AGRICULTURE ACT 1947

ANNUAL REVIEW OF AGRICULTURE 1978

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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 which can be drawn on by the Government in responding to the proposals by the EEC Commission for agricultural support in 1978/79 and when decisions are taken on support arrangements which remain within our national competence. As in 1977, these decisions will be announced separately.

2. Information in the Statistical Appendix has in most cases been moved on to a calendar year basis, mainly in order to bring it into line with practice in the European Economic Community, but also to reduce the number of different years to which the information relates and the element of forecasting. In most cases the forecasts for 1977 reflect the position as seen at November 1977.

PART I—STATE OF THE INDUSTRY

3. The main feature of agricultural production in 1977 has been the dramatic recovery from the setbacks caused by the weather in the two preceding years. The index of agricultural net product, which in the drought-hit year of 1976 had fallen to 89, reached 112 in 1977—almost as high as the previous best year of 1974. This improvement was largely the result of good weather which had a particularly marked effect on the production of milk and cereals. The industry's cost increases in the period since the last Annual Review are set at £322·5 million compared with £895 million in the previous year. Agricultural net income excluding stock appreciation is expected to rise from £1,158 million in 1976 to £1,348 million in 1977. This represents little change in real terms. The volume of new fixed investment in agriculture is expected to show a reduction in 1977, especially in buildings and works.

4. There was a small increase in the size of the dairy herd in 1977 and this combined with substantially improved yields led to an increase in total sales of milk through the Milk Marketing Boards of 4·5% over 1976. Beef production is in the downward phase of the cycle; the beef breeding herd fell by a further 4% and home production of beef is expected to be 5% down on 1976. Although production of sheepmeat is expected to be 4% lower than in 1976, there are signs of an increase in the breeding flock. The pig breeding herd fell by 7% between June 1976 and June 1977 as a result of difficulties encountered in this sector but returns to producers are expected to recover in 1978. Little change is expected in the size of the egg-laying flock and the production of eggs is expected to increase marginally. Poultrymeat production is also likely to increase slightly in 1977.

5. In the arable sector the 1977 cereals crop is forecast to be some 3·7 million tonnes greater than the 13·26 million tonnes produced in 1976; most of the increase arises from higher yields. Potato plantings were higher than in 1976 and, with yields recovering from the low, drought-affected levels of 1976, supplies should be more than adequate to meet requirements. The area of sugar beet harvested in 1977 is no greater than in 1976 but yields have recovered from the

low levels of the last three years and production of white sugar is forecast to amount to nearly 1 million tonnes. The area sown to oilseed rape has continued to expand and yields have improved over the last few years. There was a further slight fall in 1977 in the area of certified herbage seed.

6. The value of horticultural output continued to increase, despite the reductions in yields of vegetables in the first half of the year and losses of orchard and soft fruit, which were more than offset by higher prices. The review of the horticultural industry which was carried out by the Government and the Farmers' Unions early in 1977 forecast a brighter future for the industry than was generally thought possible five years ago. Increased efficiency and the protective effect of the depreciation of sterling have been important factors contributing to the profitability of horticulture.

PART II—COMMODITY TRENDS

Cereals (Tables 2, 5, 7 and 27)

7. The area of cereals harvested in 1977 was 3·71 million hectares, slightly above the 3·68 million hectares in the previous year. Production is expected to total nearly 17 million tonnes, some 3·7 million tonnes above the 13·26 million tonnes in 1976. The wet autumn of 1976 led to a decrease in the area sown to wheat which was largely offset by an increase in the barley area. The harvest was delayed by a cold, wet spring but the favourable growing conditions in the summer led to exceptionally high yields, particularly in comparison with 1976 when yields were unusually low because of drought. In the south, rain in mid-August reduced the quality of the crops, especially wheat, to well below average. Market prices, which rose rapidly in the autumn of 1976, continued to rise during the first half of 1977 to around threshold levels. Following the harvest, while breadmaking wheat and malting barley remained at a premium, the prices for feed grains fell to near intervention levels. Owing to ideal conditions this autumn the sowing of winter cereals is well advanced.

Oilseed rape (Tables 2, 5, 8 and 27)

8. Production of oilseed rape in 1977 again reached a new record level owing partly to a slight improvement in yields but largely to the increased area sown to the crop. Prices towards the end of the 1976/77 marketing year were good but have since fallen following the announcement of a record soya crop in the USA with which rapeseed is in direct competition on the world market.

Potatoes (Tables 2, 5, 9 and 27)

9. In 1977 the target area of 210,000 hectares was exceeded by some 20,000 hectares but the yield was at a lower level than would normally have been expected, and depending on the extent to which consumption levels return to normal, a small surplus can be expected. In view of low producer prices at the beginning of the season, the Potato Marketing Board, with Exchequer assistance, undertook a market support programme in the autumn with the purpose of influencing market prices, so that the average for the season would achieve the guaranteed price of £45·77 per tonne.

10. Proposals for an EEC regime for potatoes have continued to be discussed, but it is not certain that agreement can be reached in time for common arrangements to apply to the 1978 crop. Consideration is currently being given to the appropriate form of marketing and support arrangements for that crop in the absence of a common regime.

Sugar beet (Tables 2, 5, 10 and 27)

11. For 1977 the British Sugar Corporation contracted to purchase the beet from 206,000 hectares. Some 201,000 hectares are expected to be harvested, about the same as in 1976. Weather during the growing season was generally good, yields of beet per hectare are slightly up and sugar content is showing a substantial improvement on last year. Assuming that harvesting and processing proceed as planned, the crop should yield between 900,000 and 1 million tonnes of white sugar.

12. Contracts for 1978 have not yet been completed but the Corporation aims to increase its contracted area.

Horticulture (Tables 2, 5, 11 and 27)

13. The area devoted to horticulture was 289,000 hectares at June 1976 and the provisional figure for 1977 shows no change in the total area. Details are given for the four commodities grown in the UK which are affected by Community intervention arrangements in the fruit and vegetables sector.

(*a*) **Apples.** The area of apple orchards (excluding cider apples) continues to decline slowly and in 1977 is estimated at 31,600 hectares. Production capacity, however, has changed very little because of more intensive new orchard planting. The long-term effects of the 1976 drought combined with this year's cold spring led to reduced yields in 1977. Supplies from major apple-exporting countries were also lower than usual. Prices in the UK have consequently been much higher than in 1976.

(*b*) **Pears.** The area under pears (excluding perry pears) has changed very little in recent years and is estimated at 5,200 hectares in 1977. This year's crop is slightly below average and substantially below the high level of 1976. Prices are likely to be higher than in 1976, because of both the lighter pear crop and the higher apple prices.

(*c*) **Cauliflowers.** The area under cauliflowers continues to decline from the peak in the late 1960s and is estimated to be 14,000 hectares in 1977. The cold, wet weather in late 1976 and early 1977 reduced production of winter cauliflowers but better weather later in the year resulted in an overall increase in output in 1977 compared with 1976. Prices remained high until the late summer of 1977 and the sharp drop since then is not likely to be sufficient to reduce the average price for 1977 below that for 1976.

(*d*) **Tomatoes.** About 950 hectares of glasshouse area were used for tomato production in 1977. This figure has remained fairly constant for some years. Poor light conditions reduced yields in 1977 and output is

slightly down on the high levels of 1976. Prices are expected to be significantly higher than last year.

Hops (Tables 2, 5, 12 and 27)

14. The area under hops remained stable in 1977 at about 6,000 hectares. There has been a gradual long-term decline in area resulting from the improved utilisation of hops by brewers and increased yields from new varieties. The cold, wet weather early in the year reduced yields to well below those in 1976, which were themselves adversely affected by the drought. Prices for hops in 1977 are similar to those in 1976.

Seeds (Table 13)

15. The area of certified herbage seed which had fallen substantially in both 1975 and 1976 showed only a very slight further fall (1%) in 1977. Yields in general are good with mainly firm prices which are showing an increase on 1976 levels. A notable exception is Italian Ryegrass where increased production has resulted in depressed prices. Home production of herbage seed normally meets 55% of total requirements but abnormal weather conditions resulted in increased imports.

16. The area of certified field bean seed is down by 15% in 1977 but is still excessive in the light of the demand for certified seed for cropping. The expansion of the area sown for the production of certified field pea seed—although small—continues at a high rate and the sharp upward trend is expected to continue. The area of certified seed of linseed rose sharply in 1976 but fell back again in 1977 almost to 1975 levels.

Beef and Milk (Tables 2, 5, 14, 15, 16 and 27)

17. The 1977 June census for the UK showed a levelling out of the decline in the total breeding herd. Numbers were only marginally lower than in June 1976; the dairy herd—about 66% of all breeding cows—showed an increase of 1% but the beef herd was 4% smaller. In England and Wales the September sample census indicated a fall of 1% in the total herd compared with the previous year, due entirely to a further decline in the beef breeding herd.

18. Home production of beef in 1977 is expected to be about 5% less than in 1976, but this decline has been balanced by an increase in imports and decrease in exports in trade with other EEC countries so that total supplies available for consumption are likely to be about the same as in 1976. Average market prices for certified cattle in the UK remained above the weekly target prices until the end of July 1977, reaching a peak of 63·17p per live kg in mid-June. Thereafter, variable premiums were payable in most weeks as market prices underwent a seasonal decline into the autumn. Throughout this period the market was underpinned by a moderate amount of intervention.

19. The average milk yield per cow in 1977 is expected to show an improvement of 3·5% on the 1976 level while the average size of the national dairy herd is expected to increase by about 1% over the previous year. As a result, milk production in 1977 is expected to show an increase of about 4·5% over

that for 1976. The amount of milk sold for liquid consumption in 1977 is expected to be lower than in 1976, whilst the availability of milk for manufacture increases appreciably. Cheese production in 1977 is expected to increase slightly over the previous year's level and butter production is forecast to increase substantially over the 1976 level. Increases in the guaranteed price for milk and the standard quantity at the 1977 Annual Review led to an increase of almost 6% in the guaranteed price for milk for the period 1 April to 31 December.

20. As required by the Treaty of Accession the guaranteed price arrangements for milk producers ended on 31 December 1977 and producer returns from 1 January 1978 depend on the returns the Milk Marketing Boards obtain from the liquid and manufacturing milk markets.

21. The average size of the national dairy herd in 1978 is expected to decline slightly, so that any improvement in milk production in 1978 will depend on whether yields continue to improve.

Sheep and Wool (Tables 2, 14, 18 and 27)

22. Between June 1976 and June 1977 there was a small increase (0·2%) in the total UK breeding flock, the increase in the number of shearling ewes more than compensating for the drop in older ewe numbers. Although the lamb crop was just over 2% smaller than the record crop of 1976, with fewer slaughterings in 1977 the breeding flock is expected to increase in 1978.

23. UK home production of sheepmeat is expected to be about 4% lower in 1977 than in 1976, while at the same time imports are expected to drop by 3·5% and exports to increase by 16%, resulting in a drop in available supplies to the UK home market of just over 5%. In 1977 prices for fat sheep have been above the guarantee, except for 6 weeks between June and August, averaging about 20% above last year's levels. Prices paid for store lambs and hill ewes have again risen well above those paid the previous year.

24. Production of wool in 1977 again declined very marginally. Prices were especially strong in 1976 owing to the fall in the value of sterling and rose to reach a peak of 126p per kg in February 1977. UK prices then declined by 15–20% in line with a general weakening of world markets. On average, auction prices for the 1977 clip are expected to be below the guarantee but producers' returns will be made good from the stabilising fund built up during last season's high-priced sales.

Pigs (Tables 2, 14 and 27)

25. The decline in profitability which began in 1976 continued into 1977 and led to a fall of 7% in the pig breeding herd between June 1976 and June 1977. This is being reflected in lower supplies of pigmeat and production in 1978 is expected to be lower than in 1977.

26. The resulting increase in pig prices together with a reduction in feed costs from the highest levels of 1976/77 may encourage some modest expansion in the breeding herd during 1978.

Poultrymeat (Tables 2, 14 and 27)

27. Output of poultrymeat is expected to show a small increase in 1977. Turkey prices have increased but other poultry prices remained generally steady over the year.

Eggs (Tables 2, 5, 17 and 27)

28. Both the annual average size of the laying flock and output are expected to show a small increase in 1977 and higher yields per bird may be reflected in a further marginal increase in production in 1978. Egg prices have fluctuated but over the year as a whole average producer prices are expected to be higher than in 1976.

PART III—GENERAL DEVELOPMENTS

Farm structure (Table 3)

29. The number of farms in the UK continues to decline. Because the standard labour requirements for crops and livestock have been revised in line with current labour usage, comparative figures of holdings by size of business are not available for years before 1975. In 1977 the total number of holdings was 261,000, that is 3% lower than in 1975. Among relatively small changes over this period, the percentage fall in numbers has been most marked among the smaller full-time businesses. Just over 50% of holdings have businesses capable of providing work for at least one man (now defined as those of 250 revised standard man-days or more) but these account for 90% of total output (though in Northern Ireland and Wales the output of part-time farms is rather more significant than in other parts of the UK), while large businesses (1,000 standard man-days or more), though only about 10% of the total number, produce about a half of total output.

30. The average size of farms is increasing. Full-time businesses averaged 113 hectares (total area including rough grazings) in 1977 compared with 111 hectares in 1975. The trend to greater specialisation continues with the number of enterprises (eg dairy herds) declining and their average size increasing. Between 1975 and 1977 the average area of cereals has increased from 30 to 32 hectares; the average dairy herd has risen from 40 to 44 cows though the average beef breeding herd at 18 cows may have declined slightly; the average ewe flock has increased from 164 to 167 breeding sheep and the average pig breeding herd rose from 23 to 25 sows.

31. In Great Britain 62% of the holdings were wholly or mainly owner-occupied in 1977 compared with 54% in 1960/61. The proportion of the total area held by owner-occupiers has increased from 52% in 1960/61 to 57% in 1977. In Northern Ireland virtually all farmers are owner-occupiers.

Index of net product (Table 19)

32. With the change to calendar year accounts, the index has been re-based on 1975=100. It fell to 89 in 1976 because of the drought in that year and the continuing effects of the dry weather of 1975. In 1977, however, it is expected

to have recovered to 112—almost back to the average 1972–74 level—as a result of the record cereals harvest, the more normal potato crop and increased milk yields.

Labour productivity (Tables 4 and 19)

33. The adverse weather in 1975 and 1976 reduced the volume of output and this is reflected in reduced labour productivity (the volume of gross product per person engaged) for these two years but a substantial recovery to a record level is forecast for 1977. Over the past ten years labour productivity has increased at nearly 4% per annum, only a little below the average of 4% to 5% per annum in the late 1960s and early 1970s. The outflow of regular whole-time workers has continued. In 1976 and 1977 the rate was just over 3½% per annum respectively compared with 5% to 6% per annum in the 1960s.

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

34. Excluding stock appreciation, aggregate net income, which increased by 25% to £1,158 million in 1976, is expected to show a further increase of 16% to £1,348 million in 1977. In real terms the increase between 1975 and 1976 was 7% and little change is likely in 1977. When stock appreciation is included, aggregate net income increased by 28% to £1,835 million in 1976 and is expected to have fallen by 2% to £1,796 million in 1977. In real terms a 10% increase between 1975 and 1976 is expected to be followed by a fall of 15·5% in 1977.

35. The other main series of farm incomes data examined at the Annual Review is based on samples of full time accounts. They show the impact of the drought and other factors on net income per farm in 1976/77 in the different sectors and regions of the UK. The accounts end on average in February and this year net income excludes stock appreciation of breeding livestock. For this and other reasons the farm accounts results show different changes in income from the aggregate series. Average net income of all types (excluding horticulture) went up in 1976/77 in all countries but at a much lower rate than in the previous year. In England income rose by 4%, in Wales by 28%, in Scotland by 10% and in Northern Ireland by 21%. Higher prices for most crops more than compensated in England and Wales for lower yields caused by the drought and the value of crop output rose by nearly a quarter. The value of output of most livestock was also up, particularly of sheep. Feed prices rose sharply and in England and Wales the poor growth of grass and fodder crops during the drought led to heavier feed bills.

36. On dairy farms higher milk prices and larger herds contributed to increases in income, although in England the rise was less than elsewhere with the drought reducing milk yields and pushing up feed purchases. Sheep farms achieved the largest increase in income. Cattle farms generally had better incomes but for some cattle fatteners income was reduced by heavier feed bills and smaller margins between store and fat prices. Higher prices for many crops contributed to larger incomes on cropping farms in most regions, although in Scotland the increase over the record level of 1975/76 was small. The sharp rise in feed prices and only a small increase in output of pigs and poultry reduced

incomes on farms with substantial pig and poultry enterprises, except in Northern Ireland. In real terms income fell in England and also in Scotland where it had reached a record level in 1975/76. In Wales and in Northern Ireland there was a further but much smaller increase.

37. Forecasts of trends in 1977/78 indicate a small rise in average income in England and Wales and Northern Ireland but a fall in Scotland. The record cereals harvest is expected to offset lower prices and the value of cereals output in England and Wales should rise. But the sharp drop in prices will reduce the value of potato output, particularly in areas which had good crops in the previous year. Lower feed prices and, in England and Wales, more plentiful supplies this year of home grown cereals, grass and fodder crops will generally reduce feed bills and benefit incomes of livestock producers. Milk yields have recovered in England and Wales and with generally higher prices for calves and cull cows, dairy incomes should go up in most areas of the UK. Prices for both fat and store sheep have generally been buoyant and a further rise in income is likely on sheep farms. Suckled calf prices were mostly lower than last year's high levels at the autumn sales and the increase in fat cattle prices has not been sufficient to offset higher costs: incomes of many cattle enterprises may therefore drop, despite lower feed prices and in Great Britain more plentiful fodder. With substantially lower potato revenue, incomes on many general cropping and mixed farms are likely to decline, particularly in Scotland and Northern Ireland which had benefited most from the high potato prices in the previous two years, but higher cereal yields in England and Wales are likely to lead to an increase on specialist cereal farms there. A good recovery in incomes on pig and poultry holdings is expected. In real terms average incomes in 1977/78 are forecast to fall, particularly in Scotland.

Cost changes (Table 26)

38. Net cost increases since 1976 are assessed at about £322·5 million for all products. The main increases are for machinery depreciation (£127 million), labour (£112 million), miscellaneous expenditure (£58 million) and fertilisers and lime (£49 million). There are estimated reductions in the costs of animal feedingstuffs (£62 million), interest (£58 million) and seeds (£25 million).

Gross capital formation (Table 23)

39. It is estimated that there will be a further increase in the value of new investment in 1977. Total gross capital formation in landlord and tenant-type physical assets together is estimated to be £1,596 million in 1977; of this £614 million is estimated to be in plant, machinery and vehicles, ie a rise of 23% over the amount invested in 1976, and £724 million in additions to stocks and work-in-progress. New investment in buildings and works (landlord-type assets) is expected to amount to £258 million. In volume terms new investment in 1977 in plant, machinery and vehicles is expected to be between 1% and 2% lower than in 1976. The volume of investment in buildings and works has continued the downward trend begun in 1973 and in 1977 was 5% lower than in 1976. The physical level of stocks and work-in-progress in 1977 is expected to be higher than in 1976 reflecting larger stocks of harvested crops including fodder. Despite the improvements in conditions, coverage and rates of grants from 1 June 1976,

the number of applications estimated for 1977 under the Farm Capital Grants Schemes is likely to be 11% below the number received in 1976. Most of this work would be for completion in 1978 and later years. Under the Farm and Horticulture Development Scheme, however, initial eligibility applications rose sharply after the June changes and nearly 7,000 plans are estimated to be approved in 1977 compared with 479 in 1975 and 1,953 in 1976. Investment under the Scheme takes place in the framework of development plans which can vary in length from one to six years.

Agricultural land prices

40. The average price for all sales of agricultural land of 4 hectares and over in England and Wales, as reported to the Inland Revenue, was £1,295 per hectare for the six-month period ended September 1977. This compares with a price of £1,287 per hectare for the period ended March 1977 and £1,086 per hectare for the period ended September 1976. Because of the delay between a sale being agreed and its notification to the Inland Revenue, this series is subject to a time lag of several months. More up-to-date information from the ADAS/AMC series, which is less comprehensive and relates only to vacant possession sales, indicated that there was a substantial increase in prices in the middle of 1977. The average price of vacant possession land in the three-month period ended September 1977, shown by this series, was £2,406 per hectare. There have also been significant increases in agricultural land prices in Scotland and Northern Ireland.

Farm rents (Table 22)

41. Farm rents in the UK are estimated to have increased by an average of 15·9% in 1977. This estimate is based on the provisional results of the annual ADAS Rent Enquiry in England and Wales and on field enquiries in Scotland. This increase compares with increases of 19·3% in 1976, 16·8% in 1975 and 8·7% in 1974.

Farm workers' earnings (Table 20)

42. In the calendar year 1976 the average earnings of whole-time hired men in the UK were £50·27 per week, including the £6 increases in minimum rates awarded in the winter of 1975/76. Compared with 1975 this is a rise of 17% in money terms and of 0·5% in real terms. In 1977 average whole-time earnings are forecast at about £54 per week, a rise of 7·5% in money terms but a reduction in real terms.

Public expenditure (Table 25)

43. In 1977/78 the estimated outturn for expenditure in the UK on price guarantees, grants and subsidies (excluding the brucellosis incentives and payments connected with the milk subsidy) is about £204 million. The comparable figure for 1976/77 is about £207 million. Expenditure on hill livestock compensatory allowances is expected to be lower than in 1976/77, when the outturn was inflated by payments carried over from 1975/76. This decrease is expected to be partly offset by payments under the capital grant schemes and the new Milk Non-Marketing and Conversion Premium Scheme.

44. Expenditure under the common market organisation of the EEC is estimated to increase by some £33 million to about £204 million in 1977/78 compared with expenditure of £171 million in 1976/77. This expenditure by the Intervention Board for Agricultural Produce includes the Beef Variable Premium Scheme, import and export refunds, certain production subsidies, the gross cost of aids 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 1977/78 is mainly due to increased purchases into intervention of skimmed milk powder and butter. Whilst these and other variations account for an increase of some £61 million this has been partly offset by a reduction of about £28 million in the net cost of import and export refunds.

APPENDIX

Statistical Tables

The tables cover largely the same ground as those in last year's White Paper except that Table 27 on Commodity Price Trends has been simplified. Two changes in presentation have, however, been made; the columns showing equivalents in imperial units no longer appear and, with the exceptions of tables relating to fixed dates and those on Herbage Seeds (Table 13), Specimen Net Incomes (Table 24) and Public Expenditure (Table 25), information is now shown on a calendar year basis. Forecasts, which are as at November 1977 unless otherwise indicated, generally refer to the position up to the end of 1977. For some commodities the move to a calendar year basis has involved the introduction of stock figures into the supply tables. Calendar year figures are not available before 1967 and the three-year averages are therefore given for the period 1967 to 1969. New base years have been introduced for some of the indices in Tables 1, 19 and 22.

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.

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

Figures for imports from and exports to the Eight relate throughout to the countries of the enlarged 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 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 1967–69	1973	1974	1975	1976	1977 (provisional)
Agriculture's contribution to gross domestic product (*a*)						
£ million ...	1,064	1,770	1,861	2,302	2,760	3,165
percentage	2·9	2·8	2·5	2·5	2·5	..
Agriculture's share of gross fixed capital formation (*b*)						
£ million ...	219	441	559	613	726	872
percentage	2·7	3·1	3·3	3·0	3·1	..
Manpower engaged in agriculture (*c*) ('000)	808	704	678	662	669 (*d*)	661
Percentage of total manpower in all occupations	3·3	2·9	2·7	2·7	2·7	2·7
Agricultural price index (1970 = 100)						
All products—sales (*e*)(*f*) ...	92·8	146·9	166·0	205·7	264·6	272·5
Inputs—selected indicators (*f*)						
Feedingstuffs (*g*)	89·5	160·8	209·2	207·5	257·5	304·5
Fertilisers (excl. lime) (*h*) ...	98·4	127·2	177·6	211·4	226·7	260·5
Fuel (*i*)	94·5	122·5	178·6	215·9	265·7	320·0
Labour	84·6	150·2	194·7	245·4	292·7	317·7
Machinery (*j*)	88·4	131·0	159·0	200·4	235·3	291·5
Imports of food, feed & alcoholic beverages (*k*)						(Jan.–Sept. only)
£ million ...	1,881	3,205	3,990	4,480	5,215	4,854
Import volume index (1970 = 100)	100·4	102·9	97·4	96·9	102·2	105·0
Import price index (1970 = 100)	89·1	151·2	200·9	223·8	248·4	301·3
Exports of food, feed & alcoholic beverages (*k*)						(Jan.–Sept. only)
£ million ...	399	853	1,048	1,366	1,620	1,508
Export volume index (1970 = 100)	87·2	137·3	143·8	155·4	156·0	162·4
Export price index (1970 = 100)	93·0	126·2	150·8	178·3	212·6	253·9
Consumers' expenditure on food and alcoholic beverages (*l*)					(prov.)	(Jan.–June only)
£ million ...	8,427	13,122	15,191	18,729	22,182	11,650
Percentage of total consumers' expenditure ...	30·8	29·0	29·2	29·5	30·1	29·7
Retail price index (January 1970 = 100)						(Jan.–Sept. only)
Food (*f*)(*m*)	92·3	144·7	170·7	214·5	257·2	304·5
Alcoholic beverages (*f*) (*m*)	90·6	144·8	127·3	156·9	184·9	211·0
All items (*f*)(*m*)	92·6	132·4	153·7	190·8	222·4	255·1

TABLE 1 (*Continued*)

(*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 1973 and 1977 comprises the numbers of self-employed, employers and employees in employment, (excluding farmers' spouses) given in the June censuses conducted by the Agricultural Departments of England and Wales, Scotland and Northern Ireland. The average figures for 1967 to 1969 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 Agricultural Departments' series.

(*d*) See footnote (*e*) to Table 4.

(*e*) Based on prices after addition of subsidy or grant, where payable.

(*f*) Annual averages.

(*g*) Based on representative prices for compound and straight feedingstuffs.

(*h*) Department of Industry's Wholesale Price Index—excluding Value Added Tax.

(*i*) Department of Energy's Indices and Department of Industry's Wholesale Price Indices—excluding Value Added Tax.

(*j*) Department of Industry's Wholesale Price Index—excluding Value Added Tax.

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

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

(*m*) Source: Department of Employment.

TABLE 2

Crop areas and livestock numbers (*a*)

At June of each year

	Average 1967–69	1973	1974	1975	1976	1977 (provisional)
A. Crop areas ('000 hectares)						
Total area	19,515	18,988	19,010	18,978	18,987	18,899
of which: Wheat	915	1,146	1,233	1,034	1,231	1,072
Barley	2,418	2,267	2,214	2,345	2,182	2,412
Oats...	391	281	253	232	235	193
Mixed corn ...	48	51	42	35	28	24
Rye	4	5	5	6	8	11
Maize	..	1	1	1	1	1
Total cereals (*b*) ...	3,776	3,752	3,747	3,653	3,685	3,713
Potatoes	272	225	215	204	222	230
Sugar beet	186	194	195	198	206	202
Oilseed rape ...	..	14	25	39	48	55
Hops	7	7	7	7	6	6
Vegetables grown in the open	176	187	194	198	206	209
Orchard fruit ...	71	57	55	53	52	50
Soft fruit (*c*) ...	18	18	18	17	17	16
Ornamentals (*d*) ...	14	16	16	15	14	12
Total horticulture (*e*)	280	281	285	285	289	289
Total tillage (*f*) ...	4,981	4,818	4,838	4,816	4,821	4,853
All grasses under five years old (*g*) (*h*) ...	2,372	2,346	2,316	2,138	2,154	2,137
Total arable ...	7,353	7,164	7,154	6,954	6,975	6,990
All grasses five years old and over (*i*) ...	4,974	4,914	4,920	5,074	5,081	5,050
Rough grazing (*j*) ...	7,115	6,605	6,564	6,555	6,513	6,409
Other land (*k*) ...	..	305	372	395	419	450
B. Livestock numbers ('000 head)						
Total cattle and calves ...	12,289	14,445	15,203	14,717	14,069	13,899
of which: Dairy cows ...	3,238	3,436	3,394	3,242	3,228	3,264
Beef cows	1,168	1,678	1,887	1,899	1,764	1,694
Heifers in calf ...	821	988	1,041	903	939	830
Total sheep and lambs... ...	27,831	27,943	28,498	28,270	28,265	28,030
of which: Ewes	11,374	10,921	11,192	11,279	11,298	11,198
Shearlings	2,429	2,733	2,673	2,471	2,369	2,499
Total pigs	7,425	8,979	8,544	7,532	7,947	7,665
of which: Sows in pig and other sows for breeding	732	859	783	710	747	720
Gilts in pig ...	143	156	107	104	137	100
Total poultry	126,532	144,079	139,672	136,572	142,222	137,434
of which: Table fowls (incl. broilers)	38,971	58,366	56,701	56,708	61,325	57,725
Laying fowls ...	52,478	51,766	49,924	49,359	49,085	48,824
Growing pullets ...	22,572	18,808	18,958	18,195	18,383	17,503

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. In England and Wales and Northern Ireland holdings with less than 40 smd are excluded only if they have less than 4 hectares (10 acres) of crops and grass and no regular whole-time worker. The same criteria applied in Great Britain in the years 1970 to 1972, except that the threshold for standard labour requirements in those years was 26 smd.
The 1967–69 figures 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 landless 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*) For threshing.

(*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 areas 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 seven years old";
in Northern Ireland—"1st, 2nd and 3rd year".

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

(*j*) Includes common rough grazings.

(*k*) 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 the 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	1977 (provisional)
Crops and grass area	Number of holdings ('000) with	0·1 to 19·9 hectares	119·9	112·0
		20 to 49·9 hectares	73·2	71·4
		50 to 99·9 hectares	41·7	41·5
		100 hectares and over	29·3	29·4
		Total	264·1	254·3
	Average crops and grass area per holding (hectares) (*b*)		45·2	46·9
	Per cent of total crops and grass area on holdings with	0·1 to 19·9 hectares	8·2%	7·7%
		100 hectares and over	47·4%	48·5%
Size of business (smd) (*c*) (*d*)	Number of holdings ('000) with	Under 250 smd	138·0	133·3
		250 to 499 smd	56·4	53·3
		500 to 999 smd	45·8	45·0
		1,000 smd and over	28·3	28·9
		Total	268·6	260·6
	Holdings 250 smd and over	Average size of business (smd)	857	891
		Average total area per holding (hectares)	111·3	113·2
		Contribution to total output (%)	90·2%	90·8%
Total cereals	Number of holdings ('000) with	0·1 to 19·9 hectares	77·6	71·3
		20 to 49·9 hectares	22·7	22·5
		50 hectares and over	21·0	21·3
		Total	121·3	115·1
	Average area (hectares)		30·1	32·3
	Per cent of total cereals area on holdings with 50 hectares and over of cereals		65·9%	67·2%
Potatoes	Number of holdings ('000) with	0·1 to 9·9 hectares	50·4	55·9
		10 to 19·9 hectares	3·7	4·0
		20 hectares and over	1·9	2·2
		Total	56·0	62·2
	Average area (hectares)		3·6	3·7
	Per cent of total potato area on holdings with 20 hectares and over of potatoes		33·6%	34·5%

TABLE 3 (*Continued*)

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

At June of each year

			1975	1977 (provisional)
Sugar beet (*e*)	Number of holdings ('000) with	0·1 to 9·9 hectares	9·7	8·5
		10 to 19·9 hectares	3·2	3·1
		20 hectares and over	2·8	3·0
		Total	15·7	14·6
	Average area (hectares)		12·5	13·9
	Per cent of total sugar beet area on holdings with 20 hectares and over of sugar beet		55·9%	59·6%
Dairy cows	Number of holdings ('000) with	1 to 29	39·9	33·1
		30 to 59	23·4	22·2
		60 and over	17·6	18·7
		Total	81·0	74·0
	Average size of herd		40	44
	Per cent of total dairy cows in herds of 60 and over		53·3%	57·3%
Beef cows	Number of holdings ('000) with	1 to 19	72·5	66·4
		20 to 49	20·8	18·5
		50 and over	9·1	8·2
		Total	102·4	93·1
	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	44·0
		100 to 499	29·8	28·9
		500 and over	5·6	5·7
		Total	80·7	78·6
	Average size of flock		164	167
	Per cent of breeding sheep in flocks of 500 and over		37·6%	38·7%
Breeding pigs	Number of holdings ('000) with	1 to 19	26·2	23·2
		20 to 49	5·0	4·7
		50 and over	4·4	4·5
		Total	35·6	32·3
	Average size of herd		23	25
	Per cent of total breeding pigs in herds of 50 and over		63·6%	67·5%
Fattening pigs (*g*)	Number of holdings ('000) with	1 to 199	22·7	19·8
		200 to 999	4·7	4·5
		1,000 and over	0·8	0·9
		Total	28·2	25·2
	Average size of herd		156	178
	Per cent of total fattening pigs in herds of 1,000 and over		33·5%	37·5%

TABLE 3 (*Continued*)

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

At June of each year

			1975	1977 (provisional)
Laying fowls	Number of holdings ('000) with	1 to 4,999	82·0	73·3
		5,000 to 19,999	1·6	1·5
		20,000 and over	0·4	0·5
		Total	84·1	75·3
	Average size of flock		587	648
	Per cent of total laying fowls in flocks of 20,000 and over		47·1%	53·4%
Broilers (*h*)	Number of holdings ('000) with	1 to 9,999	1·7	1·7
		10,000 to 99,999	0·6	0·7
		100,000 and over	0·1	0·1
		Total	2·4	2·4
	Average size of flock		23,403	23,437
	Per cent of total broilers in flocks of 100,000 and over		59·9%	56·7%

(*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 1977 are strictly comparable, great caution must be exercised in comparing them with figures quoted in earlier Annual Review White Papers. 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 holding based on total area was—
1975 66·1 hectares of which 45·2 hectares were crops and grass
1977 67·4 hectares of which 46·9 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 have been adopted and the lower group of under 250 smd applies 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
600–1,199 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 not comparable with those in previous 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 1976.

(*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 1977 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 1967–69	1973	1974	1975	1976	1977 (provisional)
Workers						
Regular Whole-time:						
Hired: male ...	..	171	164	157	154	148
female ...		16	16	15	13	12
Family: male ...		45	39	37	35	38
female ...		15	14	13	12	7 (*f*)
All male	297	216	203	194	189	186
All female	29	31	30	28	25	20
Total...	(326)	(247)	(233)	(222)	(213)	(206)
Regular Part-time:						
Hired: male ...	..	25	24	22	21	21
female ...		26	27	26	26	24
Family: male ...		16	15	15	14	15
female ...		18	17	18	17	8 (*f*)
All male	37	41	39	36	35	36
All female	24	44	44	44	42	32 (*f*)
Total...	(62) (*c*)	(85) (*c*)	(83) (*c*)	(80)	(77)	(68)
Seasonal or Casual: ...						
All male	34	40	39	41	45	53
All female	35	38	36	32	35	41
Total...	(69) (*d*)	(78) (*d*)	(74) (*d*)	(73)	(80)	(94)
Salaried managers (*b*):	..	6	7	7	7	8
Total employed ...	456	416	398	382	377	375
Farmers, partners and directors						
Whole-time	..	222	214	212	219 (*e*)	212
Part-time	..	66	66	68	72 (*e*)	73
Total	..	(288)	(280)	(280)	(292)	(285)
Total	..	704	678	662	669	661
Wives/Husbands of farmers, partners and directors (engaged in farm work)	..	..	..	..	..	82

(*a*) The figures are based on returns in the agricultural census. They include some estimates for figures not directly obtainable from the Scottish census results and for that reason they differ slightly from some of the published United Kingdom 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 1967–69	1973	1974	1975	1976	1977 (forecast)
Crops							
Wheat	tonnes/hectare	3·91	4·36	4·97	4·34	3·85	4·92
Barley	,, ,,	3·61	3·97	4·12	3·63	3·51	4·45
Oats	,, ,,	3·33	3·84	3·77	3·42	3·25	4·15
Potatoes	,, ,,	24·9	30·4	31·6	22·3	21·6	28·6
Sugar (*a*)	,, ,,	5·7	6·1	3·6	3·9	4·2	5·8
Oilseed rape	,, ,,	..	2·3	2·1	1·7	2·3	2·5
Apples:							
Dessert (*b*)	,,	9·59	12·81	9·57	11·65	10·90	7·2
Culinary (*b*)	,, ,,	8·57	13·62	11·85	11·04	12·09	11·2
Pears (*b*)	,, ,,	8·66	8·43	10·00	5·45	12·70	8·2
Tomatoes (*b*)	,, ,,	96·6	117·8	123·2	129·5	137·3	133·9
Cauliflowers (*b*)	,, ,,	18·4	20·8	20·6	18·8	16·5	20·4
Hops	,, ,,	1·46	1·54	1·55	1·30	1·35	1·23
Livestock products							
Milk (*c*)	litres/cow	3,673	3,975	3,925	4,102	4,267 (*e*)	4,407
Eggs (*d*)	no./bird	210·5	228·5	229·5	229·0	238·5 (*e*)	240·5

(*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

Concentrated feedingstuffs

Calendar years — million tonnes

	Average of 1967–69	1973	1974	1975	1976	1977 (forecast)
Usage of home supplies						
Coarse grains	7·4	8·1	7·1	6·8	6·6	6·6
Wheat used for feed	1·7	2·6	2·3	2·8	2·1	2·2
Other supplies (*a*)	3·1	3·8	3·9	3·8	4·2	4·2
Total home supplies	12·2	14·5	13·2	13·4	12·9	13·0
Usage of imported supplies						
Coarse grains	3·1	2·2	2·7	2·4	2·9	3·1
Wheat used for feed	0·8	0·9	0·3	0·5	0·8	0·5
Protein, molasses and other miscellaneous feeds	2·2	1·9	1·6	1·9	2·1	1·9
Total imported supplies	6·1	5·0	4·6	4·8	5·8	5·5
Total usage	18·3	19·5	17·8	18·2	18·7	18·5
of which home-grown concentrated feeds retained on farms	3·8	4·9	3·8	4·2	3·6	3·9

(*a*) Including home-produced by-products from imported materials.

TABLE 7

Cereals supplies

Calendar years — '000 tonnes

	Average of 1967 –1969	1973	1974	1975	1976	1977 (forecast)
Wheat (a)						
Production	3,579	5,002	6,130	4,488	4,740	5,280
Imports (*b*) : from the Eight ...	738	583	933	1,179	1,915	2,355
: from third countries	3,602	3,220	1,940	2,455	1,894	1,505
Exports : to the Eight ...	8	17	9	195	30	75
: to third countries	7	15	42	57	97	40
Total new supply	7,904	8,773	8,952	7,870	8,422	9,025
Production as % of total new supply	45%	57%	68%	57%	56%	59%
End December farm stocks ...	1,987	2,530	3,580	2,320	2,300	2,850
Disposals : millers (*c*) ...	5,032	5,024	4,921	5,289	5,161	5,170
(of which home-produced) ...	(1,610)	(2,167)	(2,312)	(2,404)	(2,289)	(1,940)
: animal feed ...	2,469	3,629	2,576	3,392	2,855	2,840
(of which home-produced) ...	(1,665)	(2,683)	(2,312)	(2,845)	(2,017)	(2,295)
: seed	192	235	208	232	215	230
: other	251	195	197	217	211	235
Total Disposals (*d*)	7,944	9,083	7,902	9,130	8,442	8,475
Barley						
Production	8,717	9,007	9,133	8,513	7,648	10,745
Imports : from the Eight ...	25	160	684	427	301	505
: from third countries	290	132	128	75	345	380
Exports : to the Eight ...	405	247	148	988	161	430
: to third countries	108	22	16	80	37	–
Total new supply	8,519	9,030	9,781	7,947	8,096	11,200
Production as% of total new supply	102%	100%	93%	107%	94%	96%
End December farm stocks ...	4,700	4,160	4,530	3,940	3,200	5,430
Disposals : animal feed ...	6,506	7,121	6,858	6,260	6,375	6,710
(of which home-produced) ...	(6,267)	(6,927)	(6,185)	(5,926)	(5,894)	(5,960)
: brewing/distilling	1,391	1,861	2,008	1,750	1,915	1,725
(of which home-produced) ...	(1,315)	(1,763)	(1,869)	(1,655)	(1,759)	(1,590)
: seed	389	365	389	358	395	375
: other	126	163	156	169	151	160
Total Disposals (*d*)	8,412	9,510	9,411	8,537	8,836	8,970
Oats						
Production	1,305	1,080	955	795	764	805
Imports (*b*) : from the Eight ...	–	2	8	20	11	3
: from third countries	18	6	17	9	42	47
Exports : to the Eight ...	33	30	11	4	3	5
: to third countries	...	9	2	...	–	–
Total new supply	1,290	1,049	967	820	814	850
Production as % of total new supply	101%	103%	99%	97%	94%	95%
End December farm stocks ...	753	600	570	450	420	450
Disposals : animal feed ...	998	939	771	725	643	605
(of which home-produced) ...	(991)	(934)	(765)	(714)	(621)	(595)
: millers	119	124	150	140	139	155
(of which home-produced) ...	(108)	(121)	(131)	(122)	(108)	(115)
: seed	90	60	55	55	45	40
: other	26	26	21	20	17	20
Total Disposals (*d*)	1,233	1,149	997	940	844	820

TABLE 7 (*Continued*)

Cereals supplies

Calendar years — '000 tonnes

	Average of 1967 –1969	1973	1974	1975	1976	1977 (forecast)
Mixed Corn (*e*)						
Production	161	192	146	118	89	90
Rye (*f*)						
Production	11	16	15	19	20	41
Imports (*b*) : from the Eight ...	...	21	8	18	8	21
: from third countries	12	25	9	15	17	3
Total new supply	23	62	32	52	45	65
Production as % of total new supply	48%	26%	47%	37%	44%	63%
Maize						
Production	...	6	3	3	2	2
Imports (*b*) : from the Eight ...	172	290	957	666	527	125
: from third countries	3,378	3,099	2,315	2,363	3,238	3,545
Exports : to the Eight ...	14	14	19	65	44	25
: to third countries	...	...	...	...	...	—
Total new supply	3,536	3,381	3,256	2,967	3,723	3,647
Sorghum						
Imports (*b*) : from the Eight ...	15	24	65	100	97	35
: from third countries	168	48	360	375	220	140
Exports : to the Eight ...	—	1	2	27	8	1
: to third countries...	—	...	...	...	...	...
Total new supply	183	71	423	448	309	174
Total cereals (*a*)						
Production	13,773	15,303	16,382	13,936	13,263	16,963
Imports (*b*) : from the Eight ...	950	1,080	2,655	2,410	2,859	3,044
: from third countries	7,468	6,530	4,769	5,292	5,756	5,620
Exports : to the Eight ...	460	309	189	1,279	246	536
: to third countries ...	115	46	60	137	134	40
Total new supply	21,616	22,558	23,557	20,222	21,498	25,051
Production as % of total new supply	64%	68%	70%	69%	62%	68%
End December farm stocks (*g*) ...	7,400	7,290	8,680	6,710	5,920	8,730
Total Disposals (*h*)	21,492	23,448	22,167	22,192	22,288	22,241

(*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*) 1973, 1974, 1975, 1976 and 1977 exclude 22,000, 49,000, 35,000, 41,000 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 not separately distinguished in Overseas Trade Statistics before 1970 and 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.

TABLE 8

Oilseed rape supplies

Calendar years '000 tonnes

	1973	1974	1975	1976	1977 (fore-cast)
Production	31	53	67	111	135
Imports: from the Eight	33	34	17	48	110
: from third countries	60	33	28	67	90
Exports	1	3	...	1	1
Total new supply	123	117	112	225	334
Production as % of total new supply ...	25%	45%	60%	49%	40%

TABLE 9

Potato supplies

Calendar years — '000 tonnes

	Average of 1967 –1969	1973	1974	1975	1976	1977 (fore-cast)
Production:						
early (*a*)	543	463	458	350	371	419
maincrop	6,220	6,382	6,333	4,201	4,418	6,152
Total production	6,763	6,845	6,791	4,551	4,789	6,571
Exports: ware and seed						
to the Eight	82	21	6	4	3	2
to third countries		201	146	144	81	97
Crop available for human consumption	4,996	5,299	5,328	3,659	3,574	5,058
Potatoes unsold at 31 December	2,164	2,369	2,332	1,079	1,320	2,154
Total Disposals of home crop for human consumption	5,005	5,175	5,365	4,912	3,333	4,224
Supplies from Channel Islands (early)		45	27	23	24	15
Imports for human consumption:						
Raw: (*b*)...	334					
early:						
from the Eight		4	21	67	12	25
from third countries ...		225	208	167	258	346
maincrop:						
from the Eight	9	—	—	134	269	86
from third countries ...		—	—	7	90	116
Processed: (*c*)						
from the Eight	145	47	54	54	66	42
from third countries ...		70	46	48	398	303
Total new supply for human consumption	5,493	5,566	5,721	5,412	4,450	5,157
of which: raw	..	4,567	4,557	4,226	3,032	3,777
processed (*c*) ...	..	999	1,164	1,186	1,418	1,380
Percentage of total new supply for human consumption derived from home crop	91%	93%	94%	91%	75%	82%

(*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.

TABLE 10

Sugar supplies

Calendar years — '000 tonnes refined basis

	Average of 1967 –1969	1973	1974	1975	1976	1977 (forecast)
Production (*a*)	882	963	568	641	695	975
Imports (*b*):						
from the Eight	51	60	292	513	288	335
from third countries	1,990	1,907	1,870	1,712	1,713	1,480
Exports (*b*):						
to the Eight	23	6	2	2	16	5
to third countries	220	343	300	352	246	205
Total new supply	2,680	2,581	2,428	2,512	2,434	2,580
Production as % of total new supply	33%	37%	23%	25%	29%	38%

(*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.

TABLE 11

Supplies of certain horticultural crops

Calendar years

	Average of 1967 –1969	1973	1974	1975	1976	1977 (forecast)
Apples (excludes cider apples)						
Cropped area ('000 hectares)						
Dessert	23·25	21·55	21·24	20·37	20·35	20·3
Culinary	15·48	12·73	12·64	11·84	11·69	11·3
('000 tonnes)						
Output						
Dessert	212	257	189	224	198	140
Culinary	126	169	138	122	132	126
Imports: from the Eight ...	74	164	191	210	257	240
: from third countries	187	154	121	120	125	70
Exports: to the Eight	(a)	12	15	13	14	13
: to third countries ...		...	...	...	1	
Total new supply	590	667	673	645	711	581
Output as % of total new supply	57%	64%	49%	54%	46%	46%
End December farm stocks ...	78	149	100	118	104	86
Pears (excludes perry pears)						
Cropped area ('000 hectares) ...	5·83	5·22	5·21	5·20	5·10	5·2
('000 tonnes)						
Output	47	43	46	27	59	41
Imports: from the Eight ...	28	23	30	36	28	25
: from third countries	32	25	18	15	20	17
Exports: to the Eight ...	(a)	1	1	1	2	2
: to third countries ...		1	...	...	1	1
Total new supply	105	89	92	84	94	85
Output as % of total new supply	45%	48%	50%	32%	63%	48%
End December farm stocks ...	9	13	14	7	17	12
Cauliflowers						
Cropped area ('000 hectares) ...	17·93	16·33	15·96	15·70	14·39	14·04
('000 tonnes)						
Output	312	297	313	255	216	274
Supplies from Channel Islands	15	8	15	7	11	5
Imports: from the Eight ...	32	16	14	25	20	22
: from third countries	...	...	3	...	4	4
Total new supply	359	321	345	287	251	305
Output as % of total new supply	87%	93%	91%	89%	86%	90%

TABLE 11 (*Continued*)

Supplies of certain horticultural crops

Calendar years

	Average of 1967 –1969	1973	1974	1975	1976	1977 (forecast)
Tomatoes						
Cropped area ('000 hectares) ...	1·03	1·02	0·99	0·95	0·95	0·95
('000 tonnes)						
Output	98	117	121	122	128	124
Supplies from Channel Islands	69	61	58	61	58	55
Imports: from the Eight ...	53	35	42	46	32	33
: from third countries...	110	107	113	95	94	95
Exports	...	1	1	1	3	2
Total new supply	330	319	333	323	309	305
Output as % of total new supply	30%	37%	36%	38%	41%	41%

(*a*) Not available—believed insignificant.

TABLE 12

Hops supplies

Calendar years — '000 tonnes

	Average of 1967 –1969	1973	1974	1975	1976	1977 (fore-cast)
Production	10·6	10·4	10·2	8·3	8·0	7·3
Imports: from the Eight	0·3	0·8	0·7	0·7	1·1	1·3
from third countries ...	0·6	0·5	0·9	0·6	0·7	0·7
Exports: to the Eight	0·9	0·7	0·6	0·3	0·4	0·3
to third countries ...	0·1	0·1	0·1	0·2	0·2	0·3
Total new supply	10·5	10·9	11·1	9·1	9·2	8·7
Production as % of total new supply	101%	95%	92%	91%	87%	84%

TABLE 13

Supplies of herbage seeds (*a*)

June/May years

	Average of 1966/67 –1968/69	1973/74	1974/75	1975/76	1976/77	1977/78 (fore-cast)
Area ('000 hectares) (*b*)	14·7	22·6	24·0	22·6	17·2	17·0
('000 tonnes)						
Production—all seed	14·2	21·2	16·7	16·4	10·5	10·6
of which certified seed... ...	(9·5)	(16·1)	(15·2)	(15·5)	(10·5)	(10·6)
Imports—all seed:						
from the Eight... ...	9·9	8·1	7·0	11·1	11·0	} ..
from third countries ...	8·5	10·9	7·1	5·1	9·4	
Exports—all seed:						
to the Eight	1·0	1·1	0·9	2·1	2·2	} ..
to third countries ...	1·1	0·5	0·7	0·5	0·2	
Total supply	30·5	38·6	29·2	30·0	28·5	..
Production as % of total supply ...	47%	55%	57%	55 %	37%	..

(*a*) Grass and clover.
(*b*) Certified seed only.

TABLE 14

Meat Supplies (*a*)

Calendar years — '000 tonnes

	Average of 1967–1969	1973	1974	1975	1976	1977 (forecast)
Beef and veal						
Production	946	887	1,086	1,219	1,069	1,019
Imports (*b*):						
from the Eight (*c*) ...	116	74	208	208	187	234
from third countries ...	197	263	86	39	62	56
Exports (live and meat):						
to the Eight	52	96	75	134	112	97
to third countries ...	2	5	3	3	3	2
Supplies to the Channel Islands	2	4	4	5	4	4
Total new supply	1,202	1,119	1,299	1,324	1,199	1,206
Production as % of total new supply	79%	79%	84%	92%	89%	84%
Mutton and lamb						
Production	244	236	253	264	248	238
Imports: from the Eight (*c*) ...	7	2	1	2	1	1
from third countries...	347	264	212	242	225	217
Exports (live and meat):						
to the Eight	11	29	26	36	35	41
to third countries ...	1	1	2	2	3	3
Supplies to the Channel Islands	...	1	2	1	2	2
Total new supply	586	472	436	468	434	410
Production as % of total new supply	42%	50%	58%	56%	57%	58%
Pork						
Production	587	683	695	572	584	633
Imports: from the Eight (*c*) ...	3	14	6	14	12	13
from third countries...	3	6	1	3	1	1
Exports (live and meat):						
to the Eight	8	14	24	7	10	14
to third countries ...	2	2	...	...	1	...
Supplies to the Channel Islands	1	1	2	1	3	2
Total new supply	583	689	675	579	583	631
Production as % of total new supply	101%	99%	103%	99%	100%	100%
Bacon and ham						
Production	220	252	243	210	222	221
Imports: from the Eight ...	335	276	265	252	240	244
from third countries...	70	38	23	21	16	18
Exports	1	1	2	1	2	2
Supplies to the Channel Islands	1	1	2	1	2	2
Total new supply	623	564	527	482	475	479
Production as % of total new supply	35%	45%	46%	44%	47%	46%

TABLE 14 (*Continued*)

Meat supplies (*a*)

Calendar years — '000 tonnes

	Average of 1967–1969	1973	1974	1975	1976	1977 (forecast)
Poultrymeat						
Production	509	664	652	628	663	676
Imports: from the Eight ...	8	7	7	7	5	7
from third countries...	—	3	—	1	1	1
Exports	1	3	2	2	13	36
Supplies to the Channel Islands	1	2	2	2	4	2
Total new supply	515	669	654	633	652	646
Production as % of total new supply	99%	99%	100%	99%	102%	105%
Total meat supplies						
Production	2,506	2,721	2,929	2,893	2,785	2,787
Imports(*b*): from the Eight (*c*) ...	469	373	487	483	445	499
from third countries	617	574	322	306	305	293
Exports (live and meat) ...	78	149	134	185	179	195
Supplies to the Channel Islands	5	9	12	10	15	12
Total new supply	3,509	3,511	3,591	3,486	3,342	3,376
Production as % of total new supply	71%	77%	82%	83%	83%	83%

(*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.

TABLE 15

Milk production

Calendar years — million litres

	Average of 1967–69	1973	1974	1975	1976 (*d*)	1977 (forecast)
Sales through milk marketing schemes:						
for liquid consumption ...	7,517	7,524	7,698	7,862	7,761	7,482
for manufacture:						
butter	1,136	2,224	1,239	1,095	2,053	2,772
cheese (*a*)	1,253	1,819	2,181	2,361	2,040	2,150
cream	751	958	1,006	1,003	964	957
condensed milk—full cream (*b*)	630	603	580	502	524	579
milk powder—full cream...	214	219	260	195	175	175
other	105	122	132	114	103	107
Total for manufacture ...	4,089	5,945	5,399	5,270	5,858	6,739
Total sales...	11,606	13,468	13,098	13,133	13,618	14,221
Used on farms (*c*)	302	231	221	210	201	194
Output for human consumption...	11,908	13,699	13,319	13,343	13,819	14,415

(*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 1967–69	1973	1974	1975	1976	1977 (forecast)
Butter						
Opening Stocks...	42	69	61	67	83	107
Production (*a*)	50	98	54	48	90	120
Imports (*b*): from the Eight ...	159	186	326	364	275	215
from third countries	297	152	120	124	123	120
Exports (inc. re-exports):						
to the Eight ...	...	5	2	1	14	14
to third countries...	3	11	2	2	2	2
Total Supply	546	489	558	601	555	545
Closing Stocks	40	61	67	83	107	139
Offtake	506	428	491	517	449	406
Production as % of offtake ...	10%	23%	11%	9%	20%	29%
Cheese						
Opening Stocks...	55	85	74	71	100	100
Production (*a*)	122	182	218	235	204	214
Imports: from the Eight ...	55	83	101	119	114	100
from third countries	110	54	21	33	33	15
Exports (inc. re-exports):						
to the Eight ...	1	3	3	4	6	6
to third countries...	2	3	9	3	4	5
Total Supply	339	398	401	452	441	418
Closing Stocks	61	74	71	100	100	78
Offtake	278	324	329	351	341	340
Production as % of offtake ...	44%	56%	66%	67%	60%	63%
Cream—fresh, frozen and sterilized						
Opening Stocks...	—	—	—	—	—	—
Production (*a*)	67	82	85	84	81	81
Imports: from the Eight ...	12	11	8	6	5	5
from third countries	...	...	...	...	...	...
Exports (inc. re-exports):						
to the Eight ...	...	...	...	...	...	...
to third countries...	2	...	...	...	...	...
Total Supply	77	93	93	90	85	85
Closing Stocks	—	—	—	—	—	—
Offtake	77	93	93	90	85	85
Production as % of offtake ...	87%	88%	91%	93%	95%	95%
Condensed Milk—full cream						
Opening Stocks (*c*)	33	30	28	23	21	16
Production (*c*)	245	234	226	195	204	223
Imports: from the Eight ...	8	11	9	9	9	10
from third countries	...	...	...	...	...	...
Exports (*d*) (inc. re-exports):						
to the Eight ...	1	1	...	1	2	2
to third countries...	32	13	16	14	29	24
Total Supply	253	262	246	213	203	223
Closing Stocks (*c*)	32	28	23	21	16	16
Offtake	221	234	223	192	187	207
Production as % of offtake ...	111%	100%	101%	102%	109%	108%

TABLE 16 (*Continued*)

Milk product supplies

Calendar years '000 tonnes

	Average of 1967–69	1973	1974	1975	1976	1977 (forecast)
Milk Powder—full cream						
Opening Stocks...	3	4	5	3	2	2
Production	27	27	32	24	22	22
Imports: from the Eight ...	4	13	11	7	4	4
from third countries	16	2	...	...	...	...
Exports (inc. re-exports):						
to the Eight ...	1	1	3	3	2	2
to third countries...	8	7	8	8	8	9
Total Supply	41	39	37	24	17	17
Closing Stocks	3	5	3	2	2	2
Offtake	38	35	33	21	15	15
Production as % of offtake ...	71%	77%	97%	114%	147%	147%
Skimmed Milk Powder						
Opening Stocks (*e*)	21	59	60	52	49	26
Production	84	158	103	106	173	214
Imports: from the Eight ...	14	15	10	54	22	20
from third countries	22	1	...	2	...	...
Exports (*f*) (inc. re-exports):						
to the Eight ...	13	92	38	55	102	60
to third countries...	10	21	13	5	13	8
Total Supply	118	119	123	154	129	192
Closing Stocks (*e*)	24	60	52	49	26	86
Offtake	93	59	71	106	103	106
Production as % of offtake ...	90%	268%	145%	100%	168%	202%

(*a*) Includes farmhouse manufacture.
(*b*) Includes butter other than natural (i.e. butter fat and oil, dehydrated butter and ghee).
(*c*) Includes condensed milk used in the production of chocolate crumb.
(*d*) From February 1973 to December 1973 and from January 1975 includes an insignificant amount derived from skimmed milk.
(*e*) Figures for stocks from closing stocks 1973 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.
(*f*) Between February and December 1973 this includes buttermilk and whey powder.

TABLE 17

Egg supplies

Calendar years — million dozen

	Average of 1967 –1969	1973	1974	1975	1976 (*a*)	1977 (forecast)
Home supplies (*b*)						
Packing station throughput:						
sold in shell	581	587	605	614	612	597
processed	92	42	40	38	36	41
Other sales (*c*)	549	536	503	464	501	526
Total output for human consumption	1,222	1,165	1,148	1,116	1,149	1,164
Imports (*d*): from the Eight ...	12	34	35	38	17	15
from third countries	38	10	8	2	2	2
Exports (*d*): to the Eight ...	12	4	9	9	12	14
to third countries ...	29	2	1	3	3	4
Total new supply	1,231	1,203	1,181	1,144	1,153	1,163
Output as % of total new supply	99%	97%	97%	98%	100%	100%

(*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.

TABLE 18

Wool supplies

Calendar years — million kg

	Average of 1967 –1969	1973	1974	1975	1976	1977 (forecast)
Production: (*a*)	53	48	50	49	48	47
of which clip	(35)	(35)	(35)	(35)	(34)	(33)
Imports:						
from the Eight	12	16	11	15	19	21
from third countries	227	135	110	117	143	125
Exports:						
to the Eight	14	16	15	19	21	26
to third countries	12	11	9	10	11	8
Total new supply	266	172	147	152	178	159
Production as % of total new supply	20	28	34	32	27	30

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

TABLE 19

Net income, net product and labour productivity
All commercially significant holdings

Calendar years

Year	Farming Net Income £m at current prices *(a)*			Net Product at constant prices *(c)*	Labour Productivity *(d)*
	including Stock Appreciation		excluding Stock Appreciation *(b)*		
	Actual	3-year moving average	Actual	1975=100	1975=100
1967	546		509	103	79
1968	504	539	448	100	79
1969	566	536	498	102	83
1970	539	597	473	101	87
1971	686	644	575	112	99
1972	706	863	590	111	100
1973	1,198	1,081	858	113	102
1974	1,340	1,324	742	114	107
1975	1,435	1,536	930	100	100
1976	1,835	1,689	1,158	89	91
1977 (forecast)	1,796		1,348	112	111

Forecasts for 1977 are as at end of October 1977.

(*a*) Net income is defined as the return to farmers and their wives for their manual and managerial labour and for the use of the occupiers' investment after provision has been made for depreciation. The occupiers' investment includes all tenant-type physical assets in livestock, crops, machinery, etc, but excludes any financial assets and all landlord-type assets such as land and buildings. These figures are not directly comparable with incomes in other sectors of the economy, since farm income also includes elements of wages and changes in stock valuations as well as profits.

(*b*) This is net income at current prices including the change in the volume of stocks and work-in-progress but excluding stock appreciation (ie that part of the change in the value of stocks and work-in-progress attributable to the change in the cost of inputs between the beginning and end of year).

(*c*) Net product (net output) measures year-to-year changes in the value-added at constant prices by farmers, landowners and farmworkers to all the goods and services purchased from outside the agricultural sector.

(*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, net rent and interest. It is measured here at constant prices. In order to be consistent with national economic conventions, gross product as used in the calculation of labour productivity covers agricultural contractors as well as all commercially significant holdings. The total number of persons engaged in agriculture comprises the number of employees, employers and self-employed (excluding farmers' spouses) recorded in the annual June census taken by the Agricultural Departments. Before 1971, however, the trends in numbers of employers and employees were estimated respectively from the Population Censuses and the Department of Employment count of national insurance cards.

TABLE 20

Average earnings and hours of agricultural workers *(a)*

Calendar years

	1973	1974	1975	1976	1977 (forecast)
Earnings £ per week *(b)* ...	27·32	34·07	42·92	50·27	54·00
Hours per week *(c)*	47·2	45·9	46·0	45·5	45·8

(*a*) For all hired regular whole-time men.

(*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

	1973	1974	1975	1976	1977 (forecast)
OUTPUT (*b*) (*c*)					
Farm crops (*d*)					
Wheat	227	279	300	334	365
Barley	239	338	330	382	401
Oats	14	17	15	18	20
Other cereals	1	1	1	2	2
(*Total cereals*)	*(482)*	*(635)*	*(646)*	*(736)*	*(788)*
Potatoes	123	146	317	568	374
Sugar beet	69	59	85	98	143
Hops	9	9	9	11	10
Other (*e*)	29	51	43	56	58
1. *Total crops*	712	900	1,110	1,469	1,373
Horticulture					
Vegetables (including mushrooms) ...	228	286	343	376	455
Fruit	87	100	91	112	133
Other (*f*)	77	85	93	108	116
2. *Total horticulture*	392	471	527	596	704
Livestock					
Fat cattle and calves	564	617	897	994	1,046
Fat sheep and lambs	156	164	187	240	283
Fat pigs	420	468	493	556	642
Poultry	210	254	284	344	460
Other (*g*)	18	19	21	24	31
3. *Total livestock*	1,366	1,522	1,883	2,158	2,462
Livestock products					
Milk and milk products	697	837	1,065	1,295	1,461
Eggs	285	306	276	342	393
Clip wool	16	17	20	24	31
Other (*h*)	5	6	8	10	10
4. *Total livestock products*...	1,003	1,166	1,368	1,670	1,896
5. *Sundry output* (*i*)	26	31	33	32	38
6. TOTAL OUTPUT (1+2+3+4+5) ...	3,500	4,090	4,921	5,925	6,473
7. *Sundry receipts* (*j*)	31	42	46	44	36
8. *Production grants*	96	90	152	114	105
9. **TOTAL RECEIPTS** (6+7+8) ...	3,627	4,222	5,118	6,084	6,613
Work-in-Progress Change (*k*)	+87	−40	−60	−19	−38
Stock Change (*l*)	−20	+32	−143	−66	+320
10. **Total change due to volume**	+67	−8	−203	−85	+282
11. **GROSS OUTPUT** (9+10)	**3,694**	**4,214**	**4,915**	**5,999**	**6,896**
Intermediate output (*m*)					
Feed (*n*)	250	326	299	352	381
Seed	39	48	64	102	107
12. *Total intermediate output*	289	375	362	454	488

TABLE 21 (*Continued*)

Output, input and net income (*a*)

Calendar years — £ million

	1973	1974	1975	1976	1977 (forecast)
13. FINAL OUTPUT (11–12)	3,405	3,839	4,553	5,545	6,408
INPUT					
Expenditure					
Feedingstuffs	960	1,152	1,152	1,576	1,770
Seeds	79	97	118	181	204
Livestock (imported and inter-farm expenses)	94	103	125	108	138
Fertilisers and lime (*o*)	210	292	320	369	436
Machinery	233	289	345	402	477
of which: Repairs	(*112*)	(*129*)	(*156*)	(*179*)	(*209*)
Fuel and oil	(*82*)	(*117*)	(*131*)	(*156*)	(*192*)
Other (including contract services)	(*39*)	(*43*)	(*58*)	(*67*)	(*76*)
Farm maintenance (*p*)	132	151	178	211	245
Miscellaneous expenditure (*q*)	223	284	363	423	469
14. **TOTAL EXPENDITURE** (*r*) ...	1,931	2,368	2,601	3,269	3,738
Stocks (*s*)					
15. Change due to volume	−8	−17	+12	−30	+5
16. **GROSS INPUT** (14+15)	1,923	2,351	2,613	3,240	3,743
17. NET INPUT (16–12)	1,634	1,976	2,250	2,786	3,255
18. **GROSS PRODUCT** (11–16) or (13–17)	**1,770**	**1,863**	**2,302**	**2,760**	**3,153**
Depreciation					
Machinery	195	255	342	405	503
Other (*p*)	88	117	152	195	245
19. *Total depreciation*	282	372	494	600	747
20. **NET PRODUCT** (18–19)	**1,488**	**1,491**	**1,808**	**2,160**	**2,405**
Labour	503	608	748	868	935
Net rent (*t*)	54	42	33	21	6
Interest (*u*)	73	99	98	113	116
21. **FARMING NET INCOME** ... ... excluding stock appreciation	**858**	**742**	**930**	**1,158**	**1,348**
Stock appreciation (*v*)					
Livestock	+233	+305	+289	+424	+381
Crops and other	+107	+292	+216	+253	+ 67
22. *Total*	+340	+597	+505	+677	+447
23. **FARMING NET INCOME** including stock appreciation (21+22)	**1,198**	**1,340**	**1,435**	**1,835**	**1,796**

Estimates for 1977 are as at end of October 1977.

(*a*) The estimates represent value at current prices for commercially significant holdings which, broadly speaking, are holdings with 26 standard man-days or more.

(*b*) Because this table relates to output ie sales, rather than total production, the quantities used are not the same as those shown for home production in the supply tables (Tables 6–18).

TABLE 21 (*Continued*)

(*c*) Output is netted of Value Added Tax (VAT) collected on the sale of inedible products, which is repaid to H.M. Customs and Excise. Figures include subsidies.
(*d*) Excludes deficiency payments on retained cereals and compensation payments on unsold potatoes—see (*j*).
(*e*) Beans for stockfeed, hay and dried grass, oilseed rape, grass and clover seed and other farm crops.
(*f*) Flowers, bulbs and nursery stock, seeds and other minor products.
(*g*) Breeding animals exported, poultry for stock and export, rabbits and game, knacker animals and other minor livestock.
(*h*) Honey, goat milk, export of eggs for hatching and other minor livestock products.
(*i*) Own account capital formation, timber, osiers, peat and turf.
(*j*) Deficiency payments on cereal retentions, Potato Marketing Board compensation payments, animal disease compensation, co-operative society dividends and interest and other miscellaneous receipts.
(*k*) Growing crops and livestock numbers; closing level *minus* opening level.
(*l*) Stocks of unsold harvested crops; 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*) Including landlord-type maintenance work.
(*q*) Electricity, veterinary expenses, pesticides, rates and miscellaneous costs.
(*r*) 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 £10 million for 1975, £12 million for 1976 and for 1977 £13 million.
(*s*) Feed (purchased) and fertilisers. Opening stock *minus* closing stock.
(*t*) Net Rent is the residual after deducting landlords' maintenance and depreciation from Gross Rent. Landlords' maintenance and landlords' depreciation are included in Farm Maintenance and Depreciation and hence the whole of Gross Rent is treated as a cost to the industry. The estimates of Gross Rent are £205.1 million in 1973, £226.6 million in 1974, £263.1 million in 1975, £309.3 million in 1976 and £359.0 million in 1977.
(*u*) On commercial debt for current farming purposes.
(*v*) Stock appreciation measures that part of the change in the value of stocks and work-in-progress attributable to the change in the cost of inputs between the beginning and end of year.

TABLE 22

Farm rents (*a*)

Calendar years

Year	Index of gross rents per hectare 1975 = 100
1967	54·7
1968	58·8
1969	63·0
1970	67·2
1971	70·9
1972	74·9
1973	79·2
1974	86·1
1975	100·0
1976	119·1
1977 (provisional)	137·8

(*a*) Gross rents per hectare vary considerably between different regions and sizes and types of farm. Detailed information on farm rents is published in "Farm Rents in England and Wales" and in "Scottish Agricultural Economics". In Northern Ireland almost all land is held by owner-occupiers.

TABLE 23

Gross capital formation (*a*)

Calendar years

£ million

	Average of 1967-69	1973	1974	1975	1976	1977 (provisional)
Plant, machinery and vehicles	130	231	308	372	500	614
Buildings and works ...	89	209	251	241	226	258
Work-in-progress and stocks (*b*)	62	415	606	290	622	724
Total	281	855	1,165	903	1,348	1,596

(a) Capital formation represents investment by tenants, landlords, and owner-occupiers. Investment in plant and machinery is normally tenant-type. Investment in buildings and works is normally landlord-type. In practice, however, there are many variations in the division between the two responsibilities. The figures in the table represent gross expenditure before crediting any grants which reduce the cost to the owner or occupier. Annual charges in the form of depreciation are made for these items in calculating aggregate farming net income.
(*b*) See Table 21 (Item 10 plus item 22 *minus* item 15).

TABLE 24

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

Type of farm	Average size of farm in sample		Weighted average net income (excluding breeding livestock stock appreciation) per farm (for an identical sample in the two years)		
	Hectares of crops and grass	Standard man-days (smd)	1975/76 £	1976/77 £	Percentage change %
England (275–4199 smd) (*b*)					
Specialist dairy ...	50	970	6,247	6,508	+ 4
Mainly dairy ...	80	1,182	8,296	8,517	+ 3
Mainly sheep ...	71	791	4,609	5,954	+ 29
Cattle and sheep	83	759	5,982	6,691	+ 12
Cereals	142	990	9,489	12,474	+ 31
General cropping	92	1,254	16,746	17,875	+ 7
Mixed	102	1,272	13,596	12,567	− 8
Pigs and poultry	47	1,200	12,788	9,625	− 25
All types (excluding horticulture)	79	1,033	9,183	9,584	+ 4
Wales (275–4199 smd) (*b*)					
Specialist dairy ...	37	734	4,808	5,848	+ 22
Mainly dairy ...	51	799	6,197	6,959	+ 12
Mainly sheep ...	48	720	3,033	4,675	+ 54
Cattle and sheep	66	672	4,667	6,064	+ 30
All types (*c*) ...	52	730	4,692	6,028	+ 28
England and Wales (275–4199 smd) (*b*)					
All types (excluding horticulture)	74	986	8,501	9,044	+ 6
Scotland (275 smd and over) (*b*)					
Dairy	65·4	1,205	8,879	9,580	+ 8
Hill sheep ...	41·7	871	4,525	6,493	+ 43
Upland rearing ...	73·0	773	5,401	6,289	+ 16
Rearing with arable	75·0	742	7,335	8,768	+ 20
Arable, rearing and feeding ...	94·0	810	10,721	14,314	+ 34
Cropping ...	118·2	1,250	23,959	24,911	+ 4
Rearing with intensive livestock	68·5	1,042	10,217	7,437	− 27
All types ...	78·9	996	10,639	11,728	+ 10
Northern Ireland (*d*) (200 smd and over) (*b*)					
Dairy	29·9	597	5,352	6,475	+ 21
Dairy with pigs and poultry ...	23·2	719	6,622	7,616	+ 15
Cattle and sheep	36·7	450	4,000	5,415	+ 35
Mixed	40·6	579	8,175	10,031	+ 23
All types (*e*) ...	33·5	573	5,861	7,098	+ 21

TABLE 24 (*Continued*)

(*a*) 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 and Wales will be published in "Farm Incomes in England and Wales 1976/77", for Scotland in "Scottish Agricultural Economics 1978", for Northern Ireland in "Farm Incomes and Investment in Northern Ireland 1976/77", and for Wales in the "Supplement to the Annual Digest of Welsh Statistics 1976/77". 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 for the first time 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. Footnote (*v*) to Table 21 describes the different definition of stock appreciation deducted in the corresponding aggregate series. 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*) Based on standard labour requirements per unit of crop area and per head of livestock at 1968 levels (see Table 3, footnotes (*a*) & (*d*)).

(*c*) Includes "mixed" farm type but excludes "pigs and poultry", "cropping" and "horticultural" farm types.

(*d*) 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.

(*e*) Includes "cattle, sheep and pigs", "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

	1973/74	1974/75	1975/76	1976/77	1977/78 (forecast)
I *Price guarantees and production grants*					
(i) Price guarantees on products supported by the CAP					
Cereals (*b*)	8·8	...	...	...	—
Milk (*c*)	103·2	—	—	—	—
Cattle	...	—	—	—	—
Pigs	...	...	...	—	—
Eggs	5·7	0·3	—	—	—
Total (i)	117·7	0·3	...	...	—
(ii) Price guarantees on other products					
Sheep	...	8·5	7·5	0·2	0·4
Wool (*b*)	(−5·2)	(−4·3)	2·0	(−2·4)	(−2·2)
Potatoes (*b*)	1·0	1·6	0·5	0·8	5·6
Total (ii)	(−4·2)	5·8	10·0	(−1·4)	3·8
(iii) Production grants and subsidies					
Dairy Herd Conversion Scheme	2·1	10·0	11·8	4·4	5·7
Guidance Premiums	—	0·1	0·6	2·2	7·8
Milk Non-Marketing Premiums	—	—	—	—	12·0
Fertilisers	14·6	6·1	—	—	—
Lime	4·5	4·5	4·7	4·6	0·1
Calves	33·9	48·9	61·6	26·1	24·0
Beef cows	9·2	22·1	8·1	10·5	3·2
Pig subsidy	—	29·2	—	6·2	10·6
Oil for horticulture	—	5·6	0·3	...	—
Total (iii)	64·3	126·5	87·1	54·0	63·4
Total I	177·8	132·6	97·1	52·6	67·2

TABLE 25 (*Continued*)

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

April/March (financial) years — £ million

	1973/74	1974/75	1975/76	1976/77	1977/78 (forecast)
II *Support for capital and other improvements*					
Farm and Horticulture Development Scheme (*d*) ...	—	0·1	0·8	3·7	15·6
Farm Accounts	—	—	—	...	0·2
Farm Structure	1·3	1·4	1·5	1·4	1·3
Farm Capital Grant Scheme (*d*)	67·4	77·4	65·9	54·6	56·1
Grants absorbed by Farm Capital Grant Scheme	6·9	3·3	—	—	—
Grants for horticultural (national schemes)	10·1	5·8	3·4	2·6	2·8
Co-operation grants	0·9	0·9	1·1	0·8	1·0
Others (*e*)	1·3	1·0	1·0	0·2	0·6
Total II	87·9	89·9	73·7	63·3	77·6
III *Support for agriculture in special areas*					
Hill livestock: compensatory allowances (*f*)—cattle	—	—	6·3	43·9	26·0
—sheep	—	—	10·8	38·8	24·4
Hill cattle	16·9	35·4	1·2	0·2	...
Hill sheep	10·4	19·8	2·9		
Winter keep	7·0	12·3	1·2		
Additional benefit under FHDS and FCGS	4·8	3·4	5·9	7·0	7·7
Others (*g*)	1·6	1·7	1·8	1·2	0·8
Total III	40·7	72·6	30·1	91·1	58·9
Total I, II, III	306·4	295·1	200·9	207·0	203·7
against which receipts from FEOGA guidance section ...	—	...	4·4	11·6	20·1
guarantee section ...	—	—	—	—	7·2
IV *Market regulation under the CAP* (*h*)					
Cereals	21·3	13·4	46·2	29·8	4·8
Beef and Veal	1·2	63·7	113·0	16·3	9·4
Pigmeat	19·0	24·1	38·6	12·3	0·4
Sugar	2·6	45·7	41·2	71·2	89·2
Processed products	9·7	14·1	3·4	8·8	17·0
Milk products	29·5	35·8	61·8	24·1	74·6
Others (*i*)	2·3	2·6	6·5	8·9	8·5
Total IV	85·6	199·4	310·7	171·4	203·9
against which receipts from FEOGA guarantee section ...	76·7	169·6	259·6	168·7	146·5

(*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). 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 1975/76 represent actual expenditure recorded in the Appropriation Accounts. The figures for 1976/77 are subject to confirmation and those for 1977/78 are the latest estimates of expenditure.

(*b*) Payments in respect of cereals, wool and potatoes relate partly to the crops or clip of the year indicated and partly to the crops or clips in the preceding year or years. The figures shown in brackets 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.

TABLE 25 *(Continued)*

(*c*) Payments on milk reflect the Government policy of holding down the retail price of milk. For public expenditure purposes, they have been attributed to expenditure under the price guarantees in 1973/74 and shown in the body of the table above, but for subsequent years the expenditure has been attributed to the food subsidies programme.

(*d*) 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.

(*e*) Includes grants in respect of investment on self-propelled machines (agricultural and horticultural), credit*, forage groups*, 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 1977/78 Supply Estimates.)

(*f*) Some unavoidable delay in payments in 1975/76 resulted in a carryover of £16.4 million into 1976/77.

(*g*) Includes grants for improvement of hill land and livestock rearing land*, rural roads*, producers in the Scottish Islands*, crofting improvements*, hill cattle agistment subsidy and hill livestock and young stock scheme*. (Provision for the schemes marked * was included in the 1977/78 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. The figures for 1974/75, 1975/76 and 1976/77 include the special import subsidy on sugar. Much of the expenditure benefits consumers and overseas exporting interests rather than producers. The consumer subsidy on butter is not included.

(*i*) Includes eggs, poultrymeat, fruit and vegetables, oilseeds, hops, herbage seeds, dehydrated fodder and fisheries. Also includes expenditure on products covered by the CAP but not produced to any significant extent in the United Kingdom (rice, wine, flax and hemp).

TABLE 26

Aggregate cost changes since the 1977 Annual Review (*a*)

£ million

	Net cost change relating to all products
Feedingstuffs	− 62·2
Seeds	− 24·6
Imported livestock	+ 7·6
Fertilisers and lime	+ 48·6
Machinery (including depreciation)	+175·5
Maintenance (including depreciation on equipment)	+ 15·4
Miscellaneous	+ 58·1
Labour	+111·9
Gross rent	+ 33·9
Interest	− 58·0
Transport and marketing	+ 16·3
Total	+322·5

(*a*) These estimates are made on the assumption that any change in the cost of an item of expenditure will continue for a full year and that there will be no change from the current usage of that item. They include the effect of all cost changes known up to 6 December 1977.

TABLE 27

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

		1973	1974	1975	1976	1977 (forecast)
Wheat (£ per tonne)	Average ex-farm price (*a*)	45·77	59·88	55·96	72·39	83·24
Barley (£ per tonne)	Average ex-farm price (*a*)	41·64	56·99	57·77	73·63	77·01
Oats (£ per tonne)	Average ex-farm price (*a*)	37·34	53·97	55·08	67·74	73·49
Rye (£ per tonne)	Average ex-farm price (*a*)	41·4	56·0	61·1	76·0	75·0
Hops (£ per tonne)	Average farm-gate price (*b*)	828	876	1,074	1,360	1,360
Potatoes (£ per tonne)	Average farm-gate price (*c*)	20·7	23·6	56·8	143·4	70·0
Sugar beet (£ per tonne)	Producer price (*d*)	9·41	13·96	18·41	19·58	20·27
Apples (£ per tonne)	Average market price (*e*)					
	Dessert	121	150	175	191	345
	Culinary	151	112	172	176	221
Pears (£ per tonne)	Average market price (*e*) ...	144	152	185	189	255
Tomatoes (£ per tonne)	Average market price (*e*) ...	212	237	291	346	420
Cauliflowers (£ per tonne)	Average market price (*e*) ...	73·3	91·7	121·5	119·2	137·2
Cattle (store) (£ per head)	1st quality Hereford/ Friesian bull calves (*f*) ...	64	41	40	56	63
	1st quality yearling steers beef/dairy cross (*f*) ...	123	97	110	157	174
Cattle (fat) (p per kg liveweight)	clean cattle (*g*)	37·35	33·12	38·51	52·43	58·09
Sheep (store) (£ per head)	1st quality lambs, hoggets and tegs (*f*) ...	13·6	12·0	14·0	19·0	24·0
Sheep (fat) (*h*) (p per kg estimated dressed carcase weight)	... ...	70·5	64·6	75·4	103·9	125·9
Pigs (£ per kg deadweight)	Average market price (*i*) ...	43·79	45·98	61·90	67·32	71·47
Broilers (p per kg)	Average wholesale price ...	42·9	45·8	55·0	63·6	75·9
Milk (p per litre)	Average net return to producers (*j*)	5·09	6·28	7·98	9·37	10·14

TABLE 27 (*Continued*)

Commodity price trends

Calendar years

		1973	1974	1975	1976	1977 (forecast)
Eggs (p per dozen)	Average producer price (*k*)	23·7	24·6	22·8	27·8	31·3
Wool (p per kg)	Average producer price for clip (*l*)	46·7	48·2	57·1	69·5	95·5

(*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 with a standard sugar content of 16%.

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

(*f*) Average prices at representative markets in England and Wales.

(*g*) Based on auction market prices up to April 1973, and thereafter on Meat and Livestock Commission all clean cattle prices.

(*h*) UK weighted average market price for animals certified under the Fatstock Guarantee Scheme.

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

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

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

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

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