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A RECORD OF AGRICULTURAL POLICY  
1947—1952

by  
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## Record of Agricultural Policy

### FOREWORD

During and since the Second World War, the main lines of agricultural policy have been determined by the State which controls the most important prices and markets for agricultural products. It is hoped that this brief record of that policy over the last five years may prove useful to administrators, to teachers and to students of agricultural economics who wish to follow recent developments but who have not the time to track them through journals, press notices, Parliamentary Debates, Blue Books and White Papers. The report covers roughly the period of the expansion programme launched in 1947, and brings up to the summer of 1952 the record of agricultural policy contained in "British Farming 1939-1949", (Nelson and Sons) by the same author.

A RECORD OF AGRICULTURAL POLICY

1947-1952

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A. - The Economic Background

The agricultural expansion programme was launched in August 1947 after the failure of a brief attempt to restore a free international market in sterling. The continued excess of British imports over exports since 1945 had been covered mainly by loans from Canada and the United States, but the steady rise in exports gave hopes that a balance would shortly be achieved. Exchange controls were therefore released early in 1947, but the immediate result was a great demand from European countries for sterling which could be converted into dollars for their own needs. The remaining part of the American loan was rapidly exhausted in the early summer of 1947 and in July the free convertibility of sterling was again suspended. A renewed attempt to secure solvency in our balance of payments was then made by tighter exchange controls, by an intensified drive for exports and by growing at home a higher proportion of our imports of food. Further assistance from the United States - Marshall Aid - provided a temporary answer to a problem common to most countries in western Europe, the shortage of dollars wherewith to buy food, machinery and raw materials.

Early in 1949, the adverse balance in our international accounts had been substantially reduced by a considerable rise in exports; the general level of wholesale prices had been remarkably stable for more than a year; unemployment

(3)

remained at a very low level; and industrial output continued to rise. But later in the year, falling prices in the U.S.A. checked the demand for our exports, and in the middle of September 1949, the pound was devalued from  $\text{£}4.03$  to  $\text{£}2.80$ , a level which, it was hoped, would check imports, encourage exports and lead to a permanent balance on the right side.

Devaluation inevitably brought a rise in the sterling value of imported goods, which slowly worked through the industrial structure during the first half of 1950. In that summer, the outbreak of war in Korea caused a rush to buy in international markets which resulted in rapidly rising prices for industrial raw materials and in freight rates. This trend continued into 1951, intensified by re-armament and by the secondary effects of the higher wages obtained to offset the earlier rise in the prices of food and of consumption goods. In the Budget for 1949, the Chancellor announced that subsidies towards food prices would not be allowed to exceed the current level of  $\text{£}465$  millions, a limit that was later reduced to  $\text{£}410$  millions; retail food prices were therefore gradually raised to cover the higher costs of acquisition, whether from home or abroad. During 1951, an excess of imports again developed which was intensified at the end of the year; further measures to restrict imports were taken early in 1952, and the Bank rate was raised to 4 percent.



The Conservative Government announced in the 1952 Budget a reduction in food subsidies to £250 millions annually, which again implied higher retail prices for most foods.

B. - Agricultural Legislation<sup>(1)</sup>

The legal frame for agricultural policy during these years was provided by the Agriculture Act, 1947; the Agricultural Holdings Act, 1948; the Agricultural (Scotland) Act, 1948; the Hill Farming Act, 1946; the Agricultural Wages (Regulation) Act, 1947.

(1) The Agriculture Act, 1947.<sup>(2)</sup> In this Act, the Government undertook to promote a stable and efficient agriculture. It conducts, with the National Farmers' Unions, an annual review of the economic state of farming, which begins each year in February; a "special" review can be held at any time if the Minister considers there has been a substantial change in costs or in other conditions. After a review, prices are announced for the principal farm products for the next year, and for the crops to be sold eighteen months ahead; minimum prices for livestock and their products are also fixed for two to four years ahead. The "review products" are wheat, barley, oats, rye, potatoes, sugar beet, fat stock, milk and eggs, to which wool was added in 1950. There are powers to limit the output of any product to which the guaranteed price applies but these have not yet been used.

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(1) Legislation on marketing is discussed in Section F.  
 (2) See Explanatory Memorandum, Agriculture Bill.Cmd.6996.  
 H.M.S.O. 1946.

(5)

(2) The Agricultural Holdings Act, 1948.<sup>(1)</sup> This Act and its Scottish equivalent<sup>(2)</sup> embody legal powers to enforce minimum standards of efficiency on tenants, landlords and owner-occupiers. Those who fall below this level can firstly be placed under supervision by the county Agricultural Executive Committee and secondly be dispossessed of their land or their lease. The Agricultural Land Commission was also established to hold and manage land which in the opinion of the Minister cannot be efficiently managed under private ownership.

(3) The Hill Farming Act, 1946 empowered the agricultural Ministers to give substantial grants to comprehensive schemes for the rehabilitation of hill land, including the provision of buildings, water supplies, roads and fences.

(4) The Livestock Rearing Act, 1951. This continued and expanded the provisions of the Hill Farming Act, 1946 which was due to expire in 1951. The class of land for whose improvement grants could be claimed is now defined as land used for stock rearing, but not capable of being used to any material extent for dairying or for the growing of crops for sale. The limit for such grants was raised from £4 million to £20 million (with the possibility of a further £2 million) and the duration of the grants was extended to 1956. The improvements for which grants can be claimed were extended to include cattle grids,

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(1) See Rights and Obligations of Landlords, Tenants and Owner-Occupiers of Agricultural Land. H.M.S.O. 1949.

(2) See Explanatory Memorandum, Agriculture (Scotland) Bill. Cmd. 7175. H.M.S.O. 1947.



(6)

sheep and cattle pens, sheep dips, silos, and the improvement of fences. The power to provide subsidies to hill sheep and cattle was also extended for a further five years.

(5) Bovine Tuberculosis. Plans for the eradication of tuberculous cattle from certain areas were advanced by three Orders which came into force in January 1951 prohibiting the movement of untested or infected cattle and prescribing methods of compensation to be paid for the disposal in such areas of animals found to be infected. The areas prescribed are Zetland, Arran, and Great and Little Cumbrae in Scotland, and the Scilly Isles in England. Ayrshire, Bute, Dumfries, Kirkcudbright, Renfrew, Wigtown and the counties of Cardigan, Carmarthen and part of Pembroke are also scheduled for attested areas from October 1952. The Tuberculosis (Attested Herds) Scheme, 1950, continued with little change provisions in force since 1938. Producers with attested herds could claim from October 1950 either a bonus of 2d. per gallon for milk sold for 4 years, plus 1d. per gallon for a further 2 years; or a payment of £2 per head for 4 years plus £1 per head for a further 2 years.

(6) The Agricultural Wages (Regulation) Act, 1947. This Act made permanent the war-time transfer of wage-fixing powers from the county Wage Committees to the two Wage Boards, one for Scotland and one for England and Wales.

C. - The Agricultural Expansion Programme, 1947.

In August 1947, the Government announced a five-year plan for farming - an increase in net output of 20 percent over the current level, and of one-half over the pre-war level, with emphasis on livestock products which were expensive to import. To induce this expansion, the general level of farm prices was raised, in order, firstly, to recoup farmers for the higher wages operative from July 1947; secondly, to increase profits; and thirdly, to provide some £40 millions annually for investment in livestock, buildings and other items. In addition to higher prices, grants of £4 for steers and £3 for heifers were provided for calves reared to one year; the payment of £2 per acre for wheat and rye was replaced by one of £3 per acre on the first 10 acres grown by any one farmer; a grant of £4 per acre on the first 10 acres was added to the current grant of £8 per acre for potatoes. To improve grassland, a grant was offered of £4 for every acre of grass (of not less than 2 years usage) ploughed before the end of 1949, together with financial help for grass drying plants.

The original targets were slightly modified in later years. That for linseed (of 400,000 acres) was tacitly dropped; the areas required of wheat and potatoes were reduced in 1950 to allow for the general rise in yields. The expected output of milk and of eggs was achieved in 1950/1 instead of 1951/2; the acreage of sugar beet was

consistently above the target; but the area under wheat and coarse grains was consistently less than had been planned. As a result, the growing numbers of pigs and hens were increasingly dependent on imported grains, of which larger quantities were indeed available up to 1950.

TABLE I.            Rationed Feedingstuffs  
Distributed in the U.K.

Million tons	1947		1948		1949		1950	
	Oilcake & Meals	Cereal	Oilcake & Meals	Cereal	Oilcake & Meals	Cereal	Oilcake & Meals	Cereal
Imported	0.31	0.64	0.43	1.74	0.40	1.80	0.45	2.50
Home-pro- duced	0.53	1.57	0.49	1.26	0.66	1.64	0.69	1.79
TOTAL	0.84	2.21	0.92	3.00	1.06	3.44	1.14	4.29

N.F.U. Information Service, Vol. VI, No. 3. March 1951, pp.59,60.

The ration of cereal feeds allocated for the summer of 1952 had to be reduced for all classes of stock, since the available supplies were insufficient to maintain the previous ration for the increasing numbers of stock; the number of pigs in particular showed a rapid expansion during 1951:

TABLE II. U.K. Agricultural Statistics  
1947-1951

Million Acres	1939	1947	1948	1949	1950	1951. (a)
Wheat	1.77	2.16	2.28	1.96	2.48	2.13
Barley	1.01	2.06	2.08	2.06	1.78	1.91
Oats	2.43	3.31	3.34	3.25	3.11	2.86
Potatoes	0.70	1.33	1.55	1.31	1.24	1.05
Sugar Beet	0.35	0.40	0.41	0.42	0.43	0.43
Other Crops & Fallow	2.55	3.62	3.52	3.64	3.78	3.82
TOTAL TILLAGE	8.81	12.88	13.18	12.64	12.82	12.20
Temp. Grass	4.09	5.65	5.48	5.73	5.53	5.89
TOTAL ARABLE	12.91	18.53	18.66	18.37	18.36	18.00
Perm. Grass	18.77	12.40	12.40	12.69	12.77	13.13
Million Head	1939	1947	1948	1949	1950	1951 (a)
Cows & Heifers in milk & calf	3.89	4.38	4.49	4.60	4.63	4.48
Other Cattle	4.99	5.18	5.32	5.64	5.99	5.99
Sheep	26.89	16.71	18.16	19.49	20.43	19.98
Pigs	4.39	1.63	2.15	2.82	2.99	3.89
Poultry	74.36	70.01	85.37	95.50	96.11	94.34

(a) Provisional

The annual production of the major items is given overleaf for the years from June to May; these figures include estimated production from domestic pigs and poultry:

TABLE III. U.K. Agricultural Production  
1946/7-1951/2

Thousand tons	1938/39	1946/7	1947/8	1948/9	1949/50	1950/1	1951/2
<b>Crops:</b>							
Wheat	1,965	1,967	1,667	2,361	2,204	2,606	2,316
Barley	904	1,963	1,619	2,027	2,129	1,711	1,939
Oats	1,992	2,903	2,509	2,963	2,995	2,692	2,616
Potatoes	5,115	10,166	7,760	11,798	9,035	9,507	8,284
S. Beet	2,191	4,522	2,960	4,319	3,962	5,216	4,536
<b>Livestock Products:</b>							
Beef & veal	572	537	478	500	524	600	611
Mutton & lamb	213	141	112	130	142	147	138
Pigmeat	425	145	126	203	320	315	420
Eggs	384	328	347	412	475	496	482
Wool (Clip & skin)	54	41	33	36	39	40	39
Milk (mill. gals.)	1,794	1,802	1,847	2,059	2,166	2,174	2,176

House of Commons Deb., April 7th, 1952. Figures for 1951/2 are provisional.

Agricultural output and incomes, valued at current prices, are given below for the United Kingdom:

TABLE IV. Value of U.K. Farm Output and Income

£ million	(1) Gross Output (a)	(2) Aggregate Net Income (b)	(3) Change in Value of Stocks (c)	(4) Net Output (c)
1937/8	-	59	1½	-
1946/7	611	186½	24	539
1947/8	720	217	18½	638
1948/9	829	290	15½	727
1949/50	905	309	29	758
1950/1	958	264½	41	776
1951/2 (Forecast)	1,121	294	35	-

Annual Review and Fixing of Farm Prices 1952. Cmd.8556.  
House of Commons Deb., Feb. 22nd, 1951.

- (a) Sales off farm, plus estimated value of produce consumed on farms.  
(b) Including subsidies and change in value of stocks (Col.3).  
(c) Gross output less less imported seeds, feedingstuffs and store animals.

Net output valued at constant prices (thus eliminating the effect of rising values) is calculated to have increased in 1950/1 to 140 percent and in 1951/2 to 141 percent of the pre-war level;<sup>(1)</sup> this compares with the 50 percent expansion in net output planned for the end of the five-year plan in 1951/2.

D. - Price Reviews.

(1) March 1948. No alteration was made after the 1948 review in the prices announced in August 1947, which were as follows:

TABLE V. Prices, 1948

Commodity	Description	Unit	1947/8	1948/9
<u>Crops:</u>				
			s. d.	s. d.
Wheat	Millable	cwt.	19. 2.	23. 0.
	Grant	acre	40. 0.	60. 0. (a)
Barley	Milling (min.)	cwt.	21. 2 $\frac{1}{2}$	23. 0.
	Malting (max.)	cwt.	26. 5 $\frac{1}{2}$	30. 0.
Oats	Milling (max.)	cwt.	18. 6 $\frac{1}{2}$	20. 6.
	Feeding (min.)	cwt.	17. 10 $\frac{1}{2}$	18. 7.
Rye		cwt.	18. 8.	23. 0.
	Grant	acre	40. 0.	60. 0. (a)
Potatoes	Maincrop	ton	164. 6.	175. 0.
	Grant	acre	200. 0.	160. 0.
				240. 0. (a)
Sugar beet	15 $\frac{1}{2}$ percent sugar	ton	102. 0.	103. 4. (b)
<u>Livestock and Livestock Products:</u>				
Milk	Average pool price, including quality, attested and winter bonus	gal.	2. 6. (c)	2. 6.
Fat Cattle	Steers, heifers and cow-heifers	live cwt.	98. 3.	98. 3.
Cows. bulls & rejects		live cwt.	increase of	7. 6d.
Fat sheep	1st grade	lb.dd.wt.	2. 1 $\frac{1}{2}$	2. 1 $\frac{1}{2}$
Fat lambs	1st & 2nd grade	lb.dd.wt.	2. 3.	2. 3.
Fat pigs		sc.dd.wt.	36. 0.	36. 0.
Eggs	Packing station	doz.	4. 0.	4. 0.
Wool		lb.	1. 5 $\frac{1}{2}$	2. 1. (d)

(1) Economic Survey for 1952, p.35. Cmd. 8509. H.M.S.O. 1952.

TABLE V. (cont).

Minimum Prices for Livestock and Products:

Commodity	Description	Unit	1949/50	1950/1	1951/2
Milk	Av. pool price, excl. bonus	gal.	s. d. 2. 2.	s. d. 2. 2.	s. d. 2. 2.
Fat cattle	Steers, heifers & cow-heifers	live cwt.	92. 0.	92. 0.	92. 0.
Fat sheep	1st grade	lb.dd.wt.	1.10.	1.10.	1.10.
Fat lambs	1st grade	lb.dd.wt.	1.11 $\frac{1}{2}$	1.11 $\frac{1}{2}$	1.11 $\frac{1}{2}$
Fat pigs		sc.dd.wt.	32. 0.	31. 0.	30. 0.
Eggs	Packing station	doz.	3. 6.	3. 4.	3. 2.

- (a) For first ten acres grown by each occupier.  
 (b) Increase or deduction of 5s. (instead of 3s. 4d.) for every 1 percent variation in sugar content above or below 15.5 percent.  
 (c) Plus special bonus (on account of bad weather) of  $\frac{1}{2}$ d. per gal. in April-November, 1947, and of  $\frac{1}{4}$ d. per gal. in December-March, 1948.  
 (d) Representing an increase of 9d. per lb. for hill types and of 6d. per lb. for other types.

(2) March 1949. The annual review held in 1949 also included a "special" review, since the minimum wage for farm workers had been raised by 4s. to £4.14s. per week from January, 1949. The Government also announced the removal by stages of the existing subsidy on imported feedingstuffs, so as to bring their prices more in line with those paid for home-produced cereals. It was also proposed to give special inducement to the production of wheat and of pigmeat, whose output was falling below the planned level, while the output of milk and of eggs no longer needed encouragement.

In order to recompense farmers for the higher costs incurred in bringing to harvest crops already sown,



small additions were made to the announced prices for the 1949 crops - 3d. per cwt. for all grains, 6s.9d. per ton for potatoes and 1s.9d. per ton for sugar beet. For the crops to be harvested in 1950, the price of wheat was to be raised by 5s. per cwt., while the acreage payment was to be dropped; the maximum price for barley was withdrawn, leaving a minimum price of 21s.6d. per cwt. for feeding barley; there was to be an increase of 1s. in the maximum and of 9d. per cwt. in the minimum price of oats. The price of potatoes was raised by 10s. per ton, combined with a grant of £10 on every acre grown; the price of sugar beet was to be raised by 2s. per ton.

For livestock and livestock products, the following increases over the prices arranged for 1948/9 were announced to take effect in the summer of 1949:

TABLE VI.Prices, 1949

Milk	2 $\frac{1}{4}$ d. per gallon.
Fat cattle	4s.6d. per live cwt.
Fat sheep & lambs	$\frac{1}{2}$ d. per lb. dressed carcass weight.
Fat pigs	6s.9d. per score dead weight.
Eggs	1d. per dozen; with a greater seasonal variation, the price was to fall from 5s. in the winter to 3s.9d. in the spring. A lower average price was intended from the spring of 1951.

(3) March 1950. The remaining half of the subsidies on imported feedingstuffs was removed in April 1950, and the subsidies on certain fertilisers were also removed

from July, bringing substantially higher prices for both these raw materials of the farming industry. The acreage grant for potatoes and for rye was to be discontinued for the 1951 crop; the maximum price for milling oats was also to be removed. The controlled price of main-crop potatoes was to be raised by 39s. per ton when the acreage grant was dropped; the 1950 and subsequent crops of early potatoes were to be sold free of price control. The calf subsidy was altered to provide £5 for steers and £2 for heifers. (1)

Prices of livestock and livestock products were increased as follows:

TABLE VII.

Prices, 1950

Milk	$\frac{7}{8}$ d. per gal.; the bonus on the first 400 gals. sold each winter month to be raised from $1\frac{1}{2}$ d. to 3d. per gal.
Fat cattle	2s. per live cwt.
Fat sheep	$\frac{1}{2}$ d. per lb. dressed carcass weight.
Fat pigs	4s. per score dead weight.
Eggs	Intended price reduction cancelled.
Duck eggs	Price reduced by 4d. per dozen.

To assist farmers likely to be most affected by the higher prices for feedingstuffs and fertilisers, the Government introduced two subsidies, estimated to cost £7 millions annually. Occupiers of small farms unusually dependent on purchased feeds were to be allowed certain rebates on the purchases. Reduced prices were to be allowed on fertilisers approved for use on grass and

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(1) House of Commons Deb. Dec 8th, 1949.

marginal land. The payments for breeding cows and heifers kept on hill land remained at £4 per head, and that for other eligible cattle at £2.17s.6d.; the hill sheep subsidy was fixed at 5s. per ewe. After these arrangements had been announced, the duty on petrol was raised in the Budget for 1950, and a corresponding rebate was granted (for one year only) on petrol used by farmers in tractors and stationary engines.

In August 1950, there was announced a schedule of minimum prices which would apply to livestock and livestock products for the two years from 1952:

TABLE VIII. Minimum Prices for Livestock & Products

		Unit	1952/53	1953/54
			s. d.	s. d.
Milk	Gallon		2. 0.	1.10.
Fat cattle	Live cwt.		95. 0.	95. 0.
Fat sheep	Lb. dead weight		1.10.	1.10.
Wool	Lb.		2. 0.	2. 0.
Fat pigs (a)	Score dead weight		40. 0.	40. 0.
Eggs (a)	Dozen		3. 0.	2.11.

(a) Subject to an agreed adjustment for changes in the prices of feedingstuffs.

(4) March 1951.<sup>(1)</sup> At the end of September, 1950, the Wages Board for England and Wales awarded a rise of 6s. in the minimum wage for adult male farm workers, bringing it to £5 per week; the change was to take effect in November. A similar rise in Northern Ireland was delayed until January 1951, and in Scotland until February. The National Farmers' Union for England and Wales asked in

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(1) This review was followed by the publication of a White Paper "Annual Review and Fixing of Farm Prices, 1951." Cmd.8239.

the autumn for a "special" review of prices, to take account of the substantial increase in costs incurred in these two countries, although it was recognised that the guaranteed prices must necessarily apply to the whole of the United Kingdom. It was however agreed with the Government that the extra cost incurred through the earlier payment of these higher wages in England and Wales should be added on to the prices to be fixed at the annual review in February, which was thus combined with a "special" review.

An unusually large increase in costs was found to have occurred since the previous review. Including higher wages and dearer feedingstuffs, it was calculated that aggregate costs incurred in producing the commodities under review would increase by some £75 millions in 1951/2, compared with 1950/1, assuming that farmers continued to use the same quantities of the factors of production. Although the aggregate farm income fell between 1948/9 and 1949/50, it remained at a higher level than had been expected, showing that farmers had offset some of the rise in costs by improved efficiency. The Government decided to reduce by £10 millions the higher incomes allowed in 1947 to facilitate capital investment, for which there was now less need;<sup>(1)</sup> to withdraw also the

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(1) See page 7.

special subsidies to small farms exceptionally dependent on purchased feedingstuffs, and the general subsidies on some fertilisers: and also to reduce the profit margins on milk and eggs, in order to damp down the expansion in the output of these two commodities, which had exceeded demand at the seasonal peak of production in the spring. The final settlement was estimated to add £44 million to farmers' gross receipts in the following year. The changes in prices were as follows:

TABLE IX.                      Prices, 1951

Commodity	Description	Unit	1951	1952
			s. d.	s. d.
<u>Crops:</u>				
Wheat	Millable	cwt.	28. 4.	29. 0.
Barley	Feeding (Minimum)	cwt.	21.10.	23. 0.
Oats	Feeding (minimum)	cwt.	19. 8.	20. 8.
Rye	Minimum	cwt.	21.10.	21. 6.
Potatoes	Main crop	ton	228. 6.	232. 0.
Sugar beet	15½ percent sugar	ton	107. 8.) 109. 8.)	108. 8. (a)
<u>Livestock and Livestock Products:</u>			1950/1	1951/2
Milk	Average pool price, incl. quality, attested and winter bonus	gal.	2. 9 <sup>3</sup> / <sub>8</sub>	2.11.
Fat cattle	Steers, heifers and cow-heifers	live cwt.	106. 8.	116.11.
Cows	Special and A grades	live cwt.	65.11.	73.11.
Fat sheep	1st grade	lb.dd.wt.	2. 2½)	0.92
Fat lambs	1st & 2nd grade	lb.dd.wt.	2. 4.)	(b)
Fat pigs	Quality premium range	sc.dd.wt.	48. 2.	53. 2.
Eggs	Packing stations	dozen	4. 1.	4. 3½
Wool		lb.	2. 3.	6. 0.

- (a) Uniform price at all factories; increase from 5s. to 6s. 8d. in the price differential for each 1 percent sugar content above or below 15 percent.
- (b) Plus 3d. per lb. for sheep sold in wool between February 19th and June 26th.

It was later announced that the hill cattle payments for 1951-3 would be raised by £1 to £5 per head for breeding cows and heifers, and reduced by 2s. 6d. to £2.15s. per head for other eligible cattle. After September 1950, no subsidy was paid for heifer calves, but a grant of £5 was to be paid for each steer calf.

(5) December 1951. In the autumn of 1951, the Wages Board for England and Wales awarded a rise of 8s. in the minimum wage, together with a second week of holiday with pay. The rise in wages was adopted in Scotland without the second week of holiday with pay. The National Farmers' Union claimed a "special" review which was held in November, after the general election which returned a Conservative Government headed by Mr. Churchill. Higher prices were awarded which were calculated to raise farmers' aggregate receipts by £26 million annually, on account of the higher wages; and £10 million, representing the excess by which fertiliser prices had increased above the level expected at the previous review, was to be returned to farmers by a special subsidy for phosphatic fertilisers. Other cost increases were left over to be considered in the annual review in February, 1952.

The increase in price for each commodity was roughly proportional to the estimated increase in the average labour costs incurred in its production and was as follows:

TABLE X.                      Prices, November 1951

Commodity	Unit	Increase in price	Operative
<u>Crops:</u>		s. d.	
All corn crops	cwt.	6.	July, 1952
Potatoes	ton	7. 0.	Aug., 1952
Sugar beet	ton	3. 6.	July, 1952
<u>Livestock and Livestock Products:</u>			
Milk	gal.	0.68	(E. & W. Oct.1951 Scotland Nov.1951 N. Ireland Jan.1952.
Fat cattle	live cwt.	4. 0.	Dec. 1951
Fat sheep & lambs	lb.dd.wt.	0.75	Dec. 1951
Fat pigs	sc.dd.wt.	5.	Dec. 1951
Eggs	dozen	1.	Dec. 1951
Wool	lb.	0.50	May, 1952

In February, the Government announced a special grant of £5 per acre for ploughing land which had been under grass for four years or more, and which was sown to grain, potatoes, linseed or an approved fodder crop.

(6) March 1952. At this annual review, it was calculated that costs, other than wages which had been dealt with in November, had increased by some £41 millions since February 1951 for the commodities under consideration; it was decided that some £39 millions should be added to farmers' gross receipts by grants and higher prices.

The ploughing grant announced in February and the fertiliser subsidy announced in December were estimated to cost £11 millions, and £4½ millions were allotted to a revised calf subsidy for heifer and steer calves of beef type. The balance of £23½ millions was awarded by means of the following price changes:



TABLE XI.

Prices, 1952

Commodity	Description	Unit	Increase over 1952 price	Approx. price for 1953 harvest (a)
			s. d.	s. d.
<u>Crops:</u>				
Wheat	Millable	cwt.	1. 3.	30. 9.
Barley	Feeding (minimum)	cwt.	1. 6.	25. 0.
Oats	Feeding (minimum)	cwt.	1. 0.	22. 2.
Rye	Minimum	cwt.	3. 0.	25. 0.
Potatoes	Main crop	ton	5. 0.	244. 0.
Sugar beet	15½ percent sugar	ton	4. 6.	116. 8.
			Increase over 1951/52 price	Approx. price from April 1952 (a)
<u>Livestock and Livestock Products:</u>				
			s. d.	s. d.
Milk	Av. pool price, incl. quality, attested & winter bonus	gal.	1.54	3. 2.14
Fat cattle	Steers, heifers and cow-heifers	live cwt. <sup>(b)</sup>	3. 6.	122.10.
Fat sheep & lambs	All grades	lb.dd.wt.	1.	-
Fat pigs	Quality premium range	sc.dd.wt.	1. 6.	55. 7.
Eggs	Packing stations	dozen	2½	4. 6.
Wool		lb.	- 1. 6.	4. 6.

(a) Because of variations in the proportions of different grades sold and in the proportions sold at different seasons, average prices paid may not precisely equal these figures, obtained by adding to the average price in 1951/2 the increases awarded in November 1951 and March 1952.

(b) To be awarded entirely to steers and heifers whose prices will therefore be increased by 5s. 8d. per live cwt.

In the White Paper from which these figures are taken taken,<sup>(1)</sup> the Government noted that the agricultural expansion launched in 1947 had been reversed after 1950, when both the area under tillage and the numbers of young

(1) Annual Review and Fixing of Farm Prices. 1952.  
Cmd. 8556. H.M.S.O. 1952.

(21)

cattle began to fall.<sup>(1)</sup> This trend was ascribed to the effect on farm finance of the steeply rising costs against a background of uncertainty about the demand for farmers' products, and especially for milk and eggs.<sup>(2)</sup> The Government called for a reversal of the general downward trend in output, and for a further expansion to a minimum of 60 percent above the pre-war level by 1956. This was to be achieved by improving the output of grass-land so as to maintain more sheep and cattle and also to set free one million acres for crops; by raising average crop yields by five percent; by increasing yields per cow; and by expanding the output of meat. To assist in this expansion, the Government decided to maintain for one year from March 1952 the prices at which imported feedingstuffs were sold, irrespective of the costs of acquisition, in order to minimise the difficulties of farmers who are unable to grow all their own feedingstuffs.

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(1) See Table II.  
(2) See page 17.

E. - Agricultural Prices

The following table summarises the trend in agricultural prices since 1947:

TABLE XII.      Ministry of Agriculture  
Index Prices  
1936/8 = 100

Commodity	Unit	1947	1948	1949	1950	1951 (a)
		s. d.	s. d.	s. d.	s. d.	s. d.
Wheat (b)	cwt.	19. 9.	23. 8.	24. 4.	26. 7.	28. 1.
Barley	cwt.	24. 1.	27. 7.	26. 4.	28. 5.	42. 5.
Oats	cwt.	18. 3.	21. 1.	21. 1.	21. 8.	25.10.
Potatoes (b)	ton	181.11.	202. 0.	209. 9.	212. 0.	223. 0.
Sugar beet	ton	111. 2.	108. 8.	104.11.	112. 6.	114. 0.
Milk	gal.	2. 4.8	2. 6.4	2. 8.3	2. 9.9	3. 0.
Fat cattle	live cwt.	89.11.	98. 8.	103. 6.	105. 3.	114. 0.
Fat sheep	lb.dd.wt.	1.11.	2. 1 $\frac{3}{4}$	2. 2 $\frac{1}{2}$	2. 3 $\frac{1}{2}$	2. 4 $\frac{1}{2}$
Bacon pigs	sc.dd.wt.	31.10.	35. 1.	40. 7.	46. 3.	51. 7.
Eggs	120	37. 1.	40. 1.	42. 7.	43. 3.	46. 3.
<u>1936-8 = 100</u>						
Crops		214	238	239	250	283
Livestock & Products		233	252	267	281	310
All Products		241	249	260	270	296

(a) Provisional.

(b) Including acreage payments.

F. - Marketing

(1) The Agricultural Marketing Act, 1949. Of the marketing boards established under the Agricultural Marketing Acts, 1931-3, those for potatoes, pigs and bacon were suspended at the outbreak of war; they remain nominally in existence, they retain ownership of certain funds and property but they have no functions. The Milk Marketing Boards (one for England and Wales and

three for Scotland) remained in operation during the war, under the general direction of the Ministry of Food which now pays the Boards such sums as are required to provide the prices announced each year. The Hops Marketing Board alone continued its functions unchanged during the war and post-war years.

The Agricultural Marketing Act, 1949, made a number of minor amendments to the previous acts, but left untouched the problem of Boards in a state of suspended animation. The Act increased to a minimum of two and a maximum of one-fifth the members of any Board who were to be appointed by the Minister of Agriculture, who was also empowered to direct any Board to do, or to cease from doing, any act when in the Minister's opinion such a direction was in the public interest. The Market Supply Committee (which advised on import restrictions) was abolished, together with the provisions for development schemes for secondary agricultural products. Under this revised Act, two new producer-controlled marketing schemes for wool, and for tomatoes and cucumbers, were approved by Parliament in July, 1950 for submission to a vote by registered producers.

(2) The Wool Marketing Scheme.<sup>(1)</sup> By the Agriculture Act (Extension of First Schedule) (Wool) Order, 1950, wool was added to the list of farm products which receive

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(1) Statutory Rule and Order, 1950. No. 1326

fixed prices and guaranteed markets under the Agriculture Act, 1947. The Government does not however buy the wool which must be sold by the producers through the Wool Marketing Board, which was accepted in October 1950 by a substantial majority of registered producers. The Board undertakes preliminary sorting and grading before offering the wool by auction to the wool trade, and is entitled to deduct its marketing expenses before paying the producers the fixed price. If in any year the Board secures a surplus over that price, it is entitled to distribute 10 percent of it, but the other 90 percent is to be placed to reserve and used to make up the fixed price in any year in which the market price falls below it. If the reserves prove insufficient for this purpose over a five year average, the ultimate deficiency will be repaid by the Government to the Board. For this commodity therefore the fixed price operates as a minimum, since over a period of five years producers will obtain any excess of the market prices over those fixed in the annual price reviews. In the first year to July 1951, the Board made a surplus of about £13 million, representing the difference between its receipts and the guaranteed average price of 27.05d. per lb. This unexpected profit resulted from the rapid rise in prices for wool after the outbreak of war in Korea, and which was taken into account when the price for the 1951/2 season was fixed at 72d. per lb.

(3) The Tomato and Cucumber Marketing Scheme.<sup>(1)</sup> This Scheme was accepted by registered producers in November 1950. Producers who grow only for their own consumption or who have less than two "units" of production are exempt from the Scheme; sales to persons buying for their own use, or to retailers are also exempt from the Board's control. The Board has powers to determine the conditions of sale by registered producers to wholesale markets, to prescribe minimum prices, to confine sales to buyers approved by them and to trade, process or store the product. So far the Board has not itself undertaken any marketing function; it has compiled a list of approved buyers, and a set of model Terms of Sale and it is proposing to institute approved grades. It also represents the growers in discussions over the permitted level of imports.

(4) Milk Marketing Schemes. The original working of these Schemes (one for England and Wales and three for Scotland) was much modified during the war, and the modifications were retained in the post-war years, together with subsidies for the retail prices of milk. The Ministry of Food buys all milk from the Boards, paying a sum which provides the average price agreed at the annual review; it resells to distributors at a price related to the controlled retail price. In 1950,

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(1) Statutory Rule and Order, 1950. No. 1327.

Orders under the Agricultural Marketing, Acts, 1931/49, made permanent the war-time additions of Banffshire to the area of the Aberdeen and District Marketing Scheme, and of Moray and Orkney to the area of the North of Scotland Marketing Scheme.

(5) Hops Marketing Scheme. A Reorganisation Commission<sup>(1)</sup> was appointed in December 1945 to review the operation of the Hops Marketing Board. Its report, published in 1947, considered that the Scheme had proved to be a satisfactory solution of the problems of the industry, and recommended that it should be continued permanently. The Commission also recommended that the production quotas should be periodically re-allotted among producers in accordance with their recent output, and that provision should be made for new growers, up to 22,500 acres in all.

(6) Proposed Marketing Schemes. During 1951 and 1952, marketing schemes had been prepared for herbage seeds, for apples and pears, and for threshed peas.

G. - Agricultural Administration

(1) Report on the Organisation of the Ministry of Agriculture.

In 1949, the then Minister of Agriculture, Mr. Tom Williams, appointed a small committee, with Mr. Ryan as Chairman, to review the organisation of the Ministry and of its county branches. In its report, published in 1951, the

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(1) M.A.F. Economic Series, No. 47. H.M.S.O. 1947.



the Committee noted the rapid growth of the Ministry during the war when it became actively engaged in furthering food production through the agricultural executive committees and their technical staff (later formed into the National Agricultural Advisory Service); the total number of staff employed at headquarters, at the provincial centres and in the counties increased from 2,654 in 1939 to 15,567 in January 1951. The Committee also noted "the co-operation and wealth of talent voluntarily placed at the Minister's disposal and which is the foundation of the present partnership between the State and the industry. The very scale of this partnership, extending from the annual price review negotiations at national level to the local deliberations of a District Committee seeking to increase the productivity of a particular holding, presents a relationship which has been held unique in Government administration."

The Committee's main recommendation was designed to relieve the county Agricultural Executive Committees of much routine work, and thus to enable them to give more time and energy to their main function of promoting the efficiency of farming. It was proposed that the Ministry should establish county offices to take over such matters as rationing, the trading services and the inspection of agricultural wages; while the National Agricultural Advisory Service should be formally separated from the Executive Committees for whom it at present provides

technical officers. A joint committee is proposed in each county to link together the various sections of agricultural advisory work - the Agricultural Land Service (dealing with land use and estate management), the National Agricultural Advisory Service, the Executive Committee, the county office and the local education authority. No decision has yet been announced on the recommendations of the Ryan Committee.

(2) The Agricultural Land Commission. This body, with its Welsh Sub-Commission, was established under the Agriculture Act, 1947, to manage land placed under its control, and to advise the Minister on the efficient management of agricultural land. It issues an annual report on the working of each year to March. In March 1951, the Commission held 146,943 acres, of which 39,127 acres comprised the Glanllyn estate in Merioneth; less than 4,000 acres were farmed by the Commission which endeavours to let all suitable land.

The Commission was asked for advice on the future ownership of a number of districts presenting various problems. It recommended that Romney Marsh (Kent) should remain in the hands of private owners who should provide certain new equipment; the local authorities were also advised to provide new houses for extra workers required since the grazing had been converted to crop production during the war.

In the case of Malltraeth Marsh (Anglesey), the Welsh Sub-Commission recommended its compulsory acquisition by the Minister, as it considered that the existing owners and owner-occupiers could not satisfactorily maintain the drainage system or readjust the existing farm boundaries to form more rational units. The Sub-Commission recommended the acquisition of Borth Bog (Cardigan) for the same reasons; it has also investigated the problems of Caldicot and Wentloog Levels (Monmouth and Glamorgan). In the case of Lakenheath Fen (Suffolk), of which some 3,700 acres had been farmed by the Agricultural Executive Committee, the Commission recommended the permanent acquisition of some 2,000 acres so that the holdings on this light infertile soil could be enlarged, re-equipped and their boundaries rationalised. After an investigation into Over and Bare Fens (Cambridge), the Commission recommended the acquisition of some 535 acres which had no buildings, so that it could be equipped as two separate farms, but this recommendation is not to be implemented. For Swaffham Prior and Burwell Fens (Cambridge), of which some 2,000 acres were farmed by the Agricultural Executive Committee, the Commission again advised that acquisition should be confined to some 700 acres which needed heavy expenditure and the replanning of holdings, if it was to be efficiently farmed. A scheme for the readjustment of farm boundaries was also

planned for the parish of Yetminster (Dorset), but the project aroused such opposition that it was not continued.

(3) The Agricultural Improvement Council (England and Wales).

This Council was established in 1941 to advise on the methods by which the technical standards of agricultural and horticultural practice could be raised. The Council issued its second report in June 1950, covering the years 1942/49.

(4) Agriculture in Scotland. In 1949, the Department of Agriculture for Scotland issued a report on its activities for the ten years from 1939 to 1948,<sup>(1)</sup> before resuming its annual reports, of which it has published those for 1949, 1950 and 1951.

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(1) Cmd. 7717. H.M.S.O. 1949.

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