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Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

From the Minister's Private Office

Nigel Wicks Esq
Principal Private Secretary
10 Downing Street

24 September 1985

Dear Nigel

WINTER FEED

... As requested in your letter of 12 September, I enclose a note for the Prime Minister on winter feed and the problems faced by farmers as a result of this summer's poor weather. This was prepared with the co-operation of the other Agricultural Departments.

I am copying this letter to John Graham, Jim Daniell and Colin Williams.

Yours Sincerely
C I Llewelyn

C I LLEWELYN

Prime Minister

I commissioned this following our visit to Scotland. A worrying report, though farmers do tend to look on the gloomy side. In practice, not much the Government can do.

ASK to be kept in touch? *Hardy on - Yes*

N-CW

24-9

mf

A worrying report
but the depth does not
seem to be taking much action - mf



WINTER FEED: PROBLEMS FACED BY FARMERS AS A RESULT OF ADVERSE WEATHER

1. The wet weather conditions this year have seriously reduced the supplies and quality of winter fodder for animal feed. There are large differences between regions and farms within regions but the hill and upland areas in particular are badly affected and there are serious difficulties of shortage of roughage on farms where the hay is a major component of the winter feed programme. Some may yet be able to harvest some fodder as silage but such opportunities will be few for the worst affected farms and any extra fodder harvested is unlikely to do much to alleviate the overall position.

2. In England, a significant number of farms in the hill and upland areas have made little or no hay; some are also short of silage and the quality of silage is suspect on others. Similarly, the upland and hill farms in Wales are in difficulties, with less than half the winter fodder requirements having been harvested in the worst affected areas. In Scotland, the quantity of hay secured is well below requirement, and the quality is generally poor, with the difficulties again being greatest in the hill and upland areas. Northern Ireland has a particularly difficult situation in that the hay crop is estimated to be only 20% of normal volume (5% in the Less Favoured Areas), and of poor quality. Moreover, there is an anticipated shortfall of other 20% in the silage crop. This shortage of fodder is of special significance for Northern Ireland which even in normal years has to import cereals to augment its home-produced livestock feed.

3. Another important consideration is that the Republic of Ireland has also been badly affected and that farmers there are already being forced to sell stock because of inadequate winter feed supplies. Even in normal times, the Republic is a notoriously weak seller in the livestock sector and the likelihood of "distress" sales due to fodder problems poses a threat to the market in Great Britain



because of the "knock-on" effect. Some of our own stock may also need to be marketed early due to feed problems, and the adverse effects on the market are likely to become worse as farmers in the United Kingdom start to sell extra stock. So far as sheep are concerned, there is also some lack of confidence due to the possibility of restrictions on ewe exports to France and this too may add to the difficulties. Low prices in the market have adverse economic effects on all livestock farmers, even those who have secured a reasonable proportion of their winter fodder supplies.

4. The conditions for harvesting cereals have been exceptionally difficult particularly in Northern Ireland and the west of Britain. In some areas crops are a total write-off. In general however, grain farmers have surmounted the problems of collecting the harvest and our initial estimates suggest a total harvest figure which, while not as large as last year's record, will nevertheless be the second largest harvest ever. But the high cost of drying grain to acceptable standards, and the markedly lower quality of this year's wheat production will have a serious effect on grain farmers' incomes.

Conclusions

5. It is already clear that many livestock producers, especially in the more remote parts of the United Kingdom will have inadequate supplies of winter keep. Those who have not secured adequate supplies will either have to buy in feed or to dispose of stock on markets which are likely to be weak. The advisory services are already making suggestions to producers as to the most effective ways of coping with the situation but farmers will be looking to the Government for some help. In particular, we shall need to take full account of the likely situation of hill livestock farmers in the annual autumn review of the hill livestock compensatory allowances which precedes the determination of the rates for 1986. In addition, we are approaching the EC Commission to try to secure some modifications in the suckler cow subsidy scheme to help producers who may be forced to cut down on their stock numbers.



Northern Ireland

6. The position in Northern Ireland is made worse by the loss of part of Northern Ireland's own small cereal crop and by the lower crop in the Republic from which Northern Ireland normally recovers part of her deficit. We are approaching the Commission for agreement to transfer a quantity of intervention grain to Northern Ireland at Community expense from Great Britain. The effect would be to make the grain available in Northern Ireland at about the same price as in Great Britain. The Irish Republic have sought emergency help from the EC, and Northern Ireland would look for help comparable to whatever is done for the Republic. We would also hope to ensure that any grain transferred to the Republic comes from Great Britain. Northern Ireland has also suffered severely as far as potatoes, and particularly seed potatoes, are concerned

MINISTRY OF AGRICULTURE,
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