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A REVIEW OF BRITISH AGRICULTURE AND FOOD SUPPLIES IN 1947.

*(Reprinted from "Records and Statistics" Supplement to
"The Economist").*

AGRICULTURE.

The year 1947 was an important and remarkable one for British agriculture. It witnessed the passing of the Agriculture Act, which received the Royal Assent on 6th August, and the inauguration of the Government's four-year expansion plan. It was also, however, a year of disastrous weather and low production.

The prolonged duration of frost and snow from January to March caused extensive losses of livestock, especially sheep and lambs, over four million of which are estimated to have perished. In some localities there was serious flooding of farmland, and the 4th June returns showed 87,000 acres to be still out of use for this reason. A dry summer on top of the severe winter resulted in very poor yields from most crops. Wheat and barley in England and Wales had average yields of 15.2 and 15.6 cwt. per acre against ten-year averages of 18.8 and 17.2; sugar-beet had yields around 156.0 cwt. against 180.0 cwt.; and potatoes 116.0 cwt. against 142.0 cwt. The wheat acreage, although slightly higher than in 1946, was well below its target figure. The potato acreage was lower than in 1946, and the smallness of the potato crop was the most serious of the blows to domestic food supplies and led to rationing. Total production of all the main crops, with the single important exception of hay, was lower than in 1946.

The Agriculture Act put on a statutory basis the system of Government-guaranteed prices and markets for all the principal home-produced foodstuffs, except horticultural crops. The Government agreed that prices should continue to be settled early each year after consultation with the National Farmers' Union, and that any sudden increase in costs in the intervening period should be made good to farmers in full through the medium of a special price review. Among other things, the Act reconstituted on a permanent basis the county agricultural committees set up during wartime, enabling them (subject to a right of appeal) to supervise and if necessary to dispossess inefficient farmers. The committees are appointed by the Minister of Agriculture, but a majority of their members is chosen from panels nominated by the farmers', landowners' and workers' representatives. Their reconstitution has now taken place. The Act also provided for the establishment of an Agricultural Land Commission, to be responsible for the management of State-owned farmland, which was appointed in December under the chairmanship of Sir Frederick Burrows. There is also a Welsh sub-commission.

The national minimum wage for male farm workers was raised to 90s. from 31st August, and the average farm wage is now rather over two and a half times its 1938 level. At a special price review, held in August, substantial increases were announced for most products, and new ploughing-up acreage subsidies were introduced for wheat, rye and potatoes. The total cost of these changes in a full year will be about £70 million, of which about £18 million represents full compensation to farmers for the August wage award, the remainder being intended to stimulate output. The Ministry of Agriculture's index of agricultural prices for England and Wales (adjusted basis, 1936-38 = 100) showed heavy advances during the year. The index number of all products rose from 243 in December, 1946, to 273 in December, 1947. The index of livestock products rose from 263 to 293, the biggest gain being in fat cattle (173 to 212) and fat sheep (196 to 256); milk, already very highly priced, rose only from 307 to 319. The crop index rose from 184 to 217, with large gains to wheat (178 to 223) and oats (222 to 283). These figures indicate the extent to which price awards over the last year have favoured the production of meat, wheat and oats, whilst reducing the relative profitability of mill and barley.

The mounting dollar crisis caused the Government to announce in August a four-year plan of agricultural expansion, as a means of reducing the amount of foreign exchange spent on food imports. It is hoped that the 1951-52 output will be 20 per cent. higher than that for 1946-47, and the plan requires that the tillage acreage shall be restored by then almost to its wartime peak and that there shall be a rapid increase in numbers of livestock, in particular of pigs and poultry. Progress was disappointing up to the end of the year. The numbers of all classes of livestock in Great Britain on 4th December was lower than a year previously, except in the case of fowls.

The total number of regular farm workers in Great Britain fell during the year from 744,000 to 680,000. The main reason was the repatriation of half of the 88,000 prisoners working on the land at the year's beginning. The labour force proved adequate to harvest requirements, but the increasing shortage of labour inhibited plans for expansion of output. The Minister of Agriculture has announced that an additional 75,000 regular workers will be needed in England and Wales by the 1948 harvest, in addition to the recruits necessary to make good normal wastage. Despite a recruiting campaign, the size of the Women's Land Army fell from 19,400 to 16,500. In view of the shortage of housing in rural areas, it was arranged that allocations should be made to farm workers after consultation between local authorities and the farmers' organisations.

UNITED KINGDOM ACREAGE AND PRODUCTION.

	Acreage. (⁰⁰⁰ acres.)			Estimated Quantity. Harvested (⁰⁰⁰ tons).		
	3 June, 1939.	4 June, 1946.	4 June, 1947.	1939.	1946.	1947.
Wheat	1,766	2,062	2,163	1,645	1,967	1,667
Barley	1,013	2,211	2,060	892	1,963	1,618
Oats	2,427	3,567	3,308	2,003	2,903	2,507
Potatoes	704	1,423	1,330	5,218	10,166	7,766
Sugar Beet	345	436	395	3,529	4,522	2,885
Turnips and Swedes	712	757	725	10,076	10,935	9,249
Mangolds... ..	216	304	272	4,069	6,282	4,342
Vegetables (total)	292	559	550	2,402	3,003	2,849
Hay from—						
Permanent Grass	5,009	2,599	2,899	5,202	2,732	3,089
Temporary Grass	1,902	2,902	2,963	2,588	4,096	4,142
Tillage Area	8,813	13,300	12,876	...	...	...
Temporary Grass	4,093	5,679	5,652	...	...	...
Permanent Grass	18,773	12,030	12,412	...	...	...
Total Crops and Grass	31,679	31,010	31,027*	...	...	...

* Including 87,000 acres flooded.

LIVESTOCK POPULATION (Great Britain).

(Thousands).

	June, 1939.	Dec., 1946.	March, 1947.	June, 1947.	Sept., 1947.	Dec., 1947.*
Cows and heifers in milk	2,628	2,253	2,348	2,642	2,406	2,190
Total cattle and calves	8,119	8,420	8,491	8,633	8,682	8,385
Ewes for breeding	10,572	7,076	...	6,924	6,491	6,446
Total sheep and lambs	25,993	15,040	...	16,206	15,322	13,093
Sows for breeding	479	150	149	162	180	204
Total pigs	3,767	1,643	1,409	1,294	1,468	1,561
Total poultry	64,137	32,042	34,043	48,977	45,511	37,845

* Provisional

FARM WORKERS (Great Britain).

(Thousands).

	June, 1939.	December, 1946.	June, 1947.	December, 1947.
Regular Workers—				
Male	546.0	554.2	564.4	553.4
Female	54.7	68.9	72.2	64.0
Women's Land Army ... ..	.....	20.8	19.4	16.5
Prisoners of War ... ..	.....	96.5	88.3	46.1
Total Regular Workers	600.8	740.4	744.3	680.0
Casual Workers	110.5	118.8	147.1	122.8
Total Workers	711.3	859.2	891.5	802.3

[Published in London, March 6, 1948.]

FOOD SUPPLIES.

Food prospects at the beginning of 1947 seemed good, but within a very short while hopes were disappointed. The increased feeding stuffs rations granted to farmers had to be hurriedly rescinded owing to a shortfall in supplies. The threat of the dollar shortage loomed ahead, although it was not until August that the public realised that a lack of dollars would mean smaller rations and a more monotonous diet. There were various changes in the official rations during the year, but in each case special explanations were officially offered for the reductions. For example, the cut in the tea ration was to husband supplies because of the Calcutta strikes; but when the aftermath of the Indian labour troubles had passed, the weekly ration remained at 2 oz. The reduction of the bacon ration in November from 2 oz. to 1 oz. a week was officially due to strikes in the Canadian ports and the smaller butter ration a month previously was said to be "seasonal"; neither of these reductions was officially connected with the breakdown in the Danish food talks. Towards the end of September, the twopennyworth of corned beef was taken off the weekly meat ration, which was thus reduced to one shilling per adult; this was to save dollars by reducing imports from Argentina. In November potatoes were rationed to a maximum quantity of 3 lb. a week for each adult and 1½ lb. for each child. The crop had been a light one owing to the summer drought, but rationing was not introduced until nearly half the controllable supplies had already been disposed of, and for the rest of the year there were difficulties in meeting the full ration. Finally, in November, the sugar ration was reduced from 10 oz. to 8 oz. a week to "conserve stocks," notwithstanding official admission that stocks were adequate and that forward supplies had already been purchased.

BRITISH FOOD SUPPLIES.

('000 tons).

	Retained Imports.			Domestic Consumption.		
	1938.	1946.	1947.	1934-38.	1946.	1947.*
Wheat and Flour †	3,897	3,396	4,670	4,092	4,982	4,990
Meat—Total	1,548	1,357	1,403	...	...	...
Fresh and Frozen	1,023	942	1,003	2,106	1,690	1,626
Canned	68	185	187	79	332	286
Bacon and Ham	375	176	132	541	303	197
Butter	472	211	214	502	237	242
Cheese	146	202	191	188	217	211
Condensed Milk	82	91	71	254	170	164
Milk Powder	18	37	51	36	63	82
Eggs in Shell	167	56	80	447	286	306
Dried Eggs	1	42	33	2	41	31
Tea	220	176	168	227	204	195
Sugar	2,219	1,470	1,877	2,111	1,659	1,779
Potatoes	146	8	133	3,047	5,912	5,974
Other Fresh Fruit and Vegetables	2,103	832	1,473	...	...	...
Barley	994	110	113	822‡	1,804	1,462
Oats	79	105	106	...	...	...
Maize	2,751	116	481	3,396	255	371
Rice	134	7	5	96	6	10
Animal Feeding Stuffs	1,896	114	512	...	...	...

* Provisional.

† In terms of flour.

‡ Brewing and food only.

Total consumption of the basic foods during 1947 was less than in 1946, and often much less than prewar. The world food shortage was still acute, and it was aggravated by foreign exchange difficulties. The only foods of which larger quantities were consumed in 1947 than before the war were flour, potatoes, canned meat, cheese, milk powder, liquid milk (when all the welfare schemes are included) and dried eggs. The consumption of butter, condensed milk, powdered milk, sugar and shell eggs, while smaller than 1938, showed an increase over 1946.

There was no marked expansion in shipments from Commonwealth sources, and the bulk of the imports continued to be purchased under long-term contracts, particularly from the Dominions. At the annual price reviews of these contracts prices of practically all commodities were raised. Trading relations with Argentina remained uncertain, particularly after the suspension of sterling convertibility in August; shipments of meat to Britain were held up for three weeks, but subsequently resumed almost on a week-to-week basis. There were persistent rumours that exports to Britain would be suspended, but shipments were maintained up to the end of the year despite serious congestion in the lower Plate ports. In October, Britain and Denmark failed to agree on new prices for butter and bacon under the long-term contract, which thus became void. Britain considered the Danish minimum prices too high to conform with the policy of keeping domestic retail prices stable. In November, the dollar difficulties of both Canada and Britain necessitated a re-negotiation of the financial arrangement between the two countries. Contracts for bacon, beef, cheese and eggs were renewed but at higher prices for smaller quantities. Britain also agreed to pay United States dollars to meet a larger proportion of the total trade deficit with Canada than in the past.

Imports of cereals in 1947 were significantly larger than in 1946 but were still well below the pre-war levels. Arrivals of wheat were about 83 per cent. of those in 1938—but the extraction rate for flour was 90 per cent. compared with 70 per cent.—maize only 17 per cent. and barley about 11 per cent. Imports of animal feeding stuffs during the year were only a little over a quarter of the quantity imported before the war. On the other hand, imports of beef totalling 670,000 tons were slightly above the 1938 level, while imports of mutton and lamb, which amounted to 457,000 tons, were 26 per cent. larger than in the prewar years. Imports of pig products were less than 40 per cent. of the 1938 quantity. Total meat imports for the year amounted to 1,400,000 tons compared with 1,360,000 tons in 1946 and 1,550,000 tons in 1938. The smaller consumption in Britain reflects the reduced home production due to the shortage of feeding stuffs. In the dairy products group imports of shell eggs and milk powder increased during the year, and the quantities of processed milk and cheese received were appreciably above the prewar level.

Imports of fresh fruit and vegetables expanded considerably during 1947, but on a weight basis the quantity was only 70 per cent. of that for 1938, although quantities of certain types such as grapefruit, peaches, nectarines, pears, pineapples, plums and tomatoes, were larger than before the war. Nearly double the pre-war amount of coffee was imported into Britain in 1947, and much larger quantities of fruit juice and spirits other than brandy. Receipts of tea, however, were 26 per cent. smaller. Imports of fish were maintained on a much larger scale, but smaller quantities of salmon and sardines were received.

Consumption in Britain in 1947 was low. The average calorie intake for the first half of the year was 2,850 a day, and in the autumn it was reduced to 2,700. Nevertheless, in relation to the rapid exhaustion of Britain's gold and dollar reserves during the year it was apparent that the level of consumption was higher than Britain could afford.

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