

THE COST OF LIVING

The Westminster Library

A Series of Volumes dealing with the History,
Politics, and Economic Life of the British Empire.

Bound in Cloth 3/6 net each

The following volumes are published :

THE EMPIRE : A FAMILY AFFAIR

By PERCY HURD, M.P.

THE LEGACY OF LIBERALISM

By AL. CARTHILL

STATE SOCIALISM IN PRACTICE

By ARCHIBALD HURD

TRADE UNIONS

By W. A. APPLETON, C.B.E.

THE FINANCE OF GOVERNMENT

By MAJOR J. W. HILLS, M.P.

THE PROBLEM OF DEFENCE

By SIR GEORGE ASTON

**SOME HISTORICAL PRINCIPLES OF
THE CONSTITUTION**

By KENNETH PICKTHORN

**THE GROWTH OF THE CONSTITU-
TION**

By E. W. M. BALFOUR-MELVILLE
POLITICS RETOLD

By P. G. CAMBRAY

THE SOCIALIST MOVEMENT

Part I, 1824-1914; Part II, 1914-1924

By DR. A. SHADWELL

THE ORIGINS OF EMPIRE

By IAN COLVIN

Further volumes are in course of preparation
and will appear shortly.

THE COST OF LIVING

BY
NORMAN DEARLE

M.A., D.Sc. LOND.,
SOMETIME FELLOW OF ALL SOULS COLLEGE, OXFORD

*Author of 'Problems of Unemployment in the London Building Trades'
and 'Industrial Training.'*



LONDON
PHILIP ALLAN & CO., LTD.
QUALITY COURT

X:16.3

F8

First Published in 1926

8478

*Made and Printed in Great Britain by
The Camelot Press Limited,
London and Southampton*

CONTENTS

CHAP.	PAGE
I. INTRODUCTORY	I
II. THE COST OF LIVING—WHAT IT MEANS .	13
III. THE COST OF LIVING—HOW IT IS MEASURED. INDEX NUMBERS . . .	39
IV. PRICES AND COSTS	66
V. COST AND STANDARDS OF LIVING, 1350— 1914	81
VI. THE GREAT WAR AND AFTER, 1914-25 .	99
VII. SOME SPECIAL PROBLEMS	136
VIII. CONCLUSION	174
APPENDIX	177
INDEX	179

APPENDIX

TABLE ILLUSTRATING THE BOARD OF TRADE INDEX NUMBER
OF WHOLESALE PRICES (1878-1920) WITH WEIGHTS

Group	Number of articles	Individual articles (weights in brackets)	Weights assigned to Group	
			Actual	Percentage of Total weight
I. Coal and Metals	6	Coal (34), Pig Iron (16), Copper (5), Zinc (1½), Tin (1½), Lead (1½)	59½	11.8
II. Textiles, Raw Materials ..	6	Cotton (38), British Wool (6), Foreign Wool (13), Jute (3), Flax (4), Silk (9)	73	14.4
III. Food, Drink and Tobacco:]				
A. Corn, etc.	10	British Corn (43), including Wheat (14), Barley (12), Oats (17), Foreign Corn (42), including Wheat (33), Barley (5), Oats (4), Maize (8), Hops (4), Rire (1), Potatoes (33)	131	25.9
B. Meat, etc.	8	Beef, English (52), Mutton, English (31), Bacon, Pork, Ham, imported (21), Milk (29), Butter and Margarine (12), Cheese, imported (4), Eggs, imported (5), Fish (7)	161	31.8
C. Sugar, Tea, etc., Tobacco	5	Sugar (20), Tea (8), Coffee (1), Cocoa (½), Tobacco (2)	31½	6.2
D. Drink	2	Foreign Spirits (1½), Wine (5)	6½	1.3
TOTAL (Food, etc.) ..	25	330	65.2
IV. Miscellaneous	10	Cotton Seed (2), Linseed (5), Olive Oil (1), Palm Oil (½), Paraffin (½), Petroleum (2), Bricks (3), Wood and Timber (20), Rubber (1½), Hides (8)	43½	8.6
GRAND TOTAL	47	508	100

INDEX

A

- ABILITY, high order, rent of,
10, 17, 19, 159
Adam Smith, 7, 8, 11, 66, 81-3
Allotments, 122
Amusements, 27, 30, 36

B

- BAKING, costs, etc., 151, 153,
162-4
Bank notes, 72, 84, 86-7, 89,
90, 109
Bank restriction (1797), 73, 84,
86, 107-8
Banks and banking, 72, 74, 84,
86, 90, 92, 96-7, 103-4, 109-10
Barnes, Rt. Hon. G. N., 148-50,
152
Base period (Index Numbers),
41, 44-6
Beer and spirits, 27, 31, 137
Bimetallism, 72-3
Bolshevik Revolution, 114
Bowley, Professor, 40n., 46, 48,
61n., 93-4, 132n., 141
Budgets, British, 101, 111-12, 146

C

- CAPITAL, 2, 9, 10, 17, 19, 70, 76,
96-7, 142-5, 149
Casual labour, 6, 36, 48, 70, 113
Civil Service, 63-5, 137

- Clothing prices, 56-8, 107
Coal, 37, 51, 57, 88, 106, 115,
118, 171
Coal Commission, 62
Collective goods, 7
Combinations, employers', 96,
142, 155, 160-4, 170
Comforts, 2, 4, 8, 17-18
Commercial crises, 87, 89, 92
Conditions in 1914, 45, 51-3,
97-100, 120, 123
Conservatism of housewives, 37,
37n.
Consols, 9, 96
Consumers' responsibility for
high prices, 169-73, 175
Conventional necessities, 29, 36
Co-operative societies, 55, 138,
142-3, 148-59, 162
Corn Laws, 46, 88, 90
Corn, wheat, prices, 81 seq.,
124-5
Cost of Living, definition, 1, 4,
14, 39-40, 119-20
Credit, 69, 71-4, 78, 87, 89, 92,
95-6, 103, 108-11, 171
Customs, 88, 90-1, 136

D

- DEATH DUTIES, 136, 139-40
Decontrol, 118-19, 125
Deflation, 71-4, 86, 103-4

Demobilisation, resettlement,
102, 102*n.*, 123-5
Dilution, 115-16, 122
Distributive Trades, 167-73
Domestic arrangements, 24, 36-7

E

EARNINGS, meaning, etc., 5, 6,
20-1, 25, 36, 75, 108, 116, 122
Economies, capacity for, 31-2,
34-5, 65, 108, 120, 144, 172,
174
Edgeworth, Professor, 40-1, 43
Education, 7, 11, 20, 28, 30, 70
Efficiency, 2, 7, 8, 11, 22-3, 25,
79, 92, 113-15, 143-5, 175
Efficiency, standards for, 13-16,
29-30
Enterprise, 3, 10
E. P. D., 112, 125
Equality of taxation, 26, 112,
138-9, 141
Export trades, 12, 78, 142

F

FACTORY ACTS, regulations, 70,
88, 132
Family allowance system, 26
Family, earnings, size, 23-6,
60-1, 61*n.*, 121
Fixed incomes, 76, 78, 112
Floating debt, 109-10, 112
Flour-milling, 153-4, 164-5
Food Commission, Council, 105,
129-30, 140-1, 159 *seq.*, 175
Food Control, rationing, 118-19,
129, 161, 172

Food prices, costs, 24-5, 27-8,
37*n.*, 40, 50-5, 58-9, 87, 89-
91, 94, 99, 101, 103-4, 106-7,
121-2, 124-5, 151, 153-5, 159
seq.

Foreign Exchanges, 86
Foreign trade, 78, 130, 142, 162
(*see also* Export Trades)
Fruit and vegetables, 27, 41,
50, 54, 168-9, 173
Furniture, 27, 58, 83

G

GAS, 33, 57, 57*n.*
General prices, meaning, 41,
68-9, 85
Gold; gold standard, 72-4, 79,
86, 89-92, 95-9, 105, 109, 130,
174
Government borrowings, debt,
9, 73, 109-10, 112

H

Has Poverty Diminished? 61*n.*,
132*n.*
Health, 11, 70, 89, 123, 131-3
Health of Munition Workers
Committee, 70, 115
Holidays, 27, 29
Hours of labour, 6, 70, 75, 114-
16, 126-7, 132

I

INCOME TAX, 134, 136-40, 143,
145-6, 156-8

- Index Number, Cost of Living,
24, 27, 35, 40-3, 45, 50-62,
119-21, 137
- Index Numbers, meaning, etc.,
39 *seq.*, 68-9
- Index Numbers, Prices, 42-5,
49-51, 85 *seq.*, 177
- Index Numbers, various, 44, 46-
9, 86
- India, 93, 97
- Industrial Fatigue Research
Board, 70
- Industrial fluctuations, pre-
war, 6, 19-20, 45, 45*n.*, 77,
79, 86 *seq.*, 96, 98-9
- Industrial fluctuations, war,
post-war, 102-5, 109-10, 125,
127
- Industrial revolution, 84, 87-8,
92
- Inflation, 71, 86, 97, 108-12,
125
- Insurance (except Unemploy-
ment), 7, 27-8, 70, 119-20, 132
- Interest, 9, 10, 74, 76, 159
- Irish potato famine, 34, 90
- Irving Fisher, Professor, 40*n.*,
80*n.*
- J
- JEVONS, 2, 46, 66, 86
- L
- LABOUR, definition, costs, etc.,
1-3, 21-2, 113, 126-7
- Labour, grades, 15-16, 21, 35,
52, 58-9, 131
- Labour, supply, 85, 113, 124
- Lag, retail prices, 62-3, 94, 97,
101
- Lag, wages, 62, 74, 75, 78, 116
- Large scale production, pur-
chases, 37, 75, 151, 169-70
- Latin Union, 72, 95
- Layton, Mr. W. T., 68, 85, 87, 141
- Linlithgow Committee, 37*n.*,
164, 164*n.*, 167 *seq.*
- Luxury, 14-16, 18, 20, 23, 30-2
- M
- MANAGEMENT, 2, 3, 8, 10
- Marshall, 2, 4, 5, 15-16, 29, 74
- Materials, 56, 74, 90-2, 118,
125, 130
- Meat, meat trade, 37*n.*, 39, 117,
130, 154-5, 161, 165, 168
- Middlemen, 148, 166 *seq.*
- Middle, Professional, etc., classes
3, 5, 7, 20-1, 27-8, 60, 63-5,
76, 116-17, 123-4, 134, 143-4,
147
- Milk, 60, 168
- Mill, J. S., 1, 7, 30-1, 40, 66
- Minimum of existence, physical
efficiency, etc., 14, 22-7, 34,
39, 58, 78, 116, 137
- Monetary policy, 72, 79, 80, 95,
103-4, 110-11
- Money, value of, 4, 8, 40-1, 61,
67 *seq.*, 86, 89, 95 *seq.*, 103 *seq.*,
108, 174-5

N

- NATIONAL DIVIDEND, 8-12, 17,
143, 166, 175-6
New Poor, 17
New World, discovery, etc., 70,
82, 174

O

- OUTPUT, output restrictions, 7,
14, 70-1, 77, 92, 113-15, 126-
7, 160, 166, 175

P

- PAPER MONEY, 71, 73, 78, 103-
4, 108-9
Pauperism, Poor Law, 26, 83,
85, 89, 123, 132n.
Peel, Sir Robert, 86, 88, 90
Pensions, 7, 102n., 119
Piece-work, workers, 115-16,
122, 127, 132
Points (Index Numbers), 45
'Position to keep up,' 5, 16, 20
Poverty, primary, secondary,
22-4, 26, 132n.
Price, fixing, 118, 153, 160-1,
163-4, 170, 172
Price, meaning, changes, etc.,
41, 67-9, 72-80
Production, Cost, increase of,
8, 11-12, 17, 19, 36, 69 seq.,
125, 144-5, 176
Profits and profiteering, 10, 136,
143, 156, 159-71, 175
Psychological influences, 74, 144

Q

- QUANTITY THEORY OF MONEY,
69, 71, 108

R

- RATES, local, 55 seq., 102, 128-
9, 146-7
Rent, Rent Restriction Acts, 9,
27-9, 50-1, 55 seq., 74, 104,
106, 128-9, 135, 146-7
Risk, reward for, 3, 9, 10, 159
Rowntree, Mr. B. S., 22-7, 37,
57-9, 141
Ruhr occupation, 104

S

- SACRIFICES, war, etc., 31 seq., 59,
137-8
Seasonal fluctuations (cost of
living), 54, 102, 105-7, 129
Sheltered and unsheltered trades,
22, 131, 142, 173, 175
Shipping, submarines, 102-3,
114, 117, 124
Shopkeepers, 6, 55, 76, 171
Short weight, 129, 175
Small firms, influence on price,
167-8
Spending, methods, etc., 19, 35-
7, 78
Standards of Living, definition,
etc., 1, 2, 13-17, 19, 25, 30,
52-3, 70
State, relation to production,
6, 7, 10, 159
Subsidies, 102, 117-19

Substitutes, substitution, 32-5,
37, 59, 62, 65, 117, 121, 130
Summer Committee, 35, 58,
119-23
Sweated industries, 14, 78

T

TAXABLE CAPACITY, 11, 112,
139, 143-4
Taxation (*see also* Equality of
Taxation, Income Tax), 35,
70, 101, 111-12, 123-5, 134,
136-47
Time-work, workers, 116, 127
Trade Boards, 123, 131
Trade unions, 20-1, 27, 89, 92,
99, 115, 126
Training, 20, 113
Transport, travelling, 22-3, 28-
9, 70, 114, 124
Treasury Notes, 103-4, 108-9

U

UNEMPLOYMENT, 6, 21, 48, 82,
93, 116, 126, 130, 147, 171
Unemployment Insurance, 7,
70, 119, 123, 132-4

V

VALUE, meaning, 40, 66-8

W

WAGES, definition, etc., 2 *seq.*,
20-2, 25, 134
Wages, pre-war, 47-8, 51, 77,
82 *seq.*, 98
Wages, war and post-war, 103-
5, 116, 125-7, 131, 160, 173,
175
Wages, women's, 25, 116, 123
Wants, 14-15, 18, 28, 32
War, demands, organisation,
107-8, 113-15
Wars, Napoleonic, 84 *seq.*, 107,
111, 174
Wars, other, 45*n.*, 46, 84, 91-3,
96-7
Waste, 8, 24, 32, 36-8, 169, 175
Weights, weighted averages, 42-
3, 47, 49, 52 *seq.*
Working-class budgets, con-
sumption, 40, 42, 51-3, 60,
117-18, 120-1
Working-class conditions, war,
post-war, 98, 116-23, 130-2,
166