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ECONOMICS AND STATISTICS UNIT

# Statistical Review of Northern Ireland Agriculture

*2004*

Agriculture

A National Statistics Publication

A National Statistics publication

# Statistical Review of Northern Ireland Agriculture 2004

*Department of Agriculture and Rural Development*

*Economics and Statistics Unit*

**A National Statistics publication**

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# PREFACE

The *Statistical Review of Northern Ireland Agriculture* is the primary source of statistics for the agricultural industry in Northern Ireland. It contains a wide range of statistics on the agricultural industry both at aggregate and farm levels. This year a new definition of farm size is used, which is based on Standard Labour Requirements. In the past farm size was based on total Standard Gross Margin. A companion publication, *Farm Incomes in Northern Ireland 2003/04*, provides more detailed information on the financial performance of farm businesses of different types and sizes.

As with all DARD statistical publications, the *Statistical Review* is now available, free of charge, on the DARD website, at www.dardni.gov.uk. This website also contains long-term time series of a selection of *Statistical Review* tables. These may also be obtained in hard copy form, on request from Economics and Statistics Unit. Details of other publications and statistical releases available from Economics and Statistics Unit are given on page 61.

The *Statistical Review* is a National Statistics publication, indicating that its contents are produced to best professional standards. Users' comments on its contents are always welcome and may be made directly to me or to the Editor, Seamus McErlean, whose contact details are given below.

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March 2005

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# KEY FACTS

| | NI | UK | ROI | EU15 |
|---|---|---|---|---|
| **GROSS VALUE ADDED (GVA)** | | | | |
| Agriculture as % of total GVA | 2.2[1] | 0.8[1] | 2.7[1] | 1.6[3] |
| **EMPLOYMENT** | | | | |
| Agricultural employment (‘000) | 32[1] | 391[3] | 112[1] | 6,537[3] |
| As % of total civil employment | 4.5[1] | 1.4[3] | 6.1[1] | 4.0[3] |
| **LAND USE** | | | | |
| Agricultural area (‘000 ha) | 1,063[1] | 17,200[1] | 4,372[1] | 130,809[3] |
| As % of total area | 78.7[1] | 70.4[1] | 62.2[3] | 40.4[3] |
| **LESS FAVOURED AREAS (LFA)** | | | | |
| LFA as % of agricultural area | 70.1[1] | 44.8[4] | 63.1[4] | 54.7[4] |
| **FARMS** | | | | |
| Number (‘000) | 27.6[1] | 305[2] | 137[3] | 6,769[4] |
| Average agricultural area (ha) | 38.5[1] | 56.5[2] | 32.0[3] | 18.7[4] |
| **ENTERPRISES** | | | | |
| Average enterprise size: | | | | |
| Dairy cows | 63[1] | 82[2] | 37[4] | 28[4] |
| Beef cows | 19[1] | 29[2] | 14[4] | 18[4] |
| Sheep | 251[1] | 404[3] | 158[4] | 144[4] |
| Pigs | 878[1] | 538[3] | 1,345[4] | 139[4] |
| Laying hens | 2,300[1] | 1,200[2] | 215[4] | 236[4] |
| Broilers | 46,000[1] | 40,000[2] | 12,000[4] | 825[4] |
| Cereals (ha) | 11.5[1] | 52.1[2] | 18.9[4] | 13.9[4] |
| Potatoes (ha) | 6.2[1] | 11.9[2] | 2.8[4] | 1.6[4] |

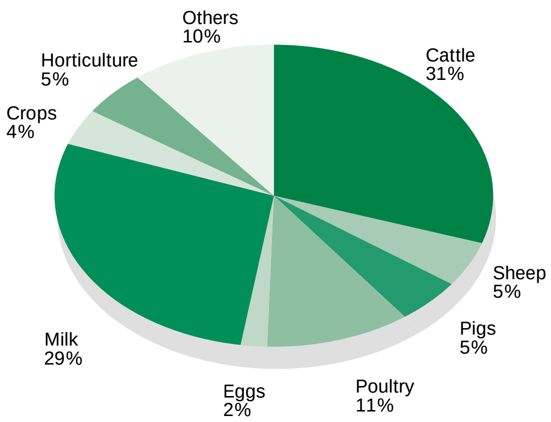
*1. 2004 2. 2003 3. 2002 4. 2000*

*Note 1. NI = Northern Ireland; UK = United Kingdom; ROI = Republic of Ireland; EU15 = Austria, Belgium, Denmark, Finland, France, Germany, Greece, Republic of Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and United Kingdom.*

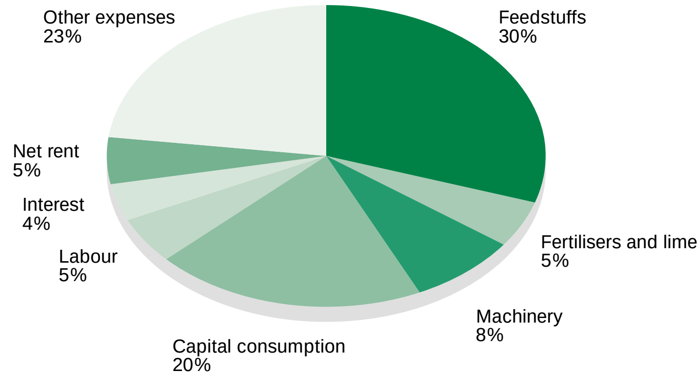
*Note 2. In general, figures relate to the latest year for which statistics are available.*

# COMPARISONS OF NI AND UK AGRICULTURE

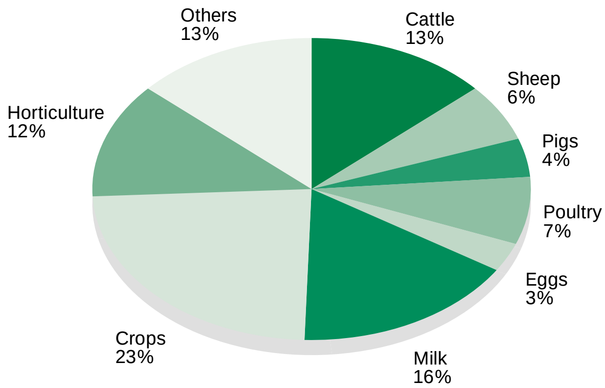
### Gross output of NI agriculture, 2004



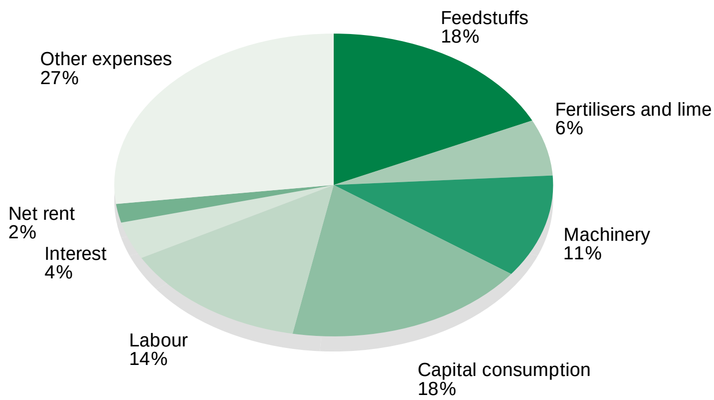

### Total expenses of NI agriculture, 2004



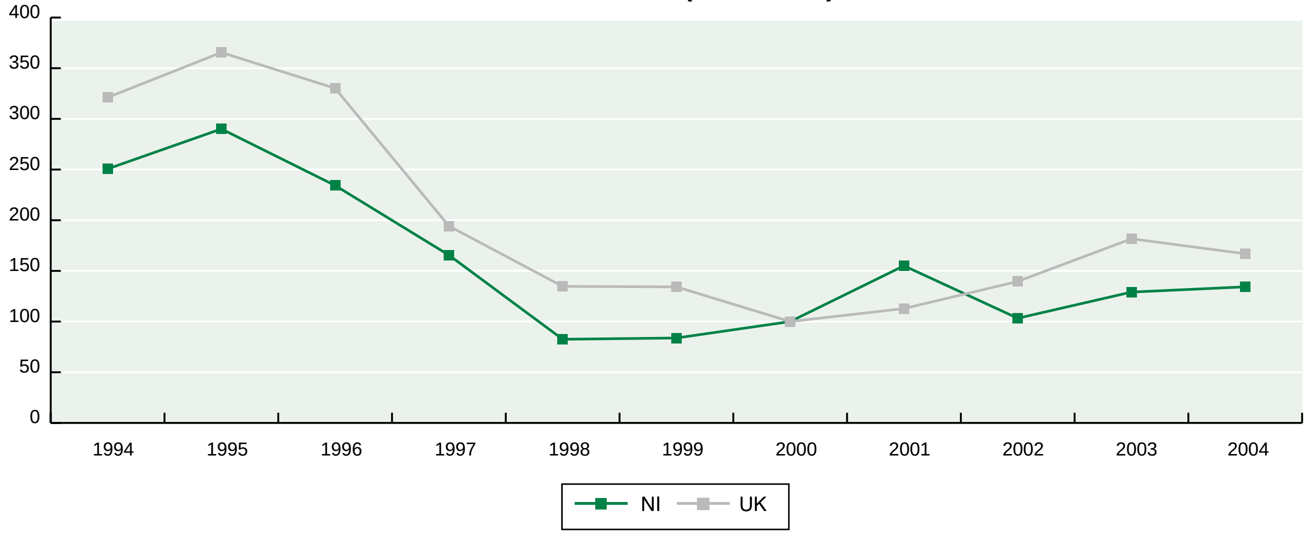

### Gross output of UK agriculture, 2004




### Total expenses of UK agriculture, 2004

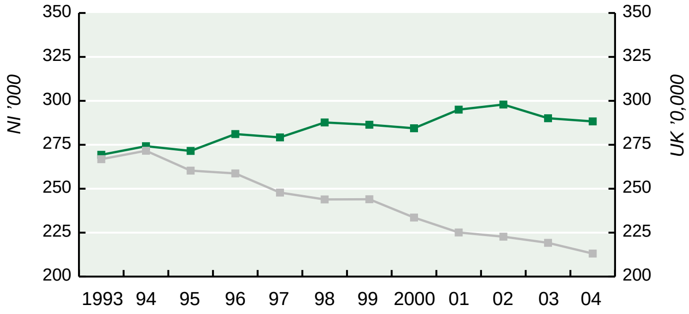



### NI and UK Total Income from Farming in real terms (2000 = 100)

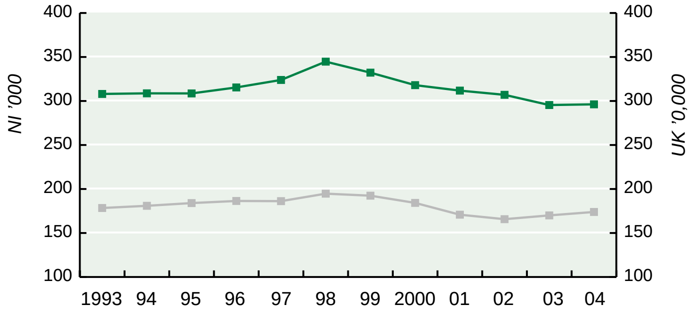


# TRENDS IN NI AND UK LIVESTOCK NUMBERS AND CROP AREAS

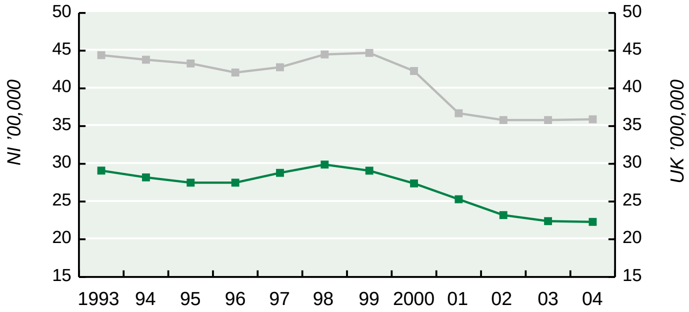
### Dairy cows



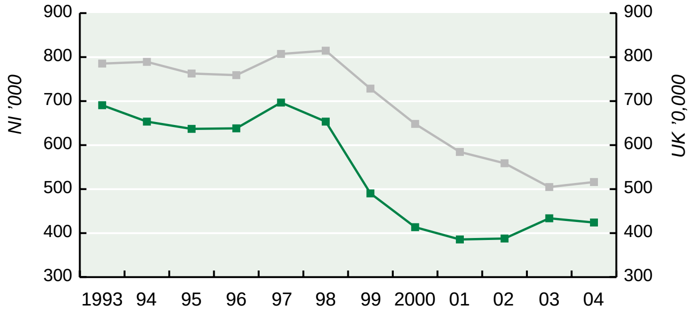

### Beef cows



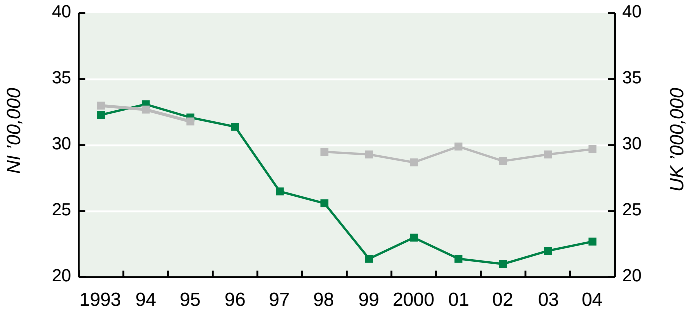

### Sheep



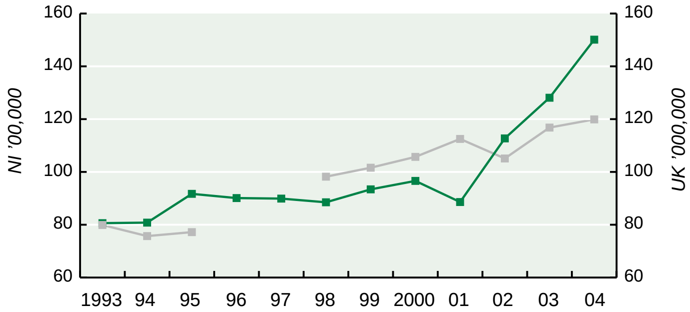

### Pigs



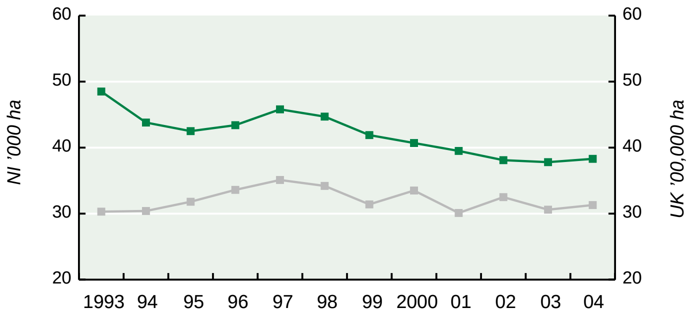

### Laying birds



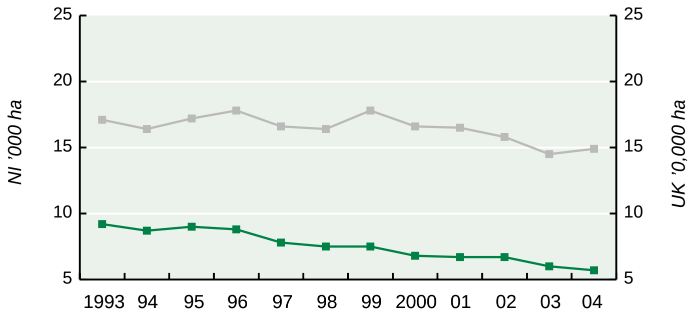

### Table chickens




### Cereals




### Potatoes




NI UK

# 1. EXECUTIVE SUMMARY

*Note: comparisons are with 2003 unless otherwise stated.*

**Aggregate income (Tables 2.1 - 2.2)**

- There was a small rise in the income of Northern Ireland agriculture in 2004, following the substantial rise in 2003.
- **Total income from farming (TIFF)** – which measures the return to farmers and all members of their families working on farms – increased by 7 per cent (4 per cent in real terms) to £173 million, from £162 million in 2003.
- Despite the increases during the last two years, TIFF in 2004 is 19 per cent below the average of the last twenty years after accounting for inflation.
- The increase in income in 2004 can be attributed to three main factors; first, improved business performance; second, improvement in the prices of most major farm commodities reflecting improving markets; and, third, increases in subsidy receipts due to a more favourable exchange rate of sterling against the euro.
- At the United Kingdom level, TIFF fell by 5 per cent in money terms in 2004, to £3 billion, a fall of 8 per cent in real terms. The main reasons for income rising in Northern Ireland while falling in the UK are that the value of cattle and sheep output increased by a greater proportion in Northern Ireland (this effect was magnified by the fact that cattle and sheep are relatively more important in Northern Ireland), while the percentage increase in expenditure on inputs was lower than in the UK as a whole.

**Output, input and value added (Tables 2.1 - 2.3)**

- **Gross output** of Northern Ireland agriculture increased by 3.7 per cent, to £1,287 million, the result of a 2.4 per cent rise in the average producer prices and a 1.3 per cent increase in the volume of gross output.
- **Gross input** (or 'intermediate consumption') increased by 2.6 per cent, to £771 million, reflecting a 4.1 per cent rise in the unit cost and a 1.4 per cent decrease in the volume of inputs used.
- **Gross value added** increased by 5.5 per cent, to £516 million, while **net value added** – gross value added less consumption of fixed capital (or 'depreciation') – increased, by 6.3 per cent, to £318 million.

**Productivity (Table 2.3)**

- Changes in the volumes of outputs and inputs combined to produce a 3.5 per cent improvement in **total factor productivity** – the productivity of all resources in the industry. The rise in output volume coupled with a 3.3 per cent fall in the volume of labour input generated a 9.9 per cent increase in **labour productivity** in 2004.

**Cash flow (Table 2.4)**

- **Cash available to farm families from farming** is estimated to have risen in 2004 by 32 per cent, to £290 million. In this estimate, 'book' items such as stock changes as well as capital formation and consumption are removed and account is taken of the level of investment and change in borrowings, thereby more realistically portraying cash available from farming.

**Farm level incomes (Table 5.1-5.6)**

- The average **net farm income** across all full-time farms for the year ending March 2005 is expected to be £8,500 per farm, which is very similar to the previous year. Net farm incomes are expected to increase on Dairy and Pig and Poultry farms but to decline for all other farm types. **Cash income**, which is the difference between cash receipts and expenses, is expected to average £28,000 per farm for the year ending March 2005, an increase of just over £4,000. Cash incomes are expected to improve for each farm type other than General Cropping and Cereal farms.

**Subsidies (Table 2.10)**

- The value of all **direct payments** to farmers increased in 2004 by £35 million or 15 per cent, to £273.5 million of which payments on cattle totalled £197.5 million, 72 per cent of the total.

**Labour (Table 2.14)**

- **The total agricultural labour force** decreased by 2 per cent in 2004, to 53,332 persons. This included a 2 per cent reduction in the number of farmers, to 33,263, with the number of full time farmers declining by 5 per cent while the number of part time farmers increased by 1.4 per cent. The number of full time and part time workers decreased by 2 per cent, whereas the number of casual workers increased by 3.3 per cent.

**Livestock numbers (Table 3.3)**

- For the fifth year running, the number of **cattle** recorded in the June census, 1.68 million, was virtually unchanged. However, within the total, the number of dairy cows declined by 1 per cent, while there was a marginal increase in the beef cow herd. Total **sheep** numbers decreased by 1 per cent to 2.23 million, while breeding ewe numbers declined by half of 1 per cent, to 1.10 million ewes. Ewe numbers are now at their lowest level since 1987.
- At June 2004, the number of **pigs** totalled 424,000, 2.2 per cent lower than in 2003, with the female breeding herd decreasing by 12 per cent, to 37,800 sows. The number of farms with pigs decreased again over the year by 12 per cent to 483. **Broilers** increased by 17 per cent to 15 million birds in 2004, while the size of the **commercial laying flock** increased by 3 per cent to 2.27 million birds.

**Crops and grass areas (Table 3.2)**

- There was a 2 per cent increase, to 53,800 hectares, in the total **cropped area** between June 2003 and 2004. The total area of cereals rose by 2 per cent, to 38,300 hectares, although the area of spring barley declined by 4.7 per cent to 22,500 hectares.

**Farms (Table 4.2)**

- There were 27,614 active **farm businesses** at June 2004 and this was 667 fewer than in 2003. The downward trend in the number of farms is 2.3 per cent per year over the past 5 years and 1.8 per cent over the past 10 years.

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# 2. THE AGRICULTURAL ECONOMY

## A. AGGREGATE OUTPUT, INPUT AND INCOME

***Methodological note***

*All of the figures quoted in this section are on the basis of a series of the Aggregate Agricultural Account (AAA) introduced in 1998. A 24-year time series of the AAA is available on the DARD website, at* www.dardni.gov.uk*. In the following commentary, comparisons are with 2003 unless otherwise stated.*

**Summary**

The income of Northern Ireland agriculture rose for a second year running in 2004 after falling sharply in 2002. **Total income from farming (TIFF)** – which measures the return to farmers and all members of their families working on farms – increased by 7.1 per cent (4.0 per cent in real terms) to £173 million, from £162 million in 2003 (see Tables 2.1-2.2).

**Output**

The value of **gross output** increased by 3.7 per cent to £1,287 million in 2004. This was the result of a 2.4 per cent rise in average producer prices and a 1.3 per cent increase in the volume of gross output.

While there were increases in the values of most items of output, much of the increase in the total value of gross output came from a £32 million rise, to £404 million, in the output value of cattle as a result of price and volume increases of similar proportions. Another important explanation of the rise in the total value of gross output was a 19 per cent increase to £213m in direct payments on production during 2004, due to a more favourable sterling euro exchange rate (increasing the value of payments in sterling terms) and the introduction of a dairy premium under CAP reform. The values of most other commodities also increased, including milk (up 4.9 per cent), sheep (12 per cent), poultry (12 per cent) and wheat (24 per cent). However, the value of the output of eggs fell by 43 per cent, while the value of the output of pigs fell by 5.3 percent. Details of trends in individual outputs and inputs are given in Section 2B.

**Inputs** (or 'intermediate consumption')

The value of **gross input** also rose in 2004, by 2.6 per cent, to £771 million. This was the result of a 4.1 per cent rise in the unit cost and a 1.4 per cent decrease in the volume used. Approximately half of the increase in the value of gross input was accounted for by a £10 million (3 per cent) rise, to £345 million, in expenditure on feedstuffs, with the unit cost increasing by 3.9 per cent and the quantity purchased falling by 0.8 per cent. Fuel and quota leasing expenditures both increased but expenditure on fertilisers and farm maintenance both decreased. The volume of fertilisers and lime used declined in 2004 as it did in 2003.

**Gross and net value added**

**Gross value added** – gross output less gross input – rose in 2004, by 5.5 per cent, to £516 million, mostly accounted for by a volume increase of 4.8 per cent. **Net value added** (at factor cost), i.e. gross value added minus capital consumption plus subsidies (less taxes) not paid on products, also rose, by 6.3 per cent, to £318 million.

Net value added is the sum of all 'incomes' arising in the industry, namely the earnings of paid labour, interest on borrowed capital, rent on conacre land (taken from non-farming persons) and the residual 'total income from farming'. The cost of paid labour (also termed 'compensation of employees') increased by 1.5 per cent, to £52.9 million, while an increase in the average interest rate and increased borrowing in 2004 caused interest payments to rise, by 21 per cent, to £41.5 million. Conacre rent paid to non-farmers fell slightly, by 0.8 per cent, to £50.2 million.

**Total income from farming**

The net result of these changes was that **total income from farming (TIFF)** increased in 2004, by 7.1 per cent to £173 million, a rise of 4.0 per cent after allowing for inflation. This followed an increase in 2003 of 25 per cent in real terms. However, despite these increases income in 2004 is 19 per cent below the average of the last 20 years, after allowing for inflation. Over the same 20-year period, the number of persons drawing an income from farming also declined steadily. From 1985 to 2004, the number of units of entrepreneurial labour decreased by 32 per cent with the result that, in real terms, TIFF per unit of entrepreneurial labour in 2004 was 4 per cent above the 20-year average.

**Cash flow**

TIFF measures the return to farmers, their spouses and other family workers, i.e. all those with an entrepreneurial interest in farming. It is calculated according to internationally agreed practices which require the inclusion of 'book' items such as stock changes and capital formation and consumption. TIFF may not, therefore, realistically portray the cash available from farming. In the estimates shown in Table 2.4, TIFF is adjusted to remove these 'book' items and to take account of the level of investment and change in borrowings (The derivation is given in the footnotes to Table 2.4). **Cash available to farm families from farming** is estimated to have risen in 2004 by 32 per cent, to £290 million. This is a larger increase than that in TIFF, mainly because the cash-flow figures include (as an addition) the swing from a considerable increase in output stocks in 2003 to a reduced level of stocks in 2004 and also because of a £30 million increase in borrowing.

**Subsidies**

**Total direct payments** to farmers increased in 2004 by £35 million or 15 per cent, to £274 million. The rise was mainly because of higher rates of payments brought about by a further strengthening of the euro relative to sterling. Payments on cattle totalled £197 million, 72 per cent of the total, while subsidies on sheep, milk and arable crops accounted for 7.6, 4.9 and 3.3 per cent respectively. 'Other direct payments' decreased by 1.8 per cent to £32.5 million, of which the area-based LFA Compensatory Allowance, at £21.9 million, was the major element. Direct payments exclude the value of market support such as intervention purchases and export refunds.

**Investment**

**Gross annual capital investment** decreased in 2004 by £1.2 million to £118 million. Three quarters of the total was investment in plant, machinery and vehicles (£85.5 million), while investment in buildings and works totalled £ 32.2 million.

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## Table 2.1 Aggregate Agricultural Account: estimated output, input, value added and income of agriculture[1]

*£ million*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **OUTPUT**[2] | | | | | | |
| **Livestock and livestock products**[3] | | | | | | |
| Finished cattle and calves[4] | 325.0 | 332.6 | 333.7 | 361.1 | 371.9 | 404.2 |
| Finished sheep and lambs[5] | 68.6 | 66.5 | 65.4 | 59.1 | 57.5 | 64.6 |
| Finished pigs[6] | 59.4 | 52.3 | 62.5 | 58.3 | 69.5 | 65.8 |
| Poultry[7] | 98.5 | 97.6 | 106.5 | 115.8 | 121.7 | 136.3 |
| Eggs[8] | 20.6 | 24.5 | 22.4 | 26.5 | 37.0 | 21.0 |
| Milk | 301.5 | 302.6 | 351.5 | 292.8 | 331.2 | 347.4 |
| Minor products[9] | 7.7 | 8.1 | 8.3 | 8.1 | 8.4 | 8.4 |
| **Total livestock and livestock products** | **881.4** | **884.2** | **950.3** | **921.7** | **997.2** | **1,047.6** |
| **Field crops** | | | | | | |
| Potatoes | 33.0 | 17.3 | 21.2 | 21.5 | 22.2 | 21.3 |
| Cereals[10] | 25.3 | 25.6 | 23.7 | 20.7 | 26.5 | 28.0 |
| of which: barley[10] | 20.9 | 19.8 | 19.2 | 14.3 | 18.2 | 18.0 |
| wheat[10] | 2.7 | 4.1 | 3.1 | 5.2 | 6.7 | 8.4 |
| oats[10] | 1.6 | 1.7 | 1.4 | 1.3 | 1.6 | 1.6 |
| Other crops[10,11] | 8.2 | 8.0 | 9.2 | 6.9 | 7.8 | 6.6 |
| **Total field crops** | **66.4** | **50.8** | **54.1** | **49.1** | **56.4** | **55.9** |
| **Horticultural products** | | | | | | |
| Fruit | 5.4 | 5.4 | 6.9 | 4.1 | 5.8 | 7.7 |
| Vegetables | 10.1 | 14.6 | 15.6 | 15.1 | 16.1 | 16.2 |
| Mushrooms | 30.0 | 27.6 | 28.8 | 27.1 | 25.1 | 23.5 |
| Ornamental and hardy nursery stock | 12.3 | 12.6 | 12.6 | 13.1 | 13.8 | 14.2 |
| **Total horticultural products** | **57.8** | **60.3** | **63.9** | **59.4** | **60.8** | **61.6** |
| Capital formation (breeding livestock) | 36.2 | 39.2 | 58.1 | 46.6 | 59.5 | 48.8 |
| Agricultural contract work[12] | 29.0 | 32.9 | 36.6 | 37.3 | 40.8 | 41.9 |
| Milk quota leasing | 9.3 | 1.4 | 0.8 | 3.7 | 4.3 | 9.0 |
| Inseparable non-agricultural activities[13] | 11.7 | 12.9 | 13.6 | 18.5 | 21.6 | 22.1 |
| **A Gross output** | **1,091.7** | **1,081.7** | **1,177.4** | **1,136.3** | **1,240.5** | **1,286.8** |
| of which: | | | | | | |
| subsidies (less taxes) on products[14] | 194.9 | 194.8 | 194.2 | 210.9 | 205.3 | 240.5 |

1. A description of the methodology relating to this series, first introduced in the 1998 *Statistical Review*, and the derivation of the main aggregates, is given in the Appendix.
2. Output represents the estimated value of home-produced sales, including the value of inter-farm transfers and on-farm use (see Appendix). It includes the value of subsidies on products, the sale value of store animals imported from the Republic of Ireland and Great Britain and finished in Northern Ireland and the value of produce used in farm households. Stock change estimates are included within the individual output and input items.
3. Includes finished, breeding and store animals exported to the Republic of Ireland and shipped to Great Britain. The value of imported animals has been deducted.
4. Includes Suckler Cow Premium, Hill Livestock Compensatory Allowance, Beef Special Premium, Beef Deseasonalisation Premium, Extensification Supplement, Agrimoney Compensation, Slaughter Premium, receipts from the Over Thirty Months Scheme and Calf Processing Aid Scheme and Foot and Mouth Disease non-capital compensation payments. The LFA Compensatory Allowance, introduced in 2001, is included in 'other subsidies'.
5. Includes Sheep Annual Premium, Rural World (LFA) Supplement, Hill Livestock Compensatory Allowance, Agrimoney Compensation and Foot and Mouth Disease non-capital compensation payments. The LFA Compensatory Allowance, introduced in 2001, is included in 'other subsidies'.
6. Includes Foot and Mouth Disease non-capital compensation and Pig Industry Restructuring Scheme (Ongoers) payments.
7. Includes shipments and exports of breeding and non-breeding birds, and eggs for hatching.

**Table 2.1 contd.**

| | | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|---|
| | | | | | | | *£ million* |
| **A** | **Gross output** | **1,091.7** | **1,081.7** | **1,177.4** | **1,136.3** | **1,240.5** | **1,286.8** |
| | **INPUT (also known as 'intermediate consumption')** | | | | | | |
| | **Expenditure** | | | | | | |
| | Feedstuffs[15] | 261.0 | 249.0 | 273.6 | 286.7 | 335.1 | 345.4 |
| | Seeds[16] | 9.5 | 7.0 | 7.6 | 8.8 | 10.0 | 10.0 |
| | Marketing expenses[17] | 35.3 | 33.1 | 30.7 | 34.0 | 34.1 | 33.8 |
| | Fertilisers and lime | 60.2 | 56.3 | 56.7 | 58.9 | 55.7 | 50.7 |
| | Total machinery expenses (excl. depreciation) | 73.3 | 73.8 | 76.4 | 79.1 | 85.3 | 90.5 |
| | Farm maintenance | 27.2 | 28.2 | 30.4 | 26.6 | 31.8 | 30.7 |
| | Veterinary expenses and medicines | 27.7 | 27.2 | 28.4 | 31.5 | 32.2 | 32.3 |
| | Miscellaneous expenses | 108.2 | 104.1 | 111.4 | 111.3 | 120.7 | 124.4 |
| | Agricultural contract work | 29.0 | 32.9 | 36.6 | 37.3 | 40.8 | 41.9 |
| | Milk quota leasing | 8.5 | 2.8 | 1.8 | 6.0 | 5.9 | 11.5 |
| **B** | **Gross input** | **639.8** | **614.4** | **653.7** | **680.2** | **751.6** | **771.0** |
| **C** | **Gross value added (A-B)** | **451.9** | **467.4** | **523.7** | **456.0** | **488.9** | **515.8** |
| | Consumption of fixed capital | | | | | | |
| | - livestock | 42.8 | 37.9 | 56.4 | 48.9 | 44.6 | 54.5 |
| | - plant, machinery and vehicles | 79.7 | 77.6 | 78.7 | 80.2 | 78.7 | 79.3 |
| | - buildings and works | 95.4 | 94.1 | 93.5 | 93.9 | 94.1 | 90.7 |
| **D** | **Total consumption of fixed capital** | **217.9** | **209.7** | **228.5** | **223.0** | **217.4** | **224.5** |
| | Other subsidies (not paid on products)[18] | 5.1 | 6.0 | 33.2 | 32.6 | 33.1 | 32.5 |
| | Other taxes (not levied on products)[19] | 5.4 | 5.3 | 5.1 | 5.3 | 5.7 | 6.0 |
| **E** | **Other subsidies (less taxes)** | -0.3 | 0.8 | 28.2 | 27.3 | 27.4 | 26.5 |
| **F** | **Net value added (at factor cost) (C-D+E)** | **233.7** | **258.5** | **323.4** | **260.3** | **298.9** | **317.7** |
| **G** | Paid labour | 44.7 | 48.3 | 48.0 | 48.6 | 52.2 | 52.9 |
| **H** | Interest | 44.0 | 46.0 | 40.4 | 34.8 | 34.5 | 41.5 |
| **I** | Net rent[20] | 49.4 | 46.6 | 49.4 | 51.3 | 50.6 | 50.2 |
| **J** | **Total income from farming[21] (F-G-H-I)** | **95.7** | **117.5** | **185.6** | **125.6** | **161.6** | **173.1** |

8. Includes eggs for processing and duck eggs.
9. Includes horses, wool, deer and minor livestock products.
10. Includes Arable Area Payments but excludes set-aside payments,which are included in 'other subsidies'.
11. Hay, straw, flax, linseed, oilseed rape, mixed corn, protein crops, lawn turf and associated Arable Area Payments.
12. Receipts to both farmer contractors and specialist contractors.
13. Receipts from non-agricultural activities which use farm resources.
14. See Table 2.10 for details of the individual items included within this item.
15. Includes home-fed cereals, proteins and stockfeed potatoes.
16. Includes home-saved seed.
17. Hired transport charges, auction fees, slaughter charges and inter farm expenses.
18. Includes LFA Compensatory Allowance, set-aside payments, payments for the non-capital element of the Environmentally Sensitive Area Scheme and other minor grants and subsidies.
19. Farm rates and vehicle road tax.
20. Conacre payments to non-producing landowners.
21. This estimate should be regarded only as an indicator of trend. The income estimate, being a residual, is subject to cumulative errors in the estimation of input and output items (see Appendix).

## Table 2.2 Summary income indicators at current prices and in real terms

*Indices: 2000 = 100*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **Index at current prices** | | | | | | |
| Net value added[1] | 90.4 | 100.0 | 125.1 | 100.7 | 115.6 | 122.9 |
| Total income from farming[1] | 81.4 | 100.0 | 157.9 | 106.9 | 137.5 | 147.2 |
| **Index in real terms**[2] | | | | | | |
| Net value added | 93.1 | 100.0 | 122.9 | 97.3 | 108.6 | 112.1 |
| Total income from farming | 83.8 | 100.0 | 155.0 | 103.3 | 129.1 | 134.3 |

1. For definitions see Appendix.
2. Deflated by the Retail Prices Index.

## Table 2.3 Output and input volume and productivity indices

*Indices: 2000 = 100*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| Gross output at constant 2000 prices[1] | 102.3 | 100.0 | 105.4 | 105.5 | 108.7 | 110.2 |
| Gross input at constant 2000 prices[1] | 107.2 | 100.0 | 100.7 | 103.4 | 106.3 | 104.8 |
| Gross value added at constant 2000 prices[1] | 95.8 | 100.0 | 111.6 | 108.3 | 111.9 | 117.3 |
| Net value added at constant 2000 prices[1] | 88.5 | 100.0 | 121.2 | 115.1 | 124.2 | 132.0 |
| Total factor productivity[2] | 95.6 | 100.0 | 104.7 | 104.0 | 108.0 | 111.8 |
| Labour productivity[3] | 85.4 | 100.0 | 124.7 | 122.5 | 133.4 | 146.6 |

1. Calculated by applying 2000 output and input prices to the volume of each item of output and input in every year. The resulting series, therefore, represent volume changes.
2. Calculated as the ratio of output at constant prices to all inputs (including labour and capital) at constant prices.
3. Calculated as the ratio of net value added at constant prices to total labour input (in Annual Work Units).

## Table 2.4 Estimated cash flow for agriculture

*£ million*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **Total income from farming** | **95.7** | **117.5** | **185.6** | **125.6** | **161.6** | **173.1** |
| Less: | | | | | | |
| output stock change | +1.0 | -8.3 | +3.3 | -13.3 | +6.4 | -6.2 |
| gross fixed capital formation (breeding livestock) | 36.2 | 39.2 | 58.1 | 46.6 | 59.5 | 48.8 |
| capital investment[1] | 75.4 | 89.9 | 109.4 | 105.4 | 114.0 | 112.4 |
| Plus: | | | | | | |
| input stock change | -1.9 | +0.2 | +0.9 | -0.9 | +1.6 | -1.0 |
| capital consumption | 217.9 | 209.7 | 228.5 | 223.0 | 217.4 | 224.5 |
| capital grants paid in year[2] | 5.6 | 1.5 | 1.6 | 0.4 | 0.1 | 0.1 |
| change in borrowings | 14.7 | 15.0 | -13.9 | 1.2 | 18.1 | 48.5 |
| **Cash available to farm families from farming** | **219.4** | **223.1** | **232.0** | **210.6** | **219.0** | **290.2** |

1. The capital investment figures used are those given in Table 2.12 but with a deduction made for the value of work done by principal farmers and spouses. The figures for buildings and works in Table 2.12 are estimated from the Farm Business Survey (with an addition for non grant-aided investment) and are shown in that table as investment in the year in which work was undertaken. Since there is known to be a delay between work being done and grant being paid, the investment estimates have been included in the 'cash flow' one year earlier.

2. These estimates are entered in the year in which they are paid. The grants are mostly in respect of capital investments made in previous years.

## Table 2.5 Aggregate gross margin estimates for the main agricultural sectors[1]

**2003 (Revised)**

| Sector | Adjusted outputs[2] | Estimated specific costs[3]: Feedstuffs | Fertilisers, seeds & sprays | Others | Total | Sector gross margins[4] | |
|---|---|---|---|---|---|---|---|
| | £m | £m | £m | £m | £m | £m | % |
| Dairy cows and followers | 377.2 | 79.9 | 16.4 | 11.2 | 107.4 | 269.8 | 37.7% |
| Beef cattle, rearing and fattening | 394.2 | 87.3 | 30.5 | 20.9 | 138.7 | 255.5 | 35.7% |
| Sheep and wool | 60.3 | 12.2 | 9.0 | 5.2 | 26.5 | 33.8 | 4.7% |
| **Total grazing livestock** | **831.7** | **179.4** | **55.9** | **37.3** | **272.6** | **559.1** | **78.1%** |
| Pigs | 70.0 | 41.9 | - | 2.6 | 44.5 | 25.5 | 3.6% |
| Poultry | 159.1 | 113.5 | - | 4.6 | 118.1 | 40.9 | 5.7% |
| **Total pigs and poultry** | **229.1** | **155.4** | **-** | **7.2** | **162.6** | **66.4** | **9.3%** |
| Cereals | 35.2 | - | 7.3 | - | 7.3 | 27.9 | 3.9% |
| Potatoes | 23.0 | - | 4.7 | - | 4.7 | 18.3 | 2.6% |
| **Total field crops** | **58.2** | **-** | **12.0** | **0.1** | **12.0** | **46.1** | **6.4%** |
| Horticulture[5] | 61.5 | - | 14.6 | 4.4 | 19.0 | 42.5 | 5.9% |
| Other items | 7.0 | 4.6 | 0.9 | 0.1 | 5.6 | 1.4 | 0.2% |
| **Total** | **1,187.5** | **339.4** | **83.5** | **49.0** | **471.9** | **715.6** | **100.0%** |

**2004 (Provisional)**

| Sector | Adjusted outputs[2] | Estimated specific costs[3]: Feedstuffs | Fertilisers, seeds & sprays | Others | Total | Sector gross margins[4] | |
|---|---|---|---|---|---|---|---|
| | £m | £m | £m | £m | £m | £m | % |
| Dairy cows and followers | 388.8 | 81.7 | 15.4 | 10.8 | 107.9 | 280.9 | 40.7% |
| Beef cattle, rearing and fattening | 373.2 | 79.9 | 28.5 | 21.0 | 129.4 | 243.7 | 35.3% |
| Sheep and wool | 63.0 | 13.6 | 7.7 | 4.9 | 26.3 | 36.7 | 5.3% |
| **Total grazing livestock** | **825.0** | **175.3** | **51.6** | **36.8** | **263.6** | **561.3** | **81.4%** |
| Pigs | 66.2 | 41.6 | - | 1.7 | 43.3 | 22.8 | 3.3% |
| Poultry | 157.2 | 129.0 | - | 5.2 | 134.2 | 23.0 | 3.3% |
| **Total pigs and poultry** | **223.3** | **170.6** | **-** | **6.9** | **177.5** | **45.8** | **6.6%** |
| Cereals | 33.3 | - | 7.6 | - | 7.6 | 25.6 | 3.7% |
| Potatoes | 21.1 | - | 4.5 | - | 4.6 | 16.5 | 2.4% |
| **Total field crops** | **54.3** | **-** | **12.2** | **0.1** | **12.2** | **42.1** | **6.1%** |
| Horticulture[5] | 60.0 | - | 14.1 | 4.9 | 19.0 | 41.0 | 5.9% |
| Other items | 6.5 | 5.5 | 0.8 | 0.7 | 7.1 | -0.6 | -0.1% |
| **Total** | **1,169.2** | **351.4** | **78.7** | **49.4** | **479.5** | **689.7** | **100.0%** |

1. Owing to changes in methodology, these estimates are not comparable with those for years prior to 1999.
2. The items making up total gross output (as shown in Table 2.1) have been regrouped into the above enterprises and adjusted follows:-
   (i) Outputs have been adjusted for changes in the beginning and end-of-year valuations. In the case of breeding livestock, stock appreciation has been excluded;
   (ii) Outputs include compensation payments.
3. Estimates of the costs of the inputs of seed, fertiliser, spray, purchased feedstuffs and home grown cereals have been allocated amongst the various enterprises on the basis of results obtained from analysis of the Farm Business Survey. Other variable costs have been allocated as appropriate. No attempt has been made to allocate fuel, machinery or other overhead expenses.
4. 'Sector gross margins' represent the value of products remaining after deducting most of the variable costs and give a useful measure of the contribution of each enterprise to the earnings of the agricultural industry.
5. Comprises fruit, vegetables, mushrooms, flowers and hardy nursery stock.

## Table 2.6 Quantities of the main products in output[1]

| | Units of quantity | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|---|
| **Livestock and livestock products** | | | | | | | |
| Cattle and calves[2] | tonnes dcw | 113,865 | 121,263 | 117,793 | 128,713 | 131,325 | 139,924 |
| Over Thirty Months Scheme[3] | tonnes carcase wt | 31,413 | 28,427 | 28,315 | 33,573 | 27,584 | 32,488 |
| Sheep and lambs[4] | tonnes dcw | 24,879 | 23,539 | 24,640 | 19,307 | 19,363 | 21,962 |
| Pigs[5] | ,, | 87,519 | 65,103 | 69,135 | 70,994 | 76,807 | 71,359 |
| Cattle and calves[2] | '000 head | 387 | 409 | 384 | 420 | 423 | 449 |
| Calf Processing Aid Scheme | ,, | 36 | - | - | - | - | - |
| Sheep and lambs[4] | ,, | 1,228 | 1,127 | 1,165 | 916 | 895 | 988 |
| Pigs[5] | ,, | 1,211 | 900 | 939 | 949 | 991 | 895 |
| Poultry[6] | '000 tonnes lwt | 160.8 | 158.5 | 161.7 | 183.3 | 199.5 | 217.9 |
| Eggs[7] | m. doz | 64.0 | 65.1 | 68.2 | 68.9 | 69.9 | 64.1 |
| Milk | m. litres | 1,573 | 1,634 | 1,799 | 1,780 | 1,786 | 1,781 |
| **Field crops** | | | | | | | |
| Wheat | '000 tonnes | 32.6 | 34.7 | 29.8 | 38.0 | 48.0 | 58.3 |
| Barley | ,, | 159.3 | 176.4 | 169.1 | 131.7 | 124.6 | 136.8 |
| Oats | ,, | 11.7 | 14.3 | 12.6 | 12.3 | 12.8 | 14.1 |
| Potatoes | ,, | 270.7 | 294.2 | 248.2 | 275.7 | 234.0 | 223.0 |
| **Horticultural crops** | | | | | | | |
| Fruit | '000 tonnes | 26.2 | 45.9 | 51.2 | 39.8 | 24.7 | 36.6 |
| Vegetables | ,, | 31.3 | 42.1 | 47.3 | 51.1 | 50.9 | 54.0 |
| Mushrooms | ,, | 25.2 | 22.2 | 25.0 | 22.0 | 20.7 | 19.4 |

1. Estimated home-produced sales, on-farm use and household consumption. See Footnote 2 to Table 2.1.
2. Excludes cattle slaughtered under the Over Thirty Months Scheme, Calf Processing Aid Scheme and under Foot and Mouth Disease control measures.
3. Cattle processed under the Over Thirty Months Scheme are not dressed to a normal carcase specification. Therefore, care must be taken when comparing the weight of beef processed under this Scheme with the weight of beef sold for human consumption.
4. Excludes sheep slaughtered under Foot and Mouth Disease control measures.
5. Includes pigs slaughtered under the 2000 Pig Welfare Slaughter Schemes and exports of store pigs. Pigs slaughtered under Foot and Mouth Disease control measures are excluded.
6. Excludes shipments and exports of breeding and non-breeding birds and hatching eggs.
7. Includes eggs for processing and duck eggs.

## Table 2.7 Average producer prices[1] of agricultural products

*£ per unit*

| | Unit | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|---|
| Finished steers, heifers and young bulls[2] | head | 453 | 466 | 478 | 482 | 507 | 541 |
| Finished steers, heifers and young bulls[2] | kg dwt | 1.52 | 1.55 | 1.55 | 1.56 | 1.62 | 1.71 |
| Calves slaughtered or exported[3] | head | 47 | 98 | 118 | 79 | 96 | 94 |
| Culled cows and bulls[2] | head | 247 | 246 | 270 | 267 | 253 | 234 |
| Culled cows and bulls[2] | kg dwt | 1.10 | 1.03 | 1.09 | 1.08 | 1.05 | 0.95 |
| Store cattle exported | head | 347 | 381 | 401 | 397 | 429 | 447 |
| Finished sheep and lambs | head | 35.43 | 39.06 | 50.41 | 46.22 | 49.54 | 49.74 |
| Finished sheep and lambs | kg dwt | 1.80 | 1.92 | 2.47 | 2.27 | 2.40 | 2.32 |
| Finished clean pigs | head | 50.57 | 59.51 | 66.45 | 62.67 | 69.86 | 75.21 |
| Finished clean pigs | kg dwt | 0.71 | 0.83 | 0.92 | 0.85 | 0.91 | 0.95 |
| Culled sows and boars | head | 52 | 67 | 84 | 67 | 60 | 70 |
| Milk[4] | litre | 0.192 | 0.185 | 0.190 | 0.164 | 0.185 | 0.187 |
| Eggs for consumption | dozen | 0.322 | 0.376 | 0.328 | 0.385 | 0.529 | 0.327 |
| Broilers | kg lwt | 0.507 | 0.496 | 0.518 | 0.512 | 0.499 | 0.521 |
| Potatoes: | | | | | | | |
| Ware maincrop[5] | tonne | 123 | 71 | 97 | 97 | 100 | 103 |
| Seed | tonne | 167 | 66 | 87 | 157 | 126 | 119 |
| Barley | tonne | 83 | 77 | 78 | 76 | 87 | 90 |
| Wheat | tonne | 84 | 81 | 86 | 77 | 94 | 95 |
| Mushrooms | tonne | 1,190 | 1,243 | 1,150 | 1,232 | 1,210 | 1,210 |
| Apples | tonne | 102 | 111 | 112 | 120 | 265 | 158 |

1. Before deduction of marketing charges, commissions and levies, where applicable. Animals slaughtered under Foot and Mouth Disease control measures are not included.
2. Includes cattle slaughtered under the Over Thirty Months Scheme.
3. Includes calves processed under the Calf Processing Aid Scheme.
4. Before deduction of superlevy, if applicable.
5. Does not include early potatoes. Therefore, the price differs from that quoted in Table 2.26.

## Table 2.8 Indices of producer prices[1] of agricultural output

*Indices: 2000 = 100*

| | Weights[2] | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|---|
| Finished steers and heifers[3] | 222 | 99 | 100 | 100 | 101 | 105 | 111 |
| Culled cows and bulls[3] | 32 | 107 | 100 | 105 | 105 | 102 | 92 |
| Store cattle exported | 3 | 91 | 100 | 105 | 104 | 112 | 117 |
| Finished sheep and lambs | 48 | 93 | 100 | 129 | 118 | 125 | 121 |
| Finished clean pigs | 63 | 85 | 100 | 111 | 103 | 110 | 115 |
| Culled sows and boars | 1 | 77 | 100 | 101 | 80 | 72 | 84 |
| Milk | 361 | 103 | 100 | 102 | 88 | 100 | 101 |
| Eggs for consumption | 29 | 86 | 100 | 87 | 102 | 141 | 87 |
| Broilers | 81 | 102 | 100 | 104 | 103 | 101 | 105 |
| Potatoes: | | | | | | | |
| Ware maincrop | 19 | 173 | 100 | 136 | 136 | 141 | 145 |
| Seed | 3 | 252 | 100 | 131 | 237 | 190 | 179 |
| Barley | 16 | 109 | 100 | 102 | 99 | 113 | 117 |
| Wheat | 3 | 105 | 100 | 107 | 96 | 117 | 118 |
| Mushrooms | 33 | 96 | 100 | 93 | 99 | 97 | 97 |
| Apples | 6 | 92 | 100 | 101 | 108 | 238 | 142 |
| **Total products index[2]** | **920** | **101** | **100** | **104** | **98** | **107** | **107** |

1. The indices relate to prices from which marketing expenses have not been deducted. Animals slaughtered under Foot and Mouth Disease control measures are not included.
2. The total products index is calculated by taking into account the significance of each item in the base period (2000). This is shown in the column of weights. Since only the main items of output are included, the total of their weights does not add to 1,000. Also, since the price index does not cover items such as production grants, compensation payments and gross fixed capital formation, it should not be regarded as a 'deflator' to be used in estimating the volume of output. (A volume series of gross output is given in Table 2.3).
3. Includes cattle slaughtered under the Over Thirty Months Scheme.

## Table 2.9 Average market prices of breeding and store livestock[1]

*£ per head*

| | 1999 | 2000 | 2001[2] | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **CATTLE** | | | | | | |
| **Breeding cattle** | | | | | | |
| Dairy cows/heifers in milk | 561 | 559 | 761 | 623 | 690 | 626 |
| Dairy cows in calf | 446 | 438 | 617 | 488 | 535 | 478 |
| Dairy springing heifers | 475 | 477 | 693 | 483 | 421 | 517 |
| Beef cows/heifers with calf at foot | 425 | 471 | 521 | 538 | 597 | 616 |
| Beef cows in calf | 328 | 334 | 400 | 434 | 442 | 437 |
| Beef springing heifers | 389 | 395 | 469 | 490 | 518 | 570 |
| **Store cattle** | | | | | | |
| 150-300 kg steers | 241 | 280 | 314 | 342 | 349 | 365 |
| 300-400 kg steers | 326 | 358 | 385 | 403 | 425 | 451 |
| 400-500 kg steers | 394 | 421 | 445 | 470 | 505 | 528 |
| Over 500 kg steers | 486 | 492 | 515 | 555 | 594 | 618 |
| 150-300 kg heifers | 144 | 183 | 207 | 244 | 252 | 281 |
| 300-400 kg heifers | 242 | 279 | 297 | 325 | 347 | 369 |
| 400-500 kg heifers | 349 | 365 | 372 | 403 | 436 | 452 |
| Over 500 kg heifers | 433 | 447 | 448 | 480 | 512 | 532 |
| **Suckled calves** | | | | | | |
| Under 200 kg steers | 175 | 202 | 206 | 205 | 201 | 208 |
| Over 200 kg steers | 297 | 329 | 380 | 404 | 442 | 409 |
| Under 200 kg heifers | 76 | 115 | 143 | 150 | 162 | 170 |
| Over 200 kg heifers | 151 | 201 | 251 | 252 | 293 | 292 |
| **Dropped calves** | | | | | | |
| For rearing | 50 | 48 | 63 | 80 | 95 | 95 |
| For Calf Processing Aid Scheme (dairy type) | 40 | - | - | - | - | - |
| For Calf Processing Aid Scheme (beef type) | 39 | - | - | - | - | - |
| **Cull cows** | 275 | 281 | 292 | 295 | 284 | 269 |
| **SHEEP** | | | | | | |
| **Breeding ewes/hoggets** | | | | | | |
| Blackface | 26.87 | 38.23 | 56.17 | 59.07 | 65.20 | 48.34 |
| Blackface Cross | 29.81 | 43.74 | - | 62.33 | 71.00 | 48.00 |
| Other breeds | 34.48 | 41.78 | 56.02 | 62.81 | 69.51 | 65.10 |
| **Breeding ewe lambs** | | | | | | |
| Blackface | 19.58 | 31.16 | 36.94 | 38.86 | 45.85 | 23.83 |
| Blackface Cross | 21.56 | 27.96 | 43.31 | 52.92 | 56.23 | 39.65 |
| Other breeds | 22.31 | 31.04 | 50.01 | 45.13 | 47.10 | 45.43 |
| **Breeding ewes/hoggets with lamb(s) at foot** | | | | | | |
| Blackface | 35.47 | 25.67 | - | 45.76 | 47.49 | 48.45 |
| Blackface Cross | 13.81 | - | - | - | - | 43.83 |
| Other breeds | 50.59 | 53.14 | 66.44 | 76.51 | 77.52 | 80.18 |
| **Cull ewes** | | | | | | |
| Blackface | 6.93 | 12.04 | 15.80 | 15.64 | 18.26 | 16.21 |
| Blackface Cross | 11.19 | 15.70 | 22.96 | 17.14 | 18.22 | 20.74 |
| Other breeds | 12.61 | 17.77 | 29.19 | 26.98 | 33.37 | 33.36 |
| **Cull rams** | 16.83 | 22.17 | 32.01 | 32.75 | 37.88 | 41.97 |
| **Store lambs** | 18.17 | 26.02 | 36.31 | 32.89 | 35.77 | 34.24 |
| **PIGS[3]** | | | | | | |
| **Breeding pigs** | | | | | | |
| Sows in pig | 67 | 110 | 134 | 104 | 127 | 92 |
| Springing gilts | 53 | 120 | - | 102 | 96 | - |
| **Weaner/store pigs** | | | | | | |
| Under 15kg | 11.51 | 15.75 | 21.17 | 13.98 | 16.07 | 15.40 |
| 15-30kg | 15.70 | 19.93 | 24.79 | 20.34 | 22.57 | 23.00 |
| 30-45kg | 23.16 | 26.74 | 34.82 | 31.32 | 30.10 | 31.02 |
| Over 45kg | 36.15 | 44.50 | 51.78 | 55.08 | 49.40 | 54.37 |
| **Cull sows** | 52.12 | 64.31 | 72.50 | 57.65 | 63.20 | 72.89 |
| **Cull boars** | 50.33 | 67.59 | 69.47 | 60.47 | 60.63 | 80.80 |

1. Average prices calculated from returns made by auction marts.
2. Due to Foot and Mouth Disease, livestock markets were closed for the following periods in 2001: cattle 22 February to 1 September; sheep 22 February to 1 October. Pig prices were unavailable from 22 February 2001 until 9 March 2002.
3. In 2004, pig prices were unavailable from July onwards.

## Table 2.10 Direct payments and levies included in the Aggregate Agricultural Account[1,2]

*£ million[3]*

| | 1999 | 2000 | 2001[4] | 2002[4] | 2003[4] | 2004[4] (provisional) |
|---|---|---|---|---|---|---|
| **DIRECT PAYMENTS[5]** | | | | | | |
| **Cereals** | | | | | | |
| Arable Area Payments Scheme | 7.1 | 7.3 | 7.2 | 7.7 | 8.6 | 8.3 |
| Agrimoney Compensation[6] | 1.1 | 0.6 | 0.2 | - | - | - |
| **Total cereals** | **8.2** | **8.0** | **7.4** | **7.7** | **8.6** | **8.3** |
| **Other crops[6]** | 0.3 | 0.2 | 0.4 | 0.6 | 0.6 | 0.7 |
| **Cattle** | | | | | | |
| Beef Special Premium | 34.0 | 35.8 | 38.4 | 48.1 | 44.2 | 51.7 |
| Beef Special Premium Agrimoney Compensation[6] | 4.6 | 3.0 | 4.7 | - | - | - |
| Suckler Cow Premium | 37.8 | 36.1 | 38.7 | 43.4 | 44.3 | 49.3 |
| Suckler Cow Premium Agrimoney Compensation[6] | 5.3 | 3.5 | 5.1 | - | - | - |
| Extensification Supplement | 19.2 | 25.7 | 27.6 | 30.3 | 32.5 | 36.9 |
| Extensification Supplement Agrimoney Compensation[6] | 2.3 | 2.0 | 3.2 | - | - | - |
| Deseasonalisation Premium | 2.6 | - | - | - | - | - |
| Deseasonalisation Premium Agrimoney Compensation[6] | 0.5 | 0.2 | 0.1 | - | - | - |
| Hill Livestock Compensatory Allowance | 18.4 | 18.1 | - | - | - | - |
| Over Thirty Months Scheme[7] | 31.7 | 26.6 | 27.7 | 33.0 | 26.4 | 28.1 |
| Calf Processing Aid Scheme[7] | 1.4 | - | - | - | - | - |
| Slaughter Premium | - | 10.2 | 17.3 | 28.8 | 29.0 | 31.4 |
| Foot and Mouth Disease compensation (non-capital) | - | - | 1.5 | - | - | - |
| **Total cattle** | **157.8** | **161.1** | **164.1** | **183.7** | **176.4** | **197.5** |
| **Sheep** | | | | | | |
| Sheep Annual Premium[8] | 22.5 | 17.9 | 10.3 | 18.3 | 19.0 | 21.0 |
| Hill Livestock Compensatory Allowance | 5.9 | 5.8 | - | - | - | - |
| Agrimoney Compensation[6] | 0.8 | 2.0 | 1.4 | - | - | - |
| Foot and Mouth Disease compensation (non-capital) | - | - | 1.2 | - | - | - |
| **Total sheep** | **29.1** | **25.7** | **12.9** | **18.3** | **19.0** | **21.0** |
| **Pigs** | | | | | | |
| Foot and Mouth Disease compensation (non-capital) | - | - | 0.2 | - | - | - |
| Pig Industry Restructuring Scheme (Ongoers) | - | - | - | 0.7 | 0.7 | - |
| **Total pigs** | **-** | **-** | **0.2** | **0.7** | **0.7** | **-** |
| **Milk** | | | | | | |
| Milk Agrimoney Compensation[6] | - | 2.4 | 9.2 | - | - | - |
| Dairy Premium Scheme | - | - | - | - | - | 9.3 |
| Additional Dairy Premium | - | - | - | - | - | 4.2 |
| **Total milk** | **-** | **2.4** | **9.2** | **-** | **-** | **13.5** |
| **Other direct payments** | | | | | | |
| Set-aside (Arable Area Payments Scheme) | 0.7 | 0.5 | 0.6 | 0.6 | 0.7 | 0.6 |
| Environmentally Sensitive Areas (non-capital) | 4.4 | 4.9 | 6.6 | 5.0 | 5.2 | 5.0 |
| LFA Compensatory Allowance | - | - | 24.6 | 23.5 | 23.7 | 21.9 |
| Countryside Management Scheme | - | - | 0.9 | 2.9 | 3.1 | 4.8 |
| Others[9] | - | 0.6 | 0.6 | 0.6 | 0.4 | 0.2 |
| **Total other direct payments** | **5.1** | **6.0** | **33.2** | **32.6** | **33.1** | **32.5** |
| **Total direct payments** | **200.5** | **203.4** | **227.5** | **243.5** | **238.5** | **273.5** |
| **LEVIES[10]** | | | | | | |
| **Milk** | | | | | | |
| Superlevy | 0.5 | 2.6 | - | - | - | 0.5 |
| **Total levies** | **0.5** | **2.6** | **-** | **-** | **-** | **0.5** |

1. Table 2.1
2. These data relate to monies due rather than monies actually received (ie. they are on an accruals basis).
3. Dashes (-) indicate payments of nil or less than £50,000.
4. Payments after 'modulation' (i.e.reduction) of 2.5% in 2001, 3% in 2002, and 3.5% in 2003 and 2004, where applicable. Total modulation amounted to £3.6 million in 2001, £5.4 million in 2002, £6.5 million in 2003 and £7.3 million in 2004.
5. Excludes expenditure on market regulation (such as intervention purchases and export refunds) by the UK Rural Payments Agency.
6. Transitional, Definitive, Market Support and Premium Agrimoney Compensation, as applicable.
7. Gross producer receipts before marketing expenses.
8. Includes Rural World (LFA) Supplement.
9. Includes Sheep Compensation Scheme, Organic Farming Scheme and other miscellaneous payments.
10. Excludes non-government levies.

## Table 2.11 Capital grants and other direct payments not included in the Aggregate Agricultural Account[1]

*£ million*[2]

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **CAPITAL GRANTS** | | | | | | |
| Farm and Conservation Grant Scheme | 0.3 | 0.3 | 0.4 | 0.3 | 0.2 | - |
| Sub-programme for Agricultural and Rural Development | 0.2 | - | - | - | - | - |
| Environmentally Sensitive Areas[3] | 1.8 | 1.1 | 0.8 | - | - | - |
| Miscellaneous grants | - | - | - | - | - | - |
| **Total capital grants** | **2.3** | **1.3** | **1.3** | **0.3** | **0.2** | **-** |
| **OTHER DIRECT PAYMENTS** | | | | | | |
| Foot and Mouth Disease compensation (capital) | - | - | 4.4 | - | - | - |
| Other cattle disease compensation[4] | 13.0 | 15.6 | 15.4 | 25.4 | 22.0 | 22.7 |
| Other animal disease compensation[5] | 0.1 | - | 0.2 | - | 0.1 | 0.1 |
| Other miscellaneous payments | - | - | - | - | - | - |
| **Total other direct payments** | **13.1** | **15.6** | **20.1** | **25.4** | **22.2** | **22.7** |

1. These data relate to monies due rather than monies actually received (i.e. they are on an accruals basis).
2. Dashes (-) indicate payments of nil or less than £50,000.
3. Non-capital element is included in the Aggregate Agricultural Account.
4. Comprises tuberculosis, brucellosis, and BSE reactor compensation payments.
5. Salmonella.

## Table 2.12 Estimated gross annual capital investment in fixed assets and equipment[1]

*£ million*

| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Grant-aided investment[2] | 116.3 | 36.5 | 41.7 | 46.8 | 43.4 | 8.7 | 1.8 | 2.3 | 2.8 | 2.9 | 2.4 |
| Non-aided investment | 8.1 | 2.6 | 2.9 | 3.3 | 3.0 | 17.2 | 18.0 | 27.5 | 27.6 | 29.0 | 29.8 |
| **Total buildings and works[3]** | **124.5** | **39.1** | **44.6** | **50.1** | **46.4** | **25.9** | **19.7** | **29.9** | **30.4** | **31.9** | **32.2** |
| Plant and machinery | 61.0 | 70.1 | 60.2 | 56.0 | 44.8 | 44.6 | 46.3 | 66.3 | 57.9 | 65.5 | 63.6 |
| Vehicles[4,5] | 20.2 | 23.2 | 24.4 | 19.2 | 15.5 | 15.4 | 16.9 | 17.6 | 20.7 | 21.5 | 21.9 |
| **Total plant, machinery and vehicles** | **81.2** | **93.3** | **84.6** | **75.2** | **60.3** | **60.0** | **63.3** | **83.9** | **78.6** | **87.0** | **85.5** |
| **Total investment** | **205.6** | **132.4** | **129.2** | **125.3** | **106.7** | **85.9** | **83.0** | **113.8** | **109.0** | **118.9** | **117.7** |

1. Excluding investment in forestry and arterial drainage.
2. Investment under the following schemes in various years: Agriculture and Horticulture Development, Agriculture Improvement, Farm and Conservation Enhancement, Farm and Conservation Schemes, Agricultural Development Operational Programme, Sub Programme for Agriculture and Rural Development.
3. From 1999, estimated from the Farm Business Survey.
4. Estimated from the Farm Business Survey.
5. Vehicles shown at 'farm share'.

## Table 2.13 Total quotas and other subsidy ceilings

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **Milk quota (million litres):** | | | | | | |
| Owned[1] | 1,549.5 | 1,597.3 | 1,621.5 | 1,651.7 | 1,670.2 | 1,763.1 |
| Leased[2] | -5.4 | -15.0 | 60.4 | 198.7 | 69.2 | 31.2 |
| Total | 1,544.1 | 1,582.3 | 1,681.9 | 1,850.4 | 1,739.4 | 1,794.3 |
| **Suckler Cow Premium:** | | | | | | |
| Quota (no. of units)[3] | 321,917 | 311,729 | 311,729 | 311,729 | 311,729 | 311,729 |
| Premia paid (no. of cows) | 310,701 | 305,887 | 304,634 | 306,680 | 305,108 | 306,000 |
| **Sheep Annual Premium:** | | | | | | |
| Quota (no. of units)[3] | 1,425,965 | 1,425,965 | 1,425,965 | 1,508,658 | 1,467,984 | 1,433,464 |
| Premia paid (no. of ewes) | 1,338,640 | 1,285,236 | 1,196,102 | 1,095,874 | 1,098,914 | 1,085,328 |
| **Beef Special Premium:** | | | | | | |
| Reference herd (no. of steers) | 234,683 | 234,683 | …[4] | …[4] | …[4] | …[4] |
| Premia paid (no. of animals) | | | | | | |
| steers: first age premium | 210,472 | 214,369 | 200,973 | 225,450 | 195,617 | 99,075 |
| second age premium | 206,748 | 219,136 | 198,495 | 215,883 | 212,715 | 188,613 |
| bulls | 18,016 | 42,705 | 58,930 | 68,115 | 71,776 | 186,386 |
| **Arable Area Payments:** | | | | | | |
| Base area (ha) | 52,900 | 52,900 | 52,900 | 52,900 | 52,900 | 52,900 |
| Area paid: crops (ha) | 39,542 | 38,867 | 39,376 | 40,386 | 44,728 | 47,107 |
| set-aside (ha) | 2,473 | 2,498 | 3,096 | 2,965 | 3,290 | 2,776 |

1. Permanent wholesale and direct sale quota as at 31 March each year.
2. Quota leased-in to, less quota leased-out from Northern Ireland as at 31 March each year.
3. Quota shown is that allocated under the automatic entitlement process **plus** reserve allocations **less** quota siphoned off into the reserve or withdrawn under usage rules.
4. The Northern Ireland regional reference herd has been replaced by a UK wide ceiling.

### Table 2.14 Number of persons working on farms

*number of persons*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---|---|---|---|---|---|
| **AGRICULTURAL LABOUR FORCE[1]** | | | | | | |
| **Farmers and partners** | | | | | | |
| Full time | 21,536 | 20,534 | 20,169 | 19,706 | 19,265 | 18,329 |
| Part time | 16,073 | 15,386 | 15,786 | 14,826 | 14,728 | 14,934 |
| **Total** | **37,609** | **35,920** | **35,955** | **34,532** | **33,993** | **33,263** |
| **Spouses of farmers** | **7,034** | **7,034** | **6,520** | **6,201** | **6,428** | **6,396** |
| **Other workers** | | | | | | |
| Full time | 3,030 | 3,005 | 2,797 | 2,720 | 2,794 | 2,741 |
| Part time | 2,793 | 3,062 | 2,782 | 2,773 | 2,848 | 2,785 |
| Casual/seasonal | 8,785 | 8,802 | 8,308 | 8,047 | 8,423 | 8,147 |
| **Total other workers** | **14,608** | **14,869** | **13,887** | **13,540** | **14,065** | **13,673** |
| **Total agricultural labour force** | **59,251** | **57,823** | **56,362** | **54,273** | **54,486** | **53,332** |
| **Annual Work Units (AWUs)[2]** | **35,206** | **33,987** | **33,019** | **31,925** | **31,641** | **30,595** |

1. Full-time work is defined as involving 30 hours per week or more and casual work as covering less than 20 weeks per year.
2. An Annual Work Unit is equivalent to the time worked by one person employed full-time in agricultural activities over a whole year.

### Table 2.15 Agricultural manpower[1]

*number of persons*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---|---|---|---|---|---|
| **MANPOWER STATISTICS[1]** | | | | | | |
| **Self-employed** | | | | | | |
| Male | 20,006 | 19,247 | 18,768 | 18,393 | 18,069 | 17,249 |
| Female | 1,530 | 1,287 | 1,401 | 1,313 | 1,196 | 1,080 |
| **Total** | **21,536** | **20,534** | **20,169** | **19,706** | **19,265** | **18,329** |
| **Employees** | | | | | | |
| Male | 12,962 | 12,957 | 12,245 | 11,848 | 12,368 | 12,060 |
| Female | 1,646 | 1,912 | 1,551 | 1,692 | 1,697 | 1,613 |
| **Total** | **14,608** | **14,869** | **13,796** | **13,540** | **14,065** | **13,673** |
| **Total agricultural manpower** | **36,144** | **35,403** | **33,965** | **33,246** | **33,330** | **32,002** |

1. Agricultural manpower statistics refer to the count of employees and self-employed workers in agriculture, as used by the Department of, Trade and Investment in aggregate labour statistics. The count of self-employed includes farmers and partners who work full-time on their farms ; the count of employees includes all other workers except part-time farmers and partners and farmers' spouses.

## Table 2.16 Estimated employment in the food and drinks processing and input supply sectors

*full-time equivalents*

| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 (provisional) |
|---|---|---|---|---|---|---|
| **Processing of products**[1] | | | | | | |
| Animal by-products | 251 | 277 | 264 | 270 | 264 | 265 |
| Bakeries | 3,326 | 3,324 | 3,331 | 3,416 | 3,521 | 3,520 |
| Beef and sheepmeat | 2,247 | 2,501 | 2,803 | 2,770 | 2,813 | 2,810 |
| Drinks | 1,843 | 1,820 | 1,763 | 1,780 | 1,630 | 1,660 |
| Eggs | 242 | 221 | 192 | 205 | 201 | 215 |
| Fish | 1,119 | 948 | 992 | 996 | 1,000 | 1,000 |
| Fruit and vegetables | 1,303 | 1,369 | 1,433 | 1,499 | 1,538 | 1,615 |
| Milk and milk products | 2,589 | 2,458 | 2,383 | 2,227 | 2,313 | 2,310 |
| Pigmeat | 2,360 | 1,990 | 1,510 | 1,454 | 1,485 | 1,515 |
| Poultrymeat | 4,113 | 3,915 | 4,205 | 4,160 | 4,178 | 4,385 |
| **Total processing sector** | **19,390** | **18,822** | **18,875** | **18,774** | **18,942** | **19,295** |
| **Manufacture and supply of inputs**[2] | | | | | | |
| Animal feed | 820 | 790 | 820 | 800 | 810 | 800 |
| Fertilisers and lime | 520 | 490 | 500 | 500 | 500 | 330 |
| Other requisites (incl. medicines) | 820 | 820 | 830 | 830 | 830 | 830 |
| Farm machinery (incl. servicing) | 920 | 900 | 880 | 870 | 870 | 870 |
| Services[3] | 1,530 | 1,520 | 1,500 | 1,400 | 1,380 | 1,350 |
| **Total supply sector** | **4,610** | **4,520** | **4,530** | **4,400** | **4,390** | **4,180** |
| **Total ancillary employment** | **24,000** | **23,342** | **23,405** | **23,174** | **23,332** | **23,475** |

1. For a description of how the data for processing have been estimated, see the publication "*Size and Performance of the Northern Ireland Food and Drinks Processing Sector*", Department of Agriculture and Rural Development (DARD). Figures for 2003 have been estimated by adjusting the 2002 baseline, largely on the basis of information available within DARD.
2. Estimated from trade directory information and other (mainly DARD) sources.
3. Includes contractors, veterinary surgeons, workers in auction marts, employees of farming and marketing associations and artificial insemination workers.

## Table 2.17 External sales[1] of the food and drinks processing sector[2,3]

*£ million*

| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 (provisional) |
|---|---|---|---|---|---|---|
| Animal by-products | 20 | 19 | 20 | 19 | 20 | 20 |
| Bakeries | 30 | 36 | 36 | 37 | 47 | 45 |
| Beef and sheepmeat | 225 | 222 | 250 | 277 | 291 | 290 |
| Drinks | 51 | 51 | 95 | 106 | 152 | 150 |
| Eggs | 23 | 23 | 26 | 26 | 26 | 25 |
| Fish | 66 | 59 | 61 | 61 | 63 | 60 |
| Fruit and vegetables | 70 | 69 | 75 | 67 | 80 | 80 |
| Milk and milk products | 352 | 344 | 336 | 345 | 348 | 345 |
| Pigmeat | 125 | 112 | 78 | 77 | 82 | 80 |
| Poultrymeat | 182 | 182 | 195 | 212 | 233 | 230 |
| **Total processing sector** | **1,143** | **1,118** | **1,170** | **1,227** | **1,342** | **1,325** |

1. The term 'external sales' refers to sales to Great Britain, RoI, foreign countries and intervention.
2. For a description of how the data have been estimated, see the publication "*Size and Performance of the Northern Ireland Food and Drinks Processing Sector*", DARD. Figures for 2003 have been estimated by adjusting the 2002 baseline, largely on the basis of information available within DARD.
3. These figures are not comparable with the export statistics published in pre-1996 issues of the *Statistical Review of Northern Ireland Agriculture*.

## B. COMMODITIES AND INPUTS

**Cattle and calves**

Marketings of finished clean cattle increased by 4.9 per cent in 2004 to 433,000 head. The increase is largely attributed to a change in marketing patterns. The ending of the slaughter premium scheme at the end of 2004 seems to have influenced producers to bring forward marketings to benefit from the scheme. A relatively small number of animals were withheld from consumption with less than 4,000 clean cattle destroyed under the Over Thirty Months Scheme (OTMS). An increase in heifers and young bulls account for the most of the additional marketings with heifers up by 6.6 percent and young bulls by 13 per cent. The average dressed carcase weight was 2 kg heavier at 316 kg compared with 2003. In total, the volume of clean beef output increased by 5.6 per cent to 137,000 tonnes. The average deadweight price increased by 10 pence per kilo from 2003 levels to 171 pence per kg. The overall result of these changes was a rise of 12 per cent in the sales value of finished clean cattle to £234 million.

Disposals of culled cows and bulls increased by 19 per cent in 2004 to 127,000 head, reversing last year's decline. The average carcase weight of these animals rose by 2.3 per cent, while the price realised per kilogram deadweight was down nine per cent from 2003 levels. Receipts from cull cattle disposals increased by 10 per cent to £29.6 million. Relatively few animals are culled before 30 months and a total of 92 per cent of cull cows and bulls were destroyed under the OTMS.

Calf sales remain at a low level. In total, 2,000 were sold in 2004 and the revenue generated amounted to £0.2 million.

Overall, the sales value of cattle and calves in 2004 (less the value of imported cattle and including those sold into the OTMS) increased by 12 per cent to £242 million.

The value of direct payments are set in euros and converted to pounds sterling. Favourable movement in the exchange rate saw premium rates increase by 9 per cent in national currency terms and this has benefited producers. The value of direct headage payments on cattle was 13 per cent higher in 2004, at £169 million. Beef Special Premium (BSP) payments increased by 17 per cent and Suckler Cow Premium (SCP) payments by 11 per cent, to £51.7 million and £49.3 million respectively. Receipts from Extensification Supplement rose by 14 per cent to £36.9 million. Payments under the Slaughter Premium scheme were 8.3 per cent higher, at £31.4 million.

Combining the sales value of cattle sold for human consumption with receipts from the OTMS, direct headage payments and year-end stock changes, less the cost of imported animals, returns from cattle production in 2004 totalled £404 million. This was an increase of 8.7 per cent on 2003.

**Milk**

The decline since 2002 in the annual average dairy cow population has continued with a 0.3 per cent fall to 290,000 head. The average gross milk yield per cow remained unchanged at 6,300 litres.

The combination of lower numbers and static yields led to a total output of 1,781 million litres, which is slightly down on the previous year.

Milk prices (gross) in 2004 were 1.2 per cent improved over 2003. As a result, the value of milk output was slightly higher at £326 million. An unusual feature of this year is that under the CAP policy reforms it will be the only year in which a coupled dairy premium is due in Northern Ireland. An additional £13.5m was paid under this scheme. In future years such payments will be decoupled and will not be treated as part of output. A super-levy of £0.5 million was incurred.

**Sheep and lambs**

Marketings of clean sheep and lambs increased by 10 per cent in 2004 to 834,000 head. Average dressed carcase weight was higher in 2004, at 21.4 kilograms per head, the volume of clean sheepmeat produced increased by 14 per cent to 17,900 tonnes. Producer prices decreased by 3.1 per cent to 232 pence per kilogram deadweight. The combined volume and price changes had the result that market returns from clean sheep and lambs rose by 11 per cent, to £41.5 million.

Marketings of culled ewes and rams increased by 10 per cent to 153,300 head. There was a 2.5 per cent reduction in price, the overall value of market receipts increasing by 6.4 per cent, to £4.0 million.

Total market returns from sheep production increased by 10.5 per cent, to £45.5 million.

Since 2002, the Sheep Annual Premium has been set at €21 per ewe. Furthermore, a sheep national envelope has been paid as a top-up to the SAP, while a more favourable £/€ exchange rate increased the value of the premiums in national currency. In 2004, receipts from the SAP (including Rural World Supplement and Sheep National Envelope) increased by 11 per cent to £21.0 million. This represented a third of the total value of sheep output, which increased by 11 per cent to £65 million.

**Pigs**

The number of clean pigs marketed during 2004 was 9.7 per cent lower than in 2003, at 879,000 head. Average dressed carcase weight also increased, by 3.0 per cent to 78.8kg. These changes resulted in a fall of 7.0 per cent, to 69,200 tonnes, in the quantity of pigmeat produced. Producer prices increased by 4.5 per cent, to 95.5 pence per kilogram deadweight. Overall, market returns from clean pig production were 2.8 per cent lower, at £66.1 million.

Marketings of cull sows and boars decreased by 12 per cent, to 13,700 head. The average price per head increased, by 16 per cent, causing an increase of 2.4 per cent, to £1.0 million, in market returns from sales of cull sows and boars.

Overall, the value of pig output in 2004 declined by 5.3 per cent, to £65.8 million.

**Poultry**

The total volume of poultrymeat production in 2004 increased by 9.2 per cent, to 217,900 tonnes liveweight. Broiler chicken production rose by 9.2 per cent to 194,000 tonnes liveweight, its highest level ever, while turkey production increased by 5.3 per cent to 13,900 tonnes liveweight. Average producer prices rose by 3.6 per cent, contributing to an increase in the value of poultrymeat output by 13 per cent, to £111 million. The total value of poultry output (including the export of poultry and hatching eggs, net of imports, and a positive stock change) was 12 per cent higher than in 2003, at £136 million. Within this total, the value of broiler chicken output rose by 14 per cent, to £101.3 million.

**Eggs**

Packing station throughput of graded eggs in 2004 declined by 8.3 per cent, to 62.5 million dozen eggs. The average producer price fell from the recent high of 53.1 pence per dozen in 2003 to 32.8 pence per dozen. Decline in prices and quantity saw the overall value of egg output drop by 43 per cent, to £21.0 million (including eggs for processing, unrecorded sales for human consumption and duck eggs). The reduction in output value reflects the reversal of last year’s favourable circumstances.

**Potatoes**

In 2004, the area of potatoes declined by 6.3 per cent, to 5,700 hectares, but the average yield increased by 2.7 per cent, to 41.8 tonnes per hectare. Consequently, the total potential quantity of potatoes harvested was 3.7 per cent lower at 237,000 tonnes.

Marketings of ware potatoes in 2004 were 4.1 per cent lower at 171,000 tonnes. This comprised a year-on-year reduction in sales of 6.3 per cent during the first half of the year and a 3.6 per cent decrease during the second half of the year. Over the year, the volume of seed potato output (including home-saved seed) declined by 9.1 per cent to 25,900 tonnes. In total, the volume of potato output (including ware, seed and stockfeed potatoes) in 2004 decreased by 4.7 per cent, to 223,000 tonnes.

The average price of ware potatoes in 2004 was £107 per tonne, which was 1.2 per cent higher than in 2003. The average price of seed potatoes decreased by 5.9 per cent to £119 per tonne. The total value of potato output (including a negative stock change of £0.4 million) decreased by 3.8 per cent, to £21.3 million.

**Cereals**

The area of wheat in 2004 was 18 per cent higher than in the previous year. Coupled with a 5.2 per cent increase in yield, this resulted in an increase in production of 24 per cent, to 65,100 tonnes. Yields of spring barley were unchanged while winter barley yields rose by 23 per cent. The area of spring barley declined by 4.8 per cent to 22,500 hectares, but that of winter barley increased by 10 per cent to 4,500 hectares. Therefore, production of spring barley decreased by 5.8 per cent while winter barley increased by 35 per cent. Overall, there was an increase in barley production of 1.1 per cent, to 138,000 tonnes. The area of oats remained unchanged at 2,500 hectares, and the yield decreased by 1.0 per cent, leading to a slightly lower production at 14,100 tonnes. In total, the production of cereals in 2004 increased by 6.9 per cent, to 218,000 tonnes.

The total volume of barley sold or used on-farm in 2004 increased by 9.8 per cent compared with the previous year, while the average producer price increased by 3.4 per cent. This resulted in an increase in total market returns, to £12.3 million. The value of Arable Area Payments totalled £5.6 million. Including a positive stock change of £0.1 million, the value of barley output decreased by 1.0 per cent, to £18.0 million.

In 2004, the volume of wheat output increased by 21 per cent and price was up slightly. These changes resulted in a rise in total market returns of 22 per cent, to £5.5 million. The value of Arable Area Payments increased by 28.5 per cent on 2003 levels, to £2.3 million. As a result, the total value of wheat output (including a positive stock change) increased by 24 per cent, to £8.4 million.

The volume of oats output increased by 10 per cent in 2004. The average producer price increased by 8.6 per cent to £80 per tonne, resulting in total market returns of £1.1 million. Arable Area Payments decreased by 14 per cent, to £0.5 million. Overall, the total value of oats output remained unchanged at £1.6 million.

**Horticulture**

The total value of horticultural output in 2004 increased by 1.3 per cent, to £61.6 million. Returns from sales of fruit (mainly apples) increased by 33 per cent to £7.7 million (including a positive stock change of £1.3 million). A return to more favourable weather conditions saw apple production increase by 49 per cent to 36,000 tonnes; however, prices fell substantially (40 per cent) leaving the value of output lower than in 2003. The value of output of mushrooms decreased by 6.4 per cent to £23.5 million while receipts from the sale of vegetables increased by 0.6 per cent to £16.2 million.

**Feedstuffs**

The total volume of compound feedstuffs purchased during 2004 declined by 0.6 per cent, to 1,600 thousand tonnes. Purchases of cattle and sheep compounds were 3.8 per cent and 3.3 per cent lower, respectively. Purchases of pig compounds also decreased by 1.7 per cent while usage of poultry compounds increased by 4.6 per cent.

Inputs of straights (including home-fed cereals) decreased by 1.3 per cent, to 389,000 tonnes. In total, the volume of feed purchased in 2004 was almost unchanged from 2003 levels at 2,011 thousand tonnes.

The average price of feedstuffs (compounds and home-fed cereals) increased in 2004 by 4.3 per cent, to £174 per tonne. Overall, the cost of purchased feedstuffs (including a small negative stock change) rose by 3.1 per cent, to £345 million.

**Fertilisers and lime**

The quantity of fertilisers purchased in 2004 decreased by 13 per cent to 347,000 tonnes product weight and the average price increased by 5.9 per cent to £141 per tonne. As a result, the total value of fertiliser purchases decreased by 8.1 per cent, to £49 million.

The total lime bill fell by 31 per cent to £1.6 million. This was due to a 31 per cent decrease in the volume of lime purchased, while the average price was unchanged.

**Marketing expenses**

Marketing expenses in 2004 were at a slightly lower level compared to 2003, at £33.7 million. Those for cattle increased to £19.9 million, while sheep were unchanged at £4.1 million. Marketing expenses for milk decreased slightly to £8.0 million while pigs decreased by 35 per cent.

**Machinery expenses**

Machinery expenses rose, by 6.0 per cent, to £90.5 million in 2004. Within this total, expenditure on repairs increased by 2.4 per cent and that on fuel and oil by 10 per cent. Other machinery expenses rose by 6.2 per cent.

**Interest**

Bank advances for current farming purposes showed a 8.4 per cent increase in 2004. The average cost of borrowing increased to 6.9 per cent. As a result, the total interest bill increased by 20 per cent, to £41.5 million.

**Labour**

In 2004, the volume of paid labour input was 5.9 per cent lower than the 2003 level, at 8.6 million hours. The average hourly labour cost rose by 7.8 per cent, resulting in a 1.5 per cent increase in the paid labour bill, to £52.9 million.

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## Table 2.18 Output of cattle and calves

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **Steers, heifers and young bulls**[1] | | | | | | |
| Sales (inc. to the OTMS) ('000 head) | 379.1 | 397.4 | 380.9 | 410.3 | 412.8 | 433.1 |
| Average producer price (p per kg dwt)[2] | 152.4 | 154.6 | 154.8 | 155.6 | 161.6 | 171.4 |
| Average dressed carcase weight (kg)[3] | 297.1 | 301.1 | 308.6 | 309.8 | 313.5 | 315.5 |
| Quantity of output ('000 tonnes)[3] | 112.6 | 119.7 | 117.5 | 127.1 | 129.4 | 136.6 |
| Value of output (inc. sales to OTMS) (£m) | 171.7 | 185.0 | 181.9 | 197.8 | 209.1 | 234.2 |
| **Cows and bulls**[1] | | | | | | |
| Sales (inc. to the OTMS) ('000 head) | 125.8 | 108.4 | 102.8 | 124.1 | 106.0 | 126.5 |
| Average producer price (p per kg dwt)[2] | 110.1 | 103.2 | 108.7 | 108.1 | 104.8 | 94.9 |
| Average dressed carcase weight (kg)[3] | 224.4 | 238.2 | 248.8 | 246.9 | 241.0 | 246.6 |
| Quantity of output ('000 tonnes)[3] | 28.2 | 25.8 | 25.6 | 30.6 | 25.5 | 31.2 |
| Value of output (inc. sales to OTMS) (£m) | 31.1 | 26.7 | 27.8 | 33.1 | 26.8 | 29.6 |
| **Calves** | | | | | | |
| Sales (inc. to the CPAS) ('000 head) | 41.8 | 6.8 | 2.6 | 4.0 | 2.0 | 2.0 |
| Average producer price (£ per head)[2] | 47 | 98 | 118 | 79 | 96 | 94 |
| Value of output (inc. sales to CPAS) (£m) | 2.0 | 0.7 | 0.3 | 0.3 | 0.2 | 0.2 |
| **Store cattle sold outside Northern Ireland** | | | | | | |
| Marketings ('000 head) | 5.7 | 5.9 | 1.1 | 6.5 | 6.9 | 7.7 |
| Average producer price (£ per head)[2] | 347 | 381 | 401 | 397 | 429 | 447 |
| Value of output (£m) | 2.0 | 2.2 | 0.4 | 2.6 | 3.0 | 3.4 |
| **Breeding cattle sold outside Northern Ireland** | | | | | | |
| Marketings ('000 head) | 1.3 | 1.3 | 0.1 | 1.6 | 1.4 | 1.7 |
| Average producer price (£ per head) | 574 | 558 | 1222 | 641 | 679 | 638 |
| Value of output (£m) | 0.8 | 0.7 | 0.1 | 1.0 | 1.0 | 1.1 |
| **Other receipts (£m)**[4] | 124.7 | 134.5 | 136.5 | 150.7 | 150.0 | 169.3 |
| ***less* Imported cattle** | | | | | | |
| Marketings ('000 head) | 14.5 | 22.8 | 37.2 | 37.6 | 43.8 | 48.2 |
| Average producer price (£ per head) | 465 | 498 | 458 | 483 | 527 | 549 |
| Value of output (£m) | 6.7 | 11.3 | 17.0 | 18.2 | 23.1 | 26.5 |
| **Total value of output (inc. OTMS and CPAS) (£m)** | **325.0** | **332.6** | **333.7** | **361.1** | **371.9** | **404.2** |
| of which: stock change due to volume | -0.4 | -5.8 | +4.3 | -6.2 | +5.0 | -7.2 |
| **Net receipts from non-food outlets (included above)** | | | | | | |
| Over Thirty Months Scheme (£m)[5] | 31.7 | 26.6 | 27.1 | 33.0 | 26.4 | 28.1 |
| Calf Processing Aid Scheme (£m) | 1.4 | - | - | - | - | - |

1. Excludes animals slaughtered under Foot and Mouth Disease control measures.
2. Average realised return gross of marketing expenses for cattle for human consumption and for destruction under the Over Thirty Months Scheme or Calf Processing Aid Scheme, if applicable.
3. Including animals sold under the Over Thirty Months Scheme.
4. Includes Suckler Cow Premium, Hill Livestock Compensatory Allowance, Beef Special Premium, Beef Deseasonalisation Premium, Extensification Supplement, Agrimoney Compensation, Slaughter Premium, and Foot and Mouth Disease Compensation (non-capital) payments. The LFA Compensatory Allowance is included with 'other subsidies'.
5. Excludes Slaughter Premium.

## Table 2.19 Sources of home-fed finished cattle marketed[1]

*per cent*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **Cows and bulls** | 25 | 21 | 21 | 23 | 20 | 23 |
| **Steers and heifers originating from:** | | | | | | |
| - the dairy herd; | 27 | 27 | 30 | 33 | 36 | 34 |
| - the beef herd; | 47 | 50 | 47 | 38 | 38 | 36 |
| - calves and stores imported from the Republic of Ireland or shipped from Great Britain | 1 | 2 | 2 | 6 | 7 | 7 |
| **Total[2]** | **100** | **100** | **100** | **100** | **100** | **100** |
| **Total number marketed ('000 head)** | **505** | **506** | **482** | **534** | **519** | **553** |

1. Includes cattle slaughtered under the Over Thirty Months Scheme and the BSE Selective Cull.
2. Individual items may not add to 100 due to roundings.

## Table 2.20 Output of milk

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| Annual average number of dairy cows ('000 head) | 285.7 | 286.1 | 295.5 | 296.7 | 291.1 | 290.2 |
| Average gross yield per cow (to nearest 10 litres per annum)[1] | 5,640 | 5,840 | 6,210 | 6,120 | 6,260 | 6,270 |
| **Total output of milk for human consumption (million litres)** | 1,573 | 1,634 | 1,799 | 1,780 | 1,786 | 1,781 |
| of which: | | | | | | |
| sales off farms | 1,565 | 1,627 | 1,793 | 1,774 | 1,781 | 1,776 |
| used in farm households | 8 | 7 | 6 | 6 | 5 | 5 |
| **Average producer price (pence per litre)** | | | | | | |
| Gross price[2] | 19.12 | 18.37 | 18.95 | 16.39 | 18.46 | 18.69 |
| Net price[3] | 18.54 | 17.96 | 18.4 | 15.89 | 18.00 | 18.27 |
| **Other receipts (£m)[4]** | - | 2.4 | 9.2 | - | - | 13.5 |
| **Value of output (£m)[2]** | **301.5** | **302.6** | **351.5** | **292.8** | **331.2** | **347.4** |

1. Comprising sales off farms, milk consumed in farm households and milk fed to other livestock.
2. After deduction of superlevy but not marketing expenses (transport costs).
3. After deduction of marketing expenses (transport costs) but not superlevy.
4. Comprising Milk Agrimoney Compensation, Dairy Premium Scheme and Additional Dairy Premium.

## Table 2.21 Output of sheep

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **Marketings ('000 head)[1]** | | | | | | |
| Finished sheep and lambs | 1,115 | 1,019 | 1,056 | 823 | 756 | 834 |
| Culled ewes and rams | 113.0 | 108.2 | 109.4 | 92.7 | 139.4 | 153.3 |
| **Average price (p per kg deadweight)[2]** | | | | | | |
| Finished sheep and lambs | 179.6 | 192.4 | 247.4 | 226.7 | 239.7 | 232.3 |
| **Average dressed carcase weight (kg)** | | | | | | |
| Finished sheep and lambs | 19.7 | 20.3 | 20.4 | 20.4 | 20.7 | 21.4 |
| **Output of all sheep and lambs** | | | | | | |
| Quantity ('000 tonnes) | 24.9 | 23.5 | 24.6 | 19.3 | 19.4 | 22.0 |
| Market value (£m) | 40.8 | 41.6 | 55.3 | 40.1 | 41.2 | 45.5 |
| **Other receipts (£m)[3]** | 29.1 | 25.7 | 12.9 | 18.3 | 19.0 | 21.0 |
| **Value of output (£m)[4]** | **68.6** | **66.5** | **65.4** | **59.1** | **57.5** | **64.6** |
| of which: | | | | | | |
| stock change due to volume | -0.5 | +0.2 | -2.5 | +2.1 | -0.7 | 0.0 |

1. Estimated home-produced marketings, including unrecorded exports but excluding animals slaughtered under Foot and Mouth Disease control measures.
2. Average realised return gross of marketing expenses.
3. Comprising Hill Livestock Compensatory Allowance, Sheep Annual Premium, Rural World (LFA) Supplement, Agrimoney Compensation and Foot and Mouth Disease Compensation (non-capital) payments. The LFA Compensatory Allowance is included with 'other subsidies'.
4. Includes breeding and store sheep exported less all sheep imported.

## Table 2.22 Output of pigs

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **Marketings ('000 head)[1]** | | | | | | |
| Finished clean pigs | 1,190.5 | 884.4 | 922.8 | 931.7 | 973.2 | 879.1 |
| Culled sows and boars | 17.7 | 13.6 | 15.4 | 15.7 | 15.5 | 13.7 |
| **Average price (p per kg deadweight)[2]** | | | | | | |
| Finished clean pigs | 70.59 | 83.02 | 91.81 | 85.16 | 91.37 | 95.48 |
| Culled sows and boars | 42.57 | 54.97 | 55.65 | 44.06 | 39.84 | 46.19 |
| **Average dressed carcase weight (kg)** | | | | | | |
| Finished clean pigs | 71.6 | 71.7 | 72.4 | 73.6 | 76.5 | 78.8 |
| **Quantity of output ('000 tonnes)** | 87.5 | 65.1 | 69.1 | 71.0 | 76.8 | 71.4 |
| **Value of output (£m)[3]** | **59.4** | **52.3** | **62.5** | **58.3** | **69.5** | **65.8** |
| of which: | | | | | | |
| stock change due to volume | -2.0 | -1.2 | +0.4 | -1.0 | +0.7 | -0.9 |

1. Estimated home-produced marketings, including unrecorded exports and pigs slaughtered under the 2000 Pig Welfare Slaughter Scheme. Excludes animals slaughtered under Foot and Mouth Disease control measures.
2. Average realised return gross of marketing expenses, including receipts from the 2000 Pig Welfare Slaughter Scheme.
3. Includes breeding and store pigs exported less all pigs imported. Also includes receipts from 2000 Pig Welfare Slaughter Scheme, Foot and Mouth Disease compensation (non-capital) payments and Pig Industry Restructuring Scheme (Ongoers).

## Table 2.23 Output of poultry

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **Poultrymeat production ('000 tonnes liveweight)** | | | | | | |
| All poultrymeat (including broilers) | 160.8 | 158.5 | 161.7 | 183.3 | 199.5 | 217.9 |
| Broilers | 135.9 | 135.4 | 138.2 | 161.2 | 177.9 | 194.3 |
| **Average producer price (p per kg liveweight)** | | | | | | |
| All poultrymeat (including broilers) | 49.8 | 48.9 | 50.6 | 50.2 | 49.2 | 51.0 |
| Broilers | 50.7 | 49.6 | 51.8 | 51.2 | 49.9 | 52.1 |
| **Value of output (£m)[1]** | | | | | | |
| All poultry (including broilers) | **98.5** | **97.6** | **106.5** | **115.8** | **121.7** | **136.3** |
| of which: | | | | | | |
| stock change due to volume | -0.1 | -0.1 | +0.8 | +0.3 | +0.9 | +0.5 |
| Broilers | 69.0 | 67.2 | 71.6 | 82.6 | 88.8 | 101.3 |

1. Includes shipments and exports of breeding and non-breeding birds and eggs for hatching, less imports of birds and hatching eggs.

## Table 2.24 Output of eggs

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| Graded packing station throughput (million dozen) | 61.7 | 62.2 | 65.7 | 66.5 | 68.2 | 62.5 |
| Average producer price (p per dozen)[1] | 32.43 | 38.14 | 33.06 | 38.79 | 53.09 | 32.78 |
| **Value of output (£m)[2]** | **20.6** | **24.5** | **22.4** | **26.5** | **37.0** | **21.0** |

1. Relates to graded eggs sold through packing stations.
2. Includes eggs for processing, duck eggs and unrecorded sales.

## Table 2.25 Crop production

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| | | | | | | *harvest years* |
| **Potatoes[1]** | | | | | | |
| Area ('000 hectares) | 7.5 | 6.8 | 6.7 | 6.7 | 6.0 | 5.7 |
| Harvestable yield (tonnes per hectare) | 42.4 | 43.4 | 39.6 | 35.4 | 40.7 | 41.8 |
| Production ('000 tonnes) | 319.7 | 294.0 | 263.8 | 237.7 | 246.1 | 237.0 |
| of which: | | | | | | |
| saleable potatoes | 274.2 | 247.0 | 225.9 | 213.7 | 217.6 | 211.6 |
| chats[2] and waste | 45.5 | 46.9 | 38.0 | 24.0 | 28.5 | 25.4 |
| **Barley[3,4]** | | | | | | |
| Area ('000 hectares) | 35.7 | 32.6 | 32.8 | 28.5 | 27.8 | 27.0 |
| Yield (tonnes per hectare) | 4.70 | 5.49 | 5.12 | 3.92 | 4.93 | 5.12 |
| Production ('000 tonnes) | 168.0 | 179.1 | 167.9 | 111.7 | 136.8 | 138.4 |
| **Wheat[4]** | | | | | | |
| Area ('000 hectares) | 3.3 | 5.0 | 4.1 | 7.2 | 7.3 | 8.6 |
| Yield (tonnes per hectare) | 6.76 | 7.26 | 6.23 | 6.51 | 7.17 | 7.54 |
| Production ('000 tonnes) | 22.0 | 36.2 | 25.6 | 47.1 | 52.4 | 65.1 |
| **Oats[3,4]** | | | | | | |
| Area ('000 hectares) | 2.8 | 2.9 | 2.4 | 2.4 | 2.5 | 2.5 |
| Yield (tonnes per hectare) | 4.41 | 4.81 | 5.26 | 5.1 | 5.8 | 5.75 |
| Production ('000 tonnes) | 12.3 | 14.2 | 12.8 | 12.0 | 14.3 | 14.1 |
| **Oilseed rape[5]** | | | | | | |
| Area ('000 hectares) | 0.5 | 0.2 | 0.1 | 0.1 | 0.1 | 0.3 |
| Yield (tonnes per hectare) | 2.96 | 2.86 | 2.60 | 3.40 | 3.27 | 2.90 |
| Production ('000 tonnes) | 1.5 | 0.5 | 0.3 | 0.3 | 0.4 | 0.8 |
| **Hay** | | | | | | |
| Area ('000 hectares) | 20.3 | 25.7 | 22.2 | 13.8 | 16.9 | 13.2 |
| Yield (tonnes per hectare) | 6.98 | 6.77 | 8.43 | 6.24 | 7.19 | 7.80 |
| Production ('000 tonnes) | 141.9 | 174.4 | 186.8 | 86.3 | 121.7 | 103.0 |
| **Grass silage** | | | | | | |
| Area ('000 hectares) | 285.6 | 287.1 | 299.1 | 286.7 | 286.4 | 294.1 |
| Yield (tonnes per hectare) | 29.33 | 26.32 | 27.61 | 25.00 | 26.23 | 25.71 |
| Production ('000 tonnes) | 8,374.5 | 7,556.5 | 8,260.2 | 7,169.1 | 7,514.3 | 7,561.1 |

1. Includes early, maincrop ware and seed crops.
2. Under 40 mm.
3. Comprises spring and winter varieties.
4. Yield and production estimates are standardised to 15% moisture content.
5. Area and production estimates include industrial-use oilseed rape grown on set-aside land. Areas are taken from the Arable Area Payments Scheme. Yield and production estimates are standardised to 9% moisture content.

## Table 2.26 Output[1] of potatoes, barley and wheat

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **POTATOES[2]** | | | | | | |
| **Quantity of output ('000 tonnes)** | | | | | | |
| Ware | 203.3 | 229.4 | 187.8 | 208.1 | 178.6 | 171.2 |
| Seed | 37.8 | 31.2 | 31.2 | 37.1 | 28.5 | 25.9 |
| Stockfeed | 29.7 | 33.7 | 29.2 | 30.5 | 26.9 | 25.9 |
| **Total** | **270.7** | **294.2** | **248.2** | **275.7** | **234.0** | **223.0** |
| **Average producer price (£ per tonne)** | | | | | | |
| Ware | 121.86 | 74.58 | 98.44 | 98.83 | 105.56 | 106.84 |
| Seed | 167.26 | 66.35 | 86.77 | 157.08 | 126.29 | 118.84 |
| **Value of output (£m)** | | | | | | |
| Ware | 24.8 | 17.1 | 18.5 | 20.6 | 18.9 | 18.3 |
| Seed | 6.3 | 2.1 | 2.7 | 5.8 | 3.6 | 3.1 |
| Stockfeed | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| **Total** | **33.0** | **17.3** | **21.2** | **21.5** | **22.2** | **21.3** |
| of which: | | | | | | |
| stock change due to volume | +1.7 | -2.1 | -0.2 | -5.1 | -0.5 | -0.4 |
| **BARLEY[3,4]** | | | | | | |
| Quantity of output ('000 tonnes) | 159.3 | 176.4 | 169.1 | 131.7 | 124.6 | 136.8 |
| Average producer price (£ per tonne) | 83.25 | 76.58 | 77.82 | 76.02 | 86.60 | 89.53 |
| **Value of output (£m)** | **20.9** | **19.8** | **19.2** | **14.3** | **18.2** | **18.0** |
| of which: | | | | | | |
| stock change due to volume | +0.7 | +0.2 | -0.1 | -1.5 | +1.1 | +0.1 |
| **WHEAT[3,4]** | | | | | | |
| Quantity of output ('000 tonnes) | 32.6 | 34.7 | 29.8 | 38.0 | 48.0 | 58.3 |
| Average producer price (£ per tonne) | 84.29 | 80.52 | 85.87 | 77.35 | 94.37 | 95.12 |
| **Value of output (£m)** | **2.7** | **4.1** | **3.1** | **5.2** | **6.7** | **8.4** |
| of which: | | | | | | |
| stock change due to volume | -0.9 | +0.1 | -0.4 | +0.7 | +0.4 | +0.6 |

1. Output data are for calendar years and reflect the influence of two crop years.
2. Includes ware consumed in farm households and seed retentions but excludes in-store losses.
3. Includes cereals retained on the farm of origin or sold farm-to-farm.
4. Includes Arable Area Payments but excludes set-aside payments.

## Table 2.27 Output of apples and mushrooms

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **APPLES[1]** | | | | | | |
| Quantity of output ('000 tonnes) | 25.8 | 45.5 | 51.0 | 39.4 | 24.5 | 36.4 |
| Average producer price (£ per tonne) | 102 | 111 | 112 | 120 | 265 | 158 |
| **Value of output (£m)** | **4.5** | **4.5** | **6.2** | **3.2** | **5.2** | **7.1** |
| of which: | | | | | | |
| stock change due to volume | +1.8 | -0.6 | +0.5 | -1.5 | -1.3 | +1.3 |
| **MUSHROOMS** | | | | | | |
| Quantity of output ('000 tonnes) | 25.2 | 22.2 | 25.0 | 22.0 | 20.7 | 19.4 |
| Average producer price (£ per tonne) | 1,190 | 1,243 | 1,150 | 1,232 | 1,210 | 1,210 |
| **Value of output (£m)** | **30.0** | **27.6** | **28.8** | **27.1** | **25.1** | **23.5** |

1. Output data are for calendar years and reflect the influence of two crop years.

## Table 2.28 Quantity and cost of the main items of expenditure (including interest and labour)

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 (provisional) |
|---|---|---|---|---|---|---|
| **FEEDSTUFFS[1]** | | | | | | |
| Quantity purchased ('000 tonnes concentrate equivalent) | 1,717 | 1,641 | 1,739 | 1,869 | 2,028 | 2,011 |
| Average cost (£ per tonne concentrate equivalent) | 153 | 152 | 157 | 153 | 165 | 172 |
| **Value of feed consumed (£m)** | **261.0** | **249.0** | **273.6** | **286.7** | **335.1** | **345.4** |
| of which: | | | | | | |
| stock change due to volume | -1.7 | -0.1 | +0.5 | +0.4 | +1.2 | -0.6 |
| **FERTILISERS** | | | | | | |
| Quantity purchased ('000 tonnes product) | 468 | 445 | 414 | 427 | 400 | 347 |
| Nutrient content ('000 tonnes) | 172 | 162 | 147 | 152 | 147 | 127 |
| of which: | | | | | | |
| Nitrogen | 121 | 114 | 102 | 105 | 101 | 88 |
| Phosphate | 24 | 22 | 20 | 21 | 20 | 18 |
| Potash | 28 | 27 | 25 | 26 | 25 | 21 |
| Average cost (£ per tonne of nutrient) | 340 | 337 | 375 | 378 | 365 | 387 |
| **Value of purchases (£m)** | **58.6** | **54.6** | **55.2** | **57.5** | **53.4** | **49.1** |
| **LIME** | | | | | | |
| Quantity purchased ('000 tonnes) | 118 | 122 | 104 | 96 | 144 | 100 |
| Average cost (£ per tonne) | 14.00 | 14.00 | 14.00 | 14.00 | 15.60 | 15.60 |
| **Value of purchases (£m)** | **1.7** | **1.7** | **1.5** | **1.3** | **2.3** | **1.6** |
| **MARKETING EXPENSES[2]** | | | | | | |
| cattle | 20.5 | 18.4 | 14.4 | 18.4 | 19.2 | 19.9 |
| sheep | 3.9 | 3.8 | 3.9 | 4.1 | 4.1 | 4.1 |
| pigs | 1.4 | 1.4 | 2.6 | 2.5 | 2.6 | 1.7 |
| milk | 9.5 | 9.4 | 9.8 | 9.0 | 8.1 | 8.0 |
| **Total** | **35.3** | **33.1** | **30.7** | **34.0** | **34.1** | **33.8** |
| **INTEREST** | | | | | | |
| Bank base lending rate (%) | 5.4 | 6.0 | 5.1 | 4.0 | 3.7 | 4.4 |
| **Total interest charges (£m)[3]** | **44.0** | **46.0** | **40.4** | **34.8** | **34.5** | **41.5** |
| **LABOUR** | | | | | | |
| Average weekly hours of full-time paid male workers | 40.65 | 41.46 | 42.43 | 42.85 | 41.92 | 41.30 |
| Average earnings of full-time paid male workers (£ per hour)[4] | 4.67 | 5.17 | 5.27 | 5.33 | 5.56 | 6.00 |
| Average earnings of full-time paid male workers (£ per week)[4] | 189.84 | 214.35 | 223.61 | 228.39 | 233.08 | 247.80 |
| Volume of paid labour (million hours)[5] | 9.53 | 9.20 | 9.09 | 8.96 | 9.16 | 8.62 |
| **Value of paid labour (£m)[5]** | **44.7** | **48.3** | **48.0** | **48.6** | **52.2** | **52.9** |

1. Includes home-fed cereals, proteins and stockfeed potatoes.
2. Includes hired transport costs, auction fees, slaughter charges and interfarm expenses.
3. Includes interest on hire purchase and leasing agreements and trade credit.
4. Gross wage before deduction of tax and national insurance, and including the value of perks.
5. Excludes labour used on capital projects.

# 3. CROP AREAS AND LIVESTOCK NUMBERS

**Land use**

Around 80 per cent of the total Northern Ireland land area of 1.35 million hectares is used for agriculture, including common rough grazing, and a further 6 per cent for forestry (Table 3.1). The greater part of the forested area (84,000 hectares) is managed by the Forest Service of the Department of Agriculture and Rural Development (see *Forest Service Annual Report, 2003/2004*[1]).

Most farmland is under grass. Only 4,500 farms (16 per cent) have arable or horticultural crops. These crops occupy 53,900 hectares and make up only 5 per cent of the area of farms. Barley (27,000 hectares) is the main crop grown followed by potatoes with 5,700 hectares. In 2004, the cropped area also included 3,100 hectares of horticultural crops, mainly apple orchards (1,500 hectares) and vegetables (1,400 hectares). The area of cereals was 1 per cent lower in 2004 than in 2003. Over the 10 year period since 1994 the cropped land area has decreased by 9 per cent, with 13 per cent less land in cereals and 35 per cent less in potatoes.

**Grazing livestock**

All but 6 per cent of Northern Ireland farms have cattle or sheep. In 2004, cattle were present on 23,800 farms (86 per cent), sheep on 8,900 farms (32 per cent) and cattle and/or sheep on 26,000 farms (94 per cent).

The total number of cattle, recorded at 1.68 million in the June 2004 census, has changed little since 2000. At June 2004, there were 288,300 dairy cows, 1 per cent fewer than in 2003. There were 296,200 beef cows, representing a marginal increase. Although lower than in 2003 and 2002, the dairy cow herd is still larger than at any other time since the mid-1980s. Both beef cow and total cattle populations peaked in 1998 and are now below the levels in that year by 14 per cent and 5 per cent respectively.

With 1.10 million ewes in 2004, the sheep breeding flock was marginally smaller than in 2003; including lambs and other sheep the flock totalled 2.23 million. Ewe numbers are at their lowest level since 1987.

**Intensive livestock**

Pigs and/or poultry are present on 8 per cent of Northern Ireland's farms. This proportion falls to 3 per cent if farms with fewer than 50 birds are excluded.

The number of pigs in Northern Ireland at June 2004 was estimated at 424,100, 2 per cent less than in the previous June, while the number of pig herds declined by 12 per cent to 483. The number of sows also decreased by 12 per cent between 2003 and 2004.

The size of the Northern Ireland pig herd contracted significantly between 1997 and 2001 when pig numbers fell by 45 per cent. Rationalisation of the sector continues, with an average herd size of 878 in 2004 compared with 316 in 1997.

With 20.5 million birds in June 2004, the Northern Ireland poultry flock was 11 per cent larger than in 2003. The number of laying birds (2.3 million) was 3 per cent higher and there were 17 per cent more broilers (15.0 million) in 2004.

Total poultry numbers are now the highest ever recorded except for the wartime years. However the laying flock is 32 per cent lower than in 1994.

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**1** Available on the DARD website at http://www.dardni.gov.uk/frames/forest06.htm.

**Less Favoured Areas**

The term Less Favoured Areas (LFA) is used to describe those parts of the country which, because of their relatively poor agricultural conditions, have been so designated under EU legislation. These areas, which include developed land as well as that used for agriculture and forestry, extend to 826,000 hectares. Further details are given in the Appendix.

Farms classed as **LFA farms** occupy 70 per cent of farmed land in Northern Ireland (Table 3.4). Crops are grown mainly on **lowland farms**, on which they occupy 13 per cent of farm land compared with 2 per cent on LFA farms. There are also significant differences in the patterns of livestock farming. Beef cows (239,000) predominate on **LFA farms**, where they are more important than dairy cows (141,000), whereas, on **lowland farms**, there were 57,000 beef cows and 148,000 dairy cows in 2004. **LFA farms** account for 45 and 64 per cent of the Province's pigs and poultry, respectively.

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## Table 3.1 Land use, 2004

*thousand hectares*

| | Crops | Grass and rough grazing | Woodland | Other land | Total land area |
|---|---|---|---|---|---|
| Farms | 54 | 990 | 8 | 11 | **1,063** |
| Common grazing | - | 29 | - | - | **29** |
| NI Forest Service[1] | - | - | 62 | 14 | **76** |
| Other areas | - | - | 14 | 169 | **183** |
| **All land[2]** | **54** | **1,019** | **84** | **194** | **1,351** |

1. Excludes 1,600 ha let to farmers; these areas are included in the area of agricultural holdings.

2. Land area, excluding significant areas of inland water.

## Table 3.2 Areas of crops, grass, rough grazing and other land, June 1999 - 2004

*thousand hectares*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---|---|---|---|---|---|
| Oats | 2.8 | 2.9 | 2.4 | 2.4 | 2.5 | 2.5 |
| Wheat | 3.3 | 5.0 | 4.1 | 7.2 | 7.3 | 8.6 |
| Barley: Winter | 5.1 | 5.2 | 2.8 | 3.9 | 4.1 | 4.5 |
| Spring | 30.6 | 27.4 | 30.0 | 24.5 | 23.6 | 22.5 |
| Mixed corn | 0.2 | 0.2 | 0.2 | 0.1 | 0.2 | 0.2 |
| Potatoes | 7.5 | 6.8 | 6.7 | 6.7 | 6.0 | 5.7 |
| Arable crop silage | 2.4 | 2.2 | 2.3 | 1.9 | 2.3 | 2.8 |
| Other field crops | 1.3 | 1.1 | 2.4 | 2.7 | 3.6 | 4.0 |
| **Total agricultural crops** | **53.2** | **50.8** | **50.9** | **49.5** | **49.8** | **50.7** |
| Fruit | 1.7 | 1.6 | 1.5 | 1.5 | 1.6 | 1.5 |
| Vegetables | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.4 |
| Other horticultural crops | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 |
| **Total horticultural crops** | **3.3** | **3.3** | **3.1** | **3.2** | **3.3** | **3.1** |
| Grass: Under 5 years old | 140.9 | 141.6 | 140.2 | 136.4 | 138.0 | 141.8 |
| 5 years old and over | 697.2 | 687.9 | 699.9 | 707.3 | 710.3 | 696.7 |
| **Total grass** | **838.1** | **829.4** | **840.1** | **843.7** | **848.2** | **838.5** |
| **Total crops and grass** | **894.6** | **883.5** | **894.1** | **896.3** | **901.3** | **892.3** |
| Rough grazing[1] | 158.7 | 156.5 | 154.1 | 151.6 | 152.9 | 151.2 |
| Woods and plantations | 8.2 | 8.6 | 8.2 | 7.9 | 8.4 | 8.2 |
| Other land[2] | 11.5 | 11.8 | 11.8 | 11.3 | 11.2 | 11.0 |
| **Total area of farms** | **1,073.0** | **1,060.5** | **1,068.2** | **1,067.2** | **1,073.7** | **1,062.8** |

1. Excludes common rough grazing (29,400 ha).

2. Includes set aside and land not used for agriculture.

## Table 3.3 Livestock numbers, June 1999 - 2004

*thousand head*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---|---|---|---|---|---|
| **CATTLE** | | | | | | |
| **Dairy cows** | | | | | | |
| In milk | 267.1 | 265.7 | 275.4 | 276.2 | 268.7 | 265.9 |
| In calf | 19.3 | 18.6 | 19.6 | 21.7 | 21.5 | 22.4 |
| **Total dairy cows** | **286.4** | **284.4** | **295.0** | **297.9** | **290.1** | **288.3** |
| Dairy heifers in calf | 60.0 | 60.9 | 60.7 | 58.5 | 60.0 | 62.5 |
| **Beef cows** | | | | | | |
| In milk | 274.2 | 262.2 | 260.2 | 255.5 | 239.9 | 240.5 |
| In calf | 58.0 | 55.8 | 51.6 | 51.5 | 55.5 | 55.7 |
| **Total beef cows** | **332.2** | **318.0** | **311.8** | **307.0** | **295.4** | **296.2** |
| Beef heifers in calf | 34.6 | 31.5 | 33.1 | 33.0 | 33.3 | 34.3 |
| **Total cows** | **618.6** | **602.3** | **606.8** | **604.9** | **585.6** | **584.5** |
| **Total heifers in calf** | **94.6** | **92.4** | **93.7** | **91.5** | **93.3** | **96.7** |
| Bulls for service | 16.9 | 16.3 | 16.7 | 16.5 | 16.6 | 17.0 |
| **Other cattle** | | | | | | |
| Over 2 years | 105.7 | 106.8 | 110.3 | 111.4 | 114.8 | 115.4 |
| 1-2 years | 402.1 | 387.8 | 380.3 | 387.8 | 403.5 | 397.3 |
| Under 1 year | 480.7 | 470.9 | 471.3 | 472.4 | 471.5 | 466.7 |
| **Total cattle** | **1,718.6** | **1,676.5** | **1,679.1** | **1,684.5** | **1,685.3** | **1,677.6** |
| **SHEEP** | | | | | | |
| Breeding ewes | 1,404.9 | 1,332.6 | 1,232.3 | 1,128.6 | 1,105.6 | 1,100.5 |
| Other sheep | 1,504.0 | 1,408.0 | 1,293.3 | 1,195.5 | 1,135.5 | 1,124.9 |
| **Total sheep** | **2,908.9** | **2,740.6** | **2,525.6** | **2,324.2** | **2,241.1** | **2,225.4** |
| **PIGS** | | | | | | |
| Sows and gilts | 47.1 | 41.8 | 40.6 | 39.3 | 42.9 | 37.8 |
| Other pigs | 443.1 | 371.7 | 345.0 | 348.4 | 390.8 | 386.2 |
| **Total pigs** | **490.2** | **413.5** | **385.6** | **387.7** | **433.7** | **424.1** |
| **POULTRY** | | | | | | |
| Laying birds | 2,140.1 | 2,300.0 | 2,142.6 | 2,099.4 | 2,203.2 | 2,266.1 |
| Growing pullets | 781.3 | 798.3 | 735.1 | 534.1 | 552.9 | 509.8 |
| Breeding flock | 2,266.1 | 2,196.3 | 2,145.2 | 2,506.2 | 2,518.2 | 2,284.8 |
| Table chickens | 9,342.0 | 9,655.4 | 8,863.6 | 11,273.3 | 12,811.4 | 15,006.9 |
| **Total ordinary fowl** | **14,529.5** | **14,950.0** | **13,886.5** | **16,413.0** | **18,085.8** | **20,067.6** |
| Other poultry | 518.4 | 425.9 | 461.0 | 448.8 | 439.6 | 441.7 |
| **Total poultry** | **15,047.9** | **15,375.9** | **14,347.5** | **16,861.8** | **18,525.4** | **20,509.2** |
| **HORSES & PONIES** | **9.9** | **9.5** | **10.1** | **10.1** | **9.9** | **9.2** |
| **GOATS** | **3.5** | **3.4** | **3.4** | **3.3** | **2.9** | **2.7** |

## Table 3.4 Areas of crops, grass, rough grazing and other land by Less Favoured Area (LFA) category[1] of farm, June 2004

*thousand hectares*

| | Areas on farms wholly or mainly in: | | | | |
|---|---|---|---|---|---|
| | **Severely Disadvantaged Area (SDA)** | **Disadvantaged Area (DA)** | **Total LFA** | **Non LFA** | **LFA as % of NI Total** |
| Cereals | 2 | 6 | 8 | 30 | 22 |
| Potatoes | 1 | 1 | 2 | 4 | 32 |
| Other agricultural crops | 1 | 1 | 2 | 5 | 33 |
| Horticultural crops | 0 | 1 | 1 | 2 | 20 |
| **Total crops** | **4** | **9** | **13** | **41** | **24** |
| Grass: Under 5 years old | 45 | 39 | 85 | 57 | 60 |
| 5 years and over | 282 | 208 | 491 | 206 | 70 |
| **Total grass** | **327** | **248** | **575** | **263** | **69** |
| Rough grazing[2] | 131 | 13 | 144 | 7 | 95 |
| Woods/other land | 6 | 4 | 10 | 9 | 52 |
| **Total area** | **468** | **275** | **742** | **321** | **70** |

1. For statistical purposes, farms classified as LFA farms have all or most of their land (after adjustment for conacre) within the LFA and are further classified as SDA or DA according to where the greater part of their LFA land lies.
Lowland farms have most or all of their land outside the LFA.
2. Excludes common rough grazing.

## Table 3.5 Livestock numbers by Less Favoured Area (LFA) category[1] of farm, June 2004

*thousand head*

| | Numbers on farms wholly or mainly in: | | | | |
|---|---|---|---|---|---|
| | **Severely Disadvantaged Area (SDA)** | **Disadvantaged Area (DA)** | **Total LFA** | **Non LFA** | **LFA as % of NI Total** |
| **CATTLE** | | | | | |
| Dairy cows | 49 | 92 | 141 | 148 | 49 |
| Beef cows | 154 | 85 | 239 | 57 | 81 |
| Heifers in calf | 25 | 29 | 54 | 43 | 56 |
| Bulls for service | 7 | 5 | 12 | 5 | 70 |
| **Other cattle** | | | | | |
| Over 2 years | 23 | 40 | 63 | 53 | 54 |
| 1-2 years | 102 | 131 | 233 | 164 | 59 |
| Under 1 year | 167 | 143 | 309 | 157 | 66 |
| **Total cattle** | **527** | **524** | **1,051** | **627** | **63** |
| **SHEEP** | | | | | |
| Breeding ewes | 638 | 258 | 896 | 205 | 81 |
| Other sheep | 634 | 278 | 912 | 212 | 81 |
| **Total sheep** | **1,272** | **536** | **1,808** | **417** | **81** |
| **PIGS** | | | | | |
| Sows and gilts | 7 | 10 | 17 | 21 | 45 |
| Other pigs | 66 | 107 | 173 | 213 | 45 |
| **Total pigs** | **72** | **118** | **190** | **234** | **45** |
| **POULTRY** | | | | | |
| Laying birds | 1116 | 573 | 1,689 | 577 | 75 |
| Table fowl | 2649 | 7329 | 9,978 | 5029 | 66 |
| Other poultry | 530 | 830 | 1,360 | 1876 | 42 |
| **Total poultry** | **4,295** | **8,732** | **13,027** | **7,482** | **64** |
| **HORSES AND PONIES** | **2** | **3** | **5** | **5** | **51** |
| **GOATS** | **1** | **1** | **2** | **1** | **74** |

1. See Note 1, Table 3.4.

# 4. FARM STRUCTURE

***Methodological notes***

*In the agricultural census, the statistical definition of a farm is the same as that applied under the Integrated Administration and Control System (IACS), i.e it is based on the concept of separate businesses. Until 1997, the definition was based on land ownership. The current definition is in keeping with that adopted for European Union surveys on the structure of agricultural holdings, according to which a farm is:*

> *'a single unit, both technically and economically, which has a single management and which produces agricultural products'*

*but it differs from that used elsewhere in the UK.*

***The agricultural census in Northern Ireland covers all active farm businesses having one hectare or more of farmed land, whether owned, leased or taken in conacre, and those with under one hectare having any cattle, sheep or pigs or with significant poultry or horticultural activity.***

**Farms**

The number of active farm businesses included in the June 2004 census, 27,614, was 667 fewer than in 2003. This is a net change, with some new businesses being created and others merging or ceasing to be active. The downward trend in the number of farms is 2.3 per cent per year from 1999 to 2004 and 1.8 per cent over the past 10 years.

A quarter of all farms have less than 10 hectares of crops and grass while just over 1,300 farms (5 per cent) have 100 hectares or more; these latter occupy 22 per cent of the crops and grass area.

**Business size**

Since quite large businesses can be operated on small areas (e.g. those with intensive livestock or horticultural crops), and land quality is very variable, area alone does not accurately reflect the level of business activity on farms. To overcome this problem Standard Gross Margins (SGMs) have been used throughout the EU as the basis for measuring both farm business size and defining farm type. The concept was adapted in the UK where farms were categorised as belonging to a particular size band: **very small, small, medium** or **large**, depending on total farm SGM. However, it was felt that the results were difficult to interpret and that a size definition more clearly linked to labour requirements would be more meaningful. So, while farm business type will continue to be based on the SGM approach, from 2004 onwards, farm size will reflect Standard Labour Requirements (SLRs) on farms (see appendix, page 55). While the system applies across the UK it has been possible to adapt it to account for some regional variation. Smaller field sizes in Northern Ireland, compared with the rest of the UK, mean that additional labour inputs are required for grassland and cropping activities and this is reflected in higher SLR coefficients than apply for Great Britain. Farms will continue to be classed as **very small, small, medium** or **large** but based on their underlying total SLR.

The majority of farm businesses in Northern Ireland, 74 per cent in 2004, are classified as **very small**. In 2004 there were 20,758 farms in this category (Table 4.3), 513 less than in 2003. These farms are unlikely to provide full time employment or an adequate income solely from farming activities.[1] They contribute 27 per cent of the industry's total SGM but account for 46 per cent of the farmed area (Table 4.15). Their main activities are cattle rearing and fattening and they have 59 per cent of beef cows and 49 per cent of fattening

**1** For further information on the persons living and working on farms of different sizes, see *Farmers and Farm Families in Northern Ireland*, DARD 2002.

cattle over one year old. Around 33,800 persons are engaged in the work of these farms (Table 4.13).

There are 3,984 **small** farms, generally involving one person full time with, in some cases, part time or seasonal help. These farms make important contributions to all sectors, from 12 per cent of pigs to 30 per cent of sheep; they cover 25 per cent of the agricultural area and involve 23 per cent of the full time agricultural labour force (Table 4.15).

The 1,584 **medium** and 1,288 **large** farms (together representing 10 per cent of the total number) contribute 49 per cent of the total SGM from under a third of the land area (Table 4.15). They are particularly dominant in the dairy, pigs and poultry sectors with, respectively, 65, 82 and 66 per cent shares of the livestock numbers.

Seventy four per cent of **very small** and 66 per cent of **small** farms are mainly in the LFA whereas, for **medium** and **large** farms, the proportions are 53 and 42 per cent respectively (Table 4.5).

**Farm type**

Eighty-eight per cent of Northern Ireland farms derive two-thirds or more of their total SGM from cattle and/or sheep (Table 4.6), including 15 per cent classified as **dairy** farms and 73 per cent as **cattle and sheep**. Relatively few farms depend predominantly on cropping, 467 (2 per cent) being classed as **cereal** farms, 314 (1 per cent) as **general cropping** and 312 (1 per cent) as **horticulture**. These exclude specialist mushroom growers who, for statistical purposes, are included along with specialists in horses or goats, in the **other types** category (700). Specialist **pigs and poultry** farms (557) and **mixed** farms (1,034) make up 2 and 4 per cent of the total respectively.

**Farm tenure**

Most farms in Northern Ireland include some rented land, 7 per cent are entirely rented or leased, 48 per cent have a mixture of owned and rented land and the remaining 45 per cent are entirely owner-occupied (Table 4.9). Much of the rented land is taken under the conacre system of short-term lettings which is a particular feature of land tenure throughout Ireland. By renting conacre land, farmers may expand their businesses to grow more crops or keep more stock than would be possible on the area they own. Landowners who are unable or unwilling to farm all or part of their land may let it in conacre, i.e. on a seasonal basis, (nominally for 11 months or 364 days) without entering into a long-term commitment.

**Enterprises**

Tables 4.16 to 4.24 show the numbers of farms in 2004 having each enterprise and the distribution of enterprise sizes. They show that, in 2004, 4,577 farms (17 per cent) had dairy cows, 15,546 (56 per cent) had beef cows and 23,776 (86 per cent) had cattle of some type. The average number of dairy cows per herd, 63, was 2 more than in 2003. It compares with an average herd size for beef breeding herds of 19 cows. Over 40 per cent of dairy cows are in herds of 100 or more cows, compared with 9 per cent of beef cows.

Some 8,730 farms had breeding sheep, with an average of 126 ewes per flock. There are relatively few large flocks in Northern Ireland, only 44 having 1,000 ewes or more.

Pigs were present on 483 farms, 63 fewer than in 2003. Most of the pig herds (401 in 2004) had sows, averaging 94 sows per herd. Around a quarter (100) had fewer than 5 sows and 112 had 100 or more.

Although 1,005 farms recorded laying hens on their June census return, for the most part these were very small flocks. Only 103 farms had 1,000 or more birds (Table 4.21). A similar situation occurs with broiler flocks, where over 90 per cent of the birds were in 208 farm businesses (Table 4.21).

In 2004 cereals were grown on 3,326 farms, which is 12 per cent of farms in Northern Ireland, and the average cereal enterprise consisted of 12 hectares. (Table 4.24) While over 40 per cent (1,357) of the farms with cereals had under 5 hectares, the 112 farms which grew 50 hectares or more accounted for more than a quarter of the cereals area.

Some 916 farms, 3 per cent of the total, grew potatoes in 2004; of these, 155 with 10 hectares or more of the crop contributed two-thirds of the total area (Table 4.25).

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## Table 4.1 Number and area of farms by area farmed[1] , June 2004

| Size group (hectares) | By crops and grass area: Farms | By crops and grass area: Hectares | By total area: Farms | By total area: Hectares |
|---|---|---|---|---|
| Nil | 444 | - | 193 | - |
| 0.1 - 9.9 | 6,263 | 35,546 | 5,455 | 31,218 |
| 10.0 - 19.9 | 6,393 | 92,662 | 5,985 | 87,527 |
| 20.0 - 29.9 | 4,299 | 105,048 | 4,196 | 102,986 |
| 30.0 - 49.9 | 4,895 | 189,100 | 5,199 | 201,348 |
| 50.0 - 99.9 | 4,019 | 272,763 | 4,664 | 320,218 |
| 100.0 - 199.9 | 1,117 | 146,227 | 1,539 | 204,963 |
| 200.0 + | 184 | 50,995 | 383 | 114,552 |
| **Total** | **27,614** | **892,340** | **27,614** | **1,062,812** |

1. The area farmed is after adjustment for conacre taken or let.

## Table 4.2 Number of farms, average area and distribution of area by area farmed, June 1999 - 2004

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---|---|---|---|---|---|
| **Number of farms** | 31,132 | 29,891 | 29,818 | 28,513 | 28,281 | 27,614 |
| **Average area per farm (ha):** | | | | | | |
| Crops and grass | 28.7 | 29.6 | 30.0 | 31.4 | 31.9 | 32.3 |
| Total area | 34.5 | 35.5 | 35.8 | 37.4 | 38.0 | 38.5 |
| **Per cent of crops and grass area farmed in units of:** | | | | | | |
| (hectares) | | | | | | |
| 0.1 - 9.9 | 5.1 | 4.7 | 4.6 | 4.2 | 4.1 | 4.0 |
| 10.0 - 19.9 | 12.0 | 11.7 | 11.4 | 10.8 | 10.5 | 10.4 |
| 20.0 - 29.9 | 13.3 | 12.9 | 12.7 | 12.1 | 11.8 | 11.8 |
| 30.0 - 49.9 | 22.4 | 22.5 | 22.4 | 21.6 | 21.3 | 21.2 |
| 50.0 - 99.9 | 30.6 | 30.8 | 30.8 | 30.5 | 30.4 | 30.6 |
| 100.0 + | 16.6 | 17.5 | 18.0 | 20.8 | 21.9 | 22.1 |
| **Total** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** |

## Table 4.3 Number of farms by business size and area farmed, June 2004

*number*

| Area of crops and grass farmed (hectares) | Business size[1] | | | | |
|---|---|---|---|---|---|
| | Very small | Small | Medium | Large | All sizes |
| Under 10 | 6,398 | 140 | 90 | 79 | 6,707 |
| 10.0 - 19.9 | 6,142 | 174 | 39 | 38 | 6,393 |
| 20.0 - 29.9 | 3,838 | 381 | 54 | 26 | 4,299 |
| 30.0 - 49.9 | 3,203 | 1,361 | 243 | 88 | 4,895 |
| 50.0 - 99.9 | 1,119 | 1,578 | 864 | 458 | 4,019 |
| 100.0 + | 58 | 350 | 294 | 599 | 1,301 |
| **Total** | **20,758** | **3,984** | **1,584** | **1,288** | **27,614** |

1. For a description of how business size is measured, see Appendix.

## Table 4.4 Number of farms by business size, June 1999 - 2004

*number*

| Business size[1] | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---|---|---|---|---|---|
| Very small | 16,493 | 15,535 | 16,153 | 15,295 | 15,206 | 20,758 |
| Small | 10,766 | 10,547 | 9,833 | 9,387 | 9,365 | 3,984 |
| Medium | 3,257 | 3,153 | 3,103 | 3,069 | 2,946 | 1,584 |
| Large | 616 | 656 | 729 | 762 | 764 | 1,288 |
| **Total** | **31,132** | **29,891** | **29,818** | **28,513** | **28,281** | **27,614** |

1. See Note 1, Table 4.3.

## Table 4.5 Number of farms by business size and Less Favoured Area (LFA) category[1], June 2004

*number*

| Business size[2] | Severely Disadvantaged Area (SDA) | Disadvantaged Area (DA) | Total LFA | Non LFA | LFA as % of NI Total |
|---|---|---|---|---|---|
| Very small | 8,837 | 6,516 | 15,353 | 5,405 | 74 |
| Small | 1,380 | 1,234 | 2,614 | 1,370 | 66 |
| Medium | 377 | 465 | 842 | 742 | 53 |
| Large | 196 | 345 | 541 | 747 | 42 |
| **Total** | **10,790** | **8,560** | **19,350** | **8,264** | **70** |

1. For statistical purposes, farms classified as LFA farms have all or most of their land (after adjustment for conacre) within the LFA and are further classified as SDA or DA according to where the greater part of their LFA land lies. Lowland farms have most or all of their land outside the LFA.

2. See Note 1, Table 4.3.

## Table 4.6 Number of farms by business size and type, June 2004

*number*

| Business type[1] | Business size[1] | | | | |
|---|---|---|---|---|---|
| | Very small | Small | Medium | Large | All sizes |
| Cereals | 404 | 42 | 12 | 9 | 467 |
| General cropping | 183 | 59 | 34 | 38 | 314 |
| Horticulture | 138 | 64 | 40 | 70 | 312 |
| Pigs & poultry | 288 | 134 | 57 | 78 | 557 |
| Dairy | 1,003 | 1,553 | 873 | 772 | 4,201 |
| Cattle & sheep (LFA)[2] | 13,648 | 1,376 | 302 | 138 | 15,464 |
| Cattle & sheep (lowland)[2] | 3,956 | 474 | 100 | 35 | 4,565 |
| Mixed | 613 | 224 | 95 | 102 | 1,034 |
| Others | 525 | 58 | 71 | 46 | 700 |
| **All types** | **20,758** | **3,984** | **1,584** | **1,288** | **27,614** |

1. For a description of how business size and type are measured, see Appendix.
2. See Note 1, Table 4.5.

## Table 4.7 Number of farms by business type, June 1999 - 2004

*number*

| Business type[1] | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---|---|---|---|---|---|
| Cereals | 631 | 510 | 537 | 479 | 457 | 467 |
| General cropping | 372 | 322 | 311 | 305 | 295 | 314 |
| Horticulture | 370 | 346 | 331 | 338 | 322 | 312 |
| Pigs & poultry | 591 | 540 | 523 | 507 | 510 | 557 |
| Dairy | 5,039 | 4,855 | 4,741 | 4,596 | 4,425 | 4,201 |
| Cattle & sheep (LFA)[2] | 16,891 | 16,183 | 16,061 | 15,628 | 15,700 | 15,464 |
| Cattle & sheep (lowland)[2] | 4,985 | 4,709 | 4,850 | 4,680 | 4,589 | 4,565 |
| Mixed | 1,305 | 1,148 | 1,067 | 1,004 | 1,058 | 1,034 |
| Others | 1,048 | 1,278 | 1,397 | 976 | 925 | 700 |
| **All types** | **31,232** | **29,891** | **29,818** | **28,513** | **28,281** | **27,614** |

1. See Note 1, Table 4.6.
2. See Note 1, Table 4.5.

## Table 4.8 Number of farms by business type and Less Favoured Area (LFA) category[1], June 2004

*number*

| Business type[2] | Severely Disadvantaged Area (SDA) | Disadvantaged Area (DA) | Total LFA | Non LFA | LFA as % of NI Total |
|---|---|---|---|---|---|
| Cereals | 18 | 83 | 101 | 365 | 22 |
| General cropping | 19 | 81 | 100 | 214 | 32 |
| Horticulture | 16 | 81 | 97 | 215 | 31 |
| Pigs & poultry | 148 | 190 | 338 | 219 | 61 |
| Dairy | 995 | 1,489 | 2,484 | 1,717 | 59 |
| Cattle & sheep | 9,330 | 6,134 | 15,464 | 4,565 | 77 |
| Mixed | 119 | 282 | 401 | 634 | 39 |
| Others | 144 | 221 | 365 | 335 | 52 |
| **All types** | **10,789** | **8,561** | **19,350** | **8,264** | **70** |

1. See Note 1, Table 4.5.
2. See Note 1, Table 4.6.

### Table 4.9 Number of farms by business size and proportion of area owner occupied, June 2004

*farms*

| Owned land as percentage of farmed area | Business size[1] | | | | |
|---|---|---|---|---|---|
| | Very small | Small | Medium | Large | All sizes |
| All owner occupied | 11,036 | 962 | 325 | 222 | 12,545 |
| 50-<100% | 5,058 | 1,889 | 778 | 689 | 8,414 |
| >0-<50% | 2,921 | 1,002 | 447 | 357 | 4,727 |
| None owner occupied | 1,743 | 131 | 34 | 20 | 1,928 |
| **All farms** | **20,758** | **3,984** | **1,584** | **1,288** | **27,614** |

1. For a description of how business size is measured, see Appendix.

### Table 4.10 Area of land by type of tenure, 1999 - 2004

*hectare*

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|---|---|---|---|---|---|---|
| Owner-occupied | 758,515 | 743,744 | 738,789 | 715,811 | 708,559 | 701,500 |
| Rented | 314,507 | 316,760 | 329,445 | 351,451 | 365,189 | 361,312 |
| **Total** | **1,073,022** | **1,060,504** | **1,068,234** | **1,067,262** | **1,073,748** | **1,062,812** |
| **Aver. percentage of owned land** | **70.7** | **70.1** | **69.2** | **67.1** | **66.0** | **66.0** |
| **Common grazing** | **34,500** | **37,400** | **40,900** | **41,000** | **35,500** | **29,400** |

## Table 4.11 Average conacre rents by type of use, 1998 - 2003

*£/hectare*

| Use | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|---|---|---|---|---|---|
| Grass | 201 | 196 | 189 | 192 | 201 | 199 |
| Potatoes | 453 | 479 | 482 | 406 | 412 | 479 |
| Cereals | 242 | 211 | 213 | 233 | 246 | 208 |
| Rough grazing | 59 | 51 | 51 | 49 | 51 | 54 |
| **All uses** | **205** | **196** | **182** | **184** | **174** | **166** |

Source: Farm Business Survey.

## Table 4.12 Number of sales and average price of agricultural land by area sold, 1998 - 2003[1,2]

| | 1998 | 1999 | 2000 | 2001[3] | 2002[4] | 2003[5] |
|---|---|---|---|---|---|---|
| Number of sales | 223 | 163 | 174 | 67 | 55 | 44 |
| Area (hectares) | 2,151 | 1,672 | 1,614 | 597 | 550 | 520 |
| Value (£ '000) | 18,813 | 13,825 | 15,545 | 5,950 | 6,851 | 7,774 |
| Average price (£ per ha) by hectare size group | | | | | | |
| 2 - 9.9 | 9,640 | 9,397 | 11,749 | 13,209 | 14,793 | 16,376 |
| 10 - 19.9 | 8,918 | 9,104 | 7,380 | 8,665 | 10,681 | 12,696 |
| 20 and over | 7,702 | 6,165 | 8,722 | 6,026 | 10,449 | 14,871 |
| **All sizes** (unweighted) | 8,746 | 8,268 | 9,634 | 9,961 | 12,456 | 14,950 |

Source: Valuation and Lands Agency.

Notes:

1. Figures have been revised to exclude land sold as development or building land.
2. The figures are lagged by three months to reflect the delay between the date at which the sale is agreed and the date at which it is included in the analysis.
3. Land sales of less than two hectares are not included for 2001 and previous years.
4. Figures for 2002 are estimates due to lack of data.
5. Land sales of less than five hectares are not included for 2003.

### Table 4.13 Distribution of the farm labour force by business size, June 2004

*number of persons*

| Labour item | Business size[1] | | | | |
|---|---|---|---|---|---|
| | Very small | Small | Medium | Large | All sizes |
| **Farmers and partners** | | | | | |
| Full time | 10,028 | 4,359 | 2,005 | 1,937 | 18,329 |
| Part time | 13,375 | 938 | 343 | 278 | 14,934 |
| **Total** | **23,403** | **5,297** | **2,348** | **2,215** | **33,263** |
| **Spouses of farmers** | **4,007** | **1,222** | **610** | **557** | **6,396** |
| **Other workers** | | | | | |
| Full time | 576 | 458 | 426 | 1,281 | 2,741 |
| Part time | 1,451 | 545 | 334 | 455 | 2,785 |
| Casual/seasonal | 4,354 | 1,760 | 900 | 1,133 | 8,147 |
| **Total other workers** | **6,381** | **2,763** | **1,660** | **2,869** | **13,673** |
| **Total agricultural labour force** | **33,791** | **9,282** | **4,618** | **5,641** | **53,332** |

1. For a description of how business size is measured, see Appendix.

### Table 4.14 Distribution of the farm labour force by Less Favoured Area (LFA) category[1], June 2004

*number of persons*

| Labour item | Severely Disadvantaged Area (SDA) | Disadvantaged Area (DA) | Total LFA | Non LFA | LFA as % of NI Total |
|---|---|---|---|---|---|
| **Farmers and partners** | | | | | |
| Full time | 6,640 | 5,637 | 12,277 | 6,052 | 67 |
| Part time | 5,974 | 4,685 | 10,659 | 4,275 | 71 |
| **Total** | **12,614** | **10,322** | **22,936** | **10,327** | **69** |
| **Spouses of farmers** | **2,229** | **1,923** | **4,152** | **2,244** | **65** |
| **Other workers** | | | | | |
| Full time | 685 | 656 | 1,341 | 1,400 | 49 |
| Part time | 940 | 795 | 1,735 | 1,050 | 62 |
| Casual/seasonal | 2,677 | 2,388 | 5,065 | 3,082 | 62 |
| **Total other workers** | **4,302** | **3,839** | **8,141** | **5,532** | **60** |
| **Total agricultural labour force** | **19,145** | **16,084** | **35,229** | **18,103** | **66** |

1. See Note 1, Table 4.5 .

**Table 4.15 Distribution of numbers of livestock, hectares of crops, full-time labour and output by business size, June 2004**

**A. Number of farms having the item**
**B. Total for each item ('000)**
**C. Percentage of Northern Ireland total of each item**

| Item | Business size[1] | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Very small | | | Small | | | Medium | | | Large | | | All farms | | |
| | A | B | C | A | B | C | A | B | C | A | B | C | A | B | C |
| **Cattle** | | | | | | | | | | | | | | | |
| Total | 17,524 | 663 | *40* | 3,698 | 424 | *25* | 1,418 | 254 | *15* | 1,136 | 335 | *20* | 23,776 | 1,678 | *100* |
| Dairy cows | 1,130 | 23 | *8* | 1,648 | 77 | *27* | 944 | 72 | *25* | 855 | 117 | *40* | 4,577 | 288 | *100* |
| Beef cows | 12,539 | 176 | *59* | 2,094 | 73 | *24* | 576 | 26 | *9* | 337 | 22 | *7* | 15,546 | 296 | *100* |
| Slaughter cattle >1year | 11,860 | 210 | *49* | 2,755 | 110 | *26* | 1,026 | 53 | *12* | 770 | 55 | *13* | 16,411 | 428 | *100* |
| **Sheep** | | | | | | | | | | | | | | | |
| Total | 6,266 | 975 | *44* | 1,718 | 675 | *30* | 515 | 293 | *13* | 370 | 283 | *13* | 8,869 | 2,225 | *100* |
| Ewes | 6,161 | 487 | *44* | 1,702 | 331 | *30* | 510 | 145 | *13* | 361 | 137 | *12* | 8,734 | 1,101 | *100* |
| **Pigs** | | | | | | | | | | | | | | | |
| Total | 222 | 29 | *7* | 106 | 51 | *12* | 64 | 62 | *15* | 91 | 282 | *67* | 483 | 424 | *100* |
| Sows | 172 | 2 | *6* | 90 | 4 | *12* | 54 | 6 | *15* | 85 | 25 | *67* | 401 | 38 | *100* |
| Other pigs over 20 kg | 183 | 19 | *7* | 100 | 33 | *12* | 63 | 41 | *15* | 91 | 184 | *67* | 437 | 277 | *100* |
| **Poultry** | | | | | | | | | | | | | | | |
| Total | 1,190 | 2,639 | *13* | 349 | 4,463 | *22* | 141 | 3,430 | *17* | 143 | 9,977 | *49* | 1,823 | 20,509 | *100* |
| Layers | 776 | 185 | *8* | 142 | 315 | *14* | 45 | 228 | *10* | 42 | 1,537 | *68* | 1,005 | 2,266 | *100* |
| **Crops** | | | | | | | | | | | | | | | |
| Oats | 215 | 1 | *30* | 108 | 1 | *22* | 58 | 1 | *22* | 55 | 1 | *25* | 436 | 2 | *100* |
| Wheat | 222 | 2 | *18* | 168 | 2 | *19* | 146 | 2 | *18* | 232 | 4 | *45* | 768 | 9 | *100* |
| Barley | 1,353 | 9 | *32* | 723 | 7 | *27* | 372 | 4 | *16* | 358 | 7 | *25* | 2,806 | 27 | *100* |
| Potatoes | 487 | 1 | *17* | 219 | 1 | *20* | 110 | 1 | *19* | 100 | 3 | *45* | 916 | 6 | *100* |
| Crops & grass | 20,399 | 414 | *46* | 3,954 | 220 | *25* | 1,556 | 116 | *13* | 1,261 | 141 | *16* | 27,170 | 892 | *100* |
| Rough grazing | 5,214 | 70 | *46* | 1,246 | 41 | *27* | 486 | 24 | *16* | 305 | 16 | *11* | 7,251 | 151 | *100* |
| **Total area** | 20,758 | 492 | *46* | 3,984 | 266 | *25* | 1,584 | 142 | *13* | 1,288 | 162 | *15* | 27,614 | 1,063 | *100* |
| **Labour** | | | | | | | | | | | | | | | |
| Full-time labour force[2] | 9,639 | 12 | *50* | 3,731 | 5 | *23* | 1,540 | 3 | *12* | 1,265 | 4 | *15* | 16,175 | 23 | *100* |
| **Output** | | | | | | | | | | | | | | | |
| SGM[3] | 20,758 | 208 | *27* | 3,984 | 189 | *25* | 1,584 | 136 | *18* | 1,288 | 235 | *31* | 27,614 | 768 | *100* |

1. For a description of how business size is measured, see Appendix.
2. The full-time labour force includes full-time farmers, partners, spouses and other full-time workers.
3. Figures in Column B are in million euros; for a definition of Standard Gross Margins, see Appendix.

**Table 4.16 Distribution of (a) dairy cows and (b) beef cows by herd size, June 2004**

| Number per farm | Dairy cows: Numbers of Farms | Dairy cows: Numbers of Cows | Dairy cows: Percentages of Farms | Dairy cows: Percentages of Cows | Beef cows: Numbers of Farms | Beef cows: Numbers of Cows | Beef cows: Percentages of Farms | Beef cows: Percentages of Cows |
|---|---|---|---|---|---|---|---|---|
| **1 - 2** | 44 | 62 | 1.0 | 0.0 | 1,411 | 2,176 | 9.1 | 0.7 |
| **3 - 4** | 30 | 103 | 0.7 | 0.0 | 1,317 | 4,624 | 8.5 | 1.6 |
| **5 - 9** | 97 | 679 | 2.1 | 0.2 | 3,332 | 23,186 | 21.4 | 7.8 |
| **10 - 14** | 184 | 2,209 | 4.0 | 0.8 | 2,565 | 30,413 | 16.5 | 10.3 |
| **15 - 19** | 217 | 3,681 | 4.7 | 1.3 | 1,817 | 30,609 | 11.7 | 10.3 |
| **20 - 29** | 514 | 12,379 | 11.2 | 4.3 | 2,248 | 53,419 | 14.5 | 18.0 |
| **30 - 39** | 554 | 18,810 | 12.1 | 6.5 | 1,137 | 38,319 | 7.3 | 12.9 |
| **40 - 49** | 581 | 25,650 | 12.7 | 8.9 | 632 | 27,688 | 4.1 | 9.3 |
| **50 - 59** | 439 | 23,629 | 9.6 | 8.2 | 367 | 19,649 | 2.4 | 6.6 |
| **60 - 69** | 352 | 22,525 | 7.7 | 7.8 | 229 | 14,575 | 1.5 | 4.9 |
| **70 - 99** | 767 | 62,723 | 16.8 | 21.8 | 298 | 24,189 | 1.9 | 8.2 |
| **100 - 199** | 705 | 92,444 | 15.4 | 32.1 | 165 | 20,691 | 1.1 | 7.0 |
| **200 & over** | 93 | 23,402 | 2.0 | 8.1 | 28 | 6,631 | 0.2 | 2.2 |
| **Total 2004** | **4,577** | **288,296** | **100.0** | **100.0** | **15,546** | **296,169** | **100.0** | **100.0** |
| ***Total 2003*** | ***4,742*** | ***290,145*** | | | ***15,807*** | ***295,447*** | | |
| **Average 2004** | | **63.0** | | | | **19.1** | | |
| ***Average 2003*** | | ***61.2*** | | | | ***18.7*** | | |

**Table 4.17 Distribution of (a) slaughter cattle one year-old and over and (b) total cattle by herd size, June 2004**

| Number per farm | Cattle one year old and over, intended for slaughter: Numbers of Farms | Numbers of Cattle | Percentages of Farms | Percentages of Cattle | Total cattle: Numbers of Farms | Numbers of Cattle | Percentages of Farms | Percentages of Cattle |
|---|---|---|---|---|---|---|---|---|
| **1 - 4** | 3,162 | 7,297 | 19.3 | 1.7 | 854 | 2,421 | 3.6 | 0.1 |
| **5 - 9** | 2,784 | 19,140 | 17.0 | 4.5 | 1,591 | 11,116 | 6.7 | 0.7 |
| **10 - 19** | 3,764 | 52,115 | 22.9 | 12.2 | 3,476 | 50,312 | 14.6 | 3.0 |
| **20 - 29** | 2,184 | 52,148 | 13.3 | 12.2 | 2,953 | 71,607 | 12.4 | 4.3 |
| **30 - 39** | 1,289 | 43,752 | 7.9 | 10.2 | 2,261 | 77,735 | 9.5 | 4.6 |
| **40 - 49** | 897 | 39,535 | 5.5 | 9.2 | 1,973 | 87,286 | 8.3 | 5.2 |
| **50 - 69** | 999 | 58,086 | 6.1 | 13.6 | 2,777 | 163,091 | 11.7 | 9.7 |
| **70 - 99** | 709 | 57,890 | 4.3 | 13.5 | 2,571 | 213,218 | 10.8 | 12.7 |
| **100 - 199** | 519 | 67,089 | 3.2 | 15.7 | 3,682 | 508,656 | 15.5 | 30.3 |
| **200 - 299** | 77 | 18,196 | 0.5 | 4.3 | 1,081 | 259,943 | 4.5 | 15.5 |
| **300 & over** | 27 | 12,447 | 0.2 | 2.9 | 557 | 232,198 | 2.3 | 13.8 |
| **Total 2004** | **16,411** | **427,695** | **100.0** | **100.0** | **23,776** | **1,677,583** | **100.0** | **100.0** |
| ***Total 2003*** | ***17,061*** | ***433,544*** | | | ***24,329*** | ***1,685,254*** | | |
| **Average 2004** | | **26.1** | | | | **70.6** | | |
| ***Average 2003*** | | ***25.4*** | | | | ***69.3*** | | |

### Table 4.18 Distribution of (a) ewes and (b) total sheep by flock size, June 2004

| Number per farm | Ewes: Numbers of Farms | Ewes: Numbers of Ewes | Ewes: Percentages of Farms | Ewes: Percentages of Ewes | Total sheep: Numbers of Farms | Total sheep: Numbers of Sheep | Total sheep: Percentages of Farms | Total sheep: Percentages of Sheep |
|---|---|---|---|---|---|---|---|---|
| **1 - 24** | 1,223 | 17,518 | 14.0 | 1.6 | 638 | 8,646 | 7.2 | 0.4 |
| **25 - 49** | 1,615 | 58,318 | 18.5 | 5.3 | 927 | 34,287 | 10.5 | 1.5 |
| **50 - 99** | 2,247 | 156,203 | 25.7 | 14.2 | 1,582 | 117,275 | 17.8 | 5.3 |
| **100 - 199** | 2,086 | 283,206 | 23.9 | 25.7 | 2,157 | 307,526 | 24.3 | 13.8 |
| **200 - 299** | 761 | 180,553 | 8.7 | 16.4 | 1,286 | 314,946 | 14.5 | 14.2 |
| **300 - 399** | 354 | 118,288 | 4.1 | 10.7 | 733 | 252,083 | 8.3 | 11.3 |
| **400 - 499** | 187 | 81,939 | 2.1 | 7.4 | 436 | 194,688 | 4.9 | 8.7 |
| **500 - 699** | 139 | 80,749 | 1.6 | 7.3 | 523 | 307,071 | 5.9 | 13.8 |
| **700 - 999** | 78 | 63,043 | 0.9 | 5.7 | 319 | 263,324 | 3.6 | 11.8 |
| **1,000 - 1,499** | 35 | 42,383 | 0.4 | 3.9 | 158 | 189,401 | 1.8 | 8.5 |
| **1,500 & over** | 9 | 18,305 | 0.1 | 1.7 | 110 | 236,160 | 1.2 | 10.6 |
| **Total 2004** | **8,734** | **1,100,505** | **100.0** | **100.0** | **8,869** | **2,225,407** | **100.0** | **100.0** |
| ***Total 2003*** | ***8,753*** | ***1,105,580*** | | | ***8,879*** | ***2,241,112*** | | |
| **Average 2004** | | **126.0** | | | | **250.9** | | |
| ***Average 2003*** | | ***126.3*** | | | | ***252.4*** | | |

### Table 4.19 Distribution of breeding sows by herd size, June 2004

| Number per farm | Sows (including gilts): Numbers of Farms | Numbers of Sows | Percentages of Farms | Percentages of Sows |
|---|---|---|---|---|
| **1 - 4** | 100 | 219 | 24.9 | 0.6 |
| **5 - 9** | 36 | 241 | 9.0 | 0.6 |
| **10 - 19** | 27 | 385 | 6.7 | 1.0 |
| **20 - 29** | 24 | 574 | 6.0 | 1.5 |
| **30 - 49** | 42 | 1,631 | 10.5 | 4.3 |
| **50 - 99** | 60 | 4,371 | 15.0 | 11.6 |
| **100 - 199** | 69 | 9,792 | 17.2 | 25.9 |
| **200 - 299** | 17 | 4,263 | 4.2 | 11.3 |
| **300 & over** | 26 | 16,357 | 6.5 | 43.2 |
| **Total 2004** | **401** | **37,833** | **100.0** | **100.0** |
| ***Total 2003*** | ***472*** | ***42,873*** | | |
| **Average 2004** | | **94.3** | | |
| ***Average 2003*** | | ***90.8*** | | |

### Table 4.20 Distribution of (a) fattening pigs 20kg and over and (b) total pigs by herd size, June 2004

| Number per farm | Fattening pigs 20kg & over: Numbers of Farms | Numbers of Pigs | Percentages of Farms | Percentages of Pigs | Total pigs: Numbers of Farms | Numbers of Pigs | Percentages of Farms | Percentages of Pigs |
|---|---|---|---|---|---|---|---|---|
| **1 - 9** | 55 | 273 | 12.6 | 0.1 | 71 | 210 | 14.7 | 0.0 |
| **10 - 19** | 35 | 502 | 8.0 | 0.2 | 38 | 518 | 7.9 | 0.1 |
| **20 - 49** | 47 | 1,515 | 10.8 | 0.5 | 52 | 1,741 | 10.8 | 0.4 |
| **50 - 99** | 26 | 1,896 | 5.9 | 0.7 | 28 | 1,935 | 5.8 | 0.5 |
| **100 - 199** | 53 | 7,570 | 12.1 | 2.7 | 34 | 4,877 | 7.0 | 1.2 |
| **200 - 399** | 57 | 16,937 | 13.0 | 6.1 | 55 | 15,746 | 11.4 | 3.7 |
| **400 - 999** | 90 | 57,518 | 20.6 | 20.8 | 87 | 56,652 | 18.0 | 13.4 |
| **1,000 - 1,999** | 45 | 62,604 | 10.3 | 22.6 | 64 | 87,243 | 13.3 | 20.6 |
| **2,000 & over** | 29 | 127,722 | 6.6 | 46.2 | 54 | 255,136 | 11.2 | 60.2 |
| **Total 2004** | **437** | **276,537** | **100.0** | **100.0** | **483** | **424,058** | **100.0** | **100.0** |
| ***Total 2003*** | ***395*** | ***281,792*** | | | ***546*** | ***433,689*** | | |
| **Average 2004** | | **632.8** | | | | **878.0** | | |
| ***Average 2003*** | | ***713.4*** | | | | ***794.3*** | | |

**Table 4.21 Distribution of (a) laying hens and (b) broilers by flock size, June 2004**

| | Laying Hens | | | | Broilers | | | |
|---|---|---|---|---|---|---|---|---|
| | Numbers of | | Percentages of | | Numbers of | | Percentages of | |
| Number per farm | Farms | Hens ('000) | Farms | Hens | Farms | Broilers ('000) | Farms | Broilers |
| **1 - 999** | 902 | 19 | 89.8 | 0.8 | 26 | 1 | 7.9 | 0.0 |
| **1,000 - 4,999** | 23 | 74 | 2.3 | 3.3 | 5 | 19 | 1.5 | 0.1 |
| **5,000 - 9,999** | 27 | 186 | 2.7 | 8.2 | 24 | 189 | 7.3 | 1.3 |
| **10,000 - 19,999** | 29 | 382 | 2.9 | 16.9 | 65 | 973 | 19.8 | 6.5 |
| **20,000 - 29,999** | 4 | 91 | 0.4 | 4.0 | 51 | 1,107 | 15.5 | 7.4 |
| **30,000 - 49,999** | 10 | 374 | 1.0 | 16.5 | 81 | 3,124 | 24.7 | 20.8 |
| **50,000 & over** | 10 | 1,140 | 1.0 | 50.3 | 76 | 9,594 | 23.2 | 63.9 |
| **Total 2004** | **1,005** | **2,266** | **100.0** | **100.0** | **328** | **15,007** | **100.0** | **100.0** |
| ***Total 2003*** | ***1,138*** | ***2,203*** | | | ***334*** | ***12,811*** | | |
| **Average 2004** | | **2,255** | | | | **45,753** | | |
| ***Average 2003*** | | ***1,936*** | | | | ***38,356*** | | |

**Table 4.22 Distribution of total poultry by flock size, June 2004**

| | Total poultry | | | |
|---|---|---|---|---|
| | Numbers of | | Percentages of | |
| Number per farm | Farms | Birds ('000) | Farms | Birds |
| **1 - 999** | 1,219 | 37 | 66.9 | 0.2 |
| **1,000 - 4,999** | 77 | 243 | 4.2 | 1.2 |
| **5,000 - 9,999** | 122 | 852 | 6.7 | 4.2 |
| **10,000 - 19,999** | 156 | 2,224 | 8.6 | 10.8 |
| **20,000 - 29,999** | 62 | 1,368 | 3.4 | 6.7 |
| **30,000 - 49,999** | 98 | 3,762 | 5.4 | 18.3 |
| **50,000 & over** | 89 | 12,023 | 4.9 | 58.6 |
| **Total 2004** | **1,823** | **20,509** | **100.0** | **100.0** |
| ***Total 2003*** | ***1,980*** | ***18,525*** | | |
| **Average 2004** | | **11,250** | | |
| ***Average 2003*** | | ***9,356*** | | |

**Table 4.23 Distribution of (a) barley and (b) wheat by area of crop, June 2004**

| | Barley | | | | Wheat | | | |
|---|---|---|---|---|---|---|---|---|
| Area per farm (ha) | Number of Farms | Area of Barley (ha) | Percentages of Farms | Percentages of Barley | Number of Farms | Area of Wheat (ha) | Percentages of Farms | Percentages of Wheat |
| **under 1** | 49 | 34 | 1.7 | 0.1 | 7 | 5 | 0.9 | 0.1 |
| **1 - 4.9** | 1,178 | 3,435 | 42.0 | 12.7 | 262 | 795 | 34.1 | 9.2 |
| **5 - 9.9** | 767 | 5,386 | 27.3 | 19.9 | 242 | 1,742 | 31.5 | 20.2 |
| **10 - 19.9** | 556 | 7,703 | 19.8 | 28.5 | 160 | 2,196 | 20.8 | 25.4 |
| **20 - 29.9** | 115 | 2,768 | 4.1 | 10.2 | 48 | 1,137 | 6.3 | 13.2 |
| **30 - 39.9** | 51 | 1,756 | 1.8 | 6.5 | 18 | 619 | 2.3 | 7.2 |
| **40 - 49.9** | 27 | 1,180 | 1.0 | 4.4 | 11 | 480 | 1.4 | 5.6 |
| **50 & over** | 63 | 4,749 | 2.2 | 17.6 | 20 | 1,661 | 2.6 | 19.2 |
| **Total 2004** | **2,806** | **27,011** | **100.0** | **100.0** | **768** | **8,634** | **100.0** | **100.0** |
| ***Total 2003*** | ***2,937*** | ***27,756*** | | | ***703*** | ***7,313*** | | |
| **Average 2004** | | **9.6** | | | | **11.2** | | |
| ***Average 2003*** | | ***9.5*** | | | | ***10.4*** | | |

**Table 4.24 Distribution of total cereals by area of crop, June 2004**

| | Total cereals | | | |
|---|---|---|---|---|
| Area per farm (ha) | Number of Farms | Area of Cereals (ha) | Percentages of Farms | Percentages of Cereals |
| **under 1** | 69 | 47 | 2.1 | 0.1 |
| **1 - 4.9** | 1,288 | 3,718 | 38.7 | 9.7 |
| **5 - 9.9** | 877 | 6,232 | 26.4 | 16.3 |
| **10 - 19.9** | 719 | 10,244 | 21.6 | 26.8 |
| **20 - 29.9** | 148 | 3,557 | 4.4 | 9.3 |
| **30 - 39.9** | 64 | 2,207 | 1.9 | 5.8 |
| **40 - 49.9** | 49 | 2,148 | 1.5 | 5.6 |
| **50 & over** | 112 | 10,132 | 3.4 | 26.5 |
| **Total 2004** | **3,326** | **38,285** | **100.0** | **100.0** |
| ***Total 2003*** | ***3,421*** | ***37,761*** | | |
| **Average 2004** | | **11.5** | | |
| ***Average 2003*** | | ***11.0*** | | |

**Table 4.25 Distribution of potatoes by area of crop, June 2004**

| | Potatoes | | | |
|---|---|---|---|---|
| Area per farm (ha) | Number of Farms | Area of Potatoes (ha) | Percentages of Farms | Percentages of Potatoes |
| **under 1** | 244 | 111 | 26.6 | 2.0 |
| **1 - 4.9** | 399 | 978 | 43.6 | 17.3 |
| **5 - 9.9** | 118 | 826 | 12.9 | 14.6 |
| **10 - 19.9** | 94 | 1,299 | 10.3 | 22.9 |
| **20 - 29.9** | 24 | 593 | 2.6 | 10.5 |
| **30 - 39.9** | 18 | 634 | 2.0 | 11.2 |
| **40 - 49.9** | 9 | 388 | 1.0 | 6.8 |
| **50 & over** | 10 | 836 | 1.1 | 14.8 |
| **Total 2004** | **916** | **5,665** | **100.0** | **100.0** |
| ***Total 2003*** | ***977*** | ***6,049*** | | |
| **Average 2004** | | **6.2** | | |
| ***Average 2003*** | | ***6.2*** | | |

# 5. INCOMES AT FARM LEVEL

***Methodological notes***

*This section contains information, collected in the Farm Business Survey (FBS), on average incomes for the main types and sizes of farm businesses in Northern Ireland. A detailed analysis of FBS results is published in 'Farm Incomes in Northern Ireland 2003/04'.*

*Farms in the FBS are classified by type and size. A brief description of the typology system can be found in the Appendix to this publication.*

*The accounting concepts and practices used in compiling FBS income data differ from those on which the Aggregate Agricultural Account, presented in Section 2, is based. The income measures derived from the two sources are not, therefore, directly comparable. It should be noted that the latest year for which FBS results are available is 2003/04. However, provisional income estimates are also presented below for the 2004/05 year.*

**Income measures**

The main farm level income indicator is **net farm income**, in which all farms are treated as though they were tenanted. This enables comparisons to be made among farms of different tenure across the United Kingdom. However, given that virtually all Northern Ireland farms are owner occupied, net farm income is not a particularly good indicator of the level of farm income perceived by farmers. **Cash income**, which measures the difference between total farm receipts and total farm expenses, is probably the income measure with which farmers can most readily identify.

Trends in cash incomes since 1999/2000 are presented in Table 5.1. The cash incomes presented in Table 5.3 and the net farm incomes presented in Table 5.4 are for farms which were in the FBS sample in both the 2002/03 and 2003/04 account years. These constitute an identical sample of 273 farm businesses with a standard labour requirement of at least 0.5; they are representative of 98 per cent of the farms of this size in Northern Ireland. The only significant type of farm business excluded from the FBS is horticulture.

**Income changes by farm type in 2003/04**

Cash incomes and net farm incomes in the years ending March 2003 and 2004 are presented in Tables 5.3 and 5.4 respectively. In the year ending March 2004, cash income increased for each farm type with the biggest absolute increases recorded by **cereals** and **general cropping** farms. The average cash income per farm rose by £3,900 (20 per cent) to £23,500 per farm. Net farm income also increased for each farm type and **cereals, general cropping, pigs and poultry and lowland cattle and sheep farms** returned to profitability following losses the previous year. The average net farm income rose by £4,000 to £8,700 per farm.

**Provisional estimates of incomes for 2004/05**

Provisional estimates of incomes for farm businesses for the year ending March 2005 indicate an improvement in average cash income but no change in average net farm income. Cash incomes are expected to increase on farm types other than **cereals** and **general cropping** and to average £28,000 per farm, an increase of just over £4,000. Little change is expected in net farm income of farm types other than **general cropping** where a sharp fall is anticipated. The average net farm income across all farm types is expected to decline marginally to £8,500 per farm.

The provisional income estimates described above were prepared in mid-January 2005 and relate to an account year ending in March 2005. They are based on the most recent information on prices, animal populations and marketings, and crop areas and yields. They should be regarded only as broad indications of the levels of income in 2004/05, as a small change between the expected and actual out-turn values of either output or input can lead to a large change in income.

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### Table 5.1 Indices of average cash income in real terms by farm type, 1999/2000 to 2004/05

*Indices: 1994/95 - 1996/97 = 100*

| Business type[1] | 1999/2000 | 2000/01 | 2001/02 | 2002/03 | 2003/04 | 2004/05 (provisional) |
|---|---|---|---|---|---|---|
| Cereals | 70 | 56 | 52 | 20 | 72 | 51 |
| General cropping | 10 | 24 | 10 | 16 | 27 | 19 |
| Pigs and poultry | 11 | 5 | 8 | 24 | 34 | 41 |
| Dairy | 62 | 65 | 75 | 53 | 65 | 74 |
| Cattle and sheep (LFA) | 48 | 54 | 65 | 58 | 60 | 70 |
| Cattle and sheep (lowland) | 20 | 34 | 10 | 33 | 37 | 53 |
| Mixed | 75 | 103 | 94 | 97 | 97 | 109 |

1. New typology introduced in 2003/04

### Table 5.2 Distribution of farms by cash income (CI), net farm income (NFI) and by farm type, 2003/04

*per cent*

| | Dairy | | Cattle and sheep (LFA) | | All types | |
|---|---|---|---|---|---|---|
| **Income (£'s)** | **CI** | **NFI** | **CI** | **NFI** | **CI** | **NFI** |
| Less than 0 | 4 | 22 | 4 | 32 | 6 | 32 |
| 1 - 4,999 | 3 | 6 | 16 | 22 | 12 | 14 |
| 5,000 - 9,999 | 7 | 10 | 19 | 18 | 12 | 13 |
| 10,000 - 14,999 | 6 | 19 | 20 | 7 | 14 | 11 |
| 15,000 - 19,999 | 14 | 11 | 10 | 9 | 10 | 9 |
| 20,000 - 29,999 | 20 | 9 | 17 | 8 | 17 | 8 |
| 30,000 - 49,999 | 19 | 18 | 13 | 4 | 17 | 11 |
| > 50,000 | 27 | 5 | 1 | - | 12 | 2 |
| **Total** | **100** | **100** | **100** | **100** | **100** | **100** |
| Number of farms in sample | 125 | 125 | 112 | 112 | 273 | 273 |

## Table 5.3 Cash income by business size and farm type, 2002/03 and 2003/04

*£'000 per farm[1]*

| Business type | 0.5 < 1 SLR | | 1 < 2 SLR | | 2 < 3 SLR | | > 3 SLR | | All Sizes > 0.5 SLR | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2002/03 | 2003/04 | 2002/03 | 2003/04 | 2002/03 | 2003/04 | 2002/03 | 2003/04 | 2002/03 | 2003/04 |
| Cereals | 7.7 | 13.9 | . . . | . . . | . . . | . . . | . . . | . . . | 8.7 | 32.4 |
| General cropping | … | … | . . . | . . . | . . . | . . . | . . . | . . . | 23.9 | 41.6 |
| Pigs and poultry | … | … | . . . | . . . | . . . | . . . | . . . | . . . | 12.0 | 17.5 |
| Dairy | 12.4 | 14.5 | 19.6 | 21.9 | 40.2 | 53.2 | 49.3 | 67.0 | 28.2 | 35.7 |
| Cattle and sheep (LFA) | 9.1 | 10.5 | 21.1 | 19.9 | 28.1 | 31.7 | 33.5 | 44.8 | 14.5 | 15.4 |
| Cattle and sheep (lowland) | 4.7 | 6.1 | 15.3 | 22.3 | . . . | . . . | . . . | . . . | 11.6 | 13.5 |
| Mixed | … | … | . . . | . . . | . . . | . . . | . . . | . . . | 20.9 | 21.5 |

1. Where there are less than 3 farms in any particular cell, income figures are not published. However, where available, such income data are used to compile average 'all sizes' incomes.

## Table 5.4 Net farm income by business size and farm type, 2002/03 and 2003/04

*£'000 per farm[1]*

| Business type | 0.5 < 1 SLR | | 1 < 2 SLR | | 2 < 3 SLR | | > 3 SLR | | All Sizes > 0.5 SLR | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2002/03 | 2003/04 | 2002/03 | 2003/04 | 2002/03 | 2003/04 | 2002/03 | 2003/04 | 2002/03 | 2003/04 |
| Cereals | -12.9 | -2.2 | … | … | … | … | … | … | -6.9 | 5.3 |
| General cropping | … | … | … | … | … | … | … | … | -23.7 | 10.7 |
| Pigs and poultry | … | … | … | … | … | … | … | … | -1.8 | 10.1 |
| Dairy | 0.5 | 4.7 | 3.1 | 7.9 | 16.8 | 27.6 | 15.8 | 29.1 | 7.9 | 15.5 |
| Cattle and sheep (LFA) | 1.7 | 0.8 | 7.3 | 9.1 | 12.9 | 12.0 | 29.9 | 38.2 | 4.7 | 4.9 |
| Cattle and sheep (lowland) | -3.9 | -3.6 | 1.2 | 5.3 | … | … | … | … | -1.2 | 0.5 |
| Mixed | … | … | … | … | … | … | … | … | 5.5 | 8.9 |

1. Where there are less than 3 farms in any particular cell, income figures are not published. However, where available, such income data are used to compile average 'all sizes' incomes.

## Table 5.5 Average tenant's capital by farm type, 2003/04

*£'000 per farm*

| | Cereals | General cropping | Pigs and poultry | Dairy | Cattle and sheep (LFA) | Cattle and sheep (lowland) | Mixed |
|---|---|---|---|---|---|---|---|
| **Farm size (ESU)** | 33.3 | 75.2 | 22.2 | 63.1 | 21.1 | 20.9 | 31.6 |
| **Total farm area (ha)** | 92.6 | 144.5 | 23.4 | 63.1 | 100.1 | 69.4 | 64.3 |
| **Net farm income** | 5.3 | 10.7 | 10.1 | 15.5 | 4.9 | 1.0 | 8.9 |
| **Total tenant's capital** | **70.2** | **177.5** | **51.9** | **97.2** | **60.9** | **79.0** | **86.0** |
| of which: | | | | | | | |
| **Short term (working) capital** | | | | | | | |
| trading livestock | 22.7 | 28.8 | 28.2 | 18.2 | 22.3 | 43.8 | 28.5 |
| crops | 6.4 | 27.2 | 1.4 | 5.7 | 3.6 | 4.3 | 7.0 |
| other | 0.8 | 2.1 | 2.1 | 0.9 | 0.4 | 0.7 | 1.1 |
| **Medium term capital** | | | | | | | |
| breeding livestock | 0.6 | 21.5 | 8.0 | 44.6 | 17.7 | 11.2 | 24.0 |
| machinery | 39.6 | 97.8 | 12.2 | 27.7 | 16.8 | 19.0 | 25.3 |

## Table 5.6 Average closing valuations by farm type, 2002/03 and 2003/04

*£'000 per farm*[1]

| | | Dairy | | Cattle and sheep (LFA) | | Mixed | |
|---|---|---|---|---|---|---|---|
| | | 2002/03 | 2003/04 | 2002/03 | 2003/04 | 2002/03 | 2003/04 |
| | **ASSETS** | | | | | | |
| | **Total fixed assets** | 484.4 | 500.6 | 320.3 | 322.5 | 320.0 | 337.4 |
| | of which: | | | | | | |
| | land and buildings | 412.8 | 427.5 | 281.9 | 282.6 | 271.7 | 286.6 |
| | other fixed assets | 71.6 | 73.1 | 38.4 | 39.9 | 48.3 | 50.8 |
| | **Total current assets** | 30.7 | 31.9 | 27.1 | 28.1 | 37.2 | 38.5 |
| | of which: | | | | | | |
| | trading livestock, crops and stores | 24.3 | 25.4 | 25.4 | 27.3 | 36.0 | 37.3 |
| | debtors/other short term lending | 6.3 | 6.5 | 1.7 | 0.9 | 1.3 | 1.2 |
| | cash in hand and at bank | 0.1 | - | - | - | - | - |
| **A** | **Total assets** | **515.1** | **532.5** | **347.4** | **350.6** | **357.2** | **375.9** |
| | **LIABILITIES** | | | | | | |
| | **Total long/medium term loans** | 25.4 | 28.0 | 6.7 | 7.0 | 6.9 | 12.4 |
| | of which: | | | | | | |
| | bank/other institutional | 24.6 | 28.0 | 6.5 | 6.9 | 6.9 | 12.4 |
| | **Total short term loans** | 19.3 | 21.0 | 9.3 | 10.0 | 16.0 | 13.5 |
| | of which: | | | | | | |
| | bank overdraft | 12.4 | 13.0 | 7.8 | 8.3 | 12.9 | 8.4 |
| **B** | **Total external liabilities** | **44.7** | **49.0** | **16.0** | **17.0** | **22.9** | **25.9** |
| | **NET WORTH (A-B)** | **470.4** | **483.5** | **331.4** | **333.6** | **334.3** | **350.0** |

1. Data are averages within each farm type.

# APPENDIX

## STATISTICAL AND METHODOLOGICAL NOTES

**AGGREGATE AGRICULTURAL ACCOUNT (AAA)**

The AAA, from which agriculture's output, input, value added and income are obtained, is conducted according to the rules and conventions of the United Nations *System of National Accounts 1993*, the subsequent *European System of Accounts 1995* and Regulation (EC) No. 138/2004 (which incorporates the revised European Union's *Manual on the Economic Accounts for Agriculture 1997*, introduced throughout the UK in 1998).

The main features of the AAA are as follows:

(i) The AAA is conducted on a 'sector' basis. This means that agricultural activity includes 'inseparable non-agricultural secondary activities', such as pony trekking, which are carried out on-farm and for which the inputs cannot be separated from farming inputs. (Previously, when it was conducted on a 'branch' basis, agricultural activity covered all agricultural products irrespective of the nature of the establishments in which they were produced and excluded other, non-agricultural activity taking place on farms.)

(ii) The AAA is calculated on an accruals basis, i.e. 'as due' rather than 'as paid'. This means that subsidies such as the Suckler Cow Premium and Arable Area Payments are counted in the year in which they are due rather than in the year when they are paid. The detailed allocation of subsidies is documented in footnotes to Table 2.1. (Previously, subsidy payments were dealt with on a cash, or 'as paid', basis.)

(iii) Rent paid on 'conacre' (short-term lettings) to non-farming persons is included as an expense. (All conacre rent was previously omitted because short-term renting was deemed to be a transfer within the agricultural branch.)

(iv) Capital formation in, and depreciation of, breeding livestock is included. (Previously, only net volume changes were included.)

(v) Direct inter-farm sales and on-farm use of finished products such as cereals are included as both outputs and inputs thereby, in most cases, leaving gross and net product and total income from farming unchanged. (Such transactions were previously excluded when the AAA was conducted on a 'national farm' basis.)

**Income indicators**

The main indicator of the return to all of the factors of production, i.e. land, labour, capital and 'enterprise', is **net value added** (strictly, net value added at factor cost). This is defined as gross output less expenditure on material and service inputs purchased from outside the sector, less consumption of fixed capital (or depreciation) plus subsidies not paid on products. Hence:

Gross output – gross input (also known as 'intermediate consumption')
= **gross value added**

Gross value added – consumption of fixed capital + subsidies not paid on products
= **net value added (at factor cost)**

The income of farm families is given by **total income from farming (TIFF)**. This includes returns to farmers, their spouses and family workers for their labour and 'enterprise' and on their own capital invested; it therefore represents the income of all those with an entrepreneurial involvement in farming. It is the preferred income measure, conforming to national and international accounting practice and forming the basis of a Eurostat (the EU Statistical Office) indicator used for income comparisons across the EU. The derivation of TIFF is:

**Net value added (at factor cost)**
***less*** paid labour (also known as 'compensation of employees')
interest
net rent
**= Total income from farming (TIFF)**

**Cash flow**

A **cash flow** series is shown in Table 2.4. Cash flow omits the effects of stock changes, but takes into account receipts of capital grants, expenditure on capital investment and changes in borrowings. It is a useful indicator of cash available to farm families from farming, but should not be considered as an alternative measure of income.

**Sensitivity of estimates**

Since agricultural income measures are 'residuals' between two large aggregates, they are sensitive to quite small changes in either aggregate. For example, total income from farming in 2004 would change by ±12 per cent if there were one per cent changes (in opposite directions) in gross output and gross input. The degree of sensitivity rises as the level of income falls.

**Provisional estimates**

Provisional' figures for 2004 presented in this *Review* are based on data available in December 2004/January 2005, in most cases covering the first 9-11 months of the year. However, for some items less information was available. For example, information on some input costs will be obtained only when Farm Business Survey results for 2004/05 are produced. Provisional figures are therefore subject to revision when complete information becomes available. Revised figures will be published in next year's *Review*.

**Revisions to income series**

The 2003 figures have been revised as more complete information has become available. Net value added in 2003 is now estimated at £298.9 million (previously £315.6 million) while total income from farming is now estimated at £161.6 million (previously £177.4 million). A 24-year consistent series of the AAA is available on the DARD website at www.dardni.gov.uk/econs/statdata.htm.

**CENSUS**

Statistics on employment on farms (Tables 2.14 and 2.15), crop areas and livestock numbers (Section 3) and farm structure (Section 4) are derived from the June Agricultural and Horticultural Census. This is an annual statistical survey which is based on a large sample survey, though in 2000 a full census of every farm was conducted. In 2004 forms were issued to all the larger businesses but to only half those classified as 'Very Small' unless they had pigs, significant numbers of poultry or mushrooms.

The records which were aggregated to provide the published results include 2004 returns from those which returned their forms. For those who did not do so, estimates were included, based on the latest available returns and on information available in the Integrated Administration and Control System (IACS). For new farms from which a 2004 return was not obtained, estimates were based on the IACS and other administrative systems. Owners of pig herds, mushroom enterprises and the major poultry flocks who failed to make a return in 2004 were contacted by telephone in order that up to date information could be obtained.

**Census coverage**

The statistical definition of a farm, which was changed in 1997, is based on separate business status as applied under the Integrated Administration and Control System (IACS), having previously been based on land ownership. The census now covers all active farm businesses having one hectare or more of farmed land, whether owned, leased or taken in conacre, and those with under one hectare having any cattle, sheep or pigs or with significant poultry or horticultural activity.

Over the past 50 years, the following criteria have been used to determine the coverage of the agricultural census in Northern Ireland:

| **Years** | **Census methods and coverage** |
|---|---|
| Until 1954 | Census information was collected by police enumerators who identified and visited all farms, including any under one acre (0.4 hectares), and recorded in special books information given to them orally by the farmer. |
| 1954-1972 | A postal census was introduced in 1954. This used the list of farmers which had been identified in the 1953 census, but included only those of **one acre or more**. From this time onwards a distinction was made between '**main**' holdings which were included in the census and '**minor**' holdings which were surveyed on a sample basis using simplified questions. Estimates were made for their total crop areas and livestock numbers but these holdings were not included in the count of farms. |
| 1973-1980 | In 1973, in conformity with a similar change in the rest of the United Kingdom, an alteration was made in the scope of the census in Northern Ireland. From then until 1980, the main census covered all holdings which had **at least 10 acres (4 hectares)** of land with the addition of any below that size which had any full-time agricultural workers or whose stock and cropping amounted to an annual estimated labour requirement of more than 40 man-days. This definition of a 'main' holding removed some 7,700 holdings from the old register but, at the same time, brought back a number of 'minor' holdings of less than one acre. The net reduction in the number of 'main' holdings arising from these adjustments was some 5,500. |
| 1981-1996 | A further change was made between 1980 and 1981 when, with the introduction of a new system of farm classification, and with changes to the minimum threshold in other parts of the UK, the threshold for inclusion in the 'main' census in Northern Ireland was raised. This new threshold restricted the census to holdings which had (a) a total land area (owned or taken on long-term lease) of 6 hectares or more or (b) any full-time workers other than the farmer or (c) a farm business size of 1,000 ECUs of Standard Gross Margin. This change resulted in the exclusion of a further 6,690 'minor' holdings from the main census between 1980 and 1981. |
| 1997 | The basis of the agricultural census was changed in 1997 from a 'census register' to a central register of all of the Department's 'clients'. The change was made possible as a result of the introduction of IACS and of work undertaken to streamline administrative functions. This resulted in a common means of identification across all schemes, with each farmer who was/is in contact with the Department being allocated a unique Client Reference Number and each "Client" being linked to a Business Identifier. The population surveyed in 1997 consisted of one 'Client' in each business for which a census return with crops and/or livestock was obtained in the preceding year or which had received a subsidy in respect of crops or livestock during the preceding 15 months. Also included were those with a milk quota and those known by the Department to be engaged in the production of pigs, poultry, potatoes or horticultural crops. The distinction between 'main' and 'minor' holdings was discontinued. |

| | |
|---|---|
| 1998-1999 | A further 166 pig farms with no owned land were added to the population in 1998 and sampling was introduced. Census forms were issued only to half of the '**very small**' farms. |
| 2000 | A full census was conducted. Mushroom production was targeted and around 100 mushroom businesses which had not previously been surveyed were identified and added to the list of businesses covered. |
| 2001-2002 | A sample survey was carried out on the same basis as that conducted in 1999. |

**Farm business size**

Farm business size is determined by calculating each farm's total Standard Labour Requirement (SLR). Standards or norms have been calculated for all major enterprises. The total SLR for each farm is calculated by multiplying its crop areas and livestock numbers by the appropriate SLR coefficients and then summing the result for all enterprises on the farm. A standard labour unit is equivalent to 1,900 hours of work per year.

Prior to 2004, the farm business size had been determined by calculating each farm's Standard Gross Margin (SGM). However, it was felt that using SLR's was a more appropriate and accurate method to size farm businesses in the UK.

To show year-to-year changes in business size, the enterprise SLR coefficients are held constant for a number of years. The current series (introduced in 2004) is based on the average labour requirements during the period 1999-2001. For a list of these values, see table below.

**STANDARD LABOUR REQUIREMENTS**

The following factors have been used to classify farms in N.I.

| Enterprise | Item | Unit | Standard Labour Requirement (hours) |
|---|---|---|---|
| Crops | Cereals | ha | 30 |
| | Oilseeds | ha | 22.5 |
| | Potatoes | ha | 135 |
| | Outdoor vegetables | ha | 150 |
| | Set-aside | ha | 1.5 |
| Fruit and Ornamentals | Fruit | ha | 450 |
| | Ornamentals | ha | 1,500 |
| Indoor Crops | Glasshouse vegetables | ha | 5,000 |
| | Other glasshouse | ha | 25,000 |
| | Mushrooms | house | 1,050 |
| Forage | Forage crops | ha | 9 |
| | Grass | ha | 6 |
| | Rough grazing | ha | 2.25 |
| Cattle | Dairy Cows | head | 39 |
| | Beef cows | head | 12 |
| | Other cattle | head | 9 |

| | | | |
|---|---|---|---|
| Sheep | Ewes and rams: Lowland | head | 5.2 |
| | Ewes and rams: LFA | head | 4.2 |
| | Other sheep: Lowland | head | 3.3 |
| | Other sheep: LFA | head | 2.6 |
| Pigs | Sows and gilts | head | 16 |
| | Piglets | head | 1.0 |
| | Other pigs | head | 1.3 |
| Poultry | Laying hens | head | 0.17 |
| | Pullets | head | 0.12 |
| | Broilers | head | 0.04 |
| | Turkeys, Ducks etc. | head | 0.045 |
| Other Livestock | Horses | head | 150 |
| | Goats | head | 20 |
| | Deer | head | 15 |

In UK agricultural statistics, business size is described in terms of five SLR size bands. These are:

| Size | Standard Labour Requirement |
|---|---|
| Very small | less than 1 |
| Small | 1-<2 |
| Medium | 2-<3 |
| Large | 3-<5 |
| Very large | 5 or more |

* 1 standard labour unit = 1900 hours.

Since there are few farms in the **very large** size range in Northern Ireland, these are included in the **large** category.

**Farm business type**

The EU system of classifying farms according to farm type (on which the UK system is based) is set out in Commission Decision 85/377/EEC. Although 72 different types are recognised by the EU, for UK statistical purposes these are grouped into 9 robust categories, which have particular relevance to UK conditions. These are:

| Type | Definition |
|---|---|
| **Cereals** | Farms with more than 2/3 of their total SGM in cereals, oilseeds and set aside. |
| **General cropping** | Farms which do not qualify as cereals farms but have more than 2/3 on their total SGM in arable (not horticultural) crops or in a mixture of arable and horticultural crops and where arable crops account for more than 1/3 of total SGM. |
| **Horticulture** | Farms with more than 2/3 of their total SGM in horticultural crops (excluding specialist mushroom growers). |
| **Pigs & poultry** | Farms with more than 2/3 of their total SGM in pigs and/or poultry. |
| **Dairy** | Farms with more than 2/3 of their total SGM in dairying (including associated young stock). |
| **Cattle & sheep (LFA)** | Farms wholly or mainly in the Less Favoured Areas which do not qualify as dairy farms but have more than 2/3 of their total SGM in cattle and sheep. |

**Cattle & sheep (lowland)** Farms entirely or mainly outside the Less Favoured Areas, which do not qualify as dairy farms but have more than 2/3 their total SGM in cattle and sheep.

**Other types** Farms which specialise in enterprises which do not fit in with mainstream agriculture, such as specialist mushrooms, specialist goat and specialist horse farms; also farms which are unclassified because they have no crops or stock at June (but which made hay/silage or intended to restock at a later date).

A fuller description of the system is given in *'Farm Incomes in the United Kingdom'* 1991/92 Edition (HMSO, 1993) and in *'The Digest of Agricultural Census Statistics, UK 1993'* (HMSO, 1994).

**Less Favoured Areas**

The term **Less Favoured Areas (LFA)** is used to describe those parts of the country which, because of the relatively poor agricultural conditions which prevail there, have been so designated under EU legislation. This recognition allows those who farm in such areas to apply for special support, such as LFA Compensatory Allowance (LFACA) and for additional benefits under various capital grant and forestry schemes.

The LFA consists of a **Severely Disadvantaged Area (SDA)**, which is the original LFA as designated in 1975 (487,000 hectares), and the **Disadvantaged Area (DA)** which was designated following reviews in 1984 (335,000 hectares) and 1990 (3,700 hectares). (The areas designated include some non-agricultural land).

**FARM BUSINESS SURVEY (FBS)**

The annual FBS is based on a sample of about 340 individual farms which keep detailed financial records, enabling outputs, inputs and incomes on farms to be analysed by farming type and business size. Trends in farm incomes from the FBS are produced by comparing results from identical samples of farms participating in the survey in successive years. Indices showing trends in cash incomes are derived by linking the results of identical samples from successive pairs of years (Table 5.1).

Although most farms in Northern Ireland are owner occupied, FBS results are analysed according to conventions used throughout the UK to determine **net farm income**. This measure of income represents the return to the farmer and spouse for their manual and managerial effort and on the tenant-type assets of the farm business. The latter include livestock, crops and machinery but not land and buildings. Hence, an imputed rent for owned land is included in fixed costs as well as the actual cost of any rented land. This enables the trends in net farm income for Northern Ireland farming types to be compared directly with similar data for other countries and regions of the UK.

**Differences between FBS and AAA**

The coverage and methodology of the FBS differ in several important respects from the Aggregate Agricultural Account (AAA) presented in Section 2. The FBS does not cover **very small** farms or **horticultural** businesses; FBS account years end between October and May, with an average account ending date of March, while the AAA relates to calendar years; net farm income is calculated before deduction of interest on farming loans, while total income from farming in the AAA is net of interest on borrowings; except in the case of breeding livestock appreciation, net farm income includes changes in both the volume and price of crops and livestock, whereas the AAA includes volume changes only; and net farm income is net of an imputed rent on all owner-occupied land, while in the AAA only actual rent paid to non-farming persons is deducted. For these reasons no direct comparison between the FBS and AAA income series can be made.

## GENERAL NOTES TO TABLES

**Symbols:**

| | |
|---|---|
| **-** | means nil, or an insignificant quantity. |
| **...** | means not available, or not collected. |

**Rounding:**

Most figures have been rounded individually and the totals shown may therefore differ slightly from the sum of the constituent items.

**Metric units:**

Metric units are used throughout this publication. Conversion factors from metric to imperial units, correct to 4 significant figures, are given below:

| | | |
|---|---|---|
| 1 hectare (ha) | = | 2.471 acres |
| 1 kilogram (kg) | = | 2.205 pounds |
| 1 tonne (t) | = | 0.9842 tons |
| 1 litre (l) | = | 0.2200 gallons |

**Abbreviations:**

| | | |
|---|---|---|
| dcw | - | dressed carcase weight |
| dwt | - | deadweight |
| lwt | - | liveweight |

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