

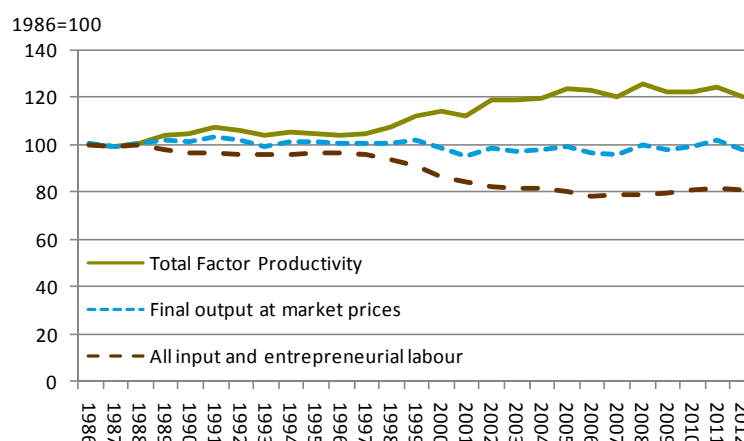


Headline summary

The monthly farming and food brief summarises the latest statistical and economic information relating to the agricultural sector. In particular, it highlights the results of recently published evidence and research.

Fall in productivity

Total factor productivity of the agricultural industry in the United Kingdom is estimated to have fallen between 2011 and 2012 by 3.2 per cent to its lowest level since 2004. This is the largest single year fall in total factor productivity since 1985. The fall in total factor productivity reflects the impact of poor weather on the agricultural production process during 2012. ([see section 2](#))



Impact of regulation on farming

Defra has published new evidence looking at the impact of regulation on farming. It is estimated that, by 2021, changes that Defra makes to regulations could reduce farm costs by around £30m per year when compared with a baseline of 2011/12. This would represent a drop in annual production costs of about 0.2 per cent for the average farm business. ([see section 2](#))

Increase in animal feed production

During March 2013, the total GB retail production of animal feed was 1.1 million tonnes, up 12.2 per cent on the same period in 2012. There has been an increase in the retail production of animal feed in recent months due to the wet weather and livestock having to be housed longer. The poor quality of the current forage crop has also been a factor. ([see section 2](#))

Agriculture in the United Kingdom

Defra has published detailed evidence providing an overview of agriculture in the UK. It contains an extensive range of data including farm incomes, land use, livestock numbers, prices, production of key commodities (e.g. wheat, milk, vegetables), overseas trade, organic farming and the environment. ([see section 2](#))

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1. Overall economic position

Growth in inflation has slowed for the first time in six months

The headline rate of inflation, the Consumer Prices Index (CPI), fell to 2.4 per cent.

The only large upward contribution to the CPI annual rate came from food and non-alcoholic beverages where prices rose 0.7 per cent between March and April 2013, compared with a fall of 0.1 per cent a year earlier. The upward effect came from most types of foodstuff – most notably vegetables where there have been numerous recoveries of prices following sales and reports of cold weather in the UK impacting on crop production.

More details are in the full [statistical bulletin](#) from the Office for National Statistics.

Small increase in unemployment rate

The unemployment rate for January to March 2013 was 7.8 per cent of the economically active population, up 0.1 per cent from October to December 2012. There were 2.52 million unemployed people, up 15,000 from October to December 2012.

Retail sales up

In March 2013, the quantity bought in the retail sector increased by 0.5 per cent compared with April 2012. The main source of downwards pressure in both the quantity bought and the amount spent came from the food sector, where, compared with April 2012, the quantity of goods bought decreased by 3.8 per cent, which is the lowest since June 2011. The amount spent decreased by 0.2 per cent, which is the largest contraction on record.

Rise in GDP

Gross Domestic Product (GDP) was estimated to have increased by 0.3 per cent in the first quarter of 2013. The main contributors to the increase in GDP in the latest quarter were: changes in inventories, including the alignment adjustment, which increased by £2.5 billion in volume terms and; household final consumption expenditure, which increased by 0.1 per cent.

2. Farming

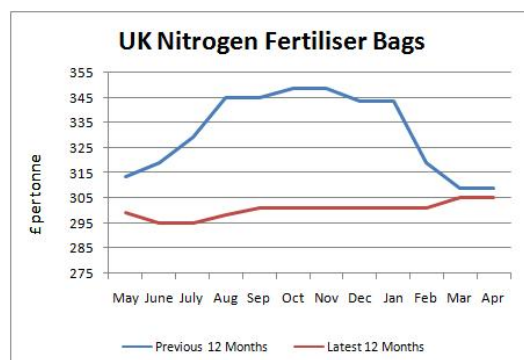
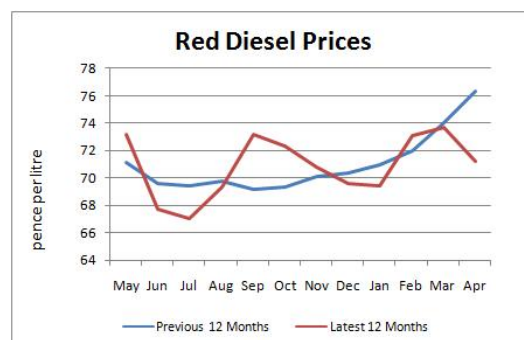
This section brings together the latest economic position for the farming sector (including UK and international input and commodity price intelligence) and the highlights of recently published evidence and research.

2.1. Economic

2.1.1. UK Prices – Inputs

- **Red Diesel:** Following recent crude oil price drops, April's price for red diesel has fallen to 71.40 pence per litre.
- **Fertiliser:** The average price for 34.5 per cent UK Ammonium Nitrate bags remains at £305 per tonne. Despite the price rise last month, the current price is still below the monthly 2011/12 equivalent. (Source: *Dairy Co Datum*)

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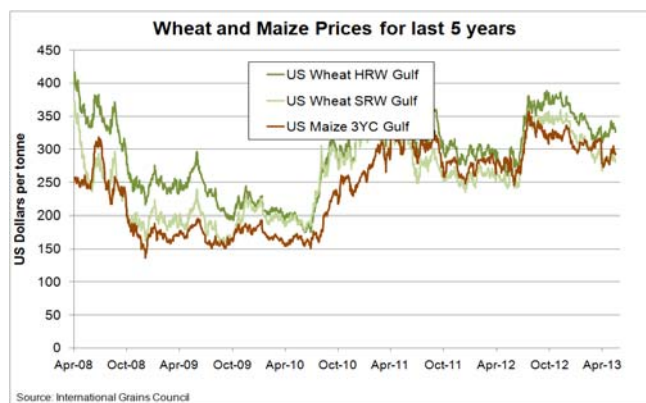


2.1.2. Prices and Market Information – Commodities

The **United Nations Food and Agriculture Organisation** (FAO) Food Price Index averaged 215.5 points in April 2013. This was 9 per cent lower than its record high in February 2011. It rose by 1 per cent between March 2013 and April 2013. In April, dairy prices increased by 15 per cent, once again influenced by the effect of the worst drought in thirty years on New Zealand dairy production. Meat prices rose marginally, while those of the other food commodities fell. The index has risen by 1 per cent between April 2012 and April 2013. (*United Nations FAO* – 9 May 2013)

Cereals

- The April average price of Hard Red winter wheat was \$322 per tonne, unchanged from March. For Soft Red winter wheat the average April price was \$283, a 2.2 per cent decrease on March. Prices available to mid May show an increase of 3.4 per cent for Hard Red Winter wheat on the April average price.
- Maize prices have fallen from a record high of \$358 per tonne in July 2012 to reach \$297 per tonne by mid May (5.4 per cent higher than the April average price).



- In their latest report (10 May) the US Department of Agriculture (USDA) published its latest world supply and demand estimates. The USDA made little change to estimates of old crop wheat production although increased demand led to downwards revision of ending stocks by just over 2Mt to 180.2Mt. For the new crop, production is forecast at this early stage at a record 701.1Mt up 45.5Mt on 2012/13 but this partially offset by a 19.3Mt fall in opening stock levels. US wheat production is estimated lower than 2012 due to concerns over the Hard Red winter wheat crop which has been affected by both a drought and cold start to spring. Early estimates are for the EU and Black Sea wheat crop to increase over 2012.
- For maize, the USDA have forecast an increase in old crop supplies due to better than expected Brazilian crop and a small increase in closing stocks although demand is estimated to be higher. For the new crop world production is forecast at nearly 109Mt higher than 2012/13 at 965.9Mt although this is mainly due to a forecast increase of 85.3Mt in the US crop, currently experiencing a slow planting regime

so the estimate should be treated with caution. It is also too early to accurately estimate Southern Hemisphere plantings.

- Estimates for the 2012/13 soyabean crops have been revised lower by 0.5Mt to 269.1MT due to a reduced expectation for the Argentine crop. For the new crop very early forecasts are for the US crop to recover after the drought effects of 2013.

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- **Animal Feed (source Defra):** During March 2013, the total GB retail production of animal feed was 1.1 million tonnes, up 12.2 per cent on the same period in 2012. There has been an increase in the retail production of animal feed in recent months due to the wet weather and livestock having to be housed longer. The poor quality of the current forage crop has also been a factor. Total GB integrated poultry feed production was 250 thousand tonnes, down 0.7 per cent during March 2013 compared to the same period in 2012.
- **Flour (source Defra):** During March 2013, the total amount of wheat milled in the UK was 587 thousand tonnes, 10 per cent higher than in March 2012. Imported wheat milled was 198 thousand tonnes, up 223 per cent due to the poor quality UK wheat harvest. Millers are experiencing difficulties sourcing quality UK milling wheat so imports are being used to meet the shortfall. The total amount of home grown wheat milled in the UK for March 2013 was 389 thousand tonnes, down 17 per cent compared with March 2012. Flour production for the same period was 449 thousand tonnes, 5 per cent higher than in March 2012.
- **Brewers, Distillers and Maltsters (source Defra):** During March 2013, the total usage of barley by brewers, distillers and maltsters was 159 thousand tonnes, approximately the same when compared to March 2012.

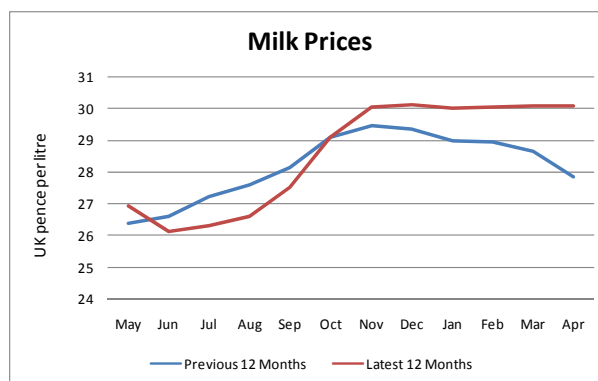
Contact: Tom Johnson, Farming Statistics (Crops), tom.johnson@defra.gsi.gov.uk

Livestock (source: Defra)

- **Sheep:** Slaughterings of clean sheep have remained strong in April 2013, rising by 6 per cent compared to April 2012 however weights are still lighter, with the average weight for April 2013 at 19.3 kg, 0.5 kg down on last year. Mutton and lamb production in April 2013 was 3.9 per cent higher on the year, with production 6.9 per cent higher in the first four months.
- **Cattle:** In April 2013 UK home fed-production of beef and veal was 1.6 per cent lower than April 2012 at 82 thousand tonnes, with prime cattle slaughterings recovering from the disrupted trade last month. Average weights remained lower than the previous year, at 343.8 kg, around 8 kg lighter.
- **Pigs:** UK home-fed production of pigmeat was 2.5 per cent higher in April 2013 compared to 2012. During January to April 2013, good availability of clean pigs for slaughter and heavier average weights, at over 79 kilogram, saw production rise by 1.7 per cent on 2012 levels.

Livestock products

- **Milk:** In April 2013, the provisional volume of wholesale milk delivered to dairies in the UK was 7.7 per cent lower than last year at 1.1 billion litres, again a record low for monthly milk production for the years where data is available (back to the 1994/95 milk year). (source: RPA)
- The average UK milk price for April 2013 remains at similar levels to the previous five months, at 30.09 pence per litre (exc. bonuses) which represents a rise of 2.26 pence per litre (8.1 per cent) on the same month last year. Profit margins remain tight for many producers though as unseasonably cold and wet weather has resulted in many farmers relying on purchases of additional animal feed. (source: Defra).



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2.1.3. United Kingdom Cereal Supply and Demand Balance Sheet 2012/13

The fourth official forecast of the 2012/13 UK cereal supply and demand balance sheet based on the 2012 harvest was [released](#) on 23 May 2013 and takes into account adjustments for the latest trade and usage data. This forecast now incorporates revisions to the stocks figures based on the publication of the Cereal Stocks results on 9 May 2013. The final review of the balance sheet will be published in September 2013.

Wheat availability is estimated at 17.23Mt, 2 per cent lower than last year. UK production was 13 per cent lower in 2012 than in 2011 and the quality was also adversely affected by the weather conditions. This has led to increased imports, especially of milling grade wheat, which is forecast at 2.54Mt for 2012/13 compared to 0.9Mt in 2011/12. Exports are forecast to be around 800kt compared to 2.55Mt last year.

Wheat for Human and Industrial consumption (H&I) is forecast to be 7.48Mt which is 10 per cent higher than last year but reduced from earlier forecasts due to the closure of the Ensus bioethanol plant at the end of March and another plant not yet running at full capacity. **Wheat usage as animal feed is forecast at 6.69Mt, up 3 per cent on 2011/12, compared to total cereal usage of animal feed which is 10 per cent higher on last year.** Overall increased feed usage is due to poor forage and grazing conditions requiring longer housing of livestock, especially for cattle and sheep. Proportionally wheat usage has fallen due to producers switching to competitively priced maize and barley usage returning to more usual levels compared to last year.

Commercial end season stocks are estimated at 1.935Mt, 23 per cent higher than 2011/12 due to a combination of larger volumes of imported wheat in stores, lower quality grain remaining on farm and uncertainty over the forthcoming 2013 harvest.

Maize availability is forecast at 1.55Mt, 41 per cent higher than 2011/12 due to increased imports which are now forecast at 1.4Mt with **increased demand from both the Human and Industrial and Animal feed sector stimulated imports.** Both compounders and integrated poultry units have increased maize usage at the expense of wheat due its price competitiveness.

Barley availability is estimated at 6.65Mt, up 2 per cent on 2011/12. Barley used by the **Human and Industrial Sector** is estimated at 1.83Mt, similar to 2011/12 as increased demand over recent years by the malting and distilling sector shows signs of levelling off. **Animal feed** usage for barley has increased by 16 per cent on last season to 3.24Mt (but similar to 2009/10 and 2010/11) due to increased demand and competitiveness of barley against wheat. Imports are estimated to be 22 per cent higher than 2011/12 at 190kt and exports 46 per cent lower at 435kt. Closing stocks are estimated to be 0.95Mt, 14kt higher than last year.

Oats availability remains forecast at 0.77Mt, 4 per cent higher than last year. Human and Industrial Sector usage has increased as a result of continued growth in the oat milling sector this season. Lower domestic production has resulted in higher imports and reduced exports. Closing stocks are an estimated 4 per cent lower than 2011/12.

The full statistical release is available [online](#).

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2.1.4. UK Crop Development

The dry conditions during April allowed good progress with spring crop drilling. The cold air and soil temperatures, and bitterly cold winds, in the first half of April slowed crop growth. The milder weather from mid month resulted in greater growth, but crop development at the end of April remained a few weeks behind that of recent years. The high winds limited opportunities to apply pesticides and fertiliser until later in the month and caused some serious soil erosion, especially on the lighted sandy and peat soils.

A proportion of the winter wheat and oilseed rape is of very poor quality due to low plant populations or failed patches due to compaction and water logging. There may be a late re-drilling decisions on some of these poor crops, replacing them with spring crops, or they may be left without much management or

failed. Spring barley has been the most popular replacement crop for many farms replacing both failed crops and those which were not drilled.

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2.1.5. The cumulative impact of regulation on farming in England

New analysis looking at the impact of regulation on farming was published on the 14th of May 2013. It covers the likely economic impacts on the English farming industry of new regulations and changes to existing regulations, focussing on measures that are likely to have a significant effect on production costs and incomes over the next decade. The analysis uses Farm Business Survey data to model impacts at the farm level and reflects the stage of policy development as at February 2013. The [full report](#) is available online. A brief summary of the main results follows:

It is estimated that, by 2021, changes that Defra makes to regulations could reduce farm costs by around £30m per year when compared with a baseline of 2011/12. This would represent a drop in annual production costs of about 0.2 per cent for the average farm business, and is equivalent to around 0.7 per cent of current¹ Farm Business Income.

This best estimate is for a slight reduction in the burdens on farmers but, given that there is significant uncertainty around any estimate of regulatory costs, it does not exclude the possibility of a small rise in costs overall. In particular, this reflects the large uncertainty over the level of saving which will occur following the proposed abolition of the Agricultural Wages Board.

In particular, increases in burdens tend to be associated with EU-mandated regulation changes, while domestic changes generally result in reduced burdens. By 2021, EU regulations account for £9.6m of the £11.3m total yearly rise in costs from regulation changes which act to **increase** burdens. In contrast, EU regulations account for only £0.6m of the £40.7m total yearly reduction from regulation changes which act to **decrease** burdens.

The effect of regulation on costs varies significantly between sectors, with the small overall reduction concealing contrasting results for different farm types. By 2021 the poultry sector will see an increase in annual costs equivalent to 4 per cent of current Farm Business Income. For horticulture farms, the reduction in costs could be as large as 5 per cent of current income. Other farm types will also see a drop in costs, but it will be considerably smaller than for horticulture farms.

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¹ Since farm incomes can vary significantly between years, the average from the last three available years of data (in this case: 2009/10, 2010/11, 2011/12) is taken as an indication of current income levels.

2.1.6. Business Management Practices on Farm 2011/12, England

Results from questions on business management practices adopted by farmers from 2011/12 Farm Business Survey were [published](#) on the 21 May. The key results are given below.

Education/Qualifications

- Just over 60 per cent of farm businesses have someone with a managerial role who has achieved college/national diploma/certificate level or higher.
- Older farmers, smaller farms, and grazing livestock farms are less likely to have further or higher educational qualifications.
- Lower performing farm businesses are more likely to have individuals with no qualifications.

Seeking further knowledge and skills in business management

- Around a quarter of farm businesses would like to know more about risk management. A similar proportion would like to know more about management accounting.
- Nearly a half of farm businesses do not wish to know any more about key business management areas. This response is more likely from older farmers, small farms and owner occupied farms.
- Compared to 2007/08, there appears to have been a decline in the proportion of farm businesses who do not wish to know more about key business management areas.

Business planning, benchmarking and management accounting

- Nearly 80 per cent of farm businesses undertake one or more of: business planning, benchmarking and management accounting.
- Of those undertaking practices, 75 per cent produce an informal business plan, whilst around one third regularly produce a formal business plan. Around a third do budgets, cash flows, gross margins, etc and a third regularly attend discussion groups on business management issues.
- But two thirds of farm businesses do not wish to gain additional knowledge and skills in these areas. This response is more likely on smaller farms and with older farmers.

Risk management

- 80 per cent of farm businesses are undertaking one or more risk management practices.
- The most common form of risk management is contracts with agreed prices for outputs or inputs.
- The commonest reason for not undertaking risk management is 'benefits not clear'.
- Nearly 70 per cent of farm businesses could not identify areas of risk management in which they would like to acquire further knowledge and skills.

Accessing advice

- Vast majority (95 per cent) of businesses access business management advice.
- Compared to 2007/08, there appears to have been an increase in the proportion of farms accessing business management advice.
- Smaller farms and older farmers are less likely to access business management advice.
- The most common sources of advice on business management and technical issues are the farming media, advice supplied freely and through talking to other farmers.
- Using (known to be) RDP-funded initiatives is more popular with younger farmers.

Continuing Professional Development schemes

- Over one third of farm businesses participate in Continuing Professional Development schemes (CPD).
- Participation increases with business performance – around 56 per cent of high performing farm businesses are in CPD schemes.

Agri-environment management practices

- 75 per cent of farm businesses undertake environmental monitoring.
- Of those undertaking environmental monitoring, 78 per cent are carrying out soil testing and 45 per cent of farms are carrying out *self-initiated* monitoring of wild birds.
- 45 per cent of farms work with others to deliver environmental benefits such as bio-diversity, landscape features and habitats.
- Farms with high business performance are more likely to work with others to deliver environmental benefits.
- Some 30 per cent of farms give environmental management at least the same level of priority as the economic performance of the business.

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2.1.7. Farmer Intentions Survey 2011/12, England

Results from questions on asked on farmer intentions from 2011/12 Farm Business Survey were [published](#) on the 2 May. The results cover farmers' aspirations and plans for the future towards the whole business and for individual enterprises (milk, beef, etc.), the strength of these intentions and the reasons behind them. Key results are given below.

Major changes to the whole farm business

- Approximately one third of farms made a major change to the business as a whole in the previous 12 months and similar proportions intend to make changes in both the next 12 months and next 12-36 months.
- The most popular type of change is to an agricultural enterprise. About one fifth of all farms intend to make this type of change.
- Low performing farm businesses are more likely to undertake major change than better performers.

Comparing actual major changes to previous intentions

- Broadly one quarter of those farms that said in 2010/11 that they were intending to make a major change in next 12 months, actually failed to make any change.
- Conversely, broadly one fifth of those farms that said in 2010/11 that they were not intending to make a major change in the next 12 months actually did make a change.
- Changes at enterprise level are more likely to be carried out than changes at whole business level, such as expanding the business.

Major investments

- The proportion of farms intending to make major investments in the next 12 months (22 per cent) is lower than investments made in the previous 12 months (43 per cent)

Comparing actual major investments to previous intentions

- Broadly one fifth of those farms that said in 2010/11 that they were intending to make a major investment in next 12 months, actually failed to make any major investment.
- Conversely, 30 per cent of those farms that said in 2010/11 that they were not intending to make a major investment in the next 12 months actually did make an investment.

Enterprises

- Across agricultural enterprises, milk production is one of the most likely to be changed at farm level.

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2.1.8. Total Factor Productivity of the agricultural industry, 1st estimate of 2012 - UK

Total factor productivity of the agricultural industry in the United Kingdom is estimated to have fallen between 2011 and 2012 by 3.2 per cent to its lowest level since 2004. This is the largest single year fall in total factor productivity since 1985. The fall in total factor productivity reflects the impact of poor weather on the agricultural production process during 2012. The [full report](#) is available online.

Over the longer period, the volume of final output has remained largely unchanged between 1986 and 2012 while the volume of all inputs and entrepreneurial labour fell by 19 per cent, leading to total factor productivity increasing by 20 per cent. Total factor productivity was broadly level between the mid-1980s and mid-1990s, increased by 18 per cent between 1997 and 2005 and has since remained broadly level with year to year variations.

Total factor productivity of the agricultural industry in the United Kingdom is an indicator of how well inputs are converted into outputs, and of the efficiency and competitiveness of the industry. Year to year variations in total factor productivity may be due to weather conditions, disease outbreaks or other reasons.

While weather conditions or other factors such as disease outbreaks may have short term impact on agricultural productivity, it is developments in productivity over a longer period that constitute one of the main drivers of agricultural income. Productivity growth means that more value is added in production and more income is available to be distributed.

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2.1.9. Survey of Orchard Fruit at October 2012 – England and Wales

Results showing the tree area of commercial orchards in England and Wales at October 2012 for the main varieties of fruit were [published](#) on the 30 May. Key results are given below:

Apples

- The total area covered by apple trees continues to grow, increasing by 6.4 per cent since October 2009 to nearly 14.5 thousand hectares. Cider apples continue to make up the largest area covering nearly half of the apple orchard area at 7.2 thousand hectares.

Pears

- Since 2009 the total area for pears has shown a decline of 9.0 per cent to 1.5 thousand hectares. Conference pears continue to be the most popular variety covering 1.2 thousand hectares.

Plums

- The total area of plum trees has fallen by 3.2 per cent to 0.8 thousand hectares. The most popular variety is still Victoria plum covering 0.4 thousand hectares.

Other fruit

- The area covered by other orchard fruit continues to increase, rising by 22 per cent since 2009 to 0.8 thousand hectares. Cherries make up the majority of this area at 0.6 thousand hectares.

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2.1.10. Agriculture in the United Kingdom, 2012

This annual publication, [published](#) on 30 May, provides an overview of agriculture in the UK. It contains an extensive range of data including farm incomes, land use, livestock numbers, prices, production of key commodities (e.g. wheat, milk, vegetables), overseas trade, organic farming and the environment. The information is used widely by government, industry, researchers and other stakeholders to support policy monitoring and development.

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3. Environment, Health and Welfare

3.1 Environment

3.1.1 Greenhouse gas mitigation practices - England

Results from the February 2013 Farm Practices Survey, and the 2011/2012 Farm Business Survey, which focused on practices relating to greenhouse gas mitigation, were [published](#) on the 30 May.

The following areas are covered in more detail in the full statistical release:

Nutrient management

- In 2013, 57 per cent of holdings had a nutrient management plan (NMP), these holdings accounted for 73 per cent of the farmed area covered by this survey. About 43 per cent of farms with a NMP reported a financial benefit, while 30 per cent report an environmental benefit.

Anaerobic digestion

- The majority of farms do not currently process slurries, crops or other feedstocks by anaerobic digestion with less than 2 per cent doing so in 2013.

Emissions

- Almost two thirds (62 per cent) of farmers reported that they were currently taking action to reduce greenhouse gas emissions from their farm. The most common motivation for taking any action was that it was considered to be good business practice to do so.

Fertiliser, manure and slurry spreaders

- Just over three quarters (76 per cent) of farmers spread manure or slurry on their grassland or arable land in 2013.

Manure and slurry storage

- Approximately 14 per cent of livestock farmers plan to enlarge, upgrade or reconstruct their manure or slurry storage facilities and of these 89 per cent plan to make the changes within the next 5 years.

Farm health planning and biosecurity

- Almost three quarters (72 per cent) of livestock farmers had a Farm Health Plan in 2013 and of these 79 per cent use their plan either routinely or when possible during the year to inform disease management decisions.

Grassland

- In 2013, 79 per cent of livestock holdings had sown some or all of their temporary grassland with a clover mix and 63 per cent had sown their temporary grassland with high sugar grasses. These proportions are almost unchanged since 2011 and 2012.

Cattle and sheep feeding regimes and breeding practices

- Around three quarters (73 per cent) of livestock holdings used a ration formulation programme or nutritional advice in 2013. Almost a quarter (23 per cent) of holdings breeding dairy cows always used bulls with a high Profitable Lifetime Index (PLI)

Climate change mitigation and adaptation

- Overall, 64 per cent of farm businesses were undertaking at least one of the listed practices to adapt to climate change. The most common practice was soil management, by 43 per cent of farm businesses.

A second FPS will run in the autumn of 2013 and will collect data covering water related topics.

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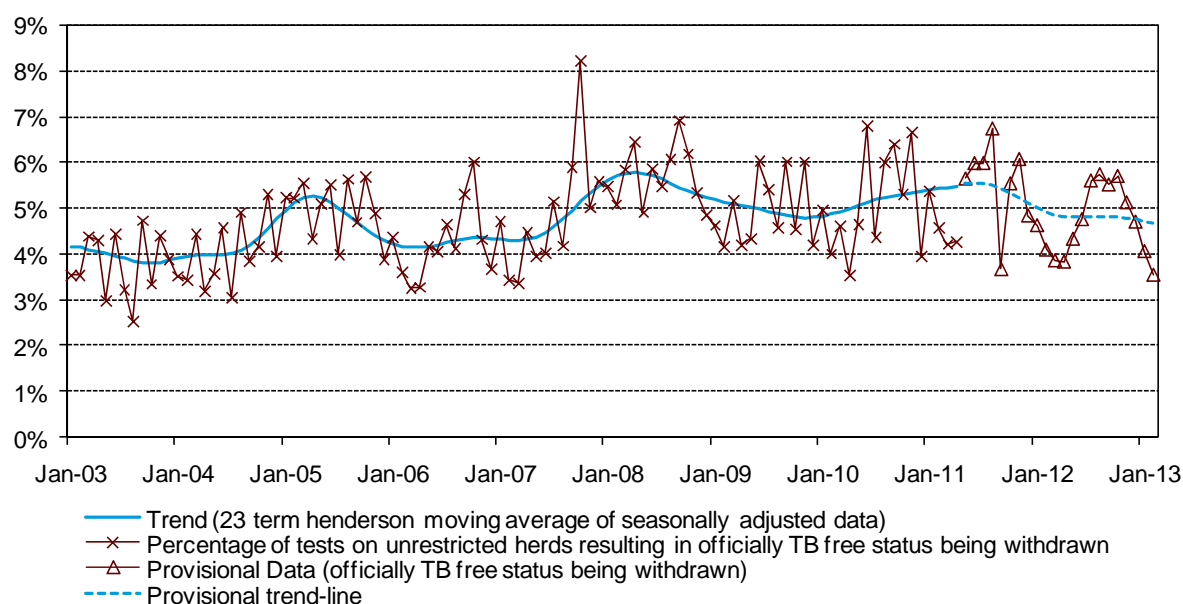
3.2 Health and Welfare

3.2.1 TB Statistics February 2013 - Great Britain

The provisional February 2013 ([published on 15 May](#)) incidence rate is 3.6 per cent, compared to 4.1 per cent in February 2012. However, care needs to be taken not to read too much into short term figures, especially as this figure includes a number of unclassified incidents. As such, the incidence rates are subject to further revisions as more tests and their results for the period are input.

The number of new herd incidents during the period January to February 2013 was 911 compared to 945 for January to February 2012. The number of tests on officially TB free herds was 14,895 during January to February 2012, compared to 14,701 during January to February 2012. The number of cattle compulsorily slaughtered as reactors or direct contacts was 6,307 during January to February 2013, compared to 6,349 during January to February 2012.

Figure 1: Number of officially TB free status being withdrawn breakdowns, as a percentage of tests on officially TB free herds (from 2003)



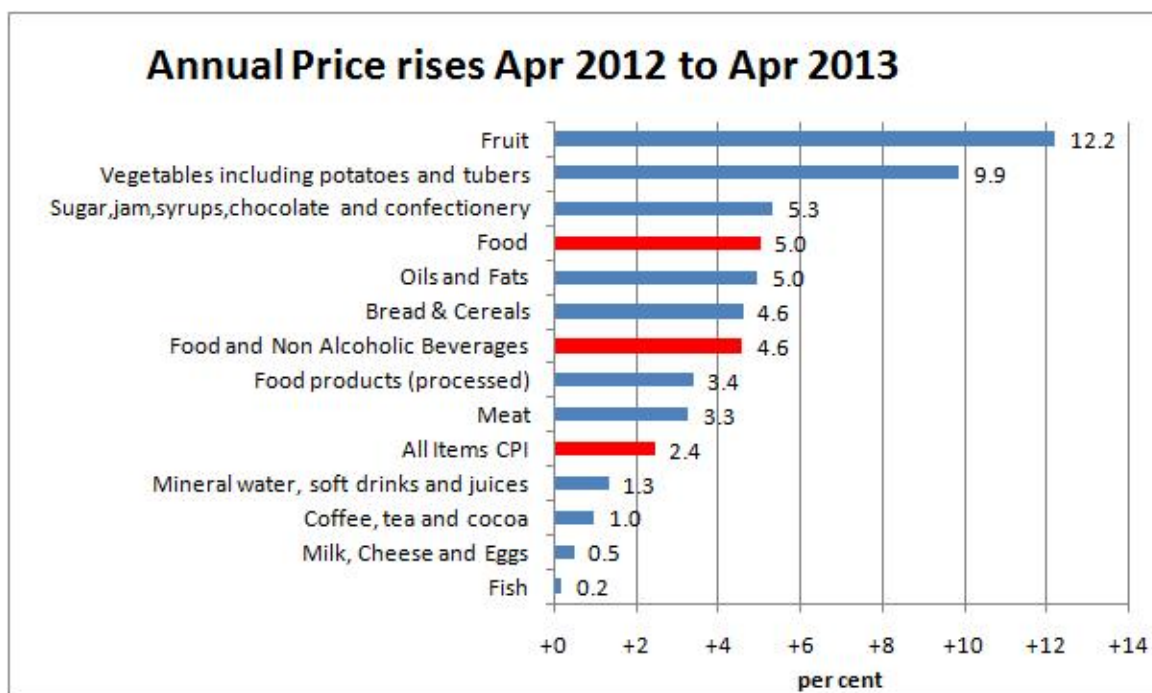
Contact: Animal and Plant Health Evidence and Analysis (APHEA), tbstatistics@defra.gsi.gov.uk

4. Food

This section highlights current trends in food price inflation and drivers of future price changes together with the latest trade figures for food and drink.

4.1. Food inflation: consumer and retail prices

Food inflation rose to 4.6 per cent in April and is now well above general inflation which has fallen to 2.4 per cent.



Further detailed analysis of individual food groups:

Fruit

- Small upward effect, due to grapes where prices overall rose this year, but fell a year ago. This was partly offset by bananas, which had a small downward effect, as prices overall fell this year, but rose a year ago.

Vegetables, including potatoes

- Large upward effect, due to cauliflowers and premium potato crisps. Cauliflower prices overall rose this year but fell a year ago. Cold weather has halted growth in March. Currently there is a big gap in supply and French cauliflower is being imported as UK crop planned for April is delayed. Canned tomatoes provided a small downward effect, as prices overall fell this year, but rose a year ago.

Sugar, jams, syrups etc.

- Small upward effect. Prices overall rose this year by more than a year ago, with the main upward contributions coming from cartons/boxes of chocolates and bags of chocolate sweets.

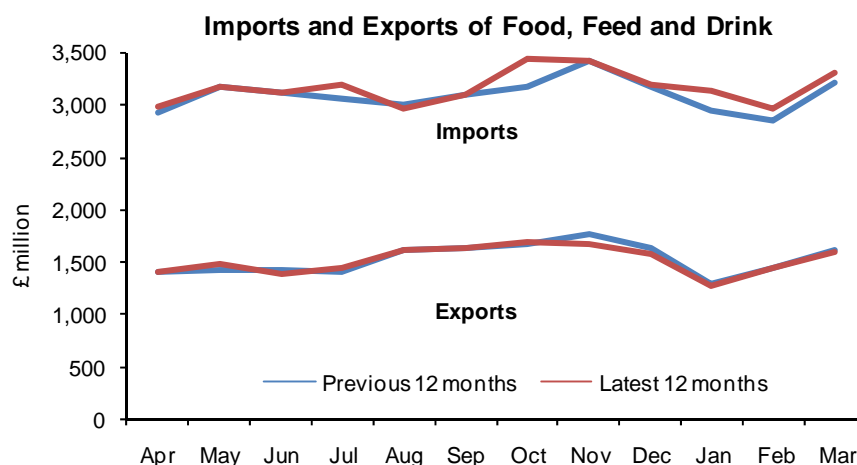
Contact: Julie Rumsey, Farming Statistics (Accounts and Prices), Julie.Rumsey@defra.gsi.gov.uk

4.2. International Trade in Food and Drink

This section shows the latest available trade figures (to March 2013).

In March:

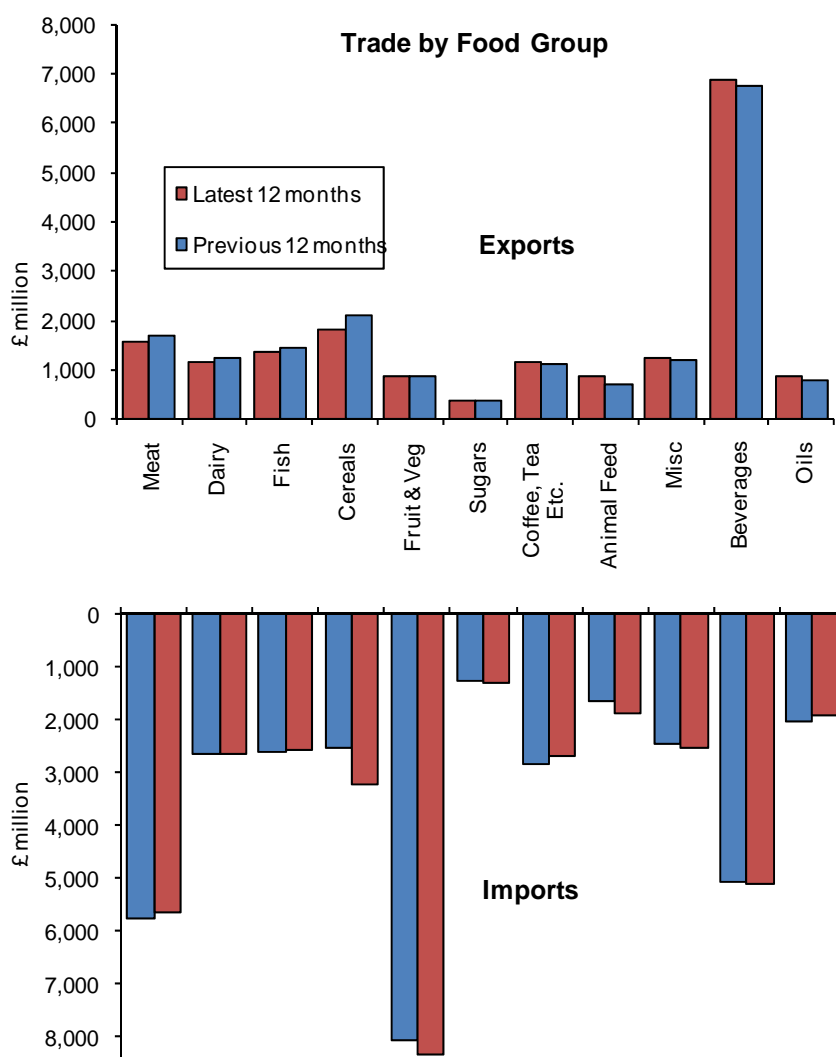
- the value of exports was £1.6 billion, 1.5 per cent lower than in March 2012;
- the value of imports was £3.3 billion, 3.2 per cent higher than the previous March;
- this resulted in a crude trade gap of minus £1.7 billion, 7.9 per cent wider than in March 2012.



The following chart shows annual trade by food group for the periods April 2011 – March 2012 and April 2012 – March 2013.

The key points on the change between these periods are as follows:

- imports of **dairy products and eggs** rose by £11m (0.4 per cent), while exports fell by £86m (-6.9 per cent)
- imports of **cereals and cereal preparations** rose by £666m (26.0 per cent), while exports fell by £251m (-12.1 per cent)
- imports of **fruit and vegetables** rose by £269m (3.3 per cent), while exports fell by £10m (-1.2 per cent)
- imports of **beverages** rose by £23m (0.4 per cent) while exports rose by £133m (2.0 per cent)
- imports of **oils and fats** fell by £111m (-5.4 per cent) while exports rose by £64m (8.2 per cent)



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