AGRICULTURE ACT 1947

ANNUAL REVIEW OF AGRICULTURE 1979

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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 1979/80 and when decisions are taken on support arrangements which remain within our national competence. As in 1978, these decisions will be announced separately. In most cases the forecasts for 1978 reflect the position as it was seen at November 1978.

PART I—STATE OF THE INDUSTRY

2 There was a substantial increase in production in 1978. Net product, which reflects the contribution made by the farming industry to the national economy, reached a record level some 5½% above the level in 1977. The expansion in 1978 owes a good deal to favourable weather, although there were difficulties for the harvest in some parts of the country, particularly in Scotland. The industry's costs, measured by changes in the prices of agricultural inputs, show an increase of about 7%. Agricultural net income excluding stock appreciation rose by 15% at current prices in 1977 and is expected to fall by 3½% in 1978. This represents a fall of about 11% in real terms in 1978. This figure covers considerable variations between different sectors of farming and different parts of the country. It reflects, for example, a sharp fall in returns on potatoes from the very high levels of the years of shortage. The volume of new fixed investment which showed no change in 1977 is expected to increase in 1978 by about 2½%.

3. Milk production in 1978 is expected to show an increase of about 4% mainly due to a continuing increase in yields. The decline in beef-type heifers in-calf has been slowing down, and beef production is likely to be 4–5% higher than in 1977. The sheep breeding herd continues to expand gradually and production of sheepmeat is expected to be about 8% higher than in 1977. The fall in the pig breeding herd has been reversed, so that although pigmeat production will be lower in 1978, it should increase in 1979. Production of poultrymeat and eggs expanded in 1978.

4. Cereal yields have been high and production is expected to reach a new record level, of some 17·4 million tonnes. Potato plantings were lower than in 1977 but yields have been high with plentiful supplies. The area of sugar beet harvested is expected to be higher than in 1977 and production of white sugar is likely to exceed 1 million tonnes.

5. The value of horticultural output declined slightly in 1978 compared with the high level of 1977. This was due mainly to reduced prices resulting from increased supplies of apples and many field vegetables. The area of land under horticultural crops was rather lower than in 1977; the greater part of the decline was in the field vegetables area, which returned to 1976 levels, although this reduction was offset by generally higher yields.

PART II—COMMODITY TRENDS

Cereals (Tables 2, 5, 7 and 26)

6. The area of cereals harvested in 1978 was 3·83 million hectares compared with 3·71 million hectares in the previous year. Production is expected to reach about 17·4 million tonnes, compared with 16·7 million tonnes in 1977, an increase of 4%. The favourable weather in the autumn of 1977 led to an increase in the area sown to wheat which was only partly offset by decreases in the barley and oats areas. In the South the harvest was completed under ideal conditions but in the North poor weather caused delays and losses. Average yields were high, particularly for wheat, and the quality of the crops was generally better than in 1977 when quality was affected by wet weather in the South. After the 1977 harvest, milling wheat prices rose steadily until July 1978; then after a fall in August, the new crop prices rose slightly. With abundant supplies available, feed grain prices fell and remained below intervention levels until March 1978 when prices became firmer. During the 1977/78 season more than 2 million tonnes of barley were exported. Owing to excellent conditions in the autumn of 1978, the sowing of winter cereals is well advanced.

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

7. Production of oilseed rape expanded to a new record level in 1978, owing largely to a further increase in the area sown. Average yields in 1978 were of the same order as in 1977. Prices showed a moderate increase over the 1977 level but remained around or just below the intervention price. A further slight increase in production is expected, however, in 1979.

Potatoes (Tables 2, 5, 9 and 26)

8. In 1978 the target area of 200,000 hectares was exceeded by some 12,000 hectares. Growing conditions were favourable and since yields are higher than had been expected, there is likely to be a surplus, mainly of early varieties. In view of low producer prices early in the season the Potato Marketing Board, with Exchequer assistance, introduced market support operations with the aim of raising market prices, so that the average for the season achieves the guaranteed price of £43·94 per tonne. Discussions on an EEC potato regime have continued but it remains uncertain how soon agreement will be reached.

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

9. For 1978 the British Sugar Corporation contracted to purchase the beet from 209,000 hectares. About 205,000 hectares are expected to be harvested, an increase on 1977. Weather during the growing season was generally good and the yield of beet per hectare is greater than in 1977. Sugar content is slightly below the 1977 level but is still better than average. Assuming that harvesting and processing proceed satisfactorily, the crop should yield over 1 million tonnes of white sugar. Contracting for 1979 has not yet been completed but the Corporation aims to increase its contracted area again.

Horticulture (Tables 2, 5, 11 and 26)

10. The area devoted to horticultural crops, which was 302,000 hectares at June 1977, fell to 290,000 hectares, which was about the 1976 level, mainly as a result of fluctuations in the field vegetables area. Details are given for the

four commodities grown in the United Kingdom which are affected by Community intervention arrangements in the fruit and vegetables sector:

(*a*) **Apples.** The area of apple orchards (excluding cider apples) continues to decline slowly and was estimated to be 29,200 hectares in 1978. More intensive planting, however, has meant that productive capacity is being maintained, and crops of both dessert and culinary varieties were a good deal greater in 1978 than in 1977, when the effects of the cold spring and the drought in 1976 reduced yields of dessert apples. Prices of dessert apples were high at the beginning of 1978, but fell during the year and are likely to remain low until the summer of 1979 because of plentiful supplies in the EEC generally.

(*b*) **Pears.** The area under pears (excluding perry pears) has declined slightly in recent years and was estimated to be 4,600 hectares in 1978: the 1978 crop was substantially lower than the crop in 1977 which was poor, but prices were generally lower in 1978 than in the previous year.

(*c*) **Cauliflowers.** The area under cauliflowers has stopped falling and was about 15,000 hectares in 1978: cauliflower production was badly affected by poor weather at the beginning of 1978 but there were abundant supplies in the autumn and prices were a little lower in 1978 as a whole than in 1977 when they were high.

(*d*) **Tomatoes.** About 1,000 hectares of glasshouse area were used for tomato production in 1978, this area having remained fairly constant for many years: both production and prices were slightly higher than in 1977.

Hops (Tables 2, 5, 12 and 26)

11. The area under hops remained stable in 1978 at about 6,000 hectares. Production in 1978 was well above that in 1977, when it was badly affected by wet weather in the spring. Prices in 1978 were slightly higher than those in 1977.

Seeds (Table 13)

12. The area sown for certified herbage and legume seed production in 1978 (excluding field bean and field pea seed) rose by 22% after two low years. Despite the increased area sown, production is estimated to be well down on 1977 when yields were unusually high. The supply situation is generally good because of ample carry-over stocks. Prices generally are below 1977 levels, particularly for Italian ryegrass which is in potential over-supply. Imports in 1977/78, particularly from non-EEC sources, were substantially down on 1976/77, and home production in 1977/78 supplied over 55% of requirements.

13. The areas sown for certified field bean and field pea seed production in 1978 rose by 14% and 18% respectively, and production is expected to exceed seed requirements. Yields of field bean seed continue to be high. The expansion in the area sown for field pea seed appears to be levelling off, and production is now expected to rise at a slower rate than was forecast a year ago.

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

14. The 1978 June census for the UK showed a decline of about 1½% in the

total breeding herd, compared with the position at June 1977. The dairy herd —about 66% of all breeding cows—showed a marginal increase (about 0·5%) but the beef herd was some 6% smaller.

15. Home production of beef in 1978 is expected to be about 4–5% above that in 1977. Imports seem likely to remain close to the 1977 level but exports could show some increase. After the end of March 1978 average market prices for certified cattle in the United Kingdom remained above the target price (except for two weeks in the summer when small amounts of premium were paid in Northern Ireland only). Prices reached a peak of 71·27p per live kg falling seasonally to 65·41p per live kg in the last week of October, but this was still 1·51p per live kg above the target price. Because of the generally firm prices intervention was suspended for significant periods under the revised arrangements introduced in 1978; at other times only moderate intervention was needed to underpin the market. Prices in the specialist autumn sales of suckler calves in 1978 have been well up on the previous year.

16. The average milk yield per cow in 1978 is expected to show an improvement of 4% on the 1977 level, while the size of the national dairy herd is expected to increase only marginally over the previous year. As a result, milk production in 1978 is expected to show an increase of about 4% over that for 1977. The amount of milk sold for liquid consumption in 1978 is expected to fall by about 1½% compared with 1977 contributing, together with the growth in production, to an increase of about 10% in the availability of milk for manufacture. Cheese production in 1978 is expected to increase very slightly over the previous year's level; and butter production is expected to rise by about 22% to provide about 40% of the butter consumed in the United Kingdom.

17. Since 1 January 1978 producer returns have been determined by the Milk Marketing Boards, on the basis of their returns from the liquid and manufacturing milk markets. Thus prices for 1978 cannot be compared directly with the guaranteed price set for the 9 months from 1 April–31 December 1977. It is expected that the Boards' net returns from all milk for 1978 will be about 10·8 ppl (49·0 ppg).

18. The average size of the national dairy herd in 1979 is expected to remain at much the same level as in 1978, so that any increase in milk production will depend on whether yields continue to improve.

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

19. Between June 1977 and June 1978 the total UK breeding flock increased by 3·3% with increases in both the numbers of older ewes and of shearling ewes. The record lamb crop was just over 6% higher than in the previous year and despite more slaughterings in 1978, the breeding flock is expected to show a further increase in 1979.

20. UK home production of sheepmeat in 1978 is expected to be about 8% higher than in 1977 and imports to rise marginally. Thus, although exports may increase by 18%, available supplies to the UK home market are expected to increase by 3%. In 1978 prices for fat sheep have been above the guarantee,

except for four weeks in March and April, and about 10% higher than in 1977. Prices paid for store lambs and hill ewes in most areas have again risen above those paid in the previous year.

21. Production of wool in 1978 has increased by 5%. When market prices peaked in February 1978, they were 18% lower than the previous year's peak and have yet to respond to the return to firm prices in the world market. The average auction prices forecast for the 1978 clip may again be slightly below the guarantee, and producers' returns will be made good from the stabilisation fund built up from earlier surpluses.

Pigs (Tables 2, 14 and 26)

22. Increases in pig prices since towards the end of 1977 coupled with relatively stable feed costs during much of 1978 have restored profitability to pig producers.

23. The decline in the size of the breeding herd which occurred during 1977 has now been reversed and production of pigmeat is expected to be higher in 1979 than in 1978. The improvement in profitability may encourage some further expansion of the breeding herd in 1979.

Poultrymeat (Tables 2, 14 and 26)

24. Output of poultrymeat is expected to show a small increase in 1978 but little change in production levels is expected for 1979. Poultrymeat prices have risen during the year, the increase in duck prices being particularly marked.

Eggs (Tables 2, 5, 17 and 26)

25. Both the annual average size of the laying flock and output are expected to show a small increase in 1978. Producers' returns have been below 1977 levels for much of the year and it is expected that this will result in a small decline in production in 1979.

PART III—GENERAL DEVELOPMENTS

Farm structure (Table 3)

26. The number of farms in the United Kingdom continues to decline. In 1978 the total number of holdings was 258,000, that is about 4% lower than in 1975. The fall in numbers continues to be most marked among the smaller full-time businesses, while the number of large businesses (1,000 standard man-days or more) is increasing. Almost 50% of holdings have businesses capable of providing work for at least one man (ie those of 250 standard man-days or more) but they account for 90% of total output (although in Northern Ireland and Wales the output of small, part-time farms is rather more significant than in other parts of the United Kingdom), while large businesses, although only a little over 10% of the total number, produce about a half of total output.

27. The average size of farms is increasing. The average area (total area including rough grazings) of a full-time business of 250 standard man-days and over is now 114 hectares compared with 111 hectares in 1975. Individual enterprises are also expanding, as the number of units declines and the trend to greater specialisation continues. There has been an increase in the average

area of cereals from 30 to 34 hectares over the last three years and the average dairy herd has expanded over this period from 40 to 46 cows. The average beef breeding herd, at 18 cows, has declined slightly but the average ewe flock has increased to 173 breeding sheep compared with 164 in 1975. The average pig breeding herd has increased from 23 to 28 sows, while fattening herds at June 1978 reached an average size of 200 pigs compared with 156 in 1975.

28. In Great Britain 63% of the holdings were wholly or mainly owner-occupied in 1978 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 1978. In Northern Ireland virtually all farmers are owner-occupiers.

Index of net product (Table 19)

29. There has been renewed expansion following the recovery in 1977 from the drought conditions of the two previous years. The index for 1978 is expected to reach 122, well above 1977 and the pre-drought levels. This is mainly because of another record cereal crop combined with high output of milk and of some field and horticultural crops.

Labour productivity (Tables 4 and 19)

30. The volume of output was affected by unusually adverse weather in 1975 and 1976 and labour productivity (which is defined as the volume of gross agricultural product per person engaged) fell in both years. More favourable conditions led to substantial increases in both the volume of output and in labour productivity in 1977, and a further increase is forecast for 1978. Over the past ten years productivity has risen by nearly 4½% per annum compared with 5–5½% in the period before the two dry years of 1975 and 1976. The outflow of regular whole-time workers has continued. In 1978 the rate was 3% compared with 4½% in 1977 and 5% to 6% per annum in the 1960s.

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

31. Excluding stock appreciation (which is a form of investment rather than income) aggregate net income is now estimated to have risen by 15% to £1,301 million in 1977. A slight fall of 3½% to £1,256 million is forecast for 1978. In real terms there was little change between 1976 and 1977 and a reduction of about 11% is expected in 1978.

32. Further information examined at the Annual Review comes from samples of farm accounts analysed by type and size of farm and by country. The coverage and a number of the concepts in this series differ markedly from the aggregate calculation and no direct comparison between the two series can therefore be made. In particular the accounts relate only to full-time farms, excluding particularly in England and Wales very large farms (notably poultry farms) and do not cover horticultural holdings, while different treatments of valuations, depreciation and stock appreciation can significantly affect the year to which income from individual enterprises is attributed. For these and other reasons the latest farm accounts results (ending on average in mid-February 1978) show different changes in income from the aggregate series.

33. After rises in 1976/77 in all four countries, net income per farm excluding breeding livestock stock appreciation averaged over all types (excluding horticulture) fell in 1977/78 in England by 7%, in Scotland by 33% and in Northern Ireland by 9%, but rose in Wales by 16%. The main factors in the decline were the dramatic fall in potato prices, lower poultry returns, and appreciable increases in costs. The value of output of most crops (except potatoes) was higher reflecting, in part, a recovery from the 1976 drought, while output of most livestock was also up, in particular of sheep. With more plentiful supplies of grass and fodder in England and Wales and only slightly higher concentrate prices, the feed bill generally rose much less than in the previous year. There were substantial increases in seeds, machinery, rent and miscellaneous items.

34. With higher milk prices, a recovery in milk yields in England and Wales and higher cow and calf prices, incomes rose on specialist dairy farms; on other dairy farms, however, particularly those with potato enterprises, incomes rose only slightly and in Scotland they fell sharply. Most sheep farms benefited from higher prices except in Scotland where these were offset by heavier costs. Incomes on mixed cattle and sheep farms varied considerably; the improvement in fat cattle prices from the end of 1977 onwards and the smaller rise in feed expenditure led to increases in England and in Wales, but a drop in calf prices in Scotland and higher costs overall reduced incomes in Scotland and Northern Ireland. Cropping farms in general suffered from the sharp fall in the value of potato output. On specialist cereal farms in England there was a compensating increase in cereals and a small rise in net income. But on general cropping farms nearly everywhere the value of total output fell and income was down by a half or more. On pig and poultry farms there were increases in the value of pigs and eggs output but lower prices during part of the year affected poultry-meat; and with higher costs, income fell again on average in England and Wales. In Northern Ireland, however, improved profitability of pigs pushed up the average income by 30%. In real terms incomes overall fell in England, Scotland and Northern Ireland to the levels of the early 1970s while in Wales there was no change.

35. Forecasts for the 1978/79 year (ending on average in February 1979) made in the autumn of 1978 indicate a moderate to good recovery in net income overall in England, some recovery in Scotland and Northern Ireland and a further increase in Wales. These changes reflect the good cereals and sugar beet harvest in England, larger milk output per cow and generally higher fatstock prices but egg and cull hen prices have been low for most of the year. Prices at the autumn sales for calves and in some areas for sheep have generally been substantially up on 1977. There should be a smaller rise in costs on average although fertilisers, machinery repairs and rent are likely to have gone up by more than other items. Prolonged autumn grazing in England and Wales, adequate stocks of winter fodder (although quality is variable in some areas), good cereal stocks and only small increases in concentrate prices for much of the year should have contained increases in feed costs. On dairy farms greater milk output per cow and better cattle prices should push up income except in Northern Ireland. Hill livestock farms should benefit from higher store and fat prices; the rise in store cattle prices may, however, affect lowland fatteners. On cropping farms in England average income is likely to show a good increase but on general cropping farms it is not expected to restore the sharp fall in

1977/78: while in Scotland the difficult cereals harvest may lead to a further drop in income. Average pig and poultry income should rise in England although specialist egg producers will have suffered from lower prices; in Northern Ireland a fall is forecast after last year's rise. In real terms average incomes should rise in England and in Wales but show little change in Scotland and Northern Ireland.

Price changes

36. After rising 5½% in 1977, prices of agricultural products are forecast to rise by 2% in 1978; for inputs, including labour, a rise of 14% in 1977 is expected to be followed by one of 7% in 1978.

Gross capital formation (Table 23)

37. It is estimated that the value of new investment will increase again in 1978. The industry's gross capital formation in fixed assets of £925 million, will be 16% higher than in 1977; investment in plant, machinery and vehicles is expected to be £650 million, an increase of 19%, and in buildings and works £275 million, a rise of 10% compared with the 1977 level. The value of stocks and work-in-progress, however, is expected to increase by less during 1978 than in 1977, reflecting a smaller build-up of stocks of harvested crops. In volume terms investment in plant, machinery and vehicles is expected to increase slightly. The fall in the volume of investment in buildings and works which began in 1973 was halted in 1977 and a further increase of 5% is expected in 1978.

Taxation

38. Tax changes introduced by the Finance Act 1978 will afford substantial additional reliefs to the industry. They include averaging of incomes for individual farmers and partnerships whose profits fluctuate substantially from year to year, improved and more flexible capital allowances for agricultural buildings and works, an increase in business relief under capital transfer tax from 30% to 50% and, for capital gains tax, the roll-over of gains on gifts of assets used in a business and the improvement of retirement reliefs.

Agricultural land prices (Table 22)

39. Agricultural land prices in Great Britain reached a peak in 1973/74 and then generally fell back. Prices subsequently recovered and have now reached levels above the previous peak. Information from the comprehensive Inland Revenue series, adjusted to take account of the lag inherent in this series, indicates an average price for vacant possession land in 1977 of £2,010 per hectare in England and of £1,327 per hectare in Wales. More recent information from the less comprehensive ADAS/AMC series indicates a continuing rise in prices and suggests an increase in the average price in the 15 months since the middle of 1977 of about 40% in England and in Wales. There was a similar rise in prices in Scotland with the average vacant possession price reaching £1,273 per hectare in the first half of 1978. The pattern was rather different in Northern Ireland, where the average vacant possession price has shown a steady increase reaching £2,243 per hectare in the first quarter of 1978.

Farm rents (Table 22)

40. Farm rents in the United Kingdom are estimated to have increased by an average of 18% in 1978, based on the provisional results of the annual ADAS Rent Enquiry in England and Wales and on continuing field enquiries in Scotland. There was a similar percentage increase in rents in 1977.

Farm workers' earnings (Table 20)

41. In the calendar year 1977 the average earnings of whole-time hired men in the UK were £54·69 per week, including the rise of £2·50 in minimum rates awarded in the winter of 1977/78. Compared with 1976 this was a rise of 9% in money terms but a drop of about 6% in real terms. In 1978 average whole-time earnings are forecast to be about £61·50 per week, a rise of 12½% on 1977 in money terms and about 3½% in real terms.

Public expenditure (Table 25)

42. In 1978/79 the estimated outturn for expenditure in the United Kingdom on price guarantees, grants and subsidies (excluding the brucellosis incentives and payments connected with the milk subsidy) is about £248 million. The comparable figure for 1977/78 is about £205 million. The principal increase in expenditure occurs under the Farm and Horticulture Development Scheme, where grant-aid is expected to reach a total of £52 million compared with £22 million in 1977/78. Other major increases involve payments under the potato guarantee arrangements and Milk Non-Marketing and Conversion Premium Schemes. These increases are partly offset by the ending of the calf subsidy.

43. Expenditure under the common market organisation of the EEC is estimated at about £293 million in 1978/79, compared with expenditure of £185 million in 1977/78. 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 1978/79 is mainly due to increases in animal feed subsidies and export refunds on third country trade.

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Public expenditure (Table 25)

42. In 1978/79 the estimated outturn for expenditure in the United Kingdom on price guarantees, grants and subsidies (excluding the [illegible] incentives and payments connected with the milk subsidy) is about £348 million. The comparable figure for 1977/78 is about £305 million. The principal increase in expenditure occurs under the Farm and Horticulture Development Scheme, where grant-aid is expected to reach a total of £52 million, compared with £27 million in 1977/78. Other major increases involve payments under the potato guarantee arrangements and Milk Non-Marketing and Conversion Premium Schemes. These increases are partly offset by the ending of the calf subsidy.

43. Expenditure under the common market organisation of the EEC is estimated at about £293 million in 1978/79, compared with expenditure of £255 million in 1977/78. 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 1978/79 is mainly due to increases in animal feed subsidies and export refunds on third country trade.

APPENDIX

STATISTICAL TABLES

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

(*a*) Figures for home production as a percentage of UK food supplies and of indigenous-type supplies have been restored to Table 1 (after omission last year while the data for previous years were converted to a calendar year basis);

(*b*) More detailed information than in previous years is given in Table 1 on changes in the price indices of inputs and outputs, following the decision to discontinue the table of aggregate cost changes which appeared previously;

(*c*) Table 6 now provides estimated quantities of animal feedingstuffs purchased by farmers. This is the basis for assessing expenditure on feedingstuffs by the farming community as shown in Table 21;

(*d*) Table 22 has been recast to include agricultural land prices as well as the index of gross rents.

Even where there has been no change in the basis of the tables, some of the figures in this appendix differ from those in previous Annual Review White Papers because of later information, changes in the scope and nature of available data and improvements in statistical methods. The forecasts for 1978 generally reflect the position up to the end of the year, as seen at November 1978.

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

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

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

Figures for exports include re-exports.

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

Symbols:

— means "nil"

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

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

TABLE 1
Calendar years

Agriculture in the national economy

	Average of 1967–69	1974	1975	1976	1977	1978 (provisional)
Agriculture's contribution to gross domestic product (*a*)						
£ million ...	1 064	1 864	2 293	2 748	3 146	3 344
percentage	2·9	2·5	2·5	2·5	2·6	..
Agriculture's share of gross fixed capital formation (*b*)						
£ million ...	219	526	588	682	795	925
percentages	2·7	3·1	2·8	2·9	3·1	3·1
Manpower engaged in agriculture (*c*) ('000)	808	678	662	669 (*d*)	661	662
Percentage of total manpower engaged in all occupations ...	3·3	2·7	2·7	2·7	2·7	2·7
Annual average index numbers (1975=100) of the prices of goods and services (*e*)						
(i) currently consumed in agriculture	42·5(*f*)	89·3	100	119·8	139·0	144·5
of which: feedingstuffs ...	43·1(*f*)	99·2	100	124·3	146·3	142·5
fertilisers ...	33·5(*f*)	80·8	100	104·4	115·7	133·5
energy ...	44·1(*f*)	83·4	100	123·4	149·4	154·0
other inputs ...	47·3(*f*)	80·2	100	117·4	133·8	150·0
(ii) contributing to agricultural investment	43·1(*f*)	79·5	100	119·1	142·1	158·5
(iii) labour costs	34·5(*f*)	79·3	100	119·3	129·6	148·4
Annual average index numbers (1975=100) of the producer prices of agriculture products (*e*)	46·0(*f*)	80·8	100	131·1	133·2	134·7
of which: farm crops ...	37·8(*f*)	77·6	100	173·6	131·2	113·6
fatstock and livestock products	48·0(*f*)	81·9	100	118·9	132·5	142·9
horticultural products ...	50·9(*f*)	81·2	100	118·2	140·5	129·5
Imports of food, feed and alcoholic beverages (*g*)						(Jan.-Sept. only)
£ million ...	1 881	3 990	4 480	5 215	6 332	4 684
Import volume index (1975=100)	104·6	100·3	100	103·0	103·2	97·7
Import price index (1975=100)	40·1	90·0	100	112·5	134·5	142·3
Exports of food, feed and alcoholic beverages (*g*)						(Jan.-Sept. only)
£ million ...	399	1 048	1 366	1 620	2 139	1 977
Export volume index (1975=100)	55·5	91·7	100	103·9	121·2	129·2
Export price index (1975=100)	51·3	84·1	100	122·8	147·1	145·1
Consumers' expenditure on food and alcoholic beverages					(prov.)	(Jan.-June only)
£million	8 481	15 254	18 718	22 075	25 263	13 103
of which: food (*h*) £million	6 602	11 339	13 862	16 239	18 724	9 793
Expenditure on food as a percentage of total consumers' expenditure ...	24·1	21·9	21·9	22·1	22·4	21·8

TABLE 1 (*continued*)

	Average of 1967–69	1974	1975	1976	1977	1978 (provisional)
Retail price index (1975=100) (*i*)						(Jan.-Sept. only)
food	43·0	79·6	100	120·0	142·8	151·9
alcoholic beverages ...	57·7	81·1	100	117·8	135·7	144·4
all items	48·5	80·5	100	116·5	135·0	144·8
Value of home produced food as a percentage of	(estimate)					(forecast)
total UK food supplies(*j*)	52·3	53·1	53·7	54·2	52·4	53·4
indigenous-type food supplies (*k*)	65·8	65·5	65·3	66·6	66·2	66·0

(*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 1974 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 1967–69 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*) UK contribution to the price indices of the means of production and of producer prices of agricultural products published by the Statistical Office of the European Communities. The indices have been arithmetically converted to show 1975 as 100 for each line.

(*f*) Average of 1968–69; figures for previous years are not available.

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

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

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

(*j*) The value of food, at current prices, moving into manufacture and distribution derived from home agriculture and fisheries output.

(*k*) As defined in Appendix 1 of the article " Measuring self-sufficiency for food and drink in the United Kingdom" (Economic Trends No. 217, November 1971).

TABLE 2

Crop areas and livestock numbers (*a*)

At June of each year

	Average of 1967–69	1974	1975	1976	1977	1978 (provisional)
A. Crop areas ('000 hectares)						
Total area	19 515	19 010	18 978	18 987	18 840	18 860
of which Wheat	915	1 233	1 034	1 231	1 076	1 263
Barley	2 418	2 214	2 345	2 182	2 400	2 360
Oats	391	253	232	235	195	181
Mixed corn	48	42	35	28	24	17
Rye	4	5	6	8	10	9
Maize	..	1	1	1	1	1
Total cereals (*b*) ...	3 776	3 747	3 653	3 685	3 706	3 830
Potatoes	272	215	204	222	232	212
Sugar beet	186	195	198	206	202	210
Oilseed rape	..	25	39	48	55	65
Hops	7	7	7	6	6	6
Vegetables grown in the open	176	194	198	206	221	211
Orchard fruit ...	71	55	53	52	50	48
Soft fruit (*c*)	18	18	17	17	16	16
Ornamentals (*d*) ...	14	16	15	14	13	13
Total horticulture (*e*)	280	285	285	289	302	290
Total tillage (*f*) ...	4 981	4 838	4 816	4 821	4 863	4 942
All grasses under five years old (*g*) (*h*) ...	2 372	2 316	2 138	2 154	2 124	2 102
Total arable ...	7 353	7 154	6 954	6 975	6 986	7 045
All grasses five years old and over (*i*) ...	4 974	4 920	5 074	5 081	5 003	4 975
Rough grazing (*j*) ...	7 115	6 564	6 555	6 513	6 400	6 330
Other land (*k*) ...	..	372	395	419	451	509
B. Livestock numbers ('000 head)						
Total cattle and calves	12 289	15 203	14 717	14 069	13 854	13 660
of which: Dairy cows	3 238	3 394	3 242	3 228	3 265	3 278
Beef cows	1 168	1 887	1 899	1 764	1 680	1 584
Heifers in calf ...	821	1 041	903	939	824	864
Total sheep and lambs	27 831	28 498	28 270	28 265	28 104	29 618
of which: Ewes...	11 374	11 192	11 279	11 298	11 215	11 415
Shearlings	2 429	2 673	2 471	2 369	2 487	2 734
Total pigs	7 425	8 544	7 532	7 947	7 736	7 764
of which: Sows in pig and other sows for breeding ...	732	783	710	747	725	721
Gilts in pig	143	107	104	137	103	122
Total poultry	126 532	139 672	136 572	142 222	134 286	134 177
of which: Table fowls (incl. broilers) ...	38 971	56 701	56 708	61 325	56 153	53 728
Laying fowls ...	52 478	49 924	49 359	49 085	49 119	50 744
Growing pullets ...	22 572	18 958	18 195	18 383	16 341	16 678

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 of crops and grass and no regular whole-time worker. The same criteria applied in Great Britain in the years 1970 to 1972, and in England and Wales in the years 1968 and 1969, except that the threshold for standard labour requirements in those years was 26 smd.

The 1967 figures for England and Wales, and the 1967–69 figures for Scotland, related to all known agricultural holdings exceeding one acre (0·4 hectares) in extent. The figures for Northern Ireland for these years related to holdings of one acre (0·4 hectares) or more, except for numbers of livestock, which were collected from all owners, irrespective of the size of the holding, as well as from 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 area of other crops and bare fallow not shown in the table.

(*g*) Includes lucerne.

(*h*) Before 1975 collected as:

In England and Wales—"clover, sainfoin and temporary grasses";
In Scotland —"grass under 7 years old";
In Northern Ireland —"1st, 2nd and 3rd year".

(*i*) Before 1975 collected as:

In England and Wales—"permanent grass";
In Scotland —"grass 7 years old and over";
In Northern Ireland —"4th year or older".

(*j*) 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 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	1978 (provisional)
Crops and grass area	Number of holdings ('000) with	0·1 to 19·9 hectares	119·9	109·5
		20 to 49·9 hectares	73·2	70·1
		50 to 99·9 hectares	41·7	41·5
		100 hectares and over	29·3	29·5
		Total	264·1	250·7
	Average crops and grass area per holding (hectares) (b)		45·2	47·4
	Per cent of total crops and grass area on holdings with	0·1 to 19·9 hectares	8·2%	7·5%
		100 hectares and over	47·4%	48·7%
Size of business (smd) (c) (d)	Number of holdings ('000) with	Under 250 smd	138·0	133·3
		250 to 499 smd	56·4	51·4
		500 to 999 smd	45·8	44·3
		1 000 smd and over	28·3	29·2
		Total	268·6	258·2
	Holdings 250 smd and over	Average size of business (smd)	857	893
		Average total area per holding (hectares)	111·3	114·4
		Contribution to total output (%)	90·2%	90·9%
Total cereals	Number of holdings ('000) with	0·1 to 19·9 hectares	77·6	68·4
		20 to 49·9 hectares	22·7	22·5
		50 hectares and over	21·0	22·1
		Total	121·3	113·0
	Average area (hectares)		30·1	33·7
	Per cent of total cereals area on holdings with 50 hectares and over of cereals		65·9%	68·5%
Potatoes	Number of holdings ('000) with	0·1 to 9·9 hectares	50·4	50·4
		10 to 19·9 hectares	3·7	3·7
		20 hectares and over	1·9	2·1
		Total	56·0	56·2
	Average area (hectares)		3·6	3·8
	Per cent of total potato area on holdings with 20 hectares and over of potatoes		33·6%	34·9%

TABLE 3 (*continued*)

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

At June of each year

			1975	1978 (provisional)
Sugar beet (*e*)	Number of holdings ('000) with	0·1 to 9·9 hectares	9·7	8·0
		10 to 19·9 hectares	3·2	3·2
		20 hectares and over	2·8	3·1
		Total	15·7	14·3
	Average area (hectares)		12·5	14·6
	Per cent of total sugar beet area on holdings with 20 hectares and over of sugar beet		55·9%	61·1%
Dairy cows	Number of holdings ('000) with	1 to 29	39·9	29·7
		30 to 59	23·4	21·4
		60 and over	17·6	19·5
		Total	81·0	70·7
	Average size of herd		40	46
	Per cent of total dairy cows in herds of 60 and over		53·3%	60·0%
Beef cows	Number of holdings ('000) with	1 to 19	72·5	63·9
		20 to 49	20·8	17·2
		50 and over	9·1	7·6
		Total	102·4	88·7
	Average size of herd		19	18
	Per cent of total beef cows in herds of 50 and over		41·6%	41·1%
Breeding sheep (*f*)	Number of holdings ('000) with	1 to 99	45·3	43·2
		100 to 499	29·8	29·5
		500 and over	5·6	6·1
		Total	80·7	78·8
	Average size of flock		164	173
	Per cent of breeding sheep in flocks of 500 and over		37·6%	39·9%
Breeding pigs	Number of holdings ('000) with	1 to 19	26·2	20·9
		20 to 49	5·0	4·2
		50 and over	4·4	4·5
		Total	35·6	29·6
	Average size of herd		23	28
	Per cent of total breeding pigs in herds of 50 and over		63·6%	70·3%
Fattening pigs (*g*)	Number of holdings ('000) with	1 to 199	22·7	17·5
		200 to 999	4·7	4·4
		1 000 and over	0·8	0·9
		Total	28·2	22·7
	Average size of herd		156	200
	Per cent of total fattening pigs in herds of 1 000 and over		33·5%	41·5%

TABLE 3 (*continued*)

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

At June of each year

			1975	1978 (provisional)
Laying fowls	Number of holdings ('000) with	1 to 4 999	82·0	68·5
		5 000 to 19 999	1·6	1·5
		20 000 and over	0·4	0·5
		Total	84·1	70·5
	Average size of flock		587	712
	Per cent of total laying fowls in flocks of 20 000 and over		47·1%	56·8%
Broilers (*h*)	Number of holdings ('000) with	1 to 9 999	1·7	1·6
		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	22 488
	Per cent of total broilers in flocks of 100 000 and over		59·9%	56·5

(*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 1978 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 holdings based on total area was—
1975 66·1 hectares of which 45·2 hectares were crops and grass
1978 67·6 hectares of which 47·4 hectares were crops and grass.

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

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

Holdings in Northern Ireland—June 1975 ('000)

Based on old smd values		*Based on new smd values*	
50–199 smd	16·0	50–249 smd	20·0
200–599 smd	12·6	250–499 smd	6·9
600–1 199 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 only comparable with those in the 1978 White Paper.

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

(*f*) Figures included for Scotland and Northern Ireland relate to the December censuses in 1974 and 1977.

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

(*h*) Figure for Scotland, and figures for Northern Ireland in 1978 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	1974	1975	1976	1977	1978 (provisional)
Workers						
Regular Whole-time:						
Hired: male ...	..	164	157	154	147	144
female ...		16	15	13	12	12
Family: male ...		39	37	35	37	34
female ...		14	13	12	8 (*f*)	7
All male	297	203	194	189	184	179
All female	29	30	28	25	20 (*f*)	19
Total	(326)	(233)	(222)	(213)	(204)	(197)
Regular Part-time:						
Hired: male ...	..	24	22	21	20	20
female ...		27	26	26	25	25
Family: male ...		15	15	14	15	14
female ...		17	18	17	9 (*f*)	9
All male	37	39	36	35	35	34
All female	24	44	44	42	34 (*f*)	33
Total	(62) (*c*)	(83) (*c*)	(80)	(77)	(69)	(67)
Seasonal or Casual:						
All male	34	39	41	45	52	51 (*b*)
All female	35	36	32	35	41	41 (*b*)
Total	(69) (*d*)	(74) (*d*)	(73)	(80)	(93)	(93) (*b*)
Salaried managers (*b*):	..	7	7	7	8	8
Total employed ...	456	398	382	377	373	365
Farmers, partners and directors						
Whole-time	..	214	212	219 (*e*)	212	216
Part-time	..	66	68	72 (*e*)	76	80
Total	..	(280)	(280)	(292)	(288)	(296)
Total	..	678	662	669	661	662
Wives/Husbands of farmers, partners and directors (engaged in farm work) ...	..	..	..	..	74	71

(*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 itemi n 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 farmer's 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	1974	1975	1976	1977	1978 (forecast)
Crops							
Wheat	tonnes/hectare	3·91	4·97	4·34	3·85	4·90	5·22
Barley	,, ,,	3·61	4·12	3·63	3·51	4·39	4·24
Oats	,, ,,	3·33	3·77	3·42	3·25	4·06	4·02
Potatoes ...	,, ,,	24·90	31·60	22·30	21·60	28·50	31·90
Sugar (*a*) ...	,, ,,	5·70	3·60	3·90	4·20	5·40	5·80
Oilseed rape ...	,, ,,	. .	2·10	1·70	2·30	2·60	2·50
Apples:							
Dessert (*b*) ...	,, ,,	9·59	9·57	11·62	10·86	7·10	11·33
Culinary (*b*) ...	,, ,,	8·57	11·85	11·06	11·96	11·96	16·69
Pears (*b*) ...	,, ,,	8·66	10·00	5·42	12·67	8·20	5·41
Tomatoes (*b*) ...	,, ,,	96·60	123·20	129·50	137·30	133·10	137·90
Cauliflowers (*b*)	,, ,,	18·40	20·60	18·80	16·50	20·70	20·60
Hops	,, ,,	1·46	1·55	1·30	1·35	1·22	1·59
Livestock products							
Milk (*c*) ...	litres/cow	3 673	3 925	4 102	4 267 (*e*)	4 452	4 621
Eggs (*d*) ...	no./bird	210·5	229·5	229·0	238·5 (*e*)	240·5	241·5

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

TABLE 6

Purchased feedingstuffs (commercially significant holdings)

Calendar years — million tonnes

	Average of 1967–69	1974	1975	1976	1977	1978 (forecast)
Compounds						
Cattle	3·3	3·5	4·0	4·7	4·4	4·4
Calf	0·4	0·4	0·4	0·4	0·4	0·4
Pig	2·2	2·5	2·4	2·4	2·3	2·2
Poultry	3·6	3·3	3·2	3·3	3·2	3·2
Other	0·2	0·1	0·1	0·2	0·2	0·2
Total compounds	9·6	9·9	10·1	11·1	10·5	10·5
Other high energy feeds (*a*)	3·7	3·8	3·9	3·7	4·1	3·5
Total high energy feeds	13·3	13·7	14·0	14·8	14·6	14·0
Low energy bulk feeds (*b*)	0·4	0·5	0·4	0·5	0·5	0·6
Total all purchased feedingstuffs ...	13·7	14·2	14·5	15·3	15·1	14·6

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

TABLE 7

Cereals supplies

Calendar years '000 tonnes

	Average of 1967–1969	1974	1975	1976	1977	1978 (forecast)
Wheat (a)						
Production	3 579	6 130	4 488	4 740	5 274	6 590
Imports (*b*): from the Eight ...	738	933	1 179	1 915	2 283	1 135
from third countries	3 602	1 940	2 455	1 894	1 569	1 975
Exports : to the Eight ...	8	9	195	30	187	290
to third countries ...	7	42	57	97	25	85
Total new supply	7 904	8 952	7 870	8 422	8 914	9 325
Production as % of total new supply	45%	68%	57%	56%	59%	71%
End December farm stocks ...	1 987	3 580	2 320	2 300	2 830	3 440
Disposals : millers (*c*)	5 032	4 921	5 289	5 161	5 155	5 255
(of which home-produced) ...	(1 610)	(2 312)	(2 404)	(2 289)	(2 113)	(2 240)
animal feed	2 469	2 583	3 376	2 862	2 780	2 980
(of which home-produced) ...	(1 665)	(2 312)	(2 845)	(2 017)	(2 089)	(2 950)
seed	192	201	248	208	233	235
other	251	197	217	211	216	245
Total disposals (*d*)	7 944	7 902	9 130	8 442	8 384	8 715
Barley						
Production	8 717	9 133	8 513	7 648	10 531	10 020
Imports : from the Eight ...	25	684	427	301	530	250
from third countries	290	128	75	345	386	100
Exports : to the Eight ...	405	148	988	161	463	1 045
to third countries ...	108	16	80	37	6	1 045
Total new supply	8 519	9 781	7 947	8 096	10 978	8 280
Production as % of total new supply	102%	93%	107%	94%	96%	121%
End December farm stocks ...	4 700	4 490	3 900	3 180	5 410	4 865
Disposals : animal feed	6 506	6 992	6 232	6 386	6 334	6 260
(of which home-produced) ...	(6 267)	(6 185)	(5 926)	(5 894)	(5 576)	(6 030)
brewing/distilling ...	1 391	2 008	1 750	1 915	1 865	1 985
(of which home-produced) ...	(1 315)	(1 869)	(1 655)	(1 759)	(1 707)	(1 865)
seed	389	344	387	365	396	380
other	126	157	168	150	153	200
Total disposals (*d*)	8 412	9 501	8 537	8 816	8 748	8 825
Oats						
Production	1 305	955	795	764	790	725
Imports (*b*): from the Eight ...	—	8	20	11	4	15
from third countries	18	17	9	42	40	5
Exports : to the Eight ...	33	11	4	3	4	10
to third countries ...	...	2	...	—	...	...
Total new supply	1 290	967	820	814	830	735
Production as % of total new supply	101%	99%	97%	94%	95%	99%
End December farm stocks ...	753	570	450	410	470	415
Disposals : animal feed ...	998	779	717	652	557	580
(of which home-produced) ...	(991)	(765)	(714)	(621)	(556)	(580)
millers	119	150	140	139	154	150
(of which home-produced) ...	(108)	(131)	(122)	(108)	(111)	(130)
seed	90	57	63	46	43	40
other	26	21	20	17	16	20
Total disposals (*d*)	1 233	1 007	940	854	770	790

TABLE 7 (*continued*)

Cereals supplies

Calendar years '000 tonnes

	Average of 1967–1969	1974	1975	1976	1977	1978 (fore-cast)
Mixed Corn (*e*)						
Production	161	146	118	89	93	65
Rye (*f*)						
Production	11	15	19	20	35	30
Imports (*b*): from the Eight ...	...	8	18	8	26	15
from third countries	12	9	15	17	7	10
Total new supply	23	32	52	45	68	55
Production as % of total new supply	48%	47%	37%	44%	51%	55%
Maize						
Production	...	3	3	2	3	2
Imports (*b*): from the Eight ...	172	957	666	527	183	400
from third countries	3 378	2 315	2363	3 238	3 923	3 400
Exports : to the Eight ...	14	19	65	44	31	25
to third countries ...	...	...	...	...	...	...
Total new supply	3 536	3 256	2 967	3 723	4 078	3 777
Sorghum						
Imports (*b*): from the Eight ...	15	65	100	97	35	20
from third countries	168	360	375	220	134	5
Exports : to the Eight ...	—	2	27	8	2	...
to third countries ...	—	...	...	...	...	—
Total new supply	183	423	448	309	167	25
Total cereals (*a*)						
Production	13 773	16 382	13 936	13 263	16 727	17 425
Imports (*b*): from the Eight ...	950	2 655	2 410	2 859	3 061	1 835
from third countries	7 468	4 769	5 292	5 756	6 059	5 095
Exports : to the Eight ...	460	189	1 279	246	687	1 370
to third countries ...	115	60	137	134	31	1 130
Total new supply	21 616	23 557	20 222	21 498	25 133	21 855
Production as % of total new supply	64%	70%	69%	62%	67%	80%
End December farm stocks (*g*) ...	7 400	8 680	6 710	5 920	8 710	8 720
Total disposals (*h*)	21 492	22 167	22 192	22 288	22 343	21 845

(*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*) 1974, 1975, 1976, 1977 and 1978 exclude 49 000, 35 000, 41 000, 36 000 and 75 000 tonnes respectively, of wheat milled and exported as flour.

(*d*) Total new supply adjusted for changes in December farm stocks.

(*e*) Import/export figures are not separately distinguished in Overseas Trade Statistics.

(*f*) Export figures are not separately distinguished in Overseas Trade Statistics before 1970 and are not significant thereafter.

(*g*) In respect of wheat, barley and oats.

(*h*) Total new supply adjusted for changes in December farm stocks of wheat, barley and oats.

TABLE 8

Oilseed rape supplies

Calendar years '000 tonnes

	1974	1975	1976	1977	1978 (fore-cast)
Production	53	67	111	142	162
Imports: from the Eight	34	17	48	85	143
from third countries	33	28	67	70	76
Exports	3	....	1	5	—
Total new supply	117	112	225	292	381
Production as % of total new supply ...	45%	60%	49%	49%	43%

TABLE 9

Potato supplies

Calendar years '000 tonnes

	Average of 1967–1969	1974	1975	1976	1977	1978 (forecast)
Production:						
early (*a*)	543	458	350	371	406	433
maincrop	6 220	6 333	4 201	4 418	6 215	6 361
Total production	6 763	6 791	4 551	4 789	6 621	6 794
Exports: ware and seed						
to the Eight	82	6	4	1	2	3
to third countries		146	144	83	92	112
Crop available for human consumption	4 996	5 328	3 659	3 575	4 635	4 927
Potatoes unsold at 31 December	2 164	2 332	1 079	1 325	1 907	2 105
Total disposals of home crop for human consumption	5 005	5 365	4 912	3 329	4 053	4 729
Supplies from Channel Islands (early)	334	27	23	24	39	34
Imports for human consumption:						
Raw: (*b*)						
early:						
from the Eight		21	67	12	25	43
from third countries ...		208	167	255	349	280
maincrop:						
from the Eight	9	—	134	269	87	—
from third Countries ...		—	7	90	118	—
Processed: (*c*)						
from the Eight	145	54	54	64	45	70
from third countries ...		46	48	400	307	60
Total new supply for human consumption	5 493	5 721	5 412	4 443	5 023	5 216
of which: raw	..	4 557	4 226	3 028	3 819	4 171
processed (*c*) ...	..	1 164	1 186	1 415	1 204	1 045
Percentage of total new supply for human consumption derived from home crop	91%	94%	91%	75%	81%	91%

(*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	1974	1975	1976	1977	1978 (forecast)
Production *(a)*	882	568	641	695	949	1 025
Imports *(b)*:						
from the Eight	51	292	513	288	318	246
from third countries	1 990	1 870	1 712	1 713	1 467	1 394
Exports *(b)*:						
to the Eight	23	2	2	16	5	4
to third countries	220	300	352	246	159	85
Total new supply	2 680	2 428	2 512	2 434	2 570	2 576
Production as % of total new supply	33%	23%	26%	29%	37%	40%

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	1974	1975	1976	1977	1978 (forecast)
Apples (excludes cider apples)						
Cropped area ('000 hectares)						
Dessert	23·25	21·24	20·57	20·40	19·53	18·70
Culinary	15·48	12·63	12·24	11·90	11·64	10·50
('000 tonnes)						
Output						
Dessert	212	189	226	197	134	196
Culinary	126	138	126	134	130	161
Imports: from the Eight ...	74	191	210	257	263	213
from third countries ...	187	121	120	125	76	117
Exports: to the Eight	(a)	15	13	14	13	13
to third countries ...		...	...	1	...	...
Total new supply	590	673	656	711	610	640
Output as % of total new supply	57%	49%	54%	47%	43%	56%
End December farm stocks ...	78	104	117	104	84	118
Pears (excludes perry pears)						
Cropped area ('000 hectares) ...	5·83	5·21	5·06	4·89	4·83	4·60
('000 tonnes)						
Output	47	46	26	55	36	25
Imports: from the Eight ...	28	30	36	28	32	30
from third countries ...	32	18	15	20	17	19
Exports: to the Eight	(a)	1	1	2	3	3
to third countries ...		...	...	1	...	...
Total new supply	105	88	83	91	85	75
Output as % of total new supply	45%	52%	31%	60%	42%	33%
End December farm stocks ...	9	14	7	16	13	9
Cauliflowers						
Cropped area ('000 hectares) ...	17·93	15·96	15·70	14·39	14·74	14·97
('000 tonnes)						
Output	312	313	255	216	280	272
Supplies from Channel Islands	15	15	7	11	4	7
Imports: from the Eight ...	32	14	25	20	19	14
from third countries ...	...	3	...	4	1	1
Total new supply	359	345	287	251	304	294
Output as % of total new supply	87%	91%	89%	86%	92%	93%

Table 11 (*continued*)

Supplies of certain horticultural crops

Calendar years

	Average of 1967–1969	1974	1975	1976	1977	1978 (fore-cast)
Tomatoes						
Cropped area ('000 hectares) ...	1·03	0·99	0·95	0·95	0·94	0·98
('000 tonnes)						
Output	98	121	122	128	123	133
Supplies from Channel Islands	69	58	61	58	57	54
Imports: from the Eight ...	53	42	46	37	48	46
from third countries ...	110	113	95	94	92	89
Exports	...	1	1	3	7	8
Total new supply	330	333	323	314	313	314
Output as % of total new supply	30%	36%	38%	41%	39%	42%

(*a*) Not available: believed to be insignificant.

TABLE 12

Hops supplies

Calendar years — '000 tonnes

	Average of 1967–1969	1974	1975	1976	1977	1978 (fore-cast)
Production	10·6	10·2	8·3	8·0	7·2	9·4
Imports: from the Eight	0·3	0·7	0·7	1·1	1·2	1·5
from third countries ...	0·6	0·9	0·6	0·7	1·0	0·9
Exports: to the Eight	0·9	0·6	0·3	0·4	0·4	0·5
to third countries ...	0·1	0·1	0·2	0·2	0·2	0·3
Total new supply	10·5	11·1	9·1	9·2	8·8	11·0
Production as % of total new supply	101%	92%	91%	87%	82%	85%

TABLE 13

Supplies of herbage and legume seeds (*a*)

June/May years

	Average of 1967/68–1969/70	1974/75	1975/76	1976/77	1977/78	1978/79 (fore-cast)
Area ('000 hectares) (*b*)	16·2	24·0	22·6	17·2	17·5	21·3
('000 tonnes)						
Production—all seed	15·2	16·7	16·4	10·5	17·7	14·0
of which certified seed	(10·8)	(15·2)	(15·5)	(10·5)	(17·7)	(14·0)
Imports—all seed:						
from the Eight ...	10·6	7·0	11·1	11·0	10·4	..
from third countries ...	8·3	7·1	5·1	9·4	5·6	
Exports—all seed:						
to the Eight	1·4	0·9	2·1	2·2	1·7	..
to third countries ...	0·9	0·7	0·5	0·2	0·2	
Total supply	31·8	29·2	30·0	28·5	31·8	..
Production as % of total supply	48%	57%	55%	37%	56%	..

(*a*) Excluding field bean and field pea seeds.

(*b*) Certified seed only.

TABLE 14

Meat supplies (*a*)

Calendar years | '000 tonnes

	Average of 1967–1969	1974	1975	1976	1977	1978 (forecast)
Beef and veal						
Production	946	1 086	1 219	1 069	1 032	1 079
Imports (*b*):						
from the Eight (*c*) ...	116	208	208	187	243	257
from third countries ...	197	86	39	62	55	39
Exports (live and meat):						
to the Eight	52	75	134	112	119	133
to third countries ...	2	3	3	3	3	3
Supplies to the Channel Islands	2	4	5	3	3	2
Total new supply	1 202	1 299	1 324	1 199	1 205	1 237
Production as % of total new supply	79%	84%	92%	89%	86%	87%
Mutton and lamb						
Production	244	253	264	248	229	248
Imports: from the Eight (*c*) ...	7	1	2	1	1	1
from third countries ...	347	212	242	225	218	220
Exports (live and meat):						
to the Eight	11	26	36	34	46	55
to third countries ...	1	2	2	3	4	4
Supplies to the Channel Islands	...	2	1	1	1	1
Total new supply	586	436	468	435	397	409
Production as % of total new supply	42%	58%	56%	57%	58%	61%
Pork						
Production	587	695	572	584	650	626
Imports: from the Eight (*c*) ...	3	6	14	12	14	25
from third countries ...	3	1	3	1	3	14
Exports (live and meat):						
to the Eight	8	24	7	10	17	15
to third countries ...	2	...	...	1	...	...
Supplies to the Channel Islands	1	2	1	1	2	1
Total new supply	583	675	579	584	648	649
Production as % of total new supply	101%	103%	99%	100%	100%	96%
Bacon and ham						
Production	220	243	210	222	218	208
Imports (*d*): from the Eight ...	335	273	265	251	274	280
from third countries	70	25	23	18	13	15
Exports	1	2	1	2	2	2
Supplies to the Channel Islands	1	2	1	1	1	1
Total new supply	623	537	496	489	502	500
Production as % of total new supply	35%	45%	42%	45%	43%	42%

TABLE 14 (*continued*)

Meat supplies (*a*)

Calendar years '000 tonnes

	Average of 1967–1969	1974	1975	1976	1977	1978 (fore-cast)
Poultrymeat						
Production (*e*)	515	652	628	663	678	692
Imports: from the Eight ...	8	7	7	5	8	16
from third countries ...	—	—	1	1	—	1
Exports: to the Eight	—	1	—	5	7	12
to third countries ...	1	1	2	8	24	23
Supplies to the Channel Islands	1	2	2	4	2	2
Total new supply	521	654	633	652	654	672
Production as % of total new supply	99%	100%	99%	102%	104%	103%
Total meat supplies						
Production	2 506	2 929	2 893	2 786	2 808	2 853
Imports (*b*) (*d*):						
from the Eight (*c*) ...	469	496	496	455	539	579
from third countries ...	617	324	308	307	289	289
Exports (live and meat) ...	78	134	185	179	222	247
Supplies to the Channel Islands	5	12	10	11	9	7
Total new supply	3 509	3 602	3 502	3 359	3 406	3 467
Production as % of total new supply	71%	81%	83%	83%	82%	82%

(*a*) Does not include meat offals or trade in preserved or manufactured meat products (e.g. canned meat).

(*b*) Boneless beef and veal have been converted to bone-in weights, in order to bring imports into line with the home production figures.

(*c*) Includes meat from animals imported fat from Irish Republic.

(*d*) Customs and Excise headings used to describe bacon and ham have been revised by MAFF. Revisions have been made to the imports and consequently the bacon and ham total new supply and to the total meat supply table.

(*e*) Including output from commercially insignificant units.

TABLE 15

Milk production

Calendar years million litres

	Average of 1967–1969	1974	1975	1976 (*d*)	1977	1978 (forecast)
Sales through milk marketing schemes:						
for liquid consumption ...	7 517	7 698	7 862	7 760	7 485	7 366
for manufacture:						
butter	1 136	1 239	1 095	2 053	3 038	3 707
cheese (*a*)	1 253	2 181	2 361	2 039	2 073	2 093
cream	751	1 006	1 003	964	975	984
condensed milk—full cream (*b*)	630	580	502	524	560	588
milk powder—full cream...	214	260	195	175	178	176
other	105	132	114	103	97	98
Total for manufacture ...	4 089	5 399	5 270	5 858	6 921	7 645
Total sales	11 606	13 098	13 133	13 618	14 406	15 011
Used on farms (*c*)	302	221	210	201	189	181
Output for human consumption...	11 908	13 319	13 343	13 819	14 595	15 191

(*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 1967–1969	1974	1975	1976	1977	1978 (fore-cast)
Butter						
Opening stocks	42	61	67	83	107	127
Production (*a*)	50	54	48	90	134	164
Imports (*b*): from the Eight ...	159	326	364	275	189	200
from third countries	297	120	124	123	129	125
Exports (inc. re-exports):						
to the Eight ...	...	2	1	14	11	50
to third countries ...	3	2	2	2	4	8
Total supply	546	558	601	555	545	558
Closing stocks	40	67	83	107	127	129
Offtake	506	491	517	449	418	429
Production as % of offtake ...	10%	11%	9%	20%	32%	38%
Cheese						
Opening stocks (*c*)	55	74	71	100	107	114
Production (*a*)	122	218	235	204	206	208
Imports: from the Eight ...	55	101	119	114	105	90
from third countries	110	21	33	33	16	3
Exports (inc. re-exports):						
to the Eight ...	1	3	4	6	6	9
to third countries ...	2	9	3	4	4	6
Total supply	339	401	452	440	423	401
Closing stocks (*c*)	61	71	100	107	114	94
Offtake	278	329	351	334	308	307
Production as % of offtake ...	44%	66%	67%	61%	67%	68%
Cream—fresh, frozen and sterilized						
Opening stocks	—	—	—	—	—	—
Production (*a*)	67	85	84	81	82	81
Imports: from the Eight ...	12	8	6	5	5	5
from third countries	...	...	...	...	...	...
Exports (inc. re-exports):						
to the Eight ...	...	...	...	...	...	...
to third countries	2	...	...	...	1	...
Total supply	77	93	90	85	85	86
Closing stocks	—	—	—	—	—	—
Offtake	77	93	90	85	85	86
Production as % of offtake ...	87%	91%	93%	95%	96%	94%
Condensed Milk—full cream						
Opening stocks (*d*)	33	28	23	21	16	17
Production (*d*)	245	226	195	204	218	227
Imports: from the Eight ...	8	9	9	9	7	2
from third countries	...	...	...	...	...	...
Exports (*e*) (inc. re-exports):						
to the Eight ...	1	...	1	2	6	12
to third countries	32	16	14	29	41	30
Total supply	253	246	213	203	193	204
Closing stocks (*d*)	32	23	21	16	17	12
Offtake	221	223	192	187	176	192
Production as % of offtake ...	111%	101%	102%	109%	124%	118%

TABLE 16 (*continued*)

Milk product supplies

Calendar years — '000 tonnes

	Average of 1967–1969	1974	1975	1976	1977	1978 (forecast)
Milk Powder—full cream						
Opening stocks	3	5	3	2	2	2
Production	27	32	24	22	22	22
Imports: from the Eight ...	4	11	7	4	3	8
from third countries	16	...	...	...	...	...
Exports (inc. re-exports):						
to the Eight ...	1	3	3	2	2	2
to third countries	8	8	8	8	8	12
Total supply	41	37	24	17	17	18
Closing stocks	3	3	2	2	2	2
Offtake	38	33	21	15	15	16
Production as % of offtake ...	71%	97%	114%	147%	147%	138%
Skimmed Milk Powder						
Opening stocks (*f*) ...	21	60	52	49	26	109
Production	84	103	106	173	241	282
Imports: from the Eight ...	14	10	54	22	14	13
from third countries	22	...	2	...	...	...
Exports (inc. re-exports):						
to the Eight ...	13	38	55	102	44	100
to third countries	10	13	5	13	12	24
Total supply	118	123	154	129	225	279
Closing stocks (*f*)	24	52	49	26	109	76
Offtake	93	71	106	103	116	203
Production as % of offtake ...	90%	145%	100%	168%	208%	139%

(*a*) Includes farmhouse manufacture.

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

(*c*) The coverage of the stocks survey has been improved, resulting in a revised figure for closing stock 1976 and opening stock 1977.

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

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

(*f*) Figures for stocks from opening stocks 1974 include intervention stocks as well as manufacturers' stocks but do not include powder brought by the Irish Republic intervention agency for storage in the UK.

TABLE 17

Egg supplies

Calendar years — million dozen

	Average of 1967–1969	1974	1975	1976 (*a*)	1977	1978 (fore-cast)
Home supplies (*b*)						
Packing station throughput:						
sold in shell	581	605	614	612	593	597
processed	92	40	38	36	38	44
Other sales (*c*)	549	503	464	501	525	527
Total output for human consumption	1 222	1 148	1 116	1 149	1 156	1 168
Imports (*d*): from the Eight ...	12	34	36	16	13	13
from third countries	38	7	2	2	1	1
Exports (*d*): to the Eight	12	9	9	11	17	36
to third countries ...	29	—	2	4	4	3
Total new supply	1 231	1 180	1 143	1 152	1 149	1 143
Output as % of total new supply	99%	97%	98%	100%	101%	102%

(*a*) 366 days.

(*b*) Hen eggs for human consumption including output from commercially insignificant units.

(*c*) Includes farmhouse consumption and domestic egg production.

(*d*) Includes shell egg equivalent of whole dried, frozen and liquid egg and yolk, but excludes albumen. Shell egg equivalent of trade in albumen (the greater part of which is considered to be ovalbumen) in 1977 is estimated at: imports 10·8 and exports 0·4 million dozen.

TABLE 18

Wool supplies

Calendar years — million kg

	Average of 1967–1969	1974	1975	1976	1977	1978 (fore-cast)
Production: (*a*)	53	50	49	48	46	47
of which clip	(35)	(35)	(35)	(34)	(33)	(34)
Imports:						
from the Eight	12	11	15	19	17	15
from third countries	227	110	117	143	120	144
Exports:						
to the Eight	14	15	19	21	22	17
to third countries	12	9	10	11	9	8
Total new supply	266	147	152	178	152	181
Production as % of total new supply	20	34	32	27	30	26

(*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) (b) excluding Stock Appreciation (b) Actual	3-year moving average	NET PRODUCT at constant prices (c) 1975 = 100	LABOUR PRODUCTIVITY 1975 = 100
1968	448		100	80
1969	498	473	102	84
1970	473	515	101	87
1971	575	546	112	100
1972	590	674	111	100
1973	857	731	113	102
1974	745	841	114	107
1975	921	934	100	100
1976	1 136	1 119	91	91
1977	1 301	1 231	115	113
1978 (forecast)	1 256		122	117

Forecasts for 1978 are as at end of October 1978.

(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) Net income at current prices, including stock appreciation (see note (v) to Table 21) was £1 825 million in 1976, £1 746 million in 1977 and £1 737 million in 1978.

(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

	1974	1975	1976	1977	1978 (forecast)
Earnings £ per week (b) ...	34·07	42·92	50·28	54·69	61·50
Hours per week (c)	45·9	46·0	45·5	45·9	45·6

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

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

(c) All hours worked and statutory holidays.

TABLE 21

Output, input and net income (a)

Calendar years

£ million

	1974	1975	1976	1977	1978 (fore-cast)
OUTPUT (b) (c)					
Farm crops (d)					
Wheat	283	296	318	366	468
Barley	319	329	378	414	543
Oats and other cereals	17	15	20	22	22
(Total cereals)	*(619)*	*(640)*	*(715)*	*(802)*	*(1 033)*
Potatoes	146	317	568	359	247
Sugar beet	59	85	97	133	158
Hops	9	9	11	10	15
Oilseed rape	9	8	15	23	30
Other (e)	43	45	41	38	45
1. *Total crops*	885	1 104	1 447	1 365	1 528
Horticulture					
Vegetables (including mushrooms) ...	285	344	376	454	431
Fruit	99	90	110	137	143
Other (f)	84	93	108	121	134
2. *Total horticulture*	468	528	593	712	709
Livestock					
Fat cattle and calves	617	897	995	1 063	1 310
Fat sheep and lambs	164	187	240	267	322
Fat pigs	468	493	556	641	691
Poultry	254	284	344	421	422
Other (g)	19	21	24	31	32
3. *Total livestock*	1 522	1 883	2 159	2 423	2 778
Livestock products					
Milk and milk products	837	1 065	1 294	1 485	1 591
Eggs	306	276	342	391	373
Clip wool	17	20	24	30	32
Other (h)	6	8	10	10	10
4. *Total livestock products*	1 166	1 368	1 670	1 917	2 007
5. *Sundry output* (i)	30	33	32	38	42
6. TOTAL OUTPUT (1+2+3+4+5) ...	4 071	4 916	5 900	6 455	7 064
7. *Sundry receipts* (j)	42	46	44	44	72
8. *Production grants*	90	152	114	102	88
9. **TOTAL RECEIPTS** (6+7+8)	4 203	5 114	6 059	6 601	7 223
Work-in-Progress Change (k)	−41	− 60	−21	+ 12	+ 8
Stock Change (l)	+32	−143	−67	+302	+24
10. **Total change due to volume**	−9	−203	−88	+314	+32
11. **GROSS OUTPUT** (9+10)	**4 194**	**4 911**	**5 971**	**6 915**	**7 255**
Intermediate output (m)					
Feed (n)	308	291	334	364	415
Seed	50	64	102	106	81
12. *Total intermediate output*	358	354	436	470	496

TABLE 21 (*continued*)

Output, input and net income (*a*)

Calendar years — £ million

	1974	1975	1976	1977	1978 (forecast)
13. **FINAL OUTPUT (11−12)**	3 836	4 557	5 535	6 445	6 759
INPUT					
Expenditure					
Feedingstuffs	1 127	1 155	1 547	1 785	1 700
Seeds	97	118	181	208	188
Livestock (imported and inter-farm expenses)	103	127	109	145	179
Fertilisers and lime (*o*)	292	320	369	422	497
Machinery	289	347	400	476	516
of which: Repairs	(*129*)	(*156*)	(*177*)	(*209*)	(*242*)
Fuel and oil	(*117*)	(*133*)	(*156*)	(*191*)	(*192*)
Other (including contract services)	(*43*)	(*58*)	(*67*)	(*75*)	(*84*)
Farm maintenance (*p*)	152	178	212	248	284
Miscellaneous expenditure (*q*)	285	363	423	474	528
14. **TOTAL EXPENDITURE** (*r*)	2 345	2 608	3 241	3 759	3 892
Stocks (*s*)					
15. Change due to volume	−15	+10	−18	+10	+19
16. **GROSS INPUT** (14+15)	2 330	2 618	3 223	3 769	3 911
17. NET INPUT (16−12)	1 972	2 264	2 787	3 299	3 414
18 **GROSS PRODUCT** (11−16) or (13−17)	**1 864**	**2 293**	**2 748**	**3 146**	**3 344**
Depreciation					
Plant, machinery and vehicles	255	342	413	500	573
Buildings and works	119	153	185	214	235
19. *Total depreciation*	373	496	598	714	808
20. **NET PRODUCT** (18−19)	**1 491**	**1 797**	**2 150**	**2 431**	**2 537**
Labour	608	748	868	968	1 065
Net rent (*t*)	39	31	33	43	67
Interest (*u*)	99	98	113	120	150
21. **FARMING NET INCOME** excluding stock appreciation	**745**	**921**	**1 136**	**1 301**	**1 256**
Stock appreciation (*v*)					
Livestock	+305	+289	+424	+372	+282
Crops and other	+300	+218	+264	+ 72	+199
22. *Total*	+605	+508	+689	+445	+481
23. **FARMING NET INCOME** including stock appreciation (21+22)	**1 350**	**1 428**	**1 825**	**1 746**	**1 737**

(*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 £11 million for 1976, £13 million for 1977 and for 1978 £15 million.

(*s*) Feed (purchased) and fertilisers. Opening stock *minus* closing stock.

(*t*) Net Rent is the residual after deducting landlords' current expenses and depreciation from Gross Rent. Landlords' current expenses and landlords' depreciation are included in Farm Maintenance and Depreciation respectively and hence the whole of Gross Rent is treated as a cost to the industry. The estimates of Gross Rent are £226·6 million in 1974, £263 million in 1975, £311·2 million in 1976, £367 million in 1977 and £432·1 million in 1978.

(*u*) On commercial debt for current farming purposes.

(*v*) Stock appreciation measures that part of the change in the book 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

Agricultural land prices and farm rents

Calendar years

	1974	1975	1976 (c)	1977 (c)	1978 (c)
Agricultural land prices (*a*) (£ per hectare)					
Inland Revenue Series					
England					
With vacant possession	1 330	1 205	1 472	2 010	. .
Tenanted	961	797	1 019	1 563	. .
Wales					
With vacant possession	836	926	1 019	1 327	. .
Tenanted	531	642	587	628	. .
Scotland					
With vacant possession	757	602	869	1 037	(1 273)
Tenanted	604	441	488	596	(461)
Northern Ireland					
With vacant possession	998	1 143	1 392	1 847	(2 243)
Gross rents (*b*) (index 1975 = 100)					
England	85·5	100·0	119·7	142·0	167·4
Wales	86·4	100·0	115·1	126·5	154·8
Scotland	90·2	100·0	117·5	137·1	158·9
United Kingdom	86·1	100·0	119·1	140·5	165·7

( ) Figures in brackets are substantially incomplete. See note (*c*).

(*a*) The Inland Revenue series excludes sales of less than 4 hectares (ha) in England and in Wales, of less than 5 ha (8 ha before 1976) in Scotland and of less than 2 ha in Northern Ireland as well as land sold for development and other non-agricultural purposes. In addition, the series shown for Scotland refer to equipped farms only and exclude sales of unequipped land, whole estates, land sold for afforestation and inter-family sales.
There is a delay between the date on which a sales is agreed and the date on which it is included in the series. The delay is thought to average about 6–9 months in England and Wales and about 3 months in Northern Ireland. The average prices shown in the table for each calendar year relate to sales included in the series for these countries in the years ending in the following September and March respectively. In the case of Scotland, the problem is overcome by further analysis of the information by date of sale. The data for Scotland and Northern Ireland are subject to retrospective revision.

(*b*) The gross rent indices for England and Wales are based on an annual rent enquiry and for Scotland on continuing field enquiries. They refer to the rents prevailing during the calendar years indicated. Very little land is rented, except under the conacre system, in Northern Ireland.

(*c*) The figures for the most recent years are subject to revision or are based on incomplete information as detailed below:

Agricultural Land Prices

Scotland: 1978 figures relate to prices in the first 6 months of the year. Figures for the most recent years are based on sales notified up to September 1978.

Northern Ireland: 1978 figures relate to prices in the first 3 months of the year. Figures for the most recent years are based on sales notified up to September 1978.

Gross Rents

All countries: 1978 figures are provisional.

TABLE 23

Gross capital formation (*a*)

Calendar years

£ million

	Average 1967–1969	1974	1975	1976	1977	1978 (forecast)
Plant machinery and vehicles	130	276	347	457	545	650
Buildings and works ...	89	250	241	225	250	275
Gross fixed capital formation	219	526	588	682	795	925
Increase in book value of stocks and work-in-progress (*b*)	62	611	294	619	749	494

(*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 on fixed capital 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)	1976/77 £	1977/78 £	Percentage change %
England (275–4199 smd) (*b*)					
Specialist dairy	50	966	6 516	8 819	+35
Mainly dairy	83	1 188	9 187	9 403	+ 2
Mainly sheep	67	766	6 202	7 040	+14
Cattle and sheep	86	757	6 833	7 407	+ 8
Cereals	142	1 003	12 619	13 193	+ 5
General cropping ...	90	1 255	18 003	7 763	−57
Mixed	97	1 272	10 574	9 025	−15
Pigs and poultry	46	1 266	11 012	9 870	−10
All types (excluding horticulture)	78	1 039	9 696	8 980	− 7
Wales (275–4199 smd) (*b*)					
Specialist dairy	37	725	5 814	7 422	+28
Mainly dairy	52	810	7 105	7 737	+ 9
Mainly sheep	45	731	4 770	5 718	+20
Cattle and sheep	66	674	5 555	6 302	+13
All types (*c*)	51	727	5 919	6 865	+16
England and Wales (275–4199 smd) (*b*)					
All types (excluding horticulture)	74	991	9 119	8 646	− 5
Scotland (275 smd and over) (*b*)					
Dairy	63·9	1 210	9 609	7 768	−19
Hill sheep	39·3	862	6 336	5 997	− 5
Upland rearing	68·8	763	5 730	5 556	− 3
Rearing with arable ...	70·9	727	8 032	6 938	−14
Arable, rearing and feeding	73·7	803	11 308	8 175	−28
Cropping	122·7	1 271	23 817	9 649	−59
Rearing with intensive livestock	70·9	1 132	9 759	8 996	− 8
All types	76·4	998	11 148	7 472	−33
Northern Ireland (*d*) (200 smd and over) (*b*)					
Dairy	30·4	621	6 749	7 084	+ 5
Pigs and poultry ...	28·6	1 199	9 602	12 436	+30
Cattle and sheep	37·8	448	5 882	5 015	−15
Mixed	43·7	590	9 278	5 718	−38
All types (*e*)	34·9	586	7 092	6 436	− 9

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 1977/78", for Scotland in "Scottish Agricultural Economics 1978", for Northern Ireland in "Farm Incomes and Investment in Northern Ireland from 1975/76 to 1977/78", and for Wales in the "Annual Digest of Welsh Agricultural Statistics 1977/78, Part II". Net income is defined as in the aggregate series (Tables 19 and 21) except that stock appreciation is assessed at current market prices and that no deduction is made for interest on farming debts. Net income is shown in this table again 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*) and (*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", "dairy with 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

	1974/75	1975/76	1976/77	1977/78	1978/79 (forecast)
I *Price guarantees and production grants*					
(i) Price guarantees on products supported by the CAP (*b*) ...	0·3	...	...	—	—
(ii) Price guarantees on other products					
Sheep	8·5	7·5	0·2	0·4	0·3
Wool (*c*)	−4·3	2·0	−2·4	−2·2	—
Potatoes (*c*)	1·6	0·5	0·8	9·1	23·2
Total (ii)	5·8	10·0	−1·4	7·3	23·5
(iii) Production grants and subsidies					
Dairy Herd Conversion Scheme	10·0	11·8	4·4	5·6	3·5
Guidance Premiums	0·1	0·6	2·2	7·4	11·1
Milk Non-Marketing Premiums	—	—	—	2·1	11·8
Fertilisers	6·1	—	—	—	—
Lime	4·5	4·7	4·6	0·1	—
Calves	48·9	61·6	26·1	22·8	6·8
Beef cows	22·1	8·1	10·5	2·7	—
Pig subsidy	29·2	—	6·2	10·6	—
Oil for horticulture	5·6	0·3	...	—	—
Total (iii)	126·5	87·1	54·0	51·3	33·2
Total I	132·6	97·1	52·6	58·6	56·7

TABLE 25 (*continued*)

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

April/March (financial) years £ million

	1974/75	1975/76	1976/77	1977/78	1978/79 (forecast)
II *Support for capital and other improvements*					
Farm and Horticulture Development Scheme (*d*) ...	0·1	0·8	3·7	22·4	52·1
Farm accounts	—	—	...	0·2	0·9
Farm structure	1·4	1·5	1·4	1·2	1·0
Farm Capital Grant Scheme (*d*)	77·4	65·9	54·6	60·0	66·4
Grants absorbed by Farm Capital Grant Scheme	3·3	—	—	—	—
Grants for horticulture (national schemes)	5·8	3·4	2·6	3·2	3·4
Co-operation grants	0·9	1·1	0·8	0·8	1·4
Others (*e*)	1·0	1·0	0·2	0·5	0·4
Total II	89·9	73·7	63·3	88·3	125·6
III *Support for agriculture in special areas*					
Hill livestock: compensatory allowances —cattle	—	6·3	43·9	25·4	27·9
—sheep	—	10·8	38·8	24·8	28·2
Hill cattle	35·4	1·2			
Hill sheep	19·8	2·9	0·2	...	—
Winter keep	12·3	1·2			
Additional benefit under FHDS and FCGS	3·4	5·9	7·0	6·6	9·0
Others (*f*)	1·7	1·8	1·2	0·8	1·0
Total III	72·6	30·1	91·1	57·6	66·1
Total I, II, III	295·1	200·9	207·0	204·5	248·4
against which receipts from FEOGA guidance section ...	...	4·4	11·6	18·3	23·3
guarantee section ...	—	—	—	1·3	8·3
IV *Market regulation under the CAP* (*g*)					
Cereals	13·4	46·2	29·8	−4·3	29·7
Beef and veal	63·7	113·0	16·3	11·4	−13·1
Pigmeat	24·1	38·6	12·3	−0·2	−0·7
Sugar	45·7	41·2	71·2	86·7	89·2
Processed products	14·1	3·4	8·8	13·4	21·5
Milk products	35·8	61·8	24·1	70·7	149·1
Others (*h*)	2·6	6·5	8·9	7·6	17·3
Total IV	199·4	310·7	171·4	185·3	293·0
against which receipts from FEOGA guarantee section ...	169·6	259·6	168·7	118·2	257·9

TABLE 25 (*continued*)

(*a*) This table excludes expenditure which may benefit farmers but where the value to them is not shown by the expenditure (e.g. expenditure on animal disease and pest control or on research, advice and education). Expenditure on agriculture in Northern Ireland, borne on the Northern Ireland Consolidated Fund, is also excluded. It does, however, include some expenditure which benefits consumers and overseas exporting interests rather than producers (see note (*g*)). The figures for years up to and including 1976/77 represent actual expenditure recorded in the Appropriation Accounts. The figures for 1977/78 are subject to confirmation and those for 1978/79 are the latest estimates of expenditure.

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

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

(*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*, farm structure loans*, producer organisations*, small horticultural production businesses, small farmers, farm business records, water supply*, agricultural drainage*, special assistance to livestock producers and hops restructuring. (Provision for the schemes marked* was included in the 1978/79 Supply Estimates.)

(*f*) Includes grants for improvement of hill land and livestock rearing land, rural roads*, forage groups*, 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 1978/79 Supply Estimates.)

(*g*) The figures shown are total expenditure before allowing for receipts from FEOGA which are shown separately at the foot of the table. The figures are made up of several elements and include import refunds (net of export levies) on intra-Community trade, import and export refunds on third country trade, the beef premium scheme, aid for private storage and animal feed, certain production subsidies and the net cost of commodities bought into intervention and subsequently sold. Some of the expenditure benefits consumers and overseas exporting interests rather than producers. The figures for 1974/75, 1975/76 and 1976/77 include the special import subsidy on sugar and those for 1978/79 include the UK share of the EEC School Milk Subsidy Scheme. The consumer subsidy on butter is not included.

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

Table 26

Commodity price trends

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

Calendar years

		1974	1975	1976	1977	1978 (forecast)
Wheat (£ per tonne)	Average ex-farm price (*a*) ...	59·82	55·75	72·24	83·33	84·80
Barley (£ per tonne)	Average ex-farm price (*a*) ...	57·62	57·44	72·45	77·98	77·70
Oats (£ per tonne)	Average ex-farm price (*a*)	56·08	55·79	67·68	74·39	73·40
Rye (£ per tonne)	Average ex-farm price (*a*) ...	56·00	61·10	76·00	70·42	75·00
Hops (£ per tonne)	Average farm-gate price (*b*)	876	1 063	1 360	1 514	1 589
Potatoes (£ per tonne)	Average farm-gate price (*c*)	23·60	56·80	143·40	69·00	42·00
Sugar beet (£ per tonne)	Producer price (*d*)	13·49	18·48	16·42	21·93	22·70
Oilseed rape (£ per tonne)	Average market price (*e*) ...	172	128	140	162	185
Apples (£ per tonne)	Average market price (*f*)					
	Dessert	150	175	191	305	220
	Culinary	112	172	176	242	210
Pears (£ per tonne)	Average market price (*f*) ...	152	185	189	275	253
Tomatoes (£ per tonne)	Average market price (*f*) ...	237	291	346	411	418
Cauliflowers (£ per tonne)	Average market price (*f*) ...	91·7	121·5	119·2	143·3	133·3
Cattle (*store*) (£ per head)	1st quality Hereford/ Friesian bull calves (*e*) ...	41	40	56	65	85
	1st quality yearling steers beef/dairy cross (*e*)	97	110	157	174	212
Cattle (*fat*) (p per kg liveweight)	All clean cattle	33·12	38·51	52·43	56·94	66·70
Sheep (*store*) (£ per head)	1st quality lambs, hoggets and tegs (*e*)	12·0	14·0	19·0	24·0	25·2
Sheep (*fat*) (*g*) (p per kg estimated dressed carcase weight)	... ...	64·6	75·5	103·9	124·5	137·5
Pigs (p per kg deadweight)	Average market price (*h*) ...	45·98	61·90	67·32	72·64	80·80
Broilers (p per kg)	Average wholesale price ...	45·8	55·0	63·6	76·0	81·0
Milk (p per litre)	Average net return to producers (*i*)	6·28	7·98	9·37	10·18	10·50

TABLE 26 (*continued*)

Calendar years

Commodity price trends

		1974	1975	1976	1977	1978 (fore-cast)
Eggs (p per dozen)	Average producer price (*j*)...	24·6	22·8	27·8	31·2	27·1
Wool (p per kg)	Average producer price for clip (*k*)	48·2	57·1	69·5	93·2	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 of average sugar content.

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

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

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

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

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

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

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

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