

*THE STORY  
OF  
BREAD*

*by*  
RONALD SHEPPARD  
*and*  
EDWARD NEWTON  
*Illustrated by John L. Baker*



CHARLES T. BRANFORD COMPANY  
Boston 59, Massachusetts

C.1957

London Bread prices 1660-1950s

# APPENDICES

## APPENDIX A

### BREAD PRICES SINCE 1600

Being the average price paid in London for a 4 lb. loaf

1600	d. 4.02	1630	d. 5.0	1660	d. 7.2	1690	d. 4.7
1601	4.3	1631	7.8	1661	8.7	1691	4.6
1602	3.3	1632	5.4	1662	9.2	1692	5.9
1603	3.4	1633	5.6	1663	7.27	1693	8.08
1604	3.4	1634	5.4	1664	5.36	1694	7.7
1605	4.0	1635	5.6	1665	6.4	1695	6.5
1606	3.6	1636	5.54	1666	4.8	1696	8.4
1607	4.1	1637	5.0	1667	4.8	1697	7.3
1608	4.7	1638	6.0	1668	5.3	1698	8.1
1609	5.8	1639	4.7	1669	5.8	1699	7.7
1610	4.2	1640	3.9	1670	5.5	1700	5.2
1611	4.4	1641	4.8	1671	5.53	1701	5.0
1612	4.9	1642	4.27	1672	5.4	1702	4.1
1613	5.2	1643	4.05	1673	6.07	1703	4.8
1614	5.7	1644	4.46	1674	8.6	1704	5.9
1615	4.8	1645	4.48	1675	8.1	1705	4.2
1616	5.0	1646	6.2	1676	5.07	1706	3.7-
1617	5.3	1647	9.2	1677	5.7	1707	4.1
1618	5.5	1648	10.5	1678	7.5	1708	5.4
1619	4.2	1649	9.9	1679	7.6	1709	9.2
1620	3.35	1650	9.5	1680	5.3	1710	9.16
1621	3.27	1651	9.15	1681	5.4	1711	6.92
1622	5.05	1652	6.4	1682	5.2	1712	6.1
1623	6.4	1653	4.78	1683	4.8	1713	6.6
1624	5.0	1654	3.6	1684	5.2	1714	6.54
1625	5.4	1655	4.53	1685	5.4	1715	5.8
1626	6.2	1656	5.6	1686	4.1	1716	6.3
1627	4.4	1657	6.07	1687	3.2	1717	6.06
1628	3.38	1658	8.2	1688	5.4	1718	5.36
1629	4.2	1659	8.3	1689	4.2	1719	5.0

APPENDIX A

d.	1767	d.	1814	d.	1861	d.	1908
1720	5.1	7.9	1814	10.5	1861	9.0	1908
1721	5.2	6.0	1815	9.5	1862	8.5	1909
1722	5.07	5.52	1816	10.8	1863	7.5	1910
1723	4.9	6.0	1817	13.16	1864	7.0	1911
1724	5.1	6.67	1818	10.86	1865	7.5	1912
1725	6.35	7.4	1819	9.5	1866	8.8	1913
1726	6.09	7.0	1820	9.4	1867	10.3	1914
1727	5.7	7.4	1821	8.5	1868	9.3	1915
1728	7.0	6.0	1822	7.6	1869	7.8	1916
1729	6.18	6.0	1823	9.0	1870	8.0	1917
1730	4.9	6.2	1824	10.4	1871	9.0	1918
1731	4.5	5.75	1825	10.8	1872	9.8	1919
1732	3.88	4.83	1826	9.2	1873	8.0	
1733	4.05	7.0	1827	8.9	1874	7.3	
1734	4.7	6.44	1828	10.2	1875	6.8	
1735	5.07	7.9	1829	11.0	1876	7.2	
1736	5.3	6.67	1830	10.5	1877	8.1	
1737	5.07	7.0	1831	10.4	1878	7.5	
1738	5.3	6.6	1832	9.6	1879	7.1	
1739	5.52	5.52	1833	8.7	1880	7.0	
1740	7.0	6.0	1834	8.0	1881	7.0	
1741	4.83	6.0	1835	7.0	1882	7.4	
1742	4.37	7.14	1836	8.0	1883	7.0	
1743	4.0	6.67	1837	8.5	1884	6.8	
1744	4.0	6.0	1838	10.0	1885	6.2	
1745	4.37	6.67	1839	10.0	1886	6.3	
1746	5.07	6.67	1840	10.0	1887	5.6	
1747	4.7	6.67	1841	9.0	1888	5.7	
1748	5.52	11.28	1842	9.5	1889	6.0	
1749	4.83	8.06	1843	7.5	1890	6.0	
1750	4.70	8.51	1844	8.5	1891	6.2	
1751	5.52	7.4	1845	7.5	1892	6.2	
1752	5.07	12.0	1846	8.5	1893	5.8	
1753	5.52	14.09	1847	11.5	1894	5.5	
1754	4.7	14.27	1848	7.5	1895	5.1	
1755	4.7	8.75	1849	7.0	1896	5.1	
1756	7.0	8.01	1850	6.8	1897	5.5	
1757	7.0	9.0	1851	6.8	1898	6.0	
1758	5.52	12.13	1852	6.8	1899	5.1	
1759	4.7	10.77	1853	8.3	1900	5.2	
1760	5.07	10.0	1854	10.5	1901	5.0	
1761	4.14	10.68	1855	10.8	1902	5.3	
1762	5.07	12.6	1856	10.8	1903	5.6	
1763	5.52	13.17	1857	9.0	1904	5.5	
1764	6.0	13.0	1858	7.5	1905	5.5	
1765	6.44	16.0	1859	7.8	1906	5.5	
1766	7.4	14.46	1860	8.8	1907	5.4	

APPENDIX A

d.	1908	d.	1920	d.	1932	d.	1944
	5.8	1920	12.0	1932	7.25	1944	9.0
	6.1	1921	10.0	1933	7.0	1945	9.0
	5.9	1922	9.0	1934	7.5	1946 <sup>2</sup>	9.62
	5.5	1923	9.0	1935	8.25	1947	10.3
	5.8	1924	8.5	1936	7.75	1948	10.8
	5.8	1925	9.5	1937	9.0	1949	10.8
	5.8	1926	9.5	1938	8.5	1950	12.5
	8.1	1927	9.5	1939	8.5	1951	13.4
	9.4	1928	8.5	1940	8.0	1952	16.2
	10.7	1929	9.25	1941 <sup>1</sup>	8.0	1953	17.1
	9.0	1930	8.5	1942	8.5	1954	17.1
	9.5	1931	7.5	1943	9.0	1955	17.1
						1956 <sup>3</sup>	23.13

<sup>1</sup> From October 1941 to the end of September 1956 national bread bore a subsidy and its price was controlled.

<sup>2</sup> On May 6th, 1946, the size of the 4 lb. loaf was reduced by Government order to 3½ lb. It has remained at that weight ever since. The prices shown are for an equivalent 4 lb. loaf.

<sup>3</sup> In February, 1956 the subsidy was halved and the controlled price of a 3½ lb. loaf was increased by 2d. From September 30th the subsidy was abolished and the loaf freed from price control. Until the end of 1956 the price of the 3½ lb. loaf in London averaged 1s. 9d. In practice the 4 lb. loaf, now 3½ lb., is seldom sold to the public. The largest loaf commonly sold weighs 1¾ lb. and formerly weighed 2 lb.

practicable variation in the price of a quarter loaf was a half-penny which represented about 4s. in the price of a sack of flour. If the price of flour moved up or down by two or three shillings the benefit could not be passed to the customer in the case of a decrease, and the baker could not maintain his profit in the case of an increase. If there had been no weight restrictions bakers could have made their loaves smaller or bigger as production costs changed—as under the assize system.

The National Association of Master Bakers asked for this regulation to be withdrawn but weights and measures officials, particularly from the London County Council, wanted it retained. An inter-departmental committee was appointed by the Government to consider whether it was wise to continue fixing the weight of loaves.

The committee's report was like one which the L. C. C. issued in 1905 which unsuccessfully pressed for stricter bread laws. As a result the war-time weight regulation continued in force until it was embodied in the 1926 Weights and Measures Act.

Some Members of Parliament, especially from the Labour Party which formed its first Government in 1924, thought something should be done to control prices of bread and other basic foods. A Royal Commission on Food Prices was set up in November 1924 under the chairmanship of Sir Auckland Geddes. Among the industries investigated by the commission were baking and milling, and when the report was published in April 1925 it proved that the inquiry had been thorough and painstaking. On the whole, both industries came fairly well out of it.

Apart from receiving evidence on production costs from the National Association of Master Bakers, the commission carried out its own investigations by taking sample costings from a selection of bakers. The following table, published in the report, gives the price structure of a 4 lb. loaf at January 31st, 1925:

Producer	Percentage of retail prices
Handling charges on wheat (loading, unloading, commission, etc.)	41.25
Transport, wheat and flour	4.50
	9.50

171

## BREAD PRICES IN THE TWENTIETH CENTURY

During the Great War of 1914-1918 the Government imposed absolute control on the bread baking trade. Flour mills were regulated and the quality and price of flour and bread determined by statutory order.

There was a partial return to the old assize system when it was decided that for producing bread from a sack (280 lb.) of flour a baker should be allowed 23s. to cover all expenses and profits, the Government providing a subsidy of about 3d. a quarter loaf. At last the weight regulations were perfectly clear; loaves could be made only in weights of a pound and multiples of a pound, a ruling which, differing only in the basic weight, has continued to the present day.

The sale of fresh bread was forbidden, as was exchanging stale for fresh bread, and the production of loaves from white flour. Despite the rigid controls, bakers on the whole enjoyed considerable prosperity during the war. There was a ready market for their goods, a guaranteed profit, more or less stable production costs, and a complete absence of competition.

It was not until 1920 that the war-time measures affecting the trade were changed in any way. In March of that year the subsidy was reduced, to be abolished the following September when price control was lifted, too. This necessitated raising the price of the quarter loaf to an average of 1s. 3d. Millers were freed from control in 1921 and were again allowed to sell flour of varying qualities and grades at competitive prices.

The only regulation retained was the one which ruled that bakers should sell loaves weighing a pound or multiples of a pound. This was unpopular with the trade because it meant that changes in production costs could be reflected only in the price of the loaf and not by a variation in weight. The minimum

170

APPENDIX B

Milling expenses	5.50
Milling profits	2.75
Baking expenses	16.75
Cost of sale and delivery	11.75
Baking profits	8.00
	<hr/>
	100.00

The commission was careful to point out that owing to widely varying conditions of manufacture and distribution, these figures gave only a rough idea of how the price of the loaf was made up at the chosen date. They did not claim to show the costs and profits in any individual case.

Although the commission showed little evidence that bread prices under free competition were unreasonable, it suggested that in some districts, high distributing charges and uneconomic organisation were keeping up the price. Some doubt was cast upon the system whereby the same price was charged for bread sold over the counter as for bread delivered.

The only strong criticism was of an attempt by bakers in South Wales to stop supplies of flour to competitors selling bread at prices lower than those recommended by the local bakers' association. The National Association was rebuked for asking millers to include in their sale notes a clause giving them the right to break contracts if the flour purchaser sold bread at a price showing less than a certain fixed profit. Such restrictions of trade, said the commission, were contrary to the public interest.

The commission's main recommendation was that a Food Council should be established to maintain continuing supervision over the staple food trades. Among the duties of the Food Council would be:

- to investigate in consultation with local bakers' associations the apparent overlapping, with waste of energy and expenditure, in the trade;
- to consider whether consumers who had their bread delivered should not pay for that service so that bread sold over the counter might be cheaper;
- to maintain close and continuing supervision over any price-fixing

APPENDIX B

by bakers' associations and intervene when prices tended to become unreasonable; and to watch the operations of price-fixing associations in the milling industry and intervene if necessary in the interests of the consumer.

The main function of the Food Council, as envisaged by the Royal Commission, would be to act as a medium for keeping the public informed by periodical reports on the working of the bread and meat trades, including detailed information on wholesale and retail prices.

As was to be expected, the proposals were not received kindly by the baking industry. The Food Council suggestion was scathingly described by the official organ of the Master Bakers' Association as 'this childish proposal from a group of men and women, the majority of whom have no notion of the difficulties besetting the average baker, both in manufacturing and selling.'

Some of the national newspapers were equally critical. The *Sunday Express* referred to the report as 'wind and water', and described the proposal for a Food Council as 'eyewash'. The newspaper added: 'They [the bread and meat trades] are as efficient and as innocent of profiteering as other branches of trade. Let us hope they will now be allowed to carry on their different businesses without being pilloried and branded as buccaneers.'

Even *The Times* was sceptical: 'It is difficult to see that the evidence and arguments leading up to the main proposal [for a Food Council] make out a case strong enough to justify any drastic interference in these particular trades with the ordinary laws of supply and demand, or any addition to the always unpopular and generally wasteful system of bureaucratic control.'

The *Sunday Times* asked: 'Why, when the present system works and its defects are few and trivial, bother to set up a Food Council? Fussy, prying mandarins, whether in skirts or trousers, with a watching brief over the operations of the food supply, and vaguely inquisitorial powers of interference, would be a laughable solution even if there were any problem to solve.'

The Government was embarrassed by the commission's proposals. The Prime Minister, Mr. Baldwin, gave evasive replies to questions from the Labour benches as to when the Food Council would be set up. The Government already had its hands full with industrial unrest and a worsening economic situation.

Mr. Baldwin stopped the Royal Commission from inquiring into other trades.

After continuing pressure from the Left, a Food Council was set up under the chairmanship of Lord Bradbury, a former Secretary to the Treasury. No member of the council had any direct connection with the baking industry, but the members included a director of the Co-operative Wholesale Society.

The Food Council had no statutory powers. Its aim was to rely on suggestion and publicity as far as bread prices were concerned. Among its duties was to recommend prices for household bread sold in the London area. This it did by relating the price of the loaf to the list price of straight-run flour. Variations of 4s. a sack in the price of flour were met by an adjustment of  $\frac{1}{2}$ d. up or down in the price of the quartern loaf. Here is the first price scale, issued by the Food Council in November, 1925:

<i>Price per sack (280 lb.) of standard straight-run flour.</i>	<i>Maximum price of quartern (4 lb.) loaf.</i>
<i>Shillings</i>	<i>Pence</i>
48 to 52	10
44 to 48	9 $\frac{1}{2}$
40 to 44	9
36 to 40	8 $\frac{1}{2}$
32 to 36	8

Although the Food Council had no power to enforce these prices they were generally adhered to in the London area, and formed the basis for bread prices in other parts of the country. The Food Council continued to operate until the outbreak of the 1939-45 war.

At the outbreak of war the Government put controls on the milling industry. These began with an order that the production of flour should be limited to a straight-run flour with a minimum extraction rate of 70 per cent. A few weeks later this figure was raised to 73 per cent. At the same time the distribution and prices of home-milled wheaten flour were placed under the control of the Ministry of Food.

Millers continued to trade under their own names but all their business functions were directly controlled by the Ministry of Food. The bakers were more fortunate in that they escaped

price control until 1941. Then, under the Bread (Control and Maximum Prices) Order, the price of bread, both white and wholemeal, was fixed at 2d. a pound in England and Wales, with slight variations in Scotland and Northern Ireland.

The new maximum prices were lower than those which had previously been charged as the Ministry of Food contended that, because of limitation in the varieties and sizes of bread that could be produced, production costs had decreased. All bread bakers became entitled to a subsidy assessed on the basis of providing an average profit of 5s. on each sack of flour used. While there were well over 20,000 registered bread bakers in the United Kingdom, only a proportion claimed the subsidy when it was introduced.

The Government's object in controlling the price of bread and other foods was not only to ensure a fair share for all of available food supplies but to check any inflation which might follow shortages. Early in 1941 the subsidy was made conditional upon bakers selling wholemeal bread as well as white bread. In fact white bread was not made after March, 1942, when the extraction rate was raised to 85 per cent. compared with a pre-war average of around 70 per cent. The new darker loaf was known as national bread.

During the war, while production costs remained steady, the system of price control worked smoothly and bakers found no difficulty in adhering to the maximum price of 8d. until October, 1942, and then 9d. a quartern until early 1949. There was a ready market for the limited range of bakery goods which could be produced, so during the war the industry was comparatively prosperous. After the war, however, bakers became increasingly dissatisfied with the return on national bread, their main grievance being at the theoretical profit margin of 5s. a sack.

They contended that this figure did not compare with pre-war conditions, that, in any case the value of money had depreciated, and that because of the system of basing the subsidy on the average costs of the whole industry, many bakers in fact received nothing like 5s. The biggest protests came from the small and medium-sized bakers. They claimed that their production costs were inevitably higher than those of the big plant bakeries using mass-production methods, but that under the

Ministry of Food's system individual costs were not reflected in the subsidy.

In fact many small bakers were receiving less than 2s. a sack profit while many large bakers enjoyed a profit of over 8s. As long as the profit remained an average one this could hardly be avoided.

The baking trade through its main organisation, the National Association of Master Bakers, urged the Government to increase this theoretical profit margin and to introduce a graduated subsidy which would provide higher payments for the first, and most costly, part of each week's output of national bread. A mass meeting was called, but achieved nothing more than the removal of a ban, introduced during the war, on charging extra for delivered bread. This concession did little to overcome the financial difficulties of many bakers. In some areas customers resisted the delivery charge and bakers were by no means unanimous in applying it.

As bakers with delivery rounds were among the worst hit members of the trade, more and more of them were forced to give up this service. The trend has continued so that today in some districts no bread is delivered direct to customers. The number of bread bakers continued to dwindle, as the following totals of bakers in the United Kingdom claiming the subsidy prove:

1942	..	20,646
1943	..	19,987
1944	..	18,911
1945	..	18,254
1946	..	17,760
1947	..	17,057
1948	..	16,862
1949	..	16,475
1950	..	15,403
1951	..	14,915
1952	..	14,470
1953	..	14,156
1954	..	13,843
1955	..	12,522

In 1953 all controls were removed from the milling industry and flour was sold once again on a free market. The Master

Bakers' Association lost no time in pointing out that the smaller baker would be further penalised. On a free market he would have to pay more for his flour than the plant baker who bought flour in large quantities, but as the price of bread would still be controlled and the subsidy be based on the average costs of the whole industry, the man paying most for his flour would be at a great disadvantage.

In a Commons debate, Dr. Charles Hill announced that to eliminate any disadvantage the small baker might suffer when flour was freed from price control there would be an additional 4s. a sack for all bakers on the first 25 sacks of each week's output, and unquestionably the extra 4s. was a great help. Although it was paid to all bakers this subsidy meant much more to the smaller producer baking up to 25 sacks than to the large baker with an output of several hundred sacks a week.

Fourteen months later, the Ministry of Food announced that in practice the gap between the prices paid for flour by the smaller and larger producers had not been as wide as had been anticipated. Therefore the continuance of the extra subsidy on these grounds could not be justified. This brought protest from the trade, especially from those bakers to whom the extra 4s. had meant the difference between profit and loss. Soon afterwards the Ministry agreed that an extra 4s. should be paid to all bakers, not because of the discrepancy in flour prices, but to help the smaller bakers.

Still the trade was not satisfied and the Ministry's practice of averaging flour prices when assessing the subsidy was criticised. There was a feeling in the trade that the subsidy arrangement by its very complexity could never be made to work fairly, that the whole system should be scrapped and the baker allowed to sell his bread at the true market price. But the trade was by no means unanimous in this view. Just as early in the nineteenth century some bakers were opposed to revoking the Assize of Bread, so in 1954 a considerable section of the trade in England and Wales was against returning to freedom.

The opponents of freedom were to be found mainly among the big bakers who were making a reasonable profit under the existing system. They feared that the inevitable increase in price when the subsidy was removed might lead to a fall in bread consumption. This could be a serious matter for bread

plants which are dependent for economical working on maximum production throughout the week. At the same time many small bakers disliked the idea of losing the subsidy. Even though their profit margin was extremely small they had come to regard the eight-weekly subsidy cheque as a kind of insurance, to be used for paying outstanding flour bills.

The freedom group consisted mainly of those enterprising and individualistic bakers who were anxious to make better bread and charge accordingly for it. Under price control it was not profitable for them to incur the extra cost of producing crusty bread of the hand-made type even though there was known to be a considerable unfulfilled demand for this bread. They had confidence in their products and in their ability to meet any competition.

In February 1956, the new Chancellor of the Exchequer, Mr. Macmillan, surprised the public and the baking trade by slicing £19 millions off the bread subsidy bill, then running at about £38 millions a year, and putting up the price of the 1½ lb. loaf by a penny. Strangely enough, while there was some mild criticism from Labour M.P.s, the higher price was accepted by the public with little protest.

No doubt this proved to Mr. Macmillan that bread prices were no longer such highly inflammable material, for two months later, in his Budget, he announced that the subsidy would come to an end the following September. The same week the Minister of Agriculture and Food, Mr. Heathcoat Amory, told the House of Commons that price control would end at the same time. Again the news engendered surprisingly little heat in the country. Apart from a little sniping from the Opposition there was no sustained criticism of the Chancellor's decision. Even those opponents of freedom in the baking industry were silent.

Members of the trade were agreed that there could no longer be a uniform national price for the loaf. Local variations in production costs would make this impossible, apart from the fact that some parts of the country, such as Yorkshire, favoured richer, and therefore more expensive, bread than other areas.

What troubled many bakers was the possible attitude of the factory producers to the price question. Would they agree on a price acceptable to all types of baker in any one district? It

became clear that the plant bakers could not, in fact, justify a price which would provide an adequate profit for the family baker.

At that time the subsidy represented something over 1½d. on a loaf weighing 1½ lb. As production costs generally were on the increase it was considered that in those areas such as London where flour prices were at their lowest, a reasonable price for a 1½ lb. loaf of the type made in the plant bakeries would be 10½d. with an extra halfpenny for the loaf made by the family baker. Most bakers believed that was the pattern the new prices would follow.

After many meetings and excitements it was decided that there would be two prices for bread—10d. for the plant baker's loaf and 11d. for the quality loaf sold by family bakers. This set the pattern for price decisions throughout the country and it was soon clear that in most areas there would be two prices for bread. All that now remained was to test public reaction when the new prices took effect on September 30th.

Despite the higher price, people bought more bread. The family bakers selling a craftsman-made loaf at a higher price than their multiple competitors were in some cases having to rush through extra batches to meet the demand. Family bakers, especially, were pleased with the smooth change from control to freedom, and the ease with which they were able to sell bread of a better quality than their customers had seen since the beginning of the war.

At last it seemed that the baker who made good bread could hold his own with the mass-production factories. Bread was beginning to pay.