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SOURCE Szabad Nep.

HUNGARY ENDS FOOD RATIONING, RAISES PAY

DECREE ENDS RATIONING, RAISES WAGES AND PENSIONS -- Budapest, Szabad Nep, 2 Dec 51

On 1 December, the Council of Ministers issued a resolution terminating the ration system for all farm products except meat and lard, and increasing wages and prices. The main provisions of the decree are given below.

End of Rationing

Beginning 2 December, bread, flour, sugar, soap, milk, butter, and all industrial products may be purchased without coupons or restrictions of any kind. The rationing of meat and fat will be terminated not later than 29 February 1952. Controls on the sale, purchase, and transportation of farm products will be lifted on 2 December 1951, subject to the following conditions:

Producers who have fulfilled their compulsory delivery obligations will be permitted to sell bread grain to any purchaser. The purchase of bread grain for personal use will be free. Restrictions on the transportation of bread grain will be rescinded. Possessors of bread grain will be permitted to have it ground and to transport the resulting flour without restriction. Flour made from grain held by the original producer may be freely sold to consumers. Only enterprises and establishments specially designated by state authorities will be authorized to purchase bread grain or flour for resale or processing.

Producers who have fulfilled their delivery obligations are also authorized to sell barley, oats, millet, buckwheat, and green fodder to any purchaser and to mill and transport these commodities freely. Corn may be freely sold, milled, and transported by producers who have fulfilled their delivery obligations in all towns, districts, and countries which, in turn, have fulfilled their quotas. Producers may likewise freely sell and transport their potatoes, onions, and winter apples after fulfilling their delivery obligations.

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Wine may be freely sold and transported by the producer, after fulfillment of delivery obligations and with due observation of the tax provisions, in lots of 25 liters or more. There is no restriction on the sale and transportation of honey, nuts, and sorghum by the producer. Poultry, eggs, milk, and dairy products may be freely sold and transported by the producer after fulfillment of his delivery obligations. All commodities, whose sale is permissible without restriction may be transported as hand luggage in unlimited quantities, subject to the traffic regulations of the transportation enterprises.

Towns and inhabitants of towns which grossly violate the delivery decrees may be deprived by the Minister of Food of the free-sale privilege, pending fulfillment of their respective delivery quotas. Merchants are permitted to purchase farm products for resale or processing only by the authorization of the Minister of Commerce or the Minister of Food. Such purchases must be effected in the towns named in the permission.

The foregoing provisions regulating purchase, sale, and transportation of farm products will remain in effect until 30 June 1952 for grain crops and until 1 September 1952 for root crops and wine. Renewal of these provisions after the above dates will depend on the progress of 1952 farm deliveries.

Consumers' Prices

Prices for foods which the consumers could, up to now, purchase both against ration coupons and in the free market must be established at a level between the rationed and free market prices. The prices for the most important commodities are as follows:

	Forints (per kg, unless other)
Semiwhite bread	2.80
Fine flour	4.60
Granulated sugar	11.20
Lard	35.00
Cooking oil, per liter	24.00
Beef, standard cut	20.50
Pork, standard cut	26.40
Bologna sausage	30.00
Butter with 78-percent fat content	66.00
Butter with 82-percent fat content	72.00
Unpasteurized milk, per liter	3.00
Pasteurized milk, per liter	3.60

Prices for other foods previously subject to rationing must be established in proportion to the prices listed in the foregoing. The above prices for meats and fats will remain in effect even after the rationing of meats and fats has been discontinued.

To avoid disparity, the prices for clothing and certain other industrial products, long-distance passenger and taxi fares, as well as the parcel post tariff, will be raised. The prices of workers' and students' weekly and monthly commutation tickets will be increased by approximately 25 percent. Since an enterprise is permitted to pass on to its employees only part of the higher operating costs of its cafeteria, prices will be increased by 60 fillers for breakfast, one forint for dinner, and 80 fillers for supper. The difference between higher food prices and the income of the cafeteria must be borne by the enterprise.

- 2 -

RESTRICTED

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There will be no change in the prices for salt, vinegar, yeast, paprika, spices, bakery goods and noodles, chocolate products and candy, medicines, cosmetics (except soap), radio sets, light bulbs, eyeglasses and other optical products, paper products and stationery, furniture, books, newspapers and periodicals, fuels, matches, cigarettes, cigarette paper and tobacco products, nonleather sporting goods, fertilizers, and plant sprays (excepting copper sulphate).

Prices for the following services will also remain unchanged: rent, heating, electricity, gas, water and sewerage, urban transportation, hair dressing, tailoring and all other work performed by artisans, admission to public baths, motion picture theaters and sporting establishments, telephone and telegraph, etc.

Pay Increases:

To counteract the effects of price increases, wages and salaries must be raised, as of 1 December 1951 as follows: The wages of all workers employed on a piece or time basis, with the exception of certain categories specified below, as well as the pay of salaried employees receiving 1,000 forints or less per month, will be increased by 21 percent. Salaried employees will receive an increase of 18 percent for monthly salaries of 1,001 to 2,000 forints and 15 percent for over 2,000 forints.

The exceptions noted above apply to the following categories: (1) Agricultural workers, both on state and privately owned farms, will receive a 15 percent increase in basic wage, in view of the fact that they are paid partly in farm products. (2) The basic wages of apprentices who, for the most part, receive free room, board, and clothing from the state, will be increased by 10 percent.

Compensation for the room and board of resident students at industrial schools will be increased by 5 forints per month in the first semester, 10 forints in the second, 15 forints in the third, and 20 forints in the fourth semester. Premiums, with certain exceptions, as well as bonuses will be increased in proportion to the increases enumerated in the foregoing. The pay of domestics will be increased by 10 percent. Allowances for food on official missions, both in Hungary and abroad, will be raised by 25 percent.

Pensions paid by the state or by individual enterprises, with the exception of agricultural social security annuities, will be increased uniformly by 60 forints per month, while agricultural social security annuities will be increased by 40 forints per month. Widows' annuities from the same sources will be increased by 30 forints and 20 forints per month, respectively. Annuities of orphans will be raised uniformly by 30 forints per month and the allowances of disabled veterans by 20 forints per month. Sickness, disability, and old age benefit payments due after 30 November, as well as scholarship allowances, will be raised in proportion to the foregoing pay and annuity increases. Enlisted members of the armed forces on active duty who receive complete maintenance will be given a 10 percent pay increase.

To facilitate the transition to the new regulations, all employees of the government as well as of cooperative and private enterprises will receive, between 5 and 12 December, a lump sum of 10 percent of their actual earnings during October. This regulation does not apply to domestics and students at industrial schools. Adjustment due for December to pensioners, annuitants, and disabled veterans will be paid between 4 and 20 December. Teachers, railroad and postal employees, etc., whose pay was raised by a previous decree of the Council of Ministers, as of 1 January 1952, will receive a raise on their increased salaries.

- 3 -

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Family Allowances

The monthly allowances for families with children were increased as follows:

<u>No of Children</u>	<u>Old Allowance (forints)</u>	<u>New Allowance (forints)</u>
1	18	30
2	40	75
3	66	135
4	96	210
5	130	300
6	168	405
7	210	525
8	260	660
9	306	810
10	306	975

Miscellaneous Provisions

State and private enterprises, producers' cooperatives, and industrial cooperatives are required to pay to the government the difference in the prices of goods in stock resulting from the price increase. Small private merchants and artisans are permitted to pay in installments.

Since prices for ready-to-wear children's clothing will be unchanged, while textile goods prices will be increased, and the prices for ready-to-wear clothes will, on the whole, rise less than prices for textile goods, the price difference will be refunded to the industrial cooperatives by the purchasing state enterprise.

Where prices are calculated on the basis of operating expenditures and profit margins, the increased cost cannot be passed on to the consumer. As a result, operating expenditures and profit margins must be reduced.

A price list must be published on 2 December 1951 covering all consumers' goods whose prices are affected by this decree. The prices of all commodities not included in the price list to be published on 2 December will remain unchanged.

Price increases which do not conform to the price list mentioned above constitute a crime against the working population and are subject to appropriate sanctions. Execution of the present decree is the responsibility of the appropriate ministries and the president of the National Planning Office.

DROP IN FREE MARKET PRICE OF ESSENTIAL FOOD -- Budapest, Szabad Nep, 5 Dec 51

As a result of the government's decree, the price of several important food items has dropped. The price of lard fell from 80 to 65 forints per kilogram. The workers, however, are waiting for even lower prices before buying. The price of flour has dropped to 4.60 forints; eggs sell at 2.40 - 2.50 forints, (previously 3 forints) per dozen.

Some items sell below government prices on the free market. For example, the government price of butter is 66 forints per kilogram, while the market price is 60-62 forints. The government list price of sour cream is 17 forints per liter and the free price is 16 forints.

- 4 -

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REDUCE FREE MARKET PRICE OF LARD -- Budapest, Szabad Nep, 19 Jan 52

Since 1 December 1951, when the government issued a resolution terminating the ration system, the price of lard on the free market has been reduced several times. Beginning 18 January, lard will be sold at 41 forints, instead of the previous 45 forints.

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- 5 -

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