

CHAPTER IV

INDEX NUMBERS OF THE COST OF LIVING, BY THE MASSACHUSETTS COMMISSION ON THE NECESSARIES OF LIFE

BY THE summer of 1919 prices had advanced so far and conditions attendant thereon were so unsatisfactory that at an extra session of the legislature in Massachusetts in July, 1919, the appointment of a special Commission on the Necessaries of Life was authorized for one year "to study and investigate the circumstances affecting the prices of the commodities which are necessaries of life." The commission was given authority "to inquire into all matters relating to the production, transportation, distribution and sale of said commodities . . . and to study and investigate the circumstances affecting the charges for rent of property used for living quarters or for the production of the necessaries of life." The commission was also given authority to hold hearings, administer oaths, require attendance and testimony of witnesses, to compel the production of books, documents and other papers and to employ counsel.¹ Although the commission is primarily a fact finding agency and not a price fixing board,² its functions have been largely administrative, with such research as was carried on directed toward ascertaining conditions for the purpose of controlling them.³ This circumstance should be borne in mind in considering the commission's index number of the cost of living, which tends to run consistently lower than other indexes with which it may be compared. The commission itself was of the opinion that its activities had been of material service in keeping down prices in Massachusetts.⁴

¹ Report of the Commission on the Necessaries of Life, 1920, *op. cit.*, pp. 9-10.

² *Ibid.*, 1925, p. 10.

³ This has been accomplished through the publication of fair prices, adjustment of rents between tenants and landlords, securing supplies of necessities such as coal, sugar, etc., when scarcity sent competitive prices soaring. See, for example, *ibid.*, 1920, pp. 13-19.

⁴ See, for example, *ibid.*, 1920, *op. cit.*, pp. 15-18; *ibid.*, 1921, p. 15; *ibid.*, 1922, pp. 16, 19, 20, 23; *ibid.*, 1924, pp. 11, 14, 15, 16; *ibid.*, 1925, pp. 11, 12, 13, 37.