

CONSUMER PRICE INDEX

Introduction of Series with base
Mid–November, 1975 as 100

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Introduction

The Consumer Price Index (CPI) is compiled by the Central Statistics Office (CSO). The index is designed to measure the change in the general level of the prices actually paid (inclusive of all indirect taxes) by private households for consumer goods and services. It is calculated on a quarterly basis in respect of the middle Tuesday of the months of February, May, August and November each year. The index is released approximately five weeks after the date to which it relates. It is subsequently published in the monthly *Economic Series* and the quarterly *Statistical Bulletin*.

The weighting basis of the CPI has now been updated using the results of the 1973 national Household Budget Survey adjusted for price changes between 1973 and 1975. The updated index series was introduced in respect of mid-February, 1976 with time-base mid-November, 1975 as 100. The index weights were last revised seven years ago in November, 1968. As on previous occasions the opportunity was taken to update other aspects of the index as well. A number of improvements were also made, for example the extension of the weighting basis to cover all households in the country and the inclusion of mortgage interest payments within the index coverage. This article provides a detailed description of the design and calculation of the updated index series. Mid-November, 1975 has been adopted as the time reference base of the new series. The index is also being published in respect of mid-November, 1968 as 100 which was the base of the former series.

The price quotations on which the index is based are voluntarily provided each quarter by an extensive representative panel of retail and service outlets throughout the country. The quotations provided by individual concerns are treated as strictly confidential and are not divulged by the CSO to any other Government Department or outside body. The CSO wishes to place on record its appreciation of the co-operation and assistance provided by this panel of respondents each quarter.

Definition and purpose of the CPI

Full appreciation of the definition and purpose of the CPI is essential for the proper use and interpretation of the index series. By definition the CPI is a price index, and its purpose is to measure the change in the general level of the prices of consumer goods and services purchased by private households.

The CPI is calculated by measuring over time the cost of purchasing *fixed (i.e. unchanged) quantities* of an extensive representative selection of specified consumer goods and services. The fixed quantity (or weight) of each item included in this *market basket* is directly proportional to the level of current household expenditure incurred on it and related unpriced articles. The identical products are priced in the *same* amounts in the *same* shops on each occasion so that any change in the cost of this fixed basket reflects only the effect of consumer price changes. This fixed market basket is retained as long as it is considered representative of current household expenditure patterns.

The CPI, therefore, relates to a fixed pattern of expenditure and measures the effect of price changes only. The index does not reflect changes in the standard of living as it is specifically designed not to take into account the manner in which households change their pattern of expenditure (e.g. switch from expensive meat cuts to cheap cuts, or vice versa) in response to changes in prices, income levels, family composition, tastes, preferences, or market conditions. Furthermore, outlays such as income tax and social insurance contributions, which affect most household budgets, are not covered by the CPI. In short, the CPI is a price index, and not a cost of living index. However, one of the most important factors determining changes in the cost of

living is the extent to which consumer prices of goods and services vary, and it is this particular aspect of the cost of living which is measured by the CPI.

The CPI measures changes in the general level of prices as experienced by the *average* household. No two households spend their money in exactly the same manner and the index, like any statistical average, conveniently summarises the varying experiences of the general body of private households. It, therefore, does not necessarily represent the experiences of any one household or small group of households. The compilation of separate index numbers for all of the many types of households which could be distinguished would clearly be impractical and confusing.

Previous CPI updatings

Despite changes in consumer tastes and preferences, in the general standard of living and in the selection of goods and services available on the market, household expenditure patterns generally change relatively slowly over time. It is this relative stability in the pattern of household expenditure which permits the use of fixed expenditure weights for the isolation of price changes. However, these index weights require periodic adjustments if they are to continue to be representative of current expenditure patterns. Four different weighting bases have been previously used in the compilation of the Irish index series since the foundation of the State in 1922. The main features of these four earlier index series are briefly described below.

(i) *Index with base July, 1914 as 100*

This was the first official index of consumer prices compiled for the country. It was introduced in respect of March, 1922. The weighting basis of the index represented the pattern of expenditure of working class families in 1922 as derived from a Household Budget Inquiry conducted in June of that year in which 308 households provided usable returns (1). This index was compiled quarterly up to August, 1947. It was planned to revise the weighting basis of this index during the late thirties, but plans for the completion of the required survey of household budgets had to be abandoned on account of the abnormal pattern of expenditure during the period 1939-45. Due to the rapidly changing consumption habits of the population in the years following 1945 it was not considered desirable to conduct an inquiry into household expenditure during that period. However, since it was urgently necessary to revise the dated weighting basis a revised interim index was introduced in 1947.

(ii) *Index with base mid-August, 1947 as 100*

This second series was called the *Interim Cost of Living Index (Essential Items)* (2). This index series was calculated for each quarter from mid-August, 1947 to mid-August, 1953. The weighting basis of the index related to the expenditure pattern of non-agricultural employee households which was estimated from national income and expenditure data combined with the results of the *National Nutrition Survey* undertaken in 1946. In the circumstances of the time it was decided that the most useful interim index was one representing only the changes in the retail prices of essential items, i.e. food, clothing, fuel and light and rent. By 1951 consumer expenditure had stabilised to what appeared to be normal post-war patterns and a large scale Household Budget Inquiry (3) was conducted during 1951-52 specifically for the purpose of updating the index weights.

(1) Report on the Cost of Living in Ireland, June 1922.

(2) Irish Trade Journal and Statistical Bulletin, June 1948.

(3) Household Budget Inquiry 1951-52 (The Stationery Office, 1954).

(iii) *Index with base mid-August, 1953 as 100*

This index series (4) was introduced at mid-November, 1953 and was compiled each quarter up to and including mid-November, 1968. While the interim index related only to non-agricultural employee households the weighting basis of the new index extended to all urban households. In addition, the coverage of the index was extended to include the full range of consumer goods and services. The two earlier series had been titled *Cost of Living Indexes* even though they were designed to measure price change only. This long-standing but misunderstood name was changed to the present official title *Consumer Price Index*. The change was made at that time to avoid the misunderstanding then prevalent that the index measured all factors causing changes in the cost of living.

(iv) *Index with base mid-November, 1968 as 100*

This index series (5) was introduced at mid-February, 1969 and was compiled each quarter up to mid-November, 1975. The weighting basis of the series related to the expenditure pattern of all urban households as determined from the results of the 1965-66 Household Budget Inquiry. The number of separate articles priced was increased from 191 for the former series to 343, an increase of approximately 80 per cent. A revised national panel of retail and service outlets representative of the existing retail structure was selected. The *old* and *new* pricing operations were both completed during November, 1968 with a period of fifteen days intervening for operational reasons. A careful account was taken of any price changes which occurred during this intervening period and appropriate adjustments were made to ensure that complete continuity was maintained.

The updating of index weights is a long-term and major operation. Plans for the present updating commenced in 1972 when preparations commenced for the 1973 Household Budget Survey. It has taken approximately three years to conduct the survey and to process the results. To be in a position in future to respond promptly to any substantial changes in household expenditure patterns the CSO initiated in 1974 a small-scale continuing Household Budget Survey covering a random sample of 1,600-2,000 households each year in towns containing 1,000 inhabitants or more. This survey will continually monitor household expenditure patterns and will give adequate forewarning of the need to undertake a further large scale national inquiry for updating the index weights.

Scope and Coverage of Updated CPI Series

By definition the CPI has always been concerned with changes in the consumer price *actually* paid by private households weighted together directly in proportion to the expenditure *actually* incurred. The weighting basis of the former series related to the private expenditure of urban households only; the scope of the present updated series has been extended to relate to *all households in the country* as the 1973 Household Budget Survey covered rural households for the first time.

The CPI coverage is based on the concept of current money expenditure of private households. In principle, the index covers all consumer goods and services which private households can purchase for cash *including*, for example, the following items:

rates; house insurance; motor taxation and insurance; driving licences; subscriptions to clubs, societies, associations and trade unions; and mortgage interest payments (being incorporated for the first time in the present series) (6).

Being a price index, the CPI cannot embrace goods and services which either have no price or cannot be priced and, on this basis, the following items of expenditure are excluded from the index coverage:—

- (i) church and charity donations;

- (ii) personal cash allowances (7);

- (iii) lottery and betting payments.

Furthermore, since the CPI is based on the concept of household *expenditure* the following *non-cash* consumption items are also excluded:—

- (iv) the value of own farm or garden produce consumed by households;

- (v) Social Welfare benefits in kind and other benefits in kind;

- (vi) imputed rent of owner occupied dwellings.

Certain other items of expenditure are also outside the scope of the index even though they affect the living costs and budgets of many households, namely:

- (vii) Life Assurance premiums, pension contributions, mortgage capital repayments, capital expenditure in the outright purchase of a house, other forms of savings and investments;

- (viii) Social insurance contributions and income tax.

To avoid any possibility of misinterpretation it must be emphasised that the exclusion (or inclusion) of an item from the CPI coverage does not necessarily result in the index being decreased (or increased). The CPI measures price change from one period to another; it does not measure absolute expenditure levels. The exclusion of an item is, in fact, equivalent to including it in the CPI with its appropriate weight and attributing to it the *overall* price change of all other items combined (i.e. the calculated CPI change). Similarly, the inclusion of an additional item will increase (or decrease) the index only if the percentage change in its price is greater (or less) than that of the rest of the index, and then only in proportion to its weight in the fixed market basket.

Weighting Basis of Updated CPI Series

The weighting basis of the updated CPI series now being introduced represents the best available estimates of the current average weekly expenditure on consumer goods and services by all households in the country. These estimates were derived almost entirely from the results of the large scale national Household Budget Survey which was conducted by the CSO during 1973 specifically for this purpose. The survey covered a national representative sample of 7,748 private households throughout the country. Fieldwork commenced late in 1972, terminated early in 1974 and was completed by approximately 36 full time field personnel.

The sample households which participated in the survey provided particulars of household composition, accommodation, facilities and regular household expenses (e.g. rent, rates, electricity and gas expenses, etc.). Household members aged fifteen years and over also provided details of their income and regular personal expenditure (e.g. insurance premiums, motor tax, etc.) and maintained detailed records of their day-to-day expenditure over a period of fourteen consecutive days. A first report giving summary results of the survey has been published (8).

The index weighting basis was derived from the results of the 1973 survey as follows:

- (1) Household expenditure relating to those items excluded from the CPI coverage was deleted.

(4) Irish Trade Journal and Statistical Bulletin, December, 1953.

(5) Irish Statistical Bulletin, March, 1969.

(6) Some of these items are not treated as personal consumption expenditure in the National Accounts.

(7) The 1973 Household Budget Survey distinguishes both *pocket money* paid to children under fourteen years of age within the household and *personal cash allowances* to non-household members. The former was presumed to relate mainly to sweets, ice-cream and comics in the derivation of the index weights; the latter was excluded.

(8) Household Budget Survey, 1973 — Volume 1, Summary Results (The Stationery Office, 1976).

- (2) The retail value of own farm and garden produce consumed by households, which was summarised as both household income and expenditure in the 1973 survey, was eliminated from the headings affected. This was necessary because the CPI by definition does not cover *non-cash* household consumption.
- (3) Estimates of the average household expenditure on alcoholic drink derived from the 1973 Survey were replaced by figures derived from other sources. Expenditure on alcoholic drink was understated by more than 50 per cent in the survey. This is a common international phenomenon in surveys of this type. Accurate figures are, however, available from other sources for the total annual consumption of alcoholic drink in the country and, making due allowance for tourist expenditure, it was possible to derive a sufficiently reliable estimate of average weekly household expenditure for index weighting purposes.
- (4) The survey results, which related to the calendar year 1973, were updated to 1975 using the average percentage changes between 1973 and 1975 in the prices of the individual items covered by the former index series. No accurate information was available on quantitative changes in the detailed pattern of household consumption during this period and no adjustments of this type were made.

The value of the resulting CPI market basket was £56.87 at 1975 price levels. It relates to an average household consisting of 4.01 persons.

Sampling Design of the CPI

The calculation of the CPI is based on a complex pyramid of samples. A proper understanding of the sampling aspect of the index design is required for the proper interpretation of the index results. As already described, the weighting basis of the index is based on the expenditure patterns of a national representative sample of private households. The sample of 7,748 households used in the 1973 survey was more than adequate to provide estimates of average weekly household expenditure with the required accuracy for index weighting purposes.

Sampling procedures must also be used in the quarterly collection of prices. It would be impossible to price every brand or variety of every item available in all retail and service outlets in the country on all days each quarter. In practice, it suffices to price *sample varieties* for a representative *sample of articles* in a national representative *sample of shops* on a single *sample day* each quarter. As the index is intended to reflect price change only, the *samples* of identical varieties and shops are retained for as long as possible during the life span of the series so that extraneous factors, unconnected with price change, which would otherwise affect the index calculations are strictly controlled.

Selection and Weighting of the Sample Items Priced

A fixed representative sample of specific items was chosen for regular quarterly pricing so that their price changes, appropriately weighted in combination, provide an accurate measure of the overall price movement of all consumer goods and services. In choosing the actual varieties to be priced the full spectrum of goods and services covered by the index was first arranged into a logical system of major commodity groups (e.g. household durable goods), sub-groups (e.g. electrical appliances) and constituent items (e.g. cookers, refrigerators, washing machines, etc.). At this stage, one or more of these constituent items was selected within each of these commodity sub-groups on the basis of their relevant importance, representative nature and suitability for regular pricing so that their price changes, when appropriately weighted together, are representative of the average price change for the sub-group as a whole. The full sub-group index weight was distributed over the constituent priced items by a process of im-

putation whereby the weights relating to unpriced items was either added directly to the weight of similar items considered to exhibit the same price trend or distributed proportionally over all priced items in the sub-group. From the statistical point of view this sampling and weight imputation approach gives as accurate an assessment of the price movement of the sub-group as a whole as would result if all constituent items, varieties and products were individually priced. In this fashion, the index reflects the price movements of the particular items priced and the related items which they represent — i.e. the full range of consumer goods and services covered by the CPI.

The complete list of the items selected for pricing in this fashion and their corresponding percentage expenditure weights are given in the Appendix. A number of different varieties are priced under most of these item headings and these are listed as well. In some cases the price movement for a particular item is taken as the unweighted average of the price changes of the constituent varieties priced. However, in the case of other items some of the constituent varieties priced are much more important than others and it is necessary to allow for this by distributing the item weight over the constituent varieties in such a way as to give a relatively larger weight to the important ones.

Most of the varieties are priced locally. Some relate to services provided by a single organisation (e.g. electricity, bus and rail services) or by a small group of companies (e.g. domestic fuel oil, domestic gas); these are priced directly by special inquiry. In introducing the present series the opportunity was taken to update the list of varieties priced in the former series. A number of additional varieties were introduced as a result of the greater item detail now being distinguished within certain commodity sub-groups (e.g. drinks out being distinguished from drinks consumed at home). The detail of most of the special inquiries has been extended, a number of new inquiries have been introduced and most of them are now being conducted on a quarterly basis. The extent to which the list of varieties priced has been revised and extended can be examined by comparing the listing given in the Appendix to this article with the corresponding listing given in the introductory article to the former series published in the March, 1969 issue of the Irish Statistical Bulletin.

Local Pricing Operation

The local pricing operation used in the former series has been continued without any major change. Pricing in the Dublin metropolitan area is mainly completed by officials of the CSO. Prices for the remainder of the country are collected in a representative selection of towns in which local offices of the Department of Social Welfare are located; the pricing is completed by personnel attached to these local offices. The national panel of retail and service outlets visited on each occasion is representative of the existing retail distribution structure.

For operational reasons the list of 389 varieties priced locally are divided into three separate groups corresponding mainly to particular types of shops. Three separate price booklets are used; one for each group.

Booklet No. 1 (172 varieties) relates to food, drink tobacco and household non-durable goods.

Booklet No. 2 (161 varieties) relates to clothing and household durable goods — these varieties are priced only in towns with 3,000 inhabitants or more as there is a marked tendency for products of this type to be purchased only in larger towns.

Booklet No. 3 (56 articles) relates to personal services fuel, entertainment, and other articles — as the number of outlets offering these goods and services is limited only one booklet is completed in each town with the exception of the cities and a few large towns.

The total number of these three different types of price booklets and their distribution amongst towns of

different sizes are summarised in Table 1.

TABLE 1: Geographical Distribution of Price Booklets

Town Size	Number of Towns		Number of Price Booklets		
	Total	CPI Sample	No. 1	No. 2	No. 3
Dublin and Dun Laoghaire	2	2	36	16	11
Cork, Limerick and Waterford	3	3	18	8	7
Other towns with 10,000 or more inhabitants	12	12	25	12	12
Towns with 5,000-10,000 inhabitants	24	20	18	20	18
Towns with 3,000-5,000 inhabitants	29	20	13	13	7
Towns with 1,500-3,000 inhabitants	44	22	11	—	15
Towns with under 1,500 inhabitants	374	38	17	—	16
TOTAL	488	117	138	69	86

A number of booklets of each type are generally completed in the cities and larger towns. These are assigned to selected geographic areas to ensure that the retail structure of each such city/town is adequately represented. No significant change was made either in the regional distribution of these price booklets or in the panel of shops approached in each sample town. However, in Dublin and in the other cities the opportunity was taken to re-assign some existing booklets to different areas and to introduce a number of additional booklets to ensure that account was taken of the changes which have occurred in the retail distribution structure in these cities (e.g. increased number of shopping centres) during the life span of the former series. The total number of price booklets completed for the compilation of the present updated series is 293; this is 7 more than the number used in the former series. When account is also taken of the 46 additional varieties priced the total number of individual price quotations collected on each occasion has increased from approximately 30,000 to 37,000 for the present series.

Pricing Procedures

Pricing procedures are founded on the criterion that an *identical* quality or brand of each variety is priced as far as possible in the *same* shop on each occasion. The selection of varieties priced locally are listed in the Appendix. The variety specifications are of a general nature which delineate a range of products (i.e. particular brands, qualities, sizes, etc.) from which individual Price Collectors were free initially to choose a specific product for regular pricing. For example, in the present series a selection of five different varieties is listed under the item heading *toys*. One of these selected varieties is a *model car*. No further specifications were given and individual Price Collectors were free initially to select for regular pricing any of the different models marketed. The only restriction to their choice was that the particular model selected had to be in popular demand and suitable for regular pricing. Once chosen initially, individual Price Collectors were obliged to price the identical product on each successive occasion. Because of the interval intervening between each such occasion and the possibility that different Price Collectors might be involved, the price booklets are specially designed so that the exact specification of each selected product is recorded and so ensure that the identical set of articles are priced as required.

In this system the specific products priced by different Price Collectors for a particular variety are not necessarily the same. This is irrelevant since the index is concerned with measuring *price change* and not the absolute level of prices on each occasion. However, it is for this reason that national average prices are published only for the limited number of varieties where it is

known that the identical product is priced in all locations. This approach has been traditionally adopted in the compilation of Irish indices instead of the alternative method of pricing the same specific set of products in all locations. The method used ensures that the prices of different brands and qualities are collected in different places and, reflecting as they do local tastes and preferences, give a better representation of the price movements of the variety in question than would be realised if a single identical product was priced everywhere. If this latter approach were adopted, Price Collectors could experience considerable difficulty in finding the specified list of particular products in their area. A further advantage of the method used is that it facilitates the treatment of discontinuities which can occur in the quarterly sets of price quotations due to model and quality changes. If a Price Collector discovers that a particular product is no longer available an alternative popular article is substituted in its place. The price booklets are designed to allow the detailed specifications of this new product to be inserted. The particular discontinuity is restricted to a single price booklet and the relevant prices are excluded from the index calculations until two consecutive quotations are again obtained for an identical product. Price Collectors are also allowed to substitute a new article in place of any original product which is in low supply or no longer in popular demand. The pricing operation is, therefore, dynamic in the sense that product substitutions can be made by individual Price Collectors. However, the price of any particular product is used in the compilation of the index only when two consecutive price quotations are available for it.

A change in the shop surveyed is also regarded as a discontinuity and the prices for the particular products affected are not used in the index calculations until two successive quotations are obtained from the same shop. The fixed national panel of retail and service outlets surveyed on each occasion was originally selected on a judgment basis. Individual Price Collectors selected the outlets initially subject only to the criteria that the shops selected had to be popular, representative for the area and willing to participate on each occasion. Specific proportions of self-service grocery shops and supermarkets were included to ensure that the panel of outlets surveyed for price booklet No. 1 was representative. Once selected, the same outlets were approached on each successive occasion. The price booklets are designed so that the shop in which each particular product is priced is clearly identified. If a particular outlet can no longer be used (e.g. goes out of business, refuses to co-operate, etc.) the Price Collector replaces it with a similar popular shop in the area.

As already mentioned, the bulk of the varieties priced in the former series have been continued. Consequently, for these items there was no discontinuity in either the particular product priced or the shop surveyed. Particular products had, of course, to be selected for pricing for the new varieties introduced for the present series, and a complete selection of products and shops had to be made in respect of price booklets being relocated or introduced for the first time. To ensure continuity between the former and present series these new varieties and booklets were priced at mid-November, 1975 and the corresponding price quotations were used for the first time in the compilation of the mid-February, 1976 index.

Price Quotations Collected

The prices collected are those which are actually paid by the consumer in cash transactions. Estimated, average or ranges of prices are not acceptable. The price quotations include indirect taxes. Credit charges are ignored and discounts are also excluded unless given to everybody. Special offer and sale prices are returned if they were operative on the pricing day, but price quotations for shop-soiled, damaged or sub-standard articles being sold at clearance prices are not accepted. List prices are ignored unless they are actually charged to the consumer.

Special Inquiries

A small number of the goods and services entering into the compilation of the CPI are priced directly by the CSO in special inquiries. The bulk of the special inquiries used in compiling the former series have been continued for the present index with, in most cases, updated coverage and improved design. These existing inquiries are briefly described below:

- (1) *Education*: Details of the fees actually charged to students are obtained by postal inquiry at the commencement of each school year from a representative selection of the fee-charging primary, secondary day and secondary boarding schools and from the Universities. Particulars are also obtained of the fees charged in respect of vocational education courses not covered by the free post-primary education scheme. The inquiry has now been extended to cover other third level institutions, language courses and driving schools.
- (2) *Electricity*: The Electricity Supply Board is asked each quarter to provide an estimate of any changes in their domestic electricity rates.
- (3) *Transport*: Estimates of the percentage change in public transport fares are based on particulars obtained directly from Coras Iompair Eireann. Changes in the fares charged for mainline rail passenger services are now monitored on a regular quarterly basis using a large representative selection of routes and ticket types. Particulars of the fares charged for a representative selection of air and sea journeys are obtained each quarter from the relevant companies. Taxi fares charged for a specific journey in Dublin and Cork are also monitored quarterly.
- (4) *Newspapers and Periodicals*: The prices of all the principal national, provincial and foreign newspapers, and of a comprehensive selection of periodicals are obtained by direct inquiry each quarter.
- (5) *Postage, telephone and telegrams*: Details are obtained directly from the Department of Posts and Telegraphs on the occasion of any change in their rates.
- (6) *Motor vehicles*: Estimates of the quarterly change in price levels are based on changes in the list prices of a comprehensive selection of new motor vehicles and of a number of new motor cycles.
- (7) *Rates*: Changes in the rate poundage are incorporated in the index on an annual basis and are based on data provided by the Department of Local Government on the poundage levied by each local administrative body.
- (8) *Rents*: Changes in the average level of the rents paid by Local Authority tenants are incorporated in the index each quarter. Calculations are based on details of the total number of such dwellings and the aggregate rents paid obtained directly from each local administrative area. Changes in the level of rents charged in respect of privately owned dwellings are also taken into account each quarter. Details of the rent charged for a fixed selection of dwellings are obtained from two special quarterly postal inquiries; one addressed to a sample of landlords and the other addressed to a sample of tenants.
- (9) *Domestic gas*: The principal gas companies are contacted by post each quarter for details of any changes in their charges to domestic consumers.
- (10) *Domestic Fuel Oil*: The principal oil companies are contacted by post each quarter for details of any changes in their consumer prices for central heating fuel oils.
- (11) *House Insurance*: Particulars of any changes in the standard insurance rates for private dwellings and contents are obtained from the Irish Fire Officers' Committee. Changes in the insured value of dwellings is also taken into account using the House Building Cost Index published by the Department of Local Government as the house price indicator. The relevant component of the CPI is used to update the value of house contents for this purpose.
- (12) *Motor insurance*: In the former series account was only taken of changes in the standard insurance rates. A special quarterly inquiry has now been initiated whereby details of the actual premium charged in respect of a representative selection of hypothetical motorists are obtained from a number of leading Motor Insurance Companies.
- (13) *Motor vehicle maintenance*: In the former series account was taken of changes in the standard maintenance costs recommended by the major manufacturers for a selection of their models. A special quarterly inquiry has now been initiated whereby a national sample of major garages provide details of the actual amounts charged for particular servicings to specified motor vehicle models.
- (14) *Licences*: Changes in the cost of driving, television and dog licences are obtained from the relevant authorities when rates change.
- (15) *Expenditure Abroad*: Changes in the cost of private expenditure abroad is estimated quarterly on the basis of the percentage changes in the cost of meals out, entertainment and travelling registered by the British Retail Price Index.
- (16) *Doctors' Dentists' and Opticians' Fees*: The fees charged by national samples of general practitioners, dentists and opticians were previously surveyed by annual postal inquiry. A quarterly inquiry has now been initiated. The existing panel of respondents has been updated and specialists are now represented.
- (17) *Hospital Charges*: Changes in the fees charged by hospitals to private patients were previously estimated on the basis of regular analyses of the claims received by the Voluntary Health Insurance Board. The prices charged by a representative sample of different types of hospitals are now surveyed directly each quarter by postal inquiry.
- (18) *Pharmaceutical Products*: A revised representative list of 74 pharmaceutical products has been established and the actual prices charged by a representative selection of Chemist Shops throughout the country are now surveyed in a quarterly postal inquiry.
- (19) *Television Rents*: Particulars of rental charges are obtained on a quarterly basis from a selection of TV Rental Companies. The rentals of colour television sets have now been included.
- (20) *Regular subscriptions*: Details of subscription rates are obtained quarterly in respect of Trade Unions and Civil Service Associations, and annually in respect of representative samples of golf and rugby clubs. The coverage has now been extended to cover squash clubs and a number of recreational and academic societies.
- (21) *Meals out*: Prices of canteen meals were previously surveyed twice yearly and the prices of hotel meals were taken from the annual Hotel Guide prepared by Bord Failte. For the present series a national sample of canteens are surveyed quarterly, and the prices of hotel meals are now collected locally by Price Collectors (in the same manner as restaurant and cafe meals have always been priced to-date).

Two former special inquiries have been discontinued. The prices charged for *hotel and guest house accommodation* was previously taken (like the prices of hotel meals) from the Hotel Guide compiled annually by Bord Failte. These prices are now collected locally by Price Collectors. Changes in *domestic service* charges are no longer reflected directly in the index because of the difficulty of obtaining on a regular basis details of the rates charged by a representative selection of domestic servants. The relevant expenditure weight has been distributed over other related service items in the index.

In addition to the extensions and revisions (substantial in some instances) made to existing inquiries the following special inquiries have also been initiated:

- (22) *House repair and decoration supplies*: The prices of a representative selection of materials for home repairs and decorations are obtained quarterly by postal inquiry from a national sample of Builder's Providers.
- (23) *Electrical repair charges*: Details of the rates charged by the Electricity Supply Board are obtained quarterly.
- (24) *Mortgage interest repayments*: Changes in the interest cost of house purchase mortgages are now incorporated in the index on a quarterly basis. The method is described below.
- (25) *Motor car parts*: The prices of a selection of crossply and radial tyres are obtained quarterly from a sample of specialist dealers. Prices of motor car tyres, batteries, dynamos and fan-belts are also obtained in the postal inquiry addressed to garages for motor servicing charges. Motor car tyres, batteries and sparking plugs are also priced locally by Price Collectors.
- (26) *Other motoring expenses*: Details of parking fees, parking fines, driving test fees and subscriptions to motoring organisations are obtained quarterly from the relevant authorities.
- (27) *Text books*: The prices charged for a representative selection of primary, secondary and third level text books are obtained quarterly from a sample of booksellers.
- (28) *Student living costs away from home*: The rates charged for a fixed selection of student boarding houses, flats and halls of residences in Dublin, Cork and Galway are obtained quarterly with the assistance of the local Universities.
- (29) *Miscellaneous Admission charges*: The existing coverage of cinema, dance and sports admission charges has now been extended to include ballad sessions, historic places, etc.
- (30) *Miscellaneous medical expenses*: The existing coverage has been extended to include quarterly changes in the prices charged for spectacle lenses and dentures by opticians and dentists, respectively.
- (31) *Miscellaneous services etc.*: The existing coverage has been extended to include quarterly changes in the prices charged for dress-suit hire, library subscriptions, newspaper advertisements, bank charges and fees for birth certificates and passports.

The individual index varieties priced in these special inquiries are identified in the Appendix.

Correction for Seasonality in Some Prices

The prices of some fresh food items such as eggs, vegetables, fruit and some meat cuts fluctuate seasonally in varying degrees due to market forces of supply and demand. Using *The X-11 Variant of the US Bureau of the Census Method II Seasonal Adjustment Program* the quarterly trend in the prices of these items over the lifespan of the former series have been analysed. Taking their index weights into account, this analysis has shown that only the seasonal fluctuations in the prices of eggs, potatoes and tomatoes would have any significant effect on the index. The inclusion of quarterly price changes for these items in the index calculations without adjustment would impair the use of the CPI for short-term comparisons since the seasonal fluctuations in these prices would make it difficult to distinguish the underlying trends in price levels. As described earlier, changes in cost of accommodation in hotels and guest houses are now surveyed quarterly by local Price Collectors and these prices are also corrected for inherent seasonality.

There are other index items whose prices tend to change regularly at the same time each year simply because they are levied annually at that time. Examples of these items are local rates, school and university fees, annual subscriptions to clubs and societies, etc. The

prices of dairy and some other agricultural products now tend to change in this manner as a result of EEC decisions relating to farmers' income. Items with a high duty content (drink and tobacco) are also affected in this fashion by Budget changes. These are treated as real increases in price and are fully incorporated in the CPI calculations as they occur.

Housing Costs

Being based on the concept of household expenditure the Consumer Price Index covers housing costs actually incurred. Specific account is taken of changes in the cost of the following housing items:

- (1) Rent and Rates (rented dwellings);
- (2) Rates (owner occupied dwellings);
- (3) House Insurance (all dwellings);
- (4) Repairs and decorations (all dwellings);
- (5) Mortgage interest payments (dwellings owned with mortgage).

No other housing costs are borne by households who own their dwelling outright. The capital element of mortgage payments is not included in the concept of household expenditure covered by the index as it relates to the acquisition of a valuable capital asset (i.e. the dwelling).

For each item the expenditure weight used is based on the average expenditure recorded in 1973 Household Budget Survey adjusted for relevant price changes in the period 1973-1975. In the case of mortgage interest the gross figure, i.e. before deduction of income tax relief, is used.

Price Indicator for Mortgage Interest Expenditure

By its nature mortgage interest expenditure needs a special type of price indicator. This indicator must measure the movement from one period to another of the cost of a fixed pattern of mortgages i.e. fixed in terms of age composition, type of house and type of mortgage. The fixed expenditure pattern covered by the index reflects the average mortgage interest costs of a mixture of mortgages of varying ages, amounts and interest rates. For a particular mortgage the interest payment at a given time depends on the rate of interest, which may be fixed or variable, and on the amount of the mortgage debt still outstanding. The amount outstanding, in turn, depends on the original amount of the mortgage, which is linked to the level of house prices when the mortgage was taken out, and in most cases on the age of the mortgage.

Thus the average interest cost at any time of the fixed pattern of mortgages covered by the index depends on a combination of interest rates and house prices over a long period of years prior to that time. It follows that the rate of change in the average interest cost of the fixed pattern of mortgages should reflect the rate of changes in interest rates and house prices averaged over this period using appropriate retrospective weights. In deriving this indicator it is necessary to deal separately with three different types of mortgages namely (a) where the interest rate is variable and the loan is gradually paid off (i.e. Building Society mortgages); (b) where interest rate is fixed and the loan is gradually paid off (i.e. Local Authority mortgages); and (c) where interest rate is fixed and the full loan remains outstanding until the end of the mortgage term (i.e. Insurance Company mortgages).

Where the interest rates are variable (i.e. where the rate charged in all cases is the current rate of interest irrespective of the age of the mortgage) the appropriate indicator is the product of (i) the index of current interest rates and (ii) the index of mortgage debt outstanding for the fixed age pattern of standard mortgages. The latter indicator of mortgage debt outstanding is obtained as a weighted average of house price changes between successive periods where the relative weights decline with age of mortgage reflecting the gradual redemption of the mortgage over time.

For mortgages where the interest rate is fixed at the time of origin and subsequently remains unchanged a

somewhat similar averaging procedure is used, but in this case the change in the product of house prices and interest rates between successive periods is averaged. In this area it is necessary to deal separately with Insurance Company mortgages where the full loan remains outstanding until the end of the mortgage term as the weights involved are different. In applying the indicators outlined above the index used for house prices was obtained by linking the following series together: (1) Building Cost Index compiled by the Department of Local Government from January 1975 to-date; (2) Wholesale Price Index relating to the price of building and construction materials and labour rates compiled by the CSO from 1953-1975; and (3) Consumer Price Index Number for periods prior to 1953.

Calculation of the Index

By definition the index expresses the current cost of a *fixed* market basket of consumer goods and services as a percentage of the cost of the *same* identical basket at the base period mid-November, 1975. In technical terms the index is of the Laspeyres type with fixed quantity weights implicit in the quarterly value updating method of calculation used.

Approximately 37,000 individual price quotations are collected, scrutinised and collated each quarter. National averages of the prices returned in respect of each sample variety are first calculated. These averages are compiled in two stages. Unweighted average prices are first calculated within town size strata; these strata are then combined into national averages using retail sales strata weights. Complementary national average prices are recalculated for the preceding quarter using compatible sets of quotations. The ratio of these directly comparable average prices gives the required quarterly percentage change in price for each index variety. In this fashion the expenditure weights for each variety are updated between successive quarters and, when aggregated, give the updated cost of the fixed index basket. Indexes of price change can then be directly derived for all items or any sub-division of them by dividing the total of the relevant updated expenditure weights by the corresponding base expenditures.

The bulk of the national average prices compiled for individual varieties in the calculation of the index cannot be regarded as representative average prices for these varieties and cannot be used for such purposes. As explained earlier, individual Price Collectors were free initially to price particular popular products of their choice conforming to the variety specifications. Consequently, there is a wide variation in the qualities, brands, etc. for which prices are quoted under particular variety headings. However, national average prices are published for those varieties where the identical product is priced in all areas. Even in these cases the averages are not comparable for different dates because of changes in the number of shops providing quotations. This problem is avoided in the quarterly publications by providing comparable averages for both the current and previous quarters based on compatible sets of quotations. The comparison of these compatible quarterly averages provides the percentage change actually used in the index calculations. This explains why the published average prices for the same quarter published at successive dates could marginally differ — i.e. they are based on different sets of quotations for the same quarter.

Published Results

The updated index presently being introduced with time base mid-November, 1975 as 100 will, in future, be deemed the *official* Consumer Price Index. Separate index numbers will also be calculated for the ten commodity groups distinguished in the former series:

- (1) Food
- (2) Alcoholic drink
- (3) Tobacco
- (4) Clothing and footwear
- (5) Fuel and light

- (6) Housing
- (7) Durable household goods
- (8) Other goods
- (9) Transport
- (10) Services and related expenditure

For continuity purposes each of these series will also be published vis-a-vis mid-November, 1968 as 100 which was the time-base of the former series. Comparable national average prices will also be published for successive quarters in respect of the specific food products listed in Table 2 which are priced in all areas.

TABLE II. CPI Food Products for which Comparable National Average Prices are published for Successive Quarters

FOOD PRODUCTS	Price Unit	FOOD PRODUCTS	Price Unit
<i>Beef:</i>		<i>Fish:</i>	
Round steak	1 lb.	Whiting, fillets	1 lb.
Sirloin steak	"	Cod cutlets	"
Sirloin roast	"	Plaice, fillets	"
Rib steak	"	Kippers	"
Brisket corned beef	"	<i>Fresh vegetables:</i>	
<i>Mutton:</i>		Potatoes	3½ lb.
Leg (whole)	"	Tomatoes	1 lb.
Loin chops	"	Onions	"
Cutlets (rib chops)	"	Carrots	"
Gigot chops	"	Cabbage (med. size)	head
Neck	"	<i>Bread:</i>	
Liver	"	White, sliced	800 grams
<i>Pork:</i>		White, unsliced	"
Leg (whole)	"	<i>Flour:</i>	
Loin chops	"	White, plain	2 kilos
Shoulder (whole)	"	White, self-raising	"
Steak	"	Milk	1 pint
<i>Bacon:</i>		<i>Cheese:</i>	
Best back rashers	"	Processed	½ lb.
Streaky rashers	"	Natural	1 lb.
Ham, uncooked	"	Eggs standard	doz.
Shoulder (whole)	"	Butter (creamery)	1 lb.
Ham, cooked	"	Margarine	½ lb.
Sausages, pork	"	<i>Tea:</i>	
Black pudding	"	Best quality	¼ lb.
		Medium quality	"
		Sugar	2 lb.

Constant Tax Price Index

In accordance with the January, 1976 Budget Statement a separate price index is being introduced which will not reflect the effect of changes in indirect taxes since mid-November, 1975.

There are a number of ways in which an index of this type may be calculated. The method adopted keeps constant at mid-November, 1975 levels, the indirect tax content (in absolute money terms) of the cost of the fixed market basket priced quarterly for the compilation of the Consumer Price Index. Thus for each item the content at mid-November, 1975 and mid-February, 1976 due directly to value added tax and/or fiscal duties (ignoring secondary effects) was estimated. The Constant Tax Price Index represents the percentage change between the cost of the fixed index basket at mid-November, 1975 and its cost at mid-February, 1976 (and at each subsequent quarter) less the *increase* in the indirect tax content during the intervening period. Rates on dwellings and motor taxation are also kept constant, but protective customs duties and licences are not treated as indirect taxes for the compilation of the Constant Tax Price Index.

In effect, therefore, the Constant Tax Price Index differs from the Consumer Price Index by the exclusion of (a) the primary effects on prices of actual changes in rates of indirect taxation as defined, and (b) the changes in the tax content, in absolute money terms, inherent in price changes for items subject to ad valorem tax (e.g. VAT) even when the rate of taxation remains unaltered. Secondary effects, where changes in taxation rates for one item influence the price of another item, have not been excluded.

APPENDIX

List of item headings with corresponding percentage expenditure weights and constituent varieties priced

Item Heading and % Expenditure Weight	Varieties Priced	Item Heading and % Expenditure Weight	Varieties Priced
FOOD		FOOD—continued	
Beef (1·7889)	(1) Round Steak (2) Sirloin steak (3) Sirloin roast (4) Rib steak (or chuck) (5) Leg of beef (boneless) (6) Brisket corned beef	Cheese (0·3510)	(1) Processed cheese (2) Natural cheese
Mutton and lamb (1·1826)	(1) Leg (whole) (2) Loin chops (3) Cutlets (rib chops) (4) Gigot chops (5) Neck (6) Liver	Eggs (0·7230)	(1) Large size (2) Standard size
Pork (0·5037)	(1) Leg (whole) (2) Loin chops (3) Shoulder (whole) (4) Steak	Butter (1·6312)	Butter, creamery
Bacon (2·5600)	(1) Best back rashers (2) Streaky rashers (3) Ham, uncooked (whole) (4) Shoulder (whole)	Margarine (0·2887)	(1) Margarine, packet (2) Margarine, tub (soft)
Poultry (1·1254)	(1) Broiler, uncooked (2) Chicken, cooked	Other fats and oils (0·0865)	(1) Cooking fat (2) Cooking oil
Cooked meat (0·6408)	(1) Ham, cooked (2) Other cooked meat/mixture	Fresh fruit (0·7853)	(1) Apples, cooking (2) Apples, eating (3) Oranges (4) Bananas
Sausages (0·6421)	Sausages, pork	Tinned fruit (0·2028)	(1) Tinned pears (2) Tinned peaches
Pudding (0·0822)	Black pudding	Dried fruit (0·1306)	(1) Raisins, seedless (2) Sultanas (3) Prunes
Fresh fish (0·2672)	(1) Whiting, fillets (2) Cod, cutlets (3) Plaice, fillets	Tea (0·6275)	(1) Tea, best quality (2) Tea, medium quality
Frozen fish (0·0507)	(1) Fish fingers (2) Fish fillets	Coffee (0·0870)	Coffee, instant
Dried/cured fish (0·0411)	(1) Fillets, smoked (2) Kippers, smoked	Cocoa (0·0181)	Cocoa
Tinned fish (0·0756)	(1) Salmon (2) Sardines	Sugar (0·9310)	(1) White, granulated (2) Castor, packet
Potatoes (1·1636)	Potatoes	Breakfast cereals (0·2651)	(1) Cornflakes (2) Wheatflakes
Tomatoes (0·2721)	Tomatoes	Oatmeal (0·0712)	Oatmeal
Other fresh vegetables (0·5516)	(1) Onions (2) Carrots (3) Turnips (4) Cabbage (5) Cauliflower	Other cereals (0·0640)	(1) Cornflour (2) Rice (3) Semolina
Dried vegetables (0·0723)	Dried peas	Jellies (0·0853)	Jelly
Tinned vegetables (0·4024)	(1) Peas (2) Beans	Custard (0·0512)	Custard
Frozen vegetables (0·0266)	(1) Peas (2) Beans	Sauces and meat extract (0·1446)	(1) Salad cream (2) Sauce (3) Meat extract
Bread (2·2091)	(1) White, sliced (800g) (2) White, unsliced (800g) (3) White, sliced (400g) (4) Brown (400g)	Soups (0·2270)	(1) Tinned soup (2) Dried soup
Flour (0·6046)	(1) White, plain (2) White, self-raising (3) Brown, wholemeal	Preserves (0·3271)	(1) Jam (2) Marmalade
Biscuits (0·9123)	(1) Cream Crackers (2) Plain biscuits (3) Sweet biscuits (4) Crisp bread	Sweets and chocolate (0·9550)	(1) Sweets (2) Chocolate bar
Cakes (0·7198)	(1) Fruit cake (2) Sponge sandwich (3) Swiss roll	Ice cream (0·2395)	Ice cream, block
Fresh milk (1·8641)	Fresh milk, pasteurised	Baby food (0·0661)	(1) Baby food (tin/jar) (2) Baby biscuits
Other milk products (0·2019)	(1) Condensed/powdered milk (2) Fresh cream (3) Baby milk compound (4) Yoghurt	Miscellaneous food items (0·2230)	(1) Salt (2) Pepper (3) Mustard (4) Potato crisps (5) Fruit juice
		Soft drinks (0·8220)	(1) Mineral/cola, small (2) Mineral/cola, large (3) Orange squash (4) Mineral/cola (in pub)
		Meals out (2·9556)	(1) Canteens (2) Restaurant (3) Hotels (4) Rail dining cars
		Total Food (30·3197)	123 varieties priced

APPENDIX - continued

Item Heading and % Expenditure Weight	Varieties Priced	Item Heading and % Expenditure Weight	Varieties Priced
ALCOHOLIC DRINK		CLOTHING & FOOTWEAR— continued	
Beer (7·1801)	(1) Stout, 6 pack (2) Ale, 6 pack (3) Lager, 6 pack (4) Stout, draught (bar) (5) Ale, draught (bar) (6) Lager, draught (lounge)	Boys' outer-clothing (0·5583)	(1) Heavy overcoat (2) 2-piece suit, ready-made (3) Trousers (4) Heavy pullover, woollen
Spirits (3·6029)	(1) Whiskey, bottle (2) Brandy, bottle (3) Whiskey, 1 glass (bar) (4) Gin and tonic (lounge) (5) Vodka and white lemonade (lounge)	Girls' outer-clothing (0·5214)	(1) Coat, lined (2) Skirt (3) Dress, light material (4) Blouse
Wine (0·6052)	(1) Sherry, bottle (2) Table wine, bottle	Boys' under-clothing (0·1250)	(1) Shirt (2) Vest (3) Pyjamas
Total Alcoholic Drink (11.3882)	13 varieties priced	Girls' under-clothing (0·0549)	(1) Vest, cotton (2) Nightdress (3) Panties, cotton
TOBACCO		Hose (0·4967)	(1) Man's socks, half-hose (2) Boy's stockings, $\frac{3}{4}$ length (3) Woman's nylons, seamless (4) Woman's tights (5) Girl's ankle socks
Cigarettes (3·9980)	(1) Cigarettes, plain (2) Cigarettes, filter tipped	Other clothing (0·4013)	(1) Man's handkerchief (2) Man's tie, terylene (3) Man's leather gloves (4) Woman's gloves (5) Woman's scarf (6) Baby's nappy (cloth) (7) Baby's suit
Cigars (0·0583)	Cigars	Material & haberdashery (0·4175)	(1) Dress material, woollen (2) Dress material, cotton (3) Wool, double knit (4) Thread, spool
Tobacco (0·3623)	(1) Tobacco, plug (2) Tobacco, flake	Men's footwear (0·9872)	(1) Leather uppers and leather soles (welted) (2) Leather uppers and non-leather soles (vulcanised) (3) Slippers, fabric uppers (4) Boots, heavy working
Total Tobacco (4.4186)	5 varieties priced	Women's footwear (1·0839)	(1) Casual shoe (2) Fashion shoe (low price) (3) Fashion shoe (medium price) (4) Slippers, fabric uppers
CLOTHING & FOOTWEAR		Children's footwear (0·6169)	(1) Boy's shoe, leather (2) Boy's boot (3) Girl's shoe, leather (4) Child's wellington boot (5) Child's sandal, rubber soled
<i>Men's outer-clothing—</i> Overcoats (0·2569)	(1) Heavy overcoat (low price) (2) Heavy overcoat (medium price)	Total Clothing & Footwear (10.7328)	80 varieties priced
Waterproofs (0·0265)	Cotton/terylene raincoat	FUEL & LIGHT	
Suits (0·8791)	(1) 2-piece suit, ready-made (low price) (2) 2-piece suit, ready-made (medium price) (3) 2-piece suit, tailor-made (low price) (4) 2-piece suit, tailor-made (medium price)	Firelighters (0·0414)	Firelighters
Other men's outer-clothing (0·7623)	(1) Sports coat (2) Trousers (3) Cardigan (4) Heavy pullover	Coal, coke, etc. (1·6394)	Coal
<i>Men's under-clothing—</i> Shirts (0·5264)	(1) Shirt (low price) (2) Shirt (medium price)	Turf & briquettes (0·4606)	(1) Peat briquettes (2) Turf
Other men's under-clothing (0·1228)	(1) Vests (2) Underpants (3) Pyjamas	Paraffin oil (0·1350)	Paraffin oil
<i>Women's outer-clothing—</i> Overcoats (0·6052)	(1) Coat (low price) (2) Coat (medium price)	Bottled gas (0·3954)	Bottled gas
Waterproofs (0·0431)	Showerproof, lined	Piped gas (0·4765)	Domestic piped gas
Costumes and suits (0·2980)	(1) 2-piece suit (low price) (2) 2-piece suit (medium price)	Electricity (2·1980)	Domestic electricity
Skirts, slacks and shorts (0·5201)	(1) Skirt (2) Slacks (3) Jeans, denim	Fuel oil (0·5429)	Central heating oil
Dresses (0·4521)	(1) Dress, light material (2) Dress, other material	Total Fuel & Light (5.8892)	9 varieties priced
Other women's outer-clothing (0·6519)	(1) Blouse (2) Cardigan (low price) (3) Cardigan (medium price)	HOUSING	
<i>Women's under-clothing—</i> Vests (0·0278)	Vest	Rents (1·4756)	(1) Local Authority dwellings (2) Privately owned dwellings
Panties (0·0363)	Panties	Rates and water charges— Owner occupied dwellings (1·2327)	Local rates
Slips (0·0613)	Slip, nylon	Mortgage interest (1·1418)	Mortgage interest
Other women's under-clothing (0·1999)	(1) Corset (2) Girdle (3) Brassiere (4) Nightdress (5) Pyjamas	House insurance (0·2098)	(1) Dwelling (2) Contents

APPENDIX - continued

Item Heading and % Expenditure Weight	Varieties Priced	Item Heading and % Expenditure Weight	Varieties Priced
HOUSING—continued		HOUSEHOLD DURABLES—continued	
Repairs and decorations (1·9965)	(1) Paint, gloss (2) Paint, emulsion (3) Turpentine (4) Gravel (5) Sand (6) Cement (7) Concrete block, solid (8) Concrete block, hollow (9) Paving slabs (10) Wall cappings (11) Timber (12) Chipboard (13) Hardboard (14) Plasterboard (15) Glass	Other household durables (0·0661)	(1) Wash-up basin, plastic (2) Household bucket, plastic
Total Housing (6·0564)	21 varieties priced	Total Household Durables (4·8190)	61 varieties priced
HOUSEHOLD DURABLES		OTHER GOODS	
Furniture (1·1013)	(1) Lounge suite (2) Fireside-chair (3) Dining room suite (4) Kitchen set (5) Bedroom suite (6) Single divan bed (7) Drop-side cot	Household soap (0·0248)	Household soap
Acoustic appliances (0·3842)	(1) Radio-portable transistor (2) Radiogram (3) TV set, black/white (4) TV set, colour (5) Record Player	Detergent powder and liquid (0·4285)	(1) Soap or detergent powder (2) Soap or detergent liquid
Other electric/gas appliances (0·8698)	(1) Vacuum cleaner (2) Cooker, electric (3) Cooker, gas (4) Refrigerator (5) Washing machine (6) Sewing machine (7) Fire (8) Iron (9) Kettle (10) Razor (11) Toaster (12) Foodmixer	Other cleaning material (0·1625)	(1) Household cleaner (2) Domestic disinfectant (3) Nappy disinfectant
Electrical repairs and spares (0·2332)	(1) Battery, transistor (2) Electrical repair charges (3) Electric plug, 3 point (4) Electric light bulb	Other domestic non-durables (0·2986)	(1) Starch (2) Polish, floor (3) Polish, shoe (4) Toilet paper (5) Matches
Other furnishings and appliances (0·3041)	(1) Oil heater (2) Lawnmower, manual (3) Wheelbarrow, metal	Toilet and shaving soaps (0·1190)	Toilet soap
Other ironmongery and hardware (0·1969)	(1) Hammer (2) Garden spade (3) Watering can, plastic (4) Dustbin, galvanised	Toothpaste (0·0617)	Toothpaste
Floor coverings (0·6528)	(1) Linoleum or vinyl (2) Carpeting (3) Hearth rug (4) Doormat	Hair applications (0·1463)	(1) Hair cream (2) Shampoo
Soft furnishings, etc. (0·6630)	(1) Curtain material (2) Mattress (3) Sheet, cotton (4) Blanket, wool (5) Blanket, synthetic (6) Towel, turkish (7) Tea towel (8) Tablecloth	Cosmetics (0·2892)	(1) Aftershave lotion (2) Baby powder (3) Cold cream (4) Lipstick (5) Perfume
Crockery and glassware (0·1962)	(1) Cup and saucer (2) Half-tea service, china (3) Tumbler, pressed glass (4) Casserole dish	Toilet accessories (0·2141)	(1) Sanitary towels/pads (2) Disposable baby nappies (3) Paper tissues (4) Toothbrush (5) Razor blades
Cutlery (0·0348)	(1) Table knife (2) Table fork (3) Household scissors	Personal goods (0·5279)	(1) Briefcase, leather (2) Suitcase (3) Ladies handbag (4) School bag (5) Umbrella, woman's (6) Wristwatch, man's (7) Alarm clock, mechanical (8) Cigarette lighter
Kitchen utensils (0·0861)	(1) Saucepan, aluminium (2) Frying pan	Sporting goods (0·1422)	(1) Golf ball (2) Tennis ball (3) Football, leather (4) Tennis racket
Household brushes (0·0302)	(1) Scrubbing brush (2) Household sweeping brush (3) Polish brush	Toys (0·2793)	(1) Tricycle (2) Model car (3) Building set (4) Group game (5) Set of draughts/chess (6) Pack of playing cards
		Paper goods (0·2399)	(1) School/college notebook (2) Envelopes (3) Writing pad (4) Picture card
		Stationery equipment (0·0673)	(1) Cellotape (2) Pencil, black lead (3) Fountain pen (4) Ball-point pen
		Comics (0·0480)	(1) Infant's book (2—5) Comics (4)
		Magazines and journals (0·2146)	(6—7) Women's — Irish (2) (8—11) Women's — foreign (4) (12—14) International (3) (15—24) Other (10)
		Newspapers (1·3020)	(1—7) Dailies — national (7) (8—14) Dailies—foreign (7) (15—24) Provincial (10) (25—27) Sunday — national (3) (28—34) Sunday—foreign (7)
		Textbooks (0·2507)	(1) Primary school (selection) (2) Secondary school (selection) (3) Third level (selection)

APPENDIX — continued

Item Heading and % Expenditure Weight	Varieties Priced	Item Heading and % Expenditure Weight	Varieties Priced
OTHER GOODS—continued		SERVICES & RELATED EXPENDITURE—contd.	
Records, tapes and cassettes (0·2058)	(1) Record — LP (2) Record — single (3) Tape for tape-recorder (4) Cassette (not pre-recorded)	Other entertainment (0·3081)	<i>Sports admission charges—</i> (1) GAA matches (2) Soccer matches (3) Rugby matches (4) Dog racing (5) Horse racing <i>Sports participation charges—</i> (6) Golf, green fees (7) Swimming (8) Squash <i>Other admission charges—</i> (9) Dublin Zoo (10) Historic places (11) Ballad sessions
Photographic goods and services (0·1534)	<i>Films—</i> (1) 35 mm film for colour slides (2) 35 mm black/white film (3) 110 or 126 colour film (4) Super 8 cine film <i>Development charges—</i> (5) 35 mm black/white prints (6) 110 or 126 colour prints <i>Cameras—</i> (7) Instamatic pocket camera (8) 35 mm camera	Education and training (0·9304)	(1) Private primary school fees <i>2nd level fees—</i> (2) Vocational (3) Secondary day schools (4) Secondary boarding schools <i>3rd level charges—</i> (5) University fees (6) Other 3rd level fees <i>Living cost away from home—</i> (7) University Residences (8) Boarding houses (9) Flats <i>Other education—</i> (10) Language course, records (11) Language course, classes (12) Driving lessons, day (13) Driving lessons, night
Total Other Goods (5.1756)	124 varieties priced		
TRANSPORT		Doctors', dentists', opticians' fees (0·6041)	<i>Doctors' fees—</i> (1) Surgery consultation (2) House calls, weekdays (day) (3) House calls, weekday (night) (4) House calls, weekend (5) Specialists' fees <i>Dentists' fees—</i> (6) Extraction (7) Filling (8) Scaling and polishing <i>Opticians' fees—</i> (9) Eye test
Motor cycles (0·1189)	(1—2) New motor cycles (2 models)	Medicines and drugs (0·5259)	(1—74) Representative selection of 74 pharmaceutical products (75) Anadin (76) Aspirin (77) Andrews Liver Salts (78) Milk of magnesia (79) Vaseline (80) Adhesive dressing (81) Proprietary cough mixture
Motor cars (3·6928)	(1—33) New motor cars (33 models)	Hospital Charges (0·0907)	<i>Maintenance—</i> (1) Public ward (2) Semi-private room (3) Private room <i>Other Services—</i> (4) Operating theatre fee (5) Pathological test (blood) (6) Pathological test (urine) (7) X-ray (8) Blood transfusion
Other vehicles (0·1493)	(1) Perambulator (2) Go-car or baby buggy (3) Bicycle	Other medical expenses (0·1186)	(1) Spectacle lenses (2) Full dentures
Road tax (0·4845)	(1) Motor cycles (2) Motor cars	Hairdressing (0·7902)	(1) Man's hair cut (2) Woman's shampoo and trim
Motor insurance (0·8693)	<i>Motor cycle cover—</i> (1) Two hypothetical risks <i>Motor car cover—</i> (2) 3rd party (18 risks) (3) 3rd party, fire & theft (18 risks) (4) Comprehensive (17 risks)	Shoe repairs (0·1997)	(1) Man's shoe, soling and heeling (2) Woman's shoe, heeling
Petrol (4·5824)	(1) High grade (2) Low grade		
Motor oil (0·0817)	Motor oil		
Spare parts (0·7041)	(1) Motor car tyres — cross ply (2) Motor car tyres — radial (3) Batteries (4) Sparking plug (5) Dynamo (6) Fan belt (7) Bicycle tyres		
Repairs and maintenance (0·7670)	(1) Car service (2) Puncture repair		
Other vehicle costs (0·0629)	(1) Parking fees (2) Parking fine (3) Motoring organisation subscriptions		
Bus fares (1·0630)	(1) Dublin City services (2) Cork City services (3) Limerick City services (4) Waterford City services (5) Galway City services (6) Provincial services		
Train fares (0·2113)	(1) Main line services (sample of 400 routes/ticket types) (2) Commuter services		
Other travel (0·4270)	(1) Taxi fares, Dublin City (2) Taxi fares, Cork City (3—5) Boat fares (3 routes) (6—14) Air fares (9 routes)		
Total Transport (13.2142)	81 varieties priced		
SERVICES & RELATED EXPENDITURE			
Cinema and theatre (0·5192)	(1) Cinema, highest price (2) Cinema, lowest price		
Dancing (0·7889)	Dance admission		

APPENDIX - continued

Item Heading and % Expenditure Weight	Varieties Priced	Item Heading and % Expenditure Weight	Varieties Priced
SERVICES & RELATED EXPENDITURE—contd.		SERVICES & RELATED EXPENDITURE—contd.	
Laundry and dry-cleaning (0·6135)	<i>Laundry—</i> (1) Charge for man's shirt (2) Charge for sheet (single size) (3) Charge for table cloth <i>Launderette—</i> (4) Washing, basic charge (5) Drying, basic charge <i>Dry-cleaning—</i> (6) Charge for man's suit (7) Charge for woman's coat	TV and aerial rental (0·5142)	<i>TV Rent—</i> (1) Black/white sets — new agreements (2) Black/white sets — 2 years old agreements (3) Coloured sets — new agreements (4) Coloured sets — 2 years old agreements <i>Communal aerial—</i> (5) Subscription charge
Other services (0·0986)	<i>Dress hire—</i> (1) Morning suits (2) Evening suits <i>Other services—</i> (3) Newspaper advertisement rates	Licences (0·3666)	(1) Black/white TV licences (2) Coloured TV licences (3) Provisional driving licence (4) Full driving licence (5) Dog licences
Postage (0·2221)	Postage (domestic and foreign)	Hotel and guest house accommodation charges (0·2056)	(1) Hotels (2) Guest houses
Telephone and telegrams (0·4726)	Telephone and telegrams (public and private)	Expenditure abroad (0·0378)	Expenditure abroad
Club/society contributions (0·2560)	(1) Golf clubs (2) Rugby clubs (3) Other clubs	Other expenditure (0·1186)	(1) Dog food (2) Peat moss (3) Garden fertiliser (4) Driving test fee (5) Passport fee (6) Birth certificate fee (7) Bank charges
Trade Unions/professional association contributions (0·2047)	(1) Trade unions (2) Civil service associations	Total Services & Related Expenditure (7·9863)	168 varieties priced
		Total All Items (100·0000)	685 varieties priced