Devon Churches Rural Forum Farming Notes – Harvest 2017

Summary

- I have been introduced to a new farming phrase this week "Up Horn, Down Corn" it seems to summarise the year so far that it has been a slightly better year for livestock than arable.
- Though it may not seem like it, for the year ending August 2017, rainfall levels have actually been below average. September to December 2016 and January and February of this year were all well below average and with mild temperatures this meant a good winter with the fields for the sheep remaining in good condition and lower energy costs.
- In March rainfall was slightly higher than average, but April and May were very dry, which affected seed germination. The rain in June made up for some losses and the crops revived and went forward well, especially the maize. July was wet and warm, and the maize continued to grow well.
- The dry months of March and April have had an effect on the corn yields even winter wheat planted in October needed rain to grow well in spring.
- The weather in August although not so wet has been difficult for harvesting because there have not been enough continuous days of dry weather to dry the corn.
- Prices for livestock have in general either increased or held well, and the milk price has increased much closer to the cost of production. TB continues to be a major heartache for our dairy farmers, with some very large numbers of cattle lost from single herds.
- Exports of farming products in general have increased 18% in the past six months not least because of the low value of the pound.

Cereals

- Summer came and went very early with lovely sun and record temperatures, but this has since changed back to unsettled weather, with no prolonged dry spells.
- In some areas, temperatures were so high and the weather so dry, that corn seed struggled to germinate. As a result, some farmers are reporting yields down by as much as 25% from last year though others will have fared better depending on local conditions.
- This could lead to short supplies this winter but may help to keep prices stable in a global over-supply situation.
- It has been quite difficult getting the harvest in getting the corn dry for harvest and the straw for baling.
- As a result, harvest is behind schedule for many in Devon with lots of corn still to combine.
- If the corn is flattened by wind or heavy rain, or gets too damp, it may spout before harvest, which results in lower quality seed.
- A significant amount of corn has needed drying this year, which adds to energy costs.
- It's looking like a very good year for maize used mainly for silage for feed. It grew fast with the early sun and warmth and the showers and rain came at the right time though it still has to ripen and will harvest into October.
- A few weeks of dry weather over the next few weeks would help greatly with all the remaining harvesting.

Grass

- Silage is arguably becoming even more important as farmers seek to produce more home grown fodder for their animals and thus reduce the cost of buying in feed.
- It has been a wonderful year for grass growth, with sunshine and showers, there has been abundant grass all summer and there is more hay and silage still to be made than is usual.
- The weather was so dry and warm in spring and early summer that some early grass, intended for silage, dried so fast the farmer carried on and made it into hay, which is unusual.
- Early cut grass made particularly good silage, but quality has generally been good all season.
- Harvesting windows have been tight, particularly since July, and some moorland areas, who don't have early grass, are now struggling to get it in.

Thatching Reed

- A significant amount of thatching reed is grown in Devon some is wheat and some Triticale (a hybrid of wheat and rye) and if you see sheaves and stooks in the fields this is likely to be what you are seeing.
- However, some of the wheat grown has not been suitable for thatching this year because the stalks became twisted by the winds in June and some sheaves have had to stand longer than usual to dry which makes them vulnerable to damage.

Beef

- Beef prices are up from 12 months ago around 5-7% but profit margins are probably unchanged as the price of store cattle remains high.
- With both beef and lamb, there is a strong export market due to the low value of the pound and more home demand as supermarkets pledge to use more UK stock.

Lambs and Sheep

- It has been a good year for lambs with a dry lambing season and the price of lambs holding up well. One farmer received the highest price for a single lamb he had ever received.
- The price has dropped from its (usual) highest levels around May/June but decreased more slowly than usual, and prices are now similar to last year.
- Breeding ewes have not sold so well though of course this is good news for those buying in. Most of the breeding sales are yet to come, so we do not have a full picture yet.

Pigs

• Much improved compared to last year.

Dairy

- The milk price has risen this summer, back to near cost of production.
- There is a wide spread of milk prices paid to individual farmers depending on the type of contract and the speciality value of the milk (e.g. extra cleanliness or fat content specifications) so quoting individual milk prices isn't easy, but the price has been rising very gradually since April in general.
- However, the price always falls quicker than it rises and is still several pence per litre short of what the price the processors are achieving.

- Milk price economics are complex milk supply looks tight in the short term so prices may rise further and hold for the rest of the year at least, but world prices are not truly reflected in the price paid to UK farmers at present.
- Longer term dairy farmers need to plan for volatility in the market, some milk buyers are now looking at offering contracts at a fixed price for a percentage of what the farmer produces to help business planning and to cope with price fluctuations.
- Many contracts are now including a lot of stipulations about the way people farm for example the number of days a cow must be out on grass. However, sometimes animal welfare means they have to come in – if the fields get very wet and churned up – and for calving for example. Dairies are also asking for tight monthly predictions on production, which can be affected by many factors outside the farmer's control.
- The cow price has risen due to a shortage of cows, this is for reasons such us TB, so good if you are thinking of retiring but difficult if you need to purchase cows lost to TB.
- The number of dairy farmers in the UK is now 9,383 down another 5% in the past year, and is still declining. This is largely due to the low milk price paid to farmers and though it has increased, the knock on effect is significant, with continuing uncertainty for the future.

ΤВ

- TB Continues to have a major impact in Devon and in north Devon one herd lost over 500 head of cattle.
- This is devastating to the business with both loss of animals and income and also causes great stress, anxiety and depression to the farming families involved.
- Many farms are having to test their stock every 60 days which puts both the animals and people under stress.
- The compensation paid doesn't cover the cost of replacing the animal and doesn't figure in the value of the calf if the animal is pregnant. It also doesn't cover the loss of milk sales from a dairy cow until a replacement is purchased.
- Movement restrictions continue to cause huge headaches for managing stock and cash flow for farmers. The rules & regulations around TB are constantly changing, making business planning for the future very difficult.
- It is harder for farmers to set up isolation units to house cattle from TB infected farms meaning many businesses, especially dairy farms, are unable to sell their calves this leads to increased financial costs of feed, housing and the labour to care for them.

Organic Farming

- Demand for organic poultry increased dramatically over last few months but has now stabilised there is some concern for those who have made large investments in new units.
- The beef market is stable with good returns.
- The market for grass fed organic lamb is particularly strong.
- Corn as sprays cannot be used, the crop needs to be dry as there is green matter mixed in with the crop which makes it difficult to combine.

Brexit

- Although some sort of support payment is in place for the next 2 years, what will happen after Brexit remains unclear. It is likely to have a high environmental component. As 25% of farmers are living below the poverty line and especially those living in upland areas such as Exmoor & Dartmoor finding it difficult to make a living, a degree of support payment is essential to manage the environment and make a profit if stock numbers/area planted to cereals has to be reduced. The only other option is producers getting a fair price to cover the cost of production for what they produce from the consumer, but are people willing & able to pay more?
- Brexit should also offer some positive opportunities of new export markets, especially the Middle East, North Africa & Asia markets.
- We need to look at our level of self-sufficiency: currently if we relied on home grown food, we would run out on the 6th August each year.
- There may also be more opportunities for those wanting to enter the agriculture sector if changes encourage some retirement and succession planning to take place.

Food issues

- There is some concern that a health scare around Hepatitis E found in some imported pig meat may have an impact on our own market if it is cooked properly, there is no cause for concern.
- Use of pesticides in imported eggs led to withdrawals from supermarkets of eggs and sandwiches, hopefully this will encourage people to buy British as we have some of the highest welfare standards in the world.
- There are some who are trying to convince people to give up milk and many untruths have been told about welfare standards in the UK. Milk is crucial for a healthy balanced diet.

Farming Community Network Update

- FCN as seen more & more people coming forward for help both locally and nationally and two thirds of cases now have a financial element
- In Devon, two Young Farmers Club members have died in farm accidents this year and we are working with their members to offer support.
- In the UK, one farmer dies every eleven days due to a farm accident. We are also supporting YFC campaigns to make farm machinery safer and encourage farmers to wear seatbelts in tractors.
- With mental health problems on the increase and long waiting lists for help, we continue to support those affected.
- Across the UK, one farmer dies each week by suicide both FCN & YFC members have undertaken suicide awareness & prevention training to help reduce these figures
- We are more than happy to come to Churches to talk about our work & if you would like to host a future Plough or Lammas Service, then do get in touch!
- Resources for use at services can be found on our website: <u>www.fcn.org.uk</u>

How we can all help British Farmers?

- Buy local
- Buy British
- Look for the Red Tractor

Conclusion

Farming, as a business sector, is still difficult. The good news is that there has been a hardening of prices generally, and those who have come through recent difficulties are exceptional business people. Costs have been trimmed to the bone, with output increased, and in some cases diversification, including into renewable energy, has made the difference.

The science involved in farming today is immense - from being able to determine the gender of calves born to dairy cattle, to exact measurement of application of fertiliser and selection of varieties of wheat to make thatch or for eating. But as one of our contributors said: "You can do everything right from a husbandry and scientific point of view, but then there is only a very short window to get the harvest in. So much is beyond our control. The weather can make everything right – or a disaster."

Farming, like all our lives, is a partnership with God. We none of us know what is round the corner – we do our bit and then trust in his goodness and mercy, and thank and praise him for all the good things he has given, for our food, and our farmers, who work so hard and long for all of us.

"We plough the fields, and scatter the good seed on the land; But it is fed and watered by God's almighty hand"

Further information

Farming Community Network <u>FCN</u> helping with business, farming, financial and family issues and our Devon FCN co-ordinator Joanne Jones joannejones.farmer@gmail.com

Andy Jerrard – Methodist Rural Support Worker and Agricultural Market Chaplaincy Co-ordinator andy.jerrard@tiscali.co.uk

Royal Agricultural Benevolent Institution RABI supporting farming families

Addington Fund providing homes for farming families

National Farmers Union web site with in depth farming articles

You can sign up to receive the weekly NFU Bulletin here

Compiled week beginning 27th August from information given by Joanne Jones (FCN Coordinator and Dairy Farmer), Andy Jerrard (Rural Support worker and Market Chaplaincy Coordinator), David Moore (Dairy Farmer and Church Warden) and Rev'd David Ursell (Organic Farmer and Minister) – with many thanks. PJD.