REPORT BY THE FOOD CONTROLLER ON BREAD, MEAT, AND SUGAR.

To the Right Hon. D. Lloyd George, M.P.

I HAVE now had the opportunity of making a personal investigation into the conditions which govern the importation of three of our staple food products, viz., bread, meat, and sugar. My enquiries have covered:-

(a.) The sources of supply;
(b.) The buying of the various commodities;
(c.) Their transport to destination;
(d.) Financial considerations; and, most important of all,
(e.) The statistical position of each in relation to consumption at the moment and in the future.

STATISTICAL POSITION.

Bread.

In the opinion of the Royal Commission on Wheat Supplies, it is essential to secure economy of wheat by a considerable reduction in its consumption in this country. There is no evidence of economy. In fact, such evidence as there is points in the other direction. The imports of wheat and flour at the principal English ports in the calendar year 1916 exceed the corresponding imports in 1915 by about 2,000,000 quarters, of which increase half was imported as, and still constitutes, a reserve; the remaining 1,000,000 quarters represent excess of sales of imported wheat in 1916 compared with 1915 to the extent of, say, two weeks' imports.

The home-grown stocks are short, the amount available for consumption being estimated at 4,400,000 quarters, of which about 3,780,000 quarters are estimated as still remaining on the farms.

As you are well aware, owing to the vicissitudes of the harvest, the crops of the northern hemisphere were poor; and in consequence by far the major portion of our requirements have to be imported from the more distant points, in Australia, &c.

The estimated requirements of wheat and/or flour for importation to the United Kingdom from the 1st November, 1916, to the 31st August, 1917, the Royal Commission have estimated that an economy of 5 per cent. on the normal importations will be realised by the effect of the Manufacture of Flour and Bread Order, 1916, increasing the extraction of flour from the wheat milled.

In view of all the circumstances, the Royal Commission consider that an economy of 5 per cent. is entirely inadequate. Further, with the existing tendency towards an increase in consumption, they doubt whether any actual net economy will be realised unless some further State action is taken.

The estimated stocks of wheat and flour in the United Kingdom this year and the two preceding years are given below. You will notice that while the total stock is slightly lower than 1913, and considerably lower than 1914, a portion of this stock is Government reserve, which it was decided should be maintained at 1,000,000 quarters; and the fact that it is now less than this figure is the effect of the local demand for supplies.
ESTIMATED STOCKS of Wheat and Flour at Ports, in Millers', Bakers', and Farmers' Hands.

<table>
<thead>
<tr>
<th>Date</th>
<th>Quarters</th>
<th>Weeks' Supply</th>
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<tbody>
<tr>
<td>December 21, 1914</td>
<td>11,145,000</td>
<td>174</td>
</tr>
<tr>
<td>December 20, 1915</td>
<td>9,036,000</td>
<td>133</td>
</tr>
<tr>
<td>December 13, 1916</td>
<td>7,727,000</td>
<td>114 1/2 weeks' supply</td>
</tr>
<tr>
<td>Trade stock</td>
<td>900,000</td>
<td></td>
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<tr>
<td>Government reserves</td>
<td>900,000</td>
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The quantity afloat for United Kingdom direct is about the same now as in 1915 and 1914 at this time.

If these figures are considered from a statistical standpoint alone it may be urged that there is a sufficiency of wheat supplies in hand, and on the way, to justify the present uncontrolled distribution of bread (and flour) continuing; but assuming that the policy to be aimed at is to bring about at the earliest moment a curtailment of the national consumption in order to husband supplies against unforeseen contingencies, this end can only be attained by some system of rationing.

I may add that the Wheat Commission are not anticipating any insurmountable difficulty in continuing to maintain supplies at the present level. Even if supplies of wheat should fall below the present level by as much as 15 per cent., the deficiency could be made up by still closer milling of the wheat and by the addition of other cereals. In view of this, and of the fact that the great variation in bread consumption among different classes of the community (from 3 to 6 lbs. per head per week) makes rationing almost impossible, I recommend that no such system be introduced at present.

If altered circumstances should warrant rationing at a later date, I should recommend that a maximum allowance per head, per week, of 4 lb. of bread should be enforced.

My enquiries have been made through the most reliable distributive channels of the co-operative and other organisations throughout the country in order to get as near a figure as possible of the average consumption at the present time.

Further, I have consulted the War Food Committee of the Royal Society, through Professor T. B. Wood, now on my staff, as to what quantity per day or per week of bread, and of other foods with which I am dealing, is necessary for the maintenance of efficiency in different classes of the community.

To Increase the Supply of Bread-stuffs.

I have had prepared and have personally tested several batches of loaves made from Government regulation flour, to which was added 5 per cent. and 10 per cent. of flour made from maize, rice, barley, and oats. Both the loaves containing 5 per cent. admixture and those containing 10 per cent. were of excellent quality, palatable, and nutritious, and with no objectionable characteristics of any kind.

At a recent conference of representative millers and bakers, it was admitted that an admixture up to 10 per cent., so far as barley and rice are concerned, presents no milling difficulties, but that other cereals could not be milled with the existing plant without considerable alterations.

I took the opportunity of discussing at the same time the possibility of further increasing by 5 per cent. the extraction of flour from wheat up to 81 per cent. instead of 76 per cent., the average extraction enforced by the regulation issued a few weeks ago. I am satisfied that this further extraction will not unduly depreciate the character of the loaf.

I have issued an Order making it compulsory on all millers—

(a) To increase the percentage of flour extracted from the wheat from the present 76 per cent. to 81 per cent.; or
(b) To add not less than 5 per cent. of flour from maize, rice, barley, or oats.

In both cases it will be permissible to add a further 5 per cent. of flour from maize, rice, barley, or oats.

The result will be a further economy of at least 5 per cent. and probably 10 per cent. of wheat.
The effect of these operations will be—

(a.) To further economise wheat;
(b.) To widen the basis of the supply of breadstuffs;
(c.) To economise tonnage.

Meat.

As regards meat, the main sources of supply of meat are—

(a.) From Australia.
(b.) From South America (shipped mainly from Buenos Aires (Argentina) and Monte Video (Uruguay).
(c.) From home production.

I am informed that the imported supplies of beef and mutton in the past ten months for civilian consumption amount to about 221,000 tons, equivalent to 22,100 tons per month, and, taking home supplies as being the same as in 1913, we have a further 96,000 tons a month available. As evidence of the diminution of imported meat for civilian consumption, the home supplies, which formed nearly 64 per cent. of the whole in 1913, now represent about 82 per cent. of the whole.

Taking the civilian population at the two periods, and correcting for the varying consumption according to age and sex, the quantity of beef and mutton available has fallen from 2.84 lb. per adult man per week in 1913 to 2.42 lb., a decrease equivalent to nearly 4 lb. per week per adult man.

In order to control distribution and/or further reduce consumption by State action, there are the alternatives of a meatless day or days and rationing.

I do not support the idea of meatless days. I think in the main it would be ineffective, would lead to compulsory waste of good food and evasion. Further, it would tend, on the day fixed, to create an abnormal demand for fish and other foods, which it might not be possible to meet. This would lead to disappointment and public irritation.

Rationing, on the contrary, if and when necessary to adopt, would give what is wanted to ensure diminution of meat consumption. In effect it would produce meatless days or their equivalent, and each household could suit its own convenience and predilection.

I have carefully discussed with Sir Thomas Probinson the immediate and future outlook as to his power to maintain imported supplies, and he is quite sanguine that this can be done. He informs me that the Australian meat available for export will be greater this season. New Zealand expects to exceed last season's shipments, and from the River Plate we could draw additional meat if more refrigerated tonnage were available. On the whole, the quantity of meat offered us is certainly in excess of what was available twelve months ago, but in every case our imports are limited by the amount of tonnage available.

Steps are being taken by myself, in association with Mr. Prothero, to stimulate the home production of meat by measures which will ensure larger and cheaper supplies of feeding-stuffs, and so obviate the danger of reduction of home stocks, already threatening, by reason of the dearness and scarcity of feeding-stuffs.

The head of live-stock in the country at present is slightly above normal, and the high prices of all feeding-stuffs is sufficient evidence of their scarcity. By compulsory regulation of slaughter of cattle and sheep at a certain stage of fatness, great economy of feeding-stuffs would be effected, and the feeding-stuffs saved could be diverted to the immediate production of pork. A given weight of pork can be produced in about one-third of the time and with the consumption of much less fodder than is required to produce the same weight of steer beef.

Considered purely from the statistical position, there is apparently no immediate necessity for the curtailment of consumption by compulsory methods; but if policy dictates that the necessity has arisen, then rationing is essential.

Presuming that meat would be defined as including fresh meat, preserved meat, poultry, game, and bacon, I should recommend that a maximum allowance per head per week of 2½ lbs. should be enforced.

Sugar.

I have ascertained from the Royal Commission on Sugar Supplies that the amount of sugar put upon the market by the Sugar Commission during the last six months
has been in round figures 25,000 tons a week. This is appropriated through the regular channels of distribution covering:

1. Domestic consumption.
2. Naval and military forces.
3. The manufacture of jams, confectionery, biscuits, &c.

These quantities ought to be amply sufficient to prevent anything like complaint, but, owing to the inequalities in distribution, certain areas and also certain individuals have, as a matter of fact, found difficulty in obtaining reasonable supplies. As regards areas, the difficulty has arisen partly from delays in transport and partly from movements of the population.

In order to ensure an equivalent of distribution so far as the supplies permit, I have come to the conclusion that this can only be achieved by a system of rationing. Rationing, if for no other reason, is justifiable in order to prevent that section of the community with greedy instincts from using such influence as they can command to securing for themselves an excessive supply of sugar, disregarding the deprivation it causes to others less fortunately circumstanced.

As regards the statistical position, if a fair and equal distribution could be secured, there would be available a sufficiency of supplies to ensure each individual in the country getting an adequate supply; but under the present circumstances that appears to be unattainable, hence I recommend that an allowance per head per week of ½ lb. of sugar be enforced.

System of Rationing.

I suggest that the first operative action as a preliminary to the establishment of the essential organisation to bring effective rationing into operation, which of necessity will take some time to improvise, will be to proclaim by Order under the Defence of the Realm Regulations the articles of food to which rationing is to be applied, stating the fixed maximum ration, and that to exceed these quantities is illegal; and, further, that infringement will be punishable by fine or imprisonment; also the date when the Order will become effective.

I have prepared a rough draft of a further announcement which I think should be issued by the Food Controller to the public, explaining why extended rationing may become necessary. The announcement would set out the quantities of the various foods that should be consumed per head per week, and appeal for a whole-hearted observance of these.

The great merit of these two acts would be—

(a.) To immediately bring rationing into action.
(b.) The probable curtailment of the excessive consumption of foods generally.

This would be in effect putting the nation upon its honour pending the decision to set up full rationing machinery, involving a system of official food-tickets, which would take some time to complete.

January 11, 1917.

DEVONPORT.