



FIGURE 2. ESTIMATED FOOD-OUT SHARES

in the rent share artificially induces nonlinearity in other estimated budget share functions. We conduct three robustness exercises aimed at these issues. First, we estimated our EASI model using an extended sample of 18,600 households, which includes multiple-member households and households residing in Quebec. For this model, we included four additional demographic variables: the log of the number of household members, and dummies indicating single-parent households, childless-couple households, and households residing in Quebec. Second, we estimated our EASI model on the 8,846 households in our extended sample that did not have transfer income exceeding 10 percent of gross income and who did own a car (called the “nopoor” extended sample). Third, we estimated our EASI model on a subset of expenditure categories which excludes rent. For this model, we used households of all tenures, not just rental-tenure households, and used only those that did not have transfer income exceeding 10 percent of gross income and that did own a car. This yielded 32,399 observations available for an estimation sample (called the “norent nopoor” extended sample). For this sample, we include the number of rooms in the dwelling and its square as additional demographic characteristics. Detailed results for these models are available on request from the authors.

Figures 9 and 10 show the estimated rent and recreation Engel curves for various samples for the reference type defined above facing the base price vector, plus confidence intervals (shown