CABINET

POTATO SUPPLIES

Memorandum by the Minister of Food

The latest estimates of potato supplies for this year show that unless we take immediate steps to reduce the potato consumption by nearly one half (from 5 lb. per head per week to 3½ lb. per head per week) we shall run out of supplies many weeks before the next crop is available. A full note setting out the supply position, the action which I have already taken to conserve supplies, and my recommendations for an individual allocation scheme is attached.

2. Our crop is down by about 20 per cent on last year's crop owing to a combination of reduced acreage (due to bad weather at the planting time) and low yield (due to the dry summer). As a consequence of this reduced harvest, and the fact that consumption since June has been maintained at last year's level, it is estimated that there will be only 2,252,000 tons of potatoes for civilian consumption in the next eight months. Last year for the same period we had 3,618,000 tons and even then there were shortages at the end of the year.

3. There is little that can be done in Great Britain to secure more potatoes for civilian consumption from farms, but there is a possibility that vigorous action in Northern Ireland may produce another 30,000 to 50,000 tons from livestock feeding alone.

4. There is no prospect of substantial imports. We may possibly be able to buy 150,000 tons from non-dollar countries. Crop prospects in North America are poor, but I am making careful enquiries into the possibility of obtaining supplies there, but I fear there is little hope of obtaining even a modest quantity.

5. Therefore the only way in which we can close the gap of 1,396,000 tons is by reducing consumption. It would be desirable to do this by a full system of differential rationing, but the problem of procurement, distribution and enforcement makes this impracticable.

6. I am forced, therefore, to recommend reluctantly to my colleagues that we should adopt a distribution scheme providing for a flat rate allowance per head recorded by marking ration books.
7. I should back the scheme by a publicity campaign, telling people why such a drastic reduction is necessary in their own interests, encouraging retailers to honour and consumers to accept the scheme, discouraging waste and advising housewives and other cooks how to make the best use of available supplies.

8. Although supplies are sufficient for an average weekly rate of consumption of 3½ lbs. per head per week, as compared with present consumption of 5½ lb. per head per week, I shall have to make allowance for consumption in schools, canteens and catering establishments. The net amount available for issue against the ration book will be only 2½ lbs. per head per week. I should welcome my colleagues' views on whether we should aim at a flat rate throughout the year or whether we should start with an allocation of 3 lbs. per week and face the almost certain prospect of a reduction to 2 lbs. per week in the spring.

9. It must be recognised that the scheme proposed will not be a satisfactory one in many ways. There will be no guarantee of supplies to the individual, no account of varying nutritional needs, except to some slight extent through supplies to school and works canteens, and enforcement will be practically impossible. People in country districts will buy from growers, and urban housewives will sometimes find difficulty in obtaining the authorised allowance. Market pressure will probably lead to conditional sales and other forms of black marketing.

10. More serious, the very small allowance which must be fixed may mean actual under-nourishment for families who eat more than the national average. Total average consumption has to come down from 5½ lb. to 3½ lb. per head per week. Working class families will get a maximum of 2½ lb. or 3 lb. per head against their normal purchases of 4½ lb. Middle class people, whose dietary habits are different, will not be so badly hit. As a group, adolescents will suffer the most.

11. The nutritional implications of potato rationing are serious and I am looking into the possibility of safeguarding the position of the more vulnerable groups, especially adolescents.

12. This agricultural disaster makes it essential that we should - even to the point of over-insurance - make sure of our supplies for 1948/49. It seems imperative therefore that we should plant a minimum acreage of 1,600,000.

13. I ask my colleagues -

(a) to authorise me to introduce the distribution scheme. (I should add that the need to reduce consumption is so urgent that I have authorised preliminary discussions with the trade and other interests concerned so that we can go ahead as soon as a decision is reached);

(b) to decide whether the initial allowance should be 2½ lb. or 3 lb.;

(c) to invite the Minister of Agriculture to propose measures that will ensure a minimum acreage of 1,600,000 under potatoes in 1948/49.

J.S.

Ministry of Food, S.W. 1, 20th October, 1917.
POTATO SUPPLIES 1947-48

Proposals for the regulation of distribution

1. The latest estimates by the Agricultural Departments of potato supplies, which became available during the last few days, require that immediate action should be taken to reduce consumption during the winter and spring months. They imply a further deterioration in the declining nutritional standards of the United Kingdom which can only be prevented from becoming serious if imports of other foodstuffs and in particular of cereals are maintained.

2. The acres planted in the United Kingdom in 1946 was at the record figure of 1,423,000 acres and the yield at 7.1 tons per acre was normal. The same target was set for 1947, but owing to bad spring weather the acreage planted was 1,350,000 only, i.e. a fall of over 90,000 acres. Furthermore, the yield this year is at present estimated to be 6.03 tons per acre, the lowest since 1931.

After deducting allowances for seed, (1,211,000 tons) chaps (431,000 tons) normal shrinkage waste and consumption on farms (790,000 tons) priority exports, for instance to Gibraltar and Admiralty stations (20,000 tons) potato powder for use as an emergency reserve (50,000 tons) and Services requirements (93,000 tons) approximately 4,400,000 tons were available for the civilian market in Great Britain from the first liftings in June 1947, to the end of June 1948. By 23rd November 2,281,000 tons of this will have been consumed, leaving 2,252,000 tons plus 80,000 tons from Northern Ireland, for consumption in the following 7½ months.

As a result only 2,252,000 tons of potatoes will be available for civilian consumption in Great Britain from the 23rd November to the end of the season. This compares with 3,648,000 tons (i.e. a fall of 1,396,000 tons) estimated to be required to meet the needs of domestic consumers, catering establishments, fish friers and other users over the same period; this figure of need is based on the consumption of 1946/47 when, in spite of record acreage and normal yield, we had barely sufficient for our requirements. This figure of 2,252,000 tons represents an overall supply of about 3½ lbs. per head per week (out of which supplies for catering establishments and fish friers must be found) as compared with 5½ lbs. available during the same period last year. There are prospects of securing some imports, but they are too uncertain to be counted on.

Imports from the Channel Islands may be estimated at 30,000 tons, subject however to the crop being reasonably free from Colorado beetle infestation. European production has suffered seriously from the recent drought conditions; this, combined with the increased use of potatoes for feeding to livestock in nearly all countries, makes imports from this source most unlikely. Poland, Holland, Denmark and Rumania may agree to sell on favourable terms and negotiations are proceeding, but the quantity could not possible exceed 100,000 tons. South Africa anticipates a small surplus though the crop is not yet planted. This source may provide 20,000 tons. All the foregoing sources, therefore, cannot give us more than 150,000 tons.
Estimates of acreage in Canada and the Maritime Provinces show a 10% decrease and a drop in total production of approximately 372,000 tons is anticipated. This, however, does not rule out the possibility of obtaining supplies from Canada, as production may still exceed demand. Answers to enquiries on this point are awaited. Last year 73,000 tons were imported from the disease free area, and it is unlikely that that figure will be reached this season. In the United States, production estimates for this season show a drop of 20% compared with 1946. Indications are that there will be no large surplus available for export and that last season’s offer at giveaway prices will not be repeated. In Canada and the United States the incidence of bacterial ring rot—a disease from which the United Kingdom crop is free—is a special complication for imports. If substantial supplies, say, to the extent of 250,000 tons, prove to be available from Canada and the United States, which seems highly unlikely, it might be worth while to take the risk of ring rot.

In anticipation of the possible shortage later in the year, restrictions on marketing have been in force from the commencement of the 1947 season, first in the form of prohibitions on marketing of second early and main crop varieties and subsequently on sales of better keeping main crop varieties. These restrictions prohibited the sale of approximately half our remaining stocks, but were not preventing the marketing of heavier than normal supplies of uncontrolled varieties. From the 20th October they have been extended to additional varieties and rail movement into certain heavy consuming areas, notably London and Lancashire, has been prohibited except under control of the Ministry of Food and by means of Ministry purchase. All rail movements from Scotland, a deficiency area, into England and Wales are prohibited. The intention of these measures is to restrict the run-down of stocks pending the introduction of a fuller scheme of control; they are merely emergency and stop-gap arrangements which, unless quickly supported by other action, would lead to grave inequalities in distribution.

The sale of any potatoes for stockfeeding is already prohibited unless a licence is obtained by the grower, and it is also an offence for a grower to use ware or seed potatoes for feeding to stock. There is little diversion from farms of sound potatoes to stock feeding in Great Britain at present. In the past, there has been some illegal diversion at wholesale and retail levels, but it is hoped that the higher prices now in force following the withdrawal of the tonnage subsidy will check this.

In Northern Ireland the position on farms is less satisfactory. The crop is grown very largely by small farms and has always been the experience there that a significant part of the total crop, nearly 40%, during the last ten seasons, compared with 11% in Great Britain, remains on the farms where the bulk is fed to stock. It is essential that this diversion should be greatly reduced and the resultant saving made available for shipment to Great Britain. There may be between 30,000 and 50,000 tons at issue here. At present the rate of shipment forecast for the season from Northern Ireland is 90,000 tons compared with
213,000 tons shipped last year. We are discussing with Northern Ireland whether, by reason of economies on the farm and in the market, the present estimate of 90,000 tons cannot be increased to about last year's level.

Action has already been taken to reduce the legal sales for stockfeed by lowering the "were standard" and allowing certain previously prohibited types with superficial defects, such as cracks and dry scab, to move for human consumption; these would normally have been fed to stock.

Reduction in size of "riddle"

Reduction of the present 1\(\frac{1}{4}\) inch "riddle" to 1 inch has also been considered as a possible means of reducing the residue of small potatoes left on farms, but has been discarded as being of little value. The change would produce a few more potatoes - perhaps one quarter of a week's supply - at the cost of including more soil and other matter and could not be made generally effective as few growers have "riddles" of the smaller mesh.

Following normal practice, a reserve of about 700,000 tons necessary for adjustment of supplies in deficiency areas at the end of the season is being purchased. The further restrictions on sale and movement described above will reduce the supplies available to the wholesale trade and will cause shortages to develop in some areas within a very short period. It is therefore necessary to regulate sales to the consumer at the earliest possible moment. The limited supplies available must be spread to the best advantage over the period until the 1948 crop becomes available in fair quantity (say 1st July, 1948) and distributed as equitably as possible between consumers either by rationing or by some system of distribution short of rationing.

Difficulty 4. There are two main types of rationing schemes:

(a) Cancellation of coupons coupled with registration with retailers.

(b) Cutting out of coupons with no tie to a retailer.

(a) Registration with retailers implies a guarantee of supplies to the retailer and of the ration to his registered customers. It would be impossible to tie a consumer to a particular retailer if there were the possibility that his retailer would be unable to supply him whilst a neighbouring retailer had supplies available which he was forbidden to buy. It would, however, be impracticable to secure that the potato retailer would receive supplies in accordance with the number of customers registered with him. There are estimated to be about 240,000 growers (including about 10,000 grower-salesmen) of whom about 175,000 will be holding stocks at the end of November, 3,500 first hand buyers and not less than 150,000 retailers. To regiment supplies from grower to consumer under these conditions as in the manner required by a registration scheme would involve buying permits and returns at each stage of distribution as well as the burden of setting up and maintaining records of registration.
This would be an immense operation requiring a great deal of time and labour.

(b) Cutting out of coupons presupposes that suitable coupons are available. They are not. Printing of appropriate sets of coupons and their distribution to individual consumers would put an almost unbearable strain both on the administrative machine and on the patience of the public. Moreover, while coupons surrendered by the retailer would be a fairly accurate measure of the supplies needed by him, it would be no less difficult to relate his supplies to his needs than it would under a registration scheme.

The foregoing reasons seem conclusive against the imposition of a rationing scheme proper.

5. The only practicable course is some system of controlled distribution. The Ministry already operates a number of schemes which fell short of full rationing, but have nevertheless served to distribute, for example, milk, oranges, eggs and bananas with a reasonable measure of fairness. Such a scheme for potatoes would provide that:

(a) Except as provided in (c) and (d) below, no retailer will be permitted to sell to any consumer and no domestic user will be permitted to buy more than X pounds of potatoes in any one ration week.

(b) All retail sales of potatoes to individual consumers will be marked by the cancellation of a coupon or panel from the back of the ration book of which there is one numbered for each of 52 weeks.

(c) Coupons will be marked (and potatoes taken) in the week to which they relate or in the succeeding week.

(d) Supplies to hotels, restaurants, canteens, etc. will be purchased by means of permits and will be assessed on the principles applied to rationed commodities. Supplies to fish friers and manufacturers will be related to their allocations of other foods in such a way as to cut their supplies in a ratio roughly corresponding to the cut in domestic supplies.

(e) The Ministry will take steps to regulate the flow of potatoes off farms to equate as nearly as possible over a period the quantities entering the market and the quantities which should be needed to meet the consumer allowances. A margin will be allowed for contingencies.

To start bread rationing, 5000 additional staff had to be employed in Food Offices. Probably about 7,500 would be required for this operation in Food Offices and, in addition, the Potato Division of the Ministry and also the trade would have to take on several thousand more.
To eliminate the buying of potatoes for other than legitimate resale, each trader will be given a document certifying that he is a legitimate trader without which he may not be supplied. This will throw some work upon the Ministry and entail a certain amount of printing, but it is quite indispensable.

It would be impracticable to apply this scheme to Northern Ireland.

This scheme has the merit of simplicity. It involves a minimum of administrative intervention in the distributive machine - a most important point in a scheme designed to last for only seven months. On the other hand, it has certain obvious weaknesses. It is designedly much more rough and ready than a full rationing scheme and this is a serious consideration with so vital a commodity. Adherence to the regulations will be difficult to enforce. It will not be possible to provide for any differentiations between groups of consumers on the domestic allowance (except for children under five and seamen) or to take account of self-suppliers (probably no scheme could do this). On the other hand, it will be possible to make provision for the special needs of industrial workers and school children by giving to industrial canteens and schools preferential allowances of potatoes of the same order as they enjoy for certain rationed foods.

6. It will be seen, from paragraph 2 above, that it is estimated that 2,252,000 tons of potatoes will be available for consumption between 23rd November, 1917 and 30th June, 1918, or some 1,396,000 tons less than is needed. The following are alternative plans for matching consumption with the available supplies:

(a) Taking a conservative estimate of total supplies (at this stage in the season exact estimates are impossible as much of the crop is still in the ground) it is possible to budget for a uniform domestic allowance over the whole period. On this basis the highest prudent level for the normal domestic allowance would be 2½ lbs. per head per week. There would be some nutritional justification for giving a lower allowance to children under five years of age and this can easily be done since they have a different coloured ration book. It is proposed that they should receive 1½ lbs. per head per week. These two categories would use 1,065,000 tons.

Ordinary commercial catering establishments and institutions would receive supplies on strict parity with the domestic allowance, but schools and industrial canteens would be on a scale roughly equal to their present consumption. These categories would account for 369,000 tons.

Fish frieders would be reduced to 136,000 tons.

Manufacturers would use 50,000 tons. Total usage would thus be 2,120,000 tons against 2,252,000 estimated to be available for civilian consumption in Great Britain from the United Kingdom supplies.
The disadvantages of this plan are that it means a very drastic cut at the outset before the scheme has got going and that it involves possibly unnecessarily low consumption during part of the worst winter period. On the other hand, if the estimate proves to have been too pessimistic it might be possible to raise the allowance about the end of February at a time when from the point of view both of general morale and of nutrition such a fillip would be welcome.

(c) A domestic allowance of 3 lbs. per head (1 1/2 lbs. for children up to five) could be given initially, with the certainty that it would have to be reduced at the beginning of March probably to 2 lbs. Off-take figures would be similar in total to those given under (a), but the off-take would be differently spread over the period. This method would give the scheme a much better start. It would also give a slightly higher consumption during the depth of the winter. On the other hand, other things being equal, a decrease in the allowance is a thing to be avoided and this decrease would come at a time when there will be a widespread shortage of vegetables.

The reductions under either plan will be a particularly serious blow to families with growing children; it may be desirable to increase the bread ration for adolescents as soon as the reduction in potato consumption takes effect.

It is obvious that the position is so serious that control must be imposed at the earliest possible moment. Tentative consultations have been begun with the growers' and traders' organisations and also the National Potatoes Advisory Committee, which consists of growers, wholesalers, co-operative societies, retailers, fish fryers and trade unions to discuss with them the measures proposed. On the assumption that a decision is reached not later than 23rd October, this consultation can be completed by the end of the month. Any delay in reaching a decision will cause a postponement and add to our supply and control difficulties.

After these consultations have taken place, it is proposed to bring the Order into force in two stages. As from 2nd November, retailers will be required to limit their sales to ration book holders and to the prescribed quantities and to mark ration books. As from the same date, the use of potatoes in catering establishments, cafetiers and fish fryers' shops will be limited to the statutory allowances. The second part of the Order will provide that sales may not take place to retailers and catering establishments who do not hold written authority to buy from the Food Office. The earliest date that this will be possible will be the 30th November, since the necessary documents cannot be printed and issued sooner. This procedure will mean that there will be a period of four weeks during which it will be possible for catering establishments to buy in excess of their requirements and for persons who are not bona fide retailers to buy for resale. In practice, however, this is not likely to lead to a serious depletion of stocks, since buying by the general public,

Present home consumption of potatoes in urban working-class households is estimated at 4 1/2 lbs. per head per week, of which 4 1/2 lbs. are actual purchases.
whether through retailers' shops or catering establishments, will be limited, and the drain on total supplies will be moderated.

9. Arrangements to secure the proper use of seed potatoes are being discussed with the Agriculture Departments.

10. The seriousness of the cut in potato consumption upon our precarious nutritional standards must be clearly recognised. While it is true that the overall loss in calories will only be of the order of 3 per cent., such a loss — when added to other impending cuts in rationed foods — may well reduce the average nutrient intake below the marginal level of 2,800 calories per day. Moreover, potatoes are one of the most important sources of vitamin C; during the war they furnished fully one third of the daily intake of this vitamin. A substantial reduction in potato consumption during the winter months, when their vitamin C content is normally low as a result of storage and when alternative sources of this vitamin (e.g., fruit and green leafy vegetables) are scarce, will seriously reduce the total vitamin C intake of the population. The allocations recommended in this memorandum will spread the available supplies as evenly as possible over all age groups and classes of the population, while furnishing adequate supplementary allocations to children of school age (whose vitamin C requirements are high) and providing generous canteen allocations to industrial workers who need calories. Nevertheless, the general effect on the nutritional well-being of the population must give cause for serious concern.

11. A further factor of almost equal importance is the special place of potatoes in the daily menu. Dietary habits are notoriously difficult to alter, and any reduction in either household or canteen supplies is bound to have a most unfavourable psychological effect on both the housewife and the worker. If it should prove possible to de-ration bread fairly soon this would help to alleviate the position not only from the nutritional but still more from the psychological angle. Bread constitutes an invaluable "filler" between staple foods in an ration supply, and though it occupies a very different place from potatoes in the daily menu, its free sale would provide both a safety factor in marginal cases and a safety valve against popular frustration. While the de-rationing of bread would help to safeguard the calorie and protein intake of the population, it would not alleviate the shortage of vitamin C. It will therefore be essential to take all possible supplementary measures to increase the vitamin C intake during the late winter and early spring months.

12. No one can gauge at this stage the harm that will be done to the well being of the public by the coming potato shortage, but it is apparent that no steps that can now be taken will prevent some decline in nutritional standards during the difficult winter ahead. It is, however, the future in some measure to be safeguarded, urgent steps will have to be taken to prevent a recurrence of the shortages of the past and present seasons. A very substantial increase in the acreage of potatoes was one of the main contributions of British agriculture to the nation's war-time food supply. It seems imperative that more adequate provision should be made for potato production during the 1948/49 season, especially in view of the very
problematic nature of the country's future food supplies from overseas.

It can be assumed that demand will continue at slightly more than the 1946/47 level. The introduction of bread rationing brought about a larger demand for potatoes for human consumption and for domestic pigs and poultry. It is probable that this larger demand will continue in 1948/49; if bread rationing is discontinued there remains still the likelihood of an increase of livestock, and the usage of potatoes on farms and for domestic feeding may make larger inroads into potato supplies. Provision has to be made also for a slight increase in population. As already stated, the United Kingdom 1946 acreage was 1,423,000 and the yield was 7.1 tons per acre. This was a record acreage and a normal yield. Nevertheless, supplies fell slightly short of needs. The estimated yield this year is 6.03 tons per acre which is the lowest since 1931 and the average fell by about 90,000. The need to insure against a repetition of a combined high offtake and low yield can be met only by a large increased acreage in the United Kingdom. The estimated demand would require an acreage of 1,178,000 acres if the low yield of 6.0 tons per acre should recur, and even then much of the new acreage would be planted on marginal land from which the yield would be below average. It is recognised that there is neither suitable land nor sufficient seed to plant 1,178,000 acres. 1,600,000 acres, for which seed could be available, is the minimum insurance which can be regarded as wise in 1948/49. The risk that with a good yield this acreage would produce a surplus is one that must be taken if the danger of another failure is to be avoided.

Ministry of Food, S.W. 1,

20th October, 1947.