

SOCIALISM IN ACTION

**THE LAND
AND THE
NATIONAL PLANNING
OF
AGRICULTURE**

PRICE TWOPENCE

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The Land and the National Planning of Agriculture

THE official Labour Party Policy on Agriculture is set out in the following Report. The Resolution, which embodies the main principles of the Report, was adopted by the Annual Conference of the Party held at Leicester in October, 1932.

TRANSPORT HOUSE,
Smith Square, London, S.W.1.

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RESOLUTION

This 1932 Annual Conference of the Labour Party, believing that it is of the utmost importance that the fullest use consistent with sound methods should be made of the Land for food production and for the provision of employment under good conditions, whilst at the same time administering with efficiency to the needs of the consumer; and being convinced that this can only be achieved by a comprehensive National Planning of Agriculture, and that only through the National Ownership and Control of the Land can such Planning be effectively ensured, proposes:

(1) That Agricultural Land should be brought under National Ownership.

(2) That a National Agricultural Commission should be established, which would be responsible to the Minister of Agriculture for the planning of orderly development in Agriculture and for the administration of the nationally-owned agricultural land.

(3) That in carrying out its functions in relation to the management of the nationally-owned land and to securing the best use of the soil generally, the National Agricultural Commission should work as far as possible through County Agricultural Committees specially appointed by the Minister of Agriculture; and that the National Agricultural Commission should promote Public Farming Corporations for direct public farming.

(4) That it should be a primary aim to raise the standard of life and the status of the farm-worker, in particular by giving the executive decision on minimum rates of wages to the National Agricultural Wages Board, which should also provide for a progressive increase of wages over a period of years; by providing for a special scheme of unemployment insurance; by abolishing the tied cottage system and providing, in conformity with a national plan, a sufficient supply of new rural cottages; and, in addition, by giving the farm-worker full opportunity for the co-operative cultivation of land, and for obtaining the necessary financial and other assistance.

(5) That in carrying out its functions in relation to marketing, the National Agricultural Commission should work through National Commodity Boards for different products or groups of products; that these Boards should be charged with promoting efficient production, treatment and marketing, subject to the general control of the National Agricultural Commission; and that so far as may be necessary Local Commodity Boards should also be constituted under the National Commodity Boards.

(6) That since there is a strong case for defending against short-term price fluctuations any commodity whose production is shown to be efficient in organisation and quality, and for the proper planning of imports as a necessary part both of the national plan for agriculture and of international plans for the proper distribution of world supplies and the stabilisation of world prices, National Commodity Boards should have full power for purchasing or otherwise regulating imports; and that this should be coupled with adequate control over prices in the interests of the consumer.

(7) That in the administrative machinery outlined above, provision should be made for the representation of producers, workers, and consumers on the National Agricultural Commission and the National and Local Commodity Boards; and for the representation of producers and workers on the County Agricultural Committees.

THE LAND AND THE NATIONAL PLANNING OF AGRICULTURE

I.—THE CASE FOR NATIONAL REORGANISATION

(1) The world depression has had serious effects on many sections of British agriculture; but even if there were a world revival, the condition of the British countryside would remain for the most part deplorable. When in the latter part of the nineteenth century the development of railways and inventions in agricultural machinery opened up vast new producing areas and revolutionised the world production of foodstuffs, the result, accentuated by monetary policy, was a rapid fall in prices. In Great Britain there were disastrous losses, intensified by exceptionally bad seasons; great tracts of land went out of cultivation, and there was a large decline in the population working on the land.

(2) Before the War, our farmers had managed more or less to adjust themselves to the changed world conditions, but even this limited degree of stability was based on very low-paid labour, and the general organisation of the industry was unsatisfactory. The War brought difficulties, a temporary increase in arable acreage, and, on the whole, substantial profits; but the post-War period has witnessed a steady decline in arable acreage and in the number of workers employed, while agricultural prices have been falling and from 1929 to 1932 more rapidly than ever.

Failure to Provide Adequate Living

(3) At the same time, it is true that even under present conditions parts of the industry are being carried on profitably, although, as a whole, the industry is depressed. Districts and holdings vary greatly; for the problem is essentially one of soil and climate, of types of farm and methods of farming, of treatment of products, of marketing, and of the varying degrees of competition by products from overseas. "Profitable farming" is, however, a very relative term. Profitable farming on the present basis assumes a standard of living for the farm-worker below or no higher than that of the very lowest-paid industrial labour. Even the present wages, which in England and Wales in 1930-31 averaged only about 31s. 6d. per week, are repeatedly attacked by the farmers and their representatives as being more than agriculture can carry.

(4) The minority Labour Government of 1924, by re-establishing the agricultural wages board system in England and Wales, provided for minimum wage rates and the regulation of hours. But although a wages board can ensure a fairer distribution of the product of an industry, it cannot increase that product except in an indirect and limited way; and although it is fairly certain that higher wages could often be paid even under present conditions, it is emphatically true that until the whole agricultural industry is reorganised and co-ordinated, there can be no really substantial improvement in the standard of living of the workers dependent on it.

(5) The depopulation of the countryside is a very grave fact, and has been for the past fifty years. For not only is the younger generation turning its back on an industry which cannot offer anything like a reasonable standard of life, but the general economic effects on the country towns and villages, and on their trades and commerce, are exceedingly serious. Moreover, this depression in turn diminishes the capacity of the rural areas to provide a market for the products of the urban centres. Measured in terms of a decent living for the workers engaged in it, British agriculture has failed; and the existence of lower

standards in other countries does not lessen the failure. The urgent and vital responsibility which confronts not only the Labour Movement, but the whole nation, is to place agriculture on an efficient basis; for an adequate standard of life must be a first charge on any industry, if that industry is to be maintained, and only a thoroughly efficient agriculture can provide such a standard.

Need for Reorganisation

(6) That there is scope for greatly increased efficiency is beyond doubt. On the production side there is abundant evidence of widespread under-farming: of lack of proper equipment, of insufficient capital to conduct farming operations adequately, of waterlogged land and other soil deterioration, of farms of unsuitable size, and of out-of-date methods of cultivation. On the marketing side, from the treatment of products to retail selling, there is tremendous room for improvement. Taking the industry as a whole, there is an alarming absence of co-ordination and planning either on a national or regional scale.

(7) The minority Labour Government of 1929-31, by the Land Drainage Act, 1930, the Agricultural Marketing Act, 1931, and the Agricultural Land (Utilisation) Act, 1931, commenced to lay the foundations of a comprehensive policy of agricultural reconstruction, and had other measures in preparation at the time it went out of office. These Acts have great possibilities if properly applied, but can only be really effective as part of a much more comprehensive plan of development; and the foundations of that plan lie in the power of direction and control which can only be obtained through the ownership of the land.

Decline of Private Landlord System

(8) The inability of the industry to set its own house in order is fairly self-evident. Even if it had the will, it has not the means. For the rapid decline of the private landlord system, which in many ways has been the most significant feature of British agriculture during the past forty years, has had serious results. Given a system of tenancy, it is essential that the landlord should play his part. But in this country he is ceasing to undertake the necessary supply of capital, and farming is gravely handicapped in consequence. The poor condition of a great number of farms, as shown by dilapidated buildings, lack of adequate shelter for livestock, and the general absence of up-to-date equipment, illustrates the lack of maintenance capital; and the same neglect shows itself in inadequate drainage of the soil, which is starved or loses some of its fertility by becoming waterlogged. The private landlord system is not only failing to supply the necessary capital, but it is also failing to promote and maintain a good standard of husbandry.

(9) The break-up of estates, and the great increase in the number of owner-occupiers since the War, form a no less striking aspect of the decline of the private landlord system. Many owner-occupiers who have been virtually compelled to buy their holdings, and many who have voluntarily bought them, find themselves with insufficient means either to provide and maintain adequate capital equipment or to carry on their working business. Many who bought when prices were much higher than to-day, and when farming was in a less depressed condition, now find themselves with a greatly increased real burden of mortgage interest and their plight increasingly difficult.

(10) This emphasis on the decline of the old landlord system must not be taken to imply any satisfaction with that system; the private ownership of land, and the control over agricultural development exercised by a semi-

feudal class, constituted the most obvious hindrance to progress. But the decline of the system has left very serious gaps which will clearly not be filled without State assistance, and this intensifies the urgent necessity for national planning of the industry. The Conservative Minister of Agriculture of 1924, Mr. Edward Wood, now Lord Irwin, put it aptly when he declared that "the new owners who survive will find their position increasingly difficult—and many a new occupying-owner who has, in many cases, sunk too much of his capital on that side of the business, has left himself inadequate capital with which to run his ordinary working business. That means either that the soil is going to be starved and is gradually going to lose some of its fecundity by the land becoming waterlogged and so on; or the nation is going to say: 'We cannot watch this process going on,' and the State will come in to fill the function of the old landlord by lending capital. When it does that you may depend upon it that it will claim some measure of control in the business that it finances, and so you may well find yourselves in the course of the next thirty or forty years within measurable distance of something like nationalisation by a side wind."

(11) The decline of the private landlord system also must be related to the fact that the State has found it necessary on various occasions to restrict the powers of the landlord in relation to the tenant and, in the words of a leading authority, "to reduce him, step by step, more nearly to the state of a mere receiver of rent." The Agricultural Holdings Acts of 1875, 1883 and 1900 were steps in this direction; the 1906 Act abolished landlords' restrictions on freedom of cropping and established for the tenant a right to certain compensation on dispossession; while the Agriculture Act, 1920, elaborated the provisions for compensation on dispossession, gave the tenant the right to demand arbitration on the amount of his rent, and made provision (repealed in 1921) for the Minister of Agriculture to enforce proper cultivation in case of mismanagement.

II.—NATIONAL OWNERSHIP OF THE LAND

(12) It is submitted that the only effective way to secure that national planning of which agriculture is in such urgent need is in the first place for the land to be brought under national ownership. It is evident that the proper and fullest use of the land can only be ensured in practice by the landlord, primarily through the contract of tenancy. It is equally evident that only by unification of land ownership is it possible to make national planning of the industry fully effective.

(13) It is not only a much higher standard of life for the farm-worker which is at issue; to raise substantially his standard and his consuming power would revolutionise the country towns and villages. To produce the many millions of pounds worth of foodstuffs which can be produced economically, given efficient organisation and management, is of prime importance to the whole national well-being, especially at a time when the future of external trade is uncertain and the stability of British economic conditions appears to be increasingly dependent on developing the home market. Clearly nothing short of comprehensive national planning can put agriculture on its feet, in a position to accept its opportunities. Haphazard patching-up is insufficient; intense competition from overseas must be met, and only a high degree of efficiency, based on proper planning on a national scale, can meet it.

(14) The alternative, if agriculture is to be maintained at all, must be constant State subsidies in one form or another, at great and unnecessary expense to the community, and a continuous depression of the farm-workers. This in itself provides a vital reason for national ownership; for whatever assistance the State desires to give to the industry, it is impossible to prevent

the ultimate diversion of at least part of the expenditure to the pockets of the landlord. This is a cardinal objection to improvements initiated by the State under private ownership, and it applies to all forms of encouragement or assistance, whether for research, education, drainage or any other improvement. As landowner, the State can give effective assistance to agriculture; it can graduate assistance to the circumstances of particular land, and effectively obtain the best results.

(15) Elsewhere in this report reference is made to particular weaknesses of the present system, which serves to emphasise the need for national land ownership and national planning; but there are certain advantages of national ownership which may be conveniently mentioned here. Only through the control exercised by ownership is it possible to readjust the boundaries of the many badly-laid-out and the many badly-balanced farms, and to constitute holdings of a suitable economic size. Under national ownership, the good tenant would not be hindered by a neglectful neighbour, as when land becomes waterlogged because a neighbour neglects to clear his ditches, or where weeds are spread from neighbouring fields. Land drainage on a large scale, and field drainage, so frequently neglected now, would be effectively undertaken without the obstacles often raised by private owners, without many of the difficulties of present drainage rates, and with the knowledge that the improvement value of the land would go to the community. Not only would adequate capital equipment be provided, but there would be prompt repair and proper maintenance. The standardisation of conditions of land tenure would also become possible.

(16) In short, the land would come under a proper system of management, with well-equipped holdings and proper maintenance of the soil; and a good standard of husbandry could be ensured. It may be added that it would be much more easy under national ownership of the land to provide rural cottages, to develop rural water supplies, and to provide land for small-holdings and for public purposes such as building, road-making and so on without protracted and expensive negotiation and legal procedure; while the cumbersome and costly system of land conveyancing would be avoided.

(17) The national acquisition of the land, it is urged, is a fundamental step. The transition in agriculture is nothing less than the breakdown of a social system; agriculture is ceasing to function round the old-fashioned landlord, and it is not only an economic change but also a change of attitude and outlook that is taking place. The time is ripe for building up a new and efficient system which will achieve what the old system never contemplated—a standard of life for the countryside which will give a decent living and individual freedom.

Basis and Method of Compensation

(18) Having decided that the national ownership of the land is essential for the proper co-ordinated development of agriculture, and believing that it is otherwise economically and socially desirable, the next step is to consider the method of acquisition and the basis of compensation. It is proposed that a general enabling Act should be passed, giving the State power to acquire any or all land, rural or urban, at any time after the passing of the Act, and laying down the basis of compensation to the owners.*

(19) It should be the general policy to transfer to national ownership as soon as administratively practicable all agricultural land, and the appropriate Minister would have power under the Act to issue orders, operative without further reference to Parliament, specifying as and when decided by him the

* While it is proposed that the enabling Act should give power in respect of all land, only the acquisition of agricultural land is discussed in this Agricultural Report. The methods of dealing with non-agricultural land are the subject of separate inquiry, as is also the question as to how far it is practicable to apply a scheme of land value taxation to land, rural or urban, not yet transferred to national ownership.

particular land to be acquired.* Temporary exceptions might include land used for railways, canals, mines and quarries (which would best be dealt with under a policy for the reorganisation of transport, mining and power), reservoirs and waterworks, asylums and industrial schools, residences, commons, etc.

(20) The necessity for the national ownership of agricultural land is too urgent to leave it to a very gradual and piecemeal procedure over a long period of years, to say nothing of the difficulties and ineffectiveness of such a prolonged transaction. Acquisition should be carried out as rapidly and on as large a scale as practicably possible; and in so far as it is found convenient or otherwise expedient to make certain exceptions in the early stages, they should be regarded as temporary only.

(21) Acquisition on the scale desired is, of course, a very big and complicated task; but fortunately it is somewhat simplified in one important respect. As far as purely agricultural land is concerned, valuation should be relatively straightforward. For Schedule A income tax purposes, the State already makes a valuation every five years for every holding in the country. This valuation is based on the rent at which the holding is let, or the estimated rent in the case of an owner-occupier, assuming that the landlord undertakes all repairs and the tenant pays the rates. From this rent deductions are made in respect of (a) maintenance of the holding and (b) fixed outgoings paid by the landlord such as tithe rent charge, any ordinary rates paid by him, drainage rates, etc. The resulting net annual value represents the real value of the holding to the owner and is therefore a suitable and convenient basis of compensation in the case of acquisition by the State, although in some cases it might be necessary to reduce this value where an inefficient landlord had failed to maintain the proper condition of the holding.

(22) While this basis of compensation would be equitable and fairly straightforward for ordinary agricultural land, there are special cases in which adjustments or special provision would have to be made. Where, for example, a substantial building value is reasonably claimed, some form of special valuation would be necessary; or, as a possible alternative, the land might be valued according to its present use and acquisition be deferred for a limited period during which the owner would be free to develop the land, after which the whole or the part which had been developed would be taken over at its new Schedule A or equivalent value and any undeveloped part at the original value. In the case of mineral rights, it might be desirable to acquire only the surface rights and to leave the mineral rights to be dealt with as part of a policy for reorganising the mining industry. Long-term leaseholds would present certain complications where the landlord had a reversionary interest in capital equipment, etc., but there should be no great difficulty in determining the appropriate compensation. Woodlands, which are valued for income tax at the unimproved value of the land, might have added to that value an amount representing the present value of the estimated selling-price of the timber at maturity, where such estimate was not too speculative, or otherwise a valuation might be based on the cost of trees and planting plus interest on the amount so expended—these alternatives being in accordance with present practice.

(23) In assessing compensation, no allowance should be made on account of the acquisition being compulsory or on account of anticipated benefits arising from national ownership. Compensation should be related to an appointed day stated in the enabling Act, which might well be the day of the passing of the Act. This does not mean that all the land would be taken over on that date, but that, apart from any specified exceptions, when any land

* "Agricultural land," in the sense used here, includes, of course fixed capital equipment such as farm buildings, fences, etc.

came to be acquired, the compensation would not be greater than that which would have been payable had the land been taken over on the appointed day, subject to adjustments in respect of improvements or deterioration between the appointed day and the date of acquisition, while any reduction in the Schedule A value between the appointed day and the date of acquisition would be taken into account. Where in any particular case the assessment of compensation was not completed at the day specified by the appropriate Minister for the transfer to national ownership, there might be paid in half-yearly payments to the former owner a sum estimated to be equivalent to the net annual value, and such payments would continue until the compensation had been assessed, with such adjustments as the amount of compensation so determined might require.

(24) The most practical way to finance land-acquisition would be to give the owners special land stock of appropriate amounts with a fixed rate of interest. The actual transfer of holdings would be done by the State without expense to the owners, except in so far as the latter desired professional assistance. The State should have the option to redeem land stock after a period of years. It would not be necessary to raise any new capital for the creation of the land stock, which would be a marketable security. The stock would in no sense increase the deadweight debt of the State, as it would be covered by the land taken over.

III.—NATIONAL AND LOCAL ADMINISTRATION

(25) Before discussing in more detail various aspects of agricultural policy, it is desirable to set out the kind of machinery proposed to carry out the national planning of the industry. Under a system of complete or substantial national ownership of agricultural land there are great possibilities of treating agriculture as a public service, free from the many inefficient and haphazard methods that characterise its conduct to-day. Its direction, nationally and locally, should be in the hands of those best acquainted with the wide range of problems involved. Every endeavour should be made to avoid unnecessary red tape and to extend the co-operative efforts of those who pursue their life's work in the development of the industry.

(26) Briefly, it is proposed that a National Agricultural Commission of convenient size should be established, which would be responsible to the Minister of Agriculture for the planning of orderly development in agriculture, subject to powers laid down by statute, and for the administration of the nationally-owned land. The Commission would consist of members appointed by the Minister on appropriate grounds, such as experience in general administration, finance, marketing, transport, etc., together with representatives of the farmers and of the farm-workers selected by the Minister from panels of names submitted by the appropriate organisations, and representatives of the Co-operative Movement and other consumers appointed by the Minister.

(27) If agriculture were being run as a unified nationally-owned and controlled industry, with a single body responsible for direction and for securing the most efficient forms of management, the problem of national and local administrative machinery would be appreciably simpler than under the proposals of this report. Such a unification, however, is not immediately possible, and various complications have to be faced. Thus the National Agricultural Commission must be responsible for the management and best use of the nationally-owned land; it must exercise powers to ensure that land still in private ownership is not improperly used; it must promote the develop-

ment of the proper production, treatment and marketing of particular products and must exercise general control over any existing commodity marketing organisations; and it must be concerned with such matters as direct public farming, drainage, reclamation, afforestation, agricultural research and education, transport, power, credit facilities, etc. Not only does such a variety of duties, some executive and some advisory, constitute a very different administrative problem from that of a unified industry, so that the Commission must have power to establish such national machinery as is found essential; but local conditions are so complicated and diverse that something more than an organisation of officials is necessary for the local administration of many of the duties.

(28) Moreover, the fact that agricultural production will remain for the most part in the hands of the individual farmers for the time being, involves a close co-operation between the producers and the National Commission with its subsidiary machinery; while the participation of the consumers as such appears to be a necessary safeguard in view of the special nature of the industry and the powers of commodity regulation which the industry must have in any proper national planning. Further, neither the National Commission nor the new County Agricultural Committees proposed below are wholly executive directing and managerial bodies; they have substantial advisory and persuasory functions, and it is essential that they secure the full co-operation of the independent producers and of the farm-workers. It is considered, therefore, that in the special case of agriculture there are specific advantages in giving suitable limited representation on certain parts of the new machinery to the farmers, the farm-workers and the consumers.

County Agricultural Committees

(29) It appears necessary to set up County Agricultural Committees, specially appointed by the Minister of Agriculture, and not as at present mainly by the County Councils. The Committees would consist of members appointed by the Minister on suitable grounds of experience, together with representatives of the farmers and of the farm-workers selected by the Minister from panels of names submitted by the appropriate organisations. The actual duties of the Committees, and their relationship with the National Agricultural Commission on the one hand and the local officials on the other, must be a matter for detailed consideration when the organisation is being set up; but it is anticipated that the bulk of the work of the National Commission would be done through the Committees and the local officials.

(30) Thus, subject to the directions of the National Commission, the County Agricultural Committees, through appropriate officers, would be concerned with the letting of nationally-owned land, the proper equipment of the farms and its maintenance, ensuring a good standard of husbandry, and the collection of rents; with the maintenance of a good standard of husbandry on any privately-owned land through powers similar to those authorised by Section 4 (now repealed) of the Agriculture Act, 1920; and generally, with the improvement of existing methods of cultivation and the provision of the necessary works of maintenance such as the eradication of weeds, suitable manuring, field drainage and the cleaning of drains and ditches, the repair of fences, etc. The Committees would be interested in such matters as fertilisers, livestock and feeding-stuffs, any general or specialised groups of small-holdings, transport, power, agricultural education, and so forth; while it would be necessary that they co-operate with any commodity marketing organisations that might be set up.

(31) It is not proposed that the National Commission should itself conduct farming operations; but great importance is attached to the development of

public farming corporations either for direct large-scale farming or for the management of, say, co-operative farming groups. Such corporations, which would be promoted by the National Commission and be generally responsible to it for their efficiency, should not only be successful farming bodies as such, but should set standards for the rest of agriculture. They should, of course, be set up for different types of farming in order, in the first place, to test the possibilities of each; but it is essential that they be run as business concerns and that they pay their way. Tenant farming may for some time continue to be the normal method of tenure and cultivation; but the National Commission, through the County Committees, will have wide powers to adapt its policy to the circumstances of each area, and in some cases it will be found advantageous to establish these farming corporations or other forms of collective or co-operative farming for large tracts of land.

(32) So far, main attention has been paid to the land development aspects of agriculture, which may be summed up by saying that the National Agricultural Commission would be required to secure the progressive execution of a national programme of land development in its various branches, and to make any necessary surveys for the purpose. On the nationally-owned land it would be able to secure the most suitable sizes of farm and promote the best types of farming; while on agricultural land as a whole it could ensure that the soil and farm equipment were not allowed to deteriorate, and that a reasonably high standard of husbandry was maintained. The Commission would also be in a position to deal effectively with land drainage, reclamation and afforestation; while it would promote research and education, the latter in particular by suitable demonstrations of improved methods of cultivation.

Marketing

(33) It is no less important to secure the efficient treatment and marketing of agricultural products, for which also the National Agricultural Commission would be responsible. Already there are important developments in this direction under the Agricultural Marketing Act, 1931; and it may be that when Labour's agriculture policy comes to be applied, a number of national commodity marketing organisations will be in existence, and adjustments may have to be made to fit them into the general scheme. While it is very desirable that the administrative machine should be as simple as possible, national commodity organisations appear necessary for different products or groups of products. But every effort should be made wherever practicable to reduce the number of separate commodity organisations by suitable grouping of products; while it would, of course, be a specific function of the National Commission to co-ordinate the work of the organisations and ensure that they acted in harmony with the lines of policy which it laid down.

(34) Thus, a National Commodity Board would consist of a convenient number of members, including representatives of the employers and of the workers in the industry, and of the consumers; and subject to the general control of the National Commission it would be responsible for securing the most efficient handling of the product or group of products from producer to consumer, and would set up the most suitable organisation for the purpose, which would naturally vary with the product. In some cases the National Commodity Board would probably find it necessary to operate through local co-operative organisations of producers and consumers. These might be established by the National Commodity Board, or they might be co-operative societies set up under the Industrial and Provident Societies Acts suitably amended. Whatever method of organisation and capital-raising is adopted, they should be required to pay their way and they should not be confined to producers only.

The Individual Farmer

(35) It must be emphasised, however, that these various powers of assistance, advice and regulation are not intended to interfere with the farmer to a greater extent than the national efficiency of the industry demands. On land nationally-owned, present agreements, customs and conditions of tenancy would continue until modifications were required to meet new circumstances. It appears reasonable to give the tenants of both publicly-owned and any privately-owned holdings, a right of appeal on rents; and it is suggested that Rent Courts should be set up for the purpose. Where on nationally-owned land tenure remained individual, tenants would be secure in the possession of their holdings except in so far as land might be required for public purposes or a tenant proved himself to be a bad farmer. The efficient farmer, anxious to develop his holding and increase its productivity, will receive encouragement which is now usually absent.

(36) In order that any land not yet transferred to national ownership should be used to good advantage, it is necessary, as has already been indicated, to take powers to enforce proper standards of cultivation. A useful precedent was provided by the Agricultural Act, 1920, of which Section 4 (repealed in 1921) gave the Minister of Agriculture the right to order arable and grass land to be cultivated according to the rules of good husbandry and necessary works of maintenance to be executed, and in certain circumstances to act in default. In cases of gross mismanagement, materially prejudicing the production of food or the welfare of those engaged on the land, the Minister could under certain conditions put in a manager and receiver; while there was special power to order the destruction of weeds on any land or act in default.

IV.—THE FARM WORKER

(37) Every industry that is worth maintaining must provide a reasonable standard of living for those engaged in it, and agriculture is no exception to this general principle. The farm-worker, however, is in a specially difficult position; for not only are his wages very low, but his individual freedom is often severely limited. Even to-day there are villages where he dare not, on pain of losing his job, attend certain public political meetings, while at elections virtual intimidation is sometimes practised. Often he must live in a tied cottage, which gives the employer a control over him which is not infrequently abused. Generally speaking, he is usually subject to restrictions on his social life and individual freedom which are intolerable; but these will not be removed until he is much more economically independent. It is particularly true of the countryside that economic freedom is an essential first step towards social freedom.

Wages

(38) The minority Labour Government of 1924, by re-establishing the agricultural wages board system in England and Wales, took a big step forward; and the minority Labour Government of 1929-31, by its appointment of additional inspectors to enforce the statutory rates, did much to make the wages machinery more effective. Conditions immediately prior to 1924 were a national disgrace; and thousands of workers had to subsist with their families on as little as 25s. and even 23s. per week. The working of the Agricultural Wages (Regulation) Act, 1924, has since proved that these scandalously low rates were not justified by the economic circumstances of the employers. The minimum rates fixed by the County Wages Committees, and the regulation of hours, have registered a decided advance; but not only are the existing wages very low, they are below what agriculture even in its present disorganised condition could afford to pay.

(39) Until a fundamental alteration is made in the wages machinery, however, it is unlikely that improvement will be possible. Owing to the Conservative-Liberal majority opposition of the 1924 Parliament, the original scheme was not accepted and the National Agricultural Wages Board was deprived of powers to order the revision of wage rates fixed by the County Wages Committees. The National Board, as at present established, cannot even suggest that a County Wages Committee would do well to revise a particular rate, and the County Wages Committees have in practice full and final power, often exercised in a narrow parochial and reactionary manner and with big variations as between counties. It is, therefore, of the utmost importance that the National Wages Board should have the final executive decision on all wage rates. Thus the County Wages Committees should make recommendations to the National Wages Board, which would have power to review, refer back or alter; and subsequently the Board would take the final decision and issue the appropriate wages Order. It is also desirable, in view of the very low existing wage rates, that as a special measure the Board should specifically provide for a progressive increase of wages over a period of years.

(40) The National Wages Board would also be concerned with enforcing statutory wages throughout the county, and for this purpose a sufficient number of inspectors should be appointed. For it is not sufficient merely to fix statutory rates; it is no less necessary that they be enforced. Wage enforcement by the State, in turn, can be very greatly assisted if the farm-workers stand together in membership of their Trade Unions. The isolated worker is in a very weak position in any industry, but particularly is this so in agriculture; and the provision of wages and other machinery will not accomplish what it ought to unless the workers are organised and use their organisation to the utmost to make sure that the statutory machinery does its work and does it properly.

Unemployment Insurance

(41) The increase in agricultural unemployment in recent years has given rise to a demand that unemployment insurance should be extended to the industry. Comprehensive statistics are not available; but there is evidence that unemployment in the industry has become widespread and serious, and it is intolerable that the unemployed farm-worker should have to rely upon private charity or the Poor Law. The Ministry of Labour, in evidence before the Royal Commission on Unemployment Insurance, 1930-32, has shown that it is administratively practicable to operate an insurance scheme for agriculture, and there is no doubt that insurance is an urgent necessity. In view of the low wages paid, it may be necessary under present conditions to have a special scheme, at a low rate of contribution; a proposal that presents no insuperable difficulty, but which is made without prejudice to the reconsideration of unemployment insurance policy as a whole.

The Tied Cottage

(42) For long, tied cottages have been regarded by the farm-worker as the most serious evil of rural life. When a man's occupation of his home depends on his employment, he is placed in a position of servitude unknown to the ordinary town worker. When this is coupled with the general circumstances of village life, and the difficulties of combination to secure the full advantages of collective action through the Trade Unions, the farm-worker's position is rendered doubly insecure. It is not merely that there are cases of employers evicting the occupants at short notice and dumping the household goods by the roadside, or, more often, evicting at longer notice without any prospect of alternative accommodation being available; but the state of mind created by the fear of eviction has serious results, since the farm-worker in a tied cottage

who loses his job usually loses his cottage also. The spirit of goodwill which ought to exist in the employment is often impaired; the worker is not infrequently prevented from obtaining what is due to him whether in the matter of wages, compensation for injury, repairs to his dwelling, and so on; often he dare not exercise his full civic and political rights; and in many cases, because of his precarious economic position, he even hesitates to join a Trade Union and to take action to protect his legitimate interests as an employed person. Moreover, unduly onerous restrictions are sometimes placed upon the occupation of the tied cottage.

(43) Estimates vary, but it is probable that between one-third and one-half of the farm-workers in England and Wales occupy cottages provided by their employers, representing between 150,000 and 200,000 tied cottages, of which the vast majority are in service occupation and not held under contracts of tenancy. The Rent Restrictions Acts apply only to dwellings held under a contract of tenancy prior to the 1923 Act, and do not apply to any dwelling which has passed into the owner's possession at any time since the passing of that Act. A worker occupying a service cottage becomes a trespasser in the eyes of the law if he does not vacate his cottage immediately his contract of service is terminated, and it is open to his employer, without the permission of any Court, to evict him provided that no violence is resorted to. No alternative accommodation need be available. Some employers do not adopt this course, but prefer, although not legally obliged, to apply to the existing County Agricultural Committee for a certificate that the cottage is needed for service occupation, and then with this evidence, apply to the County Court for possession. The present County Agricultural Committees are, of course, in nearly every case overwhelmingly representative of the employer interests, and are in no sense judicial bodies. In the small minority of cases where the tied cottages come under the Rent Acts, the employer may apply to the County Court for possession under the 1923 Act, on the grounds that the cottage is required for a worker necessary for the working of the holding; there is no necessity to provide alternative accommodation or prove that it is available. The Courts often postpone possession for a few weeks; but, of course, if the employer satisfies the legal requirements, possession is normally given. Possession of a cottage under the Rent Acts but not in the occupation of a farm-worker, may similarly be obtained through the Court if the cottage is required for a worker necessary for the working of the holding and the present County Agricultural Committee gives a certificate to that effect, or if the availability of alternative accommodation is proved to the Court. Finally, tenants (not service-occupiers) of cottages not under the Rent Acts may be dispossessed by due notice to quit, and are legal trespassers after the expiry of such notice; no alternative accommodation need be available.

(44) The tied cottage is not everywhere regarded as essential; many farms are run without a single tied cottage being attached to them. Even if some inconvenience may be caused by a change, it is not in the public interest, nor in the best interests of agriculture, to continue a system which undermines the worker's sense of independence and responsibility and gives to the employer a social and political power quite outside the normal relations of employer and worker. It is imperative that the tied cottage should be abolished. It is therefore proposed that after a given date every farm-worker in a tied cottage should be regarded as a tenant under the Rent Restrictions Acts; that where there is no existing tenancy, the rent should be that fixed by the County Wages Committee for minimum wage purposes; and that the employer should not be entitled to obtain possession until the existence of suitable alternative accommodation is proved.

Provision of New Cottages

(45) The abolition of the tied cottage is vital, but by itself it is insufficient. Before the War, there was an acute shortage of dwellings for farm-workers, while many of the existing cottages were very old, and large numbers were damp, dark and dilapidated. Many thousands of families were crowded into dwellings unfit for human habitation. Low wages made it impossible for the farm-worker to pay more than a low rent; and because rents were low, house-building was not a business proposition. Condemned to low wages, the farm-worker was also condemned to unsatisfactory housing conditions. With the post-War rise in the cost of building, the disparity between economic rents and the workers' means became more accentuated, and intensified the difficulties of the situation. Moreover, the Rural District Councils, which are the local housing authorities, have with few exceptions shown themselves either unwilling or unable to accept their responsibilities.

(46) During the War, no cottages were built. After the War, the 1919 Housing Act enabled some of the District Councils to build a few in rural parishes, but the rents were generally beyond the means of farm-workers. The Chamberlain Act of 1923 helped very little, and the houses built under it in rural districts were suburban rather than rural. The minority Labour Government of 1924, recognising that the rents of new cottages for farm-workers must be only slightly, if at all, greater than the rents of existing cottages, brought in the Wheatley Housing Act, which provided for a special additional subsidy in "agricultural parishes"; and for the first time in housing legislation there was recognition of the fact that agricultural districts require a greater subsidy than urban. Unfortunately, the Conservatives held office from 1924 to 1929, and the necessary pressure was not brought on the Rural Councils to build; indeed, the Conservative Government actually reduced the subsidy. The results of the 1924 Act, although a great improvement on those of previous Acts, were therefore much smaller than they might have been.

(47) The minority Labour Government of 1929-31 took further action in its 1930 Housing Act, and placed a definite responsibility on the County Councils. Each Rural District Council was required to furnish to the County Council in 1930, and at intervals thereafter, information regarding the housing conditions in its area; the County Council was required to give a special additional subsidy for houses built by the District Council for farm-workers, and could contribute to the building of other houses; and wide powers were given to the County Council to assist the District Council in preparing schemes, building on its behalf, and so on.

(48) Additional to this, the Labour Government was responsible for the Housing (Rural Authorities) Act of 1931, which gave a still further State subsidy—additional to the subsidies provided by the 1924 and 1930 Acts—in respect of houses built in agricultural areas for farm-workers and others of "substantially the same economic condition." This special subsidy was available for local authorities who applied before November 30, 1931, and who showed that their financial situation warranted it. A committee for England and Wales, and one for Scotland, were appointed to consider applications, and to recommend the amounts of subsidy and the rents to be charged; and subsidies were available up to a present capital value of £2,000,000 (at 4½ per cent. interest). Owing, however, to the "economy" campaign of the "National" Government which took office in 1931, only a very small number of houses were approved, instead of the anticipated 40,000. It may be added that the sole contribution of the Conservative Government of 1924-29 to the housing problem was the Housing (Rural Workers) Act, 1926, which was extended for a further period by the Labour Government in 1931; this Act

gives financial assistance to private landlords to repair and recondition agricultural cottages, but has not been much used.

(49) It is obvious that neither the Rural District Councils nor the County Councils, even with large subsidies, will tackle the problem on a sufficient scale. The powers are available, not only to build new houses but to recondition old houses and to deal with insanitary conditions. Nothing short of specific Government action will be effective. The 1931 Act was a big step in this direction; but it would appear that more than this is necessary, and that the Government will have to provide specially for the building of cottages in conformity with a national plan. The co-operation of the National Agricultural Commission and the County Agricultural Committees would, of course, be essential.

Social Amenities

(50) In the building of new cottages, the amount of land to be attached to each, and the general lay-out of building schemes, demand careful consideration. The cottages should be built in the villages rather than by ones and twos on isolated farms; for everything must be done to counter the isolation in which the farm-worker has often hitherto been placed, and only by living in communities is it possible to develop a satisfactory social life. Detached cottages will still exist; but public building must primarily be community building.

(51) Just as housing schemes in the towns should be arranged in relation to the general town plan, so in the villages the schemes should be conceived as part of village extension, and provision made for social amenities. Every village should be provided with recreation fields; and with a public meeting place which can become the centre of social and intellectual life, the home of the village library, the headquarters of local societies, and the village concert and dance hall. It is obviously the duty of the local Councils, with appropriate State assistance, to provide the necessary village halls; for there are many disadvantages, and often objectionable interference and restriction by the donors, when the provision is left to private individuals or societies. What is visualised is a village community, with proper social and recreational amenities, and with its own vigorous life.

Access to Land

(52) Where there exists a proved demand for land, farm-workers should be granted access close to their cottages. Where allotments are still required in rural areas, every obstacle to their provision should be removed; but the chief immediate requirement is to make the local authorities use efficiently the powers they now possess. In many cases the national ownership of land should make possible schemes of village planning which would render land available for garden and allotment cultivation near to the homes of the workers.

(53) Moreover, farm-workers should have an opportunity of obtaining small-holdings where conditions are most suitable. While many blunders have been committed in the establishment of small-holdings since the War, there may still be a limited place for this type of farming for farm-workers and others. Such holdings should only be established, preferably in groups, where economic circumstances are particularly favourable; they should be properly equipped for their special lines of production; necessary financial assistance should be afforded; adequate transport and proper marketing arrangements should be made; special facilities should be provided for training in management; and there should be demonstration holdings in suitable areas.

Increased Responsibility

(54) The Labour Party calls for a more responsible place in agriculture for the land-worker. A widening sphere of responsibility is desirable in the interests both of the workers themselves and of the industry. The rapid progress in technical development is providing fresh fields for skilled work, which requires from the workers new qualities and imposes new responsibilities. The fullest educational facilities should be available, both general and technical. As the reorganisation contemplated in this report is applied, the possibilities of improvement of livelihood and status will be largely increased.

(55) But the position of the farm-workers cannot be improved effectively until they are organised in their Trade Unions and until they exert their full influence in local government. Legislation can and must do a lot to secure better living conditions and personal independence; but to achieve the best results, the workers must play their part through strong and well-equipped Unions which will look after their interests and support the individual worker against injustice. Similarly, the provision of houses, public health services, and social amenities is largely the responsibility of the local Councils; and the Councils are not likely to carry out their duties unless subjected to active criticism and unless the farm-workers secure adequate representation upon them.

V.—MARKETING AND PRICE STABILITY

(56) Until the War, agricultural reformers concerned themselves chiefly with the problems of land-ownership and tenure. But vital as is a change in the system of land ownership, it is obvious that the question of marketing and prices is no less important. There is little dispute that the treatment and marketing of British agricultural produce as a whole falls far short of an efficient standard. Between producer and consumer there has grown up an elaborate system of merchants and other distributors which, as Government Committee after Committee has pointed out, absorbs far too large a proportion of the total price paid by the consumer. The passing of commodities through four or five different intermediate hands, on paper if not in actual fact, is unnecessary if distribution is rationally organised. Whilst paying adequately for such services as are essential, there can be no justification for permitting any vested interests of middle-men to stand in the way of drastic reorganisation.

(57) Hitherto the importance of marketing has received far greater recognition in other countries than in Great Britain. The relative success of Danish agriculture in particular owes much to co-operative methods and the elimination of unnecessary middle-men; while in other countries since the War there have been striking developments of more sensible marketing, sometimes with and sometimes without State assistance. In this country no such progress can yet be recorded; the British producer, as the Linlithgow Committee indicated in 1923-24, retains the old-fashioned methods which prevailed when conditions were entirely different. Agricultural co-operation has made little progress, though for many years efforts have been made to establish voluntary co-operative societies for the purchase of farmers' requirements and the sale of farmers' produce.

(58) The minority Labour Government of 1924 provided money on easy terms for capital purposes by agricultural co-operative societies; but it was not until the passing of the Agricultural Marketing Act, 1931, by the second minority Labour Government, that effective steps were initiated. Even the "National" Government of 1931 finds itself practically compelled to carry on—in a far from satisfactory way, it is true—with marketing schemes under that Act. The resulting changes will inevitably have a profound influence on agriculture; for whether the schemes are good or bad in detail, and although

as at present devised they may throw an undesirable burden on the consumer, they are a big step forward and at least are capable of subsequent modification to fit in with Labour's national plan for the industry.

Grading and Quality

(59) Particular reference must be made to one special aspect of co-operative activity. The standardisation of the quality and accurate grading of produce, achieved partly through co-operative organisations and partly by State assistance, has immensely improved the market for products of certain countries. Danish butter, eggs and bacon, New Zealand butter and lamb, Dutch cheeses and Californian fruits provide striking illustrations of the advantages which may be gained by gradually building up the standard and quality, and therefore the market reputation, of goods produced for sale. British agriculture has suffered lamentably from its failure to adapt such practices to its needs, although some progress is now being made.

(60) The farmer, if he is to get the best results from the market, must deliver his commodities in the form the consumer wants them; changes in demand continue to occur, and will continue to occur whatever the system of distribution may be. The grading of milk from the point of view of public health stimulates the demand for cleaner and better milk. The importation of comparatively small and lean carcasses of mutton, especially from New Zealand, sets a standard for the demand for mutton. The grading, packing and general presentation of imported fruit sets a standard for the fruit trade. British agriculture must take account of all such changes and adapt its methods to meet the consumers' demands. Effective marketing co-operation, as in other countries, would not only enable standards to be adhered to and gradually improved, but would also much more conveniently enable the type and flow of produce to be adjusted to changing needs. Agricultural education and research, too, in their more immediate practical aspects, must be brought to bear to assist the farmer to adapt his production to consumers' requirements in quantity and quality of produce.

(61) In view of the great mass of official and other evidence which is now available on the need for better marketing—notably in the numerous marketing reports of the Ministry of Agriculture, which were largely initiated by the two minority Labour Governments—it is unnecessary to argue the case in detail. Labour's policy is to deal with the treatment and marketing of products on a comprehensive scale, through National Commodity Boards for different products or groups of products, with local commodity organisations where necessary; while developing and co-ordinating the work of the National Commodity Boards, and promoting efficient marketing in its more general aspects, will be the National Agricultural Commission.

Price Fluctuations

(62) The reduction of the price margin between producer and consumer is, however, only one aspect of the price problem. Equally important is the prevention of undue fluctuations in prices. In so far as fluctuations arise from monetary causes, they can only be dealt with by a suitable national monetary policy, as laid down in the Labour Party policy, "Currency, Banking and Finance." There is no doubt that the deflation of recent years has had specially serious effects on agriculture, not merely as an important factor in depressing prices but also in reducing the supply of capital. Agriculture shares with other industries the need for a monetary policy which will aim at a reasonable stability of average prices. That does not mean that it is possible to stabilise the price of any particular commodity by monetary means only, but that it is possible to maintain the general internal purchasing power of the pound more or less at a given level.

(63) On the other hand, it is within the province of agriculture itself to deal with the non-monetary causes of price fluctuation which, at least in the short run, are far more important. Of the stupidity of the present position there can be no doubt. So long as the price received by the farmer is determined by the chance whether he sells in this market or that market, in this week or that week, with considerable price variations as between markets and as between times of selling, farming becomes a gamble. Apart from the actual risk of loss involved in wide variations in prices, the general result of the uncertainty is very serious. So long as the farmer has no knowledge of the price he is likely to receive for his produce, it makes it very difficult indeed to work on business lines.

(64) If prices were sufficiently stabilised, so that when he planned his production the farmer knew the approximate price he would receive when he sold the produce, he could plan his operations much more confidently; nor would he have to devote time he can ill afford from the supervision of his farming to following the markets. Moreover, stability of moderately remunerative prices encourages production much more effectively than the chances of very high or low prices. The drift from arable to pasture has been considerably due to uncertainty of prices. Farmers in planning work have had to base their calculations, not on probable prices, but on the lowest they might possibly receive; so they have naturally in many cases played for safety, with a small outlay of capital and a low production of foodstuffs, rather than a larger outlay, large production and greater risk.

(65) It is concluded, therefore, that it is absolutely essential for the successful development of agriculture to adopt a policy of preventing undue fluctuations in the prices of particular commodities. It would be the task of the appropriate National Commodity Board, subject to the general control of the National Agricultural Commission, to devise a suitable scheme for the treatment and marketing of the commodity, and for arranging suitable contracts with producers from time to time, requiring a sufficient and regular supply and giving in return a price either definitely fixed for a period or within certain defined limits. But it is not sufficient to have power to regulate the prices to the producer; if waste is to be avoided there must also be power to control and regulate the margins allowed to the distributors.

Regulation of Imports

(66) Where the home producer has a monopoly, there is no insuperable difficulty in operating a scheme of stabilised prices, although there may be many intricacies of detail to overcome. Where there are competing imports, the position is very different; for in actual practice—assuming that the alternative of a direct State money subsidy to the home producer is ruled out—it is impossible satisfactorily to prevent undue price fluctuations in any commodity without controlling the supplies of that commodity, including both the home and any imported supplies. The adoption of a policy of price stabilisation involves, therefore, the acceptance of the principle of regulating imports where necessary.

(67) This does not mean, nor would it be for a moment desired, that the consumer should be penalised to maintain an inefficient system of agriculture. What it does mean is that if the production of a commodity is shown to be efficient in organisation and quality, there is a strong case for defending it against short-term price fluctuations, as distinct from price changes over a period of years; and this may involve some regulation of imports.

(68) Broadly speaking, if undue price fluctuations in a particular commodity are to be prevented, it is necessary to have the power of regulating the volume

of any imports of that commodity and their distribution to the various markets. Moreover, the proper planning of imports is a necessary part not only of the national planning of agriculture, but also of international planning for the proper distribution of world supplies and the stabilisation of world prices. Where regulation is necessary, the method to be adopted, whether purchase or other means of regulation, should, of course, be that most suited to the particular commodity; and the determining factors in deciding on the method in any particular case must be mainly administrative practicability and the cost to the consumer, who must be fully defended against any form of exploitation. There must be no tariffs on foodstuffs, nor any quota schemes which discriminate against particular countries.

VI.—AGRICULTURAL EDUCATION AND RESEARCH

(69) The administration of agricultural education by the Ministry of Agriculture has, unfortunately, led to the view that it is a very specialised branch of education, whereas in fact it cannot be separated from the general educational system. Much effort and public money have been spent on agricultural research and education during the past twenty-five years, but the process of transferring knowledge from the Research Institutions and Colleges to the actual practice of farming is slow and costly; for while progress has undoubtedly been made in recent years, very much more requires to be done.

General Education

(70) One of the essential needs of the countryside is the more generous provision of facilities for general education; for not only should the country boy or girl who wishes to prepare for a career not connected with the land have opportunities equal to those of the town boy and girl, but the development of effective agricultural education is impossible apart from the improvement of primary and the extension of secondary education in the rural areas. The future agriculturist requires and should receive a sound general education as a basis for technical education. It is not necessary here to detail Labour's general educational policy, but two points may be referred to. In some areas, secondary schools have been established with a definitely rural bias. In country districts it is, for example, proper that nature study should be an integral part of the elementary school curriculum, and that in the secondary school the subjects of study should include those of special interest to the country dweller and lead naturally to the direct study of agricultural problems; but this does not mean that general education should be sacrificed to specialised training. The practice of holding Summer Schools for rural teachers and others, in the Farm Institutes and Agricultural Colleges, should also be encouraged. With an improved system of elementary schools and an extended system of secondary education, much would be done to promote a more scientific attitude of mind and to encourage individual ability; and specialised training in the principles of scientific agriculture would then become a fertile field for development.

(71) It is important also that there should be adequate provision for non-vocational adult education in the rural areas. A considerable amount of work has already been done in this direction by various Adult Educational Associations and other bodies, either alone or in co-operation with Local Education Authorities or Universities; but in most villages no serious provision is made for cultural education, and the villagers are deprived of the educational opportunities which are becoming increasingly available for the townsman.

Agricultural Education

(72) The more strenuous the efforts made to develop agriculture, the more urgent will become the need for technical education. There will not only be need for more scientifically-trained farmers, but land and agricultural adminis-

tration will demand an increasingly efficient service; whilst teachers, research workers and advisory officers must be skilled in their work. These requirements call for greater facilities than at present exist.

(73) County education and advisory work in agriculture should be extended by the local authorities, in co-operation with the new County Agricultural Committees, increasing the number of Farm Institutes, and organising lectures and classes and local demonstrations. There should be at least one Farm Institute, with a demonstration farm attached, in each county. Special efforts should be made to bring these facilities within the reach of all farm-workers. It is also desirable that each county should have a director of agricultural services who would be responsible for the organisation of these local services. It is important that every effort should be made to provide up-to-date and adequate tuition. Thus, with the changing processes in the industry, with increasing mechanisation and use of power, it is necessary that courses of mechanical instruction should be provided and that these should not be of too limited a character. In Germany, for example, special studies of farm processes have been made with particular reference to machinery, and special educational work is now being undertaken. Somewhat similar work should be developed in this country, for the sake of the general efficiency of agriculture and for the sake of those employed in it.

(74) There should be greater co-operation between the county agricultural staffs and the advisory service, *i.e.*, officers attached to Colleges and University Departments for "local research," who advise on practical problems. The Agricultural Colleges should concern themselves primarily with two-year courses leading to diplomas. Three and four-year courses leading to pass and honour degrees should be pursued in the Agricultural Departments connected with Universities; to encourage the scattered Agricultural Colleges to provide them would be a retrograde step. It should be a condition of State grants to Colleges and University Departments granting diplomas or degrees that no certificate will be given to any student who cannot give evidence of one year's experience of farming either at home or abroad. Special Agricultural Colleges should not be encouraged; their geographical and intellectual isolation is bad for both staff and pupils. But where such Colleges already exist, they should be linked up with neighbouring Universities; such a connection, even if a very slender one, would help to broaden the otherwise inevitably limited horizon of a specialist institution.

(75) Higher agricultural education should be carried out at the Universities in conjunction with the Ministry of Agriculture's scheme of agricultural research. For both pupils and staff it is highly desirable that there should be close contact between agricultural teaching, agricultural research, and practical agriculture on the one hand, and with other branches of learning in the University on the other. The agricultural courses should provide not only for training teachers, advisory officers and research workers, but also for training those who are going to be practical agriculturists and land administrators. It is therefore important that all University Agricultural Departments and Institutes of Research should undertake some extra-mural teaching, as, for example, by special courses at the Farm Institutes; this would help to keep contact between research, teaching, and practice, and might well be made a condition of State grant. In addition, as the sciences underlying agricultural practice advance, it becomes obvious that highly specialised training is required in some branches, and that this is not wholly provided by existing three and four-year courses for degrees. Adequate provision should therefore be made for post-graduate training in various agricultural sciences at appropriate institutions.

Agricultural Research

(76) It is clear that progress in agriculture depends on the application of the results of scientific research to the practical problems of husbandry and marketing. The eminence which British stock-breeders, for example, have enjoyed for over a century is not likely to be retained in the face of growing foreign competition without vigorous prosecution of research at home into the fundamental problems of heredity, reproduction, nutrition and disease. National ownership of the land, a better use of the soil, and an improved system of marketing will be insufficient to maintain a prosperous rural population unless scientific research into the basic problems of production is pursued on a much larger scale.

(77) There exist at present the foundations of an efficient system of agricultural research. This research is carried out almost entirely at special Research Institutes, Universities and Agricultural Colleges, with the aid of State grants. The policy of subsidising the Agricultural Departments of Universities has very great advantages in that it utilises existing institutions and administrative machinery, and makes for diversity of treatment. It brings the research worker in agriculture into daily contact with the research worker in pure science, and also with the teaching side of the Agricultural Department; and through the advisory staff it brings him into touch with the practical husbandman and his local problems on the farm. It is, of course, most important that the county agricultural staffs and the teaching staffs of the Farm Institutes should be kept in close contact with research, and much more should be done to advertise the facilities provided for advice and assistance.

(78) The establishment of an Agricultural Research Council by the minority Labour Government of 1929-31 constituted an important step in the co-ordinated development of scientific investigation; but greater financial resources must be provided if the work is to be carried out on an adequate scale. Thus, adequate State grants should be available for intensive research into special problems of which ~~foot-and-mouth~~ disease and epizootic abortion are good examples; and they should be administered in such a way as to ensure the co-operation of selected and appropriate research workers in the different Colleges and Universities. There are many other opportunities for new and extended investigations if the resources are made available, and particular reference may be made to two of special importance. The absence of reliable figures on farm-costing constitutes a most serious obstacle to increasing the efficiency of the business side of farming, and calls for immediate investigation on a far larger scale than at present. Also, insufficient attention has been paid to agricultural engineering in this country. Although a research institute has been established, there is still uncovered a wide field of investigation, trial and demonstration of new equipment and methods. Agriculture is not adapting itself with sufficient rapidity to the use of power and machinery, and provision for stimulation and development should be made.

VII.—SOME OTHER ASPECTS OF AGRICULTURAL POLICY

Land Drainage

(79) The need for proper land drainage is one of the most urgent in agriculture. The Royal Commission on Land Drainage, 1927, reported that at least 1,755,000 acres of agricultural land in England and Wales were in immediate need of drainage, and of this area only 285,000 acres were within existing drainage districts. In addition, of course, considerable areas are in need of ordinary field drainage. It has been for long admitted that legislation on this subject was out of date, obscure, and altogether inadequate for modern needs;

agriculture has suffered serious losses, not merely in direct immediate losses to the farmers due to flooding, but also in deterioration of the soil.

(80) Following the Report of the Royal Commission, the minority Labour Government was responsible for the Land Drainage Act, 1930, which tackles the problem for the first time on a national scale. Under the Act, Catchment Boards are set up in forty-seven catchment areas (e.g., the Trent, Severn, Medway, Wye, etc.), a catchment area being that bounded by the watershed or water-parting of a river. The Boards consist mainly of representatives of the County and County Borough Councils wholly or partly within the catchment area, and are responsible for the main river drainage and for securing suitable internal drainage boards for the areas served by tributary rivers and smaller streams. Unfortunately, although the boards have been set up, and in some cases have prepared comprehensive schemes, the "National" Government of 1931 has refused to carry out the intention of the Labour Government, and of the Act, to give financial assistance.

(81) This new machinery could fairly easily be fitted into the national planning of agriculture outlined in this report. The general responsibility for securing an adequate system of land drainage would be transferred to the National Agricultural Commission, which might find it convenient to operate through the Catchment Boards in their present or some modified form. The national ownership of the land would, of course, be a great advantage, not only in facilitating drainage works, but also in getting rid of many of the existing rating difficulties, and in ensuring that land betterment values accrued to the community.

Afforestation

(82) Successive Royal Commissions have stated that there are very extensive areas in Great Britain suitable for afforestation which are at present largely wasted, and that for many reasons their scientific afforestation is urgently required in the national interest. Private landlords are seldom disposed to finance the afforestation of new areas, and even if they were, the return on expenditure would probably not be secured in their own lifetime; while private woodlands are often badly managed. When private estates are broken up, as is so frequently the case nowadays, the woodlands are often laid waste by timber merchants or neglected by buyers of the various lots. Under national ownership of the land, the State would own the woodlands of the country and control their management, and would be in a position to establish the necessary continuity of policy; but it would also be necessary to exert some form of control over any privately-owned woodlands. Afforestation is pre-eminently an activity which can best be directed and undertaken by the State.

(83) The Forestry Commission, set up under the Forestry Act, 1919, was charged with a ten years' planting programme totalling 150,000 acres and costing £3,500,000 payable in annual amounts. Progress was seriously cut down by the Geddes Committee, but the minority Labour Government of 1924 restored the full original programme, gave a supplementary grant, and introduced the systematic establishment of forest holdings. The Conservative Government of 1924-29 announced a second ten-years' programme, for 1929-39, of 237,000 acres and 1,500 forest holdings, at a total cost of £5,500,000; but the minority Labour Government of 1929-31 increased this to 350,000 acres and 3,000 forest holdings, at a cost of £9,000,000. This sum, in the view of the Forestry Commission, was the largest that could be economically expended owing to the time needed for preparatory work and the training of expert forestry workers. In 1931 the "National" Government practically halved this programme.

(84) More immediately, the woodlands denuded by the requirements of the War should be replaced; and as a world shortage of soft timber is not unlikely in the future, the need for action becomes all the more urgent. Forestry is also an important auxiliary to the rest of agriculture; it provides timber for fencing, buildings and fuel, and its development would encourage small subsidiary rural industries. A further aspect is the promotion of forest holdings; the Forestry Commission aimed at holdings of a cottage and garden with enclosed land, with a guarantee of not less than 150 days' forestry work per year. The combination of forestry and small-holding has many advantages for the worker and is an economic proposition for the afforestation authorities.

(85) With national ownership of the land, the work of the Forestry Commission would be very greatly facilitated and of much greater scope; and it would be possible for the first time to plan the country's timber resources on a comprehensive national scale. Responsibility for securing the proper development of afforestation would be transferred to the National Agricultural Commission, and it would be a matter for consideration whether the Forestry Commission should be retained in some modified form or whether a different form of management should be adopted. In any case there would have to be definite national direction and probably centralised management, and the co-operation of the County Agricultural Committees would be desirable.

Game Laws

(86) In so far as the Game Laws are obstacles to the productive use of land, they should be suitably amended. Restrictive covenants regarding game should not be allowed in tenancy agreements or leases if they are a hindrance to proper cultivation. Where an occupier of land is hindered in its agricultural use by game preserved or otherwise maintained on neighbouring land, the owner of the game should be made fully responsible for any damage that may be done. Power should also be given to the National Agricultural Commission to enter upon privately-owned land and destroy game which is doing persistent damage to crops in the neighbourhood; the control of rabbits and rooks is not sufficient protection. Wherever privately-owned land used for the maintenance of game can be economically used for agricultural production, it should be made available for that purpose if required. At the same time, regard should be had to the interests of the general public in free access to open spaces.

Deer Forests

(87) Special measures will be required to deal with the problem arising from the use of vast tracts of land in Scotland as deer forests; the total area so used increased from 1,975,000 acres in 1883 to 3,432,000 in 1920. The Departmental Committee on Deer Forests came to the conclusion in 1922 that "many of the deer forests could still be rendered more productive," and that "where the ground is suitable for silviculture, production could be increased by this agency to a point far beyond the pastoral value, while the labour absorbed by the creation, maintenance, and utilisation of timber crops would surpass by many times that required for the service of sheep farms or deer forests."

(88) It is obvious that there is a considerable misuse of land in Scotland, and it is possible to concur with the 1916 report of the Scottish Land Court, which declared that "His Majesty's Judges demand the complete reversal of the system of law and policy which places the preservation of deer and other game above the production of food, and which permits or encourages depopulation of the country for the pleasures of the wealthy of this and foreign nations." Although the possible improvement in the use of much of the land

concerned is probably very limited, this is not true of all the land, and every effort should be made to obtain the best economic results under national ownership. It might be found convenient to entrust the task of dealing with most of the area to an *ad hoc* public body, under the National Agricultural Commission, charged with securing the proper development of the land, whether for cultivation, afforestation, pasture, holiday ground, or other use.

Agricultural Credit

(89) British agriculture, as has been pointed out, has been gravely hampered by lack of capital. The normal system is for the landlord to let the land and provide its permanent equipment, buildings, fences, roads and drainage, and for the tenant to supply the more movable equipment known in farming terms as "live and dead farming stock." Various factors, however, have reduced the landlords' interest in the land and their willingness or ability to supply their part of the equipment. Consequently, there are many farms on which new and improved buildings or other equipment, or drainage, are required but are not obtainable under present circumstances. Moreover, about one-third of the land is in owner-occupation; and many farmers who have purchased their holdings have been financially crippled in the process, the deterioration of equipment being an inevitable result.

(90) Not less important is the supply of working capital, and here again there is a general shortage, especially among the occupiers of the smaller farms. Some capital is saved in times of comparative prosperity, and some is borrowed from many and various sources; but during the past forty years the industry as a whole has been more or less short of working capital that could be used economically for production purposes. Short-term credit has been obtainable, partly from the joint-stock banks, but more frequently from dealers or merchants. Many of the smaller farmers have had to be content with the facilities offered by trade credit, often at exorbitant cost and with undesirable indirect results; but in the case of statutory smallholders certain special credit facilities have been available.

(91) The situation has been considerably changed, however, by the Agricultural Credits Act, 1928, under which the Agricultural Mortgage Corporation has been set up. The capital of this non-profit-making corporation is found by ten banks (including the Bank of England and four of the "big five" joint-stock banks), and the Treasury, which lends to the Corporation free of interest a sum equal to the share capital, has one director on the board. All things considered, a fair measure of success has already been achieved. Three classes of loan are made: long-term mortgage loans up to sixty years, up to two-thirds of the value of the mortgaged property; land improvement loans up to forty years; and short-term credits on crops or stock. It would be easily possible to adapt this machinery to a nationally-planned agriculture and to develop it in co-operation with a public-controlled banking system as outlined in the Labour Party policy, "Currency, Banking and Finance." Action would have to be taken, however, to prevent any recurrence of the practice of using agricultural long-term credit facilities for borrowing for non-agricultural purposes. There does not appear to be any particular future in rural credit societies, despite the facilities provided by the Agricultural Credit Act, 1923.

Agricultural Insurance

(92) Information on the insurance of agricultural risks is difficult to obtain, and is mainly confined to persons directly connected with the organisation of insurance for profit-making. Yet at various times there has been a considerable interest in the subject; and there has been a strong feeling that the premiums

paid for insurances now obtainable are often too high, and that certain risks which might be covered by a properly organised insurance system are not at present usually insurable. The Agricultural Tribunal of Investigation declared in 1924 that "the field of agricultural insurance is an aspect of agricultural organisation in which development abroad has far outrun the corresponding progress in this country; the principle of co-operative insurance has been applied abroad to many different sides of the farmers' interests, to livestock insurance, to fire and accident insurance, to insurance of crops against hail, blight and other risks."

(93) The subject is one into which careful inquiry should be made; and particular attention should be given to the risks now covered by insurance, the premiums paid and the proportion absorbed in profits and administrative expenses, the experience of farmers' and other co-operative insurance in Great Britain and elsewhere, and the possibility of applying methods of insurance against endemic and epidemic diseases amongst livestock and against crop risks such as plant diseases and hail. It is apparent, however, that the insurance companies generally should be brought under public ownership and control, and that the whole system of insurance, including agricultural insurance, should be reorganised and co-ordinated on a comprehensive national basis.

Markets

(94) Whether as owners or controllers of primary markets, such as the general markets in many country towns, or of large wholesale markets, or of urban retail markets, relatively few public authorities have had any adequate policy for the provision of facilities and the control of market operations. Sometimes they are concerned with the maintenance of ancient rights, to the detriment of improved methods of marketing. Frequently their chief interest in the markets under their control is a financial one; and even here their policy has often been shortsighted, for failure to provide proper facilities may restrict their income from the markets or increase costs to the producer and consumer. Local authorities are also concerned with the provision of public abattoirs and the control of privately-owned slaughterhouses; and here again the position is often unsatisfactory. The inadequacy of markets and slaughterhouses owned by private authorities is, of course, very much worse.

(95) It must be a function of the National Agricultural Commission, through the new County Agricultural Committees and the commodity organisations, to secure under public ownership and control sufficient and suitable markets of the various kinds required and the establishment of suitable abattoirs. How far such markets and abattoirs should be owned or managed by the local authorities, and how far it is necessary to undertake their provision on a regional rather than local authority basis, are matters for further consideration.

Transport

(96) Although considerable improvements have been effected in recent years by the railway companies, and the development of road motor transport has radically altered the position in many areas, the transport of produce from the farm to the market is still very unsatisfactory. Only by the unification and co-ordination of the whole transport system, as outlined in the Labour Party policy, "The National Planning of Transport," will an efficient service for agriculture become possible; and even then the best use of the system will not be achieved unless the farmers are co-operatively organised for the collection, treatment and distribution of their produce.

(97) The present freight rates should be carefully examined with a view to establishing coherency and reducing them to the lowest possible level. More suitable rail and road vehicles are necessary, especially for perishable goods. Generally, what is required is a co-ordinated rail and road system which will link the farm with the railway siding and with the distributing organisation for local consumption. Collecting stations would be necessary in sufficient numbers to bring them within easy reach not only of the farms but of small-scale egg producers and vegetable growers, who would thereby be able to pool their produce for transport and sale. There should be regular road services for the collection and transport of produce from the collecting stations, and as far as possible for farm-to-farm collection. The County Agricultural Committees and the commodity organisations must be largely concerned in co-operating with the transport authorities to secure the necessary services.

Electrification

(98) For the countryside generally, a readily available power supply is of great importance. Every attempt must be made to bring an efficient form of lighting, heating and power to the farmhouses and cottages as well as to the smaller rural industries. It appears likely that this provision will for the most part take the form of electricity, although developments in the gas industry must not be overlooked. The use of electric light in the cowshed, for example, would make for a higher standard of cleanliness and less waste; to the poultry farmer its use in winter might improve the laying qualities of his stock. If it were cheap enough, electric machinery could replace beneficially the machinery at present used for chaff-cutting, grinding, threshing, root-cutting, wood-sawing, pumping and similar purposes; it could also be used for milking, cream-separating, butter-churning, sheep-shearing, incubating eggs, drying crops and so on; and its use for field work may become reasonably practicable.

(99) The Labour Party policy, "The Reorganisation of the Electricity Supply Industry," contemplates not only the further co-ordination of generation, by unification, but also, for the first time, the comprehensive organisation and development of distribution, with an effective sales and service organisation which would deal in particular with wiring and the provision of equipment at the lowest hire or purchase cost. The problem of providing cheap electricity in rural areas is by no means easy. It is absolutely essential to encourage the greatest use of electric power both in agriculture and in the other industries of the countryside, in order to secure the steadiest and highest load factor and so reduce the unit cost; and in this connection the electrification of the railways would be of great importance.

VIII.—THE FUTURE OF THE COUNTRYSIDE

(100) The industrial development of Great Britain has sacrificed not only the countryside and the agricultural industry as such, but along with them the prosperity of the country towns and villages. It should be obvious that the well-being of the towns outside the main industrial centres is intimately bound up with that of the surrounding countryside, and that a thriving and substantial agriculture is of vital importance and direct self-interest to the inhabitants of these towns.

(101) That an average weekly wage of 31s. 6d. supplies more than the most elementary needs of food and clothing for the farmworker and his wife and family, no one for a moment supposes. When the means are available to supply more than these needs, the country towns and those employed in their trades and commerce will share the benefit. The worker in the country town, the

co-operative society, the draper, the furniture store, the ironmonger, the chemist, and so on—these stand to gain from the increased purchasing power of the farmworker. More and better transport facilities will be necessary; more and better houses mean more activity in the building trades; and a prosperous agriculture means greater employment in the many subsidiary rural trades and for the rural craftsman. A reorganised agriculture also involves many changes in methods, and new needs will demand new trades to supply them. The proper development of village life involves better water, electricity and gas supply, better public health services and better social amenities; and these, in turn, mean greater activity in industry and commerce.

A Prosperous Industry

(102) The full and proper use of the land is a matter of first importance to townsman and countryman alike. It is vital to our whole national welfare. Yet the land, and the great agricultural industry which depends upon it, do not yield either the material return or the broad social results which the nation is entitled to expect. The countryside has suffered from an outworn land system on the one hand, and on the other from alternating periods of gross public neglect and haphazard and often futile expedients for the promotion of its prosperity. The nation clearly cannot continue to be satisfied with the present situation; it must arrest the decline of the past fifty years, and by a vigorous constructive policy achieve the threefold ideal of "better farming, better business, better living."

(103) The Labour Party stands for the national ownership of the land. It believes that only by national planning, based on national land ownership, can agriculture be established as a prosperous industry and the standard of life of the farm-worker be substantially raised. It believes that a flourishing countryside is essential to national prosperity and to individual well-being.

(104) Agriculture as a whole must pay its way and stand on its own feet. A policy of permanent subsidies cannot be contemplated, whether the subsidy be by direct money payments or indirectly by protectionist restrictions on imports. Regulation of imports may be necessary in certain cases to prevent undue fluctuations in produce prices; but there must be no suggestion of bolstering-up an inefficient or uneconomic industry. Within these limits, the fullest possible use should be made of the land, by the most efficient and effective means. Labour demands a decent living for those engaged in agriculture; it also demands an efficient agriculture.

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