit Los Angeles New York Philadelphia St. Louis San Francisco	117.0 114.8 116.7 114.2 116.5 116.2 112.4 114.9 116.9 116.5	112.2 113.6 110.7 114.1 114.7 113.4 109.9 113.7 114.9 113.2	124.1 113.8 125.1 116.7 122.2 124.3 115.3 113.6 119.1 118.0	130.5 123.7 138.9	112.0 97.5 106.2 115.4 110.4 109.5 108.7 102.3 103.8 130.1	126.9 124.5 127.2 119.4 130.5 124.0 135.1	112.0 100.9 108.9 102.9 110.5 108.9 107.4 109.3 106.7 106.9	128.2 109.7 121.5 121.5 110.4 108.3 119.4 113.9 119.0 109.6	111.2 102.4 108.2 103.1 102.8 104.3 104.5 105.8 104.5	127.3 138.2 132.7 128.2 121.2 127.7 134.6 137.4 136.2 143.4	120.8 133.3 122.8 124.6 122.3 121.3 123.2 123.7 134.6 123.2	116.6 108.6 114.7 110.2 120.0 117.9 108.6 118.0 114.6 113.0	112.0 113.7 107.9 99.8 111.8 102.0 105.8 110.8 99.4 105.7	118.2 123.3 118.9 118.1 124.9 115.2 121.1 122.7 115.7 116.3
				Percen	t Change	Dece	mber 195	3 to Mar	ch 1954					
U.S. AVERAGE	- 0.1	- 0.2	0.1	0.3	0.4	0.4	- 0.8	0.4	- 0.9	0.1	0.6	0.4	- 0.6	- 0.2
Atlanta Baltimore Chicago Cincinnati Detroit Los Angeles New York Philadelphia St. Louis San Francisco	- 0.1 0.3 0.3 - 0.3 0.1 0.3 - 0.5 - 0.1 0	- 0.4 0.6 0.2 - 0.6 0.3 0 - 0.9 - 0.9 - 0.9	0.2 0.1 0.7 0.3 0.7 - 0.3 - 0.2 0.4 0.2	6/ 1.1 6/ 1.6 6/ 2.5	0.2 0 6.3 1.9 - 0.1 0 - 0.2 0	0 2.3 0 0 0.2 0.3 0.8	- 0.5 - 1.0 0.2 - 1.5 - 0.6	0 0.5 0.6 0.2 3.5 0.2 - 0.2 0.7 0.1	0.6 0 0.1 - 0.7 - 0.4 0.1 - 0.9 - 1.0 - 0.8 - 1.4	- 1.3 - 1.0 - 0.1 - 1.8 - 1.1 3.5 0.7 1.6 - 0.2 - 0.5	1.1 0.3 0.1 0 0.2 0.1 - 0.2 0.5 0.7 0.2	0.6 0.5 0.5 0.8 0.4 0 0.5 0.8 4.2	- 0.4 0.5 - 0.7 0.1 - 0.9 - 0.8 - 2.8 0 - 0.2 1.1	0 1.9 - 0.3 0 - 0.2 - 0.5 - 0.1 - 0.2 - 0.9 - 0.9

^{1/} through 5/ see footnotes on table 1 and General Explanation at end of tables.
6/ Change from September 1953 to March 1954.

TABLE 5. CONSUMER PRICE INDEX 1/-- FOOD AND ITS SUBGROUPS March 1954 Indexes and Percent Changes, February 1954 to March 1954 U.S. Average and 20 Large Cities (1947-49 = 100)

			To	Total Cereals &					Dairy		Fruits &		Other	
City	Total	Food <u>2</u> /	Food a	t Home	Bakery :	Products		ish	Prod		Vegeta		Foods	at Home
		Percent		Percent		Percent		Percent	1	Percent	ļ	Percent	l	Percent
	Index	Change	Index	Change	Index	Change	Index	Change	Index	Change	Index	Change	Index	Change
U.S. AVERAGE	112.1	- 0.4	111.4	- 0.5	121.2	- 0.1	109.5	- 0.2	108.0	- 0.9	107.8	- 0.2	112.3	- 1.5
Atlanta Baltimore Boston Chicago Cincinnati	112.2 113.6 109.3 110.7 114.1	- 0.3 0 - 0.2 - 0.4 - 0.7	111.2 112.7 107.9 109.7 113.7	- 0.7 - 0.3 - 0.2 - 0.3 - 0.7	116.0 121.6 119.1 117.0 118.4	0.2 0.4 0 - 0.3 - 2.2	116.5 112.2 105.5 105.1 114.7	- 0.4 - 0.2 0.6 0.2 0.5	109.5 111.9 108.5 107.1 111.4	- 0.3 - 0.2 - 1.3 - 0.9 - 0.1	105.5 107.5 101.0 105.8 104.7	- 0.3 0.1 0 - 0.1 - 2.4	105.7 111.0 105.8 119.0 118.1	- 1.9 - 1.0 - 0.8 - 0.3 - 0.8
Cleveland Detroit Rouston Kansas City Los Angeles	110.3 114.7 112.7 108.4 113.4	- 0.2 0 - 0.2 0.1 - 0.8	109.4 113.7 111.7 107.8 112.1	- 0.3 0.1 - 0.3 0 - 0.9	118.6 117.8 118.3 120.4 122.6	0.2 - 0.2 - 0.2 0 - 0.1	105.6 108.7 108.3 106.6 110.4	- 0.9 0.1 0.4 1.3 - 0.5	104.8 108.1 110.0 101.2 105.3	- 0.2 - 0.5 - 0.6 - 3.1 - 0.1	103.3 116.3 110.7 102.9 112.8	1.3 1.7 - 0.2 1.7 0	116.2 114.8 112.7 108.6 111.1	- 0.7 - 0.7 - 0.7 - 0.6 - 3.0
Minneapolis New York Philadelphia Pittsburgh Portland, Ore.	112.4 109.9 113.7 113.2 112.7	- 0.4 - 0.6 - 0.7 - 0.2 - 0.7	112.1 109.3 112.6 112.8 112.6	- 0.4 - 1.0 - 1.0 - 0.2 - 0.9	124.9 125.1 120.6 121.7 116.3	0.1 - 0.5 - 0.7 0.1 - 0.6	104.3 107.6 110.5 105.5 113.5	1.3 - 1.1 - 1.3 0.3 - 1.6	104.7 106.4 110.8 112.1 109.1	- 1.8 - 1.3 - 0.3 - 0.3	117.3 100.8 108.7 107.2 110.0	- 0.9 - 0.4 - 1.1 0 - 1.3	118.2 112.1 112.3 122.3 113.6	- 1.5 - 1.1 - 0.6 - 1.1 - 0.7
St. Louis San Francisco Scranton Seattle Washington, D.C.	114.9 113.2 111.2 112.2 110.3	- 0.3 - 0.2 - 1.2 0.1	113.3 112.3 110.7 112.0 109.5	- 0.8 - 0.5 - 1.3 0.1 - 0.7	116.5 127.4 119.4 122.2 118.4	- 0.4 0 0.2 0.2 0.3	110.4 109.4 109.4 110.2	- 0.7 0.2 - 0.1 0.1 - 0.8	101.6 106.8 109.4 105.7 113.8	- 1.8 - 0.3 - 2.9 - 0.2 - 0.3	115.3 116.0 102.5 113.0 104.1	- 0.2 - 0.3 - 2.9 - 0.8 - 0.3	121.9 108.4 111.3 110.9 1 0 9.9	- 1.0 - 2.0 - 1.3 0.7 - 1.5

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 are 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 16 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
Camden, Arkansas
Canton, Ohio
Charleston, W. Virginia
Evansville, Indiana
Garrett, Indiana
Glendale, Arizona
Grand Forks, N. Dakota
Grand Island, Nebraska

Huntington, W. Virginia
Laconia, New Hampshire
Lodi, California
Lynchburg, Virginia
Madill, Oklahoma
Madison, Wisconsin
Middlesboro, Kentucky
Middletown, Connecticut
Newark, Ohio

Pulaski, Virginia
Ravenna, Ohio
Rawlins, Wyoming
San Jose, California
Sandpoint, Idaho
Shawnee, Oklahoma
Shenandoah, Iowa
Youngstown, 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. 1/

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).

^{1/} 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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