

WAICHOV INTELLIGENCE SUMMARY NO.14 OF /12/42.Appendix 1A to Sub-Division 3.Conditions in Hongkong from January to August 1942.

The following is a resume of four reports submitted by No. 99. His sources are not known to us but we consider him an intelligent informant on other matters. We are unable to assess its accuracy on many points. We have found some contradictions and considerable lack of precision and clarity in the various reports, but submit it for what it is worth.

General. The policy of the Japanese seems to be the exploitation of the colony's resources while endeavouring to "sell" the Greater East Asia Co-prosperity Sphere to the local people. This policy has led to the Japanese doing what they can to induce a great part of the population to return to its native villages and so relieve the administration of the embarrassing problem of food supply. To this end conditions of living have been allowed to become so difficult that only those with money, or in Japanese employ, can live with any degree of comfort.

A description of conditions, under various headings, is given below which serves to fill in the general picture.

- Prices. The following tables show rises between December 1941 and August 1942. Since then the general rise is said to have continued more or less steadily.

I. COMMODITIES.

Commodity	Pre-war Price(H.K.\$)	Post-war Price(H.K.\$)
Rice.	HK\$0.15-0.20 per catty.	HK\$1.20 per catty. (Official) HK\$2.00 per catty. (Black market)
Oil.	HK\$0.40-0.50 per catty.	HK\$7.50 per catty.
Firewood.	HK\$1.00 for 35 catties.	HK\$1.00 for 6½ catties
Vegetables.	HK\$0.10-0.20 per catty.	HK\$0.60-1.00 per catty
Pork.	HK\$1.60 per catty.	Over HK\$10.00 per catt
Bread.	HK\$0.10 per lb.	HK\$4.00 per lb.