

Autumn 1914 . . .	108	Autumn 1922 . . .	291
— 1915 . . .	123	— 1923 . . .	277
— 1916 . . .	155	— 1924 . . .	321
— 1917 . . .	248	— 1925 . . .	283
— 1918 . . .	333	— 1926 . . .	247
— 1919 . . .	348	— 1927 . . .	227
— 1920 . . .	446	— 1928 . . .	226
— 1921 . . .	331	— 1929 . . .	225

It will be seen that after the outbreak of the Great War prices at once began to rise considerably. The increase continued with great rapidity in 1917 and 1918, while in 1919 it was more gradual; but in 1920 the highest point is reached at 346 per cent.; thereafter there was some reduction which during 1924 gave way to a new and considerable increase. In 1925, however, a decline again set in, and since 1927 the price-level has remained practically unchanged, at some 125 per cent. above pre-war level.

During the war, *wages*, though rising pretty sharply, were far from keeping pace with the increase in prices. Tolerably reliable information respecting wages are available only for unskilled workers and seamen in Reykjavík, and they go to show that wages did not till 1921 reach the same comparative level as the general percentage of increase, while thenceforward there has been little decline proportionately to the fall in prices. In settling questions of wages some regard has, indeed, been had to the cost-of-living index which, however, has never been allowed to regulate the wages automatically.

Salaries of State officials were fixed by an Act of Althingi in 1919 and on the whole raised somewhat above the pre-war level, though not nearly to the same extent as prices had by then increased, for it was believed that the enhancement would not be of long duration, and that prices would gradually fall. In view of this it was decided that officials should provisionally enjoy, over and above their statutory salary, an annual allowance to be fixed according to calculations made on the basis of the prices of certain specified goods in October the preceding year. In the case of a salary exceeding 4500 krónur, no allowance is granted on the portion exceeding the 4500 krónur limit, and salary and allowance together must not, as a rule, exceed 9500 krónur. According to this the allowance has been as follows:

1920	120	per cent. on salary	1926	67 ¹ / ₃	per cent. on salary
1921	137 ¹ / ₃	— — — —	1927	44	— — — —
1922	91	— — — —	1928	40	— — — —
1923	60	— — — —	1929	34	— — — —
1924	52	— — — —	1930	36	— — — —
1925	78	— — — —			