

GEOGRAPHICAL COVERAGE

For items for which the Government Statistician's retail data are used the geographical coverage is mainly for twenty-five centres of population. Data collected by the Price Tribunal and the Internal Marketing Division cover the four main centres of population only (*i.e.*, Auckland, Wellington, Christchurch, and Dunedin). Price quotations are collected from twenty-five centres for the following: groceries, dairy-produce, meat and fish, and rent. For all other items the coverage is the four main centres only.

The twenty-five centres covered have a total population of 856,000, being approximately half the total population of the Dominion, and are distributed over both the North and South Islands. They are representative of both coastal and inland districts, and of both large and small centres. The four main centres, with a total population of 602,000, represent nearly 40 per cent. of the Dominion's population and over 70 per cent. of the population of the twenty-five centres mentioned.

The following are the centres referred to, with the population given to the nearest thousand as estimated on 1st April, 1941, by the Census and Statistics Department:—

Centre.	Population.	Centre.	Population.
Auckland	224,000	Wanganui	26,000
Wellington	160,000	Taihape	2,000
Christchurch	136,000	Palmerston North	26,000
Dunedin	82,000	Masterton	9,000
Whangarei	8,000	Blenheim	5,000
Hamilton	21,000	Nelson	14,000
Waihi	4,000	Greymouth	8,000
Rotorua	7,000	Ashburton	7,000
Gisborne	16,000	Timaru	19,000
Napier	19,000	Oamaru	8,000
Dannevirke	4,000	Alexandra	1,000
New Plymouth	19,000	Gore	5,000
		Invercargill	26,000
		Total	856,000

DETAILED SURVEY OF THE VARIOUS GROUPS

A detailed survey of the various groups is now given.

FOOD GROUP

This group comprises 52 articles of food, and is widely representative of the essential foodstuffs purchased by the average household.

Commodity Weights.—The commodity weight applied to the price of each article of foodstuff in the food group represents the aggregate annual civil consumption of that article, based on the most recent statistics available. In the case of fresh vegetables (carrots, parsnips, swedes, and cabbage) this method could not be used owing to the lack of satisfactory consumption data, and the commodity weights allotted to these items represent the relative proportions in which, in the opinion of the Committee, the respective vegetables are purchased.

The commodity weights were in general derived according to the formula: Consumption = Production + Imports — Exports — Amount used in manufacture — Estimated requirements of military forces, and were in most cases based on statistics of trade and production for the years 1940–41. For rationed commodities the estimated rationed consumption was taken.

In the case of meat the commodity weights were allotted on the basis: Total slaughterings of stock — Exports — Amount killed on farms — Estimated requirements of military forces, and with allowance for stocks of meat awaiting shipment.

Groceries, Dairy-produce, Meat.—For these sub-groups no special collection of price data is made, the Government Statistician's retail index collection being utilized. This collection covers price quotations from 90 grocers and 63 butchers for twenty-five centres of population as at the 15th of each month, the number of quotations secured from each centre being roughly proportional to the size of the centre. Both chain and independent shops are covered, and were originally selected in such a manner as to ensure a representative sampling for the whole of each centre.

Food-prices are collected each month through the agency of the local Inspectors of Factories of the Department of Labour. For milk and bread the local Inspector personally ascertains the price and submits a return thereof to the Government Statistician on a prescribed form. For the other commodities the retailers complete each month questionnaire forms supplied by the Government Statistician, which are then collected by the Inspectors of Factories and forwarded to the Census and Statistics Department. The questionnaire forms give a description of the various commodities for the guidance of retailers, but in practice the grades selected for pricing are not necessarily identical in all centres. The grade priced is that of which the largest quantity is normally sold (*i.e.*, the predominant or modal grade) and is adhered to for all future quotations.

The price data for each of the sub-groups are combined into sub-group indexes as follows: an average price of each article is computed for each centre and multiplied by the population of the centre. The products are added and divided by the total population of the twenty-five centres, giving an average price for each article for the Dominion. The Dominion average price of each article is then weighted by the annual aggregate civil consumption of the article and the products added. The resulting aggregate cost for the sub-group is then expressed as an index with the corresponding aggregate cost at the base date as base (= 1000).

Fresh Fruit.—Fresh fruit is represented in the index by apples and lemons.

Lemons. New-Zealand-grown lemons only are taken into the index; imported lemons, which form only a small proportion of the total supply, being excluded. Quotations are collected for the four main centres by district officers of the Price Tribunal, prices being sampled twice within the week nearest to the 15th of the month for which the return is made, and then averaged.