Agriculture in the United Kingdom 1993

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Preface

1. This is the first issue of *Agriculture in the United Kingdom* since the enactment of the Agriculture Act 1993. Ministers are no longer required to conduct an annual review of agriculture but, under the Act, they are required to publish an annual report on such matters relevant to price support for agricultural produce as they consider relevant and to cover in the report developments in agricultural policy, including policy on agriculture and the environment. *Agriculture in the United Kingdom 1993* fulfils this remit. The Government will draw on this information when considering policy issues, including proposals by the European Commission in respect of the Common Agricultural Policy and the provision of agricultural support in 1994/95.

Statistical tables - general note

2. The tables in this edition are similar to those in *Agriculture in the United Kingdom 1992*, although some of the figures now given for past years may differ from those published in the preceding issues. This is because of the use of later information, changes in the scope and nature of the available data and improvements in statistical methods. A guide to the content and structure of the commodity tables is provided in the introduction to Section 5.

3. Most of the data are on a calendar year basis. The figures for 1993 are provisional; they reflect the position as seen in January 1994 when information for 1993 was still incomplete and an element of forecasting was therefore required. The figures in the tables in Sections 8 and 9 relate to years ending (on average) in mid-February and at the end of March, respectively.

4. The following points apply throughout:

(i) all figures relate to the United Kingdom, unless otherwise stated;

(ii) the figures for imports and exports include those from intervention stocks and the figures for exports include re-exports. The figures for trade with the eleven other member states of the European Community and with the rest of the world reflect country of consignment for imports and country of reported final destination for exports. The source of Overseas Trade Statistics is HM Customs and Excise;

(iii) where the units are common or predominant, they are indicated at the top of the table. Otherwise they are shown in the body of the table;

(iv) in some cases figures may not add to the corresponding totals because of rounding;

(v) symbols:

- \- means 'nil' or 'negligible' (less than half the last digit shown)
- .. means 'not available' or 'not applicable'.

1 Summary of the year

Summary of the year

1. 1993 saw a marked improvement in farm incomes for the second year in succession; total income from farming is provisionally estimated to have risen by 39 per cent in real terms. The increase in 1993 was due largely to two factors: higher producers' returns, resulting from the fall in the value of sterling and the consequent devaluation of the green pound, together with a substantial fall in interest payments. Within total returns to producers, the switch from market support to direct payments resulted in increased subsidy payments but the overall effects on total income from farming of the change in method of support were broadly neutral.

2. The most significant development in the European Community, and beyond, was the completion of the GATT Uruguay Round negotiations in December. In the Community itself Member States took the necessary steps to implement the 1992 agreement on CAP reform. Over the year the rules on set-aside under the new arable regime were significantly altered and extended, and in December agreement was reached on the measures needed to implement the EC/US agreement on oilseeds. In the annual price fixing negotiations most support prices were again unchanged.

3. In the UK the reformed regimes, together with the Integrated Administration and Control System (IACS), were successfully implemented and substantial progress was made in allocating quotas to individual producers for the Ewe Premium and Suckler Cow Premium. The Agriculture Act 1993, which received Royal Assent in July, provided for the ending of the milk and potato marketing schemes in Great Britain and terminated the United Kingdom wool and Great Britain potato guarantees, as well as containing a number of other provisions. Ministers are currently considering a scheme of reorganisation submitted to them by each of the Milk Marketing Boards in the United Kingdom.

4. There were a number of significant developments in environmental policy in the UK during the year, the most important being the submission to the European Commission of the UK plans for implementing the Agri-environment Regulation. These include plans to expand the successful Environmentally Sensitive Areas and Nitrate Sensitive Areas programmes and to introduce new measures to: protect heather and other shrubby moorland; promote and create the improvement of valuable wildlife habitats; encourage organic production and increase opportunities for public access to set-aside land and ESAs. Considerable progress was also made in attaching environmental conditions to CAP support schemes. Advice to farmers on conservation and

pollution matters continued to attract support and a new Code of Good Agricultural Practice for the Protection of Soil was published in England and Wales. Regulations were also introduced to ban, with limited exemptions, the burning of crop residues in England and Wales.

5. Weather conditions during the year were mixed. The autumn of 1992 was unsettled and wet in many parts of the country. This hampered progress with the cereals harvest, particularly in the north. The potato and sugar beet harvests were also difficult and autumn fieldwork was disrupted for the second year running. In December there were heavy snowfalls in parts of Scotland and January brought extremely unsettled conditions with gales in many areas and more snowfalls in Northern Ireland and Scotland. Early spring was generally more settled and drier, enabling farmers to make an early start to spring fieldwork. Bouts of wet and unsettled weather were frequent from April onwards, continuing throughout the late spring and early summer. This produced plentiful supplies of grass for grazing and conservation in many areas, although wet conditions led to some reduction in forage quality. Unsettled and wet weather continued until the second half of August when it became cooler but drier in most parts of the country. Wet weather returned in early September and it predominated in many areas throughout the remainder of September and into October. This hampered progress with the harvest and autumn fieldwork for the second year running.

6. The provisional estimates of the output, productivity and income of UK agriculture in 1993 show the following changes compared with 1992:

- the area sown to cereals fell following the introduction of new set-aside requirements. However the effect of this was more than offset by generally higher returns to producers, resulting in a 9 per cent rise in the value of output;

- similarly, the area sown to oilseed rape fell, but the value of output rose by 23 per cent as a result of higher returns to producers;

- the yield of sugar beet fell back from the high level of 1992 to a more normal level, resulting in a 13 per cent fall in the value of output;

- although the volume of output of potatoes increased, a fall in maincrop prices led to a 6 per cent fall in the value of output;

- the value of output of the horticulture sector rose by 4 per cent, with small rises in both price and quantity;

- a fall in the volume of beef produced during the year was more than offset by higher returns to producers increasing the value of output by 14 per cent;

- similarly, the value of output of sheepmeat rose by 21 per cent as a result of higher returns to producers;

- the average producer price of pigs fell back to the low level of 1991, leading to a 9 per cent fall in the value of output;

- the value of output of poultry increased by 7 per cent as a result of higher prices;

- the value of output of eggs increased by 8 per cent, also as a result of higher prices;

- higher milk prices during the year increased the value of output by 8 per cent;

- overall, the volume of the industry's gross outputs fell by just over 2 per cent, while the volume of its inputs remained unchanged. Taking into account changes in all its inputs, including labour and fixed capital, the industry's productivity fell by 2 per cent;

- output prices rose by 11 per cent, whilst input prices rose by 3 per cent. The industry's gross product at current prices showed a 13 per cent rise;

- the annual average level of interest rates paid by farmers is at the lowest level for over twenty years. Over the last year, the industry's net interest payments have fallen by nearly £240 million;

- with very little change in the aggregate volume of labour input, the total cost of hired labour rose by just over 2 per cent;

- total income from farming, representing the income from agriculture of farmers, partners, directors, spouses and family workers, is provisionally estimated to have risen by 41 per cent at current prices, (39 per cent in real terms). The provisional figure for farming income, which covers only farmers and their spouses, shows a rise of 62 per cent, (59 per cent in real terms);

- the two corresponding measures of cash flow are provisionally estimated to have risen by 28 per cent, and 40 per cent in real terms;

- incomes on dairy and livestock farms have shown considerable improvement over recent years and are expected to increase further in 1993/94. After an improvement in 1992/93, the incomes of cereal and general cropping farms are expected to decline partly as a result of the set-aside requirements. The past year has been difficult for pig producers with low pig prices and increases in feed costs.

Agriculture and food in the national economy *(Table 1.1)*

7. These developments are described in more detail in the following sections. Table 1.1 provides a very broad picture of agriculture and food in the national economy.

TABLE 1.1 Agriculture and food in the national economy

Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993
Agriculture's contribution to Gross Domestic Product (a)						
at current prices (£ million)	5,244	6,096	6,436	6,326	6,699	7,599
at constant 1990 prices (£ million)	5,911	6,132	6,436	6,578	6,887	6,554
% of national GDP (current prices)	2.0	1.4	1.3	1.3	1.3	1.4
Workforce in agriculture						
('000 persons)	624	567	565	551	548	547
% of total workforce in employment	2.6	2.1	2.1	2.1	2.2	2.2
Gross fixed capital formation in agriculture						
at current prices (£ million)	1,306	1,125	1,136	1,009	1,001	..
at constant 1990 prices (£ million)	1,834	1,188	1,136	992	1,003	..
% of national GFCF (current prices)	2.6	1.1	1.1	1.0	1.0	..
						(Jan - Nov)
Imports of food, feed and drink						
(£ million)(b)(c)	8,133	11,420	12,288	12,262	13,404	12,682
of which: food, feed and						
non alcoholic drinks	7,550	10,195	10,851	10,871	11,935	11,278
alcoholic drinks	583	1,225	1,437	1,391	1,472	1,404
Volume index (1990=100)	79.6	96.7	100.0	99.8	108.0	101.2
Unit value (price) index (1990=100)	80.7	96.1	100.0	100.5	98.8	111.0
% of total UK imports	12.2	9.4	9.8	10.3	10.7	11.0
						(Jan - Nov)
Exports of food, feed and drink						
(£ million)(b)(c)	3,795	5,886	6,352	6,828	7,527	7,225
of which: food, feed and						
non alcoholic drinks	2,725	4,118	4,287	4,627	5,133	4,956
alcoholic drinks	1,070	1,768	2,065	2,200	2,383	2,269
Volume index (1990=100)	71.4	100.1	100.0	103.1	109.4	103.5
Unit value (price) index (1990=100)	77.3	92.4	100.0	105.6	110.0	124.3
% of total UK exports	6.1	6.3	6.1	6.5	6.9	6.5
UK self-sufficiency in food and feed as a % of:						
all food and feed	62.2	58.5	56.5	57.9	56.4	58.0
indigenous type food and feed	79.2	75.5	72.1	73.7	71.6	73.4
						(forecast)
Consumers' expenditure on household food and						
alcoholic drinks at current prices (£ million) (d)	41,138	58,981	63,510	67,677	69,876	72,200
of which: household food	27,942	39,173	41,816	44,048	45,264	46,000
alcoholic drinks	13,196	19,808	21,694	23,629	24,612	26,200
at constant 1990 prices (£ million) (d)	58,074	64,037	63,510	62,971	63,089	63,800
of which: household food	38,150	42,281	41,816	41,870	42,380	42,700
alcoholic drinks	19,924	21,756	21,694	21,101	20,709	21,100
% of total consumers' expenditure	22.3	18.0	18.3	18.5	18.3	17.8
of which: household food	15.1	12.0	12.0	12.1	11.8	11.4
alcoholic drinks	7.1	6.1	6.2	6.5	6.4	6.5
Retail price indices (January 1987=100)						
food	87.9	110.5	119.4	125.6	128.3	130.6
alcoholic drinks	82.9	112.9	123.8	139.2	148.1	154.7
all items	85.1	115.2	126.1	133.5	138.5	140.7

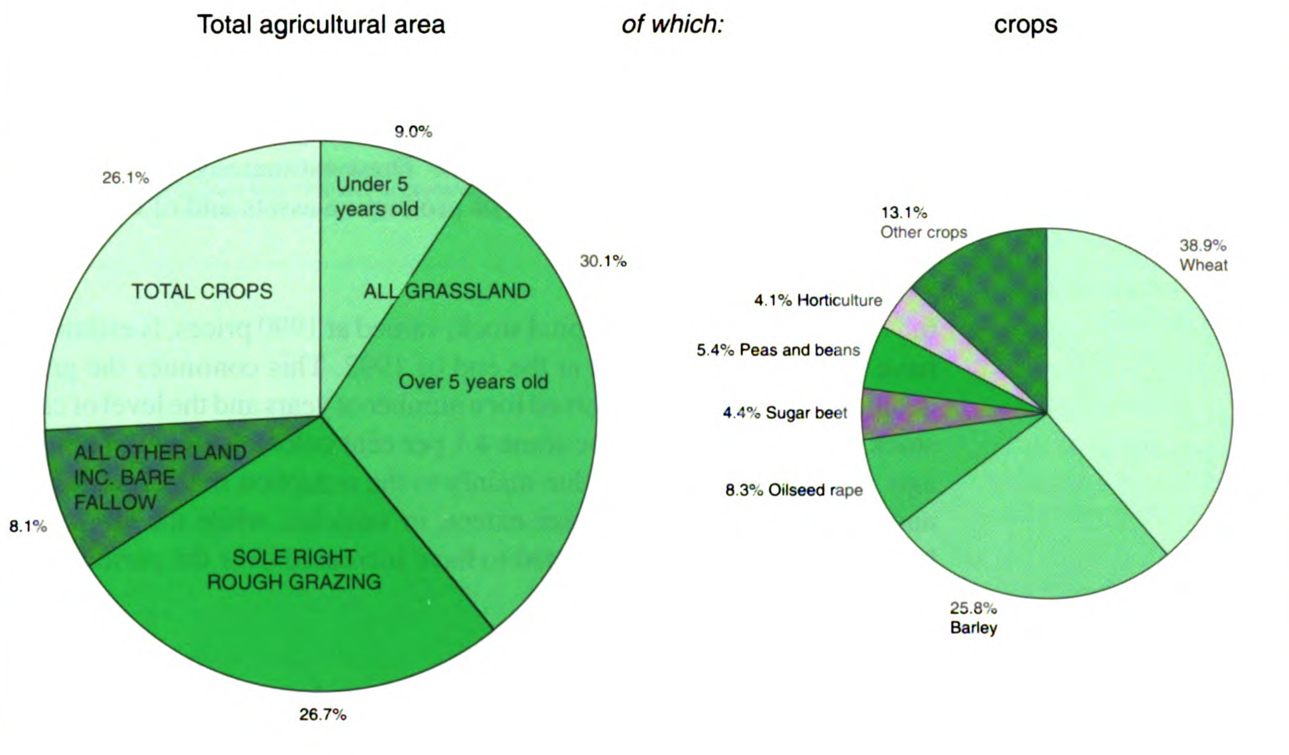
(a) Agriculture is here defined as in the national accounts, that is net of gross rent and the produce of gardens and allotments.
(b) This aggregate covers SITC divisions 01-09, 11, 22 and section 4.
(c) The figures for 1993 are based on INTRASTAT data which is provisional and subject to revision.
(d) Data on meals out are no longer available.

2 The structure of the industry

Introduction

1. The tables in this section portray the size and structure of the UK agricultural industry in 1993 and earlier years. Together they provide information on land use and livestock numbers in UK agriculture, on the distribution of these between holdings, on the industry's labour force and on its stock of fixed capital.

CHART 2.1 Agricultural land use: 1993



Crop areas and livestock numbers
(Tables 2.1 and 2.2)

2. At June 1993 the total area of agricultural land was 18.5 million hectares, some 77 per cent of the total land area in the UK. Details of the use of this land and of the main changes over the last decade are provided in Tables 2.1 and 2.2. Between 1992 and 1993, the area of arable land showed a decline of 7 per cent; there were decreases in the areas of all types of cereals. The area of peas for harvesting dry and field beans increased again and by a greater amount than between 1991 and 1992. Linseed continued to grow but by a smaller amount than in previous years. The main trends in the livestock section of Table 2.2 are the decline of the dairy herd since 1983 and the steady increase in the beef breeding herd which started in 1987. The pattern of the

use of land on agricultural holdings in 1993 is shown in Chart 2.1 and the changes in crop areas and livestock numbers, relative to 1992, in Chart 2.2.

Sizes of holdings and enterprises
(Tables 2.3 and 2.4)

3. Tables 2.3 and 2.4 give an insight into the structure of UK agriculture at June 1993. Table 2.3 shows that 5,700 holdings with 200 or more ESUs, which comprise less than 2.5 per cent of main holdings, accounted for 24.2 per cent of total agricultural activity. Size distributions of main holdings according to their crop areas and livestock numbers are presented in Table 2.4. These tables exclude minor holdings which are very small in terms of their area and activity.

Labour *(Table 2.5)*

4. Table 2.5 records the number of persons engaged in UK agriculture at June of each year. The total labour force increased slightly between 1992 and 1993. The number of regular whole-time male workers has continued to decline, while the numbers of all other workers has been fairly stable over the last five years. The overall number of farmers, partners and directors has for a second year shown a small increase as a result of a rise, within this total, in the number working part time.

Fixed capital stock
(Table 2.6)

5. Table 2.6 provides information on the stock of fixed capital (excluding land) available to the agricultural industry. The figures are at constant 1990 prices before allowing for depreciation. These estimates give an indication of the size of the industry's stock of productive assets and of how this has changed over the years.

6. Agriculture's fixed capital stock, valued at 1990 prices, is estimated to have been £30,830 million at the end of 1992. This continues the gradual decline which has been observed for a number of years and the level of capital stock is now estimated to be some 4.1 per cent below the level of ten years ago. The decline has been due mainly to the reduction in the level of plant and machinery and, to a lesser extent, in vehicles, while the stock of the buildings and works is estimated to have increased over the period.

TABLE 2.1 Agricultural land use

The data in this table cover all holdings (including minor holdings) in England and Wales but exclude minor holdings in Scotland throughout and in Northern Ireland prior to 1992.

'000 hectares — At June of each year

	Average of 1982-84	1989	1990	1991	1992	1993
Total agricultural area (total area on agricultural holdings) plus common rough grazing	18,746	18,581	18,549	18,479	18,511	18,530
This comprises:						
Crops	5,085	5,137	5,013	4,955	4,981	4,519
Bare fallow	65	65	64	64	53	47
Total tillage	5,149	5,203	5,077	5,019	5,033	4,566
All grass under five years old	1,833	1,535	1,580	1,583	1,562	1,561
Total arable land	6,982	6,738	6,657	6,603	6,595	6,127
All grass five years old and over (excluding rough grazing)	5,103	5,249	5,263	5,252	5,213	5,209
Total tillage and grass (a)	12,085	11,986	11,921	11,855	11,808	11,335
Sole right rough grazing	4,935	4,736	4,713	4,679	4,680	4,611
All other land on agricultural holdings including woodland (b)	513	623	680	712	792	1,355
Total area on agricultural holdings	17,533	17,345	17,313	17,246	17,281	17,301
Common rough grazing (estimated)	1,213	1,236	1,236	1,233	1,230	1,229

(a) Includes bare fallow.
(b) In Great Britain other land comprises farm roads, yards, buildings (excluding glasshouses), ponds and derelict land. Land in Set-aside schemes is included in this category for England from 1990 and for Scotland and Wales from 1992. In Northern Ireland other land includes land under bog, water, roads buildings etc. and wasteland not used for agriculture. Land in set-aside schemes is included in this category for Northern Ireland in 1993 only.

TABLE 2.2 Crop areas and livestock numbers

The data in this table cover all holdings (including minor holdings) in England and Wales but exclude minor holdings in Scotland throughout and in Northern Ireland prior to 1992 (a)

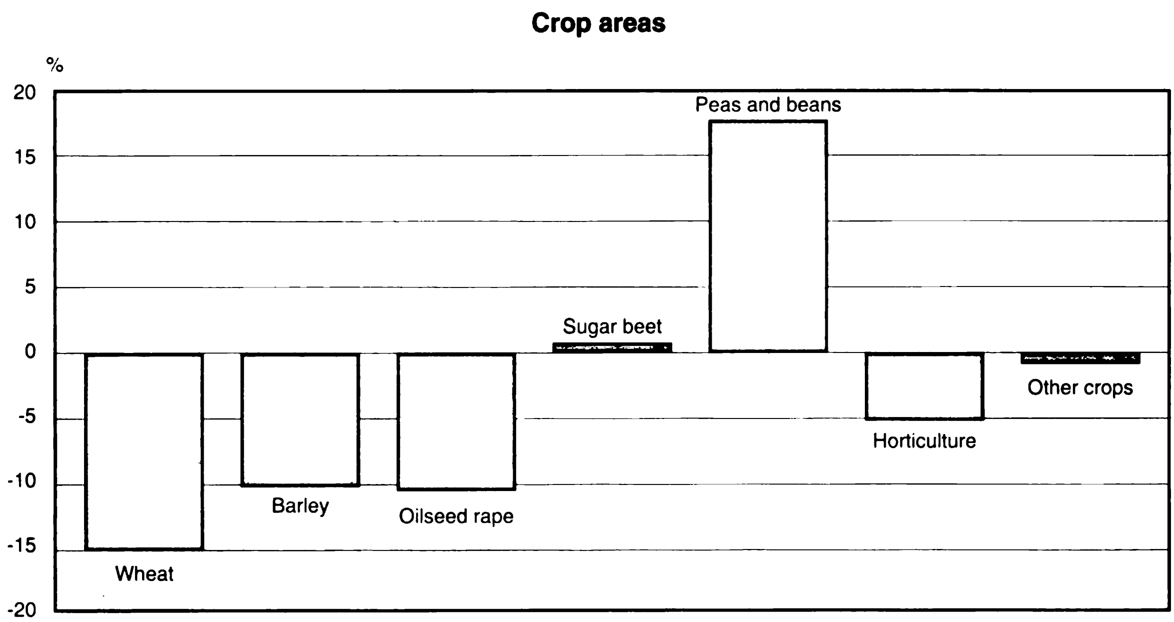
At June of each year

	Average of 1982-84	1989	1990	1991	1992	1993
Crop areas ('000 hectares)						
Total	5,085	5,137	5,013	4,955	4,981	4,519
This comprises:						
Total cereals	4,009	3,873	3,657	3,500	3,487	3,031
of which: wheat	1,766	2,083	2,013	1,980	2,067	1,759
barley	2,114	1,652	1,516	1,393	1,297	1,164
oats	114	118	107	103	100	92
rye and mixed corn	15	12	12	12	12	9
triticale	..	8	9	11	11	7
Other arable crops (excluding potatoes)	653	882	971	1,076	1,117	1,130
of which: oilseed rape	222	321	390	440	421	377
sugar beet not for stockfeeding	201	197	194	196	197	197
hops	6	4	4	4	4	3
peas for harvesting dry and field beans	..	215	216	203	208	244
linseed (b)	..	17	34	92	144	150
other crops	161	128	133	142	143	159
Potatoes	195	174	177	176	180	170
Horticulture	228	208	208	204	197	187
of which: vegetables grown in the open	155	141	142	139	135	126
orchard fruit	41	36	34	34	33	32
soft fruit	17	15	15	15	14	13
ornamentals (c)	12	14	14	14	14	14
glasshouse crops	2	2	2	2	2	2
Livestock numbers ('000 head)						
Total cattle and calves	13,249	11,975	12,059	11,866	11,804	11,751
of which: dairy cows	3,288	2,865	2,847	2,770	2,682	2,667
beef cows	1,366	1,495	1,599	1,666	1,699	1,751
heifers in calf	836	793	757	733	762	797
Total sheep and lambs	33,980	42,988	43,799	43,621	43,998	43,901
of which: ewes and shearlings	16,188	20,039	20,411	20,326	20,385	20,563
lambs under one year old	16,579	21,564	22,023	21,942	22,341	22,132
Total pigs	7,962	7,509	7,449	7,596	7,609	7,756
of which: sows in pig and other sows for breeding	728	660	660	678	672	687
gilts in pig	112	97	109	107	108	115
Total fowls	120,930	120,351	124,615	127,228	124,013	130,175
of which: table fowls including broilers	59,434	70,176	73,588	75,701	73,353	79,504
laying fowls	42,164	33,957	33,468	33,273	33,206	32,824
growing pullets	13,043	9,414	10,452	11,016	10,764	10,653

(a) For this and other reasons, the crop area figures shown in this table may differ slightly from those shown in Section 5 which, in principle, cover all holdings as they are directly linked to the valuation of output.
(b) England and Wales only prior to 1992.
(c) Hardy nursery stock, bulbs and flowers.

CHART 2.2 Changes in crop areas and livestock numbers

Percentage change from 1992 to 1993



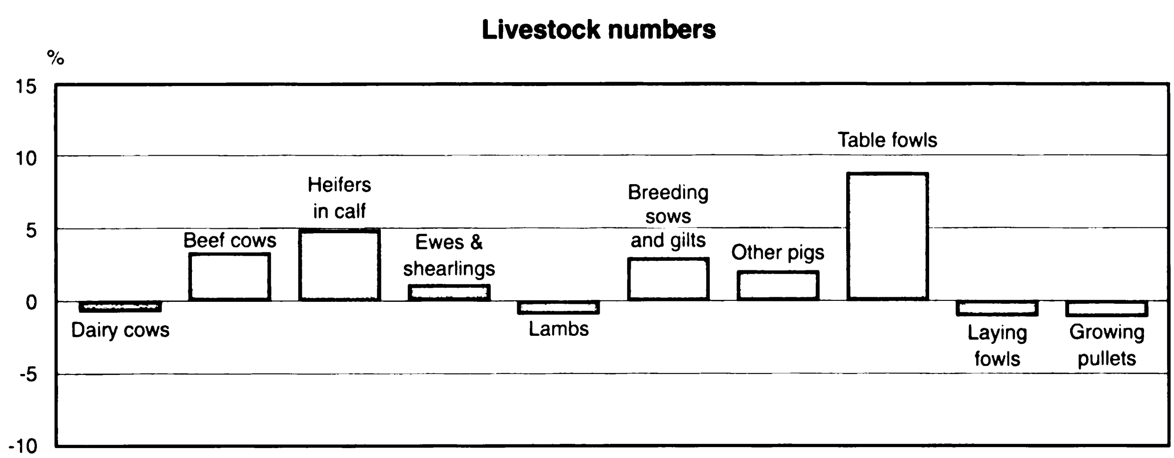


TABLE 2.3 Numbers and sizes of holdings

The data in this table exclude minor holdings

At June of each year

		1988		1993	
		Number of holdings ('000)	Percent of total ESU	Number of holdings ('000)	Percent of total ESU
Size of holding (ESU) (a)	under 8.0 ESU	108.9	2.9	106.8	2.8
(European size units (ESUs) measure the financial potential of the holding in terms of the margins which might be expected from crops and stock. The margins used are gross margins standardised at average 1987-89 values. The threshold of 8 ESU is judged to be the minimum for full-time holdings).	8.0 to under 40.0 ESU	75.0	18.4	72.2	17.1
	40.0 to under 100.0 ESU	43.6	32.2	43.9	31.9
	100.0 to under 200.0 ESU	14.4	22.8	15.6	24.1
	200.0 ESU and over	5.5	23.6	5.7	24.2
	Total	247.3	100.0	244.2	100.0
	Holdings 8 ESU and over:				
	Average size :ESUs	..	59.8	..	62.0
	:total area (hectares)	..	106.9	..	108.5

		1988		1993	
		Number of holdings ('000)	Hectares ('000)	Number of holdings ('000)	Hectares ('000)
Total area on holdings (a)	0.1 to under 20 hectares	102.9	827	101.9	837
	20.0 to under 50 hectares	61.5	2,031	59.5	1,967
	50.0 to under 100 hectares	42.6	3,019	42.4	3,006
	100.0 hectares and over	40.3	11,373	40.4	11,335
	Total	247.3	17,251	244.2	17,145
	Average total area per holding (hectares)	..	69.7	..	70.2
	% of total area on holdings with 100 hectares and over	..	65.9	..	66.1

		1988		1993	
		Number of holdings ('000)	Hectares ('000)	Number of holdings ('000)	Hectares ('000)
Tillage and grass area (a)(b)(c)	0.1 to under 20 hectares	101.9	816	100.8	819
	20.0 to under 50 hectares	61.4	2,022	59.9	1,976
	50.0 to under 100 hectares	41.0	2,894	41.0	2,891
	100.0 hectares and over	31.4	6,232	29.6	5,628
	Total	235.7	11,964	231.4	11,314
	Average crops and grass area per holding (hectares)	..	50.8	..	48.9
	% of total crops and grass area on holdings with 100 hectares and over	..	52.1	..	49.7

(a) Land in Great Britain let out under short term lets is attributed to the lessor, but land so let out in Northern Ireland (under the conacre system) is now attributed to the lessee. This difference, which applies to both the 1988 and 1993 figures in the table, affects both the number of holdings and their average size.

(b) The numbers of holdings shown in this part of the table are lower than those presented in the "total area" part of the table because holdings without crops and grass are excluded.

(c) The areas shown in this part of the table exclude set-aside land.

TABLE 2.4 Numbers and sizes of enterprises

The data in this table exclude minor holdings

At June of each year

		1988		1993	
		Number of holdings ('000)	Hectares ('000)	Number of holdings ('000)	Hectares ('000)
Cereals (excluding maize) (a)	0.1 to under 20 hectares	43.4	338	37.4	317
	20.0 to under 50 hectares	20.9	679	19.6	635
	50.0 hectares and over	23.7	2,876	18.6	2,075
	Total	88.0	3,893	75.5	3,026
	Average area (hectares)	..	44.2	..	40.1
	% of total cereals area on holdings with 50 hectares and over	..	73.9	..	68.6
Oilseed rape	0.1 to under 20 hectares	8.6	94	8.6	95
	20.0 to under 50 hectares	4.9	146	5.1	157
	50.0 hectares and over	1.3	106	1.5	124
	Total	14.8	347	15.3	376
	Average area (hectares)	..	23.4	..	24.6
	% of total oilseed rape area on holdings with 50 hectares and over	..	30.7	..	32.9
Sugar beet (England and Wales only)	0.1 to under 10 hectares	5.1	27	4.3	23
	10.0 to under 20 hectares	2.8	39	2.7	38
	20.0 hectares and over	3.1	134	3.1	136
	Total	11.0	200	10.0	197
	Average area (hectares)	..	18.2	..	19.6
	% of total sugar beet area on holdings with 20 hectares and over	..	67.2	..	68.8
Potatoes	0.1 to under 10 hectares	27.4	63	17.0	45
	10.0 to under 20 hectares	3.1	42	2.9	40
	20.0 hectares and over	2.1	74	2.2	82
	Total	32.5	179	22.1	168
	Average area (hectares)	..	5.5	..	7.6
	% of total potato area on holdings with 20 hectares and over	..	41.4	..	49.0

(a) Includes triticale for Scotland alone in 1988.

TABLE 2.4 Numbers and sizes of enterprises (continued)

The data in this table exclude minor holdings

At June of each year

		1988		1993	
		Number of holdings ('000)	Number of livestock ('000)	Number of holdings ('000)	Number of livestock ('000)
Dairy cows	1 to 49 dairy cows	24.0	614	19.4	511
	50 to 99	16.3	1,143	14.3	1,016
	100 and over	7.8	1,152	7.7	1,139
	Total	48.0	2,909	41.5	2,665
	Average size of herd	..	60	..	64
	% of total dairy cows in herds of 100 and over	..	39.6	..	42.7
Beef cows	1 to 19 beef cows	50.1	326	45.5	336
	20 to 49	14.2	437	18.0	557
	50 and over	6.9	599	9.5	841
	Total	71.2	1,362	73.0	1,734
	Average size of herd	..	19	..	24
	% of total cows in herds of 50 and over	..	44.0	..	48.5
Sheep breeding flock	1 to 99 breeding sheep	43.9	1,786	41.9	1,716
	100 to 499	36.1	8,228	37.0	8,559
	500 and over	9.8	8, 964	11.1	10,133
	Total	89.8	18,978	90.0	20,408
	Average size of flock	..	211	..	227
	% of total breeding sheep in flocks of 500 and over	..	47.2	..	49.7
Pig breeding herd	1 to 49 breeding pigs	10.8	115	8.3	83
	50 to 99	1.6	112	1.1	83
	100 and over	2.3	572	2.3	633
	Total	14.7	799	11.8	799
	Average size of herd	..	54	..	68
	% of total breeding pigs in herds of 100 and over	..	71.6	..	79.3
Fattening pigs (Fattening pigs of over 20kg liveweight excluding barren sows except in Northern Ireland)	1 to 199 fattening pigs	10.1	450	7.4	308
	200 to 999	3.5	1,650	3.1	1,538
	1,000 and over	1.2	2,723	1.3	2,858
	Total	14.8	4,823	11.8	4,704
	Average size of herd	..	326	..	398
	% of total fattening pigs in herds of 1,000 and over	..	56.5	..	60.8

TABLE 2.4 Numbers and sizes of enterprises (continued)

The data in this table exclude minor holdings

At June of each year

		1988		1993	
		Number of holdings ('000)	Number of livestock ('000)	Number of holdings ('000)	Number of livestock ('000)
Broilers (Includes small numbers of other table fowl in Scotland and Northern Ireland)	1 to 9,999 broilers	1.1	1,360	1.6	1,279
	10,000 to 99,999	0.9	32,752	0.8	32,089
	100,000 and over	0.2	40,851	0.2	46,397
	Total	2.2	74,964	2.6	79,766
	Average size of flock	..	33,966	..	30,468
	% of total broilers in flocks of 100,000 and over	..	54.5	..	58.2
Laying fowls	1 to 4,999 laying fowls	41.0	4,013	30.5	2,725
	5,000 to 19,999	0.7	7,120	0.6	5,991
	20,000 and over	0.4	26,018	0.3	23,701
	Total	42.0	37,151	31.4	32,416
	Average size of flock	..	884	..	1,031
	% of total laying fowls in flocks of 20,000 and over	..	70.0	..	73.1

TABLE 2.5 Labour force in agriculture

The data cover all holdings (including minor holdings) in England and Wales
but exclude minor holdings in Scotland throughout and in Northern Ireland prior to 1992.

'000 persons | At June of each year

	Average of 1982-84	1989	1990	1991	1992	1993
Workers						
Regular whole-time:						
hired: male	121	88	85	80	76	74
female	11	11	12	11	11	11
family: male	30	26	25	24	23	22
female	5	4	4	4	4	3
Total	166	130	125	120	114	110
Regular part-time:						
hired: male	19	18	19	18	18	19
female	23	21	21	21	19	19
family: male	12	12	13	13	13	13
female	7	7	7	7	7	7
Total	61	58	60	59	57	57
Seasonal or casual:						
male	57	54	56	54	55	58
female	40	34	35	33	32	30
Salaried managers (a)	8	8	8	8	8	8
Total workers	332	284	283	273	266	263
Farmers, partners and directors						
whole-time	203	189	183	178	177	176
part-time	88	94	98	101	105	108
Total farmers, partners and directors	292	283	282	279	282	284
Total farmers, partners, directors and workers (b)	624	567	565	551	548	547
Spouses of farmers, partners and directors (engaged in farm work)	75	76	77	77	76	78
Total labour force (including farmers and their spouses) (c)	699	644	642	628	624	625

(a) The figures for salaried managers relate to Great Britain only.
(b) This is the series referred to as 'Workforce in agriculture' in Table 1.1.
(c) Figures exclude schoolchildren and most trainees.

TABLE 2.6 Fixed capital stock of agriculture

At end year

	Average of 1982-84	1988	1989	1990	1991	1992
Gross capital stock (£ million, 1990 prices)						
Buildings and works	19,390	20,900	20,990	21,060	21,050	20,990
Plant and machinery	10,750	9,740	9,420	9,030	8,620	8,240
Vehicles	2,010	1,720	1,690	1,660	1,620	1,600
Total	32,150	32,360	32,100	31,750	31,290	30,830

3 Policy developments in 1993

European Community developments

1. On the agricultural policy front 1993 was a quiet year for the European Community, with Member States concentrating on implementing the 1992 CAP reforms and attention focused on the GATT Uruguay Round negotiations.

1993 price fixing

2. The Commission's price proposals were agreed in May; again, support prices for most commodities were unchanged, although monthly increments in the cereals intervention price were reduced by 5 per cent and there were reductions in support for olive oil and dried fodder. It was agreed that linseed would be brought fully into the Arable Area Payments Scheme from 1994. For milk, the 2.5 per cent cut in the support price for butter provisionally agreed in the CAP reform package was increased to 3 per cent but a decision on a provisional 1 per cent quota cut was deferred for a year; instead, milk quotas for all Member States except Spain, Italy and Greece were increased by 0.6 per cent to meet additional needs, principally those arising from recent judgements in the European Court of Justice. Spain, Italy and Greece received more substantial quota increases, but on a provisional basis only. These will be confirmed only if the Council is satisfied that the quota system is being implemented effectively in these countries.

Set-aside

3. Agreement was reached at the same time on the arrangements for non-rotational set-aside to apply from 1994 under the provisions of the Arable Area Payments Scheme. For most of the Community the set-aside requirement for non-rotational set-aside was fixed at 20 per cent of the area on which the payments were claimed but special arrangements were negotiated for the UK, where the requirement will be 18 per cent. This lower figure will apply for at least two years, during which time the Commission will study the effects of non-rotational set-aside in reducing production. Further decisions on set-aside were reached at the December meeting of the Agriculture Council. The payment rate for set-aside was increased from 1994; the set-aside requirement for mixtures of rotational and non-rotational set-aside was set at the same level as that for non-rotational set-aside (18 per cent in the UK and 20 per cent in most of the rest of the Community); additional voluntary set-aside, up to an area equal to the cropped area on which payments are claimed, will be permitted; farmers with land coming out of the old Five-year Set-aside Scheme will be able to set all that land aside under the new Scheme, although with a lower rate of payment for land set-aside above the normal limit on voluntary set-aside. The Council agreed a number of other changes to the regime, including measures to alleviate substantially the overshoot of the arable base area in the Scottish non-Less Favoured Areas in 1993. It also asked the Commission to undertake a study of the relationship between set-aside and land withdrawn from production for tree planting and for environmental reasons.

Oilseeds

4. The December Council also agreed arrangements for implementing the EC/US Blair House agreement on oilseeds. The separate oilseeds base area provided for by that agreement has been divided between Member States. While penalties will only be triggered if claims for oilseeds payments exceed the Community base area, less 15 per cent set-aside, the penalties will then fall on producers in Member States where claims exceed the national base area. The UK base area, before deduction of 15 per cent set-aside, has been set at 385,000 hectares. The Council also agreed to extend the existing sugar regime unchanged for the 1994/95 marketing year.

Agrimoney

5. Under the rules of the new agrimonetary system, which came into effect on 1 January 1993, the green pound was devalued 3 times in the first part of the year as the value of sterling fell. It was then revalued 8 times as sterling strengthened. Overall, these changes to the value of the green pound caused support prices in the the UK to fall by just under 2 per cent during 1993, following the 18 per cent increase in the second half of 1992. Following the temporary suspension of the ERM narrow band on 2 August, green rates for all Member States became subject to the automatic adjustment rules. These rules were suspended between 9 September and 21 December to prevent changes to the green rates of currencies previously in the ERM narrow band. Modified rules came into effect on 22 December, to remain in place until the end of 1994.

GATT Uruguay Round

6. Negotiations within the GATT Uruguay Round were completed on 15 December 1993. As a result, agriculture is, for the first time, included fully within the multilateral trade rules established under the GATT. The final text of the Agriculture Agreement reflects the discussions between the EC and US at Blair House, in November 1992, but with some modifications agreed between the EC and US during the closing stages of the negotiations in Geneva and accepted by other GATT contracting parties. The Agreement involves specific binding commitments on market access, internal support and export competition as well as establishing conditions for the application of sanitary and phytosanitary (SPS) restrictions to trade. It also includes a "Peace Clause" which means that for a period of 9 years, the CAP will be protected against a range of challenges within GATT, subject to continued observance by the CAP of the disciplines in the GATT Agriculture Agreement. It is expected that the Uruguay Round Agreement will be signed by all 116 contracting parties at a Ministerial conference in Morocco planned for April 1994. It will then need to be ratified, involving, in some countries, approval in national assemblies. The starting date for implementation of the Uruguay Round Agreement is expected to be July 1995.

United Kingdom developments

7. In the UK the reformed CAP regimes were implemented during 1993:

Arable area payments

By the end of 1993 45,948 claims for arable area payments in respect of 3,356,062 hectares had been paid in the UK. For 1993/94 new rules for the management of set-aside land were adopted which take account of the introduction of non-rotational set-aside. These rules provide a number of options for non-rotational set-aside - field margins, grassland, natural regeneration, wild bird cover and crops for non-food use including perennial crops like coppice - together with revised rules on rotational set-aside designed to offer better protection to wildlife.

Beef and sheep premium schemes

The Beef Special Premium moved to an on-farm basis from 1 April 1993 in Great Britain (it was already operating on this basis in Northern Ireland). To ensure adequate control of the new arrangements, from 1 August all male animals sold at more than 3 months old must be accompanied by Cattle Identification Documents in England and Wales, and by Cattle Control Documents in Scotland. In Northern Ireland the required control is achieved through the Department of Agriculture's animal identification and movement systems. For purposes of applying the required ceilings under the new scheme the UK has been divided into 3 regions: England and Wales, Scotland and Northern Ireland.

Claims for Ewe Premium and Suckler Cow Premium are now subject to individual producer quotas. The vast majority of UK producers received their quota entitlements based on their eligible ewe numbers in 1991, and/or eligible suckler cow numbers in 1992. Quota may be permanently transferred or temporarily leased between producers; when quota is transferred without the holding, 15 per cent is siphoned off to the national reserve. Allocations from the national quota reserves will be made to various special case categories in early 1994. An additional ewe premium and suckler cow quota reserve for the Less Favoured Areas (equivalent to 1 per cent of the total LFA quota) is to be allocated exclusively to producers in those areas. The UK has designated seven sensitive areas under both schemes out of which quota may not be transferred except under exceptional circumstances.

Agreement was reached on the principle of attaching environmental conditions to the Suckler Cow Premium, Beef Special Premium and Ewe Premium.

IACS

8. Farmers claiming subsidy under the Arable Area Payments, Beef Special Premium and Suckler Cow Premium schemes in 1993 were required, under the EC Integrated Administration and Control System (IACS), to submit details, on a field by field basis, of land farmed; claims for arable area payments had to be accompanied by an appropriate map. Meeting the requirements of IACS by the 15 May deadline laid down in Community legislation was a major undertaking for the farming industry, but one that was successfully accomplished. In the UK some 157,000 claims were lodged by the deadline; only 500 late claims (which were subject to financial penalties) were submitted.

Milk marketing

9. The Agriculture Act 1993 received Royal Assent in July. It contains various provisions relating to agricultural marketing and price support. It provides for the ending of the milk marketing schemes in Great Britain and facilitates the transfer of the Milk Marketing Boards' property, rights, and liabilities. It gives Ministers similar powers in relation to the Potato

Marketing Scheme. The Act empowers Ministers to make grants for the marketing of agricultural, horticultural and other produce. It terminated the wool and potato guarantees, repealing in consequence the requirement on Ministers to hold an annual review of agriculture. It also amends the extent of levy-raising powers of agricultural development councils established under the Industrial Organisation and Development Act 1947. The main provisions of the Act were replicated in Northern Ireland in the Agriculture (Northern Ireland) Order 1993.

10. The England and Wales Milk Marketing Board submitted its scheme of reorganisation to Ministers according to the terms of the Act, on 1 October. Each of the Scottish Boards also submitted their proposals for the reorganisation of milk marketing in their respective areas early in October. The Milk Marketing Board for Northern Ireland submitted its scheme to the Department of Agriculture for Northern Ireland on 31 December.

Potato marketing

11. After consulting all sectors of the industry, Ministers concluded that the Potato Marketing Scheme should be retained in modified form until July 1997; it will then be terminated.

Marketing

12. The Government continued to give high priority to helping the industry improve its performance in the UK and overseas markets, and there were several new initiatives during the year. The Prime Minister held a second food marketing seminar in Downing Street in January. The momentum generated has been maintained by the Initiative on Food Marketing led by David Naish, which is looking at the underlying weakness in performance. In April the rules of the Group Marketing Grant were simplified. The scheme continued to attract considerable interest, with some 100 applications received from producer groups wishing to improve their organisation. The industry was consulted on proposals for a wider Marketing Development Scheme using powers in the 1993 Agriculture Act. Ministerial initiatives to encourage improved performance in horticulture, and closer links between suppliers and customers in the catering sector, were launched in the autumn. The emphasis on exporting was renewed, with the focusing of Food From Britain's activities purely on exports and the announcement of the Continental Challenge initiative to encourage food suppliers to develop their trade with continental retailers. In Scotland the newly formed Scottish Food Strategy group examined the case for a single Quality Mark for Scottish food and drink products. Following consultation with the industry, Ministers commissioned a business plan to take the recommendations forward.

Environment

13. The commitment to pursuing protection measures as an integral part of the CAP, secured by the UK as part of the 1992 CAP reform agreement, was followed through in a number of areas. In July, the UK submitted its plans for implementing the Agri-Environment Regulation to the European Commission. These include proposals to expand the successful ESA and NSA programmes as well as to introduce a range of entirely new measures, including schemes designed to:

- protect and enhance the condition of heather and other shrubby moorland;

- promote the creation and improvement of a range of valuable wildlife habitats (eg water fringes);

- encourage farmers to convert to organic production methods;

- increase opportunities for public access to set-aside land and suitable farmland in Environmentally Sensitive Areas.

In addition, considerable progress was made in attaching environmental conditions to CAP support schemes, particularly in the livestock and arable sectors (see paragraph 7 above).

ESAs

14. At the national level, a number of ESAs (Breckland, North Peak, Clun (formerly Shropshire Borders), Suffolk River Valleys, Test Valley, Mourne Mountains and Slieve Croob, Central Borders (formerly Whitlaw and Eildon and Stewartry) were upgraded and relaunched in 1993, with greater emphasis on payment for positive environmental achievement. New ESAs were also introduced in the Avon Valley, Exmoor, Lake District, North Kent Marshes, South Wessex Downs, South West Peak, West Fermanagh and Erne Lakeland, Antrim Coast, Glens and Rathlin, Cairngorms Straths, Central Southern Uplands, Western Southern Uplands, Ynys Môn and Radnor. By late 1993, some 8,800 farmers had signed, or applied for, ESA agreements. Payments covering management agreements and associated conservation plans (which cover capital works) in ESAs are expected to total some £22 million in 1993/94.

Woodland

15. From its launch in April 1992 up to the end of December 1993, nearly 2,000 applications to plant over 13,000 hectares of woodland in the UK were approved under the Farm Woodland Premium Scheme. Nearly three-quarters of this area is to be planted with broadleaved trees. The FWPS forms a key component of the UK national programme submitted to the EC Commission in July in accordance with Council Regulation 2080/92 on forestry measures in agriculture.

Habitats

16. The Agriculture Departments have continued to provide advice to farmers on the conservation of wildlife habitats and valued landscape features. In 1992/93 over 4,500 visits made to farmers by ADAS and the Farming and Wildlife Advisory Group were either wholly or partially funded by MAFF. ADAS also delivered 900 farm visits in Wales under contract to WOAD. The Department of Agriculture (Northern Ireland) delivered 1,600 visits in 1992/93. In Scotland conservation advice to farmers is provided by the advisory services of the Scottish Agricultural College. The Agriculture Departments also co-operated with the Department of the Environment in the development of proposals for the implementation of the EC Directive on conservation of natural habitats and wild fauna and flora (the Habitats Directive).

Pollution

17. In 1992/93, ADAS also delivered 3,253 free farm visits on pollution matters in England and 1,019 in Wales and has undertaken to carry out a similar number in 1993/94. The scope of this service has been widened in the current financial year to give farmers the choice of receiving either a general advisory visit or assistance with the preparation of a farm waste management plan, the latter being the subject of a successful first stage of a pilot study in 1992/93. Six catchments in England and two in Wales have also been targeted in 1993/94 as part of a campaign to encourage the majority of farmers in particular areas to prepare farm waste management plans. In Northern Ireland 1,000 pollution visits were delivered in 1992/93, targeting high risk catchments. In addition, assistance to farmers under the Farm and Conservation Grant Scheme continued to be provided; by September 1993 some £154 million had been paid to farmers in the UK since the scheme was introduced in 1989, £119 million of which was for installing or improving waste handling facilities. The rates of grants on a range of works were reduced in December 1993 but arrangements have been made to make new grants available for farmers who wish to encourage access to set-aside land.

Burning of crop residues

18. In June, regulations were introduced in England and Wales to ban, with limited exemptions, the burning of crop residues on agricultural land, which had been the cause of a significant number of nuisance complaints from the public. In Scotland, where there is no equivalent statutory ban, control of the burning of crop residues is exercised through a voluntary Code of Practice which was produced in consultation with the National Farmers' Union of Scotland. In December, a report was produced by ADAS for MAFF assessing the effects of the first three years of the Pilot Nitrate Sensitive Areas (NSAs) Scheme, which operates in England, since its launch in 1990. It confirmed that the range of measures undertaken voluntarily by farmers had proved successful in reducing nitrate losses from agriculture in 9 of the 10 pilot NSAs. In the same month, the Code of Good Agricultural Practice for the Protection of Soil was published in England and Wales, complementing the existing Codes on water and air protection and providing practical guidance to help farmers avoid causing long-term damage to the soil they farm.

Flood defence

19. In October 1993, the MAFF/Welsh Office Strategy for Flood and Coastal Defence was published. This provides a comprehensive policy framework for Government and the operating authorities to work to and emphasises that environmental considerations should be central to flood and coastal defence decision-making. Alongside publication of the Strategy document, the Ministry also produced further guidance for operating authorities during the year to encourage the proper consideration of environmental issues when flood and coastal defence schemes are being planned, designed and implemented.

Follow-up to Earth Summit

20. The Agriculture Departments also contributed to Government initiatives to follow up the 1992 Earth Summit. In particular, an input was made to the four reports published in January 1994 (on Sustainable Development, Biodiversity, Climate Change and Sustainable Forestry) all of which, to some extent, addressed the interactions between agriculture and aspects of the environment.

4 Output prices and input costs

Price indices
(Table 4.1)

1. Table 4.1 shows price indices for agricultural products and inputs and Chart 4.1 portrays the main changes over recent years. Between 1992 and 1993 the output index is expected to rise by 5.1 per cent and the input index to rise by 4.6 per cent. The index for crop products increased by 0.5 per cent and the index for animals and animal products rose by 7.6 per cent. These indices are constructed using fixed annual weights and also take no account of subsidy payments. In contrast the prices presented in Table 6.3 are derived from the aggregate accounts; they are therefore based on current sales information and cover subsidy payments. For these reasons the price movements presented here and in Section 6 will differ.

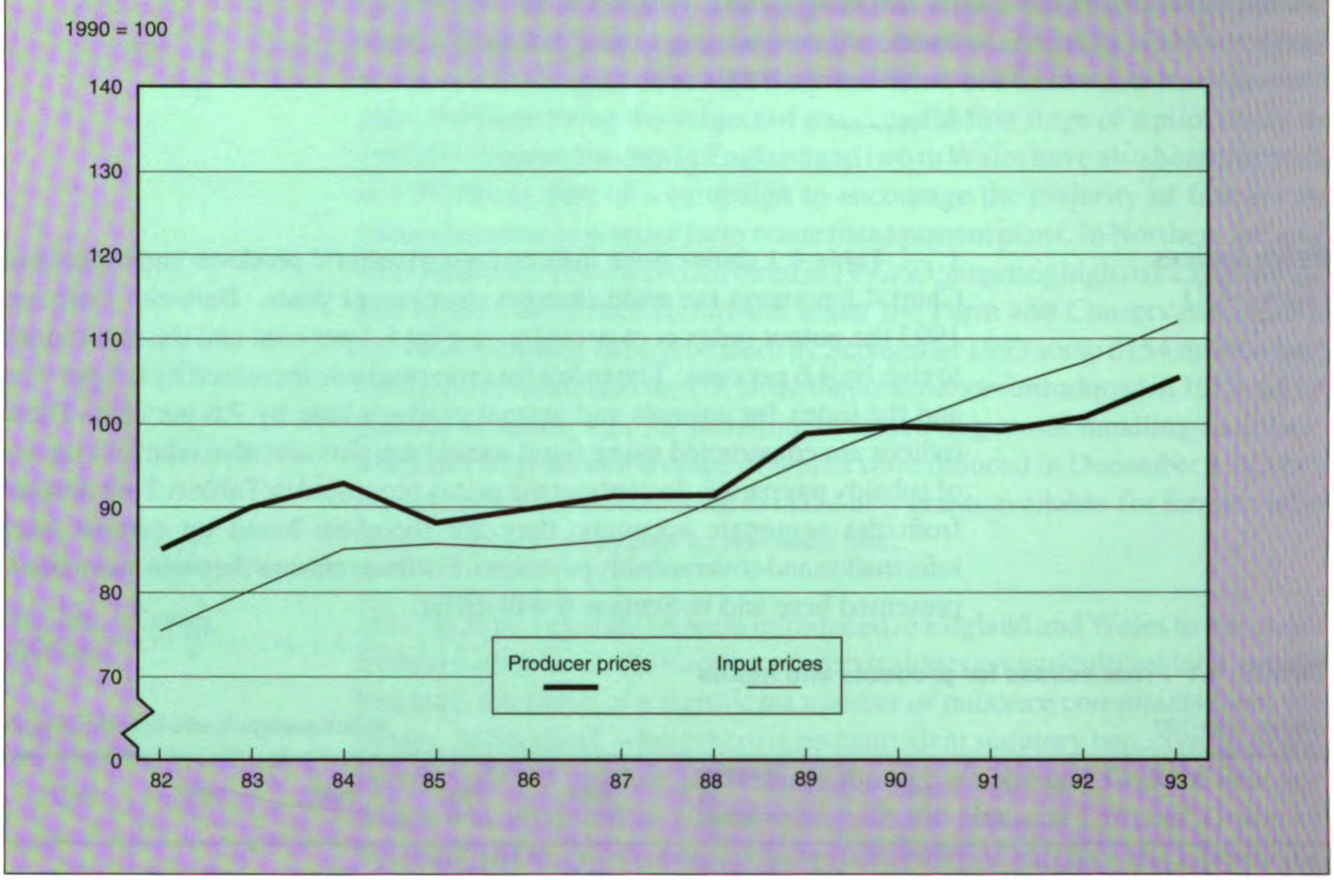
TABLE 4.1 Price indices for products and inputs

Indices: 1990=100 | Annual average figures for calendar years

	Average of 1982-84	1989	1990	1991	1992	1993
Producer prices for agricultural products	89.4	98.7	100.0	99.3	100.7	105.8
of which:						
Crop products:	95.9	94.7	100.0	101.4	95.3	95.8
Cereals	107.8	98.4	100.0	105.4	107.5	110.8
Root crops	91.0	91.1	100.0	98.1	83.1	75.3
Fresh vegetables	80.4	90.6	100.0	100.3	88.5	96.8
Fresh fruit	73.4	87.7	100.0	99.3	86.9	86.4
Seeds	95.8	95.1	100.0	95.5	93.5	82.6
Flowers and plants	79.6	102.4	100.0	101.3	100.7	101.1
Other crop products	100.4	93.6	100.0	88.6	63.6	52.6
Animals and animal products:	85.7	101.1	100.0	98.1	104.0	111.8
Animals for slaughter	90.0	103.5	100.0	95.1	102.4	112.8
Milk	76.9	99.5	100.0	104.5	109.6	113.5
Eggs	95.6	87.7	100.0	87.5	86.2	98.8
Other animal products	96.7	104.6	100.0	91.5	86.4	60.6
Prices of agricultural inputs	80.4	96.0	100.0	107.4	107.2	112.3
of which:						
Currently consumed in agriculture:	82.7	96.2	100.0	106.8	106.8	112.1
Animal feedingstuffs	87.9	99.2	100.0	101.8	104.8	112.4
Seeds	106.5	94.1	100.0	105.9	117.8	129.4
Animals for rearing and production	77.9	99.7	100.0	94.0	100.6	125.0
Fertilisers and soil improvers	97.7	98.2	100.0	96.7	91.7	86.6
Plant protection products	75.3	90.9	100.0	111.6	116.6	118.8
Maintenance and repair of plant and machinery	64.0	91.4	100.0	110.6	119.1	125.8
Energy, lubricants	97.8	88.3	100.0	103.5	103.7	108.6
Maintenance and repair of buildings	68.4	95.2	100.0	103.1	103.9	106.9
Veterinary services	74.0	95.0	100.0	104.7	108.9	111.6
Materials and small tools	69.2	93.3	100.0	107.1	110.7	114.0
General expenses	61.2	97.6	100.0	106.9	114.4	120.9
Contributing to agricultural investment (a)	69.6	94.6	100.0	106.0	110.4	113.4
Hired labour costs per hour (b)	63.0	89.5	100.0	109.3	114.8	117.8

(a) Covers the purchase and maintenance of capital items, but excludes stocks.
(b) Regular whole-time workers aged 20 years and over.

CHART 4.1 Price indices for products and inputs



5 Commodities

Introduction

1. This section reports on the major agricultural commodities produced in the UK. It is divided into parts, each covering a broad commodity group, to assist reference to the tables. The tables follow a common format, generally having separate blocks on the following topics:

(i) area and yield (for crops) or populations, marketings and slaughter weights (for livestock), leading to an estimate of production. Allowance for direct on-farm use (on own or other farm but without passing through merchants or millers etc), and for the change in the volume of stocks held by farmers, gives the quantity of output (sales). Multiplication of this by a producer price or average realised return (allowing in some cases for market-support related premia and levies and marketing expenses), and addition (when appropriate) of other receipts, gives the value of output of each commodity. It should however be noted that these are based on sales within the calendar year and not the quantities produced within the year for sale in that or subsequent years. To help readers to estimate the magnitude of each commodity sector on the alternative 'production for sale' basis, Table 6.9 provides details of the value of the changes in on-farm stocks and work-in-progress (and Table 6.8 does the same for livestock capital formation). In the case of input stocks this allows estimation of the value of the usage of (purchased) inputs within the year as well as expenditure on them. The valuations of each commodity are combined in Table 6.1 in the calculation of the industry's total output and gross and net product and hence in the estimation of incomes from farming;

(ii) the sources of the 'total new supplies' and, in some cases, their various uses. Total new supply is defined as production plus imports less exports. This total new supply may be augmented (or reduced) by a decrease (or increase) in stocks. The result after allowing for these changes is described as 'total domestic uses': for the major cereals and milk the most important uses are identified separately;

(iii) home production as a percentage of total new supply and in some cases the level of closing stocks.

2. Following the completion of the European Single Market at the end of 1992 a new system, called Intrastat, has been introduced for the collection of intra-EC trade statistics. While this new system has been settling down there have been delays in the availability of intra-EC trade figures and loss of data quality. As a result, data for 1993 remain incomplete and provisional. The

estimates of intra-EC trade for 1993 presented in the tables in this section should therefore be treated with considerable caution. For some commodities, sources other than Intrastat have been used where these are felt to be more reliable.

Cereals

Cereals *(Tables 5.1-5.6)*

3. During 1993, the first full year to have been affected by the new set-aside arrangements introduced as part of the 1992 CAP reform package, the overall area planted to cereals fell by 13 per cent. The largest fall, of 15 per cent, occurred in the area planted to wheat. Total cereals production is provisionally estimated to have fallen slightly less, by 11 per cent or 2.5 million tonnes, as wheat yields recovered after the temporary drop caused by adverse weather during the 1992 harvest. The quality of the 1993 wheat harvest was variable, with average protein levels in particular being lower than in recent years. There were plentiful supplies of good quality malting barley.

4. Ex-farm prices for breadmaking wheat, feed wheat and feed barley during the first six months of 1993 were substantially higher than in the corresponding period of 1992. The advent of the single market, the result of the UK's withdrawal of sterling from the European Exchange Rate Mechanism (ERM) in 1992, a strong export demand and, in the case of breadmaking wheat, a shortage of quality UK grain, all contributed to a strengthening of prices. However, during the second half of the year ex-farm prices both for these products and for malting barley fell well below the previous year's levels following implementation of the first stage of the 30 per cent cut in cereal support prices agreed as part of the 1992 CAP reform package.

TABLE 5.1 Wheat

'000 tonnes (unless otherwise specified) — Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Area, yield, production and output						
Area ('000 hectares)	1,766	2,083	2,013	1,981	2,067	1,759
Yield (tonnes/hectare)	6.81	6.74	6.97	7.25	6.82	7.31
Production	12,029	14,033	14,033	14,363	14,095	12,857
Direct use on farms	..	965	999	1,040	1,154	1,042
Increase in farmers' stocks	..	20	143	147	127	-102
Output	10,560	13,048	12,891	13,175	12,814	11,917
Average realised price (£/tonne)	117.2	104.9	109.8	116.5	120.5	122.2
Total realised return (£ million)	1,237	1,368	1,415	1,534	1,544	1,457
Other receipts (£ million) (a)	-	-	-	-	-	231
Value of output (£ million)	1,237	1,368	1,415	1,534	1,544	1,688
Supply and utilisation						
Production	12,029	14,033	14,033	14,363	14,095	12,857
Imports from: the Eleven	250	520	523	479	982	1,259
the rest of the world	1,084	339	350	264	294	202
Exports to: the Eleven	920	1,301	1,859	3,054	2,770	1,696
the rest of the world	1,069	1,978	2,777	970	1,205	1,952
Total new supply	11,374	11,613	10,270	11,082	11,396	10,670
Increase in farm and other stocks	1,408	117	-847	447	482	-330
Total domestic uses	9,966	11,496	11,117	10,635	10,914	11,000
of which: flour milling	4,597	5,032	4,878	4,790	4,852	4,973
animal feed	4,770	5,253	5,018	4,545	4,824	4,845
seed	309	365	353	357	307	298
other uses and waste	290	846	868	943	931	884
Production as % of total new supply for use in UK	106	121	137	130	124	120
% of home grown wheat in milling grist	73.3	82.7	87.6	87.2	82.9	71.3

(a) Arable area payments.

TABLE 5.2 Barley

'000 tonnes (unless otherwise specified) | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Area, yield, production and output						
Area ('000 hectares)	2,115	1,653	1,517	1,393	1,297	1,164
Yield (tonnes/hectare)	5.04	4.88	5.22	5.47	5.68	5.30
Production	10,669	8,073	7,911	7,627	7,365	6,167
Direct use on farms	..	2,604	2,499	2,173	2,138	1,874
Increase in farmers' stocks	..	-594	-133	-38	84	-6
Output	7,880	6,063	5,545	5,492	5142	4,299
Average realised price (£/tonne)	113.2	106.7	108.7	107.8	113.9	113.9
Total realised return (£ million)	892	647	603	592	586	490
Other receipts (£ million) (a)	-	-	-	-	-	146
Value of output (£ million)	892	647	603	592	586	636
Supply and utilisation						
Production	10,669	8,073	7,911	7,627	7,365	6,167
Imports from: the Eleven	57	277	255	199	240	209
the rest of the world	18	-	-	-	1	-
Exports to: the Eleven	1,523	427	916	1,302	1,036	641
the rest of the world	1,375	2,816	1,106	672	764	473
Total new supply	7,846	5,107	6,144	5,851	5,806	5,262
Increase in farm and other stocks	160	-1,177	22	6	-46	-58
Total domestic uses	7,687	6,284	6,122	5,845	5,852	5,320
of which: brewing/distilling	1,886	1,851	1,835	1,941	1,834	1,769
animal feed	5,244	4,016	3,917	3,563	3,697	3,265
seed	326	243	220	193	181	169
other uses and waste	230	174	150	148	140	117
Production as % of total new supply for use in UK	136	158	129	130	127	117

(a) Arable area payments.

TABLE 5.3 Oats

'000 tonnes (unless otherwise specified) | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Area, yield, production and output						
Area ('000 hectares)	115	119	107	104	101	92
Yield (tonnes/hectare)	4.53	4.46	4.96	5.04	5.01	5.31
Production	519	529	530	523	502	487
Direct use on farms	. .	248	195	205	157	149
Increase in farmers' stocks	. .	-11	7	4	-56	3
Output	246	292	328	314	401	335
Average realised price (£/tonne)	109.8	98.7	106.4	105.8	115.1	128.2
Total realised return (£ million)	27	29	35	33	46	43
Other receipts (£ million) (a)	-	-	-	-	-	11
Value of output (£ million)	27	29	35	33	46	54
Supply and utilisation						
Production	519	529	530	523	502	487
Imports from: the Eleven	12	6	10	6	4	3
the rest of the world	11	-	1	1	1	-
Exports to: the Eleven	2	14	8	17	79	61
the rest of the world	-	-	1	-	-	-
Total new supply	540	521	532	513	428	429
Increase in farm and other stocks	-12	-52	7	3	-36	-1
Total domestic uses	552	573	525	510	464	430
of which: milling	142	225	235	215	226	207
animal feed	370	311	252	252	200	189
seed	25	21	22	21	19	17
other uses and waste	15	16	16	22	19	17
Production as % of total new supply for use in UK	96	102	100	102	117	114

(a) Arable area payments.

Table 5.4 Rye, Mixed Corn and Triticale

'000 tonnes (unless otherwise specified) | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Area, production and output (a)						
Area ('000 hectares)	15	20	22	23	22	16
Production	63	94	109	122	102	74
Total realised return (£ million)	3	3	4	4	3	4
Other receipts (£ million) (b)	-	-	-	-	-	2
Value of output (£ million)	3	3	4	4	4	6
Supply and utilisation						
Imports from (c): the Eleven	9	13	12	11	10	8
the rest of the world	-	-	1	-	-	-
Exports to (c): the Eleven	-	-	5	2	2	1
the rest of the world	-	-	-	-	-	-
Total new supply	72	107	117	131	110	81
Production as % of total new supply for use in UK	88	88	93	93	93	91

(a) Triticale has been included from 1989 onwards, with the production figure for 1989 being an estimate.
(b) Arable area payments.
(c) Relates only to rye and triticale.

Table 5.5 Maize

'000 tonnes — Calendar years

		Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Supply and utilisation							
Imports from:	the Eleven	922	1,273	1,407	1,180	1,423	1,337
	the rest of the world	867	164	239	338	268	253
Exports to:	the Eleven	9	26	15	15	13	15
	the rest of the world	1	-	-	-	-	-
Total new supply		1,779	1,411	1,631	1,503	1,678	1,575

Table 5.6 Total cereals

'000 tonnes (unless otherwise specified) — Calendar years

		Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Area, production and output							
Area ('000 hectares)		4,010	3,874	3,658	3,501	3,487	3,031
Production		23,280	22,729	22,583	22,635	22,063	19,585
Output		18,710	19,433	18,802	19,014	18,394	16,589
Supply and utilisation							
Imports from:	the Eleven	1,250	2,089	2,207	1,875	2,659	2,816
	the rest of the world	1,982	503	591	603	564	455
Exports to:	the Eleven	2,454	1,768	2,803	4,391	3,900	2,414
	the rest of the world	2,446	4,794	3,884	1,642	1,969	2,425
Total new supply		21,612	18,759	18,694	19,080	19,417	18,017
Increase in stocks		1,657	-1,112	-818	456	400	-389
Total domestic uses		19,955	19,871	19,512	18,624	19,017	18,406
Production as % of total new supply for use in UK		108	121	121	119	114	109
Stocks (of wheat, barley and oats) held at year end:	by farmers (a)	9,548	8,519	8,535	8,804	8,804	8,698
	in intervention (b)	1,808	705	633	624	624	1,673
	by processors and traders (a)	. .	5,295	5,140	4,842	5,140	3,808

(a) Stocks held by agricultural co-operatives have been included in processors' and traders' stocks for the years 1982-84, and in farmers' stocks from 1989.
(b) Recorded as all physical stocks held at the year end.

Other crops

Oilseed rape
(Table 5.7)

5. There was a reduction in the area planted to oilseed rape, from 422,000 hectares in 1992 to an estimated 377,000 hectares. In addition it is estimated that 40,000 hectares was grown on set-aside land for non-food use. Production, including that from set-aside land, is forecast at 1.12 million tonnes, a decrease from 1992 production (1.17 million tonnes) and below the 1987 peak of 1.35 million tonnes.

Linseed
(Table 5.8)

6. The area planted to linseed in 1993 is estimated at 150,000 hectares, a slight increase over the 1992 area of 144,000 hectares. A further 11,500 hectares were planted on set-aside land. Linseed production, including that from set-aside land, is forecast to have fallen from 225,000 tonnes in 1992 to an estimated 202,000 tonnes due to lower forecast yields.

7. In the Community's 1993 price-fixing agreement, linseed was integrated into the Arable Area Payments Scheme. Transitional arrangements applied in 1993 but from 1994 it will be subject to the set-aside obligation.

Sugar beet and sugar
(Table 5.9)

8. As a result of favourable growing conditions, production of sugar in 1992/93 was an all-time record 1.48 million tonnes. The 1993 harvested area will be slightly larger than in 1992, at approximately 171,000 hectares and, with well-established plants and consistent rainfall during the growing season, production in 1993/94 is expected to be close to 1.4 million tonnnes, compared with the UK quota of 1.144 million tonnes. Sugar produced over quota must be exported from the Community without export refunds or carried forward to count against next year's quota.

Hops *(Table 5.10)*

9. Both yield and quality of the 1993 harvest were good. The table shows a small increase in farm gate prices. This is because most of the crop was sold forward. However, market conditions for alpha varieties were difficult, with low spot prices. The aroma market was stable.

Peas and beans
(Table 5.11)

10. There was an increase in the area planted to peas for harvesting dry, including those for human consumption, from 79,000 hectares in 1992 to an estimated 81,000 hectares. This, combined with higher estimated yields, has increased production from 261,000 tonnes in 1992 to an estimated 287,000 tonnes. There has been a large increase in the area planted to beans from 129,000 hectares in 1992 to an estimated 163,000 hectares in 1993. Production rose by around 28 per cent to an estimated 571,000 tonnes.

11. From 1 July 1993 support for peas and beans, harvested dry, was switched from a system of tonnage payments to processors to per hectare payments paid directly to producers under the Arable Area Payments Scheme, as described in paragraph 3 of Section 3.

Seeds
(Tables 5.13 and 5.14)

12. Total production of herbage and legume seeds in the year ended May 1993 was 14,300 tonnes compared with the 15,500 tonnes produced in the

previous year, a fall of 7.7 per cent. At 4,100 tonnes, imports of seeds from other Member States of the European Community during 1992/93 showed a decrease of 40 per cent. The estimated area approved for the production of herbage and legume seed in 1993/94 indicates a 23.8 per cent fall from 1992/93. This is thought to be due to a combination of oversupply within the Community and an increased use of maize instead of the more usual forages for livestock grazing.

Potatoes *(Table 5.15)*

13. In Great Britain total purchases under the Potato Marketing Board's (PMB) 1992/93 crop intervention buying programme amounted to 857,000 tonnes. Under the joint support buying arrangements the Government contributed £1.5 million. In Northern Ireland, where the Department of Agriculture has sole responsibility for market support arrangements, 40,000 tonnes of the 1992/93 crop were withdrawn from the market at a cost of £1.7 million.

14. The favourable early planting and growing conditions for the 1993 crop, together with a large increase for the second year in polythene protection (1,500 ha), again resulted in harvesting starting a fortnight earlier than normal. Until the beginning of June the initial build-up of supplies was even more rapid than the previous season's exceptional harvest - by 28 May 18,272 tonnes had been dug compared with 2,309 tonnes in 1991 and 16,481 tonnes in 1992. As in 1992, these heavy supplies of new potatoes caused low prices resulting in PMB intervention in the market for a few days in early July when 6,349 tonnes were purchased. Thereafter prices became firmer and they gradually moved slightly higher than those in 1992 as it became clear that there was going to be a fall in production (of 9 per cent) due to a reduction in the main crop area, to 154,700 hectares, and slightly lower yields than in 1992.

15. The statutory potato guarantee was terminated on 4 August 1993. In November Ministers announced that the Potato Marketing Scheme would come to an end by the end of the 1996/97 crop season and that, in the meantime, the Scheme would be modified to help the industry in Great Britain adapt towards a free market. The proposed modifications include an end to intervention except for seed potatoes, the planting threshold for registration in the Scheme raised from 0.4 to 1 hectare, plantings by registered producers being allowed to vary by up to 5 per cent around quota without penalty and the end of the registration and licensing of potato merchants. Legislation was introduced in November 1993 providing for the termination of the market support arrangements in Northern Ireland with effect from 30 June 1994.

16. The European Parliament delivered its opinion on the Commission proposals for a potato regime in April. The May meeting of the Council of Ministers was unable to reach agreement on the proposal. No discussions took place under the Belgian Presidency.

TABLE 5.7 Oilseed rape

'000 tonnes (unless otherwise specified) — Calendar years

		Average of 1982-84	1989	1990	1991	1992	1993 (a) (provisional)
Area ('000 hectares)		222	321	390	440	422	377
Yield (tonnes/hectare) (b)		3.11	2.94	3.23	2.90	2.76	2.68
Production (b)		688	948	1,258	1,278	1,166	1,011
Average producer price (£/tonne)		278	286	273	248	133	149
Total realised return (£ million)		195	271	343	316	177	159
Other receipts (£ million) (c)		-	-	-	-	84	163
Value of output (£ million)		195	271	343	316	262	322
Imports from:	the Eleven	72	72	117	86	213	180
	the rest of the world	5	32	94	52	-	28
Exports to:	the Eleven	95	104	193	147	121	45
	the rest of the world	-	-	1	-	-	20
Total new supply		670	950	1,276	1,269	1,258	1,150
Production as % of total new supply for use in UK		103	100	99	101	93	88

(a) The figures for 1993 relate only to oilseed rape grown on land qualifying for Arable Area Payments. The figures do not include high erucic acid oilseed rape and other rape grown on set-aside land for non-food purposes which have been estimated as 107,000 tonnes grown on 40,000 hectares.
(b) These figures are on the basis of a standardised (9%) moisture content.
(c) The new Oilseed Support Scheme was introduced in 1992 and the Arable Area Payment Scheme in 1993. Payments for both are made in two halves. The advance payment is made in September of the year in which the crop is grown. The second payment is made in the year after the crop is grown and is included in the figures for that year.

TABLE 5.8 Linseed

'000 tonnes (unless otherwise specified) — Calendar years

		Average of 1982-84	1989	1990	1991	1992	1993 (a) (provisional)
Area ('000 hectares)		1	19	37	104	144	150
Yield (tonnes/Ha) (b)		1.70	1.84	1.85	1.76	1.56	1.23
Production ('000 Tonnes) (b)		2	34	68	184	225	185
Average producer price (£/tonne)(c)		240	177	110	106	91	111
Total realised return (£ million)		-	6	8	21	25	23
Other receipts (£ million) (d)		-	5	7	21	60	160
Value of output (£ million)		-	11	15	42	85	183
Imports from:	the Eleven	37	10	-	11	5	1
	the rest of the world	5	-	-	1	1	2
Exports to:	the Eleven	-	6	16	67	70	54
	the rest of the world	-	-	-	1	-	-
Total new supply		43	39	52	104	161	134
Production as % of total new supply for use in UK		4%	88%	131%	154%	140%	139%

(a) The figures for 1993 do not include linseed grown on set-aside land; this has been estimated as 17,000 tonnes grown on 11,500 hectares.
(b) These figures are based on a standardised (9%) moisture content.
(c) Received by the farmer in the calender year for all linseed grown in that year, reflecting bonuses, levies and drying costs.
(d) Up to 1992 payments under the oilseed support scheme were received in the calender year following the year in which the crop was harvested. In 1993 the farmer received subsidy for both the 1992 and the 1993 crops.

TABLE 5.9 Sugar beet and sugar

'000 tonnes (unless otherwise specified) — Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Sugar beet						
Area ('000 ha) (a)	201	197	194	196	197	197
Yield (tonnes/ha) (a)	44.67	41.28	40.66	39.14	47.21	43.40
Production of beet	8,840	8,113	7,902	7,673	9,300	8,550
Average market price (b) (£/tonne)	27.19	30.83	34.44	36.01	35.40	33.40
Value of output (£ million)	240	250	272	276	329	286
Sugar content %	16.30	17.22	17.20	17.49	17.01	17.35
Sugar extraction rate %	87.8	91.0	91.0	91.0	93.0	91.0
Sugar ('000 tonnes refined basis)						
Production (c)	1,265	1,267	1,241	1,220	1,476	1,350
Imports from (d): the Eleven (e)	156	128	154	125	180	180
the rest of the world	1,104	1,195	1,138	1,245	1,164	1,164
Exports to (d): the Eleven	11	78	37	64	122	105
the rest of the world	230	277	292	212	396	390
Total new supply	2,283	2,235	2,204	2,314	2,302	2,199
Production as % of total new supply for use in UK	55	57	56	53	64	62

(a) The area, and related yield figures are based on June census definitions. The harvested area and related yields for 1991, 1992 and 1993 were 170,000 ha and 45.13 tonnes/ha ,170,000 ha and 54.71 tonnes/ha and 171,000 ha and 50.00 tonnes/ha respectively.
(b) Estimated as the 'return to grower' price less transport costs borne by the growers.
(c) Sugar coming out of the factory in the early part of the new year is regarded as being part of the production of the previous calendar year.
(d) Includes only sugar as such and takes no account of the sugar content of processed products.
(e) Includes imports from French overseas departments.

TABLE 5.10 Hops

'000 tonnes (unless otherwise specified) — Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Area ('000 hectares) (a)	5.5	3.9	3.9	3.7	3.6	3.5
Yield (tonnes/hectare) (a)	1.61	1.20	1.18	1.62	1.32	1.49
Production	8.9	4.7	4.6	6.0	4.8	5.3
Farm gate price (£/tonne)	3,067	2,662	2,922	3,211	3,210	3,237
Total realised return (£ million)	27	13	13	19	15	17
Other receipts (£ million) (b)	1	2	1	1	2	2
Value of output (£ million)	28	14	14	20	17	19
Imports from: the Eleven	1.5	1.4	0.8	0.7	0.4	0.2
the rest of the world	0.6	0.9	0.8	0.9	0.9	0.9
Exports to: the Eleven	2.2	2.1	1.4	1.2	1.4	1.0
the rest of the world	0.9	0.1	0.1	0.2	0.3	0.2
Total new supply	8.1	4.8	4.6	6.2	4.4	5.2
Production as % of total new supply for use in UK	110	98	99	96	109	102

(a) The area is that recorded in the June Census (and shown in Table 2.2), not all of which may actually be in production within the year. The yield relates to the Census area.
(b) Income and conversion aid.

TABLE 5.11 Peas and beans for stockfeed

Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Peas for harvesting dry (a)						
Area ('000 hectares)	..	72.3	61.6	62.4	63.2	65.4
Yield (tonnes/hectare)	..	3.25	4.23	3.59	3.30	3.50
Production ('000 tonnes)	..	234.8	260.6	224.0	208.6	229.0
Price (£/tonne)	..	172.7	165.1	170.7	193.3	105.5
Total realised return (£ million)	..	41	43	38	40	24
Other receipts (£ million) (b)	..	-	-	-	-	20
Value of production (£ million)	..	41	43	38	40	44
Field beans (mainly for stockfeed)						
Area ('000 hectares)	..	129.0	139.0	131.0	129.0	163.0
Yield (tonnes/hectare)	..	3.49	3.50	3.23	3.45	3.50
Production('000 tonnes)	..	450.2	486.5	423.1	445.1	571.0
Price (£/tonne)	..	168.4	164.0	168.8	184.1	113.7
Total realised return (£ million)	..	76	80	71	82	65
Other receipts (£ million) (b)	..	-	-	-	-	50
Value of production (£ million)	..	76	80	71	82	115

(a) The figures presented here cover only that part of the crop which is assumed to be used for stockfeed; the remainder is included in Horticulture, Table 5.16.
(b) Arable area payments.

TABLE 5.12 Purchased feedingstuffs (excluding direct inter-farm sales)

Million tonnes (unless otherwise specified) — Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Concentrates						
Compounds for:						
cattle	4.9	3.8	3.8	3.7	3.8	4.1
calves	0.5	0.3	0.3	0.3	0.2	0.2
pigs	2.2	2.1	2.3	2.4	2.4	2.5
poultry	3.4	3.4	3.7	3.8	3.7	3.7
other	0.4	0.7	0.8	0.8	0.8	0.8
Total	11.4	10.4	11.0	10.9	11.0	11.3
Straight concentrates (ie cereals, cereal offals, proteins and other high energy feeds)	4.1	4.5	3.8	3.5	3.9	3.9
Total	15.5	14.9	14.8	14.4	14.9	15.2
Non - concentrates (low-energy bulk feeds expressed as concentrate equivalent) (a)	0.7	0.7	0.7	0.7	0.7	0.7
Total all purchased feedingstuffs	16.2	15.6	15.4	15.1	15.6	15.9
Cost of purchased feedingstuffs (£ million)	2,670	2,804	2,816	2,804	2,904	3,105
of which this part represents the value of sales off the national farm (and included in output) but subsequently repurchased as an input (£ million)	770	550	482	571	615	380

(a) Brewers and distillers grains, hay, straw, milk by-products and other low-energy bulk feeds expressed in terms of equivalent tonnage of high energy feeds.

TABLE 5.13 Production of herbage and legume seeds (excluding field bean and field pea seeds)

'000 tonnes (unless otherwise specified) June/May years

		Average of 1982/83-1984/85	1989/90	1990/91	1991/92	1992/93	1993/94 (provisional)
Certified seed:							
area ('000 hectares)		14.6	17.4	14.6	14.4	12.6	9.6
production		16.1	18.6	17.0	15.5	14.3	12.0
Imports from:	the Eleven	9.5	9.2	7.1	6.9	4.1	..
	the rest of the world	4.9	3.9	4.8	2.9	3.2	..
Exports to:	the Eleven	2.2	2.3	1.3	0.9	0.8	..
	the rest of the world	0.2	0.3	0.6	0.1	0.5	..
Total new supply		28.2	29.1	27.0	24.3	20.3	..

TABLE 5.14 Purchased seeds

'000 tonnes (unless otherwise specified) Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Cereals	597.1	555.0	518.5	497.8	453.0	447.3
Grass and clover	15.4	17.2	14.5	11.8	11.3	11.4
Root and fodder crops	18.7	43.8	45.3	43.0	43.6	52.8
Potatoes	315.7	269.0	278.0	268.0	283.0	285.0
Vegetable and other horticultural seeds (a)	20.6	20.9	20.8	20.7	20.7	20.4
Total cost of all purchased seeds (£ million)	264	291	301	295	296	294
of which this part represents the value of sales off the national farm (and included in output) but subsequently repurchased as an input (£ million)	124	137	142	139	139	138

(a) Includes mushroom spawn, bulbs and seeds for hardy nursery stock, flowers, sugar beet and oilseed rape.

TABLE 5.15 Potatoes

'000 tonnes (unless otherwise specified) Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Area, yield, production and output						
Area ('000 hectares): early	18.9	17.5	15.9	16.4	15.2	15.8
maincrop	177.5	157.0	161.2	160.6	164.9	154.7
Yield (tonnes/hectare): early	20.2	20.9	27.4	21.9	27.0	27.0
maincrop	35.8	37.5	37.4	36.8	44.8	43.3
Production: early	383	366	437	359	411	425
maincrop	6,354	5,886	6,030	5,908	7,391	6,692
total	6,737	6,252	6,467	6,267	7,802	7,117
Waste	747	807	681	713	827	959
Increase in farmers' stocks	182	-454	21	-98	684	-413
Total output	5,808	5,900	5,765	5,652	6,292	6,571
Average price (£/tonne) (a) paid to registered producers for: early potatoes	112.0	132.9	82.7	143.2	82.9	93.8
maincrop potatoes	85.1	80.2	89.3	85.5	72.7	61.5
realised for all potatoes (b)	85.4	83.4	88.4	86.8	68.5	61.7
Value of output of potatoes (£ million)	495	492	510	491	431	406
Supplies and utilisation						
Total production	6,737	6,252	6,467	6,267	7,802	7,117
Supplies from the Channel Islands	32	31	41	42	53	46
Imports	838	1,005	897	907	924	909
of which: early from: the Eleven	43	84	55	48	40	48
the rest of the world	248	154	177	165	143	162
maincrop from: the Eleven	149	195	104	92	111	102
the rest of the world	11	-	10	12	31	17
processed (raw equivalent) from: the Eleven	324	532	480	518	553	517
the rest of the world	49	11	41	38	26	35
seed from: the Eleven	12	30	30	35	21	29
the rest of the world	1	-	-	-	-	-
Exports	206	207	217	264	244	242
of which: raw to: the Eleven	26	60	52	72	75	66
the rest of the world	23	40	48	49	45	47
processed (raw equivalent) to: the eleven	38	43	46	56	71	58
the rest of the world	8	3	7	3	5	5
seed to: the Eleven	20	36	26	35	26	29
the rest of the world	91	26	39	48	23	36
Total new supply	7,400	7,081	7,188	6,953	8,535	7,831
Farmers' stocks : opening stocks	3,153	2,776	2,321	2,342	2,244	2,928
closing stocks	3,335	2,321	2,342	2,244	2,928	2,515
net increase	182	-454	21	-98	684	-413
Total domestic uses	7,218	7,535	7,167	7,050	7,852	8,243
of which: used for human consumption	5,742	6,033	5,904	5,712	5,917	6,257
seed for home crops (including seed imports)	615	562	565	578	539	547
support buying	59	92	12	17	514	452
chats, waste and retained stockfeed	803	849	685	743	882	988
Production as % of total new supply for use in the UK	91	88	90	90	91	91

(a) Including the value of sacks.
(b) Takes account of wastage and intervention.

Horticulture
(Tables 5.16 and 5.17)

17. The total area devoted to horticulture as recorded in the June agricultural census was 187,000 hectares in 1993 compared with 197,000 hectares in 1992. The value of output rose slightly from £1,718 million to £1,784 million. Table 5.16 gives information about the main sectors. More detailed information is given in Table 5.17 for cauliflowers, tomatoes, apples and pears, the four crops for which intervention arrangements applied.

Salad crops

18. The area down to protected salad crops showed a slight decrease. 1993 showed some improvement in prices for most salad crops over the very poor prices achieved in the previous year. Yields of tomatoes were better than last year and most crops were of good quality.

Field vegetables

19. The area devoted to field vegetables showed a decline for the second year running. In the sector overall, returns were rather better than in 1992. The season was largely favourable to outdoor production with plentiful rain in the latter part of the season. Although this led to increased disease in some crops, yields were generally good or very good, though runner beans and sweetcorn suffered from the lack of warmth in the latter part of the season. The bulb onion crop was notable for its high yields in all the main production areas, producing a tonnage about 50 per cent up on 1992. Outdoor lettuce remained a poor trade for most of the summer.

Top Fruit

20. The total area of top fruit continued to decline in 1993 and returns were down compared with 1992. Although yields were higher for Cox than in 1992, fruit size was small and prices were poor. Heavy yields of culinary apples meant that significant quantities went into intervention. Preventive withdrawals for apples were again introduced for 1993, although the level of withdrawals was not as heavy as in 1992. The pear crop was up by some 75 per cent, although supplies for the calendar year were little different because of the carry over of pears put into stores. Comice pears were up by 300 per cent on last year, which was a poor year. Picking started early and prices were modest.

Soft Fruit

21. In the soft fruit sector, the area cropped remained the same as last year. Prices for most of the strawberry crop were good, with encouraging sales through supermarkets and in the good weather in the early part of the season. Production system developments and new strawberry varieties led to an extension of the marketing season. The market for cane fruit, particularly raspberries, was better. The blackcurrant crop continued to decline, with prices sometimes falling well below production costs.

Ornamentals

22. The total area and value of output for ornamentals showed little change on last year. The volume of ornamental plants sold in garden centres and for the domestic market increased slightly but prices achieved were lower. The situation was even tougher on the amenity market where demand, volume sold and prices were low. Producers of bedding plants continued to expand their production and range of products marketed. A long, cool spring and good

demand favoured outdoor narcissus cropping, particularly in Lincolnshire. The percentage of field bulb area cropped for flowers was unusually high although subsequent bulb yields were lower than average. Outdoor flower crops were of poorer quality from areas where summer rainfall was high but demand was buoyant. Increased selling of mixed bunches by the major multiples created a new market for a wide range of seasonal outdoor flowers.

TABLE 5.16 Horticulture

Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Vegetables						
Grown in the open (a):						
area ('000 hectares) (b)	177.0	185.9	193.4	194.9	192.8	187.6
value of output (£ million)	443	637	675	658	607	640
Protected:						
area ('000 hectares) (b) (c)	3.3	3.4	3.4	3.3	2.7	2.5
value of output (£ million)	216	329	372	347	321	329
Total realised return (£ million)	659	966	1,047	1,005	928	970
Other receipts (£ million) (d)	-	-	-	-	-	12
Total value of output (£million)	659	966	1,047	1,005	928	983
Fruit						
Orchard fruit:						
area ('000 hectares) (b) (e)	37.4	33.0	32.2	31.7	31.0	30.8
value of output (£ million)	115	151	159	172	133	123
Soft fruit:						
area ('000 hectares) (b)	17.1	14.5	14.4	13.7	13.7	13.7
value of output (£ million)	92	112	114	115	126	144
Total value of output (£ million) (f)	207	263	272	287	260	268
Ornamentals						
Area ('000 hectares) (b)	17.4	18.2	18.9	18.6	19.5	19.6
Value of output (£ million)	360	447	496	504	526	538
of which: flower bulbs	27	34	36	36	36	33
flowers in the open	16	24	26	28	29	30
hardy nursery stock	99	213	237	237	246	250
protected crops	218	176	197	204	216	224
Seeds: value of output (£ million)	3	6	6	6	7	6
Total value of commercial horticultural output (£ million) (g)	1,229	1,682	1,821	1,802	1,718	1,784
Value of output of main crops (£ million)						
cabbages	65	86	87	85	73	91
carrots	49	80	99	82	58	82
cauliflowers	56	58	67	71	73	70
lettuces	64	118	122	112	121	93
mushrooms	102	168	177	171	163	165
peas (a)	57	56	70	62	63	57
tomatoes	55	71	90	79	63	72
apples	84	117	126	136	98	92
pears	13	16	18	18	15	12
raspberries	25	32	24	30	29	38
strawberries	54	62	67	59	74	79

(a) Includes peas harvested dry for human consumption.
(b) Areas relate to actual cropped areas which can differ from Census areas (Table 2.2).
(c) Excludes mushrooms area.
(d) Arable area payments for vining peas and peas harvested dry.
(e) Includes cropped area of commercial orchards only, and may therefore differ from the area in Table 2.2, which also includes non-commercial orchards.
(f) Includes glasshouse fruit.
(g) These figures differ from the horticulture values in Table 6.1, which include estimates for gardens and allotments, and hedgerow fruit and nuts.

TABLE 5.17 Selected horticultural crops

'000 tonnes (unless otherwise specified) — Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Cauliflowers						
Farm gate price (£/tonne)	188.7	188.0	218.6	230.7	227.5	219.9
Output	297	308	306	312	329	320
Supplies from Channel Islands	15	7	7	5	8	8
Imports from: the Eleven	47	53	33	33	29	24
the rest of the world	-	-	-	-	-	-
Total new supply	359	368	346	350	366	352
Output as % of total new supply for use in UK	83	84	88	89	90	91
Tomatoes						
Farm gate price (£/tonne)	455.6	551.1	670.2	593.2	478.7	530.2
Output	120	130	134	133	132	135
Supplies from Channel Islands	33	17	13	13	13	13
Imports from: the Eleven	124	173	161	148	144	140
the rest of the world	95	100	92	103	107	104
Exports to: the Eleven	7	6	5	7	9	10
the rest of the world	-	-	-	-	-	-
Total new supply	366	414	395	390	387	382
Output as % of total new supply for use in UK	33	31	34	34	34	35
Apples (excluding cider apples)						
Farm gate price (£/tonne):						
dessert	321.8	364.7	494.5	585.6	386.1	340.2
culinary	233.5	237.8	278.2	342.6	216.1	229.5
Output from the crop:						
dessert	170.1	203	179	148	165	171
culinary	123.4	197	134	144	160	148
Imports from: the Eleven	280	274	252	230	203	176
the rest of the world	130	196	215	234	255	276
Exports to: the Eleven	17	31	20	40	33	31
the rest of the world	1	-	-	1	3	1
Total new supply	677	840	760	715	747	739
Increase in stocks	22	16	-27	1	30	-20
Total domestic uses	699	856	733	717	777	719
Output as % of total new supply for use in UK	43	48	41	41	44	43
Closing stocks	103	116	89	90	121	101

TABLE 5.17 Selected horticultural crops (continued)

'000 tonnes (unless otherwise specified) Calendar years

		Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Pears (excluding perry pears)							
Farm gate price (£/tonne)		308.2	428.5	521.1	496.9	483.6	381.4
Output from the crop		41	37	34	36	30	30
Imports from:	the Eleven	55	72	60	53	67	60
	the rest of the world	88	29	38	37	41	39
Exports to:	the Eleven	2	1	2	3	3	2
	the rest of the world	-	-	-	-	-	-
Total new supply		113	137	130	123	136	126
Increase in stocks		3	4	-1	0	-7	10
Total domestic uses		115	141	129	123	129	136
Output as % of total new supply for use in UK		37	27	26	29	22	24
Closing stocks		21	16	16	16	8	18

Livestock

Cattle and Calves; beef and veal
(Table 5.18)

23. The size of the beef herd continued to increase whilst the dairy herd continued to decrease with a slight fall in size from 1992. Throughout 1993, market prices for finished cattle were significantly higher than in 1992, reaching a peak in the late spring when they were nearly 30 per cent above prices for the equivalent period in 1992. Although prices fell slightly towards the end of the year, they were still well above 1992 levels.

24. There was a dramatic fall in intervention purchases in the period January-December 1993, with less than 22,000 tonnes purchased in the UK, compared with 93,500 tonnes during the same period in 1992. UK intervention stocks went down from 160,000 tonnes on 31 December 1992 to 79,000 tonnes on 31 December 1993. High prices helped to cause a fall in domestic household use of beef. Exports increased during 1993 reflecting greater competitiveness following the withdrawal of sterling from the ERM and the shortage of cattle on the Continent. Export sales from intervention, however, remained limited with a number of markets remaining closed to UK exports due to continuing concerns over BSE. Producers benefited from increased payments under the Beef Special Premium and the Suckler Cow Premium schemes following CAP reform.

Sheep and lambs; mutton and lamb
(Table 5.19)

25. The size of the breeding flock has remained fairly constant over the past year; however, domestic production of sheepmeat is estimated to be about 3 per cent lower than in 1992. Exports of sheep and sheepmeat are forecast to have increased by 22 per cent, reflecting the benefits to UK producers of the fully harmonised Community single market for sheepmeat as well as the greater competitiveness of UK sheepmeat after the flotation of sterling following its withdrawal from the ERM in late 1992. Higher exports have also resulted in reduced supplies to the home market in 1993, which are expected to be 11 per cent lower than in 1992.

26. The average market price for sheepmeat in Great Britain in 1993 is expected to be approximately 20 per cent above that for 1992 and 16 per cent higher in Northern Ireland. For the 1993 and subsequent marketing years, the budgetary stabiliser mechanism for sheepmeat has been fixed to provide a cut of 7 per cent in the basic price, which is used for calculating the rate of the ewe premium.

27. The Agriculture Departments continue to pay compensation to sheep producers whose activities have been affected by restrictions following the Chernobyl incident in 1986. Compensation paid up to the end of 1993 is expected to amount to approximately £11 million.

Pigs and pigmeat
(Table 5.20)

28. Expansion of the Community pig herd led to increased supplies of pigmeat throughout 1993. As a consequence, producer prices and profitability fell throughout the EC although in the UK prices held up better during the first two quarters, partly as a consequence of the currency realignment following the

UK's withdrawal from the ERM in 1992. The EC Commission introduced an aids to private storage scheme in March but the slide in prices continued into the fourth quarter when Community support measures were introduced in areas of Germany and Belgium placed under veterinary restrictions due to Classical Swine Fever. The effect of those measures, and special export schemes for Russia, was to remove 100,000 tonnes of pigmeat from the Community market. As the year ended there were still large quantities available on the market and prices stabilised at very low levels.

Poultry and poultrymeat
(Table 5.21)

29. Restructuring in 1992, resulting in a leaner industry, has in general imparted confidence in the broiler sector. Production again increased to meet continued growing demand while imports and exports remained broadly at last year's levels. Margins have been assisted by decreasing feed prices and higher product prices from the second quarter of the year.

TABLE 5.18 Cattle and calves; beef and veal

Calendar years

	Average of 1982-84	1989	1990	1991	1992 (a)	1993 (provisional)
Populations						
Total cattle and calves ('000 head at June)	13,249	11,975	12,059	11,866	11,804	11,751
of which: dairy cows	3,288	2,865	2,847	2,770	2,682	2,667
beef cows	1,365	1,495	1,599	1,666	1,699	1,751
dairy heifers in-calf	679	566	529	534	546	568
beef heifers in-calf	159	227	227	199	216	230
other	7,759	6,822	6,857	6,698	6,660	6,536
Selected market prices						
Store cattle (£ per head) (b):						
1st quality Hereford/cross bull calves (c)	111	188	128	120	145	186
1st quality beef/cross yearling steers (d)	277	431	397	397	419	459
Finished cattle (p per kg liveweight): All clean cattle	96.8	114.0	106.3	106.9	109.6	128.0
Marketings, production and returns						
Total home-fed marketings ('000 head)	4,151	3,710	3,835	4,004	3,766	3,437
of which: steers, heifers and young bulls	2,828	2,664	2,776	2,795	2,647	2,359
calves	336	350	400	463	466	471
cows and adult bulls	987	697	659	746	652	608
Average dressed carcase weights (dcw) (kgs) (e):						
steers, heifers and young bulls	275.2	287.2	288.5	286.2	289.3	291.2
calves	49.1	49.6	41.0	39.9	43.4	41.3
cows and adult bulls	265.1	277.6	278.7	279.0	286.3	286.9
Production ('000 tonnes, dcw):						
Home-fed production	1,053	972	998	1,023	967	877
Gross indigenous production (f)	. .	960	987	1,015	964	872
Average realised return (p per kg dcw) (g)	174	202	181	180	189	221
Total realised return (£ million)	1,831	1,962	1,805	1,844	1,831	1,935
Other receipts (£ million) (h)	64	139	167	197	210	384
Value of home-fed production (£ million)	1,895	2,101	1,972	2,042	2,041	2,320
Supplies ('000 tonnes, dcw) (i)						
Home-fed production	1,053	972	998	1,023	967	877
Imports from: the Eleven (j)	154	191	161	165	160	141
the rest of the world	53	47	37	39	45	45
Exports to: the Eleven (k)	134	132	115	122	136	166
the rest of the world	46	35	22	31	25	33
Total new supply	1,080	1,044	1,058	1,074	1,012	864
Increase in stocks	15	-23	75	80	21	-80
Total domestic uses	1,065	1,066	984	995	991	945
Home-fed production as % of total new supply for use in UK	98	93	94	95	96	102
Closing stocks	49	65	140	220	240	160

(a) For comparability with other years, the figures have been adjusted from a 53-week to a 52-week basis.
(b) Average prices at representative markets in England and Wales.
(c) Category change January 1988: formerly 1st quality Hereford/Friesian bull calves.
(d) Category change January 1988: formerly 1st quality yearling steers beef/dairy cross, now consists of Hereford/cross, Charolais/cross, Limousin/cross, Simmental/cross, Belgian blue/cross, other continental/cross, other beef/dairy cross, other beef/beef cross.
(e) Average dressed carcase weight of animals fed and slaughtered in the UK.
(f) Gross indigenous production (GIP) is a measure of animal production commonly used in other EC states and is therefore useful as a means for making international comparisons. It is measured as total slaughterings plus all live exports minus all live imports. GIP differs from home-fed production in that it includes exports and excludes imports of breeding animals and, for other imported animals, includes only the weight added since their arrival in the country. Both measures include the export weight (dcw equivalent) of animals intended for slaughter abroad.
(g) Average realised return per kg of home-fed production net of marketing expenses. Includes variable premium but not other receipts.
(h) Comprising hill livestock compensatory amounts, suckler cow premium (including extensification premium), calf subsidy, beef special premium (including extensification premium) and deseasonalisation premium.
(i) Does not include meat offals or trade in preserved or manufactured meat products. Boneless meat has been converted to bone-in weights.
(j) Includes meat from finished animals imported from the Irish Republic.
(k) Adjusted, as necessary, for unrecorded trade in live animals.

TABLE 5.19 Sheep and lambs; mutton and lamb

Calendar years

	Average of 1982-84	1989	1990	1991	1992 (a)	1993 (provisional)
Populations						
Total sheep and lambs ('000 head at June)	33,980	42,988	43,799	43,621	43,998	43,901
of which: ewes	13,291	16,205	16,760	16,944	17,109	17,092
shearlings	2,899	3,834	3,650	3,381	3,277	3,471
lambs under 1 year old	16,579	21,564	22,023	21,942	22,341	22,132
other	1,213	1,384	1,365	1,354	1,272	1,206
Selected market prices						
Store sheep (£ per head):						
1st quality lambs, hoggets and tegs (b)	34.3	36.1	33.8	35.5	37.9	35.6
Finished sheep (p per kg estimated dcw) (c):						
Great Britain	..	184.5	174.4	148.2	182.1	219.0
Northern Ireland	..	202.5	170.9	179.4	172.4	199.5
Marketings, production and returns (excluding clip wool)						
Total home-fed marketings ('000 head):	15,159	20,581	21,105	22,539	21,028	20,350
of which: clean sheep and lambs	13,595	18,611	19,005	20,621	19,080	18,325
ewes and rams	1,564	1,970	2,100	1,918	1,948	2,024
Average dressed carcase weights (dcw) (kgs) (d):						
clean sheep and lambs	18.1	18.0	17.8	17.8	17.8	17.7
ewes and rams	28.5	25.8	26.1	26.8	26.5	27.3
Production ('000 tonnes, dcw):						
Home-fed production	291	385	393	418	392	380
Gross indigenous production (e)	..	384	391	417	390	382
Average realised return (p per kg dcw) (f)	191	204	181	181	157	184
Total realised return (£ million)	554	785	713	757	617	701
Other receipts (£ million) (g)	107	184	281	372	421	558
Value of home-fed production (£ million)	661	969	995	1,129	1,037	1,258
Supplies ('000 tonnes, dcw) (h)						
Home-fed production	291	385	393	418	392	380
Imports from: the Eleven (i)	..	5	7	3	7	10
the rest of the world	178	134	147	122	119	119
Exports to: the Eleven (j)	51	107	98	111	144	176
the rest of the world	3	2	3	2	2	2
Total new supply	415	415	448	429	372	331
Increase in stocks	2	-2	6	-2	-10	-1
Total domestic uses	413	416	442	431	382	332
Home-fed production as % of total new supply for use in UK	70	93	88	97	105	115
Closing stocks	15	16	22	20	11	10

(a) For comparability with other years, the figures have been adjusted from a 53-week to a 52-week basis.
(b) Average prices at representative markets in England and Wales, excluding prices at autumn hill sheep sales.
(c) Unweighted average of weekly market prices as used to determine level of ewe premium.
(d) Average dressed carcase weight of animals fed and slaughtered in the UK.
(e) See footnote (f) to Table 5.18.
(f) Average realised return per kg of home-fed production net of marketing expenses. Includes variable premium but not other receipts.
(g) Comprising hill livestock compensatory amounts and annual ewe premium.
(h) Does not include meat offals or trade in preserved or manufactured meat products. Boneless meat has been converted to bone-in weights.
(i) Includes meat from finished animals imported from the Irish Republic.
(j) Adjusted, as necessary, for unrecorded trade in live animals.

TABLE 5.20 Pigs and pigmeat

Calendar years

	Average of 1982-84	1989	1990	1991	1992 (a)	1993 (provisional)
Populations						
Total pigs ('000 head at June)	7,962	7,509	7,449	7,596	7,609	7,756
of which: sows in-pig and other sows for breeding	728	660	660	678	672	687
gilts in-pig	112	97	109	107	108	115
other	7,122	6,752	6,680	6,811	6,829	6,954
Selected market price						
Clean pigs (p per kg deadweight)	96.8	113.1	111.8	102.5	115.1	102.9
Marketings, production and returns						
Total home-fed marketings ('000 head)	15,459	14,578	14,294	14,688	14,642	14,951
of which: clean pigs	15,068	14,240	13,962	14,311	14,254	14,577
sows and boars	390	338	332	377	388	374
Average dressed carcase weights (dcw) (kgs) (b):						
clean pigs	61.5	63.0	64.7	65.6	65.7	66.7
sows and boars	132.5	137.4	144.8	144.5	140.2	137.3
Production ('000 tonnes, dcw):						
Home-fed production	979	943	952	994	991	1,023
Gross indigenous production (c)	..	944	952	995	992	1,025
Average realised return (p per kg dcw) (d)	95	108	107	98	110	97
Value of home-fed production (£ million)	929	1,022	1,014	969	1,087	994
Supplies of pork ('000 tonnes, dcw) (e) (f)						
Home-fed production	745	730	749	797	806	830
Imports from: the Eleven	26	90	80	75	90	81
the rest of the world	5	4	1	1	1	1
Exports to: the Eleven (g)	44	59	58	94	121	103
the rest of the world	2	1	1	2	2	2
Total new supply	729	764	771	776	773	807
Increase in stocks	1	1	2	-	-1	1
Total domestic uses	728	763	769	776	775	806
Home-fed production as % of total new supply for use in UK	102	96	97	103	104	103
Closing stocks	5	9	11	11	10	11
Supplies of bacon and ham ('000 tonnes, product weight) (e)						
Home-cured production	206	194	180	176	167	178
Imports from: the Eleven (h)	272	258	259	253	234	238
the rest of the world	2	2	1	1	-	-
Exports to: the Eleven	6	5	5	5	5	5
the rest of the world	-	-	-	-	-	-
Total new supply	474	449	435	424	396	411
Increase in stocks	-	-	-1	-	-4	2
Total domestic uses	474	448	436	424	399	409
Home-cured production as % of total new supply for use in UK	43	43	41	41	42	43
Closing stocks	3	6	5	5	2	3

(a) For comparability with other years, the figures have been adjusted from a 53-week to a 52-week basis.
(b) Average dressed carcase weight of animals fed and slaughtered in the UK.
(c) See footnote (f) to Table 5.18.
(d) Average realised return per kg of home-fed production net of marketing expenses.
(e) Does not include meat offals or trade in preserved or manufactured meat products.
(f) Boneless meat has been converted to bone-in weights.
(g) Adjusted, as necessary, for unrecorded trade in live animals.
(h) Includes meat from finished animals imported from Irish Republic.

TABLE 5.21 Poultry and poultrymeat

Calendar years

	Average of 1982-84	1989	1990	1991	1992 (a)	1993 (provisional)
Populations						
Number ('000 head at June):						
chickens and other table fowls	59,434	70,176	73,588	75,701	73,353	79,504
hens (boiling fowls)	11,564	7,569	6,940	7,013	6,198	6,000
turkeys (b)	7,668	9,391	9,596	9,759	10,066	10,413
ducks	1,407	1,909	2,038	2,033	2,198	2,388
geese	147	201	179	158	150	164
Slaughterings, production and returns						
Slaughterings (millions):						
fowls	439	494	522	546	541	544
turkeys	26	34	32	33	33	35
ducks	8	11	12	11	11	13
geese	-	1	1	1	1	1
Production ('000 tonnes deadweight):						
chickens and other table fowls	609	753	790	837	846	838
boiling fowls (culled hens)	59	37	39	37	32	30
turkeys	135	177	170	174	172	182
ducks	17	24	25	23	24	27
geese	2	3	3	3	3	3
Average producer price (p/kg live weight) for:						
chickens and other table fowls	56.2	56.6	59.7	55.9	56.9	60.3
boiling fowls (culled hens)	23.6	19.5	23.7	14.6	14.6	21.7
turkeys	81.6	90.9	87.8	89.4	90.5	93.2
ducks	87.9	117.0	119.9	125.5	129.0	134.2
geese	156.6	193.9	208.4	191.8	165.3	189.2
Value of output (£ million):						
fowls	475	578	642	631	648	683
turkeys, ducks, geese	162	246	236	241	243	268
Total	637	824	878	871	891	951
Supplies of poultrymeat ('000 tonnes deadweight)						
Production	822	994	1,027	1,074	1,077	1,080
Imports from: the Eleven	44	84	135	137	171	180
the rest of the world	-	-	-	-	-	-
Exports to: the Eleven	21	51	47	59	64	63
the rest of the world	2	15	15	21	17	19
Total new supply	842	1,012	1,100	1,130	1,167	1,178
Increase in stocks	1	-25	9	17	-7	-7
Total domestic uses	841	1,037	1,091	1,114	1,174	1,185
Production as % of total new supply	98	96	94	96	92	91

(a) For comparability with other years, the figures have been adjusted from a 53-week to a 52-week basis.
(b) From 1989 onwards data relates to November and to England and Wales only.

Livestock products

Milk and milk products *(Tables 5.22 and 5.23)*

30. No wholesale levy was payable in respect of the 1992/93 quota year as wholesale deliveries from producers did not exceed the amount of quota available. A direct sales levy of £1.8 million was, however, paid. No quota cuts were made in 1993/94. An additional 84,675 tonnes of wholesale quota was allocated to the UK as part of the price fixing package for allocation to SLOM 3 producers.

31. A Commission proposal to compensate all eligible SLOM 1 and SLOM 2 producers was formally adopted by the Council of Ministers. SLOM producers are milk producers who, because of their participation in the EC's programme of non-marketing of milk or conversion of dairy herds, were temporarily out of milk production when milk quotas were introduced. Following judgements in further European Court cases, the Council of Ministers agreed a proposal providing for the allocation of quota to a further category of SLOM producer (SLOM 3). The quota required for this allocation will come from the additional quota made available to the UK under the 1993 price package.

32. The upturn in the dairy market in 1992 continued in 1993 with strong demand in the first half of the year for cheese and milk powders. Anticipated shortages of skimmed milk powder (SMP) did not occur because difficulties in the Continental veal market combined with market measures taken by the Commission (such as reductions on subsidies on skimmed milk used for animal feed and casein manufacture) weakened demand. Small quantities of SMP were taken into public storage before intervention closed at the end of August. At the year end, public stocks of SMP amounted to 38,000 tonnes (2,400 tonnes in the UK).

33. In the price fixing agreement, the Council decided to reduce the butter intervention price by 3 per cent on 1 July 1993 and 2 per cent on 1 July 1994. Demand for butter and butteroil remained weak on the world market with prices at or near the GATT International Dairy Arrangement minima and there were sales into intervention. At the year end, public butter stocks were 161,000 tonnes (9,200 tonnes in the UK) and private butter stocks amounted to 63,000 tonnes (3,000 tonnes in the UK).

Eggs *(Table 5.24)*

34. The egg market, although still depressed, shows signs of recovery with prices returning to near 1990 levels. Poor retail demand however has prevented production levels increasing above 1992 levels. Imports again fell in comparison with the previous year.

Wool *(Table 5.25)*

35. The Agriculture Act 1993 terminated the Wool Guarantee. No wool collected by the British Wool Marketing Board after 30 April 1993 qualifies for a guaranteed price. However, wool collected before this date continues to be eligible for a guarantee provided it is sold prior to 1 May 1995. The marketing arrangements for UK clip wool, including the statutory monopoly

on purchase exercised by the BWMB, remain unaltered.

36. The volume of wool produced in the UK in the 1993 clip year is expected to have fallen by approximately 3 per cent compared to 1992. Although market prices have on the whole remained low in the face of a high level of stocks worldwide, there have been more recent indications of a modest upturn. Expenditure under the guarantee arrangements in 1993/94 is forecast to be around £12 million.

TABLE 5.22 Milk

Million litres (unless otherwise specified) — Calendar years

	Average of 1982-84	1989	1990	1991	1992 (a)	1993 (provisional)
Production and output						
Dairy herd (annual average, '000 head) (b)	3,288	2,905	2,870	2,790	2,719	2,706
Average yield per cow (litres per annum)	4,883	4,996	5,160	5,139	5,251	5,304
Production of milk from the dairy herd (c)	16,210	14,512	14,811	14,336	14,278	14,352
Production of milk from the beef herd	56	12	9	8	7	7
less wastage and milk fed to stock	174	265	272	274	274	274
Output for human consumption	16,092	14,258	14,548	14,070	14,012	14,085
Average total return (pence per litre) (d)	14.94	19.17	19.31	19.90	21.01	22.67
Value of output (£ million)	2,401	2,734	2,809	2,800	2,944	3,193
Utilisation of the output for human consumption						
Sales through MMB schemes:						
for liquid consumption	6,979	6,793	6,780	6,745	6,722	6,762
for manufacture	8,950	7,146	7,403	6,901	6,795	6,812
of which: butter (e) (f)	4,811	2,806	2,934	2,326	2,037	2,193
cheese (g)	1,715	2,703	2,950	2,794	3,017	2,911
cream (f)	835	516	549	660	466	531
condensed milk (h)	472	442	436	435	466	470
milk powder - full cream	293	544	395	541	595	448
other	92	134	139	145	214	259
Total sales through schemes (i)	15,943	13,951	14,194	13,654	13,527	13,572
Other utilisations (j)	149	307	355	416	486	513

(a) 366 days.
(b) Dairy herd is defined as cows and heifers in milk plus cows in calf but not in milk, kept mainly for producing milk or rearing calves for the dairy herd.
(c) Excludes suckled milk.
(d) Derived by dividing total value of output by the total quantity of output available for human consumption.
(e) Includes a small quantity of milk utilised to manufacture anhydrous milk fat (AMF).
(f) Excludes the utilisation of the residual fat of low fat liquid milk production.
(g) Includes farmhouse cheese made under milk marketing schemes.
(h) Includes condensed milk used in the production of chocolate crumb plus production of sweetened and unsweetened machine skimmed milk.
(i) Excludes milk sold through schemes but subsequently exported as whole milk for processing outside the UK. The total sales figures do not equal the sum of sales for liquid consumption and for manufacture as the measurement of liquid sales is adjusted for waste in transit.
(j) Includes milk consumed in farm households, sales of liquid milk outside schemes, exports, and milk used for farmhouse manufacture of butter, cheese (made outside milk marketing schemes) and cream.

TABLE 5.23 Milk products

'000 tonnes (unless otherwise specified) Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Butter (a) (b)						
Production (c)	221	130	138	112	98	103
Imports from: the Eleven	83	54	51	47	77	65
the rest of the world	94	64	63	57	53	53
Exports to: the Eleven (d)	36	61	35	35	45	56
the rest of the world	10	4	4	5	6	6
Total new supply (d)	352	182	213	177	178	159
Increase in stocks (e)	63	-27	19	-9	-4	-18
Total domestic uses (d) (e)	289	209	194	186	182	177
Production as % of total new supply for use in UK	63	71	65	63	55	65
Closing stocks (e)	173	55	74	65	61	43
Cheese						
Production (c)	245	283	316	302	329	329
Imports from: the Eleven	121	160	183	174	212	192
the rest of the world	16	19	19	18	20	17
Exports to: the Eleven	13	20	22	27	29	25
the rest of the world	20	17	19	24	20	24
Total new supply	349	425	477	444	513	489
Increase in stocks	-4	-10	9	-21	21	8
Total domestic uses	353	435	468	464	491	481
Production as % of total new supply for use in UK	70	66	66	68	65	67
Closing stocks	109	136	145	125	146	154
Cream - fresh, frozen, sterilized						
Production (b) (c)	68	61	64	77	55	60
Imports from: the Eleven	4	3	2	3	2	3
the rest of the world	-	-	-	-	-	-
Exports to: the Eleven	1	6	10	33	31	36
the rest of the world	-	3	5	5	3	3
Total new supply	71	55	51	42	23	24
Increase in stocks	..	..	..	..	..	..
Total domestic uses	71	55	51	42	23	24
Production as % of total new supply for use in UK	96	111	125	197	239	250
Closing stocks		..	..	..	..	..

TABLE 5.23 Milk products (continued)

'000 tonnes (unless otherwise specified) — Calendar years

		Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Condensed milk (f)							
Production		189	207	204	198	206	191
Imports from:	the Eleven	6	9	11	10	13	12
	the rest of the world	-	-	-	-	-	-
Exports to:	the Eleven	12	31	8	10	11	11
	the rest of the world	22	34	41	37	47	44
Total new supply		161	152	166	161	161	148
Increase in stocks		1	5	-3	-3	1	-1
Total domestic uses		160	147	169	164	160	150
Production as % of total new supply for use in UK		117	136	123	123	128	127
Closing stocks		17	15	12	9	10	9
Milk powder - full cream							
Production		40	95	70	79	84	71
Imports from:	the Eleven	5	4	2	3	5	4
	the rest of the world	-	-	-	-	-	2
Exports to:	the Eleven	4	27	15	15	35	24
	the rest of the world	28	44	35	50	45	36
Total new supply		13	28	22	17	9	17
Increase in stocks		2	-	-4	1	-2	-
Total domestic uses		11	29	25	16	11	17
Production as % of total new supply for use in UK		308	333	319	467	963	418
Closing stocks		4	6	3	4	2	2
Skimmed milk powder							
Production		289	133	166	143	102	117
Imports from:	the Eleven	17	16	6	8	26	22
	the rest of the world	-	-	-	-	-	-
Exports to:	the Eleven (d)	101	45	78	56	35	45
	the rest of the world	45	37	26	15	10	12
Total new supply (d)		160	68	69	80	83	82
Increase in stocks		16	-1	2	-6	-4	1
Total domestic uses (d)		144	69	67	86	88	81
Production as % of total new supply for use in UK		181	196	242	179	123	143
Closing stocks		152	21	23	17	12	13

(a) Includes butter other than natural (ie butterfat and oil, dehydrated butter and ghee).
(b) Excludes production from the residual fat of low fat milk products.
(c) Includes farmhouse manufacture.
(d) These figures include the use of these products for animal feed.
(e) In addition to stocks in public cold stores surveyed by MAFF, closing stocks include all intervention stocks in private cold stores. Total domestic uses does not equate exactly with consumption since changes in unrecorded stocks are not included in the calculation.
(f) Includes condensed milk used in the production of chocolate crumb plus production of sweetened and unsweetened machine skimmed milk.

TABLE 5.24 Eggs

Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Production for human consumption and for hatching						
Number of fowls in lay (annual average, millions)	52.12	41.74	43.58	44.10	43.52	43.09
Average yield per layer (number of eggs)	240.7	243.3	244.6	246.1	246.6	247.6
Gross production (million dozen)	1,045	846	888	905	894	889
Production for human consumption						
Output of eggs for human consumption from fowls (excluding waste) (million dozen)	979	763	804	816	806	800
Average realised price for eggs from fowls (p per dozen)	45.5	51.1	56.2	51.6	51.3	56.0
Value of output of eggs from fowls (£ million)	480	390	452	421	413	448
Value of output of all eggs including duck eggs (£ million)	484	397	459	428	421	456
Utilisation and supplies for human consumption (million dozen)						
Total UK output of hen and duck eggs for human consumption (a)	983	770	811	822	812	807
of which: hen eggs sold in shell	941	685	724	738	711	687
hen eggs processed	38	79	80	77	95	114
Imports from (b): the Eleven	39	53	77	55	45	34
the rest of the world	1	-	-	-	-	-
Exports to (b): the Eleven	26	34	13	15	15	14
the rest of the world	2	1	1	1	1	-
Total new supply	995	789	874	861	842	828
Output as % of total new supply for use in UK	99	98	93	95	96	98

(a) Includes farmhouse consumption.
(b) Includes shell egg equivalent of whole (dried, frozen and liquid) egg and egg yolk, but excludes albumen.

TABLE 5.25 Wool

Million kg, greasy weight equivalent (unless otherwise specified) — Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Skin Wool (valued within output from sheep and lambs)						
Production	13	20	21	21	20	18
Clip Wool (a)						
Production	40	53	53	51	51	49
Producer price for clip (p per kg) (b) (c)	93.5	96.8	92.5	83.4	80.9	54.9
Value of output (£ million)	36	52	49	43	41	27
Supplies						
Total production	53	73	74	72	70	67
Imports from: the Eleven	20	25	18	21	23	23
the rest of the world	93	77	66	65	71	55
Exports to: the Eleven	26	29	25	24	25	25
the rest of the world	17	27	24	25	27	30
Total new supply	123	119	109	109	112	90
Production as % of total new supply for use in UK	43	62	68	66	63	74

(a) Strictly the figures relate to clip years (May/April) but in practice the bulk of the production is within the period May to December.
(b) The price is net of marketing expenses.
(c) As from the 1993 clip year (May '93 - April '94), returns to producers are based solely on auction prices (minus the Board's marketing costs) and not on the wool guarantee which was terminated with effect from 30 April 1993.

6 Agricultural Incomes

Introduction

1. This section provides estimates of agriculture's gross output and input: of its productivity; and of the incomes of those engaged, in various ways, in the industry.

Output, input and net product
(Tables 6.1, 6.2 and 6.3)

2. Table 6.1 begins by drawing together the estimates of the value of output of each of the commodities covered in Section 5. Together with the value of output of various other commodities, and other items (including the value of the physical increase in on-farm stocks), this gives the industry's gross output. Deducting the gross input (expenditure on current inputs adjusted for stock changes) gives gross product which, after allowing for depreciation of fixed assets, leads to the net product of agriculture. This is the source of remuneration of the various groups providing resources to the industry in the form of financial capital, let land, labour input and managerial skills. The derivation of gross and net product, and of the income measures referred to in this section, is shown diagrammatically in Chart 6.1.

3. The measures derived in this way from the difference between gross output and gross input are sensitive to quite moderate changes in the values of these relatively large aggregates. This sensitivity, the revisions now made to previously published figures for earlier years and the provisional nature of the figures for the latest year all need to be borne in mind when considering the changes in product and income reported below for 1993.

4. In Table 6.2 estimates are provided for gross and net product and their components at 1990 prices, thus showing movements in the volumes of the various elements. Table 6.3 summarises the main changes estimated between 1992 and 1993, both in value at current prices (in absolute and percentage terms) and in the underlying quantity and price elements. These changes are also portrayed in Chart 6.2.

5. The value of the industry's gross output is estimated to have risen by 8.1 per cent between 1992 and 1993, while the value of its gross input has risen by 3.5 per cent over this period. In contrast the volume of the industry's output (as indicated by gross output at constant prices) has fallen by 2.4 per cent since 1992, while the volume of the industry's gross input has remained unchanged. These changes have resulted in increases of 12.9 per cent in gross product and 17.6 per cent in net product, at current prices.

Productivity
(Table 6.4)

6. Table 6.4 provides comparisons, over a number of years, of the industry's gross output at constant prices and of two measures of its productivity. The first, the index of gross agricultural product at constant prices per whole-time man equivalent, has risen by 43.3 per cent over the last decade, although it has fallen by 3.9 per cent in the last year. However this index does not take account of changes in inputs other than labour. The ratio

of the volume of gross output to the volume of productive input employed (including labour, usage of capital items and material inputs) provides an alternative measure of productivity. This indicator is forecast to have risen by 16.9 per cent over the last ten years, but has fallen by 2.0 per cent between 1992 and 1993.

Incomes from farming
(Tables 6.1, 6.5 and 6.6)

7. In addition to the rise in the industry's net product of 17.6 per cent, or some £948 million shown by the provisional figures, there was also a further fall of £237 million (32.0 per cent) in the interest paid to the providers of much of the industry's financial capital. These changes were largely responsible for a £1,181 million (26.3 per cent) rise in the incomes of those engaged in the industry (line 32 in table 6.1). When the £36 million (2.1 per cent) increase in the cost of hired labour is taken into account the provisional figures for *total income from farming* (line 34 of table 6.1) show a rise of £1,144 million (40.7 per cent). This measure reflects the total income from agriculture of the group with an entrepreneurial interest in the industry (farmers and spouses, non-principal partners and directors and their spouses and family workers). In order to derive *farming income*, which covers only farmers and their spouses, it is necessary to attribute earnings to non-principal partners and directors (and their spouses) and family workers and this is done on the basis of the earnings of hired workers. The result is an increase of £1,143 million (62.1 per cent) in *farming income*. When expressed in real terms *total income from farming* and *farming income* are forecast to have risen by 38.6 per cent and 59.5 per cent respectively.

8. Table 6.5 shows movements over the last decade in these income measures and in two measures of cash flow which correspond in coverage to total income from farming and farming income. The cash flow measures are intended to reflect more closely the variations as perceived by farmers and farm households. They show smaller increases between 1992 and 1993 than those estimated for the income measures; in real terms cash flow for the wider group has risen by 28.2 per cent while that for farmers (and their spouses) alone has risen by 39.8 per cent.

9. Movements over the last decade in the three income indicators used by the EC to compare trends in incomes from farming across member states are shown in Table 6.6. In line with Eurostat practice the implicit price index for Gross Domestic Product has been used as the deflator. This deflator reflects a wider range of price changes in the economy than does the Retail Price Index used in Table 6.5. The Eurostat indicators are expressed per annual work unit and hence allow for the changing labour input into the industry. All three indicators are forecast to have risen between 1992 and 1993 to above the average levels of ten years ago. These trends are illustrated in Chart 6.4. Indicator 3 is based on *total income from farming* and is therefore considered to provide the most meaningful guide to the changing incomes from farming of those with an entrepreneurial interest in the industry.

Subsidies and levies
(Table 6.7)

10. The values of the subsidies and levies included in the estimates of output and income in table 6.1 are separately identified in table 6.7. Only those subsidies received directly by farmers for their agricultural activities are

included explicitly in the aggregate account. Indirect subsidies in support of prices influence the account through their effects on the value of sales. Subsidies paid to farmers to support non-agricultural activities or capital improvements are excluded. (An account of all public expenditure on agriculture is provided in section 9). The Arable Area Payments Scheme was introduced in 1993 to provide compensation for the reduction in the level of price support mechanisms for cereals, oilseeds and protein crops, and payments for cattle and sheep subsidies were increased for the same reason. The provisional figures show that in 1993 the agricultural industry received £2,026 million in direct subsidies; this increase of £1,077 million, compared with 1992, offset the reductions in support prices agreed under the CAP reform.

Capital formation and stocks
(Tables 6.8 and 6.9)

11. Table 6.8 shows estimates of the investment in productive assets by the UK agricultural sector. Total gross fixed capital formation is estimated to have been about £1,000 million in 1992, a very slight reduction on the previous year. Of the three categories, investment in buildings and works fell, but there were increases in plant and machinery and in vehicles. At constant 1990 prices, however, only investment in vehicles increased. An increase in investment is expected in 1993. Decreases are expected in the stocks of wheat and potatoes held by farmers at the end of 1993, but greater numbers of non-breeding livestock are expected.

Hired labour
(Table 6.10)

12. Table 6.10 shows that weekly earnings for whole-time hired men (over the age of 20) increased from £211 in 1992 to just over £217 in 1993; average weekly hours increased from 46.2 to 46.4. The increase in earnings followed increases in the statutory minimum wage of around 4 per cent in the summer of 1992 and 2.7 per cent in the summer of 1993. Over the last ten years, earnings per week have increased by an average of 1.3 per cent per annum in real terms. The total cost of hired labour is derived by multiplying the numbers of each of the different types of worker by the relevant earnings and adding on Employers' Liability and National Insurance and other payments such as Youth Training Scheme costs and redundancy payments. This year, for the first time, a deduction has been made for the time spent by farm workers on the construction of farm buildings. Thus the aggregate cost figures shown in the table relate to agricultural work only. Previous years' data have been adjusted accordingly. With very little change in the aggregate volume of labour input, the total cost of hired labour rose by 2.1 per cent between 1992 and 1993.

Interest *(Table 6.11)*

13. Details of interest charges payable on farmers' borrowings for current farming purposes and for investment in buildings and works are shown in Table 6.11. These interest payments, net of interest on deposits, are estimated to have fallen by £237 million between 1992 and 1993, to £506 million. Over the last two years the level of net interest payments has fallen by over 40 per cent. Although the level of bank advances to agriculture for current farming purposes and buildings and works has fallen by just over 8 per cent to about £5,300 million, the main cause of the reduction in payments is the lower level of interest rates, which have fallen to their lowest average level for over 20 years.

TABLE 6.1 Outputs, inputs and income at current prices

£ million Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Outputs (a)						
Cereals:						
wheat	1,237	1,368	1,415	1,534	1,544	1,688
barley	892	647	603	592	586	636
oats	27	29	35	33	46	54
rye, mixed corn and triticale	3	3	4	4	4	6
other receipts (b)	-	2	1	2	2	-
1. Total cereals	2,159	2,050	2,058	2,165	2,182	2,384
Other crops:						
oilseed rape	195	271	343	316	262	322
linseed	-	11	15	42	85	183
sugar beet	240	250	272	276	329	286
hops	28	14	14	20	17	19
peas and beans for stockfeed	38	116	122	110	122	159
hay and dried grass	21	14	22	21	16	18
grass and clover seed	16	14	14	11	10	10
other minor crops (c)	18	34	37	40	42	48
2. Total other crops	556	725	839	835	883	1,043
3. Potatoes	495	492	510	491	431	406
Horticulture:						
vegetables (d)	722	1,056	1,146	1,101	1,015	1,076
fruit (d)	228	287	297	314	283	292
ornamentals	218	447	496	504	526	538
other (e)	3	7	6	6	7	7
4. Total horticulture	1,171	1,797	1,945	1,925	1,832	1,913
Livestock:						
finished cattle and calves	1,895	2,101	1,972	2,042	2,041	2,320
finished sheep and lambs	661	969	995	1,129	1,037	1,258
finished pigs	929	1,022	1,014	969	1,087	994
poultry (f)	648	844	901	900	923	985
other livestock and receipts (g)	86	118	122	126	136	140
5. Total livestock	4,219	5,053	5,003	5,165	5,224	5,697
Livestock products:						
milk	2,401	2,734	2,809	2,800	2,944	3,193
eggs (h)	490	408	467	440	430	465
clip wool	36	52	49	43	41	27
other (i)	19	31	31	31	34	32
6. Total livestock products	2,946	3,224	3,356	3,313	3,449	3,716
7. Own account capital formation: livestock (j)	-3	42	31	-80	122	5
8. Total output (1+2+3+4+5+6+7)	11,544	13,383	13,742	13,813	14,123	15,164
Other direct receipts:						
set-aside	-	9	18	25	34	165
milk quota cuts	-	74	65	60	81	44
other receipts (k)	50	44	48	59	76	99
9. Total other direct receipts	50	127	132	143	190	308
10. Total receipts (8+9)	11,594	13,510	13,874	13,957	14,313	15,472

(a) Output is net of VAT collected on the sale of non-edible products. Figures for total output include subsidies, but not 'Other direct receipts'.
(b) Payment to small-scale cereal producers.
(c) Root and fodder crop seed, straw, mustard and other minor crops.
(d) Includes the value of the produce of gardens and allotments.
(e) Seeds, hedgerow fruits and nuts.
(f) Includes live poultry for export.

TABLE 6.1 Outputs, inputs and income at current prices (continued)

£ million | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Value of physical increase in						
work-in-progress(l)	5	-31	-48	-44	-39	42
output stocks (l)	55	-67	-8	4	50	-31
11. Total value of physical increase	60	-98	-56	-40	11	12
12. **Gross output** (10 + 11)	11,654	13,411	13,818	13,917	14,324	15,484
Intermediate output (m)						
feed	770	550	482	571	615	380
seed	124	137	142	139	139	138
13. Total intermediate output	893	687	624	710	754	518
14. Final output (12 - 13)	10,761	12,725	13,195	13,207	13,570	14,966
Inputs						
Expenditures (net of reclaimed VAT)						
Feedingstuffs: compounds	1,956	1,919	2,029	2,059	2,122	2,338
straights	576	736	627	588	612	596
other	137	149	159	158	170	172
15. Total feedingstuffs	2,670	2,804	2,816	2,804	2,904	3,105
Seeds: cereals	123	126	121	123	120	113
other	140	165	181	172	176	181
16. Total seeds	264	291	301	295	296	294
Livestock: imported	63	37	36	27	36	34
inter-farm expenses	133	148	137	132	137	156
17. Total livestock (imported and inter-farm expenses)	196	185	173	159	173	190
Fertilisers and lime:						
straights	309	326	311	298	245	194
compounds	440	402	422	395	348	310
lime	41	42	42	38	34	34
other	21	33	36	36	37	38
18. Total fertilisers and lime	811	802	811	767	664	576
19. Pesticides	297	482	459	440	433	467
Machinery: repairs	398	606	645	700	720	708
fuel and oil	415	263	299	311	290	307
licences	27	32	32	35	35	36
insurances	41	72	73	82	97	110
other	11	16	18	20	21	22
20. Total machinery	892	989	1,067	1,148	1,164	1,184
Farm maintenance: (n)						
occupier	123	199	211	236	242	249
landlord	51	61	59	59	59	59
21. Total farm maintenance	174	259	270	295	301	308

(g) Horses, breeding livestock exported, rabbits and game, knacker animals, other minor livestock and guidance premium for beef and sheepmeat.
(h) Includes exports of eggs for hatching.
(i) Honey, goats milk, and minor livestock products.
(j) The value of the physical increase in breeding and other capital livestock.
(k) Includes animal disease compensation payments, co-operative society dividends, payments for grazing of horses and milk outgoers scheme.
(l) Work in progress is non-capital livestock. Output stocks comprise cereals, potatoes and some fruits.
(m) Sales included in output but subsequently re-purchased and also included within input.

TABLE 6.1 Outputs, inputs and income at current prices (continued)

£ million | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Miscellaneous expenditure:						
veterinary expenses and medicines	116	158	169	175	177	182
power and fuel (mainly electricity)	135	171	174	191	201	193
containers	95	138	143	148	157	165
sundry equipment	122	167	173	183	191	192
other (n) (o)	335	525	488	606	652	666
22. Total miscellaneous expenditure	804	1,158	1,147	1,303	1,377	1,398
23. Total expenditure (15+16+17+18+19+20+21+22)	6,107	6,969	7,043	7,210	7,311	7,522
Value of physical increase in stocks of:						
purchased feed	-9	-10	11	-20	29	8
fertilisers	-16	14	4	-11	-4	-27
24. Total value of physical increase in input stocks	-24	4	15	-31	25	-19
25 **Gross input** (23 - 24)	6,131	6,966	7,028	7,241	7,286	7,541
26. Net input (25 - 13)	5,538	6,279	6,405	6,532	6,532	7,022
27. **Gross product** (12-25) or (14-26)	5,523	6,446	6,790	6,675	7,038	7,943
Depreciation:						
buildings and works:						
landlord (n)	73	93	97	91	82	76
other	387	575	607	582	534	506
plant, machinery and vehicles	854	1,026	1,040	1,051	1,037	1,028
28. Total depreciation	1,314	1,694	1,743	1,724	1,652	1,609
29. **Net product** (27 - 28)	4,209	4,752	5,047	4,952	5,386	6,334
30. Interest (p)	556	950	1,052	883	743	506
31. Net rent (n)	125	141	132	138	147	152
32. Income from agriculture of total labour input (29-30-31)	3,528	3,660	3,863	3,931	4,496	5,677
Hired labour (q) (r)						
wages and salaries	1,109	1,335	1,452	1,526	1,550	1,580
insurances	126	111	121	132	127	134
other	6	11	11	11	10	10
33. Total hired labour (q) (r)	1,241	1,457	1,584	1,669	1,687	1,723
34. **Total income from farming** (32-33)	2,287	2,203	2,279	2,262	2,809	3,953
35. Labour: family, partners and directors (r) (s)	612	820	880	964	967	969
36. Farming income (t) (34-35)	1,675	1,383	1,399	1,298	1,841	2,984

(n) Landlords' expenses are included within farm maintenance, miscellaneous expenditure and depreciation of buildings and works. Net rent is the rent paid on tenanted land less these landlords' expenses and the benefit value of dwellings on that land.
(o) Including fees, insurance, telephones, non-government levies, and drainage, water and local authority rates (but see reference to farm cottages at (q) below).
(p) Interest charges on loans for current farming purposes and buildings and works less interest on money held on short term deposit.
(q) Including employers' national insurance contributions, perquisites and other payments (including the payment by farmers of rates on farm cottages occupied by farm workers and of their community charge or council tax).
(r) Excludes the value of work done by farm labour on own account capital formation in buildings and works.
(s) The estimate in respect of family workers, non-principal partners and directors (and their spouses) is calculated on the basis of the earnings of hired labour.
(t) The return to farmers (and their spouses) for their labour, management skills and own capital invested after providing for depreciation.

CHART 6.1 Outputs, inputs, net product and the resulting incomes

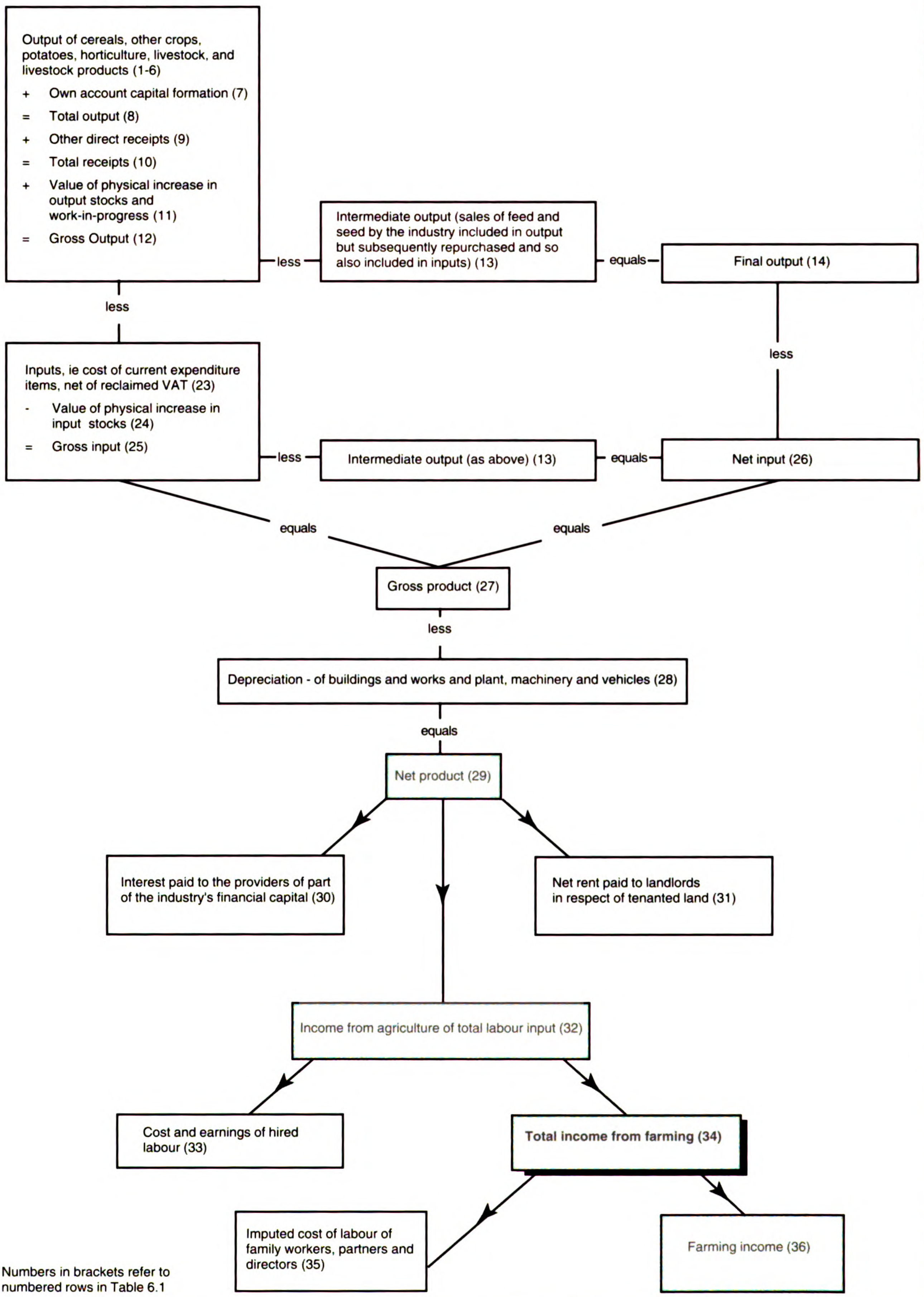


TABLE 6.2 Outputs, inputs and income at constant (1990) prices

£ million at constant (1990) prices — Calendar years

	Average of 1982-84(a)	1989	1990	1991	1992	1993 (provisional)
Outputs (b)						
Cereals:						
wheat	1,165	1,431	1,415	1,444	1,405	1,308
barley	766	663	603	599	566	487
oats	26	31	35	33	43	36
rye, mixed corn and triticale	3	3	4	4	4	4
other receipts (c)	-	3	1	2	2	-
1. Total cereals	1,958	2,130	2,058	2,082	2,019	1,835
Other crops:						
oilseed rape	188	259	343	349	324	284
linseed	-	9	15	43	86	202
sugar beet	304	279	272	264	320	294
hops	28	15	14	18	15	16
peas and beans for stockfeed	35	111	122	106	107	132
hay and dried grass	20	19	22	22	19	21
grass and clover seed	11	13	14	11	10	9
other minor crops (d)	23	37	37	37	38	42
2. Total other crops	592	743	839	849	919	1,000
3. Potatoes	521	522	510	496	535	557
Horticulture:						
vegetables (e)	1,003	1,199	1,146	1,143	1,176	1,210
fruit (e)	344	331	297	292	316	316
ornamentals	447	480	496	492	510	518
other (f)	5	7	6	6	7	7
4. Total horticulture	1,779	2,018	1,945	1,933	2,010	2,051
Livestock:						
finished cattle and calves	2,081	1,921	1,972	2,008	1,899	1,722
finished sheep and lambs	736	974	995	1,058	991	961
finished pigs	1,063	1,005	1,014	1,058	1,056	1,090
poultry (g)	706	876	901	947	958	969
other livestock (h)	121	122	122	120	131	133
5. Total livestock	4,686	4,898	5,003	5,192	5,035	4,875
Livestock products:						
milk	3,086	2,748	2,809	2,715	2,702	2,716
eggs (i)	591	454	467	481	471	469
clip wool	37	49	49	47	47	45
other (j)	22	27	31	26	28	27
6. Total livestock products	3,737	3,279	3,356	3,269	3,248	3,257
7. Own account capital formation: livestock (k)	-3	44	31	-76	96	5
8. Total output (1+2+3+4+5+6+7)	13,247	13,635	13,742	13,744	13,862	13,588
9. Total other direct receipts	45	139	132	135	172	150
10. Total receipts (8+9)	13,291	13,774	13,874	13,879	14,034	13,738
Value of physical increase in:						
work-in-progress (l)	6	-33	-48	-43	-37	43
output stocks (l)	69	-64	-8	4	75	-44
11. Total value of physical increase	131	-97	-56	-39	38	-
12. **Gross output** (10+11)	13,370	13,677	13,818	13,839	14,071	13,738

TABLE 6.2 Outputs, inputs and income at constant (1990) prices (continued)

£ million at constant (1990) prices | Calendar years

	Average of 1982-84(a)	1989	1990	1991	1992	1993 (provisional)
Intermediate output (m):						
feed	664	592	482	569	566	413
seed	134	135	142	136	132	134
13. Total intermediate output	798	727	624	706	698	546
14. Final output (12-13)	12,581	12,950	13,195	13,133	13,373	13,192
Inputs						
Expenditures (net of reclaimed VAT):						
feedingstuffs	2,954	2,847	2,816	2,749	2,846	2,905
seeds	285	287	301	290	281	284
livestock (imported and inter-farm expenses)	222	188	173	157	163	153
fertilisers and lime	718	822	811	786	719	657
pesticides	401	530	459	394	371	393
machinery: repairs	618	655	645	654	631	591
fuel and oil	353	305	299	303	293	288
other	144	126	123	122	120	120
farm maintenance (n)	246	268	270	288	292	292
miscellaneous expenditure (n)(o)	1,144	1,158	1,147	1,134	1,128	1,113
15. Total expenditure	7,047	7,185	7,043	6,877	6,845	6,797
16. Total value of physical increase in input stocks	-24	5	15	-32	22	-26
17. **Gross input** (15-16)	7,086	7,180	7,028	6,908	6,823	6,823
18. Net input (17-13)	6,291	6,453	6,405	6,202	6,125	6,277
19. **Gross product** (12-17) or (14-18)	6,278	6,497	6,790	6,931	7,248	6,915
20. Total depreciation (n)	1,874	1,868	1,743	1,700	1,643	1,601
21. **Net product** (19-20)	4,401	4,629	5,047	5,231	5,605	5,314

(a) For 1982-84 the required national accounts method of calculating totals and sub-totals means that they do not necessarily equate to the sum of the individual items within them.
(b) Output is net of VAT collected on the sale of non-edible products. Figures for total output include subsidies, but not 'Other direct receipts'.
(c) Payment to small-scale cereal producers.
(d) Root and fodder crop seed, straw, mustard and other minor crops.
(e) Includes the value of the produce of gardens and allotments.
(f) Seeds, hedgerow fruits and nuts.
(g) Includes live poultry for export.
(h) Horses, breeding livestock exported, rabbits and game, knacker animals, other minor livestock and guidance premium for beef and sheepmeat.
(i) Includes exports of eggs for hatching.
(j) Honey, goats milk, and minor livestock products.
(k) The value of the physical increase in breeding and other capital livestock.
(l) Work in progress is non-capital livestock. Output stocks comprise cereals, potatoes and some fruits.
(m) Sales included in output but subsequently re-purchased and so reappearing as input.
(n) Landlords' expenses are included within farm maintenance, miscellaneous expenditure and depreciation of buildings and works.
(o) Including fees, insurance, telephones, non-government levies, and drainage, water and local authority rates.

TABLE 6.3 Changes in outputs and inputs

	Change between 1992 and 1993 (provisional)			
	Total Change		Percentage change in	
	£ million	Percentage	Price	Quantity
Outputs				
Cereals	203	9.3	20.3	-9.2
Other crops	160	18.2	8.6	8.8
Potatoes	-26	-5.9	-11.2	6.0
Horticulture	81	4.4	2.3	2.1
Livestock	473	9.0	12.6	-3.2
Livestock products	267	7.7	7.4	0.3
Other items (a)	2	..	..	..
Gross output	1,160	8.1	10.7	-2.4
Inputs				
Feedingstuffs	201	6.9	4.8	2.1
Seeds	-2	-0.5	-1.5	1.0
Livestock	17	9.8	17.1	-6.3
Fertilisers and lime	-88	-13.2	-5.0	-8.6
Pesticides	34	7.8	2.0	5.8
Machinery (total current expenses)	20	1.8	6.2	-4.2
Farm maintenance	7	2.3	2.4	-0.1
Miscellaneous (inc vets and electricity)	21	1.5	2.9	-1.3
Other items (b)	-44	..	..	..
Gross input	255	3.5	3.5	-
Gross product	905	12.9	18.3	-4.6
Net product	948	17.6	24.0	-5.2

(a) Covers own account capital formation, other direct receipts and the value of the physical increase in output stocks work-in-progress.
(b) Covers value of the physical increase of feed and fertiliser stocks.

TABLE 6.4 Output volume and productivity

At constant 1990 prices: indices, 1990=100 Calendar years

Year	Gross output (as defined in Table 6.2)	Gross product (as defined in Table 6.2) per whole-time man equivalent (a)	Gross output per unit of all inputs (including fixed capital and labour)
1982	95.1	78.1	93.0
1983	94.1	74.6	89.8
1984	101.1	91.1	98.8
1985	97.9	85.6	95.4
1986	98.4	84.5	93.5
1987	97.7	85.5	93.3
1988	97.8	87.2	93.5
1989	99.0	93.6	96.4
1990	100.0	100.0	100.0
1991	100.2	104.7	102.9
1992	101.8	111.2	107.1
1993 (provisional)	99.4	106.9	105.0

(a) The total numbers of whole-time man-equivalents engaged in agriculture is estimated for this series from the total number of full-time, part-time and casual workers, salaried managers, farmers, partners and directors (and their spouses) returned in the annual June Censuses weighted by their estimated average annual hours worked.

CHART 6.2 Changes in outputs and inputs

Changes in value of outputs and inputs between 1992 and 1993 (provisional)

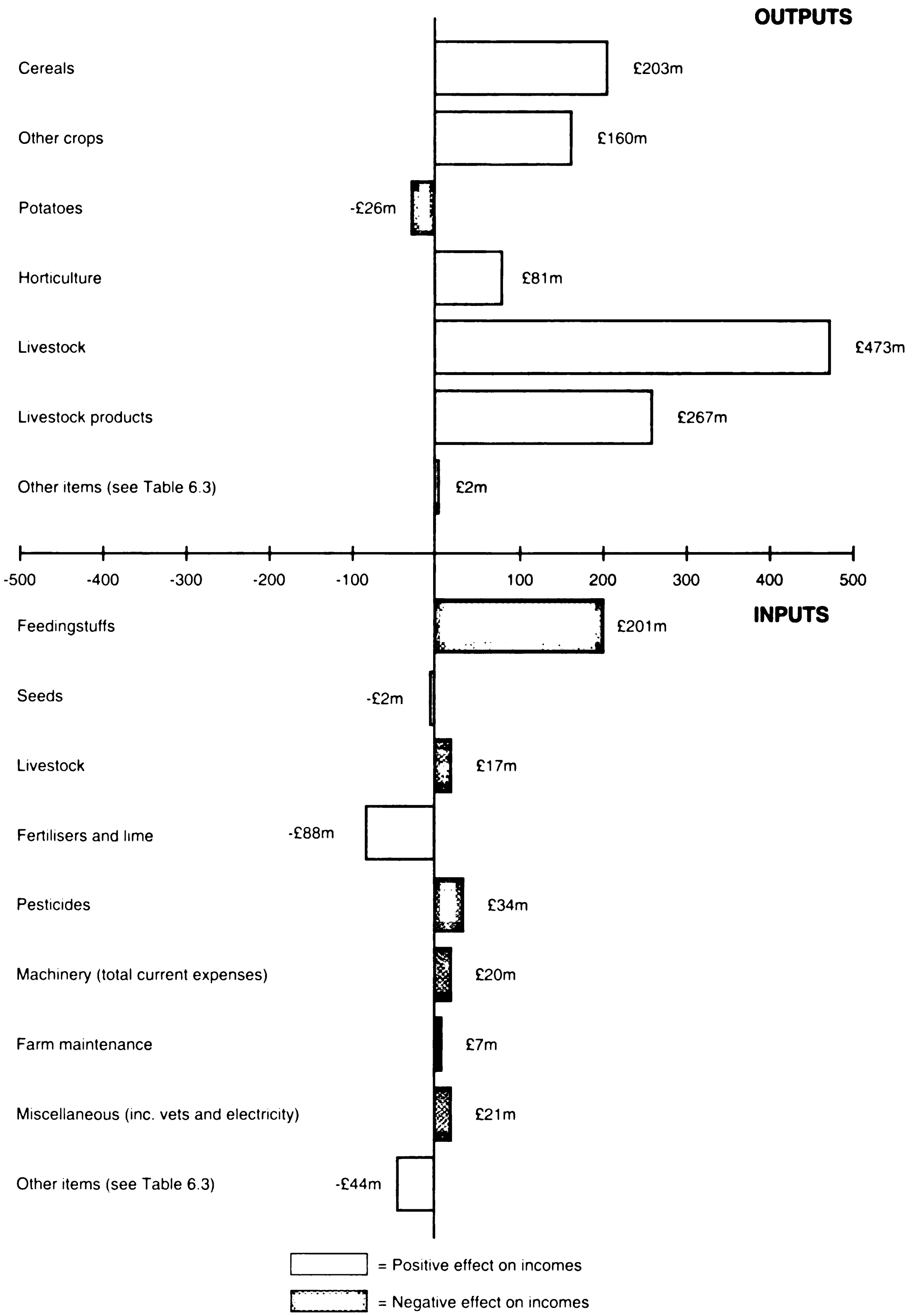


TABLE 6.5 Summary measures from the aggregate agricultural account

Calendar years

Year	Net product (as defined in table 6.1)	Income from farming: Income from agriculture of total labour input	Income from farming: Total income from farming (of farmers, non-principal partners and directors and their spouses and family workers)	Income from farming: Farming income (of farmers and spouses)	Cash flow from farming: of farmers, non-principal partners and directors and their spouses and family workers	Cash flow from farming: of farmers and spouses
£ million						
1982	4,087	3,427	2,249	1,679	2,522	1,951
1983	3,826	3,180	1,922	1,298	2,186	1,562
1984	4,715	3,977	2,689	2,049	2,929	2,289
1985	3,924	3,022	1,644	944	2,291	1,592
1986	4,178	3,308	1,958	1,214	2,478	1,734
1987	4,301	3,486	2,124	1,360	2,958	2,194
1988	4,054	3,197	1,791	983	2,453	1,645
1989	4,752	3,660	2,203	1,383	2,938	2,118
1990	5,047	3,863	2,279	1,399	3,037	2,157
1991	4,952	3,931	2,262	1,298	3,239	2,275
1992	5,386	4,496	2,809	1,841	3,452	2,484
1993 (provisional)	6,334	5,677	3,953	2,984	4,498	3,529
In real terms (as deflated by the RPI): indices, 1990=100						
1982	125.8	137.8	153.3	186.4	129.0	140.5
1983	112.5	122.2	125.2	137.7	106.8	107.5
1984	132.2	145.7	167.0	207.3	136.5	150.1
1985	103.7	104.3	96.1	90.0	100.6	98.4
1986	106.7	110.4	110.7	111.9	105.2	103.7
1987	105.5	111.7	115.3	120.3	120.5	125.9
1988	94.8	97.6	92.7	82.9	95.3	90.0
1989	103.0	103.7	105.8	108.2	105.9	107.5
1990	100.0	100.0	100.0	100.0	100.0	100.0
1991	92.7	96.1	93.8	87.6	100.7	99.6
1992	97.2	106.0	112.2	119.9	103.5	104.9
1993 (provisional)	112.5	131.7	155.5	191.2	132.7	146.6

TABLE 6.6 Eurostat income indicators

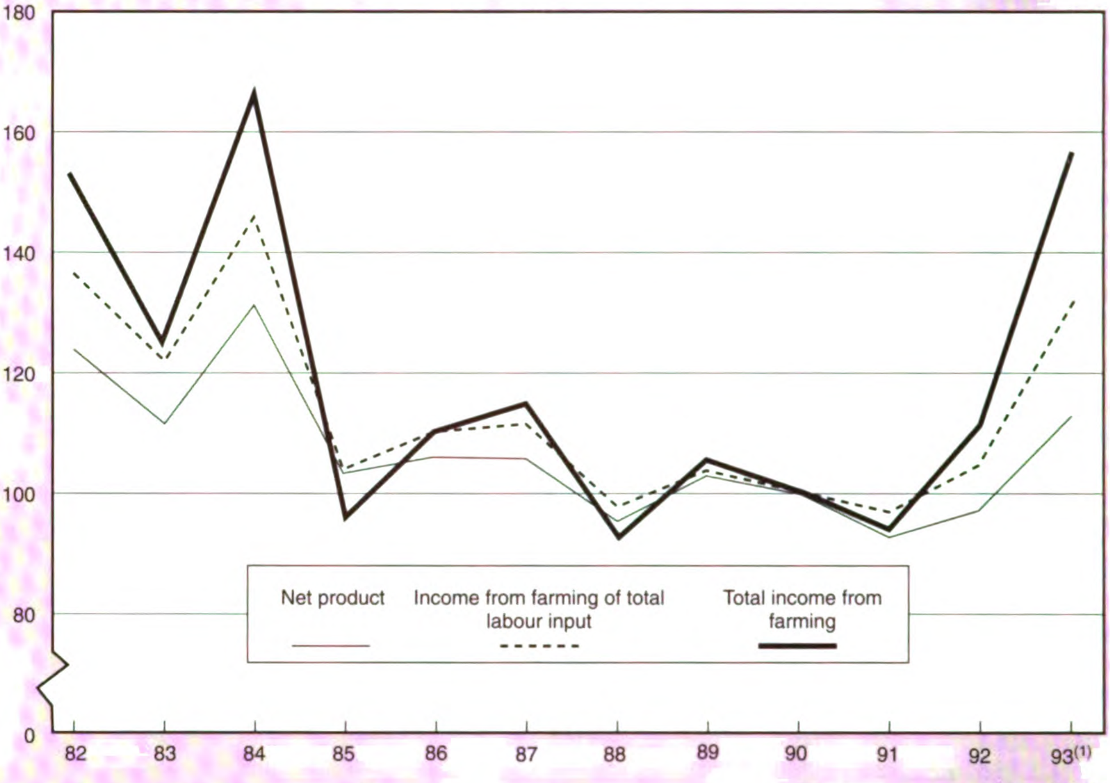
Calendar years

Year	Indicator 1 (a) Net value added at factor cost of total labour input	Indicator 2 (a) Net income from agricultural activity of total labour input	Indicator 3 (a) Net income from agricultural activity of family labour input
Indices (1989/91=100) reflecting incomes in real terms (as deflated by the GDP price index) per annual work unit			
1982	109.9	118.7	140.3
1983	98.7	105.7	114.4
1984	118.5	128.8	153.7
1985	93.5	92.8	88.5
1986	98.0	100.0	101.4
1987	98.5	102.9	107.1
1988	89.3	90.8	86.4
1989	100.5	99.8	101.7
1990	102.5	101.1	101.7
1991	96.9	99.1	96.5
1992	102.5	110.3	115.4
1993 (provisional)	118.0	136.3	159.1

(a) These series have been given their Eurostat titles. Their numerators correspond to the following series in Table 6.5:
1. Net product;
2. Income from agriculture of total labour input;
3. Total income from farming.

CHART 6.3 Numerators of Eurostat indicators 1, 2 and 3

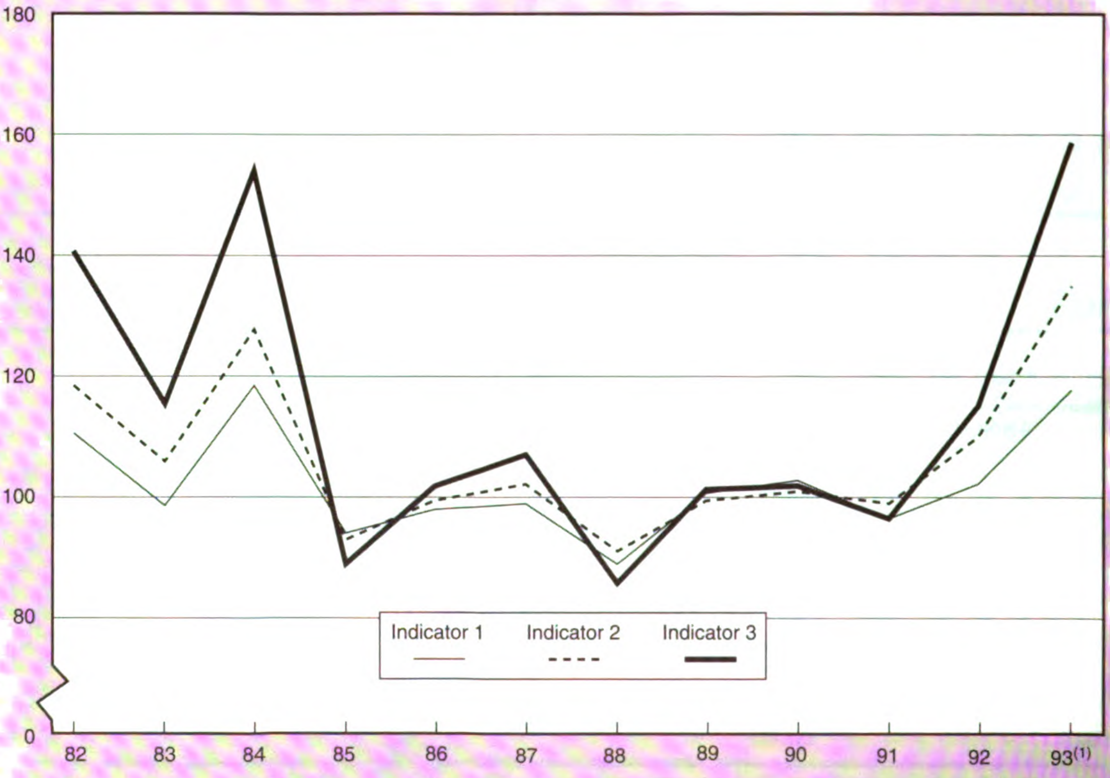
In real terms (as deflated by the RPI): indices, 1990 = 100)



(1)Provisional

CHART 6.4 Eurostat indicators 1, 2 and 3

Indices (as defined in Table 6.6)



(1)Provisional

TABLE 6.7 Subsidies and levies included in the aggregate agricultural account

This table excludes non-government levies (a)

£ million | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Subsidies						
Cereals:						
arable area payments	-	-	-	-	-	391
payments to small scale cereal producers	-	2	1	2	2	-
Total	-	2	1	2	2	391
All other crops:						
oilseed rape:						
arable area payments	-	-	-	-	-	76
oilseed support scheme	-	-	-	-	84	86
linseed:						
oilseed support scheme	-	5	7	21	60	160
peas and beans for stockfeed:						
arable area payments	-	-	-	-	-	70
peas for human consumption:						
arable area payments (b)	-	-	-	-	-	12
others (c)	6	5	5	5	5	6
Total	6	10	12	26	150	410
Cattle:						
beef variable premium	89	47	-	-	-	-
beef special premium (d)	-	26	41	45	46	155
suckler cow premium	20	58	71	88	96	162
calf subsidy	5	2	2	-	-	-
hill livestock compensatory allowance	39	53	53	65	68	68
disease compensation (e)	-	3	3	4	3	1
Total	153	189	170	201	214	386
Sheep:						
sheep variable premium	141	161	120	209	-	-
annual ewe premium	55	118	208	288	336	496
hill livestock compensatory allowance	52	66	73	84	85	61
Total	248	345	401	581	421	558
Other subsidies:						
set-aside:						
arable area payments	-	-	-	-	-	139
5 year, 1 year and levy schemes	-	9	18	25	34	26
milk quota cuts	-	74	65	60	81	44
BSE compensation	-	3	9	16	29	38
other animal disease compensation (f)	6	2	3	3	3	2
environmentally sensitive areas	-	9	9	11	14	27
others (g)	35	8	2	3	3	4
Total	40	105	107	117	163	280
Total subsidies	447	651	690	927	949	2,026
Levies						
Cereals:						
co-responsibility levy	-	108	94	119	42	-
Milk:						
co-responsibility levy	56	38	33	33	34	10
supplementary levy	-	15	-	9	4	2
Total levies	56	161	127	161	80	12

(a) Levies paid to non-government organisations are included in the aggregate accounts (table 6.1) under 'other miscellaneous expenditure'.
(b) Consists of subsidies on peas harvested dry and on vining peas.
(c) Includes hops CAP support and conversion aid, grass and clover seed subsidy and Potato Marketing Board compensation payments.
(d) Includes extensification premium and NI deseasonalisation premium.
(e) Tuberculosis and brucellosis compensation; included under 'Other subsidies' for years 1982-84.
(f) Includes Salmonella, chernobyl, aujeszky's, swinefever and avian Influenza; also tuberculosis and brucellosis compensation for years 1982-84.
(g) Includes milk outgoers and small milk producers' scheme, nitrate sensitive areas, guidance premium for beef and sheepmeat production, aid to less favoured areas, farm accounts grants and others.

TABLE 6.8 Gross capital formation

£ million | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Gross capital formation at current prices						
Gross fixed capital formation:						
buildings and works	645	484	558	441	398	..
plant and machinery	549	489	428	427	438	..
vehicles	113	152	150	141	164	..
Total	1,306	1,125	1,136	1,009	1,001	..
Livestock capital formation:						
cattle	-9	15	19	-69	92	3
sheep	8	25	9	-20	28	3
pigs	-2	2	3	2	2	-
poultry	..	..	..	6	-	-2
Total	-3	42	31	-80	122	5
Gross capital formation	1,303	1,167	1,167	928	1,123	..
Gross capital formation at constant 1990 prices						
Gross fixed capital formation:						
buildings and works	896	507	558	462	456	..
plant and machinery	752	517	428	400	391	..
vehicles	186	164	150	130	156	..
Total	1,834	1,188	1,136	992	1,003	..
Livestock capital formation	-3	44	31	-76	96	5
Gross capital formation	1,831	1,232	1,167	916	1,099	..

TABLE 6.9 Stocks and work in progress

£ million | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Increase in book value of stocks and work in progress	179	14	115	3	68	-252
Stock appreciation	143	109	156	74	32	-245
Value of physical increase in stocks and work in progress:						
at current prices	36	-95	-41	-71	36	-7
at constant (1990) prices	68	-92	-41	-68	59	-27
Details at current prices:						
Output stocks:						
wheat	41	1	9	14	13	-8
barley	4	-47	-10	-3	8	-
oats	-1	-1	1	-	-6	-
potatoes	5	-25	1	-8	28	-20
fruit	6	4	-8	-	6	-3
Total	55	-67	-8	4	50	-31
Work in progress:						
cattle	6	-5	-51	-21	-49	9
sheep	4	-6	3	-25	-	23
pigs	-1	-10	-1	3	5	5
poultry	-3	-10	-	-1	6	4
Total	5	-31	-48	-44	-39	42
Input stocks:						
feedingstuffs	-9	-10	11	-20	29	8
fertilisers	-16	14	4	-11	-4	-27
Total	-24	4	15	-31	25	-19

TABLE 6.10 Costs and earnings of hired labour engaged in agricultural work

Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Hired labour costs (£ million) (a)						
Wages and salaries (b)	1,109	1,335	1,452	1,526	1,550	1,580
Insurance payments	126	111	121	132	127	134
Other payments (c)	6	11	11	11	10	10
Total	1,241	1,457	1,584	1,669	1,687	1,723
Hours and earnings of regular whole-time male workers, 20 years and over						
Hours per week (d)	46.3	46.6	46.7	46.8	46.2	46.4
Earnings per week (£) (e)	114.9	167.4	186.1	203.7	211.0	217.2
Earnings in real terms (as deflated by the RPI): indices, 1990=100	91.7	98.5	100.0	103.5	103.3	104.7

(a) Excludes work done by farm labour on own account capital formation in building and works.
(b) Includes perquisites.
(c) Includes redundancy payments, Workers Pension Scheme (up to 1990) and Youth Training Scheme.
(d) All hours worked and statutory holidays.
(e) Includes payment in kind for houses, board and lodgings and milk, which are valued at rates set down by the Agricultural Wages Board. Also includes pay for statutory holidays, employers' contribution to employees' community charge during the period 1990 to 1992 and to the council tax in 1993.

TABLE 6.11 Interest

£ million (unless otherwise specified) | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
Interest rates						
average bank base lending rate in the UK (percentage)	10.4	13.9	14.8	11.7	9.6	6.1
average rate of interest on bank advances to agriculture (percentage)	12.9	16.2	17.1	14.3	12.3	8.8
Interest charges (for current farming purposes and building and works) on:						
bank advances	494	881	978	826	687	469
AMC loans	5	9	15	20	18	14
instalment credit	22	48	54	48	47	36
leased assets	35	55	56	47	36	25
other credit (a)	5	6	6	5	7	6
less interest on deposits (b)	7	47	58	63	52	44
Total	556	950	1,052	883	743	506

(a) This includes interest paid on loans from the Scottish Agricultural Securities Corporation, private sources and charges on loans guaranteed by the Agricultural Credit Corporation.
(b) Interest earned on money held on short term deposit.

7 Farm rents, land prices and balance sheets

Introduction

1. This section reports developments in average farm rents and land prices per hectare and the aggregate balance sheet for agriculture.

Farm rents
(Table 7.1)

2. Table 7.1 shows average rents per hectare based on results of the annual rent enquiry in England and Wales and continuing field enquiries in Scotland. Provisional estimates for 1993 suggest increases in average rents in England, Wales and Scotland of about 0.5, 3.6 and 2.7 per cent respectively. For Great Britain as a whole average rent per hectare has increased by about 1.0 per cent.

Agricultural land prices
(Table 7.2)

3. The agricultural land prices shown in Table 7.2 are obtained from Inland Revenue statistics of average sale prices. Only a very small proportion of the total area of farmland in the UK is sold in a particular year. The average prices recorded by the Inland Revenue can therefore be subject to substantial variation from year to year and in the case of the unweighted averages shown here may vary with size and type of lot sold in the year concerned.

4. In 1992 the average price of land with vacant possession fell sharply in all countries except Northern Ireland where it increased by about 4.5 per cent. Average prices declined by 12.5, 27.6 and 18.3 per cent in England, Wales and Scotland respectively. In the tenanted sector the average price of land decreased by 14.0 per cent in England and increased by 13.2 per cent in Scotland. Chart 7.1 plots the vacant possession price for England over the last decade in both current prices and real terms.

Balance sheet
(Table 7.3)

5. Estimates of the aggregate balance sheet are shown in Table 7.3. In 1992 there was a decline of about 5.6 per cent at current prices in the total value of assets (net of depreciation). This was largely due to a fall in the value of land and buildings. The total value of liabilities fell by 1.4 per cent in 1992 and the industry's net worth fell by about 6.6 per cent. In real terms net worth fell by 8.7 per cent. Chart 7.2 shows the development (in real terms) of the main balance sheet aggregates since 1982.

TABLE 7.1 Farm rents

Average per hectare: indices, 1990=100 | Calendar years

	Average of 1982-84	1989	1990	1991	1992	1993 (provisional)
England	74.9	98.7	100.0	101.4	101.9	102.4
Wales	71.3	97.1	100.0	102.8	106.2	110.0
Scotland	74.1	97.5	100.0	103.2	102.4	105.2
Great Britain (a)	74.8	98.6	100.0	101.6	102.1	103.1

(a) Virtually all land in Northern Ireland is owner-occupied.

TABLE 7.2 Agricultural land prices

£ per hectare | Calendar years

	Average of 1982-84	1989	1990	1991	1992
England (a)					
With vacant possession	3,776	4,746	4,683	4,198	3,674
Tenanted	2,531	2,135	2,131	2,053	1,766
Wales (a)					
With vacant possession	2,506	3,909	3,145	3,386	2,453
Scotland (a)					
With vacant possession	1,779	2,729	3,399	2,943	2,405
Tenanted	1,115	877	1,271	1,056	1,195
Northern Ireland (a)					
With vacant possession	2,830	3,359	3,464	3,458	3,613

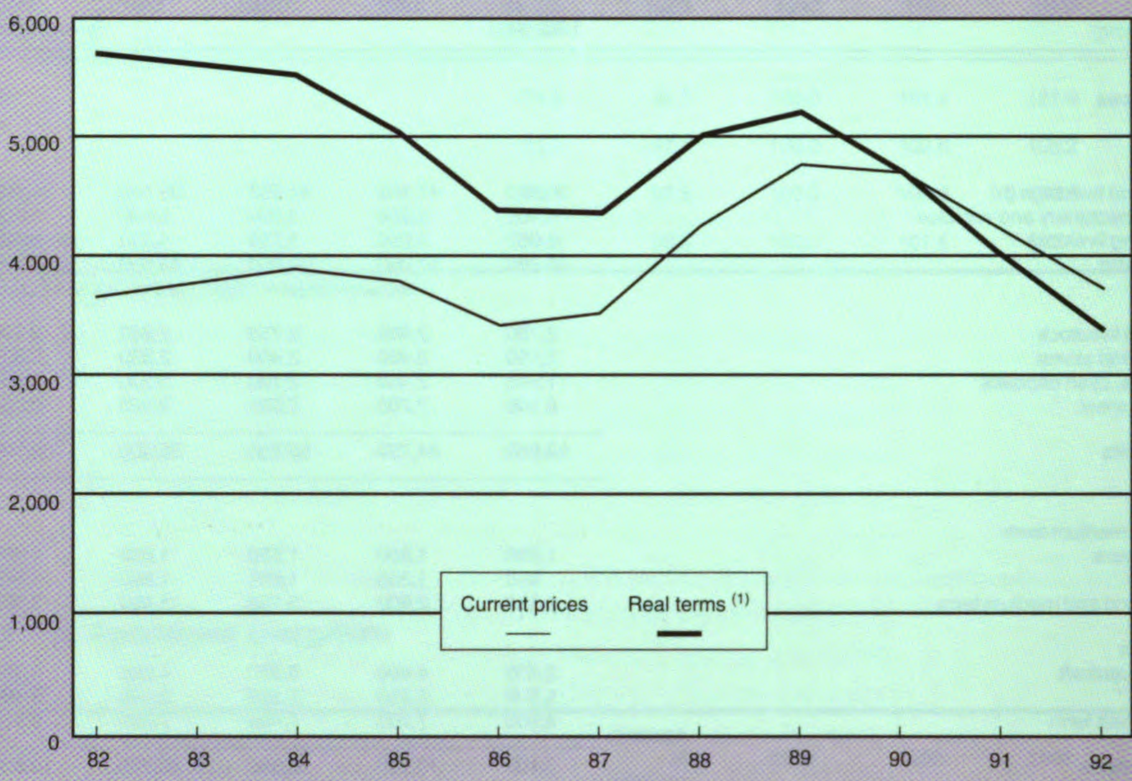
(a) These series, based on Inland Revenue data, exclude land sold for non- agricultural purposes. In Great Britain sales of less than 5 hectares and in Northern Ireland of less than 2 hectares are also excluded. In Scotland the series refers to sales of equipped farms only and excludes sales of whole estates and inter-family sales. There is a delay between the date on which a sale is agreed and the date on which it is included in the analysis. The delay is thought to average about 9 months for England and Wales and about 3 months for Northern Ireland. The average prices shown in the table for each calendar year relate to sales included in the series for these countries in the years ending in the following September and March respectively. In the case of Scotland the problem is overcome by further analysis of information by date of sale. The data for Scotland is subject to retrospective revision. Reliable prices for tenanted land in Wales are not available due to insufficient sales and virtually all land in Northern Ireland is owner-occupied.

TABLE 7.3 Aggregate balance sheets for agriculture

£ million					As at December each year
	Average of 1982-84	1989	1990	1991	1992 (provisional)
At current prices					
Assets					
Fixed (a):					
Land and buildings (b)	38,550	47,800	41,850	39,100	34,000
Plant, machinery and vehicles	4,450	5,250	5,200	5,150	5,050
Breeding livestock	3,850	4,050	3,750	4,250	5,600
Total fixed	46,850	57,050	50,800	48,500	44,650
Current:					
Trading livestock	2,750	2,900	2,750	2,850	2,900
Crops and stores	2,550	2,400	2,450	2,350	2,300
Debtors, cash deposits	1,500	2,400	2,700	3,200	3,850
Total current	6,800	7,700	7,900	8,400	9,050
Total Assets	53,650	64,750	58,700	56,900	53,700
Liabilities					
Long and medium term:					
Bank loans	1,200	1,600	1,550	1,650	1,900
Other	950	1,350	1,600	1,800	1,900
Total long and medium term	2,150	2,900	3,150	3,450	3,800
Short term:					
Bank overdraft	3,450	4,800	5,050	4,900	4,350
Other	1,500	2,250	2,350	2,400	2,450
Total short term	4,950	7,100	7,400	7,300	6,800
Total Liabilities	7,100	10,000	10,550	10,750	10,600
Net worth	46,550	54,750	48,150	46,150	43,100
In real terms (as deflated by the RPI): indices, December 1990=100					
Total assets	137	121	100	93	85
Total liabilities	101	104	100	98	94
Net worth	145	124	100	92	84

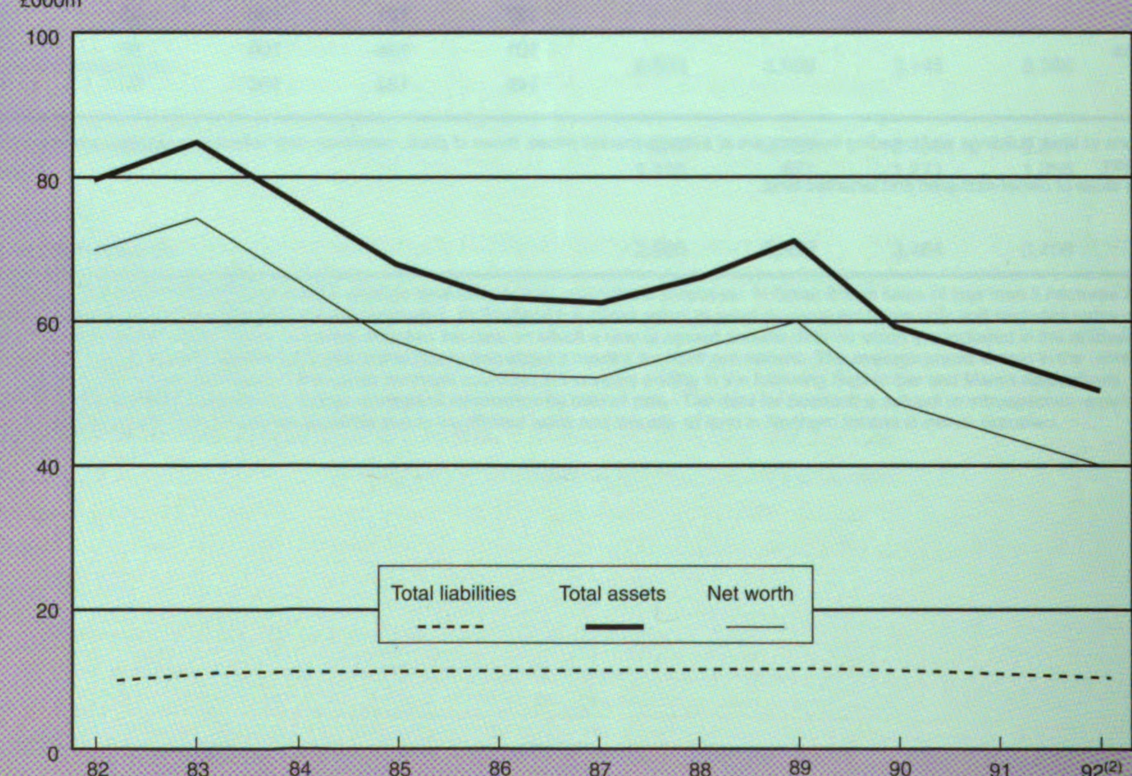
(a) The valuations of land, buildings and breeding livestock are at average market prices; those of plant, machinery and vehicles are at replacement cost, net of depreciation.
(b) Includes the value of owner-occupied and tenanted land.

CHART 7.1 Prices of agricultural land with vacant possession : England



(1) 1990 real terms as deflated by the RPI

CHART 7.2 United Kingdom agricultural assets, liabilities and net worth in real terms(1)



(1) December 1990 real terms as deflated by the RPI (2) Provisional

8 Farm business data

Introduction

1. Information on incomes, assets and liabilities of full-time farm businesses in the United Kingdom is provided by the annual Farm Business Surveys, conducted by universities and agricultural colleges in England and Wales and the Department of Agricuture for Northern Ireland, and the Scottish Farm Accounts Scheme carried out by the Scottish Agricultural College. Summary results of these surveys (weighted according to the distribution of holdings by region, farm type, size and tenure recorded in the June Census) are presented and described in this section, together with provisional estimates of *net farm income* for the 1993/94 year.

2. It should be noted that the accounting practices and concepts adopted in the Farm Business Surveys differ in a number of respects from those employed in compiling the aggregate account as reported in Section 6. Income measures deriving from the two sources are not, therefore, directly comparable. One important difference is that all estimates in this section are averages per farm.

Farm classification

3. The classification of farms has been changed this year in order to make the farm types more relevant to the current structure of farming. To aid comparisons with earlier years, the data have been re-analysed on the new classification and are available from 1986/87 onwards. More detail about the new types is contained in Appendix 3 of *Farm Incomes in the United Kingdom, 1991/1992.*

Farm incomes
(Tables 8.1 - 8.3)

4. Movements in net farm income over recent years for each country and for the major farm types (excluding horticulture) are shown by the index numbers presented in Table 8.1. This income measure is a long-standing indicator of the economic performance of farm businesses and, in order to achieve comparability among farms of different types of tenure, it is based on the assumption that all land is tenanted. It represents the return to the farmer and spouse for their manual and managerial labour and on the tenant-type assets of the business such as permanent crops, livestock and machinery (but not land or buildings).

5. In 1992/93, average net farm income rose in all four countries and on all of the major farm types excluding horticulture. The increases were often substantial. Averaged over the United Kingdom as a whole, incomes rose by 30 per cent on dairy farms mainly due to higher prices received for milk, calves and heifers in calf. Incomes also rose strongly on cattle and sheep farms in the Less Favoured Areas (LFA) as the effects of lower fat lamb prices were

more than offset by a large increase in the annual ewe premium and higher prices for draft ewes, ewe lambs and store cattle. Higher fat cattle prices, especially towards the end of the accounting year, together with higher prices for heifers, ensured much higher output than in 1991/92 on cattle and sheep farms outside the LFA. Despite the lower levels of production in the UK, the value of cereals output rose due to higher prices for the 1992 harvest and this, combined with increased receipts for oilseeds and protein crops and lower fertiliser costs, led to a substantial rise in income on cereal farms. In Scotland the increase was particularly marked as a result of both rising prices and increased yields. The increase in incomes was much smaller on general cropping farms because of a steep drop in potato prices. Pig and poultry farms enjoyed higher incomes than in 1991/92 despite lower egg prices, and higher feed and other costs. With the higher milk and cereal prices, and to a lesser extent pig and fat cattle prices, average net farm income on mixed farms increased substantially.

6. Provisional estimates of net farm income for 1993/94 are included as indices in Table 8.1. These are based on information such as prices and marketings from a variety of sources and assume normal weather patterns between December 1993 and February 1994. These estimates should be regarded only as broad indicators of the overall effects on income of expected developments in output values and input costs.

7. A major factor affecting the fortunes of most farm types was the effect on prices and subsidy rates of the lower value of sterling and green pound devaluations following the withdrawal of the pound from the ERM. The incomes on dairy and livestock farms are expected to continue to increase in 1993/94 partly due to higher prices for milk and sheep. A rise in incomes on cattle and sheep farms in the Less Favoured Areas (LFA) is estimated in spite of the cut in the Hill Livestock Compensatory Allowances in 1993. After rising for five consecutive years incomes on cereal farms are expected to fall, partly as a result of the set-aside requirements and lower crop yields in Scotland. Despite much improved prices for potatoes, incomes on general cropping farms are also expected to fall. This is partly due to the effect of the set-aside requirement on cereals and oilseed rape and partly to lower crop yields in Scotland and, in England, lower sugar beet yields and prices. For pig and poultry farms taken together, income levels in 1993/94 are expected to fall to their lowest for five years as much lower pig prices combine with higher pig feed costs to outweigh the effects of increases in egg and broiler prices.

8. Information on levels of net farm income in 1991/92 and 1992/93 is shown in Table 8.2 according to farm type, economic size and country. Economic size is measured in financial terms, based on standard gross margins per hectare of crops and per head of livestock. Average net farm income increased on each of the major farm types, except horticulture, in all four countries and, with only a few exceptions, on small, medium and large farms. Net farm income on both general cropping and dairy farms in

England averaged around £30,000 in 1992/93, while cereals, pigs and poultry and mixed farms recorded averages around £25,000. Dairy farms achieved the highest average incomes in the other three countries.

9. *Occupier's net income* is an alternative measure of farm performance which represents the return to the farmer and spouse for their manual and managerial labour and on all assets invested in the farm business, including land and buildings. It takes account of the actual expenditure associated with owning or renting land. Table 8.3 shows estimates of occupier's net income by farm type, country and tenure basis in 1991/92 and 1992/93. As for net farm income, occupier's net income increased on average on each major farm type except horticulture; the improvements in income were observed for all tenure types.

TABLE 8.1 Net farm income by country and farm type

Average net farm income per farm: indices, 1989/90-91/92=100 — Accounting years ending on average in February

Country and farm type	1986/87	1987/88	1988/89	1989/90	1990/91	1991/92	1992/93	1993/94 (prov)
At current prices								
England:								
Dairy	76	92	123	113	89	98	128	165
Cattle and sheep (LFA)	80	113	145	103	78	119	172	265
Cattle and sheep (lowland)	121	228	227	120	61	119	179	275
Cereals	163	22	32	79	104	117	157	140
General cropping	72	29	20	112	97	91	97	80
Pigs and poultry	70	49	22	126	108	67	75	40
Mixed	96	85	84	97	99	104	133	135
Wales:								
Dairy	66	88	110	111	89	100	123	150
Cattle and sheep (LFA)	119	128	176	109	79	112	144	200
Cattle and sheep (lowland)	46	134	197	73	125	102	109	155
Scotland:								
Dairy	31	79	99	118	94	89	109	155
Cattle and sheep (LFA)	39	100	121	107	99	95	115	155
Cattle and sheep (lowland)	25	96	130	130	98	72	115	165
Cereals	128	85	53	95	131	74	214	150
General Cropping	107	71	40	134	121	44	65	60
Mixed	64	105	105	104	117	79	175	170
Northern Ireland:								
Dairy	55	121	141	130	75	95	141	155
Cattle and sheep (LFA)	75	199	186	111	86	103	162	170
Mixed	43	111	81	138	94	68	120	95
United Kingdom:								
Dairy	69	94	121	115	88	97	127	160
Cattle and sheep (LFA)	65	116	142	107	89	104	137	190
Cattle and sheep (lowland)	87	202	212	116	79	104	150	225
Cereals	173	30	36	82	108	110	159	135
General cropping	81	35	24	116	99	85	94	80
Pigs and poultry	75	57	27	125	107	68	80	40
Mixed	86	92	91	100	104	96	138	135
In real terms (as deflated by the RPI)								
United Kingdom:								
Dairy	87	114	140	123	86	91	114	145
Cattle and sheep (LFA)	83	143	165	115	87	98	124	170
Cattle and sheep (lowland)	111	247	245	125	78	97	135	200
Cereals	222	37	42	89	107	104	145	125
General cropping	103	43	27	124	97	79	84	70
Pigs and poultry	95	69	31	133	104	63	71	35
Mixed	110	113	106	108	102	90	125	120

Assets and liabilities
(Table 8.4)

10. Table 8.4 provides information on the assets, liabilities and net worth of farm businesses at the beginning and end of 1992/93 according to country and type of tenure. In England net worth fell over the year on owner-occupied farms mainly due to lower values of fixed assets, particularly land. In contrast, net worth rose on other farms in England and on each tenure type in the other three countries. There was a slight reduction in external liabilities in Wales but they remained largely unchanged elsewhere.

11. External liabilities expressed as a percentage of total assets give an indicator of indebtedness. In England this measure (based on 1992/93 closing valuations) was 12 per cent for owner-occupied farms, 24 per cent for tenanted farms and 14 per cent for mixed tenure farms. Overall the level of indebtedness was unchanged in England as a slight fall on tenanted farms was offset by a slight rise on owner-occupied farms. Indebtedness fell in the other countries except for a slight rise on wholly, or mainly, tenanted farms in Scotland.

TABLE 8.2 Net farm income by farm type, country and size

With comparative data on average farm area and number of holdings

Accounting years ending on average in February

Farm type and country	Farm Business Survey data (a)											Census data (b)		
	Net farm income (£'000 per farm)								Average farm area including rough grazing (hectares per farm) 1992/93			Number of holdings at June 1992		
	Small		Medium		Large		All size groups							
	1991/92	1992/93	1991/92	1992/93	1991/92	1992/93	1991/92	1992/93	Small	Medium	Large	Small	Medium	Large
Dairy:														
England	9.0	10.9	18.9	24.7	46.0	60.5	22.7	29.5	30	61	120	4,852	10,020	3,885
Wales	9.8	14.2	25.3	29.7	56.5	68.8	23.1	28.4	30	64	124	1,748	2,007	472
Scotland	..	..	17.7	23.9	41.5	47.9	23.0	28.4	..	71	160	184	1,098	518
N. Ireland	7.6	11.8	18.5	26.6	..	..	12.0	17.7	39	64	..	2,861	1,907	261
Cattle and sheep (LFA):														
England	5.3	7.7	16.1	21.7	..	..	9.4	13.7	97	247	..	4,832	2,094	326
Wales	6.9	9.0	17.0	21.9	48.8	63.7	10.2	13.1	80	231	555	6,131	1,930	180
Scotland	5.8	7.7	12.3	13.8	20.1	24.8	8.7	10.6	355	474	1113	4,764	2,414	473
N. Ireland	3.0	5.3	14.1	16.4	..	..	4.0	6.3	87	159	..	5,186	510	44
Cattle and sheep (lowland):														
England	2.0	4.1	12.1	13.0	27.3	42.5	5.8	8.8	61	135	197	9,919	2,328	1,028
Wales	5.6	4.3	14.8	17.2	..	..	9.9	10.6	47	122	..	1,522	412	96
Scotland	..	..	..	..	..	..	..	..	..	..	..	452	160	88
Cereals:														
England	5.3	5.4	18.0	23.5	38.1	54.7	18.5	24.8	52	125	318	7,134	6,112	3,901
Scotland	..	..	..	..	..	..	6.2	18.1	..	..	..	1,196	872	371
General cropping:														
England	..	..	19.3	16.4	52.4	58.8	29.2	31.3	..	88	286	4,223	4,170	4,276
Scotland	..	..	..	..	23.3	29.1	10.9	16.1	..	..	228	456	814	792
Pigs and poultry:														
England	11.6	11.6	17.4	18.9	59.7	71.2	23.7	26.6	6	12	33	1,509	1,090	758
Mixed:														
England	5.8	5.4	12.2	16.8	40.4	52.6	18.8	24.1	55	120	299	4,165	3,036	2,514
Scotland	2.2	6.3	6.6	14.1	..	..	7.6	16.7	62	120	..	1,114	751	423
N. Ireland	3.9	8.2	..	..	..	..	4.2	7.5	46	..	..	839	217	49

(a) Figures are not shown separately where the sample contains fewer than 20 farms.
(b) For comparison with the Farm Business Survey, census data relate to holdings of 8 ESU and over.

TABLE 8.3 Occupier's net income by farm type, country and tenure

With comparative data on average farm area and number of holdings

Accounting years ending on average in February

Farm type and country	Farm Business Survey data (a)											Census data (b)		
	Occupier's net income (£'000 per farm)								Average farm area including rough grazing (hectares per farm) 1992/93			Number of holdings at June 1992		
	Owner-occupied		Tenanted		Mixed tenure		All types of tenure							
	1991/92	1992/93	1991/92	1992/93	1991/92	1992/93	1991/92	1992/93	Owner-occupied	Tenanted	Mixed tenure	Owner-occupied	Tenanted	Mixed tenure
Dairy:														
England	17.9	26.0	16.5	21.8	23.4	33.5	19.3	27.3	64	57	81	8,557	4,520	5,680
Wales	17.2	23.5	15.1	20.9	25.6	32.0	18.7	24.9	57	46	71	2,535	706	986
Scotland (c)	23.4	30.6	..	..	..	..	26.8	30.6	83	..	..	1,347	453	
N. Ireland (d)	8.6	15.0	..	..	..	..	..	..	49	..	..	5,029	..	
Cattle and sheep (LFA):														
England	6.4	10.9	8.9	14.4	11.5	17.8	8.4	13.6	110	230	190	3,384	1,675	2,193
Wales	8.5	12.1	6.8	8.7	9.3	15.3	8.5	12.5	120	116	145	5,194	1,046	2,001
Scotland (c)	7.7	10.5	7.2	9.2	..	..	7.5	10.0	263	482	..	4,615	3,036	..
N. Ireland (d)	2.0	5.2	..	..	..	..	..	..	93	..	..	5,740	..	..
Cattle and sheep (lowland):														
England	6.7	7.9	4.2	9.2	10.9	15.5	7.5	10.0	77	119	88	7,605	2,242	3,428
Wales	8.0	9.2	..	..	17.0	18.7	10.3	11.5	63	..	89	1,152	341	537
Scotland (c)	..	..	..	..	..	..	..	..	..	..	..	504	196	..
Cereals:														
England	19.0	25.3	12.9	19.7	25.1	36.1	19.5	27.4	135	135	173	7,703	3,923	5,521
Scotland	..	..	..	..	..	..	6.5	20.7	..	..	..	1,610	829	..
General cropping:														
England	26.4	31.6	23.3	33.4	29.7	28.4	27.1	30.6	142	150	167	4,630	2,916	5,123
Scotland (c)	10.3	22.7	..	..	..	..	8.5	17.6	119	..	..	1,313	749	..
Pigs and poultry:														
England	17.5	22.1	..	..	..	..	16.3	21.2	12	..	..	2,712	277	368
Mixed:														
England	18.8	22.0	11.3	21.9	18.0	28.6	16.9	24.4	139	145	176	4,397	2,139	3,179
Scotland	5.3	15.9	10.0	21.4	..	..	6.9	17.7	136	229	..	1,525	763	..
N. Ireland (d)	3.2	7.5	..	..	..	..	..	..	52	..	..	1,105	..	..

(a) Figures are not shown separately where the sample contains fewer than 20 farms.
(b) For comparison with the Farm Business Survey, census data relate to holdings of 8 ESU and over.
(c) All survey farms in Scotland are classified according to the main tenure category of land on the holding.
(d) Practically all farms in Northern Ireland are owner-occupied.

TABLE 8.4 Assets and liabilities of farm businesses by country and tenure, 1992/93

£'000 per farm — Accounting years ending on average in February

		Owner-occupied		Tenanted		Mixed tenure		All types of tenure	
		Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing
England	Total assets	550.0	543.7	149.5	156.9	552.0	553.5	471.8	470.6
	of which: fixed assets	490.1	481.3	90.9	94.8	469.9	467.5	405.4	401.1
	current assets	60.0	62.4	58.7	62.2	82.1	86.0	66.4	69.5
	Total external liabilities	62.5	63.6	39.0	37.4	76.6	76.3	62.2	62.3
	of which: long and medium term loans	28.7	30.8	5.9	6.1	26.9	28.7	23.6	25.3
	short-term loans	33.9	32.7	33.1	31.3	49.8	47.7	38.5	37.0
	Net worth	487.5	480.1	110.6	119.5	475.4	477.2	409.7	408.3
	Occupier's net income 1992/93 year	..	19.1	..	20.5	..	28.0	..	22.1
Wales	Total assets	375.3	379.8	76.3	79.6	328.3	336.5	324.0	329.2
	of which: fixed assets	352.5	356.9	59.8	63.3	301.4	307.0	301.0	305.6
	current assets	22.8	22.8	16.5	16.3	26.9	29.5	23.0	23.5
	Total external liabilities	38.0	36.7	12.6	12.8	33.9	32.2	33.6	32.4
	of which: long and medium term loans	18.3	19.8	2.9	2.9	14.6	15.2	15.3	16.5
	short-term loans	19.7	16.8	9.8	9.9	19.3	17.1	18.3	16.0
	Net worth	337.4	343.1	63.6	66.8	294.4	304.3	290.4	296.7
	Occupier's net income 1992/93 year	..	14.6	..	12.4	..	20.7	..	15.8
Scotland (a)	Total assets	336.1	347.0	140.4	152.0	..	..	266.5	277.7
	of which: fixed assets	278.4	285.4	81.6	90.2	..	..	208.4	216.0
	current assets	57.7	61.6	58.8	61.8	..	..	58.1	61.7
	Total external liabilities	59.4	57.6	29.8	32.9	..	..	48.9	48.8
	of which: long and medium term loans	13.5	13.4	5.3	6.6	..	..	10.5	11.0
	short-term loans	46.0	44.2	24.5	26.3	..	..	38.4	37.8
	Net worth	276.7	289.5	110.6	119.1	..	..	217.6	228.9
	Occupier's net income 1992/93 year	..	16.7	..	14.9	..	..	..	16.1
Northern Ireland (b)	Total assets	255.5	261.4	..	..	..	..	..	..
	of which: fixed assets	225.0	229.5	..	..	..	..	..	..
	current assets	30.5	31.9	..	..	..	..	..	..
	Total external liabilities	13.3	13.1	..	..	..	..	..	..
	of which: long and medium term loans	5.1	5.3	..	..	..	..	..	..
	short-term loans	8.2	7.8	..	..	..	..	..	..
	Net worth	242.2	248.3	..	..	..	..	..	..
	Occupier's net income 1992/93 year	..	9.1	..	..	..	..	..	..

(a) All survey farms in Scotland are classified according to the main tenure category of land on the holding.
(b) Practically all farms in Northern Ireland are owner-occupied.

9 Public expenditure on agriculture

Introduction

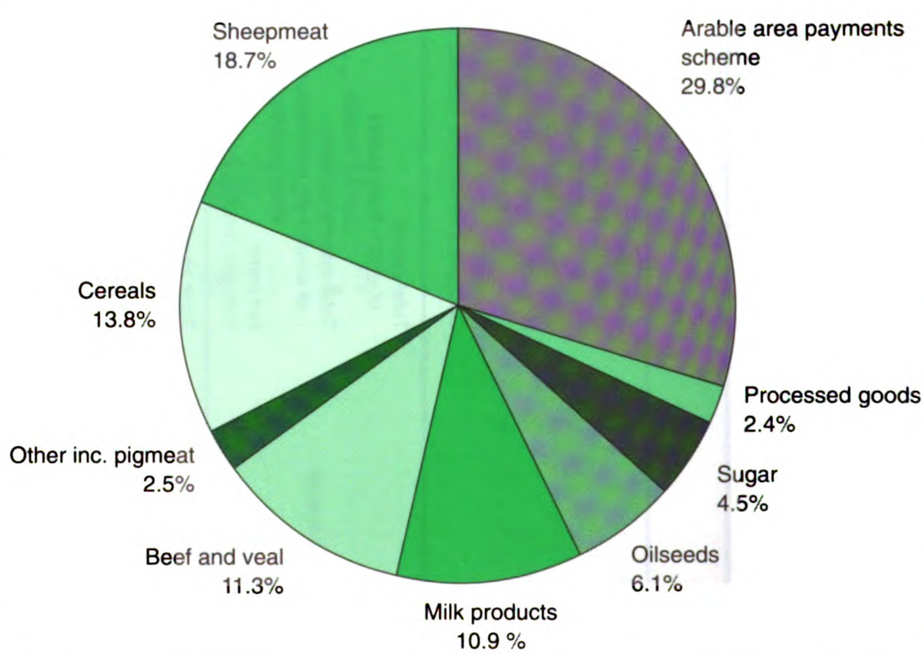
1. Table 9.1 shows public expenditure under the CAP and on national grants and subsidies, while Table 9.2 provides more detailed information on the costs of market regulation under the CAP. The tables exclude other expenditure which may benefit farmers (eg expenditure on animal health or on research, advice and education). They do, however, include some expenditure which benefits consumer and trade interests rather than producers directly. The figures for the financial years up to and including 1992/93 represent actual expenditure recorded in the Appropriation Accounts. The figures for 1993/94 are the latest estimates of expenditure.

Public expenditure
(Tables 9.1 and 9.2)

2. Total United Kingdom expenditure in 1993/94, compared with the previous year, is forecast to increase by some £1,012 million to £3,015 million, with spending in the UK on the CAP rising from £1,699 million in 1992/93 to £2,727 million. The increase is largely due to the shift in emphasis in the reformed CAP from price support measures to direct payments to producers. However, increased costs to the taxpayer will be more than offset by savings to consumers from price reductions; overall, the cost of the CAP

CHART 9.1 Public expenditure under the CAP by the Intervention Board and the Agriculture Departments

Forecast 1993/94



to consumers and taxpayers will fall. Chart 9.1 illustrates the expenditure breakdown by commodity sector, with more detail in Table 9.2. The main elements of increased costs have arisen from the new system of area payments for arable crops, the ending of the cereals and milk co-responsibility levies, increased payments of the beef special premium and the sheep annual premium and increased purchases of cereals into intervention. Savings are expected in beef intervention and cereals export refund expenditure. Expenditure year on year also increased due to an increase in the green rates following devaluation of the pound against the ECU.

3. Other expenditure on agricultural support in the UK is estimated to be £287 million in 1993/94 compared with £304 million in 1992/93. This expenditure includes grants for conservation, exchequer funding of accompanying measures, assistance for agriculture in special areas and price guarantees. Expenditure in 1993/94 is forecast to be £17 million lower than for the previous year because reduced requirements for the wool guarantee, reductions in Hill Livestock Compensatory Allowances. A small fall in the demand for capital grants more than outweighed increases in payments for Environmentally Sensitive Areas, optional Set-aside and the Agricultural Development Operational Programme in Northern Ireland.

Intervention stocks
(Table 9.3)

4. Table 9.3 shows the level of opening and closing stocks and purchases into, and sales of, intervention in the United Kingdom for the years 1989/90 to 1993/94. This indicates that stocks of beef and butter are forecast to decrease in 1993/94; increases in cereals and skimmed milk powder stocks are, however, expected.

TABLE 9.1 Public expenditure under the CAP and on national grants and subsidies

£ million | April/March (financial years)

	1989/90	1990/91	1991/92	1992/93	1993/94 (forecast)
I Market regulation and other agricultural support measures under the CAP					
(i) Expenditure by the Intervention Board (a):					
Cereals	120.6	120.8	125.8	256.3	377.5
Oilseeds	187.0	236.4	207.2	126.0	162.4
Sugar	104.0	110.7	97.7	129.9	123.9
Beef and veal	63.8	357.6	324.1	252.8	125.9
Sheepmeat	78.6	126.5	139.8	0.9	-2.3
Pigmeat	2.6	6.6	2.3	2.1	2.3
Milk products	92.9	203.9	179.5	167.9	218.7
Processed goods	38.5	44.6	59.4	55.9	65.5
Other (b)	46.7	55.2	47.0	58.0	46.4
Sub-total	734.7	1,262.3	1,182.8	1,049.8	1,120.3
(ii) Expenditure by Agriculture and other Departments:					
(A) Agricultural measures:					
Repayment of Cereals Levies	24.2	19.2	1.8	5.5	-
Suckler Cow Premium Scheme	61.8	73.7	87.5	90.4	85.1
Annual Premium on Ewes	114.9	201.8	288.5	338.1	511.0
Payments to producers giving up some milk production	65.2	59.6	54.6	44.3	77.8
Beef Special Premium Scheme (c)	11.6	6.2	7.3	6.2	92.2
Orchard Grubbing Scheme	..	..	1.4	0.7	0.5
Transitional Oilseeds Scheme	..	..	..	163.7	4.6
Arable area payments scheme - cereals	..	..	..	..	421.2
- oilseeds	..	..	..	..	160.1
- protein	..	..	..	..	82.2
- set-aside	..	..	..	..	149.1
Beef deseasonalisation scheme (NI)	..	..	..	..	5.0
Sub-total	277.7	360.5	441.1	648.9	1,588.7
(B) Agri-environment and other measures (d):					
Environmentally sensitive areas	..	..	..	..	6.8
Nitrate sensitive areas	..	..	..	..	0.4
Pilot beef and sheep extensification scheme	..	..	..	..	0.2
Organic farming	..	..	..	..	-
Farm woodlands and forestry	..	..	..	..	10.9
Sub-total	..	..	..	..	18.3
Total	1,012.4	1,622.8	1,623.9	1,698.7	2,727.3
II Price guarantees (national)					
Potatoes (e)	-	-	-	1.0	0.5
Wool (f)	2.9	18.2	40.8	26.4	12.2
Assistance to the Egg Industry	0.1	0.1	-	-	-
Total	3.0	18.3	40.8	27.4	12.7
III Support for conservation and other improvements					
Farm Diversification:					
Capital Grants	2.3	2.8	2.6	0.6	0.9
Marketing and Feasibility grants	-	0.1	0.2	-	0.2
Nitrate Sensitive Areas	..	0.3	1.0	1.4	1.2
Environmentally Sensitive Areas	8.6	9.4	11.0	13.9	21.2
Pilot beef and sheep extensification scheme	..	-	0.4	0.4	0.5
Farm and Conservation Grant Scheme (EC) (g)	0.4	3.2	5.1	3.4	5.7
Agriculture Improvement Scheme (EC) (g)	24.0	13.3	7.9	4.3	4.3
Agriculture and Horticulture Development Scheme (g) (h)	15.1	12.2	8.5	5.8	3.1
Farm structures	0.3	0.3	0.3	0.1	0.1
Agriculture and Horticulture Grant Scheme (g) (i)	0.1	-	-	-	-
Agriculture Improvement Scheme (National) (g)	7.2	0.9	0.3	0.1	0.2
NIADP and NIADOP (g) (j)	2.6	7.0	1.5	8.1	11.4

TABLE 9.1 Public expenditure under the CAP and on national grants and subsidies (continued)

£ million — April/March (financial years)

	1989/90	1990/91	1991/92	1992/93	1993/94 (forecast)
Farm Woodlands (j)	0.3	1.0	1.6	2.7	3.7
Farm and Conservation Grant Scheme (National) (g)	11.5	32.1	36.6	35.8	36.3
Guidance Premiums	0.3	0.1	-	-	-
Farm accounts	0.2	0.2	-	-	-
Others (k)	-	0.2	0.4	0.3	0.4
Total	72.9	83.1	77.6	76.9	89.2
IV Support for agriculture in special areas					
Hill Livestock Compensatory Allowances:					
cattle	52.9	57.4	70.3	83.2	66.8
sheep	69.5	73.0	90.6	56.2	67.1
Additional benefit under AHDS, NIADP and NIADOP, AHGS, AIS (EC), AIS (Nat), FCGS (EC), FCGS (Nat)	20.1	18.6	14.9	8.8	8.9
Others (l)	8.1	10.1	8.4	13.5	9.4
Total	150.6	159.1	184.2	161.7	152.2
V Other payments					
Optional Set-Aside (National)	9.8	19.1	25.1	31.1	25.9
Milk outgoers scheme (j)	4.7	0.8	0.6	0.6	0.6
Storm Damage 1987	0.1	0.4	-	-	-
Sheep compensation scheme 1986 (j)	0.4	0.9	0.9	0.9	0.9
Cooperation grants	1.2	0.9	1.0	1.0	0.6
Crofting building grants and loans (net)	2.7	3.3	3.3	3.8	4.1
Organic farming	..	..	..	-	-
Others (m)	0.2	1.0	1.1	0.9	1.0
Total	19.1	26.4	32.0	38.3	33.2
Total I to V (n)	1,258.0	1,909.7	1,958.5	2,003.0	3,014.6

(a) The figures are net of receipts treated as negative expenditure. Receipts from levies on the production and storage of sugar and isoglucose and on third country exports, which are regarded as Community Own Resources, are excluded.
(b) Includes eggs, poultrymeat, fruit and vegetables, hops, herbage seeds, dried fodder, peas and beans, fisheries and flax. Also includes expenditure on products covered by the CAP but not produced to any significant extent in the United Kingdom (olive oil, rice, wine, grape must and hemp).
(c) Figures for years prior to 1993/94 are for Northern Ireland only with the corresponding payments for Great Britain being made by the Intervention Board and included in beef and veal expenditure in section (i). As from 1993/94 the figures are for UK payments.
(d) Exchequer funding of these schemes is shown in section (III). The Farm woodlands figure includes expenditure of £ 9.7m by the Forestry Commission and the Department of Agriculture for Northern Ireland on the Woodland Grant Scheme for 1993/94.
(e) Payments relate solely to the 1992/93 crop year.
(f) Payments in respect of wool relate partly to clip of the year indicated and partly to the clip in the preceding year or years.
(g) Farmers in special areas are also eligible for additional assistance. The estimated benefit is shown separately in Section IV of the table.
(h) Includes the Farm and Horticulture Development Scheme.
(i) Includes the Farm and Horticulture Capital Grant Schemes.
(j) Except for the Northern Ireland Agricultural Development Programme (NIADP), the Northern Ireland Agricultural Development Operational Programme (NIADOP), the Milk Outgoers, Woodland Grant and Sheep Compensation schemes expenditure from the Northern Ireland block is excluded.
(k) Includes loan guarantees, grants for agricultural drainage in Scotland and farm structure loans.
(l) Includes the Rural Enterprise programme, the Agricultural Development programme for the Scottish Islands and grants for crofting improvements.
(m) Includes producer organisations and forage groups and Shetland wool producers.
(n) Receipts from the European Community (to which the UK contributes) are set out below (£ million). Receipts do not always relate to expenditure in the year in which they are received. Reimbursement of spending on structural measures (Section III) is normally a year in arrears.

1989/90	1990/91	1991/92	1992/93	1993/94 (forecast)
1,225.5	1,642.9	1,808.7	1,595.3	2,981.7

TABLE 9.2 Public expenditure under the CAP by the Intervention Board and the Agriculture Departments - major commodities

£ million | April/March (financial years)

	1989/90	1990/91	1991/92	1992/93	1993/94 (forecast)
Cereals					
Intervention purchases/sales	-42.3	5.9	-7.3	34.9	143.5
Intervention storage costs	19.8	9.4	8.7	12.0	23.4
Export refunds	236.1	184.0	216.3	232.2	183.6
Internal market measures	21.1	23.5	28.8	26.7	27.5
Co-responsibility/additional levy	-89.9	-82.8	-118.9	-44.0	-0.5
Total cereals	144.8	140.0	127.6	261.8	377.5
Oilseeds					
Export refunds	-	0.1	-	-	-
Internal market measures	187.0	236.2	207.2	289.7	167.0
Total oilseeds	187.0	236.4	207.2	289.7	167.0
Sugar					
Intervention storage	24.5	22.7	25.3	28.3	31.2
Export refunds	64.1	69.0	37.2	79.4	65.0
Internal market measures	15.4	19.0	35.2	22.2	27.6
Total sugar	104.0	110.7	97.7	129.9	123.9
Beef and veal					
Intervention purchases/sales	-4.6	266.3	219.1	140.7	39.3
Intervention storage costs	6.5	31.8	44.8	44.4	34.6
Export refunds	19.0	20.3	22.3	38.4	50.6
Internal market measures	116.3	119.1	132.7	125.9	183.7
Total beef and veal	137.2	437.5	418.9	349.4	308.2
Sheepmeat					
Internal market measures	193.0	328.3	428.3	339.0	508.7
Pigmeat					
Intervention storage	-	-	0.2	-	-
Export refunds	2.6	6.6	2.1	2.1	2.3
Total pigmeat	2.6	6.6	2.3	2.1	2.3
Milk products					
Intervention purchases/sales	-12.6	62.6	1.9	-7.5	3.8
Intervention storage costs	2.4	3.2	2.5	1.1	0.9
Export refunds	80.1	74.9	111.4	111.6	107.7
Internal market measures	65.7	89.3	104.9	101.4	114.8
Co-responsibility/Supplementary levy	-42.7	-26.1	-41.2	-38.7	-8.6
Payments to those giving up milk production	65.2	59.6	54.6	44.3	77.8
Total milk products	158.1	263.5	234.1	212.2	296.5
Processed goods					
Export refunds	38.5	44.6	59.4	55.9	65.5
Arable area payments scheme					
Internal market measures	..	..	..	..	812.5
Others					
Export refunds	37.3	42.5	39.4	45.9	30.5
Internal market measures	11.8	13.9	13.1	18.2	41.0
Miscellaneous	-0.4	-1.3	-4.1	-5.4	-6.3
Total others	46.7	55.2	48.4	58.7	65.2
Total	1,012.4	1,622.8	1,623.9	1,698.7	2,727.3

TABLE 9.3 Commodity intervention in the United Kingdom

'000 tonnes

Commodity	1989/90 (a)			1990/91 (b)			1991/92 (b)			1992/93 (b)			1993/94 (b) (forecast)			
	Opening stock	Pur-chases	Sales	Closing/opening stock (c)	Pur-chases	Sales	Closing/opening stock (c)	Pur-chases	Sales	Closing/opening stock (c)	Pur-chases	Sales	Closing/opening stock (c)	Pur-chases	Sales	Closing stock (c)
Wheat: feed	447	-	382	73	33	69	34	1	26	9	6	-	15	327	125	217
bread	-	-	-	-	1	-	1	-	1	-	2	2	-	-	-	-
Barley	707	2	160	550	131	1	680	78	141	617	609	396	835	805	300	1,340
Rye	-	-	-	-	-	-	-	-	-	-	1	-	1	-	1	-
Beef: boneless	24	12	24	12	94	16	91	87	40	138	65	39	164	30	48	146
bone in	2	1	1	2	4	1	5	-	2	3	-	3	-	-	-	-
Butter	24	-	18	6	23	4	26	10	19	18	1	15	11	3	6	9
Skimmed milk powder	-	-	-	-	7	-	7	2	4	6	-	5	-	2	-	2

(a) 1 January 1989 to 31 March 1990.
(b) 1 April to 31 March.
(c) These figures may not always equate to (closing stock = opening stock + purchases - sales) because of end of year stock adjustments arising from unfulfilled sales contracts etc, and because each figure is rounded.

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