Uniform pricing procedure for goods not on the market during the basic period was laid down in the Consumer Goods Order (Board Order No. 214) issued in March, 1943. This pricing procedure was required for the pricing of new goods, goods made of substitute materials, or goods which had not been on the market in the basic period and which later reappeared. Under the terms of this Order a manufacturer or dealer might sell goods "similar" in usefulness and intrinsic worth to others on which a ceiling price had been fixed at the same price, subject to the subsequent approval of the administrator concerned. On the same basis a dealer was permitted to sell goods at the same price as "identical" goods sold by a competitor who had established a ceiling price on these goods. Where goods were "dissimilar" in usefulness, durability, serviceability or intrinsic worth to any for which a maximum price had been established, the maximum price was to be fixed by the Administrator. The main consideration in pricing "dissimilar" goods is the price at which goods of the same nature would have sold in the basic period. In the case of a new article which costs more to produce than a comparable article, the problem is dealt with in accordance with the principles covering increased costs (see p. 778).

The special conditions in the clothing industry made it difficult to apply the provisions of Board Order No. 214. In many branches of the industry the absence of standard models and the variation of styles, made it impracticable to leave the decision as to what is a "similar" article in the hands of the manufacturer as provided under B-214, even though the Administrator had the power subsequently to make a different ruling. In a number of branches of the clothing trades, therefore, manufacturers were required to submit particulars and samples of cloth for each style of garment they intended to produce, and to obtain a ruling as to the maximum price from the Administrator. This procedure has been established, for example, in the industries producing women's coats and suits, women's dresses, men's shirts, etc.

The Price Ceiling in 1943.—Late in 1942 the cost of living was moving upward and was approaching the point where another cost-of-living bonus would have become payable (see Introduction to this volume). One of the factors involved was a rise in beef prices authorized in October, when provision was also made for monthly seasonal increases in beef prices up to June, 1943. In these circumstances it was decided to reduce the prices of certain widely used foodstuffs by payment of subsidies and/or the remission of import taxes and duties, with a view to bringing the cost of living at least part way back to the level of the basic period. It was felt that it would be fairer to check the rise in the cost of living, which affects every person, than to pay an additional cost-of-living bonus, which certain important groups—small proprietors, farmers, pensioners, etc.—do not receive. It was also clear that another increase in the cost-of-living bonus would have resulted in higher costs of production and hence in widening demands for further price adjustments and subsidies.

The articles selected for the price reduction were milk, oranges, tea and coffee. The factors influencing this choice were the importance of the articles in day-to-day consumption and the relative administrative simplicity of subsidizing these particular prices. As a result of these price reductions, an adjustment in butter prices, and some seasonal price movements, the cost-of-living index declined between Dec. 1, 1942, and Jan. 1, 1943, by 1·7 points to 116·2 (August, 1939 = 100).

Pressure of meat prices continued to be a threat to the stabilization of the cost of living. However, rationing of meat and the setting of standard prices helped to stabilize the meat price level. In 1942, standard wholesale prices for beef and lamb were set, varying from zone to zone and with suitable provision for seasonal move-