

COMPARATIVE

FOOD COSTS

.....Australia and Overseas

A recent survey of twenty countries by the U.S. Department of Labor should dispel any belief that the cost of food in Australia is higher than other countries. For each hour's pay Australian workers can buy more food than workers elsewhere; even more than the American workers who were next. The statistics also show that Australia was one of the few countries in which there has been a substantial decline in the cost of food, in terms of working time, since before the war. Australia, U.S.A., Norway, Canada and Denmark have consistently maintained high levels of food purchasing power. By contrast Soviet workers toil between seven and eight times as long as Australians to buy a given quantity of food.

It is extraordinarily difficult to make international comparisons and the following figures are subject to certain qualifications. For some countries the figures of hourly earnings are award or minimum rates, whilst for others they are actual earnings. The Australian index is understated, particularly in 1950, because it relates only to award rates. Heavy food subsidies are also important for the United Kingdom and Norway. Food constitutes less than one third of family expenditure in most western countries, and therefore differences in food purchasing

power, are but one indication of the relative well-being of wage earners in different countries. For example, the position of the American worker would be still higher, if account were to be taken of mass produced goods and services, other than food.

INDEX OF PURCHASING POWER OF HOURLY EARNINGS IN TERMS OF FOOD.
(United States = 100)

Country	Pre-War	1950
Australia	92	*107
Austria (Vienna)	38	*28
Canada	86	*78
Chile	26	37
Czechoslovakia	34	*46† 23‡
Denmark	73	*73
Finland	49	*39
France (Paris)	68	*31
Germany	51	38
Great Britain	46	*62
Hungary	29	*27
Ireland	44	46
Israel	52	63
Italy	26	*24
Netherlands	45	*38
Norway	68	*84
Sweden	60	*63
Switzerland	49	46
U.S.S.R.	24	14

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics.

*Purchasing power of workers with families is increased by family allowances.

† rationed prices, ‡ non-rationed prices.