

chloride, and sodium secobarbital, and elixir of terpin hydrate with codeine. Also included in this index are tablets of sulfisoxazole, buffered penicillin G, phenobarbital, propantheline bromide, meprobamate, reserpine, crystalline digitoxin, prednisone, and chlorothiazide.

Wholesale price index

More important to an understanding and appreciation of drug prices and price trends is the BLS Wholesale Price Index. It is structured to measure average changes in prices of commodities sold in primary markets of all fifty states of the union. Its universe comprises all commodities produced or imported for sale. Commodities selected usually include those with the largest shipment values, as shown by industrial censuses.¹

The WPI is calculated as a weighted average of price changes in which the weights represent the total net selling value of the commodities. The relative importance of an item represents its basic weight used in the index multiplied by the index of price change between the weight date and a later date. The result is expressed as a percentage of the total for all commodities or for the major group.

Several major changes have occurred in the sample of drugs and chemicals since the WPI was originated. The separation of drugs and chemicals, the removal of cosmetics from the drug group, and more recently, in 1961, the breakdown of drug products into ethical and proprietary pharmaceuticals are examples of the kind of continual revision necessary to maintain a factual and realistic analysis of prices. Because of the 1961 revision, it is possible to recognize relative trends in drug prices that were previously obscured by the grouping. A total of 111 items were included in the class of drugs and pharmaceuticals. To show the relative importance of the drug group to all commodities sampled as well as the relative importance of items within the drug group, Table 3 gives these relationships for 1961 and for 1964.

TABLE 3.—RELATIVE IMPORTANCE OF PHARMACEUTICAL PRODUCTS IN THE WHOLESALE PRICE INDEX

Subgroups	Relative importance of pharmaceuticals to all WPI items		Percentage of importance of individual items within drug group	
	1961 ¹	1964 ¹	1961 ²	1964 ²
Ethical pharmaceuticals.....	0.534	0.519	100.00	100.00
Anti-infectives.....	.148	.131	27.72	25.20
Vitamins.....	.086	.087	16.11	16.76
Ataractics.....	.057	.057	10.67	10.98
Dermatologicals.....	.036	.038	6.74	7.32
Antiarthritics.....	.030	.030	5.61	5.78
Cough and cold preparations.....	.027	.026	5.06	5.01
Hormones.....	.023	.023	4.31	4.43
Sedatives and hypnotics.....	.023	.022	4.30	4.24
Cardiovasculars and antihypertensives.....	.020	.021	3.74	4.05
Diuretics.....	.017	.017	3.18	3.28
Hematitics.....	.017	.017	3.18	3.28
Diabetics.....	.013	.013	2.43	2.50
Antibesity preparations.....	.012	.013	2.25	2.50
Analgesics.....	.012	.012	2.25	2.31
Antispasmodics and anticholinergics.....	.013	.012	2.43	2.31
Proprietary pharmaceuticals.....	.236	.241	100.00	100.00
Internal analgesics.....	.069	.070	29.23	29.04
Cough and cold preparations.....	.041	.041	17.37	17.01
Antiseptics.....	.032	.033	13.56	13.69
Laxatives and elimination aids.....	.028	.030	11.86	12.45
Vitamins.....	.022	.022	9.32	9.13
Antiacids.....	.021	.022	8.89	9.13
External analgesics.....	.015	.015	6.36	6.33
Tonics and alteratives.....	.008	.008	3.38	3.31

¹ U.S. Department of Labor, Bureau of Labor Statistics Wholesale Prices and Price Indexes, 1963 (Bulletin No. 1513). Washington: U.S. Government Printing Office, 1966.

² Calculated.

² U.S. Department of Labor, Bureau of Labor Statistics: Wholesale Prices and Price Indexes, 1963 (Bulletin No. 1513). Washington: U.S. Government Printing Office, 1966.