think some of the terribly tragic and perverted things we are seeing this week around the country indicate the beginnings of motivation in the sense of expectations or wishes having been stimulated which run so far ahead of what is currently possible that it leads to all these frightful manifestations, so I think that there is a desire.

Mr. MYERS. That is all I have.

Mr. ROSENTHAL. Thank you.

Mr. WYDLER?

Mr. WYDLER. A great many things in our economy really are tied in with this index of yours, aren't they?

Mr. ROSS. Yes, sir.

Mr. WYDLER. Do you know—for instance, are there still many labor union contracts that are drawn based on this index?

Mr. ROSS. Oh, yes. There are about 2¼ million union workers at the present time, who have their rates of pay adjusted periodically, generally quarterly, but not always. Most of these contracts are tied to the national index, although there are a smaller number—for example, some in Los Angeles—that are tied to local indexes.

In addition, the Federal civil service retirement benefits are adjusted periodically on the basis of movements in the cost-of-living index. Military pensions are adjusted on the basis of movements in the cost-of-living index. A great many other types of things.

For example, under some awards, alimony payments, there are long-term business contracts which are adjusted on the basis of either wholesale or retail price movements. So that you are certainly correct in saying that many transactions are affected by these indexes.

Mr. WYDLER. When was the last time this index, when the basis or any part of the basis on which this index is drawn up, was changed?

Mr. ROSS. Well, if you say any part of the basis, it would be very recently because we do try to improve it as we go along.

The last overall revision would be January of 1964.

Mr. WYDLER. And at that time were significant changes made?—in what parts? Explain what parts of the index were changed.

Mr. ROSS. Well, it is necessary periodically to make consumer expenditure surveys to find out what are the things that we ought to put into the index. For example, let's say we don't have saddles any more——

Mr WYDLER. Change the commodities you are indexing.

Mr. ROSS. It is a matter of changing the market basket of goods and services. It is a matter of changing the weights. The overall CPI is weighted. So much percent for food. So much for apparel. As time goes on, we find that consumers spend their income in different proportions for different items. We have hundreds of items.

I might say I have a lot of literature on all this if you want it for the record or I could give it to your staff director, Mr. Chairman.[1]

Mr. ROSENTHAL. That would be fine.

Mr. ROSS. But we occasionally have to make a very comprehensive consumer expenditure survey to find out how to weigh all these items.

Mr. WYDLER. Go ahead.

Mr. ROSS. Then—I was going to say to identify what are the leading cities for which city information should be published and

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[1] The information requested has subsequently been furnished and is in the files of the subcommittee.