University of Oxford

Agricultural Economics Research Institute

THE STATE OF BRITISH AGRICULTURE

1957-8

by

K. E. HUNT and K. R. CLARK

Oxford

September 1958

Price 10s.

University of Oxford
Agricultural Economics Research Institute

THE STATE OF BRITISH AGRICULTURE
1957-8

by
K. E. HUNT and K. R. CLARK

Oxford
September 1958

Price 10s.

Foreword

The main aim of this publication is to provide a compact summary of the more important current statistics relating to the British agricultural industry. It also tries to sketch very briefly, in time and internationally, a setting for its main subject. It has been planned to be a handy source of reference for advisory officers, farmers' leaders, businessmen, lecturers and others who may be trying to take a broad view of the agricultural industry. It does not deal with the legislation and administration which play such an important part in present-day British agricultural affairs; a full account of this subject has been published in "The Agricultural Register, 1956-7" (Agricultural Economics Research Institute, Oxford. Dec. 1956, p. 234. 21s.). Neither does it pretend to give what might be called "current market intelligence" for it is impossible to combine successfully with the broader review the promptness and detail needed in information about current market prospects.

The plan followed in this publication is similar to that of the three other publications on "The State of British Agriculture" published since March 1954 and now out of print. The present issue begins with a brief general account of the world situation and proceeds by way of an outline of the British economic situation to a review of the main features of the agricultural industry. Sections then follow on individual inputs, - such as fertilisers, - and on agricultural products. Conformity with the sequence is rather less evident in this publication than in the previous ones; the whole might be better described as some two dozen sections, each with its own theme, lying rather loosely within the general subject of the current economic situation of the British agricultural industries.

More specifically, the basic material presented consists of statistics for the last three or four years, supplemented occasionally by others for the start of the postwar period and for a prewar period. Longer-term trends and international comparisons are usually given in graphical form. This material follows a pattern that has been well tried in the past and seems to be as nearly objective as any selection can be. (For those who may be concerned rather less with comparisons than with specific details for a limited period the "Agricultural Register", already mentioned, may be a useful source in its sections on supplies and prices in 1956-7.)

Readers who are mainly interested in having a convenient summary of figures which they are accustomed to using in their every-day work would probably be content with a collection of statistical tables. For the convenience of others, it seemed useful in this publication to add brief introductory statements to the various groups of tables and charts, drawing attention to some at least of the features of current interest. In the nature of things, opinions will differ about the emphasis given in these introductions.

No claim to originality is made in respect to the data assembled here. Most of them are from official statistical publications but they come from scores of individual volumes and documents. The precise sources of all figures are given at the foot of each chart or table; these notes give, in effect, an annotated source-list for the subject as a whole. However, in respect of certain of the sections there are a few especially interesting summaries available which, for the preparation of the tables or charts, for various reasons have not been drawn on. These have been noted in the introductory text. Those responsible for the original sources are not of course responsible for the use made of them here.

Oxford.
July 1958.

K. E. Hunt.

Contents

Note

Recent statistics. Important annual statistics, e.g. crop acreages and livestock numbers, average prices which became available after the main tables were in stencil form are entered at the end. p. 166-

The World Setting

Among the subjects exciting comment in the world economic scene in 1957 and the first half of 1958 were the following:- the slowing off of economic expansion in various countries; the American recession and the possibility of its world-wide spread; the downward trend in the prices of certain primary products and some economic-political developments. Among these were the European Common Market and Free Trade Area, and the Soviet economic expansion.

At least up to July 1958, developments under these headings has been ponderous, if inexorable, rather than abrupt and catastrophic. The issues are much too deep and far-reaching for summarizing here. They are reviewed regularly by, amongst other agencies, the United Nations Organization in its annual regional and world "Economic Surveys". Britain is especially concerned with international trade and it is with factors that are likely to affect her immediate and prospective power to buy what she need from abroad that she is perhaps most deeply concerned. The recent behaviour of prices of primary products is an immediate influence - and is discussed later (p. 41) - but ultimately all developments in the world political and economic scene will have their effects.

In approaching these matters, it is useful to have in mind some picture of the network of world trade, the place in it of the main commodity groups, including agricultural products, and of individual countries. Since the present purpose is to provide a background for an agricultural discussion, it is also useful to have some pointer to the significance of agriculture in the economy of certain countries. This background is provided on pp. 2-6.

The importance of a fall in commodity prices in certain countries is illustrated on p. 2. Virtually three-quarters of the trade of Denmark, New Zealand, Australia and Argentina is in agricultural products. This is matched by the place of agriculture in the economy (p. 6). Generally speaking, the less-developed tropical areas are similarly placed. This subject is pursued further below (p. 41). Some judgment of the direct impact which events in the United States would have on other countries may be given by p. 3. This and p. 5 tend to emphasize the importance of Western Europe rather than the U.S.A. as a buyer of primary products other than beverages, coffee, tea, cocoa. Page 5 also stresses the narrowness of certain markets - particularly meat and dairy products, where the United Kingdom takes more than half of the world imports.

A group of countries which might be termed semi-industrialized - Argentina, Brazil, Mexico, Australia, South Africa, India, Finland and Yugoslavia account for about 80 per cent. of the world output of manufactures apart from the industrialised countries. Before the war they supplied 50 per cent. of the food and a third of 40 per cent. of the food and raw material exports of non-industrialized countries; now these proportions are 36 and 21 per cent. This appears to be because increase in internal demand has more than kept pace with expansion of their primary product output. The decreasing share in world trade of the Asian countries has also been causing them anxiety. Increasing production of raw materials and synthetics by industrialized countries seems to have played some part in this situation.

IMPORTANCE OF FOOD AND AGRICULTURAL PRODUCTS IN INTERNATIONAL TRADE, SELECTED COUNTRIES, 1954

	Total food[a] (1)	Other agricultural products[b] (2)	Agricultural requisites (3)	Total (1+3) (4)	Non-agricultural products (5)	Grand total (4+5)
			percent of grand total			
Exports						
United States	12	10	3	25	75	100
Canada	24	21	3	48	52	100
United Kingdom	5	3	2	11	89	100
Denmark	70	5	1	76	24	100
France	14	7	2	23	77	100
Germany, West	2	2	4	8	92	100
Netherlands	33	6	2	41	59	100
Japan	9	7	2	18	82	100
Australia	35	51	-	86	14	100
Argentina	67	24	1	92	8	100
New Zealand	54	43	-	97	3	100
Imports						
United States	33	16	2	51	49	100
Canada	12	5	4	21	79	100
United Kingdom	40	25	1	66	34	100
Denmark	20	10	5	35	65	100
France	30	24	1	55	45	100
Germany, West	35	23	1	59	41	100
Netherlands	20	13	2	35	65	100
Japan	31	33	3	67	33	100
Australia	6	8	4	18	82	100
Argentina	11	12	2	25	75	100
New Zealand	11	4	5	20	80	100

[a]Including beverages.

[b]Including forest products.

Source: Yearbook of Food and Agricultural Statistics, 1955 Pt. II, Trade.

COMPOSITION OF EXTERNAL TRADE, SELECTED COUNTRIES, 1955

Imports into / from	United States	Canada	United Kingdom	Denmark	France	Germany West	Netherlands	Australia	Argentina	New Zealand	World
	Total trade										
	million U.S. dollars										
United States	-	2615.8	601.7	56.8	193.8	348.0	145.5	126.0	127.2	42.9	11,334.0
Canada	3506.5	-	405.9	4.3	25.3	56.3	21.2	26.6	4.5	12.5	4,774.3
United Kingdom	1180.3	962.1	-	338.0	382.8	256.1	370.0	741.9	243.5	506.0	10,881.1
Denmark	92.2	2.1	300.8	-	63.8	219.8	73.8	0.8	12.7	0.4	1,172.9
France	462.4	59.6	179.1	27.1	-	432.1	136.3	173.4	36.9	54.2	4,687.9
Germany W.	763.5	117.2	205.7	171.9	503.9	-	421.0	97.8	107.2	36.1	5,793.4
Netherlands	434.9	39.0	273.4	19.9	127.1	564.6	-	6.2	23.4	9.5	3,208.1
Japan	773.4	108.8	37.9	1.9	15.3	46.2	11.5	177.7	22.2	6.7	2,469.7
	Food, beverages & tobacco as percentage of total trade										
United States	-	10.8	15.1	50.0	15.8	5.0	31.7	6.6	26.4	16.6	28.0
Canada	5.9	-	6.3	21.5	19.4	1.2	24.1	74.6	40.0	53.0	9.8
United Kingdom	29.3	35.3	-	93.3	26.4	4.5	47.6	54.3	86.0	71.4	37.1
Denmark	39.1	29.7	7.7	-	24.4	8.0	25.4	71.7	99.3	12.0	17.9
France	4.2	1.6	2.2	57.6	-	3.2	29.3	0.8	36.9	2.0	23.1
Germany W.	18.7	43.1	3.6	81.3	18.7	-	44.3	20.9	70.8	16.7	26.6
Netherlands	34.6	37.7	2.4	22.5	16.0	1.9	-	40.4	79.4	6.2	15.1
Japan	24.5	68.9	2.9	29.4	1.1	0.2	24.5	22.1	31.5	6.6	25.3

Source: Yearbook of International Statistics, 1955. United Nations.

IMPORTANCE OF INDIVIDUAL PRODUCTS IN TOTAL IMPORTS AND EXPORTS OF FOOD AND BEVERAGES OF SELECTED COUNTRIES, 1954

	Meat	Dairy Products	Cereals	Fruit and vege-tables	Beve-rages (c)	Fats and oils	Feeding-stuffs (b)
	percentage of total individual products						
Imports							
Belgium-Luxembourg	3	9	30	14	17	10	6
France	2	2	8	21	24	17	1
Germany, W.	4	10	24	19	17	15	3
Italy	8	10	12	7	30	12	2
Netherlands	2	-	31	8	20	25	8
Total of group	(3)	(6)	(20)	(16)	(20)	(16)	(3)
Austria	1	2	34	21	13	7	5
Denmark	1	-	27	10	20	13	25
Greece	5	10	25	4	15	4	1
Iceland	-	-	28	18	23	9	5
Ireland, Rep. of	1	1	23	18	30	6	8
Norway	2	-	25	16	23	15	4
Portugal	3	-	25	5	13	18	3
Sweden	8	1	4	27	35	9	6
Turkey	-	-	1	1	96	1	-
United Kingdom	19	11	13	15	16	8	3
Total of group	(16)	(10)	(15)	(15)	(18)	(8)	(5)
United States	5	1	3	7	55	3	2
Canada	4	1	5	35	24	11	1
Japan	-	1	65	3	1	15	-
Australia	1	1	-	6	61	11	-
New Zealand	1	-	24	19	20	2	-
Exports							
Belgium-Luxembourg	11	6	13	24	4	11	6
France	7	5	22	11	2	2	5
Germany, W.	18	5	6	15	4	6	17
Italy	2	5	12	68	2	3	1
Netherlands	15	35	4	16	8	5	2
Total of group	(10)	(17)	(11)	(25)	(5)	(4)	(4)
Austria	13	26	2	8	3	-	3
Denmark	40	39	2	2	-	1	1
Greece	-	-	-	70	-	21	2
Iceland (a)	1	-	-	-	-	9	9
Ireland, Rep. of	32	5	1	1	10	-	-
Norway (a)	1	2	-	-	-	12	19
Portugal (a)	3	2	4	13	-	10	1
Sweden	6	24	37	3	1	12	5
Turkey	-	1	54	33	-	2	7
United Kingdom	2	3	9	5	11	4	1
Total of group	(19)	(17)	(9)	(7)	(4)	(4)	(3)
United States	3	5	42	16	1	20	2
Canada	6	1	63	3	-	1	4
Japan (a)	-	1	4	13	10	9	-
Australia	24	17	29	15	-	1	-
New Zealand	45	50	-	2	-	1	-

(a) Exports of fish were as follows: Iceland 81%; Norway 64%; Portugal 37%; Japan 51%. (b) Grain for feed included in cereals. (c) Coffee, tea, cocoa and spices.

Source: Yearbook of Food and Agricultural Statistics, 1955, Pt. II, Trade.

IMPORTANCE OF INDIVIDUAL COUNTRIES IN IMPORTS AND EXPORTS
OF SELECTED FOODS AND BEVERAGES, 1954

	Meat	Dairy Products	Cereals	Fruit and vegetables	Beverages (a)	Fats and oils	Feeding-stuffs (b)
	proportion of world total						
Imports							
Belgium-Luxembourg	1.1	5.0	5.7	3.3	2.1	3.1	6.1
France	2.5	2.7	4.0	12.7	7.6	13.9	4.3
Germany, W.	5.7	17.7	15.8	15.2	6.9	16.5	9.3
Italy	2.5	4.7	1.8	1.3	2.9	3.1	1.4
Netherlands	1.2	0.3	7.0	2.3	2.8	9.5	10.7
Total of group	(13.0)	(30.4)	(34.3)	(34.8)	(22.3)	(46.1)	(31.8)
Austria	0.2	0.3	1.8	1.4	0.5	0.6	1.7
Denmark	0.2	0.6	2.5	1.1	1.2	2.1	13.7
Greece	0.2	0.7	0.6	0.1	0.2	0.1	0.1
Iceland	-	-	0.1	0.1	0.0	0.0	0.1
Ireland, Rep. of	0.1	0.1	0.8	0.8	0.7	0.3	1.7
Norway	0.2	0.0	1.4	1.1	0.9	1.4	1.2
Portugal	0.1	-	0.5	0.1	0.2	0.6	0.3
Sweden	1.9	0.4	0.4	3.6	2.4	1.6	3.4
Turkey	-	-	0.0	0.0	0.4	0.0	-
United Kingdom	63.1	51.3	19.3	28.1	15.3	19.6	27.7
Total of group	(66.0)	(53.4)	(27.4)	(36.4)	(21.8)	(26.3)	(49.9)
United States	16.0	3.2	3.5	11.1	47.4	7.8	12.2
Canada	1.7	0.6	1.0	9.0	3.2	4.0	1.4
Japan	0.1	0.5	19.2	1.0	0.3	7.3	0.4
Australia	0.1	0.1	0.0	0.3	1.5	0.7	0.1
New Zealand	0.0	-	0.6	0.6	0.3	0.1	0.0
Exports							
Belgium-Luxembourg	1.1	0.6	0.6	2.0	0.3	1.2	2.5
France	4.6	3.1	6.2	5.6	1.0	1.5	10.7
Germany, W.	2.0	0.6	0.3	1.4	0.3	0.7	7.4
Italy	0.8	1.8	2.1	21.5	0.5	1.1	2.0
Netherlands	12.1	26.1	1.4	9.9	4.9	3.8	7.0
Total of group	(20.6)	(32.2)	(10.6)	(40.4)	(7.0)	(8.3)	(29.6)
Austria	0.2	0.5	0.0	0.1	0.0	-	0.2
Denmark	26.3	24.5	0.7	0.8	0.1	0.5	2.7
Greece	-	0.0	0.0	2.9	0.0	1.1	0.4
Iceland	0.0	-	-	-	-	0.5	1.8
Ireland	7.3	1.0	0.1	0.2	1.6	0.0	0.3
Norway	0.1	0.3	0.0	0.0	0.0	1.8	10.4
Portugal	0.2	0.2	0.1	0.8	0.0	0.8	0.2
Sweden	0.5	2.1	1.6	0.2	0.1	1.1	1.9
Turkey	0.0	0.1	3.5	3.7	0.0	0.3	3.8
United Kingdom	0.9	1.0	1.7	1.7	3.3	1.7	1.9
Total of group	(35.5)	(29.7)	(7.7)	(10.4)	(5.1)	(7.8)	(23.6)
United States	6.0	9.0	34.0	22.4	1.9	36.4	14.1
Canada	5.9	1.3	28.6	2.2	0.2	0.9	13.6
Japan	0.0	0.1	0.3	1.5	1.1	1.3	0.2
Australia	13.4	8.8	7.6	7.0	0.1	0.8	1.0
New Zealand	16.4	17.3	0.0	0.5	0.1	0.6	0.2

(a) Coffee, tea, cocoa and spices.
(b) Grain for feed included in cereals.

Source: Derived from Yearbook of Food & Agricultural Statistics, 1955, Pt. II, Trade.

THE SIGNIFICANCE OF AGRICULTURE IN THE ECONOMY
OF SELECTED COUNTRIES 1956

	Agri-culture (a)	Mining	Manu-facturing (b)	Trans-port (c)	Trade	Public admini-stration (d)	Other
	Proportion of gross domestic product (percent.)						
United States	5	2	37	8	17	12	19
Canada	10	4	35	12	13	7	19
United Kingdom	4	4	44	11	13	7	17
Denmark	20	-	35	11	14	9	11
France (e)	16	(g)	39(g)	9	13	11	12
Germany W.	8	(g)	48(g)	10	13	9	12
Netherlands	11	(g)	43(g)	9	11	7	19
Japan	20	2	31	9	16	(h)	22
Argentina (f)	18	1	28	12	15	10	16
New Zealand (e)	27	1	29	10	(h)	4	29

(a) Including forestry and fishing.
(b) Manufacturing industries and construction.
(c) Including communication.
(d) Including defence.
(e) For 1952.
(f) For 1955.
(g) Mining included with manufacturing.
(h) Included in "other".

Notes:

United States - Profits of public enterprise not included. All public enterprises and services classified under "Public administration". Cash rents paid by business included in "Others".

Canada and United Kingdom - Totals include adjustment for stock valuation not included in components.

Denmark - Including repairs and maintenance.

France - Public education and social security agencies are included in "Public administration".

Germany W. - As for Canada. "Public administration" comprises all services of general government.

Japan - Net domestic product at factor cost.

New Zealand - Year beginning 1 April. Includes interest on consumers' debt, which is classified under "Others".

Source: Statistical Yearbook 1957, United Nations.

The Agricultural Situation in Individual Food Exporting Countries

There are a few countries which are frequently in mind in any discussion about international trade in foodstuffs. For each country interest tends to centre on a short list of commodities. The purpose of this section is the strictly limited one of illustrating recent trends in the supply of these commodities in these countries. The few brief statistics quoted to supplement the charts are intended merely to indicate the relative importance of the selected products.

But each country has its own problems; its situation could be outlined by a statistical summary similar to this one for the United Kingdom and its farm policies are as complex, and implemented by as wide a range of devices, as are the British. (e.g. see p. 29) Though it is not feasible to pursue the details here it might be helpful to list certain sources of further information. Of the very large number of sources available, those noted below are confined to those giving a specially convenient summary.

A. Statistics

1. Agricultural Statistics in detail for individual countries.

   Food & Agriculture Organisation. (=F.A.O.) Report on the 1950 World Census of Agriculture. Volume 1. Census results by Countries. (Rome) This covers, country by country, the kind of data on areas, livestock numbers, tenure, machinery, labour, etc., which can be obtained from statistical returns from individual farms. Reports for nearly 80 countries are included.

2. Routine Sources

   Data for individual countries are typically included in summary tables for individual commodities.

a) F.A.O. Yearbook of food and agricultural statistics:
   I. Production (includes prices)
   II. Commerce.

b) Monthly bulletin of agricultural economics and statistics, (which, broadly speaking, gives recent data of the kind found in the Yearbooks.)

3. Special sources

a) Organization for European Economic Co-operation.
   Food and agricultural statistics. (Paris, Nov. 1956 and Dec. 1957) Gives data for pre-war and 1948 onwards on crop area, livestock numbers, farm prices, product utilization, trade, consumption, for the O.E.E.C. countries, U.S.A. and Canada. (There are other special and routine summaries of this kind prepared by O.E.E.C. See their "General catalogue, 1958".)

b) F.A.O. - Economic Commission for Europe.
   "Output, expenses and income of agriculture in some European countries". Third Report, 1952-55. (Geneva 1958) Provides convenient international comparisons of these "derived" statistics.

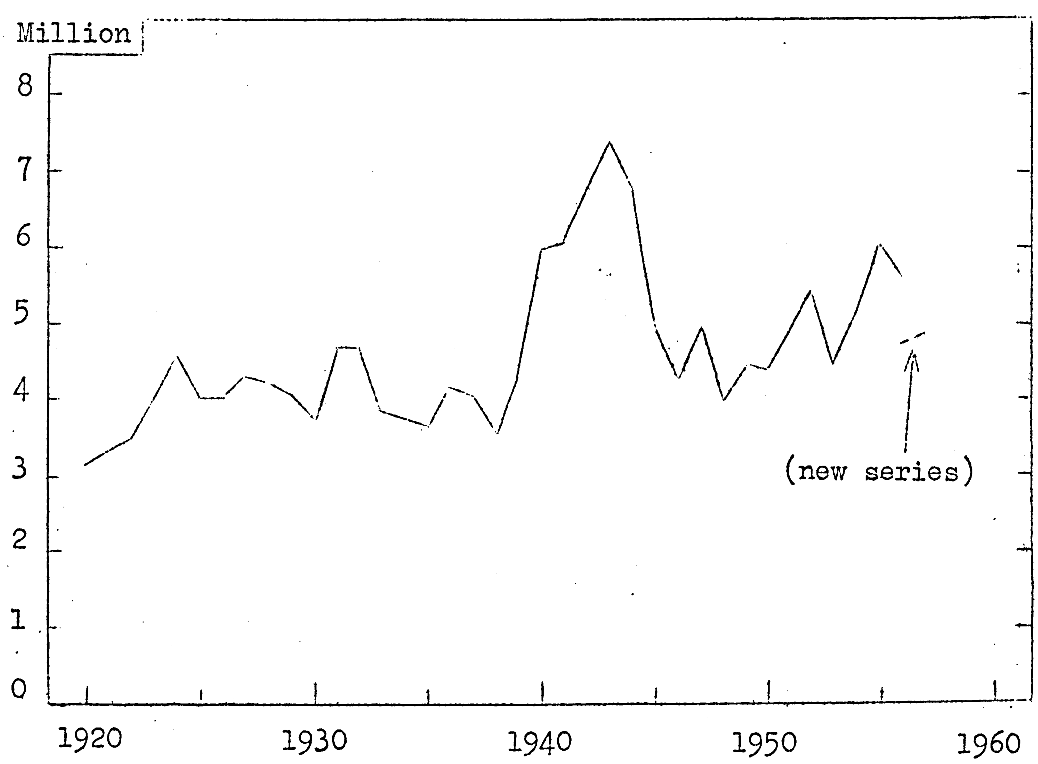
c) F.A.O. Prices of Agricultural Products and Fertilisers 1956-7. (Geneva, Dec. 1957).

CANADA

Agricultural statistics		Million
Land use (1950)	crop land	94
	permanent meadow & pasture	54

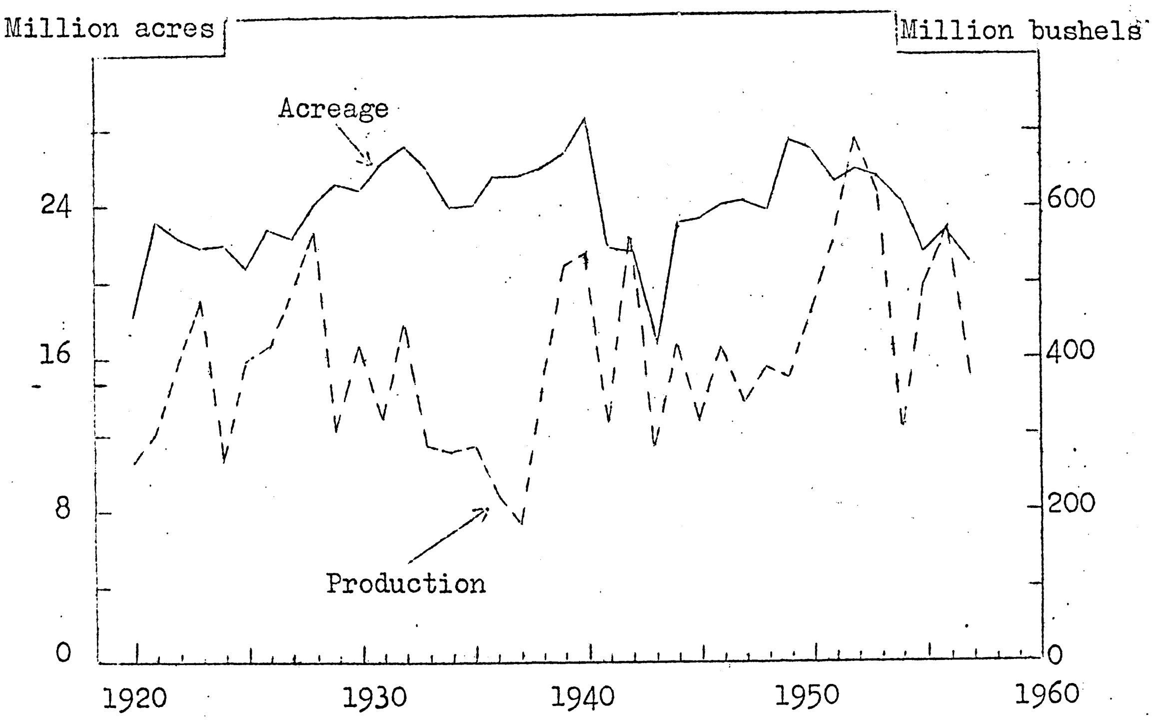
Individual crops (1956)	Million acres
Wheat (all)	21.3
Oats	12.0
Barley	8.7
Flax	3.1
Hay, tame	11.2

Livestock (June 1 1956)	Million
Cattle: cows & heifers 2 yrs. old and over for milk	3.2
All cattle	11.0
Pigs	4.7
Sheep	1.6
Hens and chickens	67.5



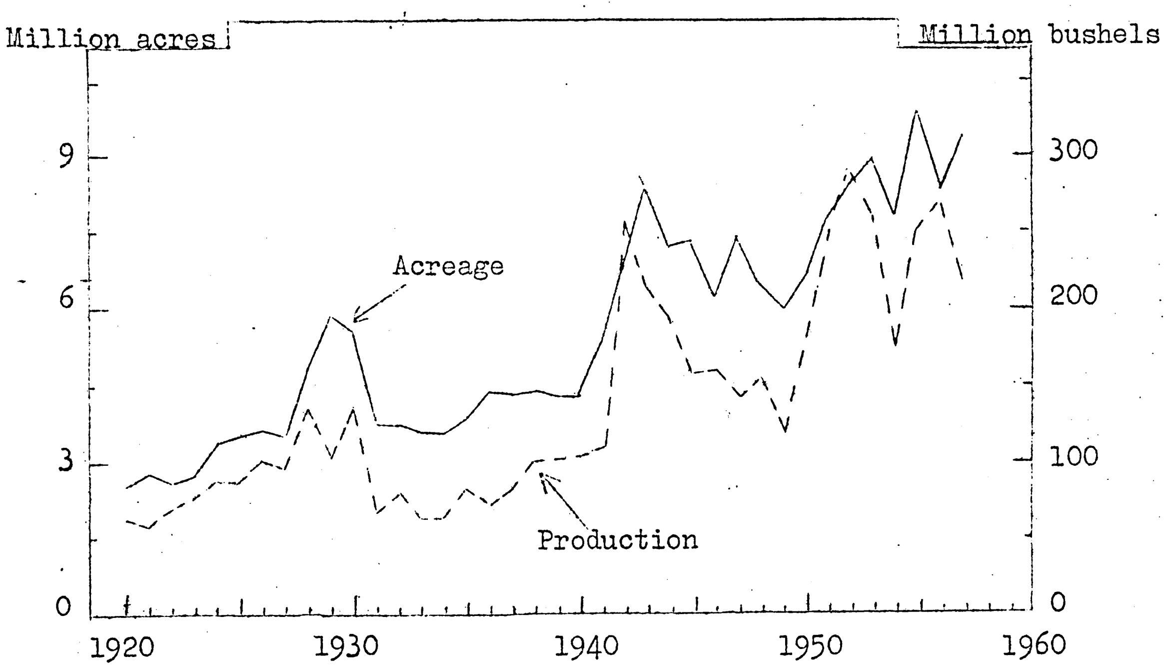
TOTAL HOGS ON FARMS, June 1st. CANADA.

Source: Livestock and Animal Products Statistics, Canada.



ACREAGE SOWN AND PRODUCTION OF WHEAT, CANADA.

Source: Canadian Yearbooks & Wheat Situation, Canada.



ACREAGE SOWN AND PRODUCTION OF BARLEY, CANADA.

Source: Canadian Yearbooks & Coarse Grain Review, Canada.

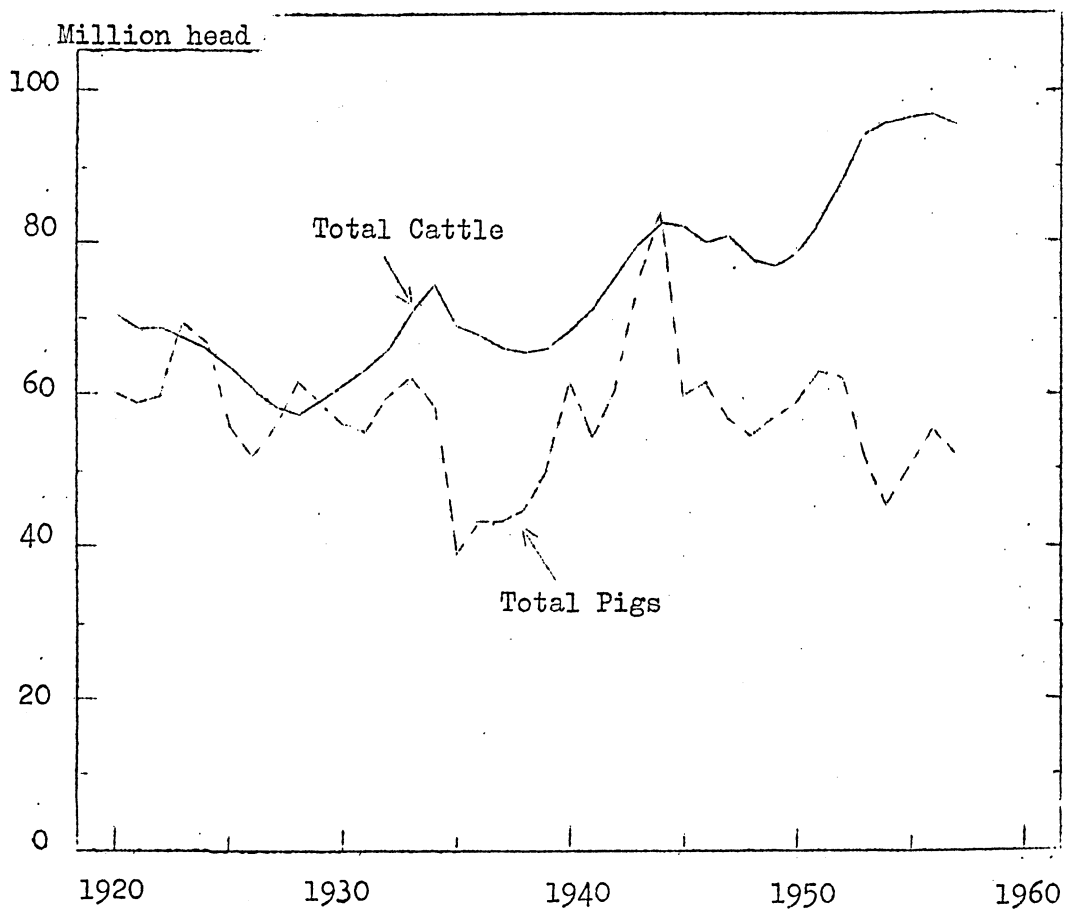
UNITED STATES OF AMERICA

Agricultural Statistics

Land use (1950)	million acres
Cropland	477
Permanent meadow and pasture	415

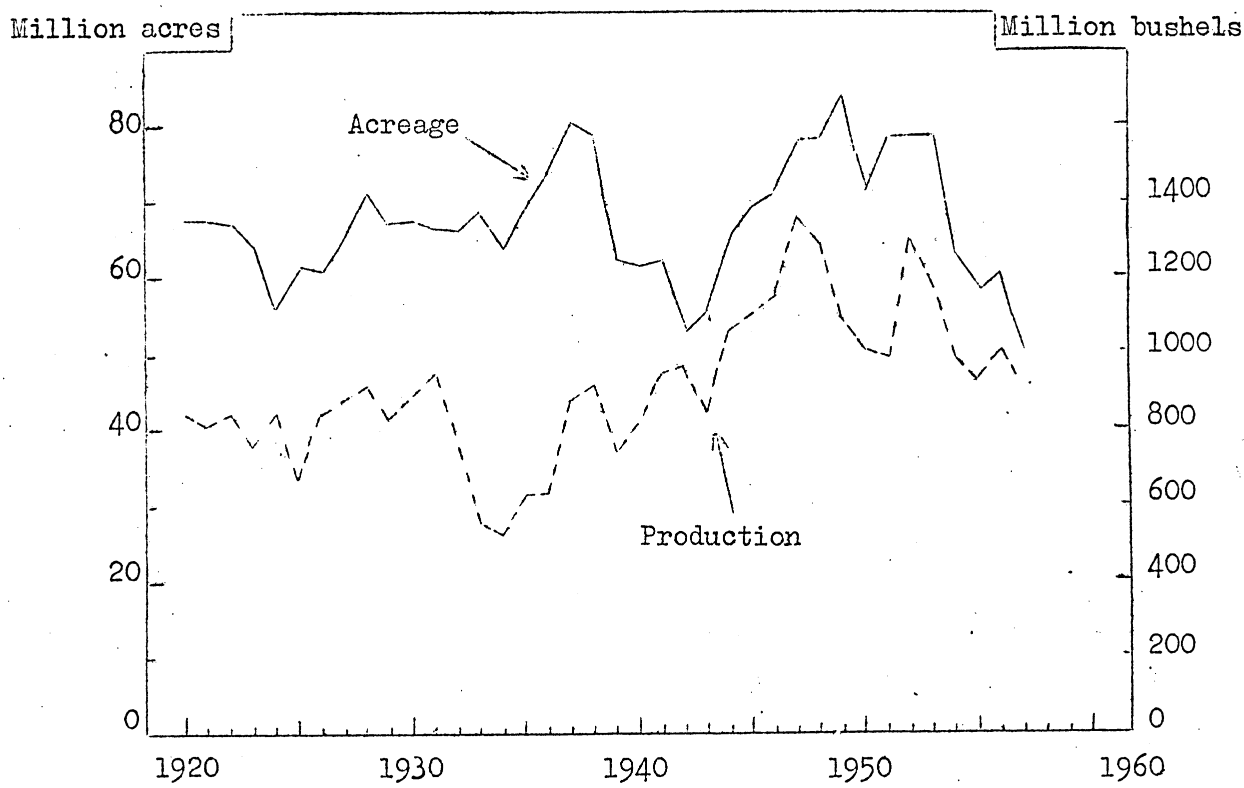
Individual crops (1955) harvested area	
Wheat	47
Corn (maize)	80
Barley	15
Cotton	17
Soybeans for beans	19
All hay	75

Livestock (1 Jan. 1956)		million
Cattle:	Kept for milk: cows & heifers 2 yrs and over	23
	" " " : total	35
	Other cattle	63
	All cattle	97
Pigs:	Sows and gilts	9
	All pigs	55
Sheep:	All	31
Poultry:	Hens and pullets	360



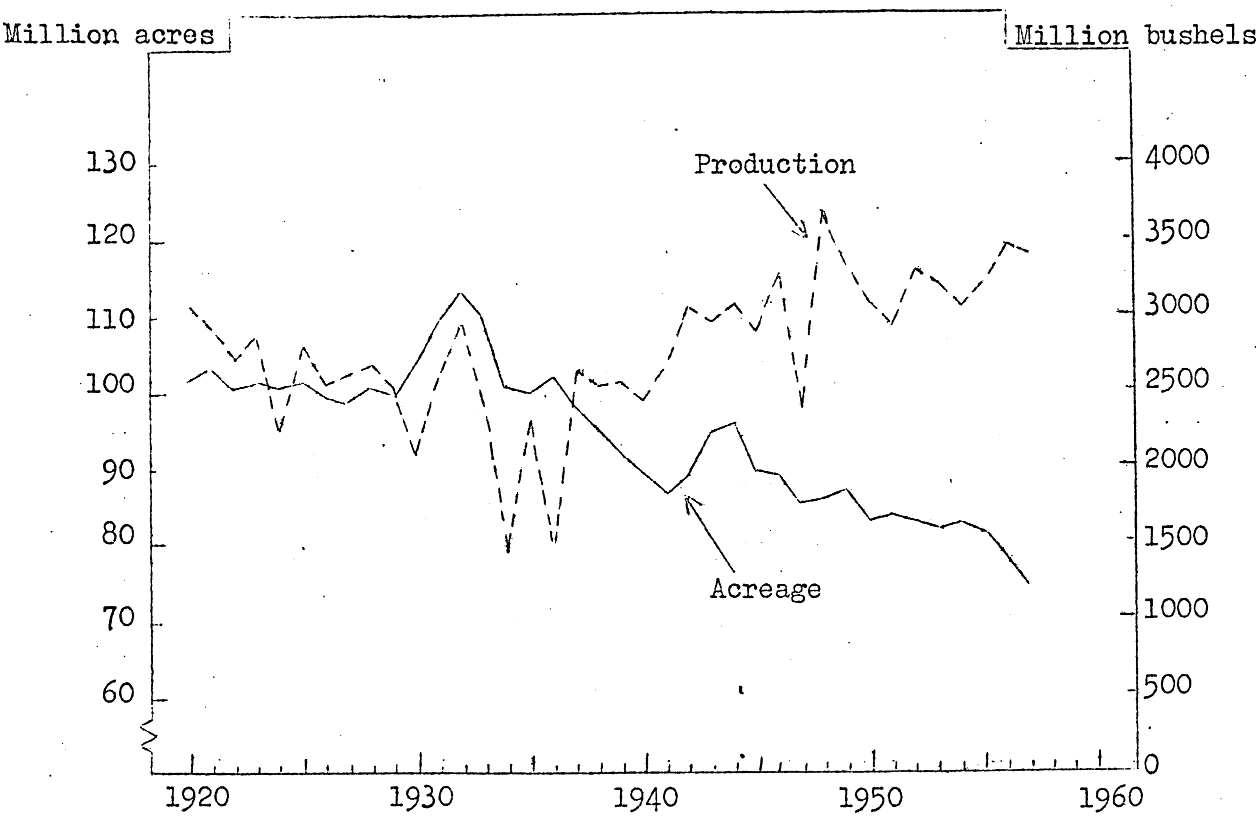
TOTAL CATTLE & PIG POPULATION ON 1st JANUARY, UNITED STATES.

Source: 1920-1946 Agricultural Statistics, U.S.A.
1947- "Meat", Commonwealth Economic Committee



ACREAGE SOWN AND PRODUCTION OF WHEAT, UNITED STATES.

Source: Wheat Situation, U.S.A., April 1958.

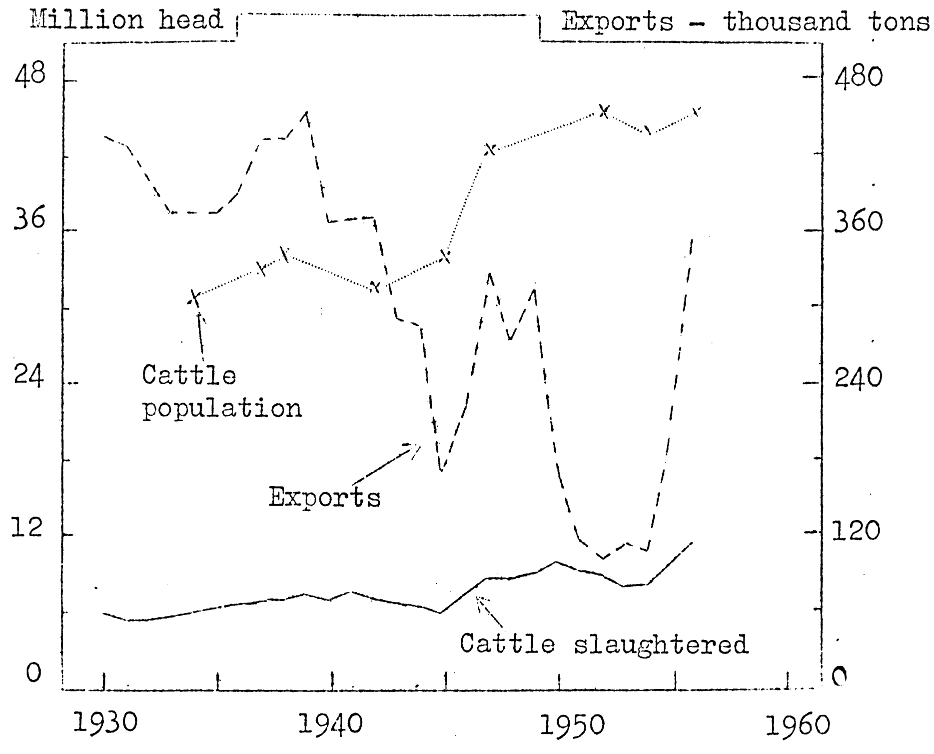


ACREAGE SOWN AND PRODUCTION OF MAIZE, UNITED STATES.

Source: Feed Situation, U.S.A. & Agricultural Statistics, U.S.A.

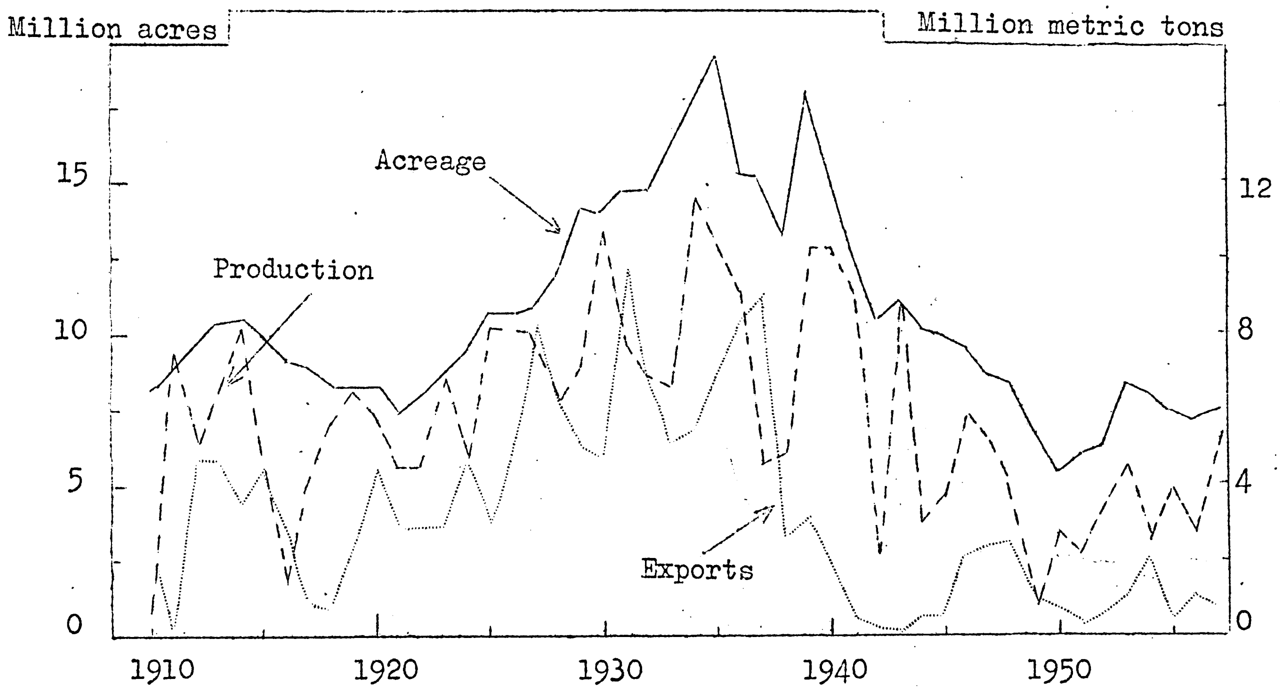
ARGENTINA

Agricultural Statistics		Thousand acres
Land use.		
Grasses	about	165,000
Annual crops		43,000
Plantation crops		20,000
Individual crops (1954-5)		
Wheat		14,670
Corn		7,416
Oats and barley		6,093
Rye		6,160
Alfalfa		18,701
Linseed		1,827
Livestock numbers		
Cattle		45,263
Sheep		54,684
Hogs		3,989



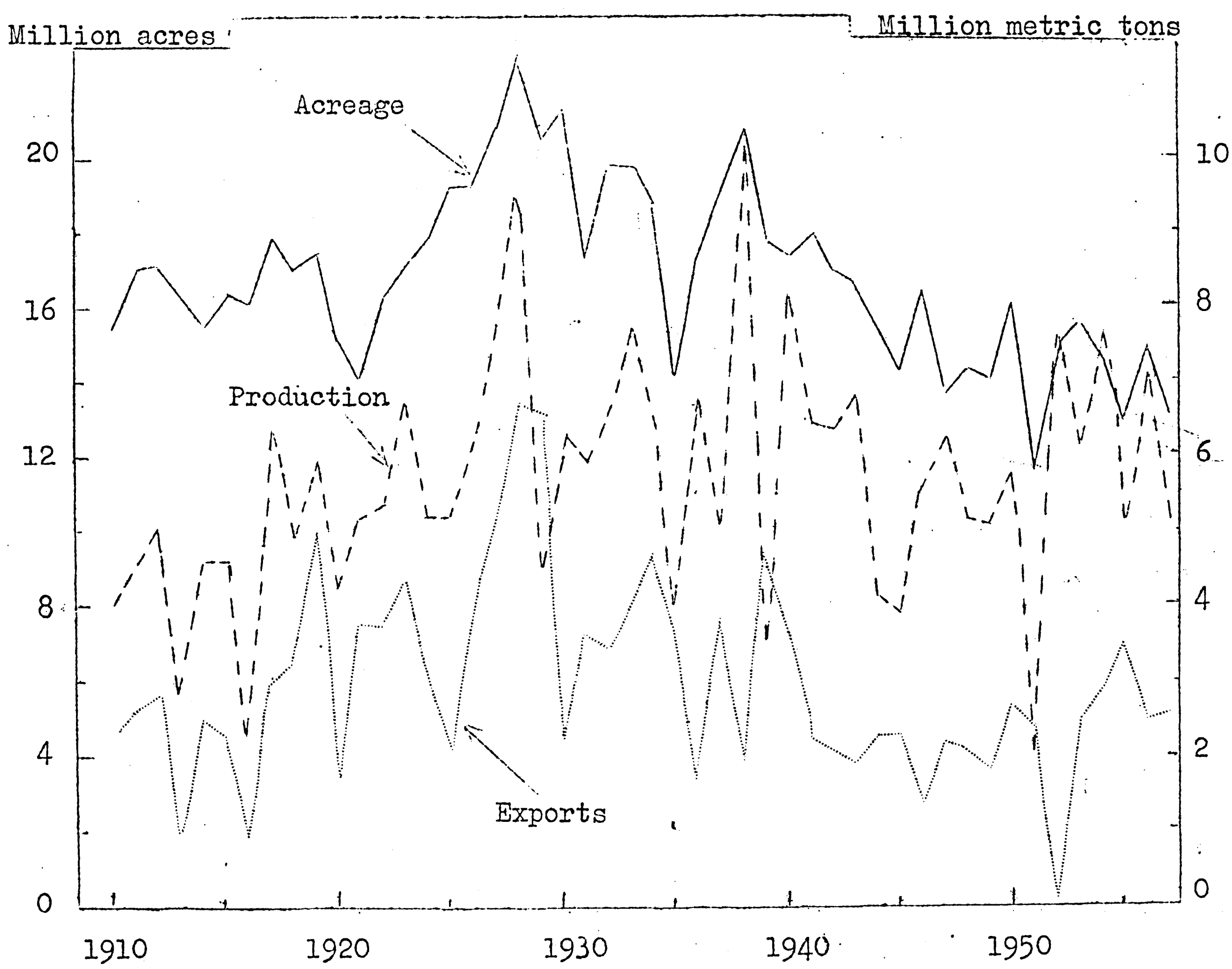
CATTLE POPULATION, NUMBER OF CATTLE SLAUGHTERED (excluding slaughterings on farms) & EXPORTS OF BEEF & VEAL, ARGENTINA.

Source: Commonwealth Economic Committee, Meat, 1937, 1938, 1948, 1950, 1953 and 1957.



ARGENTINA - MAIZE ACREAGE PLANTED, PRODUCTION & EXPORTS.

Source: Banco Central Republica, Argentina & Corn Trade News Year Books.



ARGENTINA - WHEAT ACREAGE PLANTED, PRODUCTION & EXPORTS.

Source: Banco Central Republica, Argentina & Corn Trade News Year Books.

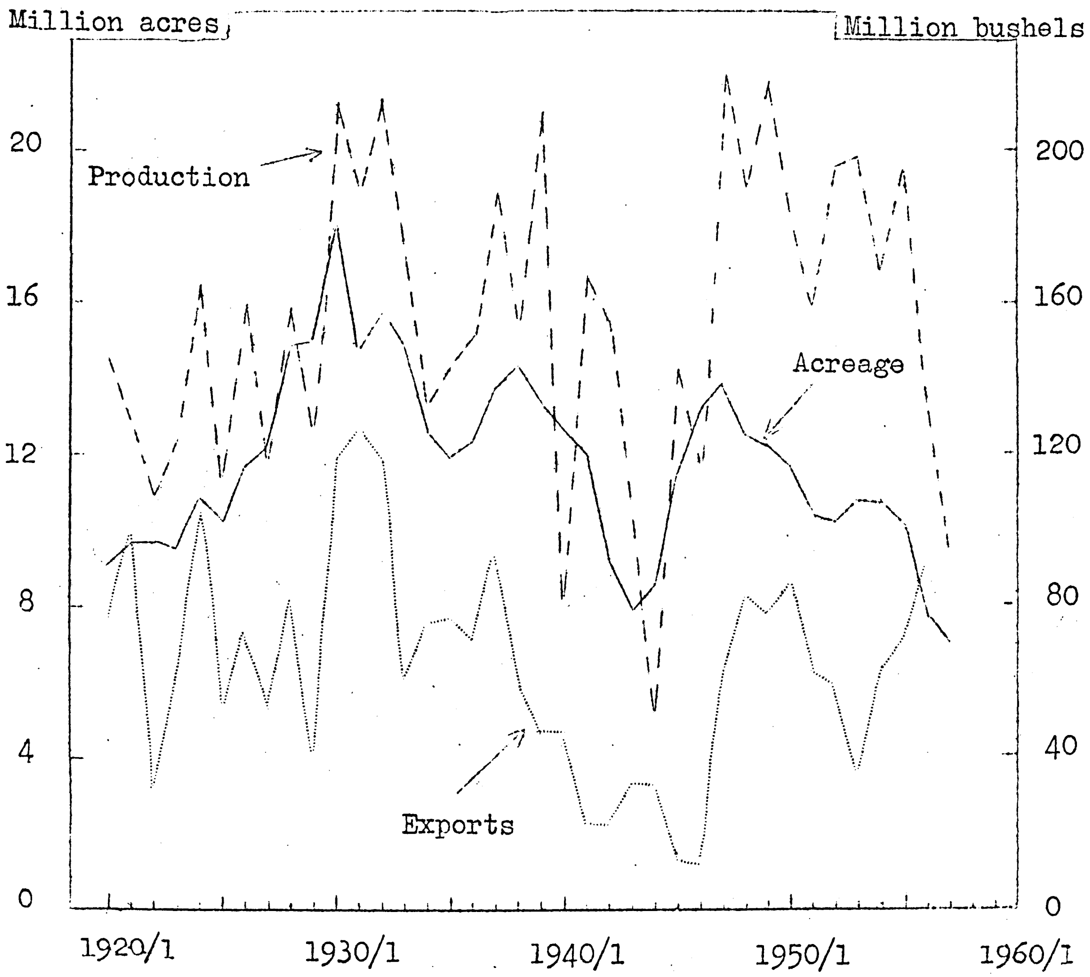
AUSTRALIA

Agricultural Statistics

Area of crops:	1955-6 thousand acres
Wheat	10,673
Oats	2,574
Barley	1,691
Hay	1,984
Green fodder	2,733
All crops	21,695
Sown pastures	28,400

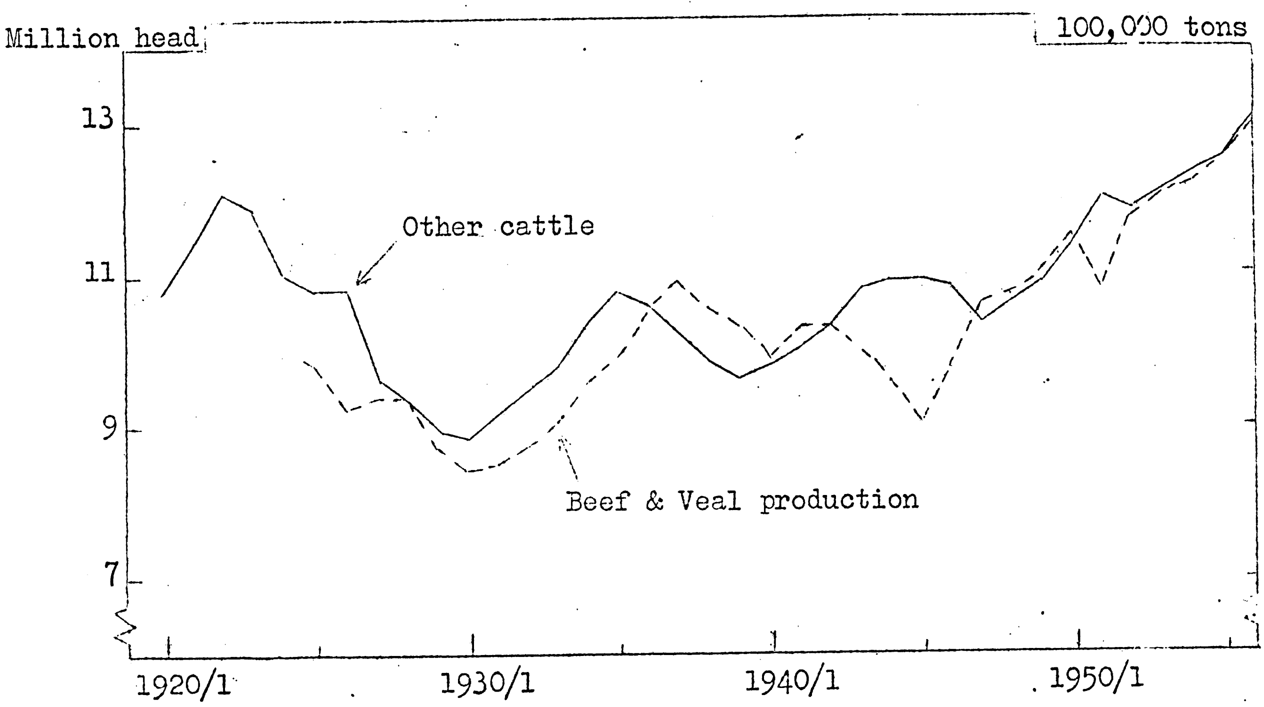
	Beef	Dairy cows	All Dairy cattle	Total Cattle
	thousands			
Cattle	11,478	3326	4979	16,457

Sheep 139,124 thousand of which 106,744 merino.
Pigs 1166 thousand.

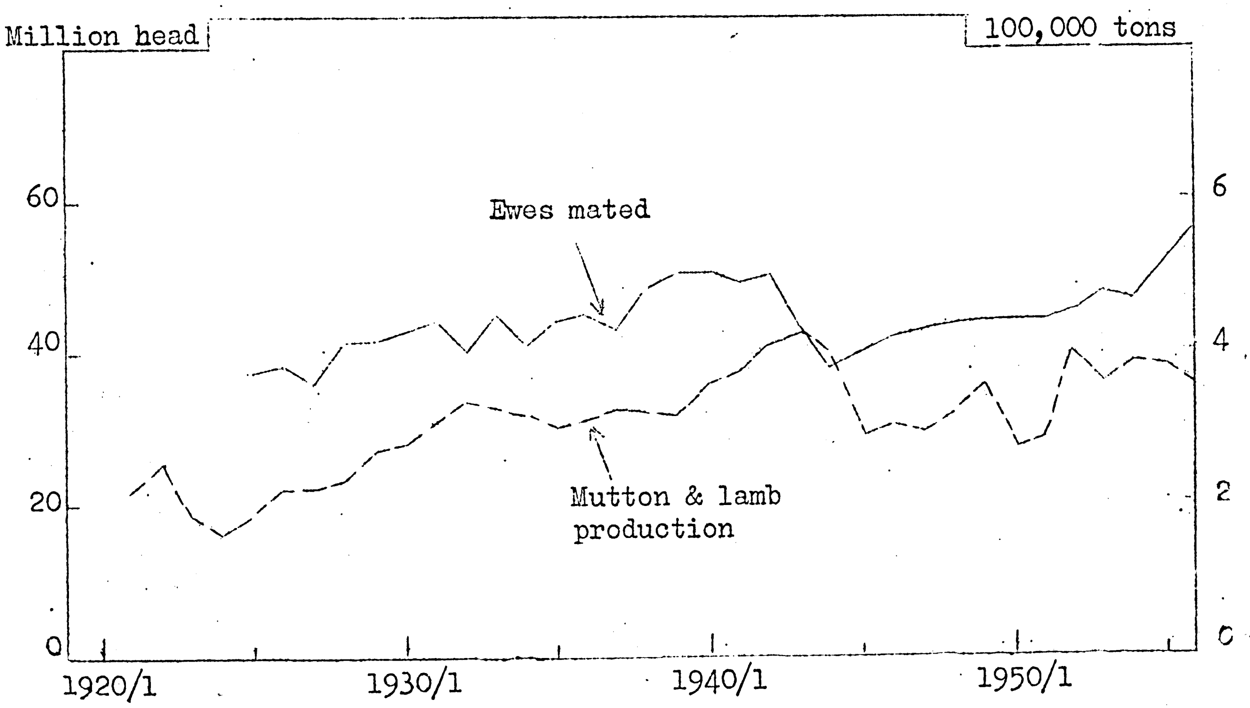


AREA UNDER WHEAT (Grain), PRODUCTION & EXPORTS, AUSTRALIA. July/June year.

Source: Primary Industries. Pt. I. Rural Industries, 1955-6, Commonwealth Bureau of Census and Statistics. Australia, and Corn Trade News, Broomhall's.



AUSTRALIA. TOTAL CATTLE LESS DAIRY COWS AT 1st JANUARY (from 1943 at 31st March) AND PRODUCTION OF BEEF & VEAL (BONE-IN WEIGHT) July-June years.



AUSTRALIA. EWES MATED AT MARCH 31st AND PRODUCTION OF MUTTON & LAMB (BONE-IN WEIGHT) July-June years.

Source: Primary Industries Pt. I. Commonwealth Bureau of Statistics, Australia.
Commonwealth Economic Committee "Meat".

NEW ZEALAND

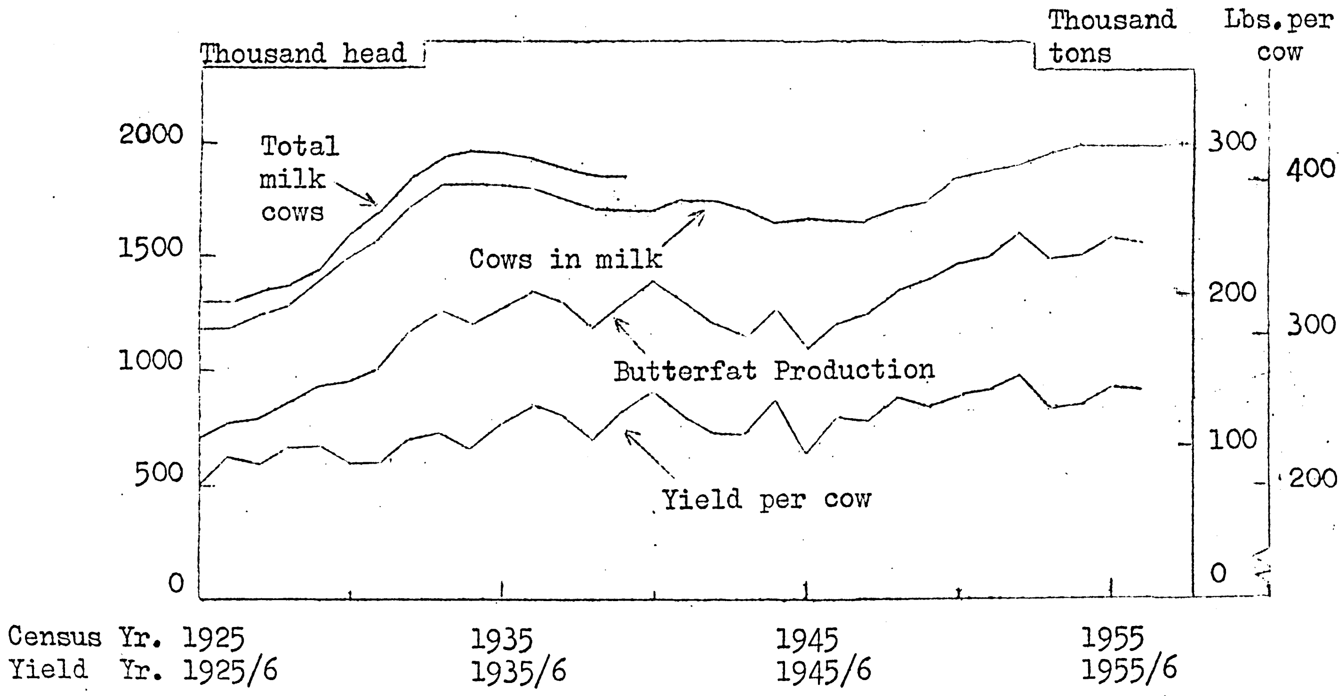
Agricultural statistics

Land use. (1955)

Improved land	Thousand acres
Sown pasture	17,533
Field crops	1,167
Total	19,961
Unimproved land	
Tussock and native grasses	13,392
Other - mainly scrub, bush and barren	10,002
Total	23,394
Total occupied area	43,356

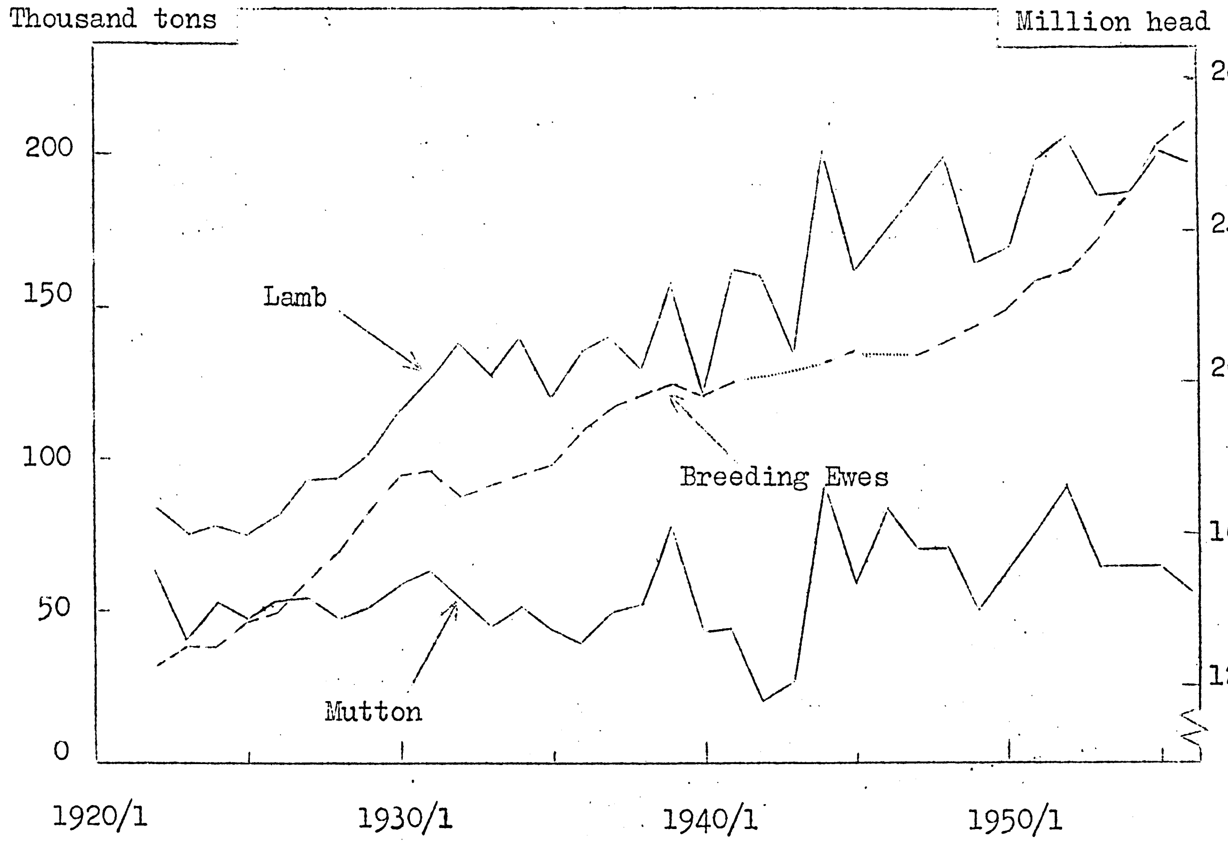
Livestock

		thousand
Dairy stock.	Cows & heifers 2 years & over	2,108
	Total dairy stock	3,079
Beef stock.	Total	2,807
Pigs.	Total	681
Sheep - shorn (season 1954-5)		37,354

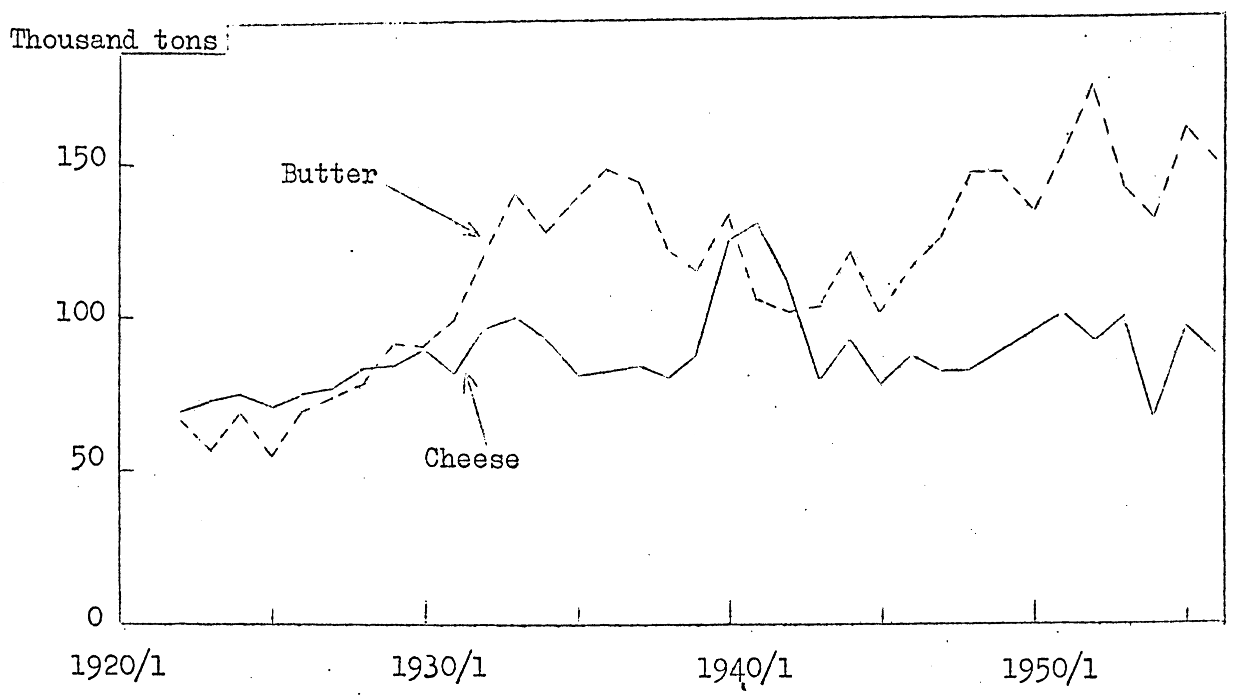


NEW ZEALAND - DAIRY COW POPULATION, TOTAL BUTTERFAT PRODUCTION & BUTTERFAT YIELD PER COW IN MILK.

Source: N.Z. Dairy Board Reports & N.Z. Year Books.



NEW ZEALAND - MUTTON & LAMB EXPORTS TO ALL DESTINATIONS (July/June years) NUMBER OF BREEDING EWES (as at 30th April).

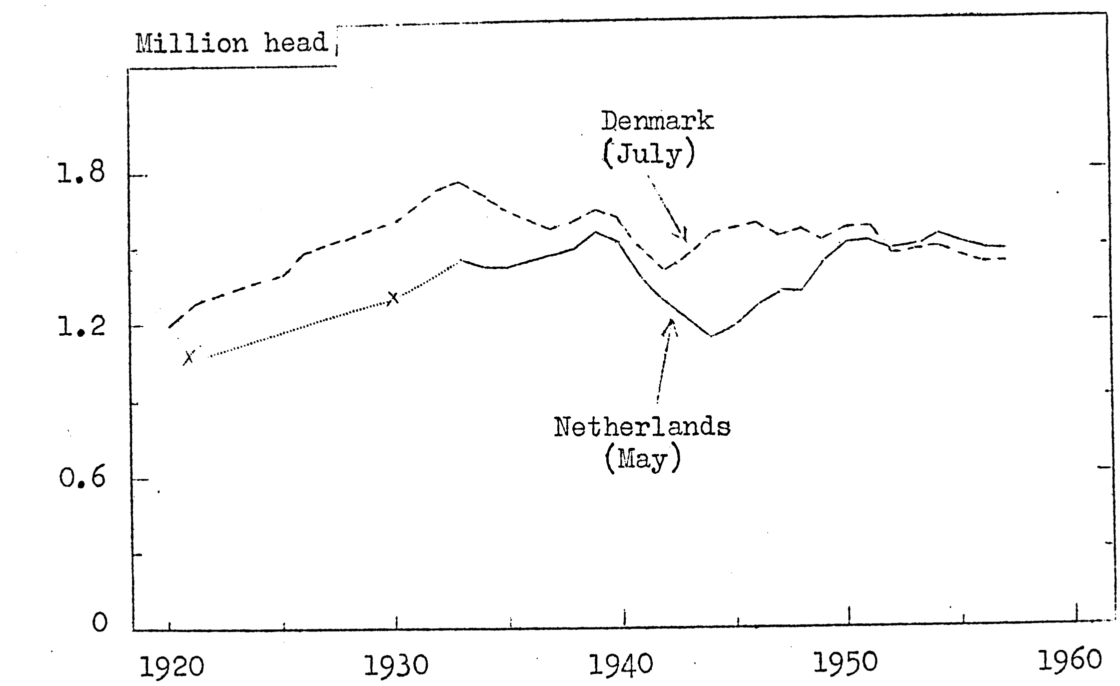


NEW ZEALAND - BUTTER & CHEESE EXPORTS TO ALL DESTINATIONS (July/June years).

Source: N.Z. Dairy Board Reports & N.Z. Yearbooks.

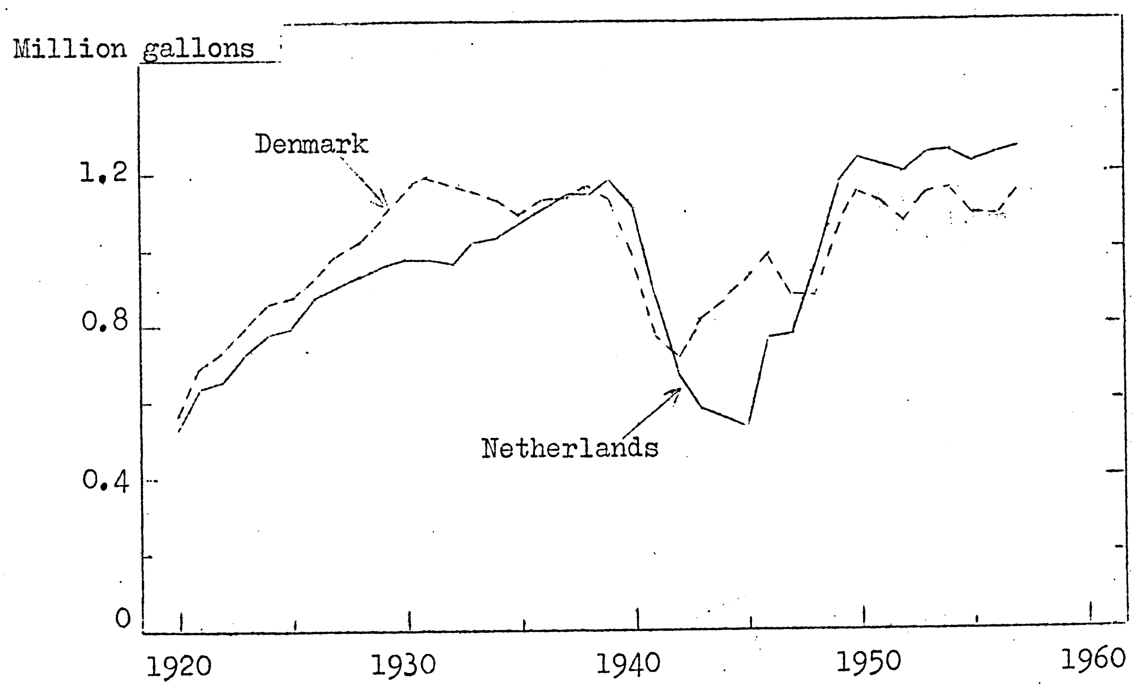
DENMARK AND THE NETHERLANDS.

	Denmark	Netherlands
	Average 1952-5	
Agricultural Statistics	thousand acres (percent total)	
Total Agricultural Area	7736 (100)	5728 (100)
Tillage	5039 (65)	2522 (44)
Temporary grassland	1741 (23)	82 (2)
Permanent grass	758 (10)	3125 (54)
Rough grazing	198 (3)	-
Individual crops	thousand acres (percent of tillage)	
Bread grains	464 (9)	632 (25)
Coarse grain	2836 (56)	657 (26)
Potatoes	252 (5)	380 (15)
Sugar beet	151 (3)	170 (7)
Livestock	thousands	
Milk cows	1487	1512
All cattle	3112	2954
Sows for breeding	478	313
All pigs	4339	2035
Poultry	24865	28845



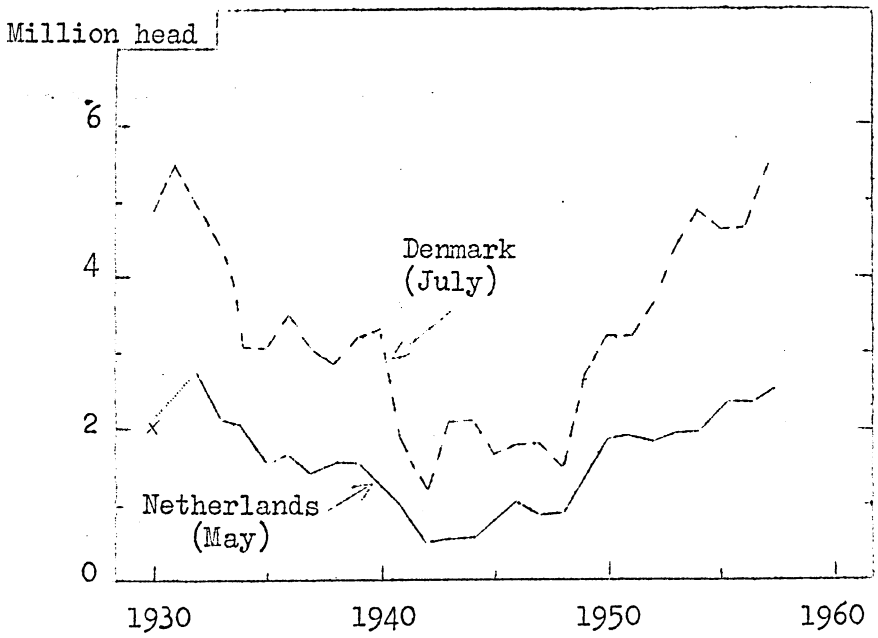
NUMBER OF COWS IN DENMARK & NETHERLANDS.

Source: "Dairy Produce" & Monthly Intelligence Bulletins, Commonwealth Economic Committee.

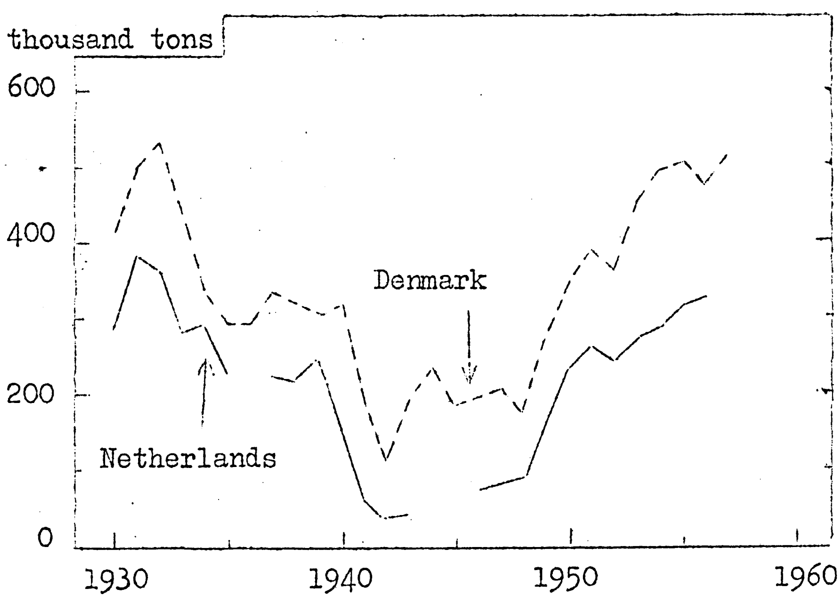


MILK PRODUCTION IN DENMARK & NETHERLANDS.

Source: Dairy Produce, Commonwealth Economic Committee,
also - Denmark Danish Agriculture, Jansen
Netherlands Landbouwcijfers, 1956.

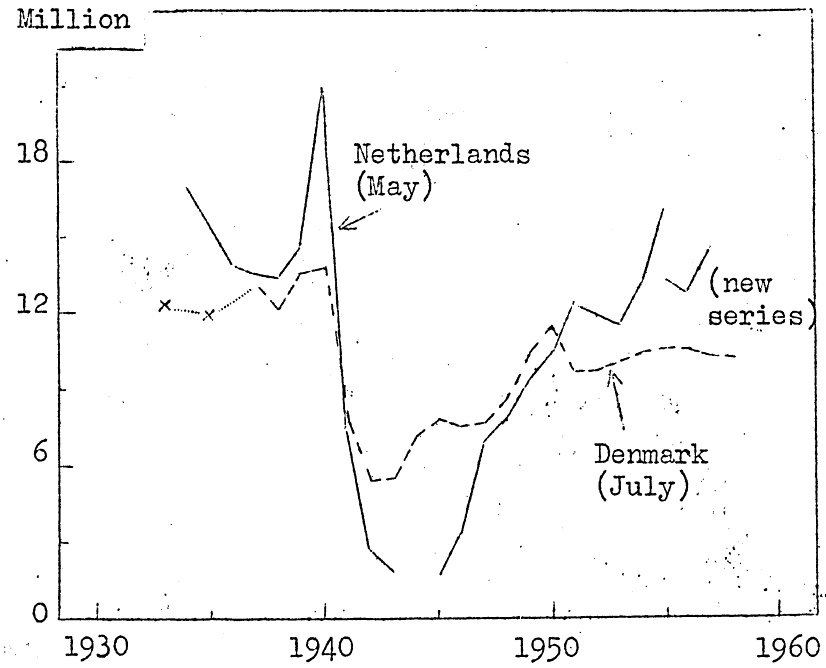


NUMBER OF PIGS IN DENMARK & NETHERLANDS.

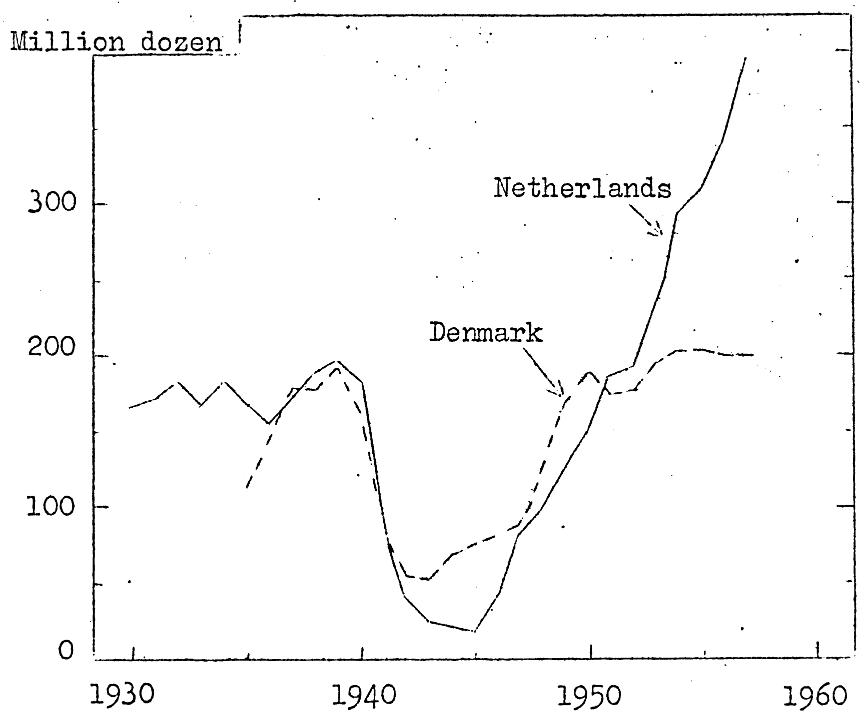


PRODUCTION OF PIGMEAT IN DENMARK & NETHERLANDS.

Source: (Both charts) Commonwealth Economic Committee "Meat" 1937, 1938, 1948, 1950, 1954 and 1957.



NUMBER OF HENS IN DENMARK & NETHERLANDS.



PRODUCTION OF EGGS IN DENMARK & NETHERLANDS (1957 provisional)

Source: Commonwealth Economic Committee, "Dairy Produce" 1937, 1938, 1948, 1952, 1955 and 1957.

B. Agricultural Policy and agricultural support

The complexity of the direct and indirect measures influencing agricultural production and the people engaged in it in various countries of the world, places heavy demands on anyone trying to summarise them and to indicate fairly their significance. There are, however, at least two very useful summaries of national agricultural policies which present the main features for each country in a few pages and keep to a coherent plan.

1. Organisation for European Economic Co-operation. Agricultural Policies in Europe and North America. 2nd report of Ministerial Committee (July 1957). Part 1. consists of sections on 19 individual European countries, U.S.A. and Canada; Part 2. is concerned with the main characteristics of price and income policies and proposals for co-ordination and Part 3. with broad indications of the degree of government intervention.

2. U.S. Department of Agriculture. Agricultural policies of foreign governments including trade policies affecting agriculture. Agricultural Handbook, No. 132. gives useful summaries for most important countries except the U.S.A.

C. General Situation

Several special studies relating to individual countries have been published by the Foreign Agricultural Service of the U.S. Department of Agriculture. Among them:
Competitive Position of United States Farm Products Abroad, 1958;
Argentina. Competitor of U.S. agriculture in World Markets. Constance H. Farnsworth and Arthur G. Kevorkian. Foreign Agriculture Report, No. 101. Other information is collected in U.S.D.A. Foreign Service, "Foreign Agriculture Circular" and in Canadian "Agriculture Abroad".

D. F.A.O. publishes an annual review of The State of Food and Agriculture dealing with individual commodities and the broad economic setting and trends. Special articles are also published in the Monthly Bulletin (see A.2 above).

The European Common Market and Free Trade Area

If all the relevant facts and the motives of the interested parties were more widely known this would still be an extremely difficult subject to judge. The economic and political advantages of some degree of European integration have appealed to many people. An integrated Europe is seen as potentially providing a large market (p. 26) which would support mass production methods and stimulate competition and specialisation. It is thought that the removal of trade barriers would lead to a higher level of economic activity. Discussion has often seemed to centre on questions of tariffs but the possibilities are much wider than this - at least as they are viewed in Continental Europe. Various moves in the direction of greater co-operation have been going on for ten years. In January 1948 the Netherlands, Belgium and Luxembourg adopted a common customs tariff; later that year the Organization for European Economic Co-operation was formed. This Organization comprises the following Member countries: Austria, Belgium, Denmark, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey and the United Kingdom. Member Governments pledged themselves "to combine their economic strength, to join together to make the fullest collective use of their individual capacities and potentialities, to increase their production, develop and modernise their industrial and agricultural equipment, expand their commerce, reduce progressively barriers to trade among themselves, promote full employment and restore or maintain the stability of their economies and general confidence in their national currencies". In 1950 the European Payments Union was set up; in 1951 six countries set up the European Coal and Steel Community with which Britain became associated; finally in 1957 France, Germany, Belgium, the Netherlands, Luxembourg and Italy (all "Messina countries" after their conference venue) set up the European Economic Community ("Common Market") and the European Atomic Energy Community. (EURATOM)

Britain has been associated with many of these moves towards European co-operation and is a member of various of the organizations set up. However, on both economic and political grounds the idea of integration with Europe strikes her differently from the way it strikes a continental European country. From the point of view of this publication perhaps the main interest is in the proposals concerned with the reduction or abolition of tariffs.

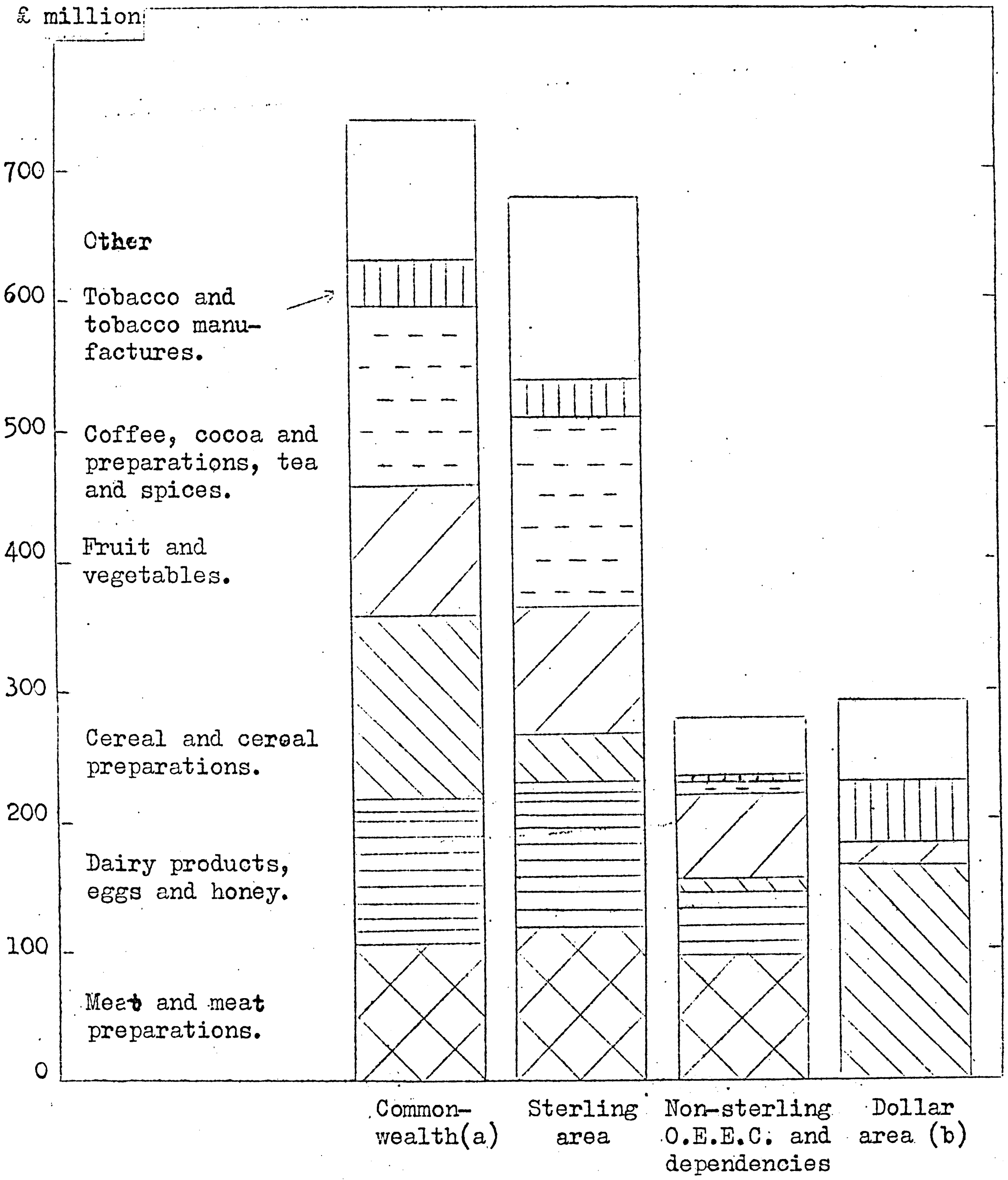
As things stand now, the six countries of the European Economic Community have agreed to form a "common market" from 1st January 1959. This treaty signed in Rome ("The Rome Treaty") deals with a wide range of economic aspects, including provision on a definite timetable for the removal of tariffs between them and adjustment of those between the six and the rest of the world to the mean level of those previously in force in the individual countries (p. 28). The Common Market could be regarded as a fact from March 1957 onwards. Debate continued, however, on whether other European countries should associate with the "group of six" in some form of European Free Trade Area, on the place of Britain in such an association, and whether agricultural products should be included. If such a "free trade" area were set up tariffs between members of the "area" would be removed but each country would keep its own tariffs with the outside world. As far as the inclusion of agriculture goes, certain countries - Denmark, for instance - would see little incentive to take part if it were excluded but since most European countries protect their agriculture to a substantial degree (see p. 29) a stark removal of protection even over a moderate period is scarcely to be contemplated.

The United Kingdom's approach both on the Free Trade Area proposals as a whole and on the agricultural issue has been modified from time to time. Her attitude on agriculture has been conditioned partly by the fact that she has a comprehensive protective scheme for her own agriculture and partly by the fact that she accords a tariff preference to Commonwealth suppliers. The effects of the latter would be nullified if goods from all European countries were to enter Britain duty free. Incidentally even on non-commonwealth agricultural products British tariffs are low compared with many continental ones.

Since tariff protection is significant as a support in British agriculture only for horticultural products and since Europe and the Commonwealth compete sharply in the British market over only a limited range of products the areas of conflict are perhaps narrower than they seem at first sight. Again, progressive and more or less mutual readjustment of agricultural policies might be feasible by discussion within the O.E.E.C. organization. Whether moves along these lines will be made or the wider association including Britian fall into obeyance is not clear; if the latter, more limited projects are likely to go ahead.

In all its ramifications the subject of European economic integration is a very complex one. There is already a very long list of articles and special publications on the common market and Free Trade Area themes. Some of the more important are listed in the July 1958 issue of the "Digest of Agricultural Economics" (published by the Agricultural Economics Research Institute). A brief list might include:

Bulletin of Oxford Institute of Statistics (February 1957);
The O.E.E.C. and the Common Market (Marc Ouin. O.E.E.C. 1958);
Freer Trade in Europe (H.M.S.O.);
and papers by Lloyd to the Farmers Club, 6th November 1957 and Britton to the Agricultural Economics Society, July 1958.



VALUE OF UNITED KINGDOM IMPORTS OF FOOD, BEVERAGES AND TOBACCO FROM SELECTED AREAS 1956.

(a) Include independent members, Channel Islands, British whale fisheries, and all colonies, protectorates, trust and mandated territories, territories under condominium and the protected states of Bahrain, Qatar, Trucial States and Kuwait.

(b) Amount negligible for meat (1.8), dairy products (1.9), and coffee etc. (2.5) are included in "other".

<u>Source</u>: Annual Abstract of Statistics, U.K. No. 94, 1957.

THE SIZE OF THE EUROPEAN MARKET 1955

	The six	Total O.E.E.C.	U.K.	U.S.A.	U.S.S.R.
Population (million)	162	284	51	165	200
National output £10^9	39		17		
Production (million)					
coal	279	512	225	447	314
steel	53	77	20	106	45
cars etc.	1.9	3.14	1.2	9.2	0.4
electricity	185	344	80	623	170
Imports					
Total £10^9	6.9	-	3.9		
Intra O.E.E.C.	3.2	-	1.0		
Extra O.E.E.C.	3.7	8.7	2.9	4.0	2.3
Exports					
Total	6.5	-	3.0		
Intra O.E.E.C.	3.7	-	0.9		
Extra O.E.E.C.	2.8	6.8	2.1	5.5	2.3

GROWTH OF MARKET

	Imports in 1956	Increase 1952-1956
	£10^9	per cent.
World ex. U.S.S.R., East Europe and China	34.4	20
N. America	7.8	24
Latin America	2.7	1
Continental O.E.E.C.	10.7	37
including the six E.E.C. countries	7.6	41
Rest of sterling area excl. U.K.	4.7	7
United Kingdom	3.9	12

Source: Freer Trade in Europe. H.M.S.O.

UNITED KINGDOM TRADE WITH EUROPE. (1956)

	Value of exports			Distribution		
	Food, drink, tobacco	Other exports	Total exports	Food, drink, tobacco	Other exports	Total exports
	£ million			percent of total		
Groups of countries						
O.E.E.C. (excl. U.K.)	42	857	899	23	29	28
E.E.C.	27	402	429	15	13	14
Scandinavia	6	258	264	4	9	8
Individual countries						
Netherlands	5	114	119	3	4	4
Sweden	2	104	106	1	3	3
Germany	8	84	92	4	3	3
France	8	81	89	4	3	3
Belgium	5	65	69	3	2	2
Italy	2	58	59	1	2	2

Three-quarters of the coal and the petroleum groups of products exported by the U.K. went to other O.E.E.C. countries and about one-third of the chemicals, woollens, non-ferrous metals, and machinery other than electrical.

COMMONWEALTH TRADE WITH EUROPE. (1955)

	Value of exports to			Distribution		
	U.K.	O.E.E.C. excl. U.K.	E.E.C.	U.K.	O.E.E.C. excl. U.K.	E.E.C.
	£ million			percent of total		
A. Independent countries						
Total exports	860	442	386	37	19	17
Individual products:						
Wool	139	171	164	32	39	37
Copper	66	33	27	52	26	21
Meat	99	5	5	83	4	4
Dairy products	86	4	4	80	4	4
Cocoa	18	25	22	27	28	33
Cereals	15	2	2	25	3	3
Vegetable oils, nuts, etc.	9	20	12	19	43	26
Hides and skins	7	21	20	18	53	50
B. Colonies						
Total exports	224	129	113	37	21	19
Individual products:						
Rubber	73	80	70	25	27	24
Vegetable oils and nuts	57	19	15	71	24	19
Tin	8	7	6	14	13	11
Coffee	12	4	4	35	12	12
Total A & B all exports	1084	571	499	38	20	18

Source: Freer Trade in Europe. H.M.S.O.

SOME TARIFFS IN WESTERN EUROPE ON NON-AGRICULTURAL PRODUCTS
(about 1952)

	Benelux	Denmark	Sweden	Germany	France	Italy	U.K.
				per cent.			
Woollen etc. fabrics	16	4	6	22	18	22	21
Textile machinery	6	5	6	13	18	25	27
Tractors	9	5	10	20	22	36	23
Motor cars	24	7	15	32	30	40	33
Rubber tyres	24	12	17	30	19	24	27
Bicycles	18	6	23	15	30	50	20

The Benelux countries, Denmark and Sweden have generally low tariffs on these goods, France, Italy and the United Kingdom tend to have high ones.

On raw materials tariffs in Europe are, generally speaking, under 10 per cent. and many are under 5 per cent.

Source: This table is a brief extract from data given in "Economic Survey of Europe 1956" (U.N.O.)

COMMON MARKET AND UNITED KINGDOM TARIFFS ON AGRICULTURAL PRODUCTS

	Tariffs in force				E.E.C. common tariffs	U.K. tariffs approx. equivalent[a]
	Benelux	W.Germany	France	Italy		
			per cent.			
Beef	12	10	35	18	20	- 3
Butter	15	25	25	30	24	5-10
Oranges	15-20	10	20-35	4	15-20	10
Wheat	0	20	30	30	20	0
Maize	0	0	30	5	9	0
Cocoa	0	10	0	0	9	5-10
Tea	10	52	30	50	35	- 5
Sugar	57	0	0	105	80	-20
Tobacco	8	32	0-3	0-3	30	600
Wool	0	0	0	0	0	-
Oilseeds	0	0	5-10	0-10	0	5-10

[a] A number of British tariffs are flat rate, e.g. tobacco of the order of £3 per lb., with preferential rate 2 or 3s. a lb. less; tea, 2d. a lb.; sugar various levels up to 11s. 8d. a cwt.; butter, 15s. a cwt.; cocoa, 14s. 8d. a cwt. full duty, 11s. 8d. preferential. The percentages given here are the approximate equivalent at recent import prices.

Source: Monthly Bulletin of Economics and Statistics (F.A.O.) April 1958; for U.K. figures Annual Statement of the Trade of the United Kingdom.

AGRICULTURAL SUPPORT IN EUROPE & N. AMERICA

Government expenditure on agriculture & food as proportion of gross agricultural product. 1955 or 1955-6

	Subsidies						
	Inputs	Price support	Storage & transport	Con-sumption	Other	Other expendi-ture	Total
				per cent.			
Austria	3	-	...	4	...	3	11
Belgium	...	...	...	...	1	2	5
Denmark	...	-	-	-	-	1	1
France	1	3	-	-	1	2	7
Germany	...	...	1	-	...	5	7
Greece	1	1	-	-	...	1	3
Iceland(a)	1	-	-	9	-	10	20
Ireland	1	-	...	7(c)	...	7	15
Italy	...	...	1	...	...	5	7
Netherlands(a)	...	4	-	2	...	9	16
Norway	12	3	1	29	-	8	53
Sweden	...	8	1	-	3	4	16
Switzerland(b)	2	5	1	1	-	5	15
U.K.	7	20	-	5(c)	7	3	42
Canada	...	1	1	-	1	6	10
U.S.A.	-	7	-	-	...	3	10

Government Expenditure on agriculture and food: distribution between broad groups. 1955 or 1955-6

	Research, education, advice	Land im-provement	Grants on means of production	Price support	Consumer subsidies	All other	Total
				per cent.			
Austria	9	18	28	-	36	9	100
Belgium	38	1	8	6	5	42	100
Denmark	36	42	3	-	-	19	100
France	5	22	19	42	-	11	100
Germany	11	50	6	3	-	30	100
Greece	5	33	19	42	-	1	100
Iceland(a)	9	27	6	-	46	12	100
Ireland	6	37	4	-	50(c)	3	100
Italy	6	65	2	2	...	25	100
Netherlands(a)	15	40	1	26	15	3	100
Norway	5	7	22	5	56	6	100
Sweden	12	8	2	50	-	28	100
Switzerland(b)	7	12	13	37	5	25	100
U.K.	3	3	17	48	12(c)	17	100
Canada	24	35	3	5	-	33	100
U.S.A.	6	16	-	69	-	9	100

Both tables

(a) 1956, (b) 1954, (c) Now abolished.

- Nil, ... less than 0.5 per cent.

Items may not add to totals because of rounding.

Source: Agricultural Policies in Europe and N. America. Second Report of Ministerial Committee for Agriculture and Food. pp. 443, 445.

The United Kingdom and the Rest of the World

In rather broad terms it might be said that the export level before World War II had been about regained by 1946; by 1950 the levels prior to World War I had been reached and by 1956 the 1946 level had been doubled. (p. 32) On the face of it this seems satisfactory but two features at least cause anxiety. One is that, whereas the volume rose by 6 per cent. between 1955 and 1956, it rose only by 2 per cent. between 1956 and 1957 and at the beginning of 1958 the rise appeared to have been halted.

The second feature is illustrated by the following:

Proportion of world trade in manufactures

	1953	1954	1955	1956	1957 Year	1957 2nd. half
			percent.			
United Kingdom	21	20	20	19	18	18
Germany	13	15	11	16	18	18
U.S.A.	26	25	25	25	25	24
Canada	7	6	6	6	6	6
Japan	4	5	5	6	6	6
Other O.E.E.C. countries	29	29	29	28	28	28

Germany and Japan have continued to increase their share of an expanding volume over this period when world imports of manufactures increased by one half. Now the annual increase is down to 5 per cent. The question is, how will the U.K. fare in this situation?

The overall approach in this instance is perhaps more than usually misleading because of the marked differences in the story for different commodities. Over the post-war period Britain's share in world trade in electrical machinery has risen from one-tenth to one-quarter; passenger cars from one-sixth to one-quarter. The new exports - plastics, special chemicals, radar, etc., now play an important part in exports. On the other hand textiles have dropped from one-third of our exports of manufactures to about one-eighth.

If Britain's customers suffer from falls in their earnings resulting from lower prices of primary products, will this affect her exports? Probably; but see p. 41. Further, as European economic activity seems to be easing off the demand for exports in Europe, there is unlikely to be any expansion. However, to judge from the rather stately way in which events have moved over the year or so to mid-1958, abrupt deterioration seems unlikely - just a tightening of the situation. The importance of receipts from exports to Britain's external economic position is clear from p. 33.

The downward trend in freight rates from the Korean peak (p. 125) has made useful contributions to reduction in import prices. However, the contribution of shipping to Britain's foreign receipts (p. 33) makes this a mixed blessing.

VOLUME OF IMPORTS AND EXPORTS, UNITED KINGDOM[a]

	1952	1953	1954	1955	1956	1957
	Index 1954 = 100					
Imports into U.K.						
Total imports	92	99	100	111	111	115
food, beverages and tobacco	91	102	100	107	109	113
basic materials	90	101	100	106	102	106
manufactured goods	100	93	100	125	124	130
Retained imports	91	99	100	111	110	
Export of U.K. produce and manufacture						
Total exports	94	96	100	107	113	116
food, beverages and tobacco	91	93	100	106	115	124
basic materials	79	93	100	115	119	122
manufactured goods	96	96	100	109	115	118

[a]Quantities revalued at 1954 prices and compared with the value of trade in 1954.

IMPORT AND EXPORT PRICE INDEX - UNITED KINGDOM

	1952	1953	1954	1955	1956	1957
	Index 1954 = 100					
Imports	111	101	100	103	105	107
Exports	105	101	100	102	106	111
Terms of trade[a]	106	100	100	101	99	96

[a]Import prices index x 100 ÷ export price index Therefore, rise indicates adverse movement.

Source: Board of Trade Journal, 14th February 1958. (except for retained imports for 1956 Board of Trade Journal, 17th May 1957).

COMPOSITION OF THE FOREIGN PAYMENTS
& RECEIPTS OF THE U.K.
(current account)

	1952	1953	1954	1955	1956	1957[p]
			£ million			
Debits						
Imports (f.o.b.)	2944	2888	3006	3442	3475	3605
Shipping	294	242	254	341	410	430
Interest, profits & dividends	199	212	234	269	259	250
Government	217	218	228	241	258	248
Other payments	98	93	109	139	139	176
Total debits	3752	3653	3831	4432	4541	4709
Credits						
Exports & re-exports (f.o.b.)	2827	2672	2820	3076	3414	3508
Shipping	404	376	403	464	517	545
Interest, profits & dividends	290	286	310	346	370	350
Travel	80	88	95	111	121	130
Other receipts (net)	277	317	381	320	359	392
Total credits[a]	3878	3739	4009	4317	4781	4925
Balance of current transactions, excl. defence aids[b]						
visible	-117	-216	-186	-366	- 61	- 97
invisible-Government	-172	-158	-174	-136	-167	-143
Other	+415	+460	+538	+433	+494	+477
total invisible	+243	+302	+364	+297	+327	+334
Defence aid - grant less U.S. share of counterpart	+121	+102	+ 50	+ 46	+ 26	+ 21
Balance of current transactions incl. defence aid[b]	+247	+188	+228	- 69	+266	+237

[a]Excluding defence aid.

[b]Credit +, debit -.

[p]Provisional.

Source: United Kingdom Balance of Payments. For 1952-1954 Cmd. 122 April 1957. For 1955-1957, Cmd. 399, April 1958.

Current British economic conditions

General

For many people the outstanding economic problem in Britain is symbolised by the following figures for the purchasing power of the £1 sterling within the country, taking 1938 = 100, then 1943, 65-70; 1947, about 55; 1951, about 45; 1954, a little over 40; 1958 a little over 35 in round figures. Over the ten years to 1957 the annual rate of depreciation was somewhat over 4½ per cent. It gives little satisfaction to know that in France, Mexico, Uruguay, Australia, Finland and Peru depreciation has ranged from some 6 to 10 per cent. a year and in Chile it has reached 25 per cent. An analysis of the factors bringing about the changes in the British economy - an analysis which was, however, regarded as somewhat controversial - was given by the Cohen Committee. (Council on prices, productivity and incomes. First report, H.M.S.O. 1958).

In broad terms, total wages and salaries are a little under three times the size of net profits. Each about quadrupled between the pre-war period and 1956. Of total net profit, company income represents a little over half and income from self-employment rather under one-third.

As far as home-produced goods and services are concerned, it is estimated that over the ten years to 1956 of the increase in price half was accounted for by increased wages; one-fifth each by extra profit income and higher import prices, and one-eighth by extra indirect taxes.

Production per man rose by about 2¼ per cent. a year over this period while earnings have increased at nearer 7 per cent.

Turning from statics generally to the dynamics of 1958, the Treasury seemed in the Economic Survey to see grounds for modified hope, perhaps especially in relation to prices. The last three or four years have seen heavy investment in productive equipment which should ease the pressure of demand on production; moreover prices of imported raw materials have been falling.

The general level of production seems to have been fairly stable throughout 1956, 1957 and into 1958 but individual sectors had varied experiences (p. 39). Over the year to Easter 1958 the recovery of the motor industry served to offset falls in other industries. At least one survey amongst manufacturers hinted at a prospective contraction in orders in 1958 and plans for capital expenditure certainly are likely to contract thought actual spending in the current year may be little different from that of 1957.

The high bank rate of 7 per cent. in September 1957 had been reduced to 5½ per cent. by May and 5 per cent. in June. Gold and dollar reserves had been gaining steadily.

The prospect is not an easy one though, for British exports must expect much fiercer competition from Germany and Japan, and the domestic industries of the importing countries. Export prices were still rising in 1957. (see p. 32 above) In so far as rising wages (p. 40) played a part in this it is relevant that to mid-1958 the progress of wage claims and settlements seemed somewhat slower and lower than in previous years.

Demand and the factors affecting it.

The general background is not difficult to outline. There are some 50 million people in Britain, a rise of rather less than one-tenth in two decades (p. 37). About 46 per cent. are working in civil employment compared with about 42 per cent. in 1931, in part no doubt, the result of the practice of women working after marriage being more prevalent now.

The volume of total consumer expenditure, allowing for changes in the value of money has been increasing steadily. (p. 38) In 1957 it was 14 per cent. above that of 1951 and some 17 per cent. above the pre-war level - a pointer to a rising level of living. (It is, perhaps, debatable how the standard of living - in the sense of the level which people have in mind as a goal - has been changing.) Recently the food item has been rising in step with the total but since this "food" item includes a considerable volume of packaging and other services the farmers' share must be occupying a progressively smaller part of the consumer's expenditure.

The proportionate increase in consumers household goods reflects general observation. Data on consumer expenditure from the largest British budgetary enquiry of recent years is to be found in "Report of an enquiry into household expenditure in 1953-54" by the Ministry of Labour and National Service. (London, H.M.S.O. 1957). It seems reasonable to expect that, over the longer run, numbers of consumers, and their incomes, will tend upwards and expenditure also. Food, though not the agricultural element in it, will probably account for a more or less constant proportion of this expenditure. (For some account of the issues see Andrew Ashby "The future pattern of food consumption in the United Kingdom" and discussion. Journal of Agricultural Economics, XII, No. 3.) In other words there is probably nothing exciting in store on the demand side for food producers as a group - though, of course, individual foods may vary considerably from the pattern.

What of the more immediate prospect? This largely depends on current industrial conditions. Industrial production has been fairly stable over the end of 1957 and the first half of 1958, but this is an insensitive indicator. Expenditure on capital items seems likely to be little changed, though planned investment in, for example, factory buildings is contracting. New equipment already installed is likely to have increased productive capacity, perhaps high enough to lead to partial utilisation of capacity and enhanced costs. Some indicators of unused capacity would be very helpful but none seem available. Employment and earnings are critical factors. (p. 40) Unfortunately the available data on the subject are also rather insensitive pointers. Unemployment is not notably high but short time has certainly been worked in a number of industries. An interesting indicator of demand for labour given in the London and Cambridge Economic Bulletin, June 1958, (p. viii) published in "Times Review of Industry" suggests a clear easing.

They were using an index of "excess demand for labour" - roughly, the difference between unfilled vacancies and unemployment adjusted for various pecularities of the raw figures. For all industries for the years 1954-1957 this index was 0.3, 0.7, 0.5, 0.0 and by April 1958 it was -0.6, (seasonal factors allowed for). Presumably this means rather less money about and rather less light-hearted spending. Will people then say, "Well, we must eat!" or will it be rather "The rent and the hire purchase installment must be paid" ?

TOTAL POPULATION, UNITED KINGDOM

	Census figures				Mid-year estimates					
	1851	1901	1931	1951	1937	1938	1954	1955	1956	1957
					millions					
Wales	1.2	2.0	2.6	2.6	2.5	2.5	2.6	2.6	2.6	2.6
England & Wales	17.9	32.5	40.0	43.8	41.0	41.2	44.3	44.4	44.7	44.9
Scotland	2.9	4.5	4.8	5.1	5.0	5.0	5.1	5.1	5.1	5.2
Northern Ireland[a]	1.4	1.2	1.2	1.4	1.3	1.3	1.4	1.4	1.4	1.4
United Kingdom	22.3	38.2	46.0	50.2	47.3	47.5	50.8	51.0	51.2	51.5

[a]Area which is now Northern Ireland.

Source: Annual Abstract of Statistics No. 94, Table 6. 1957 data (except Wales) from Monthly Digest of Statistics, January 1958. Wales 1957 - Registrar General's Annual Estimates of Population in England and Wales 1957.

OCCUPIED POPULATION, BY INDUSTRY. GREAT BRITAIN

	Census		1957	
	1931[a]	1951[b]	June[c]	
	millions			per cent.
Agriculture, forestry and fishing	1.20	1.10	1.03	4.5
Mining and quarrying	1.08	0.84	0.86	3.7
Manufacturing industries	..	..	9.14	39.7
Engineering, shipbuilding and electrical goods	0.86	1.77	..	..
Vehicles	0.41	0.96	..	..
Textiles	1.12	1.00	..	..
Clothing	0.83	0.70	..	..
Building and contracting	1.00	1.36	1.51	6.6
Transport and communication	1.53	1.72	1.72	7.5
Distributive trades	2.73	2.70	2.89	12.6
Public administration and defence	1.03	1.78	1.29	5.6
Professional services	0.98	1.53	..	..
Total civil employment	18.91	22.13	23.02	100.0
Total working population	..	..	23.96	

[a]Persons 14 years and over. Those out of work excluded for England and Wales.

[b]Persons 15 years and over. Based on sample.

[c]Statistics prepared by the Ministry of Labour and National Service. Subject to revision on basis of May 1957 count of national insurance cards. Covers all persons 15 years or over at work or registered as available for work. Part-time workers counted as full units.

Source: Census data from Annual Abstract of Statistics No. 92, Table 13. 1957 data from Monthly Digest of Statistics, January 1958.

CONSUMERS' EXPENDITURE

	At current market prices			Revalued at 1948 prices		
	1946	1956	1957	1946	1956	1957
	£ million					
Food	1816	4392	4563	2091	2630	2669
Alcoholic drink	726	895	930	860	904	921
Tobacco	602	935	979	908	842	865
Housing	656	1116	1202	711	815	824
Fuel and light	278	590	605	307	391	383
Durable household goods	334	923	1007	375	736	801
Clothing	638	1339	1382	725	1061	1074

GROSS NATIONAL PRODUCT

	1938	1947	1955	1956 [b]
	£ million			
Shares in gross national produce (before tax)				
Income from employment	3022	6199	11221	12221
Income from self-employment[a]	647	1228	1673	1697
Gross trading profits of companies[a]	690	1694	2893	3002
Rent[a]	470	454	745	797
Other	74	148	423	467
Residual error	-	-	-94	-96
less Stock appreciation	80	-450	-200	-150
Net income from abroad	192	114	160	178
National income & depreciation (Gross national product)	5175	9387	16821	18117

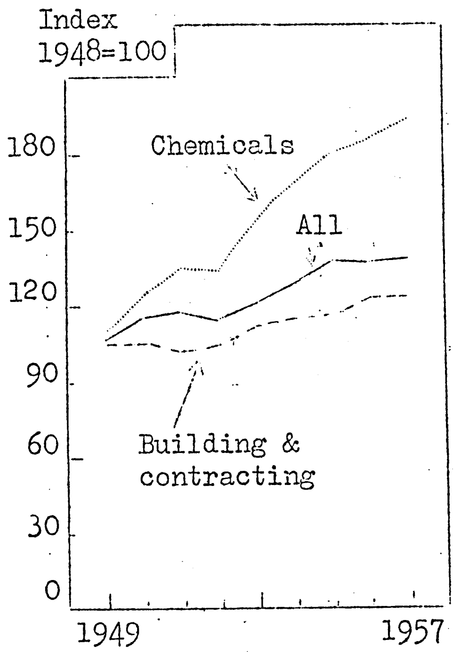
[a] Before providing for depreciation and stock appreciation.

[b] Provisional.

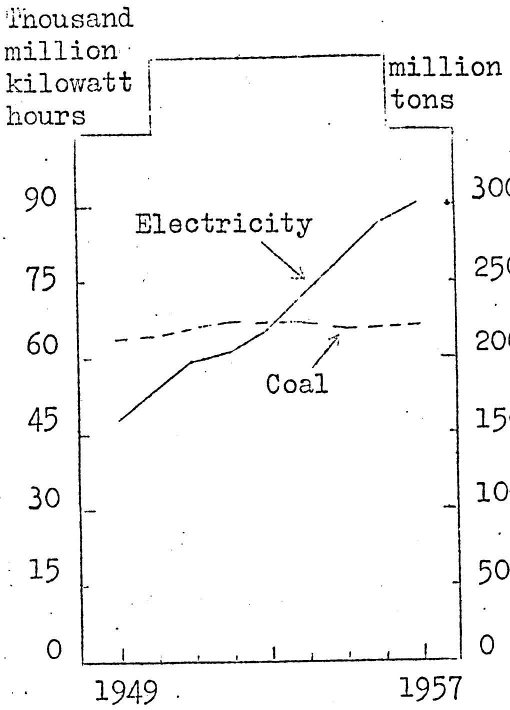
PERSONAL INCOME

	1938	1948	1956
Proportion of income retained after tax and national insurance contributions deducted (per cent.)	91.7	86.1	87.6

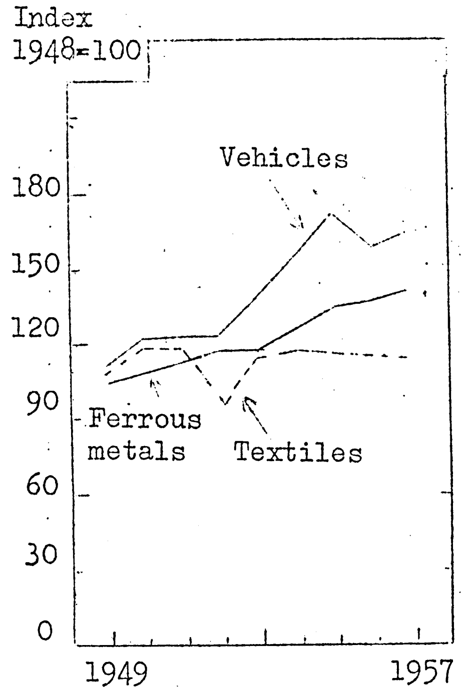
Source: National Income and Expenditure, 1957, & Monthly Digest of Statistics.



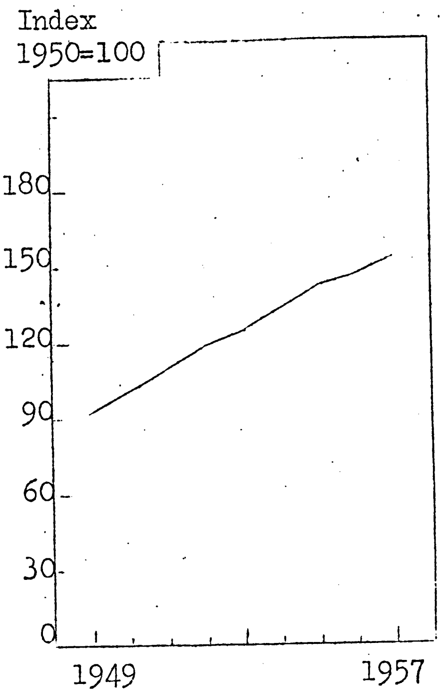
INDEX NUMBERS OF INDUSTRIAL PRODUCTION, UNITED KINGDOM.



PRODUCTION OF COAL AND OF ELECTRICITY (Public supply) GREAT BRITAIN.



INDEX NUMBERS OF INDUSTRIAL PRODUCTION, UNITED KINGDOM.



RETAIL SALES BY LARGE SCALE RETAILERS, GREAT BRITAIN.

SOME INDICATIONS OF RECENT INDUSTRIAL CONDITIONS IN BRITAIN.

Source: Statistical Abstract of the U.K. & Monthly Digest of Statistics.

UNEMPLOYMENT AND WAGES

I. Numbers registered as unemployed in the United Kingdom.

Mid-month	1956	1957	1958
		thousands	
January	302.4	422.5	439.9
February	312.4	421.5	472.6
March	299.9	402.7	483.9
April	282.1	379.2	495.0
May	266.4	348.1	497.8
June	250.4	297.1	
July	263.4	274.2	
August	293.0	296.7	
September	273.0	298.4	
October	279.4	304.4	
November	293.4	350.2	
December	329.8	371.7	

Source: Monthly Digest of Statistiics

II. Average weekly wages and earnings.

	Pre-war	1952	1953	1954	1955	1956	1957
				shillings			
A. Actual earnings (Oct.):							
all operatives	53.2	151.9	160.1	171.8	187.2	200.7	212.4
men 21 & over	69.0	178.5	189.2	204.4	222.9	237.9	251.6
in food, drink, etc.	..	163.3	172.4	185.5	202.2	218.2	231.9
metal manufacture	..	201.9	210.2	228.5	249.5	268.0	286.7
				index pre-war = 100			
B. Index of earnings:							
all operatives	100	286	301	323	352	377	399
men 21 & over	100	259	274	296	323	345	365
C. Weekly wage rates:							
all workers	100	215	225	236	251	270	283
				index 30 June 1947 = 100			
D. Weekly wage rates:							
all workers	..	130	136	142	151	..	..
men	..	129	134	140	150	..	..
				index 31 January 1956 = 100[a]			
all workers	..	..	..	..	..	105	110
men	..	..	..	..	..	105	110

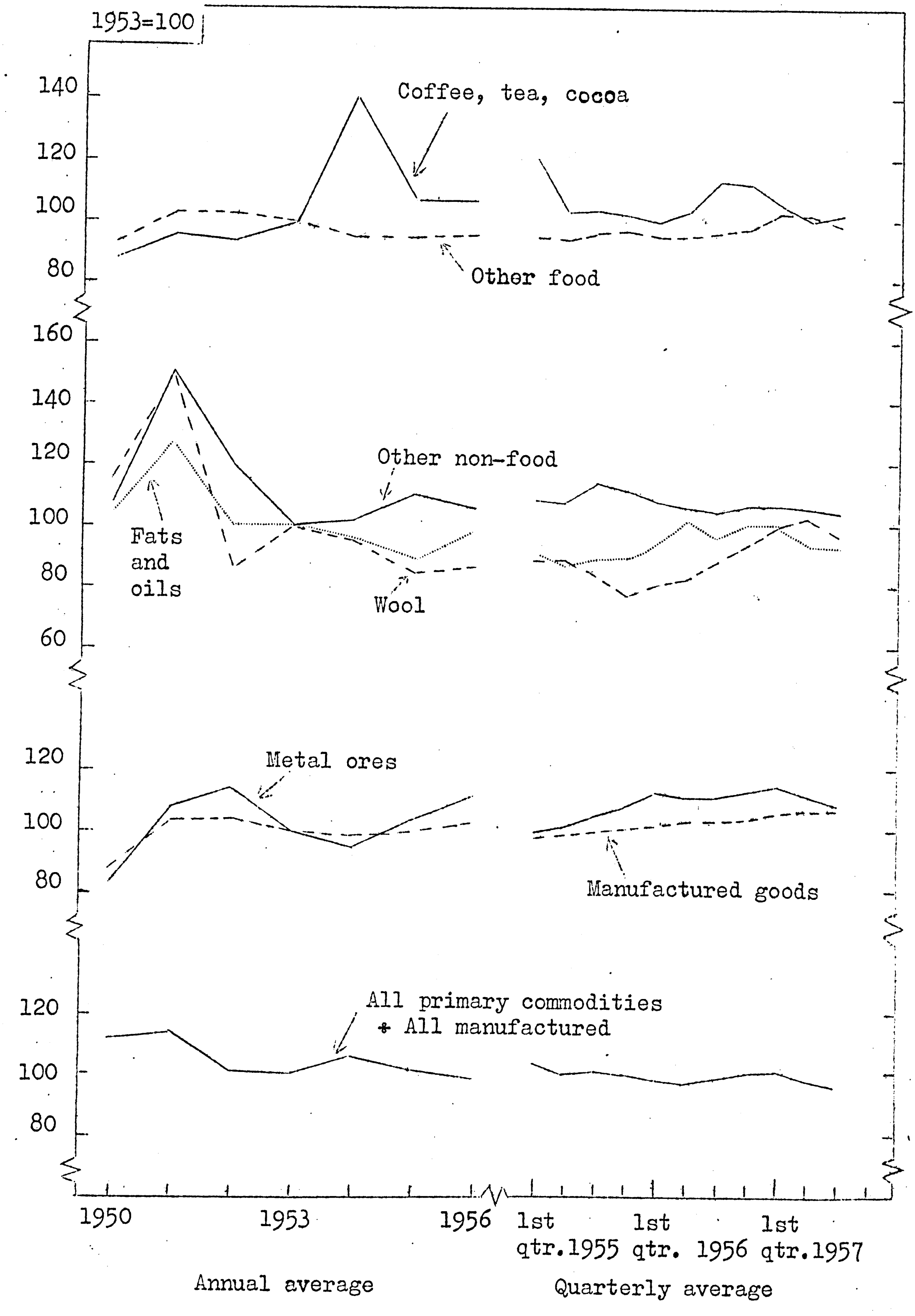
[a]January 1956 on 30 June 1947 base - all workers (156), men (154).

Source: Ministry of Labour Gazette & Annual Abstract of Statistics.
Note: The statistics given in the regular tables of the Abstract of Statistics relate to earnings in s. per week (A) and an index of wages to June 1947 base (D). The index of earnings (B) is derived directly from (A). Supplementary information, probably rather less reliable, or not quite comparable with that in the tables relating to earnings of all operatives, and of men 21 and over, averaged for 1938, and the June 1947 index of wage rates on September 1939 base has been used to prepare for broad reference purposes the figures to pre-war base (C). Earnings take into account hours worked, wage rates do not.

Prices - of primary products

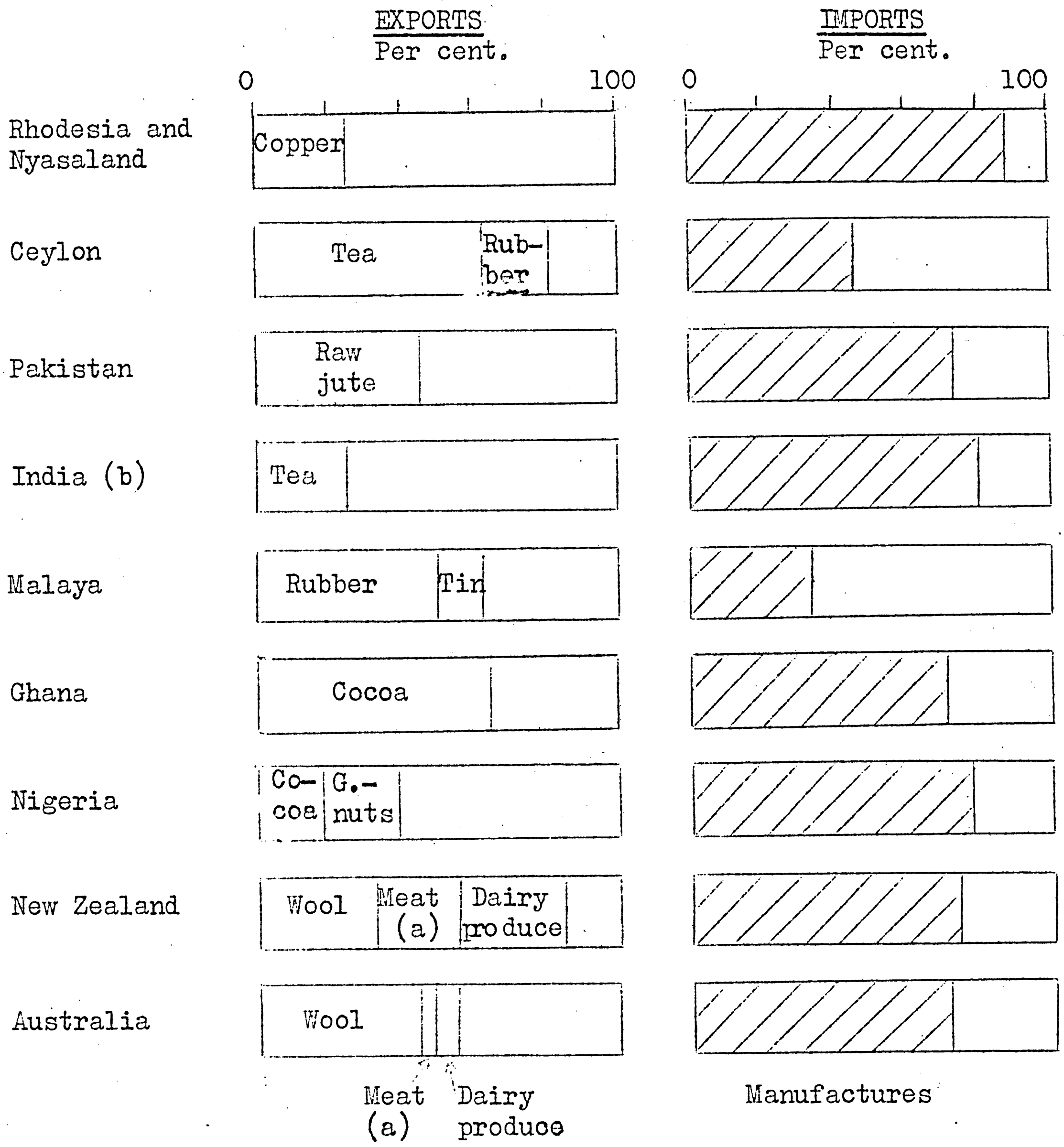
Of the innumerable facets to the price situation those that probably most catch interest in mid-1958 are the ones which are concerned with the fall in world commodity prices and the probable results of this fall on producing countries. Recent trends in prices of commodities generally are summarized on page 42. If we look at the situation over the period from 1951 - the Korean boom - up to the present time one way of describing the story is of more or less continuous downward trend in the prices of commodities generally. And some commentators have spoken of the "universality" of the downward trend in the last couple of years. In fact the picture is not quite as consistent as this. A round-up of the individual commodities would produce a picture like this. Copper prices rose sharply from 1947 to 1955 and since then have fallen considerably; on the other hand tin prices rose from 1947 to 1951 and fell in 1953 and remained with little change thereafter. Zinc and lead prices followed somewhat similar patterns rising from 1947 to 1951, falling during the next two years, rising again to 1956 and falling to 1957. Wool prices rose throughout the 1947-1951 period, falling sharply to 1952, rising a little in 1953, falling to 1955 and then rising through 1956 into 1957. In contrast cotton prices varied much less, though their trends up to 1953 were not greatly dissimilar to those of wool, but thereafter they have remained virtually unchanged. Rubber prices rose markedly during the Korean boom, fell equally markedly to 1953, rose again in 1955 and then fell somewhat through to 1957. In contrast jute had a somewhat similar pattern up to 1956 but thereafter the tendency went upwards rather than downwards. Again the beverage group, cocoa, tea and coffee, had a pattern of their own. They reached their peak in 1954, falling to 1955. Cocoa thereafter fell sharply, coffee and tea much less so. During 1957 cocoa appeared to be recovering but coffee and tea appeared to be falling away. Sugar also showed high prices in 1951 which later fell away and between 1953 and 1956 prices remained low, lower than the 1957 rate. Subsequently they recovered quite sharply, giving a price trend unlike any of the other commodities. Finally wheat and maize have shown fairly consistent, and similar, downward trends. There are, of course, various supports and rigidities in the markets which have influenced some of these trends (e.g. p. 44 generally or p. 142). Although the divergence in the trends of individual commodities have been perhaps greater than comments on the downward trend in world commodity prices would imply, this downward trend has been widespread and must be reckoned with in appraising the situation in this country.

The embarrassment which a downward trend in primary product prices can cause to the exporting countries, both economically and politically is clear enough from p. 43. Their effect on Britain is arguable. In the short run at least, cheaper primary products mean less outgoings for the purchase of imported raw materials and food (e.g. p. 32 lower part) and hence an easier balance of payments position. Looking beyond the moment, some observers expect that, though faced with a squeeze, primary product exporting countries will be slow to reduce their level of imports so long as they can finance them by any means. If so, then for perhaps a year at least, Britain's external trade position may be maintained. But can it go on? Apart from the obvious direct effects of such a situation, there would also arise demands for some setting up of international price supporting schemes whose outcome in the longer run might be of doubtful advantage.



WORLD TRADE. PRICES BY COMMODITY GROUPS.

<u>Source</u>: Statistical Yearbook 1957, United Nations.



CONCENTRATION OF TRADE OF VARIOUS COMMONWEALTH AND STERLING AREA COUNTRIES.

(a) Excluding canned
(b) April-December 1956

Source: The Commonwealth and the Sterling Area Statistical Abstract No. 77, 1956, Board of Trade.

AVERAGE FARM PRICES IN SELECTED COUNTRIES

Country	Wheat[a]	Barley[b]	Potatoes[c]	Sugar beet[d]	Cattle[e]	Hogs[e]	Eggs[f]	Whole milk[g]
	$ per bushel			$ per 100 lb.				
Austria	2.62	1.72	0.73	-	-	-	29.20	3.32
Belgium	2.56	1.40	0.80	0.60	22.84	19.60	25.47	2.79
Denmark	1.81	-	0.55	0.52	13.79	28.84	23.51	2.68
Finland	4.97	2.28	0.90	1.48	-	-	39.84	5.60
France	2.68	1.50	-	0.61	-	26.44	34.99	3.37
W. Germany	2.72	1.86	0.79	0.70	16.25	25.55	32.71	3.41
Italy	2.98	1.95	1.15	0.59	20.56	25.16	38.43	2.86
Netherlands	1.86	1.38	0.70	0.55	22.09	22.33	-	3.39
Norway	3.42	1.74	0.73	-	16.70	20.58	25.21	4.48
Sweden	2.24	1.26	1.13	0.68	19.46	27.18	-	-
Switzerland	4.19	-	1.40	0.78	30.70	33.88	44.36	4.35
U.K.	2.25	1.44	0.85	0.80	15.87	21.52	38.14	4.24

[a]Basic fixed or guaranteed prices.

[b]Feed barley only.

[c]For human consumption.

[d]Contract price.

[e]Market price; live weight of most representative grade.

[f]Sold by producers to wholesalers.

[g]Delivered to dairies for all forms of utilisation.

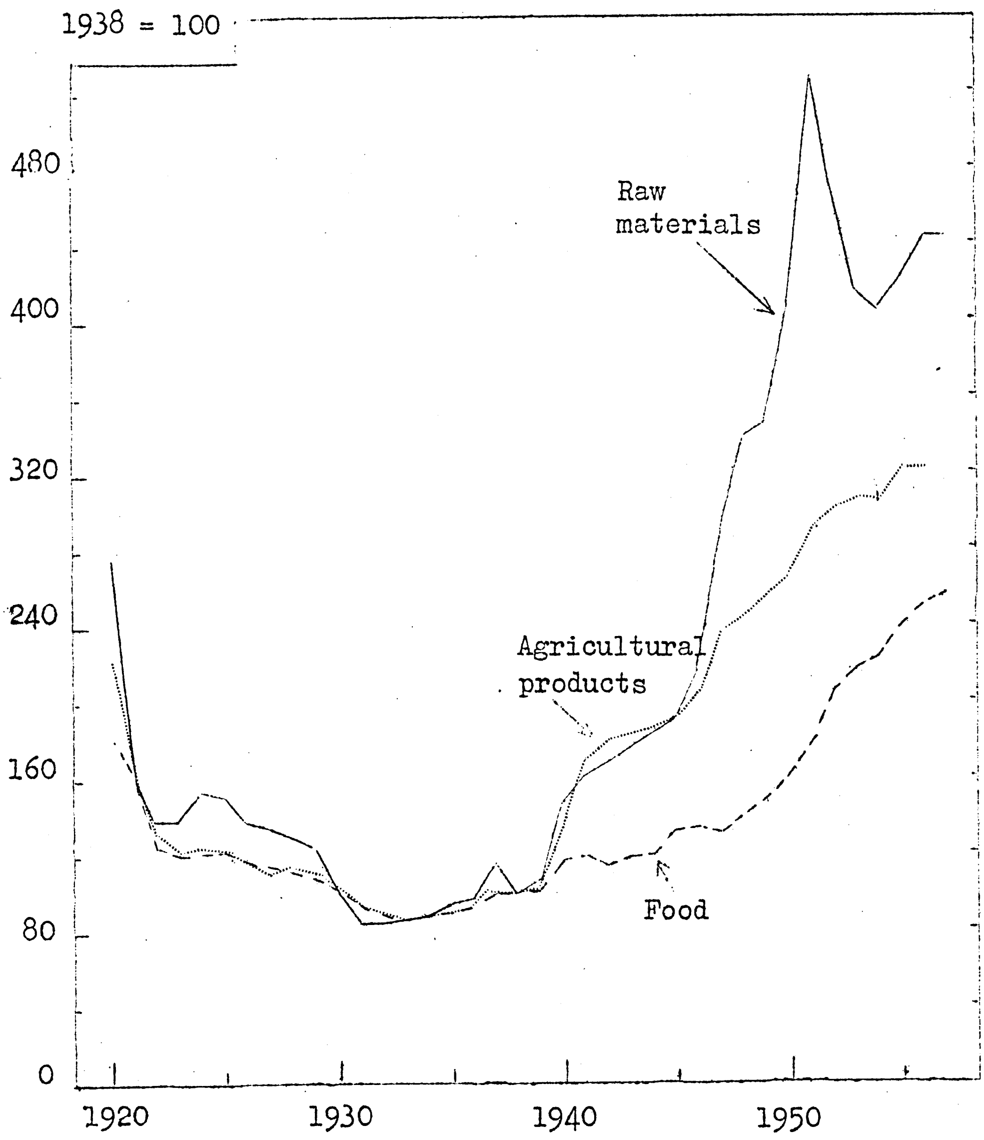
Source: Economic Commission for Europe and Food and Agriculture Organization. Prices of Agricultural Products & Fertilisers, 1956-57, Geneva, December 1957.

The Price Situation Generally in Britain

Of the many sides to the question of prices those which have special topical interest are the terms in the external terms of trade, the competitive position of British export products and the course of retail prices, all in relation to the trend in commodity prices. The general issue of the terms of trade was discussed above. (p. 35 et seq.)

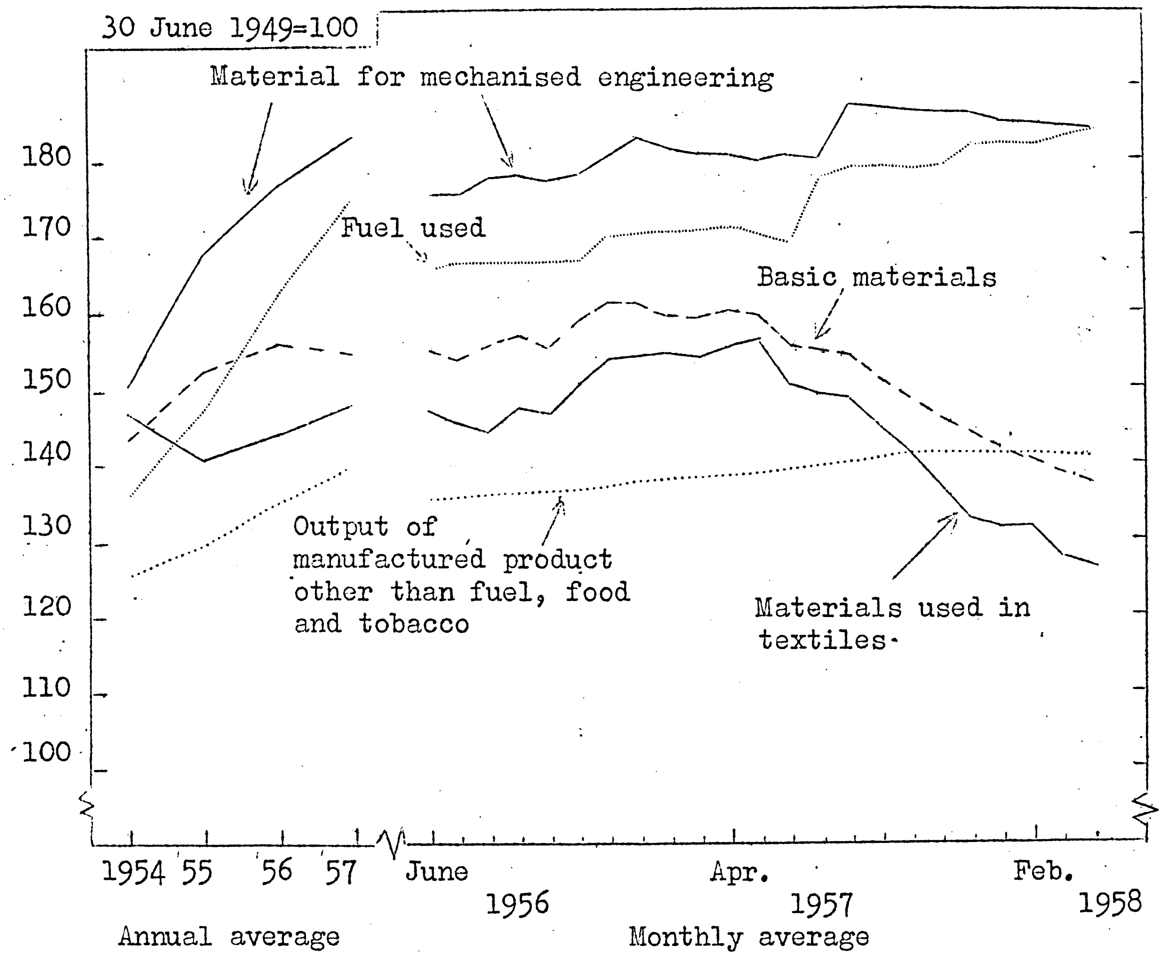
On export and retail prices the story is one of increases or at least stability, - and stability is disappointing in the eyes of many people. The trends for recent periods are outlined on pp. 32, 47 and 48. Export prices after a long upward trend have been virtually constant over the year to mid-1958. But during that period the prices of raw materials have been falling. Why have export prices not reflected this? One reason is that British exports are mainly manufactured products and the inputs for these are not raw materials but partially manufactured products. The trends in the prices of these are shown on p. 47 as 'materials used in mechanical engineering'. To put the matter another way, labour costs are more important than basic material costs in determining the prices of the final products. Wages have continued to rise (p. 40) but the fall in the cost of materials has allowed this to be off-set to some extent.

Somewhat the same story lies behind the level, or perhaps even upward, trend in retail food prices, and the downward trend in the prices of food imports. With the extensive processing and service element in present-day foods, this becomes a complicated matter. The series presented on p. 47 are not perfectly comparable but, even treating them with some reserve on on this account, it seems clear that either there is a big time lag before changes in basic material prices work their way down to the retail level, or they are not important compared with wages and profits in determining retail prices. Another way of looking at it is that the later stages of distribution before reaching the consumer seem to have been increasing their margin. Just what is involved here is a complicated story on which little authoritative research seems to have been published. R. G. D. Allen spoke of it in the Stamp Memorial Lecture at London University (12th November 1957), so did the Treasury <u>Bulletin for Industry</u>, 26th December 1957. A review of press comment reveals an astonishing diversity of appraisals of what is happening. Previously, distributors may have been managing with an unduly small margin. Wage increases may have been unavoidable or the productivity of labour in the distributive trades may be low and/or improving more slowly than in other sections of the economy. All these views and others have been argued vehemently in general terms and the arguments are likely to go on at least until many more firm data have been assembled.



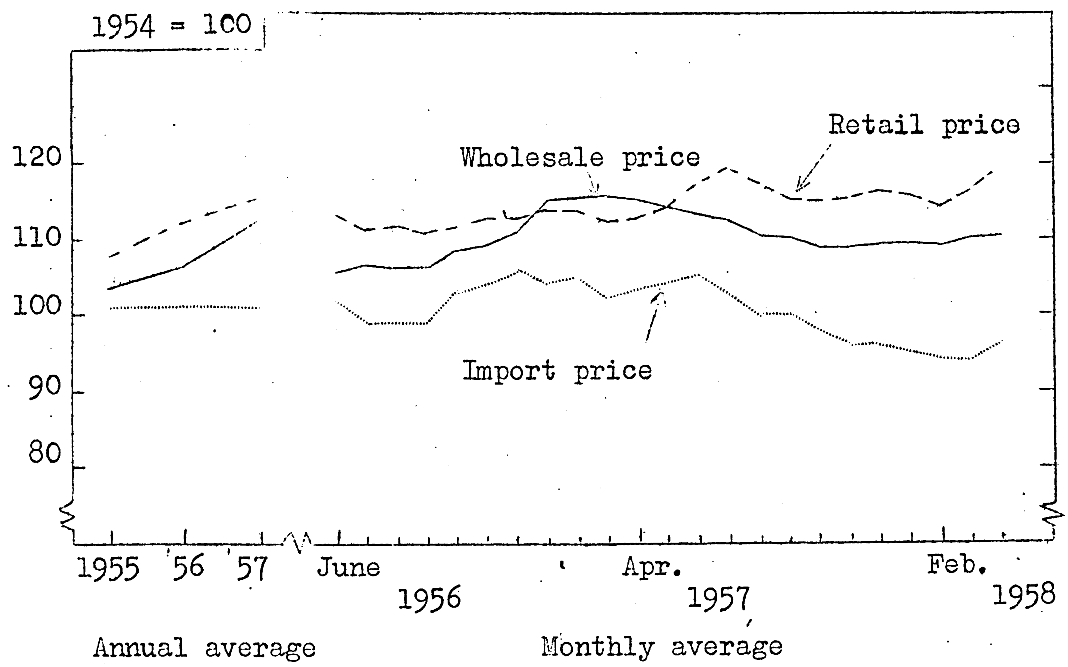
INDICES OF PRICES OF ALL MAIN AGRICULTURAL PRODUCTS: "STATIST" WHOLESALE PRICE INDEX OF RAW MATERIALS AND THE RETAIL PRICE INDEX OF FOOD, Calendar years.

<u>Source</u>: All products - Official Agricultural Statistics
Raw materials - Journal of the Royal Statistical Society and "Statist".
Food - Ministry of Labour Gazette



WHOLESALE PRICES OF MATERIALS USED AND PRODUCTS MANUFACTURED IN THE UNITED KINGDOM.

Source: Board of Trade Journal.



WHOLESALE PRICE OF PRODUCTS OF THE FOOD MANUFACTURING INDUSTRIES, IMPORT PRICE INDEX AND RETAIL PRICE OF FOOD, UNITED KINGDOM.

Source: Derived from series given in the Board of Trade Journal. Monthly Digest of Statistics.

COST OF LIVING - RETAIL PRICE INDEX[a]

	Food	Clothing	Fuel and light	Rent and rates	All items
			1 September 1939 = 100[a]		
1938	102	100	99	99	101
1939	102	103	101	100	102
1940	119	137	115	101	119
1941	122	177	125	101	128
1942	117	192	129	101	129
1943	120	169	134	101	128
1944	122	166	141	101	130
1945	123	167	149	102	131
1946	122	166	152	103	131
1947 (June)	117	166	155	108	131
			17 June 1947 = 100[b]		
1948	108.2	109.3	110.9	99.5	108
1949	114.1	117.7	113.0	100.0	111
1950	122.7	119.8	116.5	101.1	114
1951	136.3	138.3	128.0	103.3	125
1952 (Jan.15)	149.7	147.1	140.1	104.2	132
			15 January 1952 = 100[b]		
1952	105.4	97.7	101.3	102.2	102.6
1953	111.3	95.6	106.5	107.7	105.8
1954	114.2	96.2	111.3	111.7	107.7
1955	122.8	96.5	117.6	115.0	112.6
1956 (Jan.17)	125.4	98.7	127.6	117.9	115.8
			17 January 1956 = 100[b]		
1956	102.2	100.6[c]	101.3	102.8[d]	102.0
1957	104.9	102.2[c]	107.9	110.1[d]	105.8

[a]All items index weighted as follows: Food 600, clothing 120; fuel and light 80; rent and rates 160; other items 40. Weights based on household budgets collected in 1904.

[b]

Base	17 June 1947	15 Jan. 1952	17 Jan. 1956
Food	348	399	350
Rent and rates	88	72	87[d]
Clothing	97	98	106[c]
Fuel and light	65	66	55
Household durable goods	71	62	66
Miscellaneous goods	35	44	59
Services	79	91	58
Drinks and tobacco	217	168	151
Transport and vehicles	-	-	68
Weights based on expenditure in	1937-38	1950	1953-54

[c]Including footwear

[d]Housing.

Source: Annual Abstract of Statistics and Monthly Digest of Statistics (current montly data also available in this publication).

British Agricultural Income and Output

The estimated expenses, receipts, and net income of the agricultural industry taken as a whole are set out on p. 50. This net income is a return which is available to recompense the farmer and his wife for their manual and managerial work and the use of their 'tenants' capital. This particular series of estimates is prepared from the national agricultural statistics and is often termed the 'Departmental estimate'. Another approach to the same quantity is from a sample of farm accounts collected by the University departments of agricultural economics. This is usually called the "raised sample" estimate. (For a comparison see White Paper on "Annual Review and determination of guarantees," e.g. 1958. Cmnd. 390.)

Statistics of agricultural net income in the United Kingdom have a special interest since they not only record the level of prosperity, or otherwise of the industry in general but also provide an important part of the basic statistical evidence on which the levels of the price guarantees are fixed. Indications of the considerations taken into account in any year are set out in the White papers announcing the terms of the guarantees which are published usually about March each year, e.g. Cmnd. 390 noted above.

In Britain since the early days of the war, the income of the agricultural industry has been supported by the government, the postwar arrangements being governed by the Agriculture Acts of 1947 and 1957. The extent of this support, together with details of certain other payments from the general Exchequer in relation to agriculture are indicated by the data pp. 52 and 55. The size of this support is currently large compared with the net income of the industry. (p. 50)

In April 1958 in the House of Commons it was stated that Exchequer assistance expressed as a percentage of market values for the previous year was as follows: fat cattle 24, fat sheep 21, fat pigs 29, eggs 47; milk 15; wheat 42, rye 10, barley 40, oats 27 and wool 21. This support might be compared with that in other countries given on p. 29.

What the trend in real incomes over these years has been - what level of living they would support - is far from easy to judge since there are no good measures available of retail prices which farmers pay. However, if farmers and their workers were paying general retail prices the trends in their real incomes are shown on p. 51. In broad terms money incomes increased about 2 per cent. a year in the 1950's compared with nearer 8 per cent. in the national income. In consequence agriculture's share in the national income fell from about 5.1 per cent. in 1951-2 to 4 per cent. in 1956-1. These 'global' estimates of income conceal great diversity in the incomes of farms of different sizes and types. Detailed tabulations of these are provided for example, in the series Farm Incomes in England and Wales published by H.M.S.O.

No realistic up-to-date estimate of the net output of agriculture is available. Various published statistics are given on p. 54. As the notes to this table indicate, the omission of allowance for physical inputs other than imported feed, livestock and seeds, gives an index which is difficult to use as a guide.

RECEIPTS, EXPENDITURE AND NET INCOME OF AGRICULTURE
IN THE UNITED KINGDOM

I. Gross Receipts and expenses (estimated from national statistics)

	Agricultural year beginning in								
	1937	1947	1951	1952	1953	1954	1955	1956	1957[p]
	£ million								
Farm expenses									
Labour	66	224½	255	264½	275	275½	286½	296½	308½
Rent and interest	43	51½	65	69	72½	75½	79	82½	87½
Machinery[b]	22½	97	163½	180½	182½	182	186½	202	212
Feedingstuffs	78	43½	177½	187	270	329½	323	345½	320½
Fertilisers	8	33½	50	65	65½	66	81½	84½	89½
Other expenses[c]	33	82½	117½	124½	136	148	142	169	178½
A Total expenses	250½	532½	828½	890½	1001½	1076½	1098½	1180	1196½
Sales[a]									
Milk and milk product	80	208	297½	316	338	330½	344½	354½	354
Fatstock	89	123	283½	337½	370½	434½	385½	436	457½
Eggs and poultry	39	82	144½	161	149½	155½	167½	192½	204½
Farm crops	43½	147	199½	187	242	236	252	233½	244½
Horticultural products	33½	121½	113½	123½	115	128	138½	123½	142
Other sales	9	12½	33	27½	32½	27	28½	42	44½
B Total sales	294	694	1071½	1152½	1247½	1311½	1316½	1382	1447
C Subsidies, sundry receipts & credits	5	18	34½	50½	57	55½	65	78	82
D Increase in value of farm stock, work in hand	7½	44½	49	24	28	3	42	34	27½
E Total receipts (B + C + D)	306½	756½	1155	1227	1332½	1370	1423½	1494	1556½
Net Income	56	224	326½	336½	331	293½	325	314	360

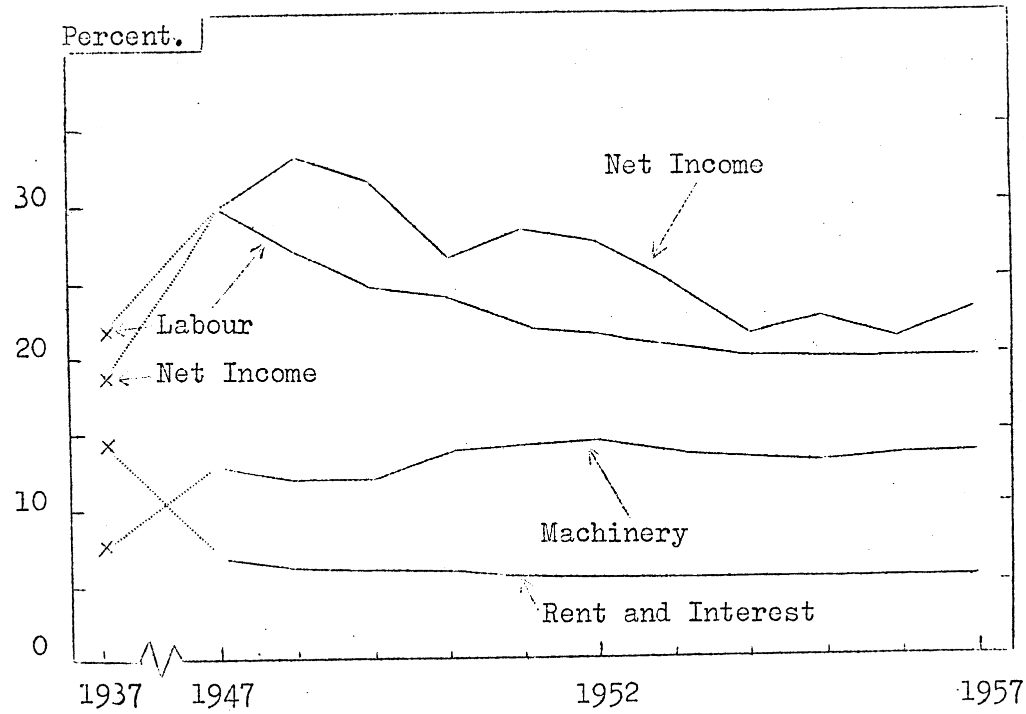
[a]Estimates of value of output from 1953/4 differ from those for earlier years since they include the gross receipts from sales of cereals for feed. Expenditure on feedingstuffs is correspondingly based on the gross value of purchased concentrates whether homegrown or imported. Definition of net income remains unchanged.

[b]Estimated depreciation allowances for vehicles and machinery valued at replacement cost, fuel and oil, repairs, contract services, etc.

[c]Including purchased imported seeds plus merchants' margins on home-grown seed and imported livestock plus transport and merchanting charges on inter-farm sales of home-bred livestock.

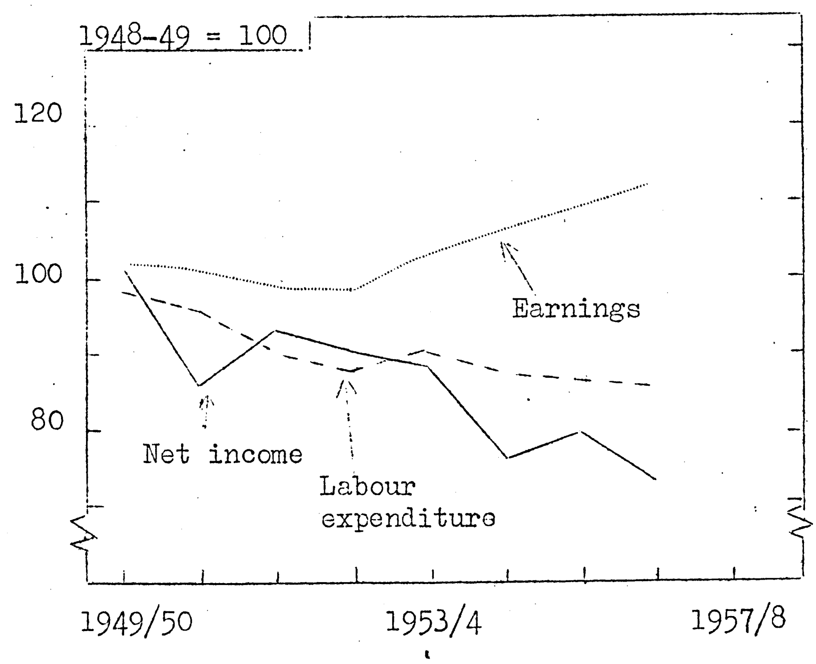
[p]Forecast.

Source: 1937-1955 Annual Abstract of Statistics, No. 94, 1957.
1956- Annual Review and Determination of Guarantees, 1958. Cmd. 390.



DISTRIBUTION OF RECEIPTS BETWEEN CERTAIN EXPENDITURE ITEMS AND THE MARGIN REMAINING AS NET INCOME OF AGRICULTURE, UNITED KINGDOM.

Source: Annual Abstract of Statistics, U.K. and Annual Review and Determination of Guarantees 1958.



TRENDS IN REAL VALUE (i.e. allowing for changes in the value of the £1) OF THE AGRICULTURAL NET INCOME, OF THE AVERAGE EARNINGS OF AN AGRICULTURAL WORKER AND IN THE TOTAL LABOUR BILL OF THE AGRICULTURAL INDUSTRY. (Index of income etc. + index of retail prices).

Source: Annual Abstract of Statistics, U.K. and Monthly Digest of Statistics.

GOVERNMENT SPENDING IN RELATION TO AGRICULTURE AND FOOD
(net estimates)[a]

	1956-7	1957-8	1958-9
		£ million	
1. Ministry of Agriculture, Fisheries & Food	16.7	17.7	17.6[b]
2. Agricultural and Food Grants & Subsidies	228.5	254.1	265.1[c]
3. Services to Agriculture and Food	13.2	15.0	10.9[d]
4. Food (Strategic Reserves)	0.0	3.3	2.2
5. Fishery Grants and Services	5.7	6.9	6.7
6. Surveys of Great Britain	3.0	3.2	3.4
7. Commissioners of Crown Lands	0.1	0.1	..
8. Agricultural Research Council	3.6	3.9	4.2
9. Nature Conservancy	0.3	0.3	0.3
10. Development Fund	1.1	1.1	1.1
11. Forestry Commission	9.1	9.3	9.7
Scotland			
12. Department of Agriculture	30.7	36.5	36.6[e]
13. Fisheries (Scotland) & Herring Industry	2.5	2.8	3.0
14. Total above	314.4	354.1	360.9
15. Total excluding 4, 5, 6, 7, 9, 11	296.2	331.1	338.5

[a]The Civil Estimates are dated in February before the year to which they refer and give figures for the previous year in comparison. Numerous revisions are made before the accounts are finalised but this series gives a useful pointer to the general pattern for a recent period.

[b]Of which salaries and travelling, etc. expenses £15.9 million.

[c]Of which Farming Grants and Subsidies £73.0 and implementation of Agricultural Price Guarantees £191.1 and other subsidies £1.1. The £73.0 for grants and subsidies includes Fertilisers (U.K.) £26.7; lime (U.K.) £9.7; Grants for ploughing up grassland (England and Wales and Northern Ireland) £7.0; bonus payments under attested herds scheme (England and Wales) £7.5; calf subsidy £10.3; subsidy payments in respect of hill sheep and hill cattle (England and Wales and Northern Ireland) £1.4; field drainage and water supply grants £2.4.

[d]Of which Land Settlement Estates, smallholdings, etc. £3.3; land drainage and flood services £2.7; livestock £2.3; machinery, vehicles etc. £1.6; education research and advice £2.3.

[e]Of which Administration £2.1 and implementation of price guarantees, cereals £5.2; fatstock £10.9 and milk, excluding welfare schemes £4.3.

Source: Civil Estimates 1957-8 (for 1956-7) and 1958-9 (for 1957-8 and 1958-9).

AGRICULTURAL SUPPORT COSTS. UNITED KINGDOM
(Reply to Parliamentary Question by Mr. Whitelaw. 29 Jan. 1958)

	1957/58	1957/58 Cash	1957/58 Subsidy	1956/57	1956/57 Cash	1956/57 Subsidy
			£ million			
I. Direct Subsidy Payments under Agricultural Price Guarantees						
(a) Cereals:						
Wheat & Rye	22.0			15.8		
Barley	17.1			8.8		
Oats & mixed corn	12.2	51.3		1.4	26.0	
(b) Home Produced Eggs		47.6			33.7	
(c) Fatstock:						
Cattle	36.4			36.1		
Sheep	10.4			8.4		
Pigs	38.9	85.7		30.2	74.7	
(d) Milk (excluding school & welfare milk)		12.8			21.3	
(e) Wool		1.5			0.2	
(f) Potatoes		6.7			0.5	
		205.6			156.4	
II. Agricultural Production Grants						
(a) General Fertilisers Subsidy		23.6			19.8	
(b) Lime Subsidy		10.4			9.3	
(c) Grants for Ploughing up Grass		9.4			10.0	
(d) Field Drainage & Water Supply		2.9			2.9	
(e) Improvement of Livestock Rearing Land		1.4			1.6	
(f) Marginal Production Assistance		2.4			2.1	
(g) Bonus Payments under the Tuberculosis (Attested Herds) Scheme		8.2			9.8	
(h) Livestock: Improvement of Breeding		0.1			0.1	
(i) Calf Subsidy		12.4			11.4	
(j) Hill Sheep & Hill Cattle		2.8			3.8	
(k) Grants for Silos		2.1			-	
(l) Grants for Farm Improvements		0.2			-	
Total II		75.9			70.8	
Total Cash I and II		281.5	281.5		227.2	227.2
Administrative Overheads applicable to I & II above			4.7			4.7
Total Subsidy I & II			286.2			231.9
III. Trading Subsidies in Implementation of Agricultural Guarantees						
(a) Home Produced Eggs		0.8	0.9		6.1	6.6
(b) Potatoes		1.6	1.5		0.2	0.7
Total III		2.4	2.4		6.3	7.3
IV. Other Services						
Payment to Exchequer of Northern Ireland		0.8	0.8		-	-
TOTAL COST OF AGRICULTURAL SUPPORT		284.7	289.4		233.5	239.2

AGRICULTURAL OUTPUT OF THE UNITED KINGDOM[a]

	Pre-war	Agricultural year beginning in							
		1949	1951	1952	1953	1954	1955	1956	1957
		£ million							
Valued at actual prices									
1. Gross	290	905	1087	1159	1255	1286	1341	1375[p]	
Valued at 1945-6 prices									
2. Gross	596	714	762	781	835	850	861	884[p]	
3. less farm product inputs (4+5+6) consisting of:	158	97	115	118	155	191	180		
4. imported feeding-stuffs	(120)	(64)	(79)	(81)	(117)	(146)	(140)		
5. imported store animals	(26)	(16)	(18)	(18)	(20)	(23)	(19)		
6. imported seeds	(11)	(16)	(18)	(18)	(18)	(22)	(20)		
7. Net of farm product inputs (2-3)	438	616	646	663	680	659	681		
Valued at 1945-6 prices									
8. Gross	100	120	128	131	140[b]	142[b]	144[b]		
9. Net of farm product inputs on agricultural holdings	100	141	148	151	155	150	155	160[p]	161[f]
10. Net of all material inputs	100	122	130	129[p]					
Valued at 1951-2 prices									
11. Net of all material inputs	100	133	149	147[p]					

[p]Provisional.

[f]Forecast.

[a]From 1953 includes value of cereals "sold off" and returned for feed.

[b]Figures excluding change in definition would be 137, 139 and 140 respectively.

Source: 1 to 8 Up to 1955-6 Output and Utilisation of Farm Produce in the U.K., 1946-7 to 1955-6. 1956-7 Annual Abstract of Statistics.
10 to 11 Williams, H.T., Changes in the productivity of labour in British agriculture, Proc. Agric. Econ. Soc., X, No. 4.
9 To 1955-6, as 1 to 8. 1956-7, from White papers on Annual Review and Determination of Farm Prices (or .. of guarantees).

Note: With the exception noted in (a), gross output = sales off the "national farm" for non-farm use plus consumption in farm households. Home-grown fodder crop, store stock etc. used on United Kingdom farms, whether or not sold between farms, are excluded.
For valuation of "actual prices" prices for the year concerned have been used, for valuation at "constant prices" the prices in some base period. The use of "constant prices" corrects the major effects of inflation, but the choice of year influences the result. (e.g. see lines 10 and 11)

Prices of Agricultural Products

In just what ways are agricultural prices interesting under present conditions? For example, a typical issue of a farming paper devotes nine pages to market price reports, twenty-five to general technical reports and comment, eight to the home, and fourty-three to advertisement. Are market prices that interesting now-a-days?

Apart from the general interest in price behaviour as an indication of the way the economic machine is working, there are at least three foci of interest in the economic field. These are the seasonall grade, and local variations in the open market prices; the pattern of prices as drawn by the guaranteed prices; and any strains in the price situation which might point to the most probable direction of future adjustment in the guarantee arrangements - usually strains which are costing the Exchequer heavily in guarantee payments.

Ordinary market reports throw a great deal of light on seasonal, grade, and local variations. Some of them are dealt with in the commodity sections which follow but most have to be omitted here because of the volume of detail involved. The extent to which a producer is cushioned by the support arrangements against being worse off than his fellows, because of chance conditions at the time of sale, varies from product to product. So does his opportunity of getting a premium by shrewder timing of his sales. For example, all producers get the same average annual payment per acre for oats and barley respectively, so their returns are high or low precisely in accordance with the price they secure in the market. For milk and eggs one might say that, within limits, the price for a given grade is fixed and the same for all. There is a fairly regular seasonal pattern and hence the possibility of getting a premium for wise choice of the time to sell, but the pros and cons are plain for all to see and there is no risk of casual loss. For other products the opportunities and the risks are present to varying degrees.

The relative prices of various commodities are interesting in relation to the probable marginal shifts from one product to another which might prove profitable. Trends in some of the more important ratios are shown on pp. 59 and 60. Farmers, or their advisers, would in practice work out on some kind of budgetary basis the consequences of a proposed change on the individual farm, but the ratios are indicative of the trend of advantage. It may very well be that for many farmers no moderate shift in the ratio would make a change in farm system profitable. For example, many advisers report that at a milk/beef price ratio anywhere near the present one, it would still be more profitable for many farmers to produce milk rather than beef.

What of the future? Under the long-term assurances for the industry (Agriculture Act 1957) in broad terms the guaranteed price for a commodity may not be reduced by more than 4 per cent. in one year or 9 per cent. over three years and the total value of the guarantees for the industry after allowing for cost changes may not be reduced by more than $2\frac{1}{2}$ per cent. in one year. This is the guarantee but it has been operating for less than a year and the way it will work out in practice is hardly foreseeable. It must be expected that if the support of certain commodities becomes very costly, then adjustments in prices will be made up to the maximum room to manoeuvre allowed by the terms of the guarantee. In considering this issue the level of the support payment (p. 53 above) and the general international price pattern (p. 44) have some interest.

SOME IMPORTANT PRICE INDICES RELATING TO BRITISH AGRICULTURE

	1943	1947	1952	1953	1954	1955	1956	1957
				1938 = 100				
1. Agricultural wages	175	241	318	334	347	367	394	412
2. Main agricultural products	184	237	301	307	305	322	322	310
3. Cereal & farm crops	209	229	299	304	303	320	341	312
4. Livestock & products	172	225	311	318	314	328	319	314
5. "Statist" wholesale prices of raw materials	175	291	465	417	406	422	443	444[p]
Retail Prices								
6. - all items	144	160	217	224	228	238	249	258
7. - food	118	132	205	216	222	239	250	256
8. Imported foodstuffs	171	227	359	373	370	375	346	347
9. Foodstuffs normally readily importable produced in E & W	173	218	307	320	312	330	318	323
10. Fertiliser	137	142	299	281	281	297	314	319
11. Rent[a]	..	116	156	165	173	180	187	197
12. General wage index (incl. farm rates)	136	168	217	227	237	253	273	286
				1937-39 = 100				
Sale values of real farm estate								
13. With possession	168	265	305	267	272	290	278	271
14. Without possession	143	172	190	177	188	212	209	174
15. Average price	155	215	242	218	226	248	241	218

[a]1936 = 100. Includes very rough index of estimated expenditure, "rent and interest" (i.e. other than mortgage) in national farm accounts. Unofficial guess at interest element 20%. [p]Provisional.

Source: Items

1, 7, 8, 9, 12-15	Farm Economist.
2, 3, 4 (see note)	Official Agricultural Statistics.
5	Data prepared by the Editor of the Statist, Journal of Royal Statistical Society.
6	Compiled by J. R. Bellerby, Agricultural Economics Research Institute.
10	Annual Abstract of Statistics, Monthly Digest of Statistics and derived from figures given in the Board of Trade Journal.
11	Compiled by Agricultural Economics Research Institute.

Note Prices for 1957 kindly made available by the Ministry of Agriculture in advance of publication in the M.I. Price series.

FARM PRICES OF INDIVIDUAL AGRICULTURAL PRODUCTS, ENGLAND AND WALES

Calendar years	Average 1936-38	1943	1947	1953	1954[e]	1955[e]	1956[e]	1957[e]
				Shillings				
Wheat[a] (per cwt.)	9.7[b]	17.7	19.9	30.4	31.1	31.0	30.2	29.1
Barley "	10.2[b]	30.1	24.1	30.4	27.5	26.7	27.4	28.6
Oats "	7.4	15.8	18.2	24.2	21.7	25.0	24.6	25.6
Potatoes (ton)[c]	110.3	150.3	181.8	250.5	255.5	303.0	362.5	290.5[p]
Sugar beet "	42.4[d]	85.2	111.2	122.2	120.0	128.5	128.5	121.5[p]
Fat cattle(live cwt.)	44.3[d]	69.2	89.9	132.6	137.5	157.3	148.3	161.8
Bacon pigs (20 lb. dw.)	12.4	23.6	31.8	57.1	49.0[f]	51.2[f]	50.7[f]	47.2[f]
Hen eggs (120)	14.9	30.8	37.1	47.1	42.2	43.7	41.4	43.1
				Pence				
Wool (lb.)	11.6	17.5	17.4	53.0	53.2	53.6	52.5	53.5[p]
Liquid milk (gallon)	12.3	23.2	28.8	38.8	38.4	39.1	38.7	36.0[p]
Fat sheep (lb. dw.)	10.2	15.8	23.0	32.0	34.2	29.7	31.0	32.5

[a]Average of 1936-38 includes subsidy paid to growers of millable wheat under the Wheat Act 1932. For 1943 and 1947 includes acreage payments based on the estimated sales off farms.

[b]Excluding subsidy paid to growers under the Agriculture Act 1937.

[c]For 1943 and 1947 includes acreage payments based on estimated total production.

[d]Including subsidy payable under the Cattle Industry (Emergency Provisions) Act 1934 and the Livestock Industry Act 1937.

[e]From July 1954: cereal prices include any payments made under the Cereals Deficiency Payments Scheme; also fatstock prices include payments made under the Fatstock Guarantee Scheme.

[f]Price for pigs 10 score and over liveweight.

[p]Provisional.

Source: Agricultural Statistics, England and Wales and M.I. Price Series, Ministry of Agriculture and Fisheries.
Prices for 1957 kindly made available by the Ministry of Agriculture in advance of publication in M.I. series.

FARM PRICE INDICES OF INDIVIDUAL PRODUCTS, ENGLAND AND WALES
(Base 1927-29 = 100)

	Average 1936-8	1947	1953	1954[b]	1955[b]	1956[b]	1957[b]
			actual price[a]				
Wheat	94	193	294	301	300	293	281
Barley	93	219	277	250	242	249	260
Oats	80	197	262	234	270	266	277
Potatoes	110	181	249	254	301	361	289
Sugar beet	79	208	229	224	240	240	227[p]
Wool	68	102	312	313	315	309	315[p]
Liquid milk	95	222	298	295	301	298	277[p]
Fat cattle	90	183	269	279	319	301	329
Fat sheep	80	180	251	269	233	243	255
Bacon pigs	82	209	374	321[c]	336[c]	333[c]	309[c]
Hen eggs	82	204	259	233	240	228	237
		real price in terms of the national cost of living index					
Wheat	102	128	139	139	134	125	116
Barley	101	145	131	116	108	106	107
Oats	87	130	124	108	120	113	114
Potatoes	120	120	118	118	134	154	119
Sugar beet	86	138	109	104	107	102	93[p]
Wool	74	68	148	145	140	131	130[p]
Liquid milk	103	147	141	137	134	127	114[p]
Fat cattle	98	121	127	129	142	128	135
Fat sheep	87	119	119	125	104	103	105
Bacon pigs	89	138	177	149[c]	149[c]	142[c]	127[c]
Hen eggs	89	135	121	108	107	97	98

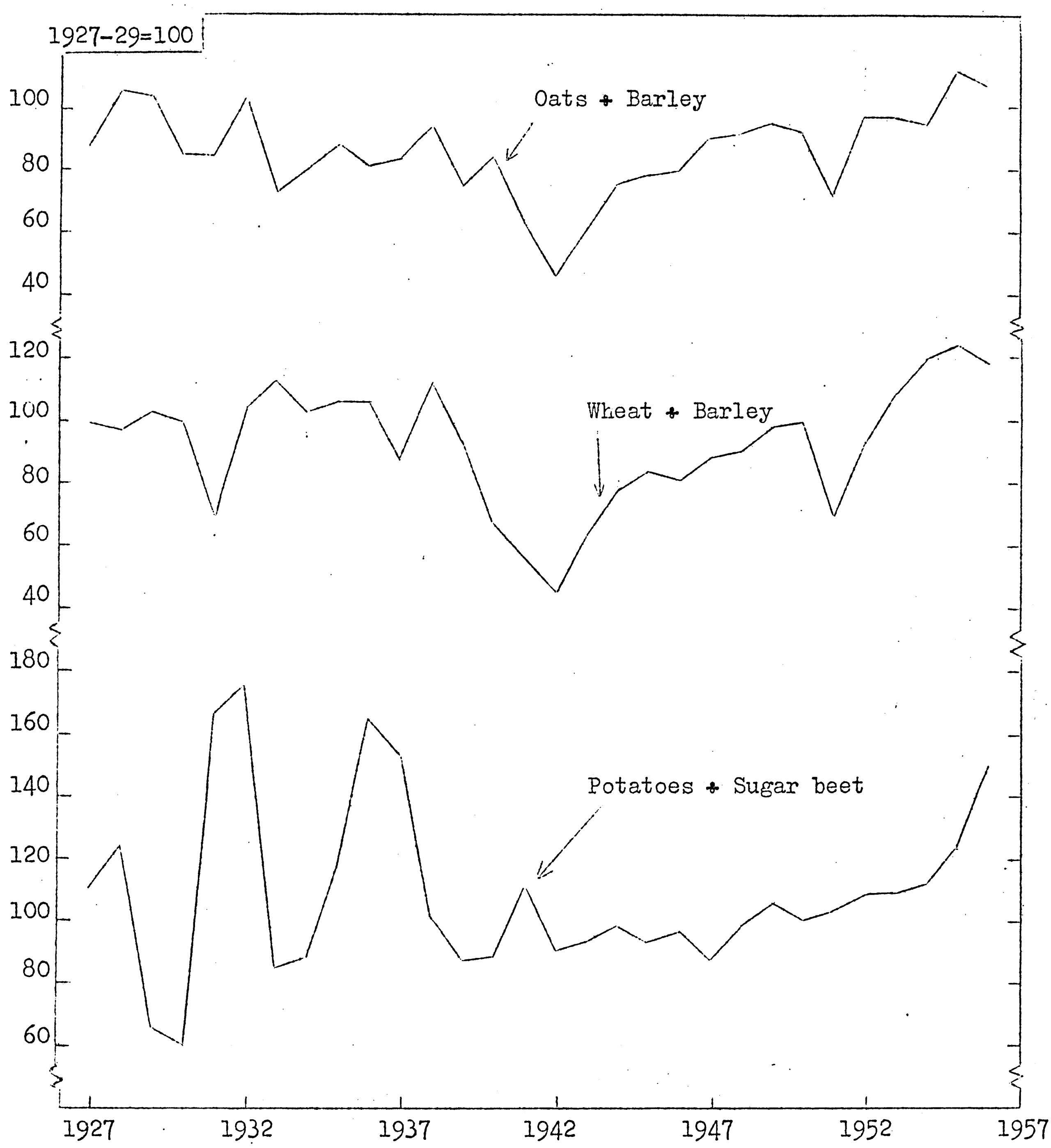
[a]Actual base prices (1927-29 = 100) are as follows. Wheat, 10.33s. per cwt.; Barley 11.00s. per cwt.; Oats 9.25s. per cwt.; Potatoes 100.50s. per ton; Sugar Beet 53.50s. per ton; Wool 1.42s. per lb.; Liquid Milk 13.0d. per gallon; Fat Cattle 49.25s. per live cwt.; Fat Sheep 12.75d. per lb. d.w.; Bacon Pigs 15.25s. per 20 lb. d.w.; Hen Eggs 18.17s. per 120 eggs.

[b]From July 1954:- cereal prices include any payments made under the Cereals Deficiency Payments Scheme; also fatstock prices include payments made under the Fatstock Guarantee Scheme.

[c]Price for fat pigs 10 score and over liveweight.

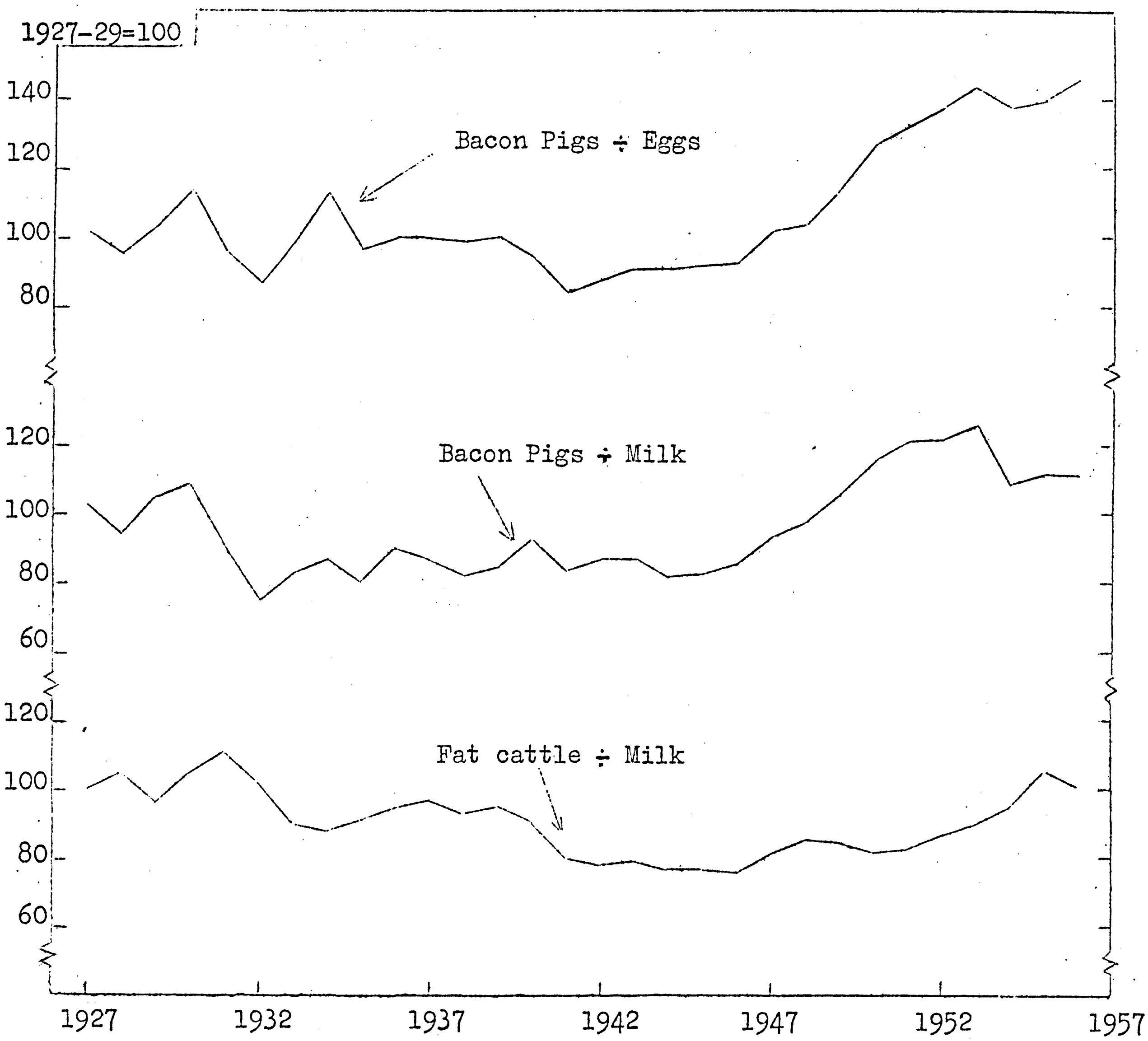
[p]Provisional.

<u>Source</u>: Agricultural prices - Agricultural Statistics, England and Wales and M.I. Price Series, Ministry of Agriculture and Fisheries.
National cost of living index - Compiled by J.R. Bellerby, Agricultural Economics Research Institute.
Prices for 1957 kindly made available by the Ministry of Agriculture in advance of publication in M.I. series.



CROPS - PRICE RATIOS, ENGLAND & WALES.

Source: Calculated from Official Statistics.



LIVESTOCK & LIVESTOCK PRODUCTS - PRICE RATIOS, ENGLAND & WALES.

Source: Calculated from Official Statistics.

Food Supplies, Consumption and Prices

The amounts of the principal foodstuffs used per head of the population of the United Kingdom are shown in the upper table on p. 64. Broadly speaking, consumption of flour, potatoes and margarine has been falling over recent years and that of meat and butter rising. The consistency of these changes and the reasons for them have varied. In comparison with the period before rationing the notable changes are the decrease in flour consumption and the rise in that of liquid milk and margarine.

In reviewing the state of demand for goods the main interest usually focusses on income levels, and prices, both generally and also for specific goods. From a slightly different approach, the size of the population may be a significant factor.

In so far as population is important it may be noted that the increase between 1937 and 1957 was about 9 per cent. Over recent years increases have been of the order of 1 per cent. (page 37) Changes from this cause might be compared with the changes between prewar and 1956 and 1957 of -8 per cent. in the consumption per head of flour, +52 per cent. in milk and +80 in margarine. These are all due to factors other than population change. The analysis of factors affecting demand for food is a research study of great complexity. (e.g. Richard Stone. The Measurement of consumers' expenditure and behaviour in the United Kingdom 1920-1938. Cambridge University Press, 1954.) The story of British food consumption is given in the successive reports of the National Food Survey Committee. (H.M.S.O.)

The general influence of family prosperity on consumption is hinted at by the data in the lower part of page 64. More livestock products and vegetables tend to be used in the A group than the D and less margarine, bread and potatoes. This is not by any means a straightforward illustration. For example, total family income in certain families for certain periods of the family life may greatly exceed that of the head of the household. (e.g. see Ministry of Labour Enquiry qhoted on p. 36.) Again number of children has a major affect on consumption levels, other factors being equal. (e.g. see Monthly Digest of Statistics, March 1958. Tables 107 and 108.)

As far as can be gathered from the figures available the general level of wages is about three times that before the war with basic living costs perhaps $2\frac{1}{2}$ times. With increasing real income one would expect a move in the pattern of consumption away from starchy foods towards livestock products. Although distribution of consumers' total expenditure may not be unexpected, the comparison of consumption now with that of prewar poses the question whether consumption is not unexpectedly low. Has there been some real shifts downwards in demand? Where prices are the same in real terms as before the war, do people buy less?

With such changes in the value of money as have occurred since 1939 this is difficult to pin down but there seems need for caution when appraising market prospects for livestock products. In surveys of family budgets the better-off families are usually found not only to be buying more fruit, meat and other highly prized foods but also buying higher quality goods. Increased general prosperity might show itself more in the form of demand for higher quality in individual foods than in a major shift of the balance of the diet towards what are usually regarded as highly prized foods.

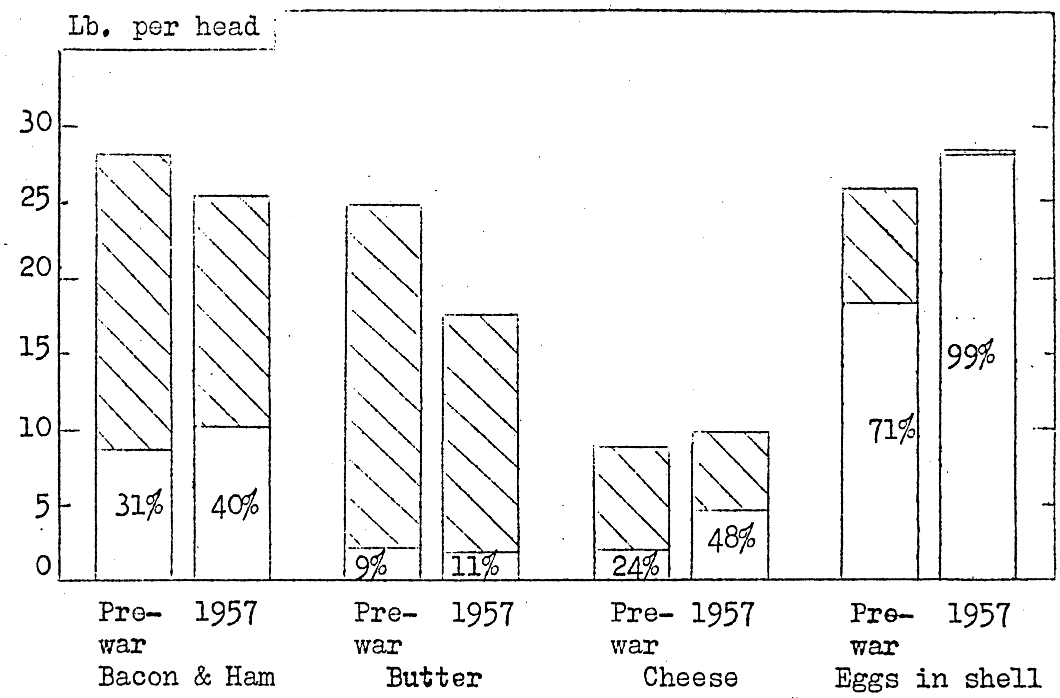
NET IMPORTS* OF FOOD AND FEEDING-STUFFS, UNITED KINGDOM

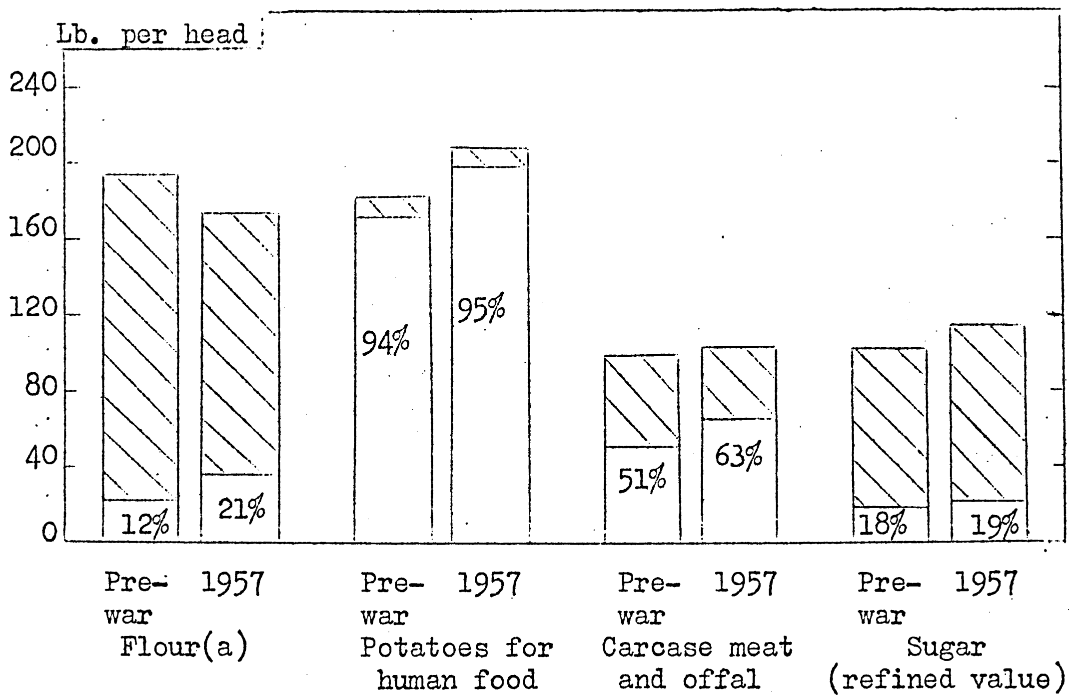
	1936-8[a]	1944	1955	1956	1957
			thousand tons		
Wheat	4,925	2,820	4,491	4,781	4,531
Wheat flour, meal & other wheat products[i]	324	760	345	361	338
Rice[b]	114	42	107	84	83
Pulses	151	71	137	145	162
Maize, maize meal, & other maize products[i]	3,452	164	1,573	1,604	1,691
Barley, oats & products[i]	1,050	-27[k]	890	694	1,059
Oil-cakes and meals[c]	1,648	883	1,540	1,436	1,507
Miscellaneous feeding-stuffs & cereal products[d]	1,198	25	1,412	1,310	834
Total cereals & feeding-stuffs	12,862	4,738	10,495	10,415	10,205
Potatoes (including seed)	181	-40[k]	331	461	182
Sugar[e]	1,807	1,071	1,367	1,598	2,014
Fruit, fresh[f]	1,426	212	1,131[m]	1,082[m]	1,103[m]
Fruit, other	391	285	402[m]	421[m]	403[m]
Tomatoes	182	9	292	283	308
Other vegetables	321	40	346	328	327
Butter	474	153	303	351	361
Oils & fats, excluding butter[g]	920	1,147	1,057	1,046	1,103
			thousand head		
Live Cattle	664	402	600	597	806
			thousand tons		
Beef and veal[h]	606	368	388	470	486
Mutton and lamb[h]	344	385	369	358	351
Canned meat[n]	68	167	188	172	202
Pork[h]	67	389	46	29	34
Bacon and ham	367	399	308	317	333
Total of above meats[h]	1,452	1,708	1,299	1,346	1,406
Eggs (in shell)	176	23	58	26	8
Cheese	140	251	125	134	121
Condensed milks	67	92	-41[k]	-36[k]	-
Dried milks[j]	16	82	30	49	50
			million gallons		
Milk equivalent of cheese, condensed and dried milk[j] — Whole	328	631	275	291	-
Milk equivalent of cheese, condensed and dried milk[j] — Separated	64	188	56	99	-

*Imports, less exports and re-exports as recorded by Board of Trade.

[a]Average of three calendar years. [b]from 1955 includes 'rice, other than husked or cleaned whole'. [c]Including cake equivalent of imports of oilseeds and nuts. [d]From 1955 not strictly comparable with previous years due to changes in classification. [e]Refined. Unrefined sugar is included on the basis 1.07 tons unrefined = 1.0 ton refined. [f]Including nuts used as fruit. [g]Including oil equivalent of imports of oilseeds and nuts. [h]Including offals. From 1955, excluding exports of 'meat, not in airtight containers'. [i]From 1955, excluding exports of 'other cereals unmilled' and 'cereals milled'. [j]Excluding buttermilk and whey powder. [k]Net exports. [m]Excluding exports of 'fruit, fresh and preserved'. [n]Including offal canned.

Source: Farm Economist.





CONTRIBUTION OF HOME PRODUCTION TO TOTAL SUPPLIES AND CONSUMPTION PER HEAD, UNITED KINGDOM.

(a) Home production as proportion of total supply in terms of wheat and wheat flour (wheat equivalent)

Note: Includes self-suppliers. 1957 figure provisional.

Source: Weekly Hansard No. 422 p. 46. 1st. May 1958.

ESTIMATED FOOD SUPPLIES PER HEAD OF POPULATION, U.K.

	1934-38 average	1943	1947	1953	1954	1955	1956	1957[p]
	lb. per head per annum							
Flour	194.5	230.2	224.9	192.7	187.2	182.5	178.7	172.9
Fresh and frozen meat	90.7	66.5	67.6	73.1	83.9	89.0	93.5	93.9
Bacon and ham	28.1	18.5	10.2	24.9	25.0	25.8	24.3	24.7
Liquid milk	217.1	298.6	306.1	334.7	333.6	329.9	328.4	323.6
Cheese	8.8	11.5	9.3	9.3	9.4	9.0	9.3	10.0
Eggs in shell	25.9	13.7	17.9	25.8	28.2	26.8	27.1	28.3
Butter	24.7	7.6	11.2	13.2	14.0	14.6	15.6	17.5
Margarine	8.7	17.0	15.0	17.8	18.3	17.9	16.9	15.1
Potatoes	181.9	248.8	285.9	222.4	221.9	223.0	208.2	208.4

[a]Civilian population for 1947.

[p]Provisional.

Source: To 1953 Annual Abstract of Statistics. 1954-1957 Board of Trade Journal, 1 August 1958.

DOMESTIC FOOD CONSUMPTION BY SOCIAL CLASS, GREAT BRITAIN,
Third quarter 1957.

	Social class[a]				All households
	A	B	C	D	
	ounces per head per week unless otherwise stated.				
Liquid milk (pints)	5.64	4.77	4.51	4.31	4.75
Cheese	3.46	2.76	2.88	2.66	2.91
Butter	6.39	5.50	4.83	5.63	5.39
Margarine	3.31	4.13	4.55	3.89	4.14
Eggs (no.)	4.86	4.41	4.08	3.34	4.23
Carcase meat	21.45	18.15	17.59	17.30	18.26
Bacon & ham (uncooked)	5.01	5.09	4.57	4.51	4.91
Fish	7.96	6.04	5.82	5.38	6.13
Fresh fruit	36.33	25.44	21.64	19.74	24.84
Potatoes	47.67	55.58	55.87	52.22	53.84
Fresh green vegetables	22.53	19.57	19.55	17.43	19.84
Bread	39.95	48.50	50.78	52.54	48.45
Flour	7.05	7.33	7.50	7.81	7.45
Sugar	17.65	18.66	18.65	17.55	18.54
Tea	2.39	2.64	2.86	3.09	2.76

[a]Gross weekly income of head of household.
A - £18 and over
B - £10. 10s. and under £18.
C - £7 and under £10. 10s.
D - Less than £7, with earners, excluding old age pensioners.

Source: Monthly Digest of Statistics, March 1958.

PRICE INDEXES OF RETAIL PRICES OF GROCERIES

		Butter	Cheese	Bacon	Fresh Meat[a]	Tea	Sugar	Flour
				Index. 17 January 1955 = 100				
For 4 weeks ending								
1954	8 June	102.8	102.5	109.6	85.3	73.4	100.0	108.2
	5 July	102.8	102.5	110.5	90.0	73.4	"	107.6
	3 Aug.	101.0	102.5	105.7	92.0	73.4	"	107.6
	30 Aug.	98.5	97.0	107.3	95.5	73.4	"	105.1
	27 Sept.	95.0	97.0	107.6	94.2	73.4	"	101.1
	25 Oct.	95.0	98.9	107.6	96.2	81.8	"	100.0
	22 Nov.	95.0	100.8	97.6	96.9	87.4	"	"
	20 Dec.	97.5	106.3	98.4	99.0	87.4	"	"
1955	17 Jan.	100.0	100.0	100.0	100.0	100.0	"	"
	14 Feb.	98.2	94.5	93.6	101.1	100.0	"	108.3
	14 Mar.	98.2	94.5	89.3	97.6	97.3	"	108.3
	12 Apr.	98.2	94.5	82.8	90.9	97.3	"	108.2
	9 May	97.4	94.5	81.5	90.5	93.1	"	"
	6 June	95.7	94.5	81.5	93.5	93.1	"	"
	4 July	93.3	100.0	91.1	95.8	88.9	"	"
	1 Aug.	89.8	100.0	104.3	98.6	88.9	106.7	"
	29 Aug.	91.4	103.6	122.6	100.8	88.9	"	"
	26 Sept.	98.8	110.9	129.8	111.5	88.9	"	"
	24 Oct.	102.5	116.4	128.9	112.7	88.9	"	"
	21 Nov.	106.7	129.2	125.9	109.0	88.9	"	"
	19 Dec.	111.0	132.0	109.8	104.1	88.9	"	"
1956	16 Jan.	111.0	139.2	106.3	99.3	88.9	"	"
	13 Feb.	100.0	140.1	109.6	99.6	86.1	"	"
	12 Mar.	98.8	142.8	116.2	96.9	86.1	"	"
	9 Apr.	91.4	142.8	116.9	95.5	85.4	"	110.7
	7 May	85.2	137.4	116.9	93.0	85.4	"	"
	4 June	86.3	137.4	121.8	91.1	85.4	103.4	"
	2 July	88.0	142.8	124.7	95.5	85.4	"	"
	30 July	88.0	146.0	120.7	100.2	85.4	"	"
				Index. 14 January 1957 = 100				
1956	30 July	116.6	108.3	96.0	100.4	88.5	83.8	90.7
	27 Aug.	113.4	109.2	95.1	93.6	87.2	"	92.2
	24 Sept.	124.2	111.0	94.7	94.1	"	"	"
	22 Oct.	123.3	114.7	94.9	93.9	"	"	"
	19 Nov.	123.3	113.7	91.6	92.4	"	89.2	"
	17 Dec.	120.3	109.2	98.1	90.6	91.8	"	"
1957	14 Jan.	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	11 Feb.	99.2	97.3	99.5	100.9	"	"	"
	11 Mar.	102.8	97.3	84.3	100.2	"	"	"
	8 Apr.	97.0	91.9	79.7	103.4	97.6	"	"
	6 May	98.5	86.4	80.7	106.4	95.4	105.4	98.0
	3 June	107.2	80.9	95.8	110.3	93.0	100.0	96.6
	1 July	113.0	80.9	98.0	104.9	"	"	"
	29 July	113.0	80.9	92.7	105.0	"	81.8	"
	26 Aug.	114.0	79.9	86.1	102.0	"	75.7	"
	23 Sept.	115.4	75.4	90.6	101.9	"	"	95.2
	21 Oct.	112.4	70.9	77.4	103.5	90.8	70.3	"
	18 Nov.	106.3	66.5	77.2	101.5	93.0	67.6	"
	16 Dec.	100.9	67.5	81.9	100.3	"	"	"
1958	13 Jan.	98.1	68.5	76.8	101.2	"	"	"
	10 Feb.	89.6	68.5	76.8	99.2	"	"	"
	10 Mar.	89.6	68.5	82.0	96.1	"	83.8	"

[a] Total meat from 30 July 1956.

<u>Source</u>: Based on private records of a firm of retailers.

Farmers and their Farms

	Page
Size of agricultural holdings	68

The statistics on this subject are very confused, but in round terms it could be said that in England and Wales more than half the farms are under 50 acres but they account for only one-seventh of the area. In comparison with European conditions, however, British farms are fairly large. Over 60 per cent. of the full-time farmers in England and Wales and 25 per cent. of those in Scotland employ no full-time labour. Probably 60 per cent. are over 45 years old and around four out of five left school at the age of 15.

To be more precise, details of the size distribution of agricultural holdings are given on p. 68. A holding is not necessarily a farm in the popular sense of the word, and of course a farmer may operate more than one farm. In Great Britain 275 thousand men and 20 thousand women called themselves 'farmers' in the 1951 census but some 450 thousand holdings are returned. For the purpose of the routine statistics in England and Wales a return is intended to be made for each holding farmed separately; in Scotland a separate return is made for each holding on the Valuation Roll which may include small parcels (though special enquiries have used definitions nearer the ordinary meaning of farm). This is difficult ground for the statistician. His attempts to improve the consistency with which farmers conform to the definitions when making their returns may result in apparent changes in the number and hence of the average area of holdings. Any changes in the average sizes of farms which may be indicated by the statistics must be treated with reserve unless they are backed by other evidence.

A small acreage of land may be operated as a "farm", even using ordinary extensive farming systems, if it is only a partial livelihood; it is believed that in Scotland one half, and in England and Wales one-quarter, of the holdings may be held by part time, spare time, or hobby farmers. (The Summary Reports of the National Farm Survey 1941-43 for England and Wales and for Scotland (H.M.S.O. 1946) are still interesting.) The landlord and tenant system is much less typical of British agriculture than it was before the First World War. Thus in 1908 only 12 per cent of the holdings and of the agricultural land was farmed by owner occupiers. In 1950 158,000 holdings in Great Britain (34 per cent.) were owned by the holder, 242,000 (53 per cent.) were rented and 58,000 (13 per cent.) were held under mixed terms. Of the total 7,010,600 or 40 per cent. were owned by the holder. In Northern Ireland a negligible number of the 86 thousand holdings is worked by tenants. (F.A.O. Census results by countries. 1950 Census.)

It is noteworthy that the number of farmers has apparently scarcely changed for a century, though the number of agricultural workers has been markedly reduced. (see p. 70) During this time there have been great changes in other features of the industry and in non-agricultural sectors of the economy. Whether farming would have been less depressed if more had left the industry; whether it would now gain prosperity sooner if farms were amalgamated and numbers reduced is a matter for argument on varied grounds, but this stability of the population of farmers certainly poses the question.

"The small farm problem" is one of the foremost issues in agricultural affairs in 1958. Though usually quoted in these terms, "small income farmer" would be a better concept. Interest was stimulated by such publications as "Mid-Wales Investigation Report" (Cmd. 9809), "Long-Term Assurances for Agriculture" (Cmnd. 23) with proposals for re-equipment, and "The Family Farm" by the Cambridge University Farm Economics Branch. The problem is, of course, an old one, but while prices for milk, pigs and eggs were good their position was not necessarily acute. Consolidation of holdings encounters economic, social and political problems far beyond the scope of statistical illustration. Some possibilities are discussed in "Land Consolidation - Cheaper and more simplified methods" (O.E.E.C., Paris).

SIZE AND ACREAGE OF AGRICULTURAL HOLDINGS,[a] ENGLAND AND WALES

Year	Under 20 acres	20-99¾ acres	100-499¾ acres	500-999¾ acres	1000 acres and over	Total
			Number of holdings			
1913	214,419	137,314		83,944		435,677
1924	188,793	140,318		80,272		409,383
1944	156,166	129,082	74,341	2,905	432	362,926
1949	161,584	128,412	73,729	3,045	472	367,242
1951	171,625	128,215	73,805	3,054	499	377,198
1953	175,232	127,446	73,726	3,100	511	380,015
1955	166,694	125,778	73,380	3,173	540	369,565
			Acreage of holdings (thousand acres)			
1913	1,658	6,948		18,523		27,129
1924	1,505	7,106		17,266		25,877
1944	1,113	6,577	14,123	1,890	619	24,321
1949	1,125	6,545	14,047	1,984	679	24,380
1951	1,152	6,536	14,068	1,990	720	24,466
1953	1,153	6,511	14,074	2,027	748	24,511
1955	1,106	6,471	14,058	2,082	780	24,497
			Average size of holdings (acres)			
1913	7.73	50.60		220.66		62.27
1924	7.97	50.64		215.09		63.21
1944	7.12	50.95	189.97	650.68	1432.71	67.01
1949	6.96	50.97	190.53	651.48	1438.93	66.39
1951	6.71	50.98	190.61	651.59	1443.55	64.86
1953	6.58	51.09	190.89	653.76	1463.13	64.50
1955	6.64	51.45	191.58	656.28	1443.82	66.29

[a]For 1944 and 1953 Holdings of exactly 20, 100, 500, etc. acres form the lower instead of the upper limit of a size-group. The grouping for 1913-24 = 20 acres or less, 20¼-100, 100¼-500 etc. runs now: less than 20, 20-99¾, 100-499¾ etc.

Source: Prepared by G. P. Hirsch from Ministry of Agriculture statistics.

Agricultural Workers and their Earnings

Depending on the point of view, interest in this section may focus on the lower wage rate for farm work than for much industrial work, the size of the farmers' labour bill, shortage of workers in general and for seasonal work, lack of prospects for advancement, the disappearance of the agricultural ladder, and so on.

The long-term downward trend in numbers of farm workers, and the comparative stability of the numbers of farmers is illustrated in the chart on p. 70, together with recent statistics in the table above. Agricultural wage rates have improved in comparison with wage rates generally over the years since 1939. However, notwithstanding this, farm workers now earn some £9 for a 52 hour week compared with about £12 12s. for 48 hours by industrial workers. A small enquiry by W. J. G. Cowie and A. K. Giles ("An Enquiry into Reasons for 'The Drift from the Land'" Bristol University, Department of Economics) showed low wages as carrying great weight in a worker's decision to leave farming.

Agriculture has always managed to obtain its share of the newcomers on the labour market (see the annual statements in the Ministry of Labour Gazette e.g. October 1956). In part this was because at least up to 1955, earnings of young people in farming compared favourably with those in the manufacturing industries.(p. 71) About 9 per cent. of the boys starting work went first into agriculture in comparison with the 5 per cent. of the occupied population in agriculture, fisheries and forestry. (p. 37) After 1955 earnings of young people in farming no longer comfortably exceeded those in other industries and about then agriculture's share of recruits showed signs of falling.

The scope for advancement for a worker in farming is limited by the small scale of the enterprises on which he is employed. For example, in England and Wales in 1951, 61 per cent. of the holdings over 1 acre employed no regular adult male workers (i.e. 21-65 years old) and 95 per cent. had no more than 4 (e.g. G. P. Hirsch, Farm Economist VIII, No. 2). These figures are relevant to a related issue, the possibility of introducing a wages structure in the industry.

In relation to the reduction in numbers of agricultural workers it would probably be agreed that, taking the industry as a whole, over a period there has been both a 'pull' to the towns and a 'push' from increased mechanisation, work study and other aids to labour economy on the farm. Some people hold that it is misleading to speak of a 'drift' from the land. They quote evidence of the labour bill on farms rising more slowly than the minimum wage rate (e.g. Cambridge University Farm Economics Branch Report No. 46. Report on Farming 1956/7, p. 7) and argue that with increasing wage rates farmers must reduce their staffs and that further increases in wages will accelerate that process of economising by farmers. On the other hand, apart from such pointers as are given by surveys like those of Cowie and Giles, it can be argued that bigger decreases have occurred in the younger age groups of farm workers (e.g. J. D. Hughes Farm Economist VIII, No. 9) which does not suggest that dismissals are the main cause, that losses have been heaviest in the industrial areas (e.g. G. P. Hirsch, Farm Economist VIII, No. 2) and that the Ministry of Labour figures still (May 1958) show notified vacancies for male workers in agriculture, forestry and fishing of around 20 thousand compared with farm workers registered as unemployed, including casuals, of some 12 thousand. In contrast, in mining and quarrying, and for all recorded occupations, the vacancies were about one-third of the number unemployed.

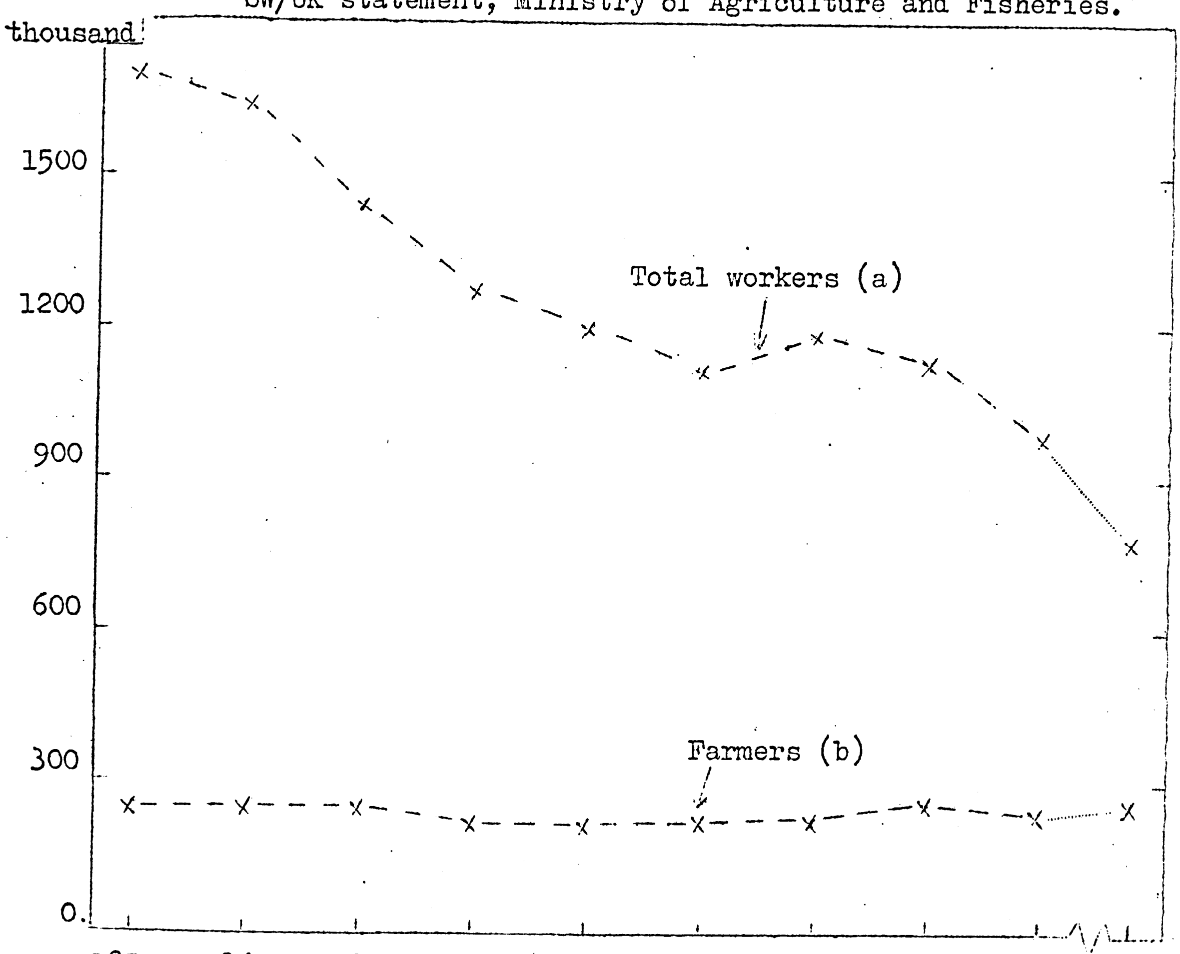
NUMBER OF AGRICULTURAL WORKERS, ENGLAND AND WALES[a]

	1938	1943	1947	1954	1955	1956	1957
				thousands			
Regular workers							
Male : 21 yrs. & over[b]	382	351	396	388	366	356	349
: under 21 yrs.[b]	90	91	96	75	73	62	64
Females: all ages	42	100	57	43	40	37	36
Casual workers							
Males : 21 yrs. & over[b]	48	81	76	87	87	83	85
: under 21 yrs.[b]	6	12	7	10	10	8	9
Female: all ages	25	84	48	55	63	63	65
Women's Land Army[c]	-	..	18	-	-	-	-
Prisoners of War[c]	-	..	79	-	-	-	-
All workers							
Male	526	534	654	560	536	509	507
Female	67	185	123	98	103	100	101
All workers	593	719	777	658	639	610	608

[a]Excluding the occupier, his wife, domestic servants, and children still at school. From 1955 "Casuals" include part-time regular workers and "regular" only whole-time. [b]From 1956, 20 years and under 20 years.

[c]Not returned separately before 1944.

Source: Agricultural Statistics, U.K. Pt. I.
SW/UK statement, Ministry of Agriculture and Fisheries.

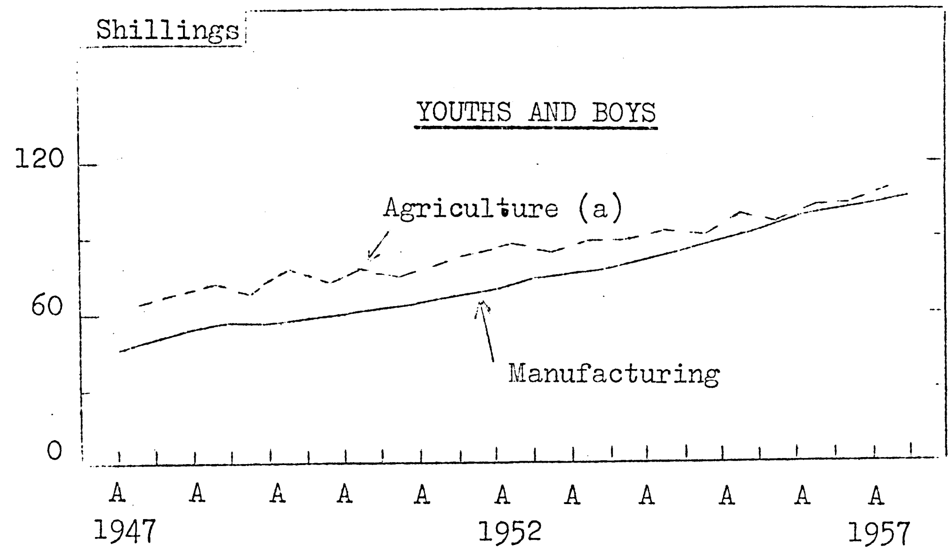


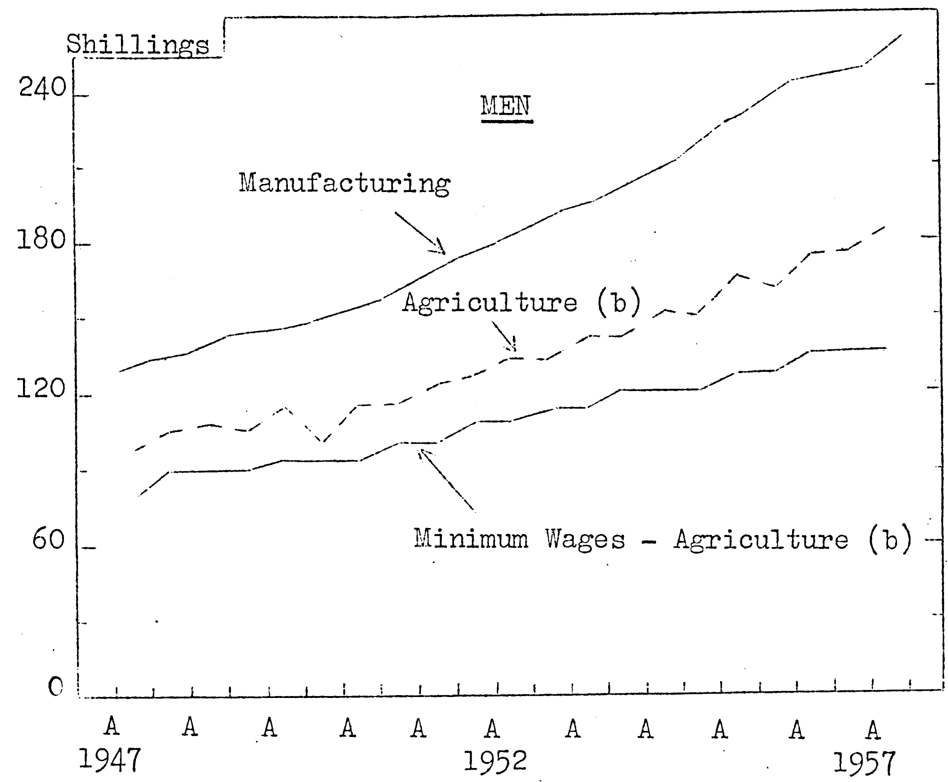
NUMBER OF FARMERS AND TOTAL WORKERS IN AGRICULTURE, ENGLAND AND WALES, (census years), 1851-1951.

(a) Total of workers classified as:- 1851-1931. Farmers, relatives, contract workers on farms, other agricultural workers.
1951. Farmers, farm managers, bailiffs and foremen, shepherds and other agricultural workers.

(b) Farmers and farm managers.

Source: Census Reports.





AVERAGE WEEKLY EARNINGS IN MANUFACTURING INDUSTRIES IN APRIL AND OCTOBER OF EACH YEAR AND FOR AGRICULTURAL WORKERS FOR THE HALF YEARLY PERIODS APRIL-SEPTEMBER AND OCTOBER-MARCH (plotted at mid-point of the six months), UNITED KINGDOM. ALSO MINIMUM WAGES RATE FOR ADULT MALE AGRICULTURAL WORKERS (rate at mid-point of each six month period).

Source: Ministry of Labour Gazette and Press notices issued by the Ministry of Agriculture.

(a) Under 21 years up to March 1956 and under 20 years thereafter.

(b) 21 years and over up to March 1956 and 20 years and over thereafter.

MINIMUM AGRICULTURAL WAGES FOR ADULT MALE WORKERS

1946	(July)	80s.
1947	(August)	90s.
1948		90s.
1949	(March)	94s.
1950	(November)	100s.
1951	(October)	108s.
1952	(18th August)	113s.
1953	(17th August)	120s.
1955	(24th January)	127s.
1956	(23rd January)	135s.
1957	(24th September)	141s.
1957	(28th October)	150s.

Source: Farmer & Stockbreeder Year Book, & Press Notices issued by the Ministry of Agriculture.

EARNINGS OF ADULT MALE WORKERS IN AGRICULTURE - UNITED KINGDOM

	Percentage of all adult male workers	
	April-March 1955-56	April-March 1956-7
Less than 130s. per week	9.0	1.2
130s. - 139s. 11d.	13.9	5.8
140s. - 149s. 11d.	15.4	17.2
150s. - 159s. 11d.	14.8	14.8
160s. - 169s. 11d.	12.1	12.9
170s. - 179s. 11d.	10.2	11.3
180s. - 189s. 11d.	8.0	10.4
190s. - 199s. 11d.	5.4	7.4
200s. - 209s. 11d.	3.7	6.1
210s. - 219s. 11d.	2.5	3.9
220s. - 229s. 11d.	5.0	3.1
230s. - 239s. 11d.		1.9
240s. - 249s. 11d.		1.1
250s. and over		2.9
Average weekly earnings	162s. 10d.	174s. 8d.

Source: Ministry of Labour Gazette.

Land Use and Land Losses

The description of the area of land used for agricultural, urban and other uses at any given time and the indication of the trend in these uses would seem to be a straightfurward matter. So it would be if suitable statistics had been collected but since, at least until recently, important items have not been covered and definitions of others are vague the study is a research rather than a routine matter.

Using research results, therefore, rather than routine statistics such figures as those on p. 74 emerge. If these figures are accepted, some 2.25 million acres of agricultural land were lost between 1900 and 1950 - that is about 45 thousand a year on average. Urban use now accounts for abour 10 per cent. of the land surface. It may increase at the rate of 30 thousand acres a year for the next decade or so, according to present plans for development.

It has been estimated that the average gross agricultural output per acre of the land lost to urban use in England and Wales is about half as big again as the average for the country. Probably half the land lost is devoted to dairying and one-fifth to market gardening and cash crops. (e.g. G. P. Wibberley. Land Planning and Agriculture. Journal of the Land Agents' Society, March 1958)

The same author tries to give some general indicator of the size of the problem of loss of agricultural land. He notes that to make good the lost agricultural output from the half million acres would require an increase in net output of £1 an acre on the remainder, (compared with a level of about £24 an acre in 1955-6).

Even approaches on such broad lines as these leave various factors out of account. For example, it has been argued that the gardens of the houses built on the land lost to farming could, and in fact do, produce a by-no-means negligible amount of food. One enquiry (R. H. Best and J. T. Ward, The Garden Controversy. Wye College, University of London, 1956) estimated that the value of produce of house gardens built at a density of ten to the acre, when cropped on the lines of current practice is of the same order of magnitude per original acre as that of 'better than average farm land'. If non-housing uses of land in urban areas are taken into account at least half the original output value might still be retained after transfer to urban use, though consisting of horticultural rather than farm products. (For further references and discussion on land losses see J. T. Ward's paper to the Agricultural Economics Society, December 1957.)

Data on the use of agricultural land are summarised on pp. 75 and 76. The long-term trends in the pattern are fairly clear. Problems of definition make it wise to treat with some reserve distihctions between permanent grass and rough grazing on the one hand and permanent and rotational grass on the other, and hence trends in these individual uses.

THE USE OF THE LAND SURFACE OF BRITAIN

"Routine" data are not available on this matter. Among the sets of figures which have been issued on the subject are:

A. Pre-war Land Utilisation Survey quoted by Professor Dudley Stamp. "The Land of Britain: its use and misuse".

Great Britain	Thousand acres	Percent.
Arable - intensive (market gardening)	1,100	2
- farm crops	11,069	20
Orchards and fruit	261	0.5
Permanent grassland	18,967	33
Heathland, moorland & rough grazing	18,775	33
Forest and woodland	3,219	6
Houses with gardens, incl. allotments	1,720	3
Agriculturally unproductive land. (incl. airfields, training grounds etc.)	1,399	2.5
Total	56,510	100

B. Results of comparative statistical studies by R. H. Best. "An evaluation of British Land-use statistics." Chartered Surveyor, June 1958.

LAND USE IN GREAT BRITAIN IN 1950

Land use	England & Wales		Scotland		Great Britain	
	'000 acres	Per cent.	'000 acres	Per cent.	'000 acres	Per cent.
Agriculture	29,916	81	15,323	80	45,239	81
Arable	13,949	38	3,210	17	17,159	31
Permanent grass	10,496	28	1,189	6	11,685	21
Rough grazings	5,471	15	10,924	57	16,395	29
Woodland	2,322	6	1,304	7	3,626	6
Urban development	3,602	10	469	2	4,071	7
Ungrazed deer forest	-	-	1,819	10	1,819	3
Unaccounted for	1,293	3	154	1	1,447	3
Total land area	37,133	100	19,069	100	56,202	100

CHANGES IN LAND USE IN ENGLAND AND WALES, 1900-1950

Year	Agriculture	Woodland	Urban development	Unaccounted for	Total land area
			'000 acres		
1900	31,050	1,900	2,000	2,180	37,130
1925	30,780	1,880	2,300	2,170	37,130
1935	30,380	2,120	2,800	1,830	37,130
1939	30,180	2,290	3,200	1,460	37,130
1950	29,920	2,320	3,600	1,290	37,130

UTILIZATION OF AGRICULTURAL AREA, GREAT BRITAIN[a]

	1870	1938	1943	1947	1953	1954	1955	1956	1957
					million acres				
1. Total green crops[b]	4.1[d]	2.2	3.4	3.0	2.8[c]	2.7[c]	2.6[c]	2.6[c]	2.4[c]
2. Other crops and bare fallow	9.7	6.3	10.3	9.3	9.0	8.6	8.3	8.5	8.3
3. Tillage (1+2)	13.8	8.5	13.7	12.2	11.8	11.4	10.9	11.1	10.8
4. Rotational grass[d]	4.5	3.4	3.7	5.0	5.3	5.5	5.7	5.6	5.8
5. Arable (3+4)	18.3	11.9	17.4	17.3	17.1	16.9	16.6	16.7	16.6
6. Permanent grass	12.1	17.4	11.4	11.4	11.7	12.0	12.3	12.2	12.3
7. Total crops and grass (5+6)	30.4	29.3	28.8	28.7	28.9[e]	28.9[e]	28.9[e]	28.9[e]	28.9[e]
8. Rough grazing[f]	..	16.1	16.5	16.5	16.2	16.2	16.2	16.1	16.1
9. Total agricultural area (7+8)	..	45.3	45.2	45.2	45.1[e]	45.1[e]	45.0[e]	44.9[e]	44.9[e]

[a]June census.

[b]Potatoes, Sugar Beet, Turnips and Swedes, Mangolds, Cabbage etc., Beans and Peas. From 1938, excludes beans and peas for human consumption.

[c]Includes fodder beet. Not collected separately prior to 1952.

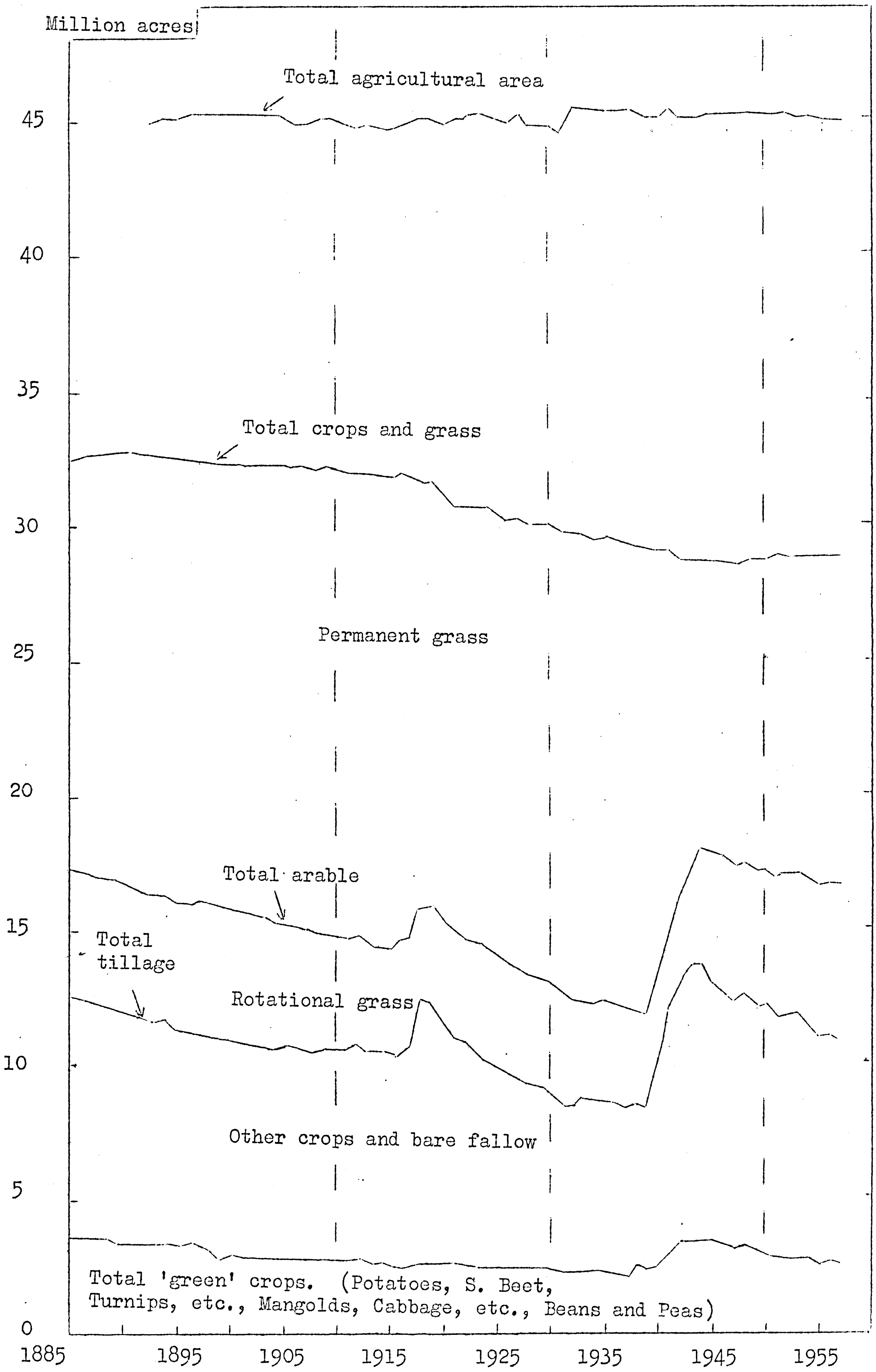
[d]Lucerne included under rotational grass except for 1870 where included under green crops.

[e]Including 118, 51, 29, 11 and 5 thousand acres, temporarily out of use through flooding for 1953, 1954, 1955, 1956 and 1957 respectively.

[f]England and Wales. Rough grazing.

	1938	1943	1947	1953	1954	1955	1956	1957
				million acres				
Sole rights	4.2	4.2	4.1	3.8	3.8	3.7	3.7	3.6
Common	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.5

<u>Source</u>: 1870 Agricultural Returns of Great Britain, 1871.
1938-1955 Official Agricultural Statistics.
1956- SC/UK statement. Ministry of Agriculture and Fisheries.



UTILIZATION OF LAND OF AGRICULTURAL HOLDINGS, GREAT BRITAIN 1885-1957.

Source: Official Agricultural Statistics.

Farm Sale Values and Rentals

Provisions of various Agricultural Holdings Acts over the years, culminating in the Agriculture Act 1947, ensured the security of tenure to tenant farmers that was now virtually complete.

Consequently very few farms for renting are to be had. However, in spite of this and of the diversity of situations of landlords, - some being large estates, some one-farm owners, - rents have moved upwards only slowly, taking the country as a whole. Data are scanty but the item "Rents and interest" in the national farm accounts (p. 50) has decreased between pre-war and 1957-8 or from 17 to 7 per cent. of total farm expenses.

Among the problems in this, and the associated field of tenure generally, (for proportion of land which is rented see p. 67) are the difficulty young farmers have in finding farms - and in affording to buy if one is offered for sale; the landlord's ability to finance desirable capital expenditure out of the return he receives as rent, and the lack of incentive to make effective use of land which is likely to result if rents are generally low.

The very large increase in the market price of farms with vacant possession, since pre-war, shown on p.78, reflecting what might be termed the essential agricultural demand meeting a limited supply and augmented in its effects by demand from outside the industry for farms for investment. Farmers already in farms might have been readier to retire of this did not mean finding another home at costs some four times the pre-war rate and living on a fixed income whose purchasing power was falling.

Reports from estate agents about conditions in 1957 suggested that demand for land continued strong but buyers were being a little more selective. Such reports also referred to their impression that the difficulties of raising money may have reduced slightly the price of farms offered with posession and that investment purchases with death duty incidence in mind had eased somewhat.

Certain data on rent is given on p. 78, with some indications of costs incurred by landlords. No official comprehensive survey indicating the situation of owners is available, but certain sample data are given on p. 79.

AGRICULTURAL PROPERTY COSTS AND RETURNS

	1938	1947	1950	1951	1953	1954	1955	1956	1957
					£ per acre				
Actual values									
Sale value of land per acre (England and Wales)									
Offered with vacant possession	32.0	82.4	92.9	97.7	83.0	84.6	90.2	86.6	84.4
Offered without vacant possession	22.3	39.8	48.6	46.4	41.0	43.5	49.0	48.2	40.2
All land	26.0	56.0	65.4	65.9	57.0	59.1	64.7	62.8	57.0
				s. per adjusted acre					
Gross rent per acre (England and Wales)[a]	25.7	28.2	31.5	33.6	..	..	..	..	
Maintenance costs[a]									
Agricultural real property	9.0	13.2	18.6	19.3	..	..	..	..	
				index 1938=100					
Indices									
Net income from farming[b]	100	342	544	481	596	567	505	..	
Gross rent	100	110	123	131	..	..	..	..	
Maintenance costs	100	147	207	214	..	..	..	..	
Sale value per acre									
Offered with vacant possession	100	258	290	305	259	264	282	271	264
Offered without vacant possession	100	178	218	208	184	195	220	216	180
All land	100	215	252	253	219	227	249	242	219

Sources: Sale value estimates prepared in the Agricultural Economics Research Institute successively by Britton, D.K., Ward, J., Price, O.T.W., & Martin, P.D. A long-term series is given in the Farmer and Stockbreeder Yearbook. Rent and maintenance charge, Country Landowners' Association. An enquiry into agricultural rents and the expenses of landowners in England and Wales 1950 and 1951.
Income - see income table.
A table of indices on this pattern was given by Price, O.T.W. (Farm Economist , VII, No. 3, p. 137).

[a]Identical sample of 143 estates.

[b]For the twelve months ending May of year stated.

Agricultural Capital and Credit

Capital in agriculture is always news, and the scantiness of the data about it makes it very difficult news to handle wisely. Recently, probably the two items of greatest topical interest have been the general effect of the credit squeeze on farmers and the specific problem of finding the farmers' two-thirds share of the cost of any improvements for which a government grant is approved under the Government's 1957 Agriculture Act.

The only figures in this larger field of credit which are regularly available are those for advances to farmers by banks and by the three specialist institutions. (p. 80) These showed very little, if any, signs of decrease recently, though, of course, the proportion of farmers seeking overdrafts but failing to get what they wanted may have increased.

There is remarkably little known about the <u>total</u> borrowings by British farmers but a careful guess put borrowings from banks at under a quarter and from special agricultural credit institutions at well under one-twentieth of the total borrowed, leaving three-quarters from other sources. This contrasts with Scandinavia where these other sources seem to be around one-third and special agricultural institutions anything from one-third to one-half. (International Journal of Agrarian Affairs, e.g. 1957, Vol. 2, No. 7.)

The place of hire purchase in financing farming might be noted, though its volume is not large in comparison with the total. Out of rather over £400 million of H.P. debt at the end of 1957, farm equipment accounted for £6 million - about double the 1950 level.

Though these figures and comments contribute to a hazy picture of, what might be called, the current capital-raising activities of members of the industry, this is only half the picture. It is generally agreed that investment in farming after the war, at around treble the pre-war real rate, was from many points of view encouraging. Since then inputs of capital have tended downwards - in marked contrast to the industrial capitalisation boom. But what would the picture be if the amount of capital used up in productive processes was taken into account. Obviously this is difficult and controversial ground but one enquiry at least (P. Redfern, Net Investment in Fixed Assets in the United Kingdom, 1938-53. <u>Journal of the Royal Statistical Society</u>, 118, p. 141. January 1955.) covering plant and machinery up to 1953 suggested that by the end of that period there was net disinvestment, - i.e. investments were failing to cover depreciation.

If the field of discussion is spread more widely the full complexity of this capital and credit problem emerges still further. A. W. Tuke ("The Farmer and his Banker". <u>Journal of the Farmers Club</u>, part 5, 1956) quoting the records of Barclays Bank, stated that of the 110,000 farmers on the books, 85,000 had credit balances of £71 million, and 25,000 had overdrafts of £41 million. There are various limitations on these figures but the conclusion that farmers had net money to lend seems clear. Harrison (Some Economic Aspects of Farmers' Seasonal Credit Needs. <u>Farm Economist</u> VIII, No. 8) showed a similar pattern. Presumably, many of these 'farmers' who borrow from banks are tenants. If we look at the land-owner the position is different. (For certain figures on rents and costs, see p. 78.) Denman (<u>Estate Capital</u>, Allen and Unwin, pp. 218) says that out of the $1\frac{1}{4}$ million acres in the Cambridge Estate Survey, estates covering 85 per cent. had had recent improvements wholly or partially financed from outside the estate. (Denman, p. 47) Indeed, if interest at 5 per cent. were allowed on the estate capital no estate would have been able to finance from estate income even half its improvements. (Denman, p. 50)

LOANS OUTSTANDING TO THE AGRICULTURAL AND FISHING INDUSTRIES IN GREAT BRITAIN

	1939	1948	1950	1953	1954	1955	1956	1957
				£ million				
Agricultural Mortgage Corporation[a]	8.7	9.5	13.8	24.1	24.4	25.9	27.8	30.5
Scottish Agricultural Securities Corporation[b]	0.6	1.0	1.2	1.7	1.7	1.8	1.9	2.2
Land Improvement Co.[c]	1.9	1.1	1.1	1.2	1.3	1.4	1.4	1.5
Bank advances to agriculture[d]	58.6	115.4	163.6	200.3	213.7	233.6	225.4	227.4
Total	69.8	127.0	179.7	227.3	241.1	262.7	256.5	261.6

[a]Total mortgage and improvement loans, the latter accounting for only £50,000 to £100,000 in each of the years. Figures are for 31st March.

[b]Total long term and improvement loans, the latter accounting for only £9,000 to £52,000 in each of the years. Figures are for 31st March.

[c]As at 31st December.

[d]The 1939 figure is for February, the rest are the average of the February, May, August and November returns of the member banks of the British Bankers' Association.

Source: Bank advances. Annual Abstract of Statistics of the United Kingdom and Monthly Digest of Statistics.
Rest. Report of the Corporations concerned.

Agricultural Requisites - Fertilisers, Machinery, Electricity and Seeds

(for feedingstuffs, see p. 121)

Among the materials farmers buy from outside their farms are machinery, fuel, electricity, sprays for controlling insects, deseases and weeds, fertilisers, sowing seeds, pharmaceutical products and store livestock. To the individual farmer they have much in common though for the industry as a whole it is probably reasonable for some purposes to divide them into two groups.

Those products which come from agriculture elsewhere - mainly store cattle, feedingstuffs and sowing seeds (e.g. of grasses and clovers)- make up one group. The rest represent purchases from the non-agricultural sectors of the economy. In addition to these material goods the skilled services of veterinary surgeons, mechanics and other technical experts are, from certain points of view, virtually a part of "requisites".

British agriculture is a rather heavy purchaser of materials from outside the industry as the following indicate.

Figures for purchased materials as proportion of gross output in 1952-55 show:

	materials of agricultural origin	materials of industrial origin
Austria	7.2	6.9
Denmark	10.0	4.6[a]
Germany	7.3	9.1
France	1.1	7.9
Netherlands	18.7	8.9
U.K.	24.8	10.3[b]

Source: F.A.O. Output, expenses and income of agriculture in some European countries. Third Report, 1958.

a Fertilisers only.
b Excluding pesticides.

It is generally agreed that these requisites have played a key part in the agricultural developments of the last two decades in Britain but, even so, they are not universally regarded as being unmixed blessings. They all require cash expenditure by the farmer and this has focussed attention on the effect of this more direct linkage with the money on farmers' reactions to the prices he is faced with. Others have been interested in the effect of duties and monopoly activities on the prices of these goods charged to farmers. Still others have argued that, though in essence they are valuable aids to production, they have been immoderately used by British farmers with detriment to their own situation and that of the country. Still others have been concerned with the effect of changes in the prosperity of farming on the use farmers make of such requisites as fertilisers whether, in fact, they respond with reductions which are not economically well-founded.

Most of these subjects are extremely complex and even the precise statement of the issues may take considerable space; the presentation of the relevant facts and their analysis may be a sizeable research study. The following pages cannot go beyond indicating relative magnitudes.

Page 83 sets out in broad terms the consumption and prices of fertilisers in the United Kingdom. Comparative consumption rates in various countries and some indication of the relative price levels is given in the O.E.E.C. publication "Fertilisers. Production, Consumption, Prices and Trade in Europe". 7th Study 1955-8. (See also p. 22 above.) Broadly speaking the United Kingdom is using about half as much again N. per acre of agricultural land as O.E.E.C. countries generally, but about one-third of the Dutch. Her phosphate usage on this basis is also about 50 per cent. above the O.E.E.C. average but well below the Dutch and the Belgian, and much the same holds for potash. Only in the case of lime does Britain lead by far. Fertiliser prices in terms of the amount of wheat or potatoes needed to buy one unit of fertiliser work out as follows:

	Phosphate		Potassic		Nitrogen	
	Wheat	Potato	Wheat	Potato	Wheat	Potato
Belgium	1.40	5.02	0.93	3.32	3.49	12.48
Denmark	2.57	8.58	1.24	4.15	3.98	13.32
W. Germany	1.22	4.05	0.58	1.92	2.33	7.72
Italy	1.37	3.74	1.06	2.90	2.85	7.77
Netherlands	2.33	6.19	1.37	3.65	3.70	9.81
U.K.	1.75	4.64	1.75	4.28	2.96	7.85

The consumption levels in the United Kingdom appear to be levelled off in 1955 and 1956, possibly lending credence to the contention that they vary with the level of farming income. (e.g. Commonwealth Economic Committee, A Survey of the trade in fertilisers. London, 1950, p. 15 et seq.)

Agricultural machinery is of interest now under two headings, the purely farming aspect and the contribution of the producers of this equipment to the export trade of the country. Page 84 shows the number of tractors in Great Britain and page 86 the number of implements. The broad comparisons on page 85 indicate that Britain is among the most heavily motorised countries. In looking at the very small numbers of tractors in Asia, Africa and South America, the possible bearing of this on the overseas market for tractors and on the prospects of increasing the food production of those countries, the complexity of the problems of introducing tractors into many of these environments must be kept in mind. Not only is there the problem of producers getting the money to pay for them, and arranging their land tenure to fit mechanised cultivation, but there is the very real point that non-motorised equipment like roads, water supplies, hand-mills etc. might be a more effective use of capital under their conditions. This perhaps emphasizes the fact that tractors are not the whole story of mechanisation in Britain either.

The place of the export trade in farm machinery is indicated on p. 87. In its comments on the 1957 machinery censuses of 1957 (Press Notice, M.A.F.F. 238/58, 19th May 1958) the Ministry of Agriculture draws attention to the levelling off in the numbers of many items and points to the probability that home demand will in future be largely confined to replacements. Something of the contribution of electricity to the power supply on farms as well as its help to more comfortable living is indicated in the statistics on p. 89.

It would be interesting to have estimates of the expenditure on some of the newer features of the list of requisites, biologicals, insecticides, etc. The frank answer seems to be that in the terms in which they are mainly used here no well-founded estimates are available.

FERTILISERS - PRICES AND CONSUMPTION

I. Consumption of fertilisers, United Kingdom

	Year beginning 1 July							
	Pre-war	1946	1948	1952	1953	1954	1955	1956[p]
	thousand tons							
Individual fertilisers								
Sulphate of ammonia	..	..	183	181	162	156	222	183
Other nitrogenous	..	..	233	434	422	442	439	612
Superphosphates	..	..	410	409	364	282	135	98
Ground phosphates	..	..	127	108	88	50	37	24
Basic slag	..	..	784	705	620	523	712	726
Compounds and concentrates	..	..	1847	1996	2063	2070	2302	2257
All fertilisers	..	..	3729	3977	3869	3678	3969	3919
Lime (June-May year)	..	..	5113	5171	6186	4708	7400[p]	..
Summary - chemical content								
N	50	164	185	230	242	248	291	302
K_2O	75	107	196	231	251	252	305	318
P_2O_5	161	357	419	389	381	335	386	370
CaO	..	..	2646	2601	3126	2363	3731[p]	..

Source: Pre-war - FAO Commodity Series No. 17, Fertilisers, September 1949; 1946 Annual Abstract of Statistics; 1948-1953 and Lime for 1954 and 1955 "The Farm as a Business"; 1954- Fertiliser and Feeding-stuffs Journal.

II. Fertiliser prices, England and Wales.[a]

	1938	1946	1952	1953	1954	1955	1956	1957
	£ per ton							
Basic Slag	1.80	2.15	6.20	6.05	7.18[b]	7.23	7.42	7.60
Muriate of potash(50%)	..	..	16.65	15.80	15.83[b]	16.31	16.93	17.10
Sulphate of ammonia	7.60	9.95	16.25	16.35	17.79[b]	18.84	20.82	21.31
Nitrochalk	7.50	9.75	15.50	15.50	15.67[b]	16.36	17.90	18.28
Superphosphate of lime	..	..	13.80	12.65	13.22[b]	13.93	15.12	15.33
	index June 1949 = 100							
Basic Slag	64	77	220	214	256[b]	257	264	270
Muriate of potash	..	..	145	138	138[b]	142	147	148
Sulphate of ammonia	73	95	156	157	171[b]	181	200	205
Nitrochalk	74	96	152	152	154[b]	160	175	179
Superphosphate of lime	..	..	232	213	221[b]	233	253	257

[a]Calendar average price to farmers at London, Bristol and Liverpool, delivered buyer's railway station. Excluding subsidy paid from 1 July 1951 under the Agriculture (Fertilisers) Act, 1952 on fertilisers purchased by farmers. The prices of basic slag and ammonia for 1938 and 1946 are not strictly comparable with later years. The prices for muriate of potash and nitrochalk from 1954 are farmers prices at London.

[b]The prices shown are the average of six months only (July-December)

[p]Provisional

Source: 1938-1953 Annual Abstract of Statistics, U.K.
1954- derived from Market supplement, Farmers Weekly.

POWER AVAILABLE TO BRITISH AGRICULTURE, GREAT BRITAIN (a)

	1942 May (b)	1946 Jan.	1954 Jan. (c)	1956 (d)
		thousands		
Tractors				
Tracklayers	5.6	12.3	..	..
3 & 4 wheeled	104.8	175.0	..	..
1 & 2 wheeled	6.4	16.0	..	..
Tractors 10 h.p. & over:				
Wheeled (e)	..	..	355.5(i)	394.4
Tracklayers (f)	..	..	22.6(i)	18.0
Tractors under 10 h.p.:				
Wheeled & tracklayers(g)			60.8	65.3
Total tractors	(116.8)	(203.4)	(438.9)	(477.7)
Petrol and oil engines (h)				
2 h.p. & under	45.6	..	134.5	..
2-6 h.p.	83.9	..	91.1	..
Over 6 h.p.	25.4	..		..
Total	(154.9)	(178.5)	(225.6)	..

(a) Voluntary census taken in Great Britain in September 1937:- wheel tractors for field work 46.2 thousand, wheel tractors for stationary work 4.2 thousand and 1.6 thousand for tracklaying tractors.
(b) June for Scotland.
(c) February for Scotland.
(d) Figures for England and Wales based on one-third sample at March, September or December only and are subject to a degree of sampling error. Scotland census taken in February.
(e) Including half-track.
(f) Excluding half-track.
(g) Including self-propelled implements.
(h) Not collected in England and Wales for 1956. Scotland - 2 h.p. and under 14.2 thousand (13.7), over 2 h.p. 10.5 thousand (12.6). Figures in parenthesis are for 1954.
(i) As regards the 1954 census in England and Wales, half-track tractors were not specifically mentioned in the census return and some may have been entered as tracklayers. Apart from this, tractors of 10 h.p. and over were required to be entered according to fuel-burning types and the numbers returned are believed to be considerably overstated.

Source: Official Agricultural Statistics, United Kingdom. For 1937. (See note (a)) Agricultural Market Report, February 4th, 1938, and Scottish Journal of Agriculture, October 1938.

Note Agricultural Machinery - England & Wales (Press Notice 238/58)

	1956(a)	1957
TRACTORS		
10 h.p. and over -		
Wheeled (including half-track)	347,950	350,480
Tracklayers (excluding half-track)	15,950	17,650
Under 10 h.p. -		
Wheeled and tracklayers (including 1- and 2-wheeled and self-propelled implements & motor hoes)	62,400	56,850

(Continued on p. 87)

TRACTORS IN AGRICULTURE - SELECTED COUNTRIES, 1955

	Tractors			Land use		Total tractors
	Crawler	Wheel	Total	Arable land	Permanent meadows & pastures	per 100 acres arable and permanent grass
	thousands			million acres		number
Denmark (a)	0.2	57.7	57.8	6.7	1.0	0.75
France (b)	..	..	211.8	52.6(j)	30.4	0.26
Germany, West	1.3	459.4	460.7	21.4	13.9	1.31
Italy (c)	33.4	114.0	147.4	38.9	12.7	0.29
Sweden (d)	0.4	115.0	115.4	9.3	1.8(n)	1.04
Switzerland	0.2	27.0	27.2	1.1(k)	1.9(l)	0.93
Turkey	1.8	39.2	41.0	55.7	77.3	0.03
United Kingdom(e)	24.0	410.0	434.0	17.5	30.4	0.91
United States (f)	160.0	4185.0	4345.0	465.3	632.4	0.40
Argentina (g)	..	..	42.0	74.1(m)	279.6(m)	0.01
Australia (h)	17.2	170.0	187.2	55.2	895.2	0.02
New Zealand (i)	..	..	65.0	1.3	31.2	0.20
Asia	10.0	66.0	76.0	1010.7	1126.8	0.004
Africa	29.0	139.0	168.0	600.5	1512.3	0.008
S. America	17.0	148.0	165.0	170.5	773.5	0.017

(a) Excluding approximately 1,000 tractors on tractor stations.
(b) For 1953.
(c) Does not include 15,350 jeeps.
(d) Excluding approximately 700 jeeps.
(e) Tractors - FAO estimate in Great Britain, tractors of 10 h.p. and over; in Northern Ireland tractors of 6 h.p. and over. Land use - land belonging to agricultural holdings exceeding 1 acre in Great Britain and $\frac{1}{4}$ acre in Northern Ireland. Permanent area includes 16,875 acres of rough grazing.
(f) For 1954.
(g) For 1952.
(h) For 1954. Arable includes 26,055 thousand acres of cultivated grassland. Permanent grass figure is for rough grazings only.
(i) FAO estimate for tractors. Official total for 1954 was 62,137 tractors. Land use - agricultural holdings exceeding 1 acre and situated outside boroughs.
(j) Arable land includes area of fish ponds.
(k) Arable land including fallow only.
(l) Excludes 2429 thousand acres of Alpine pastures.
(m) Continental sector only.
(n) For 1951.

Source: FAO Yearbook of Food and Agricultural Statistics. Pt. I, Production, 1956.

NUMBERS OF THE PRINCIPAL AGRICULTURAL MACHINES
AND IMPLEMENTS IN GREAT BRITAIN 1956

	Number	Per holding 5 acres and over	Per 100 acres of:- (a)
	thousands	number	
Cultivation			Arable
Tractor ploughs	340.7	1.00	2.05
Horse ploughs (b)	118.9	0.34	0.72
Cultivators, etc.	656.0	1.92	3.95
Transport			
Motor lorries & vans	98.0	0.29	-
Waggons & carts	201.4	0.59	-
Tractor trailers	376.1	1.10	-
Sowing & fertiliser distributor			cereals
Corn drills	93.0	0.27	1.27
Combined drills	46.8	0.14	0.64
Fertiliser distributor over 5 ft. wide	138.9	0.41	1.89
Harvesting			hay
Mowers over 3 ft. wide	222.2	0.65	3.89
			cereals
Binders	136.6	0.40	1.86
			wheat & barley
Combines	32.9	0.10	0.71
			hay, wheat & barley
Pick up balers	39.8	0.11	0.39
Farmyard machinery			
Grinding mills	84.2	0.25	-
Hammer mills	34.9	0.10	-
Grass driers	1.3	0.003	-
Grain driers			Per 100 tons wheat & barley
Continuous & tray	2.6	0.008	0.04
Platform	2.4	0.007	0.04
Ventilated silo	3.0	0.009	0.05
Field equipment (c)			Per herd of dairy cows
Electric fence units	128.0	0.45	5.19

(a) Grain driers are "per 100 tons" and field equipment "per herd".
(b) For 1954.
(c) For England and Wales.

Source: Derived from Official Agricultural Statistics.

PRODUCTION AND EXPORTS OF AGRICULTURAL MACHINERY, UNITED KINGDOM

	1938	1946	1955	1956	1957
			thousands		
Production					
Tractors:					
Agricultural types	10.0	28.8	135.2	111.0	147.1
Market garden types	0.65	18.2	39.4	27.8	37.9
All types	(10.7)	(47.0)	(174.6)	(138.8)	(185.0)
Mouldboard ploughs:					
Tractor-drawn	5.2	18.3	26.6	19.5	22.4
Animal-drawn	7.4	81.6	3.7	2.8	6.4
All types	(12.6)	(99.9)	(30.3)	(22.3)	(28.8)
Mowing machines	4.6	9.3	19.0	20.0	18.5
Combine harvesters	-	0.1	6.2	5.1	6.9
Milking machines	..	6.0	7.6	10.0	8.2
Exports					
Tractors, agricultural and tracklaying	7.0	13.9	107.0	91.9	115.0
			thousand tons		
Agricultural machinery:					
New classification	10.2	..	55.7	51.5	50.5
Old classification	8.6	31.9	..	..	..

Source: Abstract of Statistics, Monthly Digest of Statistics March 1958 and Accounts relating to Trade and Navigation of the United Kingdom.

Note (continued from p. 84)

	1956(a)	1957
TRANSPORT		
Waggons and carts (excluding tractor trailers and liquid manure carts)	173,960	148,160
Motor lorries and motor vans -		
Under 2 tons	61,060	57,320
2 tons and over	29,090	28,020
Tractor trailers	327,440	325,620
CULTIVATION		
Tractor ploughs	287,440	284,100
SOWING AND FERTILISER DISTRIBUTING		
Corn drills and combined seed and fertiliser drills	126,820	124,190
HARVESTING		
Combined harvester-threshers	31,020	35,370
Pick-up balers	37,810	43,590
Complete potato harvesters	(940)	1,080
Potato spinners	(62,790)	61,270
Complete sugar beet harvesters (combined topper, lifter and cleaner)	(2,060)	6,240
BARN AND FARMYARD - Grain driers		
Continuous grain flow and tray	2,550	3,410
Platform (in sack)	2,320	2,960
Ventilated silo, bin or floor-forced air flow	2,820	3,420

(a) Figures in brackets for 1954 - not collected in 1956.

CONSUMPTION AND PRICES OF FUEL USED IN AGRICULTURE, UNITED KINGDOM

	1953	1954	1955	1956	1957
			thousand tons		
Deliveries into consumption - estimated end use					
Motor spirit					
Agricultural use (a)	..	..	250	245	220
Total deliveries	5740	5922	6240	6324	5745
Burning oil					
Farming	..	..	25	20	18
Total deliveries	547	604	692	831	795
Vaporising oil (b)					
Agricultural Tractors	..	..	640	535	486
Agricultural Stationary Engines	..	..	17	14	11
Total deliveries	833	707	689	574	519
Gas/Diesel oil					
Agricultural driers & heaters (c)	..	..	30	36	33
Agricultural power units (d)	..	..	268	360	377
Total deliveries	1717	1937	2160	2387	2341
Fuel oil					
Agricultural driers & heaters (c)	..	..	26	37	30
Agricultural power units (d)	..	..	1.1	0.7	0.2
Total deliveries	3815	4416	5384	6471	6931
Wholesale Price	1939	1954	1955	1956	1957
			d. per gallon		
Motor spirit (standard grade)	14.50	44.50	45.00	45.00	50.65
Vaporising oil (e)	8.75	15.75	16.00	16.50	18.22
Gas oil	5.75	13.37	14.12	14.62	16.76
Diesel oil	4.50	13.37	14.12	14.62	16.76
Fuel oil	3.75	10.62	10.87	12.12	14.34

(a) Including agricultural vans.
(b) Pre-war consumption levels were:- For 1937, Tractors 147 thousand tons and 73 thousand tons for Stationary engines (total deliveries figure not available). Total deliveries in 1938 were 721 thousand tons.
(c) Total gas, diesel and fuel oil consumption for 1953 and 1954 was 71 and 59 thousand tons respectively.
(d) Total gas, diesel and fuel oil consumption for 1938, 1953 and 1954 was 6, 124 and 183 thousand tons respectively.
(e) Petroleum Board "Pool" prices, ex. works, minimum 20 gallon lots for 1939. After 1947, zoning system introduced, prices then for inner zones and for 200 gallon minimum lot, delivered.

Source: From information supplied by the Petroleum Information Bureau, London.

ELECTRIFICATION IN RURAL AREAS

	Farms 1948	Farms 1953	Farms 1956	other dwellings 1948	other dwellings 1953	other dwellings 1956
			per cent.			
Proportion of rural properties electrified						
England and Wales	31	48	63	55	70	79
Southern Scotland	33	54	75	80	87	93
Northern Scotland	5	36	55	..	..	..
Northern Ireland	5	16	33	..	..	48

	1948	1949	1951	1956	Increase 1948-1956 per cent.
			mill.kwh.		
Rural consumption of electricity					
England and Wales	288	..	..	987	243
Southern Scotland	28	..	..	104	271
Northern Scotland	..	..	..	89	..
Northern Ireland	..	..	13	46	..
Consumption per rural consumer					
England and Wales	3445	..	..	6178	79
Southern Scotland	4902	..	..	8577	75
Northern Scotland	..	6677	..	8281	..
Northern Ireland	..	..	3268	3398	..
Average price paid by farmers			pence per kwh.		
England and Wales	1.436			1.500	4
Southern Scotland	1.281			1.475	15
Northern Scotland		1.352		1.575	..
Northern Ireland			1.55	1.97	..

Source: The State of Rural Electrification in Europe in 1956. U.N. Geneva, 1958. E/ECE/320.

WHOLESALE PRICE OF CLOVER SEEDS, AND LUCERNE, RE-CLEANED, MARK LANE (LONDON)

		English br. red (a)	English br. red (b)	New Zealand white	Other English W.W.	French Lucerne
	mid-month	s. per cwt. (average or "usual" price) ex store				
1956	January	185		560	672	290
	February	185		570	672	290
	March	180		570	672	290
	April	202½		570	672	325
	May	185		600	616	330
	June	225		670	625	335
	July	240		670	700	345
	August	270		675	700	345
	September	365		690	840	415
	October	365		690	840	420
	November	355		655	896	420
	December	350		620	952	475
1957	January	290		580	812	515
	February	290		570	765	495
	March	246		560	672	485
	April	220		500	504	485
	May	220		500	532	485
	June	210		500	532	485
	July	210		480	532	485
	August	200		410	532	485
		(a)	(b)			
	September	200	260	310	532	485
	October	220	275	310	700	425
	November	250	285	320	700	465
	December	240	285	340	700	440
1958	January	220	265	330	700	485
	February	195	245	385	700	495
	March	200	235	430	700	495
	April	180	230	420	700	490
	May	165	200	410	700	510
	June	150		410	700	485

(a) New crop.
(b) Old crop.

Source: Market Supplement, Farmers Weekly.

WHOLESALE PRICE OF GRASS SEEDS, RE-CLEANED, MARK LANE, (LONDON)

		Perennial ryegrass N.I.(a)	Perennial ryegrass Danish	Italian ryegrass (b)	Cocksfoot English grown Danish	Timothy Scandinavian
	mid-month	s. per cwt. (average or "usual" price) ex store				
1956	January	104	100	103	145	225
	February	106½	100	106¼	145	210½
	March	114	105	111¼	155	205
	April	114	122½	115½	167½	202½
	May	112	120	112	160	180
	June	99	122½	109¾	162½	202½
	July	105	117½	111½	175	225
	August	105	130	114	185	200
	September	115	135	121¼	255	240
	October	111½	135	120½	260	240
	November	110	135	112½	240	235
	December	104	110	109¼	240	235
1957	January	104	105	105½	235	235
	February	86½	100	95½	230	225
	March	75	87½	79	210	225
	April	76½	87½	81½	195	210½
	May	67½	87½	72	190	210
	June	74	87½	78	180	210
	July	81	87½	80	170	210
	August	81	87½	80	150	210
	September	66½	85	78	125	180
	October	66½	80	80½	150	280
	November	75	85	105½	150	265
	December	77½	90	100½	145	225
1958	January	77½	90	101¼	135	230
	February	82½	92½	101¼	150	250
	March	89	105	101¼	165	250
	April	89	95	100	175	250
	May	89	95	100	170	250
	June	76½	95	101½	170	250

(a) F.o.b. Belfast from October 1956.
(b) Average of N.I. (f.o.b. Belfast from October 1956), English and Danish.

Source: Market Supplement, Farmers Weekly.

Crop Production Generally

A high tillage area is still often spoken of approvingly, though in the absence of published statistics of the production of grassland it is hard to judge whether this view can be justified on the grounds of the superior productivity of tillage crops. The tillage area has in fact tended downwards lately, being in 1957 1 million acres lower than it was five years ago and $1\frac{1}{2}$ million lower than ten years ago, the decrease over the decade has been almost equally divided between rotational and permanent grassland.

The extent to which the produce of British soil is devoted to the production of livestock is perhaps not always realized. The sugarbeet, the fruit and the vegetable acreage, about one half the wheat and barley areas and rather more than half the potato area, might reasonably be said to be producing 'food' - though in fact some parts of the crops sold for food find their way to livestock in the form of offal and beet pulp. But this scarcely totals 5 million acres out of the 45 million acres of agricultural area.

The areas and yield of individual crops are set out on pp. 94 and 95. The yields of wheat and barley in the first half of the 1950's were about 33 per cent. above the pre-war level; sugar beet was 23, oats 22, the hays 14-16 and potatoes 11 per cent. above. Probably one ought not to be too dogmatic about the actual percentages for the yield statistics are based on reporters' judgments and many factors influencing reporters' estimates may have operated since before the war, but the trends should be correct and are in line with general experience. It poses some interesting questions to which at present there are no firm answers. Is the lower increase for hay and oats evidence for those who contend that fodder crops have not received their fair share of the plant breeders' attentions? Or don't the best farmers make hay now? Why has the increase been low for potatoes? Is it because the acreage is still 16 per cent. above the pre-war area, and because some good potato land has been withdrawn because of eelworm since 1938? It is reasonable to expect that better varieties, more fertiliser (p. 83) and more timely husbandry because of the higher capacity of equipment (p. 85-86) has had much to do with this. But what is behind this? Is it that more farmers know that it pays to fertilize? Or that with the better equipment and other aids they can be surer of getting near the average response every year? Or that with the price guarantees they can be surer of the cash receipts per unit of input? No simple answer is to be expected but if one knew more about these points it might be easier to judge how farmers may react to variations in economic conditions.

Official injunctions to 'treat grass as a crop' might have led one to expect that the greater part of rotational grass would be sown on its own 'like a crop'. The following figures show, however, that four-fifths are sown under nurse crops. The proportion sown alone was 2 or 3 per cent. higher in 1956 and 1957 than in previous years, but the trend is not emphatic.

Clover, sainfoin & other temporary grasses.	September 1954	1955	1956	1957
		('000 acres)		
Sown in current year with a nurse or cover crop	1277	1079	1476	1147
Sown in current year without a nurse or cover crop	219	202	250	249

Source: Q.C. Statement. Ministry of Agriculture.

ACREAGE OF MAIN CROPS, GREAT BRITAIN[a]

	1870	1938	1943	1947	1953	1954	1955	1956	1957
				thousand acres					
Wheat	3501	1923	3451	2161	2215	2455	1947	2290	2109
Barley	2372	984	1771	2053	2220	2058	2290	2317	2609
Oats	2763	2098	3210	2927	2552	2320	2330	2309	2109
Rye (for threshing)	65[b]	17	128	35	68	43	19	25	26
Mixed Corn	..	95	485	492	799	597	460	415	332
Total	8701	5117	9045	7668	7854	7473	7046	7356	7185
Potatoes	588	610	1193	1149	846	815	757	796	709
Sugar Beet	..	336	417	395	415	437	424	426	430
Total	588	946	1610	1544	1261	1252	1181	1222	1139
Turnips, Swedes & Mangolds	2517[e]	945	1091	978	797	769	742	696	658
Other fodder crops[c]	397[e]	229	455	365	589	569	552	552	555
Bare fallow	611	370	240	508	225	281	349	217	314
Temporary grassland[d]									
for mowing	2069	1571	2095	2684	2621	2655	2774	2637	2819
not for mowing	2436	1788	1633	2345	2520	2722	2811	2825	2900
Permanent grassland									
for mowing	3067	4402	2811	2716	2996	2890	3023	3075	3005
not for mowing	9006	13008	8609	8662	8724	9095	9261	9173	9266

[a] June census.

[b] Includes cut for fodder.

[c] Cabbage, kale, savoys, kohl rabi, rape, vetches or tares. Includes fodder beet from 1953.

[d] "Temporary grassland" consists of clover, sainfoin and other temporary grasses left down, even for several years, in the rotation. Lucerne for 1943 and 1947 not collected separately and included in temporary grassland.

[e] Includes acreage grown for human consumption.

Source: Annual Abstract of Statistics, U.K.
Agricultural Returns of Great Britain, 1871.
SC/UK statement. Ministry of Agriculture and Fisheries.
Official agricultural statistics.

YIELD PER ACRE, GREAT BRITAIN

	Av. 1926 -30	Av. 1931 -35	Av. 1936 -40	Av. 1941 -45	Av. 1946 -50	Av. 1951 -55	1955	1956	1957
					cwt. per acre				
Seed hay[a]	28.3	28.2	27.0	28.1	28.5[b]	30.9	31.0	26.9[c]	29.1[c]
Meadow hay[a]	19.9	20.2	19.1	19.5	20.0[b]	22.1	22.9	20.7[c]	20.9[c]
Wheat	17.5	18.3	18.0	19.3	19.7	23.6	26.7	24.8	25.4
Barley	16.5	16.5	16.7	17.9	18.6	22.2	25.6	24.1	22.5
Oats	15.8	15.9	16.0	16.6	16.9	19.6	21.3	19.4	18.4
					tons per acre				
Potatoes	6.5	6.5	7.1	7.1	7.0	7.9	7.3	8.4	7.1
Sugar beet	8.1	8.8	8.9	9.0	10.1	11.0	10.7	12.1	10.6
					per cent.				
(Sugar content)	17.0	16.8	17.0	16.4	16.4	16.4	16.5	16.1	15.3[p]

[a]From 1950 excludes lucerne and grass mown for silage, drying or seed.

[b]Average 1946-49.

[c]England and Wales. Yield for 1955 for seed hay was 31.2 and meadow hay 22.7 cwts.

[p]Provisional.

Source: Derived from official statistics.

PRODUCTION OF MAIN CROPS, GREAT BRITAIN

	1884	1938	1943	1947	1953	1954	1955	1956	1957
					thousand tons				
Wheat	2149	1959	3435	1666	2662	2781	2598	2842	2679
Barley	1650	901	1632	1614	2514	2238	2930	2793	2942
Oats	1905	1702	2670	2244	2549	2201	2485	2237	1941
Rye(for threshing)	..	12	94	22	66	39	19	25	24
Mixed Corn	..	75	380	382	839	550	506	403	320
Total	..	4649	8211	5928	8630	7809	8538	8300	7906
Potatoes	3743	4404	8537	6742	7135	6413	5521	6659	5030
Sugar Beet	..	2191	3760	2960	5275	4521	4556	5169	4539
Total	..	6595	12297	9702	12410	10934	10077	11828	9569
Turnips & Swedes[a]	27073	10390	11677	9009	10663	9769	8066	8913	8487
Mangolds	5558	3689	5785	4328	5498	4498	3788	4286	3549
Seed hay[b]	3311[c]	1913	3038	3654	3615	3329	3834	3161	3645
Meadow hay[b]	5763[c]	3389	2844	2673	3036	2584	3236	2876	2929

[a]From 1938 Turnips and Swedes for stockfeeding.

[b]Prior to 1953 includes grass mown for silage, drying or seed. Includes lucerne for 1943 and 1947 as not collected separately.

[c]Figures for 1886. Not collected separately for 1884 or 1885.

Source: 1884 Statistical Abstract of U.K. No. 43, 1881-1895.
1938-1955 Agricultural Statistics, U.K. Pt. I.
1956- PC/UK statement, Ministry of Agriculture and Fisheries.

The Cereal Story **

Among the features of interest concerned with cereals are the extent of the non-feed market, the prospects for its development and the worthwhileness of storage on the farm.

The home crop of wheat now accounts for some 37 per cent. of the wheat supply compared with 28 per cent. before the war and the barley 75 per cent., compared with 48 per cent. pre-war (p. 99). Oats are virtually all home-produced and maize virtually all imported. It is arguable that this gives a misleading impression of the cereal situation. To take wheat as an example, though the 1956-7 sales for non-farm use were two-thirds above the pre-war level, they are only of the same magnitude as the quantities used for stockfeed. Probably a mixture of reasons play their part in this proportionately small food usage, including the convenience to users of the large-scale bulk handling of imports, timing of supplies, and quality in its various aspects. A low usage for food holds true for barley also. About one-third of the crop goes into human food and the quantity has been falling over the last year or two.

The consumption of beer in the United Kingdom in the years 1953-57 was 2.11, 2.06, 2.08, 2.10 and 2.12 million bulk barrels a month. The whisky situation is complex, partly because of the interval of three to a dozen years between the time the barley is used and the whisky is drunk. In round terms there are 200 million proof gallons of Scotch Whisky in stock, production around 50 million a year, current disposals about 25 million and exports rather under 20. All have been tending upwards for a decade. Half of the exports go to the United States where they make up perhaps one-sixth of their whisky consumption. Some sellers think that disposals will level off soon. If so, this adds up to a picture of fairly static demand for non-fodder barley.

Turning to wheat, flour usage for food can be expected to decrease with rising standards of living - it has decreased by 10 per cent. between 1953 and 1957, but since three times as much imported wheat is milled as home-produced, the overseas position seems the dominant factor. As p. 98 shows, there seems ample wheat to be had; recent world prices have been downward. As far as the immediate position goes, the millers agreed to do their best to take 1250 thousand tons at least of home-grown wheat in 1957-8 and to take as much as they could in the course of harvest - in other words the pattern of past years would be repeated.

The seasonality of sales has continued stable in its combine-harvester-determined variability. The seasonal prices have not been very consistent however (pp. 104 and 105) so the advantages of storing on the farm are difficult to assess.

SUPPLIES AND EXPORTS OF CEREALS: MAJOR EXPORTING COUNTRIES

	Wheat					Maize, barley, oats		
	Canada	U.S.A.	Argentina	Australia	Total	Canada	U.S.A.	Argentina
	million acres					million acres		
Acreage sown								
1934-8	25	73	18	13	129	18	153	21
1946	26	71	16	13	126	20	143	17
1950	27	72	16	12	127	18	144	11
1951	25	78	12	10	125	20	136	11
1952	26	78	15	10	129	20	135	13
1953	26	79	16	11	132	19	135	15
1954	24	62	15	11	112	18	145	14
1955	22	58	13	10	103	21	146	15
1956	23	61	15	8	107	20	138	15
1957	21	50	13	8	92	20	134	14
	million tons					million tons		
Production								
1934-8	7	19	6	4	36	7	63	9
1946	11	31	6	3	51	9	111	5
1950	12	27	6	5	50	10	105	2
1951	15	26	2	4	47	13	97	3
1952	18	35	8	5	66	13	104	4
1953	16	31	6	5	58	12	102	5
1954	8	26	8	4	46	8	105	4
1955	14	25	5	5	49	12	111	5
1956	15	27	7	4	53	14	111	5
1957[p]	10	25	5	3	43	11	113	7
Exports[a]								
1934-8	5	1	3	3	12	1	b	7
1946-7	7	10	2	1	20	1	4	2
1950-1	6	10	3	4	23	1	4	b
1951-2	10	12	1	3	26	3	3	1
1952-3	10	9	1	2	22	4	4	1
1953-4	7	5	3	3	18	3	3	3
1954-5	7	7	4	3	21	2	3	2
1955-6	8	10	3	3	24	2	6	1
1956-7	7	15	3	3	28	2	5	2

[a]Wheat exports include wheat flour (at wheat equivalent). August-July year except for U.S.A. coarse grains which is for July-June year.

[b]Less than 500,000 tons.

[p]Preliminary.

Note: The stocks of wheat on 1 July in the four countries were 11 million tons in 1943-8, 21 million tons in 1950, 50 million tons in 1954, 51 million tons in 1955, 53 million tons in 1956 and 52 million in 1957. The stocks of barley, oats and maize on 1 July in the three countries were 42 million tons in 1950, 50 million tons in 1954, 54 million in 1955, 60 million tons in 1956 and 67 million tons in 1957.

Source: Broomhall's Corn Trade News; Feed Situation, U.S.A.; Coarse Grain Review, Canada; Foreign Crops and Markets, U.S.A.; Wheat Situation, Canada and F.A.O. Monthly Bulletin of Agricultural Economics and Statistics.

UNITED KINGDOM: SOURCES OF PRINCIPAL GRAIN CROPS

	Quantities			Proportion of total supplies		
	1938	1956	1957	1938	1956	1957
	thousand tons			per cent.		
Wheat						
Argentina	291	316	452	4	4	6
Australia	1550	602	640	22	8	9
Canada	1442	2633	2130	20	35	30
U.S.A.	790	938	837	11	12	12
All imports	5081	4781	4531	72	63	63
Home production	1965	2845	2683	28	37	37
Total	(7046)	(7626)	(7214)	(100)	(100)	(100)
Barley						
Australia	88	74	72	5	2	2
Canada	273	649	481	14	18	12
Iraq	156	17	23	8	0.5	0.6
Soviet Union	188	12	5	10	0.3	0.1
All imports	994	811	1009	52	22	25
Home production	904	2800	2957	48	78	75
Total	(1898)	(3611)	(3966)	(100)	(100)	(100)
Oats						
Canada	74	3	n.a.	4	0.1	n.a.
All imports	79	23	50	4	1	2
Home production	1992	2486	2145	96	99	98
Total	(2071)	(2509)	(2195)	(100)	(100)	(100)
Maize						
Argentina	885	142	2	31	9	0.1
S. Africa	114	244	153	4	16	9
U.S.A.	1160	989	1335	40	64	82
All imports	(2879)	(1537)	(1628)	(100)	(100)	(100)

Source: Home - Official Agricultural Statistics.
Imports - 1938, Trade of the United Kingdom 1938.
1956- Accounts relating to Trade and Navigation of the United Kingdom, December 1957 (except Oats for 1956 - Commonwealth Economic Committee, Grain Crops 1957).

MARKETING OF WHEAT - SALES AND PRICES

	Sales off farms - United Kingdom[a]					
Month	1943	1953	1954	1955	1956	1957
			thousand tons			
January*	208	165	181	161	172	153
February	191	100	153	137	137	101
March	188	97	148	111	116	96
April*	209	103	194	104	108	80
May	187	75	160	116	73	101
June	136	49	85	105	52	90
July*	58	9	14	35	16	32
August	123	82	31	106	30	138
September	249	307	162	186	185	177
October*	309	237	202	187	204	156
November	242	152	123	130	119	121
December	265	149*	108	121	96	93
Year (total)	2365	1525	1561	1499	1308	1338

* Five week months.

PRICES[b] - ENGLAND AND WALES[c]

Month	1937	1938	1954	1955	1956	1957
			s. per cwt. (112 lb.)			
January	9.75	8.33	32.00	24.08	23.75	25.83
February	9.08	8.08	32.33	25.00	24.33	25.17
March	9.00	7.75	33.00	23.67	24.33	23.25
April	9.92	7.58	33.50	22.25	25.75	21.58
May	9.83	7.92	33.67	21.33	26.83	20.00
June	9.75	7.92	33.83	21.42	27.25	19.33
July	9.67	8.00	30.42	22.17	27.25	20.00
August	9.42	7.08	20.92	20.08	23.92	18.42
September	8.58	5.08	19.67	20.08	22.67	18.33
October	9.17	5.00	19.75	20.83	22.50	18.83
November	9.00	4.42	19.75	22.08	23.50	19.67
December	8.50	4.25	21.92	22.75	25.17	19.83
Year (average)[d]	9.33	6.75	27.56	22.00	24.00	20.78

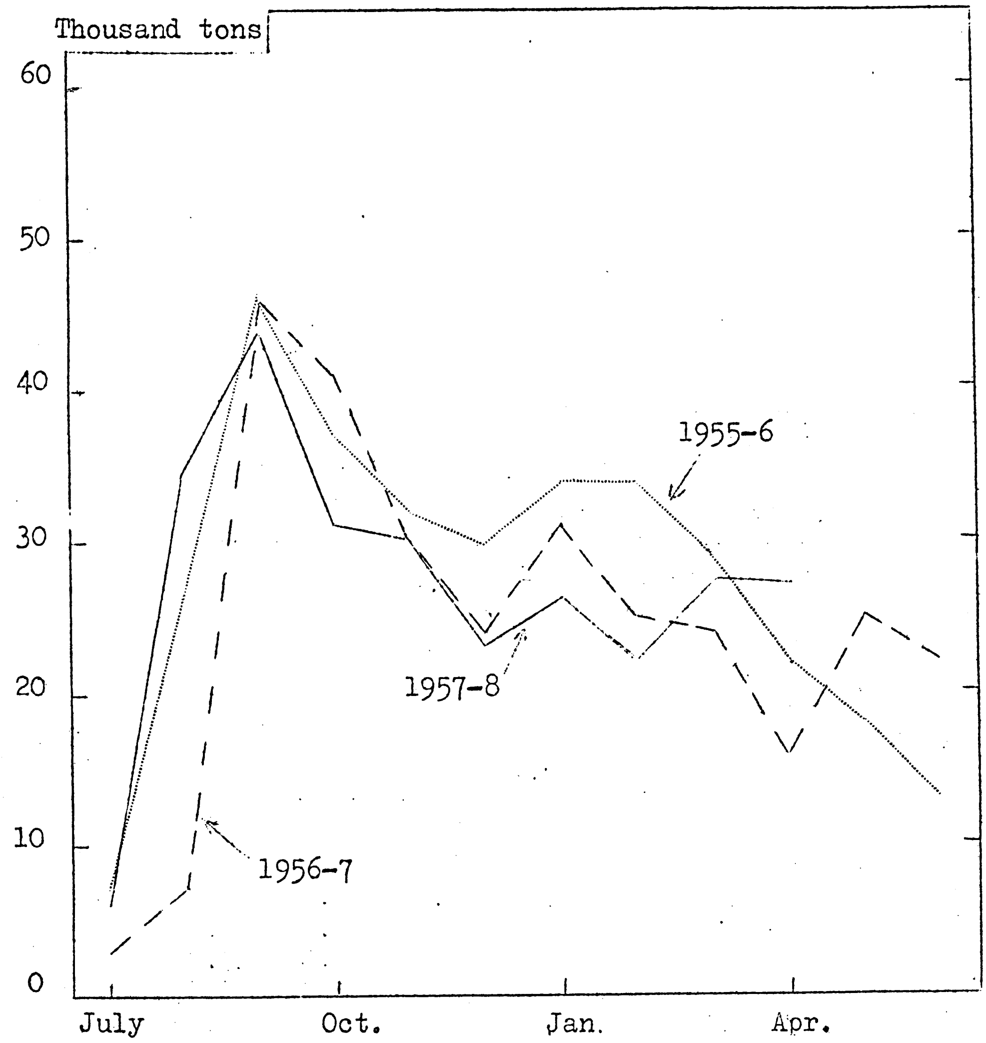
[a] Receipts by flour millers.

[b] For 1937 and 1938, calculated from weekly returns of prices received by buyers under the Corn Returns Act. For January to June 1954 fixed prices for millable wheat on sale by a grower. From July 1954, price for all wheat sold by growers in 174 towns under the Corn Returns Act.

[c] Exclude any payments made under the Home Grown Cereals Deficiency Payments Scheme which was introduced in July 1954. Annual average prices, including payments made under the Cereals Deficiency Payments Scheme, for 1954, 1955 and 1956 were 31.08, 31.00 and 30.25s. respectively. For details by periods see p. 104.

[d] Calculated by weighting monthly price with quantities sold.

Source: Monthly Digest of Statistics. Official Agricultural Statistics, E. & W. M.I. Price Statement, Ministry of Agriculture and Fisheries.



WHEAT - SEASONAL VARIATION IN SALES OFF FARMS, WEEKLY AVERAGES, U.K. (receipts by flour millers).

Source: Monthly Digest of Statistics.

MARKETING OF BARLEY - SALES AND PRICES

Month	Sales off farms - United Kingdom[a] 1943	1953	1954	1955	1956	1957
	thousand tons					
January*	152	88	77	85	106	68
February	129	70	61	62	95	47
March	120	54	56	38	75	40
April*	81	36	44	31	55	34
May	46	21	52	22	43	23
June	26	14	42	13	16	16
July*	34	7	30	7	8	12
August	139	122	44	131	56	121
September	145	219	232	260	247	259
October*	143	135	210	189	219	161
November	156	90	138	131	111	106
December	146	79*	108	94	66	78
Year (total)	1317	935	1094	1063	1097	965

* Five week months.

PRICES[b] - ENGLAND AND WALES[c]

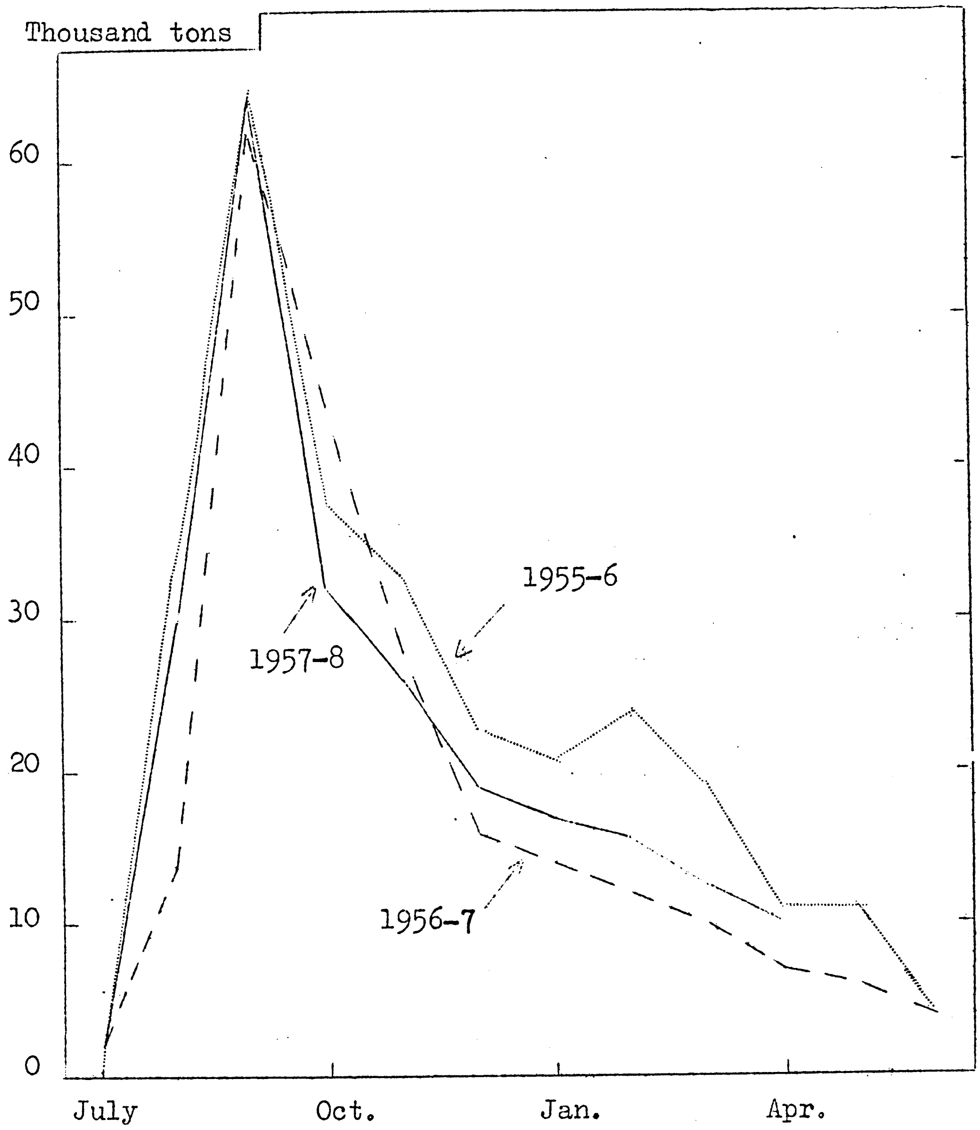
Month	1937	1938	1954	1955	1956	1957
	s. per cwt. (112 lb.)					
January	10.00	13.17	28.67	28.50	23.25	26.17
February	10.00	12.58	27.67	29.83	23.33	25.50
March	9.83	12.08	27.00	29.33	24.25	24.67
April	10.08	11.17	26.33	27.83	26.08	23.50
May	10.17	10.50	25.42	26.25	27.58	21.25
June	9.58	10.25	25.17	25.75	27.67	20.67
July	9.50	9.00	24.00	25.08	24.17	21.58
August	11.17	9.75	23.25	22.75	24.17	22.92
September	12.25	9.92	23.75	21.75	23.58	21.25
October	12.58	9.08	22.83	22.33	23.33	20.25
November	12.92	7.83	23.67	22.25	24.58	20.25
December	13.17	7.58	26.75	22.25	26.00	20.58
Year (average)	10.92	10.17	25.38	23.33	24.00	21.90

[a] Including quantities used for brewing, malting and distilling.

[b] Average price for all types of barley calculated from weekly returns received from buyers under the Corn Returns Act.

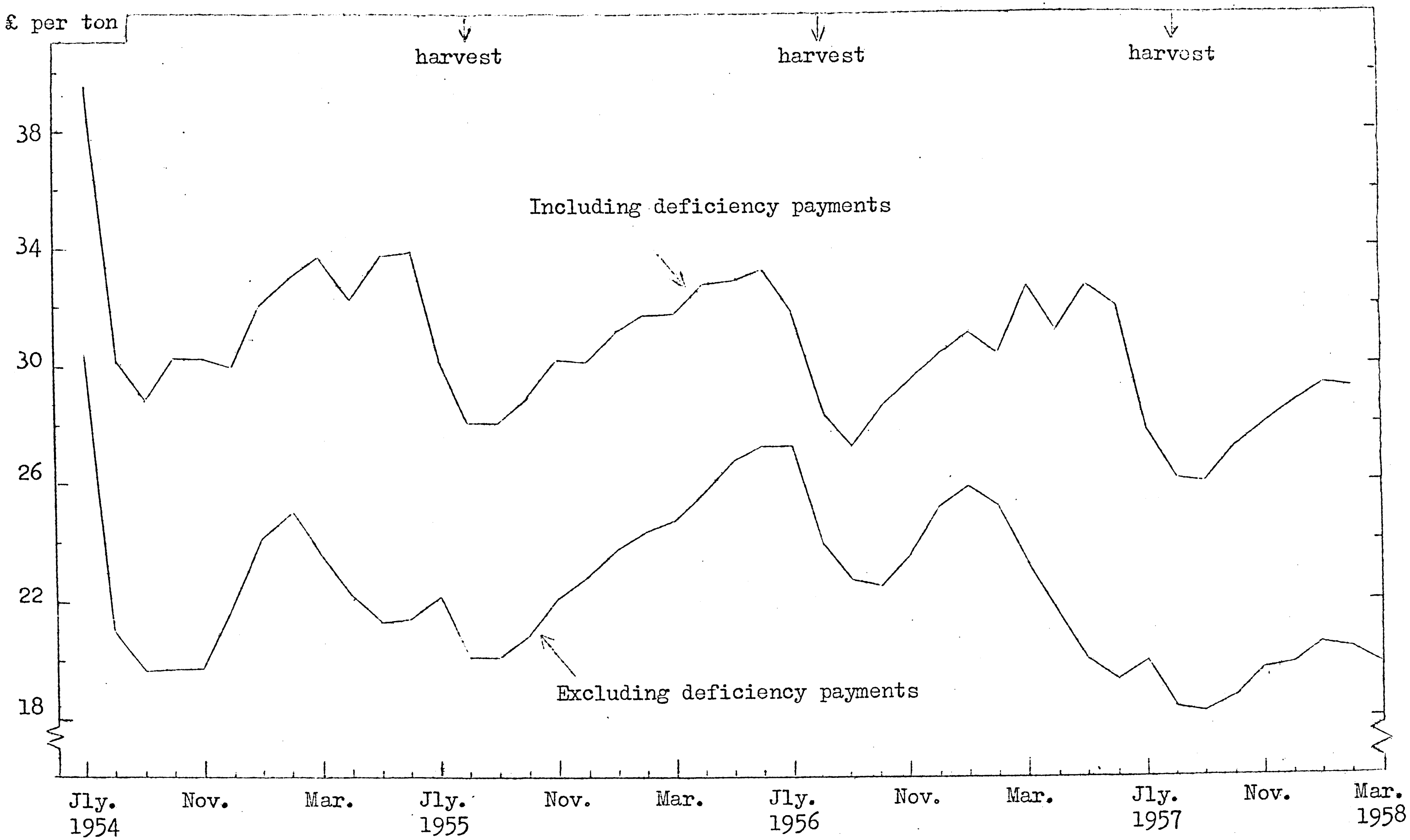
[c] Exclude any payments made under the Home Grown Cereals Deficiency Payments Scheme which was introduced in July 1954. Annual average prices, including payments made under the Cereals Deficiency Payments Scheme for 1954, 1955 and 1956, were 27.50, 26.67 and 27.42s. respectively.

Source: Monthly Digest of Statistics. Official Agricultural Statistics, E. & W. M.I. Price Statement, Ministry of Agriculture and Fisheries.



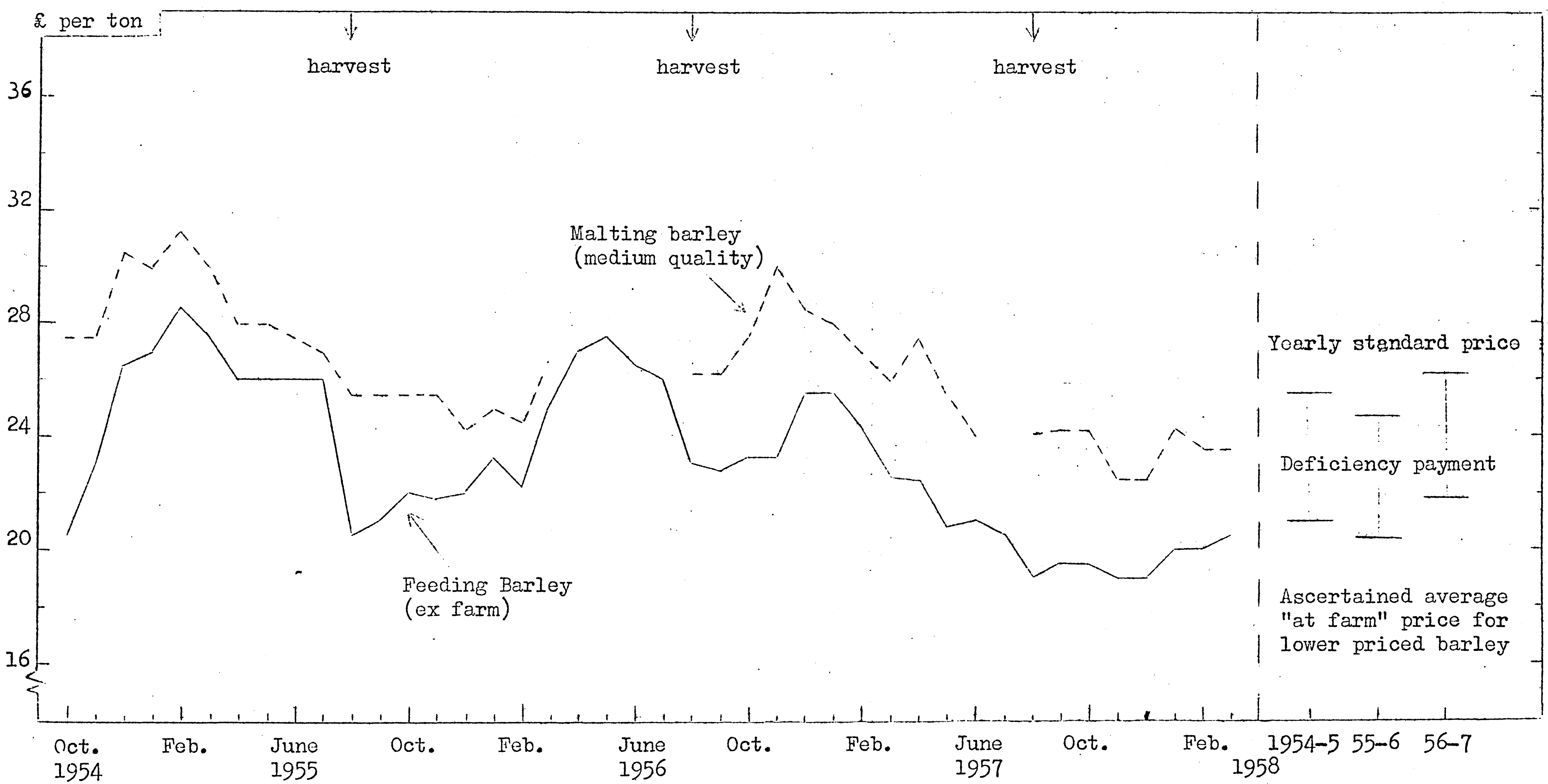
BARLEY - SEASONAL VARIATION IN SALES OFF FARMS, WEEKLY AVERAGES, U.K. (sales for food including quantities used for brewing, malting and distilling).

Source: Monthly Digest of Statistics.



MONTHLY AVERAGE PRICE PAID TO GROWERS FOR ALL TYPES OF WHEAT, INCLUDING AND EXCLUDING DEFICIENCY PAYMENTS, ENGLAND AND WALES.

<u>Source</u>: M.I. Price Series & Press Notices, Ministry of Agriculture.



PRICE OF HOME-GROWN FEEDING AND MALTING BARLEY AT BRISTOL PORT MARKET (mid-month price).

Source: Market Supplement Farmers' Weekly & Press Notices, Ministry of Agriculture.

UTILIZATION OF WHEAT, BARLEY AND OATS, UNITED KINGDOM

	Pre-war average	1943-4	1947-8	1949-50	1954-5[a]	1955-6[a]	1956-7[p]
				thousand tons			
Wheat							
Production: Total	1651	3447	1667	2204	2783	2599	2845
Human food	730	2778	1033	1430	1386	1446	1233
Fed to stock on farm	651	325	409	514	1207	949	1300
Seed and Waste	159	306	203	228	190	204	200
Barley							
Production: Total	765	1645	1619	2129	2244	2936	2800
Human food (total)	521	1006	1062	954	937	1000	935
Brewing, vinegar and malt extracts	462	827	788	689	712	801	690
Distilling	57	9	193	235	200	174	145
Fed to stock on farm	164	450	291	886	974	1433	1510
Seed and Waste	70	150	160	156	180	188	180
Oats							
Production: Total	1940	3064	2509	2995	2440	2709	2486
Human food	118	386	188	264	171	153	154
Fed to stock on farm	1270	2087	1897	2262	1935	2218	2000
Seed and waste	244	415	361	358	231	234	250

[a]The definition of output was altered in 1953-4 to include feed sales to manufacturers. For this table, however, such sales are included in farm retensions for stockfeed.

[p]Provisional

Source: Up to 1956-7 Agricultural Statistics, U.K. Pt. II 1943-4 to 1949-50 and Output and Utilisation of Farm Produce in the U.K. 1946-7 to 1955-6. For 1956-7 estimation based on official statistics (production figure final).

Sugar, Sugar Beet and Potatoes

The increase of about 200 thousand acres in the area under sugar beet and potatoes since 1938 is about equally divided between the two. The sugar beet area has been fairly stable at about 424 thousand acres, but the potato area has shown little signs of having settled down. Current yields of sugar beet roots per acre are of the order of one-fifth or one quarter above the pre-war level but the sugar percentage has tended to fall rather than rise.

There could scarcely be a commodity under greater constraint than sugar in the world generally. The general pattern of the sugar position in Britain now is that we are using for food about $2\frac{1}{2}$ million tons, exporting rather more than $\frac{1}{2}$ million tons and growing at home about as much as we export. Presumably technical developments in the factories and in the growing of the crop (e.g. harvesters p. 84) will continue but it is difficult to envisage much change in the framework within which all this goes on. Acreage could not be expanded without building more factories and this step has been refused since the war. To reverse this policy would presumably mean buying less sugar from abroad. In respect of a large part of our imports, our position is governed by the Commonwealth Sugar Agreement within a setting of the World Sugar Agreement. The world position is so complicated with preference areas, special agreements and other rigidities that it is difficult to judge the significance of the 'free price' made by the rest of the world's sugar. (For a study of the sugar agreements see B. C. Swerling and V. P. Timoshenko, The World's Sugar, Stanford University, 1957.) However, one effect is that the method of fixing the price guaranteed to the Commonwealth results in the price paid for that sugar being well above the world 'free' price. The price realized by the British Sugar Corporation for their sugar, equal to the average of imported raw sugar has, in consequence, been high enough to allow them to pay the guaranteed price for beet without the help of a subsidy. Arrangements are made for selling the commonwealth sugar into distribution within Britain at the same price as other sugar. (For details see Agricultural Register 1956-7, p. 130 et seq..) In some of the commonwealth countries sugar provides a very large part of their export trade; if sugar prices were lower direct assistance to their economies might be needed. Many observers believe that cane sugar producers operate under increasing returns, and that the nature of their costs is such that if they were allowed to expand sales their unit costs could fall.

In contrast to sugar, the key feature of the potato position is its lability, not its rigidity. Potatoes are often quoted as one of the commodities showing a cobweb effect, that is a tendency for producers to react to a year of low acreage, and/or poor yield and high prices by increasing their area, possibly applying more fertiliser, with the consequence that the crop is heavy and prices low, then the following year decreasing their area, giving a small crop and high prices and so on. Supplies are also available from abroad, subject to certain government powers of control; the import of new potatoes is a regular practice but main crop potatoes may come in on occasion. (p. 110) Apart from their general influence, all these factors may contribute short-run uncertainty within a marketing season and this may be accentuated by the effects of weather on the farmer's sales of potatoes and their subsequent transport.

The present background might be summarized as an increase over pre-war consumption per head of about one-seventh which is about balanced by an equal increase in acreage together with an increase of one-tenth in population with a similar increase in yield per acre. It is difficult not to view with some reserve comparisons of potato consumption with the pre-war period, but, even without putting much weight on them, the underlying features of the potato situation suggest that the long-term trend in potato acreage should be downwards. One reason is that potatoes tend to be eaten "to fill in the spaces between the nicer things" so that the higher the income level, whether of families or countries, the fewer the potatoes they eat. Another reason is that yields can be expected to continue rising. With greater understanding of the problems of disease control and of the economics of successful indoor storage more potatoes can be eaten from each ton grown.

Since decontrol in 1954-5 the Potato Marketing Board has attempted to stabilize the situation and implement the guarantee of prices; it has powers to control acreage, and the riddle to regulate supplies within the season and, ultimately, to take up unsold stocks at the guaranteed level. Its experience has not been happy; the heavy 1956 crop resulted in a £7 million loss under the guarantee arrangements. At times there has been actual scarcity, and also anticipated scarcity followed by glutted markets as farmers and importers reacted to the resulting high prices.

There is no short answer, but some of the elements in the situation are these. Though the Board has its measures of control over home supplies, imports are controlled by the government by licensing; a certain amount of fluctuation in yield is unavoidable; the accentuation of this unsettling influence by a 'cobweb' effect may be avoidable. A fixed price over several seasons is not the answer, even if it could be arranged and the long-term trends in demand allowed for, partly because it would not stabilize income from the crop, and partly because it would reduce the incentive to stretch a short crop with the probable result that consumers would be financing a bigger-than-necessary acreage. Can yield variations be anticipated before planting is completed and be offset? No one would claim that they can be with any exactness but some would argue that marginal improvements are possible in this direction. Could imports be used more judiciously as a stabilizer? At present, between uncertainties about the forecast of supplies later in the season, the Board's natural reluctance to see prices pushed down by 'unnecessary imports' and the Government's wish to avoid public reaction to high prices for a staple food, the progress of potatoes in a tricky season has some resemblance to a new driver's efforts with the clutch. It is to be hoped that technique will improve with experience.

PRODUCTION OF SUGAR BEET AND OF SUGAR, UNITED KINGDOM

	Pre-war average	1943-4	1947-8	1949-50	1954-5	1955-6	1956-7	1957-8
				thousand tons				
Total production of beet	2741	3760	2960	3962	4521	4556	5169	4539
Production from home-grown beet (raw sugar)	426	529	461	491	624	670	746	553

Source: Pre-war to 1949-50 - Agricultural Statistics, U.K. Pt. II, 1943-4 to 1949-50.
From 1954-5, Monthly Digest of Statistics.

SOURCE OF SUGAR, UNITED KINGDOM

	Quantities			Proportion of total supplies		
	Pre-war[a]	1956	1957	Pre-war[a]	1956	1957
	thousand tons (refined[b])			per cent.		
Australia	312	275	423	13	10	13
British Guinea	65	107	115	3	4	4
British West Indies	161	477	519	6	17	16
Cuba	538	357	412	22	13	13
Dominican Republic	207	339	339	8	12	10
Mauritius	228	381	419	9	14	13
S. Africa	144	141	99	6	5	3
All imports	2029	2145	2601	82	78	80
Home production	451	620	646	18	22	20
Total supply	2480	2765	3247	100	100	100

[a] Home production, average 1934-5 to 1938-9. Imports, average 1934 to 1938 calendar years.

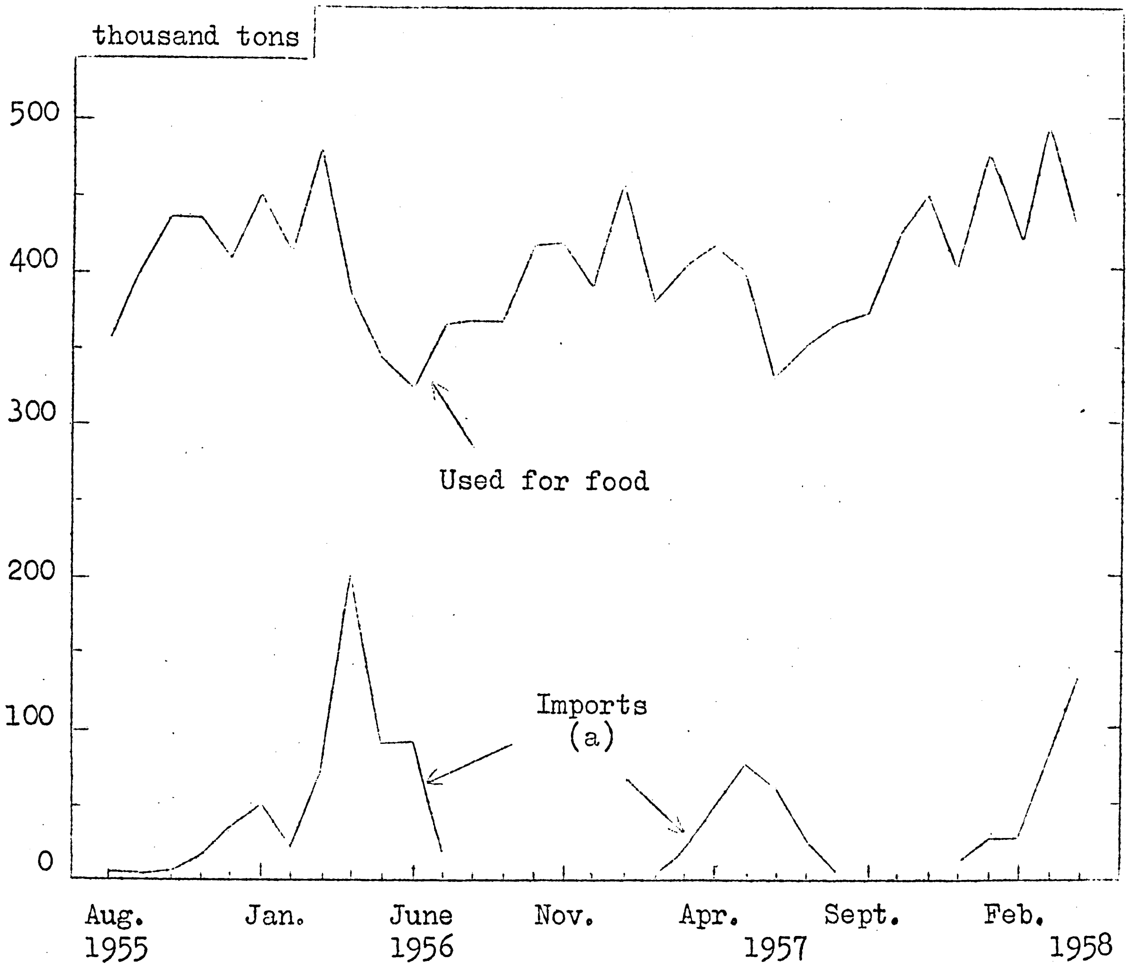
[b] Raw sugar converted to refined at 92 refined = 100 raw.

Source: Pre-war: Ministry of Food Bulletin 17 April, 1954.
For 1956 and 1957 - Home : Monthly Digest of Statistics.
Imports: Accounts relating to Trade and Navigation.

DISPOSAL AND EXPORTS OF SUGAR, UNITED KINGDOM

	Calendar year					
	Pre-war average	1947	1954	1955	1956	1957
	thousands ton (refined)					
Disposals for food	2480	1819	2365	2468	2594	2621
Exports	345	272	703	722	584	677

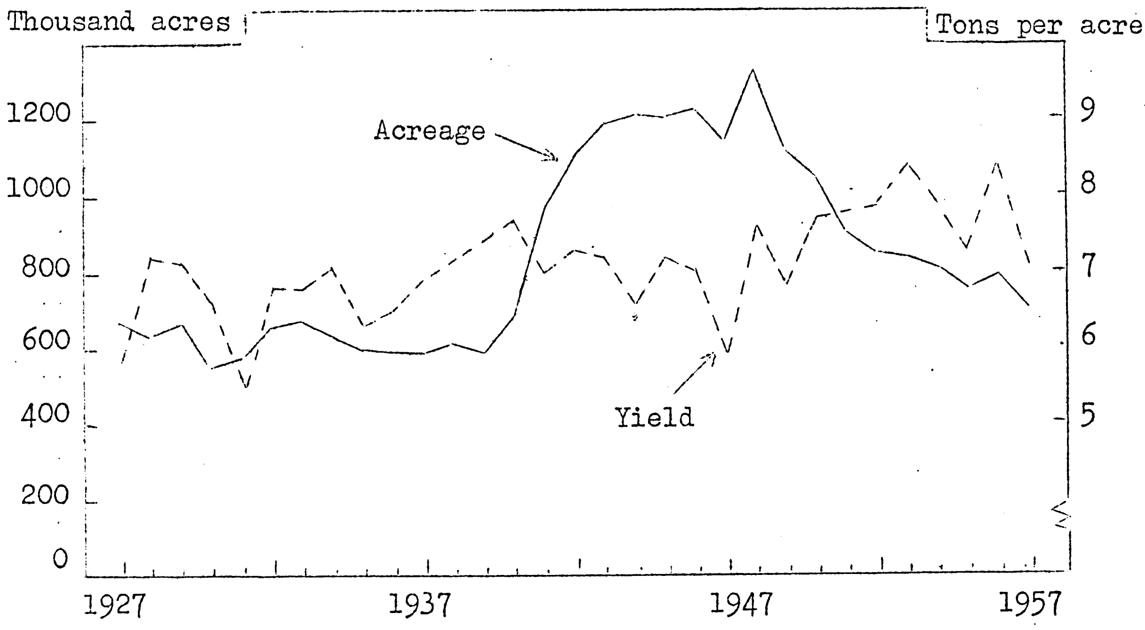
Source: Annual Abstract of Statistics, U.K. and Monthly Digest of Statistics.



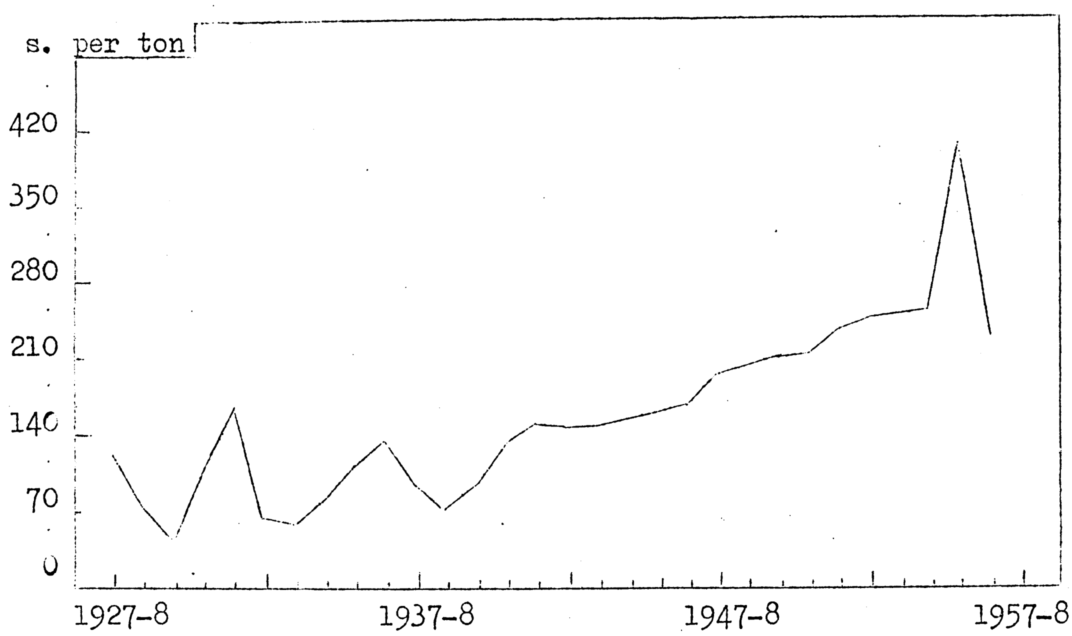
CONSUMPTION AND IMPORTS OF POTATOES, UNITED KINGDOM.

(a) Negligible amount imported between August 1956 to January 1957 inclusive and September 1957 to November 1957 inclusive.

Source: Monthly Digest of Statistics and Accounts relating to Trade and Navigation of the United Kingdom.



POTATO ACREAGE & YIELD PER ACRE, GREAT BRITAIN.



MAINCROP POTATOES - AVERAGE PRICE RECEIVED BY GROWERS, HARVEST YEARS (excluding July and August), ENGLAND & WALES. (Including subsidy where applicable).

Source: (Both charts) Official Agricultural Statistics.

Fruit and Vegetables

The output of the horticultural products, namely fruit, vegetables and flowers in 1957-8 was valued at about £142 million, probably about one-tenth of the total revenue of the agricultural industry; in pre-war days the proportion was very similar. It is particularly difficult to collect reliable national statistics of horticultural products and close comparisons of the published figures is probably unwise. However, it appears that, to judge by estimates of output at current prices, of the 7 per cent. increase in the decade after 1947-8, almost the whole was in flowers and nursery stock. But generalisations like this are extremely difficult to develop into detail.

Horticultural products are the main section of the agricultural industry which does not receive price support under the 1947 and 1957 Agriculture Acts. Apart from any benefit they derive from the general framework of legislation in which the industry works ... derating, for instance ... their main protection is through a complicated system of tariffs, varying in level with the season. It is difficult to estimate the average but generally there is a 10 per cent. ad valorem duty for the greater part of the year, with flat rate duties which amount to some 25 or 30 per cent. for the period of the British main crop.

The acreage returned as under vegetables in June in the United Kingdom before the war was 292 thousand acres; just after the war it had reached 550-580 thousand acres, but since then it has declined to about 400 thousand. Since much of the production is not in the ground in mid-summer this is not a precise indication of the trend in the cropped area. However, some commentators have related this decrease in the size of the horticultural section of the industry to the degree of protection it receives. This is not, however, as straightforward as it may seem.

As far as the level of protection goes, if this were markedly lower than for the rest of the industry one might expect that the trend in the prices of vegetables and fruit would be very different from those from agricultural products as a whole. Page 118 does not suggest that this is so, though of course this is not conclusive evidence on effective protection levels.

Again, the pattern of change in acreage is far from consistent. Page 114 shows that since the end of the war Brussels Sprouts have more or less held their own, and the cabbage group has declined only a little. Cauliflowers, dry peas and peas for marketing while green have fallen heavily; on the other hand peas for canning and freezing have increased markedly.

Supplies of home-grown fruit have been increasing. Taking fresh fruit as a whole, by the mid-1950's British consumption was not much different from the pre-war. Part of the reason for this behaviour in Britain was the lower imports of citrus fruits (e.g. p. 116), but part probably lies also in the greater use of preserved fruit. In 1938 there was about 250 thousand tons of canned fruit in the country, in 1950 about 160 and in the mid-1950's over 370 thousand tons.

Tariff level matters naturally command a lot of attention, but technical change in the distribution of the products and changes in consumer preference, originating partly from the technological changes and probably partly from the social factors, will be at least as important.

FRUIT AND VEGETABLES, ENGLAND AND WALES

	1939/40	1946/7	1951/2	1956/7
	cropped acreage(a) - thousand acres			
Vegetables				
Brussels sprouts	38.0	45.5	38.0	48.5
Cabbage, savoys, etc.	68.8	91.3	77.5	80.1
Cauliflower & heading broccoli	30.1	51.0	35.7	33.9
Carrots	16.1	39.9	24.2	32.3
Peas, green for market	60.6	60.6	40.3	36.4
Peas, green for canning & freezing	8.4	19.0	23.1	48.0
Peas, harvested dry	19.6	159.9	117.4	104.9
	June census(d) - thousand acres			
Total area of vegetables, crops under glass and flowers and nursery stock (excl. potatoes)	275.0	556.5	432.0	466.5
	thousand acres (b)			
Fruit				
Strawberries	18.7	12.3	17.5	16.7
Raspberries	4.1	2.1	4.3	2.8
Blackcurrants	10.4	9.1	15.9	10.4
Apples - cider	-	51.3(c)	42.4	38.6
dessert & cooking	-	128.4(c)	128.4	127.7
Pears - perry	-	4.4(c)	4.2	3.3
dessert & cooking	-	14.8(c)	16.5	17.7
Plums	-	46.6(c)	42.7	38.2
	estimated number of trees - thousands			
Apples - cider	2606	2200	1805	..
dessert & cooking	15245	14799	14545	..
Pears - perry	171	126	118	..
dessert & cooking	1914	2040	2379	..
Plums	6101	5694	4858	..
Estimated total production of fruit	thousand tons			
Total orchard fruit	718.5	583.8	797.0	807.5
Total small fruit	65.2	42.3	86.1	52.0

(a) Taking into account land not under these crops at the June census.
(b) Land returned as used for fruit growing.
(c) For 1947/8.
(d) Area of land actually growing or prepared for crops, excluding vegetables not grown primarily for sale.

Source: Official Agricultural Statistics.

IMPORTS OF VEGETABLES INTO THE UNITED KINGDOM

	1938	1955	1956	1957
	thousand tons			
Fresh potatoes				
New)	146.2	262.3	225.0	240.2
Other than new)		158.6	310.7	14.2
Broccoli and cauliflower	5.8	38.1	26.2	29.3
Carrots	17.6	32.9	22.2	17.0
Onions from:				
Netherlands	97.1	58.2	60.1	77.6
Spain	10.0	79.3	75.1	79.8
Egypt	62.1	50.2	46.9	19.5
Total imports	228.6	220.7	215.3	220.1
Fresh tomatoes from:				
Channel Isles	59.0	73.7	62.6	71.2
Netherlands	15.7	21.0	24.9	21.6
Canary Islands	67.0	90.6	81.8	96.2
Total imports	143.3	195.2	182.6	203.8
Dried peas (a)	97.3	87.2	59.5	63.7
Dried beans, white (b)	11,8(c)	41.1	75.0	92.6

(a) Including peas for sowing.
(b) Including beans for sowing and haricot beans.
(c) Total of butter and haricot beans only.

Source: Accounts relating to Trade and Navigation of the United Kingdom.

FRUIT SUPPLIES

Apples	Average 1934-38	1948	1955	1956
		thousand tons		
Home production less exports	224[a]	382.5	399.2	557.9
Difference in end-of-year stocks	-4	+35.2	+56.6	-27.6
Retained imports	294	91.2	158.6	182.6
Total available supply	514	508.9	614.4	712.9
Used for manufacture[b]	..	27.9	24.5	33.6
Supply for consumption, fresh	..	481.0	589.9	679.3

[a]Excluding exports. Exports were negligible, mainly re-exports.

[b]Commercial, excluding dessert and cooking apples used in the production of cider.

Consumption of fresh and processed fruit

	Pre-war Average[a]	1948	1955	1956
		thousand tons		
United Kingdom				
Fresh fruit				
Citrus	28.5	25.3	17.6	15.4
Other	50.0	45.7	54.0	53.8
Total	78.5	71.0	71.6	69.2
Processed fruit (fresh equivalent)	45.5	46.2	48.7	46.9
Total (fresh equiv.)	124.0	117.2	120.3	116.1
Total (fresh equivalent):-				
Australia[b]	173.7	183.9	163.2	173.9
Canada	103.3	135.0	174.4	..
United States	186.0	204.2	195.0	192.0

[a]United Kingdom 1934-38; Australia 1936-7 to 1938-9; Canada and United States 1935-39;

[b]Twelve months ending June of year shown.

Supplies per head of population

	Average 1934-38	1948	1955	1956
	lb. per head per annum			
Fresh citrus fruit	28.5	25.3	17.6	15.4
Other fresh fruit	50.0	45.7	54.0	53.8
Dried fruit	8.0	7.3	6.4	5.6

Source: Commonwealth Economic Committee, "Fruit". Statistical Abstract of the United Kingdom.

MAIN SOURCES OF IMPORTS OF FRUIT INTO THE UNITED KINGDOM

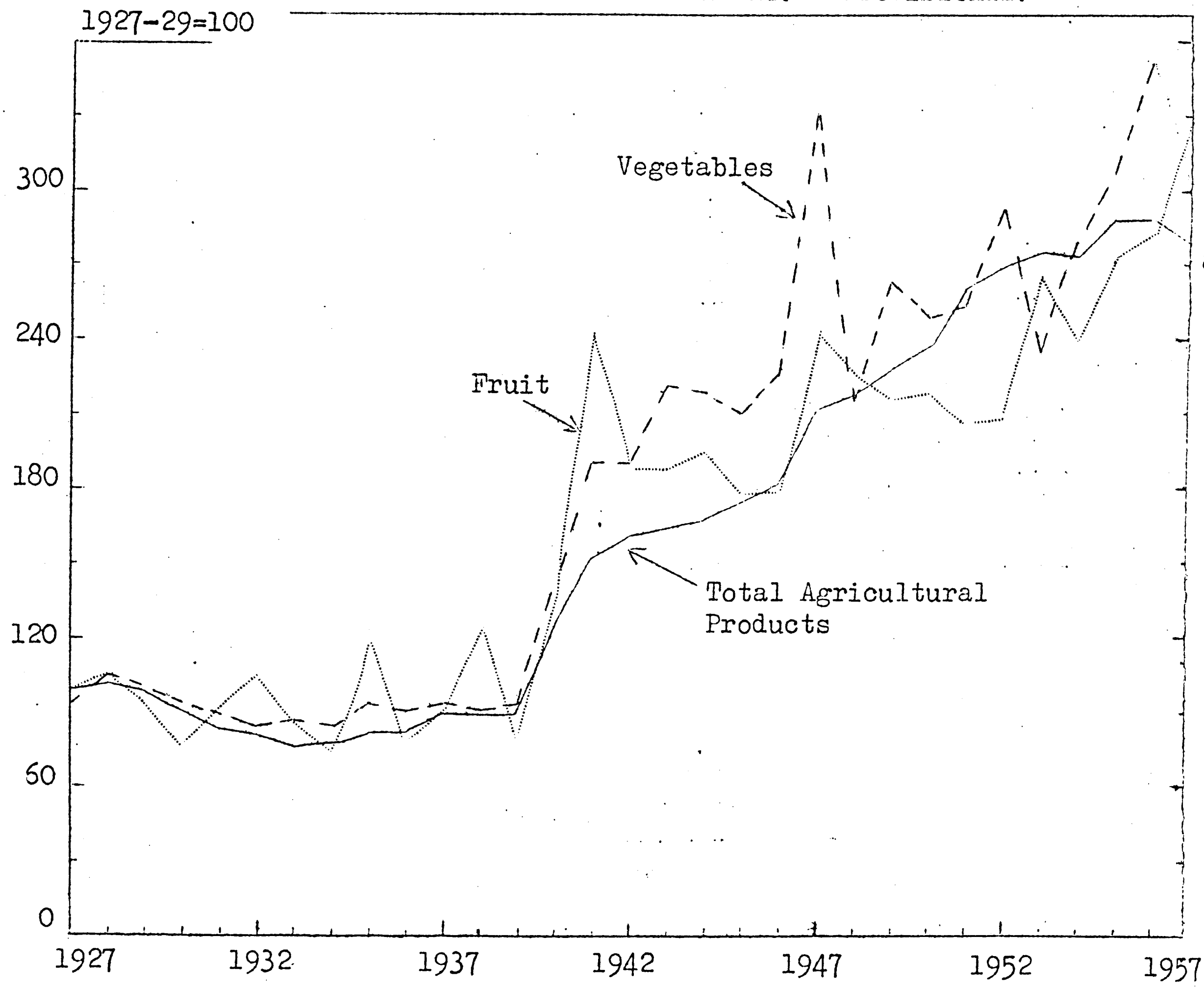
	1938	1955	1956	1957
		thousand tons		
Apples				
Australia	75.1	52.8	52.3	45.6
Canada	150.3	18.9	15.5	12.5
Italy	-	35.0	48.9	53.1
United States	77.9	9.8	10.1	..
Total imports	(353.4)	(178.9)	(189.0)	(180.1)
Bananas				
Jamaica	232.8	136.5	145.7	145.8
Nigeria	5.6	68.9	67.1	68.7
Windward Is.	-	21.8	34.3	47.5
Brazil	30.6	29.4	16.8	10.1
Canary Is.	7.8	43.3	35.4	20.2
Total imports	(305.0)	(306.7)	(315.0)	(313.8)
Oranges				
S. Africa	83.4	103.1	101.1	119.6
Israel	198.7	90.1	100.1	114.0
Brazil	79.7	9.7	13.0	17.9
Spain	73.9	149.1	73.5	84.6
Total imports	(538.3)	(375.3)	(331.0)	(372.6)
Canned fruit preserved in syrup				
Peaches	44.5	51.8	67.2	52.0
Pears	42.3	49.3	40.1	37.7
Apricots	15.0	27.4	29.0	15.0
Pineapple	47.1	61.1	61.6	56.4
Oranges	13.2	26.9	39.6	27.2
Malaya	42.9	23.0	23.3	28.0
Australia	29.7	86.9	69.9	51.4
S. Africa	1.4	50.1	62.6	67.6
U.S.A.	101.0	12.2	32.4	4.0
Japan	13.9	26.5	39.4	27.3
Total imports	(200.0)	(234.7)	(263.8)	(216.4)
Canned fruit and fruit pulp preserved without sugar				
Total imports	(17.8)	(44.9)	(34.0)	(38.9)
Raisins				
Australia	42.8	37.4	18.7	32.8
U.S.A.	25.4	4.5	13.8	8.2
Total imports	(83.5)	(59.3)	(50.6)	(80.9)
Currants				
Australia	13.7	4.0	6.3	2.3
Greece	38.8	40.3	43.0	42.5
Total imports	(52.5)	(44.5)	(49.3)	(44.9)

Source: Commonwealth Economic Committee "Fruit" and Trade and Navigation Accounts, December 1957.

HORTICULTURAL PRODUCT PRICES, ENGLAND AND WALES

	1938	1946	1956	1957	1956 actual price
	index 1927-29 = 100				shillings
All products	91	178	289	280.5[p]	..
Cereals and farm products	92	162	293	268.5[p]	..
Fruit, vegetable & glasshouse produce	89	200	318	317.5	..
Fruit, weighted average	124	179	283	335	..
Apples - dessert & cooking	140	211	318	..	63.7[a]
cider	89	311	233	..	10.5[a]
Plums	104	112	125	..	41.8[a]
Vegetables, weighted average	91	227	351	295	
Beans	148	444	474	..	72.3[a]
Brussels sprouts	90	217	294	..	51.5[a]
Cabbage	84	200	389	..	6.2[b]
Cauliflower and broccoli	85	157	295	..	9.8[b]
Carrots	141	208	259	..	16.8[a]
Peas	79	310	484	..	104.2[a]
Tomatoes	100	159	332	..	18.8[c]

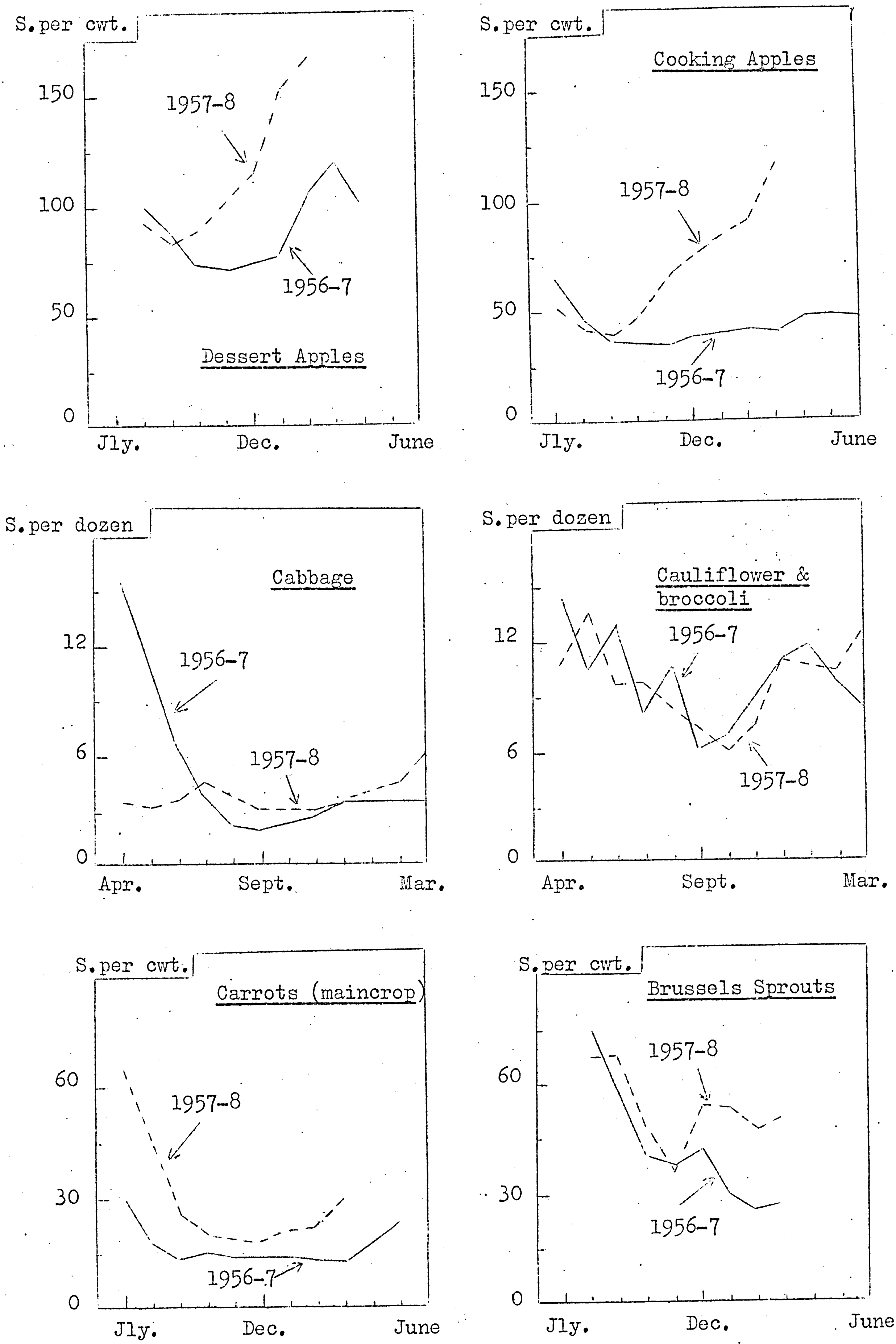
Source: Official Agricultural Statistics and M.I. price statement
[a]Per cwt. [b]Per dozen. [c]Per 12 lb. [p]Provisional.



INDEX OF THE WHOLESALE PRICE OF FRUIT AND VEGETABLES & THE TOTAL AGRICULTURAL PRICE INDEX, ENGLAND & WALES.

Source: Official Agricultural Statistics & M.I. Price Statement.

Note: Index numbers for 1957 kindly made available by the Ministry of Agriculture in advance of publication in M.I. Price Series.



AVERAGE MONTHLY WHOLESALE PRICES FOR 1st. AND 2nd. QUALITY PRODUCE AT EIGHT REPRESENTATIVE MARKETS (WEIGHTED BY NUMBER OF QUOTATIONS) ENGLAND AND WALES.

Source: M.I. Price Series, Ministry of Agriculture.

TARIFF PROTECTION OF HORTICULTURAL PRODUCTS

		Rate of duty(a)	Wholesale price (b)
Fresh Fruit		(s.-d.	per cwt)
Plums	1 July -31 Oct.	16-9	86-4
	1 Dec. 1957-31 March 1958	9-4	-
Apples	16 April -15 Aug.	4-6	85-0
	(exempt remainder of year)		(dessert)
Pears	1 Feb. -31 July	4-6	91-0 (c)
	1 Aug. 1957-31 Jan. 1958	3-0	150-8
Oranges	1 April -30 Nov.	3-6	83-0 (d)
Cherries	1 June -15 Aug.	37-4	161-4
Gooseberries	1 May -31 July	18-8	136-7
Blackcurrants	16 June -31 Aug.	37-4	249-2
Redcurrants	16 June -31 Aug.	37-4	139-5
Strawberries	1 June -9 June	37-4	504-0 (e)
	10 June -31 July	56-0	280-0
Fresh Vegetables			
Carrots	1 May -30 June	20-0	23-9
Onions, bulb	1 Aug. -30 Nov.	4-8	27-6
Brussels sprouts	-	10%	44-1
Runner beans	-	"	44-8
Green Peas (unshelled)	1 June -31 July	18-8	78-8
Potatoes	1 July -31 Aug.	2-0	18-8
	1 Sept. -15 May 1958	1-0	20-2
	16 May 1958 -30 June 1958 - New	9-4	82-1
	Other	1-0	48-6
Tomatoes	1 May -31 May if value exceeds 1s. 3d. per lb.	37-4	253-7
	1 June -31 Aug.	37-4	155-8
	1 Sept. -31 Oct.	18-8	115-4
			Per dozen
Cauliflower & broccoli	1 March -30 June	8-0	12-0
	1 July 1957-28 Feb. 1958	6-0	6-6
Cabbage	-	10%	3-1
Lettuce	1 March -31 May	20-0	4-9
	1 June -31 Oct.	16-0	4-0
	1 Nov. 1957-28 Feb. 1958	10-0	7-6
Cucumbers	1 March -30 Sept.	20-0	18-2

(a) Unless otherwise stated, rate of duty for remainder of year is 10% ad valorem.
(b) Wholesale prices for 1st and 2nd quality produce at eight representative markets in England and Wales. Price quoted is, as far as possible, for the mid-point of the period given, or for mid-season.
(c) March.
(d) Estimated from "per box" price using weight of 67.5 lbs. per box.
(e) Average of Royal Sovereign at London & Newcastle.

Source: Rate of Duty - H.M. Customs & Excise Tariff of the United Kingdom.
Wholesale Price - Derived from Official Agricultural Statistics & Market Supplement, Farmers Weekly.

The Animal Feedingstuffs Position Generally

The two main foci of interest in the feedingstuffs field are the progress or otherwise, in self-sufficiency and the probable future price of feed. The latter has a curiously limited interest since the two big users of concentrated feed, pigs and hens have price guarantees which are adjusted automatically for change in the price of feed.

Since there are no firm estimates of the nutrients derived by grazing livestock from grassland it is difficult to give a broad picture of the feed supply position. However, as far as the figures go they suggest that about one-third of the total supply of feed, including grass, is accounted for by concentrates; of these concentrates, possibly half are imported. (p. 122)

What evidence is there about increasing self-sufficiency? Among the directions in which one might look for evidence seem to be the quantity of feedingstuffs imported, the livestock carried in relation to the imported supply and specific indications of fodder conservation which might save imported feed in winter.

Supplies of imported feed in 1953-4, 1955-6 and 1956-7 were at practically the same level, about two-thirds of the pre-war rate and half as big again as in 1950-1. Supplies in 1954-5 were somewhat higher. The greater part of this decrease compared with pre-war is due to a reduction to under one half in the maize used for feed and of half a million tons in the wheat offals. Pre-war we imported nearly 1 million tons of maize from Argentina, recently we have imported very little from there. (p. 99) This is certainly a direct reflection of the fact that the Argentine maize area in the 1930's was some 10 million acres, but recently has been only some 6 million acres. And we have done without this maize but whether this should be reckoned in the positive sense that we are now organized to do without it, or in the negative one that if it came on the world market again we would eagerly buy it, is debatable.

As far as evidence on stocking levels goes, it seems that nutrients in hay and roots (and green fodder?) have not varied significantly over the period being considered. Home-grown concentrates have about replaced the loss of imported concentrates. What of the stocking of grassland? Saunders noted in Agriculture 1955-6 (p. 158) that the grassland acres per "cow equivalent" was 2.28 in 1939, 1.78 in 1943 and 1.92 in 1954, and since then the area per cow seems to have shown little firm tendency to fall.

Despite developments in grassland and the growth of home production of cereals (p. 97 et seq.) the use of compounds has increased markedly. The 6 million tons annual output in 1957 was around 60 per cent. above pre-war and nearly 2 million tons above the level five years before. Pig food accounted for some 1½ million, cattle 2 million and poultry 2½ million tons. (Economist Intelligence Unit. Agricultural Review, July 1958.)

Silage in England and Wales has shown a clear trend, rising from about 2¼ million tons in 1954 to 3 million in 1957, the equivalent of, say, ¼ million tons of linseed cake. (e.g. p. 123).

What are the prospects for feed prices? Recent tendencies for both cereal and oilcake prices have been downwards, influenced partly by the supply position and partly by the fall in freight rates over recent months. (p. 125) As far as can be judged there thus seems little within the bounds of the commodities themselves to suggest that feed prices are likely to rise or that supplies will become appreciably shorter.

CONCENTRATED FEEDINGSTUFFS IN THE UNITED KINGDOM

	1953-4	1954-5	1955-6	1956-7	1957-8
			million tons		
A. <u>Usage on holdings over 1 acre</u> (years beginning 1 June)					
1. Farmers purchases of feed	7.4	9.0	8.5	8.7	9.1
2. Home grown concentrates retained on farm of origin	3.7	3.0	3.3	3.1	2.8
3. Total consumption on farms	11.1	12.0	11.8	11.8	11.9
4. Current home crop production for feed	6.1	5.7	6.1	6.3	5.8
5. Balance from imports	5.0	6.3	5.7	5.5	6.1
B. <u>Imported supplies</u> (years beginning 1 July)					
1. Imports of concentrated feeds	4.5	5.3	4.7	4.7	5.1
2. By-products from imported grains and seeds	1.6	1.8	1.9	2.1	2.0
3. Total	6.1	7.1	6.6	6.8	7.1

<u>Note</u>: The diversity of produce making up the "concentrated feedingstuffs group," the variety of processes they undergo and the complexity of inter-farm movements of home grown feed make statistical estimation very difficult. Available figures are, therefore, derived from more than one line of approach.
A.1. includes home grown cereals previously sold to provender miller or merchant; A.4. includes by-products of home grown grains.
A.5. includes by-products from imported grains etc. and from fishing industry. It differs from B because it relates only to holdings over 1 acre, excludes wastage in distribution and allowance for processors' and distributors' stocks. B. excludes coarse grains used for human food.

<u>Source</u>: Annual Review and Determination of Guarantees 1958. Cmnd. 390.

IMPORTS INTO UNITED KINGDOM OF OILCAKE AND MEAL, AND OILSEED AND NUTS PROVIDING OILCAKE

	1938			1957		
	Seeds or Nuts (cake equivalent)	Cake and Meal	Total	Seeds or Nuts (cake equivalent	Cake and Meal	Total
	thousand tons					
Copra	41	..	41	40	-	40
Groundnuts (undecorticated)	4	..	4	4	-	4
Groundnuts (decorticated)	175	280	455	123	233	356
Palm kernels	69	..	69	170	..	170
Castor seed	19	..	19	3	..	3
Cotton seed	515	269	784	99	197	296
Linseed	188	54	242	138	21	159
Rape seed	13	..	13	3	..	3
Soya bean	79	a	79	94	214	308
Other oilseeds	1	..	1	2	..	2
Other nuts & kernels	3	..	3	1	..	1
Other cake & meal	..	60	60	..	170	170
Total	1107	663	1770	677	835	1512

[a] Soya bean cake and meal for 1938 is included in Other Cake and Meal.
Source: Accounts relating to Trade and Navigation of the United Kingdom.

PROCESSED FOOD AND ANIMAL FEEDINGSTUFFS: PRODUCTION AND DISPOSAL, UNITED KINGDOM

Year[a]	1938	1950	1952	1953	1954	1955	1956	1957
	thousand tons							
PRODUCTION								
Flour milling								
Wheat milled-total	5479[d]	5084	5195	5050	5080	5140	5391	5232
Home produced	..	1502	1413	1425	1575	1381	1202	1245
Imported	..	3582	3782	3625	3505	3759	4189	3987
Flour produced	3835	4195	4150	3991	3822	3769	3910	3720
Offals produced	1698	822	940	1008	1232	1351	1485	1524
Seed crushing								
Oilcake & meal produced[b]	1067	686	578	622	649	618	626	610
Compound feeding-stuffs[c]	..	4132	4466	5167	5937	6433	6659	6348
DISPOSALS								
Maize for feed	2987[e]	709	1058	1167	1200	1365	1295	1320
Oilcake & meal	1648	1132	1005	1346	1446	1442	1482	1428
Wheat milling offals	2347	918	1036	1340	1750	1682	1752	1836

[a] All figures for 1938 relate to calendar year unless otherwise stated. Other figures relate to periods of 52 weeks (53 weeks in 1953).
[b] Excluding castor meal, cocoa cake & meal. [c] Great Britain. [d] Year ended 31 July. [e] 1934-38 average.

Source: 1938, 1950-1956 Annual Abstract of Statistics No. 92, 1955 & No. 94, 1957. 1957, Monthly Digest of Statistics, May 1958.

AVERAGE PRICE OF FEEDINGSTUFFS, ENGLAND AND WALES[a]

	1938	1943	1947	1954	1955	1956	1957
				£ per ton			
Imported feeding barley[b]	7.10	15.25	15.25	25.00[e]	26.60	27.87	24.07
Oats, home-grown[c]	7.33	15.75	18.25	21.67	24.75	23.50	22.00
Maize, feeding[d]	7.15	10.00	10.00	29.07	28.08	29.72	25.44
Barley meal	7.85	16.90	17.10	27.00	29.70	30.90	27.33
Maize meal	7.55	11.25	11.75	32.00	30.90	33.00	28.62
Weatings	7.50	8.90	9.20	24.40	27.60	27.50	24.14
Bran	7.30	8.90	9.20	23.40	27.00	27.20	23.82
Imported decorticated groundnut cake	7.30	9.75	9.95	44.40	43.10	41.70	38.50
Cottonseed cake, decorticated	7.65	10.15	10.30	-	39.90	36.40	33.30
Linseed cake	9.70	11.25	11.25	38.20	44.20	38.80	34.30
Fish meal[f]	15.65	22.25	24.70	66.75	70.05	70.04	71.25

[a]Average price per ton to farmers at London, Bristol, Liverpool and Hull, unless otherwise stated.

[b]1938, 1954 onwards average price to farmers at Bristol, Hull, Liverpool and London for Canadian feeding barley excluding store, transport and delivery charges. For 1943 and 1947 for all imported feeding barley, basic price per ton net weight ruling on sales to a consumer under the Ministry of Food Control and Maximum Price Orders.

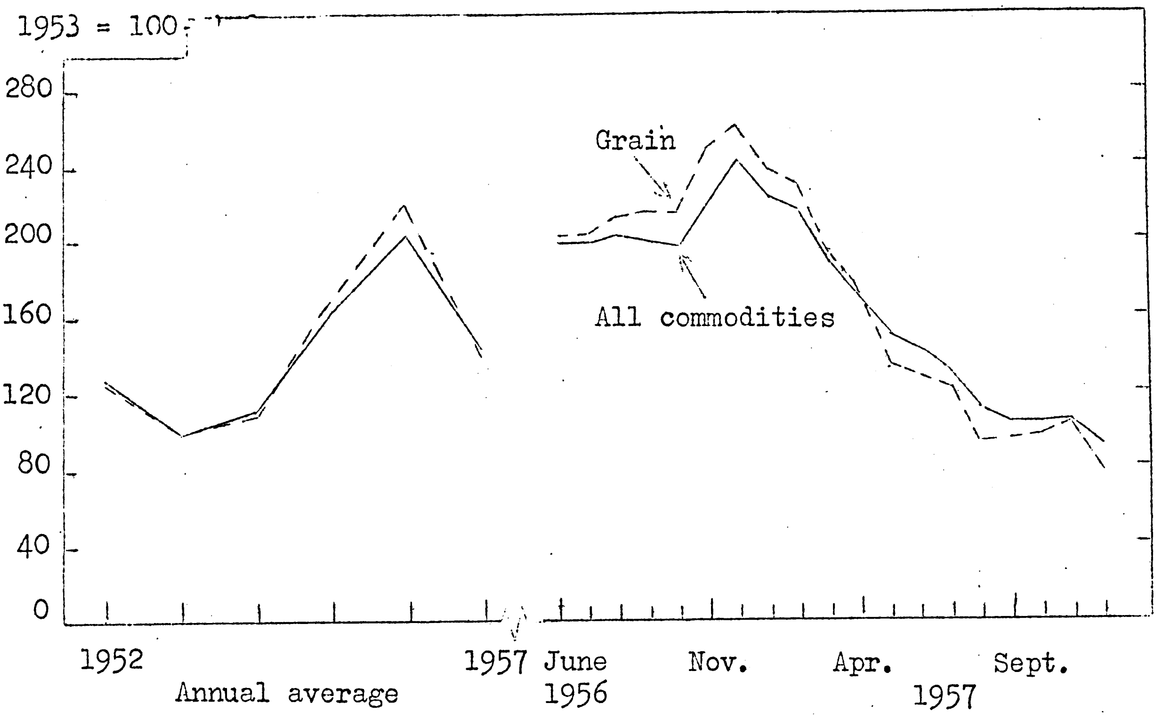
[c]Price received by grower as calculated from returns made under the Corn Returns Act, excluding subsidy.

[d]1938, Argentine feeding and from 1954 onwards American feeding maize. Price to all farmers at Bristol, Hull, Liverpool and London except for 1943 and 1947 when price fixed by Ministry of Food for all varieties except cinquantina.

[e]Average for six months, July-December.

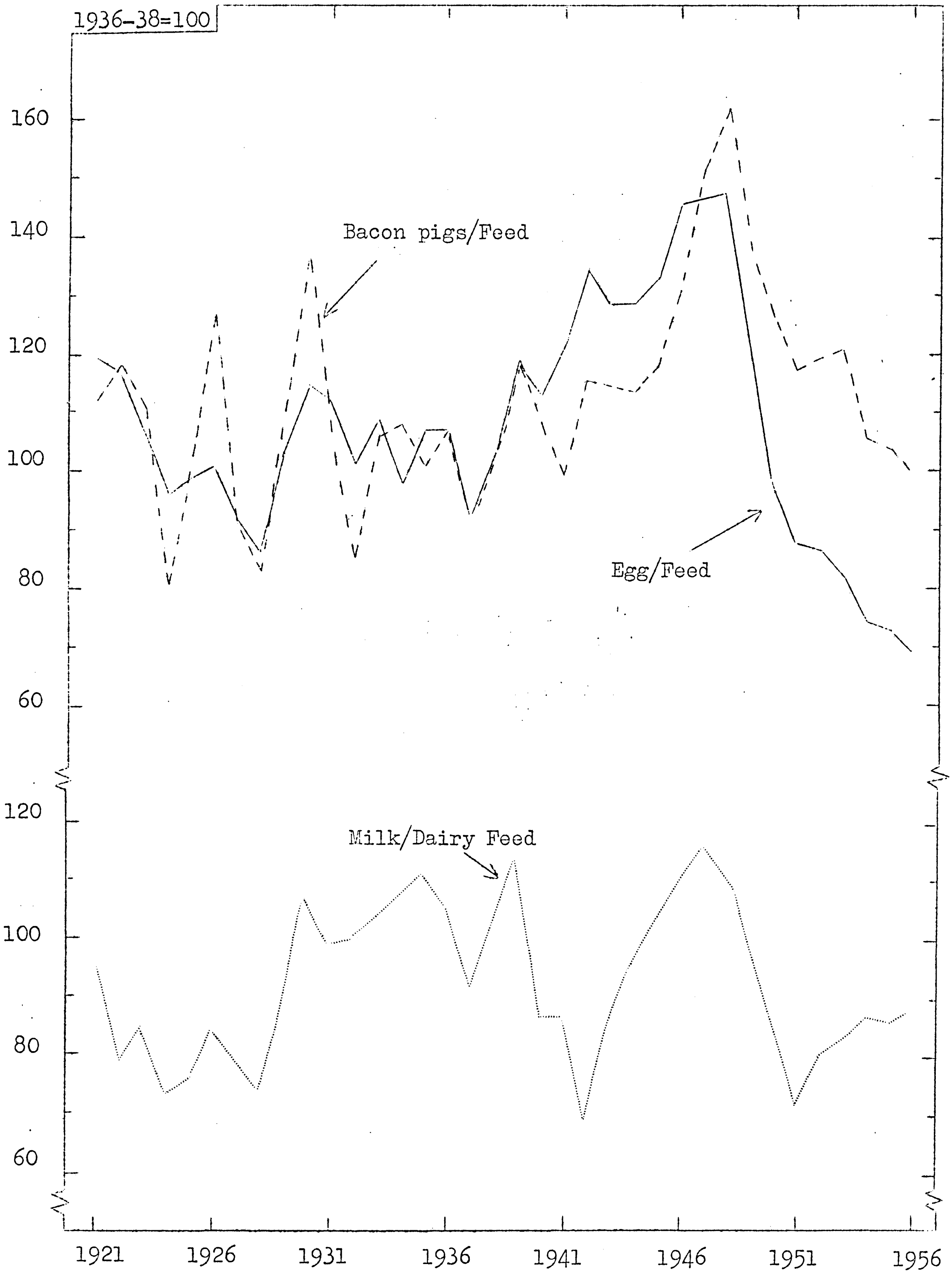
[f]From 1943, White fish meal, home produced, ex. factory, 66% albuminoid content.

Source: Meal, Weatings, Bran and Oilcake - 1938 to 1956, Statistical Abstract of the United Kingdom. 1957, Market Supplement, Farmers Weekly. Other feedingstuffs Official Agricultural Statistics and Agricultural Market Report, England and Wales and the Market Supplement, Farmers Weekly.



INDEX OF FREIGHT RATES FOR GRAIN AND ALL COMMODITIES (Voyage charter), UNITED KINGDOM.

Source: Monthly Bulletin of Statistics, United Nations, December 1957 and March 1958.



TRENDS IN PRODUCT/FEED PRICE RATIO IN ENGLAND AND WALES, Calendar years.

Source: Estimated from Official Agricultural Statistics and 'Market Supplement," Farmers' Weekly.

Livestock in Great Britain

The position of the livestock industry in Britain might be summed up somewhat as follows. It accounts for about two-thirds of the value of the receipts from farming. It probably uses about five-sixths of the produce of the soil of the country and this provides it with abour five-sixths of its needs. In terms of simple conversion efficiency it probably provides as food about one-tenth of the materials taken in as fodder. A rough 'animal unit' reckoning, on the basis of food consumption would show a one-third of the total as cows, one-third other cattle and one-third horses, sheep, pigs and poultry. Of this last group sheep account for rather more than a half.

Many discussions are carried on as if farm machinery and tenants' capital were almost the same thing. Basic information in this field is far from good but a typical example from the Farm Management Survey shows livestock accounting for over one-third of the tenants' capital even on 'arable farms' and for the whole sample for rather over half.

Our heavy use of livestock products - typical of a fairly high level of living, plays a big part in making us dependent on overseas food supplies which in turn emphasizes our need to be competitive in international trade (p. 31 et seq.). No simple measure of this dependence is possible but if we are prepared to accept some considerable amount of abstraction we can derive such pointers as the following.

(a) In terms of nutrients, imported supplies provided of the calories 61 per cent. in 1950 and 69 per cent. before the war; of the protein 47 per cent. in 1950 and 55 prewar. This calculation takes account only of the foodstuffs used by humans.

(b) In terms of value, imported supplies in the 1950's have been calculated to contribute about half of the United Kingdom food consumption. In contrast to (a) this takes into account the foods without energy and protein values, and also the work which has already been done to bring the products to the state in which they were imported.

(c) Taking a quite different basis for calculation, namely the crop products needed to supply the United Kingdom population with their direct food crops, (like wheat, flour and potatoes) and their livestock products, it appears that overseas supplies contributed some 60 per cent. in the early 1950's. This takes into account the feedingstuffs used but omits allowance for the stage of processing and non-edible materials.

(d) To confine attention to foodstuffs - or at the most food plus livestock feed - is for many purposes useful and some may feel 'natural'. However, many non-food products are produced in competition for land, labour and capital with non-edible products (e.g. cotton and even rubber) and should therefore in a long broad view be embraced, too. Taking in all agricultural products it has been calculated that about three-quarters of the United Kingdom supplies were imported.

LIVESTOCK POPULATION, GREAT BRITAIN[a]

	1938	1943	1947	1953	1954	1955	1956	1957
				thousand head				
CATTLE								
Cows & heifers in milk	2606	2674	2642	2887	2956	2945	3020	3104
Cows in calf but not in milk	429	596	591	538	510	506	520	519
Heifers in calf with first calf	541	729	776	783	789	751	830	794
Bulls being used for service	106	126	126	97	93	86	84	80
Bulls (incl. bull calves) being reared for service	..	69	54	40	38	34	35	32
Other cattle:-								
2 years & over: male	..	552	607	718	..	..	..	..
female	..	540	744	752	..	..	..	..
total	1099	1092	1351	1470	1420	1372	1345	1270
1 year & under 2: male	..	456	407	573	671	737	757	752
female	..	1100	1135	1181	1247	1286	1292	1256
total	1601	1556	1541	1754	1917	2022	2048	2008
Under 1 year male	..	..	359	629	713	742	773	776
female	..	..	1192	1310	1341	1307	1335	1325
total	1649	1585	1551	1939	2054	2049	2108	2101
All cattle	8030	8428	8633	9508	9777	9764	9989	9909
SHEEP AND LAMBS								
Ewes for breeding	10406	7899	6904	8375	8561	8840	9225	9451
Two tooth ewes for breeding	2254	1977	1847	2096	2120	2127	2113	2192
Rams for service	296	237	217	248	252	259	264	282
Other sheep:-								
1 year and over	1571	1131	1216	1789	1808	1430	1005	961
Under 1 year	11355	8454	6003	9052	9201	9422	10115	10983
All sheep	25882	19700	16186	21560	21943	22078	22721	23868
PIGS								
Sows in pig	)	70	74	291	366	333	319	340
Gilts in pig	) 463	34	39	150	149	83	123	141
Other sows for breeding	)	58	49	172	210	200	174	180
Boars for service	33	15	17[b]	47[b]	43	40	39	41
Other pigs:-								
5 months old and over	)	573	459	941	1020	1007	934	976
2 to 5 months old	)3326	515	420	1708	2280	2188	2012	2219
Under 2 months	)	307	235	1097	1363	1306	1220	1335
All pigs	3822	1571	1294	4406	5431	5157	4821	5232

[a] June census

[b] Including young boars being reared for service. Included in "other pigs" for other years as not collected separately.

Source: Official Agricultural Statistics, United Kingdom.
S/L.UK statement, Ministry of Agriculture and Fisheries.

NUMBERS OF POULTRY ON AGRICULTURAL HOLDINGS[a]: UNITED KINGDOM

June Census	Pre-war[b]	1940	1944	1947	1953	1954	1955	1956	1957
					million head				
Fowls (all ages)									
Great Britain	60	59	35	45	74	69	73	77	80
Northern Ireland	9	8	15	20	14	11	11	11	11
United Kingdom	69	67	50	65	88	80	83	88	91
Ducks	2.96	2.66	2.99	3.07	2.31	1.66	1.32	1.30	1.41
Geese	0.72	0.71	0.90	0.89	0.78	0.70	0.56	0.54	0.51
Turkeys	1.30	1.12	0.99	1.16	1.51	1.45	1.56	2.34	2.16

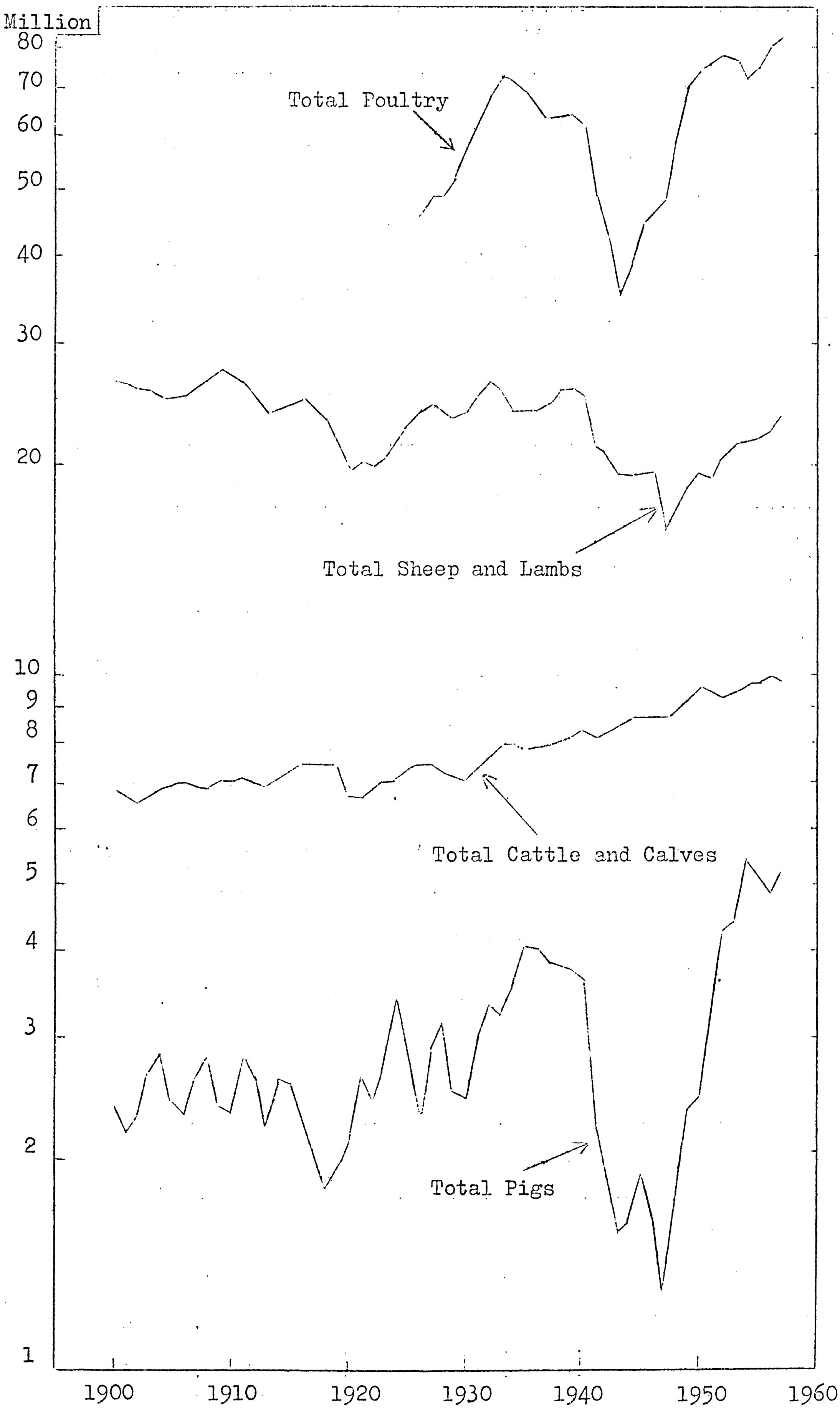
	Pre-war[b]	1940	1944	1947	1953	1954	1955	1956	1957
					million head				
England & Wales									
Fowls 6 months and over	23.7	25.7	13.0	17.5	28.0	27.8	27.4	28.6	31.9
Fowls under 6 months	28.9	25.4	15.8	20.4	36.2	32.6	36.6	39.8	38.7
All fowls	52.6	51.2	28.8	37.9	64.2	60.4	64.0	68.4	70.7
Scotland									
Fowls 6 months and over	3.6	3.8	3.0	3.8	4.7	4.5	4.4	4.4	4.5
Fowls under 6 months	3.7	3.6	3.2	3.6	4.9	4.1	4.3	4.5	4.4
All Fowls	7.3	7.4	6.2	7.4	9.5	8.7	8.7	8.9	8.9

[a]Included are holdings of over 1 acre in Great Britain and of over $\frac{1}{4}$ acre in Northern Ireland.

[b]1937-38 average.

	1956			1957				1958
	June	Sept.	Dec.	March	June	Sept.	Dec.	March
				million head				
England and Wales								
Fowls 6 months old & over	28.6	35.0	40.7	39.0	31.9	37.3	40.6	36.9
Fowls under 6 months old								
Male	5.2	5.8	4.0	3.7	5.3	5.0	3.6	4.9
Female	32.1	18.6	7.2	20.1	31.1	16.9	7.5	21.4
Sex not known	2.6	2.3	1.1	1.8	2.3	2.1	1.9	2.4

Source: Ministry of Agriculture Statistics.



CHANGES IN LIVESTOCK POPULATION IN GREAT BRITAIN, 1900-1957 (semi-logarithmic scale).

Source: Official Statistics and S/L Statement, Ministry of Agriculture.

Milk Production and Prices

Over the two decades to 1955 dual purpose cows in the national herd decreased from about three-quarters to one quarter. The average yield in gallons per cow increased over this period from about 500 to 630, taking all cows together. Some 60 per cent. of the herds used artificial insemination, wholly or partly. (See The National Dairy Herd 1955 Census. Milk Marketing Board.) Liquid milk consumption per head in 1956 was lower than in any year since 1948. Milk production in New Zealand, Denmark and the Netherlands was at least being maintained. (See p. 16-21) These five statements in large measure headline both the achievements and the main problems of the British milk producing industry to-day, though different people would emphasize different aspects of them. Sales of milk by farmers in the North and West have more than doubled since pre-war, (p. 132) elsewhere the increase has been one half or even, in the South-East, one quarter. Nearly 80 per cent. of the herds in the North and West are smaller than 20 cows, less than 60 per cent. are as small as this in the older dairying areas. Prices received by producers for milk have not kept pace with the general level of costs for some years, nor have they kept their former relationship with prices of cattle. (p. 60) Concurrently, though the rate of expansion of the herd has eased off, milk sales have continued to expand. Numbers of producers have been reduced but the proportionate fall has been greater in the older dairying areas than in the 'new comers' - areas where many people would like to see a return to calf rearing.

As far as such comparisons have meaning, milk at recent retail prices can be called cheap in real terms. (p. 134) It has admittedly got somewhat dearer of late but variations of consumption with income are not great compared with the pre-war pattern. In fact, milk consumption has an air of rigidity. Perhaps as a result of the publicity drive, liquid consumption has been rising, say 1 per cent. higher than in the corresponding month of 1957, but nearly one-third of the milk sold off farms is sold for manufacture at a price around one-third of the price for milk sold to the liquid market. The price at which milk is retailed is fixed by the government and the guarantee arrangements are complex compared with some other commodities. (See Annual Review White Papers.) The general subsidy on milk is small. (p. 53) For some purposes, however, it might be well to keep in mind that the housewife's outgoings were sheltered in 1956-7 by a subsidy of £14 million on school milk and £34 million on welfare milk. (e.g. see Dairy Facts and Figures (mimeo) Milk Marketing Board)

There seems no solution in sight from the demand side alone. And at present prices - or anything near them - milk is evidently the best line for many farmers. The question is, what measures to achieve a balance should a farmer and his advisers anticipate being introduced?

MILK PRODUCTION AND UTILIZATION, UNITED KINGDOM

June-May years	Average 1936-7-1938-9	1943-4	1949-50	1954-5	1955-6	1956-7[p]
			million gallons			
Gross production	1774	1712	2154	2306	2374	2521
Fed to stock & waste	218	132	155	168	168	168
Manufactured	565	241	343	495	552	712
Consumed liquid	991	1339	1656	1643	1654	1641
			gallons			
Yield per cow	540	479	578	610	626	630[p]

[p]Provisional.

Source: Up to 1956-7 Official Agricultural Statistics. For 1956-7 estimation based on Commonwealth Economic Committee Intelligence Bulletin.

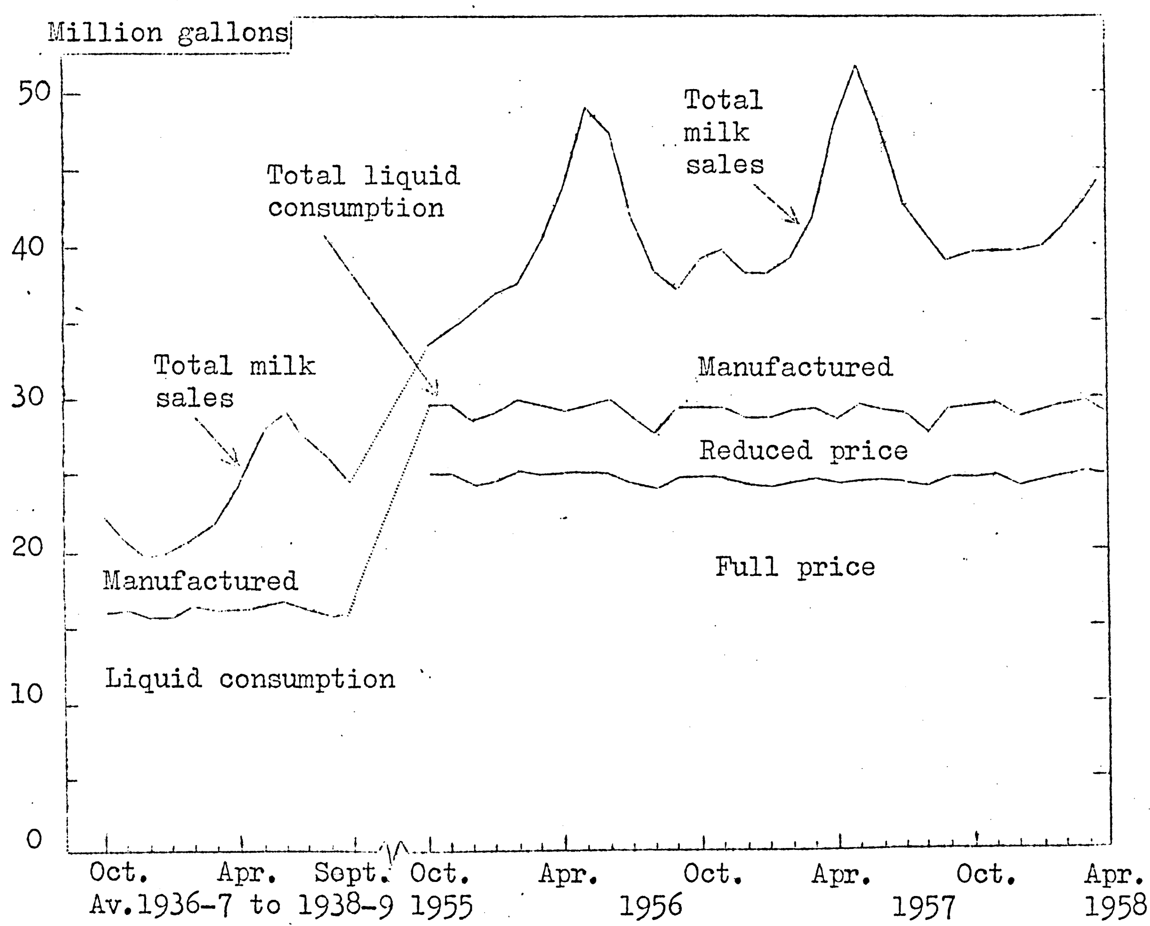
NUMBER OF PRODUCERS AND SALES OF MILK THROUGH MILK SCHEMES IN ENGLAND AND WALES

Region	Registered Milk Producers			Sales of Milk[a]	
	September 1934	September 1957	Increase or decrease	Actual 1956/57[p]	Increase over 1938/9
	Number		per cent.	mill.galls.	per cent.
Northern	8500	15110	+ 77.8	170	+115.2
North western	26300	27460	+ 4.4	407	+ 31.7
Eastern	6650	6510	- 2.1	104	+ 67.7
East Midland	8050	7140	- 11.3	111	+ 33.7
West Midland	9350	11830	+ 26.5	184	+ 91.7
North Wales	3450	9640	+179.4	84	+171.0
South Wales	5900	14350	+143.2	133	+166.0
Southern	6550	6190	- 5.5	120	+ 48.1
Mid-western	10800	12300	+ 13.9	255	+ 56.4
Far-western	7550	17310	+129.3	149	+170.9
South eastern	7350	6880	- 6.4	142	+ 29.1
All Regions	(100450)	(134720)	(+ 34.1)	1859	(+ 66.1)

[a]October-September year.

[p]Provisional.

Source: Dairy Facts and Figures (1958 Edition), Milk Marketing Board.



SALES OF MILK THROUGH MARKETING BOARDS AND LIQUID CONSUMPTION COMPARED WITH MANUFACTURED, UNITED KINGDOM. (Weekly averages).

Source: Official Agricultural Statistics and Monthly Digest of Statistics.

RETAIL PRICE OF LIQUID MILK, UNITED KINGDOM

	1943	1950	1954	1955	1956	1957
			1938 = 100			
Actual retail price	132	148	193	207	215	233
Real retail price[a]	91	81	85	87	86	90

[a] $\frac{\text{index of actual price x 100}}{\text{general cost of living index}}$

Source: Based on official statistics and Mr. J. R. Bellerby's National Cost of Living Index.

MILK PRICES IN ENGLAND AND WALES

	October 1938-September 1939	April 1954-March 1955	April 1956-March 1957
		Pence per gallon	
Liquid milk	16.25	40.55	44.54
Manufacturing milk			
Butter	5.56	16.28	15.19
Cheese	5.42	17.40	18.80
Condensed milk	7.50	19.93	21.79
Chocolate crumb	7.50	20.00	22.49
Milk powder	7.00	20.00	22.00
Cream	8.50	24.00	24.47
Av. manufacturing price	6.60	18.59	19.06
Av. producer price	13.54	38.37	37.38

Source: Commonwealth Economic Committee, Dairy Produce, 1955 and 1957 (except for 1954-5 and 1956-7 producer price).
Producer price 1954-5 and 1956-7 - weighted by monthly sales given in Monthly Digest of Statistics and prices given in the official M.I. Price series.

The Milk Product Situation

Butter dumping, downward trends in butter and cheese prices, the possibilities of getting better returns from manufacturing milk by selling better ice cream, and margarine v. butter are among the recent issues in this field. The prospects for better prices by selling home-produced milk for the higher priced outlets is a useful line that the Milk Marketing Board can be expected to exploit but, as p. 136 shows, three-quarters of the manufacturing milk goes for butter, cheese and condensing so there is no solution for the milk industries' troubles in higher priced outlets.

In regard to the dumping of butter, the New Zealand Government, and the British National Farmers Union and the Milk Marketing Board complained early in 1958 to the British government that Sweden, Ireland and Finland were dumping butter in this country - that is, were making it possible for butter to be sold at an export price below the 'fair market value' in the exporting country. In May 1958 British government took action to prevent this practice backed by their power under the Customs Duties (Dumping and Subsidies) Act 1957 to impose countervailing duties. In passing, it might be noted that, although the requirements in regard to what constitutes dumping for this purpose are reasonably clear-cut, any measure which enhances farmers' incomes makes it potentially feasible for them to reduce their export prices. (e.g. p. 29)

The background to the butter story is that imports into the United Kingdom were 308, 354 and 365 thousand tons in 1955, 1956 and 1957 respectively. Of the increase of 57 thousand over the two years, New Zealand took about 24, Australia lost about 20 and Denmark was virtually unchanged. In contrast Eire, Finland and Sweden who had sent negligible quantities in 1955 sent 14, 20 and 14 respectively in 1957; recently various other countries have increased their exports too. Meanwhile, the price of New Zealand butter fell from about 400 shillings a cwt. in January 1956 to about 260 shillings in January 1958.

In announcing the British government's action to end dumping the President of the Board of Trade spoke of a consequent reduction of about 10 per cent. of 1957 supplies, say 40 thousand tons, or around half way back to the 1955 level. Apart from any views which might be expressed by consumers on this point, it also bears on the competition between margarine and butter.

Wartime factors cut the consumption of butter from abour 500 thousand tons to under 300 even by 1953. Since then it has climbed steadily with a spurt in 1957 to about 400 thousand tons a year. In contrast, margarine consumption in 1953 was at 400 thousand tons, double the pre-war level. Since then the trend has been downwards, sharply in the past year to a level of about 350 thousand tons. It seems reasonable to see this as a tendency for consumption to vary with the relative prices, but the relationship is not a simple one when one comes to details.

UTILISATION OF MILK SOLD THROUGH THE MILK MARKETING SCHEMES

Calendar years	1939	1950	1953	1954	1955	1956	1957
				million gallons			
Manufactured							
Butter	134	80	71	113	83	142	191
Cheese	98	126	204	188	145	230	265
Milk powder	19	39	38	36	39	55	52
Condensed milk	104	73	63	68	90	97	91
Chocolate crumb	-	-	18	32	33	44	47
Fresh cream	62	-	8	13	20	24	29
Other	18[a]	7[a]	18	13	18	18	21
Total	436	326	418	463	427	609	696
Consumed liquid							
Reduced price	25	234	223	222	226	228	232
Full price	839	1324	1295	1295	1291	1292	1272
Total	864	1558	1518	1517	1517	1520	1504
Total sales	1300	1883	1937	1978	1944	2130	2200[b]

[a]Includes chocolate crumb.

[b]Includes suspected contaminated milk not included in other disposals.

Source: Based on Official Agricultural Statistics. Monthly Digest of Statistics. Intelligence Bulletin, Commonwealth Economic Committee.

UTILISATION OF MILK FOR MANUFACTURE

	Butter			Cheese(incl. farm)		
	1955	1956	1957	1955	1956	1957
			million gallons			
January	4.02	5.31	7.84	9.66	12.82	17.68
February	2.95	5.08	5.82	8.46	12.46	16.34
March	5.07	9.17	10.73	10.54	17.38	21.55
April	10.72	15.28	23.24	15.25	22.13	27.95
May	17.67	24.54	33.17	23.80	29.87	32.66
June	16.33	19.78	24.85	22.59	27.08	29.07
July	9.75	12.47	16.71	17.84	22.97	24.00
August	6.06	10.72	17.00	11.13	20.49	24.05
September	1.87	6.34	13.25	2.68	14.07	17.09
October	2.11	12.04	13.19	5.07	17.16	18.39
November	2.17	12.28	11.90	6.97	16.68	17.44
December	4.00	8.54	12.89	10.61	16.95	18.77
Total	82.73	141.56	190.61	144.60	230.06	265.00

Source: Monthly Intelligence Bulletins, Commonwealth Economic Committee.

UNITED KINGDOM; SOURCE OF PRINCIPAL DAIRY PRODUCTS (INCLUDING EGGS)

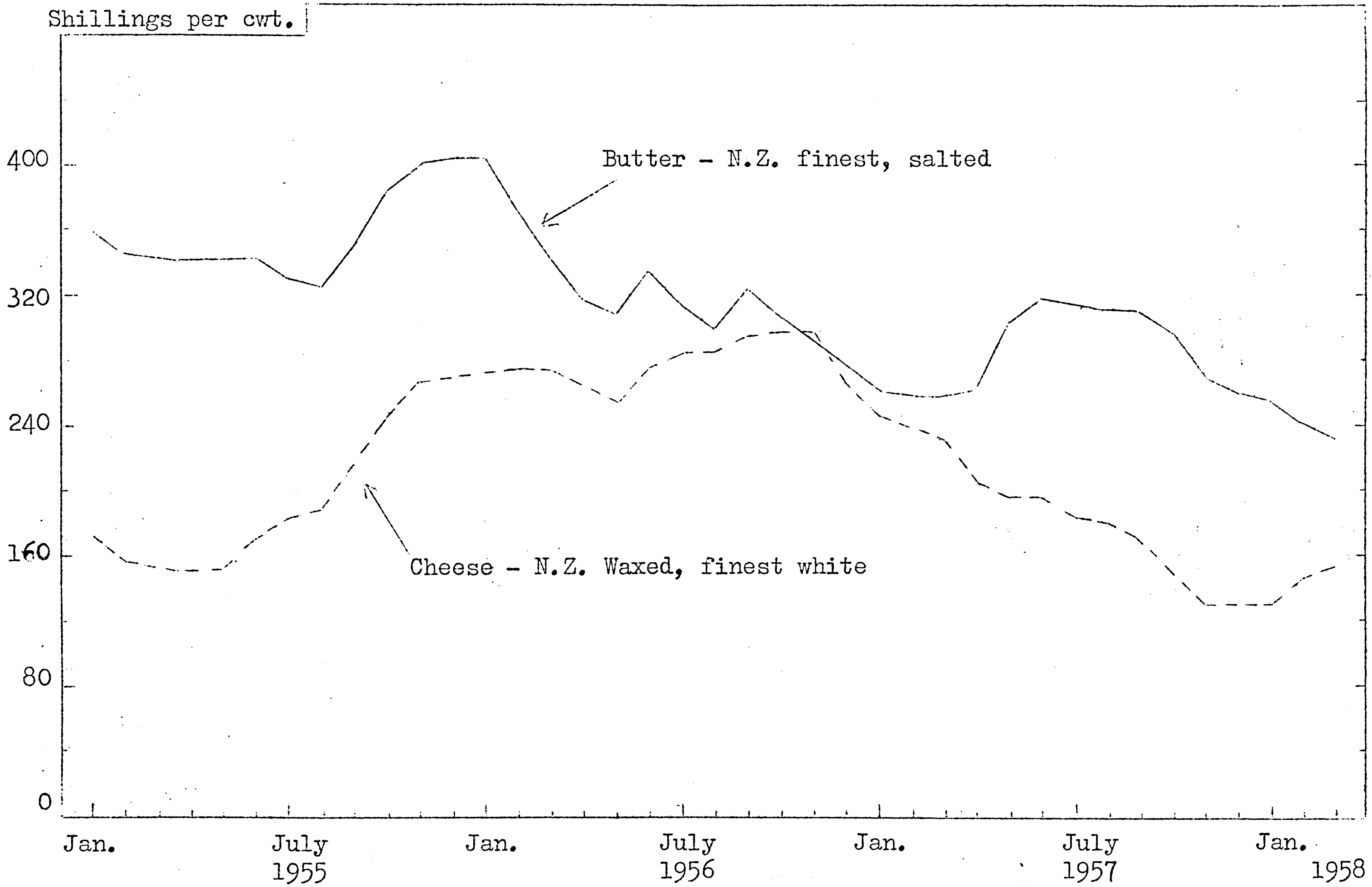
	Quantities			Proportion of total supplies		
	Pre-war[a]	1956	1957	Pre-war[a]	1956	1957
	thousand tons			per cent.		
Butter						
Australia	83	76	53	16	20	13
Denmark	113	88	87	22	23	21
New Zealand	139	156	146	27	40	36
All imports	478	354	365	91	91	90
Home	46	33[b]	42[b]	9	9	10
Total supply	524	387	407	100	100	100
Cheese						
Australia	7	12	12	4	5	5
Canada	33	5	3	18	2	1
Denmark	2	11	11	1	5	5
Netherlands	10	7	6	5	3	3
New Zealand	84	90	85	45	38	36
All imports	142	134	123	76	57	52
Home	44	100	114	24	43	48
Total supply	186	234	237	100	100	100
Eggs in shell						
Denmark	63	10	4	11	2	1
Eire	15	3	1	3	0	0
Netherlands	32	1	0	6	0	0
Poland	17	1	-	3	0	-
All imports	177	26	8	31	4	1
Home	388	608[c]	648[c]	69	96	99
Total supply	565	634	656	100	100	100

[a]Pre-war import figures are an average of the three calendar years 1936-1938. Home production average of the three June-May years 1936/7-1938/9.

[b]Includes estimated production on farms (8,000 tons).

[c]Disposals minus imports.

Source: Home production - Pre-war. Ministry of Food Bulletin, 17th April 1954. 1956, 1957 Commonwealth Economic Committee Intelligence Bulletin, February 1958.
Imports - Trade of the United Kingdom 1938 and Accounts relating to Trade and Navigation of the United Kingdom, December 1957.



WHOLESALE PRICE OF BUTTER AND CHEESE AT THE LONDON PROVISION EXCHANGE.
Source: Monthly Bulletin of Agricultural Economics and Statistics, F.A.O.

Meat and Bacon Supplies and Demand

Meat

Sales of fatstock in 1957-8 are expected to total some £450 million, nearly one-third of the total receipts from farming. In a sub-industry of this size there are innumerable special problems. Matters of temporary fluctuations in prices, grade differentials, and the like, seem matters of detail from the broader standpoint but, with beasts fetching up to £100 a head and profit margins slender, they are important for the individual producer. Probably the most important issue, however, concerns the whole demand and supply situation for meat. These details of practical marketing and the attempts to find an alternative to milk have tended to distract attention from the deeper issues. Since the expansion in the milk supply has become so embarrassing in the past few years, prices of meat animals have been set which have become comparatively more attractive compared with milk than formerly. Though successive announcements following the February Reviews have spoken of the need to watch quality and costs in meat production their general tenor may well have been to suggest a comfortably continuing market for meat - or at any rate a picture quite different from milk. Is this reasonable?

In broad terms in 1957 the United Kingdom had about 80 thousand tons more beef and veal than in 1938, about the same amount of mutton and lamb, but 140 thousand tons more pork. All told, this represents a consumption per head of rather less than 1 per cent. above the pre-war level. In view of the rise in the real income levels since that time and the redistribution of income between sections of the population, this seems small enough to raise doubts about the likely potential expansion still in prospect.

The prices at which these quantities have been moved into consumption have failed to meet the guarantees. (see p. 53 and 146, 148 and 151.)

A state of affairs in which about one quarter of the receipts from fat cattle, fat sheep and fat pigs is contributed from the Exchequer suggests that unless the import side changes sharply in moving towards meat there is some element of "out of the frying pan into the fire".

On the import side, the anxieties about foot and mouth disease have called forth arguments for the suspension of imports from Argentina. Though they supply less than pre-war the 300-320 thousand tons received recently represents one-seventh of the total butchers' meat supply, and half as much again as the increase in the home output of beef, veal, mutton and lamb since 1950.

Australia and Argentina differ from New Zealand as meat exporters because they consume domestically the bulk of their meat production and, in consequence, the variations in internal demand can make big proportionate changes on the margin for export. On general grounds, however, meat is an important source of foreign earnings for all three of them. Argentina seems to be reorganising her agricultural and pastoral industries on more directly export lines, so that the chances do not seem to favour smaller supplies on the world market, though if she successfully exploits domestic oil supplies her position may change. Will there be other importers who might ease the pressure on the British market? Britain has not occupied the dominant place in the world market which she had before the war, but she still takes over half the world exports of beef and virtually all the mutton and lamb. Germany and other European countries took substantial quantities. With perhaps some easing of their industrial drive to be experienced, and the Common Market to be worked out, it seems unlikely that any notable extra imports will be taken by those countries.

Finally, a quite different question. In the United States the expansion of the specialist production of poultry for meat broilers transformed the meat market. Will this happen here? Various figures are quoted for the numbers of broilers being produced in Britain, e.g. around 25 to 40 million with 100 million as a target for two or three years hence. This means that we are working in terms of, say, 80-100 thousand tons a year, or say 5 per cent. of the meat supply, rather than 1 per cent. or 50 per cent.

Pigs and bacon

In the year to January 1958 the wholesale price of bacon fell by about 100 shillings per cwt. This particular example of the instability of this product was currently the focus of both the British and the Danish farmers' anxieties.

First, though the population is 7 per cent. greater than prewar (p. 37) total supplies of bacon in 1957 were 5 per cent. above the 1956 level but were no higher than the 1952-55 level. In 1952 home output of bacon and ham was at its peak and since then has declined by some 70 thousand tons; imports on the other hand have increased by about the same amount. Up to October 1956 imports were controlled by the British government. With the ending of its contracts this control was discontinued and a duty of 10 per cent. imposed.

The prevailing trade comment on the bacon situation is that demand is very inelastic, that any departure from a supply of around 10,500 tons a week on the wholesale market sets wholesale prices soaring or sliding. A broad comparison of supplies and prices over the past two years does not suggest that the level is as consistent as this over a period but the inelasticity seems clear. Just where it lies is not equally evident, however, because comments in the bacon trade reports hint that retail prices have been slow to respond to variations in wholesale levels.

The pork market continues its traditional double role as buffer and de-stabiliser of the bacon market. Throughout 1957 prices on the pork market were higher than on the bacon. In the summer when the demand for pork still falls off about half the pigs go to each outlet; in the winter the pork trades take double or treble the bacon factories.

This story, with variations, has been told for twenty years or more and no slick answers are to be expected. The curers have complained of uneconomically low throughputs of the factories, and the farmers have pressed for a bigger share of the home market. The Government has said that it will not control imports beyond any that the 10 per cent. duty may effect. The Danish, Dutch and British producers, curers and business interests have formed a Producers Council to consult and exchange statistical and other information but not to fix quotas or prices. Within Britain there have been various special measures aimed at improving grading, and the setting up, following the Bosanquet Commission Report, of a Pig Development Commission.

UNITED KINGDOM; SOURCE OF PRINCIPAL MEAT AND OFFAL[a]

	Quantities			Proportion of total supplies		
	1938	1956	1957	1938	1956	1957
	thousand tons			per cent.		
Beef and Veal						
Argentina	354	248	257	30	20	20
Australia	115	100	132	10	8	10
New Zealand	52	79	56	4	6	4
All imports	589	439	457[p]	49	35	36
Home production	605	806	815[p]	51	65	64
Total supply	(1194)	(1245)	(1272)[p]	(100)	(100)	(100)
Mutton and lamb						
Argentina	45	49	47	8	9	9
Australia	95	30	32	17	6	6
New Zealand	184	257	247	33	48	47
All imports	346	346	337[p]	62	64	63
Home production	211	194	194[p]	38	36	37
Total supply	(557)	(540)	(531)[p]	(100)	(100)	(100)
Pork						
Argentina	12	7	13	5	2	3
New Zealand	29	8	4	11	2	1
All imports	61	20	25[p]	23	5	6
Home production	203	362	375[p]	77	95	94
Total supply	(264)	(382)	(400)[p]	(100)	(100)	(100)
Offals						
All imports	63[b]	63	71[p]	37	32	34
Home production	109	134	135[p]	63	68	66
Total supply	(172)	(197)	(206)[p]	(100)	(100)	(100)
Bacon and Ham						
Canada	75	-	-	13	-	-
Denmark	169	222	224	29	42	41
All imports	377	317	333	66	60	61
Home production	196	209	212	34	40	39
Total supply	(573)	(526)	(545)	(100)	(100)	(100)

[a] Home production includes production from imported fatstock.

[b] Excludes fresh offal for beef and veal.

[p] Provisional.

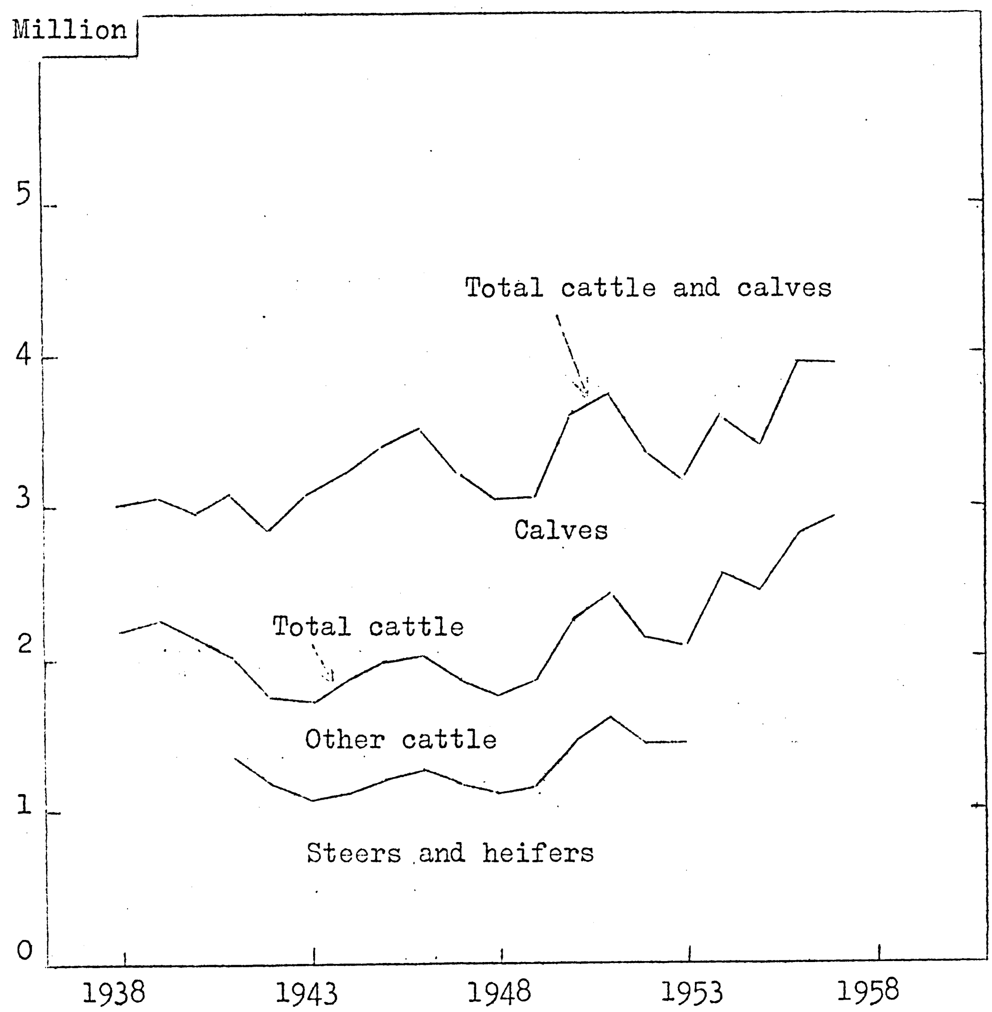
Source: Accounts relating to Trade and Navigation of the United Kingdom. Commonwealth Economic Committee "Meat" 1957 and Intelligence Bulletin, February 1958.

ANIMALS PURCHASED FOR SLAUGHTER, UNITED KINGDOM.

	1946	1947	1950	1954	1955	1956	1957
				thousands			
Cattle and calves[a]							
Cattle	2054	1888	2286	2595	2480	2836	2964
Calves	1485	1361	1352	1019	940	1149	996
Total	3539	3249	3638	3614	3420	3985	3960
Sheep and lambs	8413	6522	6908	9367	8319	9602	9732
Pigs							
For bacon	1401	867	3100	4506	4442	3842	3936
Other	200	96	575	5597	5971	5822	6072
Total	1601	963	3675	10103	10413	9664	10008

[a]Including fat animals imported from the Irish Republic.

Source: 1946-1956 Annual Abstract of Statistics, No. 94, 1957.
1957 Monthly Digest of Statistics, February 1958.



CATTLE AND CALVES PURCHASED FOR SLAUGHTER, UNITED KINGDOM, 1938-1957, Calendar years.

<u>Source</u>: 1938-1956 Annual Abstract of Statistics.
1957 Monthly Digest of Statistics, March 1958.

CATTLE POPULATION IN THE IRISH REPUBLIC
(June census)

Population	1939	1953	1954	1955	1956	1957[a]
			thousand head			
Milch cows	1260	1174	1204	1198	1187	1229
Other cattle:						
3 years and over	279	497	475	426	447	408
2 years and under 3	565	790	800	798	875	761
1 year and under 2	927	938	989	1013	1021	969
under 1 year	1026	998	1037	1048	1007	1064
All cattle	4057	4397	4504	4483	4536	4430

[a]Preliminary

Source: Irish Trade Journal and Statistical Bulletin.

EXPORTS OF CATTLE, IRISH REPUBLIC

	1938	1955	1956	1957
		thousand head		
Fat Cattle:				
United Kingdom	141.4	130.2	112.1	48.4
Belgium	0.7	5.4	8.0	7.7
France	-	a	26.5	8.4
Netherlands	-	2.2	18.4	5.2
Western Germany	16.8	0.9	12.7	4.8
Other countries	-	0.2	2.5	3.2
Total	159.0	138.9	180.2	77.7
Store Cattle[b]	470.1	470.9	487.6	746.5
Milch cows & springers	71.0	8.5	6.4	5.6
Calves	2.2	0.1	0.3	0.6
Bulls for breeding	0.0	0.2	0.2	0.1
Total cattle	702.3	618.7	674.7	830.5

[a]Included, if any, in "Other countries".

[b]Total imports of store cattle into the United Kingdom for 1956 and 1957 was 486 and 756 thousand head respectively.

Source: Monthly Intelligence Bulletin, Commonwealth Economic Committee, April 1958.

PRICES RECEIVED FOR FAT AND STORE CATTLE, ENGLAND AND WALES

Calendar year	1938	1943	1947	1953	1954	1955	1956	1957
				£ per head				
Fat Cattle[a]	23.4	34.6	45.0	66.3	68.8	78.7	74.2	80.9
Store Cattle	13.4	20.6	24.8	41.2	42.4	45.6	40.2	45.8

SEASONAL VARIATION IN CATTLE PRICES

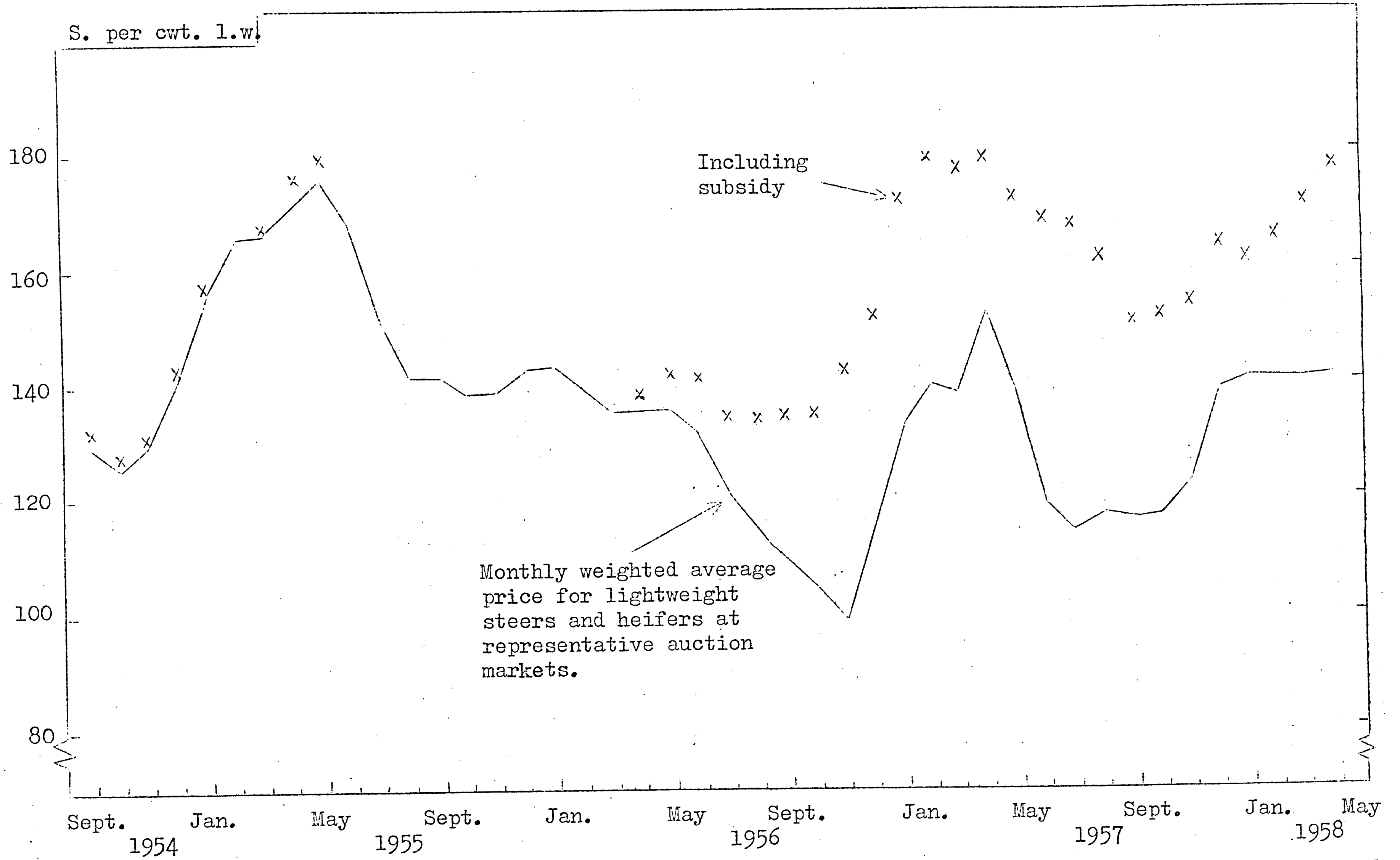
	Fat cattle[b]					Store cattle[c]				
	1936-38 average	1954	1955	1956	1957	1936-38 average	1954	1955	1956	1957
	s. per live cwt.					£ per head				
January	38.1	135.6	155.3	143.0	130.2	12.0	41.3	42.3	43.4	40.5
February	38.5	139.5	165.0	138.8	137.9	12.2	41.9	46.0	42.7	43.5
March	38.9	143.7	166.2	135.1	136.7	12.7	43.1	46.3	42.5	45.7
April	40.5	148.5	170.6	135.8	152.8	13.3	44.0	48.8	42.4	47.0
May	41.5	138.7	175.9	135.7	138.8	13.3	44.3	50.0	42.0	46.4
June	41.9	142.5	167.4	131.8	119.7	13.2	45.0	48.7	40.9	44.9
July	40.7	137.9	151.2	118.7	114.6	13.0	44.2	46.9	38.7	46.8
August	39.6	131.3	141.2	112.2	117.6	12.8	42.9	45.5	39.0	48.1
September	37.7	129.3	141.2	106.5	116.2	12.4	42.0	44.4	37.4	47.1
October	36.6	125.0	138.1	103.0	116.9	12.5	40.2	42.9	37.1	46.6
November	36.7	129.3	138.6	96.4	122.8	12.3	39.4	42.2	37.9	46.7
December	38.6	140.7	142.5	111.3	139.2	12.7	40.4	42.7	38.4	46.4

[a] Price per cwt. of Fat Cattle multiplied by 10 to bring to price per head, including any payment made under the Fatstock Guarantee Scheme.

[b] Pre-war average is the average of prices of 1st and 2nd quality cattle of all breeds at certain representative markets and include a sum in respect of subsidy paid under the Livestock Industry Act 1937 (1938 price calculated from index numbers uncorrected for seasonal variation).
January 1954-June 1954 - Ministry of Food scheduled prices for steers, heifers and cow-heifers, both home-bred and imported, weighted by numbers of animals slaughtered in each of the relevant grades.
From July 1954 prices are calculated from reports received from about 50 representative fatstock auction markets. Fixed weights have been assigned to each grade of animal within each item of fatstock for which an index number is now calculated. These weights reflect the relative importance of the grades concerned.
With the introduction of the 1957/8 Fatstock Guarantee Scheme and the consequent disappearance of the principal grades of fat cattle, a new method of calculating the average price had to be devised based on the newly introduced grades; this revised series has been given back to July 1956. For purposes of comparability figures for July 1954 to June 1956 should be reduced by 1.6% (Ministry Statement M.I. 57.k.E.W.).

[c] Average of 1st and 2nd quality Shorthorn yearlings and two year old cattle.

Source: Pre-war - Official Agricultural Statistics, England and Wales.
1954-1956 and 1957 monthly prices. M.I. Price Statement, Ministry of Agriculture.
1957 Calendar Year average - kindly made available by the Ministry of Agriculture in advance of publication in M.I. series.



FAT CATTLE - MARKET PRICE AND SUBSIDISED PRICE WHERE APPLICABLE. (amount of subsidy paid for a week in mid-month) ENGLAND AND WALES.

Source: M.I. Price Series & Market Supplement, Farmers' Weekly. (for subsidy)

SEASONAL VARIATIONS IN SLAUGHTERINGS OF SHEEP AND LAMBS IN THE ITED KINGDOM AND THE PRICE OF FAT SHEEP IN ENGLAND & WALES

	Slaughterings - U.K. Sheep and Lambs			Prices in England and Wales[a] Fat sheep			Fat lambs		
	1955	1956	1957	1955	1956	1957	1955	1956	1957
	thousands(weekly av.)			Pence per lb. d.c.w.					
January	117.0	179.6	173.6	32.00	27.00	29.00	38.25	34.00	39.50
February	102.2	145.0	130.7	31.50	28.00	32.50	38.75	36.00	42.75
March	86.0	109.5	103.2	30.75	30.00	31.75	37.75	39.75	44.00
April	79.6	88.6	108.2	30.25	30.50	30.50	39.25	42.50	43.00
May	96.0	121.5	153.5	30.25	29.75	28.50	38.75	39.00	38.00
June	136.5	170.7	204.7	23.50	25.00	25.50	33.50	33.00	34.50
July	158.8	205.6	223.4	27.25	24.25	25.75	35.75	32.25	33.00
August	202.0	245.0	242.0	26.25	23.75	25.25	32.25	31.75	33.25
September	232.5	260.2	242.2	25.75	24.00	24.75	33.25	31.50	32.75
October	250.2	252.0	237.2	26.00	24.50	24.75	32.75	33.00	33.25
November	258.2	250.0	241.0	26.00	24.50	25.50	33.50	32.75	33.50
December	208.8	191.5	187.0	26.25	26.50	26.00	33.75	36.00	35.00

[a]Excluding any payments made under the Fatstock Guarantee Scheme, which was introduced in July 1954.

Source: Slaughterings - Monthly Digest of Statistics. April 1957 and February 1958.
Prices - M.I. Price statement issued by the Ministry of Agriculture.

WOOL PRODUCTION AND PRICES

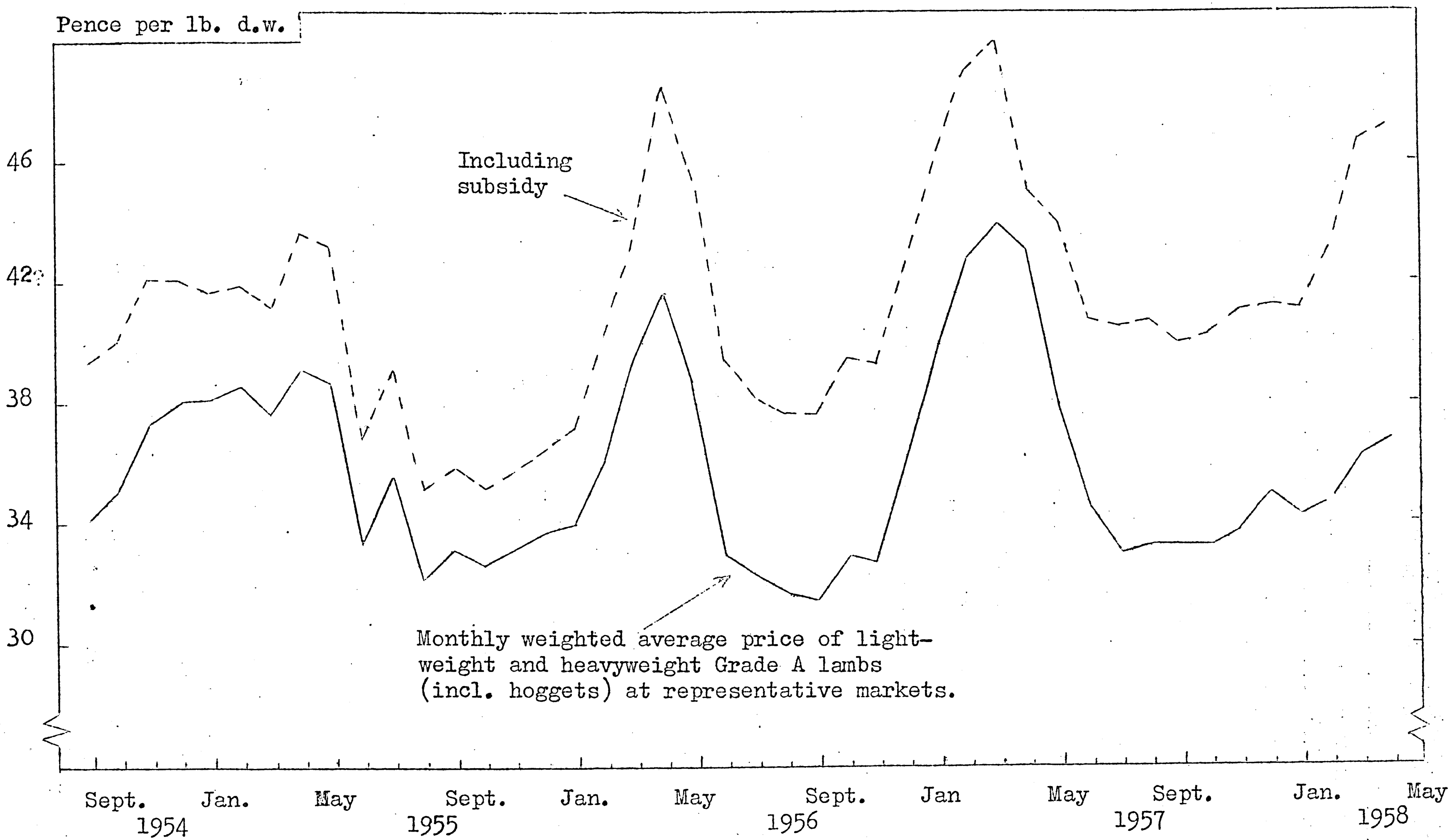
	1937	1952	1953	1954	1955	1956	1957
	actual weight-million lb.						
Raw wool production (U.K.)[a]	106.8	90.0	91.2	100.8	94.8	98.4	104.4
	pence per lb.						
Price of washed and greasy fleece[b]	16.0	53.0	53.0	53.25	53.6	52.5[p]	53.5[p]

[a]Fleece and skin from British sheep.

[b]For 1937, average of washed and unwashed wool at certain county wool sales. For 1952, weighted average price for wool taken up from farmers by the Wool Control. It includes payments made to farmers for late collection. Prices are for England and Wales only. [p]Provisional.

Source: Production - Monthly Digest of Statistics, February 1958.
Prices - Agricultural Statistics, England and Wales, Pt. II 1948-1950 and M.I. Price Series issued by the Ministry of Agriculture.

1957 Calendar Year average - kindly made available by the Ministry of Agriculture in advance of publication in M.I. series.



FAT LAMBS - MARKET PRICE AND SUBSIDISED PRICE (amount of subsidy paid for a week in mid-month), ENGLAND AND WALES.

Source: M.I. Price Series and Market Supplement, Farmers' Weekly (for subsidy)

SEASONAL VARIATION IN SLAUGHTERINGS AND PRICES OF PIGS

	Slaughterings - United Kingdom[a]					
	Bacon pigs			Other pigs		
	1955	1956	1957	1955	1956	1957
	thousands (weekly averages)					
January	79	70	69	125	129	111
February	92	70	73	131	128	116
March	102	79	78	143	119	116
April	101	80	74	135	113	113
May	90	76	76	129	101	106
June	80	71	72	109	98	86
July	73	69	72	87	93	85
August	78	71	75	93	100	99
September	84	79	87	105	114	122
October	90	80	85	102	121	131
November	89	74	80	112	129	147
December	65	65	68	155	157	175

[a]Including fat animals imported from the Irish Republic.

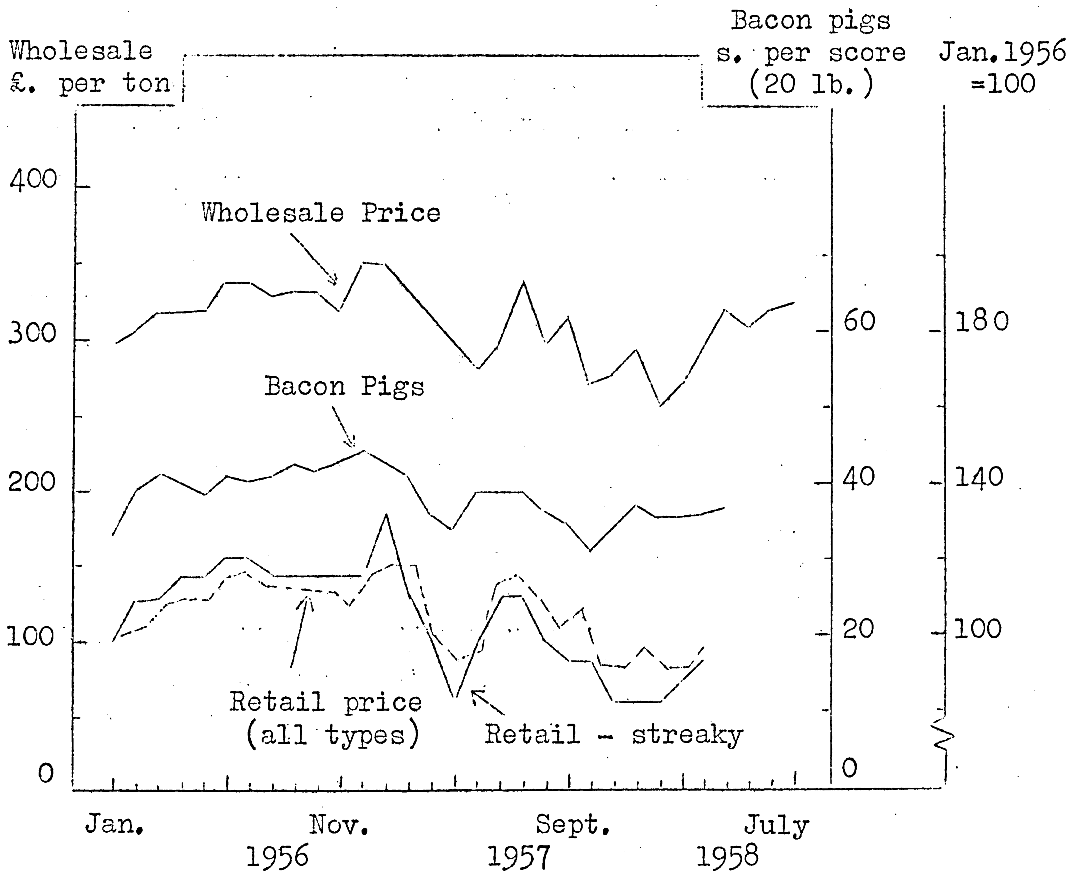
Source: Monthly Digest of Statistics, April 1957 and February 1958.

AVERAGE MONTHLY PRICE OF PIGS[b] - ENGLAND AND WALES

	Bacon pigs			Pork pigs		
	1955	1956	1957	1955	1956	1957
	s. per score (20 lb.) liveweight					
January	36.00	33.25	43.75	38.50	37.50	46.50
February	36.08	40.00	41.75	38.42	43.67	45.00
March	27.58	41.92	36.42	29.42	45.33	40.75
April	23.58	40.67	34.75	26.42	44.42	39.58
May	28.92	39.58	39.25	31.92	42.67	42.17
June	33.08	41.58	39.58	34.92	44.08	41.00
July	37.92	40.75	39.33	38.42	42.58	41.17
August	42.42	41.92	36.33	43.75	43.25	40.25
September	47.67	43.08	34.92	50.00	46.33	40.08
October	49.08	42.25	31.42	52.58	46.67	37.58
November	45.25	43.42	34.42	50.58	47.92	39.58
December	36.00	45.00	37.67	44.25	49.50	42.17

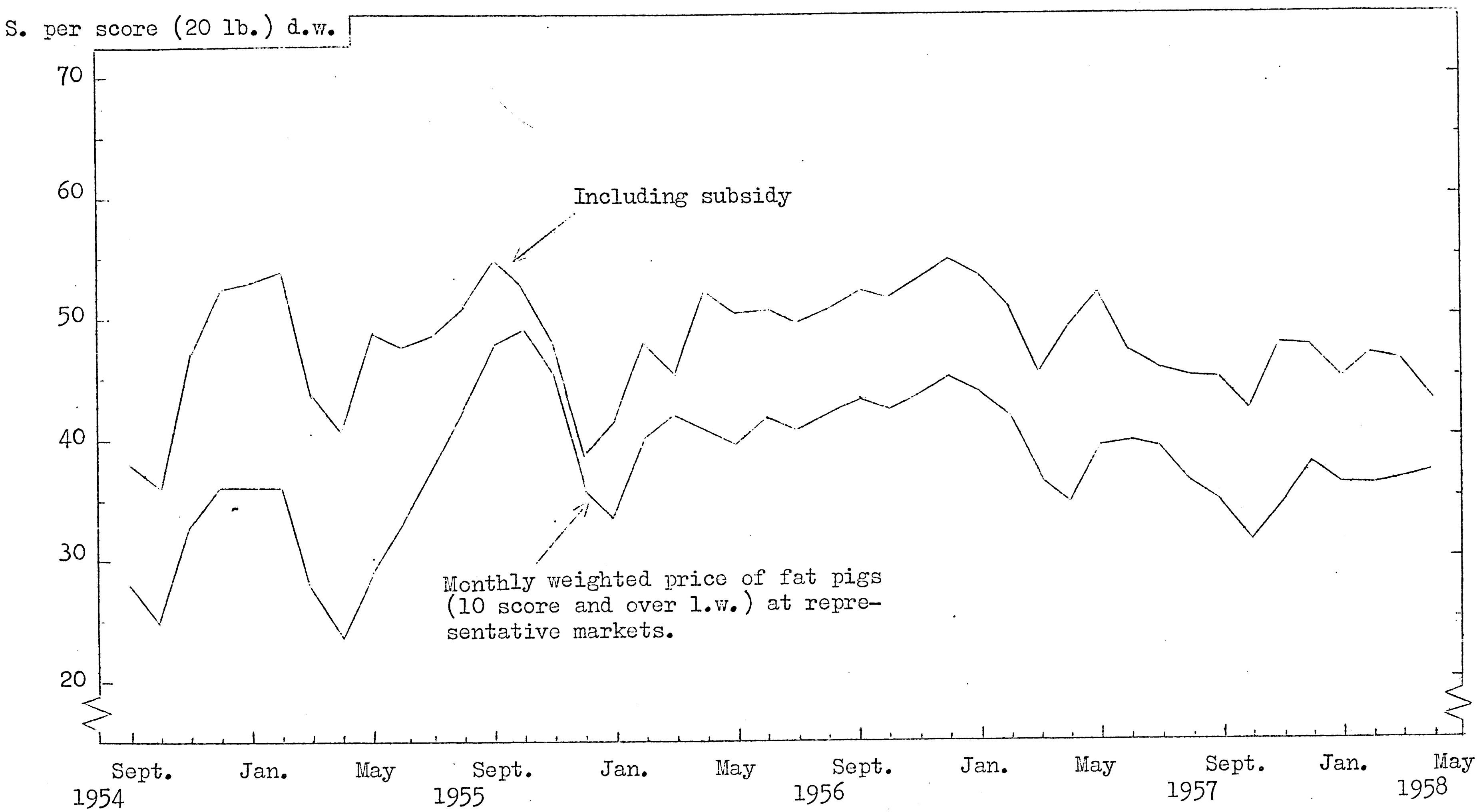
[b]In order to obtain a continuous series of market prices exclusive of Exchequer payments, auction market prices have been used, although a considerable number of bacon pigs do not pass through the auction market. Bacon pig prices are for pigs 10 sc. and over liveweight and pork pigs under 10 sc. liveweight.

Source: M.I. Price statement issued by Ministry of Agriculture, Fisheries and Food.



BACON-WHOLESALE PRICE OF DANISH GREEN, WILTSHIRE SIDES & INDEX OF THE RETAIL PRICE OF STREAKY BACON (both mid-month prices) AND RETAIL PRICE OF ALL TYPES OF BACON (for four weeks ending point plotted) & MONTHLY AVERAGE PRICF OF BACON PIGS (10 sc. and over l.w.), ENGLAND & WALES.

Source: Retail - Based on private records of a firm of retailers.
Wholesale - Agricultural Market Report.
Bacon Pig - M.I. Price series, Ministry of Agriculture.



BACON PIGS - MARKET PRICE AND SUBSIDISED PRICE (amount of subsidy paid for a week in mid-month), ENGLAND AND WALES.

Source: M.I. Price Series & Market Supplement, Farmers' Weekly (for subsidy)

The Egg Situation

Egg producers seem to have most of the troubles of the pig producers but, from some points of view, they seem to have less room to manoeuvre. The basic problem might be summed up by saying that home-output currently provides all but 2 or 3 per cent. of the supplies of shell eggs in the United Kingdom and even when products are reckoned in, too, imports supply well under 10 per cent. of supplies. Most of the Danish and Dutch exports now go to Germany. Meanwhile Government payments on eggs were equivalent to some 47 per cent. of market values in 1957-8. (p. 53) The egg/feed price ratio has been going against eggs for several years, but this has not prevented any continued upward trend in the number of birds, though it may have slowed it. (p. 129) Again, production has increased faster than poultry numbers, reflecting better genetical constitution of the stock, better feeding, and better control of the environment, through the use of intensive systems.

In 1951 it was reckoned that one-third of the stock were kept in some kind of intensive housing. This proportion has doubtless increased considerably. This, together with earlier hatching (e.g. see Coles, Agricultural Review, November 1956), is resulting in better supplies through the autumn and winter - though the approach to a level supply does not seem to be as close as the Dutch. (p. 156)

With such technical changes occurring it has proved very difficult to pinpoint the factors controlling output and to envisage how matters will develop. Moreover with such a big governmental contribution economics are not, in the short run at least, the only or even the main consideration. Under the 1957 Act it seems that prices cannot be reduced by more than 9 per cent. in three years. It seems reasonable to think that the technical developments in the industry can practically keep pace with that, leaving the degree of dependence on subsidy little changed. Home production of produce for egg products for the catering and manufacturing trades may well increase. All told it seems that the government and the egg boards have a difficult problem of devising menas of implementing the guarantee with the minimum incentive to expansion.

SHELL EGGS AND EGG PRODUCTS.
SUPPLIES AND CONSUMPTION: UNITED KINGDOM

	Home Production Shell[a]	Imports			Consumption		
		Shell	Dried	Liquid	Shell	Liquid[b]	Total
	million shell eggs equivalent[c]						
Pre-war[d]	6755	2773	134	977	9528	1111	10639
1946 (Cal. year)	5782	976	3933	351	6758	3884	10642
1947 (Cal. year)	5452	1387	2911	307	6839	2945	9784
1955 January-June 6 months	5099	468	140	200	5567	329	5896
1955 July-December 6 months	4393	539	155	110	4932	292	5224
1956 January-June 6 months	5407	179	71	145	5586	226	5812
1956 July-December 6 months	4711	280	121	119	4991	240	5231
1957 January-June 6 months	5953	18	137	190	5971	327	6298
1957 July-December 6 months	5175	123	92	226	5298	318	5616
1954-55 July-June year	9198	1197	239	404	10395	688	11083
1955-56 July-June year	9800	718	226	255	10518	518	11036
1956-57 July-June year	10664	298	258	309	10962	567	11529

[a]Estimated total consumption of shell eggs minus quantity imported. It thus carries the errors and minor discrepancies of the other estimates.

[b]Estimated consumption of dried egg plus imports of liquid egg.

[c]Assuming that 86,000 shell eggs are equivalent to 1 ton of dried egg and 22,850 shell eggs equivalent to 1 ton of frozen or liquid egg.

[d]1934-38 average.

Source: Consumption figures. Pre-war, 1946 and 1947, Monthly Digest of Statistics, Issue No. 72, December 1951; 1955- various issues of Monthly Digest of Statistics. Dried egg, July-June 1954-5 and 1955-6 Eggs Division, Ministry of Agriculture, Fisheries and Food. 1956-7 estimated.
Import figures. Trade and Navigation Accounts of the United Kingdom & Commonwealth Economic Committee, Intelligence Bulletins.

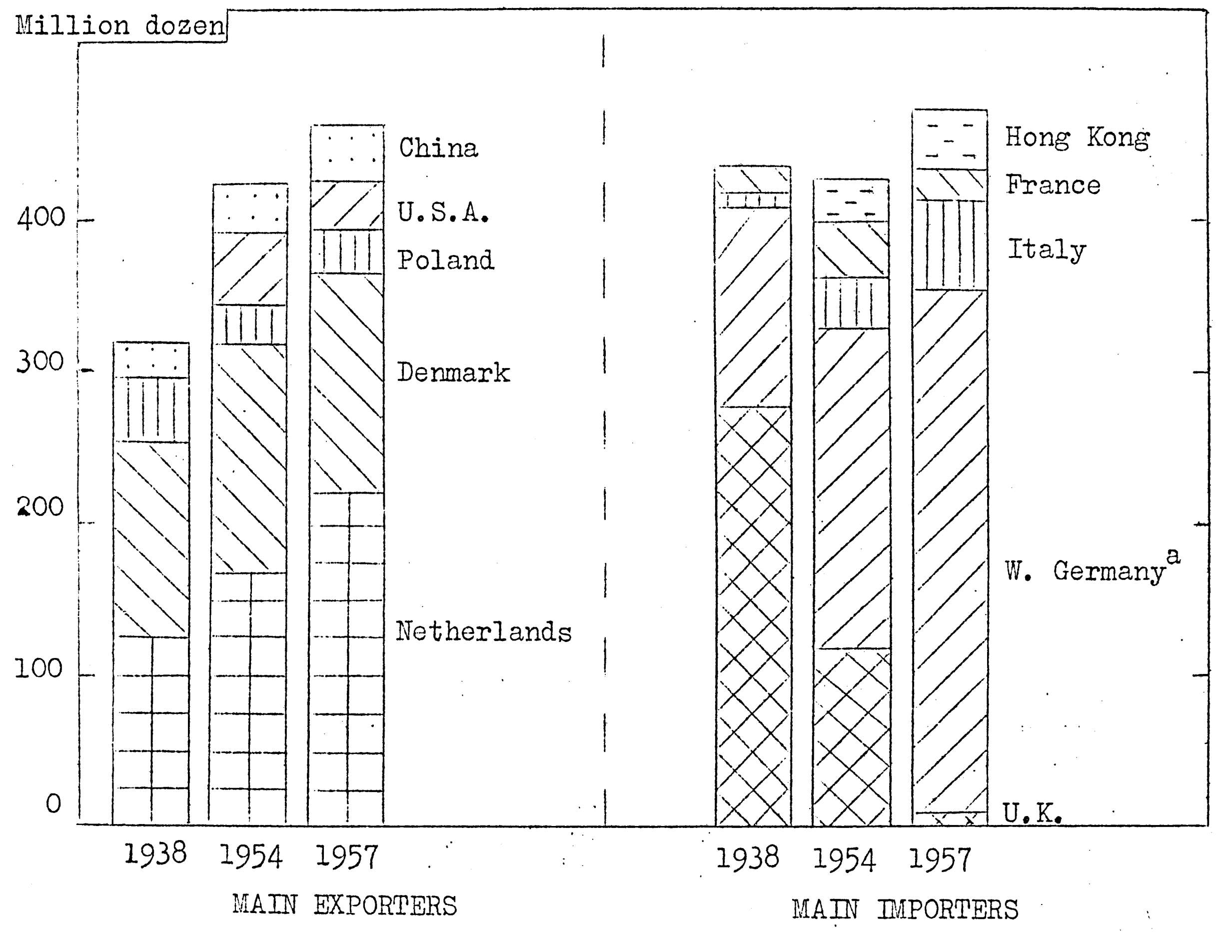


CHART WORLD TRADE IN SHELL EGGS - MAIN IMPORTING AND EXPORTING COUNTRIES. [a]All Germany in 1938.

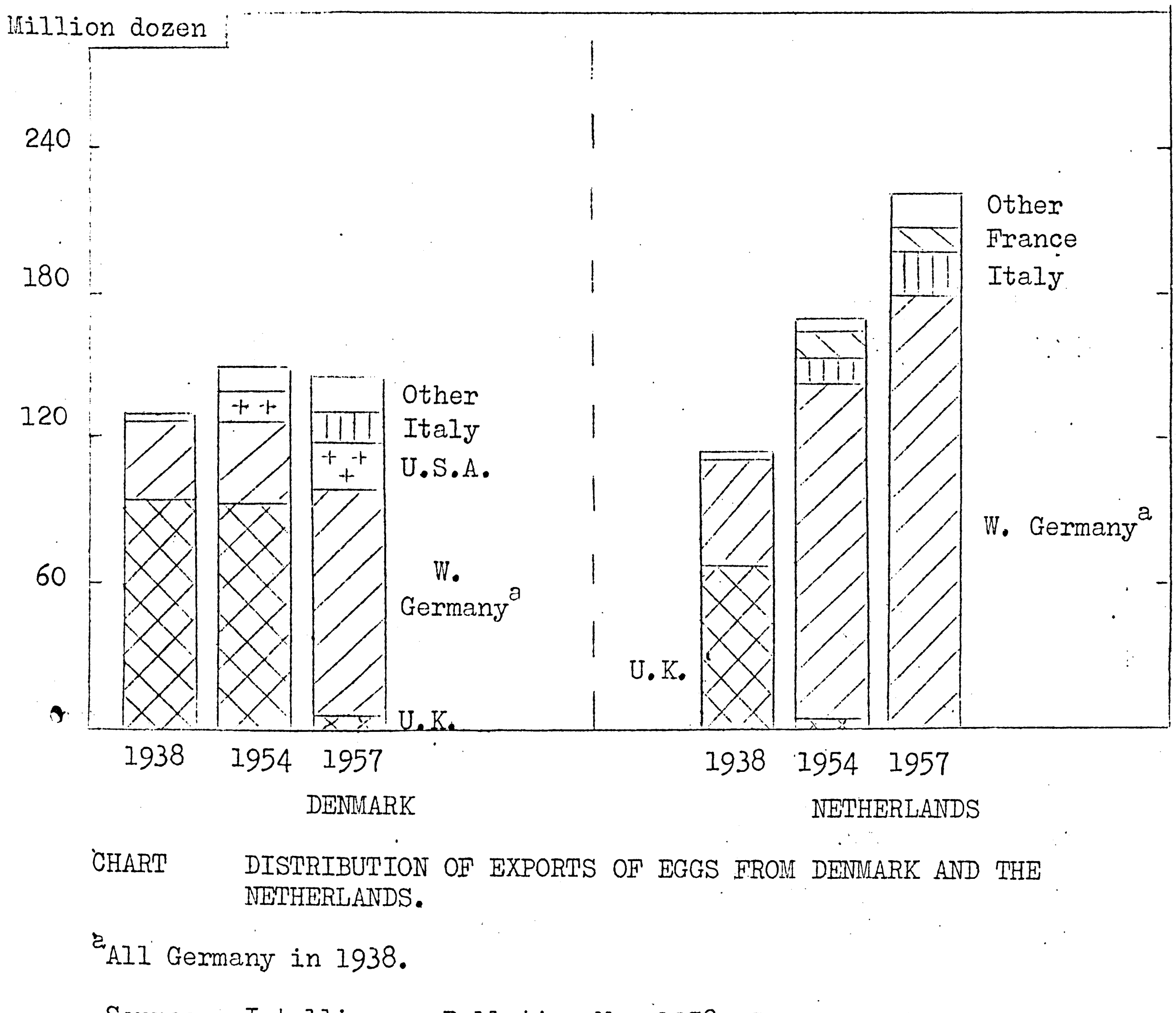
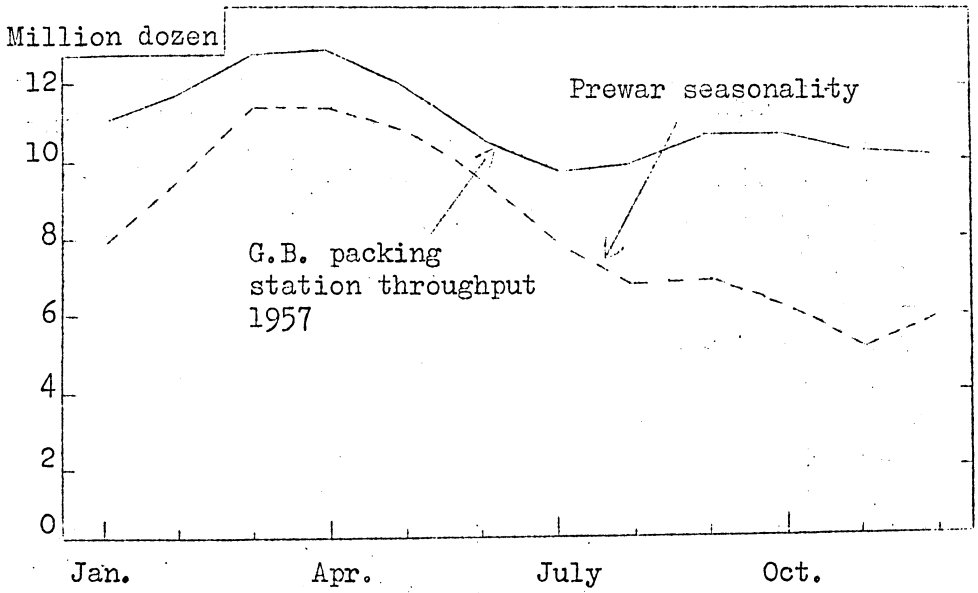


CHART DISTRIBUTION OF EXPORTS OF EGGS FROM DENMARK AND THE NETHERLANDS.

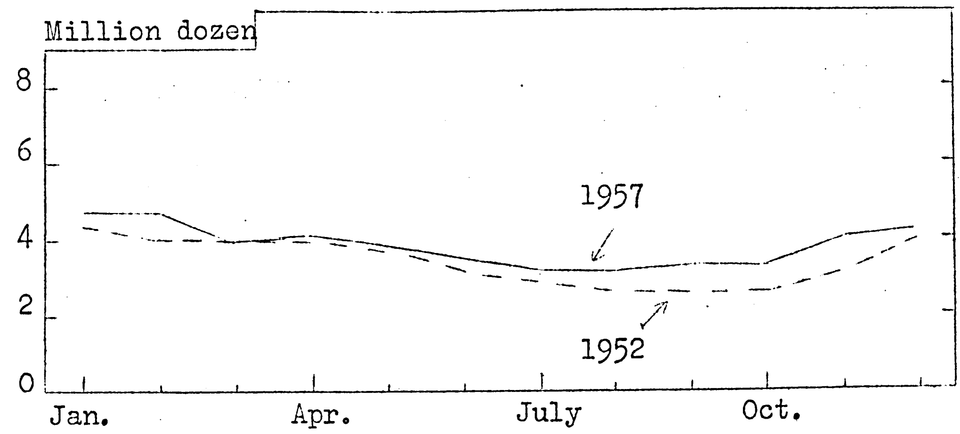
[a]All Germany in 1938.

Source: Intelligence Bulletin, May 1958, Commonwealth Economic Committee.



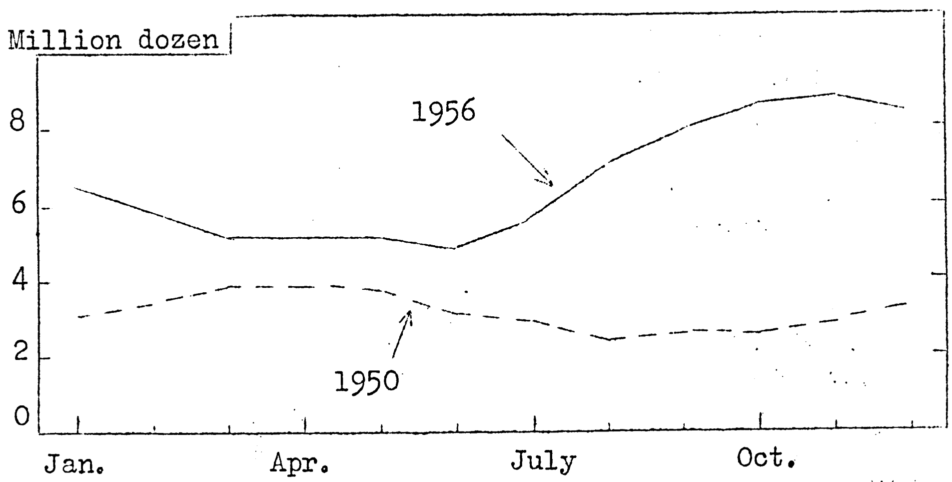
AVERAGE WEEKLY THROUGHPUT OF G.B. PACKING STATIONS IN 1957 together with the seasonal pattern of sales through National Mark packing stations 1930-4.

Source: Beilby, "Egg Prices" (Oxford) and press notices issued by the National Egg Marketing Organization and the British Egg Marketing Board.



AVERAGE WEEKLY OUTPUT OF EGGS, DENMARK.

Source: Monthly Intelligence Bulletin, Commonwealth Economic Committee.



AVERAGE WEEKLY OUTPUT OF EGGS, NETHERLANDS.

Source: Agricultural Attache, Royal Netherlands Embassy, London.

NUMBER OF EGGS PASSING THROUGH PACKING STATIONS,
(WEEKLY AVERAGES) GREAT BRITAIN

	1954-5	1955-6	1956-7	1957-8
		million		
July*	80	86	94	116
August	78	78	94	119
September	83	87	103	130
October*	79	84	102	128
November	74	78	103	123
December	82	89	109	121
January*	93	108	132	143
February	98	105	141	137
March	105	114	154	145
April*	121	122	158	144
May	121	116	144	143
June	99	102	127	132

* Five week month.
Source: Derived from figures supplied by the National Egg Marketing Organization to end of June 1957. From July 1st, 1957, British Egg Marketing Board.

MAIN SOURCE OF IMPORTS OF SHELL EGGS INTO THE UNITED KINGDOM

Calendar Year	Australia	Denmark	Eire	Netherlands	Poland	Other countries	All countries
				million eggs			
1936-8 Av.	156	1100	269	562	298	697	3082
1953	171	1023	258	8	81	74	1614
1954	129	1081	74	56	35	62	1437
1955	162	572	66	33	65	110	1007
1956	50	174	51	19	21	144	459
1957	24	66	13	6	-	33	141

Source: Accounts relating to Trade and Navigation of the United Kingdom.

COMPARISON OF APPROXIMATE PRICES (a)

Period July-June	Home Produced (b)		Australian		Irish		Danish		Polish		All liquid and frozen imports
	s. d. per 120										£ per cwt.
Pre-war	15	1	11	7	8	2	9	1	6	2	2.86
1953-54	43	1	46	11	32	1	32	9	20	9	14.12
1954-55	42	1	30	3	30	6	35	3	25	11	11.09
1955-56	42	7	32	0	30	9	36	3	25	3	11.33
1956-57	42	8	32	5	27	10	36	0	35	11	12.62
	per cent. of pre-war										
1956-57	283		280		341		396		582		441

(a) Average c.i.f. value for imported eggs calculated from the Trade and Navigation Accounts of the U.K. Due to variations from time to time in the form of the basic data and their stage of revision, the figures are subject to a small margin of uncertainty which should not appreciably affect the main comparisons.

(b) Pre-war. Average price of 1st and 2nd quality eggs at Provision Exchanges and certain representative country markets. From July 1953, prices are the weighted averages of the price for each grade of first quality eggs paid by packing stations to the producer and therefore not strictly comparable with the pre-war price.

Source: Trade and Navigation Accounts and Official Agricultural Statistics.

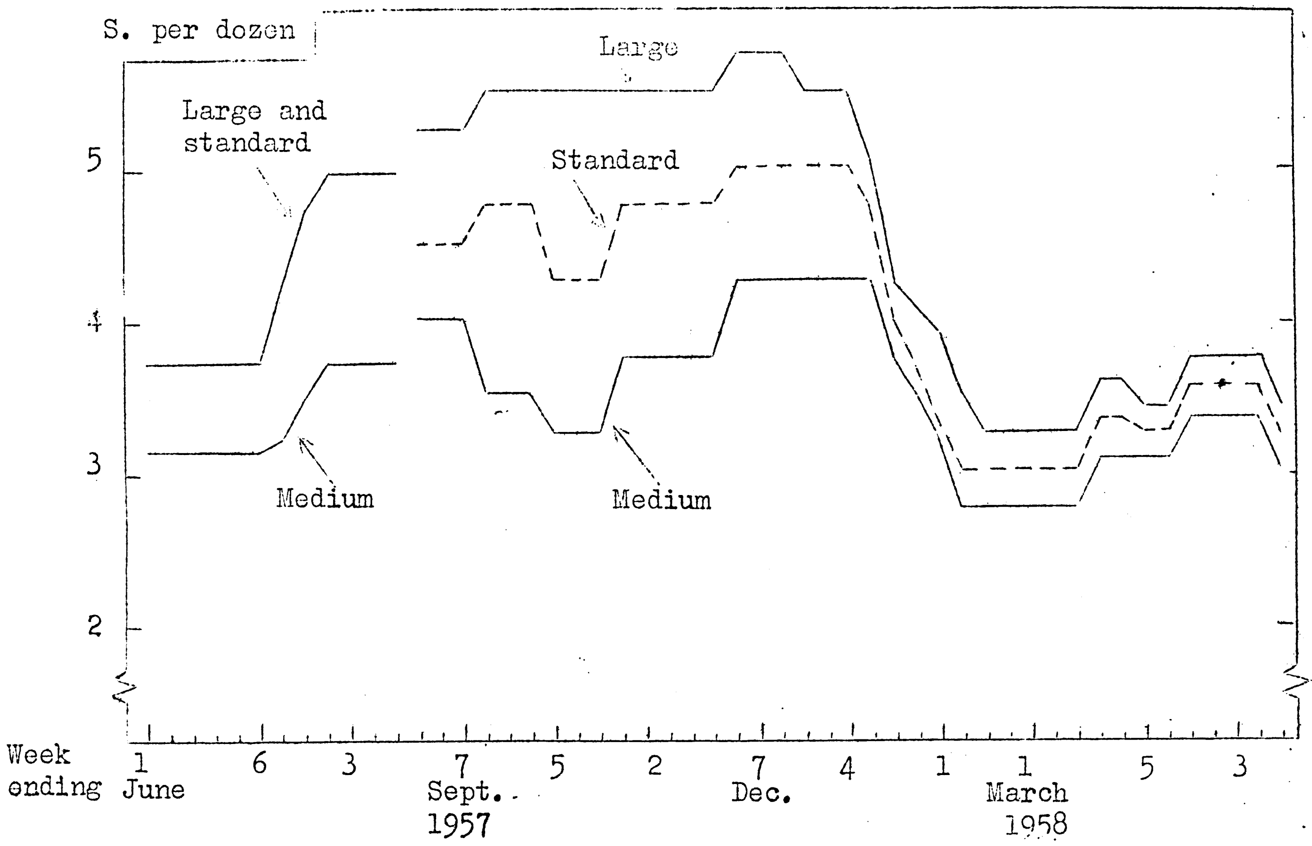
MONTHLY AVERAGE PRODUCER AND RETAIL PRICES FOR HEN EGGS, ENGLAND AND WALES

	Producer price (a)			Retail price (b)		
	1955-6	1956-7	1957-8	1955-6	1956-7	1957-8
	s. per dozen			s. per dozen		
July	4.15	4.18	4.44	4.74	4.74	4.68
August	4.85	4.86	4.85	5.73	5.56	5.16
September	5.31	5.07	4.92	6.00	5.62	5.03
October	5.30	4.88	4.75	6.22	5.65	5.32
November	5.59	5.06	5.02	6.59	5.47	5.62
December	5.00	4.62	5.21	5.95	4.45	5.47
January	3.87	4.32	3.97	4.41	3.48	4.00
February	3.40	3.93	3.14	4.00	2.75	3.44
March	3.35	4.00	3.37	4.40	2.50	3.47
April	3.34	3.20	3.62	3.77	2.38	3.92
May	3.39	3.37	3.29	3.70	3.18	3.53
June	3.63	3.68	3.65	4.25	3.44	3.84

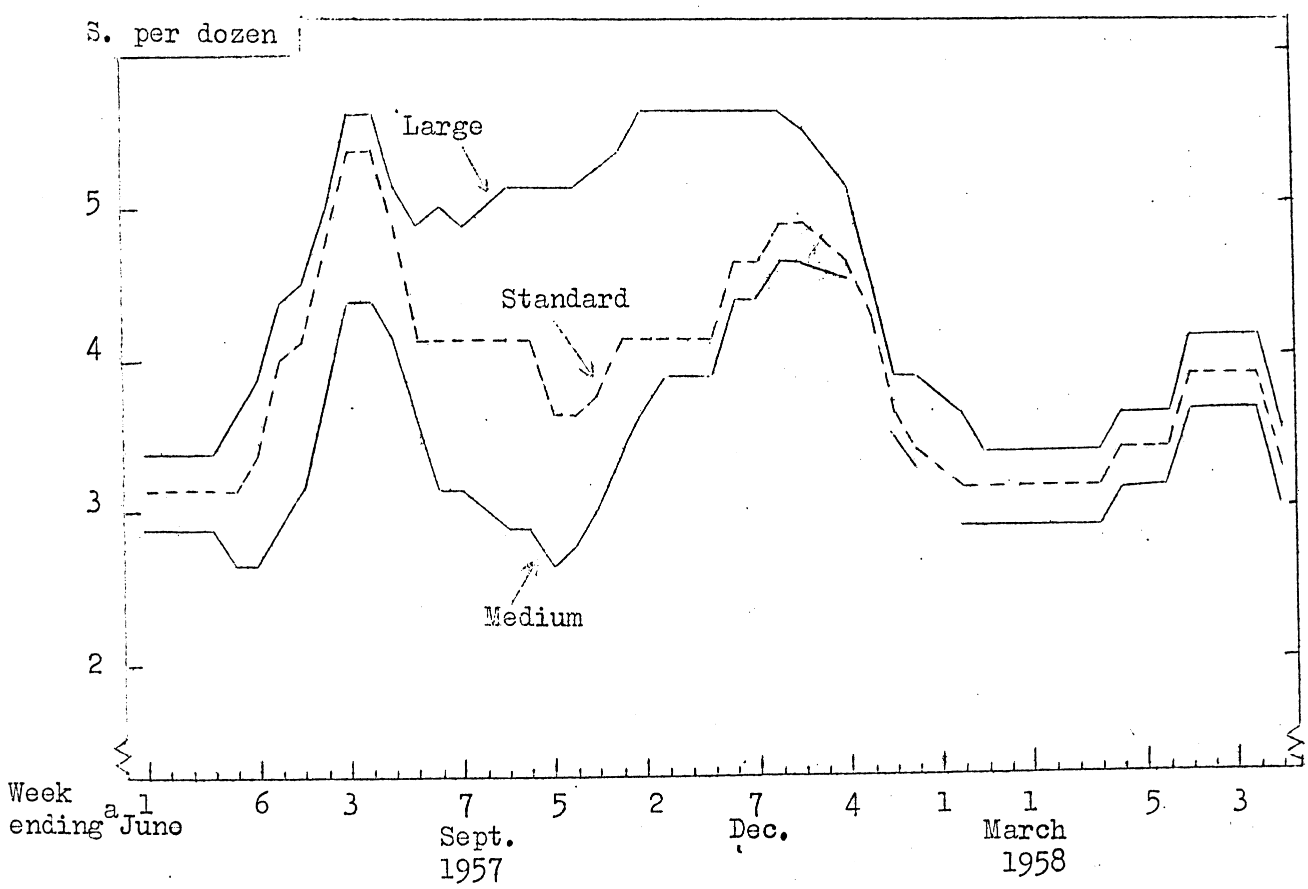
(a) Weighted average price for all grades sold through packing stations.
(b) Average retail price of home-produced large (A) hen eggs.

Source: Producer price - M.I. price statement issued by the Ministry of Agriculture.

Retail price - estimated from press notices. Up to end of June 1957, issued by the National Egg Marketing Organization. From July 1957, issued by the British Egg Marketing Board.



MINIMUM PRICE GUARANTEED TO PRODUCERS FOR HEN EGGS, GREAT BRITAIN.



RETAIL PRICES FOR HOME PRODUCED FRESH EGGS, GREAT BRITAIN.

[a]Competitive price for one day in middle of week, ending date given. Where price range given, centre of range taken.

Source: Press Notices issued by National Egg Marketing Organization and the British Egg Marketing Board.

Wool

Wool is one of the British farm commodities for which useful generalisations are almost impossible to make. It is worth something under 2 per cent. of the value of agricultural products taken as a whole, and possibly one-seventh or one-fifth of the value of mutton and lamb. On the other hand it is of much more significance to certain sections of the farming community and in certain localities. Home output provides perhaps one-seventh of the British supply of wool and around 2 per cent. of the world clip. Supply in the exporting countries has been rising, especially in Australia, but whether this will be matched by increase in demand as incomes rise across the world, or whether competition with synthetics will offset this, can be debated at length. Lately the world price has been downward but the Korean peak dominates the present story. Evidently the British production is the tail which will be wagged by the world wool industry as a whole, but the operations of the Wool Marketing Board should ensure that it wags sedately rather than frenziedly.

WOOL - SIGNIFICANCE IN BRITISH AGRICULTURE

June-May year	Value of gross output at current prices, United Kingdom				
	1936/7-1938/9	1948/9	1954/5	1955/6	1956/7(p)
	£ million				
Wool	3.1	5.4	16.5	15.3	15.2
Mutton and Lamb	16.7	32.4	58.4	56.6	..
All livestock products	210.5	506.4	941.3	917.5	986.8
Total agricultural output(a)	290.0	840.2	1285.6	1341.5	1375.3
Wool as proportion of :-					
Mutton and lamb	18.6	16.7	28.3	27.0	-
All livestock	1.5	1.1	1.8	1.7	1.5
Total output	1.1	0.6	1.3	1.1	1.1

(p) Provisional
(a) From holdings of over one acre (or over one quarter of an acre in Northern Ireland) excluding output of gardens, pig clubs and other small producers.

Source: Up to 1955/6 Output and Utilisation of Farm Product in the United Kingdom 1946-7 to 1955-6.
1956/7 Annual Abstract of Statistics No. 94, 1957.

BRITISH WOOL IN THE INDUSTRIAL FIBRE SITUATION

	Average 1934-8	1955-6	1956-7
	million lb. - greasy basis		
British wool in relation to total supply			
British raw wool production	111	102	105
raw wool imports (retained)	580	602	627
Total supply in U.K.	691	704	732
British wool as proportion of total U.K. supply	16.1	14.5	14.3
British wool as proportion of total world supply	2.9	2.1	2.1

Source: Wool Intelligence C.E.C.

WOOL, WORLD SUPPLY AND DISTRIBUTION

Estimated world production of raw wool.

	Av. 1934-38	1947-8	1956-7	1957-8(p)
	million lb. - greasy basis			
United Kingdom	111	75	105	112
Australia	995	1005	1565	1463
New Zealand	299	362	491	497
S. Africa (a)	261	215	321	320
Argentina	376	460	388	409
United States	470	327	307	292
World	3788	3756	5067	5020
made up of:-				
Apparel				
Merino	1579	1281	2006	1933
Crossbred	1265	1661	1984	1992
Other	944	814(b)	1077	1095

(a) Includes Basutoland and S.W. Africa territory.
(b) Carpet only. Average production in 1934-8 was 810 million lb.
(p) Provisional.

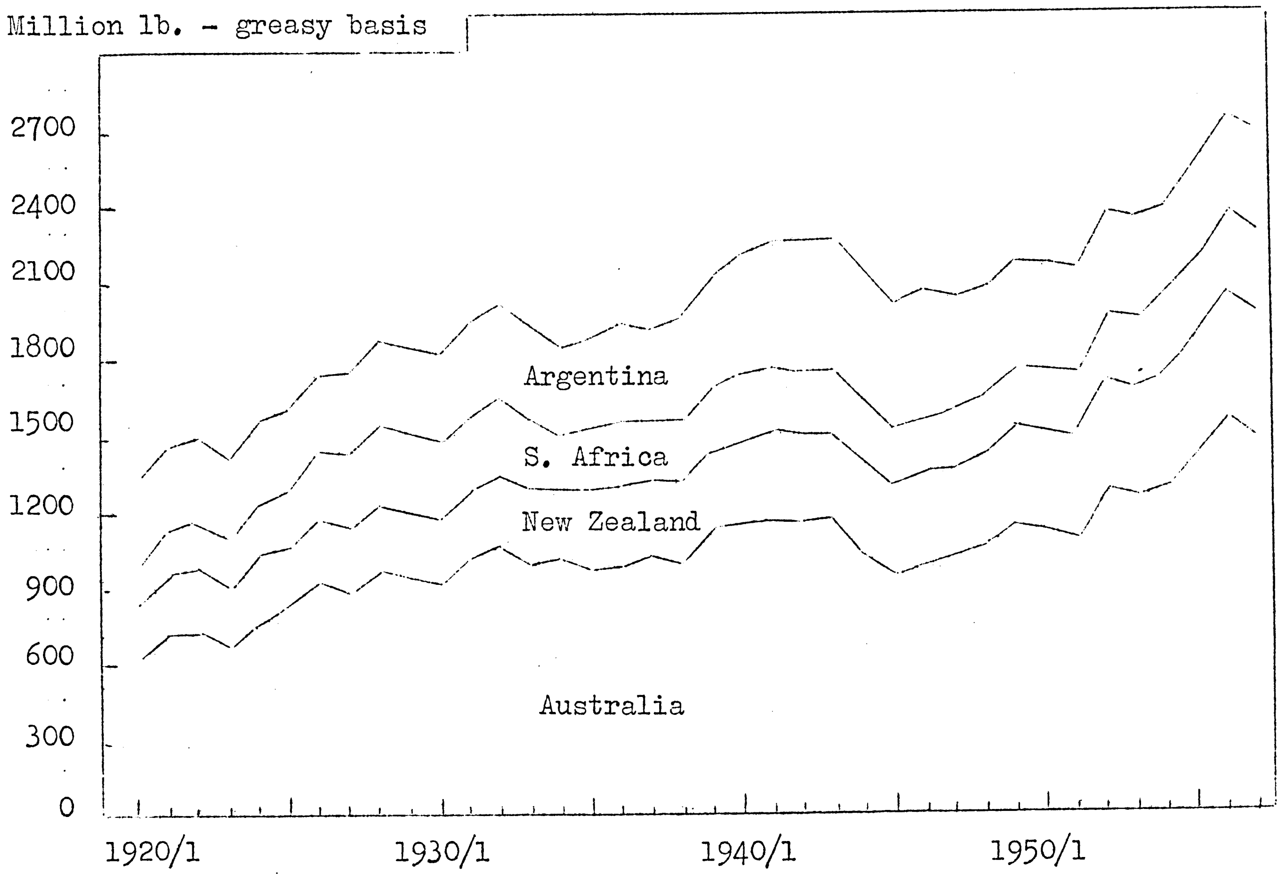
Source: For 1947-8 - Industrial Fibres, Commonwealth Economic Committee, 1954.
Remainder - Wool Intelligence, C.E.C. April 1958.

Exports of home-grown raw wool - chief exporting countries (a)

	1938-9	1947-8	1955-6	1956-7
	million lb. - actual weight			
Australia (b)	856.7	920.6	1,152	1,303
New Zealand (b)	308.1	428.3	406	441
S. Africa (b) (d)	240.9	231.1	261	252
Argentina (c)	352.6	472.2	246	218
Uruguay (c)	118.0	146.4	155	89

(a) World exports of wool (clean basis) for calendar year average 1934-38 and for 1956 were 1455 million lbs. and 1764 million lbs. respectively.
Source: F.A.O. reports.
(b) July-June.
(c) October-September
(d) Including Basutoland and S.W. Africa territory.

Source: 1938-9 and 1947-8: Industrial Fibres C.E.C. 1954.
For 1955-6 and 1956-7: Wool Intelligence, C.E.C. April 1958.



ESTIMATED PRODUCTION OF RAW WOOL IN MAJOR EXPORTING COUNTRIES.

Source: Statistical Handbook of the Sheep and Wool Industry, Australia. Wool Intelligence, Commonwealth Economic Committee.

DISTRIBUTION OF EXPORTS OF RAW WOOL FROM THE CHIEF EXPORTING COUNTRIES

	Australia		New Zealand		S. Africa		Argentina	
	1937-8	1956-7	1937-8	1956-7	1937-8	1956-7	1937-8	1956-7(a)
	million lb. - actual weight							
U.K.	324	332	164	199	40	55	72	36
U.S.A.	5	51	4	33	1	18	25	77
France	132	222	20	82	44	47	49	31
Belgium	93	110	7	17	20	15	19	10
Italy	30	131	-	18	18	23	11	18
Japan	70	238	14	9	5	17	7	9
W. Germany	57	96	15	33	79	46	61	8
Total Exports	778	1303	259	441	218	252	276	227

(a) Including small amount of tops and noils.

Source: Industrial Fibres, C.E.C. and Wool Intelligence, C.E.C.

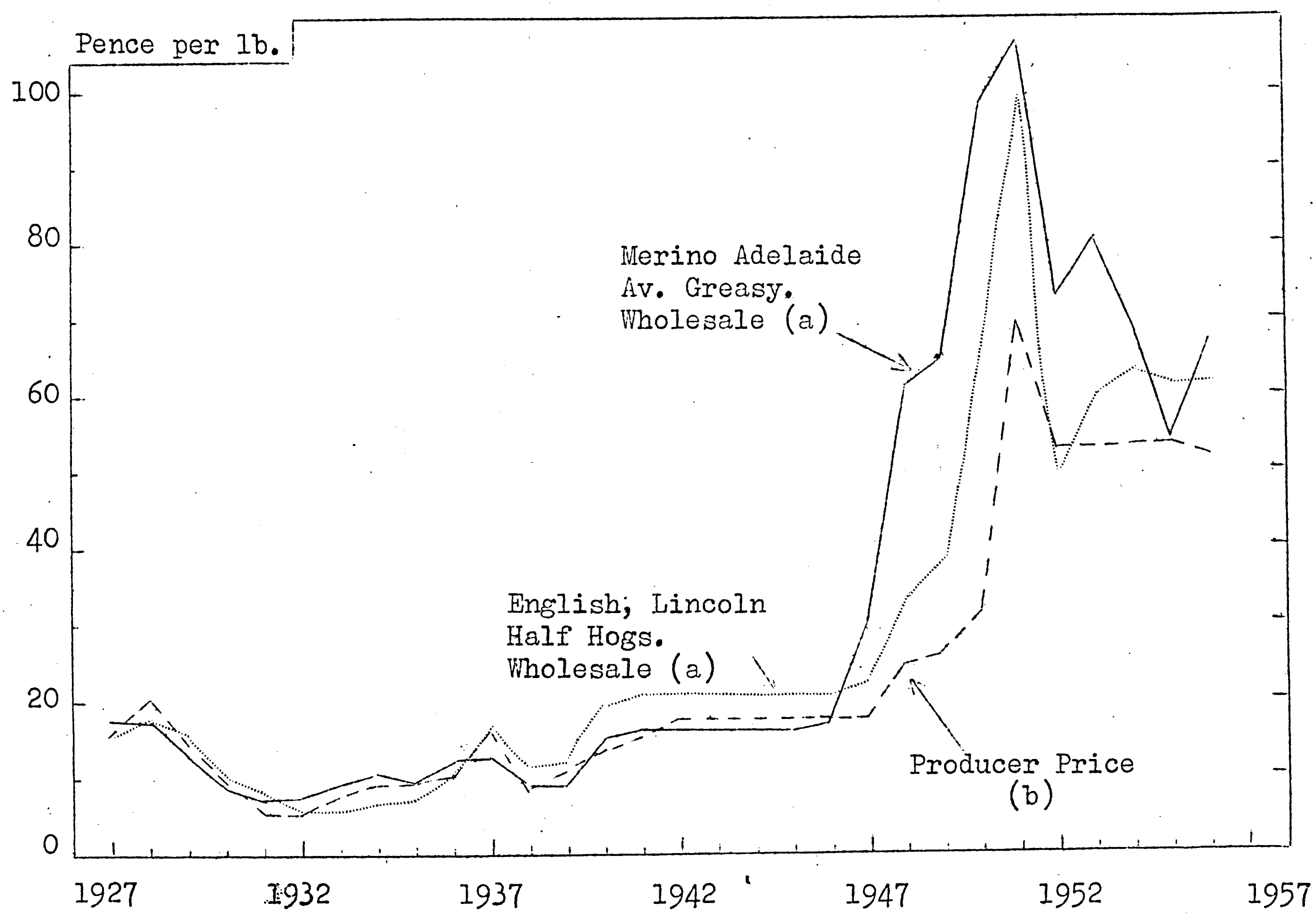
WOOL PRICES

	Av. 1934-38	1948/9	1954/5	1955/6	1956/7
	pence per lb.				
British wool (a)	10.88	24.50	53.25	53.62	52.50
Imported wool(b)	25.66	97.54	116.00	102.50	130.40

(a) Pre-war - Average of the prices of greasy and washed wool at certain county wool sales, England and Wales. September-August year.
1948/9 - Weighted average price for both greasy and washed fleece wool taken up from farmers by the Wool Control. (from 1950 British Wool Marketing Board). Includes payments made to farmers for late collections, England and Wales. July-June year.

(b) Dominion wool price, clean, 64's, delivered cost in the United Kingdom, based on auction quotations.

Source: British - Official Agricultural Statistics and M.I. price statement issued by Ministry of Agriculture. Imported - Industrial Fibres and Wool Intelligence, C.E.C.



PRICE OF WOOL IN ENGLAND AND WALES, Calendar years.

(a) Simple arithmetical average of twelve months quotations, London floor price

(b) Price received by producer, including payments made for late collections.

Source: Wholesale - Journal of the Royal Statistical Society
Producer - Official Agricultural Statistics.

Addendum

Statistics published after the main tables had been prepared and supplementary figures.

I. Provisional June 1958 census statistics with 1957 figures for comparison. The respective main tables are:

Principal crops p. 94;
Livestock and poultry numbers pp. 128-9;
Numbers of agricultural workers p. 70.

II. Cost of subsidy on individual cereals. Amplification of data on pp. 53, 102-5.

I. Provisional June 1958 Census statistics. Great Britain, with 1957 figures for comparison.

ACREAGE - GREAT BRITAIN
(June census)

	1957	1958[p]
	'000 acres	
Wheat	2109	2201
Barley	2609	2753
Oats	2109	2011
Rye (for threshing)	26	..
Mixed Corn	332	..
Total	7185	..
Potatoes	709	723
Sugar Beet	430	440
Total	1139	1163
Turnips, Swedes and Mangolds	658	..
Other fodder crops	555	..
Bare fallow	314	..
Temporary grassland		
for mowing	2819	2917
not for mowing	2900	2834
Permanent grassland		
for mowing	3005	3238
not for mowing	9266	8980

POULTRY ON AGRICULTURAL HOLDINGS, U.K.
(June census)

Fowls (all ages)	1957	1958[p]
	million head	
Great Britain	80	83
Northern Ireland	11	12
United Kingdom	91	95
Ducks	1.41	3.97 (Ducks, Geese and Turkeys)
Geese	0.51	
Turkeys	2.16	

POULTRY ON AGRICULTURAL HOLDINGS, U.K. (Cont.)
(June census)

	1957	1958[p]
	million	head
England & Wales		
Fowls 6 months & over	31.9	32.9
Fowls under 6 months	38.7	41.7
Scotland		
Fowls 6 months & over	4.5	4.4
Fowls under 6 months	4.4	4.4

[p]Provisional.
Source: Q.C. Statements. MAAF and Agricultural Returns, N. Ireland.

LIVESTOCK POPULATION - GREAT BRITAIN
(June census)

	1957	1958[p]
CATTLE	thousand	head
Cows & heifers in milk	3104	3658[a]
Cows in calf but not in milk	519	
Heifers in calf with first calf	794	726
Bulls being used for service	80	105
Bulls (incl. bull calves) being reared for service	32	
Other cattle:-		
2 years & over:		
male	..	..
female	..	..
total	1270	..
1 year & under 2:		
male	752	..
female	1256	..
total	2008	..
Under 1 year:		
male	776	..
female	1325	..
total	2101	..
All Cattle	9909	10,037
SHEEP & LAMBS		
Ewes for breeding	9451	9990
Two tooth ewes for breeding	2192	..
Rams for service	282	302
Other sheep:-		
1 year & over	961	..
Under 1 year	10,983	..
All sheep	23,868	25,349

LIVESTOCK POPULATION - GREAT BRITAIN (Cont.)
(June census)

	1957	1958[p]
	thousand	head
PIGS		
Sows in pig	340	383
Gilts in pig	141	127
Other sows for breeding	180	..
Boars for service	41	46
Other Pigs:-		
5 months & over	976	..
2 to 5 months	2219	..
Under 2 months	1335	..
All pigs	5232	5783

[p]Provisional

[a]Including "other cows retained for breeding". Comparable figure for 1957 was 3632.

Source: Q.C. statements, MAAF.

NUMBER OF AGRICULTURAL WORKERS, ENGLAND & WALES

	1957[a]	1958[p]
Regular workers		
Male: 20 yrs. & over	348	338
under 20 yrs.	64	62
Females: all ages	36	33
Casual workers		
Male: 20 yrs. & over	85	84
under 20 yrs.	9	9
Females: all ages	65	70
All workers		
Male	505	493
Female	102	102
All workers	607	596

[p]Provisional

[a]Revised

Source: Q.C./E.W. Statement, Ministry of Agriculture.

II. Supplementary data on cereal deficiency payments.

Harvest of	Wheat	Barley	Oats & Mixed corn	Rye	Total
			£ million		
1954	24.2	8.7	-	0.20	33.1
1955	17.3	9.2	1.4	0.05	27.9
1956	19.1	10.5	4.6	0.01	34.2
1957	22.2	21.3	12.4	0.05	55.9

Source: MAAF Press Notices.

Index

This index is intended to supplement the Contents List; it does not seek to be comprehensive. In particular, it tries to collect together references to items which, though their subject has a unity of its own, appear under widely scattered general headings which have been chosen to illustrate other subjects. For example, data bearing on consumption of food may appear under a general summary (p. 64) and also under the heading of individual products.

More weight is given to similarity of idea than to identity of word in preparing this index. Thus under "subsidies" is to be found not only a summary of the total sums allocated for this purpose by the Government, but also references to comparisons of market and guaranteed prices for an agricultural product since the difference between the two reflects the subsidy element.