

## I.—Food and Agriculture

### *Cereals*

9. The first of our suggestions to the O.E.E.C. was that a main objective of European co-operation should be a substantial increase in the output of cereals. The main object is to recover pre-war production. Owing to the difficulties of procuring adequate supplies of coarse grain from overseas or from Eastern Europe the European livestock population cannot recover to its former scale unless more coarse grain can be grown in Europe itself. The uncertainties in Eastern Europe have induced us to seek to obtain wheat and coarse grain from the O.E.E.C. countries and their dependencies. The United Kingdom 1952-53 import programme includes an item of half a million tons of wheat and/or coarse grain from France and North Africa. This gives us a direct interest in European cereals expansion.

10. We recognise that if cereals production is to be rapidly expanded in Europe it will be necessary for large quantities of nitrogenous fertilisers to be supplied. More agricultural machinery to compensate for the reduction in the rural population will also be necessary. We are hoping to deal with the general shortage of nitrogenous fertiliser through stimulating European hydro-electric projects, though this is a long-term proposition; we are also making an assessment of the forward fertiliser position, from the point of view of production in this country. Shortage of steel is, of course, a limitation on our capacity to send more tractors and agricultural machinery to Europe, without stinting the Commonwealth or dollar markets. Certain types, however, are now available for Europe. The shortage of steel (and of scrap) is itself a European problem to which attention will have to be given by O.E.E.C.

11. We consider that substantial increases in cereal output could be achieved from the more efficient control of seed-borne diseases in Europe. In France alone, we reckon that the general application of organo-mercury seed dressings would, on the planned acreage, increase the yield by 900,000 tons in 1949. We are prepared to help in a campaign to get farmers to use chemical controls more extensively, and we shall offer to supply chemicals and technical advice.

### *Livestock and Dairy Produce*

12. The European livestock population has been greatly reduced by the war and shortage of feeding-stuffs is hindering its recovery. In addition to stimulating increased output of coarse grain we propose to press for the extensive development of modern farming methods both to increase grassland yield for silage and drying, and to increase the yield of arable crops. A Grassland Improvement Campaign, as conducted in our own Agricultural Expansion Programme, could well be extended to, say, Northern France. Our import programme for France and French colonies in 1952-53 takes into account possible increases in output under this head.

### *Fish*

13. A rapid increase in the consumption of protein foods could be achieved by greatly extending the consumption of fish in Europe. There is no shortage of supplies, and the problem is essentially one of transport and storage, in addition to publicity for raising consumer demand. We shall press for co-ordinated action on these lines.

## II.—Inland Transport

14. This important sector of European economy does not lend itself easily to the application of individual large-scale projects, but it is an essential subject for European co-operation. The transport system of Europe is bound to suffer from old age and decrepitude as a result of the war, from the current shortages of raw materials, labour and power, and from frontier restrictions, made worse by post-war currency problems. As a result, transport costs are high, thus affecting all other industrial and commercial activity, and delays and hindrances cause further losses. Moreover, it is difficult to develop the movement of, *e.g.*, perishable food-stuffs, and of inflammable liquid fuels, owing to shortages of special equipment.

15. It will be necessary to induce each country (*a*) to allocate a fair share of its resources to the manufacture of transport equipment; (*b*) to reduce frontier formalities; (*c*) to agree to standardisation of equipment. The existence of a