

The results can be summarized as follows:

1. *Dry cleaning.*—The R^2 was significant at the 5-percent level for every year. The beta coefficients associated with unskilled wages were significant at the 1 percent level in every year.

2. *Hospital care.*—Significant R^2 values at the 5-percent level were present for all years. The beta coefficients for unskilled wages were significant at the 1-percent level every year. In 1957 and 1958 the betas associated with labor market condition were significant at the 5-percent level and had a negative sign: in these years cities with relatively good labor-market conditions and relatively high hospital rates were associated.

3. *Auto repairs.*—The R^2 was significant at the 5-percent level in 1958. The beta associated with population was significant at the 5-percent level in 1957 and the 1-percent level in 1958. Larger cities and higher auto repair prices were associated. The betas for unskilled wages and labor-market condition were also significant in 1958.

4. *Medical care.*—In 1958 the R^2 was just significant at the 5-percent level. The betas for unskilled wage and labor market condition were also just within the 5-percent significance level. As with hospital rates, there was an inverse relation between higher prices and poorer labor-market conditions.

5. *Personal care.*—None of the R^2 values were significant at the 5-percent level. But the betas associated with unskilled wages were significant at that level each year. No other betas were significant.

6. *Dental care.*—No R^2 values were significant. There was weak and spotty significance of the betas associated with unskilled wages: 5 percent in 1955–56 and 1958.

7. *Laundry prices.*—No beta or R^2 values were significant.

In summary, the preliminary results reported are not completely at variance with a priori notions about the relation of unskilled wages and service prices. Hospitals, drycleaners, and laundries are, in general, low paid, labor-intense industries. The medical and dental professions are not. Auto repair and personal care are somewhere between. The results found here are strongly consistent in the case of hospitals and drycleaning; satisfactorily so in the other cases. Only laundries were strongly out of place.

APPENDIX

DEFINITION OF SERVICES ITEMS INCLUDED IN PERSONAL CONSUMPTION EXPENDITURES IN NATIONAL INCOME ACCOUNTS

Clothing service:

Shoe repair

Laundry in establishments

Drycleaning and dyeing

Other

Housing—Space rental value of—

Owner-occupied nonfarm dwellings

Tenant-occupied nonfarm dwellings

Farmhouses and other, i.e., hotels, clubs, etc.

Household operation:

Utilities: Electricity, gas, water

Telephone, telegraph, cable, and wireless

Domestic service

Other: Appliance maintenance, moving expenses, postage, premiums on fire, etc., insurance

Medical care and death expense:

Physicians

Dentists

Other professional services: Miscellaneous curative and healing arts

Privately controlled hospitals and sanitariums

Medical care and hospital insurance

Funeral and burial expenses