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No.

785017

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COST OF LIVING STUDIES
JUNE 1943 - AUG. 1944

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HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

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15 August 1944

SUBJECT: Region III Cost of Living Studies

TO : Secretary General
Executive Commissioner (O.A. Branch)
Administrative Section
Finance Sub-Commission

Food Sub-Commission
Industry Sub-Commission
Commerce Sub-Commission
Labor Sub-Commission

1. Herewith Copy No. 4 of Region III Cost of Living Studies, "Economic Facts and Figures," Volume No. IV.

2. Please acknowledge.

1452

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mj-a RA
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S.O. 2 (O.A.), Economic Section

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Volume IV
Copy No. 4

ECONOMIC
FACTS AND FACTORS

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A monthly bulletin published by the
Economics and Supply Division of
Region 3.

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JULY 1944

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COST OF LIVING TRENDS

The following table shows precise index figures from June 1943 through June 1944 living in Naples. These figures cover each category under discussion.

Description	June 1943	Sept. 1943	Dec. 1943	March 1944	April 1944	May 1944
Weekly Expense for Food	£ 397.15	314.50	1134.05	1760.45	1901.81	2172.05
Index June as 100	100	205.	285.5	443.2	481.4	546.9
Index Sept as 100		100	139.2	216.1	233.4	266.6
Weekly Expense for Clothing	£ 108.65	132.47	259.16	545.32	457.60	561.37
Index June as 100	100	140.5	238.5	501.9	421.1	516.6
Index Sept as 100		100	159.5	335.6	281.5	345.5
Weekly Expense for Dwelling	£ 49.27	49.27	49.27	49.60	49.60	49.60
Index June as 100	100	100	100	100.6	100.6	100.6
Index Sept as 100		100	100	100.6	100.6	100.6
Weekly Expense for Heat and Light	£ 8.94	34.02	72.20	68.73	62.13	54.02
Index June as 100	100	380.5	807.6	768.7	694.9	604.2
Index Sept as 100		100	212.4	202.	182.6	158.8
Weekly Expense for Miscellaneous Item	£ 61.42	57.15	139.98	207.34	246.91	253.25
Index June as 100	100	109.3	227.9	337.5	402.	412.3
Index Sept as 100		100	208.4	308.7	367.6	377.1
Total Weekly Expense	£ 625.43	1127.22	1654.66	2631.44	2718.05	3090.29
Index June as 100	100	180.2	264.5	420.7	434.5	494.1
Index Sept as 100		100	146.7	233.4	241.	274.1

COST OF LIVING TRENDS

ing table shows prices by the index figures from June 1943 through Ju 1944, the cost of
 aples. These figures cover each category under discussion.

	June 1943	Sept. 1943	Dec. 1943	March 1944	April 1944	May 1944	June 1944	July 1944
Food	\$ 397.15	314.50	1134.05	1760.45	1901.81	2172.05	2445.42	1577.05
100	100	205.	285.5	443.2	481.4	546.9	515.	397.3
100		100	139.2	216.1	233.4	266.6	251.1	193.6
	\$ 108.65	162.47	259.16	545.32	457.60	561.37	616.85	635.95
100	100	149.5	238.5	501.9	421.1	516.6	567.7	583.4
100		100	159.5	335.6	281.5	345.5	378.7	390.1
	\$ 49.27	49.27	49.27	49.60	49.60	49.60	49.60	49.60
100	100	100	100	100.6	100.6	100.6	100.6	100.6
100		100	100	100.6	100.6	100.6	100.6	100.6
	\$ 8.94	34.02	72.20	68.73	62.13	54.02	39.55	58.27
100	100	380.5	807.6	768.7	694.9	604.2	442.4	654.
100		100	212.4	202.	182.6	158.8	116.2	171.2
	\$ 61.42	67.16	139.98	207.31	246.91	253.25	302.45	319.28
100	100	109.3	227.9	337.5	402.	412.3	492.5	519.8
100		100	208.4	308.7	367.6	377.1	450.3	475.4
	\$ 625.43	1127.12	1654.66	2631.44	2718.05	3090.29	3058.87	2638.15
100	100	180.2	264.5	420.7	434.5	494.1	486.2	421.8
100		100	146.7	233.4	241.	274.1	270.8	233.9

23

For the second consecutive month the Cost of Living in Naples has shown an improvement. It appears that the trend is definitely downward and although this decline is evident only in the price of food, the fact that this category constitutes approximately 2/3 of the total family expenditure, shows the importance in keeping costs in this category at low levels.

To visualize the change more clearly, the food cost can best be shown as follows:-

Using June 1943 as 100 the drop is 117.7 points
" Sept 1943 " " " " " 57.5 "

In actual lire the weekly food expense for the typical family is lower than in March 1944:-

Weekly expense in March 1944 - £ 1760.45
" " " July 1944 - £ 1577.05

In lire, the weekly food expense in July is £ 468.37 lower than in the preceding month.

It is interesting to note that the ration distribution for July is lower than for June, however during July, PASTA was distributed for the first time on the basis of Kg. 2.430 per person per month, and although the distribution of oil was reduced from Kg. 0.275 to Kg. 0.183 even this loss could not overshadow the importance of PASTA in the daily Neopolitan diet.

What is still more encouraging is the gradual diminution of the expenditure for food in the Black Market. In July only 39.26% of the total food expense was spent in the Black Market, and 54.61% in the open or Free Market. This indicates an improvement over similar expenses in June when the percentage spent in the Black Market was 54.60% and in the open or Free Market 37.70%.

Another important fact is that while the ration distribution in many respects was smaller than in the previous month, the CALORIC VALUE of the July Ration Distribution was increased from 37.82% to 44.96%, and the increase in the Caloric Value in the Free Market was from 29.20% to 36.20%. It is at this point that the importance of this becomes evident. The CALORIC VALUE of food purchased in the Black Market in July decreased from 32.98% to 18.84%, which PROVES that as the CALORIC CONTENT of the ration is INCREASED, the relative family expense is DECREASED IF the caloric requirements of the typical family is maintained as planned.

Unfortunately the prices of some rationed items have been increased by order of the SINDACO, but the fact that the PASTA price was maintained at a low level, has helped to counteract any tendency toward increases generally in the food cost.

If a reduction in expenditures in the other categories under discussion in this study could have been made in a similar proportion to that in food, the trend downwards in the cost of living in Naples would have indeed been astounding. On the contrary each of the other categories with the exception of rents, showed an increase during July. For example:

The Clothing Index increased	11.4	points
Heat & Light " "	55.0	"
Miscellaneous " "	25.1	"

1453

In spite of the above increases the General Index for July shows a decrease of 36.9 points. This drop if viewed against the drop in June of 3.3 points is most certainly encouraging and is reflected today in the minds and attitude of the people of Naples who are beginning to acknowledge that conditions have generally improved.

In items of short supply the Black Market prices have risen slightly, but prices of food in the Black Market generally, have dropped noticeably.

Official fruit and vegetable prices are still too high and because the average Neapolitan subsists to a great extent on fruits and vegetables, a revision downward in official prices is very necessary.

The extent to which official prices of fruits and vegetables have been raised in 1944 as against official prices during corresponding months in 1943, is best shown by the following table:

Name	Average price per Kg. for May, June & July -		Name	Average price per Kg. for May June & July -	
	1943	1944		1943	1944
<u>VEGETABLES</u>			<u>FRUITS</u>		
Carrots	£ 2.60	£ 11.00	Cherries	£ 4.80	£ 27.72
Broccoli	2.70	11.25	Oranges	7.33	28.37
Lettuce	3.10	12.80	Peaches	4.15	27.00
Squashes	3.33	10.09	Appricots	3.80	15.45
Onions	2.23	10.30	Plums	2.88	14.20
Beans	5.40	24.33			
Pears	4.20	24.50			
Tomatoes	4.87	35.00			

From the foregoing table it will be readily seen that the average price for vegetables for three months in 1943 was £ 3.52 per Kg. as compared to £ 17.40 for a similar period in 1944; and for fruits the average price in 1943 was £ 4.61 per Kg. as compared to £ 22.50 in 1944.

1448
Viewing these prices abstractedly, it is difficult to understand why vegetable and fruit prices have been set so high. The farmer does not have the problems confronting him that the city worker has, nor does he have the expenses. He has little or no rent to pay, little or no taxes, little or no heat and light expense, and certainly no transportation expense. Seeing that the farmer seems to be in such an enviable position, it is natural to ask the following questions; "Why must the farmer be paid four, five or six times the amount he formerly received for his produce?" "Is it because it is felt that it is necessary to do so to encourage the farmer to sell his produce in the city markets?" "What would happen if prices were lowered?" The farmer would be forced to bring his produce

into the city or lose a great portion of it through spoilage. Furthermore, high prices discourage the farmer from growing vital crops of a national importance such as grain, because it is infinitely more profitable to grow fruits and vegetables for sale at present high prices.

The price lists as published by the Commune of Naples are still too high, but there is a tendency now toward a downward revision in this quarter also. If the Communal Price Lists and the fruit and vegetables prices were revised more in line with true costs and actual purchasing power of the people generally, the whole situation in the cost of living would be immediately improved.

Fig. 1

TABLE SHOWING OFFICIAL AND BLACK MARKET PRICES

I T E M S		June/43		Sept/43		Dec/43		March/44	
		Off.	B/M	Off.	B/M	Off.	B/M	Off.	B/M
Bread	Kg.	2.50	50.	2.50	85.	3.60	130.	3.60	130.
Flour	"	2.30	55.	2.30	70.	4.10	150.	3.60	190.
Flour (corn)	"	1.80	25.	1.80	40.	3.75	110.	3.75	145.
Rice	"	3.45	30.	3.45	60.	4.00	170.	4.00	290.
Potatoes	"	4.00	6.	4.00	7.	7.00	17.	12.00	37.
Dry Figs	"	=	36.	=	40.	27.00	65.	31.00	78.
Pasta	"	3.10	35.	3.10	70.	5.00	220.	5.10	250.
Sugar	"	7.65	40.	9.10	120.	15.00	180.	15.00	310.
Wine	Lt	4.00	6.5	4.00	10.	14.00	25.	14.00	45.
Barley	Kg	=	20.	=	27.	=	90.	=	120.
Milk	Lt	2.60	8.	2.60	11.	7.00	25.	13.00	35.
Beans	Kg	6.15	28.	6.15	38.	11.00	150.	13.00	420.
Beef	"	18.50	70.	32.00	90.	34.00	120.	34.00	270.
Eggs	Ea	1.80	5.	2.00	10.	4.00	20.	4.00	22.
Cheese	Kg	24.10	120.	24.85	130.	35.00	220.	96.00	420.
Coffee	"	=	700.	=	1000.	=	1300.	=	1100.
Butter	"	27.50	110.	27.50	150.	=	220.	=	350.
Olive Oil	"	14.75	90.	14.75	150.	25.00	165.	25.00	270.

Table showing Official and Black Market prices is continued on the following page.

TABLE SHOWING OFFICIAL AND BLACK MARKET PRICES

I T E M S		April/44		May/44		June/44		July/44	
		Off.	B/M	Off.	B/M	Off.	B/M	Off.	B/M
Bread	Kg.	3.60	135.	3.60	165.	3.60	161.	3.60	111.
Flour	"	3.60	205.	3.60	210.	3.60	214.	3.60	170.
Flour (corn)	"	3.75	148.	3.75	150.	3.75	=	3.75	=
Rice	"	4.00	295.	4.00	316.25	4.00	355.	=	354.
Potatoes	"	12.00	43.	12.00	55.50	12.00	=	11.00	11.
Dry Figs	"	38.00	82.	40.00	80.	40.00	98.	45.00	93.25
Pasta	"	5.10	267.	5.00	307.50	5.50	300.	5.50	221.
Sugar	"	15.00	351.	15.00	310.	15.30	282.	16.00	254.
Wine	Lt	14.00	40.	22.50	42.	22.50	=	20.00	=
Berley	Kg	=	121.	=	112.50	=	92.	=	61.
Milk	Lt	13.00	35.	13.00	22.50	15.00	=	15.00	22.40
Beans	Kg	24.50	203.	75.00	190.	75.00	187.50	75.00	109.
Beef	"	92.00	310.	185.00	286.6	220.00	=	220.00	=
Eggs	Ea	9.50	19.	14.50	19.5	15.00	18.33	15.00	17.95
Cheese	Kg	90.00	392.	90.00	500.	90.00	363.	88.00	=
Coffee	"	=	1600.	=	800.	=	650.	=	625.
Butter	"	=	296.	=	253.75	170.	259.	190.00	277.
Olive Oil	"	27.00	260.	29.00	235.	29.00	249.	36.75	305.40

Fig. 2

MONTHLY RATION DISTRIBUTION PER PERSON

I T E M S		Q U A N T I T Y							
		June 1943	Sept. 1943	Dec. 1943	March 1944	April 1944	May 1944	June 1944	July 1944
Bread	Kg.	4.500	1.330	3.500	6.000	6.000	6.000	6.000	6.200
Pasta	"	2.500	=	.500	=	=	=	=	2.430
Rice	"	.400	=	=	=	=	=	=	1.447
Oil	Lt	.320	=	.158	.183	.183	.183	.275	.183
Fats	Kg	.050	=	=	=	=	=	=	=
Sugar	"	.500	=	=	=	.250	.250	.250	.250
Eggs	Ea	2	=	=	=	=	=	=	=
Cheese	Kg	.200	=	=	.200	.130	=	=	=
Meat	"	.300	=	=	=	.400	.400	.800	.200
Potatoes	"	.300	=	=	=	=	=	=	=
Fowl Soup	"	=	=	=	.250	.250	.250	.250	.250
Dry Veget.	"	=	=	=	.250	.500	.500	.400	.200
Salt	"	=	=	=	.500	=	=	=	=
Mozzarella	"	=	=	=	=	.070	=	=	=
Salt Fish	"	=	=	=	=	=	.350	=	.200
Marmalade	"	=	=	=	=	=	.200	=	=

In some items the ration has been reduced for the month of July. Pasta however, has been added together with Baccalà (Salt fish).

Appendix A - Chart 1. : Shows the caloric percentage of food purchased through the ration, Free Market and the Black Market.

Appendix B - Chart 2. : Shows the percentage of food actually purchased through the ration, Free Market and the Black Market.

Attention is particularly drawn to Appendix A - Chart 1. Here, it is clearly visible that when the Caloric Value of food procured through the Ration is increased, the Caloric Value of food purchased in the Black Market is decreased. Consequently the cost is likewise reduced as the necessity for procuring supplementary nutritive foods in the Black Market is decreased.

Fig. 3. FOOD COST INDEX FOR TYPICAL FAMILY

	June/43	Sept/43	Dec/43	March/44	Apr./44	May/44	June/44	July/44
Weekly Expense	£ 397.15	814.50	1134.05	1760.45	1901.81	2172.05	2045.42	1577.06
Index June as 100	100	205.	285.5	443.2	481.4	546.9	515.	397.3
Index September as 100		100	139.2	216.1	233.4	266.6	251.1	193.6

The family expense for clothing during July has risen slightly, 2.7 points over the previous month and 11.4 points. September 1943 is used as 100. The reason for this is that approximately 80% of the family clothing requirements during July was purchased in the Black Market and only approximately 20% was purchased at official prices.

There is a serious shortage of cloth and materials suitable for clothing and what is obtainable is purchased only in Black Market channels at extremely high prices.

Most of the cloth was formerly obtained from Northern Italy where the large textile factories are located. Due to conditions it was impossible to bring in supplies from there and consequently stocks on hand disappeared rapidly.

Furthermore, when the Allies began bombing Naples, large stores of textiles were moved into the interior and much of this disappeared when the Germans retreated.

Fig. 4CLOTHING INDEX

June 1943	Sept. 1943	Dec. 1943	March 1944	April 1944	May 1944	June 1944	July 1944
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WEEKLY EXPENSE

£ 108.65	162.47	259.16	545.32	457.60	561.47	616.85	633.95
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Index June as 100

100	149.5	238.5	501.9	421.1	516.6	567.7	583.4
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Index September as 100

100	159.5	335.6	281.6	345.5	378.7	390.1	
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There has been no change in the cost of housing during the month of July.

The family expense for Heat and Light rose very sharply in July, due primarily to the fact that the Gas Company announced a 425% increase in the gas rate retroactive to Jan. 1, 1944. It was therefore necessary for the average family to pay during this month an abnormal amount under this category. The index therefore showed a rise of 55.0 points using September as 100, and 47.3 points over June 1944.

This increase in the gas rate has precipitated quite a controversy between the public and the Company. Many of the gas bills have been paid under protest.

Fig. 5HEAT AND LIGHT INDEX

June 1943	Sept. 1943	Dec. 1943	March 1944	April 1944	May 1944	June 1944	July 1944
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Weekly Expense £	8.94	34.02	72.20	68.73	62.13	54.02	39.55	58.27
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Index June 100	100	380.5	807.6	768.7	694.9	604.2	442.4	654.
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Index Sept. 100	100	212.2	202.	182.6	158.8	116.2	171.2	
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The rise in Miscellaneous Expenses in July, which was nominal, being only 5.5 points over the previous month, was due to an increase in the cost of school supplies, medicinal expenses, and higher doctor's fees.

Appendix C - Chart 3 and Appendix D - Chart 4, Comprehensive Charts are attached.

Chart C at a glance portrays pictorially the trend in the Cost of Living in Naples, month by month. The picture is beginning to look brighter. The trend is downward and definite progress appears to have been made to keep the cost of living down. The total expenditure in July is very nearly that in March 1944.

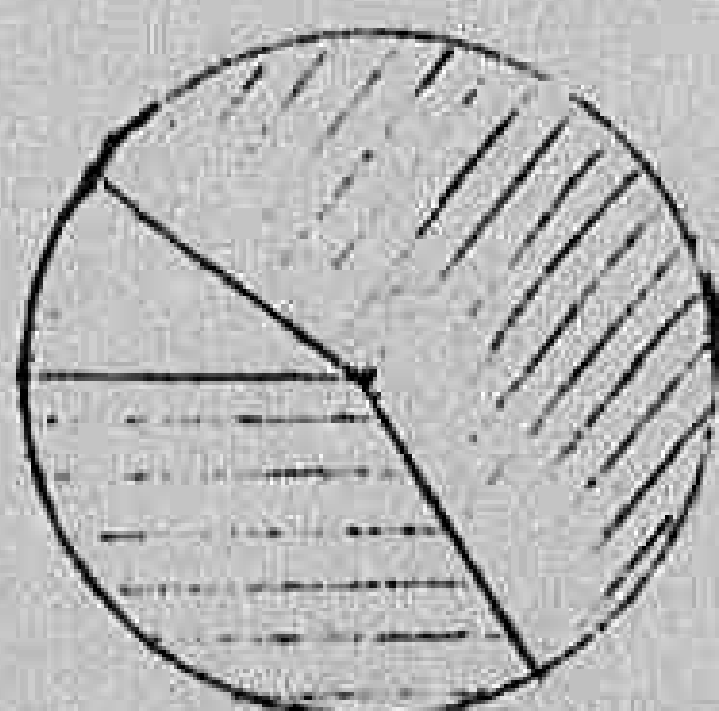
Chart D tells the same story in regular graph form.

It is difficult to predict what the future holds as far as the cost of living in Naples is concerned, but one has the impression that the trend is toward an improvement and although the cost of some items is expected to rise, it is felt that conditions have so far improved so as not to be greatly affected by minor fluctuations.

C A L O R I C V A L U E S O F F O O D S

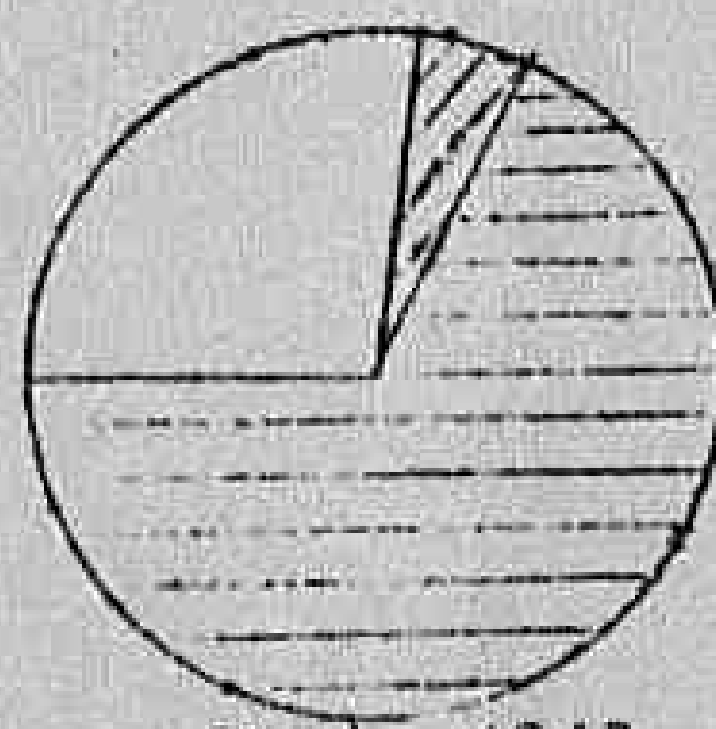
This chart is designed to show the caloric percentage of foods purchased through the in the Free Market and the "Black Market".

F.M. 8.95 %
R. 53.03 %
B.M. 38.02 %



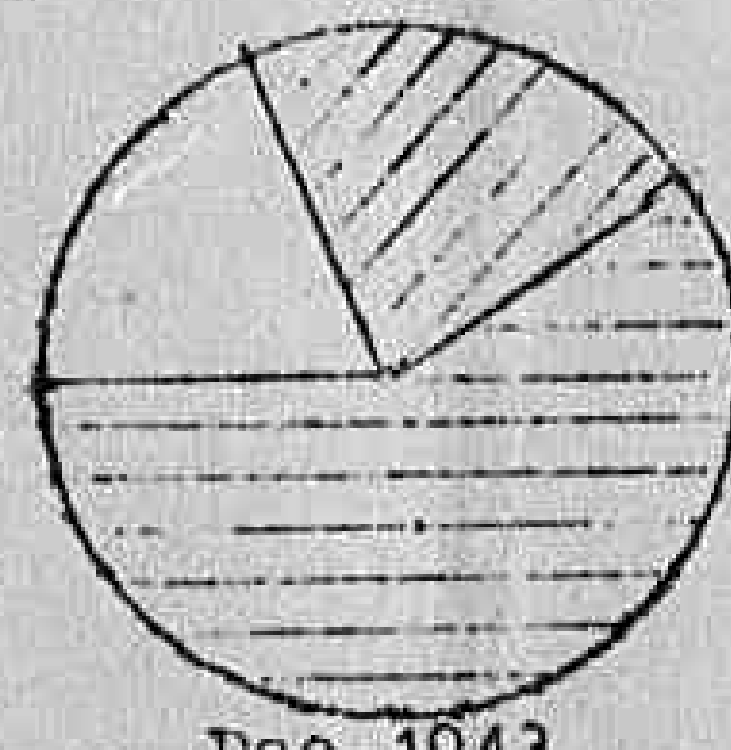
June 1943

F.M. 29.24 %
R. 2.34 %
B.M. 68.42 %



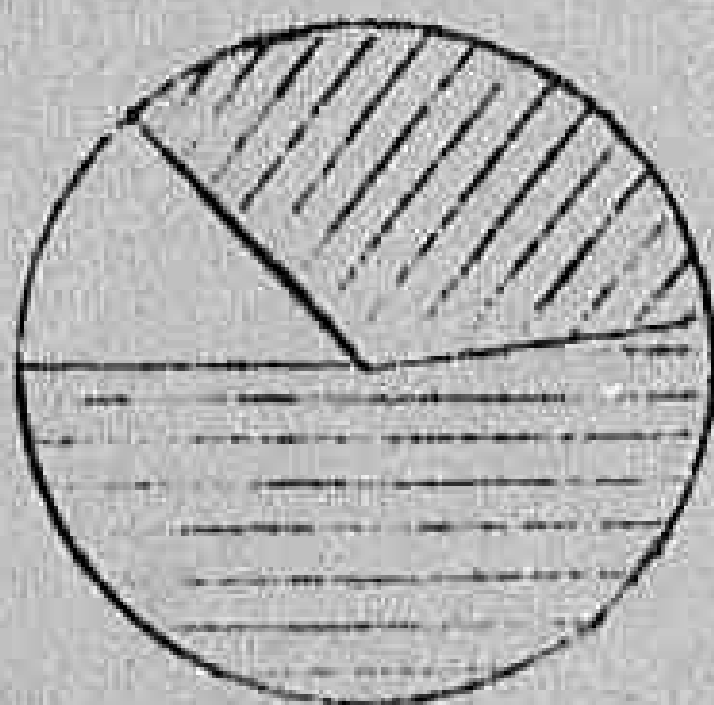
Sept. 1943

F.M. 20.93 %
R. 23.24 %
B.M. 55.83 %



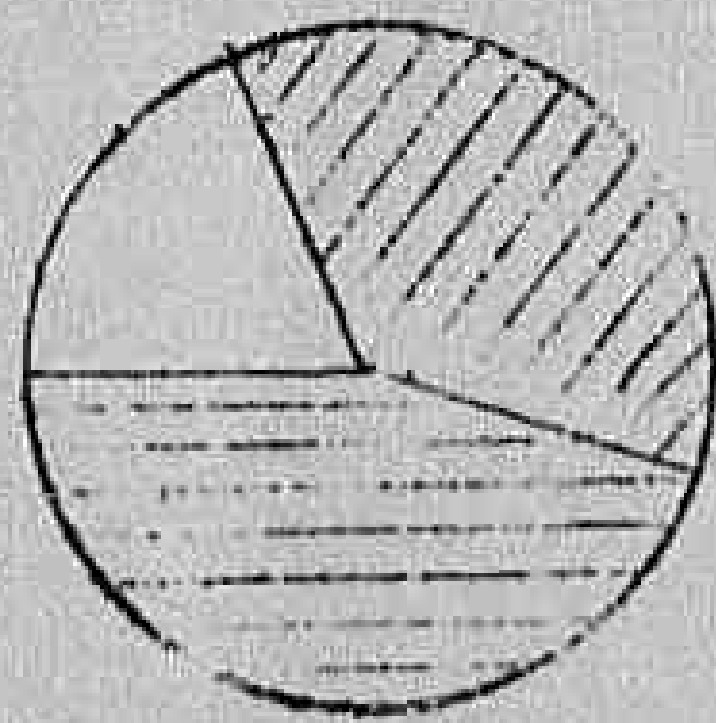
Dec. 1943

F.M. 11.89%
R. 36.18%
B.M. 51.93%



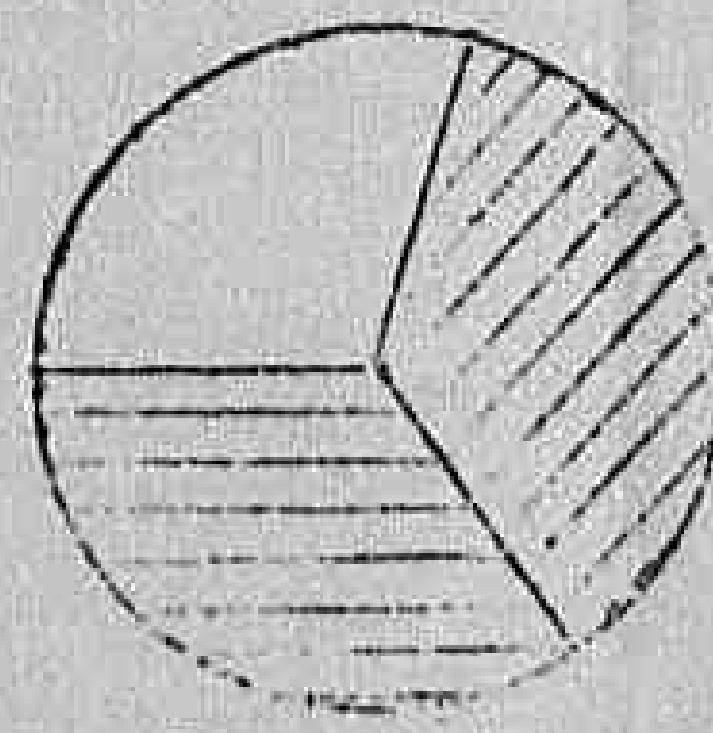
Jan. 1944

F.M. 18.09%
R. 36.03%
B.M. 45.88%



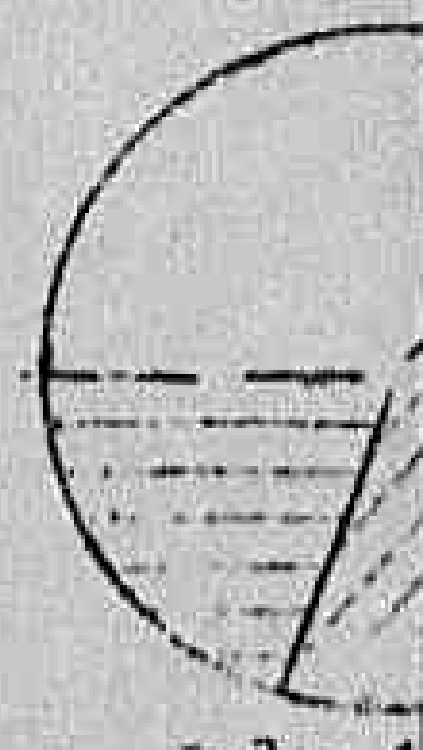
May 1944

F.M. 29.20%
R. 37.82%
B.M. 32.98%



June 1944

F.M. 36%
R. 44%
B.M. 18%



Jul. 1944

C A L O R I C V A L U E S O F F O O D S

Appendix "A"

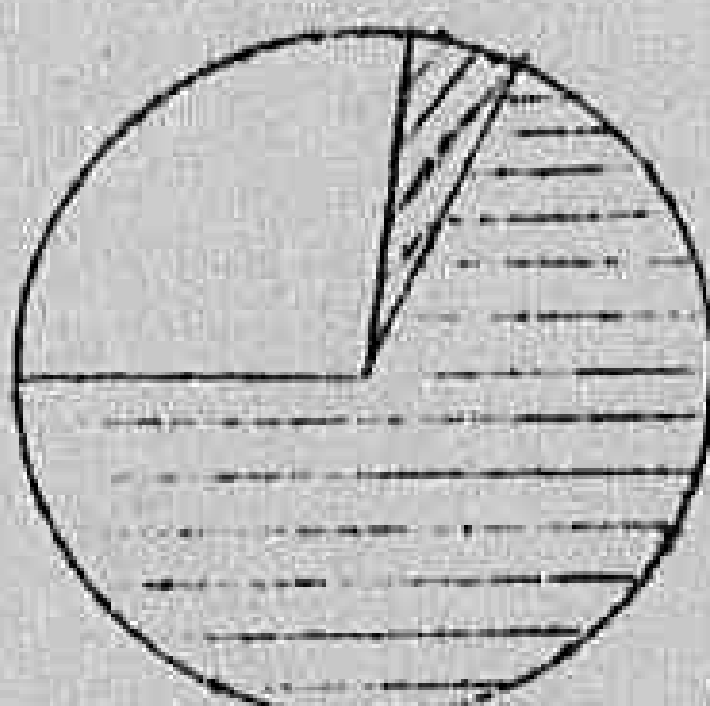
Designed to show the caloric percentage of foods purchased through the "Ration",
 Free Market and the "Black Market".

95 %
 03 %
 02 %

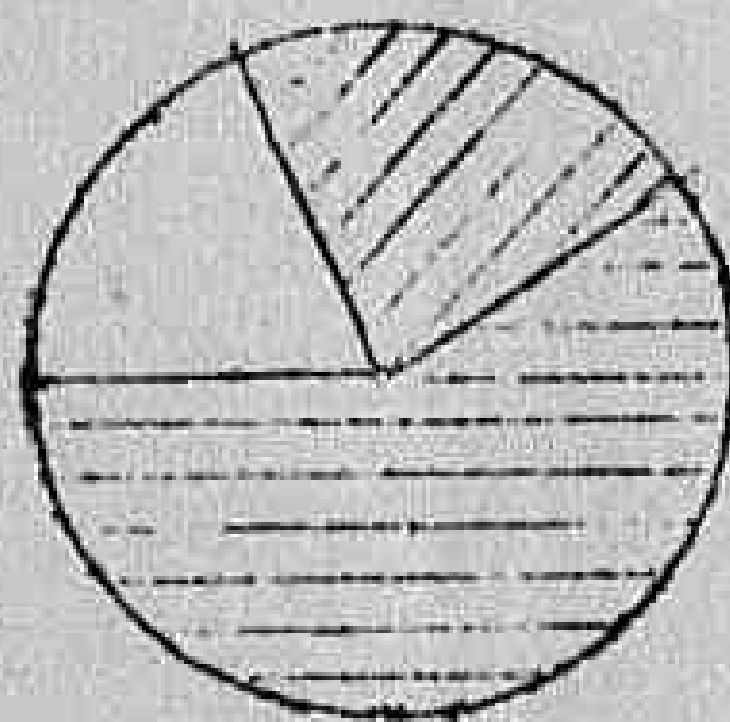
F.M. 29.24 %
 R. 2.34 %
 B.M. 68.42 %

F.M. 20.93 %
 R. 23.24 %
 B.M. 55.83 %

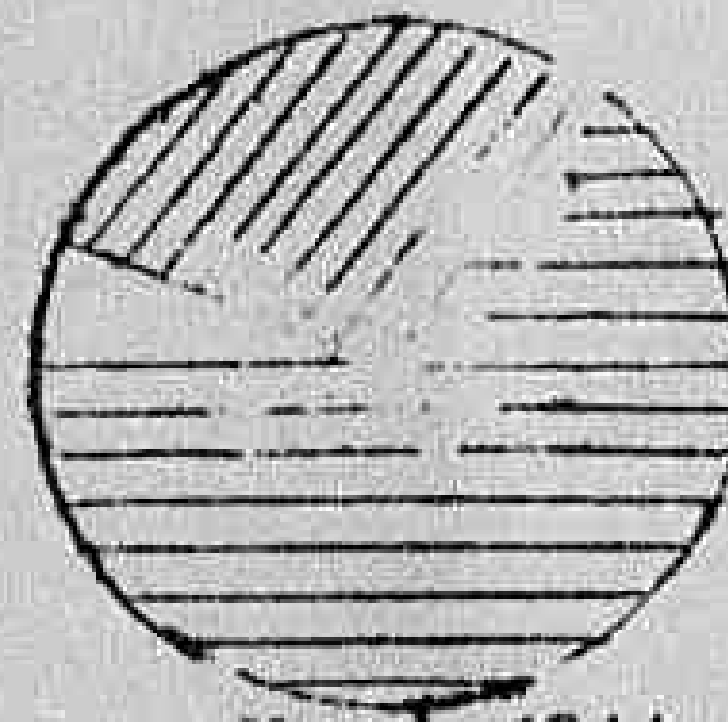
F.M. 6.68 %
 R. 30.60 %
 B.M. 62.72 %



Sept. 1943



Dec. 1943



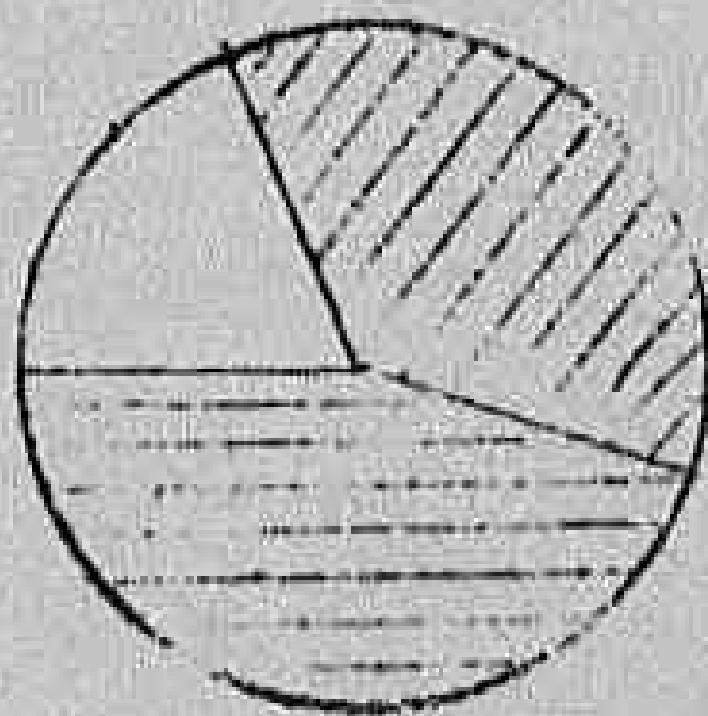
March 1944

11.89%
 36.18%
 51.93%

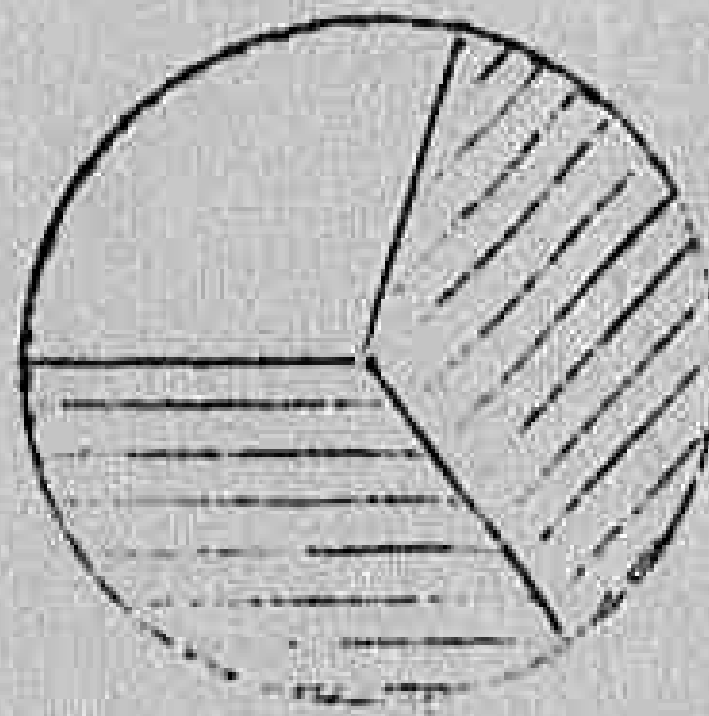
F.M. 18.09%
 R. 36.03%
 B.M. 45.88%

F.M. 29.20%
 R. 37.82%
 B.M. 32.98%

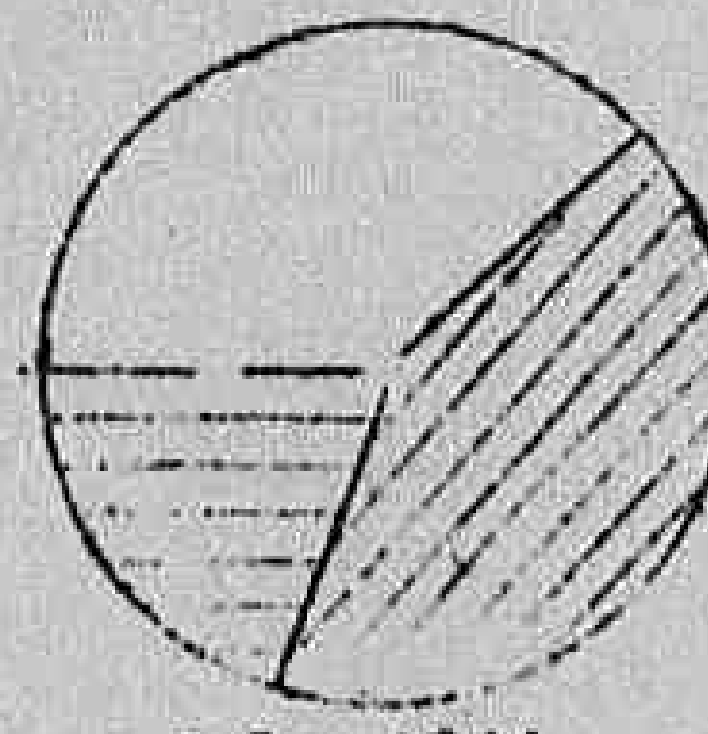
F.M. 36.20%
 R. 44.96%
 B.M. 18.84%



May 1944



June



July 1944

LEGEND

Free Market

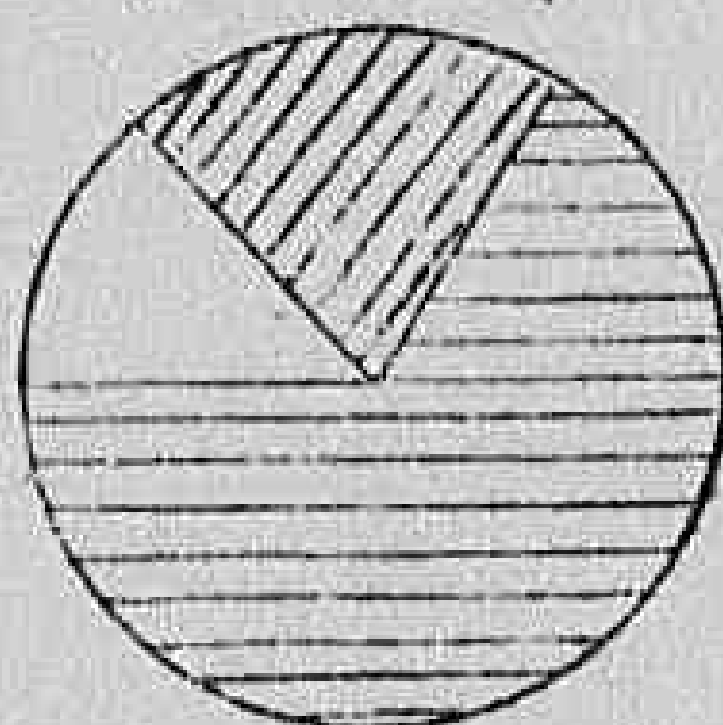
Rationed

Black Mark.

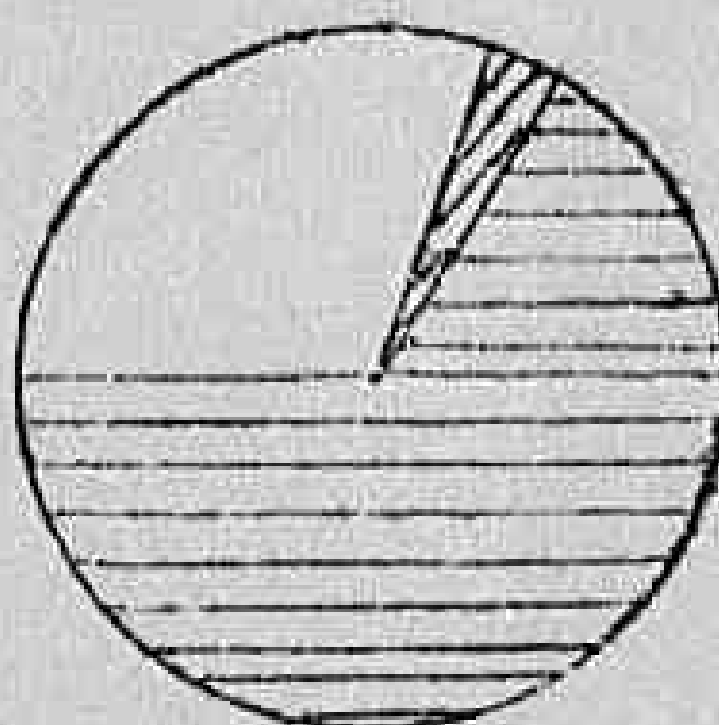
" WHERE THE TYPICAL FAMILY PURCHASES HIS FOOD "

This chart is designed to show the percentage of food purchases either through the " Free Market " and the " Black Market ".

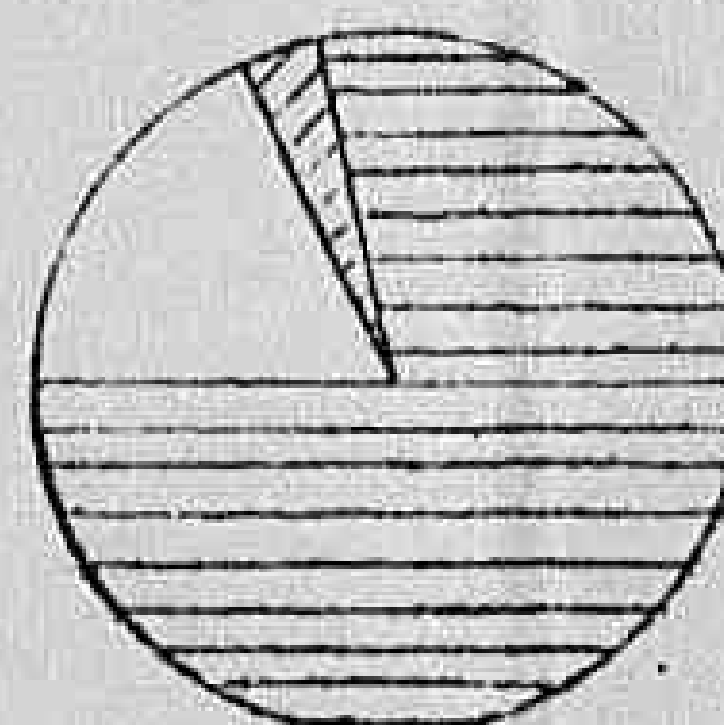
F.M. 12.72%
R. 20.33%
B.M. 66.95%

June 1943

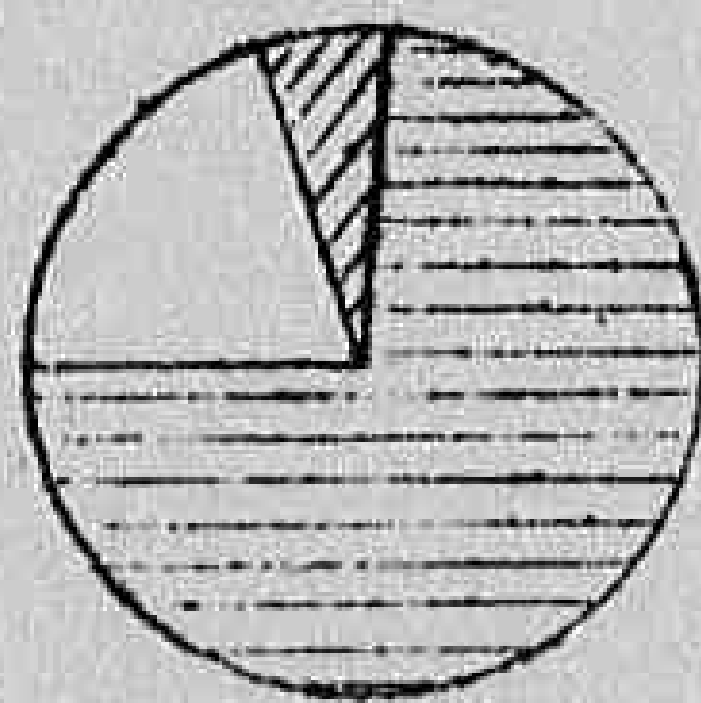
F.M. 29.00%
R. 1.00%
B.M. 70.00%

Sept. 1943

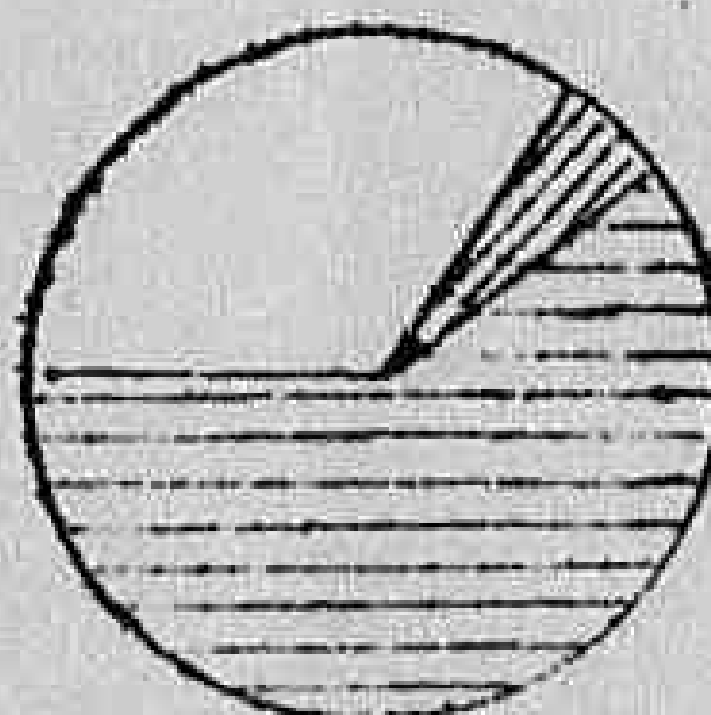
F.M. 16.97%
R. 2.67%
B.M. 80.36%

Dec. 1943

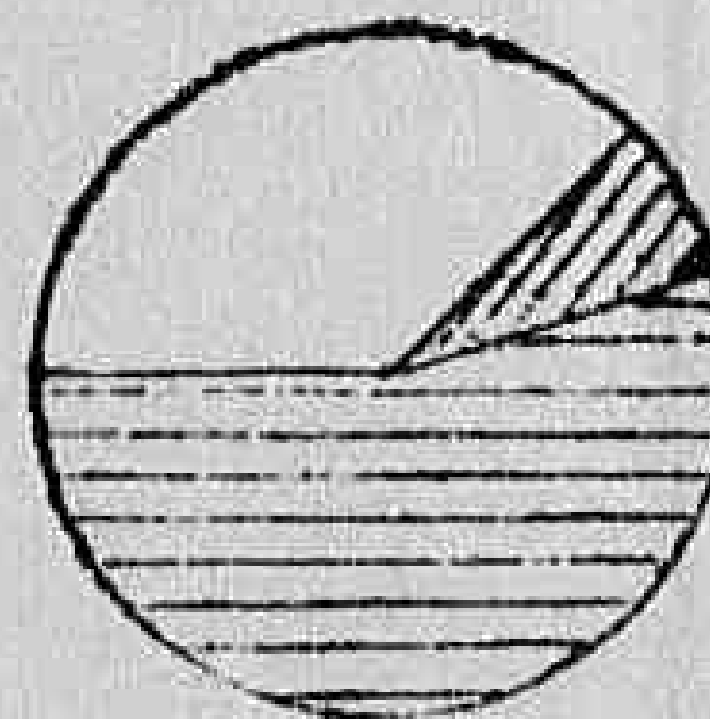
F.M. 20.10%
R. 5.91%
B.M. 73.99%

Jan 1944

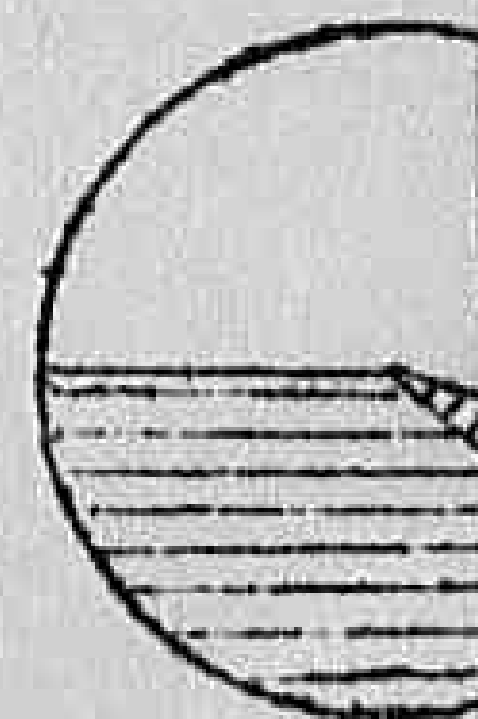
F.M. 34.06%
R. 6.06%
B.M. 59.88%

May 1944

F.M. 37.70%
R. 7.70%
B.M. 54.60%

June 1944

F.M. 54.00%
R. 6.00%
B.M. 39.00%

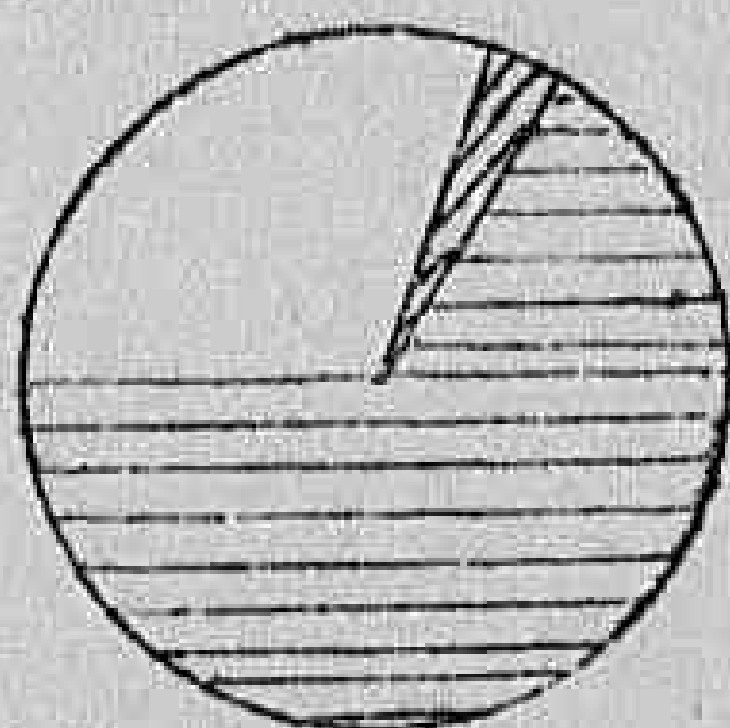
July 1944

APPENDIX "B"

"WHERE THE TYPICAL FAMILY GETS ITS FOOD"

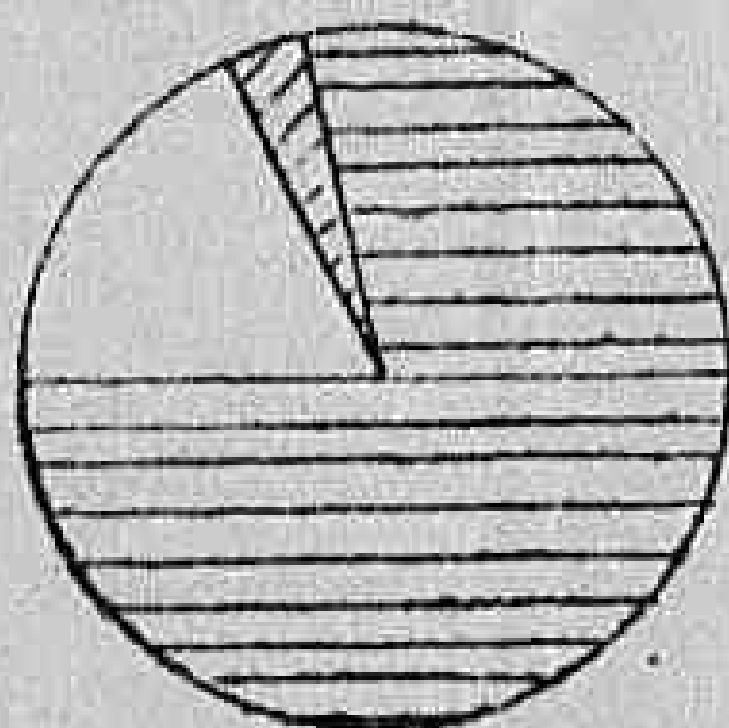
igned to show the percentage of food purchases either through the "Ration" in the
the "Black Market".

F.M. 29.00%
R. 1.00%
B.M. 70.00%



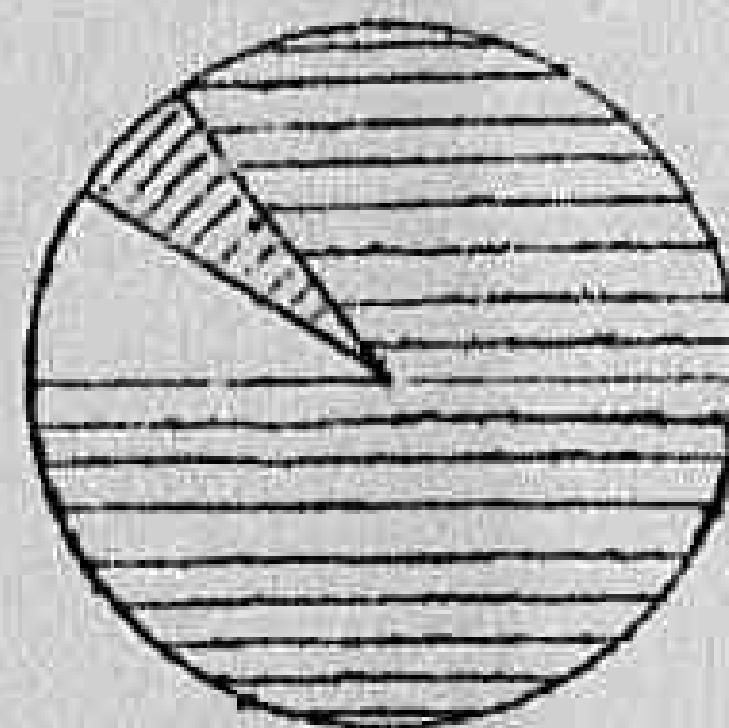
Sept. 1943

F.M. 16.97%
R. 2.67%
B.M. 80.36%



Dec. 1943

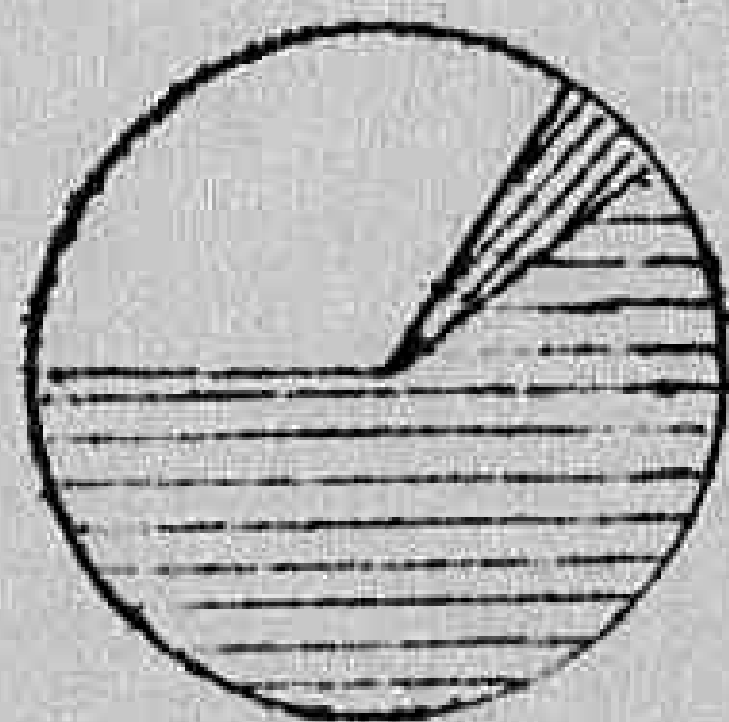
F.M. 9.57%
R. 4.18%
B.M. 86.25%



March 1944

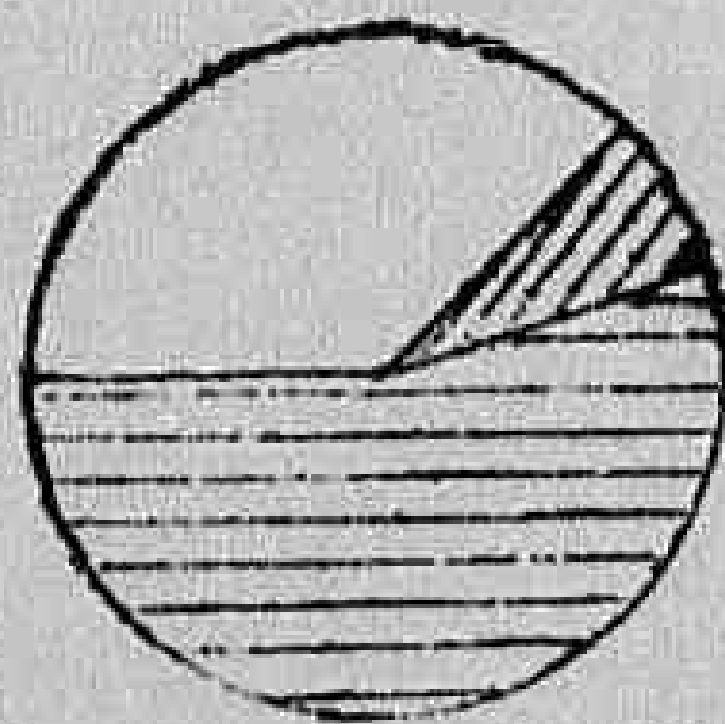
20.10%
5.91%
73.99%

F.M. 34.06%
R. 6.06%
B.M. 59.88%



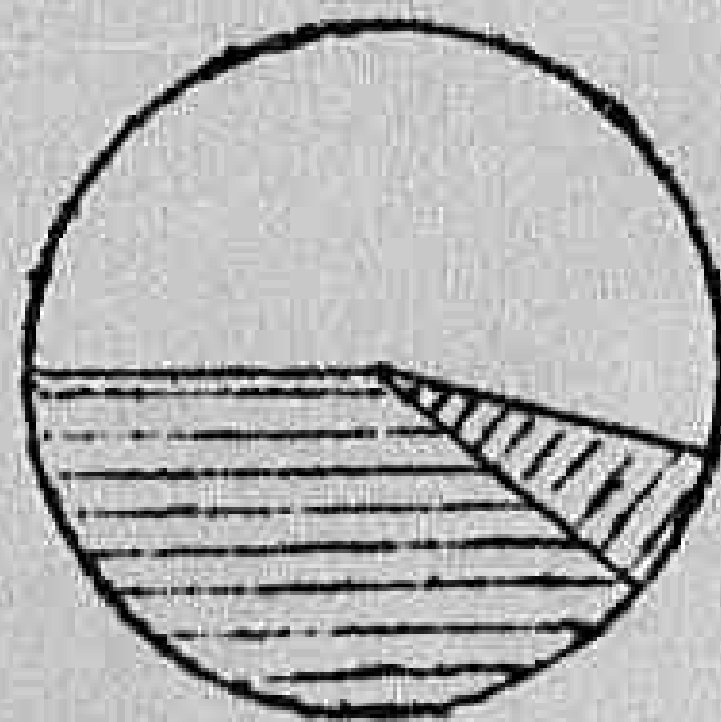
May 1944

F.M. 37.70%
R. 7.70%
B.M. 54.60%



June 1944

F.M. 54.61%
R. 6.13%
B.M. 39.26%



July 1944

LEGEND

Free Mar.



Rationed



Black Mar.



CHART SHOWING TREND
OF LIVING COSTS

This chart is designed to show the trend of cost of living for a family of 5, taking in consideration the minimum requirements of:

- a) Food
- b) Clothing
- c) Dwellings
- d) Heat & Light
- e) Miscellaneous expenses

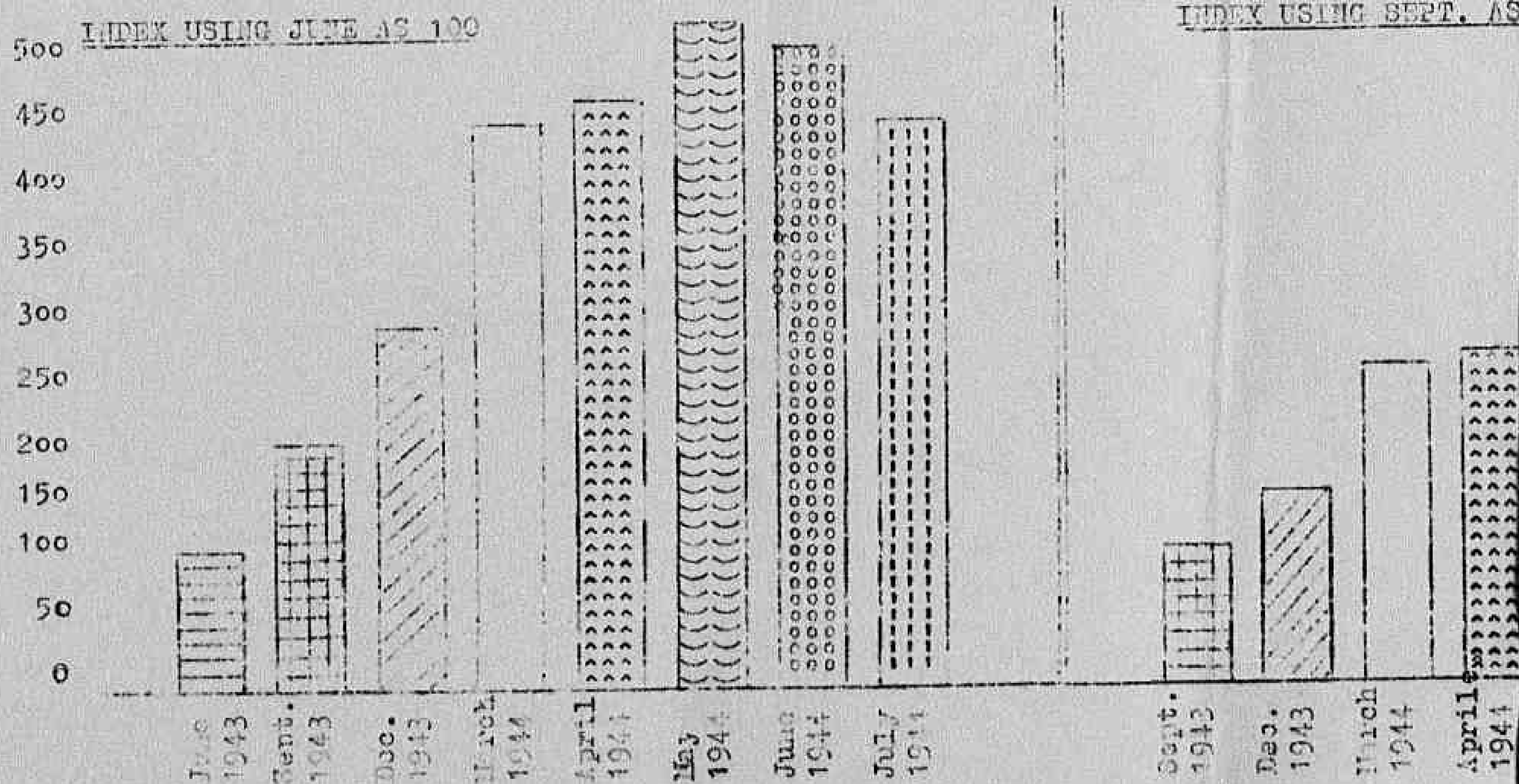


CHART SHOWING TREND
OF LIVING COSTS

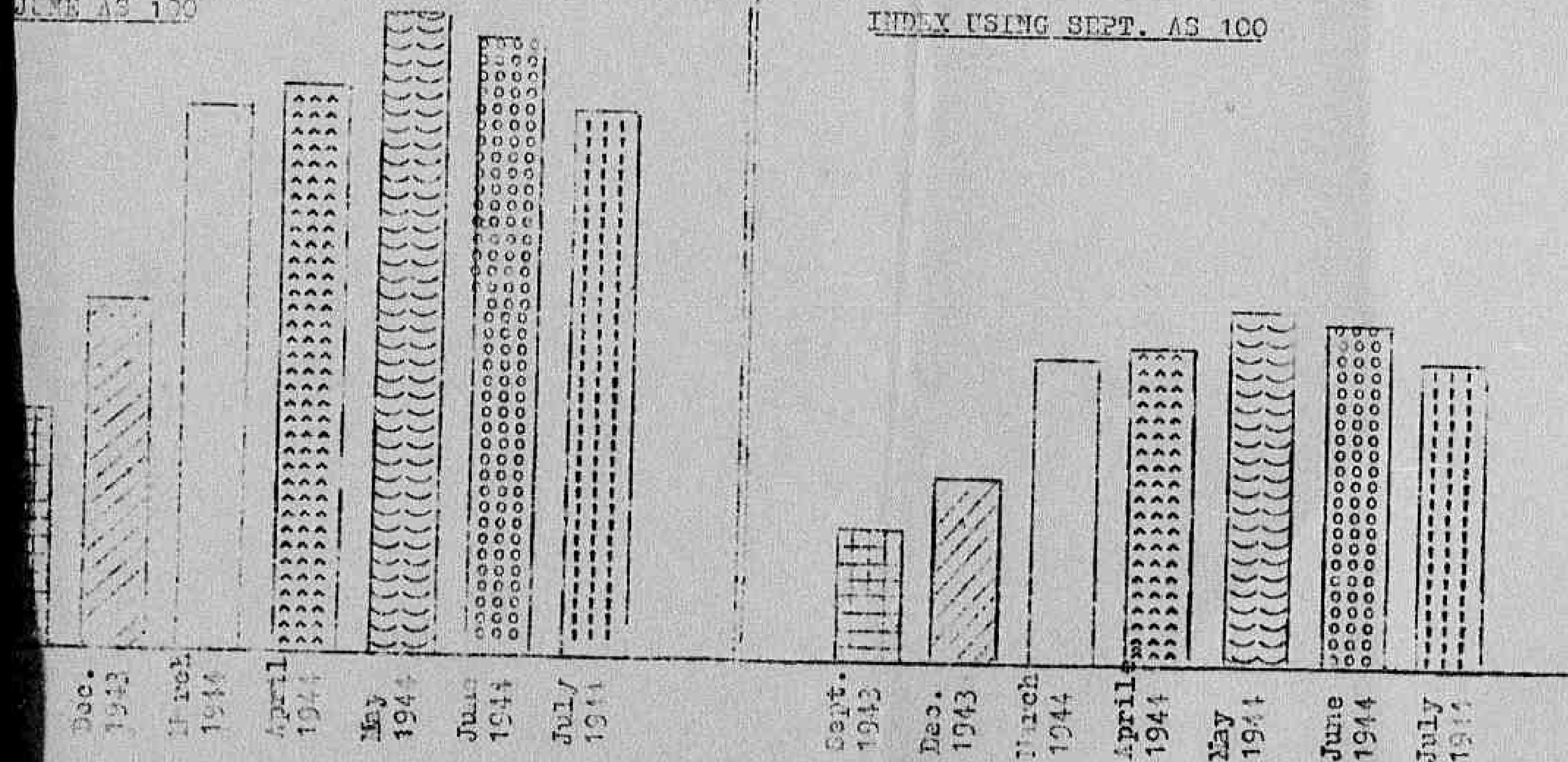
Appendix "C"

designed to show the trend of cost of living for a family of 5, taking into the minimum requirements of:

- a) Food
- b) Clothing
- c) Dwellings
- d) Heat & Light
- e) Miscellaneous expenses

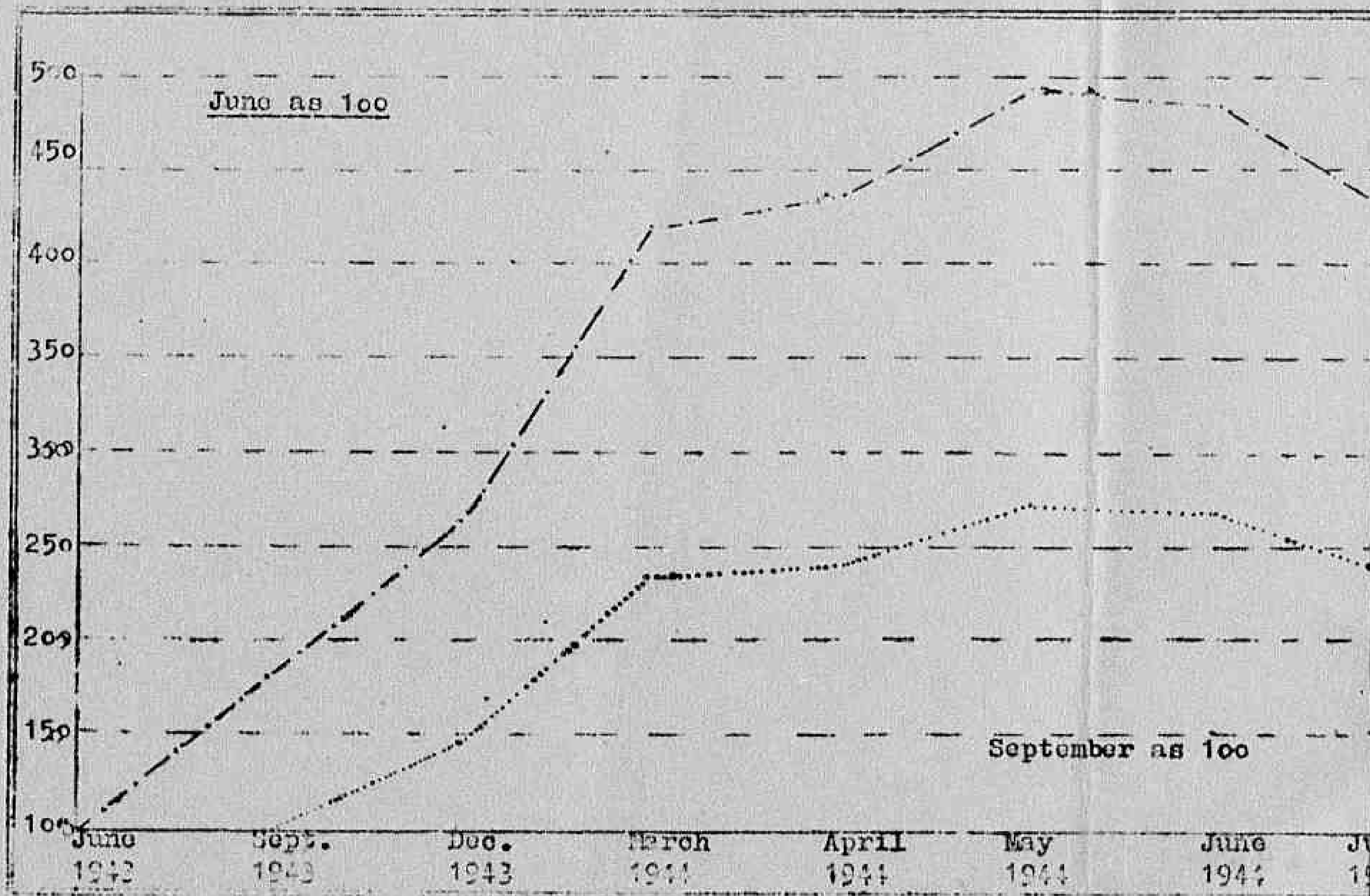
JUNE AS 100

INDEX USING SEPT. AS 100



GRAPH SHOWING TREND OF LIVING COSTS

I N D E X



SHOWING TREND OF LIVING COSTS

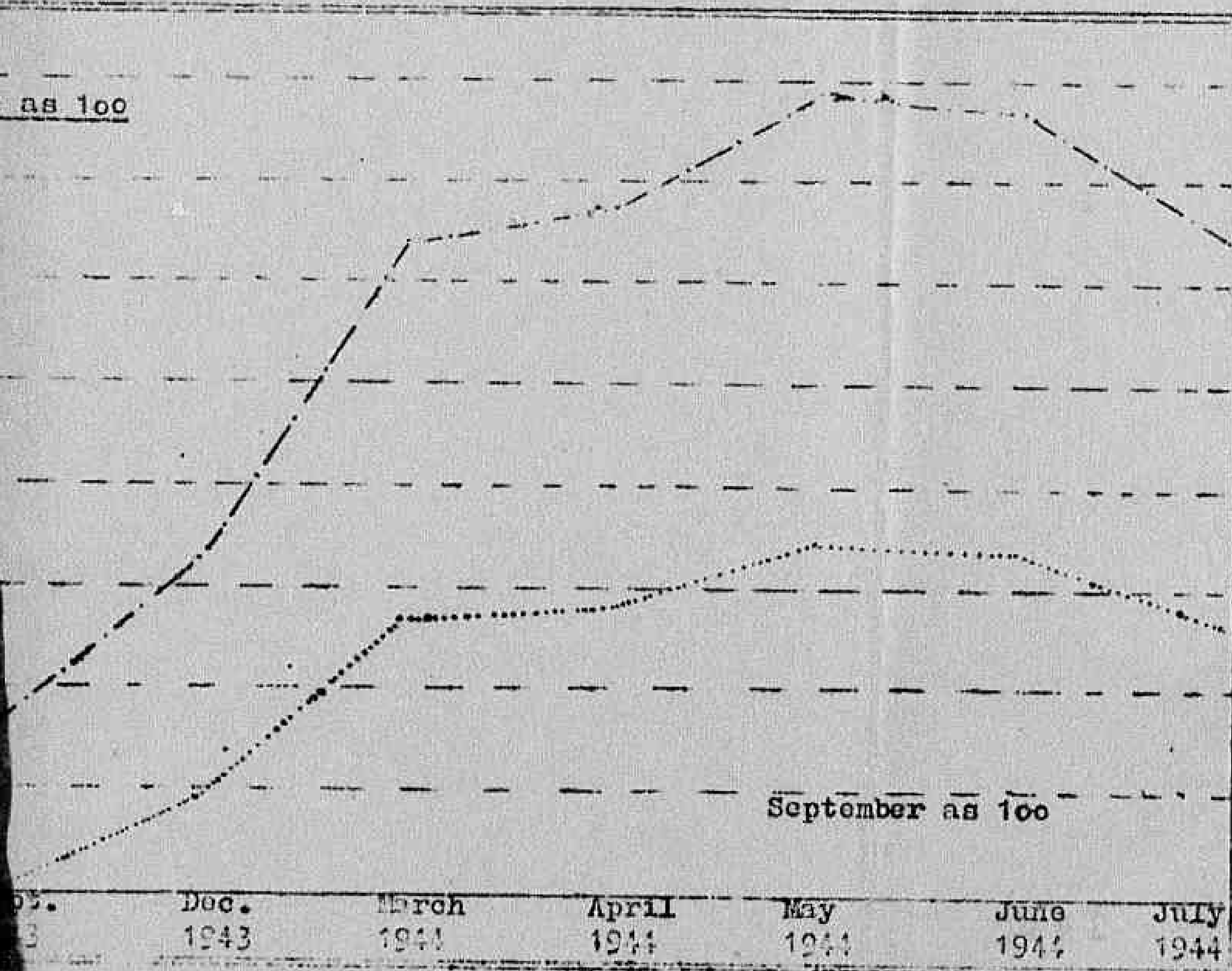
I N D E X

Appendix "D"

Percentage of increase
in the total weekly cost
in all categories, for a
family of 5.

TOTAL WEEKLY EXPENSES

June 1943	£ 625.43
Sept. 1943	£ 1127.42
Dec. 1943	£ 1654.66
Mar. 1944	£ 2631.44
Apr. 1944	£ 2718.05
May 1944	£ 3090.29
June 1944	£ 3053.87
July 1944	£ 2638.15



682 *2*

14

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

JBT/sem

ES/11

15 August 1944 15 AUG Recd

SUBJECT: Region III Cost of Living Studies

TO : Secretary General
Executive Commissioner (C.A. Branch)
Administrative Section
Finance Sub-Commission

Food Sub-Commission
Industry Sub-Commission
Commerce Sub-Commission
Labor Sub-Commission

1. Herewith Copy No. 4 of Region III Cost of Living Studies "Economic Facts and Figures," Volume No. III.

2. Please acknowledge.

6-13

Lt Col Shipp

*The Term report
Salaries was shown
the previous one*

W 16/8

J. Bruce Thompson Maj. RA
J. BRUCE THOMPSON, Major, R.A.
S.O. 2 (C.A.), Economic Section

29/8
[Signature]

1442

VOL. III
Copy Nr.4

ECONOMIC

FACTS AND FACTORS

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A monthly bulletin published by the
Economics and Supply Division of

Region 3.

oooooooooooooooo

1441

JUNE 1944

COST OF LIVING TRENDS

The following table shows precisely the index figures from June 1943 through June 1944, the cost of living in Naples. These figures cover each category under discussion.

Description	June 1943	Sept. 1943	Dec. 1943	March 1944	Apr. 1944	May 1944	June 1944
<u>Weekly Expense</u> <u>For Food</u>	£ 397.15	814.50	1134.05	1760.45	1901.81	2172.05	2045.7
Index June 100	100	205.0	285.5	443.2	481.4	546.9	515.0
Index Sept 100		100	139.2	216.1	233.4	266.6	251.1
<u>Weekly Expense</u> <u>For Clothing</u>	£ 108.65	162.47	259.16	545.32	457.60	561.37	616.38
Index June 100	100	149.5	238.5	501.9	421.1	516.6	567.7
Index Sept 100		100	159.5	335.6	281.6	345.5	376.7
<u>Weekly Expense</u> <u>For Dwelling</u>	£ 49.27	49.27	49.27	49.60	49.60	49.60	49.60
Index June 100	100	100	100	100.6	100.6	100.6	100.6
Index Sept 100		100	100	100.6	100.6	100.6	100.6
<u>Weekly Expense</u> <u>For Heat & Light</u>	£ 8.94	34.02	72.20	68.73	62.13	54.02	29.35
Index June 100	100	380.5	807.6	768.7	694.9	604.2	444.6
Index Sept 100		100	212.2	202	182.6	158.8	116
<u>Weekly Expense</u> <u>Misc. Item</u>	£ 61.42	67.16	139.98	207.34	246.91	253.25	302.1
Index June 100	100	109.3	227.9	337.5	402.0	412.3	492.5
Index Sept 100		100	208.4	308.7	367.6	377.1	450.
<u>Total Weekly</u> <u>Expense</u>	£ 625.43	1127.42	1654.66	2631.44	2718.05	3090.25	3052.1
Index June 100	100	180.2	264.5	420.7	434.5	494.1	488.
Index Sept 100		100	146.7	233.4	241.0	274.1	270.

The cost of living in Naples has definitely shown an improvement during the month of June, 1944. Although the General Index figure has come down but 3.3 points, using September 1943 as 100, the Individual categories have shown marked changes. For example, the FOOD COST INDEX during June dropped 15.5 points, the HEAT and LIGHT INDEX dropped 42.6 points; and while the CLOTHING and MISCELLANEOUS INDICES have shown increases, the significant fact remains that the most important item, which constitutes 56% of the total family budget, FOOD, has shown a decrease for the first time since our occupation.

This is partly due to a slight increase in some rationed items and partly to a change in the eating habits of the Neopolitans, during the summer months.

Nevertheless, the astonishing fact is that despite large quantities of locally produced food stuffs being shipped to Rome, with the consequent reduction in the supply available for local markets, and which naturally contributes toward a higher price level, the cost of food for the typical family has shown a downward trend.

The Communal Price Lists are being published semi-monthly by the Sindacos, who so far have not shown any tendency toward improving the system by which price fixing by Communes is accomplished. These prices continue to be set at high levels. Notwithstanding this, the Communal Price Lists do have a sobering effect in the market and are therefore of considerable psychological value. It is felt that the Communes could and should, particularly those bordering on each other, formulate definite price policies and work more closely together to eliminate extreme variances in prices between communes, which force the movement of goods from one commune to another.

Fig. 1

TABLE SHOWING OFFICIAL AND BLACK MARKET PRICES

I t e m s		June 1943		Sept. 1943		Dec. 1943	
		Off.	B/M	Off.	B/M	Off.	B/M
Bread	Kg.	2.50	50.-	2.50	85.-	3.60	130.-
Flour	"	2.30	55.-	2.30	70.-	4.10	150.-
Flour (corn)	"	1.80	25.-	1.80	40.-	3.75	110.-
Rice	"	3.45	30.-	3.45	60.-	4.-	170.-
Potatoes	"	4.-	6.-	4.-	7.-	7.-	17.-
Dry Figs	"	=	36.-	=	40.-	27.-	65.-
Pasta	"	3.10	35.-	3.10	70.-	5.-	220.-
Sugar	"	7.65	40.-	9.10	120.-	15.-	180.-
Wine	lt.	4.-	6.50	4.-	10.-	14.-	25.-
Barley	Kg.	=	20.-	=	27.-	=	90.-
Milk	lt.	2.60	8.-	2.60	11.-	7.-	25.-
Beans	Kg.	6.15	28.-	6.15	38.-	11.-	150.-
Beef	"	18.50	70.-	32.-	90.-	34.-	120.-
Eggs	each	1.80	5.-	2.-	10.-	4.-	20.-
Cheese	Kg.	24.10	120.-	24.85	130.-	35.-	220.-
Coffee	"	=	700.-	=	1000.-	=	1300.-

I t e m s		M/44	A/44		MAY/44		J/44	
continued		Off.B/M	Off. B/M		Off.B/M		Off. B/M	
Bread	Kg.	3.60	130.	3.60	135.	3.60	165.	3.60 161.
Flour	"	3.60	190.	3.60	205.	3.60	210.	3.60 214.
Flour(c)	"	3.75	145.	3.75	148.	3.75	150.	3.75
Rice	"	4.00	290.	4.00	295.	4.00	316.25	4.00 355.
Potatoes	"	12.00	37.	12.00	43.	12.-	55.50	12.- =
Dry Figs	"	31.00	78.	38.00	82.-	40.-	80.-	40.- 98.-
Pasta	"	5.10	250.	5.10	267.-	5.-	307.5	5.50 300.-
Sugar	"	15.-	310.-	15.-	361.-	15.-	310.-	15.30 282.-
Wine	Lt.	14.-	45.-	14.-	40.-	22.50	42.-	22.50 =
Barley	Kg.	=	120.-	=	121.-	=	112.50	= 92.-
Milk	Lt.	13.-	35.-	13.-	35.-	13.-	22.50	15.- =
Beans	Kg.	13.-	190.-	26.50	203.-	75.-	190.-	75.- 187.5
Beef	"	34.-	270.-	92.-	310.-	185.-	286.6	
Eggs	ea	4.-	22.-	9.50	19.-	14.50	19.5	15.- 18.33
Cheese	Kg.	96.-	420.-	90.-	392.-	90.-	500.-	88.- 363.-
Coffee	"	=	1100.-	=	1600.-	=	900.-	= 650.-

There has been a slight increase in the ration for June in some items and a decrease in others. (See Fig.2). Fruits and vegetables are now in season and the tendency during warm weather is to use more of these in the diet even though the prices for fruits and vegetables are extremely high when compared with prices prior to our occupation.

Fig.2

MONTHLY RATION DISTRIBUTION PER PERSON

		Q U A N T I T Y						
I T E M S		June	Sept.	Dec.	March	Apr	May	June
		1943	1943	1943	1944	1944	1944	1944
Bread	Kg	4.500	1.330	3.500	6.000	6.000	6.000	6.000
Pasta	"	2.500	=	.500	=	=	=	=
Rice	"	.400	=	=	=	=	=	=
Oil	"	.320	=	.458	.183	.183	.183	.275
Fats	"	.050	=	=	=	=	=	=
Sugar	"	.500	=	=	=	.250	.250	.250
Eggs	n.	2	=	=	=	=	=	=
Cheese	Kg.	.200	=	=	.200	.130	=	=
Meat	"	.300	=	=	=	.400	.400	.800
Potatoes	"	.300	=	=	=	=	=	=
Powd. Soup	"	=	=	=	.250	.250	.250	.250
Dry. Veget.	"	=	=	=	.250	.600	.500	.400
Salt	"	=	=	=	.500	=	=	=
Mozzarella	"	=	=	=	=	.070	=	=
Salt Horrgr.	"	=	=	=	=	=	.350	=
Marmalade	"	=	=	=	=	=	.200	=

1437

Chart A - shows the caloric percentage of food purchased through the ration, Free Market and the Black Market.

Chart B - shows the percentage of food actually purchased through the ration, Free Market and the Black Market.

Attention is particularly drawn to Chart A which shows a considerable decline in the "Caloric Values of Foods" purchased in the Black Market. Chart B also shows a slight drop in the amount of food actually purchased in the Black Market.

Fig. 3FOOD COST INDEX FOR TYPICAL FAMILY

	June 1943	Sept 1943	Dec. 1943	March 1944	Apr. 1944	May 1944	June 1944
MONTHLY EXPENSE	£ 397.15	814.50	1134.05	1760.45	1901.81	2172.05	2045.1
Index June 100	100	205.	285.5	443.2	481.4	546.9	515.
Index Sept. 100		100	139.2	216.1	233.4	266.6	251.1

Clothing prices continue to rise mainly due to the absence of any distribution of materials and the necessity for purchasing all requirements in the Black Market.

Fig. 4CLOTHING INDEX

	June 1943	Sept. 1943	Dec. 1943	March 1944	Apr. 1944	May 1944	June 1944
MONTHLY EXPENSE	£ 108.65	162.47	259.16	545.32	457.60	561.47	616.85
Index June 100	100	149.5	238.5	501.9	421.1	516.4	568.7
Index Sept 100		100	159.5	335.6	281.6	345.5	378.7

There has been no change in the cost of housing.

8 0 2

The Index Figure for Heat and Light showed a decrease of 42.6 points over May, due primarily to longer hours of Day-light.

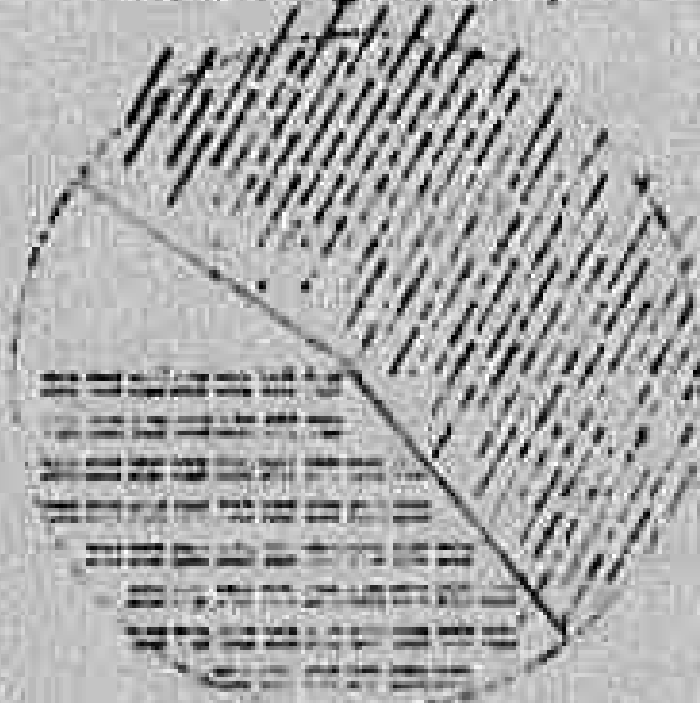
Miscellaneous Expenses, on the other hand, showed a sharp increase. The reason for this is an increase of over 100% in street railway fares, an increase in school supplies (paper, books, pencils, etc.) and an increase in the cost of replacement in linens and household utensils. The total increase as shown in the index is 72.2 points.

Chart C. Comprehensive Chart is attached. This shows pictorially the rise and fall of the cost of living in Naples prior to our occupation and during the period of our occupation through June 1944. It indicates clearly that the trend in the cost of living is now definitely downward. It is of course difficult to predict the general trend in the future as so much hinges on the source of supply and transportation costs, but it does appear that even though certain increases such as in public utilities are inevitable, once these have been stabilized adjustments in family requirements can then be made to offset their influence on the family budget and the result will still show a diminution in the cost of living.

CALORIC VALUES OF FOODS

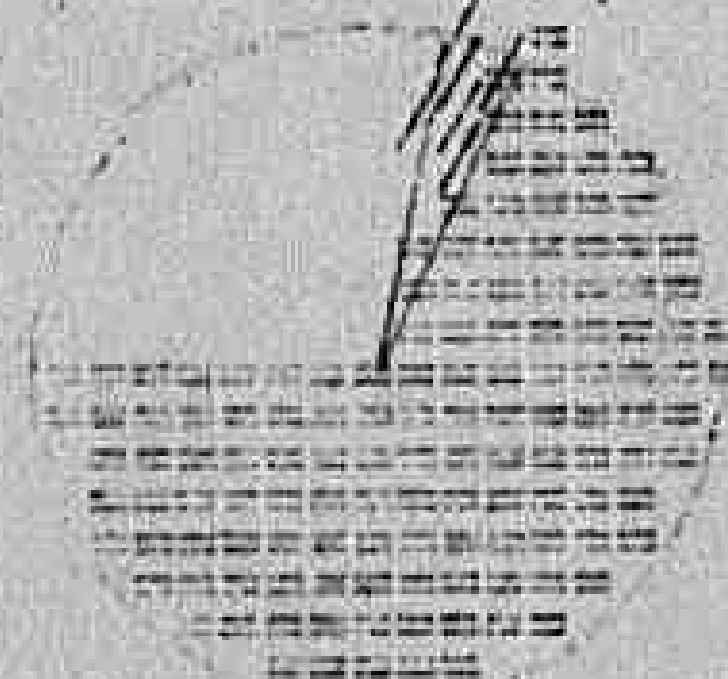
This chart is designed to show the caloric percentage of foods purchased through in the "Free Market" and the "Black Market".

F.M. 8.95%
R. 53.03%
B.M. 38.02%



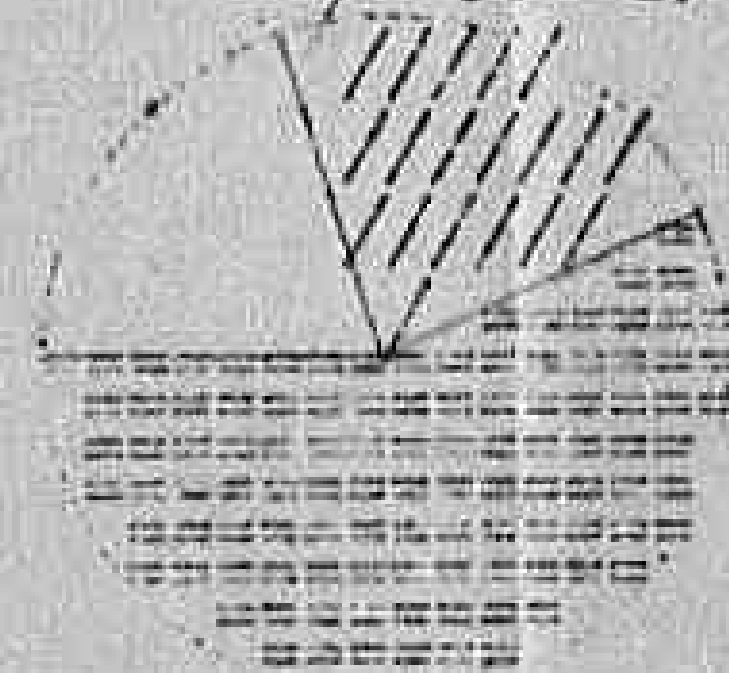
June 1943

F.M. 29.24%
R. 2.34%
B.M. 68.42%



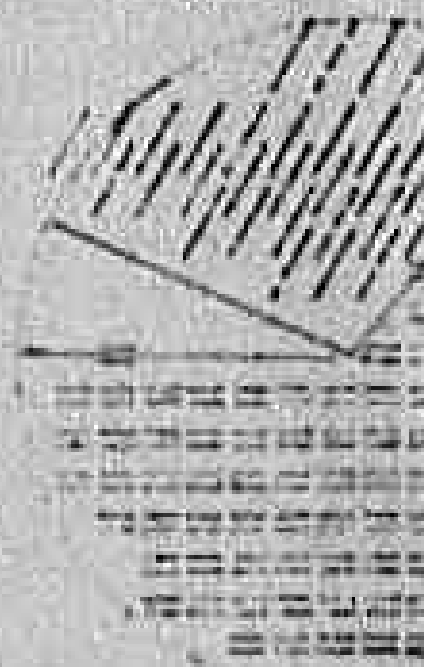
Sept. 1943

F.M. 20.93%
R. 23.24%
B.M. 55.83%



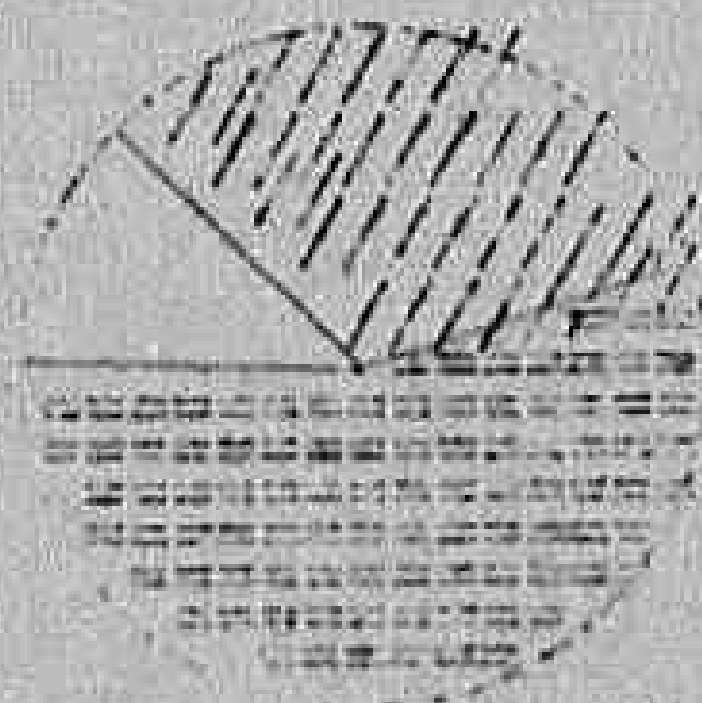
Dec. 1943

F.M. 6
R. 30
B.M. 62



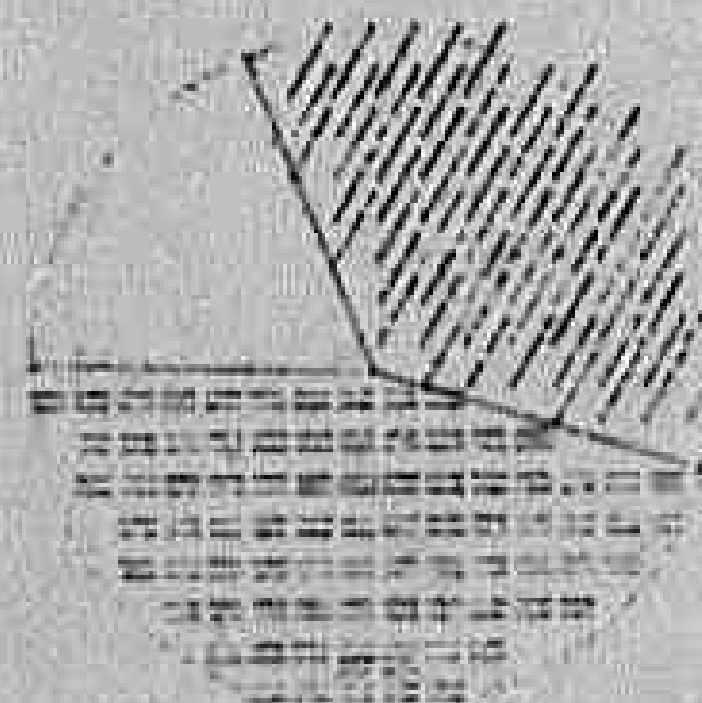
March

F.M. 11.89%
R. 36.18%
B.M. 51.93%



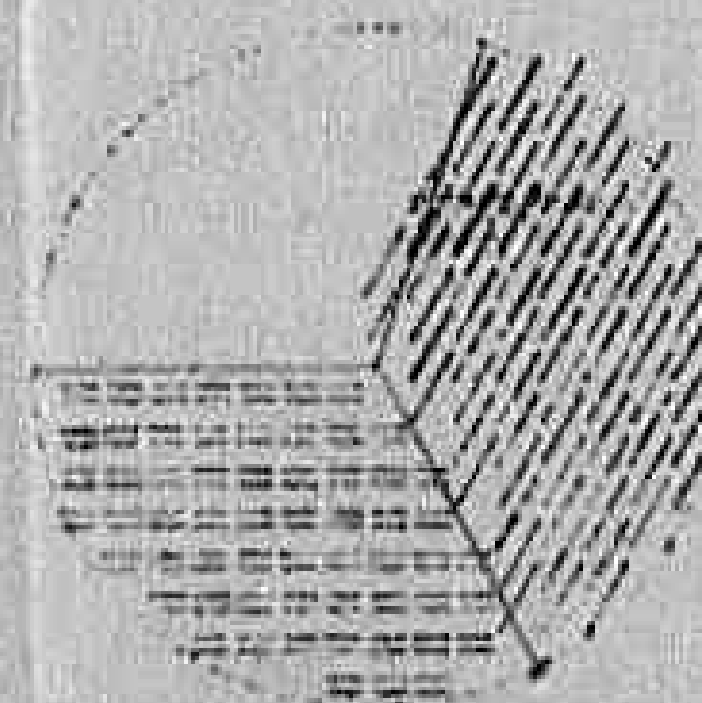
April 1944

F.M. 18.09%
R. 36.03%
B.M. 45.88%



May 1944

F.M. 29.20%
R. 37.82%
B.M. 32.98%



June 1944

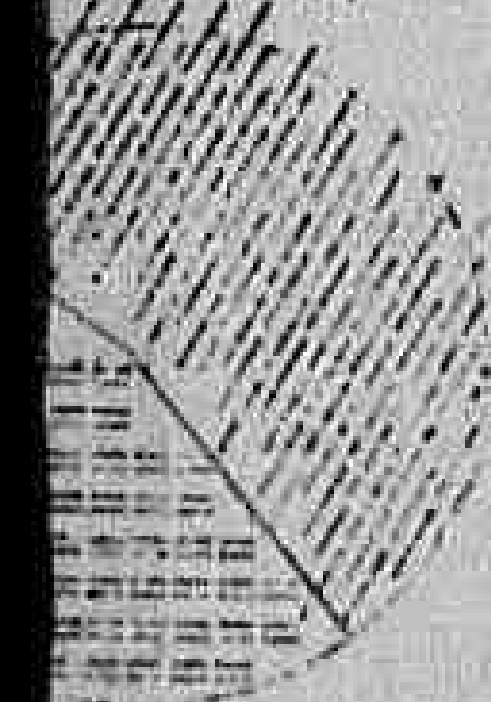
Free
Reg
Black

CALORIC VALUES OF FOODS

Chart A

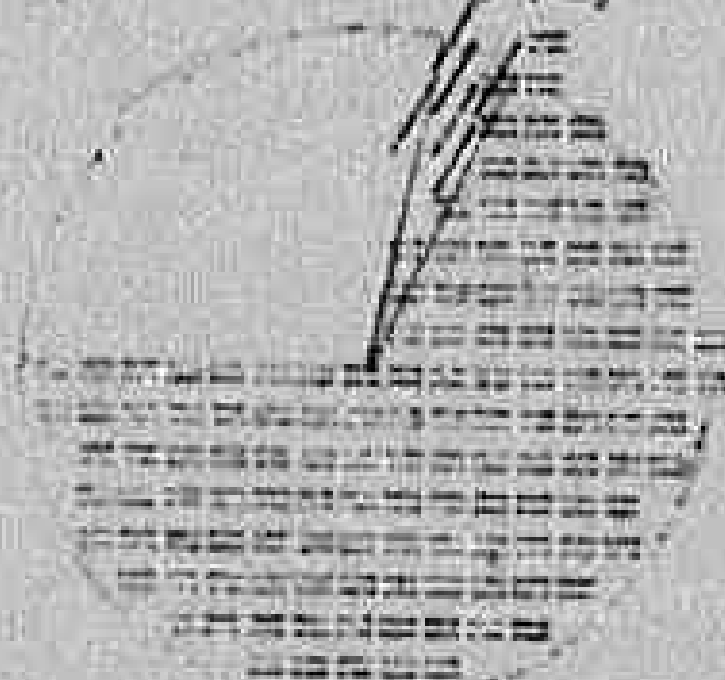
Chart is designed to show the caloric percentage of foods purchased through the "Ration" the "Free Market" and the "Black Market".

8.95%
53.03%
38.02%



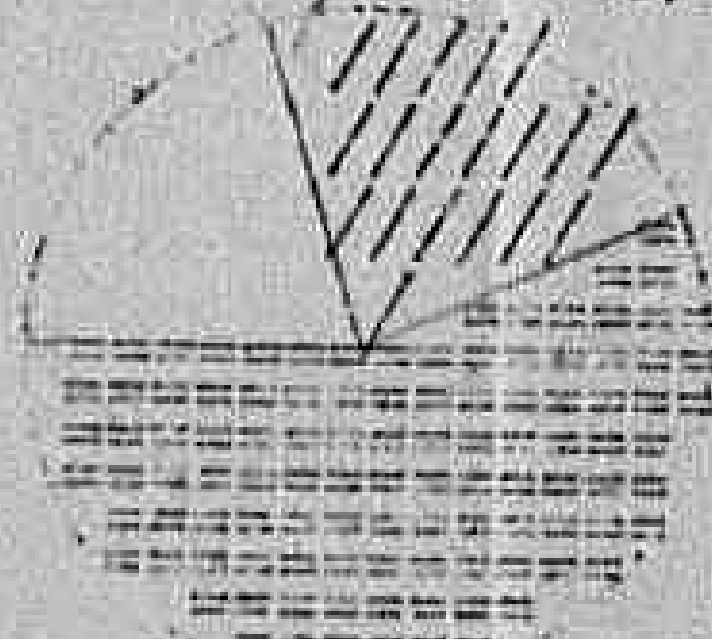
Aug. 1943

F.M. 29.24%
R. 2.34%
B.M. 68.42%



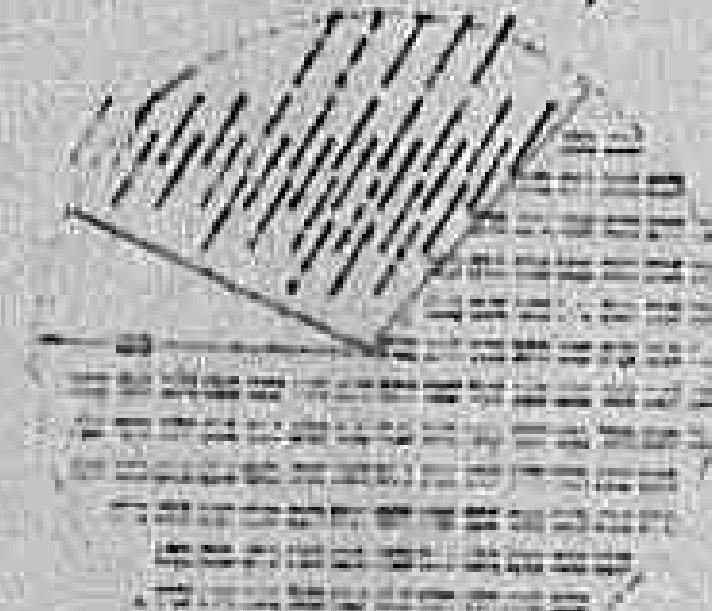
Sept. 1943

F.M. 20.93%
R. 23.24%
B.M. 55.83%



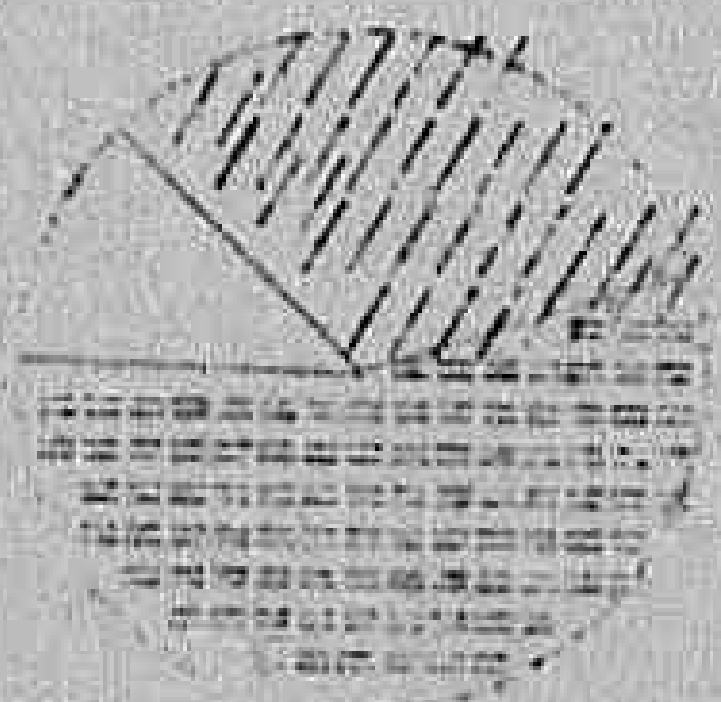
Dec. 1943

F.M. 6.68%
R. 30.60%
B.M. 62.72%



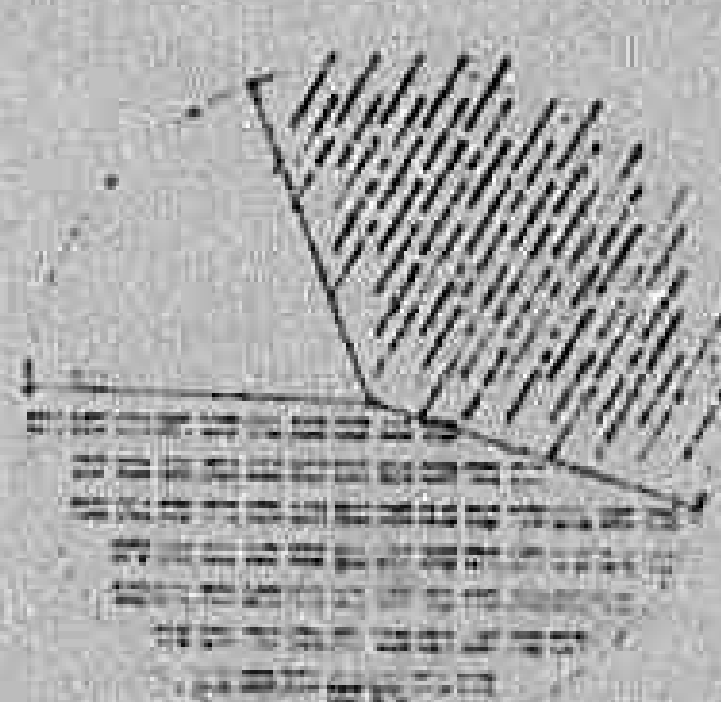
March 1944

F.M. 11.89%
R. 36.18%
B.M. 51.93%



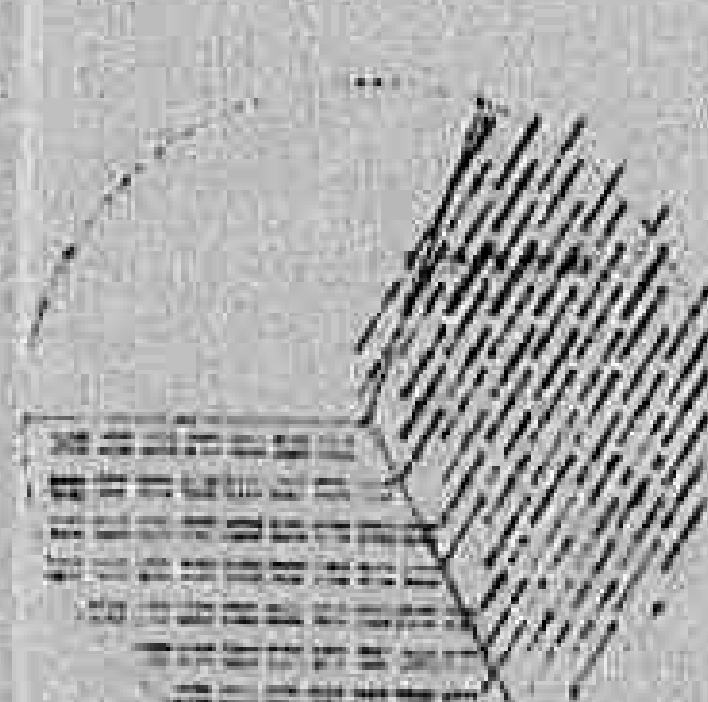
April 1944

F.M. 18.09%
R. 36.03%
B.M. 45.88%



May 1944

F.M. 29.20%
R. 37.82%
B.M. 32.98%



June 1944

LEGEND

Free Mar.

Rationed

Black Mark.

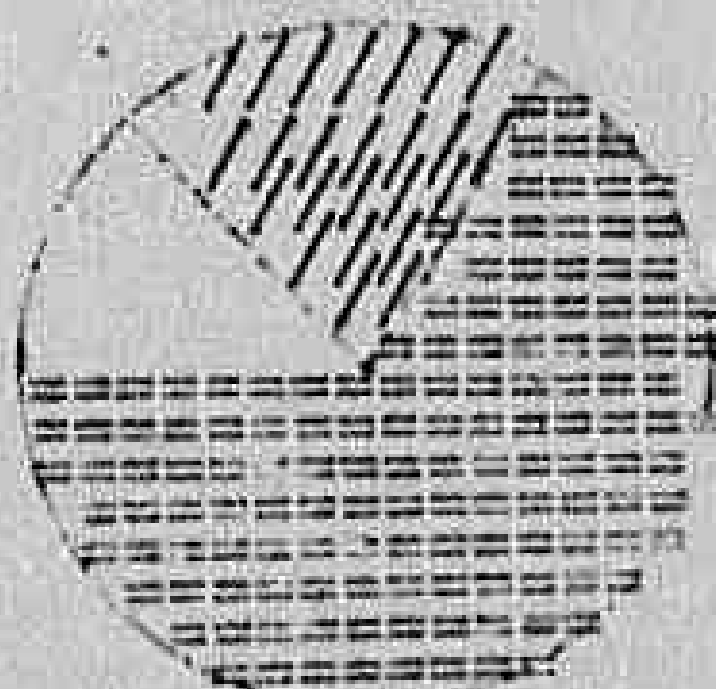
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PERCENTAGE OF FOOD PURCHASES THROUGH RATION AND THE "BLACK MARKET"

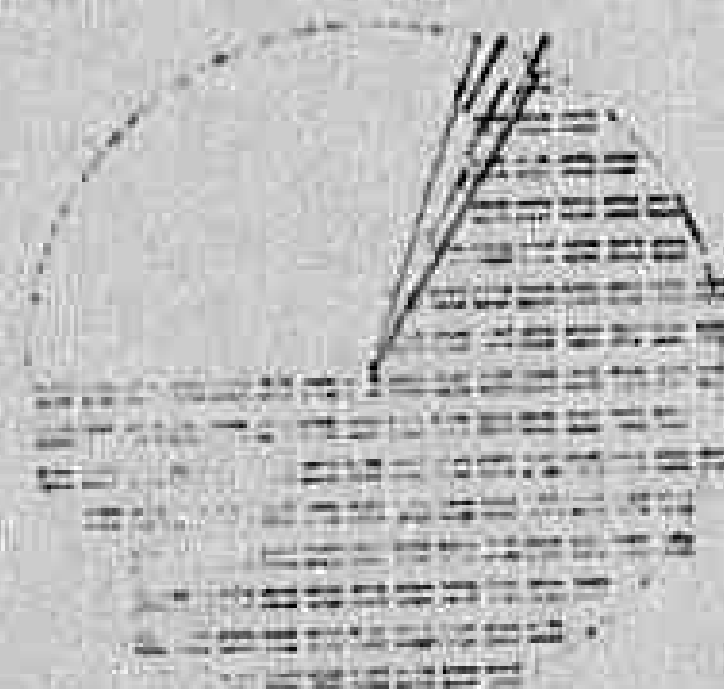
This chart is designed to show the percentage of food purchases either through the ration and the "Black Market".

F.M. 12.78%
R. 20.33%
B.M. 66.95%



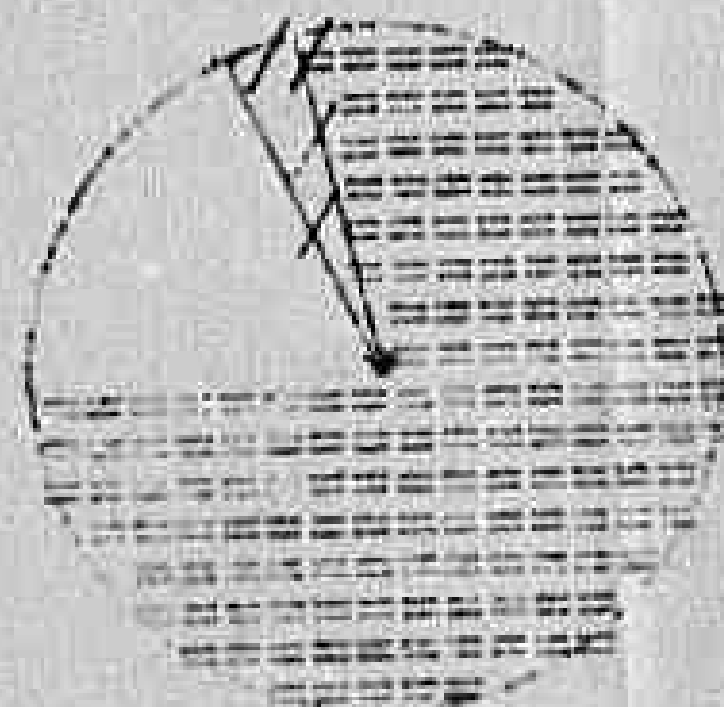
June 1943

F.M. 29.00%
R. 1.00%
B.M. 70.00%



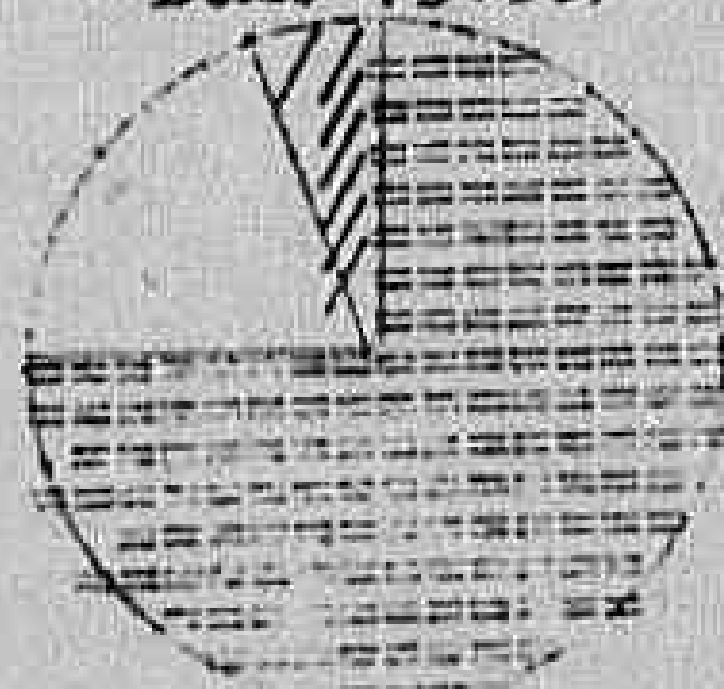
Sept. 1943

F.M. 16.97%
R. 2.67%
B.M. 80.36%



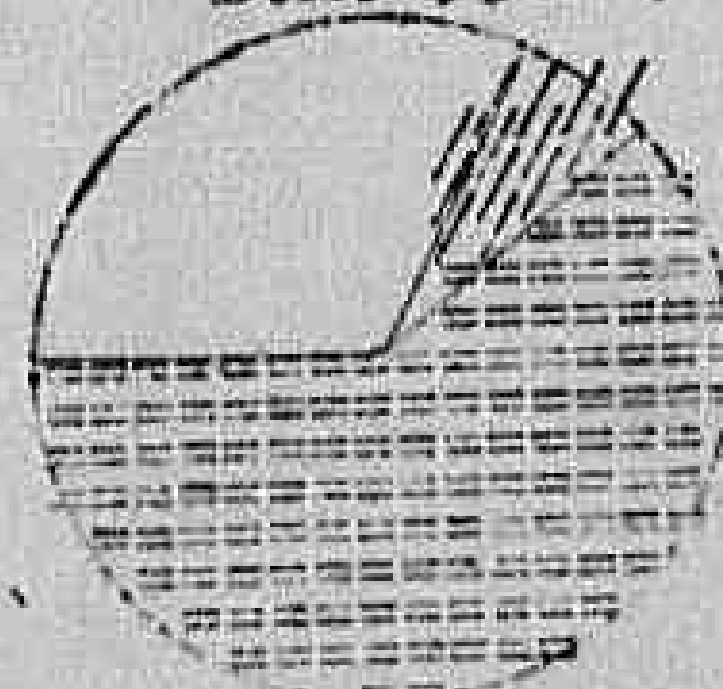
Dec. 1943

F.M. 20.10%
R. 5.01%
B.M. 73.99%



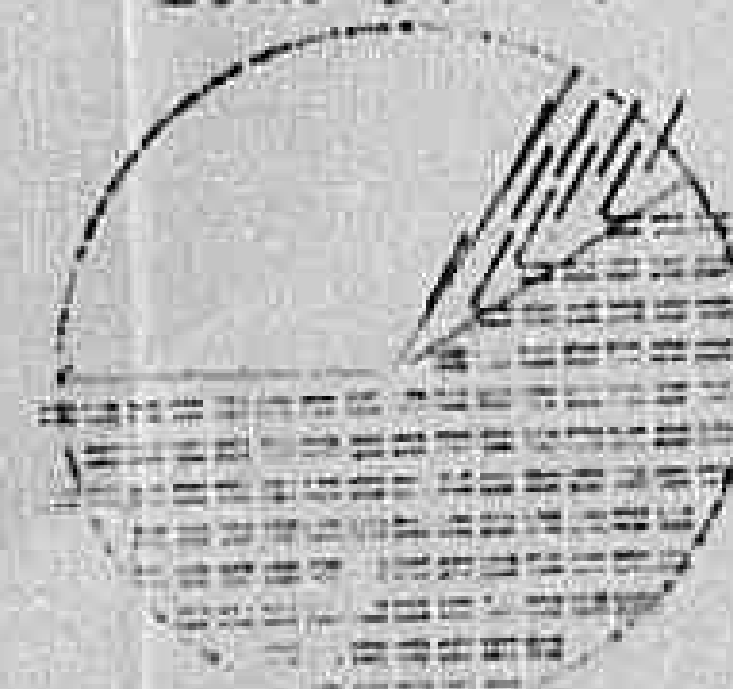
April 1944

F.M. 34.06%
R. 6.06%
B.M. 59.88%



May 1944

F.M. 37.70%
R. 7.70%
B.M. 54.60%



June 1944

Free M

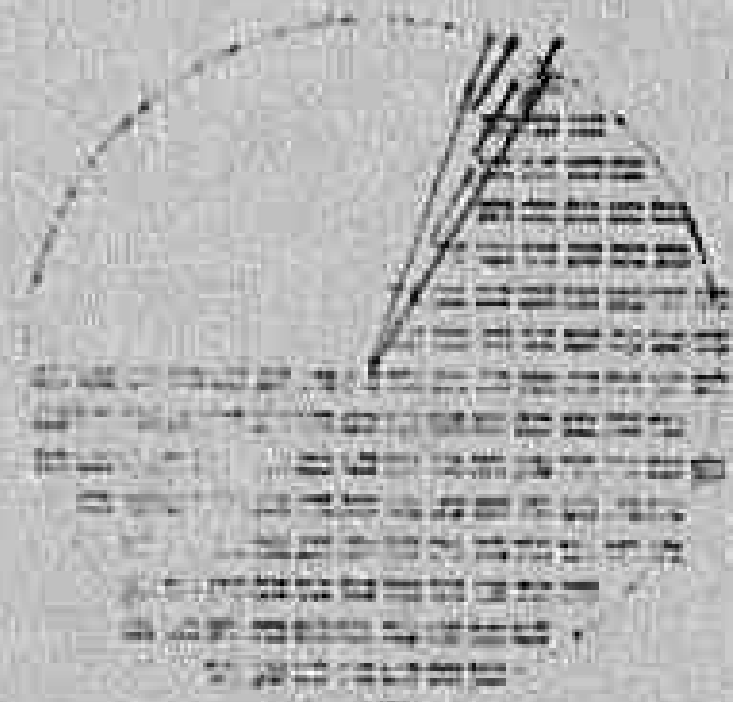
Ration

Black M

Chart B

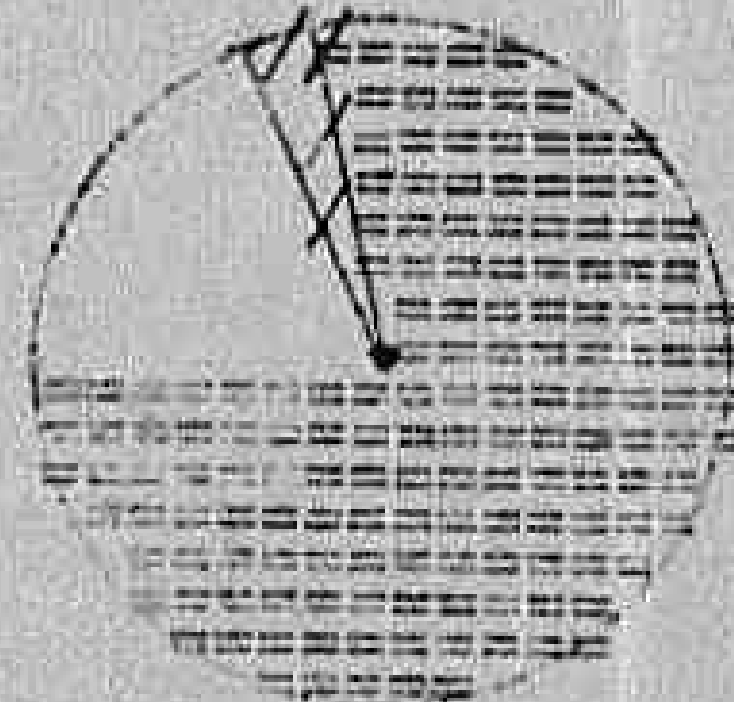
to show the percentage of food purchases either through the "Ration" in the "Free Market"

F.M. 29.00%
R. 1.00%
B.M. 70.00%



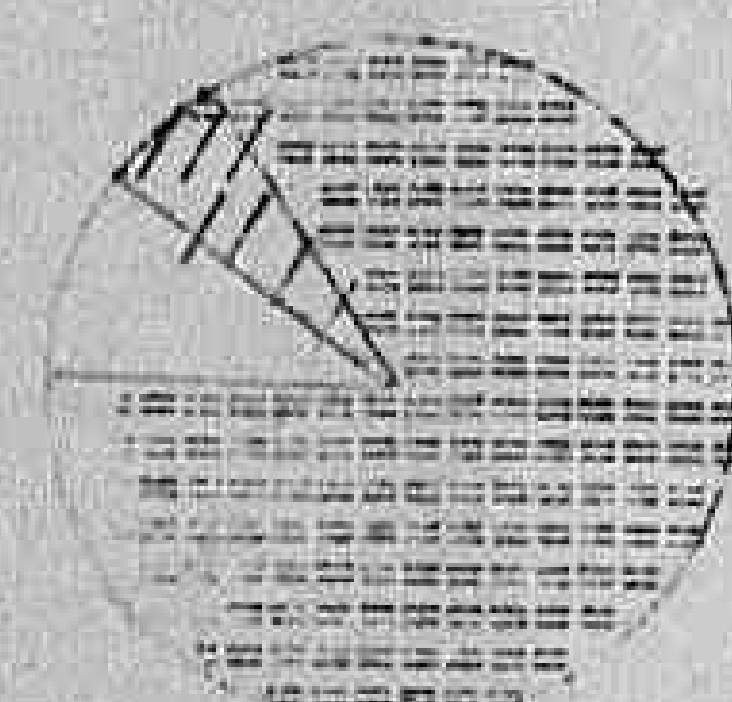
Sept. 1943

F.M. 16.97%
R. 2.67%
B.M. 80.36%



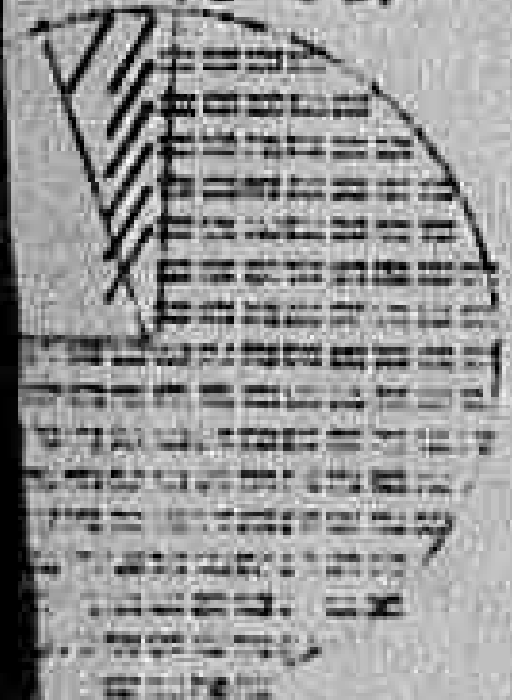
Dec. 1943

F.M. 9.57%
R. 4.18%
B.M. 86.25%



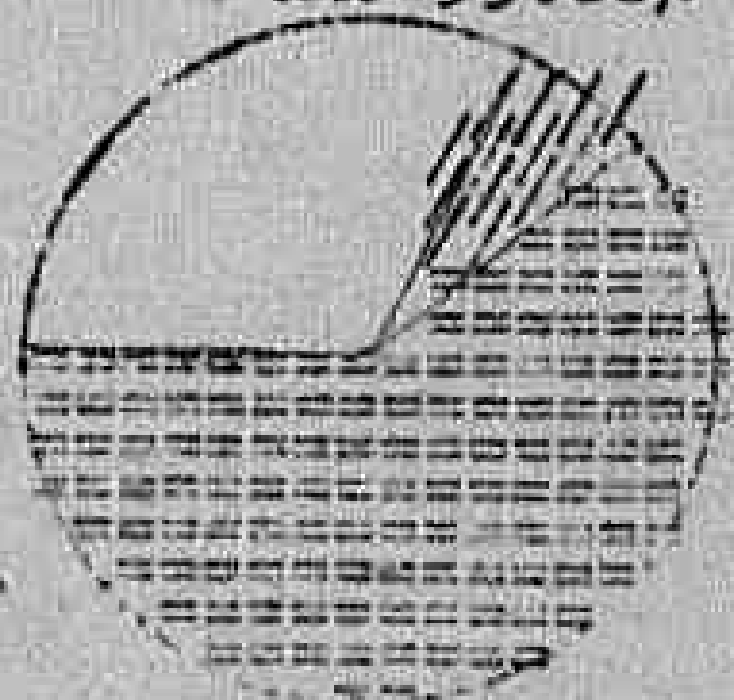
March 1944

F.M. 20.10%
R. 5.91%
B.M. 73.99%



April 1944

F.M. 34.06%
R. 6.06%
B.M. 59.88%



May 1944

F.M. 37.70%
R. 7.70%
B.M. 54.60%



June 1944

LEGEND

Free M.
Ration.
Black M.

INDEX FOR TRENDS OF LIVING COSTS

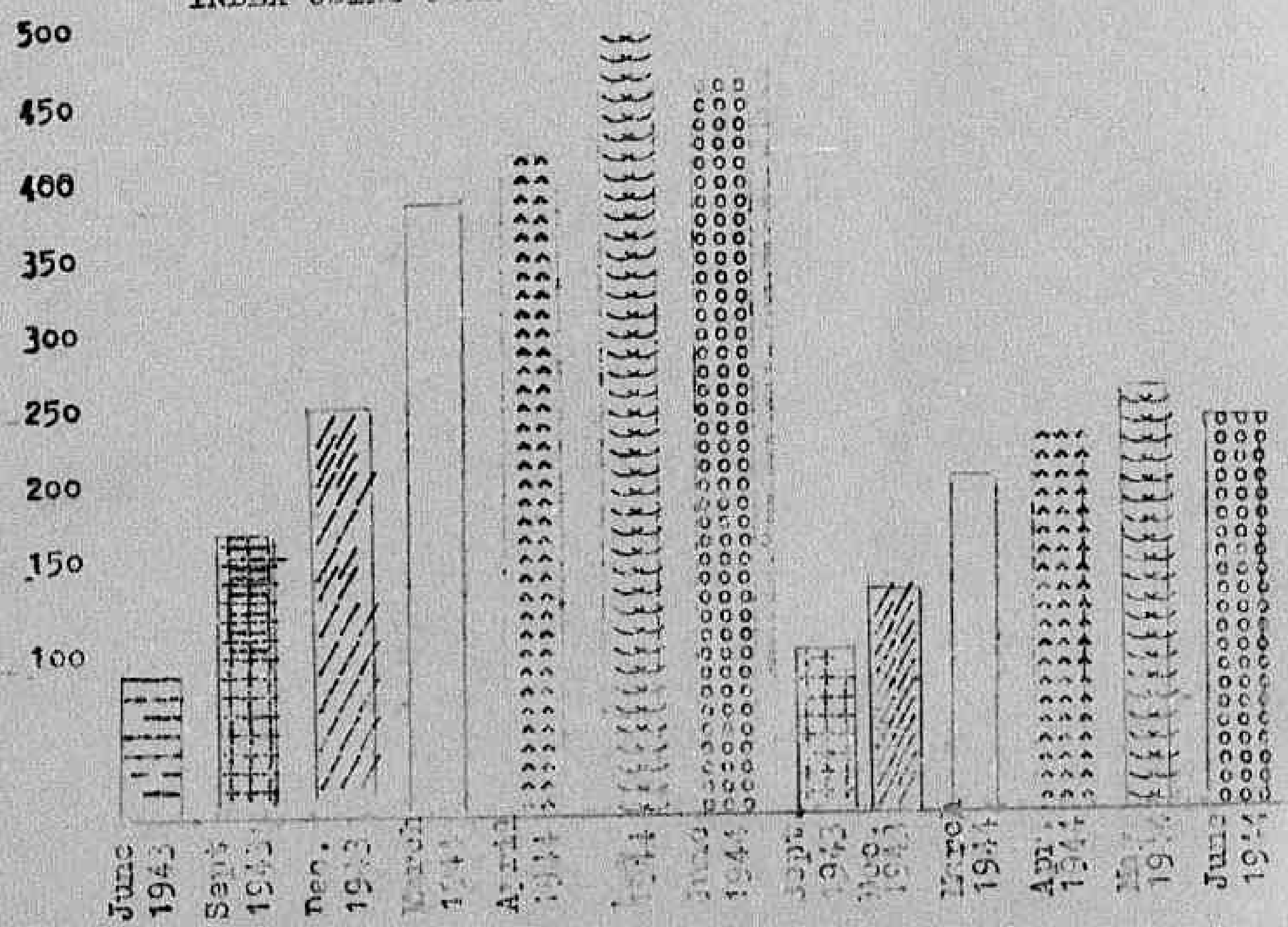
This chart is designed to show the trend of cost of living for a family of 5, taking into consideration the minimum requirements of:

- a) Food
- b) Clothing
- c) Dwellings
- d) Heat & Light
- e) Miscellaneous expenses

Percentage weekly cost family of 5
NOTE: Total
June 1943 =
Sept. 1943 =
Dec. 1943 =

INDEX USING JUNE AS 100

INDEX USING SEPT AS 100



June as 100

100 150 200 250 300 350 400 450 500

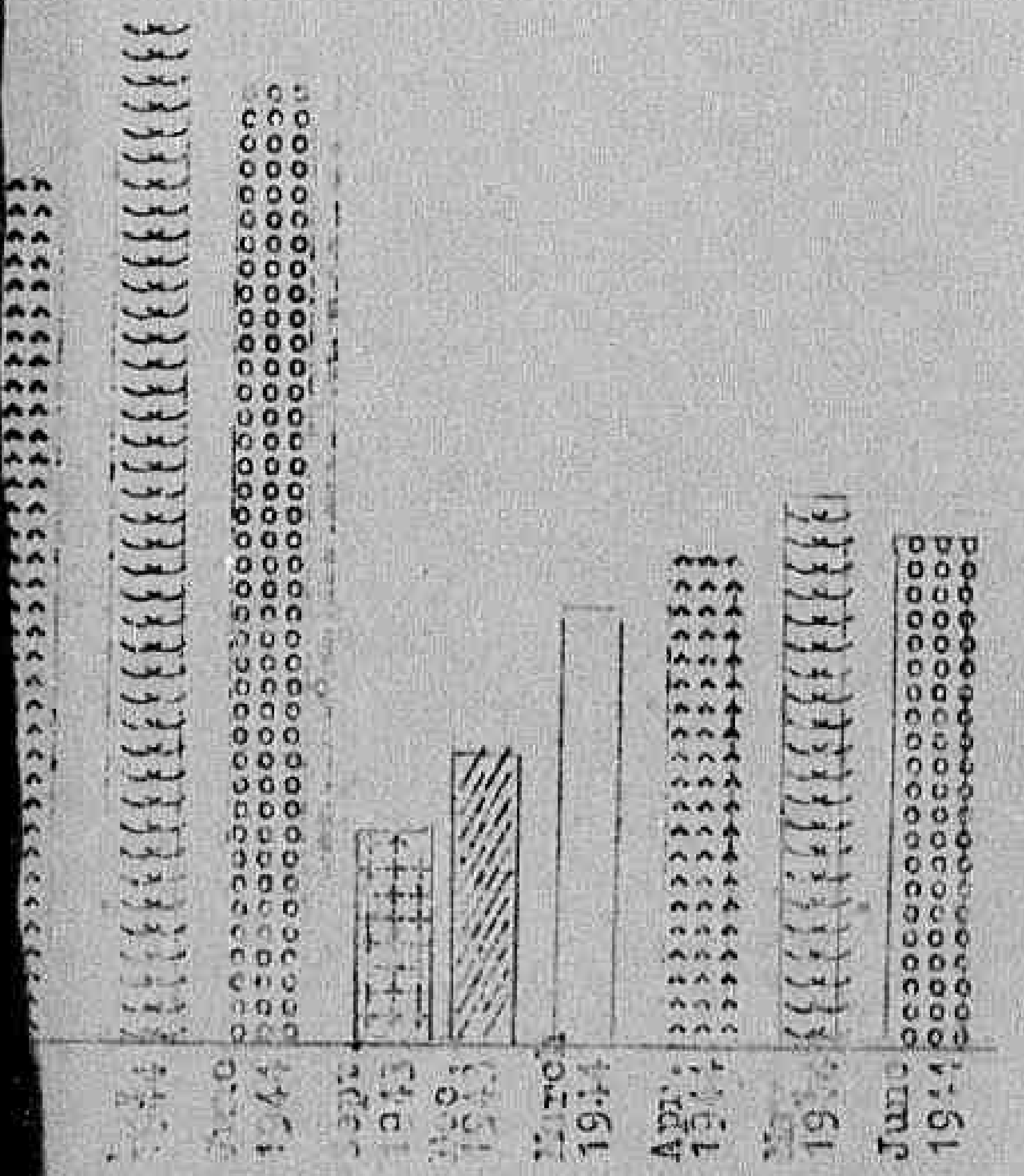
June Sept Dec

INDEX OF LIVING COSTS

to show the trend of cost of living for
into consideration the minimum requirements of:

- a) Food
- b) Clothing
- c) Dwellings
- d) Heat & Light
- e) Miscellaneous expenses

AS 100 INDEX USING SEPT AS 100



Percentage of increase in the total weekly cost in all categories, for a family of 5.

NOTE: Total weekly expense

June 1943 £ 625.43	Mar. 1944 £ 2631.44
Sept. 1943 £ 1127.42	Apr. 1944 £ 2710.05
Dec. 1943 £ 1654.66	May 1944 £ 3050.29
	June 1944 £ 3053.87

INDEX

100 150 200 250 300 350 400 450 500

June as 100

Sept as 100

June Sept Dec. Mar. Apr. May June

Ex Comm:

Reg III

Cost of Living Studies

5

Heard is in April and in report. You were
interested in the March one.

Re 2677

Thank you
M/G/17

1438

PA

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

JBT/sem

Tel: 307

ES/11

24 July 44 25 JUL Recd

SUBJECT: Region III Cost of Living Studies

TO : Secretary General (for Chief Commissioner)
Executive Commissioner (C.A. Branch) —
Administrative Section
Finance Sub-Commission
Food Sub-Commission
Industry Sub-Commission
Commerce Sub-Commission
Labor Sub-Commission

1. Herewith Copy No. 13 of ECONOMIC FACTS AND FACTORS for April and May 1944. Published by Economics & Supply Division of Region III.

2. Please acknowledge.

Col. Sk-jto

EC was interested in
the last one. *sk*

J. Bruce Thompson Maj R A

J. BRUCE THOMPSON, Major R.A.
S.O. 2 (C.A.), Economic Section

1432

Economic (C.R. 8)
VOL. II

Copy Nr. 13 3

ECONOMIC

PACIS AND FACTORS

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A monthly bulletin published by the
Economics & Supply Division of Region 3

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APRIL AND MAY 1944

24 July 1944

COST OF LIVING TREND

The following table shows precisely the index figures from June 1943 through May 1944, of the cost of living in Naples. These figures cover each category under discussion.

Description	June 1943	Sept. 1943	Dec. 1943	March 1944	April 1944	May 1944
<u>WEEKLY EXPENSE FOR</u>						
<u>FOOD</u>	£. 327.15	814.50	1134.05	1760.45	1901.31	2172.05
Index - June as 100	100	205.0	285.5	443.2	431.4	546.3
Index - Sept. as 100		100	139.2	216.1	233.4	266.8
<u>WEEKLY EXPENSE FOR</u>						
<u>CLOTHING</u>	£. 108.65	162.47	259.16	545.32	457.60	561.37
Index - June as 100	100	149.5	238.5	501.9	421.1	516.6
Index - Sept. as 100		100	159.5	335.6	281.6	345.5
<u>WEEKLY EXPENSE FOR</u>						
<u>DWELLING</u>	£. 49.27	49.27	49.27	49.60	49.60	49.60
Index - June as 100	100	100	100	100.6	100.6	100.6
Index - Sept. as 100		100	100	100.6	100.6	100.6
<u>WEEKLY EXPENSE FOR</u>						
<u>HEAT & LIGHT</u>	£. 3.94	34.02	72.20	58.73	62.13	51.02
Index - June as 100	100	380.5	807.6	768.7	694.9	604.2
Index - Sept. as 100		100	212.20	202.0	182.6	158.8
<u>WEEKLY MISCELLANEOUS</u>						
<u>EXPENSES</u>	£. 61.42	67.16	139.98	207.34	246.91	253.25
Index - June as 100	100	109.3	227.9	337.5	402.0	412.3
Index - Sept. as 100		100	208.4	308.7	367.6	377.1
<u>TOTAL WEEKLY EXPENSE</u>	£. 625.43	1127.42	1654.66	2631.44	2718.05	3090.29
INDEX - JUNE AS 100	100	180.2	264.5	420.7	434.5	494.1
INDEX - SEPT. AS 100		100	146.7	233.4	241.0	214.3

This issue of Economic Facts & Factors, will deal with the cost of living in Naples during the months of April and May 1944. The same forms of indices are used and

all conditions set out in the first issue are continued to be considered in this one as in all subsequent ones.

It is interesting to note the changes in prices, in the various categories since the publication of price lists by the Commune, in accordance with Regional Order 26, dated 29 March 1944. Although these changes began to take place only during the last two weeks of April, inasmuch as the first Communal price lists came out on 15 April, the results are gratifying despite the fact that prices of some items appear to have been set without rhyme or reason.

Prices during the first two weeks in April were static, but a change for the better became noticeable in the latter half of the month, after the publication of the first Communal price list. At first this price list met with considerable scepticism by the public and the reason appears to have been the inconsistency of the prices approved by the Sindacos. Some prices were little better than Black Market prices while others just did not make sense. Prices were set on items of short supply with no possible solution in sight to remedy the condition, while others were set without any consideration as to size, quality or workmanship. Nevertheless in spite of the uneconomic manner in which prices were based, the fact that some action was being taken by those in authority to control prices, had a psychological effect which became evident a few days later. People began to think in terms of published prices and although the best items temporarily disappeared from many shops, shoppers began to insist on paying only at those prices published. This phenomena is in itself a good sign. 1430

The proof of the efficacy of publishing price lists irrespective of the fact that some prices are uneconomical is seen in the fact that the index figures in

the cost of living during April rose only 7.6 points over March, basing September as 100.

The sudden index rise in May 1944, in the cost of living, was due to a great extent to the inconsistent price policy of the Commune and, consequently, the official prices of many items of necessity, with which this study is concerned, have been increased. Aside from this, many of the reasons given in our original study as causing a rise in living costs, are still operative at this time. This can best be seen by the following table showing official and Black Market prices of food.

Fig. 1

TABLE SHOWING OFFICIAL AND BLACK MARKET PRICES

I t e m s		June 1943		Sept. 1943		Dec. 1943	
		Off.	B/M	Off.	B/M	Off.	B/M
Bread	Kg.	2.50	50.=	2.50	85.=	3.60	130.=
Flour	"	2.30	55.=	2.30	70.=	4.10	150.=
Flour (corn)	"	1.80	25.=	1.80	40.=	3.75	110.=
Rice	"	3.45	30.=	3.45	60.=	4.00	170.=
Potatoes	"	4.=	6.=	4.=	7.=	7.=	17.=
Dry Figs	"	=	36.=	=	40.=	27.=	65.=
Pasta	"	3.10	35.=	3.10	70.=	5.=	220.=
Sugar	"	7.65	40.=	9.10	120.=	15.=	180.=
Wine	Lt.	4.=	6.50	4.=	10.=	14.=	25.=
Barley	Kg.	=	20.=	=	27.=	=	90.=
Milk	Lt.	2.60	8.=	2.60	11.=	7.=	25.=
Beans	Kg.	6.15	28.=	6.15	38.=	11.=	150.=
Beef	"	10.50	70.=	32.=	90.=	34.=	120.=
Eggs (each)	"	1.80	5.=	2.=	10.=	4.=	20.=
Cheese	"	24.10	120.=	24.85	130.=	35.=	220.=
Coffee	"	=	700.=	=	1000.=	=	1300.=

(Contd.)

Fig.1 (continues)

Items		Mar. 1944		April 1944		May 1944	
		Off.	B/M	Off.	B/M	Off.	B/M
Bread	Kg.	3.60	130.=	3.60	135.=	3.60	165.=
Flour	"	3.60	190.=	3.60	205.=	3.60	210.=
Flour(corn)	"	3.75	145.=	3.75	148.=	3.75	150.=
Rice	"	4.=	200.=	4.=	295.=	4.=	316.25
Potatoes	"	12.=	37.=	12.=	43.=	12.=	55.50
Dry Pigs	"	31.=	78.=	38.=	82.=	40.=	80.=
Pasta	"	5.10	250.=	5.10	267.=	5.=	307.50
Sugar	"	15.=	310.=	15.=	361.=	15.=	310.=
Wine	"	14.=	45.=	14.=	40.=	22.50	42.=
Barley	"	=	120.=	=	121.=	=	112.50
Milk	Lt.	13.=	35.=	13.=	35.=	13.=	22.50
Beans	Kg.	13.=	190.=	25.50	203.=	75.=	190.=
Beef	"	34.=	270.=	52.=	310.=	105.=	236.65
Eggs(each)	"	4.=	22.=	9.50	19.=	14.50	19.50
Cheese	"	36.=	420.=	50.=	392.=	50.=	500.=
Coffee	"	=	1100.=	=	1600.=	=	900.=

It is interesting to note that the Official Ration Distribution is increasing each month as shown by the comparative table below, and that in each instance where a food item is distributed a noticeable drop in the Black Market price of this commodity is immediately noticeable.

1428

Fig.2

MONTHLY RATION DISTRIBUTION PER PERSON

I t e m s	Q u a n t i t y					
	June 1943	Sept. 1943	Dec. 1943	March 1944	April 1944	May 1944
Bread	kg. 4.500	4.330	3.500	6.000	6.000	6.000
Pasta	" 2.500	"	.500	"	"	"
Rice	" .400	"	"	"	"	"
Oil	" .320	"	.456	.183	.183	.163
Fats	" .070	"	"	"	"	"
Sugar	" .500	"	"	"	.250	.250
Eggs	n. "	"	"	"	"	"
Cheese	kg. .200	"	"	.200	.130	"
Meat	" .300	"	"	"	.400	.400
Potatoes	" .300	"	"	"	"	"
Powdered soup	" "	"	"	.250	.250	.250
Dried vegetables	" "	"	"	.250	.600	.500
Salt	" "	"	"	.500	"	"
Mozarella	" "	"	"	"	.070	"
Salt herrings	" "	"	"	"	"	.350
Marmalade	" "	"	"	"	"	.200

Chart A - shows the caloric percentage of food purchased through the ration, Free Market and Black Market.

Chart B - shows the percentage of food actually purchased through the Ration, Free Market and Black Market.

1427

A very encouraging picture is presented by these charts as the percentage of purchases in the Black Market shows a marked decline, as the ration is increased.

Fig. 3

FOOD COST INDEX FOR TYPIC 1 FAMILY

	June 1943	Sept. 1943	Dec. 1943	March 1944	April 1944	May 1944
Weekly expense Lit.	227.15	314.50	1131.22	1770.15	1201.31	2172.05
Index using June as 100 increase is	100	205.0	285.5	443.2	481.4	546.9
Index using Sept. as 100 increase is		100	139.2	216.1	233.4	266.5

Clothing prices during the month of April showed a decided drop due mainly to controlled selling. However, during May the index figure rose sharply, the reason being that much clothing and materials have disappeared from the stores and cannot at present be replaced, thereby necessitating the purchase of a large portion of their requirements in the Black Market.

Fig. 4

CLOTHING INDEX

	June 1943	Sept. 1943	Dec. 1943	March 1944	April 1944	May 1944
Weekly expense Lit.	108.65	162.47	259.16	545.32	457.60	561.37
Index using June as 100 increase is	100	145.5	233.5	501.9	421.1	1142.3
Index using Sept. as 100 increase is		100	159.5	335.6	281.6	345.5

There has been no change in the cost of housing.

The Index figure for Heat and Light showed a decrease of 19.4 points in April and a further decrease of 23.6 in May.

Miscellaneous expenses showed but a slight increase in April and May but because this category is quite flexible and covers numerous services and items which could be easily controlled by the family for the purposes of this study, the index could be considered as fair stabilized.

Fig.C - the comprehensive Chart, attached, graphically portrays the trend in the cost of living in Naples. It will be observed that using September 1943 as a base the rise is slight, being only 33.1 points in May over April for a total of only 40.7 points over March. See index figures below :-

RISE IN LIVING COSTS

June 1943 through April 1944	-	Index 434.5
Sept. 1943 " April 1944	-	" 241.0
June 1943 " May 1944	-	" 434.1
Sept. 1943 " May 1944	-	" 274.1

Using June 1943 as 100 :-

The rise from March through April	is points 13.6
" " " " " May	" " 73.4

Using Sept. 1943 as 100 :-

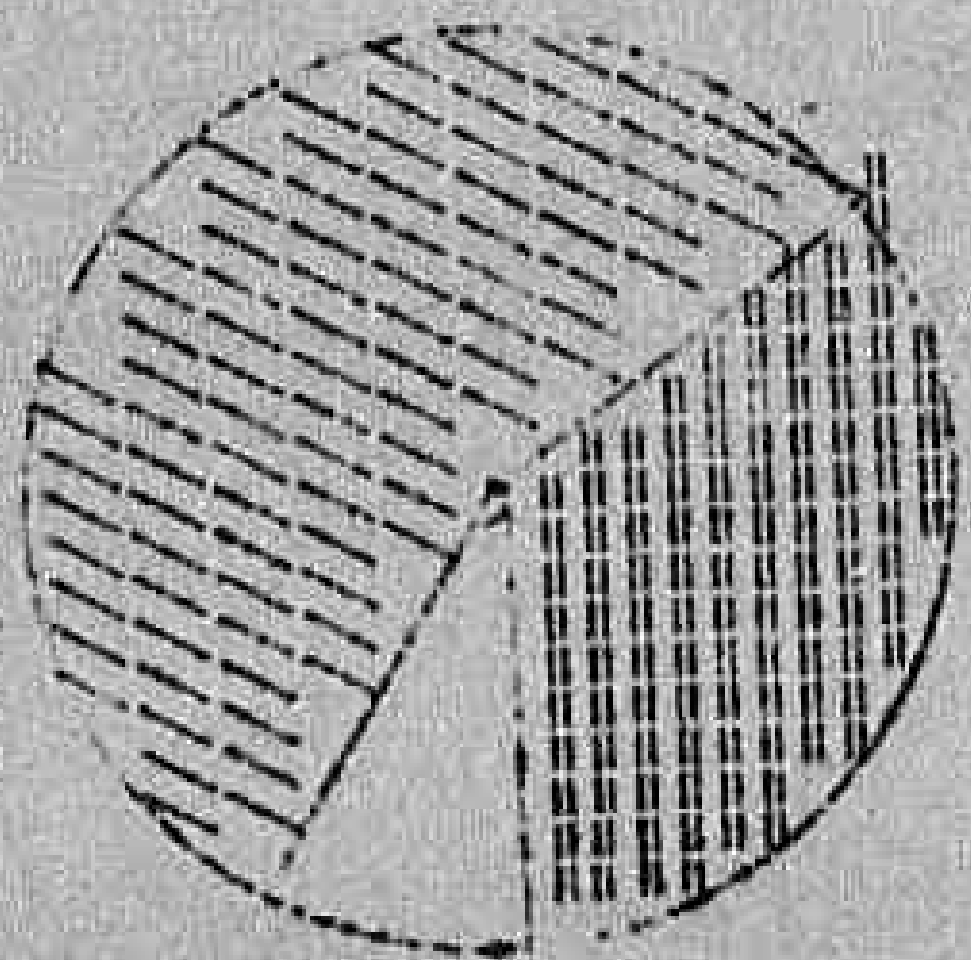
The rise from March through April	is points 7.6
" " " " " May	" " 40.7

These figures definitely prove that the spiral, as evidenced by the rise as shown, if June 1943 is ¹⁴²⁵ as 100, has been effectively slowed down so that the rise in the cost of living is actually negligible if viewed in the light that a condition of short supply continues to exist.

"CALORIC VALUES OF FOODS"

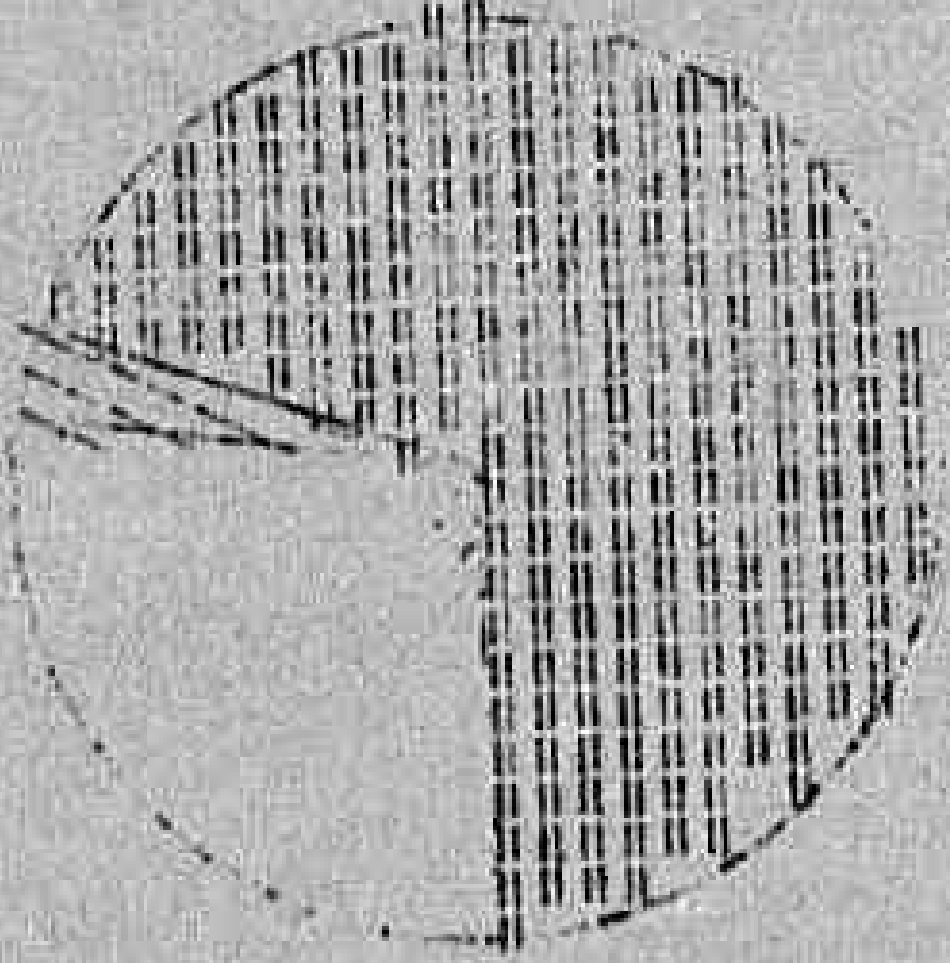
This chart is designed to show the caloric percentage of foods purchased through the "Ration" in the "Free Market" and the "Black Market"

F.M. 8.95%
R. 53.03%
B.M. 38.02%



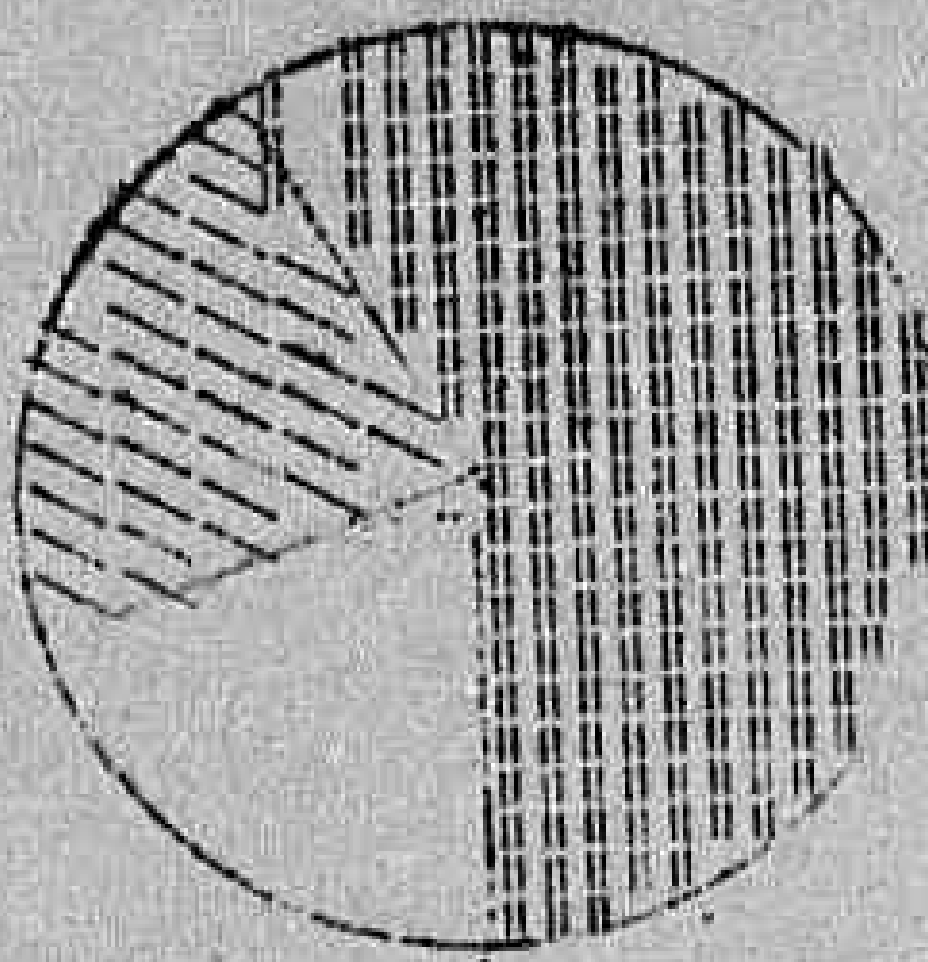
June 1943

F.M. 29.24%
R. 2.34%
B.M. 68.42%



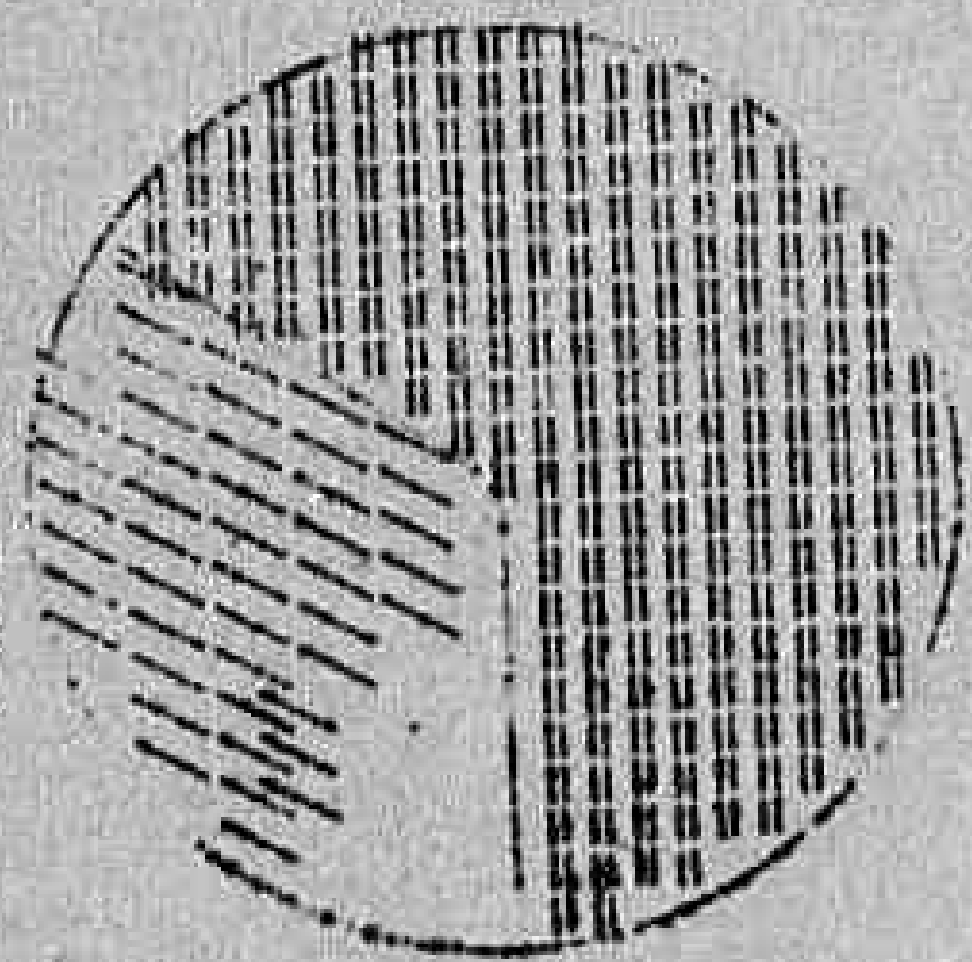
Sept. 1943

F.M. 20.93%
R. 23.24%
B.M. 55.83%



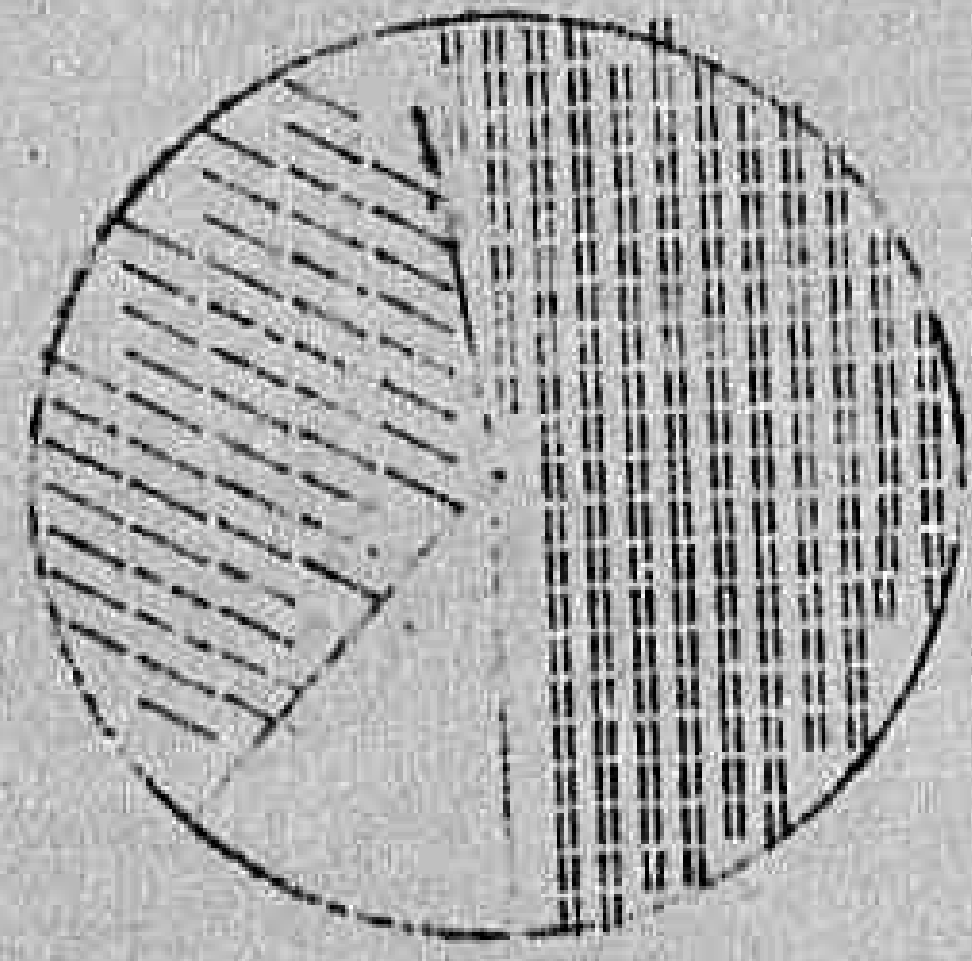
Dec. 1943

F.M. 6.68%
R. 30.60%
B.M. 62.72%



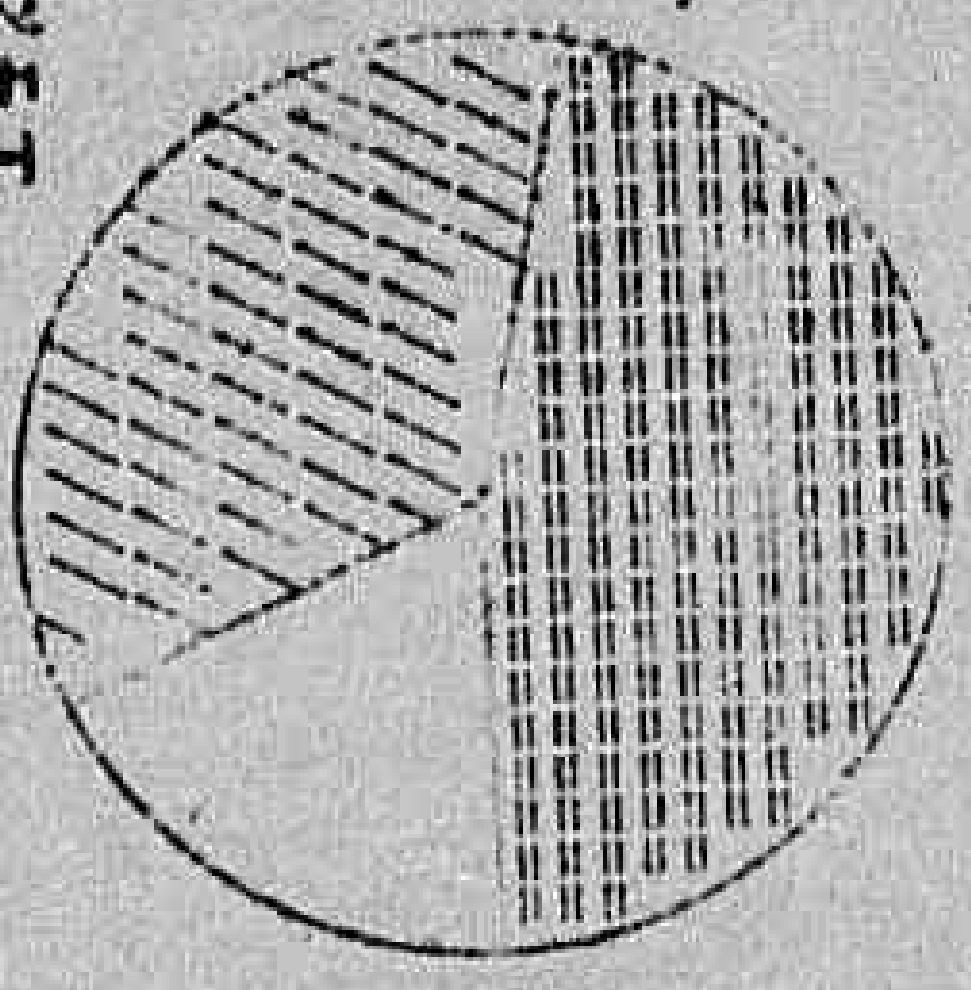
March 1944

F.M. 11.39%
R. 36.18%
B.M. 51.93%



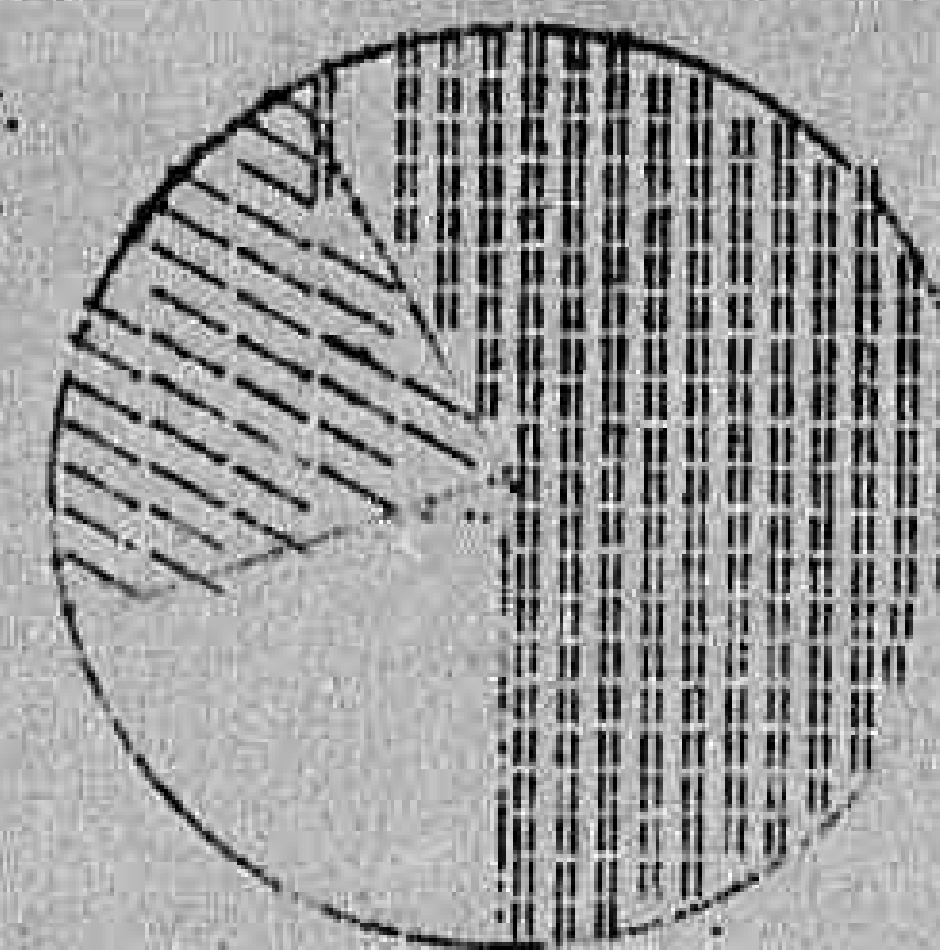
April 1944

F.M. 18.09%
R. 36.03%
B.M. 45.88%

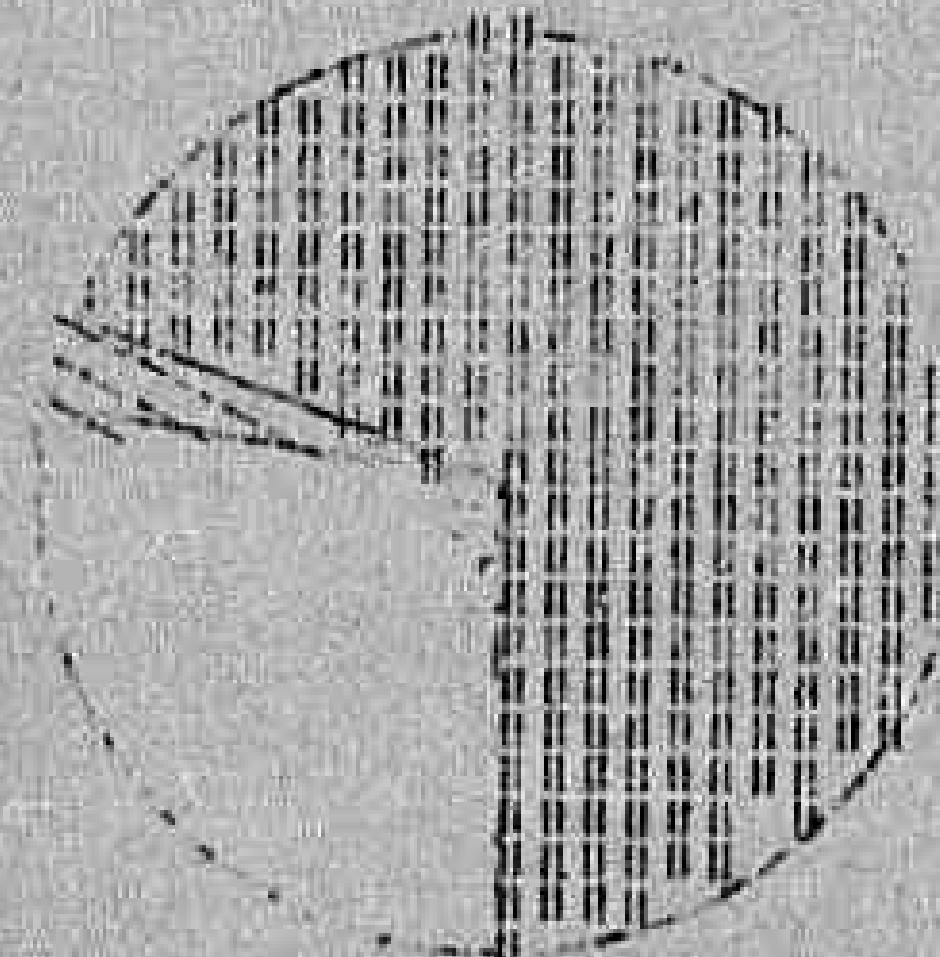


May 1944

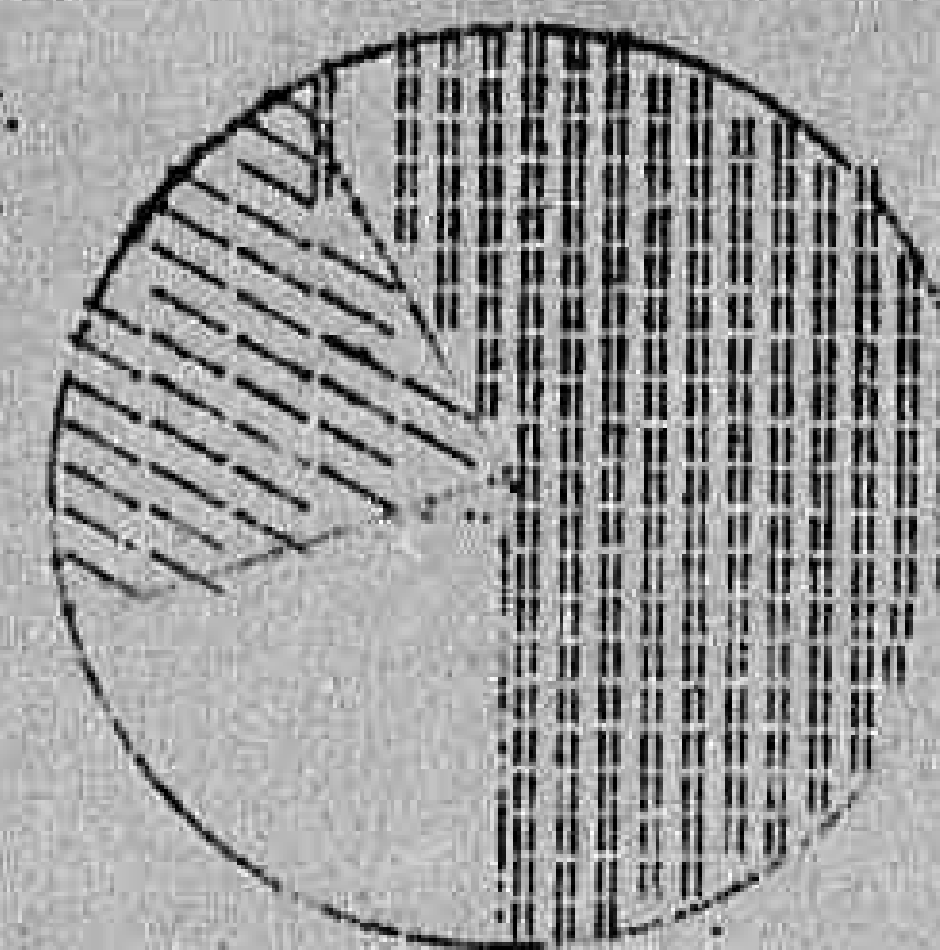
1424



June 1943



Sept. 1943



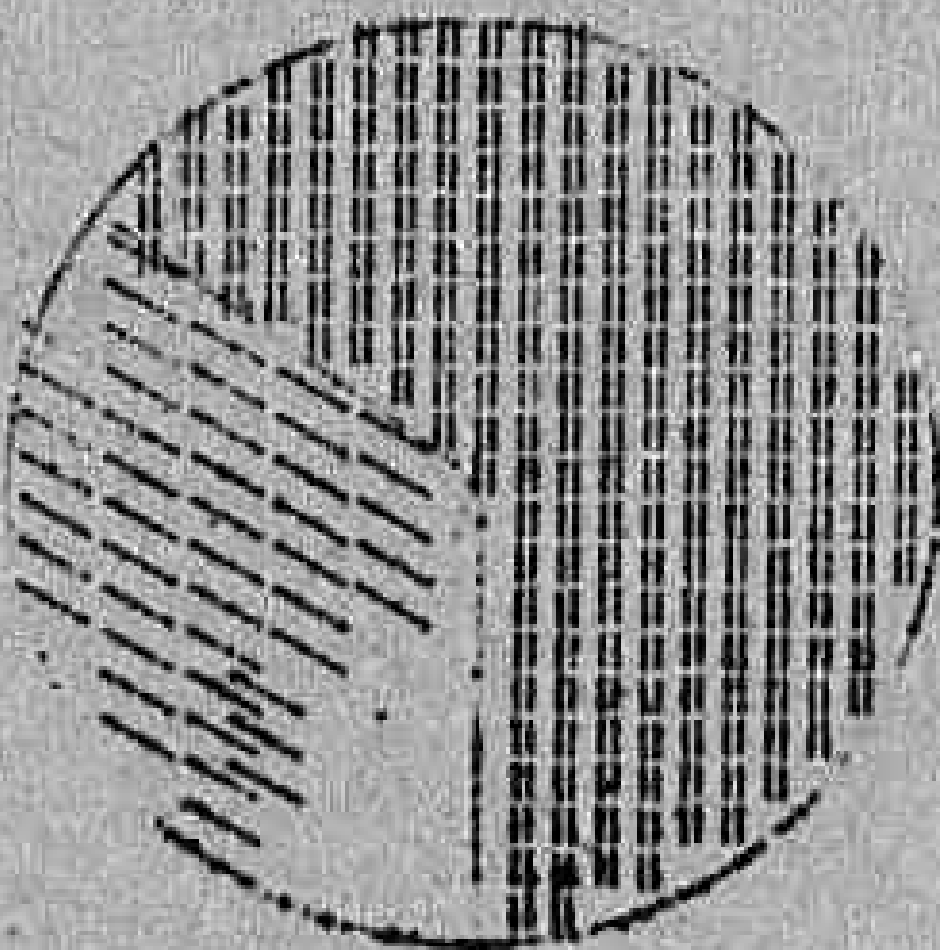
Dec. 1943

F.M. 6.68%
R. 30.60%
B.M. 62.72%

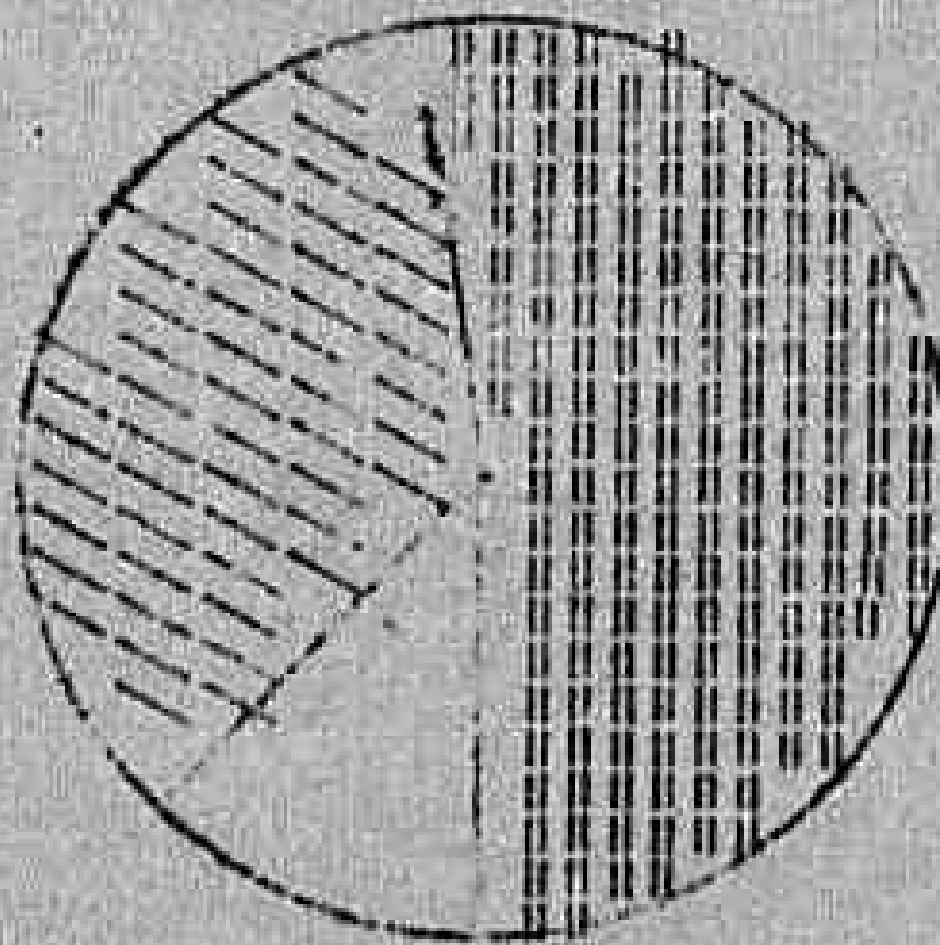
F.M. 11.39%
R. 36.18%
B.M. 51.93%

F.M. 18.09%
R. 36.03%
B.M. 45.38%

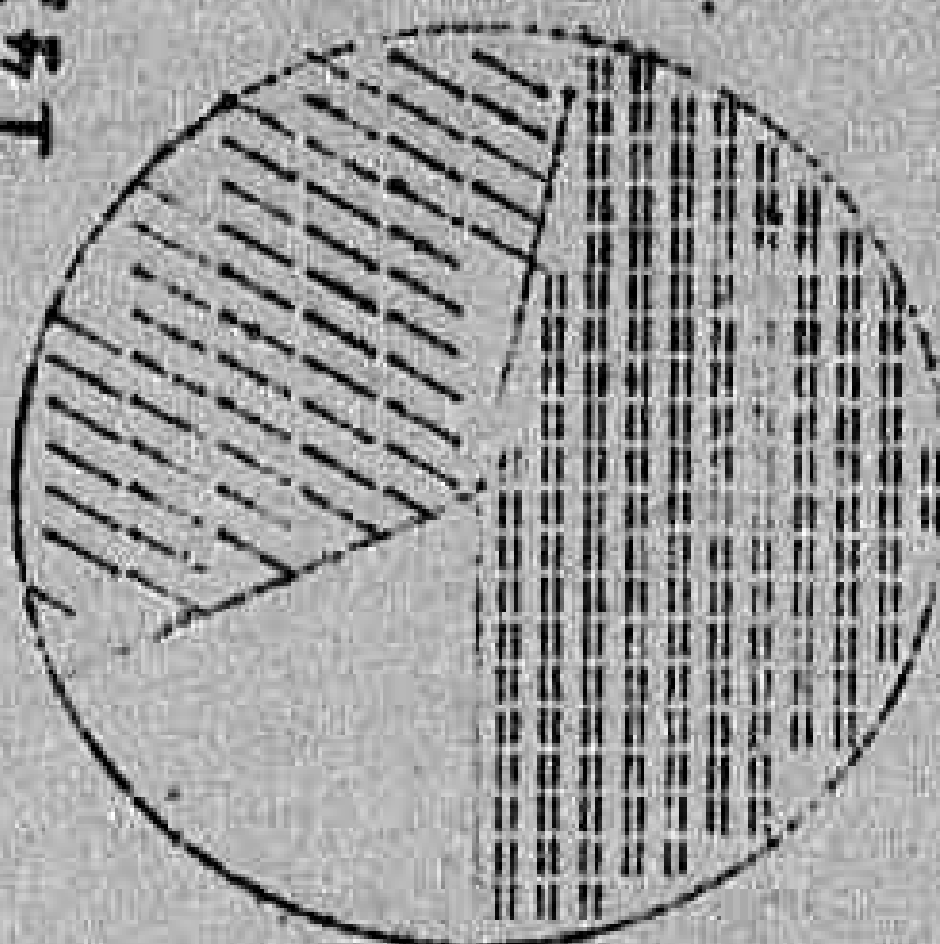
1424



March 1944



April 1944



May 1944

LEGEND

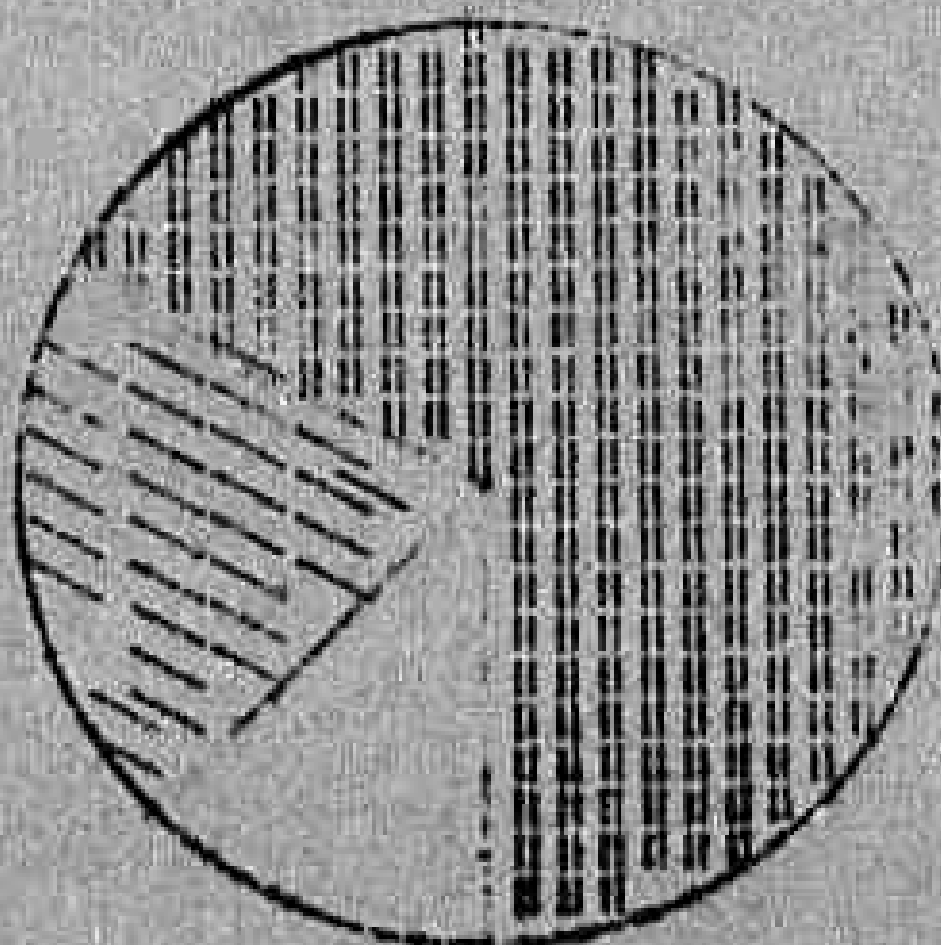
F.M. Free Market
R. Rationed
B.M. Block Market

Chart "A"

"WHERE THE TYPICAL FAMILY PURCHASES ITS FOOD"

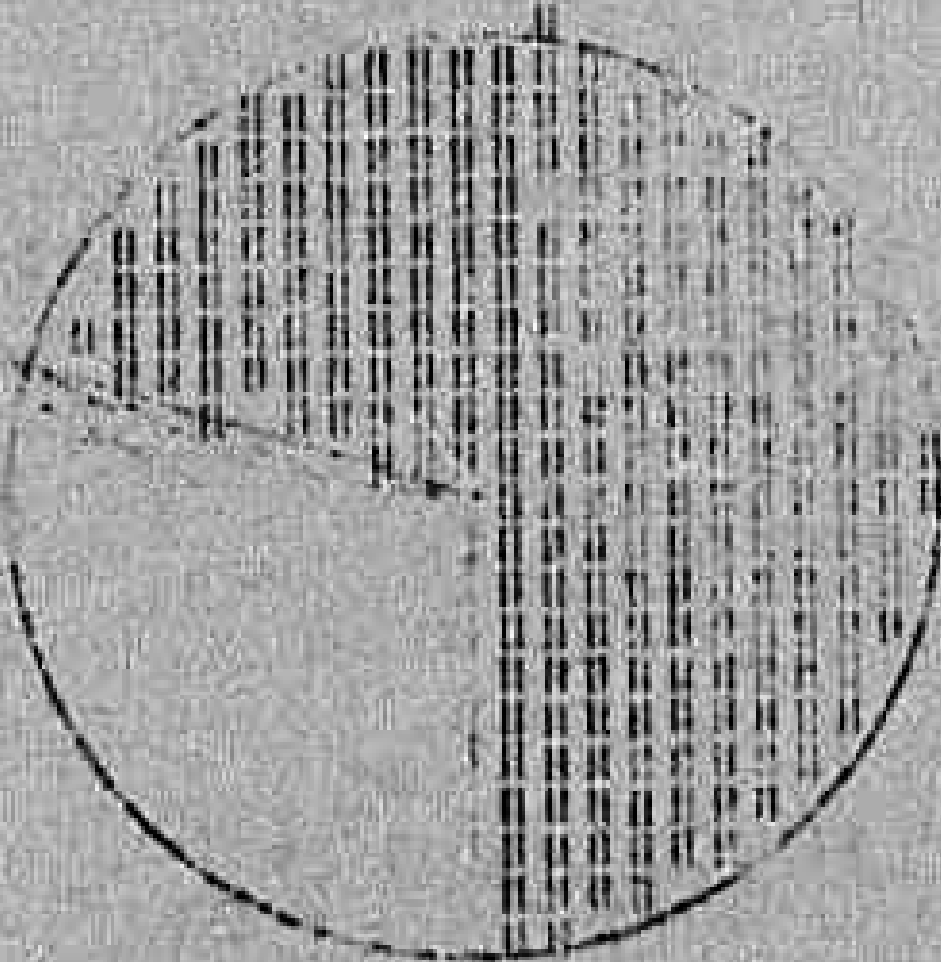
This chart is designed to show the percentage of food purchased either through the "Ration" in the "Free Market" and the "Black Market"

F.M. 12.76%
R. 20.33%
B.M. 66.95%



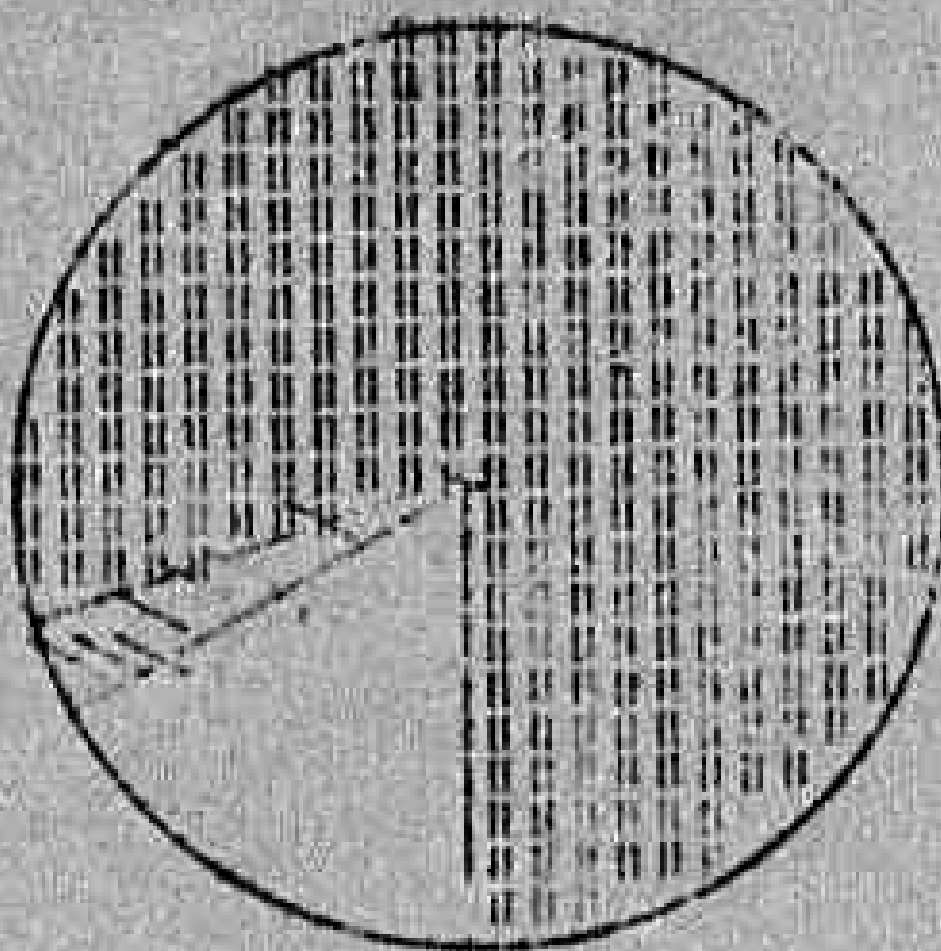
JUNE 1943

F.M. 29.00%
R. 1.00%
B.M. 70.00%



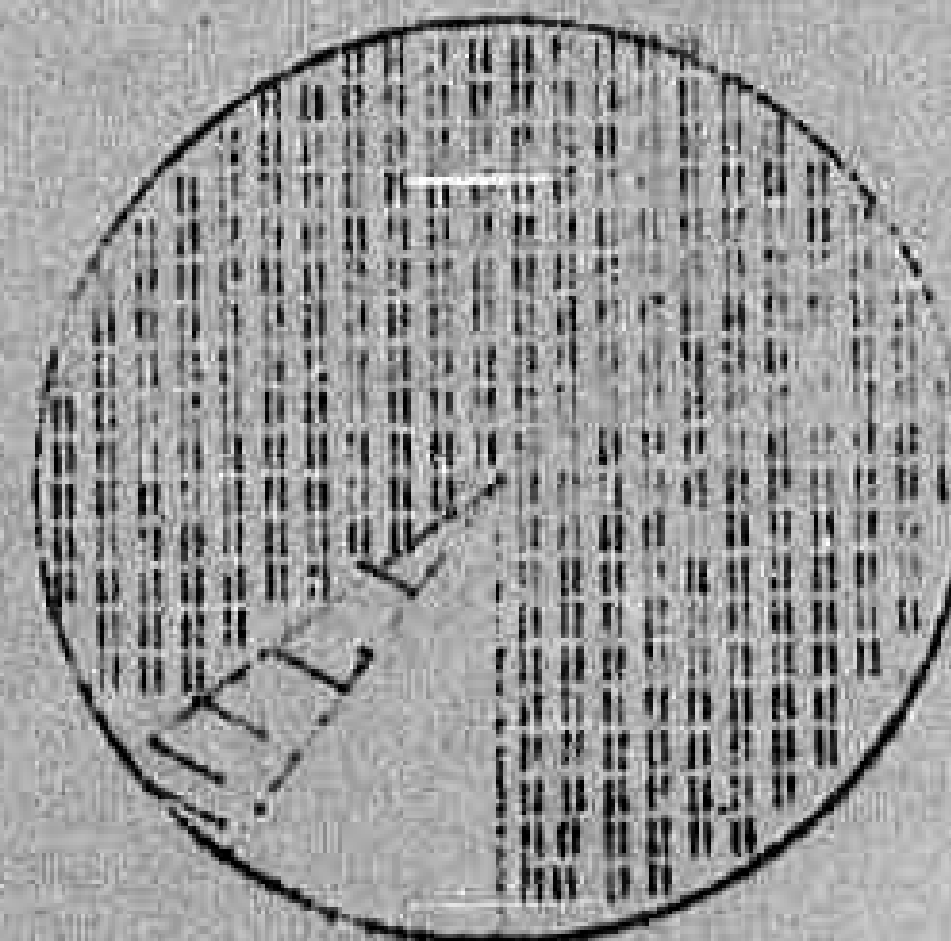
SEPT. 1943

F.M. 16.97%
R. 2.67%
B.M. 80.36%



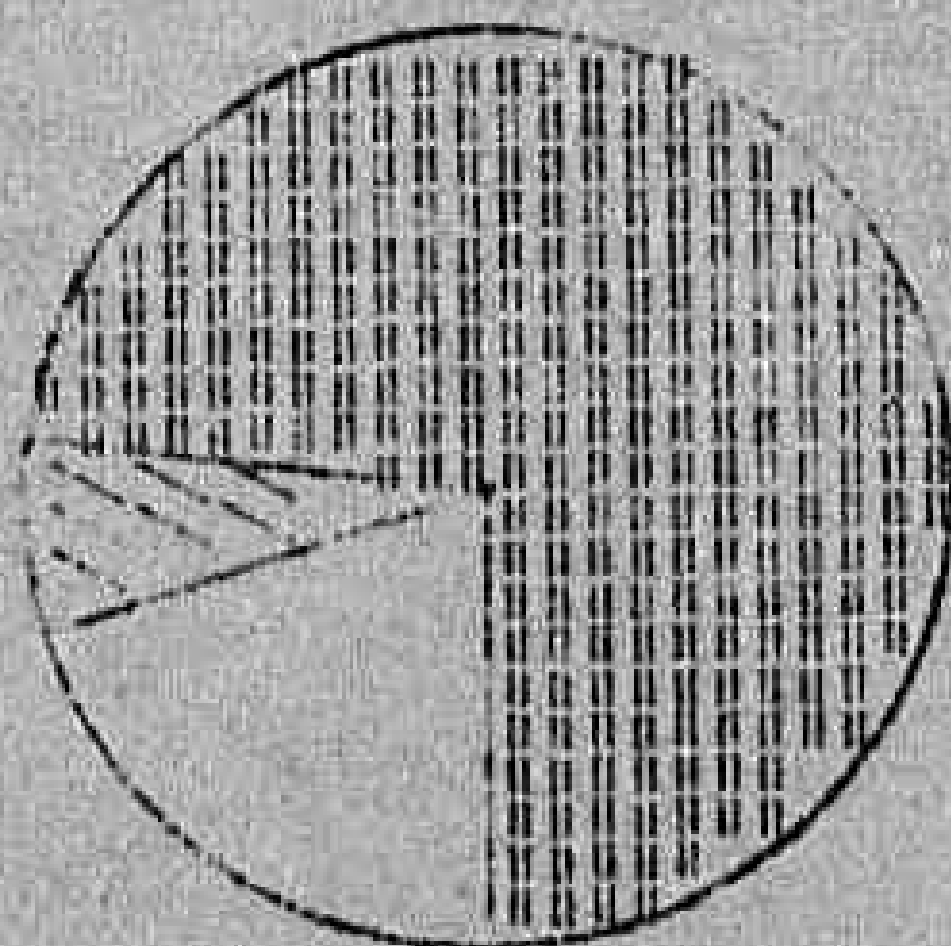
DEC. 1943

F.M. 9.57%
R. 4.18%
B.M. 86.25%



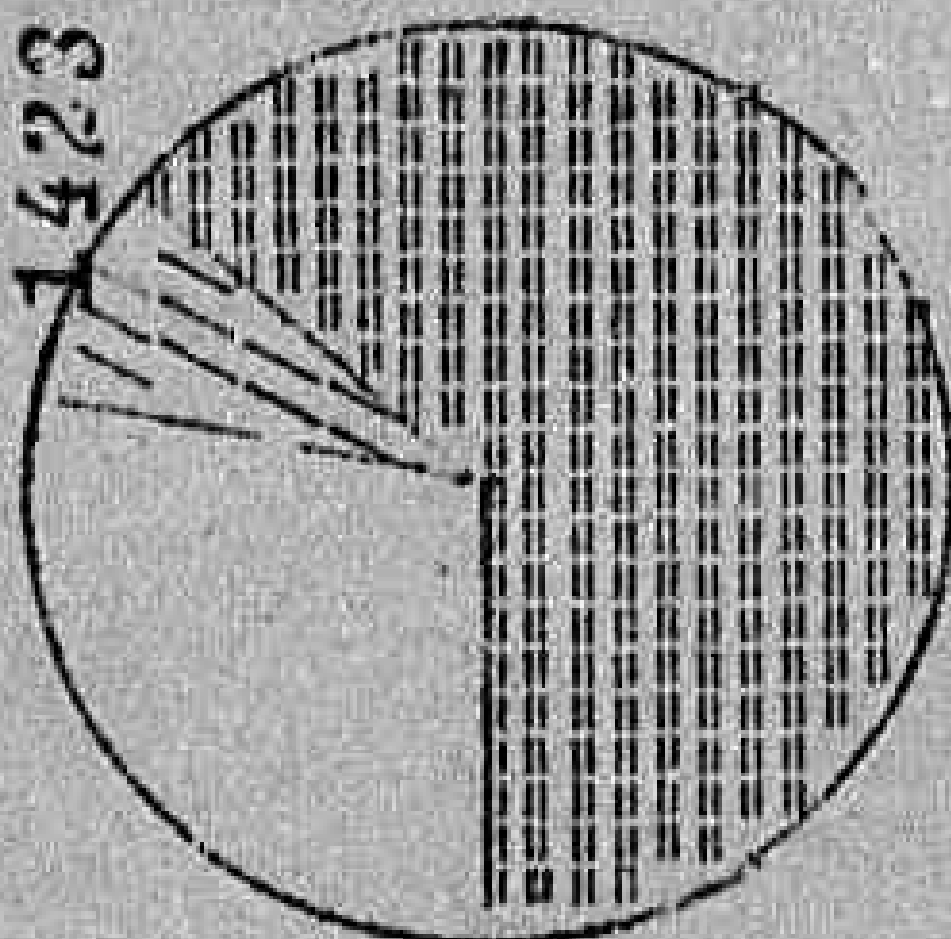
MARCH 1944

F.M. 20.10%
R. 5.91%
B.M. 73.99%



APRIL 1944

F.M. 34.06%
R. 6.06%
B.M. 59.88%

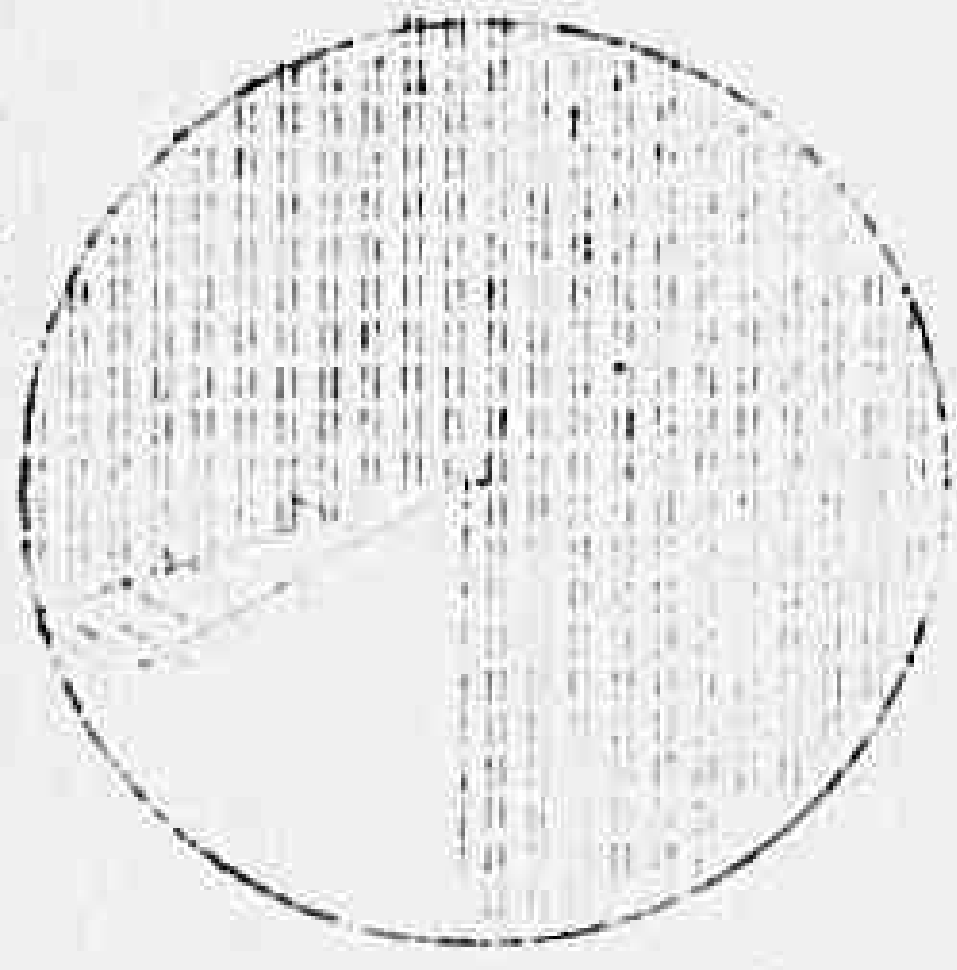


MAY 1944

1423

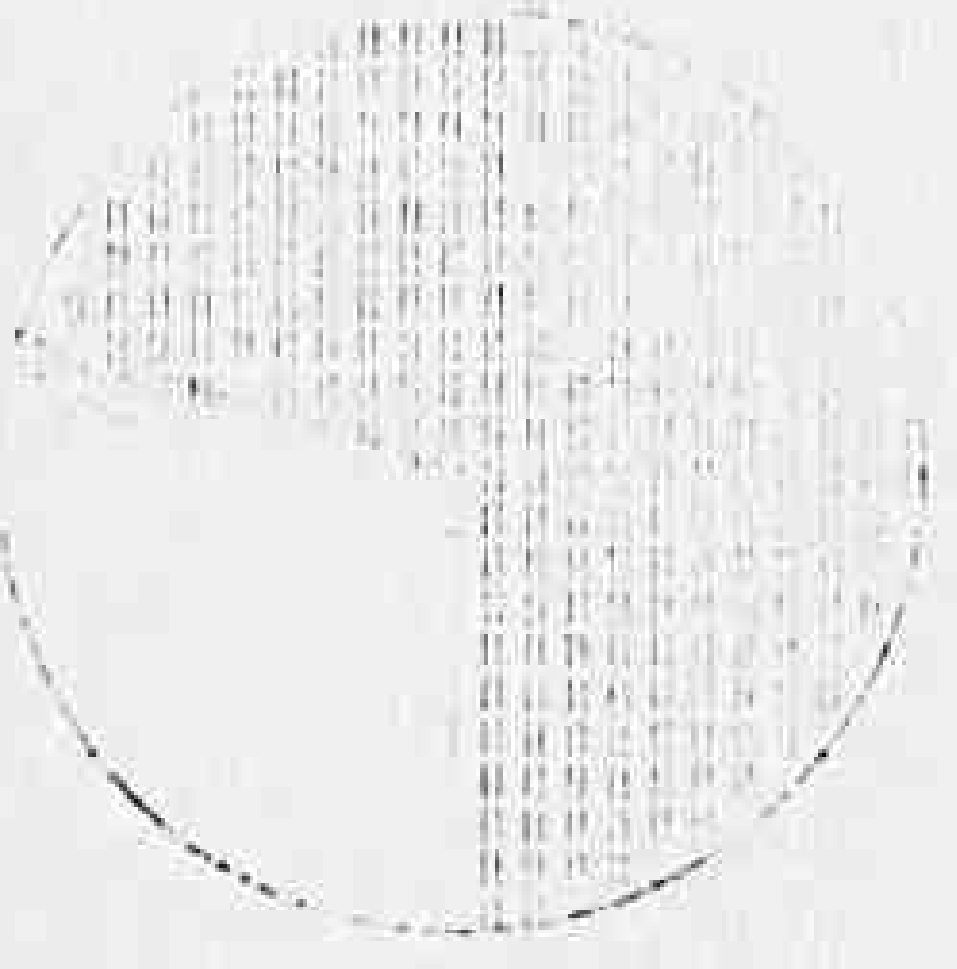
Declassified E.O. 12356 Section 3.3/NND No. 785017

E.M. 80.36%



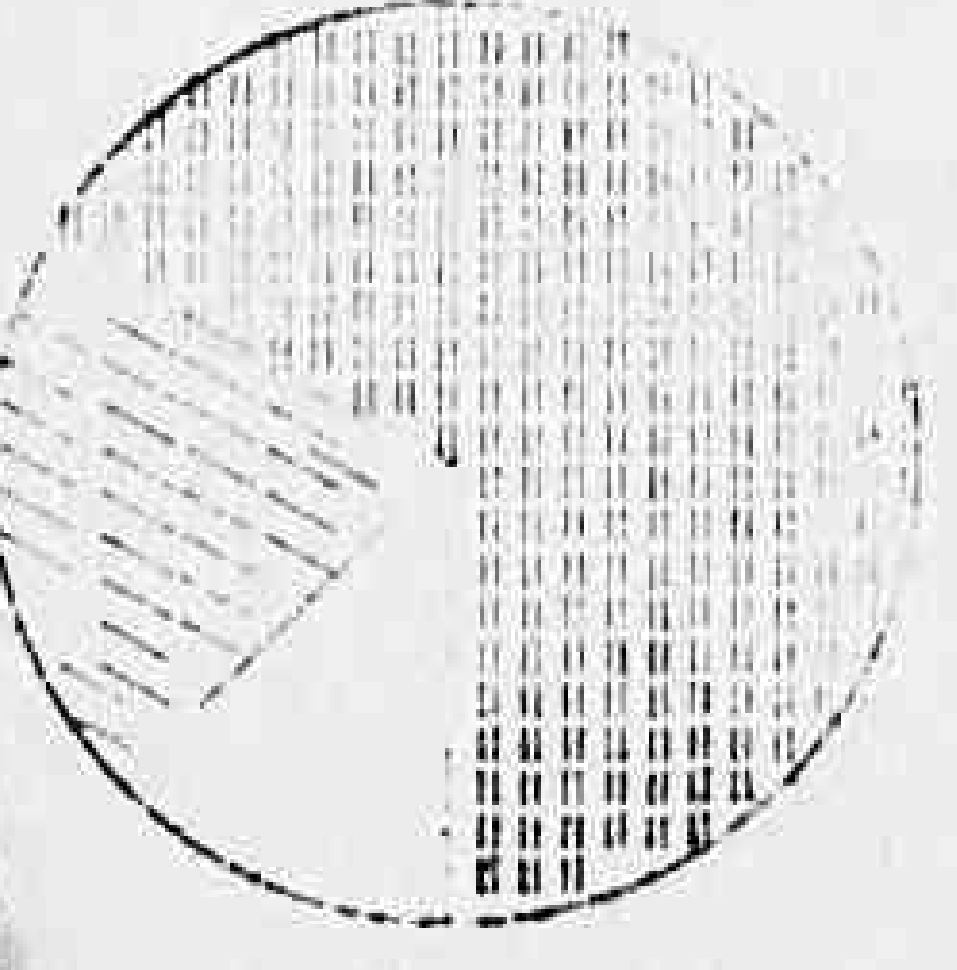
DEC. 1943

E.M. 70.00%



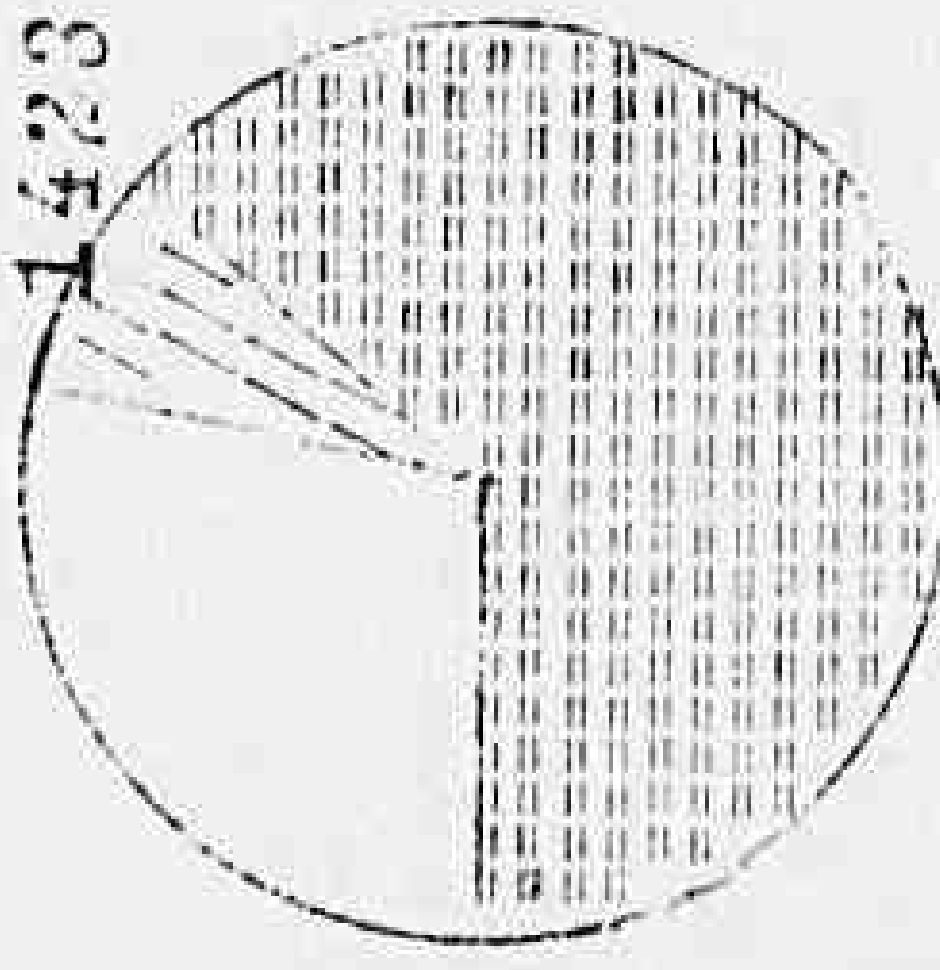
SEP. 1943

E.M. 66.95%



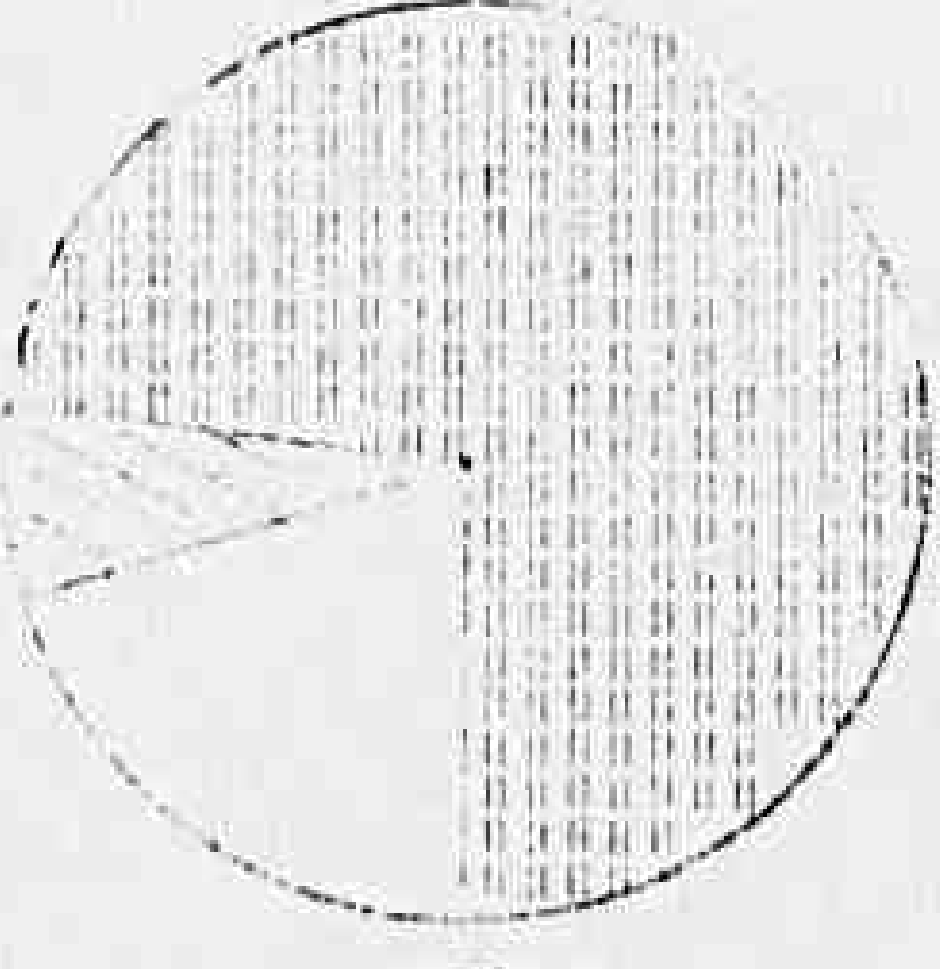
JUNE 1943

E.M. 34.06%
R. 6.06%
B.M. 59.88%



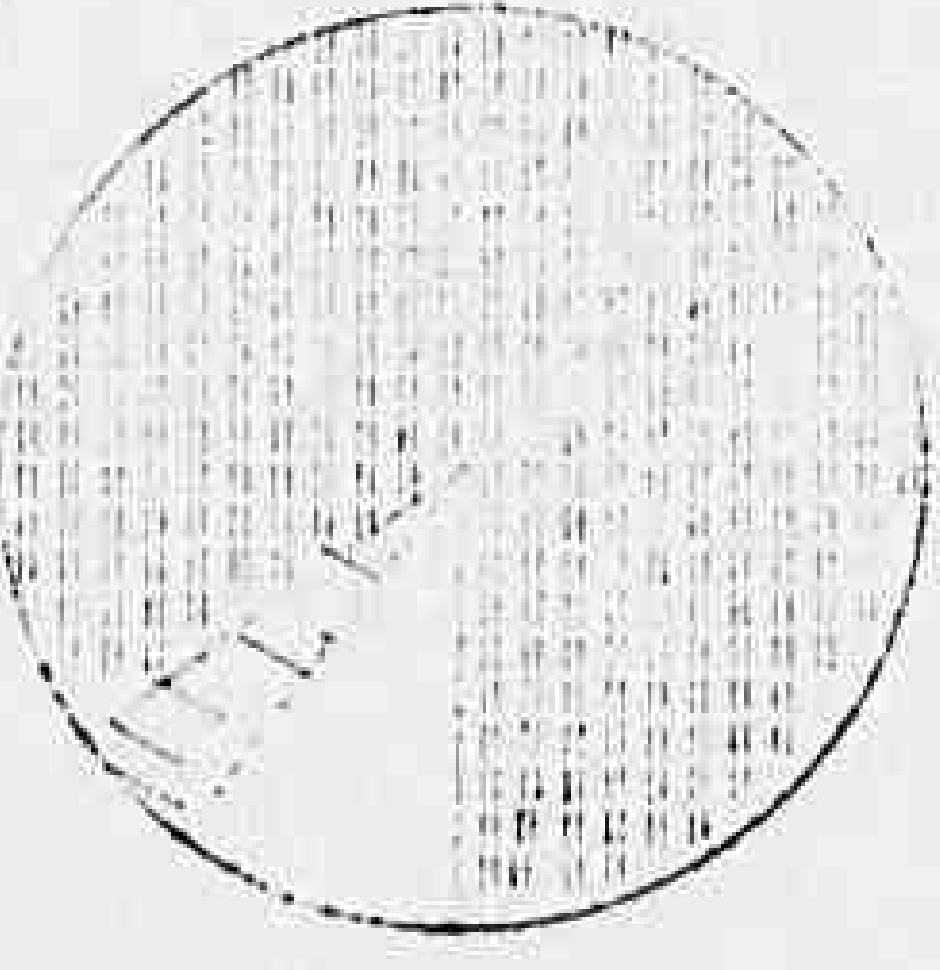
MAY 1944

E.M. 20.10%
R. 5.91%
B.M. 73.99%



APRIL 1944

E.M. 9.97%
R. 4.13%
B.M. 85.90%



MARCH 1944

LEGEND

- E.M. Free Market
- R. Licensed
- B.M. Black Market

Chart "3"

CHART SHOWING TREND OF LIVING COSTS

This chart is designed to show the trend of cost of living for a family of 5, taking into consideration the minimum requirements of

- a) Food
- b) Clothing
- c) Dwelling
- d) Heat & Light
- e) Miscellaneous expenses

INDEX USING JUNE AS 100

IN USE UNTIL SEPT. 1944 100

Percentage of increase in cost in all categories for

NOTE: Total weekly ex

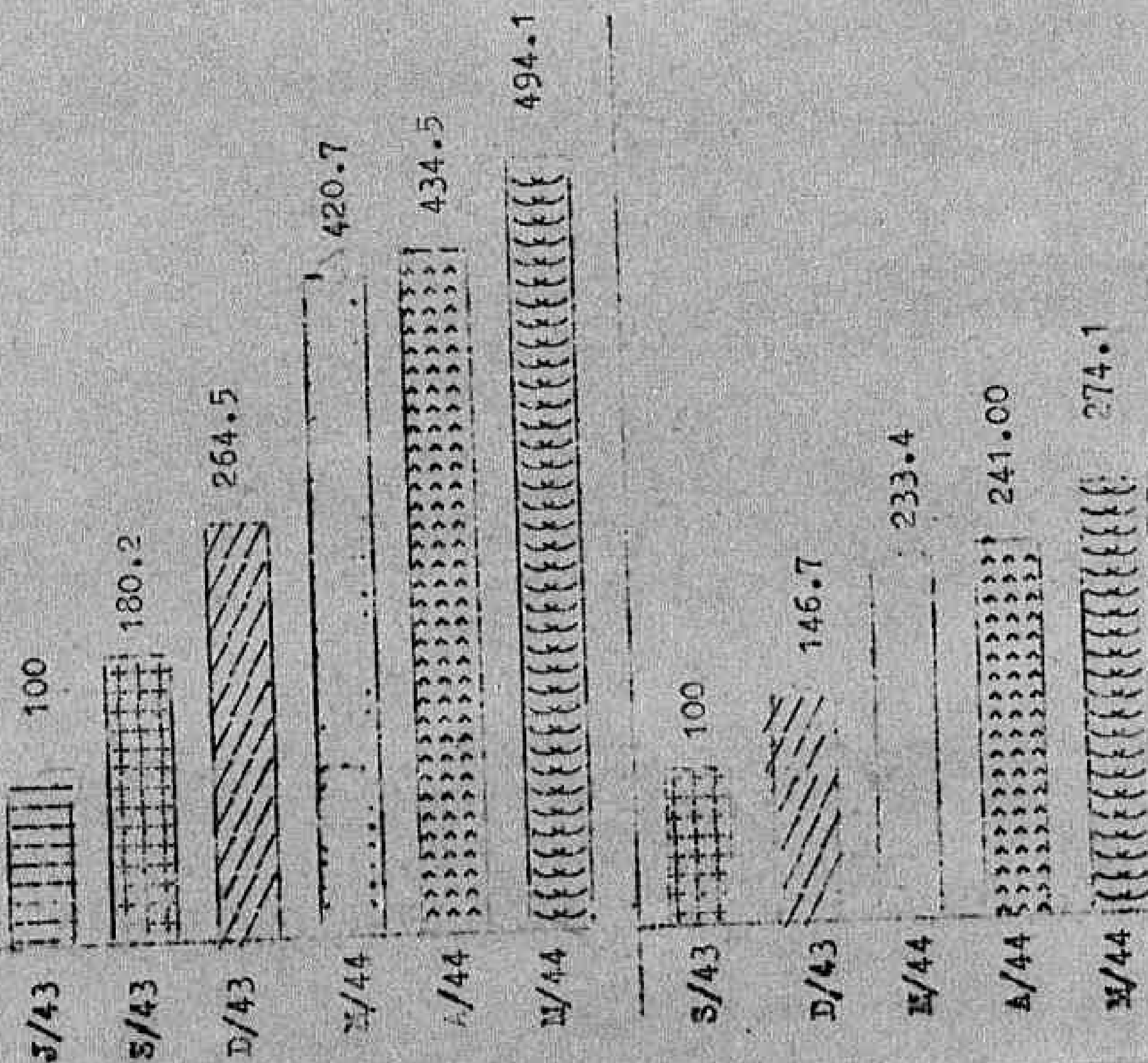
June 1943	-	£.
Sept. 1943	-	£.
Dec. 1943	-	£.
Mar. 1944	-	£.
Apr. 1944	-	£.
May 1944	-	£.

I N D E X

June as 100

100 150 200 250 300 350 400 450 500

June Sept. Dec.



OF LIVING COSTS

to show the trend of cost of living for a
to consideration the minimum requirements

- b) Clothing
- d) Heat & Light

e) Miscellaneous expenses

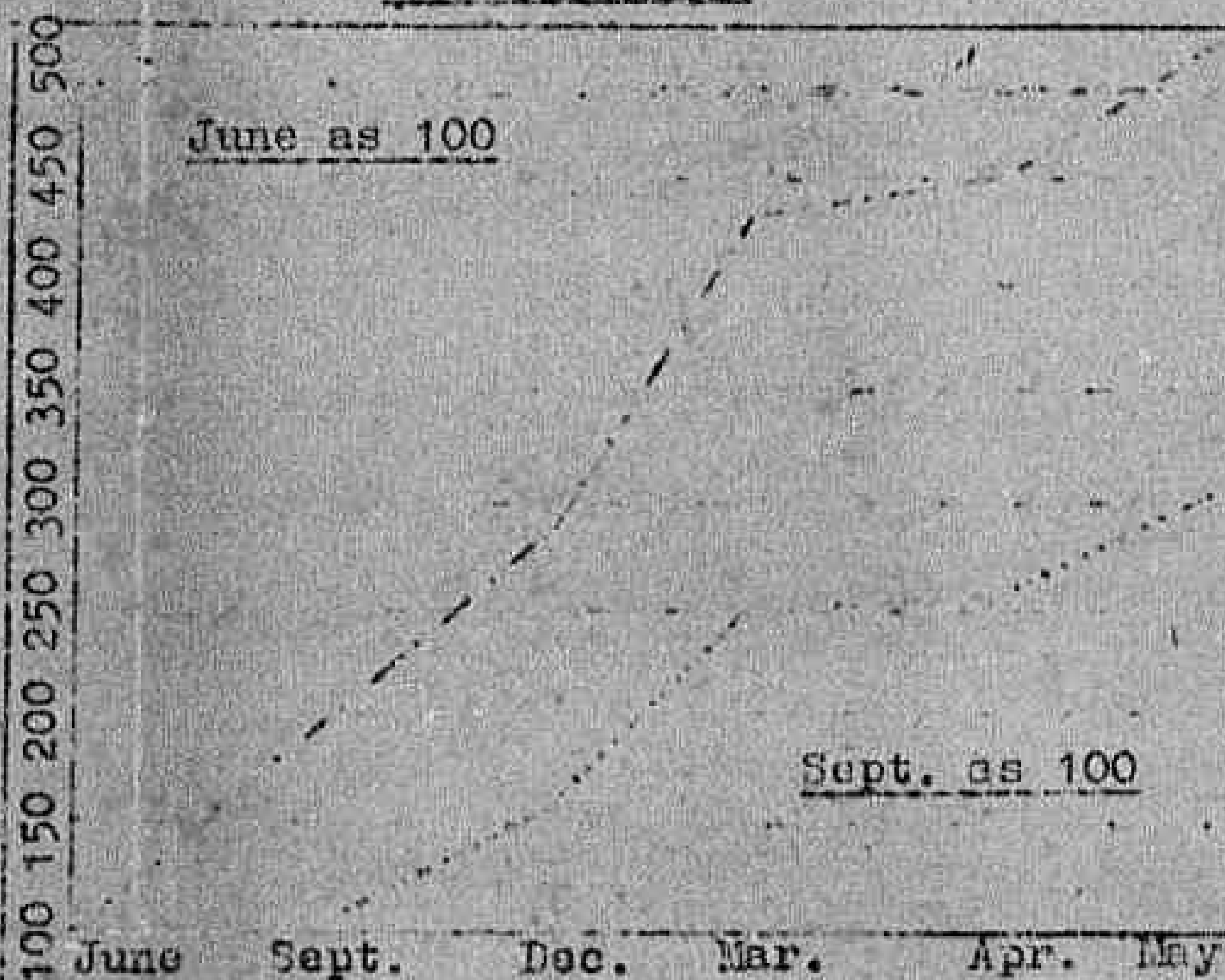
IN USING SEPT. AS 100

Percentage of increase in the total weekly
cost in all categories for a family of 5.

NOTE : Total weekly expenses

June 1943	-	£. 625.43
Sept. 1943	-	£. 1127.42
Dec. 1943	-	£. 1654.66
Mar. 1944	-	£. 2631.44
Apr. 1944	-	£. 2718.05
May 1944	-	£. 3090.29

I N D E X



434.5

494.1

M/44

S/43

D/43

M/44

A/44

M/44

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

JBT/sea

Tel: 307

ES/11

24 July 44

SUBJECT: Cost of Living Studies.

25 JUL Recd

TO : Secretary General (for Chief Commissioner)
Executive Commissioner (C.A. Branch) —
Administrative Section
Finance Sub-Commission
Food Sub-Commission
Industry Sub-Commission
Commerce Sub-Commission
Labor Sub-Commission

1. Herewith Copy No. 12 of ECONOMIC FACTS AND FACTORS for March 1944. Published by Economics and Supply Division of Region III.

2. Please acknowledge.

J. Bruce Thompson Major R.A.

J. BRUCE THOMPSON, Major R.A.
S.O. 2 (C.A.), Economic Section

1421

Copy N.12

ECONOMIC

FACTS AND FACTORS

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A monthly bulletin published by the
Economics & Supply Division of Region 3.

oooooooo

MARCH 1944

1420

24 Jul
60

FOREWORD

1. The statistics and economic data contained in this bulletin concern the three provinces of Naples, Avellino and Benevento. They have particular reference to Naples City.

2. The bulletin has been compiled in the Price Office of the Economics & Supply Division, ACC/Region 3. Lieutenant A. B. Arnoldy, who is in charge of the Regional Price Office, gratefully acknowledges the assistance he has received from Dr. Vladimir Charin and from the other statisticians employed by the Price Office. He also thanks Dr. Ranaudo, Director of the Merceological and Chemical Laboratory of the Naples Chamber of Commerce for the valuable information he has contributed concerning the caloric values of foods; and Captain Walter Neuburg, temporarily on loan from V Army to the Alimentation Section of Region 3, for his helpful suggestions and assistance in editing this brochure.

3. The chief purpose of the bulletin is to provide a reliable cost of living index for the three provinces of Region 3 based solely on official price records.

4. In future the bulletin will be published monthly. Subsequent issues will be much briefer than the present one.

1419

INTRODUCTION

The following comprehensive Index shows the extent of the rise in costs in every category under discussion in this study. The Months of June 1943 and September 1943 are used, respectively, as 100.

Description	June 1943	Sept. 1943	Dec. 1943	March 1944
<u>WEEKLY EXPENSE FOR FOOD</u>				
Index using June as 100	397.15	814.50	1134.05	1760.45
Index using Sept. as 100	100	205.0	285.5	443.2
<u>WEEKLY EXPENSE FOR CLOTHING</u>				
Index using June as 100	108.65	162.47	259.16	545.32
Index using Sept. as 100	100	149.5	238.5	501.9
<u>WEEKLY EXPENSE FOR DWELLING</u>				
Index using June as 100	49.27	49.27	49.27	49.60
Index using Sept. as 100	100	100	100	100.6
<u>WEEKLY EXPENSE FOR HEAT & LIGHT</u>				
Index using June as 100	8.94	34.02	72.20	68.73
Index using Sept. as 100	100	380.5	807.6	768.7
<u>WEEKLY MISCELLANEOUS EXPENSES</u>				
Index using June as 100	51.42	67.16	139.98	207.34
Index using Sept. as 100	100	109.3	227.9	337.5
<u>TOTAL WEEKLY EXPENSE</u>				
Index using June as 100	625.43	1127.42	1654.66	2631.44
Index using September as 100	100	180.2	264.5	420.7
		100	146.7	233.4

COST OF LIVING TRENDS

This study of the cost of living in Region 3 enables us to:

1. Follow the cost of living trends in the City of Naples;
2. Gauge the effect of military occupation on the people, on the price structure in general, and on commodities of prime necessity in particular;
3. Visualize living conditions which prevailed prior to the Allied occupation;
4. Understand the principal causes for the rise in living costs, which had started prior to that occupation.

Prior to September 1943 (month in which the German Army assumed practical control of the local economy), those prices which most directly affect the cost of living had been maintained at comparatively low levels, for the following reasons:

- a) The Italian Government froze some commodities and blocked the prices of nearly all others, including salaries;
- b) Currency circulation was on a normal war-time basis;
- c) The German army (at least prior to September 1943) was not an army of occupation in the true sense of the word;

1417

- d) Food, although scarce, was obtainable also from the North and an adequate ration was being given;
- e) Although a black market existed, prices were moderate because of fairly good supplies.

In September a change in conditions took place due to the following causes:

- a) Enemy destruction of existing food stores;
- b) Enemy destruction of public utilities, industrial plants and machinery, resulting in mass unemployment;
- c) Enemy destruction of warehouses and granaries;
- d) Enemy destruction of lines of communication.

Upon assuming civil control in Region 3, Allied Military Government was faced with additional problems of an urgent economic nature due to the necessity to:

1. Import large quantities of food for the Italian civilian population;
2. Stabilize the currency;
3. Curb expenditure by Allied Military personnel on local purchases;
4. Combat the increase in Black Market buying;
5. Withstand upward pressure and consequent rise in wage scales due to necessity of buying in the Black Market.

1418

In attempting a study of the cost of living in Naples we have based our findings on a plan evolved here some years ago and accepted by the Central Institute of Statistics in determining the minimum requirements of a family of 5 consisting of two adults and three children under ten years of age. It will show:

- I. The cost of food;
- II. The cost of clothing;
- III. The cost of dwellings;
- IV. The cost of heating and lighting;
- V. Miscellaneous expenses (Medicines, Education, Transportation etc.)

I. FOOD

The Scientific Commission "Interalliée de Ravitaillement" during its meeting in Paris, France in October 1918 established that a minimum of 3300 gross calories is required by an adult daily. The Naples City Plan is based on a requirement of only 2600 calories daily and is therefore 700 calories deficient from the above minimum set as a standard by physiologists. In order to permit comparison with previous indexes, our calculations are based on the needs established by the City of Naples. The caloric requirement for children is computed as 70% of the adult normal

See the following table showing the number of calories required by typical family.

1415

Fig. 1

Calories required by typical family

Family	Calories 3000 per person as required by scientists	Calories 2600 per person as required in Naples City Plan
2 adults	Cal. 6000	Cal. 5200
3 children under 10 years		
3000 x 3 x .70	" 6300	
against 2600 x 3 x .70		" 5460
Daily total gross calories	" 12300	" 10660
Weekly total gross calories	" 86100	" 74620

In order to maintain proper diets it is necessary to make intermittent substitutions of foods for those no longer available in the free market or which are priced high. However, this important factor must be taken into consideration; that the public at large is unconcerned with scientifically determined nutritive or caloric values of various foods but buys what it can afford and what it likes.

1414

The following table indicates the quantity of the monthly ration distribution per person during the months considered in this study. It will be seen that as the available supply of food increases either the existing ration scale also increases or, alternatively, new items which had

not been available previously are added to the official distribution.

Monthly Ration Distribution per Person

Fig.2

Items		Quantity			
		June 1943	September 1943	December 1943	March 1944
Bread	Kg.	4.500	1.330	3.500	6.000
Pasta	"	2.500	-	.500	-
Rice	"	.400	-	-	-
Oil	"	.320	-	.458	.182
Fats	"	.050	-	-	-
Sugar	"	.500	-	-	-
Eggs	n.	2	-	-	-
Cheese	Kg.	.200	-	-	.200
Meat	"	.300	-	-	-
Potatoes	"	.300	-	-	-
Powdered soup	"	-	-	-	.250
Dried vegetables	"	-	-	-	.250
Salt	"	-	-	-	.500

In addition to the above ration, Evaporated milk was distributed through pharmacies for children when **1413** ordered by physician.

To show the extent of price rises in the black market over those quoted officially we list a few, in tabular form, of the more important food items:

Fig.3

Table showing official and black market prices

Items		June 1943		Sep. 1943		Dec. 1943		Mar. 1944	
		Off.	B/M	Off.	B/M	Off.	B/M	Off.	B/M
Bread	Kg.	2.50	50.-	2.50	85.-	3.60	130.-	3.60	130.-
Flour	"	2.30	55.-	2.30	70.-	4.10	150.-	3.60	190.-
Flour(corn)	"	1.80	25.-	1.80	40.-	3.75	110.-	3.75	145.-
Rice	"	3.45	30.-	3.45	60.-	4.00	170.-	4.-	290.-
Potatoes	"	4.-	6.-	4.-	7.-	7.-	17.-	12.-	37.-
Dry Figs	"	-	36.-	-	40.-	27.-	65.-	31.-	78.-
Pasta	"	3.10	35.-	3.10	70.-	5.-	220.-	5.10	250.-
Sugar	"	7.65	40.-	9.10	120.-	15.-	180.-	15.-	310.-
Wine	Lt.	4.-	6/50	4.-	10.-	14.-	25.-	14.-	45.-
Barley	Kgl	-	20.-	-	27.-	-	90.-	-	120.-
Milk	"	2.60	8.-	2.60	11.-	7.-	25.-	13.-	35.-
Beans	"	6.15	28.-	6.15	38.-	11.-	150.-	13.-	190.-
Beef	"	18.50	70.-	32.-	90.-	34.-	120.-	34.-	270.-
Eggs(each)	"	1.80	5.-	2.-	10.-	4.-	20.-	4.-	22.-
Cheese	"	24.10	120.-	24.85	130.-	35.-	220.-	96.-	420.-
Coffee	"	-	700.-	-	1000.-	-	1300.-	-	1100.-

For further descriptive charts

("Price rise in Basic Food Items")

See Appendix "A" Fig.4-(showing ratio between official & Black Market prices.

" "A" Fig.5- "Caloric value of Foods"

Fig.6

Food cost index for typical family

1412

Weekly expense	Lit.	June 1943	Sept. 1943	Dec. 1943	Mar. 1944
		397.15	814.50	1134.05	1760.45
Index using June as 100 increase is	100		205.5	285.5	443.2
Index using Sept. as 100 increase is			100	139.2	216.1

See Appendix A. - Fig.7 showing the percentage of food purchased by a typical family respectively on the ration, on the free market and on the Black Market.

II - CLOTHING

The table covering this category is attached as Appendix B - Fig.8. In preparing the table, we included such items as are necessary and obtainable at the present time. Certain articles of clothing which are temporarily unobtainable have, for the purpose of the table, been substituted by items which correspond as nearly as possible with the original types.

Fig.9

Explanation	June 1943	SepT.1943	Dec.1943	Mar.1944
Weekly expense	108.65	162.47	259.16	545.32
Index using June as 100.-Increase is	100.	149.5	238.5	501.9
Index using Sept.as 100.-Increase is		100.	159.5	335.6
				1411

III. RENTALS

As rents were frozen by the Italian Government in 1940, this cost has remained the same. An average four rooms house or apartment has been used as a basis for this study.

Aver. Annual rental per room	Lit. 600.00
x 4	
Aver. Annual rental for 4 rooms	2400.00
Apartment tax at 6%	144.00
Garbage removal tax	25.00
Total annual cost	2569.00
Weekly cost	49.27

Fig. 10

Rental	<u>Rental index</u>			
	June 1943	Sept. 1943	Dec. 1943	March 1944
Weekly expense	49.27	49.27	49.27	49.60
Index using June as 100.-increase is	100.	100.	100.	100.60
Index using Sept. as 100.-increase is		100.	100.	100.60

The increase in the March column is due to a 10% increase in the garbage disposal tax.

See Chart Appendix C -- Fig. 11

1410

IV. HEATING AND LIGHTING

The average amount of gas used for cooking is 365 Cu.M. per annum, electric power for illumination is 78 kWh. No heating expense has been considered because due to climatic conditions most houses are not equipped for this purpose. Gas service was completely

disrupted by the Germans in September as well as a proportion of the electricity services, therefore for cooking purposes Charcoal had to be employed whereas for illumination many resorted to the use of candles. Prices for both these items are high.

See appendix "D" for chart on Heat and Light, Fig.12

Fig.13 • Heat and Light Index

Description	June 1943	Sept. 1943	Dec. 1943	March 1944
Weekly expense	8.94	34.02	72.20	66.73
Index using June as 100.-increase is	100.	380.5	807.06	768.70
Index using Sept. as 100.-increase is		100.	212.20	202.00

V. MISCELLANEOUS EXPENSES

This category covers expenses for travel, insurance, school, replacement of household articles etc., and medical expenses. Medical expenses have been based on 10 physician calls annually for the family.

See Appendix "E" Fig.14

Fig. 15

Miscellaneous expense Index

Description	June 1943	Sept. 1943	Dec. 1943	March 1944
Weekly expenses	61.42	67.16	139.98	207.34
Index using June as 100.-increase is	100.	109.3	227.9	337.5
Index using Sept. as 100.-increase is		100.	208.4	308.7

From the foregoing information and the comprehensive chart attached as appendix "F" Fig. 16, it will be seen that the cost of living has risen steadily since June 1943. The conclusions drawn are not pleasant particularly from the standpoint of the salaried employee, whose earnings have risen but slightly in ratio to the rise in the cost of living. Officially only a 70% increase in wages has been authorized. On the other hand the uncontrolled spending of Allied Military Personnel has pumped huge quantities of money into the markets and so into the hands of civilians whose earnings have in proportion increased with the sale of goods at high prices; and this fact is in great part responsible for the inflationary tendencies so evident in the cost of living. Yet a factual view of the situation as a whole discloses encouraging aspects. Study of chart 16, Appendix "A" will enable you to appreciate this statement. For precipitate as may have been the rise in living costs over the total period from June 1943 through March 1944, it is important to note that for the period from Sept. 1943

through March 1944 the rise levels off markedly. In terms of percentage this change in the trend is, if anything; impressive.

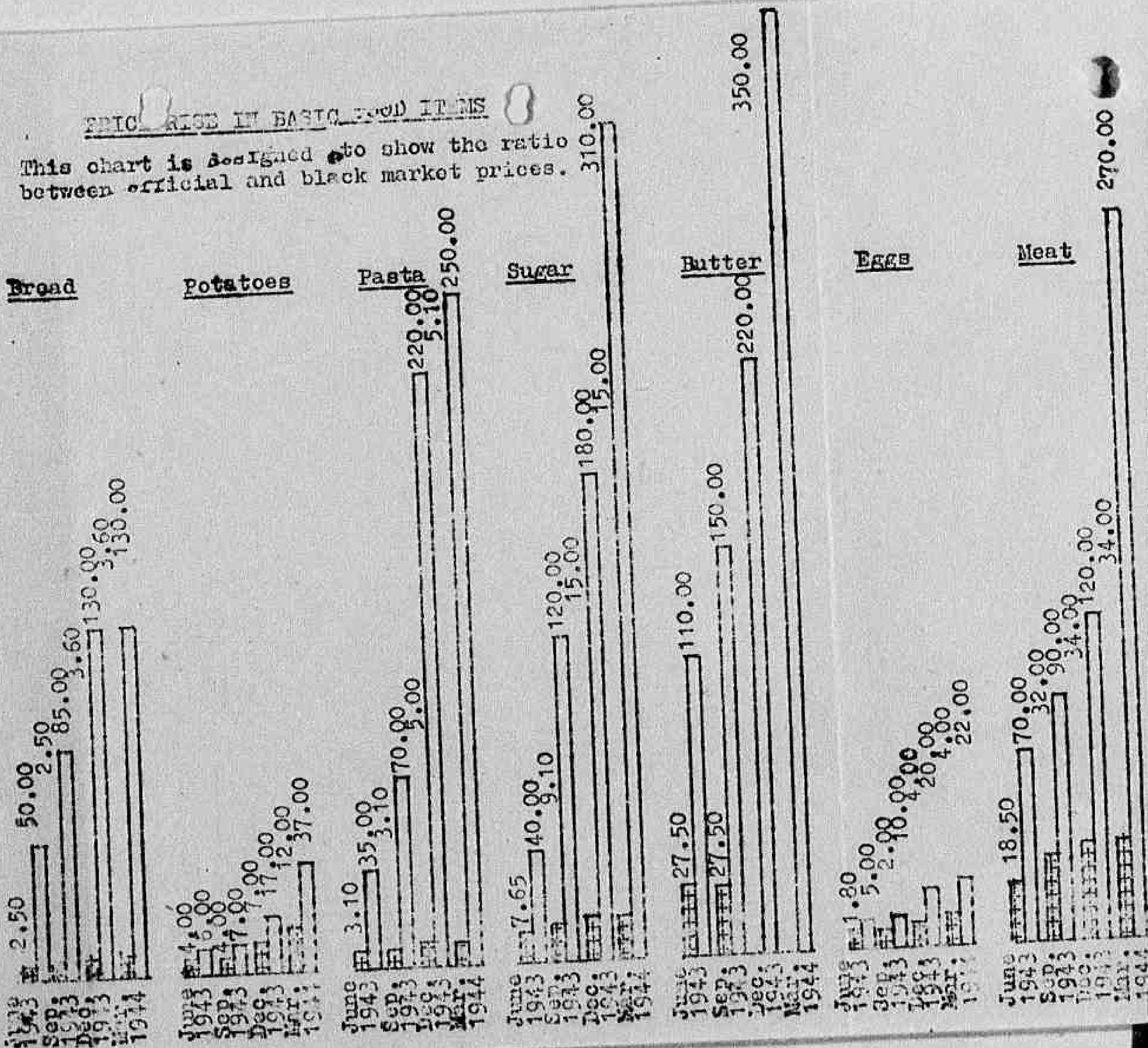
Rise in living costs

June 1943 through March 1944	320.7%
Sept. 1943 " March 1944	133.4%

A more favorable picture than that shown by these figures, emerges if one retains the basic idea underlying the study. For while prices of individual items show marked increases a closer analysis discloses, that basing costs on the Naples City Plan which concerns itself only with minimum requirements, the category of food comprises 66% of the total family expenditure. Obviously if the limits of this Plan's requirements are exceeded either by supplementing the planned ration or purchasing substitutes of higher quality and/or quantity merely to gratify individual desires, the resultant price trend would assume an inflationary aspect. But if viewed within the scope of this plan, and more generally against the historic background of similar conditions elsewhere, resulting after other wars, the situation presented in the foregoing study is not alarming.

PRICE RISE IN BASIC FOOD ITEMS

This chart is designed to show the ratio between official and black market prices.

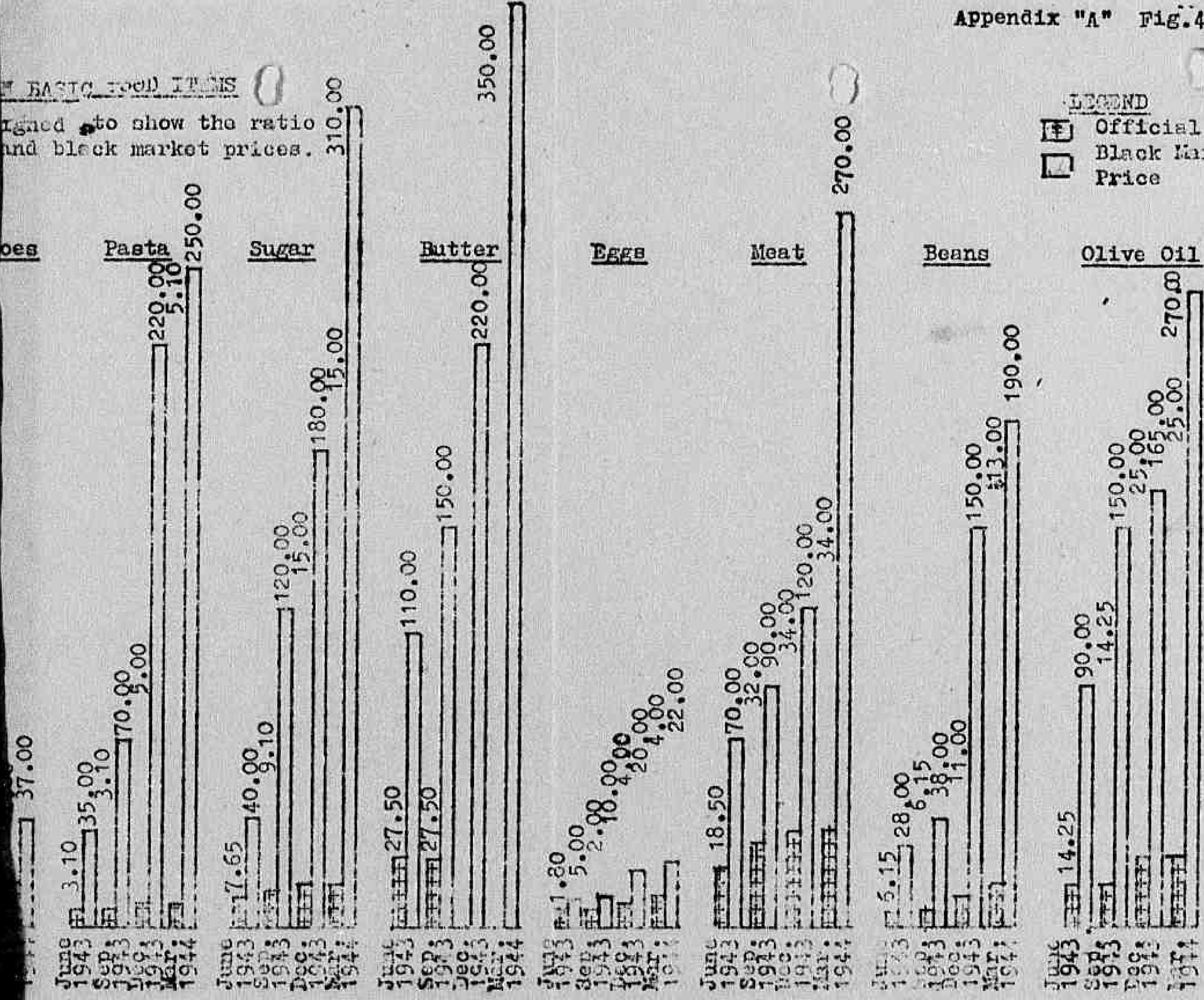


Appendix "A" Fig. 4

BASIC FOOD ITEMS

igned to show the ratio
and black market prices.

LEGEND
☒ Official Price
☐ Black Market Price



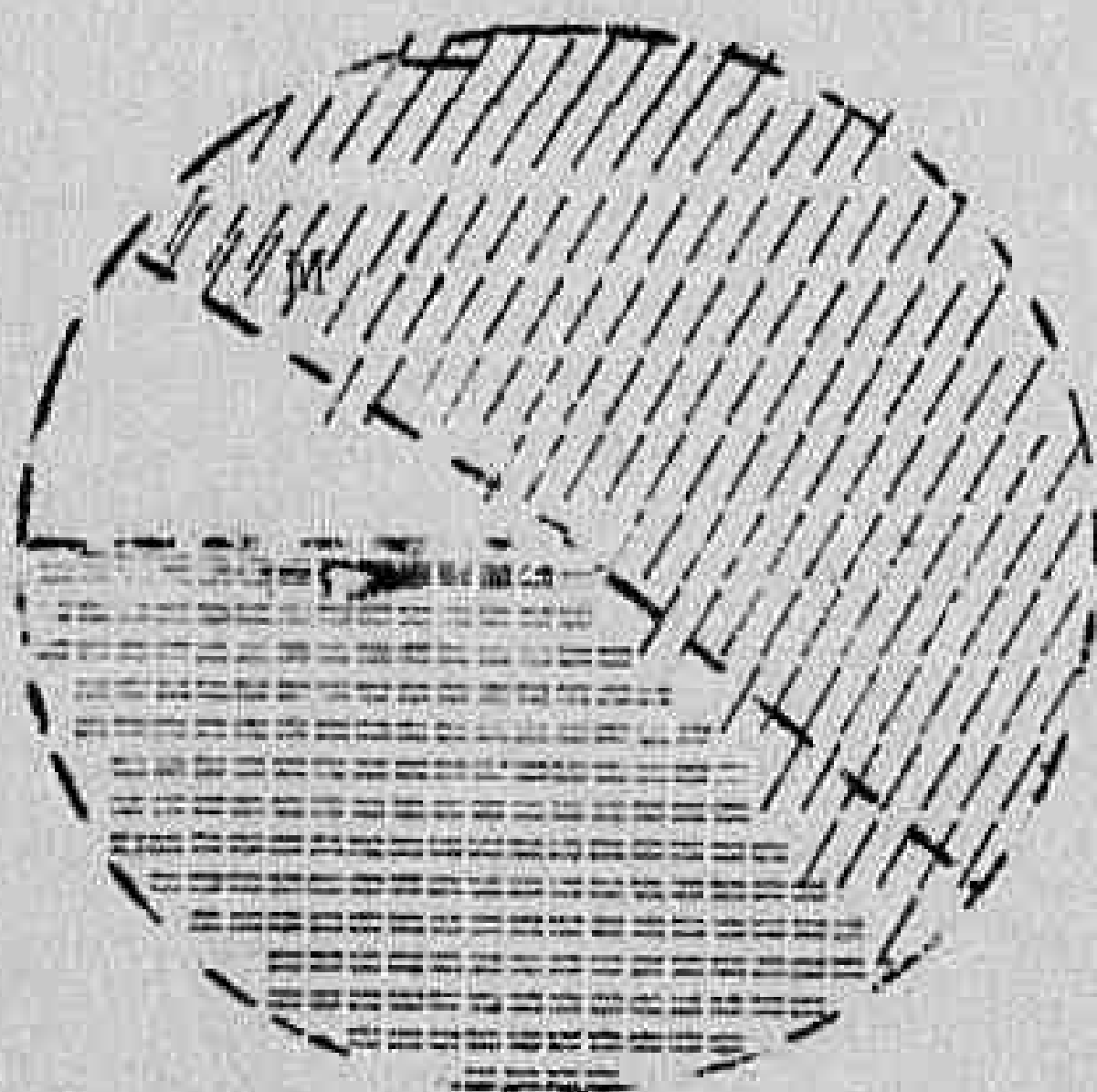
SALES VALUES OF FOODS

This chart is designed to show the relative percentage of foods purchased through "i" in the "Free Market" or "Black Market".

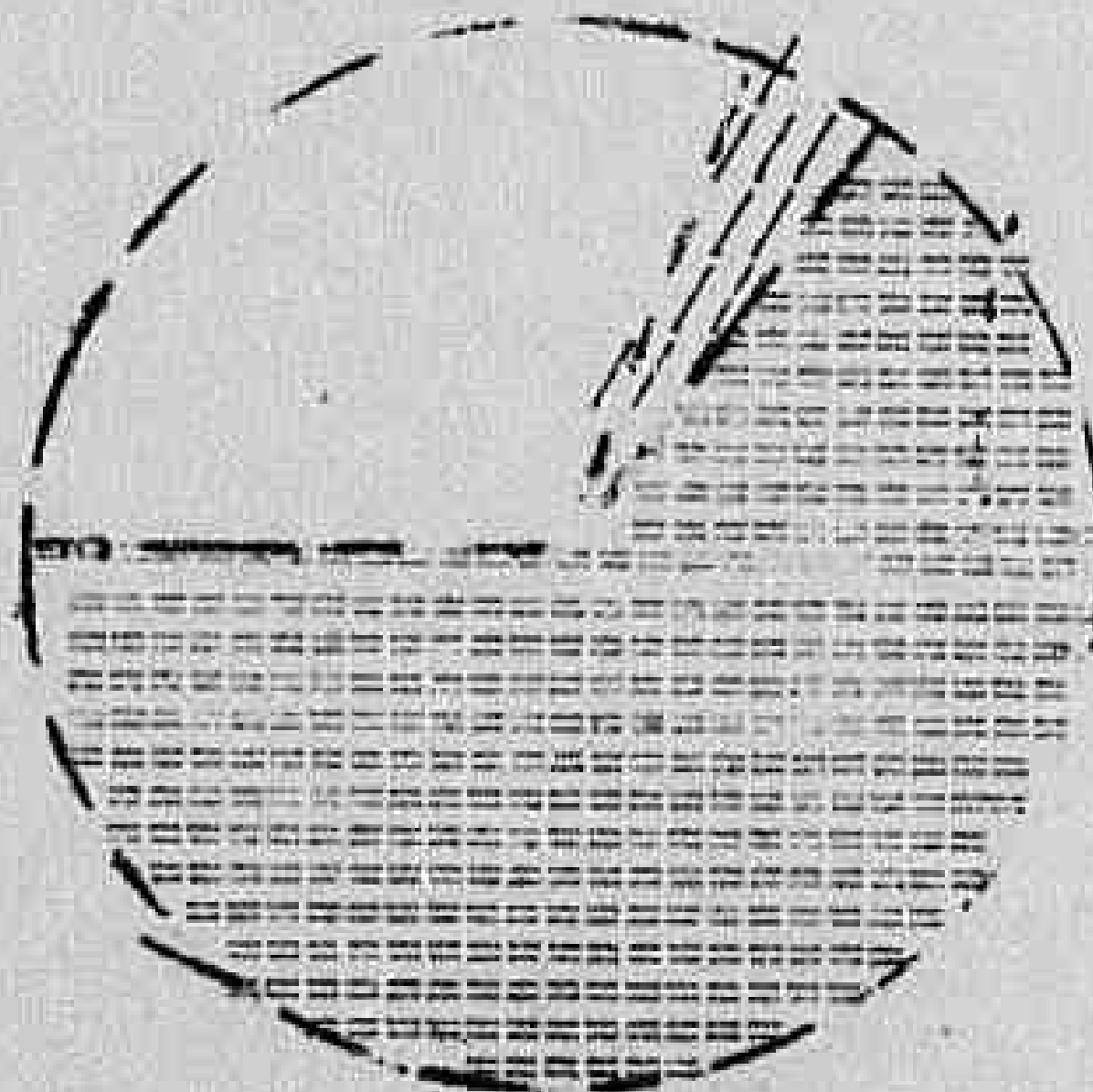
F.M. 8.95%
R. 53.03%
B.M. 38.02%

F.M. 29.24%
R. 2.34%
B.M. 68.42%

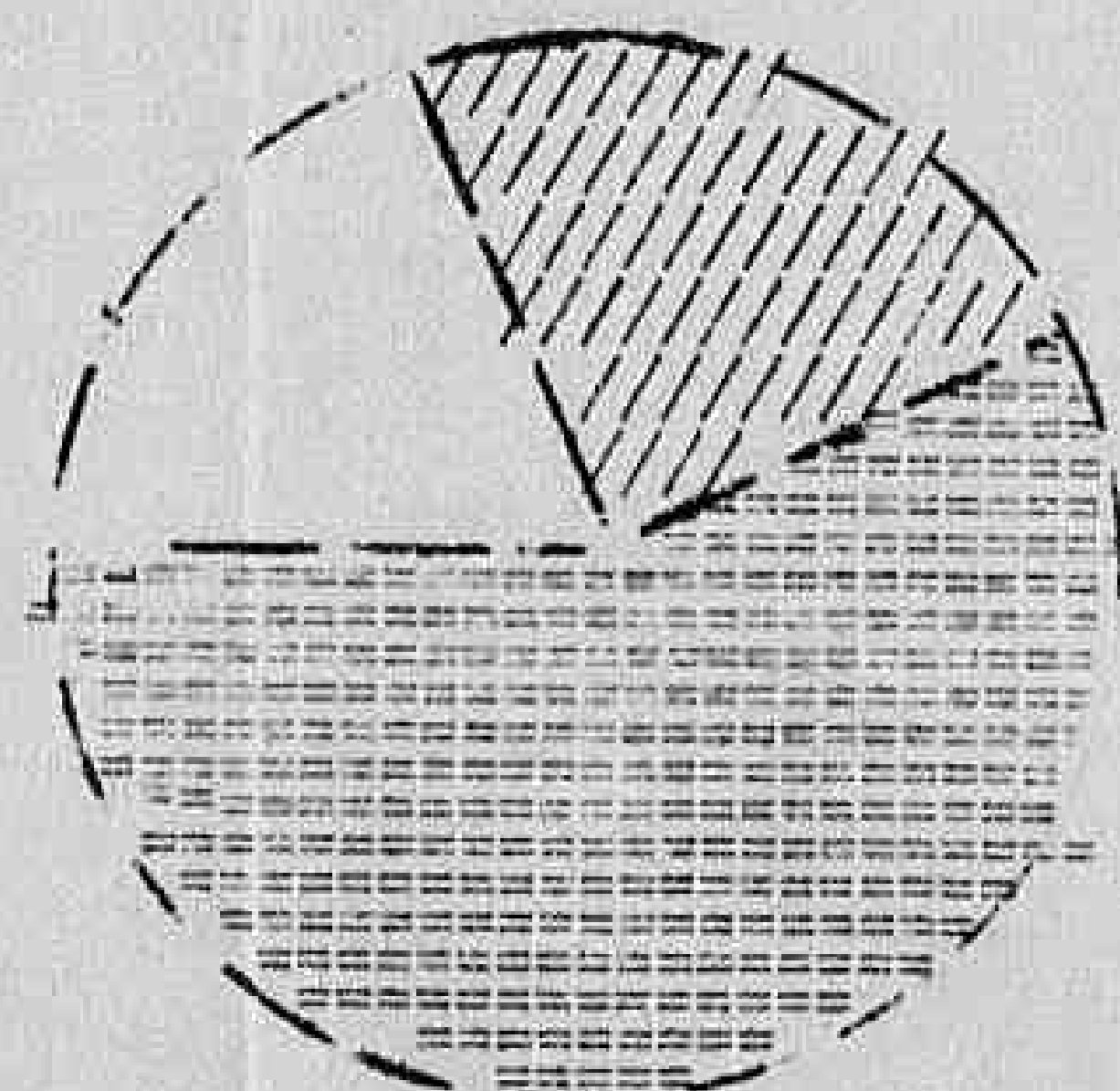
F.M. 20.93%
R. 23.24%
B.M. 55.83%



June - 1943



Sept. - 1943



Dec. - 1943

LEGEND

F.M. _____ Free Market
R. ||||| Rationed
B.M. ||||| Black Market

CALCULATED VALUES OF FOODS

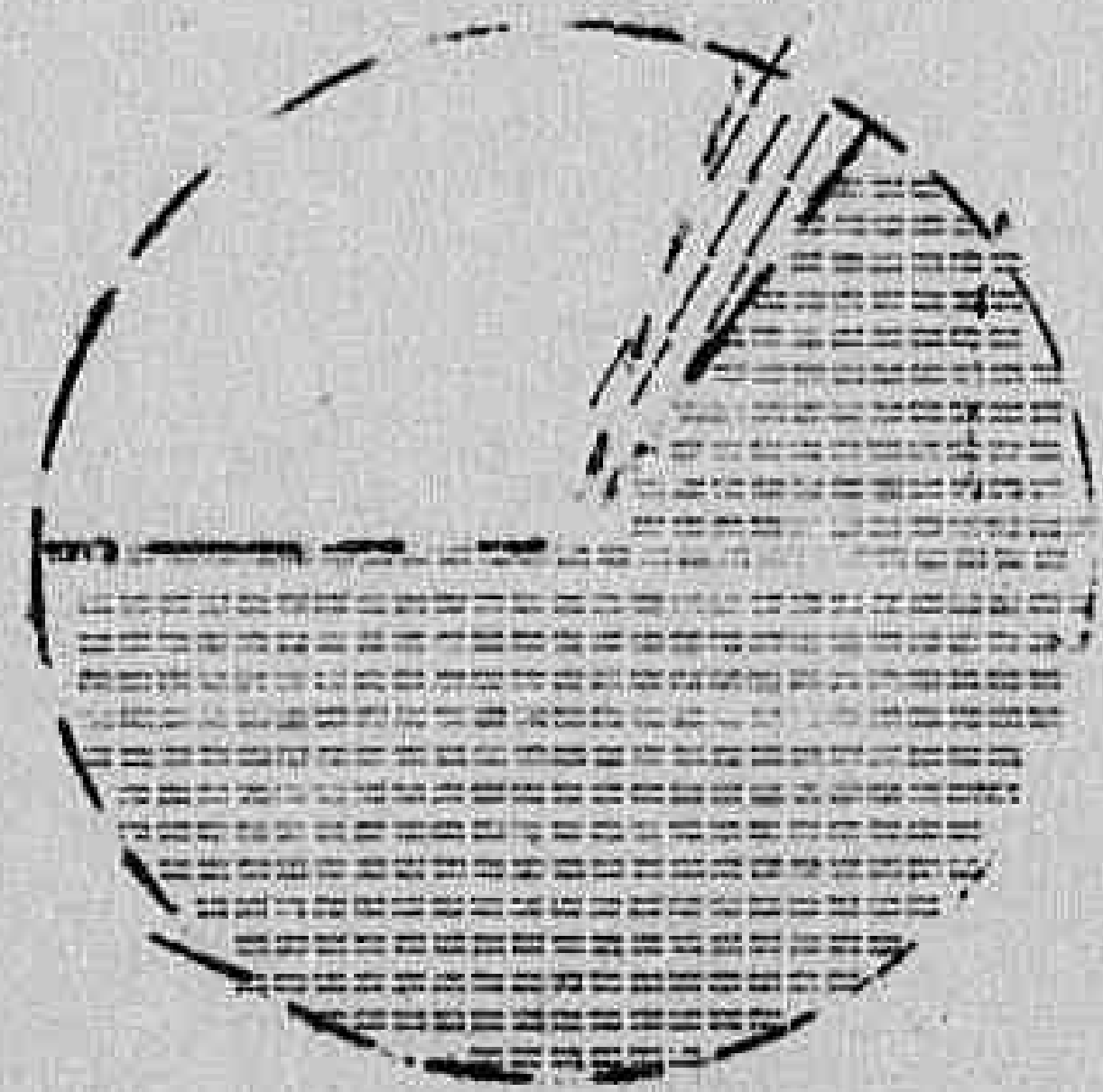
Appendix "A" Fig.5

to show the calculated percentage of foods purchased through "ration"
or "Black Market".

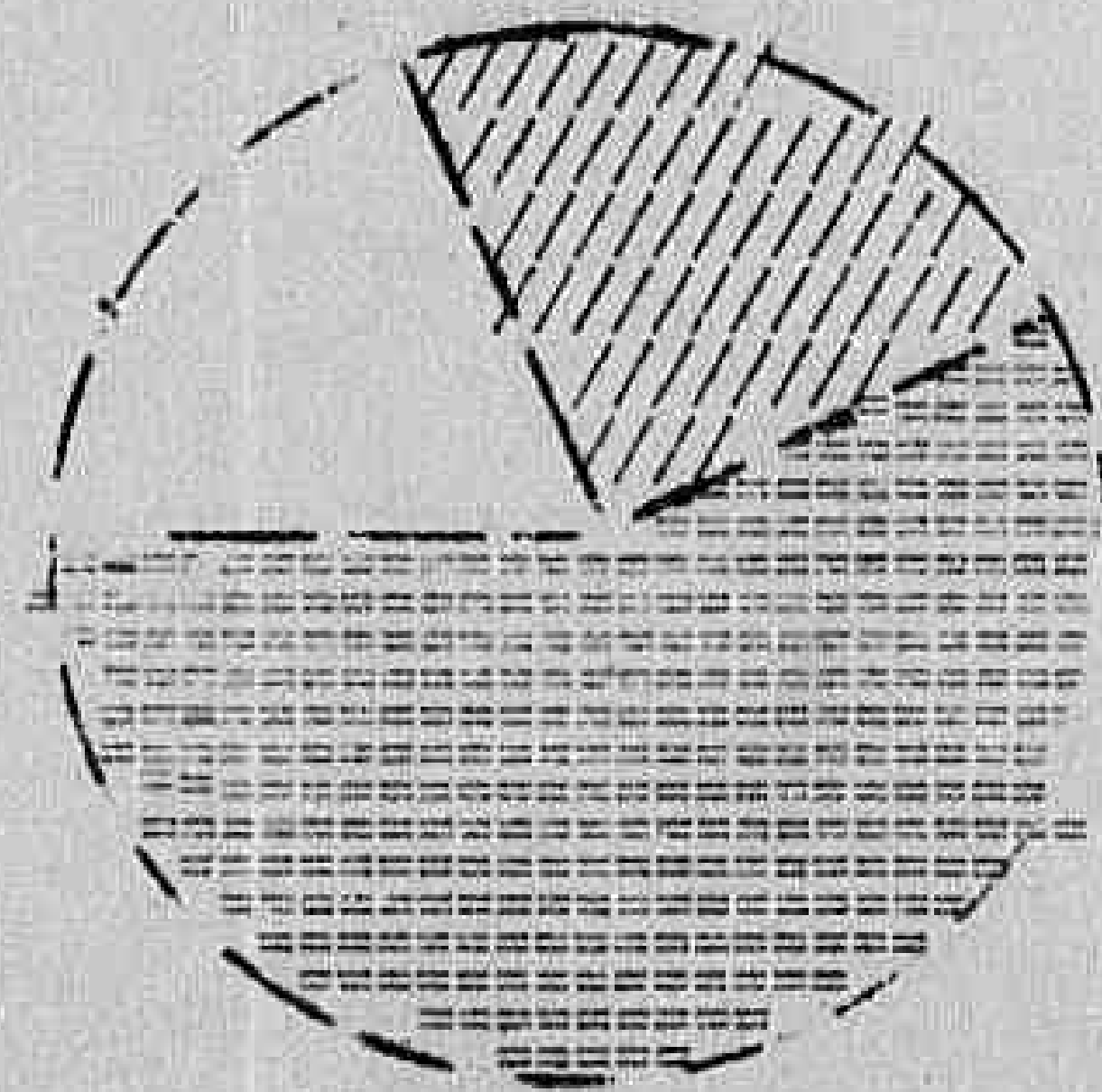
F.M. 29.24%
R. 2.34%
B.M. 68.42%

F.M. 20.93%
R. 23.24%
B.M. 55.83%

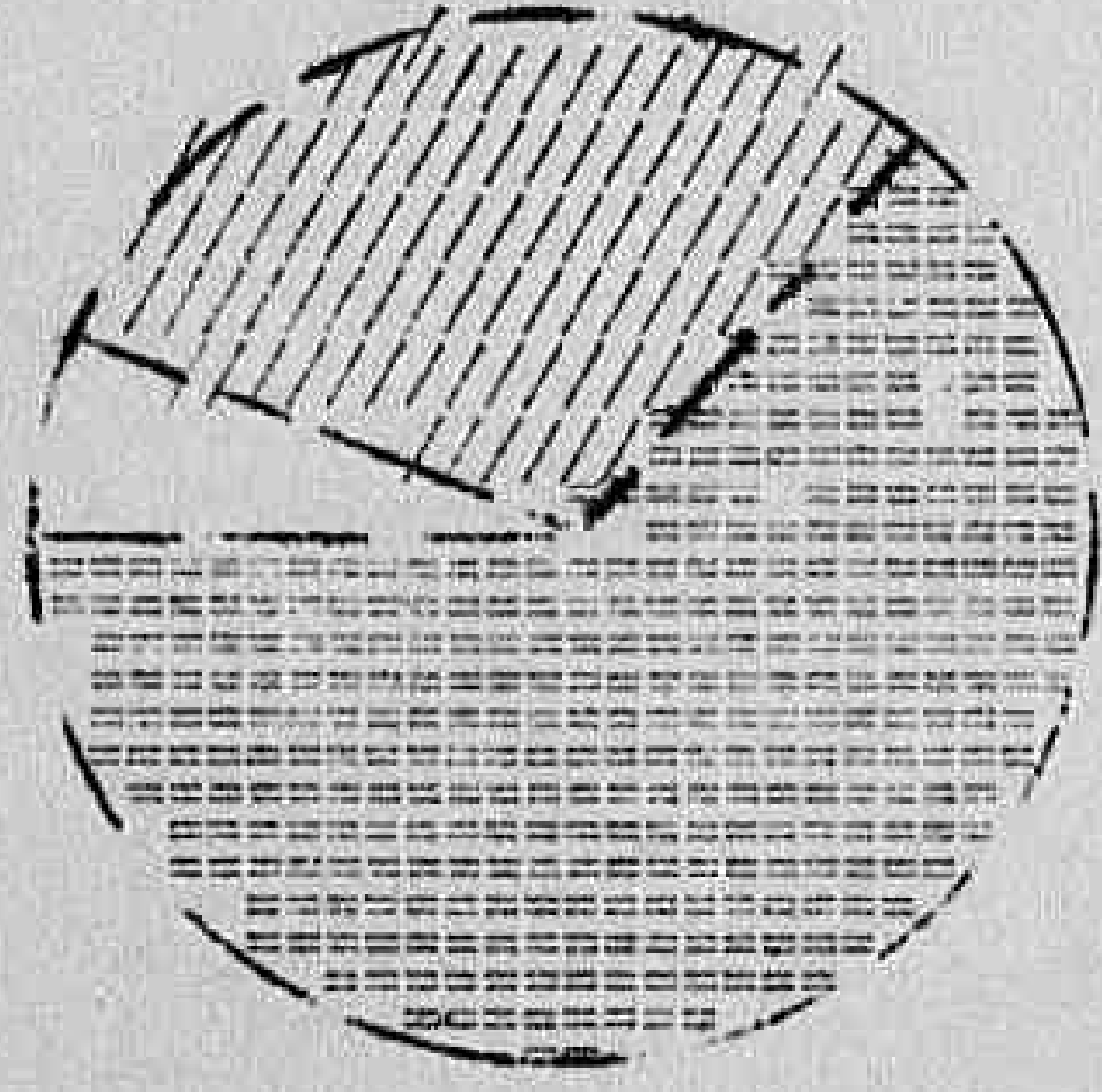
F.M. 6.68%
R. 30.60%
B.M. 62.72%



Sept. - 1943



Dec. - 1943



March - 1944

Market
ned
Market

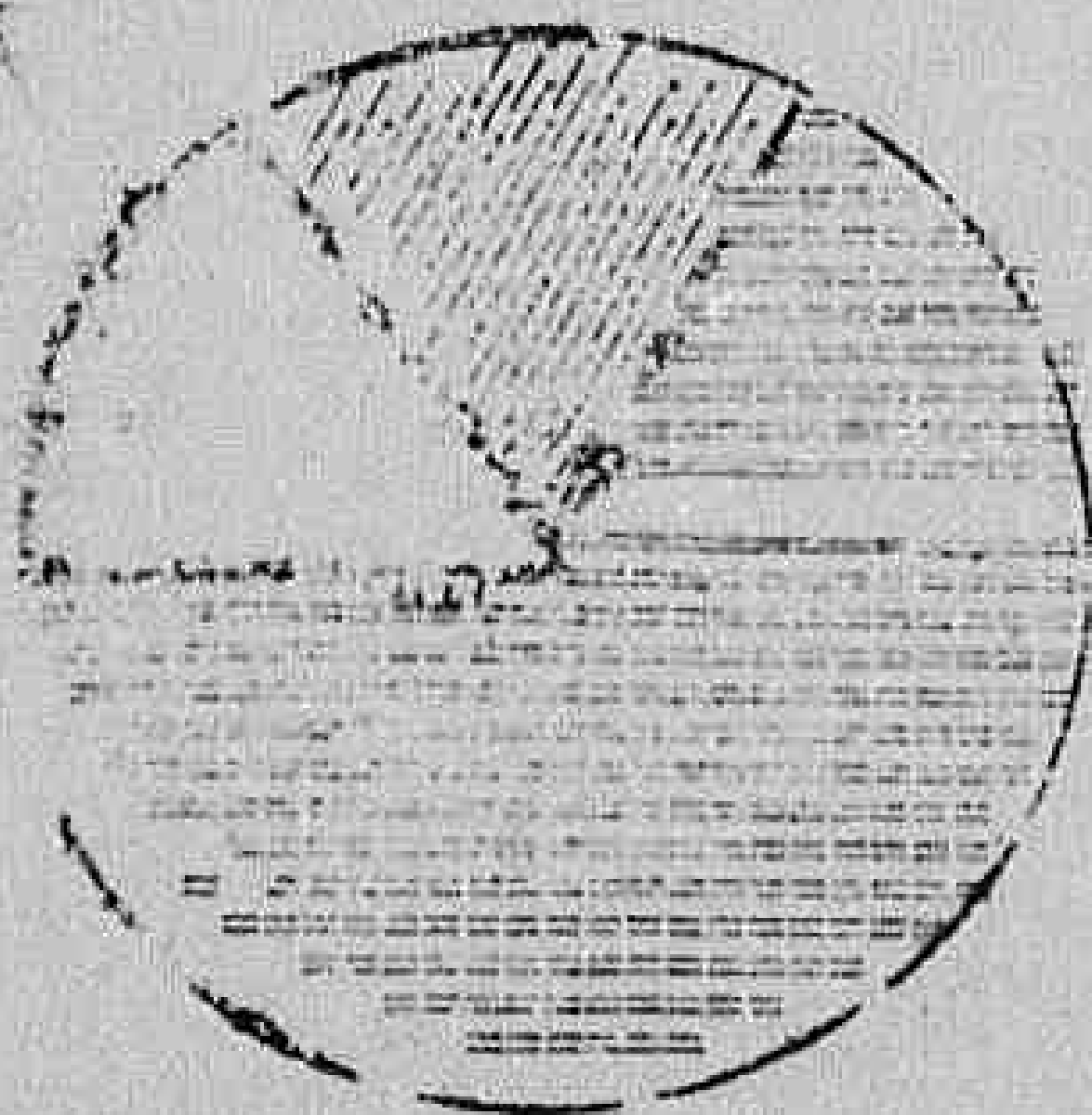
WHERE THE TYPICAL FAMILY PURCHASES

This chart is designed to show the percentage of food purchased either through the RATION or the Black Market.

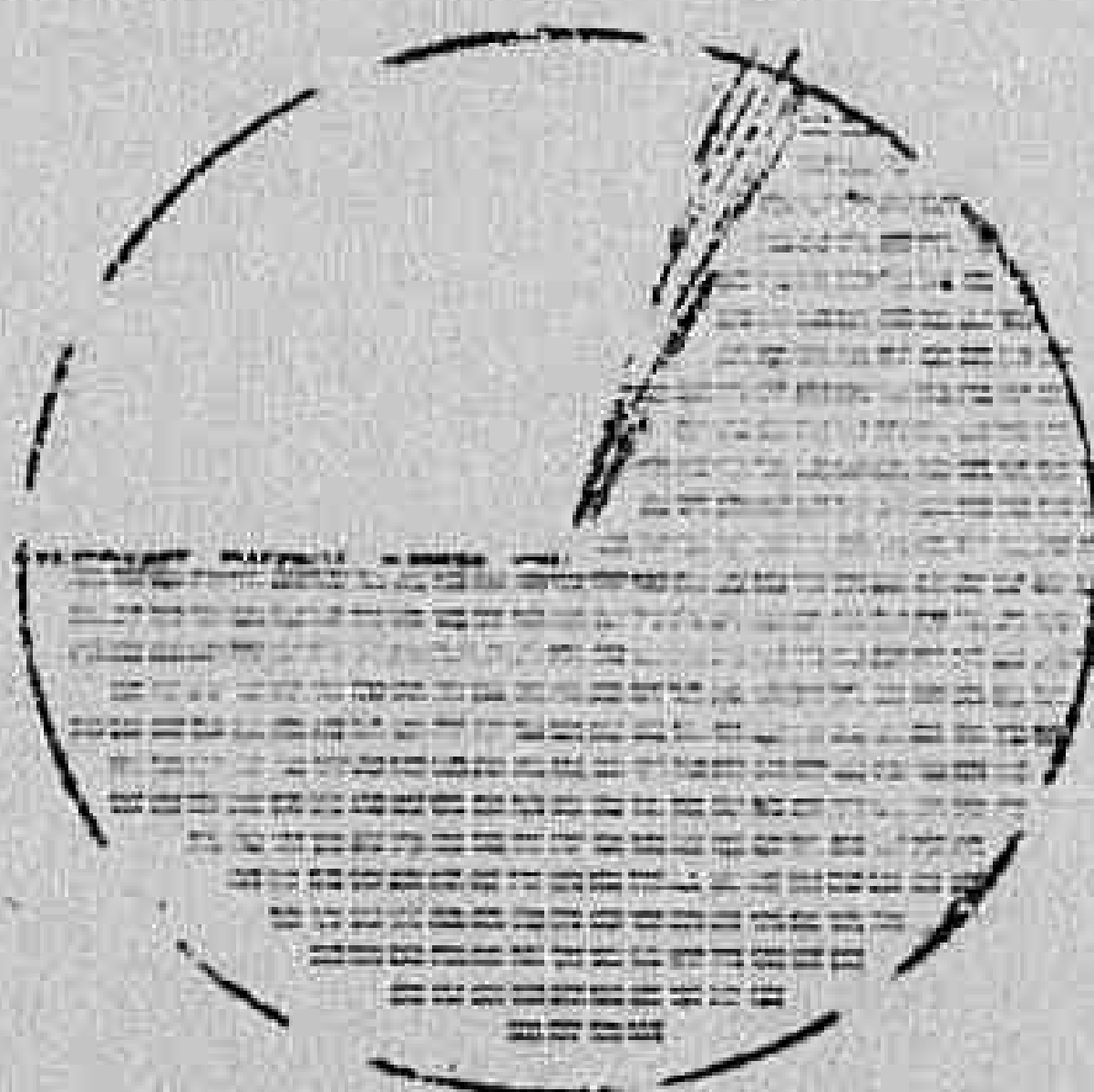
F.M. 12.76%
R. 20.33%
B.M. 66.95%

F.M. 29.00%
R. 1.00%
B.M. 70.00%

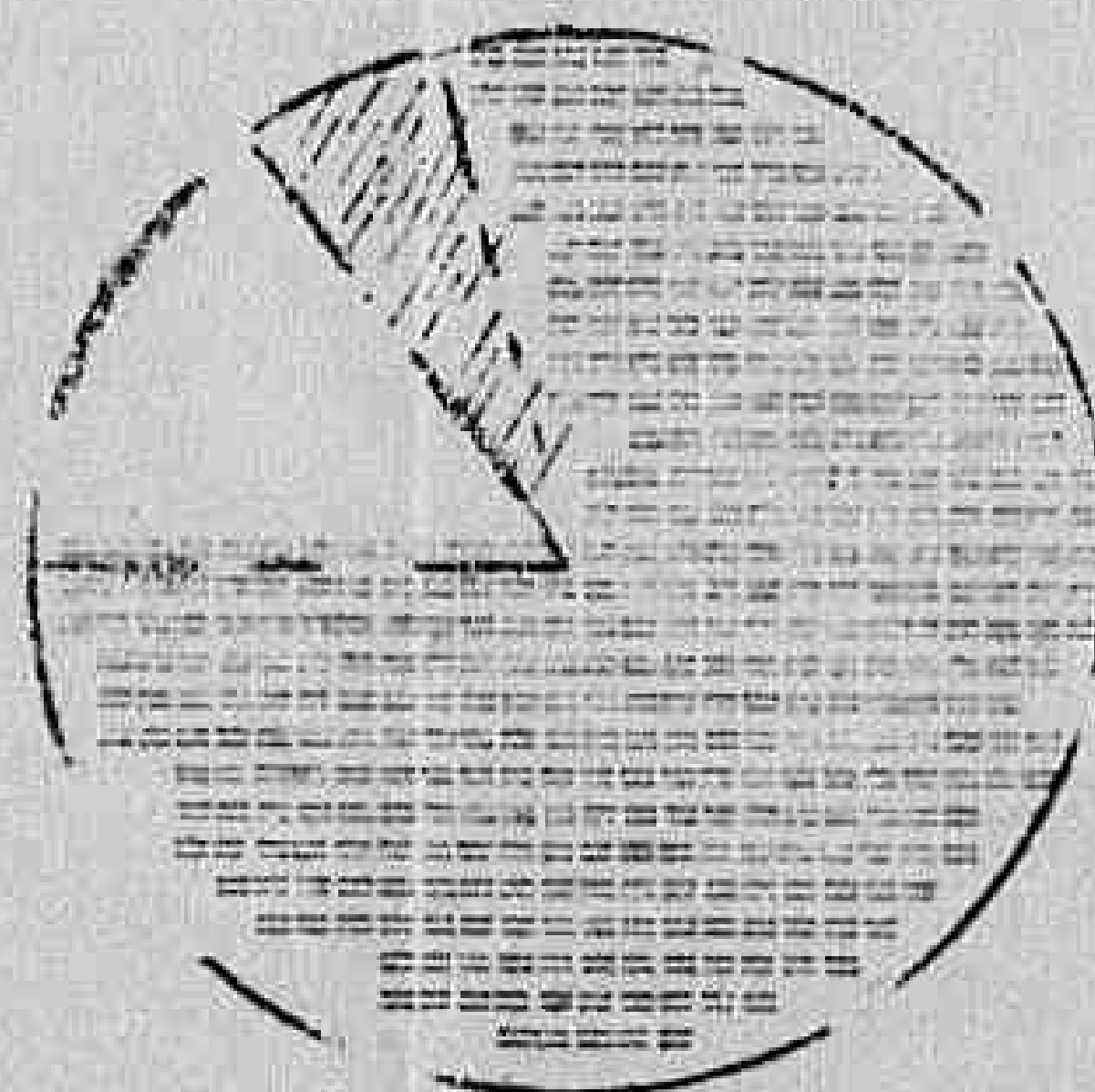
F.M. 16.97%
R. 2.67%
B.M. 80.35%



June - 1943



Sept. - 1943



Dec. - 1943

LEGEND

<u>F.M.</u>		<u>Free Market</u>
<u>R.</u>		<u>Rationed</u>
<u>B.M.</u>		<u>Black Market</u>

Appendix "A" Fig. 7

3

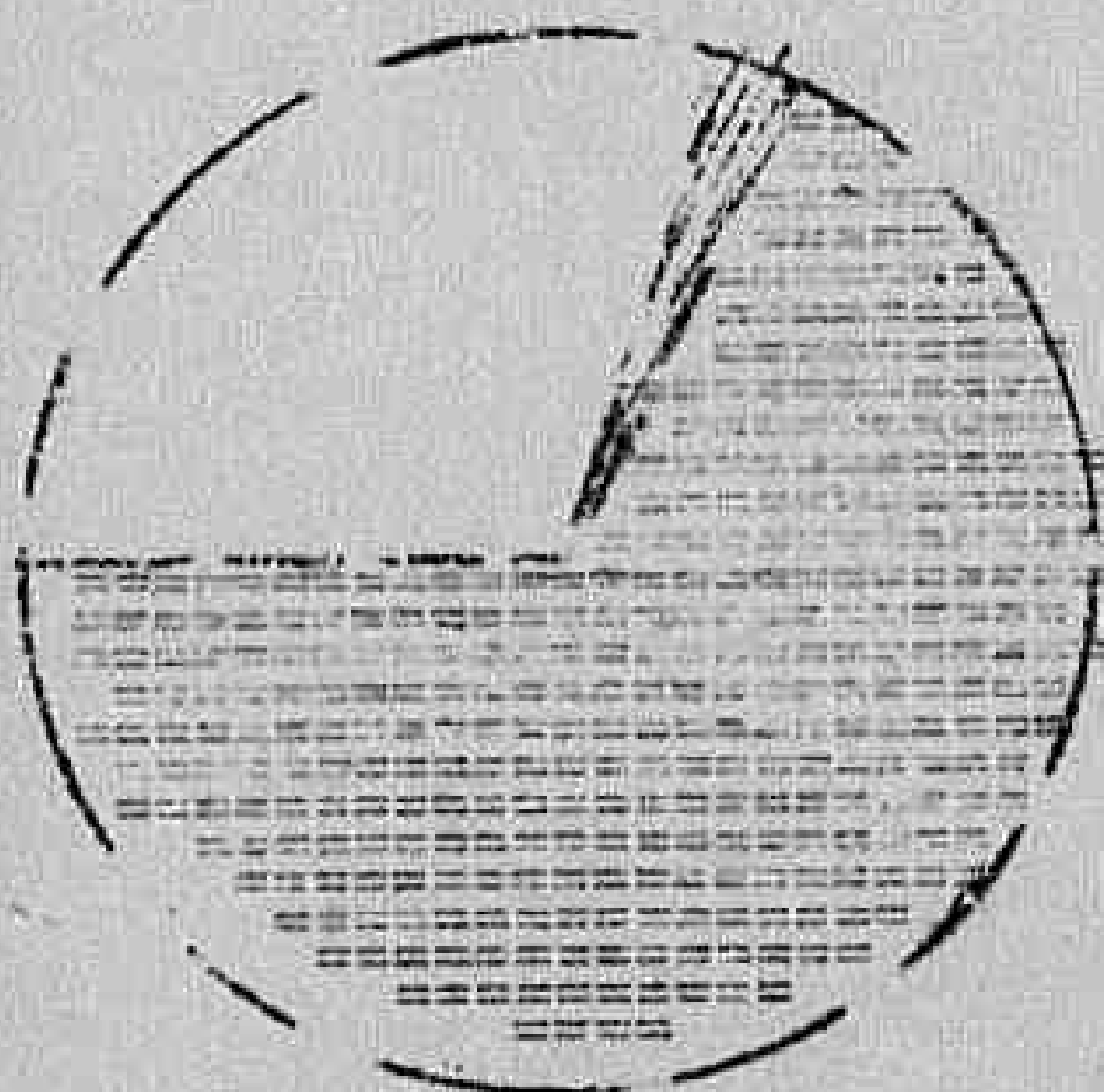
WERE THE TYPICAL FAMILY PURCHASES OF FOOD

and to show the percentage of food purchased either through the RATION, Free Market

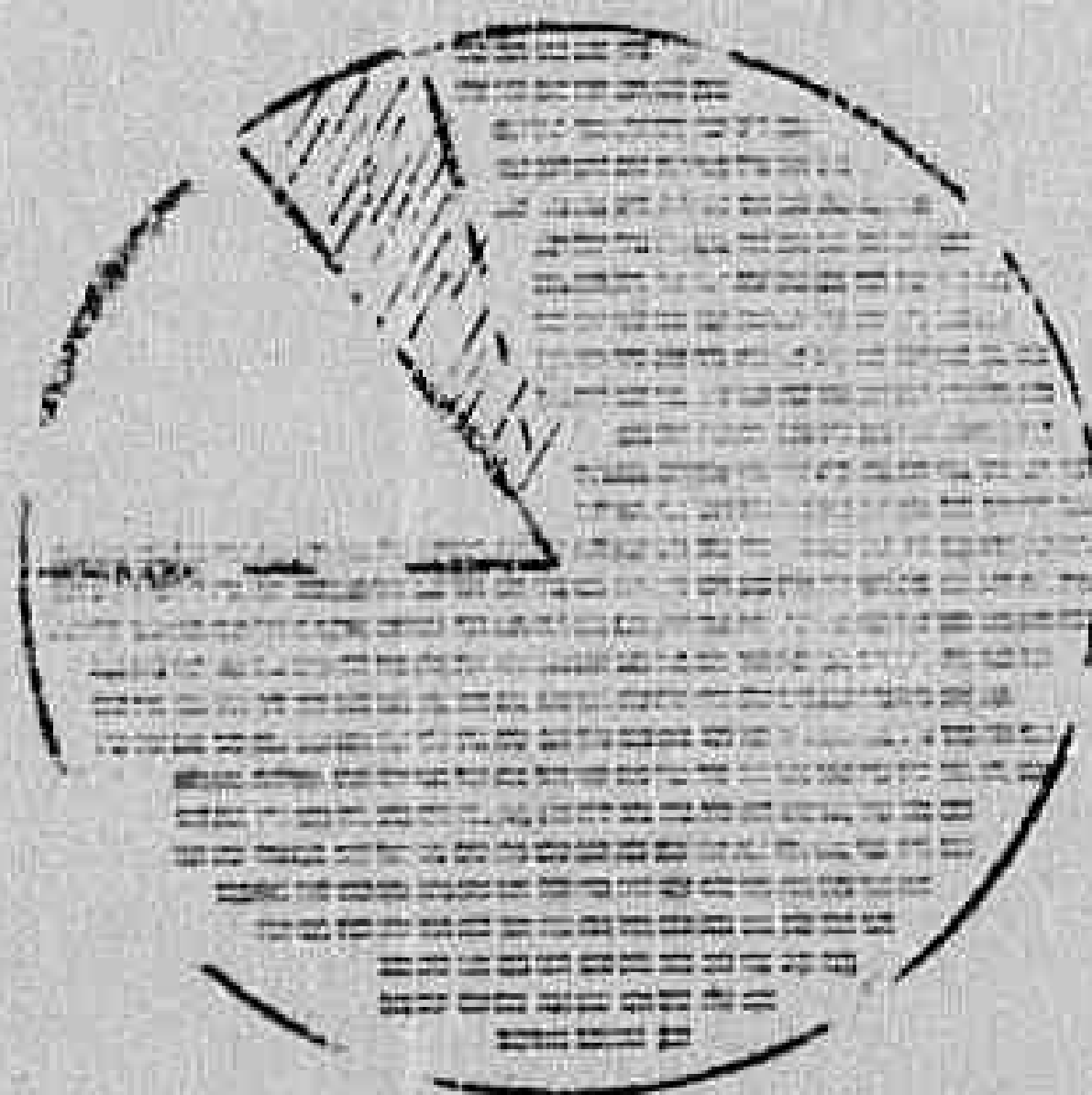
F.M. 29.00%
R. 1.00%
B.M. 70.00%

F.M. 16.97%
R. 2.67%
B.M. 80.35%

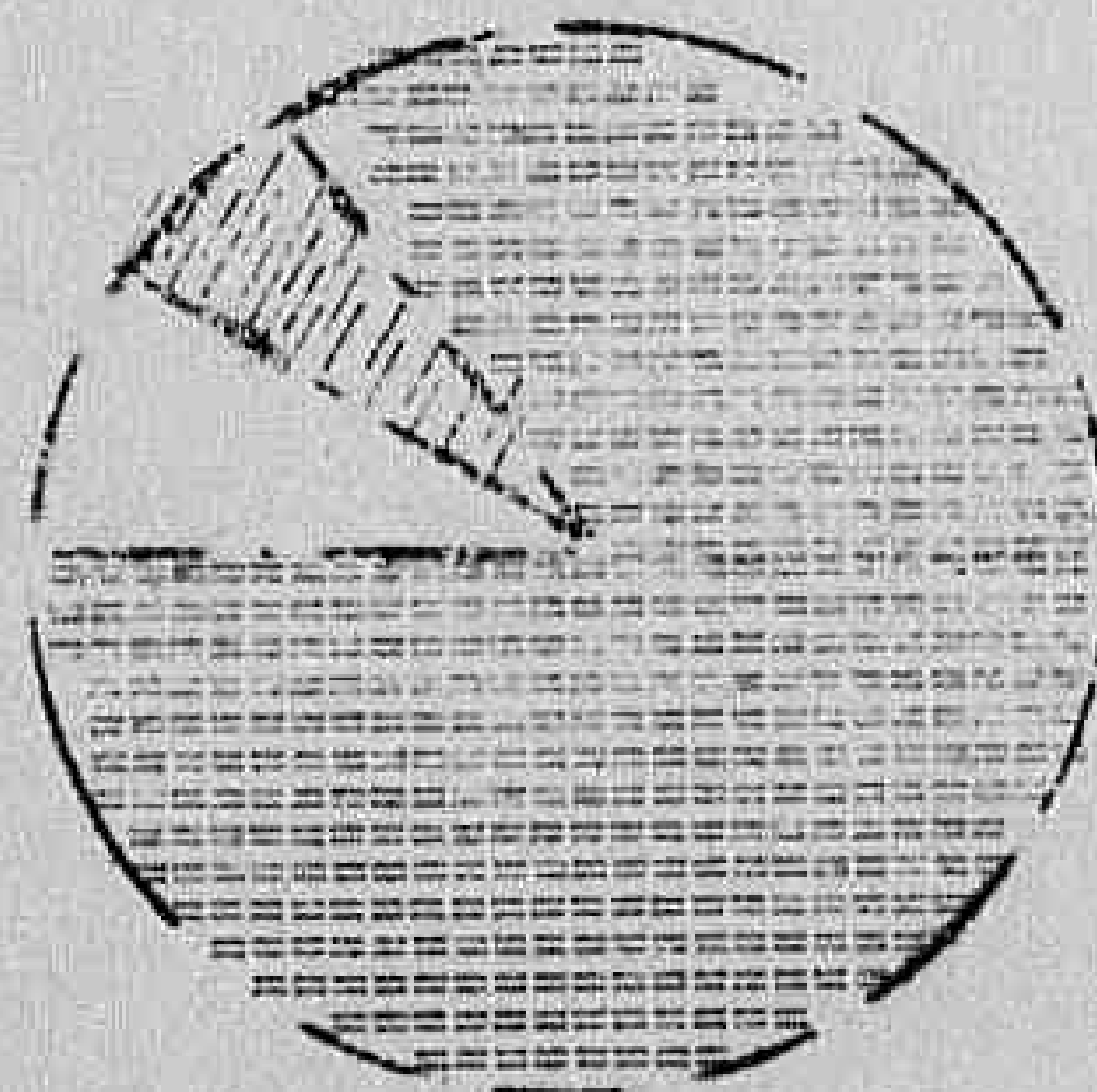
F.M. 9.57%
R. 4.18%
B.M. 86.25%



Sept. - 1943



Dec. - 1943



March - 1944

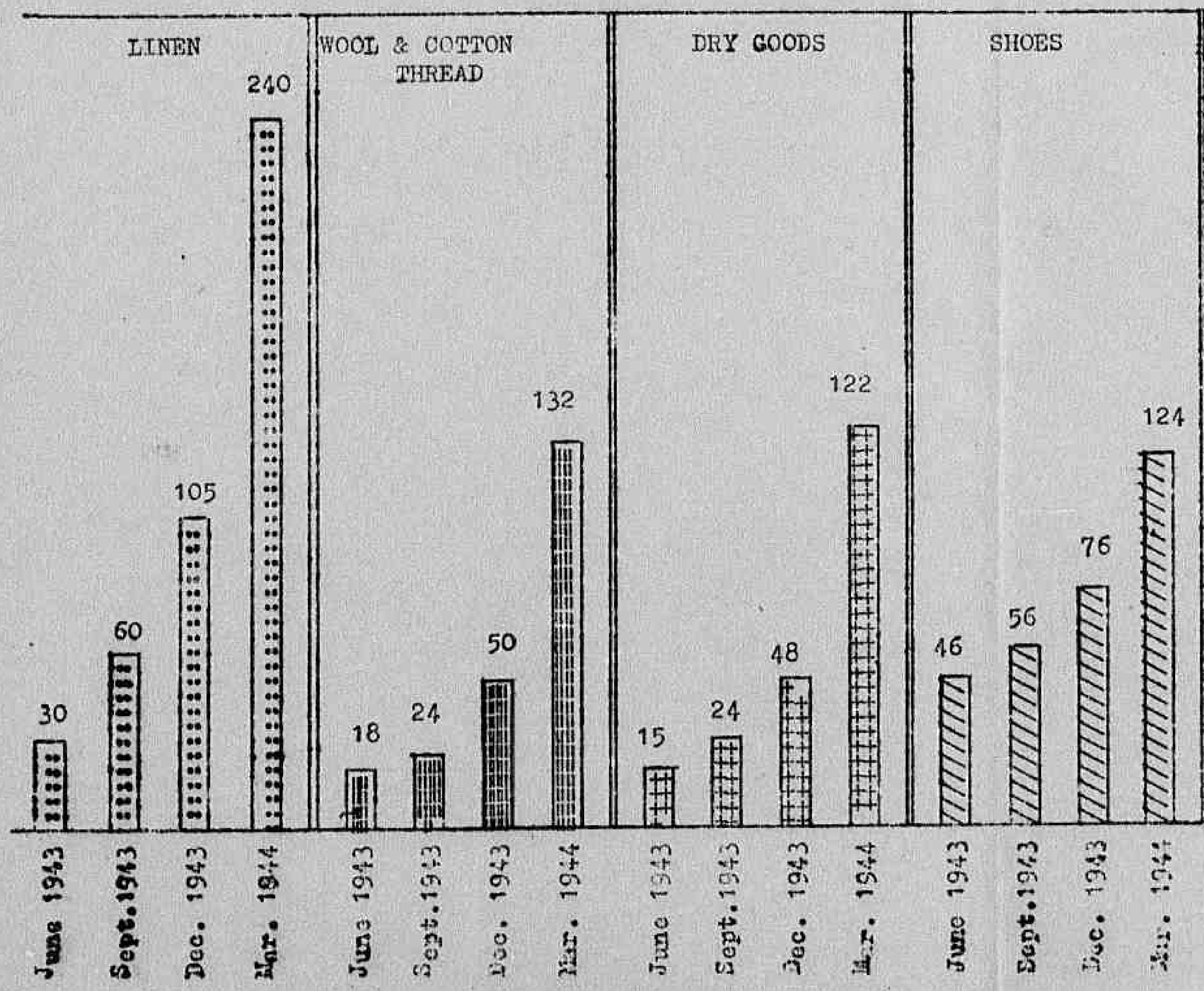
Free Market

rationed

Black Market

CLOTHING EXPENSE CHART

How the weekly cost of various items of clothing in the typical family budget changed during the period from June 1943 to March 1944 (family of 5).



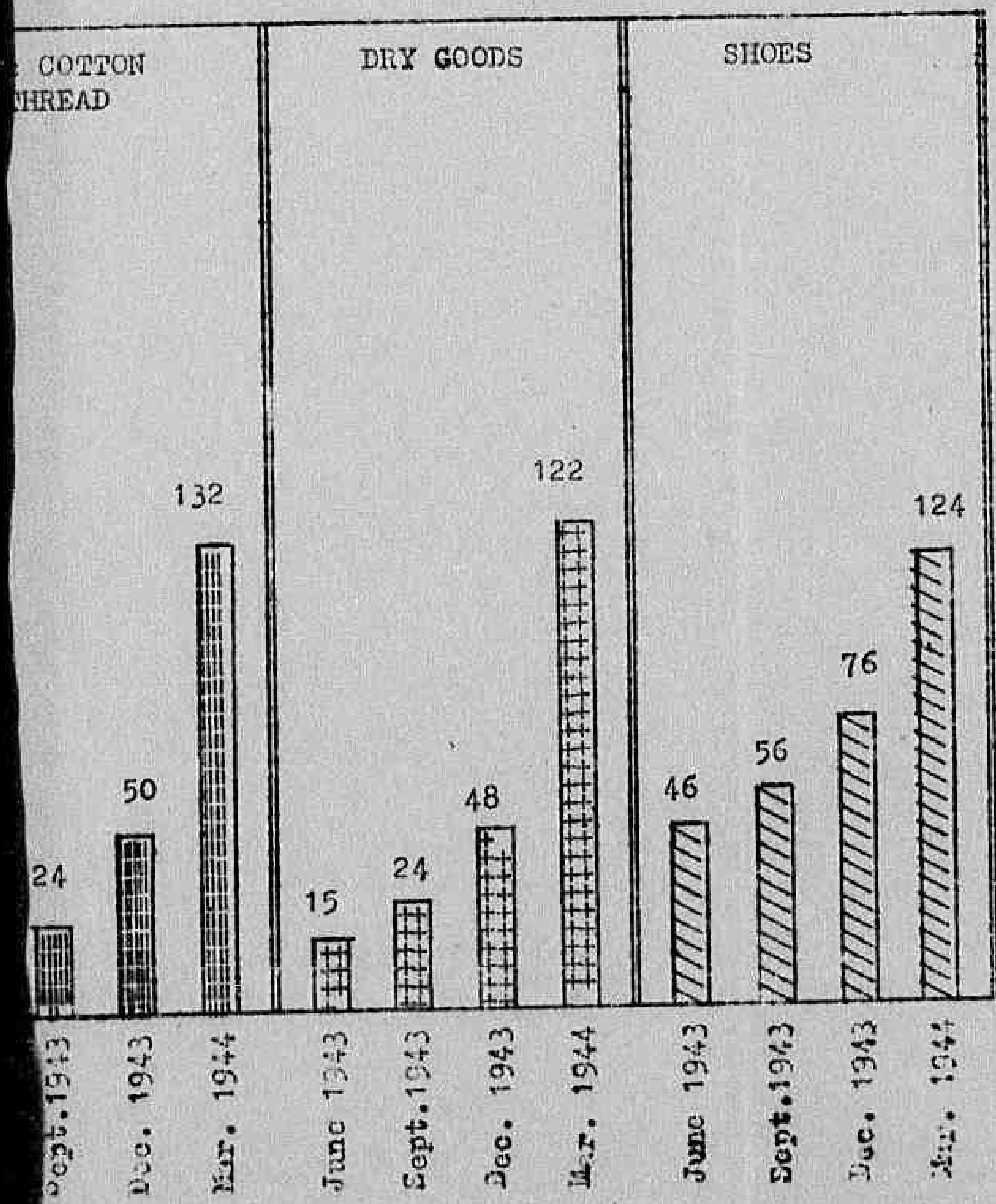
Ap
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NOTE

Sept
June

Appendix "B" Fig. 8

CLOTHING EXPENSE CHART

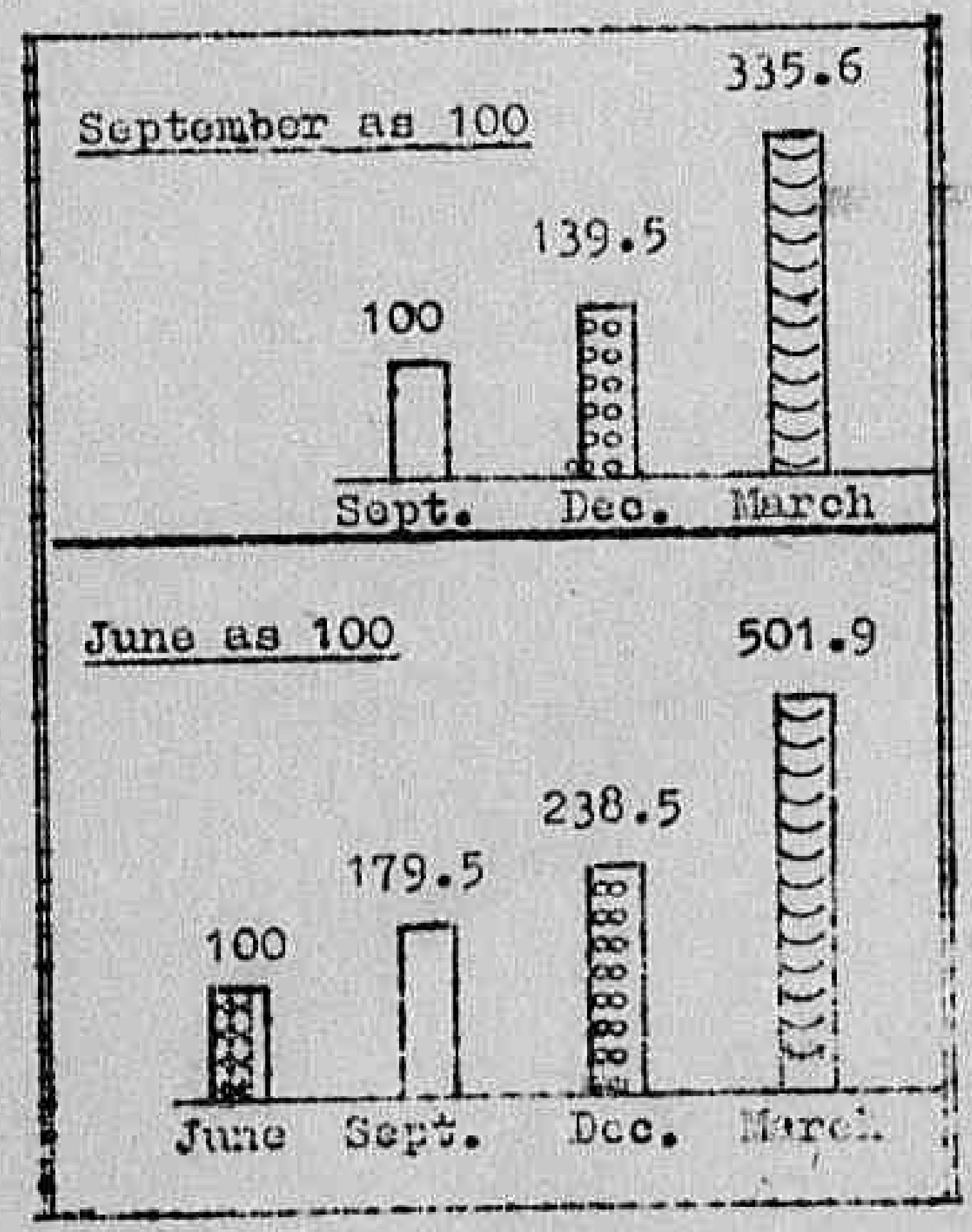
Various items of clothing in the typical family budget from June 1943 to March 1944 (family of 5).



Percentage of increase in the total weekly cost of Clothing Expense items of typical family.

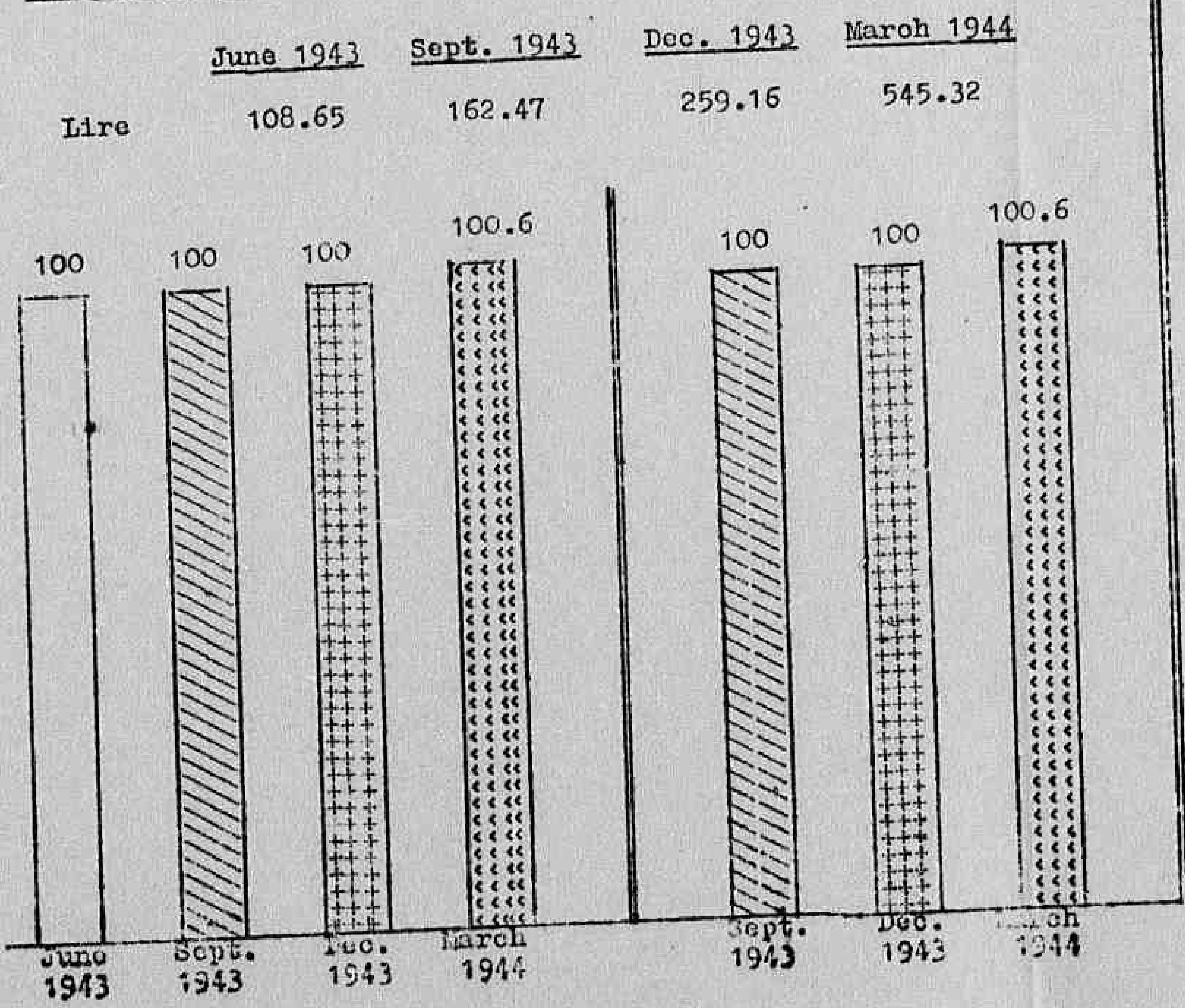
NOTE: June 1943 £. 108.63
 Sept. 1943 £. 162.47
 Dec. 1943 £. 259.16
 Mar. 1944 £. 545.32

I N D E X



RENTAL INDEX

Weekly expense.



NOTE

As rent
the Italian
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An average
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to a 10% in
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RENTAL INDEX

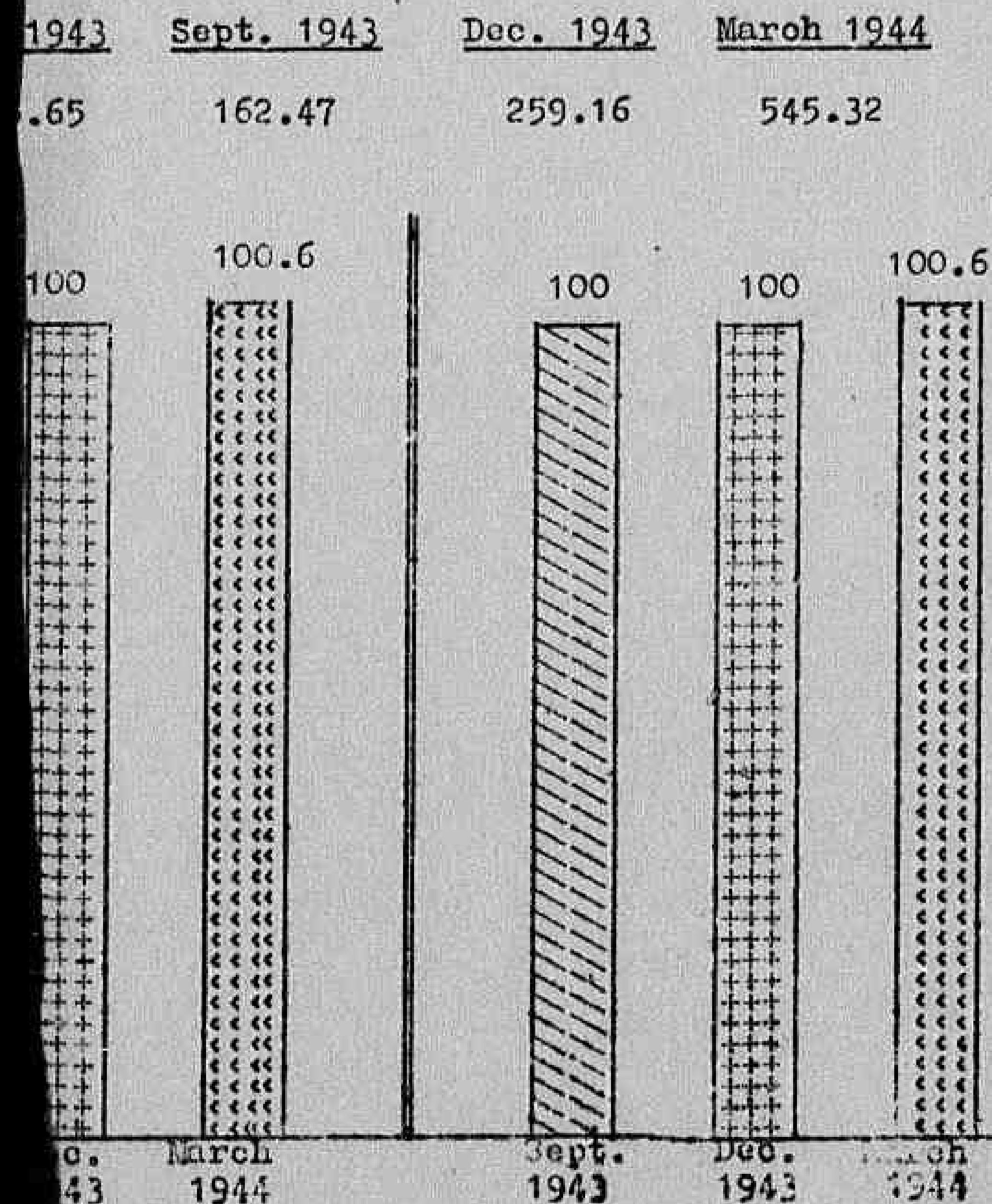
Appendix C. 11

NOTE

As rents were frozen by the Italian Government in 1940 this cost has remained the same.

An average four room apartment has been used as a basis for this study.

The increase in March is due to a 10% increase in the garbage disposal tax.



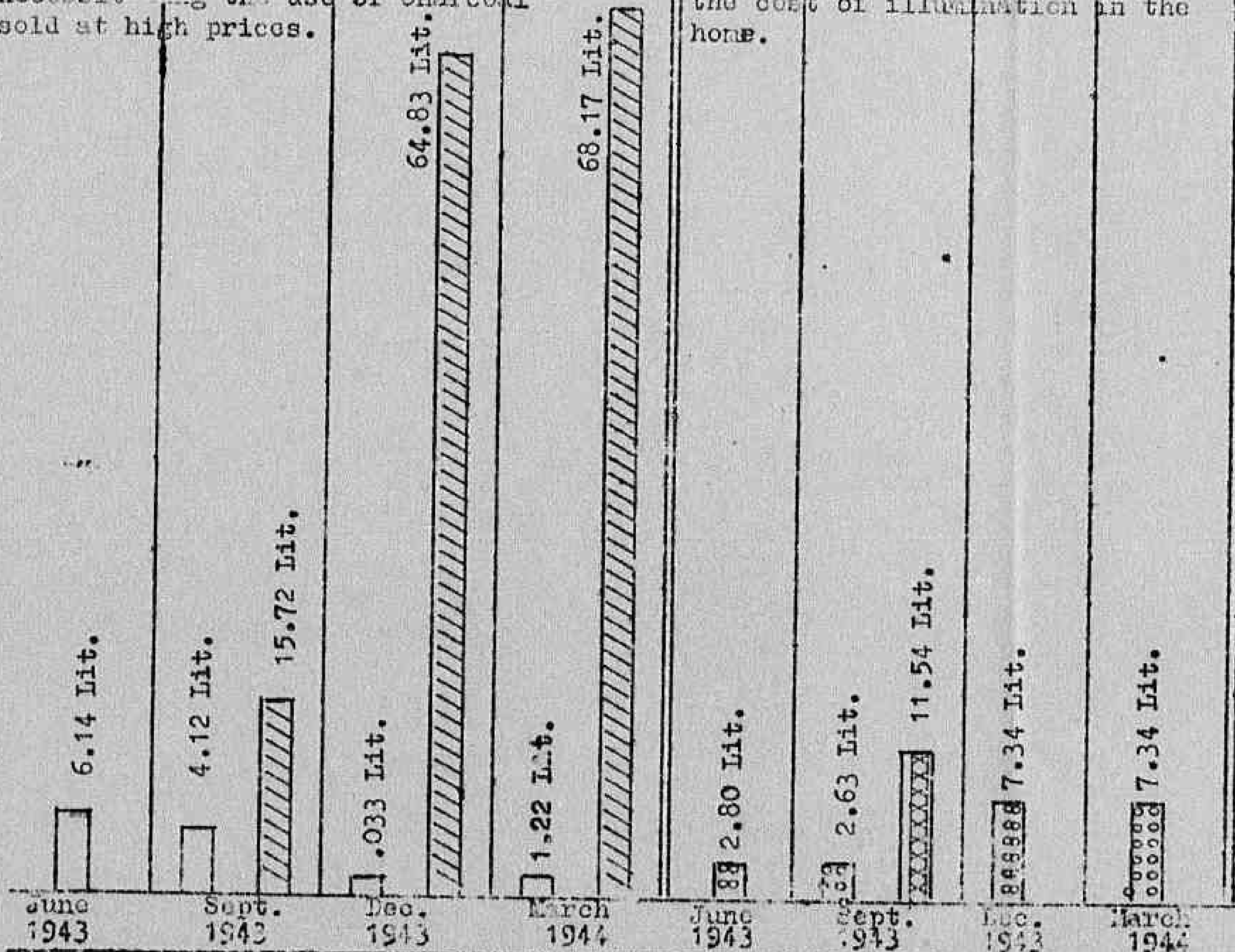
HEAT AND LIGHT EXPENSE CHART

How cost of COOKING for cooking has increased due to disruption of gas services and necessitated the use of Charcoal sold at high prices.

Showing the effect of the resumption of electric service on the cost of illumination in the home.

NOTE:
the t
and l

June
Sept.
Dec.
Mar.



LEGEND

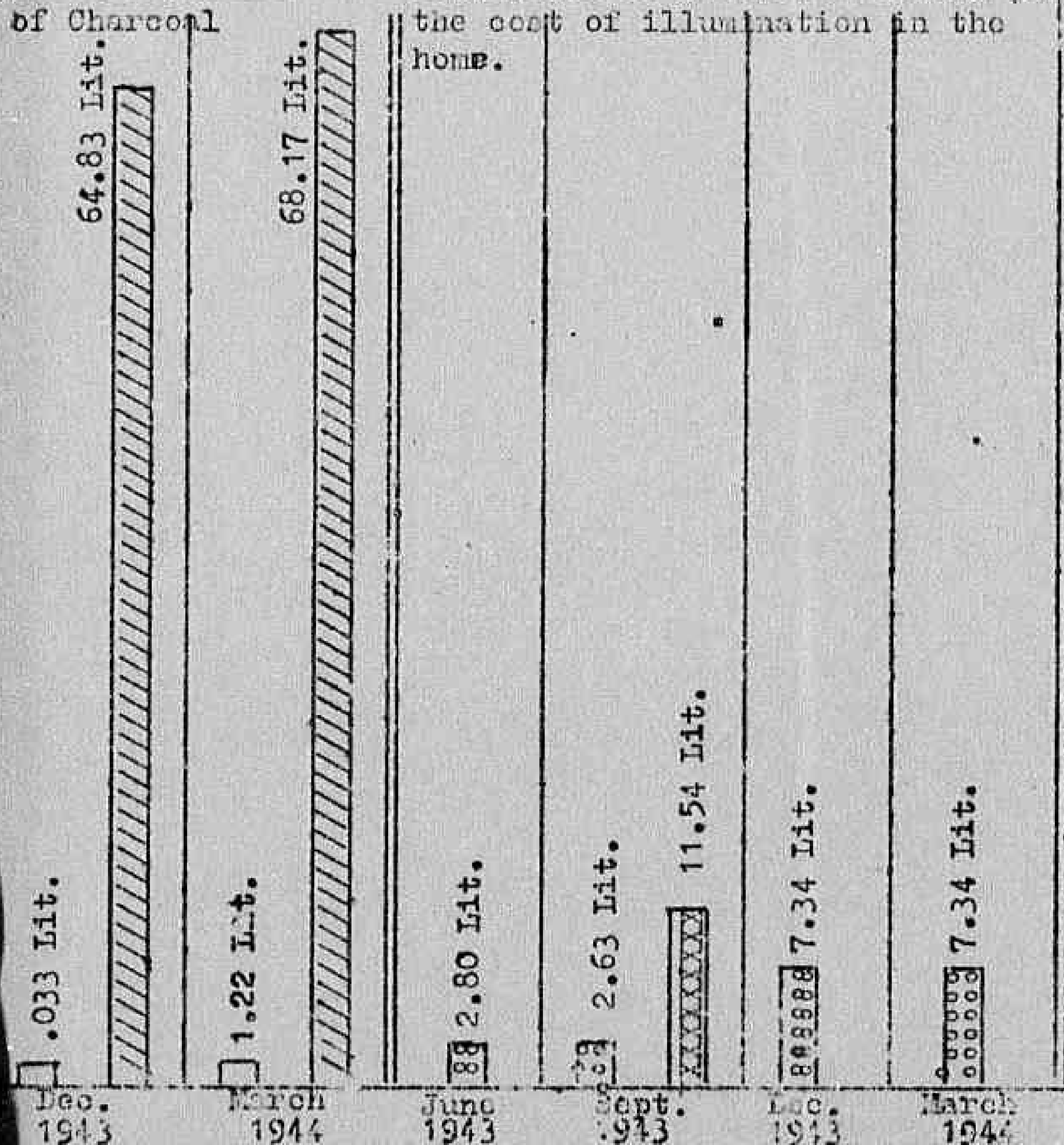
Gas Charcoal Electricity Candles

HEAT AND LIGHT EXPENSE CHART

LIGHT

Looking has increased
gas services and
of Charcoal

Showing the effect of the
resumption of electric service on
the cost of illumination in the
home.



Charcoal  Electricity  Candles 

Appendix "D" Fig. 12

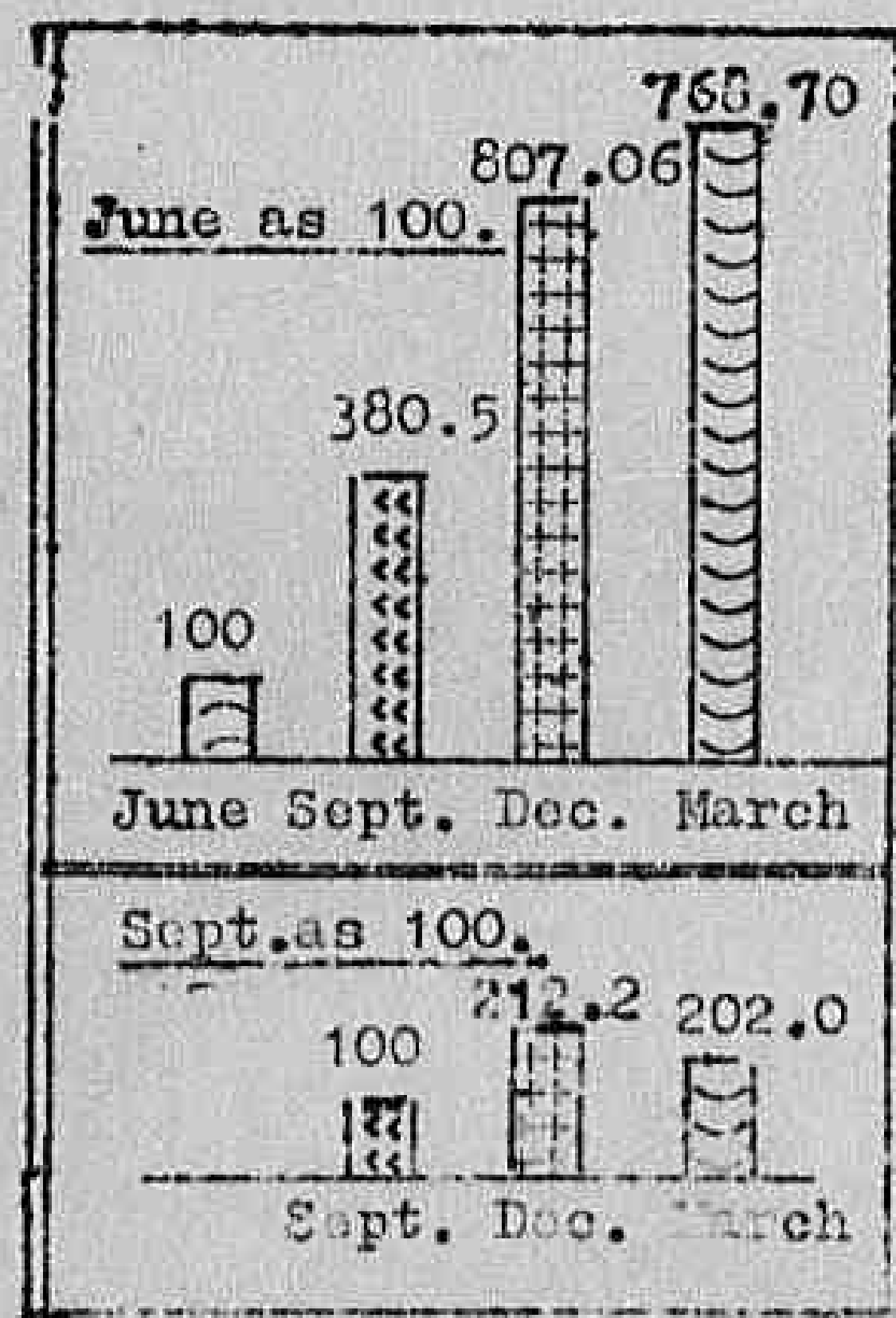
NOTE

Percentage of increase in
the total weekly cost of heat
and light of typical family.

TOTAL WEEKLY EXPENSE

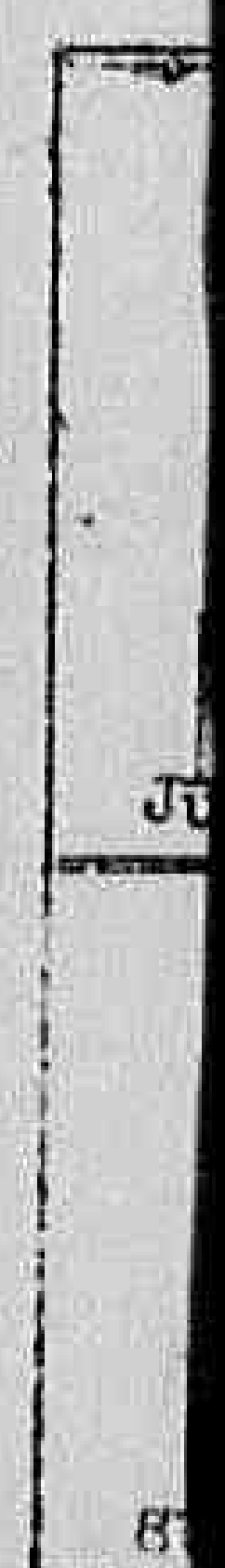
June 1943	—	Lit.	8.94
Sept. 1943	—	"	34.02
Dec. 1943	—	"	72.20
Mar. 1944	—	"	68.73

INDEX



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Appendix "E" Fig. 14

3

MISCELLANEOUS EXPENSE CHART

various items comprising the Miscellaneous Expense budget changed during the period from June 1943 to 1945).

Percentage of increase in the total weekly cost of Miscellaneous Expense items of typical family.

NOTE:

TOTAL WEEKLY EXPENSE

June 1943	Lire	61.42
Sept. 1943	"	67.16
Dec. 1943	"	139.98
March 1944	"	207.34

INDEX

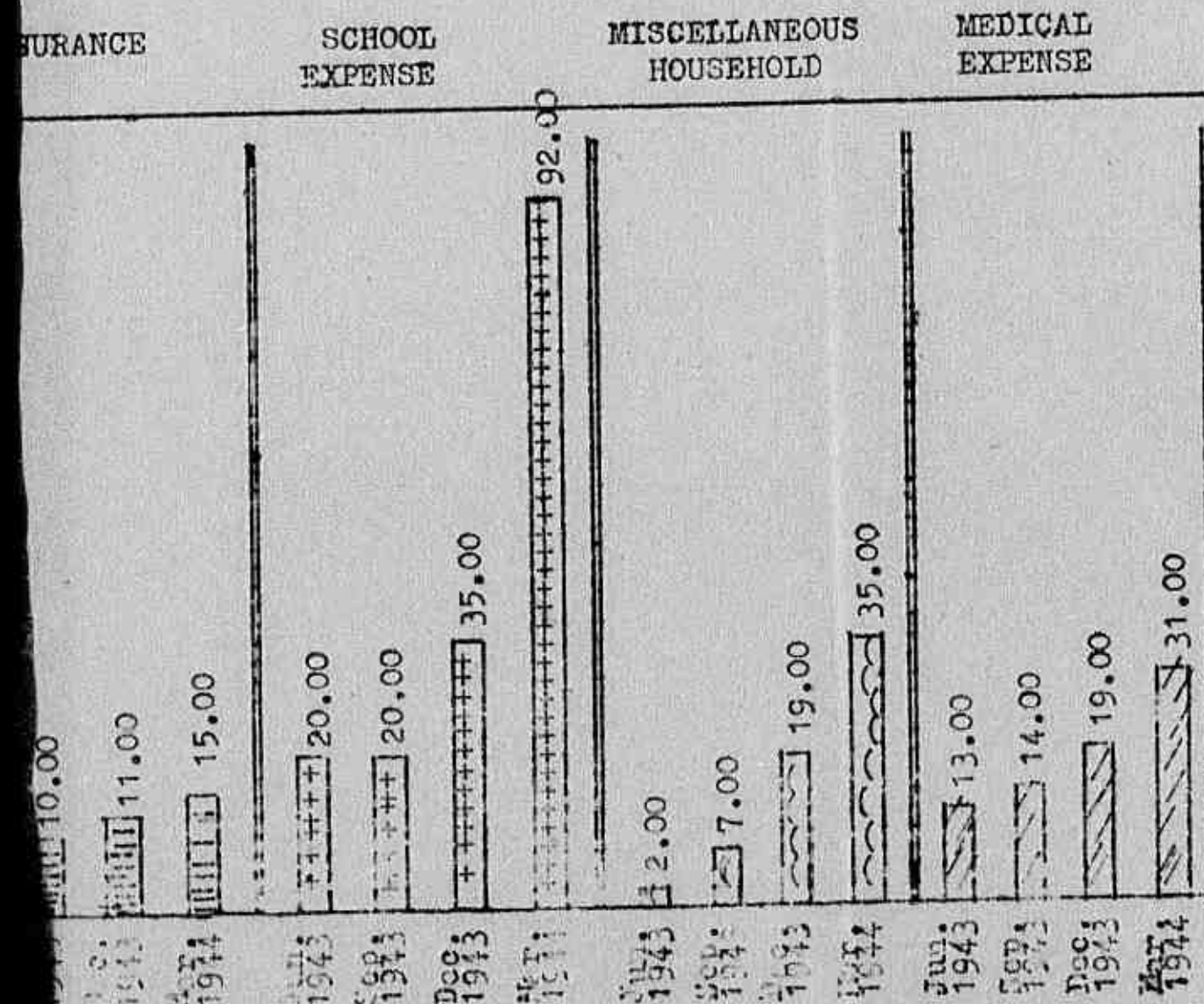
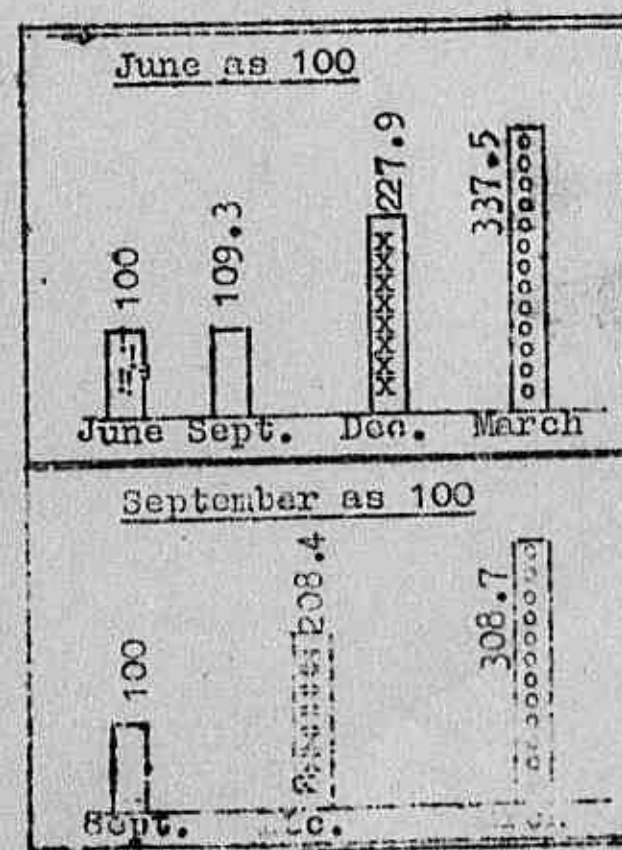
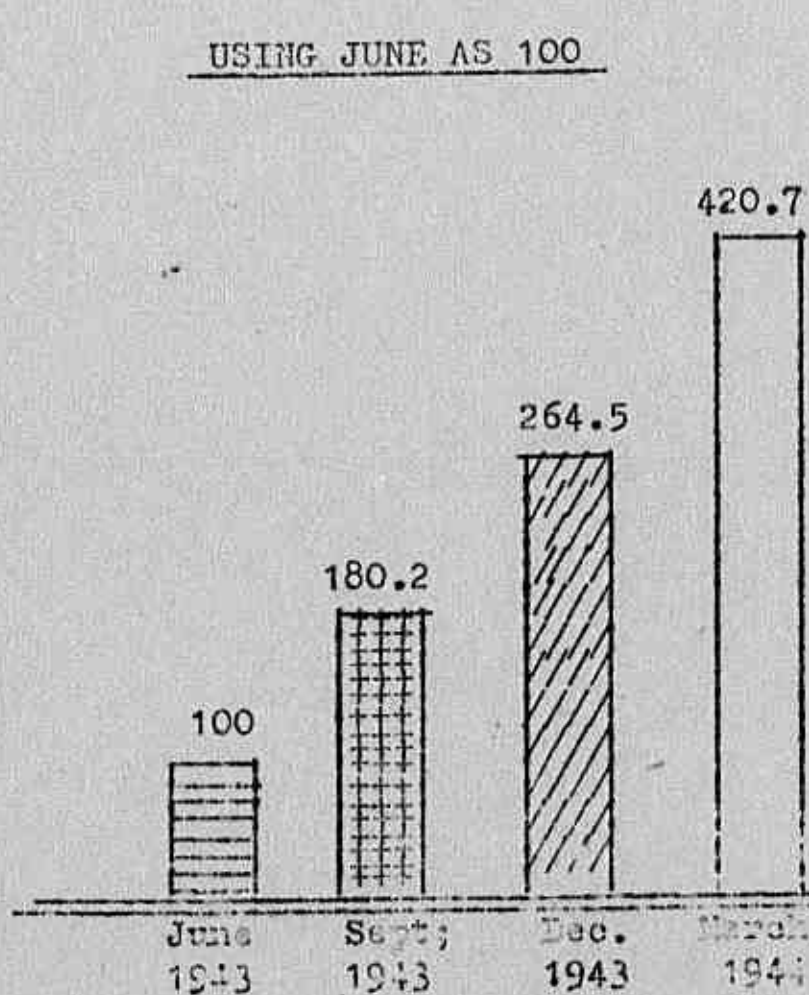


CHART SHOWING TREND OF LIVING COSTS

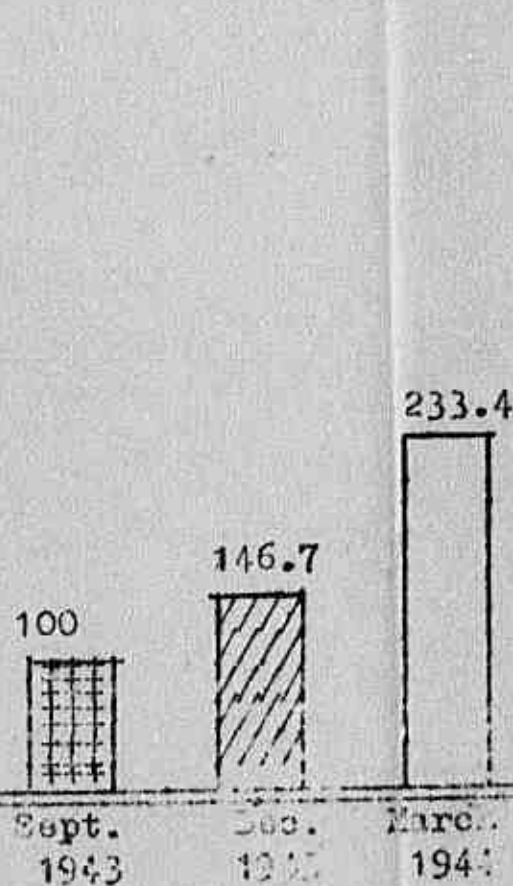
This chart is designed to show the trend of cost of living for a family of 5, taking into consideration the minimum requirements of:

- a) Food
- b) Clothing
- c) Dwelling
- d) Heat and Light
- e) Miscellaneous expenses

USING JUNE AS 100



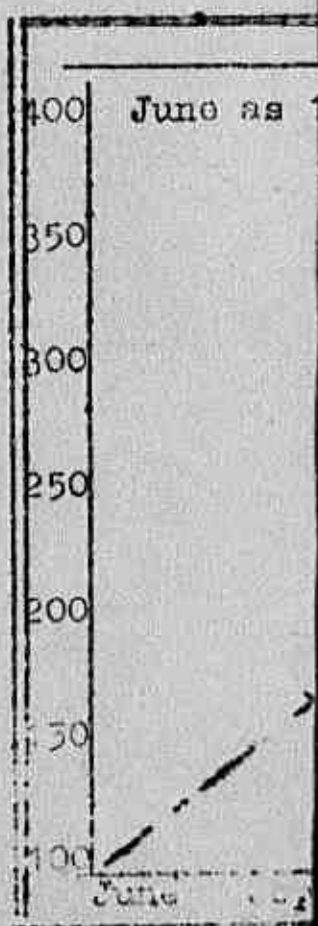
USING SEPTEMBER AS 100



Percent of total cost in a family of 5.

NOTE: Total

June 1943
Sept 1943
Dec. 1943
Mar. 1944

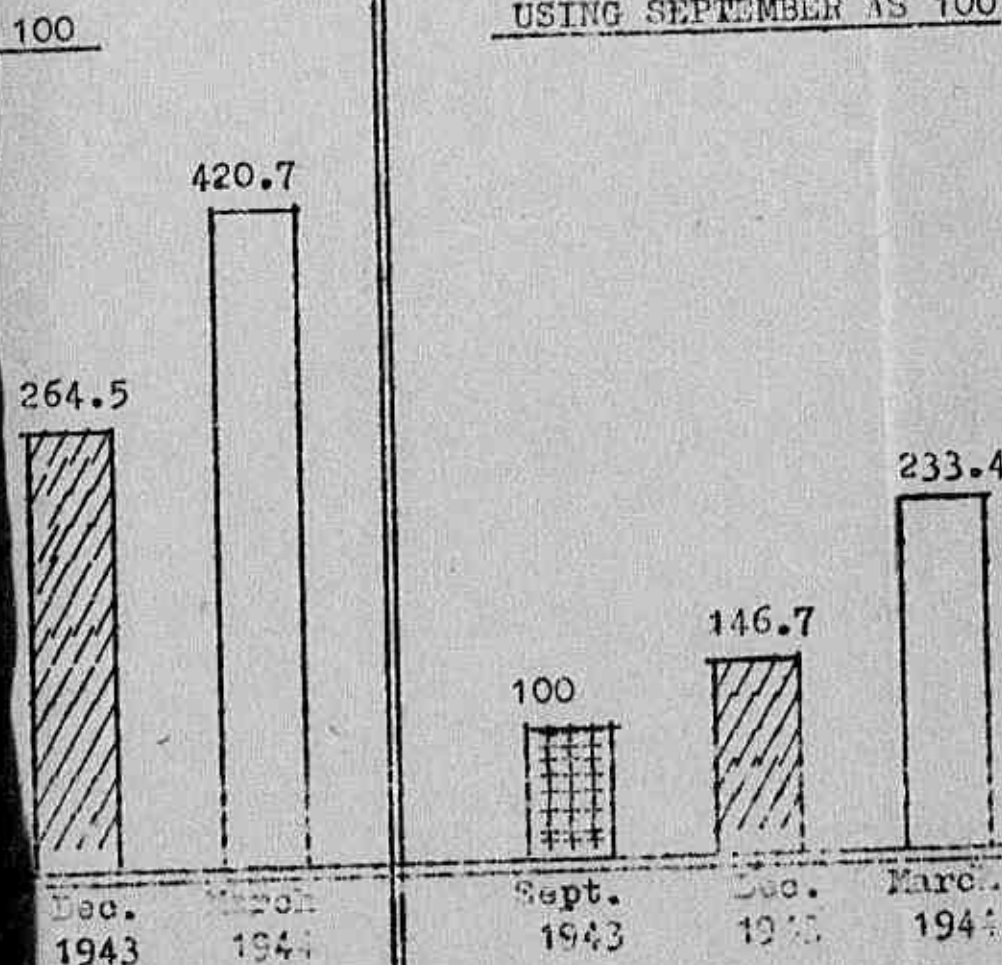


Appendix "F" Fig.16

CHART SHOWING
TEND OF LIVING COSTS

igned to show the trend of cost of living
taking into consideration the minimum

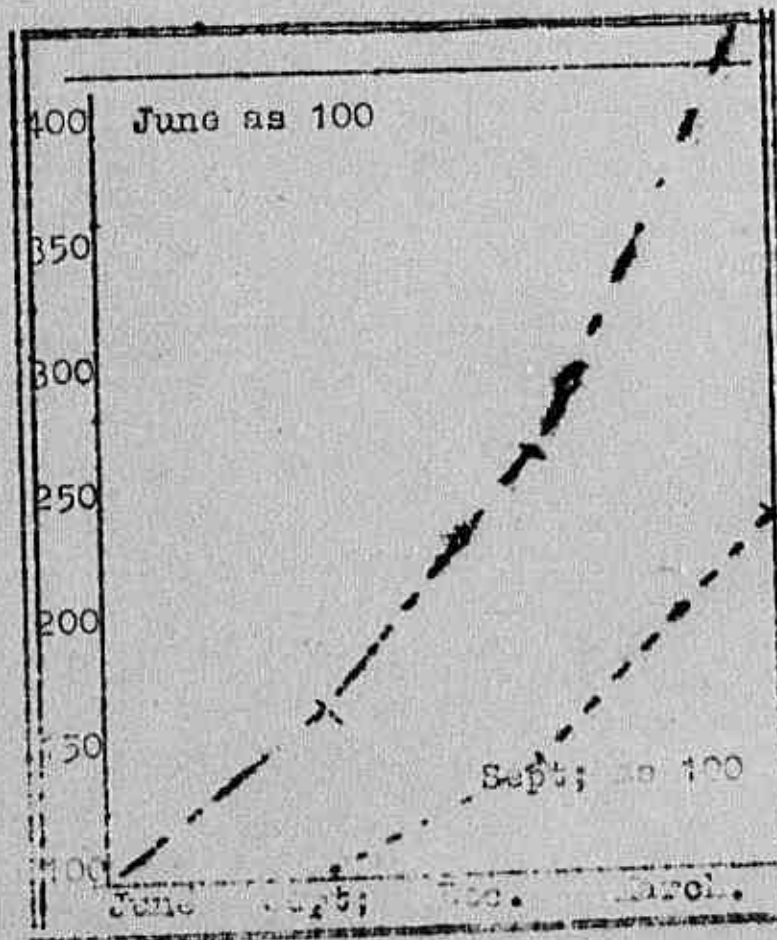
- a) Food
- b) Clothing
- c) Dwelling
- d) Heat and Light
- e) Miscellaneous expenses



Percent of increase in the
total cost in all categories, for a
family of 5.

NOTE: Total weekly expense

June 1943 - £	625.43
Sept 1943 - £	1127.42
Dec. 1943 - £	1654.66
Mar. 1944 - £	2631.44



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