# Devon Churches Rural Forum



### Harvest and Farming News

September 2021

### **Harvest Time**

Danny says he hasn't heard any complaints this year which must be a 'first ' in farming history! After a difficult spring, first too dry in April, then too wet in May, things came good. There has been an abundance of grass all summer for the livestock farmers. Cereal yields have been good and the weather has come right in the end, although some patience has been needed.

Andy adds that at one point it looked like we may have a repeat of 2020 with its very dry spring but the much needed rain came at exactly the right time.

David M says it was "nail-biting" for the maize with the cool, dry weather when the crop didn't really take off but it has since galloped away and yields are looking like they will be very good. He adds, farmers were mostly able to harvest the winter barley before a wet spell at the beginning of August and then drier weather allowed the spring barley and winter wheat to be brought in and for many the corn was able to be harvested dry - which saves greatly on drying costs. The grass silage has been of good quality and quantity which will help with winter forage costs.

Andy says this has been a year when you want your own combine! Much of August has been a bit "catchy" and on a dry day you need to be able to get the crop in quickly. He adds that accurate weather forecasting is vital for farmers especially when ideally 4 or 5 dry days in a row are needed to bring a hay crop in. Weather patterns this year have sometimes meant that forecasts have changed at shorter notice than usual which has affected planning significantly.

Andy concludes – people often remark on how farmers are always talking about the weather! That's because everything is so weather dependent – from initial preparation of the ground, to sowing, germinating and crop growth through to harvest - and equally so for the livestock farmers with conditions underfoot critical for cattle, sufficient grazing and of course good weather for lambing.

#### **Summary**

- The summer season has been very good for farmers as the grass and crops have grown well

   we have a good harvest to thank and praise God for.
- Farm prices have strengthened this year both for livestock and grain, but input costs are also much higher.
- Brexit and Covid continue to effect the industry in various ways including major changes to the farm subsidy system.
- Wider issues of food security, animal welfare standards, environmental issues and international trade continue, with the way ahead not yet clear in several areas.
- The cost of rural housing is a major issue impacting both the agricultural community and our whole rural population
- TB though we may be hearing less about it remains an ongoing concern for the farming community, with concern that there is still no failsafe way of eradicating the disease.

.Compiled by Penny Body with contributions from David Moore, Danny Semorad, Colin Smallacombe, Andy Jerrard, John Wibberley, David Ursell - all to whom many thanks indeed.

# Prices and Trade

### Inputs and outputs

The prices for both cattle and lamb have strengthened. At the beginning of the year many farmers were concerned about lamb prices because of possible reduced exports to Europe as a result of Brexit – much of British lamb being exported to Europe – but in fact these fears have not materialised and the market in Europe has even increased slightly.

Corn prices are also good – though of course higher corn prices for arable producers mean higher feed coats for livestock farmers.

Milk is still largely in the doldrums. The price has increased only marginally, if at all, over the past year, but input costs, particularly feed, have increased substantially, and one or two dairies have already announced forthcoming small price drops.

All our contributors mentioned higher input costs this year – this is not only for feed as already mentioned – but fertilizer costs have increased significantly partly because it has an energy intensive production process so is affected by rising oil prices. Other prices that have increased include wood for fences, fuel and wages.

Danny sums this up – "Prices have held up well on most commodities. However, the downside to all this is that overheads have increased massively. Supply of so many inputs has become really difficult. I'm not sure how we account for this. Is it due to Brexit or Covid? probably a combination. Farming seems to have endured this period well, but what comes next? The changes ahead will certainly affect agriculture in the South West."



### **International Trade**

International trade is a new uncertainty, as farmers hear about new trade deals with foreign countries, where livestock standards can be much lower than the UK.

Colin sums up the questions well "... there is a concern over the trade deal with Australia. Will it set a precedent for negotiations with other countries?" and "Will produce with lower standards of production be allowed to be imported into this country? What impact will it have on prices?"

John Wibberley has written a really helpful summary and analysis of some of the issues to think about regarding international trade agreements. You can find this towards the end of our July 2021 Farming update <u>here</u>



## **Policy Issues**

### Basic Farm Payments and Environmental Land Management Strategy (ELMS)

Brexit changes mean the phasing out of the Basic Farm Payment which has been a lifeline for many farmers. This has begun this year and is a tapered system so that bigger farms lose subsidy more quickly. However, the replacement for the BPS – the Environmental Land Management Strategy – or ELMS – system has not yet been finalised with different approaches still only at the pilot stage.

For background - the ELMS system will rely on what is known as "public money for public goods". There are three new schemes that will reward environmental land management: "Sustainable Farming Incentive", "Local Nature Recovery" and "Landscape Recovery". This paper from Defra which you can access <u>here</u> - includes an overview of the schemes, how the schemes are being tested and trialled and how farmers and land managers can get involved.

The overall view from DCRF contributors on this subject is that the roll-out of ELMS is very slow and patchy. Details of the various schemes are not yet known and farmers are frustrated because they are unable to plan their businesses. The RPA (Rural Payments Agency) is often unable to help with questions. This is a significant cause for worry for farmers because so many are reliant on their current Basic Farm Payments.

There is also a deep puzzlement that Government doesn't acknowledge food production as an important (not to say essential) good. We should add that farmers would love to farm without subsidy – but this would mean higher food prices. Some farmers refer to the subsidies as a food subsidy, rather than a farming subsidy.



### **Livestock Transport**

The government has recently concluded consultations on transport of animals to market. One area under consideration is the outside temperature - with a likely recommendation that animals should not be transported more than 40 miles if the temperature is either below zero or above 30 deg C. Nobody would want their animals to suffer through extreme temperatures but now that mobile and smaller local abattoirs have been dramatically reduced many journeys for Devon farmers to take their animals to market are greater than 40 miles, so it is not clear how these regulations will play out in reality.

There are also proposals to increase the headroom for animals on lorries, which could make some of those currently operating illegal.

The consequences of any legislative change can be complex and sometimes unforeseen, so careful consideration of these are needed to ensure smooth implementation.



## Policy Issues contd.

### **Farming and Food**

The environmental impact of producing our food and the impact upon people's choice of diet has been discussed widely in recent times and environmental issues, welfare standards, food security and international trade are complex and intertwined.

The UK is currently around 64% self-sufficient in food. There seems little public debate about whether we should be more or less sufficient in providing for our own needs, but for the present at least we need to import food.

However, the environmental impacts of producing, for example, beef, in this country are much lower than some other countries. We therefore need to be mindful that if we were to decrease production in the UK, we could end up "exporting" environmental costs to another country to meet our needs. Similarly welfare standards for animals, and environmental standards, for our farms are some of the highest in the world. This inevitably increases costs of local production, but we need to be aware also that importing food from countries with lower welfare standards, which may produce cheaper food, could also result in less overall animal or environmental welfare.

The National Farmers Union has committed to become "net-zero" in UK agriculture by 2040 and if you are interested you can read more about this <u>here</u>

We intend the main item at our Devon Churches Rural Forum meeting on November 2<sup>nd</sup> 2021 to focus on Farming and Food this year, hopefully looking several of these issues. If you would be interested in attending this meeting and are not currently on the DCRF meetings email list, please let me know.

#### **Rural Social Issues**

As part of our wider work within the Devon Churches Rural Forum, we have recently been looking at a range of social issues which affect all who live and work in our rural areas, such as rural housing, health and social care, transport and so on and you can read more about this – and what we as churches can do to help – in our next newsletter.



Enjoying our last farm visit to Barton Farm, Bondleigh on a beautiful August Day more in the newsletter to follow!

Devon Churches Rural Forum is an ecumenical group that meets three times a year to bring people with an interest in rural affairs and ministry together to discuss and respond in practical ways to issues relating to ministry and mission, training and resourcing for rural ministry, farming matters, pastoral care of our farming community, and various rural social, economic and environmental concerns.

Website: devonchurchesruralforum.org.uk Email: info@devonchurchesruralforum.org.uk

Chair: The Ven Douglas Dettmer Secretary and Editor: Rev'd Penny Body

If you have details of any events, book reviews , liturgies or good news stories to share please let us know so we can share via the website and newsletter – as always via info@devonchurchesruralforum.org.uk

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