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ANNUAL REVIEW OF AGRICULTURE 1980

Note by the Minister of Agriculture, Fisheries and Food

Attached is a Confidential Final Revise copy of the White Paper on the Annual Review of Agriculture 1980 which is circulated for the information of my colleagues. It is proposed to lay this before Parliament on Friday 8 February and to announce its publication by means of a Written Parliamentary Question.

P W

Ministry of Agriculture, Fisheries and Food

7 February 1980

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INTRODUCTION

1. This White Paper sets out the data considered during the Annual Review of the economic condition and prospects of the United Kingdom agricultural industry. It provides information on which the Government will draw, as appropriate, when considering proposals by the EEC Commission for agricultural support in 1980/81 and when decisions are taken on support arrangements which remain within our national competence. As usual, these decisions will be announced separately. In most cases, the forecasts for 1979 in the White Paper were made in November 1979.

PART I—STATE OF THE INDUSTRY

2. The weather in the early part of 1979 was particularly severe and there was a cold, wet spring. Later on, conditions in many parts of the country were favourable but there were some difficulties, for example in securing fodder supplies in northern areas and during the harvest in Scotland. Net product, which measures in volume terms the contribution from agriculture to net national product, fell by some 3½% from the high level reached in 1978. One of the reasons for this decline was the harsh weather which, for example, made increased feed purchases necessary. The prices of the industry's inputs increased by about 13% but this increase was not matched by output prices. Net income at current prices is expected to fall by about 5½% in 1979, a reduction of about 17% in real terms. The volume of new fixed capital investment which rose by 9½% in 1978 is expected to show little change in 1979. There were four devaluations of the green pound during 1979, three of 5% and one of just over 1%. The United Kingdom's monetary compensatory amount (MCA), which on average was about 30% in 1978 and about 15% in 1979, was reduced after the devaluation in December 1979 to 3·5% for the main products except cereals, where the devaluation will take effect at the beginning of the cereals year.

3. The dairy herd at June 1979 was marginally higher than in 1978; milk production over the whole year was also slightly higher. The beef herd fell by nearly 3% and home production of beef was about 1% lower. The sheep breeding herd continued to increase but the lamb crop declined by 3%. Home production of sheepmeat is expected to remain at about the same level as in 1978. The pig breeding herd began to contract again. Supplies of home-fed pigmeat should be about 6% higher in 1979, reflecting the increase in the breeding herd in 1978, but are expected to fall again in 1980. Production of poultrymeat rose in 1979 whilst egg production declined.

4. Cereal yields, particularly of wheat, were generally high. Total production in 1979 is expected to reach a new record level. Potato planting was very late in some parts of the country; yields were not as good as in 1978, but supplies should be adequate to meet demand. It is expected that the area of sugar beet harvested will increase again, and it is possible that a record crop will be achieved.

5. The area devoted to horticultural crops fell again in 1979. As in 1978, the greater part of the decline was in the field vegetables sector.

PART II—GENERAL DEVELOPMENTS

Farm Structure (Table 3)

6. The number of farms in the United Kingdom continues to decline. In 1979 the total number of holdings was about 257,000, that is some 4% lower than in 1975. The fall in numbers continues to be most marked among the smaller full-time businesses, while the number of large businesses (1,000 standard man-days or more) is increasing. Nearly half the total number of holdings have businesses capable of providing work for at least one man (ie those of 250 standard man-days or more) and these account for 90% of total output; large businesses, although only a little over 10% of the total number, produce about a half of total output. In Northern Ireland and Wales the output of small-scale farmers is rather more significant than in other parts of the United Kingdom.

7. The average area (ie the total area including rough grazings) of a full-time business of 250 standard man-days or more has risen from 111 hectares in 1975 to 113 hectares. The size of individual enterprises continues to expand. There has been an increase in the average area of cereals from 30 to 35 hectares over the last four years, while the average dairy herd has expanded over this period by nearly 25% from 40 to 49 cows. The average size of beef breeding herds has stabilised at 18 cows, but the average ewe flock has risen to 175 breeding sheep compared with 164 in 1975. The average size of pig breeding herds has increased by 30% from 23 to 30 sows, while fattening herds reached an average size of 203 pigs in June 1979 compared with 156 in 1975.

8. In Great Britain 65% of the holdings were wholly or mainly owner-occupied in 1979 compared with 54% in 1960/61. The proportion of the total area held by owner-occupiers has increased from 52% in 1960/61 to 58% in 1979. In Northern Ireland virtually all farmers are owner-occupiers.

Index of net product (Table 19)

9. The index of net product for 1979 is expected to fall back to 114 after reaching 118 in 1978. Additional purchases of feedingstuffs during the hard weather in the first half of 1979 and the reduced volume of output of cattle and horticulture contributed to this fall.

Labour productivity (Tables 4 and 19)

10. The index of labour productivity (the volume of gross agricultural product per person engaged) has increased on average by about 3½% annually over the last 10 years despite the setback in the droughts of 1975 and 1976. The increase was 8% in 1978 but a slight fall (2½%) is forecast for 1979 following the check to output this year. The outflow of regular whole-time workers has continued. In 1979 the rate was 4½% compared with 4% in 1978 and 5% to 6% in the 1960s.

Net income of the industry (Tables 19, 21 and 24)

11. Aggregate net income is estimated to have fallen by 3½% to £1,263 million in 1978; and a reduction of 5½% to £1,193 million is forecast for 1979. In real terms this represents a fall of 11% between 1977 and 1978, and a fall of about 17% in 1979. The value of sales of most output items is forecast to rise

significantly in 1979, but the growth of expenditure on inputs is expected to exceed this owing to heavy purchases of feedingstuffs during the bad weather in the first half of 1979 and the rise in the prices of input items.

12. Samples of farm accounts, analysed both by size and type of farm and by country and region are examined at the Annual Review. The coverage of this series and several of the concepts on which it is based differ significantly from the aggregate calculation and therefore no direct comparison can be made. In particular the accounts relate only to full-time farms; they exclude the largest farms (notably farms in the poultry sector in England and Wales) and they do not cover horticultural holdings. All farms are treated as tenanted. In addition, different treatment of valuations and stock appreciation can significantly affect the year to which income from certain enterprises is attributed. For these and other reasons the latest results from the farm accounts (ending on average in mid-February 1979) show different changes in income from the aggregate series.

13. There have been two major changes this year affecting the results for the two years 1977/78 and 1978/79. First, all farms have been re-classified using the new EEC system based on standard gross margins. The new specialist farm types are generally similar to those in the previous classification, but non-specialist and mixed types are significantly different. There are also separate categories of cattle and sheep farm: those in the hills and uplands, and those in the lowlands. The data for the individual type of farm for the last two years are not, therefore, strictly comparable with previous years. Secondly, depreciation of machinery has been calculated on current values and not, as in previous years, on acquisition costs; this change has substantially reduced the absolute level of net income per farm.

14. Net income per farm for all types taken together (excluding horticulture) rose in 1978/79 by 33½% in England, 21% in Wales, 3% in Scotland and by a third in Northern Ireland, after falling in all countries except Wales in 1977/78. Although milk yields per cow and prices for milk and calves were higher than in 1977/78, other factors outweighed this on many dairy farms in Scotland and incomes fell; but there was a significant increase in income on farms of this type in England, Wales and Northern Ireland. Hill and upland cattle and sheep farms income rose on average in 1978/79, but the effects of the severe winter and late spring will be shown in the 1979/80 accounts. Lowland cattle and sheep farms had higher incomes although these were significantly affected in Northern Ireland by large valuation changes. Substantial income increases on general cropping farms in England, following a 57% decline in 1977/78, reflected good yields in 1978 for most crops and better prices. In Scotland, however, the harvest was poor and with low potato prices resulted in a further fall in income on cropping farms generally. Higher cereal and fat pig prices in 1978/79 resulted in an increase in income on pig and poultry farms despite lower egg prices. Incomes overall rose in real terms in England, Wales and Northern Ireland but fell in Scotland.

15. Forecasts of the results for 1979/80 suggest an appreciable fall in net income per farm in all countries, affecting all types except some cropping farms. The adverse weather in the first half of 1979 led to slow grass and forage growth, and the summer was unfavourable for fodder conservation in northern and western areas, although autumn grazing was good in some regions. Appreciable

cost increases, especially for fuel and fodder have not been offset by a higher value of output except on some cropping farms. Hill farms in particular have had a poor year. The higher feed costs, the smaller number of lambs for sale and the lower prices for ewes and store lambs are likely to have reduced incomes by between two thirds and a third. The increases in the Hill Livestock Compensatory Allowances announced in November will, of course, have some offsetting effects. The rise in fat cattle prices in the early part of the year should increase incomes in some fattening enterprises. Yields per cow and prices of milk are a little higher but calf prices are at or below 1978 levels; the value of total output will not increase sufficiently on many specialist dairy farms to offset higher costs; and income will therefore fall, especially in northern areas. Good cereal crops and higher prices for cereals, potatoes and sugar beet should maintain incomes on cropping farms despite higher costs. Net income on most pig and poultry farms is likely to be lower than in 1978/79 despite the recent increase in fat pig prices and generally higher prices for eggs and some poultry. The fall in incomes in real terms on average on all types of farm is expected to be severe in all countries.

Price changes

16. The prices of agricultural inputs, including labour, increased on average by about 13% between 1978 and 1979; for bought-in goods and services the increase is expected to be about 11%. Prices of outputs increased on average by about 11% between 1978 and 1979 with a particularly large increase of about 39% in potato prices which had been very depressed in 1978.

Gross capital formation (Table 22)

17. It is estimated that the value of new investment will increase again in 1979. The industry's gross capital formation in fixed assets of £1,075 million will be 12% higher than in 1978. Investment in plant, machinery and vehicles is expected to be £687 million, an increase of 9%, and in buildings and works £388 million, a rise of 17% compared with the 1978 level. The value of stocks and work-in-progress is expected to increase by 20% in 1979 following the sharp decline in 1978. In volume terms total gross fixed capital formation is expected to be the same in 1979 as in 1978. New investment in plant, machinery and vehicles is expected to decline very slightly. The 20% rise in the volume of buildings and works in 1978 is expected to be followed by an increase of some 3% in 1979.

Bank borrowings

18. Bank advances to agriculture for 1979 as a whole are forecast to be over £2,200 million, some 30% above the average for 1978 and more than 70% above 1977. The rising level of borrowing reflects some increase in loans for land purchase and for increased costs of investment in buildings and works, but borrowing for current farming purposes has also been increasing.

Agricultural land prices (Table 23)

19. Agricultural land prices have increased markedly since 1975. Information from the comprehensive Inland Revenue series indicates that, in 1978, the average price per hectare of agricultural land sold with vacant possession reached £2,602 in England, £1,788 in Wales, £1,090 in Scotland and £2,618 in Northern Ireland.

More recent information from the less comprehensive ADAS/AMC series, which covers England and Wales only, indicates that there has been some levelling off in prices since the middle of 1979.

Farm rents (Table 23)

20. On the basis of the provisional results of the ADAS Rent Enquiry in England and Wales and of the continuing field survey in Scotland, average farm rents in the United Kingdom are estimated to have increased by nearly 17% in 1979. This compares with an increase of 18% in 1978.

Farm workers' earnings (Table 20)

21. The average weekly earnings of whole-time hired men in the UK were £61·75 in 1978 compared with £54·69 in 1977 (calendar year averages). This represents an increase of 13% in money terms and 4½% in real terms. In 1979 earnings are forecast to be about £70·40, an increase of 14% in money terms but less than 1% in real terms. Increases in statutory minimum weekly wage rates for whole-time hired workers in England and Wales effective from 21 January 1980 range from £9·50 (19·6%) for Ordinary workers to £15·25 (24·2%) for Grade I workers; increases for Scotland effective from 17 December 1979 range from £6·75 (13·8%) for General workers to £9·80 (17·2%) for Stock workers; and the increase for Northern Ireland effective from 4 February 1980 is £9·50 (19·6%) for Agricultural workers.

Public expenditure (Table 25)

22. In 1979/80 the estimated outturn for expenditure in the United Kingdom on price guarantees, grants and subsidies (excluding the brucellosis incentives and residual payments connected with the milk subsidy) is £323 million (of which £32 million reflects payments deferred from 1978/79 as a result of industrial action) compared with £208 million in 1978/79. The true increase in expenditure in 1979/80 after discounting deferred payments is £52 million. Within this figure there are increases on the Farm and Horticulture Development Scheme (+£26 m), the Hill Livestock Compensatory Allowances (+£23 m), the Milk Non-Marketing and Conversion Premium Schemes (+£7 m) and the Farm Capital Grant Scheme (+£7 m), and a reduction in expenditure under the potato guarantee arrangements (−£14 m).

23. Expenditure under the common market organisation of the EEC is estimated to be about £406 million in 1979/80 compared with expenditure of some £330 million in 1978/79. This expenditure by the Intervention Board for Agricultural Produce includes the butter and school milk subsidies, the Beef Premium Scheme, import and export refunds, certain production subsidies, aids to animal feeds, the gross costs of aid to private storage and the net cost of commodities bought into intervention and subsequently sold. Some of this expenditure benefits consumers and overseas exporting interests rather than producers. The additional expenditure in 1979/80 is partly due to payments deferred from 1978/79 due to industrial action; and to increases in production subsidies and export refunds on third country trade; but there has been a decrease in the overall cost of intervention activity.

PART III—COMMODITY TRENDS

Cereals (Tables 2, 5, 7 and 26)

24. In 1979, cereals were grown on some 3·87 million hectares (an increase of 0·06 million over 1978). Production is expected to reach 17·3 million tonnes in total, some 73,000 tonnes above the 1978 figure. Good sowing conditions in the autumn of 1978 led to an increase in the wheat area, at the expense of oats and grassland. The harvest was generally later than usual, particularly in the north. Yields, particularly of wheat, were generally high, but the quality of the crop was very variable. Following the big harvest in 1978 market prices fell and then rose steadily as export trade developed. Later, when the effects of the hard winter gave rise to an increased usage of feed grains, prices became firm because a shortage was expected but fell again when the shortage failed to materialise. Favourable weather in the autumn of 1979 enabled a large area of winter cereals to be sown.

Oilseed rape (Tables 2, 5, 8 and 26)

25. A record oilseed rape crop of 192,000 tonnes, about 25% higher than the previous year, is expected in 1979. The increase is due mainly to a rise by 10,000 hectares to 74,000 hectares in the area harvested, but a slight improvement in yield also contributed to this. A further rise in production is expected in 1980. Prices generally remained above the intervention price during the first part of 1979, but later tended to fall and small quantities were bought into intervention.

Potatoes (Tables 2, 5, 9 and 26)

26. In 1979 the target area of 198,000 hectares was exceeded by some 5,000 hectares. Planting was very late in some parts of the country and, although growing conditions were reasonable, yields were not as good as those obtained in 1978. Nevertheless, supplies should be adequate to meet demand. With the aim of ensuring stability in the market throughout the season the Potato Marketing Board offered producers a contract for a proportion of the crop. The intention was to remove up to 500,000 tonnes of potatoes from the market in Great Britain should this prove necessary, but in the event the market was buoyant and producers offered the Board only 80,000 tonnes.

27. Discussions have continued on proposals for an EEC potato regime; it remains uncertain how soon agreement will be reached. The form of market support arrangements for the 1980 crop will depend on whether an EEC regime is by then in operation.

Sugar beet (Tables 2, 5, 10 and 26)

28. For 1979 the British Sugar Corporation contracted to purchase the beet from 217,000 hectares. About 212,000 hectares are expected to be harvested, an increase over 1978. Weather during the growing season has been generally good; yield of beet per hectare is similar to 1978; and sugar content is high, possibly higher than in 1978. Provided that harvesting and processing are not disrupted by adverse weather the crop should yield over one million tonnes of white sugar. Thus a record crop is possible. (The existing record of 1·086 million tonnes was achieved in 1971.) Contracting for 1980 has not yet been completed but the Corporation aims to increase its contracted area again.

Horticulture (Tables 2, 5, 11 and 26)

29. The area devoted to horticultural crops, which was about 289,000 hectares in June 1978, fell to about 277,000 hectares. Details are given for the four commodities grown in the United Kingdom which are affected by Community intervention arrangements in the fruit and vegetables sector.

(*a*) **Apples.** The decline in the area of apple orchards was halted in 1979; the area (excluding cider apples) remained at an estimated 30,000 hectares. The area under orchards of cooking apples increased slightly, offsetting the continuing decline in the dessert apple area. The late spring did not interfere with pollination and yields of dessert apples were the highest for several years. Yields of cooking apples, although below the very high level of 1978, were still good. Owing to the bigger crop and increased competition from France and Italy, prices of 1979 crop dessert apples were below those of 1978. Cooking apple prices were also slightly down.

(*b*) **Pears.** The area under pears (excluding perry pears) has declined slightly in recent years and was estimated to be 4,500 hectares in 1979. Production in 1979 was the highest for several years and as a result of this, and because of pressure from imports, prices were the lowest since 1976.

(*c*) **Cauliflowers.** The area under cauliflowers rose slightly to 15,000 hectares in 1979. Production, however, dropped sharply because severe weather wiped out much of the over-wintered crop. Average prices were considerably higher than in 1978.

(*d*) **Tomatoes.** The glasshouse area used for tomato production remained at about 1,000 hectares. Production rose slightly. Average prices fell because of over-supply and a related sharp fall in prices in the latter part of the season, due to the late ripening of early plantings and increased competition from imports.

Hops (Tables 2, 5, 12 and 26)

30. The area under hops declined slightly in 1979. Production and average prices were both above those for 1978.

Seeds (Table 13)

31. The area sown for certified herbage and legume seed production in 1979 (excluding field bean and field pea seed) declined slightly after the steep rise of the previous year. Yields generally were reasonable. Prices rose slightly and demand in the spring of 1980 is expected to be firm. Supplies are generally adequate. Imports rose in 1978/79 and continued to account for just over 50% of supplies; exports also increased.

32. The area of certified field bean seed more than doubled in 1979. The area of certified field pea seed decreased by about 40%, but supplies are still adequate.

Beef and Milk (Tables 2, 5, 14, 15, 16 and 26)

33. The 1979 June census showed a decline of less than 1% in the total UK breeding herd, compared with the previous year. The dairy herd—about 68% of all breeding cows—showed a marginal increase, but the beef herd fell by nearly 3%.

34. Home production of beef in 1979 is expected to be about 1% down on 1978. This decline is expected to be balanced by higher imports and lower exports, leaving total supplies for consumption about the same as in 1978. Average market prices for certified cattle in the United Kingdom remained above the target price until October 1979, when the seasonal decline caused small amounts of premium to be paid, mostly in Northern Ireland. Prices reached a peak of 88·38p per live kg in early July, falling seasonally to just under 72·50p per live kg in early October to late November. Because of the generally firm prices intervention was suspended for significant periods; at other times only moderate intervention was needed to underpin the market.

35. The average milk yield per cow in 1979 is expected to show a slight improvement of about ¼% on the 1978 level, while the average size of the national dairy herd over the year as a whole is expected to increase marginally over the previous year. As a result milk production in 1979 is expected to show an increase of a little over ½% compared with that for 1978. The amount of milk sold for liquid consumption in 1979 is expected to fall by less than ½% compared with 1978. Together with the increase in production this should lead to a small increase in the availability of milk for manufacture. Cheese production in 1979 is expected to increase by about 8·5% over the previous year's level, but butter production is expected to fall by about 2%.

36. Since 1 January 1978, producer returns have been determined by the Milk Marketing Boards, on the basis of their returns from the liquid and manufacturing milk markets. It is expected that the Boards' net returns from all milk for the 1979/80 year will be between 12·01 ppl and 12·21 ppl (54·5 ppg and 55·5 ppg); this reflects increases in the retail price of milk per pint of 1½p in June 1979 and 1½p in February 1980.

37. The average size of the national dairy herd in 1980 is expected to remain close to the level in 1979, implying that any increase in milk production would depend on further improvements in yields.

Sheep and Wool (Tables 2, 14, 18 and 26)

38. Between June 1978 and June 1979 the total breeding flock increased by 3%, with an increase of 6% in the number of shearling ewes. The lamb crop declined by 3% on the previous year but, despite a slight increase in slaughterings in 1979, the breeding flock may show a further small increase in 1980.

39. UK home production of sheepmeat in 1979 is expected to be slightly below the 1978 level. Supplies available to the United Kingdom home market are expected to fall by about 4%, with imports falling by about 8% and exports declining slightly. In 1979 prices for fat sheep reached record levels in May, but fell below the guarantee level on 10 September and remained there throughout the autumn. On average, prices in 1979 were about the 1978 level. While prices paid for some store lambs rose, prices for store lambs from the hills and hill ewes were mostly below those paid in 1978.

40. Production of wool fell by about 1% in 1979. Market prices began the 1979 season slightly below last year's level and are expected to remain below the guarantee on average for the 1979 clip; producers' returns will again be made good from the stabilisation fund built up from earlier surpluses.

Pigs (Tables 2, 14 and 26)

41. The reduction in pigmeat MCAs from 28·2% in January 1979 to 3·5% in December should improve the competitive position of the industry. Increases in pig prices since June 1979 and more stable feed costs have improved producers' margins. Production of pigmeat in 1979 is expected to be 6% higher than in 1978.

42. In 1980 production is expected to be at a lower level than in 1979, reflecting the decline in the breeding herd in 1979, but the recent improvement in profitability is expected to continue into 1980 and to lead in due course to an increase in the breeding herd.

Poultrymeat (Tables 2, 14 and 26)

43. Output of poultrymeat is expected to show another increase in 1979, but little further change in production levels is expected for 1980. Poultrymeat prices rose during 1979.

Eggs (Tables 2, 5, 17 and 26)

44. Producer prices were at low levels in 1978. It is expected that production will show some decline in 1979 and 1980 and that prices will be above the 1978 level.

on

APPENDIX

STATISTICAL TABLES

The tables cover largely the same ground as those in last year's White Paper except that:

Table 1

(*a*) In the assessment of agriculture's contribution to gross domestic product, the revised figures are based on the new method of calculating the aggregated agricultural accounts (see note below on the main changes in Table 21).

(*b*) Revised figures for agriculture's share of gross fixed capital formation incorporate changes in the methods used to estimate plant and machinery and the movement in prices for buildings and works.

(*c*) The annual average index numbers of the prices of goods and services currently consumed in agriculture or contributing to agricultural investment and of producer prices of agricultural products are a new series based on 1975 = 100. The value weights for the series are derived from the Economic Accounts for Agriculture 1975 prepared for the Statistical Office of the European Communities.

(*d*) The values of home produced food as a percentage of all food consumed in the UK aim to provide a measure of the changing contribution of home agriculture to UK food supplies. UK production now includes the value of food exports but excludes the value of net imports of agricultural inputs.

Tables 19 and 21

The basis of the income and net product calculations shown in Tables 19 and 21 has been changed. First, to bring UK figures into line with EEC statistics, estimates for minor sectors such as agricultural contractors and very small holdings have been included. For the same reason there have also been changes in the treatment of stocks. Second, the national farm has been treated as wholly owner-occupied, since this is closer to the actual position than the approach in previous years which was to treat it as wholly tenanted. The absolute level of net income and net product has therefore changed, but most trends are not significantly altered.

Table 24

There have been two important changes in the specimen net income per farm presented in this table. First, each farm has been classified by type of farming and size of business according to the new EEC system based on standard gross margins. Secondly, depreciation has been calculated on inventories of machinery, glasshouses and permanent crops valued at replacement cost (rather than acquisition cost as in the past). This change in accounting convention has substantially reduced the absolute level of net farm income.

Even where there has been no change in the basis of the tables, some of the figures in this appendix differ from those in previous Annual Review White Papers because of later information, changes in the scope and nature of available data and improvements in statistical methods. The forecasts for 1979 generally reflect the position up to the end of the year, as seen at November 1979.

All figures relate to the United Kingdom, unless otherwise stated.

Figures for imports from and exports to the Eight relate throughout to the other countries of the European Economic Community (Belgium, Denmark, France, West Germany, the Irish Republic, Italy, Luxembourg and the Netherlands).

Significant items of Channel Islands trade are shown separately in the tables.

Figures for exports include re-exports.

In some cases figures may not add up to the totals shown because of roundings.

Symbols:

— means "nil"

... means "negligible" (less than half the last digit shown)

.. means "not available" or "not applicable".

TABLE 1

Agriculture in the national economy

Calendar years

	Average of 1968–70	1975	1976	1977	1978	1979 (provisional)
Agriculture's contribution to gross domestic product (*a*)						
£ million ...	1 132	2 392	2 924	3 162	3 390	3 674
percentage	2·8	2·6	2·7	2·5	2·4	..
Agriculture's share of gross fixed capital formation (*b*)						
£ million ...	236	591	678	785	961	1 075
percentages	2·7	2·9	2·9	3·0	3·3	3·4
Manpower engaged in agriculture(*c*)('000)	780	662	669 (*d*)	661	664	643
Percentage of total civilian manpower engaged in all occupations (*c*)	3·2	2·7	2·7	2·7	2·7	2·6
Annual average index numbers (1975=100) of the prices of goods and services (*e*)						
(i) currently consumed in agriculture	44·1	100	123·3	142·4	146·5	163·3
of which: feedingstuffs...	44·8	100	125·1	148·2	144·4	162·7
fertilisers ...	33·0	100	105·2	118·1	137·0	144·5
energy ...	44·3	100	123·1	147·4	152·1	178·5
other inputs ...	47·3	100	127·4	142·5	151·6	168·2
(ii) contributing to agricultural investment ...	44·8	100	121·3	146·1	164·3	183·2
(iii) labour costs	37·4	100	119·3	129·6	149·1	171·6
Annual average index numbers (1975=100) of the producer prices of agricultural products (*e*)	46·9	100	128·6	133·7	137·8	151·7
of which: farm crops ...	39·8	100	155·9	127·1	118·4	140·0
fatstock and livestock products	48·8	100	120·5	135·2	146·4	156·4
horticultural products ...	50·5	100	119·7	138·5	128·5	148·9
Imports of food, feed and alcoholic beverages (*f*) £ million ...	1 985	4 480	5 215	6 332	6 294	(Jan.-Sept. only) 5 063
Import volume index (1975=100)	104·4	100	103·0	103·2	98·0	102·2
Import price index (1975=100)	43·7	100	112·5	134·5	142·8	146·2
Exports of food, feed and alcoholic beverages (*f*) £ million ...	459	1 366	1 620	2 139	2 726	(Jan.-Sept. only) 1 891
Export volume index (1975=100)	59·2	100	103·9	121·2	132·0	115·2
Export price index (1975=100)	53·6	100	122·8	147·1	146·5	154·2

TABLE 1 (*continued*)

	Average of 1968-70	1975	1976	1977	1978	1979 (provisional)
Consumers' expenditure on food and alcoholic beverages £million	9 028	18 731	22 093	25 165	(prov.) 28 063	(Jan.-June only) 14 774
of which: food(*g*) £million	6 962	13 875	16 257	18 626	20 592	10 993
Expenditure on food as a percentage of total consumers' expenditure ...	23·6	21·8	22·0	22·1	21·4	20·5
Retail price index (1975=100) (*h*)						(Jan.-Sept. only)
food	45·5	100	120·0	142·8	152·9	169·0
alcoholic beverages ...	60·5	100	117·8	135·7	145·0	156·8
all items	51·2	100	116·5	135·0	146·2	162·3
Value of home produced food as a percentage of	(estimate)				(prov.)	(forecast)
All food consumed in the UK (*i*)	47·2	56·0	55·5	52·7	55·9	56·1
All indigenous type food consumed in the UK (*i*)(*j*)	59·7	68·3	68·4	66·9	70·2	70·7

(*a*) Excluding appreciation in value of work-in-progress and stocks.

(*b*) All fixed assets (excluding work-in-progress and stocks).

(*c*) Total manpower engaged in agriculture between 1975 and 1979 comprises the numbers of self-employed, employers and employees in employment (excluding farmers' spouses) given in the June censuses conducted by the Agriculture Departments of England and Wales, Scotland and Northern Ireland. The average figures for 1968–70 are based on the Department of Employment series of the count of national insurance cards and the population census, adjusted by the ratio in 1971 of this series to the Agriculture Departments' series.

(*d*) The increase in numbers of farmers, partners and directors in 1976 occured in England and Wales and is thought to reflect a more complete enumeration in the Agricultural Census.

(*e*) UK indices of purchase prices of the means of agricultural production and of producer prices of agricultural products.

(*f*) Includes oilseeds and nuts, animal oils and fats, citric acid, food dyes, essences, starches, edible gelatine, albumen and casings.

(*g*) Includes caterers' expenditure on food.

(*h*) Annual averages. Source: Department of Employment.

(*i*) There have been major changes in the way these figures are calculated. Home production now includes the value of food exports but excludes net imports of agricultural inputs. The changes are explained in the October 1979 issue of Economic Trends No. 312.

(*j*) As defined in Appendix I of the article "Measuring self-sufficiency for food and drink in the United Kingdom" (Economic Trends No. 217, November 1971).

TABLE 2

Crop areas and livestock numbers (a)

At June of each year

	Average of 1968–70	1975	1976	1977	1978	1979 (provisional)
A. Crop areas ('000 hectares)						
Total area	19 374	18 978	18 987	18 840	18 846	18 804
of which: Wheat	940	1 034	1 231	1 076	1 257	1 371
Barley	2 352	2 345	2 182	2 400	2 348	2 347
Oats	380	232	235	195	180	133
Mixed corn ...	63	35	28	24	17	16
Rye	4	6	8	10	9	6
Total cereals (b) ...	3 740	3 652	3 684	3 705	3 811	3 873
Potatoes	266	204	222	232	214	203
Sugar beet	187	198	206	202	209	214
Oilseed rape ...	..	39	48	55	64	74
Hops	7	7	6	6	6	6
Vegetables grown in the open	190	198	206	221	211	197
Orchard fruit ...	68	53	52	50	47	47
Soft fruit (c) ...	18	17	17	16	17	18
Ornamentals (d) ...	15	15	14	13	12	13
Total horticulture(e)	291	285	289	302	289	277
Total tillage (f)	4 946	4 816	4 821	4 863	4 932	4 965
All grasses under five years old (g)(h)	2 335	2 138	2 154	2 124	2 069	1 918
Total arable ...	7 281	6 954	6 975	6 986	7 001	6 883
All grasses five years old and over (i)	4 959	5 074	5 081	5 003	5 002	5 099
Rough grazing:						
Sole right ...	5 840	5 429	5 386	5 191	5 169	5 125
Common (esti'ated)	1 126	1 126	1 126	1 209	1 206	1 212
Other land (j) ...	...	395	419	451	467	485
B. Livestock Numbers ('000 head)						
Total cattle and calves ...	12 369	14 717	14 069	13 854	13 625	13 534
of which: Dairy cows ...	3 248	3 242	3 228	3 265	3 270	3 278
Beef cows ...	1 227	1 899	1 764	1 680	1 580	1 537
Heifers in calf ...	837	903	939	824	859	865
Total sheep and lambs ...	26 896	28 270	28 265	28 104	29 686	29 967
of which: Ewes	10 968	11 279	11 298	11 215	11 444	11 692
Shearlings ...	2 362	2 471	2 369	2 487	2 717	2 877
Total pigs	7 753	7 532	7 947	7 736	7 708	7 873
of which: Sows in pig and other sows for breeding ...	768	710	747	725	724	743
Gilts in pig ...	150	104	137	103	118	109
Total poultry	132 467	136 572	142 222	134 286	137 329	132 997
of which: Table fowls (incl. broilers) ...	42 971	56 708	61 325	56 153	56 319	55 445
Laying fowls ...	53 473	49 359	49 085	49 119	50 488	48 076
Growing pullets ...	23 020	18 195	18 383	16 341	17 273	15 173

TABLE 2 (*continued*)

(*a*) The coverage for 1973 and onwards includes all known holdings in the United Kingdom with 40 standard man-days or more (a standard man-day (smd) represents 8 hours' productive work by an adult male worker under average conditions). All holdings with less than 40 smd in Scotland are excluded but in England and Wales and Northern Ireland holdings with less than 40 smd are excluded only if they have less than 4 hectares of crops and grass and no regular whole-time worker. The same criteria applied in Great Britain in the years 1970 to 1972, and in England and Wales in the years 1968 and 1969, except that the threshold for standard labour requirements in those years was 26 smd.

The 1968–69 figures for Scotland related to all known agricultural holdings exceeding one acre (0·4 hectares) in extent. The figures for Northern Ireland for these years related to holdings of one acre (0·4 hectares) or more, except for numbers of livestock which were collected from all owners, irrespective of the size of the holding, as well as from land-less stockholders.

The introduction of the changes of definition in Northern Ireland in 1973, following similar changes in Great Britain which excluded some 14 000 statistically insignificant holdings in 1970 and about 8 000 in 1973, had the net result of eliminating about 6 000 or so holdings from the Northern Ireland census.

(*b*) Cereals for threshing, excluding maize.

(*c*) Includes small area of soft fruit grown under orchard trees in England and Wales.

(*d*) Hardy nursery stock, bulbs and flowers.

(*e*) Most of the difference between total horticultural area and the sum of individual sectors is made up by the glasshouse area.

(*f*) Includes area of other crops and bare fallow not shown in the table.

(*g*) Includes lucerne.

(*h*) Before 1975 collected as:
In England and Wales—"clover, sainfoin and temporary grasses";
In Scotland —"grass under 7 years old";
In Northern Ireland —"1st, 2nd and 3rd year".

(*i*) Before 1975 collected as:
In England and Wales—"permanent grass";
In Scotland —"grass 7 years old and over";
In Northern Ireland —"4th year or older".

(*j*) Returns of "other land" were collected for the first time in England and Wales in June 1969. From June 1969 to June 1973 "other land" in Great Britain was collected as woodland and areas under roads, yards, buildings, etc., the use of which was ancillary to farming of the land; in Northern Ireland it included land within agricultural holdings which was under bog, water, roads, buildings, etc., and waste land not used for agriculture. In June 1974 the definition was changed in England and Wales to include all other land forming part of the holding and in Scotland it was extended to include ponds and derelict land. The Northern Ireland definition is unchanged.

TABLE 3

Numbers and size of holdings and enterprises (a)

At June of each year

			1975	1979 (provisional)
Crops and grass area	Number of holdings ('000) with	0·1 to 19·9 hectares	119·9	109·0
		20 to 49·9 hectares	73·2	69·1
		50 to 99·9 hectares	41·7	41·6
		100 hectares and over	29·3	29·9
		Total	264·1	249·6
	Average crops and grass area per holding (hectares) (b)		45·2	47·8
	Per cent of total crops and grass area on holdings with	0·1 to 19·9 hectares	8·2%	7·4%
		100 hectares and over	47·4%	49·2%
Size of business (smd) (c) (d)	Number of holdings ('000) with	Under 250 smd	138·0	131·3
		250 to 499 smd	56·4	50·4
		500 to 999 smd	45·8	45·5
		1 000 smd and over	28·3	30·1
		Total	268·6	257·3
	Holdings 250 smd and over	Average size of business (smd)	857	869
		Average total area per holding (hectares)	111·3	112·9
		Contribution to total output (%)	90·2%	90·3%
Total cereals (excluding maize)	Number of holdings ('000) with	0·1 to 19·9 hectares	77·6	65·0
		20 to 49·9 hectares	22·7	22·4
		50 hectares and over	21·0	22·5
		Total	121·3	109·9
	Average area (hectares)		30·1	35·2
	Per cent of total cereals area on holdings with 50 hectares and over of cereals		65·9%	69·7%
Potatoes	Number of holdings ('000) with	0·1 to 9·9 hectares	50·4	46·1
		10 to 19·9 hectares	3·7	3·7
		20 hectares and over	1·9	2·0
		Total	56·0	51·7
	Average area (hectares)		3·6	3·9
	Per cent of total potato area on holdings with 20 hectares and over of potatoes		33·6%	34·2%

TABLE 3 (*continued*)

Numbers and size of holdings and enterprises (*a*)

At June of each year

			1975	1979 (provisional)
Sugar beet (*e*)	Number of holdings ('000) with	0·1 to 9·9 hectares	9·7	7·7
		10 to 19·9 hectares	3·2	3·1
		20 hectares and over	2·8	3·2
		Total	15·7	14·1
	Average area (hectares)		12·5	15·2
	Per cent of total sugar beet area on holdings with 20 hectares and over of sugar beet		55·9%	62·4%
Dairy cows	Number of holdings ('000) with	1 to 29	39·9	26·5
		30 to 59	23·4	20·5
		60 and over	17·6	20·3
		Total	81·0	67·3
	Average size of herd		40	49
	Per cent of total dairy cows in herds of 60 and over		53·3%	62·6%
Beef cows	Number of holdings ('000) with	1 to 19	72·5	62·3
		20 to 49	20·8	16·7
		50 and over	9·1	7·4
		Total	102·4	86·4
	Average size of herd		19	18
	Per cent of total beef cows in herds of 50 and over		41·6%	41·2%
Breeding sheep (*f*)	Number of holdings ('000) with	1 to 99	45·3	43·3
		100 to 499	29·8	30·3
		500 and over	5·6	6·3
		Total	80·7	80·0
	Average size of flock		164	175
	Per cent of total breeding sheep in flocks of 500 and over		37·6%	39·9%
Breeding pigs	Number of holdings ('000) with	1 to 19	26·2	19·9
		20 to 49	5·0	4·0
		50 and over	4·4	4·6
		Total	35·6	28·4
	Average size of herd		23	30
	Per cent of total breeding pigs in herds of 50 and over		63·6%	72·2%
Fattening pigs (*g*)	Number of holdings ('000) with	1 to 199	22·7	17·0
		200 to 999	4·7	4·3
		1 000 and over	0·8	0·9
		Total	28·2	22·2
	Average size of herd		156	203
	Per cent of total fattening pigs in herds of 1 000 and over		33·5%	41·9%

TABLE 3 (*continued*)

Numbers and size of holdings and enterprises (*a*)

At June of each year

			1975	1979 (provisional)
Laying fowls	Number of holdings ('000) with	1 to 4 999	82·0	63·6
		5 000 to 19 999	1·6	1·3
		20 000 and over	0·4	0·4
		Total	84·1	65·3
	Average size of flock		587	732
	Per cent of total laying fowls in flocks of 20 000 and over		47·1%	57·7%
Broilers (*h*)	Number of holdings ('000) with	1 to 9 999	1·7	1·4
		10 000 to 99 999	0·6	0·7
		100 000 and over	0·1	0·1
		Total	2·4	2·2
	Average size of flock		23 403	25 823
	Per cent of total broilers in flocks of 100 000 and over		59·9%	56·1%

(*a*) Because of the revisions to size groups following metrication, and the revision of smd values in 1976, it is no longer possible to give comparative data for a span of five years. Although the figures quoted for 1975 and 1979 are strictly comparable, great caution must be exercised in comparing them with figures quoted in Annual Review White Papers published prior to 1978. The figures included for Northern Ireland in the first two sections for both years relate only to holdings with 50 smd or more.

(*b*) The average size of holdings based on total area was—
1975 66·1 hectares of which 45·2 hectares were crops and grass
1979 68·1 hectares of which 47·8 hectares were crops and grass.

(*c*) These figures include holdings with no crops and grass area which are excluded from the first section of the table.

(*d*) Revised standard man-day groups were adopted two years ago when the lower group of under 250 smd applied throughout the UK. The change in smd values has meant a general shift of holdings into lower size groups and this movement is particularly marked in Northern Ireland as the following figures show:—

Holdings in Northern Ireland—June 1975 ('000)

Based on old smd values		*Based on new smd values*	
50–199 smd	16·0	50–249 smd	20·0
200–599 smd	12·6	250–499 smd	6·9
600–1199 smd	3·8	500–999 smd	2·8
1 200 smd and over	1·2	1 000 smd and over	0·7
TOTAL	33·6	TOTAL	30·4

As a result of this change, the figures shown in this table are only comparable with those in the 1978 and 1979 White Papers.

(*e*) Figures relate to England and Wales only.

(*f*) Figures included for Scotland and Northern Ireland relate to the December censuses in 1974 and 1978.

(*g*) Figures included for Northern Ireland relate to pig holdings which had fattening pigs only.

(*h*) Figures for Scotland, and figures for Northern Ireland in 1979 only, include small numbers of other table fowls.

TABLE 4

Number of persons engaged in agriculture (*a*)

At June of each year | '000 persons

	Average of 1968–70	1975	1976	1977	1978	1979 (provisional)
Workers						
Regular whole-time:						
Hired: male ...	..	157	154	147	143	139
female ...		15	13	12	12	12
Family: male ...		37	35	37	34	30
female ...		13	12	8 (*f*)	7	6
All male	272	194	189	184	177	169
All female... ...	28	28	25	20 (*f*)	19	18
(Total)	(300)	(222)	(213)	(204)	(196)	(187)
Regular Part-time:						
Hired: male ...	..	22	21	20	20	20
female ...		26	26	25	24	25
Family: male ...		15	14	15	14	12
female ...		18	17	9 (*f*)	8	7
All male	38	36	35	35	34	32
All female ...	29	44	42	34 (*f*)	33	32
(Total)	(67) (*c*)	(80)	(77)	(69)	(67)	(64)
Seasonal or Casual:						
All male	35	41	45	52	56	52
All female ...	34	32	35	41	42	39
(Total)	(69) (*d*)	(73)	(80)	(93)	(98)	(91)
Salaried managers (*b*):	..	7	7	8	8	8
Total employed ...	436	382	377	373	368	349
Farmers, partners and directors:						
Whole-time ...	..	212	219 (*e*)	212	216	214
Part-time ...	..	68	72 (*e*)	76	80	80
(Total)	(..)	(280)	(292)	(288)	(296)	(293)
Total	..	662	669	661	664	643
Wives/Husbands of farmers, partners and directors (engaged in farm work)	..	..	..	74	73	71

(*a*) The figures are based on returns in the Agricultural Census but include some estimates for figures not directly obtainable from the Scottish Census results. Because of changes in the Census categories in England and Wales in 1970 and 1972, numbers returned for earlier years are not available on the same basis as those for the most recent years. Before 1977 the figures do not include the wives/husbands of farmers, partners and directors, even though the wives/husbands themselves may be partners or directors. In 1977 wives/husbands of farmers, partners and directors were returned separately, but only if they were engaged in farm work.

(*b*) Figures relate to Great Britain only.

(*c*) Includes seasonal or casual workers in Northern Ireland. See footnote (*d*).

(*d*) Before 1975 seasonal or casual workers were not returned as a separate item in Northern Ireland, but were included with part-time workers.

(*e*) The increase in numbers of farmers, partners and directors in 1976 occurred in England and Wales and is thought to reflect a more complete enumeration in the Agricultural Census.

(*f*) The decrease in the number of regular whole-time and part-time female workers in 1977 is thought to be explained by the separate return, for the first time in England and Wales, of farmers' wives, some of whom were probably returned previously as family workers.

TABLE 5

Estimated average yields of crops and livestock products

Calendar years

	Unit	Average of 1968–70	1975	1976	1977	1978	1979 (forecast)
Crops							
Wheat	tonnes/hectare	3·92	4·34	3·85	4·90	5·26	5·14
Barley	,, ,,	3·47	3·63	3·51	4·39	4·19	4·12
Oats	,, ,,	3·28	3·42	3·25	4·06	3·92	3·99
Potatoes ...	,, ,,	25·80	22·30	21·60	28·50	34·20	30·20
Sugar (*a*) ...	,, ,,	5·70	3·90	4·20	5·40	5·70	5·70
Oilseed rape ...	,, ,,	1·80	1·70	2·30	2·60	2·40	2·60
Apples:							
Dessert (*b*) ...	,, ,,	11·20	11·62	10·86	7·10	11·34	12·55
Culinary (*b*) ...	,, ,,	11·32	11·06	11·96	11·96	15·36	12·67
Pears (*b*) ...	,, ,,	11·64	5·42	12·67	8·20	5·65	14·20
Tomatoes (*b*) ...	,, ,,	99·58	129·50	137·30	133·10	139·14	144·64
Cauliflowers (*b*)	,, ,,	17·67	18·80	16·50	20·70	21·34	14·77
Hops	,, ,,	1·55	1·30	1·35	1·22	1·60	1·79
Livestock products							
Milk (*c*)... ...	litres/cow	3 722	4 102	4 267 (*e*)	4 452	4 626	4 635
Eggs (*d*)... ...	no./bird	216·0	229·0	238·5(*e*)	240·5	242·0	245·5

(*a*) Sugar-in-beet per crop hectare.
(*b*) Gross yields from cropped area.
(*c*) Yield per dairy-type cow per annum.
(*d*) Eggs per laying bird, including breeding flock.
(*e*) 366 days.

TABLE 6

Purchased feedingstuffs (commercially significant holdings)

Calendar years — million tonnes

	Average of 1968–70	1975	1976	1977	1978	1979 (forecast)
Compounds						
Cattle	3·4	4·0	4·7	4·4	4·5	} 5·1
Calf	0·4	0·4	0·4	0·4	0·4	
Pig	2·3	2·4	2·4	2·3	2·3	2·4
Poultry	3·6	3·2	3·3	3·2	3·3	3·3
Other	0·2	0·1	0·2	0·2	0·2	0·2
Total compounds	9·9	10·1	11·1	10·5	10·7	11·1
Other high energy feeds (*a*)	3·9	3·9	3·7	4·1	3·5	3·6
Total high energy feeds	13·8	14·0	14·8	14·6	14·2	14·7
Low energy bulk feeds (*b*)	0·4	0·4	0·5	0·6	0·6	0·6
Total all purchased feedingstuffs ...	14·3	14·5	15·3	15·2	14·9	15·3

(*a*) Cereals, cereal offals, proteins and other high energy feeds.
(*b*) Brewers' and distillers' grains, hay, straw, milk by-products and other low energy bulk feeds expressed in terms of an equivalent tonnage of high energy feeds.

TABLE 7

Cereals supplies

Calendar years '000 tonnes

	Average of 1968–1970	1975	1976	1977	1978	1979 (forecast)
Wheat (*a*)						
Production	3 690	4 488	4 740	5 274	6 613	7 045
Imports (*b*): from the Eight ...	687	1 179	1 915	2 283	1 147	755
from third countries	4 012	2 455	1 894	1 569	1 952	1 930
Exports : to the Eight ...	8	195	30	187	272	180
to third countries ...	9	57	97	25	77	65
Total new supply	8 372	7 870	8 422	8 914	9 363	9 485
Production as % of total new supply	44%	57%	56%	59%	71%	74%
End December farm stocks ...	1 970	2 320	2 300	2 830	3 760	4 080
Disposals : millers (*c*)	5 137	5 289	5 161	5 155	5 002	5 105
(of which home-produced) ...	(1 606)	(2 404)	(2 289)	(2 113)	(2 140)	(2 685)
animal feed	2 837	3 376	2 862	2 780	2 932	3 535
(of which home-produced) ...	(1 765)	(2 871)	(2 075)	(2 089)	(2 772)	(3 310)
seed	197	248	208	233	268	265
other	217	217	211	216	231	260
Total disposals (*d*)	8 388	9 130	8 442	8 384	8 433	9 165
Barley						
Production	8 155	8 513	7 648	10 531	9 848	9 680
Imports : from the Eight ...	29	427	301	530	294	250
from third countries	616	75	345	386	56	110
Exports : to the Eight	231	988	161	463	1 019	450
to third countries ...	10	80	37	6	1 017	565
Total new supply	8 559	7 947	8 096	10 978	8 162	9 025
Production as % of total new supply	95%	107%	94%	96%	121%	107%
End December farm stocks ...	4 270	3 900	3 180	5 410	4 610	4 570
Disposals : animal feed	7 037	6 232	6 386	6 334	6 239	6 525
(of which home-produced) ...	(6 463)	(5 926)	(5 894)	(5 576)	(5 979)	(6 255)
brewing/distilling ...	1 442	1 750	1 915	1 865	2 140	1 980
(of which home-produced) ...	(1 371)	(1 655)	(1 759)	(1 707)	(2 050)	(1 890)
seed	388	387	365	396	378	380
other	122	168	150	153	205	180
Total disposals (*d*)	8 989	8 537	8 816	8 748	8 962	9 065
Oats						
Production	1 249	795	764	790	706	530
Imports (*b*): from the Eight ...	...	20	11	4	16	45
from third countries	14	9	42	40	5	5
Exports : to the Eight	66	4	3	4	10	10
to third countries ...	1	...	—	...	1	...
Total new supply	1 196	820	814	830	716	570
Production as % of total new supply	104%	97%	94%	95%	99%	93%
End December farm stocks ...	700	450	410	470	420	280
Disposals : animal feed	1 008	717	652	557	558	520
(of which home-produced) ...	(1 001)	(714)	(621)	(556)	(558)	(495)
millers	119	140	139	154	149	145
(of which home-produced) ...	(111)	(122)	(108)	(111)	(128)	120
seed	89	63	46	43	42	30
other	29	20	17	16	17	15
Total disposals (*d*)	1 245	940	854	770	766	710

TABLE 7 (*continued*)

Cereals supplies

Calendar years '000 tonnes

	Average of 1968–1970	1975	1976	1977	1978	1979 (forecast)
Mixed Corn (*e*)						
Production	210	118	89	93	64	55
Rye (*f*)						
Production	12	19	20	35	30	20
Imports (*b*): from the Eight ...	...	18	8	26	12	15
from third countries	16	15	17	7	8	5
Total new supply	28	52	45	68	50	40
Production as % of total new supply	41%	37%	44%	51%	60%	50%
Maize						
Production	1	3	2	3	2	...
Imports (*b*): from the Eight ...	205	666	527	183	471	700
from third countries	3 143	2 363	3 238	3 923	2 865	2 640
Exports : to the Eight	12	65	44	31	26	20
to third countries ...	2	...	...	...	1	...
Total new supply	3 335	2 967	3 723	4 078	3 311	3 320
Sorghum						
Imports (*b*): from the Eight ...	17	100	97	35	19	35
from third countries	75	375	220	134	2	5
Exports : to the Eight	—	27	8	2	1	...
to third countries ...	—	...	...	...	—	—
Total new supply	92	448	309	167	20	40
Total cereals (*a*)						
Production	13 316	13 936	13 263	16 727	17 263	17 330
Imports (*b*): from the Eight ...	938	2 410	2 859	3 061	1 959	1 800
from third countries	7 876	5 292	5 756	6 059	4 888	4 695
Exports : to the Eight	317	1 279	246	687	1 328	660
to third countries ...	22	137	134	31	1 096	630
Total new supply	21 792	20 222	21 498	25 129	21 686	22 535
Production as % of total new supply	61%	69%	62%	67%	80%	77%
End December farm stocks (*g*) ...	6 940	6 710	5 920	8 710	8 790	8 930
Total disposals (*h*)	22 287	22 192	22 288	22 343	21 606	22 395

(*a*) Includes flour under the heading of wheat imports and exports.
(*b*) Countries of origin cannot be identified with certainty from the Overseas Trade Statistics but transhipments have, where possible, been allocated to country of origin.
(*c*) 1975, 1976, 1977, 1978 and 1979 exclude 35 000, 41 000, 36 000, 84 000 and 40 000 tonnes respectively, of wheat milled and exported as flour.
(*d*) Total new supply adjusted for changes in December farm stocks.
(*e*) Import/export figures are not separately distinguished in Overseas Trade Statistics.
(*f*) Export figures are not separately distinguished in Overseas Trade Statistics before 1970 and are not significant thereafter.
(*g*) In respect of wheat, barley and oats.
(*h*) Total new supply adjusted for changes in December farm stocks of wheat, barley and oats.

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Oilseed rape supplies

Calendar years '000 tonnes

	Average of 1968–1970	1975	1976	1977	1978	1979– (forecast)
Production	9	67	111	142	154	192
Imports: from the Eight	15	17	48	85	54	50
from third countries ...	54	28	67	70	19	130
Exports	...	...	1	5	2	1
Total new supply	78	112	225	292	225	371
Production as % of total new supply	12%	60%	49%	49%	68%	52%

TABLE 9

Potato supplies

Calendar years ’000 tonnes

	Average of 1968–70	1975	1976	1977	1978	1979 (forecast)
Production:						
early (a)	496	350	371	406	422	357
maincrop	6 361	4 201	4 418	6 215	6 909	5 764
Total production	6 857	4 551	4 789	6 621	7 331	6 121
Exports: ware and seed ...						
to the Eight	91	4	1	3	4	15
to third countries		144	83	96	110	137
Crop available for human consumption	4 954	3 659	3 575	4 648	5 074	4 806
Potatoes unsold at 31 December	2 114	1 079	1 325	1 927	2 152	1 970
Total disposals of home crop for human consumption	5 003	4 912	3 329	4 046	4 849	4 988
Supplies from Channel Islands (early)		23	24	39	34	35
Imports for human consumption:						
Raw: (b)	320					
early:						
from the Eight		67	12	25	44	52
from third countries ...		167	255	349	276	271
maincrop:						
from the Eight	7	134	269	87	—	30
from third countries ...		7	90	117	—	1
Processed: (c)						
from the Eight	161	54	64	45	86	80
from third countries ...		48	400	307	50	60
Total new supply for human consumption	5 491	5 412	4 443	5 015	5 339	5 517
of which: raw	..	4 212	3 006	3 797	4 152	4 254
processed (c)(d)...	..	1 200 (14)	1 437 (19)	1 218 (18)	1 187 (56)	1 263 (60)
Percentage of total new supply for human consumption derived from home crop	91%	91%	75%	81%	91%	90%

(a) Up to 1968 all early varieties. As from 1969 potatoes lifted before 1 August in any year.
(b) Excludes seed potatoes.
(c) Raw equivalent.
(d) Includes processed exports; the figures in brackets indicate the quantity.

TABLE 10

Sugar supplies

Calendar years | | '000 tonnes refined basis

	Average of 1968–70	1975	1976	1977	1978	1979 (forecast)
Production (*a*)	888	641	695	949	1 022	1 065
Imports (*b*):						
from the Eight (*c*)	97	659	307	400	288	185
from third countries	1 917	1 568	1 695	1 383	1 324	1 155
Exports (*b*):						
to the Eight	10	7	16	5	5	5
to third countries	190	347	247	159	81	50
Total new supply	2 702	2 514	2 434	2 568	2 548	2 350
Production as % of total new supply	33%	26%	29%	37%	40%	45%

(*a*) Sugar coming out of the factory in the early part of the new year is regarded as being part of the previous calendar year's production.

(*b*) Includes only sugar as such and takes no account of the sugar content of processed products.

(*c*) Includes imports from French Overseas Departments.

TABLE 11

Supplies of certain horticultural crops

Calendar years

	Average of 1968–70	1975	1976	1977	1978	1979 (fore-cast)
Apples (excludes cider apples)						
Cropped area ('000 hectares)						
Dessert	23·25	20·57	20·40	19·53	18·69	18·45
Culinary	14·99	12·24	11·90	11·64	11·31	11·64
('000 tonnes)						
Opening stocks	..	104	117	104	84	128
Output from the crop:						
Dessert	236	226	197	134	194	196
Culinary	150	126	134	130	161	126
Imports: from the Eight ...	77	210	257	263	240	270
from third countries	183	120	125	76	104	105
Exports: to the Eight	} ..	13	14	13	13	14
to third countries ...		...	1	...	1	1
Closing stocks	..	117	104	84	128	149
Total disposals in calendar year	..	656	711	610	641	661
Output as % of total disposals in calendar year	..	54%	47%	43%	55%	49%
Pears (excludes perry pears)						
Cropped area ('000 hectares) ...	5·72	5·06	4·89	4·83	4·59	4·51
('000 tonnes)						
Opening stocks	..	14	7	16	13	12
Output from the crop	62	26	55	36	25	70
Imports: from the Eight ...	25	36	28	32	29	30
from third countries .	30	15	20	17	16	15
Exports: to the Eight	} ..	1	2	3	3	3
to third countries ...		...	1	...	...	1
Closing stocks	..	7	16	13	12	27
Total disposals in calendar year	..	83	91	85	68	96
Output as % of total disposals in calendar year	..	31%	60%	42%	37%	73%
Cauliflowers						
Cropped area ('000 hectares) ...	17·34	15·70	14·39	14·74	14·97	15·04
('000 tonnes)						
Output	289	255	216	280	282	185
Supplies from Channel Islands...	16	7	11	4	20	4
Imports: from the Eight ...	33	25	20	19	14	19
from third countries	..	...	4	1	1	1
Total new supply	338	287	251	304	317	209
Output as % of total new supply	86%	89%	86%	92%	89%	89%

TA[illegible] 11 (*continued*)

Supplies of certain horticultural crops

Calendar years

	Average of 1968–70	1975	1976	1977	1978	1979 (forecast)
Tomatoes						
Cropped area ('000 hectares) ...	1·04	0·95	0·95	0·94	0·98	0·96
('000 tonnes)						
Output	102	122	128	123	133	134
Supplies from Channel Islands	66	61	58	57	58	30
Imports: from the Eight ...	54	46	37	48	45	57
from third countries	111	95	94	92	98	85
Exports	..	1	3	7	7	5
Total new supply	333	323	314	313	327	301
Output as % of total new supply	31%	38%	41%	39%	41%	45%

TABLE 12

Hops supplies

Calendar years '000 tonnes

	Average of 1968–70	1975	1976	1977	1978	1979 (fore-cast)
Production	10·9	8·3	8·0	7·2	9·4	9·8
Imports: from the Eight ...	0·4	0·7	1·1	1·2	1·3	1·4
from third countries ...	0·6	0·6	0·7	1·0	0·7	0·6
Exports: to the Eight	0·8	0·3	0·4	0·4	0·9	1·6
to third countries ...	0·1	0·2	0·2	0·2	0·3	0·4
Total new supply	11·0	9·1	9·2	8·8	10·2	9·8
Production as % of total new supply	99%	91%	87%	82%	92%	100%

TABLE 13

Supplies of herbage and legume seeds (*a*)

June/May years

	Average of 1968/69–1970/71	1975/76	1976/77	1977/78	1978/79	1979/80 (fore-cast)
Area ('000 hectares) (*b*)	17·5	22·6	17·2	17·5	22·7	21·0
('000 tonnes)						
Production—all seed	16·2	16·4	10·5	16·5	16·3	15·0
(of which certified seed) ...	(12·0)	(15·5)	(10·5)	(16·5)	(16·3)	(15·0)
Imports—all seed:						
from the Eight ...	10·4	11·1	11·0	10·4	11·2	} ..
from third countries ...	8·3	5·1	9·4	5·6	5·4	
Exports—all seed:						
to the Eight	1·5	2·1	2·2	1·7	2·3	} ..
to third countries ...	0·6	0·5	0·2	0·2	0·3	
Total supply	32·8	30·0	28·5	30·6	30·3	..
Production as % of total supply	49%	55%	37%	54%	54%	..

(*a*) Excluding field bean and field pea seeds.
(*b*) Certified seed only.

TABLE 14

Meat supplies (a)

Calendar years '000 tonnes

	Average of 1968–70	1975	1976	1977	1978	1979 (forecast)
Beef and veal						
Production	949	1 219	1 069	1 032	1 048	1 034
Imports (b):						
from the Eight (c) ...	117	208	187	243	274	273
from third countries ...	202	39	62	55	45	51
Exports (live and meat):						
to the Eight	46	134	112	119	124	115
to third countries ...	3	3	3	3	2	2
Supplies to the Channel Islands	2	5	3	3	2	2
Total new supply	1 216	1 324	1 199	1 205	1 238	1 239
Production as % of total new supply	78%	92%	89%	86%	85%	83%
Mutton and lamb						
Production	233	264	248	229	238	235
Imports: from the Eight (c) ...	4	2	1	1	...	...
from third countries	345	242	225	218	226	208
Exports (live and meat):						
to the Eight	12	36	34	46	48	46
to third countries ...	1	2	3	4	3	3
Supplies to the Channel Islands	...	1	1	1	1	1
Total new supply	569	468	435	397	411	393
Production as % of total new supply	41%	56%	57%	58%	58%	60%
Pork						
Production	610	572	584	651	634	683
Imports: from the Eight (c) ...	11	14	12	14	29	30
from third countries	6	3	1	3	10	4
Exports (live and meat):						
to the Eight	11	7	10	17	12	15
to third countries ...	3	...	1	...	1	1
Supplies to the Channel Islands	1	1	1	2	1	1
Total new supply	611	579	584	649	658	700
Production as % of total new supply	100%	99%	100%	100%	96%	98%
Bacon and ham						
Production	236	210	222	218	214	212
Imports: from the Eight ...	330	265	251	274	289	277
from third countries	66	23	18	13	15	15
Exports	2	1	2	2	2	3
Supplies to the Channel Islands	1	1	1	1	1	1
Total new supply	630	496	489	502	514	500
Production as % of total new supply	37%	42%	45%	43%	42%	42%

TABLE 14 (*continued*)

Meat supplies (*a*)

Calendar years '000 tonnes

	Average of 1968–70	1975	1976	1977	1978	1979 (fore-cast)
Poultrymeat						
Production (*d*) (*e*)	559	652	693	716	726	757
Imports: from the Eight ...	6	7	5	8	18	30
from third countries	—	1	1	—	1	2
Exports: to the Eight	—	—	5	7	13	10
to third countries ...	1	2	5	23	19	21
Supplies to the Channel Islands	1	2	4	2	2	2
Total new supply	563	657	685	692	711	756
Production as % of total new supply	99%	99%	101%	103%	102%	100%
Total meat supplies						
Production (*d*) (*e*)	2 587	2 917	2 816	2 846	2 859	2 921
Imports (*b*):						
from the Eight (*c*) ...	468	496	455	540	610	610
from third countries ...	619	308	307	289	296	280
Exports (live and meat) ...	79	185	176	220	224	216
Supplies to the Channel Islands	5	10	11	9	7	7
Total new supply	3 589	3 526	3 392	3 445	3 533	3 588
Production as % of total new supply	72%	83%	83%	83%	81%	81%

(*a*) Does not include meat offals or trade in preserved or manufactured meat products (e.g. canned meat).
(*b*) Boneless beef and veal have been converted to bone-in weights, in order to bring imports into line with the home-production figures.
(*c*) Includes meat from animals imported fat from Irish Republic.
(*d*) Including output from commercially insignificant units.
(*e*) Figures for 1975 onwards include revised figures for England and Wales.

TABLE 15

Milk production

Calendar years — million litres

	Average of 1968–1970	1975	1976 (d)	1977	1978	1979 (forecast)
Sales through milk marketing schemes:						
for liquid consumption ...	7 488	7 862	7 760	7 484	7 380	7 357
for manufacture:						
butter	1 331	1 095	2 053	3 038	3 650	3 578
cheese (a)	1 282	2 361	2 039	2 073	2 172	2 372
cream	794	1 003	964	975	1 017	1 062
condensed milk—full cream (b)	618	502	524	560	578	534
milk powder—full cream ...	207	195	175	178	210	198
other	109	114	103	97	87	87
Total for manufacture ...	4 341	5 270	5 858	6 921	7 713	7 831
Total sales	11 829	13 133	13 618	14 406	15 093	15 189
Used on farms (c)	286	210	201	189	181	175
Output for human consumption ...	12 115	13 343	13 819	14 595	15 274	15 364

(a) Includes farmhouse cheese made under milk marketing schemes.
(b) Includes condensed milk used in the production of chocolate crumb.
(c) Includes farmhouse manufacture of butter and cream, milk consumed in farm households and sales outside milk marketing schemes.
(d) 366 days.

TABLE 16

Milk product supplies

Calendar years '000 tonnes

	Average of 1968–70	1975	1976	1977	1978	1979 (fore-cast)
Butter						
Opening stocks	40	67	83	107	127	129
Production (*a*)	59	48	90	134	161	161
Imports (*b*): from the Eight ...	149	364	275	189	172	151
from third countries	279	124	123	129	130	120
Exports (incl. re-exports):						
to the Eight ...	...	1	14	11	49	40
to third countries	2	2	2	4	8	13
Total supply	524	601	555	545	534	507
Closing stocks	33	83	107	127	129	120
Offtake	491	517	449	418	405	387
Production as % of offtake ...	12%	9%	20%	32%	40%	42%
Cheese						
Opening stocks (*c*)	61	71	100	107	114	91
Production (*a*)	126	235	204	206	216	236
Imports: from the Eight ...	56	119	114	105	97	119
from third countries	108	33	33	16	5	3
Exports (incl. re-exports):						
to the Eight	1	4	6	7	8	6
to third countries ...	2	3	4	4	8	7
Total supply	348	452	440	423	417	436
Closing stocks (*c*)	59	100	100	114	91	95
Offtake	289	351	340	309	325	341
Production as % of offtake ...	44%	67%	60%	67%	66%	69%
Cream—fresh, frozen and sterilised						
Opening stocks	—	—	—	—	—	—
Production (*a*)	71	84	81	82	84	89
Imports: from the Eight ...	12	6	5	5	5	5
from third countries	...	...	...	...	...	...
Exports (incl. re-exports):						
to the Eight	...	...	...	...	1	1
to third countries ...	2	...	...	1	...	1
Total supply	81	90	85	85	88	92
Closing stocks	—	—	—	—	—	—
Offtake	81	90	85	85	88	92
Production as % of offtake ...	88%	93%	95%	96%	95%	97%
Condensed milk—full cream						
Opening stocks (*d*)	32	23	21	16	17	18
Production (*d*)	241	195	204	218	225	206
Imports: from the Eight ...	10	9	9	7	2	3
from third countries	...	...	...	...	...	1
Exports (*e*) (incl. re-exports):						
to the Eight	1	1	2	6	10	12
to third countries ...	33	14	29	41	32	22
Total supply	248	213	203	193	202	194
Closing stocks (*d*)	31	21	16	17	18	7
Offtake	217	192	187	176	184	187
Production as % of offtake ...	111%	102%	109%	124%	122%	110%

TABLE 16 (*continued*)

Milk product supplies

Calendar years '000 tonnes

	Average of 1968–70	1975	1976	1977	1978	1979 (fore-cast)
Milk powder—full cream						
Opening stocks	3	3	2	2	2	3
Production	26	24	22	22	26	25
Imports: from the Eight ...	5	7	4	3	7	5
from third countries	13	...	...	...	...	...
Exports (incl. re-exports): ...						
to the Eight	1	3	2	2	3	1
to third countries ...	9	8	8	8	15	13
Total supply	37	24	17	17	18	19
Closing stocks	3	2	2	2	3	2
Offtake	34	21	15	15	15	17
Production as % of offtake ...	76%	114%	147%	147%	173%	147%
Skimmed milk powder						
Opening stocks (*f*)	24	52	49	26	109	79
Production	91	106	173	241	278	250
Imports: from the Eight ...	14	54	22	14	18	20
from third countries	18	2	...	...	...	...
Exports (incl. re-exports):						
to the Eight	13	55	102	43	93	54
to third countries ...	13	5	13	12	19	45
Total supply	122	154	129	225	292	250
Closing stocks (*f*)	24	49	26	109	79	15
Offtake	98	106	103	116	213	235
Production as % of offtake ...	93%	100%	168%	208%	131%	106%

(*a*) Includes farmhouse manufacture.

(*b*) Includes butter other than natural (i.e. butter fat and oil, dehydrated butter and ghee).

(*c*) The coverage of the stocks survey was improved, resulting in a new series of figures from the end of 1976. On the basis of this improved survey, the closing stock for 1976 would be recorded as 107 000 tonnes.

(*d*) Includes condensed milk used in the production of chocolate crumb.

(*e*) From January 1975 includes an insignificant amount derived from skimmed milk.

(*f*) Figures for stocks from opening stocks 1975 include intervention stocks as well as manufacturers' stocks but do not include powder bought by the Irish Republic intervention agency for storage in the UK.

TABLE 17

Egg supplies

Calendar years | million dozen

	Average of 1968–70	1975	1976 (a)	1977	1978	1979 (forecast)
Home supplies (b)						
Packing station throughput:						
sold in shell	569	614	612	593	602	578
processed	92	38	36	38	42	43
Other sales (c)	572	464	501	525	544	554
Total output for human consumption	1 233	1 116	1 149	1 156	1 188	1 175
Imports (d): from the Eight ...	11	37	16	14	13	30
from third countries	32	2	3	1	1	1
Exports (d): to the Eight	11	10	12	18	36	40
to third countries ...	28	2	4	4	4	8
Total new supply	1 237	1 143	1 152	1 149	1 162	1 158
Output as % of total new supply	100%	98%	100%	101%	102%	101%

(a) 366 days.
(b) Hen eggs for human consumption including output from commercially insignificant units.
(c) Includes farmhouse consumption and domestic egg production.
(d) Includes shell egg equivalent of whole dried, frozen and liquid egg and yolk, but excludes albumen. Shell egg equivalent of trade in albumen (the greater part of which is considered to be ovalbumen) in 1978 is estimated at: imports 21·7 and exports 1·1 million dozen.

TABLE 18

Wool supplies

Calendar years | million kg

	Average of 1968–70	1975	1976	1977	1978	1979 (forecast)
Production: (a)	49	49	48	46	49	49
(of which clip)	(33)	(35)	(34)	(33)	(36)	(35)
Imports:						
from the Eight	12	15	19	17	16	15
from third countries	217	117	143	120	132	105
Exports:						
to the Eight	14	19	21	22	19	24
to third countries	13	10	11	9	9	9
Total new supply	251	152	178	152	169	136
Production as % of total new supply	20%	32%	27%	30%	29%	36%

(a) Figures relate to clip years (June/May) but in practice the bulk of production is within the calendar year.

TABLE 19

Calendar years

Net income, net product and labour productivity

Year	NET INCOME £m at current prices (a) (b)		NET PRODUCT at constant prices (b) (c)	LABOUR PRODUCTIVITY (d)
	Actual	3-year moving average	1975 = 100	1975 = 100
1969	581		99	83
1970	592	617	100	88
1971	677	660	111	99
1972	711	784	111	102
1973	965	839	111	104
1974	842	934	114	109
1975	994	1 044	100	100
1976	1 297	1 200	90	93
1977	1 309	1 290	109	109
1978	1 263	1 255	118	118
1979 (forecast)	1 193		114	115

(a) Net income is defined as the return to all farmers and their spouses for their manual and managerial labour and for the use of their investment, after provision has been made for depreciation. Investment includes all physical assets such as land improvements, buildings, livestock, machinery, etc. but excludes any financial assets. Net income also includes the income of some minor sectors such as agricultural contractors and very small holdings, which have been excluded previously. The estimates of aggregate net income include a profit on the production of food for consumption in the farm household. In other industries the corresponding sums are not treated as profit and are relatively much smaller (in many cases non-existent).

(b) Changes have been made this year to the basis of the calculation of the income accounts as explained on page 11. Net income figures on the same basis as the 1979 White Paper are £1 300 million in 1977, £1 120 million in 1978 and £1 052 million in 1979.

(c) Net Product (Net Output) is a measure of the value added at constant prices by farmers and farmworkers to all the goods and services purchased from outside the agricultral sector, after provision has been made for depreciation.

(d) Labour Productivity is defined here as gross product per person engaged in agriculture. Gross product is gross output *less* all inputs other than depreciation, labour and interest, measured at constant prices. The total number of persons engaged is estimated for this series from the numbers of full-time, part-time and seasonal/casual employees, employers and self-employed returned in the annual June censuses held by the Agriculture Departments.

TABLE 20

Calendar years

Average earnings and hours of agricultural workers (a)

	1975	1976	1977	1978	1979 (forecast)
Earnings £ per week (b) ...	42·92	50·28	54·69	61·75	70·41
Hours per week (c)	46·0	45·5	45·9	45·8	45·9

(a) For all hired regular whole-time male workers 20 years old and over.

(b) Earnings include pay for statutory holidays and payments in kind which are valued at rates set down by the Agricultural Wages Boards and comprise houses, milk, potatoes, etc. (the principal one being houses, most of which were, in England and Wales, valued at 50p before 20 January 1976 and £1·50 thereafter).

(c) All hours worked and statutory holidays.

TABLE 21

Output, input and net income (*a*)

Calendar years £ million

	1975	1976	1977	1978	1979 (fore-cast)
OUTPUT (*b*) (*c*)					
Farm crops					
Wheat	296	318	366	450	599
Barley	329	378	414	549	548
Oats and other cereals	15	20	22	21	21
(*Total cereals*)	(*640*)	(*715*)	(*801*)	(*1 020*)	(*1 169*)
Potatoes (*d*)	327	585	376	250	360
Sugar beet	85	97	133	156	184
Hops	9	11	11	13	14
Oilseed rape	8	15	23	28	38
Other (*e*)	45	39	43	45	60
1. *Total crops*	1 115	1 462	1 387	1 512	1 825
Horticulture					
Vegetables (including mushrooms) ...	375	410	496	464	542
Fruit	99	120	149	151	153
Other (*f*)	93	109	121	129	145
2. *Total horticulture*	567	639	765	743	841
Livestock					
Fat cattle and calves	897	995	1 060	1 257	1 385
Fat sheep and lambs	187	240	267	300	321
Fat pigs	494	557	642	690	737
Poultry	296	359	445	443	505
Other (*g*)	43	50	61	63	68
3. *Total livestock*	1 918	2 201	2 476	2 753	3 016
Livestock products					
Milk and milk products	1 064	1 294	1 486	1 621	1 767
Eggs	294	362	413	400	452
Clip wool	20	24	30	33	34
Other (*h*)	8	10	10	10	10
4. *Total livestock products*	1 386	1 590	1 939	2 064	2 264
5. *Own account capital formation* (*i*) ...	−14	24	17	70	30
6. TOTAL OUTPUT (1+2+3+4+5) ...	4 972	6 016	6 584	7 142	7 975
7. *Sundry receipts* (*j*)	39	36	24	32	30
8. *Production grants*	152	114	102	86	73
9. **TOTAL RECEIPTS** (6+7+8)	5 162	6 166	6 710	7 261	8 077
Work-in-progress change (*k*)	−42	−17	+15	+7	−25
Stock change (*l*)	−134	−29	+189	+23	−19
10. **Total change due to volume**	−177	−46	+204	+30	−44
11. **GROSS OUTPUT** (9+10)	4 985	6 119	6 914	7 291	8 034
Intermediate output (*m*)					
Feed (*n*)	291	334	364	394	527
Seed	64	101	116	86	96
12. *Total intermediate output*	354	435	480	480	623

TABLE [illegible]1 (*continued*)

Output, input and net income (*a*)

Calendar years £ million

	1975	1976	1977	1978	1979 (forecast)
13. FINAL OUTPUT (11−12)	4 631	5 685	6 435	6 810	7 411
INPUT					
Expenditure					
Feedingstuffs	1 180	1 572	1 832	1 783	2 052
Seeds	125	192	224	206	228
Livestock (imported and inter-farm expenses)	127	109	145	175	138
Fertilisers and lime (*o*)	325	376	431	488	552
Machinery	330	380	453	493	587
of which: Repairs	(*159*)	(*180*)	(*209*)	(*244*)	(*276*)
Fuel and oil	(*139*)	(*163*)	(*200*)	(*202*)	(*260*)
Other	(*32*)	(*37*)	(*44*)	(*47*)	(*51*)
Farm maintenance	106	126	139	154	176
Miscellaneous expenditure (*p*)	393	451	518	578	636
14. **TOTAL EXPENDITURE** (*q*)	2 586	3 206	3 742	3 876	4 368
Stocks (*r*)					
15. Change due to volume	+8	−10	+10	+25	−8
16. **GROSS INPUT** (14+15)	2 593	3 195	3 752	3 901	4 360
17. NET INPUT (16−12)	2 239	2 761	3 273	3 421	3 737
18. **GROSS PRODUCT** (11−16) or (13−17)	2 392	2 924	3 162	3 390	3 674
Depreciation					
Plant, machinery and vehicles	350	422	511	593	654
Buildings and works	167	186	210	237	279
19. *Total depreciation*	518	607	721	830	933
20. **NET PRODUCT** (*18−19*)	1 874	2 317	2 441	2 560	2 741
Labour	756	881	978	1 098	1 230
Interest (*s*)	124	139	153	198	318
21. **NET INCOME** (*t*)	994	1 297	1 309	1 263	1 193

(*a*) Changes have been made this year to the basis of the calculation of these accounts as explained on page 11.
(*b*) Because this table relates to output, ie sales, rather than to total production, the quantities valued are not the same as those shown for home production in the supply tables (Tables 6–18).
(*c*) Output is net of VAT collected on the sale of inedible products, which is repaid to HM Customs and Excise. Figures include subsidies.
(*d*) Excludes compensation payments on unsold potatoes—see (*j*).
(*e*) Beans for stockfeed, hay, dried grass, grass and clover seed and other farm crops.
(*f*) Flowers, bulbs and nursery stock, seeds and other minor products.
(*g*) Horses, breeding animals exported, poultry for export, rabbits and game, knacker animals and other minor livestock.
(*h*) Honey, goats milk, export of eggs for hatching and other minor livestock products.
(*i*) Own account capital formation is buildings and works and breeding livestock capital formation (closing level minus opening level).
(*j*) Potato Marketing Board compensation payments, animal disease compensation and other miscellaneous receipts.
(*k*) Livestock numbers except breeding livestock (closing level minus opening level).
(*l*) Stocks of cereals, potatoes and fruit (closing level minus opening level).
(*m*) Sales included in Output but subsequently repurchased and so reappearing as Input.
(*n*) Cereals, potatoes, beans, hay and dried grass.
(*o*) Before subsidy where applicable.
(*p*) Electricity, veterinary expenses, pesticides, rates and miscellaneous costs.
(*q*) Expenditure is netted of VAT reclaimed in the normal way, but each heading includes VAT paid without recovery by, for example, unregistered producers. The total unrecovered tax is estimated at £7 million for 1977, £8 million for 1978 and £13 million for 1979.
(*r*) Feed (purchased) and fertilisers (opening stock minus closing stock).
(*s*) On commercial debt for current farming purposes (ie excluding interest on land purchases but including interest on purchases of buildings and works).
(*t*) Excludes stock appreciation.

TABLE 22

Gross capital formation

Calendar years — £ million

	Average 1968–1970	1975	1976	1977	1978	1979 (forecast)
Current prices						
Plant, machinery and vehicles	133	351	453	534	629	687
Buildings and works ...	103	240	225	251	332	388
Gross fixed capital formation (*a*)	236	591	678	785	961	1 075
Breeding livestock capital formation	4	−44	−7	−25	21	−25
Stock appreciation	27	250	354	164	223	309
Value of physical increase	1	−185	−36	194	5	−35
Increase in book value of stocks and work-in-progress (*b*)	28	65	318	357	228	273
Constant 1975 prices						
Plant, machinery and vehicles	288	351	368	351	361	355
Building and works ...	232	240	209	213	256	263
Gross fixed capital formation	520	591	577	564	617	618
Breeding livestock capital formation	7	−44	−6	−17	14	−14
Value of physical increase in stocks and work-in-progress (*b*)	−8	−185	−32	167	5	−25

(*a*) The figures represent gross expenditure before crediting any grants which reduce the cost to the owner or occupier. Annual charges in the form of depreciation on fixed capital are made for these items in calculating aggregate net income.

(*b*) See Table 21 (item 10 *minus* item 15).

TABLE 23

Agricultural land prices and farm rents

Calendar years

	1975	1976	1977 (c)	1978 (c)	1979 (c)
Agricultural land prices (a) (£ per hectare) Inland Revenue series					
England					
With vacant possession	1 205	1 472	1 994	2 602	..
Tenanted	797	1 019	1 563	1 687	..
Wales					
With vacant possession	926	1 019	1 327	1 788	..
Tenanted	642	587	628	818	..
Scotland					
With vacant possession	602	775	1 061	1 090	(2 229)
Tenanted	441	481	632	590	(977)
Northern Ireland					
With vacant possession	1 143	1 392	1 847	2 618	(3 513)
Average rents per hectare (b) (Index 1975=100)					
England	100·0	121·7	147·1	174·8	201·6
Wales	100·0	119·1	134·6	153·3	184·7
Scotland	100·0	118·2	138·5	162·8	192·7
United Kingdom	100·0	120·2	144·0	170·0	198·4

(a) The Inland Revenue series excludes sales of less than 5 hectares (ha) (4 ha before 1978) in England and in Wales, of less than 5 ha (8 ha before 1976) in Scotland and of less than 2 ha in Northern Ireland as well as land sold for development and other non-agricultural purposes. In addition, the series shown for Scotland refer to equipped farms only and exclude sales of unequipped land, whole estates, land sold for afforestation 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 series. The delay is thought to average about 6–9 months in England and Wales and about 3 months in 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. The data for Scotland and Northern Ireland are subject to retrospective revision.

(b) The indices of average rents for England and Wales are based on an annual rent enquiry and for Scotland on continuing field enquiries. They differ from the series previously published in two respects; the England and Wales series have now been put on to a rent paid basis more comparable with the series for Scotland, and the United Kingdom index has been obtained by weighting the individual series according to the area of rented land in each country. Very little land is rented, except under the conacre system, in Northern Ireland.

(c) The figures for the most recent years are subject to revision and those in brackets are substantially incomplete as detailed below:

Agricultural Land Prices
Scotland: 1979 figures relate to prices in the first 6 months of the year. Figures for the most recent years are based on sales notified up to September 1979.
Northern Ireland: 1979 figures relate to prices in the first 6 months of the year. Figures for the most recent years are based on sales notified up to November 1979.

Average Rents
All countries: 1979 figures are provisional.

TABLE 24

Specimen net incomes for different types of farm—new series (*a*)

Type of farm	Average size of farm in sample: hectares		Weighted average net income (excluding breeding livestock stock appreciation) per farm (for an identical sample in the two years)		
	Crops and grass	Total area	1977/78 £	1978/79 £	Percentage change %
England (4 to less than 250 ESU) (*b*) (*c*)					
Specialist dairy	45·0	45·5	6 950	7 689	+10·6
Mainly dairy	87·3	103·3	8 656	10 601	+22·5
Hill and upland (LFA) cattle and sheep ...	80·7	197·4	7 770	8 870	+14·2
Lowland cattle and sheep	68·5	72·5	2 960	3 367	+13·7
Lowland cropping, cattle and sheep	82·5	86·5	5 333	6 994	+31·1
Specialist cereals... ...	118·7	124·4	7 420	10 336	+39·3
General cropping ...	111·2	117·2	6 148	10 665	+73·5
Pigs and poultry	44·2	46·8	9 052	12 952	+43·1
All types (excluding horticulture) (*d*) ...	80·1	91·2	6 717	8 960	+33·4
Wales (4 to less than 100 ESU) (*b*) (*c*)					
Dairy (*e*)	43·2	46·4	5 808	7 090	+22
Hill and upland (LFA) sheep	65·0	233·5	6 492	7 686	+18
Hill and upland (LFA) cattle and sheep ...	71·8	145·8	6 167	7 835	+27
Lowland livestock (*f*) ...	65·4	70·4	4 428	4 855	+10
All above types ...	56·7	89·2	5 656	6 861	+21
Scotland (8 to less than 100 ESU) (*c*)					
Specialist dairy	55	63	7 929	7 233	−9
General dairy	88	108	7 850	7 452	−5
LFA mainly sheep ...	34	1 579	6 616	8 029	+21
LFA sheep and cattle ...	89	953	5 537	7 011	+27
LFA mainly cattle ...	79	192	4 419	6 515	+47
LFA with arable ...	97	120	8 305	5 395	−35
Lowground cattle and sheep	92	107	6 782	7 672	+13
Cropping	105	109	4 207	3 284	−22
All above types ...	83	309	6 017	6 274	+3
Northern Ireland (4 to less than 40 ESU) (*c*) (*g*)					
Specialist dairy	30·7	36·2	6 524	8 353	+28
Mainly dairy	32·3	45·0	5 989	6 776	+13
LFA cattle and sheep (*h*)	32·6	74·2	3 085	4 589	+49
Non LFA cattle and sheep (*h*)	49·4	56·2	5 046	7 821	+55
All types (*i*)	34·9	46·9	5 460	7 236	+33

TABLE 24 (*continued*)

(*a*) The note on page 11 explains two important changes in the specimen net income per farm presented in this Table. These figures are collected by Universities and Agricultural Colleges in Great Britain and the Department of Agriculture in Northern Ireland. They are averages weighted by the census distribution of agricultural holdings by type of farming and size of business. More detailed figures for England will be published in "Farm Incomes in England 1978/79", for Scotland in "Scottish Agricultural Economics 1979", for Northern Ireland in "Farm Incomes and Investment in Northern Ireland for 1978/79" and for Wales in the "Annual Digest of Welsh Agricultural Statistics 1978/79 Part II". Net income is defined as in the aggregate series (Tables 19 and 21) except that stock appreciation is assessed at current market prices and that no deduction is made for interest on farming debts. Net income is shown in this table excluding that part of the total valuation change which is attributable to changes during the trading year in estimated market values (but not in the numbers) of breeding cattle, sheep and pigs. All farms are treated as rented and an imputed rental value is charged as an expense in the accounts of owner-occupiers. The accounts relate in the main to calendar years or to the year ending 5 April. The average year-ending date is about mid-February.

(*b*) Provisional figures.

(*c*) Based on standard gross margins per unit of crop area and per head of livestock, measured in European Size Units (ESU) with 1 ESU equalling 1 000 European units of account of standard gross margins at average 1972–1974 values. See EEC Commission Decision 78/463/EEC.

(*d*) Includes net income of a small sample of "hill and upland (LFA) sheep" farms.

(*e*) Includes "specialist dairy" and "mainly dairy" farm types.

(*f*) Includes "lowland cattle and sheep" and "lowland cropping, cattle and sheep" farm types.

(*g*) Almost all farm businesses in Northern Ireland are based on owner-occupied holdings. As rents cannot be imputed with reference to tenanted farms, the rental charges entered for owned land and buildings have been assessed in relation to estimated sale value. Where land was taken in conacre, the actual rents paid have been included. For these reasons the average net incomes per farm are not on the same basis as those for Great Britain.

(*h*) 4 to less than 16ESU.

(*i*) Includes "Non-Less Favoured Areas (LFA) cropping, cattle and sheep", "mixed livestock", "pigs and poultry" and "cropping" farm types.

TABLE 25

Public expenditure under the common agricultural policy (CAP) and on national grants and subsidies (*a*)

April/March (financial) years £ million

	1975/76	1976/77	1977/78	1978/79 (*b*)	1979/80 (forecast) (*b*)
I *Price guarantees and production grants*					
(i) Price guarantees (*c*)					
Sheep	7·5	0·2	0·4	0·1	3·3
Wool (*d*)	2·0	−2·4	−2·2	—	—
Potatoes (*d*)	0·5	0·8	9·1	23·0	9·1
Total (i)	10·0	−1·4	7·3	23·1	12·4
(ii) Production grants and subsidies					
Dairy Herd Conversion Scheme	11·8	4·4	5·6	3·4	0·1
Guidance Premiums ...	0·6	2·2	7·4	10·1	14·4
Milk Non-Marketing Premiums	—	—	2·1	7·1	15·4
Lime	4·7	4·6	0·1	—	—
Calves	61·6	26·1	22·8	6·8	—
Beef cows	8·1	10·5	2·7	—	—
Pig subsidy	—	6·2	10·6	—	—
Oil for horticulture	0·3	...	—	—	—
Total (ii)	87·1	54·0	51·3	27·4	29·9
Total I	97·1	52·6	58·6	50·5	42·3

TABLE 25 (*continued*)

Public expenditure under the common agricultural policy (CAP) and on national grants and subsidies (*a*)

April/March (financial) years £ million

	1975/76	1976/77	1977/78	1978/79 (*b*)	1979/80 (forecast) (*b*)
II *Support for capital and other improvements*					
Farm and Horticulture Development Scheme (*e*)	0·8	3·7	22·4	45·5	84·1
Farm accounts	—	...	0·2	0·6	1·6
Farm structure	1·5	1·4	1·2	0·8	0·8
Farm Capital Grant Scheme (*e*)	65·9	54·6	60·0	59·7	77·9
Grants for horticulture (national schemes)	3·4	2·6	3·2	3·4	4·0
Co-operation grants	1·1	0·8	0·8	1·1	1·9
Others (*f*)	1·0	0·2	0·5	0·2	0·5
Total II	73·7	63·3	88·3	111·3	170·8
III *Support for agriculture in special areas*					
Hill livestock: compensatory allowances—cattle	6·3	43·9	25·4	18·1	42·1
—sheep	10·8	38·8	24·8	18·4	51·9
Hill cattle	1·2				
Hill sheep	2·9	0·2	...	—	—
Winter keep	1·2				
Additional benefit under FHDS and FCGS	5·9	7·0	6·6	8·9	14·8
Others (*g*)	1·8	1·2	0·8	0·9	1·2
Total III	30·1	91·1	57·6	46·3	110·0
Total I, II, III	200·9	207·0	204·5	208·1	323·1
against which receipts from FEOGA: guidance section ...	4·4	11·6	18·3	19·9	34·7
guarantee section ...	—	—	1·3	4·2	9·2
IV *Market regulation under the CAP (h)*					
Cereals	46·2	29·8	−4·3	28·9	40·9
Beef and veal	113·0	16·3	11·4	−20·8	−14·8
Pigmeat	38·6	12·3	−0·2	0·2	0·5
Sugar	41·2	71·2	86·7	84·7	55·1
Processed products	3·4	8·8	13·4	21·0	36·4
Milk products	61·8	24·1	141·0	198·4	262·0
Others (*j*)	6·5	8·9	7·6	17·8	26·0
Total IV	310·7	171·4	255·6	330·2	406·1
against which receipts from FEOGA guarantee section ...	259·6	168·7	169·2	305·1	386·8

TABLE 35 (*continued*)

(*a*) This table excludes expenditure which may benefit farmers but where the value to them is not shown by the expenditure (eg expenditure on animal disease and pest control or on research, advice and education). Expenditure on agriculture in Northern Ireland, borne on the Northern Ireland Consolidated Fund, is also excluded. It does, however, include some expenditure which benefits consumers and overseas exporting interests rather than producers (see note (*h*)). The figures for years up to and including 1977/78 represent actual expenditure recorded in the Appropriation Accounts. The figures for 1978/79 are subject to confirmation and those for 1979/80 are the latest estimates of expenditure.

(*b*) The forecasts for expenditure in 1979/80 include payments which were due in 1978/79 but were delayed by industrial action.

(*c*) Excludes payments for milk which have been attributed to the food subsidies programme.

(*d*) Payments in respect of wool and potatoes relate partly to the clip or crop of the year indicated and partly to the clip or crop in the preceding year or years. The negative figures reflect the arrangements with the British Wool Marketing Board, whereby deficiency payments made by the Exchequer are repayable from surpluses (excess of market price over guaranteed price) up to the amount of debt owing by the Board to Ministers.

(*e*) Farmers in special areas are also eligible for additional assistance under the Farm and Horticulture Development Scheme and the Farm Capital Grant Scheme. The estimated benefit is shown separately in section III of the table.

(*f*) Includes grants in respect of investment on loan guarantees*, farm structure loans*, producer organisations*, small horticultural production businesses, small farmers, farm business records, water supply*, agricultural drainage*, special assistance to livestock producers and hops restructuring. (Provision for the schemes marked * was included in the 1979/80 Supply Estimates).

(*g*) Includes grants for improvement of hill land and livestock rearing land, rural roads*, forage groups*, producers in the Scottish Islands*, crofting improvements* and the hill cattle agistment subsidy. (Provision for the schemes marked * was included in the 1979/80 Supply Estimates).

(*h*) The figures shown are total expenditure before allowing for receipts from FEOGA which are shown separately at the foot of the table. The figures are made up of several elements and include import refunds (net of export levies) on intra-Community trade, import and export refunds on third country trade, the beef premium scheme, aid for private storage and animal feed, certain production subsidies and the net cost of commodities bought into intervention and subsequently sold. Some of the expenditure benefits consumers and overseas exporting interests rather than producers. The figures for 1975/76 and 1976/77 include the special import subsidy on sugar, those for 1977/78 onwards the EEC butter subsidy, and those for 1978/79 onwards the UK share of the EEC school milk subsidy scheme.

(*j*) Includes eggs, poultrymeat, fruit and vegetables, oilseeds, hops, herbage and legume seeds, dehydrated fodder, 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 and hemp).

TABLE 26

Commodity price trends

This table gives indications of the movement in commodity prices at the first point of sale. The series do not always show total receipts by farmers; for some commodities additional premiums or deficiency payments were made to achieve support price levels.

Calendar years

		1975	1976	1977	1978	1979 (fore-cast)
Wheat (£ per tonne)	Average ex-farm price (*a*) ...	55·75	72·24	83·34	85·69	95·94
Barley (£ per tonne)	Average ex-farm price (*a*) ...	57·44	72·45	77·98	78·30	89·03
Oats (£ per tonne)	Average ex-farm price (*a*) ...	55·79	67·68	74·84	74·59	88·08
Rye (£ per tonne)	Average ex-farm price (*a*) ...	61·10	76·00	70·42	76·18	83·50
Hops (£ per tonne)	Average farm-gate price (*b*)	1 063	1 360	1 390	1 426	1 563
Potatoes (£ per tonne)	Average farm-gate price (*c*)	56·80	143·40	69·94	40·04	58·00
Sugar beet (£ per tonne)	Producer price (*d*)	18·48	16·42	21·93	23·72	26·92
Oilseed rape (£ per tonne)	Average market price (*e*) ...	128	140	162	182	200
Apples (£ per tonne)	Average market price (*f*)					
	Dessert	175	191	305	235	194
	Culinary	172	176	242	195	168
Pears (£ per tonne)	Average market price (*f*) ...	185	189	275	251	214
Tomatoes (£ per tonne)	Average market price (*f*) ...	291	346	411	440	383
Cauliflowers (£ per tonne)	Average market price (*f*) ...	121·5	119·2	143·3	132·0	162·0
Cattle (store) (£ per head)	1st quality Hereford/ Friesian bull calves (*e*) ...	40	56	65	88	104
	1st quality yearling steers beef/dairy cross (*e*)	110	157	174	213	239
Cattle (fat) (p per kg liveweight)	All clean cattle	38·51	52·43	56·94	66·26	77·12
Sheep (store) (£ per head)	1st quality lambs, hoggets and tegs (*e*)	14·0	19·0	24·0	25·9	26·2
Sheep (fat) (g) (p per kg estimated dressed carcase weight)	... ...	75·5	103·9	124·5	137·4	138·0
Pigs (p per kg deadweight)	Average market price (*h*) ...	61·90	67·32	72·64	80·02	80·88
Broilers (p per kg)	Average wholesale price ...	55·0	63·6	76·0	81·1	90·8
Milk (p per litre)	Average net return to producers (*i*)	7·98	9·36	10·18	10·61	11·50

TAB[illegible]6 (*continued*)

Commodity price trends

Calendar years

		1975	1976	1977	1978	1979 (fore-cast)
Eggs (p per dozen)	Average producer price (*j*) ...	22·8	27·8	31·2	27·0	32·5
Wool (p per kg)	Average producer price for clip (*k*)	57·1	69·5	93·2	93·8	99·0

(*a*) Weighted average ex-farm prices of UK cereals.

(*b*) Average farm-gate prices paid by Hops Marketing Board to growers in England. Hops are not grown elsewhere in the UK.

(*c*) Weighted average price paid to growers by registered merchants for early and main crop potatoes in the UK.

(*d*) Average price paid to growers in the UK by the British Sugar Corporation for sugar beet of average sugar content.

(*e*) Average prices at representative markets in England and Wales but, in the case of sheep, excluding prices at autumn hill sheep sales.

(*f*) Weighted average wholesale prices for England and Wales.

(*g*) UK weighted average market price for animals certified under the Fat Sheep Guarantee Scheme.

(*h*) UK average market price for clean pigs.

(*i*) Derived by dividing total value of output (Table 21) by the total quantity of output available for human consumption (Table 15).

(*j*) Average price of all Class A eggs weighted according to quantity in each grade.

(*k*) Average price paid to producers by the British Wool Marketing Board.

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