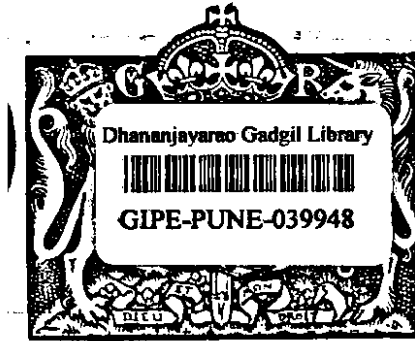


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Economic Series No. 37



(For list of other Reports in
this Series see inside of cover.)

MINISTRY OF AGRICULTURE AND FISHERIES

Report of the
REORGANISATION COMMISSION
FOR
PIGS AND PIG PRODUCTS

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LONDON

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MINUTE OF APPOINTMENT.

In accordance with Section 15 of the Agricultural Marketing Act, 1931, we hereby constitute—

COL. THE RT. HON. G. R. LANE FOX, P.C., J.P., D.L.,
 SIR WILLIAM S. HALDANE, W.S.,
 H. G. HOWITT, Esq., D.S.O., M.C., F.C.A.,
 LT.-COL. SIR WYNDHAM PORTAL, Bart., M.V.O., D.S.O., and
 THE HON. JASPER RIDLEY,

as an Agricultural Marketing Reorganisation Commission for Great Britain, and charge it with the duty of preparing, in accordance with the provisions of the Act, a scheme or schemes (applicable in England and Scotland) for regulating the marketing of pigs and any pig products, and we direct that the Commission, in the course of preparing any scheme as aforesaid, shall—

(a) investigate the extent to which its operation could be facilitated by co-operation between the board administering it and any corresponding body in Northern Ireland ;

(b) investigate the manner in which its operation could be facilitated by the quantitative regulation of imports of pigs and bacon and by similar or different measures affecting other pig products ;

(c) investigate the manner in which such regulation could best be undertaken in the public interest ;

(d) investigate any other matter affecting the operation of any such scheme ; and

(e) make recommendations with respect to the matters investigated.

We further appoint Col. The Rt. Hon. G. R. Lane-Fox, P.C., J.P., D.L., to be Chairman ; Mr. J. B. Baber, M.C., T.D., to be Secretary ; and Mr. A. R. Manktelow to be Assistant Secretary of the Commission.

(Signed) JOHN GILMOUR,
 Minister of Agriculture and Fisheries.

(Signed) ARCHIBALD SINCLAIR,
 Secretary of State for Scotland.

21st April, 1932.

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REPORT OF THE REORGANISATION COMMISSION FOR PIGS AND PIG PRODUCTS.

PART I.—INTRODUCTORY.

TO MAJOR THE RIGHT HONOURABLE WALTER ELLIOT, M.C., M.P.,
Minister of Agriculture and Fisheries ;

THE RIGHT HONOURABLE SIR GODFREY COLLINS, K.B.E.,
C.M.G., M.P., His Majesty's Secretary of State for Scotland.

SIRS,—

1. **Terms of Reference.**—In accordance with Section 15 of the Agricultural Marketing Act, 1931, we were constituted on April 21st, 1932, as an Agricultural Marketing Reorganisation Commission for Great Britain, charged with the duty of preparing, in accordance with the provisions of the Act, a scheme or schemes (applicable in England and Scotland) for regulating the marketing of pigs and any pig products. Our procedure was governed by the Agricultural Marketing (Reorganisation Commission) (Great Britain) Regulations, 1932.*

In the course of preparing any scheme, we were directed :—

(a) to investigate the extent to which its operation could be facilitated by co-operation between the board administering it and any corresponding body in Northern Ireland ;

(b) to investigate the manner in which its operation could be facilitated by the quantitative regulation of imports of pigs and bacon,† and by similar or different measures affecting other pig products ;

(c) to investigate the manner in which such regulation could best be undertaken in the public interest ;

(d) to investigate any other matter affecting the operation of any such scheme ; and

(e) to make recommendations with respect to the matters investigated.

We have, therefore, not taken into consideration the imposition of duties on imports of pigs and bacon, and we have endeavoured to keep within the scope of the Agricultural Marketing Act. These limitations have added to the complexity of the scheme which we

*S.R. & O., 1932, No. 609.

† We have throughout construed "bacon" as including hams.

propose, and certain suggestions that we make will necessitate slight amendment to that Act if they are to be carried out.

2. **Urgency of Task.**—From the outset, we recognized the need to complete our work with all possible speed. The pressure of imported supplies upon the bacon market showed no sign of relaxing, and, although the Agricultural Returns made this summer showed an actual increase in the pig population of England and Wales, there were indications that even those producers in Great Britain who had pursued a steady production policy, in good times and bad, for a number of years were beginning to lose heart.

It was, therefore, fortunate that the investigations conducted by the Pig Industry Council, by the Scottish Pig Industry Committee, by the Imperial Economic Committee, and by the Ministry of Agriculture and Fisheries,* had placed on record a mass of evidence pertaining to the production and marketing of pigs and bacon. After having studied further documentary evidence and after long and numerous discussions with individual authorities and with representatives of many interests, we have found the evidence of those earlier investigations substantially confirmed. Further confirmation has been afforded by a valuable report furnished by one of our members who visited Denmark. From these sources we have borrowed freely in formulating what we hope will be a workable plan.

There is, therefore, no need to set out at great length the situation of the industry today; a brief recapitulation, if accompanied by references to the reports of the Pig Industry Council and the Ministry of Agriculture and Fisheries, and if preceded by a short statistical appreciation, will suffice.

3. **Great Britain as a Producer of Pig-meat.**—(a) *Total Pig-meat Output.*—Table I shows the pig population, number of pigs slaughtered and output of pig-meat in Great Britain from 1911 to 1931.

The average annual value of pigs sold off farms in Great Britain during the five years ended June, 1931, was approximately £22½ million. The pig industry thus contributes almost one-tenth to the total value of agricultural produce sold off farms in this country.

Although one of the principal pig-meat consuming countries, Great Britain ranks only moderately high in pig population among the nations of the world. The pig population of Great Britain during the 5 years 1926-30† averaged some 2,670,000 head. In 1931, the figure was 2,945,000 head.

The industry is mainly concentrated in England and Wales, the

* For list of reports containing the results of these investigations, see Appendix D.

† June 4th census in each year.

pig population of Scotland averaging only about 165,000 head. Similar figures for a number of other producing countries are :—

		<i>Pig Population.*</i>	<i>Approximate Human Population.</i>
U.S.A.	... ..	55,600,000	137,000,000
Germany	... ..	19,700,000	63,000,000
France	... ..	5,900,000	41,000,000
Poland	... ..	5,700,000	31,000,000
Canada	... ..	4,400,000	10,000,000
Denmark	... ..	3,700,000	3,500,000
Great Britain	... ..	2,870,000	44,000,000

The average number of pigs fed and slaughtered annually in Great Britain in the 5 years 1926-30 has been estimated to have been 3,690,000, and to have given an approximate annual output of pig-meat (including lard and edible offal) of 5,540,000 cwt. In 1931, 3,765,000 pigs were slaughtered, giving an approximate output of 5,648,000 cwt. of pig-meat. In the 5 years 1909-13, the average pig population was estimated at about 2,500,000 head, the average number of pigs slaughtered at 3,558,000, and the average output of pig-meat at 5,336,000 cwt. Thus, in spite of considerable annual variations, a growing human population and an increase in the volume of total pig-meat supplies, the home pig industry, so far as volume of output is concerned, has been virtually stationary during the past 20 years. Meanwhile, the pig population of Denmark increased by almost 150 per cent. in 20 years (1909-29), that of Sweden by about 40 per cent. in 15 years (1913-28), and that of Holland by about 50 per cent. in 17 years (1913-30), the additional output having come largely to this country.

(b) *Bacon and Ham Output.*—Annual figures showing the production of bacon and hams as distinct from other pig-meat (pork, lard and offals) are not available. The industrial censuses of production carried out by the Board of Trade in respect of 1924 and 1930 give the following as being the production of bacon and hams by firms in Great Britain employing more than 10 persons in those two years :—

		<i>Quantity.</i>	<i>Value.</i>
1924	... ..	1,204,000 cwt.	£7,560,000
1930	... ..	1,238,000 cwt.	£6,930,000

In addition, in 1924, firms employing 10 persons or fewer are shown as having produced 114,000 cwt. of bacon and hams. Unless considerable changes have taken place in the output and number of these smaller firms, the production in 1930 may be estimated, on a conservative basis, at about 1,350,000 cwt., valued at £7½ million. This figure, however, refers only to what may be called the factory output. A certain amount of pig-meat is cured throughout the country by butchers, generally to meet the needs of their own retail trade, and it is probable that the returns received by the

* Average of figures available for the 5-year period 1926-30.

Board of Trade and used to compile the above totals only comprised a small proportion from these "butcher-curers."

It does, however, appear that in 1930 something more than one-quarter in volume of the pig-meat output of Great Britain consisted of bacon and hams, and the remainder of pork, lard and offals.

4. Northern Ireland as a Producer of Pig-meat.—Table II shows the pig population and output of Northern Ireland from 1926 to 1931. The pig population during the 5 years 1926-30 averaged about 206,000 head, or some 7 per cent. of the total pig population of the United Kingdom. The average number of home-bred pigs produced for slaughter or export in that period was approximately 218,000 per annum. A considerable number of store pigs imported from the Irish Free State are also fed in Northern Ireland; these, during the period in question, averaged 64,000 per annum. The total annual number of pigs produced for slaughter or export was thus, on the average, 282,000, giving an estimated output of approximately 496,000 cwt. of pig-meat, including edible offal. In 1931, the output of home-bred pigs was estimated at 247,500, imports of stores from the Irish Free State at 77,000, and the output of pig-meat at about 567,000 cwt.

In addition to the output of pig-meat from pigs fed in Northern Ireland, a large number of pig carcasses are imported from the Irish Free State for curing. The quantities so imported during recent years are as follows:—

				<i>Out.</i>
1926	...	...	...	179,000
1927	...	...	...	196,000
1928	...	...	...	233,000
1929	...	...	...	194,000
1930	...	...	...	186,000

Average 1926-30 198,000 cwt.

The average gross output of the pig and bacon industries in Northern Ireland in the period 1926-30 thus amounted to 694,000 cwt. of pig-meat. Of this, an average of 410,000 cwt. per annum is estimated to have been bacon and hams. It thus appears that almost a quarter of the United Kingdom bacon output is produced in Northern Ireland.

There is a considerable movement of bacon and hams from Northern Ireland to Great Britain. The trade in 1926-31 averaged some 287,000 cwt. per annum. Between 40,000 and 50,000 cwt. of fresh pork and in the neighbourhood of 20,000 live pigs are also sent from Northern Ireland to Great Britain annually.

5. The United Kingdom as a Consumer of Pig-meat.—*(a) Volume and Character of Supplies.*—Table III shows the estimated supplies of pig-meat of all kinds (including lard) available for consumption in the United Kingdom from 1926 to 1931. The annual average quantity during the 5-year period 1926-30

amounted to some 18,960,000 cwt. (valued at about £83 million), or 46·6 lb. per head of the population. In 1931, supplies rose to 21,971,000 cwt., largely as a result of increased imports.

Estimates of the distribution of pig-meat supplies between bacon and hams and other products (pork, lard and offals) can only be given for years covered by the Board of Trade censuses of production.

It is estimated that, in 1930, out of total supplies amounting to practically 19½ million cwt., 11½ million cwt. consisted of bacon and hams and 8 million cwt. of other pig-meat.*

The proportion of home-produced pig-meat to the total supply has been gradually falling since 1921. Of the average annual supply in the period 1926-30, 6 million cwt. (£24 million) was home-produced and nearly 13 million cwt. (£59 million) imported. Thus, the proportion of home supplies during this period averaged only about 32 per cent. by weight, and in 1931 home output was well below 30 per cent.

Imports of bacon and hams predominate to an increasing extent. In 1930, only 1½ million cwt., or 15 per cent. of the total supplies, was home-produced† compared with nearly 10 million cwt. imported. This tendency was probably accelerated by the veterinary embargo imposed in 1926 on the importation of fresh meat from the Continent, which caused some foreign producers to turn from pork to bacon production. Of other pig-meat, about half the supplies are home-produced.

(b) *Note on Imports.*—This country is easily the most important buyer of pig products in international markets. Of a total annual world export trade in pig-meat (including live pigs), averaging some 24 million cwt. in the period 1928-30,‡ the United Kingdom absorbed about 13½ million cwt.—i.e. almost 60 per cent. There is virtually no export market for bacon outside the United Kingdom and over one-third of the world's lard exports are sent here. Table IV shows the net imports of pig products into the United Kingdom from 1925 to 1931.

During the 5 years 1926-30, imports (net) of pig products into the United Kingdom included, on the average, approximately 8,100,000 cwt. of bacon (valued at £39½ million), 990,000 cwt. of hams (valued at £5,250,000), 2,400,000 cwt. of lard (valued at £7,600,000), 960,000 cwt. of pork—fresh, frozen, tinned, etc.—(valued at £4,300,000), and 330,000 live pigs (valued at £2,100,000).

Some 70 per cent. by volume§ and 76 per cent. by value of

* This figure of 8 million cwt. of other pig-meat includes lard, of which 2½ million cwt. is imported and probably not less than ½ million cwt. is produced in the United Kingdom.

† Including as home-produced that cured in this country from imported pigs and pork.

‡ Estimate based on figures contained in *Die Schweinehaltung der Welt und der Handel mit ihren Erzeugnissen* by Prof. Dr. Kurt Ritter, *Berichte über Landwirtschaft*, 41 Sonderheft, Berlin, 1931.

§ Allowing 180 lb. pig-meat, plus 5 per cent. for edible offal per live pig imported.

our imports of pig products on the average are thus bacon and hams. Since 1929 net imports of bacon have very materially increased, and in 1931 amounted to the record figure of 10,743,000 cwt.—i.e. 2,643,000 cwt., or 32 per cent., above the previous 5 years' average. In the first 8 months of 1932 imports were slightly greater (about 4 per cent.) in quantity, than during the same period in 1931. Imports of other pig products in 1931 were not greatly different from the 1926-30 figures, with the exception of imports of live pigs from the Irish Free State, which were 43 per cent. above the previous 5 years' average.

Table V shows that considerable changes have occurred in recent years in the sources of bacon and ham supplies imported into this country. The United States, which a few years ago was supplying almost one-third, has reduced its exports to a very low figure, while those from Denmark and certain Baltic countries—e.g. Poland and Lithuania—have risen materially. Imports from the Irish Free State have to some extent changed over from bacon to pork and live pigs since the 1926 embargo on fresh-meat imports from the Continent. The main sources of bacon and ham imports into the United Kingdom in 1931, with the quantity and percentage obtained from each source, are shown below. The percentage from each source during the first 8 months of 1932 is also given :—

	Quantity 1931 000 cwt.	Percentage of Total Imports.	
		1931	1932 (Jan..Aug.)
Denmark	7,342	61.4	64.0
Poland	1,179	9.9	9.8
Netherlands	1,002	8.4	5.9
U.S.A.	790	6.6	4.5
Sweden	578	4.8	3.7
Lithuania	363	3.0	4.2
Irish Free State	314	2.6	1.4
Canada	122	1.0	3.0
Other Countries	279	2.3	3.5
Total	11,969	100.0	100.0

Imports of live pigs are obtained entirely from the Irish Free State and are bought by both butchers and bacon curers.

Fresh-pork imports have also come entirely from the Irish Free State since the embargo on fresh-meat imports from the Continent was imposed in 1926. A considerable proportion of these supplies consist of pig carcasses bought by Northern Irish bacon curers from districts near the boundary.

Some 270,000 cwt. of frozen pork (see Table VI) was imported, on the average, in the 5 years 1926-30, mainly from New Zealand, the United States and Argentina. A considerable proportion of the imports of frozen pork is bought by curers in this country for conversion into bacon.

PART II.—PROBLEMS OF THE INDUSTRY.

6. **Weaknesses of the Industry.**—A summary of the weaknesses of the industry in England and Wales, which are mainly matters of organization, is contained in the second interim report of the Pig Industry Council.* Briefly, these are:—

- (i) superfluity of breeds and types ;
- (ii) lack of efficiency measures, such as would be provided by pig-recording and litter-testing ;
- (iii) inadequate technique in feeding and management ;
- (iv) excessive losses from disease ;
- (v) irregularity of production ;
- (vi) lack of defined carcass grades ;
- (vii) circuitous route of fat pigs from farm to destination ;
- (viii) uneven distribution of bacon factories ;
- (ix) type of factory cure ;
- (x) uneconomic factory throughput ;
- (xi) lack of national grade standards for bacon ;
- (xii) misrepresentation of imported supplies.

To these, three can be added from the Ministry's *Report on the Marketing of Pigs*,† namely—

- (xiii) the gamble of the store market ;
- (xiv) the absence of payment for quality ;
- (xv) inadequate market intelligence.

At first sight, this list of self-criticisms suggests an inefficient industry. Such an assumption would, however, hardly be fair; the Pig Industry Council have pointed out courageously wherein lies the possibility of and necessity for obtaining a higher standard of efficiency, which in many cases is difficult of accomplishment by the individual but is well within the capacity of an organized industry; for it is mainly the absence of organization which has caused and perpetuated this situation. Later in this Report, it will be explained how the Commission's proposals are designed to assist in remedying most of these weaknesses, which, in general, are common to the pig industry throughout the United Kingdom. There are, however, three further issues of primary importance which required serious study by the Commission before the industry could be advised to embark upon an expansionist bacon policy. These are discussed in paragraphs 7—9.

7. **The Low Level of Pig Prices.**—The main problem facing the pig industry in this country at the present time is one which it shares with agriculture in general—the prevailing low level of prices. The average price per score of first-quality bacon and pork pigs, respectively, in July, 1932, was 9s. 9d. and 10s. 1d. These prices compare with averages of 16s. 11d. and 18s. 7d. during the

* Marketing Leaflet No. 16 (pages 5-7); obtainable, free, on application to the Ministry of Agriculture and Fisheries.

† Economic Series No. 12, pages 19-21 and 92-5.

4-year period 1926-9. This represents a fall of 42 per cent. in the case of bacon pigs and 46 per cent. in the case of pork pigs.

It is true that the cost of feeding-stuffs has also fallen during the same period. For example, the prices per ton of barley-meal, maize-meal and imported middlings in 1926-9 and in July, 1932, were as follows :—

	Barley-meal.	Maize-meal.	Middlings.
	£ s. d.	£ s. d.	£ s. d.
Average 1926-9	10 12 6	9 17 6	9 1 9
July, 1932	7 4 0	5 15 0	6 19 0
Fall	3 8 6 (32%)	4 2 6 (41%)	2 2 9 (24%)

Thus, though feed prices have fallen, they have not done so proportionately to pig prices, while overhead charges (including labour) have not appreciably decreased.

The present low prices of pigs do not merely reflect the all-round fall in agricultural commodity prices that has occurred since the middle of 1929; they may be correlated with the immense increase in imports of bacon during 1931 and the current year, referred to above. There is this further depressing factor in the case of pigs, in that, not only in this country but also on the Continent, the first half of 1932 appears to mark the apex of one of the regularly recurring pig-supply cycles described below. Thus, whereas the general level of agricultural prices in Great Britain has fallen from 44 per cent. above pre-War in 1929 to 6 per cent. above pre-War in July, 1932, in the same period the price of bacon pigs has fallen from 60 per cent. above to 13 per cent. below pre-War, and that of pork pigs from 65 per cent. above to 14 per cent. below pre-War.

Prima facie, therefore, the pig industry can substantiate a stronger claim than most branches of agriculture for some measure aimed at reducing supplies or raising prices to a more normal level and generally of creating more stable conditions.

His Majesty's Government has already declared its recognition of the bacon industry's need, in certain circumstances, for assistance by the regulation of imports. We are, therefore, content to affirm that our enquiries have left us in no doubt that the organized development of the home bacon industry cannot be initiated in the face of unregulated competition from established Continental industries.

8. The Pig and Feed Cycles.—Three distinct types of variation are noticeable in the course of pig prices, both in this country and abroad. There is, firstly, the long-period trend of prices, rising in the years before the War and falling in the post-War period; this is governed chiefly by changes in the value of money. Secondly, there are fluctuations within each season due to customary methods of production, such as the association of cheese-making and pig-feeding in the summer, and to seasonal demand. Finally, there is

the pig cycle, lasting normally about four years, which consists of a period of rising prices followed by an approximately equal period of falling prices. The last form of price variation is much the most important under normal conditions, and we would stress the fact that it has shown a definite tendency in the United Kingdom to become both shorter in period and more severe in incidence. During the period from 1923 to the general collapse of prices in 1931, the prices of bacon pigs in England and Wales varied from about 22 per cent. above the trend to about 41 per cent. below. The serious effects of these violent cyclical price-movements upon the industry are well known; they are discussed at length in the Reports of the Pig Industry Council,* and in the Ministry's *Report on the Marketing of Pigs*.† Their significance, when compared with those of other meats, may be judged from the fact that during the 7 years ending May, 1932, total pig-meat supplies showed a range of variation of 30 per cent., whereas supplies of all meats taken together, including pig-meat, only showed a range of 8½ per cent., and supplies of other meats—i.e. beef and veal, mutton and lamb—of less than 2½ per cent.

The following paragraphs are based upon unpublished work done at the Department of Agricultural Economics, University College of Wales.

It is generally agreed that in any country the pig-price cycle is not appreciably influenced by the demand for pig-meat, but is almost entirely due to changes in the supplies of pigs and pig-meat; moreover, in this country, as in others, changes in the home pig population appear to have been the chief cause of the cycle in pig prices, and imports of pigs and pig-meat appear to have had only a subsidiary influence on the cycle.

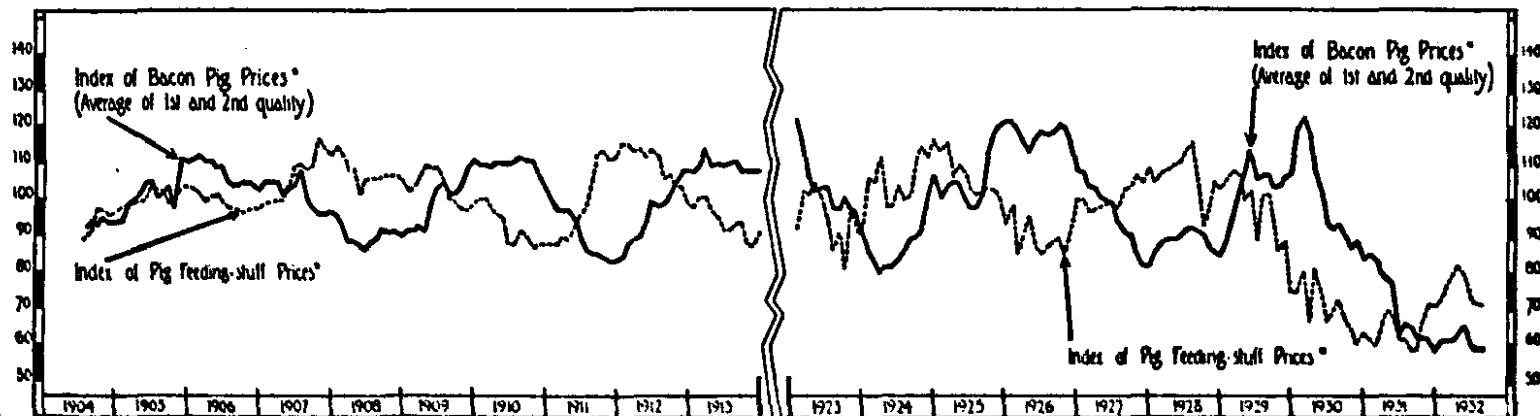
The chief factor influencing the volume of supplies of pigs at any one time is the anticipation of profit or loss from pig-raising by the mass of farmers. Although the decision to increase or decrease production does not affect the market supplies until many months later, owing to the time required for breeding and feeding, most farmers appear to assume that the existing relation of pig prices and feeding costs will continue. Thus, farmers take steps to increase or decrease production when feed is cheap or dear relatively to pig prices. But the full results of such decisions are not felt until many months later, when there comes a change in the relation between feed costs and pig prices that has not been expected by the mass of farmers. The latter then begin to reverse their previous production policy, and so the pig cycle is perpetuated.

The influence of fluctuations in the pig-price cycle upon the profits of pig-keeping is enhanced by the influence of a cycle of feeding-stuffs prices, which tends to move inversely to the pig-price

* Marketing Leaflets Nos. 15, 16, 23 and 30.

† Economic Series No. 12.

THE RELATION BETWEEN THE BACON-PIG PRICE CYCLE AND THE PIG FEEDING-STUFFS PRICE CYCLE,
1904-13 AND 1923-32.



* In the above curves, variations due to the influence of *normal seasonal price changes* and of *long period price trends* have been removed, although it has not been possible entirely to eliminate the general and steep decline in prices during the last three years. Nevertheless, the two curves indicate primarily the *true cyclical movement of prices* (see page 15). Both bacon-pig prices and feeding-stuffs prices have been expressed in terms of the same constant standard (100).

DIAGRAM A.

(This Graph has been drawn from data supplied by the Department of Agricultural Economics, University College of Wales.)

cycle, so that when pig prices are high, feed costs tend to be low and vice versa ; moreover, its fluctuations are as wide as those of the pig-price cycle* (see Diagram A). In consequence, the ratio of pig prices to feed prices varies considerably, which results in wide fluctuations in the subsequent production and prices of pigs. It has been demonstrated that a high or low ratio of pig prices to feed prices in the United Kingdom tends to be followed about 21 months later by correspondingly low or high pig prices. This is illustrated by the examples in the following Table :—

	Average price per bacon pig of 140lb. dead weight.	Average price per 5 cwt. of feed (2 cwt. each of middlings, barley- meal and maize- meal).	Cost of 5 cwt. of feed as percentage of price of bacon pigs.	Pig price 21 months later.
	<i>s. d.</i>	<i>s. d.</i>	Per cent.	<i>s. d.</i>
August, 1924 .	100 10	70 10	70	135 0
May, 1926 ...	135 0	53 2	40	99 2
February, 1928	99 2	66 7	67	137 8*
February, 1930	137 8	42 7	31	63 10
December, 1931	63 10	39 7	62	—

* 24 months later ; the price 21 months later was 113s. 2d. In this case, the peak of the cycle was slightly later than usual.

The pig-price cycle, which in all countries has been the curse of the pig industry, is, therefore, closely inter-related with the feeding-stuffs price cycle, but the exact nature of the inter-relation between the two cycles is uncertain. Since feeding-stuffs prices in the United Kingdom under present conditions are determined by world prices, the cyclical changes in their general level are due chiefly to influences outside this country. At least in the United Kingdom, therefore, it is likely that the influence of the price of feeding-stuffs on farmers' production policy—and hence on the price of pigs—has been much greater than the effect of pig supplies on the price of feeding-stuffs.

If, therefore, the pig industry in the United Kingdom is to be successfully developed, the influence of both pig and feed-price cycles upon farmers' policy must be removed or, at least, reduced ; the real problem is how to persuade farmers to adopt a consistent production programme, properly adapted to the capacity of bacon factories and to consumers' demand.

The first essential seems to us, therefore, to be that the supply of bacon marketed in the United Kingdom should be stabilized. This would encourage the planned and steady production of bacon pigs, both at home and ultimately in bacon exporting countries, and might lead to a general diminution of the cycle of supplies and prices of pig-meat.

At least in the near future, however, it is likely that the pig cycle in the United Kingdom will continue in the pork pig market,

* In the period 1923-32 feed prices varied by 16 per cent. above and 42 per cent. below the trend.

for which we have not in this report proposed any system of regulation. To protect the bacon industry from the effects of this cycle, it is necessary that the bacon-pig and pork-pig markets should be segregated, in order to reduce the diversion to the pork market, when pork prices are high, of pigs required by the bacon industry. We recommend measures to secure this segregation. If these are effective—and we fully realize the difficulty of the task—it remains to protect the bacon-pig industry from the effect of variations in feed prices.

If bacon-pig prices were completely stabilized, net returns to farmers would still vary inversely with feeding-stuffs costs, and it would be impossible to prevent fluctuations in the supply of pigs to bacon factories, even though the influence of the pork market were completely removed. We therefore recommend, in a subsequent paragraph, a method of basing the prices of bacon pigs on feed prices. It must be emphasized, however, that this policy would partly be dependent for its success on the segregation of the pork and bacon markets, and partly on the ability of other sections of the industry (e.g. the curers) to bear the risks of fluctuations in the prices of feeding-stuffs, in so far as these cannot be passed on to the consumer in higher bacon prices.

In practice, complete segregation of the pork and bacon markets and complete absorption of feed-cost fluctuations by curers may prove difficult, but the advantages in escaping from the disturbing effects of the pig and feed-price cycle are so great that we believe that these two obstacles must be faced in order to secure the utmost practicable stabilization of supplies.

9. Co-Existence of Pork and Bacon Markets.—One of the main factors responsible for the problems of the pig industry in this country is the existence of two alternative outlets for fat pigs—the pork and the bacon markets.

In Great Britain, those feeders who specialize in producing for either the pork or the bacon market are easily in the minority, though since the embargo on the importation of fresh pork from the Continent was imposed in 1928 relatively greater attention seems to have been paid to pork production. Some farmers vacillate between one type of production and the other, according to their judgment of the prospects of profit, while others just produce pigs and aim at neither market in particular.

The existence of alternative outlets for pigs has undoubted advantages, but it has also serious disadvantages. The fact that British curers have to compete for their raw material with the pork market is one of the main reasons why bacon factories in this country are unable to maintain a full and regular throughput. On this point, the Pig Industry Council observes "that the regularity of output in Scandinavia—as compared with this country—is largely due to the fact that production there is directed almost exclusively towards the bacon market and that the existence of

alternative markets here—though it has some compensating advantages—severely militates against the regularity that is, on general grounds, desirable.”

Apart from a high average throughput, curers require a regular supply of pigs all the year round. Unfortunately, the competition of the pork market is greater in winter than in summer, and this has made more difficult the maintenance of level supplies to bacon factories throughout the year. Many farmers and dealers favour the pork market during the winter season, particularly around Christmas time, and only look to the factory as an outlet when the pork market fails them.

Attention is drawn later to the wide variations in bacon factory killings from week to week and to their effects on bacon factory economy. The competition of the pork market is undoubtedly one of the major causes of these variations, though not the only cause. The price the curer can afford to pay depends on the prevailing level of bacon prices, which, again, is largely determined by imports. When the curers' prices are low relatively to the price of pork, the factories naturally tend to go short of pigs.

As it is the bacon industry that mainly suffers from the existence of a dual market for pigs, the remedy appears to us to lie in earmarking for the bacon industry annually a certain volume of pig production, by means of an organized system of contracts between feeders and curers, with provision for regular deliveries throughout the year. This is one of the main features of our proposals and, from the point of view of the producer, it is the most serious feature. To-day, the home bacon industry exists largely upon surplus supplies left over from the pork market; no manufacturing industry can thrive under such conditions. Moreover, as the Pig Industry Council has pointed out, the possibilities of an expansion of the pork market are small but of the bacon market are very considerable. If, with State assistance, a determined effort is to be made to build up a large and increasing bacon industry, then producers must face the necessity of a reversal of the rôles now played by the bacon and pork markets and must regard the latter as a surplus outlet for the possibly fluctuating supplies not required by the former.

PART III.—PRINCIPLES OF THE COMMISSION'S PROPOSALS.

10. **Some Issues of Principle.**—Stripped of detail, the task before the Commission resolved itself into a few clear-out issues. The regulation of the sales of home-produced pigs and pig products would be of limited utility if it did not aim at the expansion of those sales, but whereas the pork market offers little prospect of a permanent profitable expansion, home production only contributed in 1931 about one-eighth of the total home supplies of bacon and

hams. An expansionist pig policy must, therefore, be directed to securing an increasing share of the bacon and ham trade.

To make room for this expansion, it is necessary to regulate imports, but in so doing it is most necessary to safeguard the consumer and other public interests.

It is also necessary to protect the bacon industry from the fluctuating competition of the pork market, and, as we have stated, it appeared to us that the two outlets should be segregated.

A further drawback affecting the bacon industry, which in the past may have exercised a more powerful influence even than Continental competition, is the "pig and feed" cycle to which we have referred. Disturbing as cyclical influences may be on any commodity, they are doubly so on a manufacturing industry which aims at regularity of output and of which regularity of output will be required as an administrative expedient to facilitate the regulation of competing imports. Any bacon policy must therefore seek to eliminate the influence of the "pig and feed" cycle upon the production of bacon pigs. It would be desirable to discourage these maleficent influences also in the case of bacon imports and home pork production, but in the latter case elimination would probably be impossible without a stringency of regulation, extending over every phase of pig production, which we are anxious to avoid.

We have had regard to the fact that the fresh-pork market is already sheltered and that there is under discussion a scheme for regulating the marketing of livestock and dead meat, and we consider that the moment is opportune to isolate the organization of the bacon industry from that of the fresh-meat industry. We therefore recommend that the early endeavours of pig producers should be concentrated upon the regulation and expansion of the bacon industry and that, at the start, the pork market should be left unregulated. We are aware that this course of action will present its own particular difficulties, to which we refer in paragraph 32, when discussing the contract system, but, on balance, we believe that we have chosen the alternative which presents the greatest prospects of success.

11. **The Principle of a Constructive Bacon Quota; its Power to Shelter the Home Industry.**—In our terms of reference, we were instructed to consider how far the application of the quota system to bacon and hams would facilitate our proposals, and we had no mandate to consider whether the organized expansion of the home industry could not better be assisted by some form of Customs duty, yet it was impossible for this latter alternative entirely to be ignored.

It is not always appreciated that bacon is seldom eaten on the Continent and that the bacon-curing industries of Scandinavia, the Netherlands and the Baltic States have been built up to meet the requirements of Great Britain and have no other outlet of any

consequence. This feature differentiates bacon production from most other agricultural industries and is of such importance as to render of doubtful application to the bacon industry general arguments on the merits of different protective systems based on the experience of other commodities. Moreover, the imposition of a Customs duty upon imports would do nothing to check the recurrent surpluses and scarcity of pigs, resulting from their natural prolificacy and from the phenomena of price cycles. On the contrary, these very conditions would compel exporting countries to continue shipping to this country during the surplus period in the hope of recovering their losses on the arrival of the inevitable scarcity. Having had regard to these incidents in pig production, we appreciate the wisdom of the instruction given to us, for while the effect of a fixed or sliding-scale import duty on bacon might be to afford the pig producer a cash benefit, it could do nothing to assist the ordered expansion of the home bacon industry.

Among the factors which had satisfied us that a quota system regulating the volume of all supplies is well adapted to the needs of the bacon industry are the following :—

(a) It enables effective and carefully regulated protection to be given to home and other producers and removes from all countries the power and, therefore, the inclination to evade that protection.

(b) At the same time, it is a flexible system and can so be framed as to leave all producers (home, overseas-Empire and foreign) able, by competition amongst themselves in all matters appertaining to efficiency, to reap due rewards in price and in quota.

(c) The consumer can be assured a regular and adequate supply, whilst demand is left elastic in that the consumer is not unduly limited in his choice of the bacon he wishes to buy. Hence, the quota system, with the safeguards which we recommend, should, over a period, exercise a moderating influence on price changes; the extreme fluctuation of bacon prices, specially noticeable in the past in this trade over 4-yearly periods, should at least be reduced very considerably. A rise in bacon prices is, however, inevitable, and is, in fact, already taking place.

(d) The fact that this country is the only European market for bacon focuses a violent but unstable foreign competition on to the home producer. The position is aggravated by the further fact that home production is so small compared with foreign production. At the same time, these facts combine to facilitate the regulation of the market from the United Kingdom end.

(e) The curer is dependent for his raw material on a supply of suitable pigs. If this supply is to be regular, the farmer must provide it by planning ahead, for which he will require some certainty as to price. If the curer, then, is to be bound to take pigs from farmers at a guaranteed basic price over an extended period, he should, in turn, be secured a reasonable chance of selling the finished product without loss on a regulated market.

(f) The possibility of a rapidly alternating expansion and reduction of pig production is so great, and the influence upon the industry of this haphazard production is so serious, that no protective measure can be of permanent good unless it is able to check not only excessive impor-

tation of bacon but also over-production of bacon pigs at home. It is, therefore, an essential feature of the quota system which we recommend that, at the same time, it both permits and regulates the rate of expansion of the home bacon industry.

12. The Principle of a Constructive Bacon Quota : its Effect on Imports.—But apart from the efficacy of the quota as a piece of protective machinery, we have also considered the wider question of whether it is likely ultimately to help or hinder trade.

The quota is an untried instrument in this country. By other countries it has been regarded as a temporary expedient, to be used in a period of crisis without regard to its general merits or demerits, and as an economic weapon, the use of which is to be restricted, so far as international law permits, to imports only; the limited Continental experience which we have studied well illustrates this doctrine. We believe that the quota method deserves more thorough investigation from a new angle, freed from the common conception of it as a purely restrictive or retaliatory measure. In no country has it yet been regarded as a constructive instrument which, under suitable conditions, can play a useful part in the economic development of both exporting and importing countries; this is the conception of the quota we advocate for the bacon industry.

There is no doubt that bacon prices during the past year have necessitated the payment to Continental pig producers of prices which failed to cover their costs, and there is evidence that more than one country is temporarily slackening in its efforts to maintain or improve its position in the contest for our market. But there is reason to think that, under unregulated conditions of import, the contest would be maintained with sufficient vigour to enable the surviving participants ultimately to recoup themselves for their losses. In consequence, the consumer might well find himself deprived, even at an enhanced price, of more than one supply of bacon to which he had become attached by reason of quality or price, and in the meantime the home bacon industry would continue in difficulty. The only attraction in the bacon market to-day is the prospect of higher prices due to short supplies; this is without doubt an incentive to efficiency and to endurance, but the approach to this goal is as unsatisfactory to the Continental and home producer as its attainment must be to the home consumer.

The alternative, as visualized by the Commission, is a condition which will offer a protected market in the United Kingdom to every country, subject only to a gradual diminution of imports from foreign countries in favour of home producers. The desire of a country to retain its share in this market will then provide an incentive to efficiency as powerful as any to-day, and there is reason to hope that such a system will come to be regarded by all exporting countries not as a handicap on their legitimate trade but as a constructive element which will give renewed confidence in international relations.

Critics in another quarter may see in our quota proposals a danger that the proffered security in this market will lead to the exploitation of the consumer by exporters or by the home industry. This possibility has been prominently before us and we have considered various safeguards, such as :—

- (a) some form of buying authority to purchase imports ;
- (b) some measure by which the increased price (if any) due to the quota might be reclaimed from the foreign shippers ;
- (c) a global quota (as opposed to a national quota for each foreign country), or some other means of making foreign countries compete amongst themselves for the quota available ;
- (d) some form of corporation which would enter into and gradually absorb the home curing trade.

Such safeguards, however, entail a degree of control which we are unwilling to recommend, or were found, on examination, not to fulfil anticipations. We think that producers in every country will, through self-interest, refrain from abusing the scheme to their own eventual prejudice, and so render unnecessary the introduction of safeguards such as the above. To give substance to this belief, we recommend that the quota-determining body (described by the Commission as the "Quota Advisory Committee"—see paragraph 20—on the analogy of the Import Duties Advisory Committee), shall be provided with adequate powers and that it shall be an instruction to this body, when considering quota revision, in total or as between countries, to seek information on the following, amongst other matters, and be guided accordingly :—

- (a) the trend over an extended period of prices of all supplies of bacon, compared with those of maize or other feeding-stuffs ;
- (b) costs at all stages of production and marketing ;
- (c) quality of supplies ;
- (d) regularity and volume of supplies as indicated by the quota returns ;
- (e) effect of the quota on the interests of the United Kingdom consumer.

13. **Possibilities of a Voluntary Arrangement.**—Throughout our Report we have assumed that, at any rate initially, His Majesty's Government intends to be responsible for the distribution of quotas among the various countries concerned and for the administration of the system as a whole. In no other way could an early start be made with the task of substituting an orderly and even adaptation of supply to demand for the present violent fluctuations and alternations of prosperity and ruin that characterize the market for pig-meat both at home and abroad. At the same time, we recognize that there is much to be said for exploring the possibility

of replacing as soon as practicable a system under which the State regulates *imports* compulsorily by one under which *supplies* are regulated voluntarily as part of an agreed and approved plan covering all the main sources—home, overseas-Empire and foreign—the State confining itself to the role of policeman (or merely that of umpire) and guardian of the interests of home producers and consumers. Naturally, the development of an effective international arrangement for supply-regulation on these lines must depend on the anterior organization of producers in the various industries and national areas, and it is a virtue of the compulsory system that it will, in all probability, bring about a sufficient concentration of control in each supplying country during the period of its application to provide the degree of organization required for voluntary action at a later date.

In any case, an endeavour might well be made to secure the co-operation of exporting countries in the administration of the initial compulsory system. Effective co-operation would greatly simplify the task of supervision; it might to some extent avoid the necessity of introducing import licences and certificates (see later) and it would pave the way for a voluntary movement.

14. **The Principle of the Contract System for Pigs.**—If a home quota were not desirable on other grounds, we would recommend its imposition as an essential feature of an expansionist bacon policy. It is, indeed, a corollary that if total supply is to be stabilized and if regulation is to be applied to imports, some steps must also be taken to stabilize the home supply and to ensure that it shall be forthcoming.

The industry needs protection from fluctuations in output. The producer who regularly breeds or feeds a constant number of pigs each year needs to be protected against low prices caused by "in-and-out" producers. Moreover, irregular production cannot be associated with regular prices, based on production costs, such as producers have shown a unanimous desire to obtain. For so long as the quantitative pig cycle is permitted to influence bacon-pig production, for so long must prices continue to be low when all farmers have pigs to sell, and to be high when few farmers can take advantage of the high prices.

From the factory angle, stability of output is of even greater importance. Its effect on manufacturing costs is considerable, but its effect on sales is vital. Bacon is a perishable article which must be put into immediate trade circulation; it would probably not be difficult, in spite of price considerations, to sell a larger volume of home-produced bacon today if curers had any certainty that they could maintain supplies, but no retailer is prepared to chop and change his source of supplies and the type of bacon he offers from week to week to suit the convenience of home producers. For this reason, a rapid expansion of home bacon production, if

followed in a few months' time by an equally rapid reaction, would be more costly and dangerous than the continuation of our bacon output on a lower level.

The problem is to encourage expansion but to restrict the rate of expansion to one that can be maintained ; only by such control will it be possible to make sure that ground gained will be held.

We do not think that many will quarrel with this abstract principle ; criticism is more likely to focus on the machinery required to put it into practice. In order to control the rate of expansion it is necessary to prevent both over-production and under-production. The first can be controlled by placing a quota upon the home output. Under-production, on the other hand, cannot be prevented so directly, for there is not—nor would anyone desire that there should be—any law compelling a man to produce pigs against his will. The only solution apparent to the Commission is to restrict the permissible volume of production to a figure which producers have undertaken to supply, thus, in effect, allowing home producers themselves to fix the home quota according to their capacity to supply it. But in order that the home quota should not fluctuate from one period to another, it would also seem necessary to pre-determine a maximum rate of expansion which shall operate automatically so long as producers continue to fulfil their undertaking, and to provide that, subject to this automatic expansion, the quantity actually supplied in any one contract period shall be the starting point for fixing the home quota in the subsequent period. It remains to discover the method by which a given volume of production can be guaranteed, and for this purpose there seems no alternative to the contract system.

The foundation of our recommendations which are described in subsequent paragraphs is, therefore, that the home quota shall equal the bacon equivalent of the total number of pigs which producers have contracted to supply to bacon factories and that the sale by registered curers (see page 103) of bacon made in this country from pigs which are not sold on contract shall be, in effect, impossible.

This suggestion is drastic, but we recommend that its acceptance be a condition precedent to the regulation of imports. Apart from its desirability in the interest of the bacon industry, the position of the consumer* cannot be ignored. The effect of a quota, in the present condition of over-supply, will be to reduce the quantity of bacon available for purchase, and, therefore, precaution must be taken to ensure that the whole of that reduced supply is forthcoming.

* We realize that a Committee of Investigation and a Consumers' Committee will be appointed under the Agricultural Marketing Act to protect consumers and other interests from injury through the abuse of its power by a marketing board, but because we recommend special restrictions on supplies not contemplated by the Act so also we feel bound to recommend special safeguards.

15. **Main Headings of Proposals.**—Such problems as the stabilization of supplies and prices, involving the segregation of the pork and bacon markets, cannot be solved by the industry *per se* without Government intervention ; to overcome these difficulties, we propose the quota and contract systems. For other matters, such as the improvement of marketing methods, the standardization of good-quality pig types, the increased efficiency of pig production, and the rationalization of the curing industry, we suggest machinery to help pig keepers and bacon curers, collectively and individually, to improve the efficiency of the industry as a whole.

Our recommendations therefore fall under three main headings—namely, (a) quotas, (b) contracts, and (c) general efficiency measures, and will be explained in that order in the succeeding paragraphs.

16. **Structure and Machinery of Proposals.**—Before putting forward our major proposals in any detail, however, we desire first to indicate the structural framework of our proposed plan of reorganization (see Diagram B).

We have adopted the principle, firstly, that bodies whose functions are mainly judicial or executive should, as far as possible, be separate entities, and, secondly, that bodies of the former class should be non-representative and those of the latter class mainly representative in membership, for on executive bodies would fall the onus of operations requiring practical knowledge and the willing concurrence of the industry. Further, the achievement of simplicity and practicability has been our constant objective.

Analysing our recommendations, it is found that the relevant functions fall under the following main headings :—

- (a) Quota determination and allocation.
- (b) Home and import quota administration.
- (c) Negotiation of contract terms and prices.
- (d) Contract administration, including the assembly and transport of pigs.
- (e) The formulation and approval of plans for developing and increasing the general efficiency of the industry.
- (f) Execution of approved plans.
- (g) "Efficiency services," such as carcase and bacon standardization, pig-recording, etc.

Quota determination should be in the hands of an independent and non-representative body, judicial in character ; for this function, we suggest (see also paragraph 20) a *Quota Advisory Committee*, similar in character to the existing Import Duties Advisory Committee. Quota administration should also, as far as possible, be in the hands of an impartial organization. The import quota will be administered and verified, we anticipate, by the Customs Authorities.

SCHEME FOR NATIONAL BACON POLICY, WITH:—

- (1) ORGANIZATION of BACON CURERS and PIG PRODUCERS under the Agricultural Marketing Act, 1931, and parallel legislation in Northern Ireland.
- (2) PIG INDUSTRY DEVELOPMENT BOARD, consisting of nominees of Marketing Boards in (1) above, with independent nucleus.
- (3) A STANDING REORGANIZATION COMMISSION, for all agricultural products, to make policy recommendations on initiation, or with approval, of Pig Industry Development Board.
- (4) QUOTA ADVISORY COMMITTEE—comparable with Import Duties Advisory Committee.
- (5) BACON IMPORTS ADVISORY COMMITTEE consisting of representatives of Importers and Distributors.

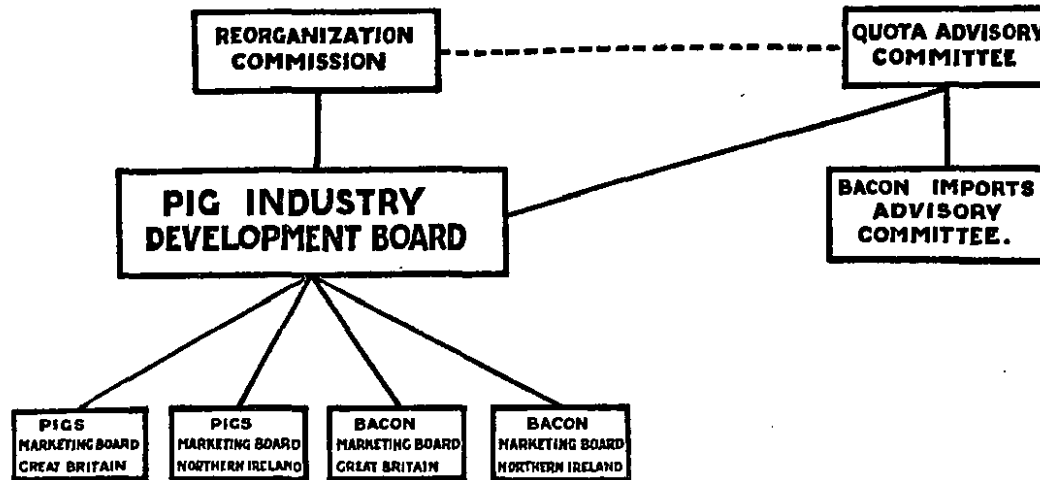


DIAGRAM B.

The home quota should, we suggest, be administered to the satisfaction of the Quota Advisory Committee by the *Pig Industry Development Board*, to which we refer later. This Board will be mainly representative.

We suggest (paragraph 20) that the Quota Advisory Committee will from time to time require to consult or to be consulted by the home and import interests. The Pig Industry Development Board is the obvious body for this purpose on the home side; for the import side, we suggest a *Bacon Imports Advisory Committee*, consisting of representatives of bacon importers and bacon distributors.

The Quota Advisory Committee, the Pig Industry Development Board and the Bacon Imports Advisory Committee will, of course, have United Kingdom status.

Under the Agricultural Marketing Act, 1931, there will be needed a Great Britain Pigs Marketing Board and a Great Britain Bacon Marketing Board. In addition, as the Agricultural Marketing Act does not extend to, and as conditions are different in, Northern Ireland, there will probably be two comparable bodies in Ulster.

Contract terms and prices must be negotiated by representatives of farmers on the one hand and of curers on the other; this will be one of the special functions of the *Pigs Marketing Board*, representing pig producers, but we are informed that an amendment of the Agricultural Marketing Act will be required before it can become a recognized function of the *Bacon Marketing Board*, representing the bacon curers. Contract administration will be in the hands of the Pigs Marketing Board, which for this purpose will require to collaborate with the Bacon Marketing Board. This essential collaboration would most easily be maintained through the Pig Industry Development Board. Both Marketing Boards will be concerned with efficiency services (see paragraphs 34-44).

We attach particular importance to the Pig Industry Development Board. This body should be representative of the Marketing Boards, strengthened by the addition of three independent members, one of whom should be the Chairman. The probable functions of this body, which include the administration of the home quota, the control of new factory construction and extension (see paragraphs 41, 42 and 43), and the formulation of a common policy, clearly indicate the need for this Board as a *representative* body to link up the separate interests of Great Britain and Northern Ireland and of pig producers and bacon curers. This body, in our view, should be empowered to arbitrate between the two commodity boards in the event of a breakdown in their negotiations over contract terms and prices. We think it desirable that this body should be given legal status and executive power by new legislation, preferably in the form of an amendment to the Agricultural Marketing Act, 1931. It should be financed on some equitable basis by the constituent Great Britain boards and by the corresponding bodies in Northern Ireland.

It is already contemplated in the Act (Section 15 (2)) that the duties of a Reorganization Commission will not necessarily cease with the preparation of a scheme, and we contemplate that the subsequent operation of any bacon scheme will call for the assistance of an independent body competent to initiate plans and to examine those prepared by the industry with a view to forwarding a request to the Minister that they should be given statutory sanction. But we think it right to exceed our instructions to the extent of suggesting that the interests of agriculture would best be served by a single permanent body rather than by a number of Commissions; this would, in effect, become an independent but statutory national planning body, not limited to the consideration of pigs and bacon but acting as a non-political and permanent body, financed from public funds, to watch over the movement, now clearly discernible, towards closer association of effort in agricultural marketing, to devise ways and means of promoting organized efficiency at all stages and to put forward suggestions for solving the structural problems that arise in applying the principles of organization to the many primary and manufacturing industries that make up the agricultural industry as a whole and in adapting agricultural commerce to the changed conditions of the post-War world.

The execution of approved plans must be in the hands of those who know the industry—i.e. the Pig Industry Development Board when issues are involved which are common to the whole industry, or, perhaps, are shared with other industries, or the Pigs or Bacon Marketing Boards, when their individual interests alone are at stake.

Efficiency services, such as pig and bacon standardization, pig-recording and litter-testing, production and marketing research, could be carried out by the Pigs or Bacon Marketing Boards under the provisions of our draft schemes (see Appendices A and B). Most of these services will, however, be so essentially of utility to both feeders and curers, that they might, with considerable mutual advantage, be performed by what will be, in fact, a joint board of these interests and the executive headquarters of the industry—i.e. the Pig Industry Development Board.

PART IV.—QUOTA RECOMMENDATIONS.

17. **Import Quotas.**—The administration of quotas can take several forms, of which two in particular have been examined closely by the Commission—namely, what may be called “global” and “national” quota systems.

In either case, it is necessary to determine the total permissible volume of imports over a given period. Under the global system, the whole of this volume is thrown open to competition among all exporting countries; under the national system, a share in this quota is allocated specifically to each exporting country.

It has been claimed on behalf of the global quota system that, by encouraging competition, it will secure the cheapest possible supplies of bacon and that it will favour the most efficient shippers, but we see the following objections to it. There would be a tendency for imports to be rushed to our ports by competing shippers at the beginning of every quota period, an action which must cause confusion in administration, in supply and, consequently, in price, whether the quota period be long or short. The system would also introduce uncertainty into the distributive trade, which would never be sure of continuity of supplies of a given type.

Finally, it would offer little attraction in our markets to those countries which have built up, or wish to build up and maintain, a bacon industry, and might well discourage production for export to this country to an extent that would injure the home consumer.

The chief objection offered to the national system is that it may give shippers an opportunity to exploit this market ; our views on this point have been given in paragraph 12, and we can only point to the precautions which we have recommended in the concluding sentence of that paragraph and reiterate our belief that security in this market will be regarded as too valuable an asset to be thus abused. Moreover, the known interchangeability of public demand from one food-stuff to another, and, particularly, from one kind of meat to another, is an additional safeguard.

We therefore recommend that a quota should be allotted to each exporting country and that the quota period should be one of 12 months, the national allocations being reconsidered annually. Within the quota year, each exporting country should be required to deliver equal proportions of its quota within each fortnightly sub-quota period, subject to adjustments proved to be necessary to meet seasonal fluctuations in market demand. Equalization of delivery undoubtedly presents a more difficult problem to, say, United States shippers, who are further from this market, but nothing should be permitted to destroy the stability of market supply, which is the foundation of our proposals. It is possible that this difficulty may be minimized if delivery is permitted from bonded warehouses in this country and if a system of tolerance is adopted which will allow each country a maximum variation of 5 per cent. above or below the standard quantity, both over the whole year and within each fortnightly sub-quota period.

Provision should, however, be made for the re-adjustment and re-allocation of any country's quota, not only at the end of a year but in the course of a year if imports from that country are outside the tolerance limits and, in particular, if they fall below the lower limit of the fortnightly tolerance for three consecutive fortnightly periods or for six or more fortnightly periods in any six months. The Quota Advisory Committee should also have an overriding power to recommend, in the public interest, arbitrary increases or decreases in the quota of any country.

Similar administrative provisions should govern all imports whether from Empire or foreign countries, and we consider that any preferential quota allocation given to a country within the British Empire should be at the expense of the foreign import quota and not of the home quota. Except in the circumstances covered by the immediately succeeding sentence, the control over the quantities of bacon imported would be most easily maintained at the ports. A special situation is presented by countries such as New Zealand, Australia and the Irish Free State, exports from which may take the form of fresh or frozen carcasses (and also live pigs in the case of the Irish Free State) to be used for manufacture into bacon in the United Kingdom; in these cases, such imports should be admitted only as part of the bacon quota of the exporting country. The procedure explained in paragraphs 18 and 20 will suffice to administer such an arrangement.

18. **The Home Quota.**—We have already recommended that the home quota shall be allotted in accordance with the number of pigs contracted to be sold to bacon factories* during any quota period, and we suggest that the home-quota period shall also be one year, and that there shall be a tolerance of 5 per cent. above and below the quota figure.

In more specific detail, we recommend that the home bacon quota shall be equal to, and shall not exceed, the total number of contracts for pigs for delivery within the quota period and that it shall be permitted to increase automatically by 10 per cent. † every four months, provided that the volume of contracts shows a corresponding increase and provided also that it shall in no case exceed the actual quantity of bacon sold during the preceding annual quota period, plus the four-monthly 10 per cent. increases.

To implement this proposal, there will need to be a standard rate of conversion from pigs to bacon for the purposes of quota calculation; this will need to vary as between the Wiltshire and Midland trades.

The effect of these proposals will be—

(a) that the home quota will not exceed a figure at which producers have contracted to supply and curers to accept the raw material;

(b) that to the extent that the conversion scale, referred to above, operates correctly, curers will be prevented from selling, in the United Kingdom, bacon made from non-contract pigs, or from contract pigs in excess of quota requirements, and there-

*Throughout this Report we have interpreted "bacon factories" in the light of the definition of "curer" in paragraph 2 of the Pigs Marketing Scheme (Appendix A): We consider that, for quota purposes, no notice should be taken of the casual output of small butcher-curers.

†As the volume of imports is today at least eight times the volume of the home output, for some years to come the four-monthly increases in the home quota will represent such comparatively small quantities that import quotas might be adjusted only once a year.

fore there will be no demand for non-contract bacon pigs, or for contract pigs in excess of quota requirements except (i) to replace contract casualties, or (ii) for manufacture into bacon for export ;

(c) that, in consequence, the export of bacon will need to be done under licence, which would be issued on request ;

(d) that curers will only be able to sell bacon made from imported live pigs or carcasses if they hold quota certificates issued by the country of origin of those pigs or carcasses.

It is inherent in an effective quota system that there must be preventive or penal machinery to secure that the quota is not exceeded ; it is equally necessary, in the interest both of the consumer and of the industry, to secure that, within the limits of tolerance, the quota is filled. We therefore recommend, in the case of the home quota (we have already made a similar recommendation in the case of import quotas), that if, in any period, home supplies are insufficient to fill the home quota, then in the succeeding quota period the home quota, irrespective of the number of contracts, shall not be allowed to exceed by more than 10 per cent. the actual output in the period of default ; we recommend, further, that, for any such default, the responsibility of individual curers, as proved by a comparison of the quantity of the contract pigs delivered to them and of the bacon sold by them, shall be visited upon them in the form of reduced individual shares in the home quota.

We attach equal importance in the case of the home output, as in the case of imports, to the equalization of supplies throughout the year, and consider, therefore, that the home quota should be given in terms of so many hundredweights a month ; this will need to be subject to the same tolerance of 10 per cent. from month to month, which we consider, and later recommend as, a necessary term of the individual contracts. We appreciate also that seasonal features in market demand may need to be reflected in the monthly quota figures.

As indicated above, we recommend, also, that the Quota Advisory Committee should have an overriding power to recommend an arbitrary increase or decrease of the home quota in the public interest.

19. **Volume and Distribution of Import and Home Quotas.**—Estimating the quantity of home-produced bacon and hams available for consumption in the United Kingdom* in recent years at approximately 1,750,000 cwt., total annual supplies have averaged 10,670,000 cwt. over the 6-year period 1925-30 ; the year 1931 has been omitted because of its abnormality. There seems justification for regarding this figure as a normal annual supply at the present

* After deducting annual exports of domestic produce averaging about 45,000 cwt.

level of population, and we recommend that supplies should be maintained at this figure at present.

It will no doubt be said that the rate of increase in bacon supplies during the last two years is evidence that even now there is not too much bacon on the market, and we would concede that, at lower price levels, even larger quantities could without doubt be sold, but we are not convinced that these increased supplies would be forthcoming indefinitely at the level of prices which has been ruling and must rule if they are to be absorbed. In fact, we would repeat that the period of readjustment to more normal price and supply levels must come eventually, whether or not any action is taken on this Report ; as we have said, there are indications that the process has started already.

The exact basis of the distribution of the quota among individual countries is not material to the Commission's proposals and will be affected by a number of possible considerations with which we have no concern ; but having regard to our conception of the quota as an instrument of constructive value to the exporting country as well as to the importing country, we would suggest that, in selecting the basis, due consideration should be given to the interests of those countries which had struggled to maintain and to build up efficient industries under the difficult conditions ruling in recent years.

If total supplies were to be stabilized at 10,670,000 cwt., and if a satisfactory basis of allocation of import quotas were adopted, it would still be impossible to estimate the actual percentage relationship of quotas to the basic period until some date shortly preceding the first quota period. Apart from any preferential treatment accorded to the Dominions, the share of the United Kingdom would not be known until the closing of the period for signing contracts ; thereafter, the uncertainty would not rule to anything like the same extent if the home quota is permitted an automatic increase of 10 per cent. every four months and so long as home producers avail themselves of this potential increase.

It has already been explained that, for some years, import quotas will not need to be changed more frequently than once a year to reflect the four-monthly increases in the home output for which we have provided.

20. Administration of Quotas.—The operation of a bacon quota system will involve certain highly responsible duties, the chief being—

- (a) the determination of, or the making of recommendations as regards, the periodic readjustment of home and individual import quotas, and of total supplies ;
- (b) the protection from exploitation of consumer and other public interests ; and
- (c) the prevention of evasion of quota regulations.

These duties will need to be performed by or on the initiative of a body, judicial in character and in function, and we have suggested for this purpose a *Quota Advisory Committee*, similar in constitution and method of operation to the existing Import Duties Advisory Committee. It is not our function to consider whether the quota principle is likely to be extended to other commodities, agricultural or industrial, but we venture to exceed our terms of reference to the extent of suggesting that any body specifically charged by legislation with bacon and ham quota determination should have broad powers which will empower it similarly to function in the event of it being decided that the supply of any other commodity should in future be subject to quantitative regulation. We anticipate that the necessary quota legislation would provide for the implementation of the Quota Advisory Committee's recommendations by Statutory Order, as in the case of the Import Duties Advisory Committee. The principles on which we suggest the Quota Advisory Committee should base its recommendations have been stated in paragraph 12.

The Quota Advisory Committee will require to consult representatives of the home pig industry, of the bacon importers, and of the distributors on such technical points as, for instance, the productive capacity and efficiency of different countries, the seasonal nature of supply and demand and provision therefor, the trend of demand in relation to the demand for other meats, the quality of supplies of various origins, and details of administration. In the same way, the home industry, the importers and the distributors will, from time to time, wish to make representations to the Quota Advisory Committee. On the home side, the co-ordinating link would be the Pig Industry Development Board; on the import side, we suggest a *Bacon Imports Advisory Committee*, consisting of representatives of importers and distributors with a neutral chairman.

Reference has already been made to the probability that the checking of the volume of bacon imports will be carried out at the ports; the checking of the home output could be done through an inspection of the records of bacon factories.

In the case of imports, it would seem necessary to issue quota certificates. These certificates could be issued either to the shipper or to the importer, but we believe that the former alternative would be preferable. Just as we desire to encourage efficient marketing in this country and believe this to be synonymous with some degree of central control—at least over quality standards and terms of sale—so we wish to avoid any recommendations likely to discourage similar action in other countries. We therefore recommend that licences to export to the United Kingdom the annual quota volume of bacon should be issued to the Government of any country which has established a reputable organization to administer the sub-allocation of these licences, and that from these

countries bacon should only be admitted if accompanied by documents bearing the authorization of the Government or on approved organization. It has, however, been pointed out that the restriction of imports creates an opportunity for large distributors in this country to secure a monopoly of certain sources of supply to the serious prejudice of small retailers, and it has been suggested to us that this situation should be met by admitting to this country only bacon consigned to a registered importer. We have been unable to satisfy ourselves as to the reality of this potential danger, but recommend that the powers given to the Quota Advisory Committee, or the appropriate Minister, should be such as to enable this danger to be removed if it should materialize. For example, it might be possible to meet such a situation by a temporary removal from selected sources of supply of the quota restrictions upon them, or by the temporary issue of import licences on the advice of the Bacon Imports Advisory Committee.

We have also considered whether any alternative machinery should be created for use in the case of the failure of any country to control the sub-allotment of quota certificates, but we consider that the granting of a quota to any country should be dependent upon the creation in that country of the machinery for the fair allotment and control of quota certificates.

The machinery to control the home quota should be simple. The permitted output of each registered curer would be in proportion to the volume of home-produced pigs which he has contracted to buy, and he should be liable to severe penalties if the inspection of his books shows that in any quota or sub-quota period he has sold bacon in excess of his quota unless that excess can be supported by vouchers of the two following descriptions:—

(a) *Export Licences.* These should be issued on request, but machinery should be provided to ensure that bacon in respect of which export licences have been issued is, in fact, exported.

(b) *Import Quota Certificates.* It is permitted to certain countries, which do not come under the prohibition on account of foot-and-mouth disease, to export live pigs and fresh or frozen pork to this country, and it is the practice of curers in this country to manufacture bacon from these pork supplies. The importation of live pigs and pork will not be restricted by a bacon quota, but their purchase for manufacture into and sale as bacon will, in practice, be subject to the quota restriction upon the home bacon output. We therefore recommend that bacon quota certificates issued to any country permitted to export live pigs or pork to this country shall be valid either to cover consignments of bacon or of live pigs or carcasses destined for conversion into bacon; in the latter case, they will be acquired by the home bacon curer and will be presented

by him as vouchers covering an excess of bacon beyond his home quota.

We consider that the administration, including the verification of the home quota, should be performed by the Pig Industry Development Board, to the satisfaction of the Quota Advisory Committee.

We are advised that our quota proposals accord with treaty obligations.

PART V.—CONTRACT RECOMMENDATIONS.

21. **Contracts.**—The principle behind the contract system and the reason why the Commission believe contracts to be an essential concurrent of the quota in the particular circumstances of the home bacon industry have been stated in paragraph 14. We have emphasized that contracts should be the basis of the home quota and that a basic price should be attached to contracts ; these suggestions need now to be elaborated.

22. **Basic Contract Price.**—If, as we recommend, the home quota period is to last one year and the home quota is to be based upon contracts made before the quota year starts, then it is obvious that producers will be required to contract to deliver to bacon factories numbers of pigs not yet born. Under the conditions ruling to-day, such an operation would be highly hazardous, and before the system can be introduced, the hazard must, as far as possible, be removed.

One of the main problems before the Commission was to reconcile the conflicting interests of pig producers and bacon curers. On the one hand, it was impossible to recommend a system of contracts unless those contracts carried a guarantee that any producer of reasonable efficiency would not incur a loss through his contract for reasons, such as the high costs of feeding-stuffs or the weakness of the bacon market, which were beyond his control. On the other hand, it would be equally useless to ask the bacon curers to accept an obligation to pay to producers a margin of profit unjustified by the price at which bacon can be sold. We therefore determined to recommend a firm basic price for pigs limited to and varying with a standard cost of production, but not including any element of profit which we think should be variable and negotiable from time to time ; we suggest below a formula which fulfils these conditions. Moreover, we recommend that this or any other formula shall only be varied after one year's notice by either producers or curers. The details of any formula would, of course, be a matter for negotiation between the Pigs and Bacon Boards.

The adoption of these recommendations should be unaccompanied by risk to either producers or curers. The regulation of imports, which is fundamental to these proposals, will prevent the excessive competition that has occurred in the past and will prevent any attempt on the part of overseas shippers to stifle the

home industry. We do not believe that, with this protection, curers will be unable over a period to sell their bacon at a price which will permit them to pay farmers at least the bare cost of producing pigs; indeed, if we had thought that this guarantee, in all the circumstances, imposed upon bacon curers a risk which they should not be asked to accept, we should have felt in some doubt whether the home bacon industry was one that either could or should be helped. To producers, on the other hand, the formula will offer reasonable security against loss, and it is with the object of making this security effective and useful, not only to the feeder but to the breeder, who has to look further ahead, that we suggest that the formula should be modified only after one year's notice. As we have stated, however, the formula is not intended to provide for the pig producer's profit; the extent and even the existence of this must depend upon the strength of the bacon market.

If, as we anticipate, the effect of the quota is to stabilize prices at a level which will permit curers to pay a price higher than the formula price, then it will be the duty of the Pigs Marketing Board, by periodic negotiation with bacon curers, to secure this additional price. It follows, therefore, that the contracting producer may be taking a risk as to his profit; it will be a condition of his contract that he should receive any addition to the basic price that may be agreed nationally from time to time, but he may not know in advance what that addition will be when his pigs come to be sold or whether it will be altered from its current rate before his pigs are sold. Alternatively, it might be possible to give the producer the option of accepting a profit-margin fixed before and unalterable during the period of his contract; in this case, the curer would be carrying a greater risk, which one would expect to see reflected in the profit margin.

We have referred in paragraph 16 to the inclusion among the functions of the Pig Industry Development Board of that of arbitrating between the Pigs and Bacon Marketing Boards in the event of their failure to agree upon contract terms and prices. Before making this suggestion, we considered other channels of arbitration and reached the conclusion that the existence of the three independent members would make the Pig Industry Development Board, or possibly the independent section of it, a suitable body to be given statutory power, at the request of either board, to make an award which shall be binding upon all producers and curers who elect to make contracts for delivery during the period covered by the award.

23. A Suggested Price Formula.—As we have already said, any formula must be a matter for negotiation, but a possible formula which fulfils the conditions advocated in the preceding paragraph is that:—

The minimum price of a bacon pig of standard specification
 “ex farm” shall be 35s. per pig plus 10·3d. per score of 20 lb.

dead weight for every 1s. per cwt. in the average cost of a defined ration* during the four months preceding the month of delivery.

It will be seen that this formula has two parts, one constant and the other variable.

The constant part includes (a) the cost of the weaner and (b) overheads from weaning to slaughter. It is made up as follows:—

(a) Weaner :				<i>s.</i>	<i>d.</i>
Food cost	..	..	..	15	0
Overheads	..	..	..	10	0
(b) Overheads :					
Weaning to slaughter	..	..	..	10	0
				<hr/>	
Total	..	..	..	35	0
				<hr/>	

i.e., 5s. per score on a 7-score carcass.

(a) Assuming eight pigs weaned per litter and the consumption of 12 cwt. of food by the sow during pregnancy and suckling (this figure also to cover a share of the food-cost of the boar), a 25-lb. weaner would require 1½ cwt. of meal. This is charged at a constant price of 10s. per cwt. (or 15s. for 1½ cwt.), which includes an element of profit or loss to the producer, according as the current costs of food are below or above this price. Subtracting this 15s. from the Pig Industry Council's figure of 25s. as the cost of a weaner, there remains a sum of 10s. which would represent all the costs of the weaner except food.

We are aware that, statistically, more accurate results would be shown if the food-cost of the weaner were calculated at current rates; but we believe that, over a period, the figure we suggest is not likely to prove unreasonable, and we think that the inclusion of the total weaner-cost as a constant makes for simplicity in the formula.

(b) The figure of 10s. compares with the Pig Industry Council's estimate of 1s. 6d. per score—i.e., 10s. 6d. on a 7-score pig, or 12s. on an 8-score pig, to cover overheads from weaning to slaughter.

The variable part of the formula is based on the assumption that a 7-score pig, in increasing from 25 lb. (weight of weaner) to 185-190 lb. live weight, consumes 6 cwt. of concentrates on a normal ration. This actually amounts to a consumption of 4.2 lb. of food per 1 lb. live weight gain from weaning to slaughter. Given suitable stock and housing and a scientific ration, a feeder of normal efficiency should be able to maintain this rate of gain. The Pig Industry Council assumed a gain of 1 lb. per 4 lb. of meal, and this has long been regarded in the pig industry as an attainable ideal. It is not claimed that 6 cwt. of food per bacon pig is an *average* for this country. The aim should rather be to fix upon a standard ration which, if properly used, might be expected to give this rate of gain, and to base pig prices upon it. It is not, however, the function of the Commission to recommend an actual basic ration.

* The phrase "defined ration" does not imply a ration which must be used by all feeders but a typical ration which is used as the basis of contract price calculation

A simple calculation indicates that for every 1s. per cwt. in the cost of the ration, the feeders' costs are 6s. per 7-score pig or 7-shilling (10·3d.) per score dead weight.

It has been suggested to the Commission that provision should be made for substituting given proportions of other foods* for each element in the defined ration, in the event of the former being cheaper. This seems sound in principle. It would, for example, be unsound to peg the price of pigs to barley-meal if exceptional circumstances made that food much dearer than, say, maize-meal, which is an efficient substitute up to certain limits.

The use of the formula, with any given level of feed-costs, results in a different price per score for pigs of different weights; for example, with food-stuffs at 7s. 6d. per cwt., the following results are shown :—

<i>Dead Weight of Pig.</i>	<i>Price per Pig.</i>		<i>Price per Score</i>	
	<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>
7 score	80	0	11	5
7 score 10 lb.	83	3	11	1
8 score	86	5	10	10

Comments upon this feature have already been made by some of the witnesses whom we have consulted. The explanation lies in the fact that overheads, which are largely constant whatever the weight of the pig, have so been treated in the formula; besides being accurate in the matter of costing, this method of treating overheads has the merit of encouraging the light-weight side that is in general demand, at any rate for the Wiltshire trade. If, however, it is desired that as between defined weight ranges there shall be a uniform price per score, the addition representing the feeder's profit could be added in such a way as to produce a flat price per score for all pigs within the weight ranges thought most desirable for the Wiltshire and Midland trades, respectively, with deductions for pigs of less suitable weight.

We have referred in our formula to a minimum price of a bacon pig of standard specification; the significance of this is that the price paid should be applicable only to a standard carcase, according to a defined specification, and that it should be subject to additions or deductions in accordance with carcase quality and weight range. This policy has been advocated by the Pig Industry Council, and it is one to which we attach the greatest importance.

It may be found in the interest of farmers and curers that the basic price should provide for other additions or deductions, in respect of such matters as regularity or seasonality of delivery or, even, factory-throughput in relation to capacity. Alternatively, these matters may be considered periodically at the same time as

* Published price quotations for feeding-stuffs are generally ex-mill or ex-store in 2-ton lots or more; it must be taken into consideration, in working out the formula, to what extent these are the prices actually paid by farmers.

negotiations are conducted to decide the addition to the basic price representing the farmer's profit.

24. The Contract Period.—We have considered the comparative advantages of short, medium and long-term contract periods.

The short-term contract of, say, three or six months is open to the great objection that it creates too many opportunities for feeders to switch from bacon to pork, and *vice versa*, in search of a temporary advantage, to the great detriment of all plans for the ordered expansion of the home bacon output; this point is referred to more fully later on. Moreover, the principle of basing the home quota upon actual contracts makes it essential that the contract period shall not be shorter than the quota period, and it would complicate the administration and add to the uncertainty of import quotas if the home quota period were shorter than that of the import quota.

The sole advantage of a short-term contract—and this advantage is limited to contracts not exceeding four months in length—is that it dispenses with the necessity for contracting for pigs not yet weaned; this reduces the individual risk of contract-default—a risk against which provision must be made in all contracts, and particularly in the case of those of longer duration (see also paragraph 28).

We recommend a yearly contract period, coinciding with a yearly quota period. The effect of the adoption of this recommendation would be that, before the close of each calendar year (at the latest date which would allow time for the arrangement of import quotas), producers would be required to sign contracts in respect of all pigs which they desired to consign to bacon factories during the coming year. Once a new quota and contract year had started, no more contracts for delivery within that year could be signed. Although this system has the great advantage that it gives a farmer security for at least a year at a time, it presents certain obvious difficulties—discussed later—which we believe can be overcome. We are fortified in this belief by the consultations which we have had with producers from all parts of the country.

We do not, however, exclude the possibility that, to many producers, and particularly those who both breed and feed, there will be attractions in a contract for a longer period than one year, and we think that such contracts should be encouraged.

25. The Contract Route.—Contracts could be made between the individual producer and the individual curer—i.e., the “direct method”—or they could be between the producer and the Pigs Marketing Board on the one hand, and between the Pigs Marketing Board and the individual curer on the other—i.e., the “collective method”; we have given considerable thought to the relative merits of these two alternative contract routes.

We think it essential that contract prices should be determined by negotiation between authorized representatives of pig producers and bacon curers, respectively, and that the agreed terms should apply to all contract sales throughout the United Kingdom. If this is accepted, it would seem that the bargaining strength of individual members of the two groups is not a relevant factor when considering between whom the contracts should be made.

The direct feeder-curer contract route has certain advantages. It encourages the continuation of the personal connexions that exist to-day between the feeder and the factory. It places upon curers the responsibility of getting contracts and of arranging for the equalization of deliveries from week to week. It involves the minimum of administrative interference between the parties. On the other hand, it places upon curers the risk of having contracted to buy more pigs than the home quota subsequently permits them to sell as bacon. Moreover, by permitting curers to contract to buy pigs wherever they wish, it encourages criss-cross traffic in pigs over long distances and the retention by factories of agents in all parts of the country, both of which must add to marketing costs.

The feeder—Pigs Board—curer route also has advantages. It would permit control over the movement of pigs from farm to nearest suitable factory. Moreover, the administrative work on contracts has to be done by someone, and it could probably be done as economically by the Pigs Board as by, say, 60 firms of curers. The fact that, under the direct method, the expense would be borne in the first instance by curers would not, in reality, prevent it falling ultimately on the producer, for every item of curers' cost helps to lessen the price which they can afford to pay for pigs.

The allotment of contracts to curers, under the collective method, could be done *en bloc*, by areas, and, in the case of factories which are compelled to draw supplies of pigs from all parts of the United Kingdom, contracts could be allotted with an eye to certain *ad hoc* collecting stations. It would, however, place on the Board the difficult task of allotting contract pigs among the competing curers fairly and with due regard to the curers' efficiency.

It has also been necessary to consider other factors, such as which system would be more equitable, which would give more encouragement to the most efficient factories and to the rational development of the curing industry, and which would facilitate the operation of the quota system. We have not found it easy to determine on which side the balance of advantage lies, and in recommending, as we do, the adoption in principle of the direct feeder-curer method, we have been greatly influenced by a desire to leave undisturbed as much as possible of the existing trade structure and methods.

We find it necessary to qualify this recommendation for several reasons. Firstly, it has been represented to us by bacon curers

that they would be glad to be relieved of the necessity for enforcing contracts against individual producers, and we ourselves see advantages in and recommend the assumption of that duty by the pig producers' own marketing board. We think, secondly, that it will be wise to require that all contracts shall be registered by the Pigs Marketing Board before they become valid ; this will permit the Board to ensure that all contracts adhere to the standard conditions and prices, and that contracts are not unwittingly made in excess of the maximum possible home quota, the volume of which will be known in advance (see paragraph 18). Thirdly, provision has to be made against the normal mortality among growing pigs which producers have contracted to supply, and for the protection of contracting producers who have defaulted on their contracts for reasons for which they are not responsible. These points are referred to in paragraph 28, but we recommend, as part of the solution of these difficulties, that the Pigs Marketing Board should retain under its own control a reserve pool of contracts from which to replace casualties. Lastly, we foresee that two classes of producers might find difficulty in securing contracts direct with curers, these being the very small producers and the breeders who want a long contract over several years ; we have accordingly made provision to enable these producers to contract with their marketing board.

The machinery which we recommend—which is incorporated in paragraphs 37 and 38 of the Pigs Marketing Scheme (Appendix A)—preserves the principle of direct contracts between feeders and curers, but permits the departure from that principle in the cases described above. We suggest that, at the joint request of a producer and a curer, the Pigs Marketing Board shall be *required*, with certain qualifications, to buy pigs from the producer and to sell them to the curer. Thus, it is the Board which actually signs contracts with curers and feeders, respectively, though both curers and feeders retain entire liberty, in the one case, to send pigs to any factory and, in the other, to buy pigs from any producer. We suggest also that the Board shall have general power to buy and sell pigs, which will permit the maintenance of the reserve pool and the making of contracts by the Board with those two classes of producers, mentioned above, who we think may have difficulty in arranging contracts with curers.

26. **Payment of Transport Costs.**—We have considered whether the nationally agreed price for a standard pig should be “ex farm” or “at factory.” If the national price were “at factory,” then, as no farmer could sell for, and no curer could buy at, other than the national price, farmers would tend to contract with the nearest factory. Factories situated in pig-producing areas would therefore probably be able to obtain contracts up to full capacity. Curers located outside such areas (whether they operate

large urban factories or small country units) would tend to be short of supplies. Thus, farmers not in the vicinity of factories, and factories outside major pig-producing areas, would both tend to be prejudiced.

On the other hand, if the national price were "ex farm," there would be no break with the current practice according to which curers to-day habitually pay transport charges, and though factories situated in producing districts would, as to-day, obtain pigs at less freight-cost, the ability of large and efficient factories to pay rather more for their pigs would enable them to contract for pigs from greater distances and in competition with local factories in producing areas. This would, of course, involve some overlapping of the regions of supply of different factories. There is also the objection that farmers, situated in those parts of the country from which rail charges to the nearest factory are abnormally high, might find difficulty in securing contracts; this difficulty is due to the uneven distribution of factories throughout the country, and we suggest that it should be given weight by the Pig Industry Development Board when considering the licensing of new factory construction.

We think that the balance of equity rests on the side of an "ex farm" national price, and that this system would also favour the more efficient factories; we therefore recommend its adoption.

27. Operation of the Contract System.—Briefly, we visualize the contract system working in the following way:—Before the beginning of each quota year, producers would contract to sell, and curers to buy, pigs upon the basis of the price formula, subject to any profit addition that may from time to time be fixed by national agreement.

These contracts would specify, *inter alia*, the month of delivery; while producers, particularly those on a large scale, would be encouraged to deliver equal monthly quantities, contracts could also be made for deliveries only in one or more specified months. Shortly before the beginning of the quota year, the register of contracts for that year would be closed and the sum total would be reported to the Quota Advisory Committee by the Pig Industry Development Board, with a request that an equivalent home bacon quota should be granted. We have suggested in paragraph 18 some rules which should govern the quantitative relationship of contracts to the home quota, but have said that we do not consider that these general rules should override the ultimate power of the Quota Advisory Committee to recommend an arbitrary increase or decrease in the home quota on grounds of public interest. The prospect of any such arbitrary alteration, however, should be so remote as to enable the Pigs Marketing Board to estimate closely what will be the maximum home quota in any ensuing period and to take steps to secure that part of the quota is not lost for lack

of contracts and, equally, that the number of contracts accepted does not exceed the home quota.

We consider that the Pigs Marketing Board should keep a register of contracts made in accordance with paragraph 38 of our draft Pigs Marketing Scheme (Appendix A), and we provide that the Board should be empowered to refuse to register further contracts for any quota period, or any part of a quota period, if in its opinion there were a likelihood of the total number of contracts registered exceeding the number required to fill the home quota. Moreover, unless steps were taken to prevent it, there would always be a danger of deliveries under the contracts fluctuating from month to month, with perhaps a pronounced seasonal swing. We assume that the Quota Advisory Committee will overcome this tendency by making the home quota conditional upon the spreading of contracts reasonably equally over the year, and the Pigs Marketing Board will, therefore, need to keep careful watch to make sure that the contracts booked for any one month are not seriously out of line with those booked for the other months.

It is possible that, at times, the contracts offered by producers will exceed the number required to fill the home quota ; in such cases, we think it important at all costs to preserve the stability of total supplies, and the principle of " first come, first served " should rule ; this will act as an encouragement to early contracting and to long-term contracts, at the expense of those producers who might prefer to wait upon the course of the pork market.

28. Protection against Contract Default.—Any contract for a longer period than seven or eight months must be partly in respect of pigs not yet born. The main difficulty attaching to long-term contracts from the feeders' standpoint is, therefore, the risk of small litters and heavy losses of young pigs before weaning. Over the whole country, however, variations in the birth and death rates are not very wide, and it is the individual's rather than the collective risk which has to be guarded against.

It is, of course, essential that the individual producer should be protected from incurring penalties in the case of an involuntary contract default. This could be done in several ways, viz. :—

(i) The rate of delivery under contracts could be subject to a total tolerance of 5 per cent. over the year and to a tolerance of 10 per cent. from month to month. A tolerance alone would not suffice, for if the tolerance is to be adequate for the protection of the producer, it must be excessive for the stability of the scheme.

(ii) There might be what would amount to a system of insurance against damages through involuntary default.

(iii) The Pigs Marketing Board could and, in our opinion, would need to, control a pool of surplus contracts from which to replace net deficiencies which are bound to occur. Such of

these surplus pigs as were not required to replace contract casualties would have to be sold in the pork markets.

The three methods could be worked in combination. Subject to the payment of a levy on each contracted pig, a producer would be exonerated from all subsequent *involuntary* default, provided that he complied with the Pigs Marketing Board's instructions as to reporting immediately the cause of any default. The Pigs Marketing Board would thus assume any liability for the default. The liability would take two forms: firstly, there would be the legal aspects of the contract, and, secondly, the practical need to maintain the supplies at a level which will not result in any reduction of the home quota. The Board would on both counts be anxious to replace the missing supplies and could do so (i) from the reserve pool or (ii) by buying pigs in the open market; in either case, any loss should be financed from the levy fund.

Where replacements proved impossible, legal damages, due to the curer, would be a charge upon the levy fund.

Wilful default should expose either party to the contract to the legal consequences.

29. Rate of Contract Deliveries.—We have suggested that contract deliveries should be subject to a total tolerance of 5 per cent. and to a monthly tolerance of 10 per cent. on the agreed rate of delivery. This monthly tolerance could operate in the following circumstances (fractions of a pig counting as one pig):—

(i) A producer supplying, say, 20 pigs a month throughout the year could supply between 18 and 22 in any month, provided that his total yearly deliveries were between 228 and 252.

(ii) A producer contracting to supply 12 pigs in June and 12 in December could be allowed to supply, say, two pigs in May or July and 10 in June, and be afforded a similar privilege over his December deliveries.

(iii) A producer contracting to supply 20 pigs a month with a further 30 pigs in September, October and November, would enjoy the tolerance on the regular monthly supply and a further tolerance during the three autumn months.

In recommending that contracts should specify the month of delivery, we have had regard to the fact that, at any time within the month, the deliveries may take the form of pigs at the bottom or the top of the weight-range permitted by the contract. This consideration must make it easier for producers to deliver in the specified month.

30. Contracts and the Small Producer.—The experience afforded by milk and sugar beet, together with evidence given to us on behalf of small Welsh and Scottish producers, has satisfied us that even small farmers are accustomed to contracts of considerable complexity, and that they will be willing, and even anxious, to make contracts.

The difficulties of fitting small producers into a contract scheme are of a more material character.

The very small producer who may only feed one or two pigs at a time may find curers unwilling to contract with him, on account of the trouble being out of proportion to the value of the business. His pig-feeding operations may be so intermittent that he himself may have difficulty in estimating in advance when he is likely to be able to deliver fat pigs to a factory.

There are, however, several possible ways in which these difficulties may be minimized. We are informed that, even to-day, some curers encourage and even organize local pig clubs, the marketing of whose produce is organized by a secretary who is paid a commission on all sales. The development of this system, combined with one of group contracts, would be of value to small producers. We think, further, that there will be considerable scope for auctioneers and other persons to organize group contracts among farmers, and there is nothing to prevent auctioneers with a regular trade in fat pigs from making contracts with the Pigs Marketing Board, either as principals or as agents for producers.

We think, also, that the Pigs Marketing Board should always be prepared to make contracts with small producers who have difficulty in making a direct approach to curers, and that the Board should use all existing agencies and, if necessary, create fresh ones, for organizing the assembly and shipment of small lots of pigs (see also paragraph 39).¹

31. The Contract System and the Trade in Stores.—The reduction of disease and the equalization of supplies throughout the year and from year to year are two reasons why producers should be encouraged to pursue a regular breeding policy. Nevertheless, under the conditions ruling in the United Kingdom, the breeding and sale of stores are useful functions and no scheme could operate which did not provide for this trade. Under our scheme, the feeder can contract to sell bacon pigs to a factory having previously made a contract with a breeder of stores or having taken his chance of being able to buy his stores in the open market when he needs them. Alternatively, a contract with a factory could be made by the breeder and could be transferred at the time of sale to the feeder. This transferability of contracts would also tend to make the scheme more elastic in other ways.

We believe that this procedure will meet the reasonable needs of breeders and feeders of store pigs even though it will no longer be possible for producers who have not contracts to buy-in store pigs during any quota period (for delivery to a factory within that period) as a means of converting seasonal or other surpluses of crops or dairy by-products, unless (i) to replace contract casualties, (ii) the store pigs were accompanied by contracts, or (iii) there were a factory demand for pigs for "export" bacon.

32. Reaction of the Contract System upon the Pork Market.— Pig prices and feed prices normally follow inverse cycles (see paragraph 8). When pig prices are high, feed prices are low, and vice versa.

It is proposed to peg the price of bacon pigs to feed prices, but not so the price of pork pigs. Therefore, when bacon-pig prices are low, pork-pig prices may be expected to be high, and vice versa. It is probable that until some scheme for stabilizing pork production is devised, the cycle of pork-pig supplies will continue, although it is difficult to anticipate what will be the effect on the pork market of an expanding pig population primarily caused by an increasing bacon industry.

If contract periods were as short as four or six months, feeders, before making contracts for bacon pigs, might prefer to wait and see what were the relative prospects of the pork and bacon markets. If bacon-pig prices were up and pork prices down at the beginning of a short-term contract period, all would wish to make bacon contracts. If the opposite were the case, some would go for pork even though by so doing they would depress the pork market before most of them could get their pigs on to it. Under these conditions, curers would never be certain of supplies, and the consequent necessity frequently to vary the home and import quotas would destroy the prospect of a methodical expansion of the home industry and might lead to gross deficiency of total supplies caused by continued instability abroad. The shorter the contract period the greater the opportunity the feeder would have of "rushing from pork to bacon," or vice versa, and the more difficult it would be to segregate the pork and bacon-pig markets and to eliminate the pig cycle, which is the curse of both and particularly the latter: hence our recommendation that the contract period should not be less than a year.

Even a yearly contract period will not entirely get over the difficulty. Various palliatives can be suggested, even if none can be advocated—viz. :—

- (i) The contract period might be really long—four year should cover a pig and feed cycle.
- (ii) Part of the food-cost risk might be carried by the producer, thus lessening the possible discrepancy between pork and bacon prices.
- (iii) A similar result could be attained by weighting the defined ration * with foods (e.g. potatoes) which do not follow the food-price cycle.
- (iv) Allowance might be made for pork prices as part of the contract formula.

* The phrase "defined ration" does not imply a ration which must be used by all feeders but a typical ration which is used as the basis of contract price calculation—see paragraph 23.

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If, however, the danger from the alternate attraction and repulsion of the pork market were as serious as it can easily be made out to be, then we should have to come to the conclusion that the orderly development of a bacon industry under these proposals is impossible.

But there are considerations on the other side. In the first place, every increase in the pig population of this country will lessen the attraction of the pork market by converting it more and more to a surplus outlet ; this we believe to be an inevitable concurrent of an expanding bacon industry. In the second place, the scheme will offer to producers of bacon pigs a security which they have never had before, but with the knowledge that this security depends on their playing up ; if, to any considerable extent, producers are likely to persist in vacillating from one market to another, our proposals must be, as they in fact are, such as will protect the consumer and, so far as possible, enable the protection of the quota to be enjoyed by those producers who remain in continuous production of contract pigs. In the third place, the quota proposals will offer the curers something to work for, with the result that every factory will have the strongest incentive to conduct propaganda to secure steady supplies. If the concerted efforts of the curers and the Pigs Marketing Board should fail on any occasion to prevent a serious switch-over from bacon to pork, the penalty will be visited upon the industry in the form of a lower home quota ; this should convince all parties wherein lies their real interest.

Finally, if the above considerations do not avail, it may become necessary to widen the scope of the scheme to permit the sales of all pigs to be regulated ; this alternative should be avoided at the start but would be a less difficult problem after practical experience had been gained of the regulation of the bacon side of the industry.

33. Contract and Home Quota Provisional Arrangements.—

Under a system of yearly contract and quota periods, the fate of the bacon industry, and of every unit, whether producing or curing bacon pigs, will depend for a whole year upon contracts made before the year starts. We have considered, therefore, whether special provision might not be necessary when the scheme was first introduced.

Accustomed as many farmers are to the signing of contracts, there will be some who will hang back through doubt of the prospects or fail to make contracts through ignorance of the full implications of the scheme. There will be others who, with the intention of going whole-heartedly into the production of bacon pigs, will require time to increase their breeding stock and to get it in production. We think, therefore, that it would be unwise for the first *yearly* contract and quota period to start before

January 1st, 1934. On the other hand, we do not think that the expansion of home production under the shelter of the quota should be delayed unnecessarily for a single month. We therefore recommend that there should be an initial contract and quota period starting, say, on July 1st, 1933, and lasting until December 31st of that year, but that, in view of the possibility that the contract system will not have "got into its stride" in the provisional period, the number of contracts made during the provisional period should not be allowed to limit the number ranking for home quota which may subsequently be made for the first full contract and quota period (starting January 1st, 1934).

If our proposals are generally acceptable to the Government and to the industry, there will be an immense amount of preliminary work to be done—in passing the necessary legislation, in submitting the marketing schemes and in guiding them through the stages of Section 1 of the Agricultural Marketing Act, and, most important of all, in making the arrangements for the initial contract period and in securing the active support of all producers.

We have considered how much time would be occupied in this preliminary work, and believe that July 1st next would be the earliest date by which it could, with reasonable assurance, be expected to be completed, and we do not think that this timetable could be kept unless some further provisional measures were taken to expedite the original contract arrangements. We therefore suggest that immediately pig producers and bacon curers have signified their approval of our proposals in general, though not necessarily in detail, by the formal submission of marketing schemes, the Government should appoint a provisional Pig Industry Development Board, consisting of three nominees of the National Farmers' Unions of the United Kingdom, two nominees of the Bacon Section of the Food Manufacturers' Federation and one of the Ulster Curers' Association, and three independent members. The immediate task before this body would be (a) to conduct propaganda in favour of the scheme and to get farmers "contract-minded," and (b) to negotiate *inter se* provisional details of the basic formula which shall operate until December 31st, 1933, and also the contract terms and prices for the initial short-term contract period—i.e., July to December, 1933. Once this provisional Pig Industry Development Board had agreed upon contract terms and prices, feeders and curers could start making contracts for bacon pigs to be delivered from July 1st onwards. These contracts would have to be conditional upon (a) the endorsement of the two schemes at the initial polls held in accordance with the Agricultural Marketing Act and (b) the application of a quota system on or before July 1st, 1933. This Board would need to be financed by a loan from public funds under the Agricultural Marketing Act, duly amended for the purpose, and under any

corresponding legislation in Northern Ireland, the loan being subsequently recoverable from the Pigs and Bacon Boards concerned.

It is not unlikely that our proposals will be criticized as delaying unnecessarily the regulation of imports, but we would impress upon the more impatient critics that the adoption of our proposals will affect the breeding programmes of, and necessitate organization by, not only the United Kingdom but every country which exports bacon here, and that the quota system will probably involve negotiation with the exporting countries and will certainly involve the construction of machinery with which to administer it.

We would add that if this suggested time-table and programme should be adopted, the immediate practical effect will be that pigs born towards the end of the year 1932 will be available for the execution of contracts as from the beginning of the initial short-term contract period on July 1st, 1933.

PART VI.—GENERAL EFFICIENCY RECOMMENDATIONS : PIG PRODUCTION AND MARKETING.

34. **Standardization of Quality and Type.**—Only two-fifths of the pigs killed for bacon at factories in this country are reputed to be suitable for the production of first-quality bacon. Although we admit that a misconception of the requirements of the pork market may be partially responsible for this state of affairs, we think that three of the present weaknesses of the pig industry in this country which were referred to in paragraph 6—namely, superfluity of breeds and types, lack of defined carcase grades and the absence of payment for quality—are still more responsible. These three weaknesses are all closely interlinked, for the establishment of well-known carcase grades coupled with cash discrimination against bad quality would soon react on the type and breed of pig sent to bacon factories, and this, in fact, is what we anticipate will happen. One of the first actions of the Pig Industry Development Board should be to prescribe both carcase grades and quality price-differentials for contract bacon pigs. We suggest that carcase weighing and grading should be done under the supervision of an official appointed by the Pig Industry Development Board in whose impartiality both curers and farmers would have faith.

The results of indifferent carcase quality would soon be reflected in the farmer's receipts, but, for rapid progress in quality improvement, we would recommend that carcase grading and weighing should be closely linked with pig-recording and litter-testing (see below). By analysis and broadcasting of the accumulated grading results, the individual farmer's experience, which is necessarily limited, will be corroborated by the investigation and publication

of the effects on quality of different types and methods of breeding, feeding and management.

As regards the type and breed of pig to be recommended, we quote and, in view of their wide experience, support the recommendation of the Pig Industry Council in its Report, as follows :—

“The Council has expressed the opinion that the continued use of the Large White Boar would improve the standard of commercial stock. It is therefore recommended that every encouragement should be given to the use of the Large White Boar as a premium boar and that, in addition to the Large White Boar, premiums* should be given only to the boars of the Berkshire, Large Black, Middle White, Welsh and Essex and/or Wessex breeds, these being the breeds recommended by the trade as providing suitable sows for crossing with the Large White Boar.”

To this list, on expert advice, we would add the Long White Lop-eared breed.

The eradication of scrub boars should not only help to standardize the pig population and thus improve potential quality, but should also improve the general rate of maturity and ability to convert feed into pig-meat. We support the Pig Industry Council in recommending legislation similar to the Improvement of Livestock (Licensing of Bulls) Act, 1931.

35. Disease.—Loss by disease, referred to on page 11 as one of the weaknesses of the industry, is also serious. The report of the Pig Industry Council on Veterinary Research† stated, *inter alia*, that :—

“The Pig Industry Council is satisfied that the progress and development of the pig industry in this country is retarded to an appreciable extent by reason of the very considerable losses that are either directly or indirectly associated with disease. Serious dislocation of markets is often caused by a glut of immature pigs sent in and slaughtered because of local outbreaks of various pig diseases. . . .”

“Diseases which are causing the most serious losses at the present time are swine fever, swine erysipelas and certain diseases of the unweaned pig. It is our opinion that special attention should be given to these with the object of ascertaining improved methods of prevention, diagnosis and treatment. . . .”

The Pig Industry Council's recommendations on Veterinary Research were summarized as follows :—

1. The establishment of a central station where continuous and intensive research regarding the diagnosis, prevention and treatment of pig diseases may be carried out.

2. The introduction of some system whereby the veterinary profession and the pig industry may be made acquainted from time to time with the progress of research.

3. The control of sera and vaccines with the object of maintaining their standard of potency for the treatment or prevention of the diseases for which they were devised.

Subject to due regard being given to such other recommendations as may be made by the Agricultural Research Council, who have

* Under the Improvement of Livestock Scheme of the Ministry of Agriculture and Fisheries.

† *Journal of the Ministry of Agriculture*, September, 1931.

the matter of research into animal diseases under immediate consideration, we concur with these proposals of the Pig Industry Council.

Whilst we do not feel that the pig industry and, in particular, the bacon section thereof, should be required to bear the cost of this programme of work—for research and services on these lines would also indirectly benefit other sections of the livestock industry and also medicine—we suggest that a portion of the levy of the Pigs Marketing Board should be earmarked for veterinary purposes. We would point out that the Pigs Marketing Board, in its rôle as underwriter of involuntary contract defaults by individual feeders, will be directly interested in the reduction of losses by disease to a minimum.

36. **Improved Management.**—In the list of present weaknesses of the industry given in paragraph 6, the lack of efficiency measures (of the types provided by pig-recording and litter-testing) and the undue prevalence of inadequate technique in feeding and management were mentioned. In this connexion, the Pig Industry Council stated :*—

“Lack of success in pig-keeping, in so far as it may be due to factors within the producers' control, may be attributable to mismanagement by the breeder or feeder, unsuitable stock or unsuitable conditions under which he operates. Recording and litter-testing would supply a means of measuring the efficiency of the individual breeder or feeder or of his stock. . . .

“The deputation of the Council which recently visited the Continent found there a more widespread knowledge of the technique of feeding and management than there is in this country. This should not be difficult to remedy. Proper housing, warmth and skilled management obviously have an important bearing on production costs, and it appears possible that in these matters we have not kept abreast of the times.”

The results of the East Anglian Pig Recording Scheme confirm this view. We are convinced that a strenuous campaign for improvement in feeding and general management is absolutely essential. Not only do we urge this in order that more and better pigs may be obtained from each sow, and in order that pigs may be brought to marketable weights with greater rapidity and less food consumption, but also because we believe that, for the production of good-quality pigs, sound feeding and management are no less important than the use of good breeding stock. We are aware of the existence, in the constituent parts of the United Kingdom, of various services, both educational and administrative, to promote better management; in expressing the view that organized producers should play an active part in providing and financing services of a similar kind, we assume that they will make the fullest use of such services as exist and that they will continue to work in co-operation with and under the guidance of the appropriate agricultural authorities.

* Marketing Leaflet No. 16, pages 5-6.

(a) *Pig Recording*.—No one now doubts the cash benefits that the farming community has obtained from milk-recording and egg-laying tests. Pig-recording has been shown both in East Anglia and in Wiltshire to be both practicable and valuable. Pig-recording on the lines suggested in paragraphs 23 to 27 of the Pig Industry Council's Report on Litter Testing and Pig Recording* should, in our opinion, be an integral part of the efficiency campaign, and should be supported both by the Pigs and the Bacon Marketing Boards.

We feel, in addition, that a service of this value should not be restricted to suppliers of contract bacon pigs, and accordingly we have made provision in our Pigs Marketing Scheme for this service to be performed by the Pigs Marketing Board for any producer, whether registered under the scheme or not or whether producing bacon or pork pigs, and for the Board to make special charges for such services on all who use them.

Pig-recording is a service of value to, and requiring the co-operation of, curers as well as farmers, and the Pigs Marketing Board might well delegate its function in connexion therewith to the Pig Industry Development Board.

(b) *Litter Testing*.—We agree with the Pig Industry Council that litter-testing lacks the urgency of pig-recording and is the more costly service. It is true that litter-testing by itself measures the value of breeding stock and, if combined with pig-recording, enables the farmer to find out how much of his success or failure as a pig keeper is attributable to breeding, and how much to feeding and management. Litter-testing, therefore, is likely to be of more immediate value to the pedigree breeder than to the general farmer. If the farmer could purchase "tested" stock or stock derived therefrom, pig-recording on the farm would show him that, if he failed to reach the standards previously attained at litter-testing stations by the stock in question, it was due to his faulty feeding and management. Pedigree pig breeders should, in our opinion, take steps to create a supply of stock "tested" in this way—if only as their contribution to the benefits which we believe will accrue to them as a result of the adoption of our proposals.

37. *The Store Pig Trade*.—Approximately two-fifths of the 3½ million live pigs which, on the average, pass through the livestock markets of England and Wales are recorded as "stores"—i.e. pigs which require further feeding before slaughter. In addition, large numbers of store pigs change hands privately. The trade is, therefore, of considerable magnitude.

We have referred above (see paragraph 6) to what is termed, in the Ministry's *Report on the Marketing of Pigs in England and Wales*,† "the gamble of the store market." In the report in question,

* Marketing Leaflet No. 30.

† Economic Series No. 12.

the gamble referred to was that of prices. A feeder buys store pigs without any knowledge of the future prices of feed or of fat pigs. He may find when he markets the pigs he has fed that he bought his stores too dearly, or, on the other hand, that he has made a substantial profit. But there are, in addition, other gambles in the store trade—e.g. the purchasing feeder is uncertain of the age, weight, quality and economic capacity of the stores he buys, and cannot tell whether the pigs he intends to feed come from disease-infected farms or have been in contact with infected animals or premises at markets. In addition, there is, in the marketing of stores, as the Pig Industry Council points out, "in certain cases, a considerable waste, as pigs change hands in the store period a good deal more than is desirable." These movements, and the prolonged transport and mishandling sometimes associated with them, often engender a loss of condition and of time in feeding which is difficult to recover.

We agree with the Ministry* in wishing to see pig-breeding and pig-feeding concentrated on the same farms, and in desiring a reduction in the volume of the store trade. We realize, however, that, under conditions ruling in Great Britain, some trade in store pigs is more or less essential.

The store pig feeder will not, therefore, be denied participation in our contract proposals (see paragraph 31), but, in order to protect him further and to effect marketing economies, we hope that the Pigs Marketing Board will take steps to organize the direct farm-to-farm sale of store pigs from pig-recorded farms. Such a scheme, in reducing the uncertainties of the store pig feeder, would be of considerable value and, if operated in connexion with the pig-recording services, should be easy and cheap to administer.

38. **Regularity of Production.**—We have spoken elsewhere of the cyclical nature of pig and pig-meat supplies and its evil effects (see paragraphs 8 and 32), and have indicated how our bacon-quota proposals will tend to mitigate the extent of these cycles, both at home and abroad. We do not pretend that our scheme will at one stroke stabilize pig production or, indeed, home bacon output. We appreciate that, under our proposed system of contracts, the barrier segregating the pork and bacon markets will periodically be removed and thus permit some change-over from one to the other, and, being voluntary, will not guarantee complete long-period stability, particularly in view of our decision to leave the pork market unregulated. We feel, however, that our quota and contract recommendations, if adopted, will go a long way towards ensuring long-period regularity of pig production and pave the way for a scheme which ultimately might completely stabilize home pig production. In the meantime, much will

* *The Marketing of Pigs in England and Wales* (Economic Series No. 12), page 21.

depend on the ability of the Pigs Marketing Board to influence the production policies of all producers, and in this we believe the Board would be greatly helped if it established a reliable service of market intelligence through which it could be kept well-informed as to the current and potential situation in pigs, pig products and feeding-stuffs.

39. Pig Marketing Organization: Assembly, Transport and Delivery of Bacon Pigs.—In the list of weaknesses of the industry given on page 11, we mentioned the fact that many pigs do not arrive at the bacon factories by the most direct route or economical methods.

On this subject, the Pig Industry Council* found that:—

“The bacon factory, the wholesale pork market and the retail pork shop are the destinations of live pigs, but it is doubtful whether they arrive there, generally, either by the most direct or by the most economical route. There is an enormous annual charge on the industry, which is non-essential to the true cost of production, in the form of expenses incurred in auction markets and of profits, commissions or salaries payable to dealers, or agents or employees of bacon factories.”

Under the proposed contract system, bacon pigs will, of course, normally be shipped by the most direct route from farm to factory. If the national price were to be for bacon pigs “at factory,” which we do not recommend, the farmer would tend, as he paid carriage, to make contracts with the nearest factory that was prepared to accept his pigs. Thus, although there would be a certain amount of overlapping, each factory would—as to some extent factories do at present—tend to have a zone of supply. On the other hand, if, as we recommend, the national price is “ex farm” and the curer pays carriage, each factory will wish to draw its supplies from a limited area.

For the sake of factory efficiency and of economy in the assembly and carriage of pigs, we suggest that each contract might stipulate on which day of the week pigs are to be dispatched from certain areas. For instance, farmers producing in, and curers drawing from, say, the Stowmarket area would be allowed to dispatch or collect on any Tuesday in the month of delivery. It should not be difficult to organize collective assembly for transport through the medium of the railway companies, co-operative pig-dispatching societies or of other agencies, such as auctioneers. It would be possible for the organization to be administered by the Pigs Marketing Board or by curers operating separately or jointly, but we incline to the former alternative. We realize that, in a few cases, large feeders will be dispatching lots of pigs big enough to make economic wagon or lorry loads, but we would strongly suggest that organized shipments to bacon factories (except from farmers within a few miles thereof) should be encouraged, in spite of the difficulties

* Marketing Leaflet No. 16.

which are anticipated in the identification of, and of fighting amongst, mixed consignments of pigs.

At the same time, the industry should not lose sight of the possible advantages of a more complete rationalization of bacon-pig transport, and, from preliminary investigations we have made, we have reason to believe that the railway companies would be prepared to discuss with the Bacon Board a scheme for equalizing on a zone basis all charges for the transport, whether by road or rail, of contract pigs. We trust that a scheme of this type will be brought to fruition, for, whilst it would still leave factories free to obtain their supplies where they could, it would tend to encourage a curer to restrict his purchases to the particular transport zone in which his factory was located, and thus reduce the overlapping of supply areas that is inherent in the adoption of a national "ex farm" price.

PART VII.—GENERAL EFFICIENCY RECOMMENDATIONS : BACON CURING.

40. **Introductory.**—Up to this point, we have been concerned with weaknesses in the production and marketing of bacon pigs—the raw material of the curing industry. But the latter industry itself, as at present established in this country, has certain conspicuous weaknesses of its own, to some of which reference has been made in paragraph 6. The costs of operating the bacon factories, as a whole, are unduly high, owing to the irregularity of supplies, to the excess of capacity over supplies in most factories, and to the excessive number and small average size of factories. Further, the geographical distribution of factories is not as good as it might be. The technical practice of factories, in particular as regards the type of cure employed and the disposal of offals, is in some respects open to adverse criticism. Finally, improvements might be made in the marketing of bacon.

The efficiency of the curing industry concerns not only the curers themselves. Faults in the siting, planning, operating and technique of factories may mean lower returns to pig feeders as well as to factories, while consumers also may suffer through unnecessarily high bacon prices. We do not feel justified in assuming that with the expansion of the bacon industry these weaknesses will automatically disappear. We believe, rather, that deliberate measures to remedy them, and also progressively to introduce any new improvements that may be desirable, should be made a condition of the granting of an increasing quota to the home bacon industry. In the following paragraph, we have set forth briefly the problems involved, the reforms that we believe to be necessary, and the machinery whereby these reforms might be brought about.

41. Sources of Waste in Factory Operation.—(a) *Irregularity of Supplies.*—Daily, weekly, seasonal and long-period fluctuations in supplies of bacon pigs to individual factories are at present a serious source of waste. In order to be able to handle occasional heavy supplies of pigs, it is necessary to invest more capital in plant, vehicles and buildings, and to maintain a larger labour force, than are needed to deal with average supplies. Further, it is difficult to maintain regular outlets for bacon, ham and offals under these conditions.

The causes of the fluctuations are principally :—

- (i) the pig cycle, which governs the total supply of pigs ;
- (ii) the competition of the pork and bacon markets for supplies of pigs. This is dependent largely on seasonal and short-time variations in the demand for pork ; the price that can be offered by bacon factories is strictly limited by current prices of bacon and by manufacturing costs ; and
- (iii) competition between curers, causing short-period (3–7 days) variations in prices and influencing the allocation of supplies between factories.

The present irregularity of supplies is clearly illustrated by the following Table, which gives the variations in arrivals of pigs at a typical English factory (i) from year to year, (ii) from month to month, and (iii) from week to week :—

I. Average Weekly Supply of Bacon Pigs in the Years 1923–9.	II. Average Weekly Supply of Bacon Pigs in the Months Jan.–Dec., 1929.	III. Weekly Supply of Bacon Pigs in the first 12 weeks of 1929.
1923 ... 676	Jan. ... 542	1st week ... 655
1924 ... 826	Feb. ... 398	2nd week ... 525
1925 ... 797	Mar. ... 692	3rd week ... 534
1926 ... 636	Apr. ... 731	4th week ... 444
1927 ... 453	May ... 529	5th week ... 441
1928 ... 650	June ... 535	6th week ... 392
1929 ... 523	July ... 559	7th week ... 377
	Aug. ... 590	8th week ... 380
	Sept. ... 593	9th week ... 778
	Oct. ... 523	10th week ... 705
	Nov. ... 423	11th week ... 356
	Dec. ... 206	12th week ... 652

By our long-term contract proposals we propose, as the remedy for this state of affairs, to insulate, as far as possible, the market for bacon pigs from the effects of the pig cycle and of short-period competition from the pork market and between factories. The contract system, which is described in paragraphs 14 and 21–33, should enable curers to plan their production in expectation of far greater regularity of supplies from year to year, and within the year. Even in so far as complete regularity is not attainable, the curer

should at least be able to anticipate variations with some accuracy, and should thus be able to make arrangements to meet them.

(b) *The Excess of Factory Capacity relative to Supplies of Pigs.*—Evidence from several sources indicates that English factories operate, on the average, at a little more than half their capacity. We have seen no similar evidence for Scotland, but it appears that the Northern Irish factories, like the English, operate, on the average, at about half capacity.

It is obvious that this excess of factory capacity relative to supplies of pigs is very wasteful. The following figures, which were supplied to us by a large English factory, compare actual factory costs per hundredweight of bacon with estimated costs on the assumption of larger throughputs, and suggest that very important savings could be made by utilizing factory capacity more fully :—

<i>Cost per cwt. of green bacon with average kill of 684 per week. (Year ended Apr., 1932)</i>	<i>Cost per cwt. of green bacon with average kill of 902 per week. (Year ended Oct., 1928)</i>	<i>Estimated cost per cwt. of green bacon assuming average kill of 2,000 per week.</i>	<i>Estimated cost per cwt. of green bacon assuming average kill of 2,500 per week.</i>
<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>
9 2	7 9½	5 9½	5 1

The under-utilization of factory capacity is due partly to the excessive number of factories in relation to the total supplies of pigs and partly to the irregularity and uncertainty of those supplies, which has deterred the British curers from attempting to expand their sales. We hope that throughput will steadily approximate more and more closely to capacity as the contract system develops, concurrently with an expansion of the home quota. But if, as we recommend below, the increased output is to consist chiefly of tank-cured bacon, the actual capacity of existing factories will be greatly increased. We have been informed that the adoption of the wet-tank cure system by English factories would enable the present curing facilities to deal with double the quantities. In other words, if the capacity at present idle—i.e. half the total—is utilized wholly for tank-cured bacon, the present output can be not only doubled but trebled. In addition to the present factory output in Great Britain of rather more than 1½ million cwt. of bacon and hams—mainly in the form of dry-cure Wiltshire-side or Midland cuts—another 2½ million cwt. or more of wet tank-cured bacon could be produced, making an annual total of nearly 4 million cwt. Further, in most factories, capacity is limited not by the killing and dressing facilities, but by the available chilling and curing space. This is fairly cheap and easy to extend, and we have little doubt that existing factories, with some structural alterations, could be fitted for producing half the total requirements of the United Kingdom.

Existing factories in the United Kingdom, if properly utilized, have, therefore, a capacity enormously in excess of their present

output and of their probable output for some years to come. In the interests of efficiency, it will be desirable to concentrate production as far as possible. We therefore recommend that the Quota Advisory Committee should insist that the curing industry should rationalize the utilization of its factory capacity. The Pig Industry Development Board should be the instrument for preparing and supervising the plan of rationalization. The sanction of this body should be required for all new construction or for extensions of existing factories, subject to appeal to the Committee of Investigation set up under the Agricultural Marketing Act. In examining proposals for new factory capacity, the licensing authority would have to estimate carefully the factors of size, design, location and prospect of efficiency. We think that consideration should be given to curers who, in the interests of both pig producers and the bacon industry at home, are prepared to transfer factory accommodation from foreign countries to the United Kingdom and especially to those who are also in a position to sell the bacon they produce direct to the consumer. We feel it deserving of consideration whether the Pig Industry Development Board should not be empowered to raise funds with which to buy out surplus factory units at a price determined either by statutory arbitration or by agreement.

(c) *Small Average Size of Factories.*—Available statistics covering 69 factories in England and Wales, 22 in Scotland and 118 in Northern Ireland suggest that the average weekly throughput per factory is 350–400 carcasses in the case of England and Wales, 40–50 in the case of Scotland, and 50–60 in the case of Northern Ireland. By contrast, the average weekly throughput of the Danish factories appears to be about 2,000 carcasses. It is probable that the average costs of production in the United Kingdom are unnecessarily high, owing in part to the small average size of factories. It has been stated in evidence that under English conditions the minimum economic capacity is 500 pigs per week; yet half the bacon factories of England and Wales, representing one-fifth of the total capacity, have an average weekly capacity of less than 500.

We recommend, therefore, that, in connexion with the rationalization policy referred to above, the licensing authority should carefully examine the question of the minimum economic size of factory, and should aim at the expansion to an economic size or the elimination of the small factories, so far as either policy is consistent with the interests of feeders and of the industry as a whole.

42. *Geographical Distribution of Factories.*—The Commission has not considered in detail the question of the most desirable distribution of factories, to which reports of the Pig Industry Council and the Imperial Economic Committee have referred. It appears, however, that, at present, Wiltshire-side factories are rather too heavily concentrated in the West of England. With the expansion of the industry, it will become increasingly important

to have factories well situated in respect of the supply of pigs, transport facilities, the disposal of offals, etc. Good siting will be especially important if large factory units are to replace smaller units. We therefore recommend that, in preparing its programme of factory rationalization, as suggested above, the Pig Industry Development Board should seek to determine the best distribution of factories in the interests of the bacon industry as a whole, and might even consider the purchase and shutting-down of badly sited factories, while encouraging any desirable new construction, or extension of old factories, on suitable sites. In case private capital should not be forthcoming for all such construction, it is desirable that the Pig Industry Development Board should have powers itself to undertake and to finance factory construction, on public utility lines or otherwise, where it is necessary in the interests of the industry.

43. **Technical Practice.**—(a) *Bacon and Ham Production.*—It is not within the scope of the Commission to go into details of the curing technique employed in the United Kingdom. Home-produced bacon at its best need not fear comparison with any other, but the quality is by no means as uniform as that of much imported bacon. A comprehensive system of grading, operated by the Bacon Board, together with the use of the National Mark, will do much to produce the uniformly high standard that is so desirable. The Quota Advisory Committee should insist on the maintenance of adequate standards and on adherence to the National Mark programme of standardization as a condition of increasing the home quota. In addition, we suggest below that, in certain cases, control of technical methods may also be necessary.

The most immediate problem, however, is to ensure that the types of bacon produced shall satisfy public demand. This, we believe, will entail important changes in methods of production. The home quota is to be expanded at the expense of imports, which consist chiefly of tank-cured bacon. On the average, retained imports of tank-cured bacon* during 1926-30 amounted to about 7 million hundredweight, as compared with the total importation of bacon* of about 8 million hundredweight, and a total United Kingdom supply of bacon* of about 9½ million hundredweight. It has been repeatedly stated to us in evidence that the taste for tank-cured bacon has become firmly established with very large sections of the public. If this is so—and we believe the evidence we have heard upon this point—it is imperative that the increase in home production under the quota system shall consist chiefly of bacon cured by the tank process.

Tank-cured and dry-cured bacon can be produced economically in the same factory, whilst the conversion of factory capacity from dry cure to tank cure is a comparatively simple matter.

* Excluding hams.

It is possible, as has been claimed in evidence, that the market for dry-cured bacon could be considerably extended if the bacon could be sold at prices competitive with those of tank-cured bacon. But, in our view, the success of the scheme would be imperilled if retailers and consumers were asked at the start to accept large quantities of dry-cured bacon, with which the majority of them are quite unfamiliar, in place of the familiar mild tank-cured product.

We recommend that the Bacon Board should make use of the powers it will enjoy under the Agricultural Marketing Act to regulate the quantity of any kind or variety of bacon sold by "curers," in order to ensure an adequate supply of tank-cured bacon, and that the Pig Industry Development Board should have regard to this aspect in licensing the construction of new or extension of old factories.

Tank-cured bacon has so far been produced in very small quantities in this country, and any differentiation there may be between brands is still of negligible importance. In the case of dry-cured bacon, however, individual firms attach great importance to the goodwill won for their particular brands by the characteristic flavour imparted by special methods of curing. It would, therefore, be difficult, and perhaps undesirable, to impose uniformity of technical methods in the dry-cure process. But, if uniform methods of tank curing are adopted at the outset of the new programme of expansion, it will be possible to ensure the same uniformity in the future output of British tank-cured bacon as is already found in the Danish product; nor can it be objected that insistence on such uniformity is unjust to existing interests. We therefore recommend that the Pig Industry Development Board, in collaboration with the Bacon Board, should conduct a thorough and speedy enquiry into the technique of the tank cure, and on the basis of this should lay down lines of curing practice which factories would be obliged to follow, under penalty of prohibition on the sales of their bacon under the powers of the Agricultural Marketing Act.

(b) *Offal Utilization.*—Hitherto, United Kingdom factories have obtained, on the average, considerably larger returns from their offals than have the Danish factories; it is partly as a result of this that United Kingdom feeders have frequently received higher prices for their pigs than the Danes, in spite of higher factory costs in this country. The higher prices of offals are no doubt partly due to the large markets available in the United Kingdom for the limited quantity of offals produced, partly to more efficient organization for their utilization—at least in the larger factories—and partly to the premium obtained by fresh, home-produced over frozen, imported edible offal. As the available supplies of offals increase with the development of home bacon production, there will be a tendency for their value to fall, although we have been assured that demand is capable of considerable expansion, particularly in

certain areas of this country. It will, nevertheless, become more and more important that offals should be marketed and utilized in the most efficient way.

(c) *Research.*—Both the production of bacon and hams and the utilization of offals provide wide fields for research work. We believe that it is in the interests of the bacon industry as a whole that information on technical improvements or discoveries should be made freely available to all factories. As conservatism in this respect may persist among individual concerns—especially, perhaps, among those which have already developed research branches of their own—we recommend that the Pig Industry Development Board should operate a central research station. This would collect technical information at home and abroad, investigate the problems of individual factories on payment of a reasonable fee, and conduct long-range research. All its information should be freely at the disposal of registered producers of bacon.

44. *Marketing.*—The consolidation of the curing industry in the Bacon Board, and its co-operation with the feeding industry in the Pig Industry Development Board, make it possible for valuable work to be undertaken in connexion with the marketing of bacon. We suggest that the Pig Industry Development Board or the Bacon Board should operate a market information service, giving details of foreign killings and arrivals of imports, the extent to which quotas are being filled, prices of rival commodities, etc., as well as of current prices in the chief markets for various grades and varieties of imported and home-produced bacon and hams. Useful marketing research could be done, for example, on consumers' tastes in different areas, possible export markets, and on the course of prices under the quota system; this would probably fall within the province of the Pig Industry Development Board.

We have not explored the possibilities of centralized selling, but believe that it may prove an innovation useful to certain smaller factories which have no wholesale outlets or desire to participate in large contracts, as, for example, for the supply of bacon to H.M. Forces.

We have referred above to the need for standardization as an instrument to secure uniformity of quality at a high level. It will be one of the chief functions of the Bacon Marketing Board to prescribe and enforce the use of such standards.

Finally, the advertising of home-produced bacon should be undertaken by the Bacon Board or the Pig Industry Development Board on an extensive scale, as in the early years of the quota system it will be necessary to break down fairly strongly fixed tastes for foreign products; in this campaign, the National Mark and the use of standardized grades should prove valuable assets. Any costs incurred by the Government Departments concerned in administering a National Mark scheme for bacon should be defrayed by the organized industry.

PART VIII.—NORTHERN IRELAND.

45. We are required by our terms of reference to investigate, *inter alia*, the extent to which any scheme prepared by us under the Agricultural Marketing Act "could be facilitated by co-operation between the board administering it and any corresponding body in Northern Ireland," and also "to investigate the manner in which its operation could be facilitated by the quantitative regulation of imports. . . ." We infer that we are therefore only concerned with any action which may or may not be taken by Northern Ireland (a) in order to fulfil our terms of reference and (b) in order to make sure that any action taken in Northern Ireland will neither prejudice the success of our scheme as a whole nor react unfavourably on individual farmers or curers in Great Britain.

We have already indicated (see paragraph 16) that co-operation between pig and bacon producers in the United Kingdom as a whole could best be maintained, in our opinion, through the Pig Industry Development Board, but we have also had to consider the way in which our proposals would be affected by the parallel proposals for Northern Ireland. In this connexion, we have had the advantage of consultation with representatives of the Government of Northern Ireland, of the Ulster Farmers' Union and of the Ulster Curers' Association.

We have been informed that, agriculturally, Northern Ireland * differs fundamentally from Great Britain in that it is essentially a country of small peasant farmers. Further, the local pork market is almost negligible and, although some quantities of pigs and carcasses are sold on the pork market of Great Britain, the problem of the co-existence of the pork and bacon markets has not arisen to the same extent as in Great Britain. Thus, while, on the one hand, the bulk of the farmers of Northern Ireland are apparently not in a position to enjoy the security and other advantages offered by the contract system, there is, on the other hand, not the same urgent need to segregate the pork and bacon markets.

We realize that the contract system does not suit the prevailing circumstances of the Northern Irish industry, but we understand that, in the future, vigorous steps are to be taken in Northern Ireland to encourage the use of contracts.

There have been shown to us alternative proposals which it is proposed to apply to the Northern Irish industry in the event of the imposition of a quota system. It is therein suggested that the Northern Ireland quota should be fixed by the Quota Advisory Committee and based on an estimate of the anticipated supply of bacon and hams made by the Ministry of Agriculture for Northern Ireland. In advising the Quota Advisory Committee as to a suitable Northern Ireland quota for the initial period, the Ministry

* For statistics of the pig industry in Northern Ireland see paragraph 4.

of Agriculture for Northern Ireland would take into consideration :—

(i) The number of pigs bought for curing in a normal year plus the number of bacon pigs exported dead and alive to Great Britain in a normal year ; and

(ii) the pig population as shown by the agricultural statistics plus an allowance for store pigs imported from the Irish Free State.

Allowance would be made for an expansion of production at a rate not exceeding 10 per cent. every four months, such increases to be subject to any conditions (apart from the contract requirement) governing similar increases in Great Britain.

We believe that these proposals, broadly, are an adequate complement to our recommendations, provided that power is given to the Quota Advisory Committee to secure the same stability of supply as we think necessary in the case of Great Britain and other suppliers of the United Kingdom market. On this principle we find that our views are shared by Northern Ireland. We therefore suggest that the Northern Ireland quota should be subject to a 5 per cent. annual tolerance and a tolerance of \pm 10 per cent. on each fortnightly sub-quota period, and that it should be readjusted during the course of the quota year if the quota output of bacon and hams falls below the lower limit of the sub-quota period tolerance for more than three consecutive fortnightly periods or for more than six fortnightly periods in six months.

We understand, further, that the proposals contemplate that the Northern Ireland quota will cover not only bacon made in Northern Ireland but also pigs consigned, with quota certificates, to curers in Great Britain.

We are informed that the Government of Northern Ireland will facilitate any legislation necessary to implement the satisfactory operation of their proposals and will take steps to set up Northern Ireland Pigs and Bacon Marketing Boards.

PART IX.—CONCLUSIONS.

Summary of Recommendations.

46. General.

(i). We are satisfied that recent prices of pigs and pig products have been dangerously low from the producers' point of view, that these low prices are not to the ultimate benefit of the consumer, and that the orderly expansion of the home bacon industry cannot be achieved unless the relatively high imports of bacon from established Continental industries are regulated.

Lowness of prices and severity of competition. (Rept. paras. 7 & 12 and pages 11 & 20).

(ii). Study of the effects of the pig price and feeding-stuffs price cycles leads us to the conclusion :—

Suggestions for overcoming effects of pig-price and feeding-stuffs price cycles. (Rept. para. and pages 12-16).

(a) that the total United Kingdom bacon supplies should be stabilized, in order to limit the effect of the pig-supply cycle, and

(b) that, as far as possible, United Kingdom bacon-pig prices should vary with feeding-stuffs prices.

(iii). Expansion of the home pig industry must take the form of increased bacon production, as the capacity of the pork market is limited. We therefore recommend that the pork-pig and bacon-pig markets should be segregated as far as possible, and we make no provision in our scheme for the regulation of the marketing of pork pigs.

Restriction of proposals to bacon and hams. (Rept. para. 9 and pages 16 & 17).

(iv). In order to overcome the difficulties discussed in paragraphs 6-9 of our Report, and to achieve the objectives outlined in (i), (ii) and (iii) above, we recommend :—

Main recommendations relate to—
(a) Home and Import Quotas.
(b) Bacon Pig Contracts.
(c) General Efficiency Measures. (Rept. paras. 11-14 and pages 18-24).

(a) that the volume of total bacon supplies should be regulated by quotas both on home production and on imports ; and

(b) that bacon pigs should be sold only on annual contracts at a national price closely related to feeding costs.

In addition, we suggest certain measures designed to increase the general efficiency of pig and bacon production and marketing, and to remedy some of the weaknesses of the pig and pig products industry as a whole.

(v). We consider the following bodies to be necessary for the successful operation of our quota, contract and efficiency proposals :—

Machinery proposed. (Rept. para. 16 and pages 24-27).

(a) A Quota Advisory Committee, similar in character to the existing Import Duties Advisory Committee, and available for any future subjects of quota regulation. The duties of this body would be quota determination and allocation, and the guardianship of the public interest.

Quota Advisory Committee

For liaison and consultation with the interests concerned, the Quota Advisory Committee should be assisted

Bacon Imports
Advisory
Committee.

on the import side by a Bacon Imports Advisory Committee, consisting of representatives of bacon importers and distributors with a neutral chairman, and on the home side by the Pig Industry Development Board (q.v.).

Pigs and Bacon
Marketing
Boards.

(b) The negotiation of contract terms and prices, contract administration and the operation of efficiency services should be performed, in Great Britain, by a Pigs Marketing Board and a Bacon Marketing Board established under the Agricultural Marketing Act, 1931, and composed of representatives of, and financed by, organized pig producers and bacon curers, respectively. Corresponding Boards should be set up in Northern Ireland.

Pig Industry
Development
Board.
(See also Rept.
para. 52 and
pages 71 & 72).

(c) The co-ordination of these Boards, the administration of the home quota, arbitration between Pigs and Bacon Boards as regards contract terms and prices, and the execution of approved plans for rationalizing or increasing the efficiency of certain phases of the industry should be in the hands of a Pig Industry Development Board, with statutory powers, composed of representatives of the Pigs and Bacon Marketing Boards, with a nucleus of independent members. This Board should also be in a position to undertake on behalf of the Pigs and Bacon Marketing Boards efficiency and other services in which they are jointly interested. The Pig Industry Development Board should be financed by the Pigs and Bacon Marketing Boards of the United Kingdom.

Permanent
Reorganization
Commission for
the Agricultural
Industry.

(d) Section 15 (2) of the Agricultural Marketing Act, 1931, contemplates the continued existence of any Reorganization Commission set up thereunder. We consider that the orderly development of the pig industry, both in the public interest and in the interest of those directly concerned, would be facilitated by the existence of a Permanent Reorganization Commission, independent and non-political in membership. The purview of this body should not, however, be limited to pigs and pig products: it should be a planning body for the agricultural industry as a whole.

47. Quotas.

Import Duties
not recom-
mended.
(Rept. para. 11
and pages 18 &
19).

(vi). We do not consider that fixed or sliding scale import duties would be as effective as a quota system in overcoming the difficulties and assisting the development of the home bacon industry.

The Quota as a
constructive
instrument.
(Rept. paras. 11
& 12 and pages
18-21).

(vii). We were required by our terms of reference "to investigate the manner in which our scheme could be facilitated by the quantitative regulation of imports" and, as a result of our enquiries, we recommend that quotas should be applied to both home-produced and imported bacon. We consider that the quota should be regarded from a new point of view

as a constructive instrument designed to introduce, both at home and in exporting countries, orderly production and steady supply in relation to the United Kingdom consumer-demand and to ensure stability of outlet and of price to pig producers at home and abroad.

(viii). We therefore recommend that the Quota Advisory Committee should determine the total United Kingdom requirements of bacon (including hams) for each calendar year and, as soon as the volume of bacon-pig contracts ranking for home quota is known, should have power to make recommendations for the allotment of bacon quotas of 12 months' duration to Great Britain, Northern Ireland and to each exporting country. Each country's allotment should be reconsidered annually, but the Quota Advisory Committee should have power to recommend the increase or decrease of any import or home quota at any time if required in the public interest. In the performance of its duties, the Quota Advisory Committee should have regard to the ability of Great Britain, Northern Ireland and each exporting country to maintain regular supplies (as indicated by the variations in supplies in sub-quota periods), to efficiency and costs of production at home and abroad, to quality of produce and, in particular, to the general interests of the consumer.

Determination and allocation of annual "National" quotas.
(Rept. para. 17 & pages 27-29).

Power of Quota Advisory Committee to adjust quotas

Consumer and public interests to be considered
(Rept. paras. 12, 17 & 18 and pages 21, 28 & 30).

(ix). We consider that the United Kingdom supplies of bacon and hams, from all sources, should for the present be stabilized at 10,670,000 cwt. per annum.

Volume of stabilized supplies.
(Rept. para. 19 and pages 30 & 31).

(x). Subject to predetermined adjustments to meet seasonal variations in market demand, we recommend that the annual quota of an exporting country should be divided into equal fortnightly proportions and that a maximum variation of 5 per cent. above or below each annual quota or fortnightly sub-quota should be permitted. If, however, imports from any one country should fall below the lower limit of the sub-quota tolerance for three consecutive fortnightly periods or for any six fortnightly periods in any six consecutive months, then the Quota Advisory Committee should have power to recommend adjustments in that country's quota during the course of the quota year and to re-allocate the portion of the quota thus forfeited.

Annual "National" Import Quotas with fortnightly sub-quotas, tolerances, and adjustments during quota year.
(Rept. para. 17 and pages 27 & 29).

As and when the United Kingdom quota increases, that of foreign exporting countries should be reduced and any increase in Dominion or Colonial quotas should be at the expense of foreign quotas.

Dominion Quotas not to be increased at expense of home quota.
(Rept. para. 17 and page 29).

(xi). The Great Britain quota should, subject to certain specified conditions and tolerances, be equivalent to the number of pigs contracted to be sold to registered curers during

Great Britain Quota to be determined by volume of bacon-

pig contracts subject to limits on rate of increase. (Rept. para. 18 and pages 29 & 30).

Special provisions for Northern Ireland Quota. (Rept. para. 45 and page 61).

Import Quota administration. (Rept. para. 20 and pages 31-34).

Home Quota administration. (Rept. para. 20 and pages 31-34).

Provision for imported pigs and carcasses cured in United Kingdom and for the export of home-produced bacon. (Rept. para. 20 and page 33).

Sale of bacon pigs only on contract. (Rept. para. 14 and page 23).

Negotiation of, and restriction of contract sales to terms of national agreement. (Rept. paras. 22 & 24 and pages 34 & 35, also Appendix C, note 4, page 104).

Pigs Marketing Board a technical party to contracts between farmers and curers. (Rept. para. 26

the quota year and, if sufficient contracts are forthcoming, a maximum rate of increase of 10 per cent. every four months over the quota supply in the previous four months should be permitted. The sub-quota periods and the tolerance on sub-quotas of the Great Britain quota should be consistent with the contract terms (see paragraph (xvi) below).

As the contract system is inapplicable to Northern Ireland, the Northern Ireland quota should initially be based on an estimate of the Northern Ireland Ministry of Agriculture but should be subject to a fortnightly sub-quota period tolerance of 10 per cent. and to a maximum rate of increase of 10 per cent. every four months.

(xii). In order that our proposals may not discourage organization for efficient marketing in exporting countries, we recommend that quota certificates should be issued annually to the Government or other approved authority of the exporting country for sub-allocation by it.

The Pig Industry Development Board should administer the home quota to the satisfaction of the Quota Advisory Committee.

Provision should be made for the production by United Kingdom curers of bacon and hams from imported pigs or carcasses if accompanied by import Quota certificates, and also for the production of bacon and hams for export.

48. Contracts.

(xiii). Partly as a method of segregating the pork-pig and bacon-pig markets and partly as a way of determining and filling the home quota, we recommend, as a corollary to the restriction of imports, a contract system covering all sales of bacon pigs by farmers to curers.

(xiv). We suggest that from time to time the Pigs Marketing Board (representing pig producers) should negotiate with representatives of bacon curers a national agreement on contract terms and prices, that the Pig Industry Development Board should have power to arbitrate in the event of a breakdown in these negotiations, and that all contract sales of bacon pigs should be effected at the prices and on the terms thus agreed.

We recommend also the amendment of the Agricultural Marketing Act to permit these negotiations to be conducted by the Bacon Marketing Board on behalf of curers.

(xv). Following the publication of the national agreement a farmer should be free to make contracts for the ensuing calendar year or years with any curer who is prepared to take his pigs and vice versa. However, for quota and administrative reasons, the Pigs Marketing Board must be a party to

each and every contract and we therefore recommend that, with certain exceptions, the Pigs Marketing Board should be required, at the joint request of a farmer and a curer, to buy pigs on contract from the former and sell them on contract to the latter, on the terms, and at the prices, of the national agreement.

and pages 33-40).

(Appendix A, para. 38, page 86).

(xvi). Subject to the conditions governing the home quota, contracts may be made for the delivery of any number of pigs in any month or months of the annual contract period. A tolerance of 10 per cent. above or below the contracted quantity for any month and of 5 per cent. above or below the total contracted quantity for the contract year should be permitted in each contract.

Monthly deliveries with tolerances. (Rept. para. 29 and page 43).

(xvii). If on account of disease or other accidents outside his control the feeder is unable in whole or in part to fulfil his contract, he should be relieved of his contract obligation to the Pigs Marketing Board. To maintain their contracted supplies to curers, the Pigs Marketing Board should retain a number of contracts with farmers in order to have a surplus pool from which to make good involuntary defaults by producers and should also be able to purchase pigs in the open market for the same purpose.

Protection of farmer against involuntary default and of curer against failure of supply (Rept. para. 28 and pages 42 & 43).

Contracts between farmers and the Pigs Marketing Board and between the Board and curers should also be transferable.

(Rept. para. 31 and page 44).

(xviii). We consider that breeding and feeding should as far as possible be concentrated on the same farms, but we realize that provision must be made for the store-pig breeder and feeder and consider that this would be done by the system of transferable contracts. This would permit the store-pig feeder to make a contract and then at a later date to purchase store pigs in the open market in order to fulfil that contract, or it would permit the breeder to make a contract which he could transfer with, and on the sale of, the store pigs.

Provision for the store-pig feeder (Rept. para. 31 and page 44)

We appreciate that the small producer may have difficulty in making contracts direct with curers, but consider that this class of producer should be encouraged to participate in our proposals. We therefore suggest "group contracts," which might be operated through the agency of local pig clubs, local auctioneers and other persons or through the Pigs Marketing Board itself.

—and for the small producer. (Rept. para. 30 and pages 43 & 44).

(xix). The contract price of pigs should at all times cover reasonable costs of production and should be based on a minimum price formula "ex farm" for a carcass of standard specification; the formula price should vary with the cost of feeding-stuffs in the four months preceding delivery. To this basic price should be added whatever additional sum, repre-

Standard contract price to cover cost of production and vary with feeding costs. (Rept. para. 22 and 23 and pages 34-35.)

senting the feeder's profit, may be agreed by national negotiation. The basic-price formula should, however, only be changeable by either party to the national negotiations after one year's notice.

Adjustments of this basic price should be made for carcasses which are above or below the specified standard in quality or weight; they could also be made in respect of such other factors as the season and rate of delivery or to meet the administrative expenses of the Pigs Marketing Board.

49. General Efficiency Measures.

Pig standardization through payment for quality.
(Rept. para. 22 and pages 35-38.)

(xx). The contract should specify the standard carcass grades and weights for bacon pigs, and it should discriminate in price against carcasses of indifferent quality and unsuitable weight. We consider that payment for quality, in combination with pig-recording and supported by intelligent propaganda, would, in time, standardize the type of pig produced for bacon.

Adoption of Pig Industry Council's breed recommendations.
(Rept. para. 24 and pages 48 & 49.)

We are, however, of the opinion that pig standardization would be accelerated by the adoption of the Pig Industry Council's breed recommendations.

Carcass grading and weighing.
(Rept. para. 24 and pages 48 & 49.)

We recommend that every carcass should be graded and weighed by an official appointed by the Pig Industry Development Board.

Eradication of scrub boars.
(Rept. para. 24 and pages 48 & 49.)

We support the Pig Industry Council in recommending legislation for boars, similar to the Improvement of Livestock (Licensing of Bulls) Act, 1931.

Reduction of losses by disease
(Rept. para. 35 and pages 49 & 50.)

(xxi). We concur with the Pig Industry Council's veterinary recommendations, and we think that the Pigs Marketing Board should contribute from its funds towards the cost of these proposals.

Pig-recording and a campaign for increased pig-production efficiency.
(Rept. para. 26 and pages 50 & 51.)

(xxii). We recommend that the Pig Industry Development Board (or the Pigs Marketing Board) should undertake an educational campaign to increase the general efficiency of pig production and that pig-recording should form a part of this campaign.

Pedigree breeders and litter-testing stations.
(Rept. para. 26 and pages 50 & 51.)

We urge pedigree breeders to set up and operate litter-testing stations in order to create a supply of "tested" breeding stock for the commercial pig keeper.

Reduction of trade in, and improved marketing of, store pigs.
(Rept. para. 37 and pages 51 & 52.)

(xxiii). We desire to see a greater concentration of breeding and feeding on the same farms and a reduction in the volume of the store-pig trade with its attendant risks. We realize, however, that, under conditions in Great Britain, some trade in stores is necessary and we hope that the Pigs Marketing Board will take steps to organize the direct "farm-to-farm" sale of store pigs.

Orderly assembly and transport of

(xxiv). We recommend that the Pigs Marketing Board, in collaboration with curers, should take steps to organize the

orderly assembly for transport of contract pigs and suggest that shipments to factories of small individual lots of pigs should be discouraged. For this purpose, the available facilities offered by the railway companies, auctioneers or local pig-shipping societies should be utilized as far as possible.

contract pigs.
(Rept para. 39
and pages 53 &
54.)

We have reason to believe that an agreement might be reached with the railway companies providing for an all-in transport rate, by road or rail, on a zone basis.

(xxv). We consider that, owing to (a) irregularity of supplies, (b) the excess of aggregate factory capacity over available pig supplies, (c) the large number of small factories, and (d) in some cases, the unsuitable geographical location of factories, the present costs of bacon production in this country are too high. We therefore recommend that the Pig Industry Development Board should be given powers to regulate the erection of new or the expansion of existing factories, and also, where necessary, in the interests of the industry, to finance and construct bacon factories, on public utility lines or otherwise, when and where new capacity is considered necessary. In addition, we suggest that it is worth considering whether the Pig Industry Development Board should not also be given powers to buy up and close down redundant, inefficient and badly located factories.

Rationalization
of the bacon
curing industry.
(Rept. paras. 40-
42 and pages
54-58.)

Powers of the
Pig Industry
Development
Board to
regulate
erection and
expansion of,
to finance and
erect, and to
buy up and
close down
redundant,
bacon factories.
(Rept. paras.
41 & 42 and
pages 55-58.)

(xxvi). We recommend that increases in the home bacon quota should consist chiefly of wet tank-cured Wiltshire-side bacon, and that methods of tank curing should be standardized as far as possible.

Production of
tank-cured
bacon.
(Rept. para. 43
and pages 58-
60.)

(xxvii). The Bacon Marketing Board should take steps to standardize and advertise home-produced bacon and hams and should for this purpose make use of the provisions of the Agricultural Produce (Grading and Marking) Acts, 1928 and 1931.

Standardization
of bacon under
the National
Mark.
(Rept. paras. 43
& 44 and pages
58-60.)

(xxviii). We stress the importance of efficient utilization of pig offals; we recommend that research into the production and marketing of bacon and of pig offals should be undertaken by the Pig Industry Development Board; and we refer to the possibilities of centralized selling, especially amongst small curers.

Offal utilization,
bacon research
and centralised
selling.
(Rept. paras. 43
& 44 and pages
58-60.)

(xxix). We recommend that the industry should establish a reliable service of market intelligence for pigs and pig products and we suggest that the Pig Industry Development Board might undertake this service on behalf of the respective marketing boards.

Market
Intelligence.
(Rept. paras. 38
and 44 and pages
52 & 60.)

50. Northern Ireland.

(xxx). We have seen proposals for Northern Ireland which we believe to be an adequate complement to our plans and we have in this Report made certain suggestions to facilitate the

Northern
Ireland.
(Rept. para. 43
and page 61 &
62.)

application of our quota proposals to Northern Ireland. (See also paragraph 47 (xi)).

51. Provisional Arrangements.

Contract and Home Quota provisional arrangements. (Rept. para. 33 and pages 46-48).

(xxxi). We are convinced that the regulation of foreign competition is now a matter of great urgency. We therefore urge the Government to expedite the passing of the additional legislation required before effect can be given to our proposals. The industry itself should, we think, need no prompting to submit the essential marketing schemes at the earliest possible moment.

We realize, however, that there is an immense amount of preliminary work to be done, and we regret that, in consequence, July 1st, 1933, would appear to be the earliest date by which our contract and quota proposals could come into operation. But, to avoid delay, we recommend that as soon as marketing schemes have been formally submitted by the industry, the Government should appoint a provisional Pig Industry Development Board, consisting of representatives of producers and curers in Great Britain and Northern Ireland, with an independent nucleus. The functions of this body, besides conducting propaganda among farmers and curers in favour of the scheme, would be to arrange the details of an initial basic-price formula, and of the contract terms and prices for an initial contract and quota period, starting on July 1st, 1933, and lasting until December 31st in that year. On the basis of these terms and prices, feeders and curers could start making contracts for bacon pigs to be delivered from July 1st onwards. The first yearly contract and quota period would then start on January 1st, 1934.

52. Concluding Observations.—We have tried, throughout, to take a long view. In our recommendations, we have therefore aimed at a gradual but permanent building-up of a home bacon industry and have avoided a policy that might temporarily benefit the farmer by causing a spectacular rise in the profits of pig keeping with the risk of a corresponding severe collapse after a short time.

We think, nevertheless, that the basic-price formula suggested in paragraph 23 is reasonable and that, having regard to current pig prices, it is sufficiently attractive to the farmer to encourage the signing of contracts and so to secure, initially, a substantial home quota. We think it should be to the curers' ultimate advantage to give early encouragement to the suppliers of their raw material and, in negotiating a price formula for the six months contract period ending December 31st, 1933, we suggest that the provisional Pig Industry Development Board should have this point in mind.

It is difficult to estimate how far the curers will be affected by the altered circumstances of the trade. But, with bacon factories better distributed and working up to their full capacity, with a greater uniformity of carcase and stability of bacon prices, and with the more general adoption of the cheaper tank-cure process, the costs to the home industry should come down.

Bearing in mind that time may be needed for the better organization and improved efficiency to take effect, we wish to emphasize the gradual nature of our proposals. The curer will still have his dry-cure bacon trade with its special price, and we think that by the time he has developed the tank cure, where the keenest foreign competition will be felt, the efficiencies should have had their effect in reducing the costs of the industry and in producing a competitive article.

One of the chief advantages at present attaching to the home curer is the higher price obtainable for his offals and subsidiary pig products, owing to the neighbouring demand of an industrial population. We do not suggest that a quota should be imposed upon these products, because we believe that it would be complicated to administer. If, however, it should appear in the early stages of the reorganization of the industry that these products were being imported to an extent likely to jeopardize the working of the main quota, steps might need to be taken by the Government to protect the curer in that respect. We hope, however, that this contingency will not arise.

We believe that the recent level of bacon prices has been unjustifiably low. Subject, then, to a justifiable rise in bacon prices, we hope the effect of our scheme, with the safeguards we have suggested, will be to promote stability in a free market. If, however, steps should be taken by any section of the trade to defeat this primary object of our proposals, it might be necessary to invoke the alternative methods of control envisaged in paragraph 12.

In some parts of our Report, we may seem to have suggested in some detail the methods which we think should be employed by the Pigs and Bacon Marketing Boards; these expressions of our opinion are, however, only suggestions, for we recognize that the future of the industry will be in the hands of producers, whether farmers or curers. Agricultural marketing must be founded upon the principles of self-discipline and self-determination, and with these principles our recommendations conform. We consider that the Pig Industry Development Board is the corner-stone of our plan. It is right, but it is not sufficient, for pig producers and for bacon curers to be organized in watertight compartments for the better control of their own affairs; they have so much in common on which the

welfare of the whole pig industry requires that they should speak as one industry. We do not suggest that the Pig Industry Development Board should usurp any of the autonomy of the Pigs or Bacon Marketing Boards, or that pig producers should control or be controlled by bacon curers; we suggest only that considerations of common policy should be settled by a properly representative body to which, for reasons of economy, there might also be entrusted certain executive services for the development of the industry as a whole. In this joint body is developed the idea of co-operation, in accordance with the spirit and intention of the Agricultural Marketing Act, between the various sections of the industry, upon which its success in the future must depend.

53. In conclusion, we desire to place on record our appreciation of the manner in which our Secretary, Mr. J. B. Baber, of the Markets Division of the Ministry of Agriculture and Fisheries, has carried out his duties in connexion with our enquiry. With his sound judgment and wide knowledge of the problems involved in our terms of reference and of the technique of organization, he has proved a most helpful counsellor and we are greatly indebted to him.

We desire to acknowledge our indebtedness also to our Assistant Secretary, Mr. A. R. Manktelow, and to the other members of our staff seconded from the Markets Division of the Ministry—namely, Mr. C. H. Blagburn, Mr. A. N. Duckham and Mr. C. A. L. Irving.

As regards Scotland and Northern Ireland, our work has been greatly facilitated by the valuable assistance which we have received from Mr. H. Crow, of the Scottish Office, and Mr. G. Scott Robertson, of the Department of Agriculture for Northern Ireland, who were appointed to act in liaison between their respective Departments and ourselves.

We have the honour to be,

Sirs,

Your obedient Servants,

G. R. LANE FOX, *Chairman.*

W. S. HALDANE*

H. G. HOWITT

WYNDHAM PORTAL

JASPER RIDLEY

B. BABER, *Secretary.*

A. R. MANKTELOW, *Assistant Secretary,* 13th October, 1932.

* Subject to Reservation—see pages 73-74.

RESERVATION BY SIR WILLIAM S. HALDANE.

I have signed the foregoing Report under reservation on a matter of principle, which I foresee involves serious practical consequence.

From an early stage in our enquiries I realized that I differ from my colleagues in my views as to the need for adherence, in the proposals we should submit, to the main principles and purposes of the Marketing Act of last year, under which we were constituted; and when it was decided, for reasons good in themselves, to concentrate our attention primarily on the bacon side of the industry, I pointed out the difficulty that might arise if we departed from the intention of the Act to deal comprehensively and co-operatively with the marketing of the "agricultural product" our instructions cover.

Though till the later stage of our deliberations we had in view that the marketing of pork-pigs should also be regulated, possibly along with other live stock, we have, I think, allowed the complex problems which have arisen as to the regulation of the bacon side of the industry to distract us so much from the claims of its pork side that the final proposals in the Report almost entirely ignore the needs of the latter, notwithstanding the wide instruction we were given. Could I have regarded the pork side in its marketing as a matter of little consequence, or as being satisfactory in its present state, or even felt any certainty of its being dealt with soon in some satisfactory manner, I should not have had much difficulty in concurring with the decisions finally reached by my colleagues in this respect, even if not completely fulfilling our statutory duties.

The pork side is estimated to be over two-thirds of the pig industry as a whole, and though the evidence we have taken as to it has been limited, the published reports before us, both English and Scottish, besides impressive representation as to its importance from Scotland, convince me that its marketing requires early and careful attention, being far from satisfactory at present, as I believe is common view. Moreover, the proposals in the Report, as is clearly stated, would involve increasing detriment to the pork-pig market by converting it into a "surplus" market for the purpose of protecting the bacon-pig market.

On legal advice being taken for preparation, finally, of the statutory Scheme on which our proposals must be based, no definition of the bacon-pig has been found differentiating it from the pork-pig, to satisfy our advisers, and therefore, to conform with the Statute, the Scheme is drawn up to cover all pigs, even though the actual marketing provisions are confined to pigs contracted for bacon curing. As I am advised, the effect of this would be that, not only would we be doing nothing to help the industry in the marketing of pork-pigs but that, so long as the Scheme continued

in the form proposed and the Statute was not amended to suit, no other Scheme could deal with the marketing of such pigs.

It has been suggested that the Scheme being put forward now could be amended later on to cover the marketing of pork-pigs; but this suggestion offers no practical remedy for reasons which I think are obvious on study of the difficult statutory procedure that would be required, and moreover would be dependent on sufficient support from the contracting bacon-pig producers whose intended representative Board would have absolute decision as to whether any such amendment might be proposed, even for any part of Great Britain.

I feel, therefore, though with much regret, that, as matters are now, the difficulties involved are too serious for my concurrence in the proposals of my colleagues, in so far as they stand in the way of the due regulation of the pork-pig market at an early date. Greater effort towards their solution has not been possible, unfortunately, owing to the urgency impressed on us to issue our Report for reasons quite apart from the difficulties which have now arisen.

I wish, however, to make clear that I am in full agreement with the conclusions reached to satisfy the bacon industry's needs, particularly as to the essential necessity for methods of close and continuous co-operation between its constituent parts if it is hoped to meet home requirements in competition with imports from abroad. I believe that in the peculiar position of the British bacon trade, completely dominated as it is by unregulated imports of vast quantity, it is impossible to regulate home production without regulation of these imports, the extraordinary irregularity of our pig-meat supplies being set out in paragraph 8 of the Report.

Although at first I felt difficulty in accepting proposals departing at all from the basal principle of the Act of last year placing the producer in full control of the regulation of his marketing, I am convinced as to the advisability of modifying this principle by the introduction, through the Pig Industry Development Board and a Permanent Reorganization Commission, of the wider principle of a proper degree of State guidance and industrial control.

W. S. HALDANE

13th October, 1932.

TABLE I.—*Pig Population, Estimated Numbers of Pigs Slaughtered, and Estimated Output of Pig-meat in Great Britain in the Years 1911–31.*

Year.	Pig Population.			Estimated No. of Pigs slaughtered*	Estimated Pig-meat output†
	England and Wales.	Scotland.	Total.		
	000	000	000	000	000 cwt.
1911 ...	2,651	171	2,822	3,717	5,575
1912 ...	2,497	159	2,656	3,863	5,794
1913 ...	2,102	132	2,234	3,281	4,922
1914 ...	2,481	153	2,634	3,273	4,910
1915 ...	2,420	159	2,579	3,453	5,179
1916 ...	2,168	146	2,314	3,280	4,919
1917 ...	1,918	133	2,051	3,056	4,383
1918 ...	1,697	128	1,825	2,606	3,605
1919 ...	1,798	138	1,936	2,452	3,425
1920 ...	1,994	129	2,123	2,713	3,971
1921 ...	2,505	146	2,651	3,312	4,968
1922 ...	2,299	151	2,450	3,504	5,256
1923 ...	2,612	186	2,798	3,715	5,572
1924 ...	3,228	199	3,427	4,406	6,609
1925 ...	2,645	154	2,799	4,172	6,258
1926 ...	2,200	145	2,345	3,461	5,191
1927 ...	2,691	197	2,888	3,639	5,459
1928 ...	2,971	196	3,167	4,172	6,258
1929 ...	2,367	142	2,509	3,803	5,705
1930 ...	2,310	143	2,453	3,397	5,096
1931 ...	2,783	162	2,945	3,765	5,648

* Calculated on estimates for meat years, June to May, by taking, for the calendar year 1911, 5/12ths of the estimate for 1910-1 and 7/12ths of the estimate for 1911-2, and so on.

† Including edible offal. To cover such offal, an addition equal to 5 per cent. of the dressed meat has been made.

TABLE II.—*Pig Population and Output of Northern Ireland in the Years 1926-31.*

Year.	Pig Population.	Output of Home-bred Pigs.	Net Imports of Store Pigs.	Estimated Output of Pig-meat.*
				Cwt.
1926	158,361	148,800	59,700	371,400
1927	236,285	236,500	75,500	546,900
1928	229,128	270,500	40,300	541,900
1929	192,058	220,300	64,000	503,800
1930	216,315	213,300	81,500	514,100
1931	235,569†	247,500†	77,000†	566,900†

* Including edible offal, for which an allowance equal to 5 per cent. of the dressed meat production has been added.

† Provisional.

TABLE III.—*Estimated Supplies of all Pig Products in the United Kingdom in the Years 1926-31.*

Year.	Home Produce.*	Retained Imports.	Total Supplies.	Proportion of "Home" to "Total."
	000 cwt.	000 cwt.	000 cwt.	Per cent.
1926	5,563	11,881	17,444	31·9
1927	6,006	12,879	18,885	32·1
1928	6,800	13,266	20,066	33·9
1929	6,209	12,900	19,109	32·5
1930	5,610	13,879	19,489	28·8
1931	6,215†	15,756†	21,971†	28·3†

* Including edible offal, for which an allowance equal to 5 per cent. of the dressed meat production has been added.

† Provisional.

TABLE IV.—Retained Imports of Pig Products and Live Pigs into the United Kingdom in the Years 1925–31.

Year.	Bacon.		Hams.		Lard.		Pork (Fresh, Frozen, Salt, Tinned).*		Live Pigs.		Total.
	Quantity	Value.	Quantity	Value.	Quantity	Value.	Quantity	Value.	No.	Value.	Value.
	000 cwt.	£000.	000 cwt.	£000.	000 cwt.	£000.	000 cwt.	£000.	000	£000.	£000.
1925	7,015	39,942	1,480	8,279	2,284	9,459	1,508	7,252	98	619	65,551
1926	7,034	40,377	1,170	7,244	2,230	8,521	1,147	5,481	231	1,688	63,311
1927	8,093	36,799	864	4,466	2,388	7,551	782	3,523	395	2,337	54,876
1928	8,504	38,799	918	4,424	2,433	7,461	830	3,908	318	1,890	56,482
1929	7,927	42,081	1,005	5,290	2,613	7,782	926	4,076	311	1,944	61,173
1930	8,834	39,520	984	4,820	2,495	6,823	999	4,478	415	2,619	58,260
1931†	10,743	31,900	815	3,120	2,540	5,890	981	3,818	479†	2,213†	46,941

* Including offal also, except in 1931.

† Provisional figures.

‡ Gross imports.

TABLE V.—*Volume and Relative Importance of Imports of Bacon
(b) in the months January to*

	Total		Denmark		U.S.A.		Canada		Irish Free State		Netherlands	
	Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.
1925												
Bacon ..	7,486	50.0	3,739	19.9	1,490	1,267	18.9	462	6.2	276	8.7	
Hams ..	1,517	0.1	1	86.2	1,309	188	12.4	12	0.5	0		
Total ..	9,003	41.5	3,740	2,799	31.1	1,455	16.2	474	5.3	276	2.1	
1926												
Bacon ..	7,471	48.8	3,642	15.9	1,199	870	11.6	434	5.8	619	8.3	
Hams ..	1,196	0.2	2	83.7	1,000	163	13.6	8	0.7	0		
Total ..	8,666	42.0	3,644	2,199	25.3	1,033	11.9	442	5.1	619	7.1	
1927												
Bacon ..	8,482	60.0	5,091	7.6	641	508	6.9	451	5.3	797	9.4	
Hams ..	889	0.3	3	89.5	716	134	15.1	12	1.4	1	0.1	
Total ..	9,371	54.4	5,094	1,857	14.5	637	6.8	463	4.9	798	8.5	
1928												
Bacon ..	8,858	60.7	5,376	6.1	538	307	3.5	555	6.3	1,061	12.0	
Hams ..	942	0.2	2	80.7	790	115	12.2	17	1.8	†		
Total ..	9,796	54.9	5,378	1,298	13.3	422	4.3	572	5.8	1,061	10.8	
1929												
Bacon ..	8,278	60.1	4,977	7.7	635	198	2.4	497	6.0	901	10.9	
Hams ..	1,029	0.1	1	81.8	842	98	9.5	15	1.5	1	0.1	
Total ..	9,307	58.5	4,978	1,477	15.9	296	3.3	512	5.6	902	9.7	
1930												
Bacon ..	9,191	66.6	6,118	5.2	479	99	1.1	331	3.6	842	9.3	
Hams ..	1,003	0.3	3	81.7	820	84	8.4	15	1.5	1	0.1	
Total ..	10,194	60.0	6,121	1,299	12.7	183	1.8	346	3.4	843	8.3	
1931												
Bacon ..	11,138	65.9	7,339	1.7	189	50	0.4	297	2.7	1,001	9.0	
Hams ..	881	0.4	3	72.3	601	72	8.7	17	2.0	1	0.1	
Total ..	11,969	61.4	7,342	790	6.6	122	1.0	314	2.6	1,002	8.4	
1931 (Jan.-Aug.) Bacon and Hams †	7,869	60.4	4,758	595	7.6	48	0.6	156	2.0	780	9.7	
1932 (Jan.-Aug.) Bacon and Hams †	8,172	64.0	5,234	374	4.5	243	3.0	119	1.4	422	5.9	

* Information not available. Imports, if any, included under "Other Countries." † Less for a number of countries

and Hams from different Countries (a) during the Years 1925-31; and August, 1931 and 1932. (Quantities in 000 cwt.)

Sweden.		Poland.		Lithuania.		Rusala.		Latvia.		Estonia.		Argentina.		Other Countries.	
Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.	Quantity.	% of Total.
150*	2.0	2†	‡	*		13	0.2	59	0.8	16	0.2	8	‡ 0.1	9	0.1
150	1.7	2	‡	*		13	0.1	59	0.6	16	0.2	4	‡	15	0.2
258*	3.5	180 ₂	2.4 0.2	* *		49*	0.7	75*	1.0	48*	0.6	31 ₄	0.4 0.3	76 16	1.0 1.3
258	3.0	182	2.1	*		49	0.6	75	0.9	48	0.6	35	0.4	92	1.0
474*	5.6	117 ₇	1.4 0.8	2* ‡	‡	114*	1.4	164*	1.9	50*	0.6	51 10	0.6 1.1	27 6	0.3 0.7
474	5.1	124	1.8	2	‡	114	1.2	164	1.8	50	0.5	61	0.7	3	0.3
441*	5.0	118 16	1.3 1.7	2* ‡	‡	197*	2.2	145*	1.6	41*	0.5	49 28	0.6 3.0	23 4	0.2 0.4
441	4.5	134	1.4	2	‡	197	2.0	145	1.5	41	0.4	77	0.8	27	0.3
380*	4.6	305 28	3.7 2.7	5* ‡	0.1	209*	2.5	67*	0.8	25*	0.3	58 40	0.7 3.9	21 4	0.2 0.4
380	4.1	333	3.6	5	‡	209	2.2	67	0.7	25	0.3	98	1.0	25	0.3
550*	6.0	433 43	5.2 4.3	73* ‡	0.8	50*	0.5	47*	0.5	25*	0.3	38 20	0.4 2.6	58 11	0.6 1.1
550	5.4	525	5.2	73	0.7	50	0.5	47	0.5	25	0.2	64	0.6	67	0.7
578*	5.2	1,077 102	9.7 12.3	363* ‡	3.2	29*	0.3	31*	0.3	65*	0.6	50 29	0.4 3.5	69 6	0.6 0.7
578	4.8	1,179	9.9	363	3.0	29	0.2	31	0.3	65	0.5	79	0.7	75	0.6
414	5.3	686	8.7	220	2.8	15	0.2	22	0.3	37	0.5	42	0.5	114	1.4
304	3.7	798	9.8	342	4.2	38	0.5	6	0.1	50	0.6	54	0.7	123	1.6

than 500 cwt. ‡ Percentage of 0.05, or less.
separate figures for 1932 are not available.

† The total only of bacon and hams is shown, as

TABLE VI.—Imports of Frozen Pork into the United Kingdom from Various Sources in the Years 1925–31.

Source.	1925.	1926.	1927.	1928.	1929.	1930.	1931.
	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
New Zealand ...	43,528	51,136	86,227	121,658	169,480	136,945	121,803
U.S.A. ...	130,183	90,490	38,752	58,078	47,366	108,408	62,208
Argentina ...	7,319	86,052	44,658	57,803	69,697	74,109	81,220
Other countries	45,473	45,940	17,591	9,278	10,779	32,384	100,230
Total ...	226,501	273,618	187,228	246,817	297,322	351,846	365,461

APPENDIX A.

DRAFT SCHEME

UNDER THE AGRICULTURAL MARKETING ACT, 1931 REGULATING THE MARKETING OF FIGS.

PART I—PRELIMINARY.

1. This Scheme may be cited as the Pigs Marketing Scheme, 1932, and applies to Great Britain.
2. In this Scheme, except where the context otherwise requires—
 - “The Act” means the Agricultural Marketing Act, 1931.
 - “Bacon” includes hams.
 - “Calendar year” means a consecutive period of twelve months beginning on the first day of January.
 - “Curer” means a person registered under any scheme in force under the Act regulating the marketing of bacon, or if no such scheme is in force, a person whose business consists, in whole or in part, in producing bacon in Great Britain, and who either—
 - (a) uses for the purpose machinery driven by mechanical power (including water); or
 - (b) occupies for the purpose any premises on which, in any consecutive period of two months commencing on or after the first day of October, 1932, more than seventy-five hundredweights of bacon were put into cure, whether by him or any other person, bacon put into cure otherwise than for the first time being left out of account.
 - “Figs” means pigs produced in Great Britain.
 - “Producer” means a producer of pigs.
 - “Registered” means registered under this Scheme and “registration” shall be construed accordingly.
 - “Secretary” includes any person for the time being authorized by the Board to act as their secretary.
3. The Interpretation Act, 1889, shall apply for the interpretation of this Scheme as it applies for the interpretation of an Act of Parliament.

PART II—THE BOARD.

4. The Board to administer this Scheme shall be called the Pigs Marketing Board, and shall be a body corporate with a common seal and power to hold land without license in mortmain.
5. Until _____ the Board shall consist of the following persons :—

Two persons nominated by the Minister in accordance with the proviso to subsection (1) of section two of the Act ;
and thereafter the Board shall consist of eight district members elected one for each of the local districts specified in the First Schedule to this Scheme by the registered producers of that district, and three special members elected by the registered producers in general meeting.

6. An election of district members for the South Western, South Eastern, Eastern and East Midland districts shall be held in the year 1933 and every second calendar year thereafter, and an election of district members for the other districts shall be held in the year 1933, the year 1934, and every second calendar year thereafter. Every election of district members shall be held in the month of Every district member shall, subject to the provisions of this Scheme, hold office until the expiration of the day on which the next district election for his district takes place.

7. An election of special members shall be held in 1933 in the month of and in every subsequent calendar year at such a time as the Board may fix ; but in the year 1934 and every second calendar year thereafter only one special member shall be elected, and in the year 1935 and every second calendar year thereafter only two special members shall be elected. Of the special members elected in 1933 one (to be selected by lot) shall, subject to the provisions of this Scheme, hold office until the expiration of the day on which the election of special members in 1934 takes place but, save as aforesaid, every special member shall, subject to the provisions of this Scheme, hold office only until the expiration of the day on which the election of special members is held in the second calendar year after the calendar year in which he was elected.

8. A member of the Board who ceases to hold office shall be eligible for election or re-election.

9. A member of the Board shall cease to hold office—

- (a) if he delivers to the Board a written resignation of his office and the resignation is accepted by the Board or, if not accepted, is not withdrawn within seven days ; or
- (b) if he is detained for more than seven days in any place under any enactment in force in any part of the United Kingdom relating to persons of unsound mind ; or
- (c) if he is adjudged bankrupt or enters into a composition with his creditors.

10. If a member of the Board dies or ceases to hold office under the last preceding paragraph, the Board shall co-opt a person in his place, and any person so co-opted shall, unless he dies or ceases to hold office as aforesaid, hold office for so long as his predecessor would have held office.

11. The Board shall at all times have power to act notwithstanding any vacancy among their members, and may appoint committees out of their own number and may, subject to the provisions of this Scheme with respect to the application of the common seal of the Board, delegate any of their powers, other than any power to impose penalties and any power in connexion with the borrowing of money, to any committee so appointed. A Committee shall not hold office beyond the next election of special members of the Board and shall report their proceedings to, and obey any directions of, the Board.

12. The quorum of the Board and of any committee thereof shall be such as the Board may from time to time determine but in the case of the Board, shall, until otherwise determined, be five, and shall not be less than that number, and in the case of any committee, shall in no case be less than three. Questions arising at any meeting of the Board or a committee shall be decided by a majority of the votes of the members present, and in the case of an equality of votes at such a meeting the member acting as chairman shall have a second or casting vote. Any member of the Board may, and the Secretary on the request of any member of the Board shall, convene a meeting of the Board.

13. All acts done at any meeting of the Board or of any committee thereof shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment, election or qualification of a person purporting

to be a member of the Board or the committee, be as valid as if that defect had not existed.

14. Minutes shall be kept of the proceedings of the Board or of any committee thereof, and any such minutes shall, if signed by a person purporting to have acted as chairman of the meeting to which they relate or of a meeting at which they were read, be evidence of those proceedings, and the meeting to which any such minutes relate shall be presumed, until the contrary is proved, to have been regularly convened and constituted.

15. The common seal of the Board shall not be applied to any document except at a meeting of the Board, and its application shall be attested by the member acting as chairman and at least one other member and the Secretary

16. Contracts and instruments which would not in the case of a private person require to be under seal may be entered into or executed on behalf of the Board by any person authorized in that behalf by the Board.

17. The Board—

- (a) may employ a secretary and such other officers, servants and agents as they think fit;
- (b) shall have an office at which communications and notices will at all times be received, and shall notify the Minister of the address thereof and of any change in that address;
- (c) may enter into such agreements, acquire such property and do such things as may in their opinion be necessary or desirable for the purpose of exercising any of their powers or performing any of their duties under this Scheme.

18. The Board may pay to any member of the Board any such travelling and hotel expenses as have in their opinion been reasonably incurred by him in connexion with the business of the Board, and shall also pay to each member of the Board such remuneration (if any) as may be prescribed annually by the registered producers in general meeting.

19. No contract to which the Board is a party shall be avoided by reason only that a member of the Board is also a party thereto or is interested therein, and a member of the Board who is a party to or interested in such a contract shall not, by reason only that he is a member of the Board, be liable to account to the Board for any profit realized by him by reason of the contract; but a member of the Board must forthwith disclose to the Board any interest which he has or acquires in any contract concluded or proposed to be concluded by the Board and shall not vote upon any question relating to the contract, and if he does vote, his vote shall not be counted:

Provided that a member of the Board shall not be precluded from voting on a question relating to the general policy of the Board with respect to any matter by reason only that the determination of that question will or may affect contracts which have been, or may thereafter be, entered into by him with the Board.

PART II.—REGISTER OF PRODUCERS.

20. The Board shall keep a register of producers, and every producer shall, on application to the Board, be entitled to be registered therein.

21. The register of producers shall be open for inspection at the office of the Board from 10 a.m. to 4 p.m. on weekdays other than Saturdays, except on Christmas Day, Good Friday and any Bank Holiday. Any person shall be entitled to be supplied with a copy of the register or any part thereof on payment of a fee not exceeding one halfpenny for each entry copied, or to take extracts therefrom for his own use free of charge. The Board administering any scheme under the Act regulating the marketing of bacon

shall on demand be entitled once in each calendar year to be supplied with a copy of the register free of charge.

22. Any producer who desires neither to sell pigs to curers nor to require, in accordance with the provisions of Part VI of this Scheme, the Board to buy pigs from him, shall be exempt from registration and from the operation of this Scheme :

Provided that a producer who has entered into a contract with the Board in pursuance of such a request as aforesaid shall not be entitled to exemption so long as anything remains to be done by him under that contract.

23. The Board, on being satisfied that a person who is registered has ceased to be a producer or is exempt from registration, shall remove his name from the register :

Provided that the name of a person shall not be removed from the register without his consent by reason only that he is exempt from registration.

PART IV.—POLLS.

24. On the coming into force of this Scheme, a poll of the registered producers shall be taken on the question whether this Scheme is to remain in force. The said poll (in this Scheme referred to as "the initial poll") and any poll held in connexion with a proposal for the amendment or revocation of this Scheme shall be taken in accordance with the succeeding provisions of this Part of this Scheme.

25. The producers who are entitled to vote on the poll shall be the producers who are registered on the qualifying date, that is to say :—

(a) in the case of the initial poll, the date specified in the notice to be published in accordance with sub-section (1) of section four of the Act, being a date not less than seven days after the date to be fixed by the Minister for the latest publication of any such notice ;

(b) in the case of any other poll, on such day as may be determined by the Board.

26. The poll shall be conducted by post, and the Board shall, not later than the seventh day after the qualifying date, send a voting paper to every producer entitled to vote. In the event of the loss of a voting paper so sent, the Board may supply a duplicate voting paper.

27. The voting paper shall be in the form set out in the Second Schedule to this Scheme, and only voting papers which are properly completed and which reach the office of the Board on or before the fourteenth day after the qualifying date shall be taken into account ; and any person who knowingly makes any false statement in a voting paper shall be liable on summary conviction to be imprisoned for a period not exceeding three months, or to a fine not exceeding £100, or to both such imprisonment and fine.

28. For the purposes of any poll, the quantity of pigs which a producer is capable of producing shall be taken to be proportionate to the number of live pigs in his possession in Great Britain at noon on the qualifying date.

29. The Board shall cause the votes to be counted, and the result of the poll shall be declared at a meeting of the Board by the member acting as chairman at that meeting, and shall be published in the *Times* newspaper or, at the option of the Board, by sending a notice thereof, in the case of the initial poll, to every person who is known to the Board to be a producer, and in the case of any other poll, to every registered producer.

PART V.—FINANCIAL PROVISIONS.

30. There shall be established a fund (in this Scheme referred to as "the fund") which shall be administered and controlled by the Board. All moneys received by the Board shall be paid into the fund, and any moneys required by the Board for the operation of this Scheme shall be paid out of the fund. Any moneys for the time being standing to the credit of the fund may be left on current or deposit account in any bank or invested in any securities in which a trustee might lawfully invest trust moneys under the powers of section one of the Trustee Act, 1925, as extended by any subsequent enactment.

31. The Board may borrow money in such manner, on such terms and on such security as may be arranged by them with the person from whom the money is borrowed.

32. The Board shall keep proper accounts and in particular shall annually make out a balance-sheet and either a profit and loss account or, if the Board does not trade for profit, an income and expenditure account, and shall cause them to be audited by a Chartered or Incorporated Accountant nominated by the registered producers in general meeting, and as soon as may be after the auditor has reported thereon, and in any case within three months of the close of the period covered by the profit and loss or income and expenditure account, shall send to the Minister and to every registered producer a copy thereof and of the report of the auditor thereon, and also a report by the Board as to the working of this Scheme in the period covered by the profit and loss or income and expenditure account.

33. The Board shall, on the demand of any person and on payment by him of such fee, not exceeding one shilling, as may be fixed by the Board, furnish to him a copy of any of their balance-sheets.

PART VI.—PROVISIONS AS TO MARKETING AND PRINCIPAL POWERS OF THE BOARD.

34. The provisions of this Part of this Scheme shall come into force at the expiration of the suspensory period, that is to say, at the expiration of a period of one month commencing on the date on which the result of the initial poll is declared to be favourable to the continuance in force of this Scheme.

35. Subject to the provisions of the Act with respect to existing contracts and to the provisions of this paragraph, a producer who is neither registered nor exempt from registration shall not sell any pigs :

Provided that sales of pigs otherwise than to the Board or any curer shall be exempt from the provisions of this paragraph.

36. The Board may regulate sales of pigs by any registered producer by determining, for such period as may be fixed by the Board on the occasion of each determination, all or any of the following matters, that is to say, the kinds, varieties and grades of pigs which may be sold, and the prices at, below, or above which, and the terms on which, pigs or any kind, variety, grade or quantity of pigs may be sold :

Provided that any sale of pigs to the Board or to a person who is not a curer shall be exempt from the operation of every such determination.

If any registered producer sells any pig in contravention of this paragraph, then, subject to the provisions of the Act with respect to existing contracts and to the provisions of this Part of this Scheme, the Board shall by resolution impose upon, and shall recover from, him such monetary penalty (not exceeding ten pounds in respect of each pig so sold) as they think just.

37. The Board may—

- (a) buy pigs ;
- (b) produce from pigs any of the commodities specified in the Third Schedule to this Scheme ;
- (c) sell, grade, pack, store, adapt for sale, insure, advertise and transport any pigs bought or commodities produced by them as aforesaid ;
- (d) for the purpose of producing from pigs bought by them any such commodities as aforesaid, establish slaughterhouses ;
- (e) buy, and sell or let for hire to registered producers, anything required for the production of pigs ;
- (f) co-operate with any other person in doing any of the things previously mentioned in this paragraph ;
- (g) do such things as appear to the Board to be calculated to encourage co-operation among producers of pigs or research and education in connexion with the production and marketing of pigs and commodities produced from pigs, and in particular (but without prejudice to the generality of the foregoing provisions) may provide or join in providing for producers the services known as "pig-recording" and "litter-testing," and any services for similar purposes.

Where in pursuance of sub-paragraph (g) of this paragraph the Board render any services to any producer, they may make such charges in respect thereof as they consider reasonable.

38. Without prejudice to the generality of the powers conferred on the Board by the foregoing provisions of this Part of this Scheme, the Board shall from time to time, after consulting the persons who are for the time being members of the board administering any scheme under the Act regulating the marketing of bacon, or, if there is no such board, after consulting such other persons as they think best qualified to express the views of curers, prescribe the descriptions under which, the terms on which, and the prices at which, they will, when requested so to do in accordance with the provisions of this paragraph, sell pigs to curers, and subject to the provisions of this paragraph, it shall be the duty of the Board, on the joint request of a registered producer who desires to sell, and a curer who desires to buy, any number of pigs under any prescribed description, to contract with the producer to buy, and to contract with the curer to sell, that number of pigs under that description, on the prescribed terms and at the prescribed price :

Provided that—

- (a) the Board may from time to time prescribe a limit on the quantity of pigs, or pigs of a specified description, which they will sell to curers under this paragraph for delivery within a specified period, and the Board shall not enter into any contract under this paragraph if, in their opinion, the effect of so doing would be that any limit so prescribed would be exceeded ;
- (b) the Board shall not be bound to enter into any contracts in any case in which they have reasonable cause to believe that either the producer or the curer will not fulfil his contract ;
- (c) the terms of the contract between the Board and the producer shall, in such classes of cases as may from time to time be prescribed by the Board, differ from the terms of the contracts between the Board and the curer in such respects as may be so prescribed, and in any case where the terms of the contracts so differ, the price payable by the Board to the producer shall also differ from the price payable by the curer to the Board to the extent so prescribed.

For the purposes of this paragraph the Board may, either generally or in relation to particular circumstances or particular descriptions of pigs, prescribe alternative terms for the sale of pigs by the Board to curers or for the sale of pigs by producers to the Board, or for both, and in any case in which any such alternatives are available, any request under this section must specify which of the available alternatives is desired to be adopted.

39. There shall be made from any sum payable by the Board under any contract for the sale of pigs to them by a registered producer such deduction by way of contribution to the fund as may be specified in a scale to be from time to time fixed by the Board.

40. The Board may, at any time within the three months immediately succeeding the expiration of the suspensory period, by resolution require every registered producer to contribute to the fund the sum of two shillings and sixpence plus, in the case of a registered producer who validly voted on the initial poll, a sum not exceeding threepence for every pig stated by him to have been in his possession at noon on the qualifying date. The amount of any such contribution shall be a debt due to the Board from the registered producer in question.

41. Any moneys standing to the credit of the fund which, in the opinion of the Board, are not required for the operation of this Scheme shall be distributed among the registered producers in proportion to the total sums respectively contributed by them to the fund under the two last preceding paragraphs.

42. The Board may lend to a registered producer, on such security (if any) and on such terms as to interest and otherwise as they think fit, sums not exceeding in all two-thirds of the total sum which they estimate that he will receive from the sale to them of pigs which are in the course of being produced by him.

43. Any registered producer who satisfies the Board or establishes by arbitration in accordance with Part IX of this Scheme that the Board have in any respect given an undue preference to any other registered producer, shall be entitled to receive from the Board such sums by way of compensation as may be necessary to make good any damage suffered by him by reason of the undue preference.

44. The Board may, whenever they consider it necessary for the operation of this Scheme so to do, serve on any registered producer a demand in writing requiring him to furnish to them such estimates, returns and other information relating to pigs as may be specified in the demand and if without reasonable excuse he fails to comply with the demand or if he knowingly makes any false statement in reply thereto, then, subject to the provisions of this Part of this Scheme, the Board shall by resolution impose upon, and shall recover from, him such monetary penalty not exceeding twenty pounds as they think just.

45. Any person authorized in writing by the Board may, for the purpose of securing compliance with this Scheme, enter and inspect, at any reasonable time and on production of his authority, any part of the land or premises occupied by a registered producer (being a producer specified in the authority) which the person so authorized has reason to believe is used for producing pigs.

46. The following provisions shall have effect with respect to the imposition of penalties by the Board on registered producers under the preceding provisions of this Part of this Scheme and the recovery thereof:—

- (a) no penalty shall be so imposed in respect of any act or omission which constitutes an offence under any Act other than the Act;
- (b) every penalty so imposed shall, subject as hereinafter provided, be a debt due to the Board and recoverable accordingly;

- (c) immediately on the passing of any resolution imposing a penalty notice of the resolution shall be sent to the registered producer in question and he may within fourteen days from the day on which the notice was so sent to him give notice to the Board referring the matter to arbitration under the provisions of Part IX of this Scheme ; and if the matter is so referred, no proceedings shall be taken by the Board otherwise than in or for the purposes of the arbitration or to enforce the award of the arbitrator ; and the arbitrator may award payment of such penalty, if any (not exceeding the maximum penalty which could have been imposed by the Board), as he thinks just.

PART VII.—MEETINGS OF REGISTERED PRODUCERS.

47. Whenever an election of district members of the Board is to be held or anything is to be done by a district meeting of registered producers, the Board shall arrange for the holding of a district meeting at such time and place within the district as they may appoint, and whenever an election of special members of the Board is to be held or anything is to be done by the registered producers in general meeting, the Board shall arrange for the holding of a general meeting at such time and place as the Board may appoint.

48. The chairman of every meeting shall be appointed by the Board :

Provided that if the person appointed by the Board to be chairman is not present within fifteen minutes of the time appointed for the meeting, the meeting shall choose a chairman.

49. At least ten days before the day fixed for the holding of a meeting the Board shall send to every registered producer who is entitled to vote at the meeting a written notice stating—

- (a) the time and place appointed for the holding of the meeting ;
- (b) the business to be transacted ;
- (c) the name of the chairman ;
- (d) in the case of a general meeting at which an election is to take place, the time by which nominations of candidates must be received at the office of the Board ;
- (e) in the case of a district meeting at which an election is to take place, the name and address of the person to whom nominations of candidates are to be sent and the time by which such nominations must be received at that address.

50. No business shall be transacted at any meeting other than the business of which notice has been given as aforesaid by the Board.

51. At a general meeting every registered producer shall be entitled to vote and at a district meeting those registered producers shall be entitled to vote who are producing pigs in the district :

Provided that no registered producer shall be entitled to vote at an election of district members of the Board more than once in 1933 or more than once in any two consecutive calendar years subsequent to 1933.

52. At any meeting, registered producers may vote either personally or by proxy. The instrument appointing a proxy shall be in writing in such form as the Board may require, under the hand of the registered producer or his attorney, or, if the registered producer is a limited company, either under their seal or under the hand of a person duly authorized by them in that behalf. The said instrument and the power of attorney or other authority (if any) under which it is signed (or a notarily certified copy thereof) shall

be deposited at the office of the Board not later than the end of the third day before the day fixed for the meeting, and in default the instrument shall be treated as invalid.

The proxy of a limited company need not be a registered producer.

53. Every question put before a meeting of registered producers (not being a question as to who is to be elected a member of the Board) shall be decided on a show of hands unless, either before or immediately after the show of hands, a formal vote is demanded by or on behalf of at least three registered producers entitled to vote, in which case a formal vote shall forthwith be taken.

54. The following provisions shall have effect with respect to elections of members of the Board :—

- (a) no person shall be qualified to be elected a district member unless he has been nominated in writing as a candidate by at least twenty registered producers entitled to vote in that district and the nomination has, not later than the end of the third day before the day fixed for the holding of the election, been received at the address designated in that behalf by the Board ;
- (b) no person shall be qualified to be elected a special member unless either he has been nominated as a candidate by a resolution of the Board or he has been nominated in writing by at least forty registered producers, and, in the latter case, the nomination has, not later than the third day before the day fixed for the holding of the election, been received at the office of the Board ;
- (c) where no more candidates are duly nominated than there are vacancies to be filled, those candidates shall be declared elected, but in any other case a formal vote shall forthwith be taken and the candidates who receive the most votes shall be declared elected.

55. On the taking of a formal vote a registered producer shall, except in the case of an election, have the standard number of votes and in the case of an election shall have the standard number of votes multiplied by the number of members to be elected at the meeting, but shall not give more than the standard number of votes in favour of any one candidate.

In this paragraph, the expression " the standard number of votes " means in relation to each registered producer one vote plus one vote for every twenty pigs contracted to be sold by him to the Board for delivery during the calendar year in which the election takes place, and where that number of pigs is not an exact multiple of twenty the producer shall have the same number of votes as if the number of pigs had been the next highest multiple of twenty.

Where under any contract of sale the period allowed for the delivery of any pigs does not fall wholly within any one calendar year, those pigs shall, for the purpose of this paragraph, be deemed to have been sold for delivery during the calendar year within which the period commences.

56. Without prejudice to the provisions of this Part of this Scheme relating to proxies, a registered producer who is a limited company may exercise any of their rights at a meeting by any one of their directors and a registered producer who is a partnership may exercise any of their rights at a meeting by any of their partners.

57. At any meeting the declaration of the chairman as to the result of any vote or show of hands shall be final ; and in the event of an equality of votes the chairman shall, in addition to his other votes (if any) have a casting vote.

58. Without prejudice to any other provisions of this Scheme, the Board may convene a general or district meeting of registered producers to discuss any question which, in the opinion of the Board, should be discussed at such a meeting.

PART VIII.—AMENDMENT AND REVOCATION OF SCHEME AND WINDING UP OF THE BOARD.

59. Before submitting a substitutional Scheme or amendment of this Scheme to the Minister, the Board shall publish the proposed Scheme or amendment by serving notice thereof on every registered producer.

60. A poll on the question whether or not a substitutional Scheme or an amendment of this Scheme shall be submitted to the Minister may, within one month from the publication thereof, be demanded in writing by any 200 registered producers, and a poll on the question whether or not this Scheme is to be revoked may be demanded at any time in the said manner by any 500 registered producers; but no poll shall without the consent of the Board be taken on the question whether or not this Scheme is to be revoked within one year of the declaration of the result of a previous poll on that question.

61. Part X of the Companies Act, 1929 (which relates to the winding up of unregistered companies) shall apply in relation to the Board subject to the modifications set out in paragraphs four to eight of the Second Schedule to the Act.

62. Contributions under paragraph seven of the Second Schedule to the Act shall be assessed proportionately to the total number of pigs (if any) contracted to be sold to the Board by each contributor for delivery at any time during the relevant period and shall not in any case exceed five shillings per pig.

Where under any contract of sale the period allowed for the delivery of any pigs does not fall wholly within the relevant period, those pigs shall, for the purposes of this paragraph, be deemed to have been sold for delivery on the first day of the period allowed by the contract for the delivery thereof.

PART IX.—MISCELLANEOUS.

63. Any producer who is aggrieved by any act or omission of the Board may refer the matter to the arbitration of a single arbitrator to be agreed upon between him and the Board or in default of agreement to be nominated by the Minister, and the arbitrator may make such order in the matter as he thinks just.

Every such arbitration shall be conducted in accordance with the law of England, and the Arbitration Act, 1889, shall apply in relation thereto.

64. Any requirement of this Scheme that a document shall be sent to or served on a person by the Board shall be deemed to have been complied with if within the period (if any) limited for the sending or service of the document the document is dispatched to him by post, properly addressed and with the postage prepaid.

FIRST SCHEDULE.

DISTRICTS.

There shall be eight districts bearing respectively the names set out in the first column of the following Table and each district shall consist of the areas specified opposite thereto in the second column of that Table :—

1. SOUTH WESTERN	Somersetshire. Dorsetshire. Devonshire. Cornwall.
2. SOUTH EASTERN	Kent. Surrey. Middlesex and London (including the City). Sussex. Berkshire. Hampshire (including the Isle of Wight). Oxfordshire. Buckinghamshire. Bedfordshire. Wiltshire.
3. EASTERN	Norfolk. Suffolk. Essex. Hertfordshire.
4. EAST MIDLAND	Lincolnshire. Nottinghamshire. Derbyshire. Leicestershire. Rutland. Northamptonshire (including the Soke of Peterborough). Huntingdonshire. Cambridgeshire (including the Isle of Ely).
5. WEST MIDLAND	Cheshire. Shropshire. Staffordshire. Warwickshire. Worcestershire. Gloucestershire. Herefordshire.
6. NORTHERN	Cumberland. Northumberland. Durham (the whole County). Westmorland. Lancashire. Yorkshire.
7. WALES	Wales and Monmouthshire.
8. SCOTLAND	Scotland.

SECOND SCHEDULE.
FORM OF VOTING PAPER.

The Pigs Marketing Board.

(1) The Board must fill in the name and address of the registered producer. To (1)

A poll is being held under the Pigs Marketing Scheme, 1932, on the following question, viz. (2)

(2) The Board must fill in the question on which the poll is being taken. Do you wish this question to be answered "Yes" or to be answered "No"? (Answer Yes or No)

(3) The Board must fill in the qualifying date. How many live pigs were in your possession in Great Britain at noon on (3).....?

*Are you likely to desire either to sell pigs to curers (as defined in the Scheme) or to require the Board, in accordance with Part VI. of the Scheme, to buy pigs from you? (Answer Yes or No).....

Signature of registered producer.....
Address

N.B.—Your votes will not count unless this paper, properly filled in and signed, reaches the office of the Pigs Marketing Board (4)..... on or before (5)

(4) The Board must fill in the address of their office. If you will fully mis-state the number of live pigs in your possession you will render yourself liable to imprisonment or a heavy fine or both.

For the Pigs Marketing Board,
.....
Secretary.

Note.—The paragraph marked *should be omitted from the form except in the case of the initial poll.

THIRD SCHEDULE.

PRODUCTS WHICH MAY BE PRODUCED BY THE BOARD FROM PIGS.

Pork, bacon, hams, sausages, inwards, brawn, galantines and any edible offal or by-product; lard, tallow, and any edible or inedible fat, oil or grease; hair and bristles; glue and gelatine; skins; glands, gland extracts and any pharmaceutical product; sausage casings, bladders, gut and any other product made from the alimentary system of pigs; bones, bone meal, bone charcoal, blood, blood meal, and other derivatives of blood; hoofs, hoof meal, meat meal and any fertilizers or feeding-stuffs.

APPENDIX B.

DRAFT SCHEME

UNDER THE AGRICULTURAL MARKETING ACT, 1931, REGULATING THE MARKETING OF BACON (INCLUDING HAMS).

PART I—PRELIMINARY.

1. This Scheme may be cited as the Bacon Marketing Scheme, 1932, and applies to Great Britain.
2. In this Scheme, except where the context otherwise requires—
 - “The Act” means the Agricultural Marketing Act, 1931;
 - “Bacon” means bacon produced in Great Britain, and includes hams;
 - “Calendar Year” means a consecutive period of twelve months beginning on the first day of January;
 - “Producer” means a producer of bacon;
 - “Registered” means registered under this Scheme, and “registration” shall be construed accordingly;
 - “Secretary” includes any person for the time being authorized by the Board to act as their secretary;
 - “Week” means a consecutive period of seven days beginning on a Sunday.
3. The Interpretation Act, 1889, shall apply for the interpretation of this Scheme as it applies for the interpretation of an Act of Parliament.

PART II—THE BOARD.

4. The Board to administer this Scheme shall be called the Bacon Marketing Board, and shall be a body corporate with a common seal and power to hold land without licence in mortmain.
5. Until _____, the Board shall consist of the following persons:—

Two persons nominated by the Minister in accordance with the proviso to subsection (1) of section two of the Act ;
and thereafter the Board shall (subject to the provisions of this Scheme) consist of seven members annually elected by registered producers.

6. The annual election of members of the Board shall be held each year in the month of _____, on such day as may be fixed by the Board, and every elected member of the Board shall, subject to the provisions of this Scheme, hold office until the expiration of the day on which his successor is elected.

7. Of the members of the Board elected by registered producers, two shall be elected by producers who produce bacon on small premises, three by producers who produce bacon on medium premises, and two by producers who produce bacon on large premises, at meetings of these classes of producers respectively.

For the purposes of this Scheme, premises shall be treated as (a) small (b) medium or (c) large according as the total quantity of bacon put into cur thereon during the preceding calendar year (excluding bacon put into cur otherwise than for the first time)—

- (a) did not exceed one thousand three hundred tons ; or
- (b) exceeded one thousand three hundred tons, but did not exceed three thousand one hundred and twenty tons ; or
- (c) exceeded three thousand one hundred and twenty tons.

8. A member of the Board who ceases to hold office shall be eligible for election or re-election.

9. A member of the Board shall cease to hold office—

- (a) if he delivers to the Board a written resignation of his office and the resignation is accepted by the Board or, if not accepted, is not withdrawn within seven days ; or
- (b) if he is detained for more than seven days in any place under any enactment in force in any part of the United Kingdom relating to persons of unsound mind ; or
- (c) if he is adjudged bankrupt or enters into a composition with his creditors.

10. If a member of the Board dies or ceases to hold his office under the last preceding paragraph, the Board shall co-opt a person in his place, and any person so co-opted shall, unless he dies or ceases to hold office as aforesaid, hold office for so long as his predecessor would have held office.

11. The Board shall at all times have power to act notwithstanding any vacancy among their members, and may appoint committees out of their own number, and may, subject to the provisions of this Scheme with respect to the application of the common seal of the Board, delegate any of their powers other than any power to impose penalties or any power in connexion with the borrowing of money, to any committee so appointed. A committee shall not hold office beyond the next election of members of the Board, and shall report their proceedings to, and obey any directions of, the Board.

12. The quorum of the Board and of any committee thereof shall be such number (not less than three) as the Board may from time to time determine and until otherwise determined, the quorum of the Board shall be three. Questions arising at any meeting of the Board or a committee shall be decided by a majority of the votes of the members present, and in the case of an equality of votes at such a meeting the member acting as chairman shall have a second or casting vote. Any member of the Board may, and the Secretary on the request of any member of the Board shall, convene a meeting of the Board.

13. All acts done at any meeting of the Board or of any committee thereof shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment, election or qualification of a person purporting to be a member of the Board, or the committee, be as valid as if that defect had not existed.

14. Minutes shall be kept of all the proceedings of the Board or of any committee thereof, and any such minutes shall, if signed by a person purporting to have acted as chairman of the meeting to which they relate, or of a meeting at which they were read, be evidence of those proceedings, and the meeting to which any such minutes relate shall be presumed, until the contrary is proved, to have been regularly convened and constituted.

15. The common seal of the Board shall not be applied to any document except at a meeting of the Board, and its application shall be attested by the member acting as chairman and at least one other member and the Secretary.

16. Contracts and instruments which would not in the case of a private person require to be under seal may be entered into or executed on behalf of the Board by any person authorized in that behalf by the Board.

17. The Board—

- (a) may employ a secretary and such other officers, servants and agents as they think fit ;
- (b) shall have an office at which communications and notices will at all times be received, and shall notify the Minister of the address thereof and of any change in that address ;
- (c) may enter into such agreements, acquire such property, and do such things as may in their opinion be necessary or desirable for the purpose of exercising any of their powers or performing any of their duties under this Scheme.

18. The Board may pay to any member of the Board any such travelling and hotel expenses as have in their opinion been reasonably incurred by him in connexion with the business of the Board and shall also pay to each member of the Board such remuneration (if any) as may be prescribed annually by the registered producers in general meeting.

19. No contract to which the Board is a party shall be avoided by reason only that a member of the Board is also a party thereto, or is interested therein, and a member of the Board who is a party to or interested in such a contract shall not, by reason only that he is a member of the Board, be liable to account to the Board for any profit realized by him by reason of the contract ; but a member of the Board must forthwith disclose to the Board any interest which he has or acquires in any contract concluded or proposed to be concluded by the Board, and shall not vote upon any question relating to the contract, and if he does vote, his vote shall not be counted :

Provided that a member of the Board shall not be precluded from voting on a question relating to the general policy of the Board with respect to any matter by reason only that the determination of that question will or may affect contracts which have been or may thereafter be entered into by him with the Board.

PART III—REGISTER OF PRODUCERS.

20. The Board shall keep a register of producers, and every producer shall, on application to the Board, be entitled to be registered therein.

21. The register of producers shall be open for inspection at the office of the Board from 10 a.m. to 4 p.m. on weekdays other than Saturdays, except on Christmas Day, Good Friday and any Bank Holiday. Any person shall be entitled to be supplied with a copy of the register or any part thereof on payment of a fee not exceeding one penny for each entry copied, or to take extracts therefrom for his own use, free of charge. The board which administers any scheme under the Act regulating the marketing of pigs shall, on demand, be entitled, once in each calendar year, to be supplied with a copy of the register, free of charge.

22. The following producers shall be exempt from registration and from the operation of this Scheme, that is to say, any producer who does not use machinery driven by any form of mechanical power (including water) so long as he can, if required to do so, satisfy the Board with respect to each of the premises occupied by him, that on those premises not more than seventy-five hundredweights of bacon in all have been put into cure in any consecutive period of two months commencing on or after the first day of October, 1932, whether by him or by any other person, bacon which was put into cure otherwise than for the first time being left out of account.

23. The Board, on being satisfied that a person who is registered has ceased to be a producer or is exempt from registration, shall remove his name from the register:

Provided that the name of a person shall not be removed from the register without his consent by reason only that he is exempt from registration.

PART IV—POLLS.

24. On the coming into force of this Scheme, a poll of the registered producers shall be taken on the question whether this Scheme is to remain in force. The said poll (in this Scheme referred to as "the initial poll") and any poll held in connexion with a proposal for the amendment or revocation of this Scheme shall be taken in accordance with the succeeding provisions of this part of this Scheme.

25. The producers who are entitled to vote on the poll shall be the producers who are registered on the qualifying date, that is to say:—

(a) in the case of the initial poll, the date specified in the notice to be published in accordance with subsection (1) of section four of the Act, being a date not less than seven days after the date to be fixed by the Minister for the latest publication of any such notice;

(b) in the case of any other poll, on such days as may be determined by the Board.

26. The poll shall be conducted by post, and the Board shall, not later than the seventh day after the qualifying date, send a voting paper to every producer entitled to vote. In the event of the loss of a voting paper so sent, the Board may supply a duplicate voting paper.

27. The voting paper shall be in the form set out in the Schedule to this Scheme, and only voting papers which are properly completed and which reach the office of the Board on or before the fourteenth day after the qualifying date shall be taken into account; and any person who knowingly makes any false statement in a voting paper shall be liable on summary conviction to be imprisoned for a period not exceeding three months, or to a fine not exceeding one hundred pounds, or to both such imprisonment and fine.

28. For the purposes of any poll, the quantity of bacon which a registered producer is capable of producing shall be taken to be proportionate to the total quantity of bacon which, so far as can be ascertained, was put into cure, whether by him or any other person, on the premises which are in his occupation on the qualifying date during the calendar year immediately preceding that in which the qualifying date falls, bacon put into cure otherwise than for the first time being left out of account.

29. The Board shall cause the votes to be counted, and the result of the poll shall be declared at a meeting of the Board by the member acting as chairman at that meeting, and shall be published in the *Times* newspaper, or, at the option of the Board, by sending a notice thereof, in the case of the initial poll, to every person who is known to the Board to be a producer, and in the case of any other poll, to every registered producer.

30. Hams and bacon other than hams shall not be treated as separate products for the purpose of subsection (4) of section three of the Act.

PART V—FINANCIAL PROVISIONS.

31. There shall be established a fund (in this Scheme referred to as "the fund") which shall be administered and controlled by the Board. All moneys received by the Board shall be paid into the fund, and any moneys required by the Board for the operation of this Scheme shall be paid out of the fund. Any moneys for the time being standing to the credit of the fund may be left on current or deposit account in any bank or invested in any securities in which a trustee might lawfully invest trust moneys under the powers of section one of the Trustee Act, 1925, as extended by any subsequent enactment.

32. The Board may borrow money in such manner, on such terms and on such security as may be arranged by them with the person from whom the money is borrowed.

33. The Board shall keep proper accounts and in particular shall annually make out a balance-sheet and an income and expenditure account or, if the Board trades for profit, a profit and loss account, and shall cause them to be audited by a Chartered or Incorporated Accountant nominated by the registered producers in general meeting, and as soon as may be after the auditor has reported thereon and in any case within three months of the close of the period covered by the income and expenditure or profit and loss account, shall send to the Minister and to every registered producer a copy thereof, and of the report of the auditor thereon, and also a report by the Board as to the working of this Scheme in the period covered by the income and expenditure or profit and loss account.

34. The Board shall, on the demand of any person, and on payment by him of such fee, not exceeding one shilling, as may be fixed by the Board, furnish to him a copy of any of their balance sheets.

PART VI—PROVISIONS AS TO MARKETING AND PRINCIPAL POWERS OF THE BOARD.

35. The provisions of this Part of this Scheme shall come into force at the expiration of the suspensory period, that is to say, at the expiration of a period of one month commencing on the date on which the result of the initial poll is declared to be favourable to the continuance in force of this Scheme.

36. Subject to the provisions of the Act with respect to existing contracts, a producer who is neither registered nor exempt from registration shall not sell any bacon either in Great Britain or elsewhere.

37. The Board may regulate sales of bacon by any registered producer by determining, for such period as may be fixed by the Board on the occasion of each determination, all or any of the following matters:—

- (a) the kinds, varieties and grades of bacon which may be sold;
- (b) the price at, below or above which, the terms on which, and the persons to or through the agency of whom, bacon or any kind, variety, grade or quantity thereof may be sold.

The Board may from time to time exempt sales of any specified class, in whole or in part, from the operation of any determination under this paragraph.

If any registered producer sells any bacon in contravention of this paragraph, then, subject to the provisions of the Act with respect to existing contracts and to the provisions of this Part of this Scheme, the Board shall by resolution impose upon, and shall recover from, him such monetary penalty (not exceeding the sum of one hundred pounds plus half the price for which the bacon in question was sold) as they think just.

38. The Board may from time to time determine the manner in which bacon or any kind, variety or quantity thereof is to be graded by or on behalf of registered producers, and the manner in which bacon or any kind, variety, grade or quantity thereof is to be marked, packed, stored, adapted for sale or transported by or on behalf of registered producers.

If any registered producer contravenes any determination under this paragraph, then, subject to the provisions of this Part of this Scheme, the Board shall by resolution impose upon, and shall recover from, him such monetary penalty (not exceeding the sum of one hundred pounds plus one pound for every hundredweight of bacon in respect of which the contravention took place) as they think just.

39. The Board may, whenever they consider it necessary for the operation of this Scheme so to do, serve on any registered producer a demand in writing requiring him to furnish to them such estimates, returns and other information relating to bacon as may be specified in the demand, and if without reasonable excuse he fails to comply with the demand, or if he knowingly makes any false statement in reply thereto, then, subject to the provisions of this Part of this Scheme, the Board shall by resolution impose upon, and shall recover from, him such monetary penalty not exceeding twenty pounds as they think just.

40. The following provisions shall have effect with respect to the imposition of penalties by the Board on registered producers under the preceding provisions of this Part of this Scheme and the recovery thereof:—

- (a) no penalty shall be so imposed in respect of any act or omission which constitutes an offence under any Act other than the Act;
- (b) every penalty so imposed shall, subject as hereinafter provided, be a debt due to the Board and recoverable accordingly;
- (c) immediately on the passing of any resolution imposing a penalty, notice of the resolution shall be sent to the registered producer and he may within fourteen days from the day on which notice was so sent to him give notice to the Board referring the matter to arbitration under the provisions of Part IX of this Scheme; and if the matter is so referred no proceedings shall be taken by the Board except in or for the purposes of the arbitration or to enforce the award of the arbitrator, and the arbitrator may award payment of such penalty, if any (not exceeding the maximum penalty which could have been imposed by the Board), as he thinks just.

41. The Board may, either alone or in co-operation with any other person, advertise bacon or any kind, variety or grade thereof, and may do such things as they think fit to encourage any form of agricultural co-operation, research or education connected with the production or marketing of pigs or bacon.

42. The Board may either alone or in co-operation with any other person—

- (a) buy, and sell or let for hire to any registered producer, anything required for the production of bacon or the adaptation for sale or sale thereof;
- (b) at the request and on behalf of any registered producer, and on such terms as to payment or otherwise as may be agreed, do all or any of the following things, that is to say, sell, grade, pack, store, adapt for sale, insure or transport any bacon.

43. Any registered producer who satisfies the Board or establishes by arbitration under Part IX of this Scheme that the Board have shown an undue preference in any respect to any other registered producer shall be entitled to receive from the Board such sums by way of compensation as may be necessary to make good any damage suffered by him by reason of the undue preference.

44. Every registered producer shall contribute to the fund in respect of every hundredweight of bacon delivered by him under any contract of sale such sum not exceeding two shillings as may from time to time be prescribed by the Board, and the amount of any such contribution shall be a debt due by him to the Board.

45. Any moneys standing to the credit of the fund which, in the opinion of the Board, are not required for the operation of this Scheme, shall be distributed among the registered producers in proportion to the total sums respectively contributed by them to the fund under the last preceding paragraph.

46. Any person authorized in writing by the Board may, for the purpose of securing compliance with this Scheme, enter and inspect, at any reasonable time, and on production of his authority, any part of the land or premises occupied by a registered producer (being a producer specified in the authority) which the person so authorized has reason to believe is used for producing, grading, marking, packing or storing bacon or for adapting bacon for sale.

PART VII—MEETINGS OF REGISTERED PRODUCERS.

47. Whenever anything is to be done for the purposes of this Scheme by the registered producers in general meeting or by any class of registered producers, the Board shall arrange for the necessary meeting, shall appoint the time and place thereof, and shall nominate a person to act as chairman thereat, and shall at least ten days before the day fixed for the holding thereof send to every registered producer who according to the information in their possession will be entitled to vote at the meeting, a written notice stating—

- (a) the time and place appointed for the holding of the meeting ;
- (b) the business to be transacted ;
- (c) the name of the chairman ;
- (d) in the case of a meeting at which an election is to take place, the time by which nominations of candidates must be received at the office of the Board ;

and no business shall be transacted at any meeting other than business of which notice has been given as aforesaid by the Board.

If the person appointed by the Board to be chairman of a meeting is not present within fifteen minutes of the time appointed for the meeting, the meeting shall choose a chairman.

48. At a general meeting every registered producer shall be entitled to vote, and at a meeting of any class of registered producers every registered producer belonging to that class shall be entitled to vote, whether or not he also belongs to another class.

49. At any meeting registered producers may exercise any of their rights either personally or by proxy. The instrument appointing a proxy shall be in writing, in such form as the Board may require, under the hand of the registered producer or his attorney, or, if the registered producer is a limited company, either under their seal or under the hand of a person duly authorized by them in that behalf. The said instrument and the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) shall be deposited at the office of the Board not later than the end of the third day before the day fixed for the meeting, and in default the instrument shall be treated as invalid.

The proxy of a limited company need not be a registered producer.

50. Every question put before a meeting of registered producers (not being a question as to who is to be elected a member of the Board) shall be decided on a show of hands unless, either before or immediately after the show of hands, a vote on the basis of output is demanded by or on behalf of at least three registered producers entitled to vote, in which case a vote on the basis of output shall forthwith be taken.

51. No person shall be qualified to be elected a member of the Board at any meeting unless he has been nominated in writing as a candidate by at least two registered producers of the class by which it is desired that he shall be elected, and the nomination has, not later than the end of the third day before the day fixed for the meeting, been received at the office of the Board; and where no more candidates are duly nominated than there are vacancies to be filled, those candidates shall be declared elected, but in any other case a vote on the basis of output shall forthwith be taken and the candidates who receive the most votes shall be declared elected.

52. On the taking of a vote on the basis of output, a registered producer who is entitled to vote shall, except in the case of an election, have the standard number of votes, and in the case of an election shall have the standard number of votes multiplied by the number of members to be elected, but shall not give more than the standard number of votes in favour of any one candidate.

In this paragraph, the expression "the standard number of votes" means, in relation to each producer, one vote for every twenty-five tons of bacon put into cure (whether by him or any other person) during the preceding calendar year on any premises which are in his occupation at the date of the meeting, excluding bacon which is put into cure otherwise than for the first time:

Provided that in the case of a meeting of a class of producers, bacon put into cure on premises which are not small, medium or large premises, as the case may be, shall be left out of account.

Where in the case of any registered producer the quantity of bacon put into cure as aforesaid is not an exact multiple of twenty-five tons, the odd quantity shall be treated as twenty-five tons.

53. Without prejudice to the provisions of this Part of this Scheme relating to proxies, a registered producer who is a limited company may exercise any of their rights at a meeting by any one of their directors, and a registered producer who is a partnership may exercise any of their rights at a meeting by any of their partners.

54. At any meeting the declaration of the chairman as to the result of any vote or show of hands shall be final, and in the event of an equality of votes the chairman shall, in addition to his other votes (if any) have a casting vote.

55. Without prejudice to any other provisions of this Scheme, the Board may convene a general meeting of registered producers, or a meeting of producers who are producing bacon on small, medium or large premises, to discuss any question which should, in the opinion of the Board, be discussed at such a meeting.

PART VIII—AMENDMENT AND REVOCATION OF SCHEME AND WINDING UP OF BOARD.

56. Before submitting a substitutional Scheme or an amendment of this Scheme to the Minister, the Board shall publish the proposed Scheme or amendment by serving notice thereof on every registered producer.

57. A poll on the question whether or not a substitutional Scheme or an amendment of this Scheme shall be submitted to the Minister may, within one month from the publication thereof, be demanded in writing by any five or more registered producers who have, in the week immediately preceding that in which the demand is made, between them delivered not less than one hundred tons of bacon under contracts of sale, and a poll on the question whether or not this Scheme is to be revoked may be demanded at any time in the said manner by any ten or more registered producers who have, in the week immediately preceding that in which the demand is made, between them delivered not less than three hundred tons of bacon under contracts of sale; but no poll shall, without the consent of the Board, be taken on the question whether or not this Scheme is to be revoked within one year of the declaration of the result of a previous poll on that question.

58. Part X of the Companies Act, 1929 (which relates to the winding up of unregistered companies) shall apply in relation to the Board subject to the modifications set out in paragraphs four to eight of the Second Schedule to the Act.

59. Contributions under paragraph seven of the Second Schedule to the Act shall be assessed proportionately to the quantity of bacon delivered by each contributor during the relevant period under contracts of sale but shall not exceed two shillings per hundredweight.

PART IX—MISCELLANEOUS.

60. Any producer who is aggrieved by any act or omission of the Board may refer the matter to the arbitration of a single arbitrator to be agreed upon between him and the Board or in default of agreement to be nominated by the Minister, and the arbitrator may make such order in the matter as he thinks just.

Every such arbitration shall be conducted in accordance with the law of England, and the Arbitration Act, 1889, shall apply in relation thereto.

61. Any requirement of this Scheme that a document shall be sent to or served on a person by the Board shall be deemed to have been complied with if, within the period (if any) limited for the sending or service of the document, the document is dispatched to him by post, properly addressed and with the postage prepaid.

SCHEDULE.
FORM OF VOTING PAPER.

The Bacon Marketing Board.

(1) The Board must fill in the name and address of the registered producer.

To (1).....
.....
.....

(2) The Board must fill in the question on which the poll is being taken.

A poll is being held under the Bacon Marketing Scheme, 1932, on the following question, viz. (2).....

Do you wish this question to be answered "Yes" or to be answered "No"? (Answer Yes or No.)

(3) The Board must fill in the year last preceding that in which the qualifying date falls.

How much bacon in all was put into cure during the year (3)(whether by you or any other person) on the premises which were in your occupation on (4)

(4) The Board must fill in the qualifying date.

.....? (Bacon put into cure otherwise than for the first time must be left out of account. If you do not know the exact figure, you may give an estimate, but in that case you must be careful to underestimate rather than to over-estimate.)
.....tons.

*Do you use any machinery driven by any form of mechanical power (including water)?

*If your answer to the last question is "No," could you, if required to do so, satisfy the Board that on no one of the premises now occupied by you was more than seventy-five hundredweights of bacon put into cure (whether by you or any other person) during any consecutive period of two months commencing on or after the 1st October, 1932 (bacon put into cure otherwise than for the first time being left out of account).....

Signature of registered producer

Address.....
.....

(5) The Board must fill in the address of their office.

N.B.—Your votes will not count unless this paper, properly filled in and signed, reaches the office of the Bacon Marketing Board (5).....on or before (6).....

(6) The Board must fill in the fourteenth day after the qualifying date.

..... If you wilfully make any false statement in filling up this paper, you will render yourself liable to imprisonment or a heavy fine or both.

For the Bacon Marketing Board,

.....
Secretary.

Note.—The paragraphs marked * should be omitted from the form except in the case of the initial poll.

APPENDIX C.

NOTES ON PIGS AND BACON MARKETING SCHEMES.

1. Definition of "Curer."

All bacon, whether home-produced or imported, that passes through wholesale channels, is the product of a factory industry, although the capacity of individual factories may vary very considerably.

Pigs Marketing Scheme, para. 2.
Bacon Marketing Scheme, para. 22.

On the other hand, it is known that pork is cured at times by a certain number of pork butchers, whose output is not only inconsiderable but may be described as irregular and even occasional. Such men sometimes use curing as a method of getting rid of a surplus of pork left unsold on their hands, whilst they generally sell their output direct to the consumer over their own shop-counters.

It would be manifestly difficult and, in our opinion, unnecessary to apply the contract system to the output of this type of producer while sales of pork pigs are uncontrolled, nor do we think it necessary to take note of these supplies for the purposes of the home quota. To establish the principle that bacon curing is a factory industry, we have therefore introduced the test of whether machinery driven by mechanical power is used, but we have also included a quantitative dividing line which will prevent the serious expansion of this butcher-curer trade, which might result in certain circumstances and which we should hold to be undesirable.

The effect of the definition will not be to exclude from the scheme any small bacon producer who might wish to become registered.

2. Constitution of Marketing Boards.

Different systems have been suggested for electing the Pigs and Bacon Marketing Boards, respectively.

Pigs Marketing Scheme, para. 5, 6, 7 & 53;
Bacon Marketing Scheme, paras. 7, 51 & 52.

In the case of the Pigs Marketing Board, we suggest eight district and three special members. The eight districts were selected on the basis of their 1932 pig population, which was as follows:—

District.	Counties and areas included.	Pig population according to the Agricultural Returns, 1932.																																								
1. South Western	<table border="0"> <tr><td>...</td><td>Somersetshire</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Dorsetshire</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Devonshire</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Cornwall</td><td>...</td><td>...</td></tr> </table>	...	Somersetshire	Dorsetshire	Devonshire	Cornwall	480,500																								
...	Somersetshire																																							
...	Dorsetshire																																							
...	Devonshire																																							
...	Cornwall																																							
2. South Eastern	<table border="0"> <tr><td>...</td><td>Kent</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Surrey</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Middlesex and London (including the City)</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Sussex</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Berkshire</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Hampshire (including the Isle of Wight)</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Oxfordshire</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Buckinghamshire</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Bedfordshire</td><td>...</td><td>...</td></tr> <tr><td>...</td><td>Wiltshire</td><td>...</td><td>...</td></tr> </table>	...	Kent	Surrey	Middlesex and London (including the City)	Sussex	Berkshire	Hampshire (including the Isle of Wight)	Oxfordshire	Buckinghamshire	Bedfordshire	Wiltshire	484,900
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...	Norfolk																																							
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...	Hertfordshire																																							

<i>District.</i>	<i>Counties and areas included.</i>	<i>Pig population according to the Agricultural Returns 1932.</i>
4. East Midland	Lincolnshire Nottinghamshire Derbyshire Leicestershire Rutland Northamptonshire (including the Soke of Peterborough) Huntingdonshire Cambridgeshire (including the Isle of Ely)	500,900
5. West Midland	Cheshire Shropshire Staffordshire Warwickshire Worcestershire Gloucestershire Herefordshire	472,900
6. Northern	Cumberland Northumberland Durham (the whole County) Westmorland Lancashire Yorkshire	488,800
7. Wales	Wales and Monmouth	251,500
8. Scotland	Scotland	163,200

Through these district members, producers will maintain touch with the Board; but since district members might find difficulty in devoting adequate time to the daily affairs of the Board, we suggest three further special members who, we contemplate, would need to devote the majority or the whole of the time to the Board's affairs.

In the case of the Bacon Board, the number of registered producers likely to be small and therefore the need for district representation does not arise. The problem in this case is to give adequate representation to factories of different size; this our suggestion is intended to do.

3. Exemption of Pig Producers.

Pigs Marketing Scheme, para. 22.

This paragraph deals with an important point—viz., what produce are to be exempt from registration. The effect of the paragraph is that a producer of pigs who does not desire to cater for the demand for pigs on the part of the bacon factories need not, unless he wishes, have anything to do with the scheme at all. It is only producers who desire to deal with bacon curers, either directly or (as subsequently provided in Part VI of the Scheme) through the medium of the Board, who will have any need to register; but any producer may become registered who wishes to do so.

4. Power of Bacon Marketing Board to Negotiate Contract Terms and Prices with Pigs Marketing Board.

Pigs Marketing Scheme, para. 27.

On several occasions in our Report, we have referred to the negotiation of contract terms and prices between farmers and curers, and to the desirability that these negotiations should be conducted by the commodity board

We are advised, however, that it would not be possible under the Agricultural Marketing Act to empower a Bacon Marketing Board to regulate in any way the purchase of pigs by its members. We have therefore provided in paragraph 38 of the Pigs Marketing Scheme for the negotiations to be conducted on the curers' side by the members of the Bacon Marketing Board acting in an individual capacity, and in the Bacon Marketing Scheme we have been unable to make any reference to the negotiations.

This position is not satisfactory, and we recommend the amendment of the Act to enable a Marketing Board regulating the marketing of a manufactured article, to conduct negotiations, with regard to the purchase of the raw material, with any other marketing board of which that raw material is the regulated product.

5. Participation of Pigs Marketing Board in Contracts.

This paragraph embodies the central feature of the Scheme. It provides machinery for the supply of pigs by registered producers, through the Pigs Marketing Board, to curers, and it is on the contracts made under it that the home quota for bacon, and the shares in this of individual curers, will be based. Pigs Marketing Scheme, para. 88.

The procedure proposed is that the Board shall, after consulting representatives of the curers, from time to time fix standard prices and a standard form (or standard forms) of contract which are to be employed in all cases where a curer wishes a purchase of pigs to count for the purposes of the bacon quota. The actual contract which the curer enters into will be a contract, not with an individual producer, but with the Board; but the Board need only enter into such a contract if the curer has already found a registered producer who is prepared to contract with the Board to supply the necessary pigs; and if the curer does find such a producer, the Board will, subject to the qualifications mentioned below, have no right to refuse to enter into the contract. The Scheme thus definitely does not involve the taking away from individual producers of the right and duty to find curers who will purchase their respective pigs. It does, however, put upon the Board the duty of securing to the curers the supplies of pigs which they require to fulfil their quota obligations, and confers on the Board the corresponding power of enforcing against registered producers (if need be, by legal process) the fulfilment of their contracts.

The substantial qualifications on the absolute nature of the Board's duty to enter into contracts under this paragraph are those contained in provisos (a) and (b). Proviso (a) empowers the Board to limit their commitments over specific periods in respect either of pigs generally, or any particular kind of pigs. Some such power is necessary to ensure that more contracts are not entered into than are necessary to absorb the home quota or that deliveries under such contracts as are entered into are spread over the year to the satisfaction of the Quota Advisory Committee. Proviso (b) is self-explanatory.

Proviso (c) deals with a different point. It contemplates that, in certain classes of cases, at any rate, the obligations undertaken by the producer towards the Board may be different from those undertaken by the Board towards the curer. The terms of the proviso are elastic, but we have had two main points in mind. First, we contemplate the possibility of a scheme by which the Board would, in effect, insure the producer against disease or similar occurrences which prevented him from delivering the contracted number of pigs. This would be done by the insertion in his contract of an express provision that in the event in question he should be freed from his obligations; the Board would then have to supply the curer with his pigs from some other source. Secondly, we consider that the Board might wish to undertake additional functions, such as the duty of transporting the pigs from the farm to the factory; this result could be attained

by making the contract with the producer an "ex farm" contract, and the contract with the curer a "delivered at factory" contract. These two points are, however, merely examples and it is probable that there are other respects in which the Board might with advantage undertake the middleman's risks and duties. In cases where they do so, it is, of course, proper that their additional functions should be reflected in a margin between the price paid to the producer and that received from the curer, and the concluding words of the proviso duly provide for this.

It may be observed, in conclusion, that the opening words of the paragraph expressly "save" the powers conferred on the Board by the earlier provisions of the Scheme—e.g. the general powers conferred on the Board to buy and sell pigs, etc. We contemplate that, at first, these general powers will only be used in connexion with and in aid of the functions of the Board under this paragraph—e.g. for the establishment of a "surplus pool" of pigs, which may be used by the Board to make good defaults by suppliers under contracts entered into under this paragraph—but we foresee the possibility that, in course of time, the Board may desire to operate them over a wider field, and we think it proper that they should be in a position to do so.

APPENDIX D.

A SELECT BIBLIOGRAPHY ON THE PIG AND PIG PRODUCT INDUSTRIES OF THE UNITED KINGDOM.

1. Departmental Committee on Distribution and Prices of Agricultural Produce. (Linlithgow Committee.) *Interim Report on Meat, Poultry and Eggs*. Cmd. 1927. H.M. Stationery Office, London, 1923.

A general description of the methods and costs of marketing meat, including pork and bacon.

2. Report of a Committee of Investigation appointed by the National Farmers' Union on the *Co-operative Bacon Factory Industry*. N.F.U., 45, Bedford Square, London, 1926.

A study of the history, working and difficulties of six co-operative bacon factories, with recommendations as to future policy.

3. Ministry of Agriculture and Fisheries. *Report on the Marketing of Pigs in England and Wales*. Economic Series No. 12. H.M. Stationery Office, London, 1926.

Results of an investigation into the marketing of pigs for pork and bacon, with recommendations for improved methods.

4. *Report of the Scottish Pig Industry Committee*. Scottish Agricultural Organisation Society, Edinburgh, 1927.

A survey of the weaknesses of the industry in Scotland with recommendations for the improvement of breeding, feeding, management and marketing.

5. Ministry of Agriculture and Fisheries. *Report on the Pork and Bacon Trades in England and Wales*. Economic Series No. 17. H.M. Stationery Office, London, 1928.

A detailed study of the supplies, preparation for market, transportation and distribution of the pork and bacon produced and imported into England and Wales, with additional sections on hams, lard and offals, and certain suggestions for improved efficiency.

6. Imperial Economic Committee. *Twelfth Report: Pigs and Pig Products*. H.M. Stationery Office, London, 1929.

In addition to a general Empire survey and a description of the supplies and requirements of the United Kingdom market, this report contains a summary of the methods and weaknesses of production and marketing in England and Wales, Scotland and Northern Ireland, together with recommendations in connexion therewith.

7. Pig Industry Council. Interim Report. *The Commercial Pig*. Marketing Leaflet No. 15. Ministry of Agriculture and Fisheries, London, 1929.

The use of the Large White Boar and the establishment of testing stations and an advanced register are advocated.

8. Pig Industry Council. Interim Report. *The Pig Industry in England and Wales*. Marketing Leaflet No. 16. Ministry of Agriculture and Fisheries, London, 1929.

A discussion of the weaknesses of the industry and possible remedies, with a recommendation for direct Government assistance.

9. Pig Industry Council. Interim Report. *The Bacon Industry*. Marketing Leaflet No. 23. Ministry of Agriculture and Fisheries, London, 1930.

The Council considered that internal reform or organization of pig industry was dependent upon and subsidiary to a scheme for controlling imports.

10. Pig Industry Council. Interim Report. *Litter Testing and Recording*. Marketing Leaflet No. 30. Ministry of Agriculture Fisheries, London, 1930.

Detailed recommendations relating to litter-testing, pig-recording advanced registers.

11. Pig Industry Council. Interim Report. *Veterinary Research*. Published in the Journal of the Ministry of Agriculture, September, 1931. H.M. Stationery Office, London, 1931.

A discussion of losses due to disease, with recommendations for research and other veterinary measures.

12. Government of Northern Ireland. *The Marketing of Northern Irish Agricultural Produce*. H.M. Stationery Office, Belfast, 1932.

This survey includes a full descriptive section on the marketing of pigs and pig carcasses in Northern Ireland.

13. Ministry of Agriculture and Fisheries. *Pig-Keeping*. Bulletin No. 32. Third edition. H.M. Stationery Office, London, 1932.

A description of pig breeding and feeding methods.

14. East Anglian Pig Recording Scheme. *First, Second and Third Reports*. University of Cambridge, Department of Agriculture, 1929-1930.

Reports on the principles, operation and results of pig-recording in East Anglia.

15. Animal Breeding Research Department, University of Edinburgh. *First Report of the Pig Testing Station*, covering the period June, 1928-March, 1930. Edinburgh, 1930.

Description of methods and results obtained at Edinburgh pig testing station.

**NOTE.—For a List of other Reports in this Series,
see inside of front cover.**