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POLICY AND ECONOMICS DIVISION

Statistical Review of Northern Ireland Agriculture

2006

Agriculture, Fishing & Forestry

A National Statistics Publication

A National Statistics publication

Statistical Review of Northern Ireland Agriculture 2006

Department of Agriculture and Rural Development

Policy and Economics Division

National Statistics publication

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PREFACE

The *Statistical Review of Northern Ireland Agriculture* has been published annually since 1964 and it remains the primary source of statistics for the agricultural industry in Northern Ireland. This publication contains a wide range of statistics on the agricultural industry and is the main reference document for those involved in the agri-food sector.

Last year, a survey of *Statistical Review* readers was carried out and I want to thank all those who participated. Although the response rate was a little disappointing, the feedback from those who did respond was very positive. The new chapter on 'statistical indicators' added last year was also well received and will remain an established part of the '*Statistical Review*' for the future.

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 data for a selection of Statistical Review tables. These may also be obtained in hard copy form on request from Policy and Economics Division. Details of other publications and statistical releases available from Policy and Economics Division are given on page 84.

The *Statistical Review* is a National Statistics publication, indicating that its contents are produced to best professional standards. Queries or comments on its contents can be made to the Editor, Seamus McErlean, whose contact details are given below.

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March 2007

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KEY FACTS

	NI	UK	ROI	EU15
GROSS VALUE ADDED (GVA)				
Agriculture as % of total GVA	1.9[1]	0.5[1]	2.0[2]	...
EMPLOYMENT				
Agricultural employment ('000)	30[1]	351[2]	110[2]	6,537[4]
As % of total civil employment	3.9[1]	1.3[2]	5.7[2]	4.0[4]
LAND USE				
Agricultural area ('000 ha)	1,028[1]	17,472[1]	4,305[2]	130,809[4]
As % of total area	76.1[1]	71.4[1]	61.3[2]	40.4[4]
LESS FAVOURED AREAS (LFA)				
LFA as % of agricultural area	70.4[1]	44.6[2]	63.0[2]	54.7[5]
FARMS				
Number ('000)	26.7[1]	324[1]	135[4]	6,239[4]
Average agricultural area (ha)	38.5[1]	54.0[1]	32.3[4]	20.2[4]
ENTERPRISES				
Average enterprise size:				
Dairy cows	71[1]	82[4]	42[2]	32[4]
Beef cows	18[1]	29[4]	13[2]	18[6]
Sheep	237[1]	404[4]	118[5]	144[6]
Pigs	855[1]	538[4]	1,259[5]	139[6]
Laying hens	2,100[1]	1,200[4]	215[6]	236[6]
Broilers	39,000[1]	40,000[4]	12,000[6]	825[6]
Cereals (ha)	12.2[1]	32.1[2]	19.6[2]	13.7[2]
Potatoes (ha)	6.9[1]	11.9[4]	17.2[4]	1.6[6]

1. 2006   2. 2005   3. 2004   4. 2003   5. 2001   6. 2000

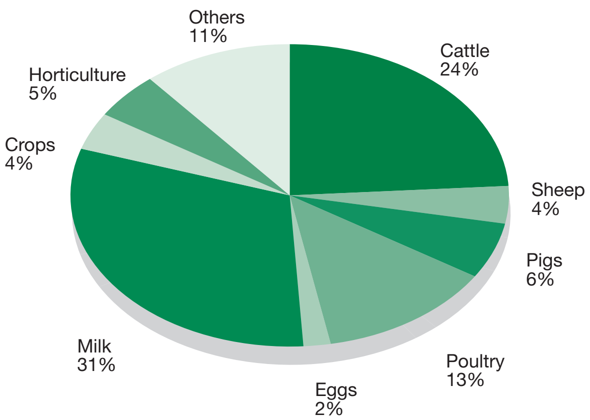
Note 1. NI = Northern Ireland; UK = United Kingdom; ROI = Republic of Ireland; EU15 = Austria, Belgium, Denmark, Finland, France, Germany, Greece, Republic of Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and United Kingdom.

Note 2. Due to national accounting principles GVA figures do not include Single Farm Payment.

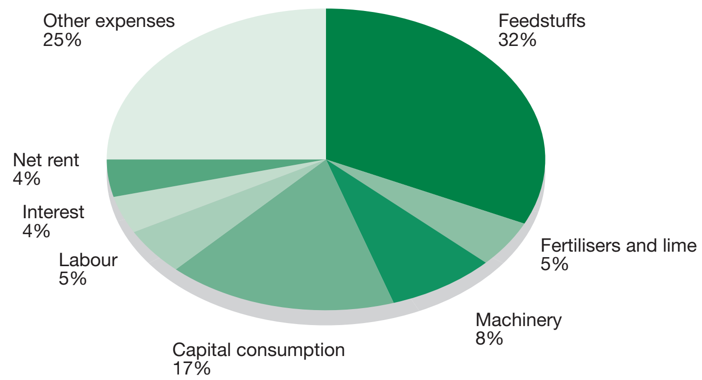
Note 3. In general, figures relate to the latest year for which statistics are available.

COMPARISONS OF NI AND UK AGRICULTURE

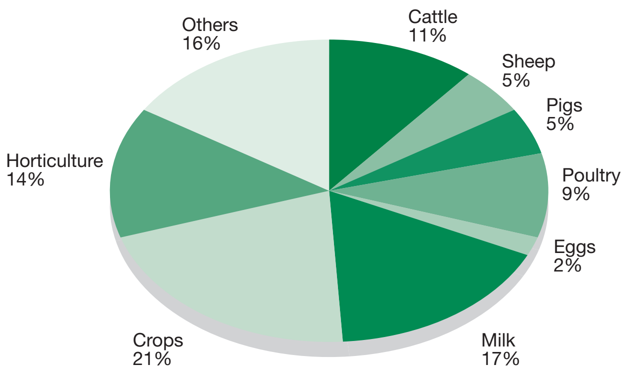
Gross output of NI agriculture, 2006



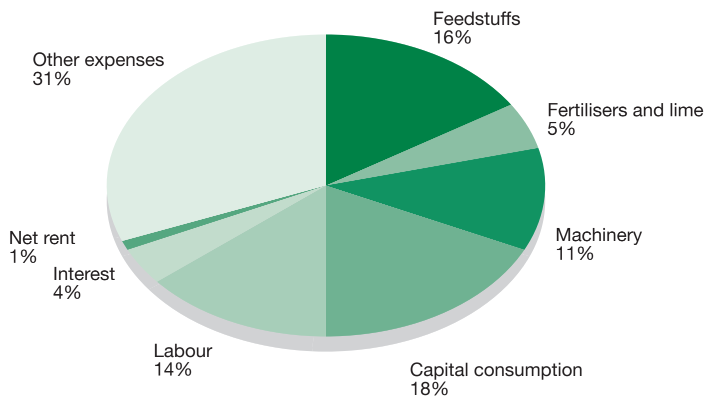
Total expenses of NI agriculture, 2006



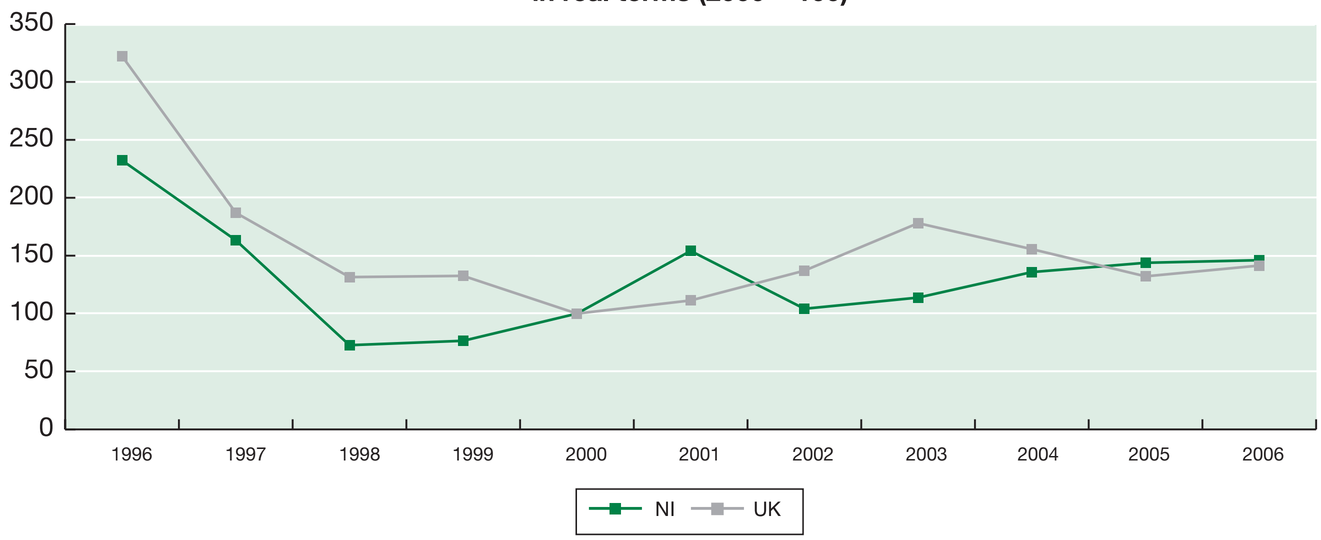
Gross output of UK agriculture, 2006



Total expenses of UK agriculture, 2006

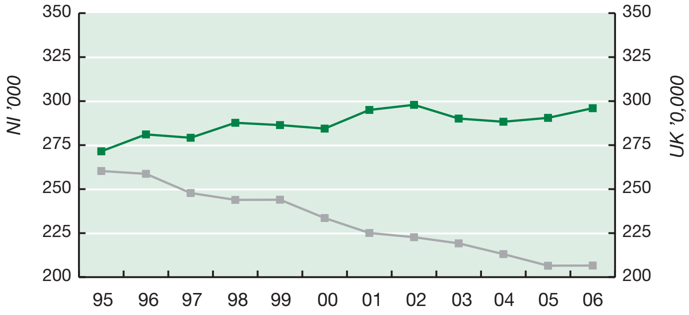


NI and UK Total Income from Farming in real terms (2000 = 100)

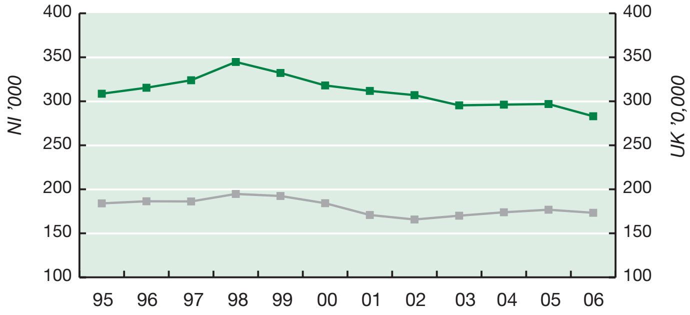


TRENDS IN NI AND UK LIVESTOCK NUMBERS AND CROP AREAS

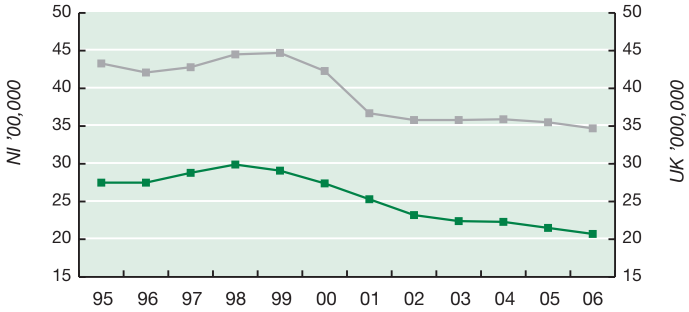
Dairy cows



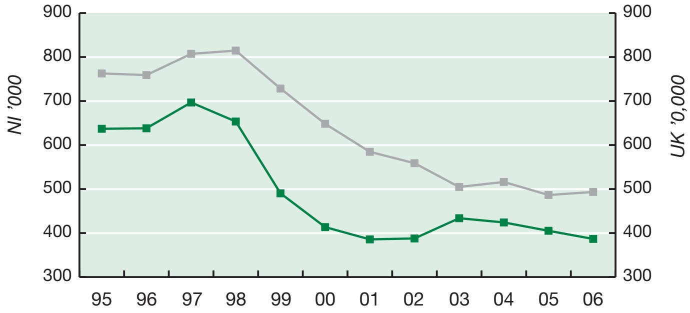
Beef cows



Sheep



Pigs



Laying birds

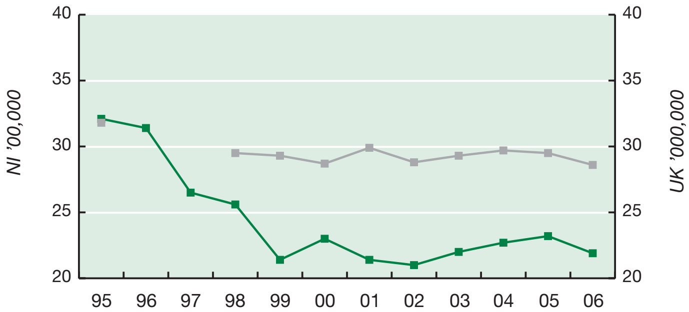
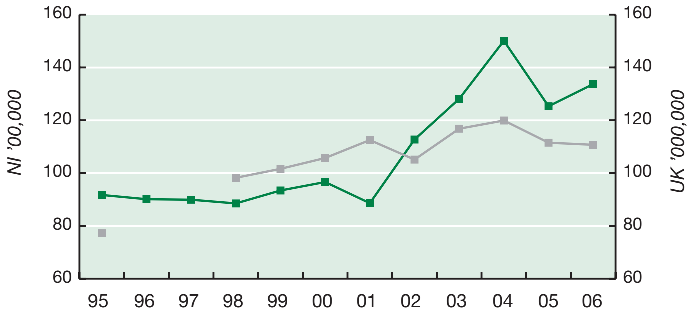
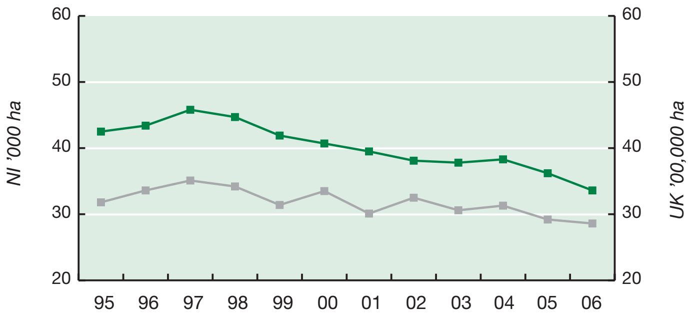


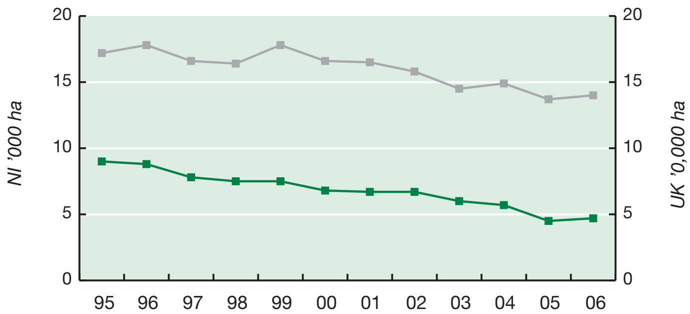
Table chickens



Cereals



Potatoes



NI UK

1. EXECUTIVE SUMMARY

Note: comparisons are with 2005 unless otherwise stated.

Aggregate income (Tables 2.1 - 2.3)

- There was a small rise in the agricultural income of the Northern Ireland farming sector in 2006 following on from increases in 2003, 2004 and 2005.
- **Total income from farming (TIFF)** – which measures the return to farmers and all members of their families working on farms – increased by 4.7 per cent (1.6 per cent in real terms) to £190 million, from £182 million in 2005.
- Despite the increases during the last four years, TIFF in 2006 is 12 per cent below the average of the last twenty years after accounting for inflation.
- The increase in income in 2006 can be attributed to three main factors; first, improved productivity; second, improvement in the prices of finished cattle, sheep and pigs; and, third, increases in both the level of production and the prices of field crops. The positive impacts of these three factors were off-set somewhat by a large decrease in the value of output in the milk sector. The decrease in output value within the milk sector, which occurred despite an increases in milk output, was due to a sizeable decrease in prices during 2006.
- At the United Kingdom level, TIFF increased by 10 per cent in 2006 to £2.7 billion, a rise of 7 per cent in real terms. Total Income from Farming per full time person equivalent in the UK is estimated to have grown by 13 per cent in current prices, or by 10 per cent in real terms, to £13,867. The main reason for the relatively higher increase in income for the UK as a whole compared with Northern Ireland was the effect of increased cereal prices. The cereals sector accounts for a much larger proportion of agricultural activity in Great Britain than in Northern Ireland. Consequently, the higher cereal prices in 2006 had a greater beneficial impact, relatively speaking, on the value of TIFF in the UK as a whole than it did in Northern Ireland.

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

- **Gross output** of Northern Ireland agriculture is estimated at £1,076 million. This figure is slightly below the level calculated for 2005 and this can be attributed to the decrease in the value of milk output.
- **Gross input** (or ‘intermediate consumption’) increased by 1 per cent, to £805 million, as a result of a 3 per cent increase in unit costs and a 2 per cent decrease in the volumes used.

- **Gross value added** decreased by 5 per cent in 2006 to £271 million, while **net value added –** gross value added less consumption of fixed capital (or 'depreciation') plus subsidies such as the Single Farm Payment (SFP) – increased, by 3 per cent, to £332 million. This increase is explained by a reduction on the consumption of fixed capital in 2006 and an increase in SFP by 1.3 per cent.

Productivity (Table 2.3)

- Changes in the volumes of outputs and inputs combined to produce a 4 per cent improvement in **total factor productivity –** the productivity of all resources in the industry. Output volume changes coupled with a 2 per cent fall in the volume of labour input generated an 11 per cent increase in **labour productivity** in 2006.

Cash flow (Table 2.4)

- **Cash available to farm families from farming** is estimated to have increased in 2006 by 23 per cent, to £273 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 5.3-5.4)

- The average **net farm income** across all full time farms for the year ending mid February 2007 is expected to increase by 3 per cent to £10,500 overall, largely as a result of improvements on cattle and sheep farm income figures. Net farm income on dairy farms is forecast to fall by 11 per cent. **Cash income**, which is the difference between cash receipts and expenses, is expected to average £29,000 per farm across all farms. This is a fall of 1 per cent (or £300) compared to the previous year. Cash incomes are expected to increase on cattle and sheep farms, but to decline on dairy farms.

Subsidies (Table 2.10)

- The value of all **direct payments** to farmers decreased in 2006 by £13 million or 5 per cent, to £270 million. This decrease is attributed mainly to the ending of the Over Thirty Month Scheme. Single Farm Payment accounts for approximately 84 per cent of all direct payments. The total value of the Single Farm Payment estimated to have accrued in 2006 is £227 million, representing a net increase of 1.3 per cent compared with 2005. This reflects the increase in the value of Single Farm Payments to the dairy sector as part of the 2003 CAP reform agreement but also higher modulation reductions (8.5 per cent in 2006 compared with 3 per cent in 2005).

Labour (Table 2.14)	• The **total agricultural labour force** decreased by 2.2 per cent in 2006, to around 50,000 persons. This included a 2 per cent reduction in the number of farmers, to approximately 32,000, with the number of full time farmers declining by 1 per cent and the number of part time farmers decreasing by 2.5 per cent. The total number of full time, part time and casual workers combined, decreased by 5.6 per cent.
Livestock numbers (Table 3.3)	• The number of **cattle** recorded at 1.64 million in the June 2006 census has fallen by 2 per cent since 2000. Compared with 2005, the number of dairy cows increased by 2 per cent, while there was a 5 per cent decrease in the beef cow herd. Total **sheep** numbers decreased to 2.07 million, while breeding ewe numbers declined by 4 per cent, to 991 thousand ewes. Ewe numbers are now at their lowest level since 1987.
	• At June 2006, the number of **pigs** totalled 386,600, 5 per cent lower than in 2005. However, the female pig breeding herd increasing by 2 per cent, to 37,400 sows. **Broilers** increased by 7 per cent to 13.4 million birds in 2006, while the size of the **commercial laying flock** decreased by 6 per cent to 2.2 million birds.
Crops and grass areas (Table 3.2)	• There was a 4 per cent decrease, to 46,800 hectares, in the total **cropped area** between June 2005 and 2006. The total area of **cereals** declined by 7 per cent, to 33,400 hectares, with the spring barley continuing to decline although there were some small increases in winter barley and wheat production areas.
Farm Numbers (Table 4.2)	• There were approximately 26,700 active **farm businesses** in Northern Ireland at June 2006, which was 300 fewer than in 2005. The downward trend in farm numbers continues at the rate of a 2 per cent decrease per year. This rate of decrease has been relatively constant over the past 10 years.
Agri-Food Sector Performance	• **Gross Value Added per head** in Northern Ireland as a percentage of the UK figure improved in 2004 compared with 2003. The performance indicators for the food and drinks processing sector indicate steady growth with the exception of the **rate of return on capital employed**, where growth has stagnated in recent years.

Rural Economy

- Over the years from 2001 to 2006, the average gross weekly earnings of people in rural areas were consistently below those of people living in urban areas. Although average gross weekly earnings increased in 2006 in urban and rural areas, the lowest rate of growth occurred in ‘less accessible rural’ areas. The number of net VAT registrations in 2006 disaggregated by area indicates that the ‘less accessible rural’ areas demonstrate the strongest growth in the number of firms.

Animal Health and Welfare

- Since the first cases of BSE were reported in Northern Ireland during 1988, there has been a total of 2,165. The number of BSE cases in Northern Ireland has declined significantly since the peak in 1993. The number of cases in 2006 was 10.

  During 2005, 1,800 new herds in Northern Ireland were affected by bovine tuberculosis, compared with 2,300 new incidents in 2004.

  The Veterinary Service (DARD) carried out 743 on-farm welfare inspections in 2006. Of those inspections carried out as a result of complaints 54 per cent were fully compliant with legislation, while for programmed visits 91 per cent were fully compliant with legislation.

Agri-environment

- In 2005, some 325,000 hectares or 32.5 per cent of farmland was registered in an agri-environmental scheme in Northern Ireland. There has been some overall improvement in the proportion of rivers of good or fair quality in Northern Ireland since 2003. At 6.2 and 9.6 per cent respectively, Northern Ireland and the Republic of Ireland are the two least densely forested countries in the EU25.

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2. THE AGRICULTURAL ECONOMY

A. AGGREGATE OUTPUT, INPUT AND INCOME

Methodological note

A 25-year time series of the Aggregate Agricultural Account is available on the DARD website, at www.dardni.gov.uk. In the following commentary, comparisons are with 2005 unless otherwise stated. A change in the treatment of subsidy payments from 2005 (as a result of decoupling) means that some of the estimates within the AAA are not comparable with earlier years. Such figures are given in 'italics' within the statistical tables on the pages that follow.

Summary

The estimated income of Northern Ireland agriculture increased slightly in 2006. **Total income from farming (TIFF)** – which represents the return on own labour, management input and own capital invested for all those with an entrepreneurial involvement in farming (including all members of their families working on farms) – increased by 4.7 per cent (a 1.6 per cent increase in real terms) to £190 million, from £182 million in 2005 (see Tables 2.1).

Output

The value of **gross output** is estimated at £1,076 million in 2006. This figure is down 0.3 per cent on the 2005 figure but is not directly comparable to any of the figures for earlier years because the treatment of the **Single Farm Payment (SFP)** in the aggregate account is different from that of the direct subsidies, which it replaced in 2005. Direct payments such as Beef Special Premium and Suckler Cow Premium were included in the **gross output** figures because they were directly attributable to finished cattle and calf production (or coupled to production). The SFP is decoupled from production and is not attributable to any one sector. For this reason the SFP is not included in the **gross output** or **gross value added** figures, but is included under **other subsidies (not attributable to products)**. Therefore, SFP is included in **net value added** and **TIFF**, but not **gross output** or **gross value added**. Details of trends in individual outputs and inputs are given in Section 2B.

Inputs (or 'intermediate consumption')

The value of **gross input** increased slightly in 2006, by 1.4 per cent, to £805 million. Although the change in the total value of gross inputs is small there have been some more significant changes to several of the individual inputs. Expenditure on feedstuffs increased by £7 million (1.8 per cent), to £369 million, as a result of 1 per cent increases in both the unit cost of feed and in volume used. Expenditure on fertilisers and quota leasing both decreased. The volume of fertilisers and lime used in 2006 decreased in keeping with recent trends, while at the same time there was an increase in the cost per tonne. Machinery and marketing expenses were lower also in 2006.

Gross and net value added

Gross value added – gross output less gross input – decreased by 4.9 per cent in 2006 to £271 million. **Net value added** (at factor cost), i.e. gross value added less consumption of fixed capital (or 'depreciation') plus subsidies such as the Single Farm Payment (SFP) – increased, by 3.4 per cent, to £332 million. This increase is explained by a reduction on the consumption of fixed capital in 2006 and an increase in SFP by 1.3 per cent.

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 (paid to non-farming persons) and the residual 'total income from farming'. The cost of paid labour (also termed 'compensation of employees') increased by 2 per cent in 2006, to £54 million, while there was a 6 per cent increase in bank advances for farming purposes caused total interest payments to rise, by 6.2 per cent, to £45 million. Conacre rent paid to non-farmers fell by 2.8 per cent, to £42 million, mainly as a result of a reduction in the amount of land rented.

Total income from farming

The net result of these changes was that **total income from farming (TIFF)** increased in 2006, by 4.7 per cent to £190 million, a rise of 1.6 per cent after allowing for inflation. This followed increases in 2004 and 2005 of 19 and 6 per cent in real terms, respectively. However, despite these increases income in 2006 is 12 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 1987 to 2006, the number of units of entrepreneurial labour decreased by 31 per cent with the result that, in real terms, TIFF per unit of entrepreneurial labour in 2006 was 9 per cent above the 20-year average.

Cash flow

TIFF measures the return (on own labour, management input and own capital invested) 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 grown in 2006 by 23 per cent, to £273 million.

Subsidies **Total direct payments** to farmers decreased in 2006 by £13 million or 4.6 per cent, to £270 million. The ending for the Over Thirty Month Scheme accounts for all the decrease in direct payments and is despite increases in both the Single Farm Payment and Other payments such as the Countryside Management Scheme. The total value of the Single Farm Payment, which accounts for 84 per cent of total direct payments, estimated to have accrued in 2006 is £227 million, representing a net increase of 1.3 per cent compared with 2005. This reflects the increase in the value of Single Farm Payments to the dairy sector as part of the 2003 CAP reform agreement but also higher modulation reductions (8.5 per cent in 2006 compared with 3 per cent in 2005). Direct payments exclude the value of market support such as intervention purchases and export refunds.

Investment **Gross annual capital investment** increased in 2006 by £7 million to £143 million. Within this total there was increased investment in plant and machinery as well as decreased investment in vehicles. Investment in buildings and works also increased to £48 million (of which £32 million was grant aided investment).

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

£ million

	2001	2002	2003	2004	2005	2006 (provisional)
OUTPUT[2]						
Livestock and livestock products[3]						
Finished cattle and calves[4]	333.7	361.0	371.8	406.5	*251.7*	*252.6*
Finished sheep and lambs[5]	65.4	59.1	57.5	66.7	*43.7*	*47.9*
Finished pigs[6]	62.4	58.1	69.6	68.3	63.6	64.9
Poultry[7]	106.5	115.8	121.9	139.9	136.0	138.6
Eggs[8]	22.3	26.4	31.7	23.0	22.2	23.0
Milk	351.5	292.8	331.2	348.5	*343.3*	*327.2*
Minor products[9]	8.3	8.1	8.4	8.5	8.5	9.2
Total livestock and livestock products	**950.2**	**921.3**	**992.1**	**1,061.6**	***869.1***	***863.5***
Field crops						
Potatoes	21.2	21.4	22.0	21.0	13.3	19.3
Cereals[10]	23.7	20.8	26.5	28.0	*15.9*	*18.5*
of which: barley[10]	19.2	14.3	18.2	18.0	*9.8*	*10.9*
wheat[10]	3.1	5.2	6.7	8.4	*5.3*	*6.6*
oats[10]	1.4	1.3	1.6	1.6	*0.8*	*1.1*
Other crops[10,11]	9.9	7.5	8.6	7.5	*8.6*	*10.0*
Total field crops	**54.7**	**49.7**	**57.2**	**56.6**	***37.8***	***47.9***
Horticultural products						
Fruit	6.9	4.1	5.8	7.7	4.9	7.8
Vegetables	15.6	15.1	16.1	16.4	15.1	15.3
Mushrooms	28.8	27.1	25.1	23.5	24.2	23.4
Ornamental and hardy nursery stock	12.6	13.1	13.8	14.2	14.3	12.0
Total horticultural products	**63.9**	**59.4**	**60.8**	**61.7**	**58.4**	**58.4**
Capital formation (breeding livestock)	58.0	46.8	55.9	47.8	44.1	35.5
Agricultural contract work[12]	36.6	37.3	40.8	45.5	51.6	54.7
Milk quota leasing	0.8	3.7	4.3	7.1	0.7	0.0
Inseparable non-agricultural activities[13]	13.6	18.4	21.5	19.4	17.2	15.9
A Gross output	**1,177.9**	**1,136.7**	**1,232.6**	**1,299.7**	***1,078.8***	***1,075.9***
of which:						
subsidies (less taxes) on products[14]	194.2	210.9	205.3	242.6	*26.0*	*7.7*

1. A description of the methodology relating to this series and the derivation of the main aggregates, is given in the Appendix. 2005 and 2006 data for individual outputs excludes the Single Farm Payment, **therefore data in italics is not directly comparable to previous years**.
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, Beef Special Premium, Extensification Supplement, Agrimoney Compensation, Slaughter Premium, receipts from the Over Thirty Months Scheme, Older Cattle Disposal Scheme and Foot and Mouth Disease non-capital compensation payments. The LFA Compensatory Allowance is included in 'other subsidies'.
5. Includes Sheep Annual Premium, Rural World (LFA) Supplement, Agrimoney Compensation and Foot and Mouth Disease non-capital compensation payments. The LFA Compensatory Allowance 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.

		2001	2002	2003	2004	2005	2006 (provisional)
							£ million
A	**Gross output**	**1,177.9**	**1,136.7**	**1,232.6**	**1,299.7**	***1,078.8***	***1,075.9***
	INPUT (also known as 'intermediate consumption')						
	Expenditure						
	Feedstuffs[15]	287.9	301.8	354.0	365.0	362.6	369.2
	Seeds[16]	7.6	8.7	10.1	8.4	7.4	7.1
	Marketing expenses[17]	30.8	34.1	34.3	34.1	32.5	33.0
	Fertilisers and lime	56.7	58.9	59.4	56.7	53.7	53.0
	Total machinery expenses (excl. depreciation)	76.4	79.1	86.2	90.3	92.8	92.0
	Farm maintenance	30.4	26.6	31.8	29.6	31.1	32.8
	Veterinary expenses and medicines	28.4	31.5	32.0	34.6	35.9	36.3
	Miscellaneous expenses	106.7	105.7	116.5	118.5	124.2	126.8
	Agricultural contract work	36.6	37.3	40.8	45.5	51.6	54.7
	Milk quota leasing	1.8	6.0	5.9	10.5	2.0	0.1
B	**Gross input**	**663.3**	**689.7**	**771.0**	**793.1**	**793.7**	**804.8**
C	**Gross value added (A-B)**	**514.6**	**446.9**	**461.5**	**506.6**	***285.1***	***271.0***
	Consumption of fixed capital						
	- livestock	56.0	48.2	42.2	51.0	46.0	32.5
	- plant, machinery and vehicles	79.2	80.7	79.1	79.7	78.2	72.0
	- buildings and works	93.8	94.3	94.5	91.6	91.1	90.8
D	**Total consumption of fixed capital**	**229.0**	**223.1**	**215.8**	**222.3**	**215.3**	**195.3**
	Other subsidies (not paid on products)[18]	33.2	37.2	33.1	34.2	*257.3*	*262.6*
	Other taxes (not levied on products)[19]	5.0	5.3	5.6	5.8	6.0	6.2
E	**Other subsidies (less taxes)**	28.2	31.8	27.5	28.4	*251.3*	*256.4*
F	**Net value added (at factor cost) (C-D+E)**	**313.8**	**255.6**	**273.2**	**312.7**	**321.1**	**332.1**
G	Paid labour	48.0	48.6	52.2	54.1	53.1	54.0
H	Interest	40.4	34.9	34.5	41.7	42.6	45.3
I	Net rent[20]	49.4	51.3	50.6	49.9	43.5	42.3
J	**Total income from farming[21] (F-G-H-I)**	**175.9**	**120.9**	**135.9**	**167.0**	**181.9**	**190.5**

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, triticale 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 Single Farm Payment, 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

	2001	2002	2003	2004	2005	2006 (provisional)
Index at current prices						
Net value added[1]	124.0	101.0	108.0	123.6	126.9	131.2
Total income from farming[1]	156.9	107.8	121.2	149.0	162.2	169.9
Index in real terms[2]						
Net value added	121.8	97.6	101.4	112.7	112.5	112.9
Total income from farming	154.1	104.2	113.8	135.8	143.9	146.1

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

	2001	2002	2003	2004	2005	2006 (provisional)
Gross output at constant 2000 prices[1]	104.8	105.2	108.1	110.2	110.8	111.5
Gross input at constant 2000 prices[1]	100.5	103.7	108.7	109.9	106.7	104.7
Gross value added at constant 2000 prices[1]	110.5	107.1	107.4	110.6	116.4	120.8
Net value added at constant 2000 prices[1]	119.6	113.3	116.1	120.8	133.8	147.0
Total factor productivity[2]	104.3	103.6	106.0	108.2	112.2	116.2
Labour productivity[3]	123.1	120.6	124.7	134.2	151.5	168.7

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

	2001	2002	2003	2004	2005	2006 (provisional)
Total income from farming	**175.9**	**120.9**	**135.9**	**167.0**	**181.9**	**190.5**
Less:						
output stock change	+3.2	-13.4	+6.3	-1.24	+1.3	-1.9
gross fixed capital formation (breeding livestock)	58.0	46.8	55.9	47.8	44.1	35.5
capital investment[1]	109.4	104.7	128.5	114.4	123.9	129.7
Plus:						
input stock change	+0.9	-0.79	+1.8	-0.44	+0.1	+0.1
capital consumption	229.0	223.1	215.8	222.3	215.3	195.3
capital grants paid in year[2]	1.6	0.4	0.1	0.2	1.6	13.5
change in borrowings	-13.9	1.2	18.1	49.2	-7.8	37.4
Cash available to farm families from farming	**223.1**	**206.7**	**180.9**	**277.3**	**221.8**	**273.5**

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]

2005 (Final)

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	381.5	89.6	16.5	10.5	116.6	264.9	53.4%
Beef cattle, rearing and fattening	227.7	90.3	28.6	20.9	139.8	87.8	17.7%
Sheep and wool	44.7	11.8	7.6	5.3	24.8	19.9	4.0%
Total grazing livestock	**653.8**	**191.7**	**52.7**	**36.8**	**281.2**	**372.6**	**75.1%**
Pigs	63.6	40.6	-	1.6	42.2	21.5	4.3%
Poultry	158.1	130.0	-	5.5	135.5	22.5	4.5%
Total pigs and poultry	**221.7**	**170.6**	**-**	**7.1**	**177.7**	**44.0**	**8.9%**
Cereals	23.2	-	7.6	-	7.6	15.7	3.2%
Potatoes	13.3	-	3.3	-	3.4	9.9	2.0%
Total field crops	**36.5**	**-**	**10.9**	**0.1**	**10.9**	**25.6**	**5.2%**
Horticulture[5]	58.4	-	11.6	5.1	16.7	41.7	8.4%
Other items	18.2	5.2	0.8	0.1	6.2	12.0	2.4%
Total	**988.6**	**367.6**	**76.0**	**49.1**	**492.7**	**495.9**	**100.0%**

2006 (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	372.3	98.8	16.7	10.8	126.2	246.1	49.1%
Beef cattle, rearing and fattening	223.9	89.3	28.1	22.2	139.6	84.3	16.8%
Sheep and wool	48.9	12.0	7.5	5.7	25.2	23.6	4.7%
Total grazing livestock	**645.1**	**200.1**	**52.3**	**38.7**	**291.1**	**354.0**	**70.6%**
Pigs	64.9	34.9	-	1.5	36.4	28.5	5.7%
Poultry	161.4	132.9	-	5.9	138.8	22.7	4.5%
Total pigs and poultry	**226.3**	**167.8**	**-**	**7.4**	**175.1**	**51.2**	**10.2%**
Cereals	27.4	-	7.4	-	7.5	20.0	4.0%
Potatoes	19.3	-	3.5	-	3.6	15.8	3.1%
Total field crops	**46.8**	**-**	**10.9**	**0.1**	**11.0**	**35.8**	**7.1%**
Horticulture[5]	58.4	-	10.1	4.6	14.7	43.7	8.7%
Other items	23.3	5.5	0.9	0.1	6.5	16.7	3.3%
Total	**999.9**	**373.4**	**74.2**	**50.8**	**498.5**	**501.4**	**100.0%**

1. Owing to changes in methodology, these estimates are not comparable with those for years prior to 2005. Single Farm Payment has **not** been included.
2. The items making up total gross output (as shown in Table 2.1) have been regrouped into the above enterprises and Outputs have been adjusted for changes in volume. In the case for breeding livestock stock appreciation has been excluded;
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. Horticulture comprises fruit, vegetables, mushrooms, flowers and hardy nursery stock.

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

	Units of quantity	2001	2002	2003	2004	2005	2006 (provisional)
Livestock and livestock products							
Cattle and calves[2]	tonnes dcw	117,793	128,744	131,334	138,174	132,502	140,090
Over Thirty Months Scheme[3]	tonnes carcase wt	28,315	33,573	27,584	32,488	29,995	2,531
Sheep and lambs[4]	tonnes dcw	24,640	19,307	19,363	21,937	21,212	23,338
Pigs[5]	,,	69,071	70,751	76,994	73,670	67,785	67,018
Cattle and calves[2]	'000 head	384	420	423	442	406	445
Older Cattle Disposal Scheme	,,	-	-	-	-	-	22.5
Sheep and lambs[4]	,,	1,165	916	895	987	956	1,050
Pigs[5]	,,	938	946	993	924	843	828
Poultry[6]	'000 tonnes lwt	161.7	183.3	199.5	222.0	228.9	236.6
Eggs[7]	m. doz	61.6	67.9	62.6	60.3	60.1	60.6
Milk	m. litres	1,799	1,780	1,786	1,788	1,870	1,903
Field crops							
Wheat	'000 tonnes	30.6	39.9	48.0	58.3	64.9	67.1
Barley	,,	169.1	131.7	124.6	136.8	127.9	115.4
Oats	,,	12.6	12.3	12.8	14.1	11.4	10.5
Potatoes	,,	248.5	274.7	233.5	236.8	173.1	173.7
Horticultural crops							
Fruit	'000 tonnes	51.2	39.8	24.7	37.2	44.4	39.1
Vegetables	,,	47.3	51.1	50.9	54.3	52.7	47.7
Mushrooms	,,	25.0	22.0	20.7	19.4	19.6	19.0

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 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 Scheme 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	2001	2002	2003	2004	2005	2006 (provisional)
Finished steers, heifers and young bulls[2]	head	478	482	507	541	588	629
Finished steers, heifers and young bulls[2]	kg dwt	1.55	1.56	1.62	1.71	1.78	1.92
Calves slaughtered or exported	head	118	79	96	94	68	94
Culled cows and bulls[2]	head	270	267	253	234	232	440
Culled cows and bulls[2]	kg dwt	1.09	1.08	1.05	0.95	0.95	1.40
Older cattle disposal scheme	head	-	-	-	-	-	245
Store cattle exported	head	401	397	429	447	414	624
Finished sheep and lambs	head	50.41	46.22	49.54	51.84	50.71	52.37
Finished sheep and lambs	kg dwt	2.47	2.27	2.40	2.42	2.36	2.45
Finished clean pigs	head	66.46	62.68	69.86	75.24	76.44	79.18
Finished clean pigs	kg dwt	0.92	0.85	0.91	0.96	0.96	0.99
Culled sows and boars	head	84	67	60	70	80	80
Milk[3]	litre	0.190	0.164	0.185	0.187	0.183	0.171
Eggs for consumption	dozen	0.362	0.389	0.506	0.382	0.370	0.380
Broilers	kg lwt	0.518	0.512	0.499	0.519	0.507	0.508
Potatoes:							
Ware maincrop[4]	tonne	97	97	100	103	88	116
Seed	tonne	87	158	126	111	95	119
Barley	tonne	78	76	87	90	83	95
Wheat	tonne	86	78	94	95	86	99
Mushrooms	tonne	1,150	1,232	1,210	1,210	1,232	1,232
Apples	tonne	112	120	265	148	122	177

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. Before deduction of superlevy, if applicable.
4. 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]	2001	2002	2003	2004	2005	2006 (provisional)
Finished steers and heifers[3]	221	100	101	105	111	115	124
Culled cows and bulls[3]	32	105	105	102	92	92	136
Store cattle exported	3	105	104	112	117	109	164
Finished sheep and lambs	48	129	118	125	126	123	127
Finished clean pigs	71	111	103	110	115	116	119
Culled sows and boars	1	101	80	73	84	97	97
Milk	359	102	88	100	101	99	92
Eggs for consumption	26	97	104	135	102	99	102
Broilers	80	104	103	101	105	102	102
Potatoes:							
Ware maincrop	19	135	135	140	143	123	163
Seed	3	131	238	190	168	144	179
Barley	16	102	99	113	117	109	124
Wheat	3	106	96	116	117	106	123
Mushrooms	33	93	99	97	97	99	99
Apples	6	101	108	238	133	109	159
Total products index[2]	**920**	**104**	**98**	**106**	**107**	**106**	**110**

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

	2001 [2]	2002	2003	2004	2005	2006
CATTLE						
Breeding cattle						
Dairy cows/heifers in milk	761	623	690	626	664	651
Dairy cows in calf	617	488	535	478	477	543
Dairy springing heifers	693	483	421	517	440	514
Beef cows/heifers with calf at foot	521	538	597	616	529	596
Beef cows in calf	400	434	442	437	427	487
Beef springing heifers	469	490	518	570	502	519
Store cattle						
150-300 kg steers	314	342	349	365	309	323
300-400 kg steers	385	403	425	451	399	406
400-500 kg steers	445	470	505	528	471	493
Over 500 kg steers	515	555	594	618	564	604
150-300 kg heifers	207	244	252	281	275	284
300-400 kg heifers	297	325	347	369	355	372
400-500 kg heifers	372	403	436	452	434	469
Over 500 kg heifers	448	480	512	532	515	560
Suckled calves						
Under 200 kg steers	206	205	201	208	156	206
Over 200 kg steers	380	404	442	409	352	397
Under 200 kg heifers	143	150	162	170	166	202
Over 200 kg heifers	251	252	293	292	289	330
Dropped calves						
For rearing	63	80	95	95	69	89
Cull cows	292	295	284	269	280	373
SHEEP						
Breeding ewes/hoggets						
Blackface	56.17	59.07	65.20	48.34	47.04	61.84
Blackface Cross	-	62.33	71.00	48.00	75.15	72.91
Other breeds	56.02	62.81	69.51	65.10	65.12	63.29
Breeding ewe lambs						
Blackface	36.94	38.86	45.85	23.83	24.92	33.04
Blackface Cross	43.31	52.92	56.23	39.65	47.29	44.52
Other breeds	50.01	45.13	47.10	45.43	42.11	47.99
Breeding ewes/hoggets with lamb(s) at foot						
Blackface	-	45.76	47.49	48.45	43.31	42.28
Blackface Cross	-	-	-	43.83	45.44	-
Other breeds	66.44	76.51	77.52	80.18	70.49	75.44
Cull ewes						
Blackface	15.80	15.64	18.26	16.21	14.41	15.33
Blackface Cross	22.96	17.14	18.22	20.74	17.05	18.12
Other breeds	29.19	26.98	33.37	33.36	27.86	30.35
Cull rams	32.01	32.75	37.88	41.97	33.06	34.64
Store lambs	36.31	32.89	35.77	34.24	30.87	33.70
PIGS[3]						
Breeding pigs						
Sows in pig	134	104	127	92	-	-
Springing gilts	-	102	96	-	-	-
Weaner/store pigs						
Under 15kg	21.17	13.98	16.07	15.40	-	-
15-30kg	24.79	20.34	22.57	23.00	-	-
30-45kg	34.82	31.32	30.10	31.02	-	-
Over 45kg	51.78	55.08	49.40	54.37	-	-
Cull sows	72.50	57.65	63.20	72.89	-	-
Cull boars	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. Pig prices have been unavailable since July 2004.

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

£ million[3]

	2001[4]	2002[4]	2003[4]	2004[4]	2005[4]	2006[4] (provisional)
DIRECT PAYMENTS[5]						
Single farm payment	-	-	-	-	224.4	227.4
Cereals						
Arable Area Payments Scheme[6]	7.4	7.7	8.6	8.4	-	-
Other crops[6]	0.4	0.6	0.6	0.7	-	-
Cattle						
Beef Special Premium[6]	43.1	48.1	44.2	53.7	-	-
Suckler Cow Premium[6]	43.8	43.4	44.3	48.8	-	-
Extensification Supplement[6]	30.8	30.3	32.5	36.1	-	-
Deseasonalisation Premium Agrimoney Compensation[6]	0.1	-	-	-	-	-
Over Thirty Months Scheme[7]	27.7	33.0	26.4	28.1	26.0	2.2
Older Cattle Disposal Scheme	-	-	-	-	-	5.5
Slaughter Premium	17.3	28.8	29.0	32.9	-	-
Foot and Mouth Disease compensation (non-capital)	1.5	-	-	-	-	-
Total cattle	**164.1**	**183.7**	**176.4**	**199.6**	**26.0**	**7.7**
Sheep						
Sheep Annual Premium[6,8]	11.7	18.3	19.0	20.9	-	-
Foot and Mouth Disease compensation (non-capital)	1.2	-	-	-	-	-
Total sheep	**12.9**	**18.3**	**19.0**	**20.9**	**-**	**-**
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]	9.2	-	-	-	-	-
Dairy Premium	-	-	-	13.6	-	-
Total milk	**9.2**	**-**	**-**	**13.6**	**-**	**-**
Other direct payments						
Set-aside (Arable Area Payments Scheme)	0.6	0.6	0.7	0.6	-	-
Environmentally Sensitive Areas (non-capital)	6.6	5.0	5.2	5.7	4.9	4.5
Weather Aid	-	4.6	-	-	-	-
LFA Compensatory Allowance	24.6	23.5	23.7	22.1	21.8	20.9
Countryside Management Scheme	0.9	2.9	3.1	5.6	5.8	9.4
Others[9]	0.6	0.6	0.4	0.2	0.4	0.4
Total other direct payments	**33.2**	**37.2**	**33.1**	**34.2**	**32.9**	**35.1**
Total direct payments	**227.5**	**248.1**	**238.5**	**277.4**	**283.2**	**270.3**
LEVIES[10]						
Milk						
Superlevy	-	-	-	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, 3.5% in 2003 and 2004, 3% in 2005, and 8.5% in 2006 where applicable. Total modulation amounted to £3.6 million in 2001, £5.4 million in 2002, £6.5 million in 2003, £7.3 million in 2004. After application of €5,000 franchise per farm from 2005, total modulation amounted to £4.5 million and £17.6 million in 2005 and 2006 respectively.
5. Excludes expenditure on market regulation (such as intervention purchases and export refunds) by the UK Rural Payments Agency.
6. Includes 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]

	2001	2002	2003	2004	2005	2006 (provisional)
CAPITAL GRANTS						
Farm and Conservation Grant Scheme	0.4	0.3	0.2	-	-	-
Environmentally Sensitive Areas[3]	0.8	-	-	-	-	-
Investment in agricultural holdings	-	-	-	0.3	1.3	1.9
Organic Farming (Conversion of Animal Housing) Scheme	-	-	-	-	0.8	1.3
Farm Nutrient Management Scheme	-	-	-	-	0.4	15.0
Total capital grants	**1.3**	**0.3**	**0.2**	**0.3**	**2.4**	**18.2**
OTHER DIRECT PAYMENTS						
Foot and Mouth Disease compensation (capital)	4.4	-	-	-	-	-
Other animal disease compensation[4]	15.7	25.4	22.1	15.6	11.5	12.9
Total other direct payments[5]	**20.1**	**25.4**	**22.2**	**15.6**	**11.5**	**12.9**

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. Includes tuberculosis, brucellosis, and BSE reactor compensation payments.
5. Includes miscellaneous minor payments..

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

£ *million*

	2001	2002	2003	2004	2005	2006 (provisional)
Grant-aided investment[2]	2.3	2.8	2.7	0.8	5.2	32.0
Non-aided investment	27.5	27.6	28.1	41.9	41.7	15.8
Total buildings and works[3]	**29.9**	**30.4**	**30.7**	**42.7**	**46.8**	**47.8**
Plant and machinery	66.3	57.9	67.1	63.7	77.9	84.6
Vehicles[3,4]	17.6	20.7	21.8	17.8	11.7	11.0
Total plant, machinery and vehicles	**83.9**	**78.6**	**88.9**	**81.5**	**89.6**	**95.6**
Total investment	**113.8**	**109.0**	**119.6**	**124.2**	**136.4**	**143.4**

1. Excluding investment in forestry and arterial drainage.
2. See Table 2.11 for details.
3. Estimated from the Farm Business Survey.
4. Vehicles shown at 'farm share'.

Table 2.13 Milk quota

	2001	2002	2003	2004	2005	2006 (provisional)
Milk quota (million litres):						
Owned[1]	1,621.5	1,651.7	1,670.2	1,763.1	1,769.6	1,817.0
Leased[2]	60.4	198.7	69.2	31.2	69.3	12.7
Total	**1,681.9**	**1,850.4**	**1,739.4**	**1,794.3**	**1,838.9**	**1,829.7**

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.

Table 2.14 Number of persons working on farms

number of persons

	2001	2002	2003	2004	2005	2006
AGRICULTURAL LABOUR FORCE[1]						
Farmers and partners						
Full time	20,169	19,706	19,265	18,329	18,159	17,981
Part time	15,786	14,826	14,728	14,934	14,367	14,013
Total	**35,955**	**34,532**	**33,993**	**33,263**	**32,526**	**31,994**
Spouses of farmers	**6,520**	**6,201**	**6,428**	**6,396**	**6,186**	**6,285**
Other workers						
Full time	2,797	2,720	2,794	2,741	2,553	2,531
Part time	2,782	2,773	2,848	2,785	2,514	2,347
Casual/seasonal	8,308	8,047	8,423	8,147	7,294	6,795
Total other workers	**13,887**	**13,540**	**14,065**	**13,673**	**12,361**	**11,673**
Total agricultural labour force	**56,362**	**54,273**	**54,486**	**53,332**	**51,073**	**49,952**
Annual Work Units (AWUs)[2]	**33,019**	**31,925**	**31,641**	**30,595**	**30,002**	**29,622**

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

	2001	2002	2003	2004	2005	2006
MANPOWER STATISTICS[1]						
Self-employed						
Male	18,768	18,393	18,069	17,249	17,106	16,918
Female	1,401	1,313	1,196	1,080	1,053	1,063
Total	**20,169**	**19,706**	**19,265**	**18,329**	**18,159**	**17,981**
Employees						
Male	12,245	11,848	12,368	12,060	10,939	10,285
Female	1,551	1,692	1,697	1,613	1,422	1,388
Total	**13,796**	**13,540**	**14,065**	**13,673**	**12,361**	**11,673**
Total agricultural manpower	**33,965**	**33,246**	**33,330**	**32,002**	**30,520**	**29,654**

1. Agricultural manpower statistics refer to the count of employees and self-employed workers in agriculture, as used by the Department of Enterprise, 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

	2000	2001	2002	2003	2004	2005 (provisional)
Processing of products[1]						
Animal by-products	264	270	255	216	219	230
Bakeries	3,331	3,416	3,500	3,274	3,287	3,295
Beef and sheepmeat	2,803	2,770	2,810	2,623	2,741	2,770
Drinks	1,763	1,780	1,542	1,563	1,492	1,300
Eggs	192	205	193	197	170	160
Fish	992	996	1,000	900	876	860
Fruit and vegetables	1,433	1,499	1,538	1,613	1,609	1,685
Milk and milk products	2,383	2,227	2,228	2,369	2,278	2,325
Pigmeat	1,510	1,454	1,489	1,541	1,585	1,570
Poultrymeat	4,205	4,160	4,178	4,399	4,136	4,370
Total processing sector	**18,875**	**18,774**	**18,733**	**18,693**	**18,391**	**18,565**
Manufacture and supply of inputs[2]						
Animal feed	820	800	810	800	780	790
Fertilisers and lime	500	500	500	300	230	210
Other requisites (incl. medicines)	830	830	830	830	830	830
Farm machinery (incl. servicing)	880	870	870	870	870	870
Services[3]	1,500	1,400	1,380	1,350	1,350	1,340
Total supply sector	**4,530**	**4,400**	**4,390**	**4,150**	**4,060**	**4,040**
Total ancillary employment	**23,405**	**23,174**	**23,123**	**22,843**	**22,451**	**22,605**

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 2005 have been estimated by adjusting the 2004 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

	2000	2001	2002	2003	2004	2005 (provisional)
Animal by-products	20	19	20	21	20	20
Bakeries	36	37	47	53	63	55
Beef and sheepmeat	250	277	291	304	351	330
Drinks	95	106	152	155	150	120
Eggs	26	26	25	27	26	25
Fish	61	61	64	56	54	55
Fruit and vegetables	75	67	80	90	80	80
Milk and milk products	336	345	349	369	426	385
Pigmeat	78	77	82	91	103	100
Poultrymeat	195	212	233	262	279	280
Total processing sector	**1,170**	**1,227**	**1,342**	**1,427**	**1,551**	**1,450**

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 2005 have been estimated by adjusting the 2004 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

The introduction of the Single Farm Payment has fundamentally altered the definition of commodity output. Up until 2004 direct subsidies were included in output values in the tables where relevant. From 2005 the Single Farm Payment **cannot** be included in any equivalent output value because it is not commodity specific – however it is included in the aggregate figure (see Table 2.10). These changes are required to conform to agreed national accounting principles but have led to a discontinuity in the value of output series for some products. A 'market value' has therefore been estimated to assist in like for like comparisons between years before and after the introduction of Single Farm Payments (or decoupling of direct subsidies). The market value excludes subsidies and stock changes. An alternative comparator 'Output at Market Value' can be estimated by adding stock changes to market value but this measure is not shown separately.

As in other sections, data from 2005 (post decoupling), which is not calculated on a comparable basis with earlier data, is identified in italics.

Cattle and calves

The transition to the Single Farm Payment in 2005 was marked by a disruption to normal marketing patterns which is still having an effect into 2006. In 2004 the ending of the Slaughter Premium Scheme encouraged heifer sales to be brought forward so that sellers could avail of the subsidy and as a consequence fewer heifers were available for sale in 2005. In 2006 there was a return to more typical sales patterns and heifer sales recovered by 25 per cent to 141,000 head.

Similarly, due to the ending of the Beef Special Premium in 2004, more male cattle remained intact to avail of the higher premium that was available for bull animals, therefore there were more male animals slaughtered as bulls in the summer and autumn of 2005. The period from birth to slaughter is much shorter for bulls compared to steers and this meant that the number of steers available for slaughter in 2006 fell by 8.3 per cent from 2005 levels to 189,000 head. The sales of young bulls in 2006 fell also by 43 per cent to 44,000 head.

The proportion of steers entering the food chain therefore fell slightly to 50 per cent, while young bulls fell from 20 per cent to 12 per cent. However, the proportion of heifers rose from 29 per cent to 38 per cent. Overall, the total proportion of male cattle fell to 62 per cent in 2006 from a high of 71 per cent in 2005.

Average dressed carcase weight was 2.5kg lower in 2006 at 327 kg compared with 2005. In total, the volume of clean beef output fell by 6.8 per cent to 121,000 tonnes. Average deadweight producer price increased by 7.6 per cent or 14 pence per kg from 2005 to 192 pence per kg. The overall result of these changes was that the sales value of finished clean cattle remained unchanged at £232 million.

Sales of culled cows and bulls decreased by 25 per cent in 2006 to 86,000 head. Average carcase weights for these animals increased by 29 per cent to 314kg. The average price of culled cows and bulls was up by 47 per cent on 2005 levels at 140 pence per kg deadweight. This is evidence of the effect that the return of cow beef to the food chain and for exporting purposes has had on the market. As a result of these changes, receipts from cull cattle sales increased by 26 per cent to £33.5 million in 2006. The net receipts from non-food sources i.e. OTMS and OCDS accounted for £7.7 million or 23 per cent of these receipts, down from 98 per cent in the previous year.

An estimated 18,000 calves were sold in 2006 up from 2,000 calves in 2005. This can be attributed to the resumption of live exports following the removal of the beef export ban in May 2006. The average calf price increased by 38 per cent to £94 per head and the revenue generated amounted to £1.7 million.

Overall, the market value of cattle and calves in 2006 (which deducts the value of imported cattle but includes breeding cattle exports, store exports, OTMS and OCDS) increased by 3.6 per cent to £256 million.

Milk

In 2006, the annual average dairy cow population has increased to 294,700 head. Average gross milk yield per cow increased, by 0.8 per cent, to 6,590 litres.

The increase in cow numbers and yields led to a total output of over 1.9 billion litres (up 1.8 per cent), which is the highest level of milk output ever attained in Northern Ireland.

Although yields and production levels have continued to increase, milk prices (gross) in 2006 were 6.4 per cent lower than in 2005. Consequently, the total market value of milk fell, by £16 million or 4.7 per cent lower, to £327 million.

Sheep and lambs

Marketings of clean sheep and lambs increased by 7 per cent in 2006 to 885,000 head. Average dressed carcase weight was similar to 2005, at 21.4 kg per head. As a result, the volume of clean sheepmeat produced increasing by 6.5 cent to 18,900 tonnes. Clean sheep and lamb producer prices also increased, by 3.7 per cent, to 245 pence per kg deadweight. The combined volume and price changes meant that total market value of clean sheep and lambs increased, by 10 per cent, to £46 million.

Marketings of culled ewes and rams increased, by 29 per cent, to 166,000 head. There was a 12 per cent increase in price for these animals. The increases in prices and marketings led to an increase in the overall value of market receipts by 44 per cent to £3.8 million.

Overall, the total market value from the sheep sector increased, by 13 per cent, to £48 million.

Pigs

The number of clean pigs marketed during 2006 was 1.7 per cent lower than in 2005, at 813,000 head. Average dressed carcase weight increased, by 0.8 per cent, to 80 kg. These changes resulted in a fall in the quantity of pigmeat produced, by 1 per cent, to 65,000 tonnes. Producer prices per kg deadweight increased, by 2.8 per cent, to 99 pence. Overall, output from clean pig production was 1.8 per cent higher, at £64 million.

Marketings of cull sows and boars decreased, by 6.6 per cent, to 12,700 head. The average price per head of the animals decreased by 0.4 per cent, which caused market returns to decrease (by 7 per cent) to £1 million.

Overall, the value of pig output increased, by 2 per cent, to £65 million.

Poultry

The total volume of poultrymeat production in 2006 increased by 3.4 per cent, to 237,000 tonnes liveweight. This is a continuation in recent trends in production within this sector. The production of broilers was up 4.4 per cent to 215,000 tonnes liveweight, therefore with producer prices remaining similar to 2005 at 51 pence per kg, market value of £109 million was 4.6 per cent higher than in 2005.

Turkey production decreased, by 16 per cent, to 11,000 tonnes liveweight.

The total value of poultry output (including the export of poultry and hatching eggs, net of imports, and a positive stock change) was 2 per cent higher than in 2005, at £139 million.

Eggs

Packing station throughput of graded eggs was estimated at 59 million dozen eggs in 2006. This was similar to the 2005 level. The average producer price of eggs increased, by 3.2 per cent, to 38 pence per dozen. The overall value of egg output increased, by 3.6 per cent, to £23 million (including eggs for processing, unrecorded sales for human consumption and duck eggs).

Potatoes

In 2006, the area of potatoes planted increased by 4.6 per cent, to 4,700 hectares following a period of substantial decline over several years. The average yield increased, by 9 per cent, to 42 tonnes per hectare. Consequently, the total quantity of potatoes harvested was 14 per cent higher at 199,000 tonnes.

Marketings of ware potatoes in 2006 were 0.6 per cent lower at 133,000 tonnes. However, during the year there was a 17 per cent reduction in sales in the first half of the year and a 13 per cent increase during the second half of the year when the sale pattern is compared with the previous year. Over the year, the volume of seed potato output (including home-saved seed) declined by 3 per cent to 20,000 tonnes. In total, the volume of potato output (including ware, seed and stockfeed potatoes) was 174,000 tonnes, which was similar to the level of production in 2005.

The average price of ware potatoes in 2006 was £120 per tonne, which was 31 per cent higher than in 2005. The average price of seed potatoes increased, by 25 per cent, to £119 per tonne. The total value of potato output increased, by 46 per cent, to £19 million.

Cereals

In 2006, spring barley yields were up by 7.2 per cent while winter barley yields rose by 11 per cent. The area of spring barley declined by 16 per cent to 18,200 hectares while winter barley increased by 15 per cent to 4,600 hectares. Therefore, production of spring barley decreased by 10 per cent while winter barley increased by 27 per cent. Overall, there was a decrease in barley production, by 2.4 per cent, to 115,000 tonnes despite the fact that the total area of barley grown fell by 11 per cent.

The total volume of barley sold or used on-farm in 2006 decreased by 10 per cent to 115,000 tonnes. The average producer price of barley increased, by 14 per cent, to £95 per tonne. These changes resulted in an increase in the total market value of barley, by 2.8 per cent, to £11 million.

In 2006, the area of wheat was 3.7 per cent up on 2005 and when coupled with a 3.8 per cent increase in yield this resulted in production increasing, by 6.6 per cent, to 66,000 tonnes. The volume of wheat sold or used on-farm in 2006 increased by 3.4

per cent to 67,000 tonnes. The price of wheat increased, by 16 per cent, to £99 per tonne. All these changes meant that the market value of wheat output grew by 20 per cent to £6.7 million.

The area of oats grown fell by 4.2 per cent to 1,870 hectares, but with yield increasing by 17 per cent, production also grew, by 12 per cent, to 11,000 tonnes. The average producer price of oats was 19 per cent higher at £99 per tonne, resulting in total market returns growing by 10 per cent to £1 million.

Horticulture

In 2006, the total value of horticultural output remained unchanged at £58 million. Returns from the sale of fruit (mainly apples) rose by 59 per cent to £8 million. Apple production fell by 12 per cent to 38,900 tonnes; however, prices rose by 45 per cent and therefore the value of output was 28 per cent higher than in 2005. The value of output of mushrooms decreased by 3.3 per cent to £23 million while receipts from the sale of vegetables increased by 1 per cent to £15 million. Ornamental and hardy nursery stock output fell by 16 per cent to £12 million.

Feedstuffs

The total volume of compound feedstuffs purchased during 2006 increased by 1 per cent to 1,760 thousand tonnes. Purchases of cattle and sheep compounds were up 1.7 per cent and 6 per cent, respectively. Purchases of pig compounds were similar to 2005 while purchases of poultry compounds increased by 0.7 per cent.

Inputs of straights (including home-fed cereals) remained unchanged at 394,000 tonnes in 2006. In total, the volume of feed purchased was 1 per cent higher than 2005 levels at 2,210 thousand tonnes.

The average price of feedstuffs (compounds and home-fed cereals) increased, by 1 per cent, to £167 per tonne in 2006. Overall, the cost of purchased feedstuffs increased, by 1.8 per cent, to £369 million.

Fertilisers and lime

The quantity of fertilisers purchased in 2006 decreased by 11 per cent to 314,000 tonnes and the average price increased by 11 per cent to £165 per tonne. As a result, the total value of fertiliser purchases decreased, by 1 per cent, to £52 million.

Total expenditure on lime fell by 7.5 per cent to £1.3 million. The quantity purchased fell by 7.5 per cent, while prices remained unchanged.

Marketing expenses

Increased transport costs in 2006 had a knock-on effect on marketing expenses, which were 1.5 per cent higher than in 2005, at £33 million. Cattle marketing expenses increased to £19.3 million, while sheep expenses were up to £4.5 million. Marketing expenses for milk decreased slightly to £7.7 million while those for pigs decreased slightly to £1.6 million.

Machinery expenses

In 2006, machinery expenses fell, by 1 per cent, to £92 million. Within this total, expenditure on repairs decreased by 4 per cent, fuel and oil expenditure rose by 0.6 per cent while other expenses remained similar to the levels of 2005.

Interest

Bank advances for current farming purposes in 2006 were up 6 per cent on 2005. The average cost of borrowing decreased by 0.1 percentage point to 7.1 per cent. As a result, the total interest bill increased by 6.2 per cent, to £45 million.

Labour

In 2006, the volume of paid labour input was 2 per cent lower than in 2005, at 8.2 million hours, while paid labour costs rose by 2 per cent to £54 million.

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Table 2.18 Output of cattle and calves

	2001	2002	2003	2004	2005	2006 (provisional)
Steers, heifers and young bulls[1]						
Sales (inc. to the OTMS) ('000 head)	380.9	410.3	412.8	433.0	394.8	368.8
Average producer price (p per kg dwt)[2]	154.8	155.6	161.6	171.4	178.3	192.2
Average dressed carcase weight (kg)[3]	308.6	309.8	313.5	315.5	329.8	327.3
Quantity of output ('000 tonnes)[3]	117.5	127.1	129.4	136.6	130.2	120.7
Value of output (inc. sales to OTMS) (£m)	181.9	197.8	209.1	234.2	232.1	232.0
Cows and bulls[1]						
Sales (inc. OCDS and OTMS) ('000 head)	102.8	124.2	106.0	119.7	114.3	86.0
Average producer price (p per kg dwt)[2]	108.7	108.1	104.9	95.1	95.2	140.2
Average dressed carcase weight (kg)[3]	248.8	247.0	241.1	246.4	243.9	313.6
Quantity of output ('000 tonnes)[3]	25.6	30.7	25.6	29.5	27.9	19.9
Value of output (inc. sales to OCDS and OTMS) (£m)	27.8	33.2	26.8	28.0	26.5	33.5
Calves						
Sales ('000 head)	2.6	4.0	2.0	2.0	2.0	18.0
Average producer price (£ per head)[2]	118	79	96	94	68	94
Value of output (£m)	0.3	0.3	0.2	0.2	0.1	1.7
Store cattle sold outside Northern Ireland						
Marketings ('000 head)	1.1	6.5	6.9	7.7	8.1	4.1
Average producer price (£ per head)[2]	401	397	429	447	414	624
Value of output (£m)	0.4	2.6	3.0	3.4	3.3	2.6
Breeding cattle sold outside Northern Ireland						
Marketings ('000 head)	0.1	1.6	1.4	1.7	1.3	1.7
Average producer price (£ per head)	1222	631	678	622	568	592
Value of output (£m)	0.1	1.0	1.0	1.1	0.8	1.0
***less* Imported cattle**						
Marketings ('000 head)	37.2	37.6	43.7	50.1	30.3	28.1
Average producer price (£ per head)	458	485	531	551	528	529
Value of output (£m)	17.0	18.2	23.2	27.6	16.0	14.9
Total Market Value (£m)	**193.5**	**216.6**	**216.8**	**239.3**	**246.9**	**255.9**
Other receipts (£m)[4]	136.5	150.7	150.0	171.4	-	-
Stock change due to volume (£m)	+4.3	-6.2	+5.0	-4.2	+4.8	-3.3
Total value of output (£m)	**333.7**	**361.0**	**371.8**	**406.5**	***251.7*** [5]	***252.6***
Net receipts from non-food outlets (included above)						
Over Thirty Months Scheme (£m)[6]	27.1	33.0	26.4	28.1	26.0	2.2
Older Cattle Disposal Scheme (£m)	-	-	-	-	-	5.5

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. Excludes animals to the Older Cattle Disposal Scheme.
3. Including animals sold under the Over Thirty Months Scheme, but excluding animals under the Older Cattle Disposal Scheme.
4. Includes Suckler Cow Premium, Beef Special 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. Figures in italics are not directly comparable with previous years (not in italics) because of a different treatment of direct payments following decoupling.
6. Excludes Slaughter Premium.

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

per cent

	2001	2002	2003	2004	2005	2006 (provisional)
Cows and bulls	21	23	20	22	22	19
Steers and heifers originating from:						
- the dairy herd;	30	33	36	34	34	36
- the beef herd;	47	38	38	37	36	39
- calves and stores imported from the Republic of Ireland or shipped from Great Britain	2	6	7	7	9	6
Total[2]	**100**	**100**	**100**	**100**	**100**	**100**
Total number marketed ('000 head)	**482**	**535**	**519**	**565**	**509**	**453**

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

Table 2.20 Output of milk

	2001	2002	2003	2004	2005	2006 (provisional)
Annual average number of dairy cows ('000 head)	295.5	296.7	291.1	290.1	292.0	294.7
Average gross yield per cow (to nearest 10 litres per annum)[1]	6,210	6,120	6,260	6,310	6,540	6,590
Total output of milk for human consumption (million litres)	1,799	1,780	1,786	1,788	1,870	1,903
of which:						
sales off farms	1,793	1,774	1,781	1,784	1,866	1,899
used in farm households	6	6	5	4	4	4
Average producer price (pence per litre)						
Gross price[2]	18.95	16.39	18.46	18.67	18.31	17.14
Net price[3]	18.40	15.89	18.00	18.23	17.88	16.74
Market Value (£m)	**342.3**	**292.8**	**331.2**	**334.9**	**343.3**	**327.2**
Other receipts (£m)[4]	9.2	-	-	13.6	-	-
Value of output (£m)[2]	**351.5**	**292.8**	**331.2**	**348.5**	***343.3*** [5]	***327.2***

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.
5. See note 5 Table 2.18.

Table 2.21 Output of sheep

	2001	2002	2003	2004	2005	2006 (provisional)
Marketings ('000 head)[1]						
Finished sheep and lambs	1,056	823	756	835	828	885
Culled ewes and rams	109.4	92.7	139.4	152.0	128.5	165.8
Average price (p per kg deadweight)[2]						
Finished sheep and lambs	247.4	226.7	239.7	242	235.9	244.6
Average dressed carcase weight (kg)						
Finished sheep and lambs	20.4	20.4	20.7	21.4	21.5	21.4
Quantity of Output ('000 tonnes)						
Finished sheep and lambs	21.5	16.8	15.6	17.9	17.8	18.9
Culled ewes and rams	3.1	2.5	3.8	4.1	3.4	4.4
Market Value (£m)[3]	**55.0**	**38.6**	**39.2**	**45.3**	**42.8**	**48.3**
Other receipts (£m)[4]	12.9	18.3	19.0	20.9	-	-
Stock change due to volume (£m)	-2.5	+2.1	-0.7	+0.5	+0.8	-0.4
Value of output (£m)	**65.4**	**59.1**	**57.5**	**66.7**	***43.7***	***47.9***

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. Includes breeding and store sheep exported less all sheep imported.
4. Comprising 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'.
5. See note 5 Table 2.18.

Table 2.22 Output of pigs

	2001	2002	2003	2004	2005	2006 (provisional)
Marketings ('000 head)[1]						
Finished clean pigs	922.6	929.3	975.0	907.8	827.1	813.1
Culled sows and boars	15.1	15.4	15.9	14.0	13.6	12.7
Average price (p per kg deadweight)[2]						
Finished clean pigs	91.81	85.16	91.37	95.50	96.24	98.94
Culled sows and boars	55.85	44.31	39.97	46.15	53.20	53.33
Average dressed carcase weight (kg)						
Finished clean pigs	72.4	73.6	76.5	78.8	79.4	80.0
Quantity of output ('000 tonnes)						
Finished clean pigs	66.8	68.4	74.5	71.5	65.7	65.1
Culled sows and boars	2.3	2.3	2.4	2.1	2.0	1.9
Market Value (£m)[3]	**62.1**	**59.2**	**68.9**	**68.4**	**63.4**	**64.7**
Stock change due to volume (£m)	+0.4	-1.0	+0.7	0.0	+0.2	+0.2
Value of output (£m)	**62.4**	**58.1**	**69.6**	**68.3**	**63.6**	**64.9**

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

	2001	2002	2003	2004	2005	2006 (provisional)
Poultrymeat production ('000 tonnes liveweight)						
All poultrymeat (including broilers)	161.3	183.1	199.6	222.0	228.9	236.6
Broilers	138.2	161.2	177.9	197.9	206.2	215.3
Average producer price (p per kg liveweight)						
All poultrymeat (including broilers)	50.8	50.3	49.2	51.0	49.7	49.6
Broilers	51.8	51.2	49.9	51.9	50.7	50.8
Market value						
All poultry (£m)	105.7	115.5	121.0	138.2	136.6	138.6
of which broilers	71.6	82.6	88.8	102.8	104.5	109.3
Stock change due to volume (£m)	+0.8	+0.3	+0.9	+1.8	-0.7	+0.1
Value of Output (£m)[1]	**106.5**	**115.8**	**121.9**	**139.9**	**136.0**	**138.6**

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

	2001	2002	2003	2004	2005	2006 (provisional)
Graded packing station throughput (million dozen)	59.1	65.3	60.9	58.7	58.5	58.6
Average producer price (p per dozen)[1]	36.61	39.27	50.72	38.36	37.18	38.36
Value of output (£m)[2]	**22.3**	**26.4**	**31.7**	**23.0**	**22.2**	**23.0**

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

Table 2.25 Crop production

	2001	2002	2003	2004	2005	2006 (provisional)
						harvest years
Potatoes[1]						
Area ('000 hectares)	6.7	6.7	6.0	5.7	4.5	4.7
Harvestable yield (tonnes per hectare)	39.6	35.4	40.7	41.8	38.4	41.9
Production ('000 tonnes)	263.8	237.7	246.1	237.0	174.4	199.0
of which:						
saleable potatoes	225.9	213.7	217.6	211.6	156.1	172.4
chats[2] and waste	38.0	24.0	28.5	25.4	18.3	26.6
Barley[3,4]						
Area ('000 hectares)	32.8	28.5	27.8	27.0	25.7	22.8
Yield (tonnes per hectare)	5.12	3.92	4.93	5.12	4.57	5.03
Production ('000 tonnes)	167.9	111.7	136.8	138.4	117.6	114.8
Wheat[4]						
Area ('000 hectares)	4.1	7.2	7.3	8.6	8.4	8.7
Yield (tonnes per hectare)	6.23	6.51	7.17	7.54	7.37	7.58
Production ('000 tonnes)	25.6	47.1	52.4	65.1	62.0	66.1
Oats[3,4]						
Area ('000 hectares)	2.4	2.4	2.5	2.5	1.9	1.9
Yield (tonnes per hectare)	5.26	5.1	5.8	5.75	5.03	5.87
Production ('000 tonnes)	12.8	12.0	14.3	14.1	9.8	10.9
Oilseed rape[5]						
Area ('000 hectares)	0.1	0.1	0.1	0.3	0.3	0.5
Yield (tonnes per hectare)	2.60	3.40	3.27	2.90	3.20	3.30
Production ('000 tonnes)	0.3	0.3	0.4	0.8	1.1	1.6
Hay						
Area ('000 hectares)	22.2	13.8	16.9	13.2	14.6	14.1
Yield (tonnes per hectare)	8.43	6.24	7.19	7.80	6.86	7.56
Production ('000 tonnes)	186.8	86.3	121.7	103.0	99.9	106.8
Grass silage						
Area ('000 hectares)	299.1	286.7	286.4	294.1	304.2	270.3
Yield (tonnes per hectare)	27.61	25.00	26.23	25.71	26.03	30.80
Production ('000 tonnes)	8,260.2	7,169.1	7,514.3	7,561.1	7,920.1	8,325.9

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

	2001	2002	2003	2004	2005	2006 (provisional)
POTATOES[2]						
Quantity of output ('000 tonnes)						
Ware	188.5	207.9	177.1	181.6	133.4	132.6
Seed	30.8	36.4	29.4	27.8	20.2	19.6
Stockfeed	29.2	30.4	26.9	27.4	19.5	21.6
Total	**248.5**	**274.7**	**233.5**	**236.8**	**173.1**	**173.7**
Average producer price (£ per tonne)						
Ware	98.45	98.81	105.59	105.96	91.50	119.64
Seed	86.71	157.62	125.92	111.43	95.13	118.83
Market Value (£m)						
Ware	18.6	20.5	18.7	19.2	12.2	15.9
Seed	2.7	5.7	3.7	3.1	1.9	2.3
Stockfeed	0.3	0.3	0.3	0.3	0.2	0.2
Total[2]	**21.4**	**26.5**	**22.6**	**22.5**	**14.2**	**18.3**
Stock change due to volume (£m)	-0.2	-5.0	-0.6	-1.5	-1.0	+1.0
Value of output (£m)	**21.2**	**21.4**	**22.0**	**21.0**	**13.3**	**19.3**
BARLEY[3]						
Quantity of output ('000 tonnes)	169.1	131.7	124.6	136.8	127.9	115.4
Average producer price (£ per tonne)	77.82	76.02	86.60	89.63	83.14	94.62
Market Value (£m)	13.2	10.0	10.8	12.3	10.6	10.9
Other Receipts (£m)[4]	6.1	5.7	6.3	5.7	-	-
Stock change due to volume	-0.1	-1.5	+1.1	+0.1	-0.8	-0.1
Value of output (£m)	**19.2**	**14.3**	**18.2**	**18.0**	***9.8***[5]	***10.9***
WHEAT[3]						
Quantity of output ('000 tonnes)	29.8	38.0	48.0	58.3	64.9	67.1
Average producer price (£ per tonne)	85.87	77.35	94.37	95.06	85.53	99.42
Market Value (£m)	2.6	3.1	4.5	5.5	5.6	6.7
Other Receipts (£m)[4]	0.9	1.5	1.8	2.3	-	-
Stock change due to volume (£m)	-0.4	+0.5	+0.4	+0.6	-0.3	-0.1
Value of output (£m)	**3.1**	**5.2**	**6.7**	**8.4**	***5.3***[5]	***6.6***

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.
5. See note 5 Table 2.18.

Table 2.27 Output of apples and mushrooms

	2001	2002	2003	2004	2005	2006 (provisional)
APPLES[1]						
Quantity of output ('000 tonnes)	51.0	39.4	24.5	36.9	44.2	38.9
Average producer price (£ per tonne)	112	120	265	148	122	177
Market value (£m)	5.7	4.7	6.5	5.5	5.4	6.9
Stock change due to volume (£m)	+0.5	-1.5	-1.3	+1.4	-0.9	+0.4
Value of Output (£m)	**6.2**	**3.2**	**5.2**	**6.8**	**4.4**	**7.3**
MUSHROOMS						
Quantity of output ('000 tonnes)	25.0	22.0	20.7	19.4	19.6	19.0
Average producer price (£ per tonne)	1,150	1,232	1,210	1,210	1,232	1,232
Value of output (£m)	**28.8**	**27.1**	**25.1**	**23.5**	**24.2**	**23.4**

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)

	2001	2002	2003	2004	2005	2006 (provisional)
FEEDSTUFFS[1]						
Quantity purchased ('000 tonnes concentrate equivalent)	1,834	1,974	2,156	2,120	2,188	2,211
Average cost (£ per tonne concentrate equivalent)	157	153	164	172	166	167
Value of feed consumed (£m)	**287.9**	**301.8**	**354.0**	**365.0**	**362.6**	**369.2**
of which:						
stock change due to volume	+0.5	+0.5	+1.3	-0.1	-0.2	+0.2
FERTILISERS						
Quantity purchased ('000 tonnes product)	414	427	427	391	352	314
Nutrient content ('000 tonnes)	147	152	157	141	125	109
of which:						
Nitrogen	102	105	108	99	89	79
Phosphate	20	21	22	18	15	12
Potash	25	26	27	24	21	18
Average cost (£ per tonne of nutrient)	375	378	364	393	419	473
Value of purchases (£m)	**55.2**	**57.5**	**57.1**	**55.3**	**52.3**	**51.7**
LIME						
Quantity purchased ('000 tonnes)	104	96	144	91	92	85
Average cost (£ per tonne)	14.00	14.00	15.60	15.60	15.00	15.00
Value of purchases (£m)	**1.5**	**1.3**	**2.3**	**1.4**	**1.4**	**1.3**
MARKETING EXPENSES[2]						
cattle	14.5	18.5	19.3	20.2	18.6	19.3
sheep	3.9	4.1	4.1	4.1	4.3	4.5
pigs	2.6	2.5	2.6	1.8	1.7	1.6
milk	9.8	9.0	8.1	8.0	7.9	7.7
Total	**30.8**	**34.1**	**34.3**	**34.1**	**32.5**	**33.0**
INTEREST						
Bank base lending rate (%)	5.1	4.0	3.7	4.4	4.7	4.6
Total interest charges (£m)[3]	**40.4**	**34.9**	**34.5**	**41.7**	**42.6**	**45.3**
LABOUR						
Average weekly hours of full-time paid male workers	42.43	42.85	41.92	41.45	41.99	40.87
Average earnings of full-time paid male workers (£ per hour)[4]	5.27	5.33	5.56	5.99	6.17	6.26
Average earnings of full-time paid male workers (£ per week)[4]	223.61	228.39	233.08	248.29	259.08	255.85
Volume of paid labour (million hours)[5]	9.09	8.96	9.16	8.68	8.38	8.20
Value of paid labour (£m)[5]	**48.0**	**48.6**	**52.2**	**54.1**	**53.1**	**54.0**

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 75 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 is used for forestry (Table 3.1). The greater part of the forested area (85,000 hectares) is managed by the Forest Service of the Department of Agriculture and Rural Development (*see Forest Service Annual Report, 2005/2006*[1]).

Most farmland in Northern Ireland is under grass. Only 4,150 farms (16 per cent) have arable or horticultural crops. These crops occupy 49,800 hectares and make up only 5 per cent of the total area farmed. Barley (22,800 hectares) is the main crop grown followed by wheat with 8,700 hectares. In 2006, the cropped area also included 3,000 hectares of horticultural crops, mainly apple orchards (1,400 hectares) and vegetables (1,400 hectares). The area of cereals was 7 per cent lower in 2006 compared with 2005. Over the 10 year period since 1996 the cropped land area has decreased by 14 per cent, with 23 per cent less land in cereals and 47 per cent less in potatoes.

Grazing livestock

All but 6 per cent of Northern Ireland farms have cattle or sheep. In 2006, cattle were present on 23,100 farms (86 per cent), sheep on 8,800 farms (33 per cent) and cattle and/or sheep on 25,200 farms (94 per cent).

The total number of cattle, recorded at 1.64 million in the June 2006 census, has fallen by 2 per cent since 2000. At June 2006, there were 296,000 dairy cows, 2 per cent more than in 2005. There were 283,000 beef cows, 5 per cent more than in 2005. With the exception of 2002, the dairy cow herd is 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 18 per cent and 7 per cent respectively.

In 2006, the sheep breeding flock was 4 per cent smaller than in 2005 with 991.1 thousand ewes. Ewe numbers are at their lowest level since 1987. Including lambs and other sheep the flock totalled 2.07 million in 2006.

Intensive livestock

Pigs and/or poultry are present on 9 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 2006 was estimated at 386,600, 5 per cent less than in the previous June, while the number of pig herds increased by 3 per cent to 452. Sow numbers also increased by 2 per cent between 2005 and 2006.

[1] Available on the DARD website at http://www.forestserviceni.gov.uk/index/publications/annual_reports.htm

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 855 in 2006 compared with 316 in 1997.

In June 2006, the Northern Ireland poultry flock was recorded at 18.4 million birds, 5 per cent higher than in 2005. The number of laying birds (2.2 million) was 6 per cent lower and there were 7 per cent more broilers (13.4 million) in 2006.

The past few years have seen total poultry numbers at their highest ever recorded level except for during the wartime years. However the laying flock is 34 per cent lower than in 1994.

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**. Crops occupy 12 per cent of land on lowland farms compared with 2 per cent in the case of LFA farms. There are also significant differences in the patterns of livestock farming. Beef cows (222,000) predominate on **LFA farms**, where they are more important than dairy cows (145,000), whereas, on **lowland farms**, there were 61,000 beef cows and 151,000 dairy cows in 2006. **LFA farms** account for 43 and 60 per cent of the Province’s pigs and poultry respectively.

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Table 3.1 Land use, 2006

thousand hectares

	Crops	Grass and rough grazing	Woodland	Other land	Total land area
Farms	50	955	10	14	1,029
Common grazing	-	37	-	-	37
NI Forest Service[1]	-	-	61	15	76
Other areas	-	-	15	194	209
All land[2]	**50**	**992**	**85**	**223**	**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 2001 - 2006

thousand hectares

	2001	2002	2003	2004	2005	2006
Oats	2.4	2.4	2.5	2.5	1.9	1.9
Wheat	4.1	7.2	7.3	8.6	8.4	8.7
Barley: Winter	2.8	3.9	4.1	4.5	4.0	4.6
Spring	30.0	24.5	23.6	22.5	21.7	18.2
Mixed corn	0.2	0.1	0.2	0.2	0.2	0.1
Potatoes	6.7	6.7	6.0	5.7	4.5	4.7
Arable crop silage	2.3	1.9	2.3	2.8	3.2	3.3
Other field crops	2.4	2.7	3.6	4.0	4.5	5.2
Total agricultural crops	**50.9**	**49.5**	**49.8**	**50.7**	**48.5**	**46.8**
Fruit	1.5	1.5	1.6	1.5	1.5	1.5
Vegetables	1.5	1.5	1.5	1.4	1.4	1.4
Other horticultural crops	0.1	0.1	0.2	0.2	0.1	0.1
Total horticultural crops	**3.1**	**3.2**	**3.3**	**3.1**	**3.0**	**3.0**
Grass: Under 5 years old	140.2	136.4	138.0	141.8	135.6	126.5
5 years old and over	699.9	707.3	710.3	696.7	675.8	677.2
Total grass	**840.1**	**843.7**	**848.2**	**838.5**	**811.4**	**803.7**
Total crops and grass	**894.1**	**896.3**	**901.3**	**892.3**	**862.9**	**853.5**
Rough grazing[1]	154.1	151.6	152.9	151.2	148.6	151.3
Woods and plantations	8.2	7.9	8.4	8.2	8.6	9.6
Other land[2]	11.8	11.3	11.2	11.0	9.4	14.1
Total area of farms	**1,068.2**	**1,067.2**	**1,073.7**	**1,062.8**	**1,029.5**	**1,028.5**

1. Excludes common rough grazing (37,474 ha).
2. Includes set aside and land not used for agriculture.

Table 3.3 Livestock numbers, June 2001 - 2006

thousand head

	2001	2002	2003	2004	2005	2006
CATTLE						
Dairy cows						
In milk	275.4	276.2	268.7	265.9	268.3	271.5
In calf	19.6	21.7	21.5	22.4	22.3	24.5
Total dairy cows	**295.0**	**297.9**	**290.1**	**288.3**	**290.5**	**296.0**
Dairy heifers in calf	60.7	58.5	60.0	62.5	64.0	63.5
Beef cows						
In milk	260.2	255.5	239.9	240.5	239.6	225.8
In calf	51.6	51.5	55.5	55.7	57.3	57.2
Total beef cows	**311.8**	**307.0**	**295.4**	**296.2**	**296.9**	**283.0**
Beef heifers in calf	33.1	33.0	33.3	34.3	30.1	30.9
Total cows	**606.8**	**604.9**	**585.6**	**584.5**	**587.4**	**579.0**
Total heifers in calf	**93.7**	**91.5**	**93.3**	**96.7**	**94.1**	**94.4**
Bulls for service	16.7	16.5	16.6	17.0	17.2	18.4
Other cattle						
Over 2 years	110.3	111.4	114.8	115.4	120.8	127.1
1-2 years	380.3	387.8	403.5	397.3	389.0	374.8
Under 1 year	471.3	472.4	471.5	466.7	457.1	442.1
Total cattle	**1,679.1**	**1,684.5**	**1,685.3**	**1,677.6**	**1,665.6**	**1,635.7**
SHEEP						
Breeding ewes	1,232.3	1,128.6	1,105.6	1,100.5	1,027.3	991.1
Other sheep	1,293.3	1,195.5	1,135.5	1,124.9	1,117.8	1,079.4
Total sheep	**2,525.6**	**2,324.2**	**2,241.1**	**2,225.4**	**2,145.1**	**2,070.5**
PIGS						
Sows and gilts	40.6	39.3	42.9	37.8	36.7	37.4
Other pigs	345.0	348.4	390.8	386.2	368.4	349.2
Total pigs	**385.6**	**387.7**	**433.7**	**424.1**	**405.1**	**386.6**
POULTRY						
Laying birds	2,142.6	2,099.4	2,203.2	2,266.1	2,319.2	2,187.7
Growing pullets	735.1	534.1	552.9	509.8	669.5	743.1
Breeding flock	2,145.2	2,506.2	2,518.2	2,284.8	1,634.5	1,594.8
Table chickens	8,863.6	11,273.3	12,811.4	15,006.9	12,525.7	13,367.1
Total ordinary fowl	**13,886.5**	**16,413.0**	**18,085.8**	**20,067.6**	**17,148.8**	**17,892.7**
Other poultry	461.0	448.8	439.6	441.7	465.4	518.3
Total poultry	**14,347.5**	**16,861.8**	**18,525.4**	**20,509.2**	**17,614.3**	**18,411.0**
HORSES & PONIES	**10.1**	**10.1**	**9.9**	**9.2**	**9.3**	**10.3**
GOATS	**3.4**	**3.3**	**2.9**	**2.7**	**2.3**	**2.5**

Table 3.4 Areas of crops, grass, rough grazing and other land by Less Favoured Area (LFA) category[1] of farm, June 2006

thousand hectares

	Areas on farms wholly or mainly in:				
	Severely Disadvantaged Area (SDA)	**Disadvantaged Area (DA)**	**Total LFA**	**Non LFA**	**LFA as % NI**
Cereals	2	5	7	27	20
Potatoes	0	1	1	3	30
Other agricultural crops	1	2	3	6	30
Horticultural crops	0	1	1	2	23
Total crops	**3**	**9**	**11**	**38**	**23**
Grass: Under 5 years old	41	35	76	51	60
5 years and over	272	203	474	203	70
Total grass	**312**	**238**	**550**	**254**	**68**
Rough grazing[2]	135	11	146	5	97
Woods/other land	11	4	15	8	65
Total area	**461**	**262**	**723**	**305**	**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 2006

thousand head

	Numbers on farms wholly or mainly in:				
	Severely Disadvantaged Area (SDA)	**Disadvantaged Area (DA)**	**Total LFA**	**Non LFA**	**LFA as % NI**
CATTLE					
Dairy cows	46	98	145	151	49
Beef cows	141	81	222	61	78
Heifers in calf	21	29	50	44	53
Bulls for service	7	6	13	6	69
Other cattle					
Over 2 years	26	40	66	61	52
1-2 years	97	125	222	153	59
Under 1 year	148	138	286	156	65
Total cattle	**485**	**518**	**1,003**	**633**	**61**
SHEEP					
Breeding ewes	568	229	797	194	80
Other sheep	602	262	863	216	80
Total sheep	**1,170**	**491**	**1,660**	**410**	**80**
PIGS					
Sows and gilts	7	10	17	21	44
Other pigs	61	89	150	199	43
Total pigs	**68**	**99**	**167**	**220**	**43**
POULTRY					
Laying birds	937	797	1,734	454	79
Table fowl	2,166	5,300	7,466	5,901	56
Other poultry	756	1,066	1,822	1,034	64
Total poultry	**3,859**	**7,162**	**11,022**	**7,389**	**60**
HORSES AND PONIES	**2**	**3**	**5**	**5**	**48**
GOATS	**1**	**0**	**2**	**1**	**70**

1. See Note 1, Table 3.4.

4. FARM STRUCTURE

Methodological

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 2006 census, 26,739, was 325 fewer than in 2005. 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 2.0 per cent per year from 2001 to 2006 and 2.0 per cent over the past 10 years.

Almost a quarter of all farms have less than 10 hectares of crops and grass while just over 1,200 farms (5 per cent) have 100 hectares or more; these latter occupy 21 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 79). 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, 76 per cent in 2006, are classified as **very small**. In 2006 there were 20,319 farms in this category (Table 4.3), 149 less than in 2005. These farms are unlikely to provide full time employment or an adequate income solely from farming activities.[1] They contribute 26 per cent of the industry's total SGM but account for 47 per cent of the farmed area (Table 4.15). Their main activities are cattle rearing and fattening and they have 62 per cent of beef cows and 49 per cent of cattle for fattening that are over one year old. Around 31,900 persons are engaged in the work of these farms (Table 4.13).

There are 3,650 **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 29 per cent of sheep; they cover 24 per cent of the agricultural area and involve 22 per cent of the full time agricultural labour force (Table 4.15).

The 1,415 **medium** and 1,355 **large** farms (together representing 10 per cent of the total number) contribute 51 per cent of the total SGM from under a third (29 per cent) of the land area (Table 4.15). They are particularly dominant in the dairy, pigs and poultry sectors with, respectively, 69, 82 and 59 per cent shares of the livestock numbers.

Seventy four per cent of **very small** and 65 per cent of **small** farms are mainly in the LFA whereas, for **medium** and **large** farms, the proportions are 55 and 41 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 14 per cent classified as **dairy** farms and 74 per cent as **cattle and sheep**. Relatively few farms depend predominantly on cropping, 443 (2 per cent) being classed as **cereal** farms, 230 (1 per cent) as **general cropping** and 301 (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 (652).

[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.

Specialist **pigs and poultry** farms (575) and **mixed** farms (918) make up 2 and 3 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, 45 per cent have a mixture of owned and rented land and the remaining 48 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 livestock 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

In 2006, 4,147 farms (16 per cent) had dairy cows, 15,906 (59 per cent) had beef cows and 23,092 (86 per cent) had cattle of some type. The average number of dairy cows per herd, 71, was 4 more than in 2005. It compares with an average herd size for beef breeding herds of 18 cows. Forty-nine per cent of dairy cows are in herds of 100 or more cows, compared with 8 per cent of beef cows.

Some 8,589 farms had breeding sheep, with an average of 115 ewes per flock. There are relatively few large flocks in Northern Ireland, only 37 having 1,000 ewes or more.

Pigs were present on 452 farms, 14 more than in 2005. Most of the pig herds (357 in 2006) had sows, averaging 105 sows per herd. Thirty per cent, (106) had fewer than 10 sows and 104 had 100 or more.

Although 1,040 farms recorded laying hens on their June census return, for the most part these were very small flocks. Only 102 farms had 1,000 or more birds (Table 4.21). A similar situation occurs with broiler flocks, where 92 per cent of the birds were in 223 farm businesses (Table 4.21).

In 2006 cereals were grown on 2,752 farms, which are 10 per cent of farms in Northern Ireland, and the average cereal enterprise consisted of 12.2 hectares (Table 4.24). While over 40 per cent (1,158) of the farms with cereals had under 5 hectares, the 103 farms which grew 50 hectares or more accounted for around a third of the cereals area.

Some 693 farms, 3 per cent of the total, grew potatoes in 2006; of these, 130 with 10 hectares or more of the crop contributed 73 per cent of the total area (Table 4.25).

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Table 4.1 Number and area of farms by area farmed[1] , June 2006

Size group (hectares)	By crops and grass area		By total area	
	Farms	Hectares	Farms	Hectares
Nil	459	-	195	-
0.1 - 9.9	6,007	34,428	5,270	30,256
10.0 - 19.9	6,279	91,069	5,811	84,801
20.0 - 29.9	4,231	103,476	4,176	102,419
30.0 - 49.9	4,730	182,809	5,046	196,028
50.0 - 99.9	3,822	260,411	4,438	305,318
100.0 - 199.9	1,051	136,756	1,444	191,968
200.0 +	160	44,580	359	117,704
Total	**26,739**	**853,528**	**26,739**	**1,028,495**

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 2001 - 2006

	2001	2002	2003	2004	2005	2006
Number of farms	29,818	28,513	28,281	27,614	27,064	26,739
Average area per farm (ha):						
Crops and grass	30.0	31.4	31.9	32.3	31.9	31.9
Total area	35.8	37.4	38.0	38.5	38.0	38.5
Per cent of crops and grass area farmed in units of:						
(hectares)						
0.1 - 9.9	4.6	4.2	4.1	4.0	4.0	4.0
10.0 - 19.9	11.4	10.8	10.5	10.4	10.9	10.7
20.0 - 29.9	12.7	12.1	11.8	11.8	12.1	12.1
30.0 - 49.9	22.4	21.6	21.3	21.2	21.6	21.4
50.0 - 99.9	30.8	30.5	30.4	30.6	30.4	30.5
100.0 +	18.0	20.8	21.9	22.1	21.1	21.2
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 2006

number

Area of crops and grass farmed (hectares)	Business size[1]				
	Very small	Small	Medium	Large	All sizes
Under 10	6,195	136	63	72	6,466
10.0 - 19.9	6,059	157	27	36	6,279
20.0 - 29.9	3,789	372	47	23	4,231
30.0 - 49.9	3,165	1,239	247	79	4,730
50.0 - 99.9	1,056	1,461	769	536	3,822
100.0 +	55	285	262	609	1,211
Total	**20,319**	**3,650**	**1,415**	**1,355**	**26,739**

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

Table 4.4 Number of farms by business size, June 2001 - 2006

number

Business size[1]	2001	2002	2003	2004	2005	2006
Very small	16,153	15,295	15,206	20,758	20,468	20,319
Small	9,833	9,387	9,365	3,984	3,823	3,650
Medium	3,103	3,069	2,946	1,584	1,478	1,415
Large	729	762	764	1,288	1,295	1,355
Total	**29,818**	**28,513**	**28,281**	**27,614**	**27,064**	**26,739**

1. See Note 1, Table 4.3.

Table 4.5 Number of farms by business size and Less Favoured Area (LFA) category[1], June 2006

number

Business size[2]	Severely Disadvantaged Area (SDA)	Disadvantaged Area (DA)	Total LFA	Non LFA	LFA as % NI
Very small	8,645	6,464	15,109	5,210	74
Small	1,225	1,146	2,371	1,279	65
Medium	340	433	773	642	55
Large	194	368	562	793	41
Total	**10,404**	**8,411**	**18,815**	**7,924**	**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 2006

number

Business type[1]	Business size[1]				
	Very small	Small	Medium	Large	All sizes
Cereals	357	52	18	16	443
General cropping	130	43	21	36	230
Horticulture	132	58	31	80	301
Pigs & poultry	295	140	67	73	575
Dairy	750	1,347	802	862	3,761
Cattle & sheep (LFA)[2]	13,621	1,239	258	112	15,230
Cattle & sheep (lowland)[2]	3,976	505	105	43	4,629
Mixed	525	225	76	92	918
Others	533	41	37	41	652
All types	**20,319**	**3,650**	**1,415**	**1,355**	**26,739**

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 2001 - 2006

number

Business type[1]	2001	2002	2003	2004	2005	2006
Cereals	537	479	457	467	469	443
General cropping	311	305	295	314	224	230
Horticulture	331	338	322	312	306	301
Pigs & poultry	523	507	510	557	541	575
Dairy	4,741	4,596	4,425	4,201	4,058	3,761
Cattle & sheep (LFA)[2]	16,061	15,628	15,700	15,464	15,430	15,230
Cattle & sheep (lowland)[2]	4,850	4,680	4,589	4,565	4,619	4,629
Mixed	1,067	1,004	1,058	1,034	944	918
Others	1,397	976	925	700	473	652
All types	**29,818**	**28,513**	**28,281**	**27,614**	**27,064**	**26,739**

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 2006

number

Business type[2]	Severely Disadvantaged Area (SDA)	Disadvantaged Area (DA)	Total LFA	Non LFA	LFA as % NI
Cereals	15	69	84	359	19
General cropping	11	56	67	163	29
Horticulture	11	90	101	200	34
Pigs & poultry	161	198	359	216	62
Dairy	840	1,363	2,203	1,558	59
Cattle & sheep	9,100	6,130	15,230	0	100
Mixed	0	0	0	4,629	0
Others	104	292	396	522	43
	162	213	375	277	58
All types	**10,404**	**8,411**	**18,815**	**7,924**	**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 2006

farms

Owned land as percentage of farmed area	Business size[1]				
	Very small	Small	Medium	Large	All sizes
All owner occupied	11,436	979	276	229	12,920
50-<100%	4,595	1,710	730	709	7,744
>0-<50%	2,622	850	382	396	4,250
None owner occupied	1,666	111	27	21	1,825
All farms	**20,319**	**3,650**	**1,415**	**1,355**	**26,739**

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

Table 4.10 Area of land by type of tenure, 2001 - 2006

	2001	2002	2003	2004	2005	2006
Owner-occupied	738,789	715,811	708,559	701,500	701,311	704,985
Rented	329,445	351,451	365,189	361,312	328,209	323,510
Total	**1,068,234**	**1,067,262**	**1,073,748**	**1,062,812**	**1,029,520**	**1,028,495**
Aver. percentage of owned land	**69.2**	**67.1**	**66.0**	**66.0**	**68.1**	**68.5**
Common grazing	**40,900**	**41,000**	**35,500**	**29,400**	**29,400** [1]	**37,500**

1. 2004

Table 4.11 Average conacre rents by type of use, 2000 - 2005

£/hectare

Use	2000	2001	2002	2003	2004	2005
Grass	189	192	201	199	198	180
Potatoes	482	406	412	479	433	453
Cereals	213	233	246	208	247	156
Rough grazing	51	49	51	54	53	45
All uses	**182**	**184**	**174**	**166**	**165**	**158**

Source: Farm Business Survey.

Table 4.12 Number of sales and average price of agricultural land by area sold, 2000 - 2005[1,2]

	2000	2001[3]	2002[4]	2003[5]	2004[5]	2005[5]
Number of sales	174	67	55	44	40	63
Area (hectares)	1,614	597	550	520	562	1,095
Value (£ '000)	15,545	5,950	6,851	7,774	9,153	21,722
Average price (£ per ha) by hectare size group						
2 - 9.9	11,749	13,209	14,793	16,376	18,830	27,877
10 - 19.9	7,380	8,665	10,681	12,696	15,082	19,317
20 and over	8,722	6,026	10,449	14,871	12,668	18,149
All sizes (unweighted)	9,634	9,961	12,456	14,950	16,286	19,837

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, 2004 and 2005.

Table 4.13 Distribution of the farm labour force by business size, June 2006

number of persons

Labour item	Business size[1]				
	Very small	Small	Medium	Large	All sizes
Farmers and partners					
Full time	10,205	3,939	1,796	2,041	17,981
Part time	12,657	817	270	269	14,013
Total	**22,862**	**4,756**	**2,066**	**2,310**	**31,994**
Spouses of farmers	**3,949**	**1,161**	**572**	**603**	**6,285**
Other workers					
Full time	464	420	291	1,356	2,531
Part time	1,198	471	294	384	2,347
Casual/seasonal	3,447	1,409	729	1,210	6,795
Total other workers	**5,109**	**2,300**	**1,314**	**2,950**	**11,673**
Total agricultural labour force	**31,920**	**8,217**	**3,952**	**5,863**	**49,952**

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 2006

number of persons

Labour item	Severely Disadvantaged Area (SDA)	Disadvantaged Area (DA)	Total LFA	Non LFA	LFA as % NI
Farmers and partners					
Full time	6,514	5,572	12,086	5,895	67
Part time	5,551	4,509	10,060	3,953	72
Total	**12,065**	**10,081**	**22,146**	**9,848**	**69**
Spouses of farmers	**2,195**	**1,916**	**4,111**	**2,174**	**65**
Other workers					
Full time	740	601	1,341	1,190	53
Part time	749	784	1,533	814	65
Casual/seasonal	2,241	1,997	4,238	2,557	62
Total other workers	**3,730**	**3,382**	**7,112**	**4,561**	**61**
Total agricultural labour force	**17,990**	**15,379**	**33,369**	**16,583**	**67**

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 2006

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	17,219	655	*40*	3,374	391	*24*	1,296	230	*14*	1,203	360	*22*	23,092	1,636	*100*
Dairy cows	904	19	*7*	1,443	71	*24*	862	69	*23*	938	136	*46*	4,147	296	*100*
Beef cows	12,793	176	*62*	2,101	66	*23*	596	23	*8*	416	18	*6*	15,906	283	*100*
Slaughter cattle >1year	13,613	209	*49*	2,780	109	*25*	1,006	50	*12*	892	59	*14*	18,291	427	*100*
Sheep															
Total	6,351	981	*47*	1,571	596	*29*	477	251	*12*	351	242	*12*	8,750	2,070	*100*
Ewes	6,225	474	*48*	1,552	283	*29*	471	120	*12*	341	114	*11*	8,589	991	*100*
Pigs															
Total	208	23	*6*	91	47	*12*	66	58	*15*	87	258	*67*	452	387	*100*
Sows	145	2	*5*	71	4	*10*	60	6	*15*	81	26	*69*	357	37	*100*
Other pigs over 20 kg	132	14	*6*	82	31	*14*	59	34	*15*	81	141	*64*	354	219	*100*
Poultry															
Total	1,213	2,813	*15*	380	4,762	*26*	155	3,407	*19*	160	7,429	*40*	1,908	18,411	*100*
Layers	775	158	*7*	164	414	*19*	46	160	*7*	55	1,456	*67*	1,040	2,188	*100*
Crops															
Oats	174	1	*28*	93	1	*29*	46	0	*21*	41	0	*22*	354	2	*100*
Wheat	183	1	*14*	151	2	*17*	116	1	*13*	220	5	*55*	670	9	*100*
Barley	1,135	7	*32*	597	6	*26*	270	3	*15*	309	6	*26*	2,311	23	*100*
Potatoes	371	1	*14*	154	1	*18*	71	1	*14*	97	3	*55*	693	5	*100*
Crops & grass	19,968	405	*47*	3,606	200	*23*	1,386	103	*12*	1,320	146	*17*	26,280	854	*100*
Rough grazing	4,978	74	*49*	1,056	40	*26*	389	20	*13*	277	18	*12*	6,700	151	*100*
Total area	20,319	487	*47*	3,650	243	*24*	1,415	124	*12*	1,355	174	*17*	26,739	1,028	*100*
Labour															
Full-time labour force[2]	9,762	12	*51*	3,417	5	*22*	1,369	2	*10*	1,335	4	*17*	15,883	23	*100*
Output															
SGM[3]	20,319	190	*26*	3,650	167	*23*	1,415	120	*17*	1,355	245	*34*	26,739	722	*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 2006

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	56	76	1.4	0.0	1,847	2,760	11.6	1.0
3 - 4	33	117	0.8	0.0	1,535	5,351	9.7	1.9
5 - 9	124	889	3.0	0.3	3,275	22,875	20.6	8.1
10 - 14	176	2,128	4.2	0.7	2,481	28,994	15.6	10.2
15 - 19	164	2,771	4.0	0.9	1,935	31,829	12.2	11.2
20 - 29	355	8,690	8.6	2.9	2,139	50,533	13.4	17.9
30 - 39	410	14,127	9.9	4.8	1,091	36,631	6.9	12.9
40 - 49	424	18,708	10.2	6.3	613	26,761	3.9	9.5
50 - 59	366	19,788	8.8	6.7	315	16,924	2.0	6.0
60 - 69	309	19,796	7.5	6.7	230	14,613	1.4	5.2
70 - 99	783	64,568	18.9	21.8	277	22,346	1.7	7.9
100 - 199	815	109,671	19.7	37.1	152	18,947	1.0	6.7
200 & over	132	34,622	3.2	11.7	16	4,468	0.1	1.6
Total 2006	**4,147**	**295,951**	**100.0**	**100.0**	**15,906**	**283,032**	**100.0**	**100.0**
Total 2005	*4,368*	*290,530*			*15,584*	*296,858*		
Average 2006		**71.4**				**17.8**		
Average 2005		*66.5*				*19.0*		

Table 4.17 Distribution of (a) slaughter cattle one year-old and over and (b) total cattle by herd size, June 2006

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	4,791	10,574	26.2	2.5	1,146	3,010	5.0	0.2
5 - 9	3,258	22,376	17.8	5.2	1,715	12,111	7.4	0.7
10 - 19	3,753	51,963	20.5	12.2	3,462	49,573	15.0	3.0
20 - 29	2,136	51,129	11.7	12.0	2,885	69,922	12.5	4.3
30 - 39	1,263	42,939	6.9	10.1	2,104	71,991	9.1	4.4
40 - 49	858	37,694	4.7	8.8	1,723	76,295	7.5	4.7
50 - 69	970	56,418	5.3	13.2	2,523	148,094	10.9	9.1
70 - 99	634	52,362	3.5	12.3	2,416	201,544	10.5	12.3
100 - 199	513	67,002	2.8	15.7	3,392	469,732	14.7	28.7
200 - 299	79	18,461	0.4	4.3	1,063	254,535	4.6	15.6
300 & over	36	16,277	0.2	3.8	663	278,920	2.9	17.1
Total 2006	**18,291**	**427,195**	**100.0**	**100.0**	**23,092**	**1,635,727**	**100.0**	**100.0**
Total 2005	*16,181*	*428,997*			*23,491*	*1,665,608*		
Average 2006		**23.4**				**70.8**		
Average 2005		*26.5*				*70.9*		

Table 4.18 Distribution of (a) ewes and (b) total sheep by flock size, June 2006

	Ewes				Total sheep			
Number per farm	Numbers of Farms	Numbers of Ewes	Percentages of Farms	Percentages of Ewes	Numbers of Farms	Numbers of Sheep	Percentages of Farms	Percentages of Sheep
1 - 24	1,388	19,652	16.2	2.0	678	8,762	7.7	0.4
25 - 49	1,637	59,022	19.1	6.0	978	36,191	11.2	1.7
50 - 99	2,269	160,380	26.4	16.2	1,595	116,368	18.2	5.6
100 - 199	1,993	271,224	23.2	27.4	2,162	310,374	24.7	15.0
200 - 299	670	160,840	7.8	16.2	1,287	313,292	14.7	15.1
300 - 399	280	94,005	3.3	9.5	655	226,168	7.5	10.9
400 - 499	144	63,718	1.7	6.4	398	177,313	4.5	8.6
500 - 699	117	67,505	1.4	6.8	490	285,667	5.6	13.8
700 - 999	54	42,972	0.6	4.3	261	212,278	3.0	10.3
1,000 - 1,499	28	32,733	0.3	3.3	155	185,035	1.8	8.9
1,500 & over	9	19,000	0.1	1.9	91	199,005	1.0	9.6
Total 2006	**8,589**	**991,051**	**100.0**	**100.0**	**8,750**	**2,070,454**	**100.0**	**100.0**
Total 2005	*8,683*	*1,027,331*			*8,822*	*2,145,084*		
Average 2006		**115.4**				**236.6**		
Average 2005		*118.3*				*243.2*		

Table 4.19 Distribution of breeding sows by herd size, June 2006

	Sows (including gilts)			
Number per farm	Numbers of Farms	Numbers of Sows	Percentages of Farms	Percentages of Sows
1 - 4	79	168	22.1	0.4
5 - 9	27	180	7.6	0.5
10 - 19	31	423	8.7	1.1
20 - 29	24	561	6.7	1.5
30 - 49	34	1,287	9.5	3.4
50 - 99	58	4,253	16.2	11.4
100 - 199	63	8,782	17.6	23.5
200 - 299	14	3,459	3.9	9.2
300 & over	27	18,330	7.6	49.0
Total 2006	**357**	**37,443**	**100.0**	**100.0**
Total 2005	*368*	*36,736*		
Average 2006		**104.9**		
Average 2005		*99.8*		

Table 4.20 Distribution of (a) fattening pigs 20kg and over and (b) total pigs by herd size, June 2006

	Fattening pigs 20kg & over				Total pigs			
Number per farm	Numbers of Farms	Numbers of Pigs	Percentages of Farms	Percentages of Pigs	Numbers of Farms	Numbers of Pigs	Percentages of Farms	Percentages of Pigs
1 - 9	48	188	13.6	0.1	87	256	19.2	0.1
10 - 19	21	276	5.9	0.1	33	452	7.3	0.1
20 - 49	30	952	8.5	0.4	40	1,258	8.8	0.3
50 - 99	27	2,004	7.6	0.9	29	2,091	6.4	0.5
100 - 199	35	4,910	9.9	2.2	35	5,348	7.7	1.4
200 - 399	52	15,622	14.7	7.1	44	12,725	9.7	3.3
400 - 999	81	48,806	22.9	22.3	78	53,492	17.3	13.8
1,000 - 1,999	37	50,275	10.5	22.9	63	87,209	13.9	22.6
2,000 & over	23	96,242	6.5	43.9	43	223,768	9.5	57.9
Total 2006	**354**	**219,275**	**100.0**	**100.0**	**452**	**386,599**	**100.0**	**100.0**
Total 2005	*355*	*237,936*			*438*	*405,093*		
Average 2006		**619.4**				**855.3**		
Average 2005		*670.2*				*924.9*		

Table 4.21 Distribution of (a) laying hens and (b) broilers by flock size, June 2006

Number per farm	Laying Hens: Numbers of Farms	Laying Hens: Numbers of Hens ('000)	Laying Hens: Percentages of Farms	Laying Hens: Percentages of Hens	Broilers: Numbers of Farms	Broilers: Numbers of Broilers ('000)	Broilers: Percentages of Farms	Broilers: Percentages of Broilers
1 - 999	938	17	90.2	0.8	45	8	13	0.1
1,000 - 4,999	20	61	1.9	2.8				
5,000 - 9,999	32	224	3.1	10.2	19	156	5.5	1.2
10,000 - 19,999	27	369	2.6	16.8	58	885	16.8	6.6
20,000 - 29,999	6	132	0.6	6.0	58	1,269	16.8	9.5
30,000 - 49,999	9	344	0.9	15.7	89	3,410	25.8	25.5
50,000 & over	8	1,042	0.8	47.6	76	7,640	22.0	57.2
Total 2006	**1,040**	**2,188**	**100.0**	**100.0**	**345**	**13,367**	**100.0**	**100.0**
Total 2005	*1,001*	*2,319*			*316*	*12,526*		
Average 2006		**2,104**				**38,745**		
Average 2005		*2,317*				*39,639*		

Table 4.22 Distribution of total poultry by flock size, June 2006

Number per farm	Total poultry: Numbers of Farms	Total poultry: Numbers of Birds ('000)	Total poultry: Percentages of Farms	Total poultry: Percentages of Birds
1 - 999	1,283	38	67.2	0.2
1,000 - 4,999	74	220	3.9	1.2
5,000 - 9,999	121	862	6.3	4.7
10,000 - 19,999	152	2,209	8.0	12.0
20,000 - 29,999	82	1,837	4.3	10.0
30,000 - 49,999	104	3,980	5.5	21.6
50,000 & over	92	9,266	4.8	50.3
Total 2006	**1,908**	**18,411**	**100.0**	**100.0**
Total 2005	*1,809*	*17,614*		
Average 2006		**9,649**		
Average 2005		*9,737*		

Table 4.23 Distribution of (a) barley and (b) wheat by area of crop, June 2006

	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	44	29	1.9	0.1	8	6	1.2	0.1
1 - 4.9	987	2,873	42.7	12.6	233	700	34.8	8.0
5 - 9.9	616	4,329	26.7	19.0	203	1,447	30.3	16.6
10 - 19.9	404	5,469	17.5	24.0	127	1,738	19.0	19.9
20 - 29.9	135	3,187	5.8	14.0	44	1,030	6.6	11.8
30 - 39.9	44	1,523	1.9	6.7	23	770	3.4	8.8
40 - 49.9	30	1,356	1.3	5.9	7	307	1.0	3.5
50 & over	51	4,058	2.2	17.8	25	2,722	3.7	31.2
Total 2006	**2,311**	**22,825**	**100.0**	**100.0**	**670**	**8,720**	**100.0**	**100.0**
Total 2005	*2,576*	*25,740*			*686*	*8,407*		
Average 2006		**9.9**				**13.0**		
Average 2005		*10.0*				*12.3*		

Table 4.24 Distribution of total cereals by area of crop, June 2006

	Total cereals			
Area per farm (ha)	Number of Farms	Area of Cereals (ha)	Percentages of Farms	Percentages of Cereals
under 1	51	32	1.9	0.1
1 - 4.9	1,107	3,213	40.2	9.6
5 - 9.9	702	4,963	25.5	14.8
10 - 19.9	521	7,241	18.9	21.6
20 - 29.9	150	3,576	5.5	10.7
30 - 39.9	72	2,475	2.6	7.4
40 - 49.9	46	2,010	1.7	6.0
50 & over	103	10,050	3.7	29.9
Total 2006	**2,752**	**33,560**	**100.0**	**100.0**
Total 2005	*3,024*	*36,248*		
Average 2006		**12.2**		
Average 2005		*12.0*		

Table 4.25 Distribution of potatoes by area of crop, June 2006

	Potatoes			
Area per farm (ha)	Number of Farms	Area of Potatoes (ha)	Percentages of Farms	Percentages of Potatoes
under 1	213	96	30.7	2.0
1 - 4.9	274	662	39.5	13.9
5 - 9.9	76	521	11.0	11.0
10 - 19.9	72	991	10.4	20.9
20 - 29.9	22	525	3.2	11.0
30 - 39.9	14	477	2.0	10.1
40 - 49.9	12	527	2	11.1
50 & over	10	949	1	20.0
Total 2006	**693**	**4,748**	**100.0**	**100.0**
Total 2005	*722*	*4,541*		
Average 2006		**6.9**		
Average 2005		*6.3*		

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 full time farm businesses in Northern Ireland. A detailed analysis of FBS results is published in 'Farm Incomes in Northern Ireland 2005/06'.

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 2005/06. However, provisional income estimates are also presented below for the 2006/07 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 Income since 2001/2002 are presented in Table 5.1. The Cash Income 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 2004/05 and 2005/06 account years. These constitute an identical sample of 256 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 2005/06

Cash Income and Net Farm Income in the years ending mid February 2005 and 2006 are presented in Tables 5.3 and 5.4 respectively. In the year ending mid February 2006, Cash Income increased on all farm types with the exception of **Mixed** farms. The average Cash Income per farm rose by £2,600 (10 per cent) to £29,300 per farm. Net Farm Income also increased on all farm types with the exception of **Mixed** farms. The average Net Farm Income rose by £1,500 to £10,200 per farm.

Provisional estimates of incomes for 2006/07

Provisional estimates of incomes for full time farm businesses for the year ending mid February 2007 show average Cash Income and Net Farm Income across all farm types remaining relatively unchanged from the previous year. Cash Income is expected to increase on **Cattle & Sheep** farms, but decline on **Dairy** farm types and to average £29,000 per farm, a fall of £300. Net Farm Income is expected to increase by 3 per cent to £10,500 overall. For individual farm types, similar trends to Cash Income are observed, with Net Farm Income forecast to increase on **Cattle & Sheep** farms, but decline on **Dairy** farm types.

The provisional income estimates described above were prepared in mid-January 2007 and relate to an account year ending in mid February 2007. 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 2006/07, 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, 2001/2002 to 2006/07[1]

Indices: 1994/95 - 1996/97 = 100

Business type	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07 (provisional)
Cereals	51	22	100	47	79	. . .
General cropping	60	120	124	87	84	. . .
Pigs and poultry	7	21	46	. . .	. . .	. . .
Dairy	84	65	87	90	98	90
Cattle and sheep (LFA)	79	75	80	91	112	114
Cattle and sheep (lowland)	40	119	97	137	119	119
Mixed	62	61	69	69	69	. . .
All types	74	68	82	88	97	95

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 5.2 Distribution of farms by cash income (CI), net farm income (NFI) and by farm type, 2005/06

per cent

	Dairy		Cattle and sheep (LFA)		All types	
Income (£'s)	**CI**	**NFI**	**CI**	**NFI**	**CI**	**NFI**
Less than 0	2	11	2	36	3	26
1 - 4,999	3	12	11	15	9	16
5,000 - 9,999	6	7	12	18	11	13
10,000 - 14,999	2	11	16	12	8	12
15,000 - 19,999	8	21	17	7	13	12
20,000 - 29,999	25	12	18	7	21	9
30,000 - 49,999	26	15	14	4	19	8
> 50,000	28	11	10	1	16	4
Total	**100**	**100**	**100**	**100**	**100**	**100**
Number of farms in sample	106		117		256	

Table 5.3 Cash income by business size and farm type, 2004/05 and 2005/06

£'000 per farm[1]

Business type	0.5 < 1 SLR		1 < 2 SLR		2 < 3 SLR		> 3 SLR		+ 0.5 SLR	
	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06
Cereals	19.2	19.1	. . .	. . .	. . .	. . .	. . .	. . .	18.4	26.9
General cropping	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	24.2	30.0
Dairy	14.2	17.5	23.4	25.8	52.8	56.9	74.3	77.8	39.1	42.3
Cattle and sheep (LFA)	14.2	15.3	26.6	30.6	36.4	44.0	77.5	88.8	20.4	23.0
Cattle and sheep (lowland)	7.6	13.9	23.7	20.4	. . .	. . .	. . .	. . .	14.7	17.5
Mixed	. . .	. . .	25.0	6.2	52.5	55.5	. . .	. . .	25.6	22.7
All types	12.9	15.2	24.4	26.0	49.1	53.8	71.6	77.6	26.7	29.3

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, 2004/05 and 2005/06

£'000 per farm[1]

Business type	0.5 < 1 SLR		1 < 2 SLR		2 < 3 SLR		> 3 SLR		+ 0.5 SLR	
	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06
Cereals	5.2	4.8	. . .	. . .	. . .	. . .	. . .	. . .	-2.7	3.6
General cropping	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	-9.4	2.2
Dairy	3.6	8.0	9.3	12.2	27.6	30.8	31.6	36.1	17.1	20.7
Cattle and sheep (LFA)	2.6	0.8	8.9	11.6	10.6	14.3	31.7	49.3	5.5	5.7
Cattle and sheep (lowland)	-4.3	-4.4	0.7	1.6	. . .	. . .	. . .	. . .	-1.7	-1.4
Mixed	. . .	. . .	3.9	1.7	22.9	18.3	. . .	. . .	8.3	5.8
All types	1.3	1.1	7.3	9.8	23.1	25.8	30.7	34.9	8.7	10.2

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, 2005/06

£'000 per farm

	Cereals	General cropping	Dairy	Cattle and sheep (LFA)	Cattle and sheep (lowland)	Mixed	All Types
Farm size (ESUs)	25.4	31.1	66.3	21.8	18.2	30.9	38.0
Total farm area (ha)	69.7	56.7	64.1	96.5	53.4	69.5	76.2
Net farm income	3.6	2.2	20.7	5.7	-1.4	5.8	10.2
Total tenant's capital	**57.8**	**91.4**	**102.7**	**66.0**	**73.5**	**89.3**	**81.5**
of which:							
Short term (working) capital							
trading livestock	10.6	28.3	18.2	21.4	45.0	29.0	23.8
crops	6.4	4.8	6.4	3.8	3.1	4.5	4.7
other	0.9	2.9	0.9	0.5	0.5	0.7	0.7
Medium term capital							
breeding livestock	0.1	4.7	46.7	19.1	11.2	25.9	27.9
machinery	39.8	50.7	30.5	21.2	13.6	29.3	24.5

Table 5.6 Average closing valuations by farm type, 2004/05 and 2005/06

£'000 per farm[1]

		Dairy		Cattle and sheep (LFA)		All types	
		2004/05	2005/06	2004/05	2005/06	2004/05	2005/06
	ASSETS						
	Total fixed assets	519.1	486.2	377.2	422.8	430.7	449.1
	of which:						
	land and buildings	442.7	408.4	331.6	377.7	376.4	394.1
	other fixed assets	76.4	77.9	45.5	45.1	54.3	55.0
	Total current assets	32.9	33.1	28.4	25.1	34.2	31.3
	of which:						
	trading livestock, crops and stores	25.1	26.0	26.2	25.0	29.6	28.7
	debtors/other short term lending	7.4	6.7	2.2	0.1	4.4	2.5
	cash in hand and at bank	0.5	0.4	-	-	0.2	0.1
A	**Total assets**	**552.0**	**519.3**	**405.6**	**447.9**	**464.9**	**480.4**
	LIABILITIES						
	Total long/medium term loans	21.8	24.5	5.9	5.6	11.6	12.0
	of which:						
	bank/other institutional	21.7	23.4	5.7	5.4	11.5	11.6
	Total short term loans	18.5	17.5	6.8	6.4	11.3	10.1
	of which:						
	bank overdraft	12.2	12.7	5.2	5.0	7.9	7.4
B	**Total external liabilities**	**40.3**	**42.0**	**12.7**	**12.0**	**22.9**	**22.1**
	NET WORTH (A-B)	**511.7**	**477.3**	**392.9**	**435.9**	**442.0**	**458.3**

1. Data are averages within each farm type.

6. STATISTICAL INDICATORS FOR AGRI-FOOD SECTOR PERFORMANCE, THE RURAL ECONOMY, ANIMAL HEALTH AND WELFARE AND THE AGRI-ENVIRONMENT

A. AGRI-FOOD SECTOR PERFORMANCE

Agricultural productivity

Total factor productivity (TFP) is a volume based productivity measure, which takes account of all factors/resources used in production and is calculated on an annual basis for the agricultural sector. Agricultural TFP growth in Northern Ireland, appears to have been faster than in the UK as a whole over the last five years. **Labour productivity** is another widely used measure of productivity, which is a partial measure because all inputs other than labour are ignored. Agricultural labour productivity has grown rapidly in the last five years.

GVA per work unit

Gross Value Added (GVA) per head for agriculture fluctuates considerably between years in both the UK and Northern Ireland. This occurs mainly because of the influence of market price changes on GVA. Nonetheless it is clear that GVA per head for the UK is considerably larger that that for Northern Ireland. Reasons for the higher GVA in the UK compared with Northern Ireland are related to the differences in the mix of farming enterprises due to land quality and economies of scale. Returns for some enterprises are higher than others. For instance, field crop enterprises have higher GVA per hectare than grassland based enterprises. Each enterprise requires specific conditions and these are not equally distributed throughout the UK. In general, most of the land area in Northern Ireland is characterised by conditions that are less than ideal for cropping. In Northern Ireland the average farm size is 39 hectares and only 5 per cent of land is cropped, while in the UK the average farm size is 54 hectares and 26 per cent of land is used to grow crops.

Food sector Performance

The performance indicators for the food and drinks processing sector indicate steady growth with the exception of the rate of return on capital employed (ROCE), where growth has stagnated in recent years. The ROCE for the food and drinks processing sector is lower in comparison with other sectors of the economy.

Table 6.1 Agricultural productivity indices

Indices: 2000 = 100

	2001	2002	2003	2004	2005	2006 (provisional)
Total factor productivity in NI[1]	104.3	103.6	106.0	108.2	112.2	116.2
Total factor productivity in UK[2]	97.0	103.1	104.5	104.7	107.6	109.3
Labour productivity in NI[3]	123.1	120.6	124.7	134.2	151.5	168.7

1. Calculated as the ratio of output at constant prices to all inputs (including labour and capital) at constant prices.
2. Source: Agriculture in the United Kingdom, DEFRA
3. Calculated as the ratio of net value added at constant prices to total labour input (in Annual Work Units).

Table 6.2 Comparison of Agricultural Gross Value Added (GVA) per annual work unit (AWU) between UK and Northern Ireland

GVA/AWU		2001	2002	2003	2004	2005[1]	2006[1] (provisional)
UK	£/head	20,402	22,649	26,169	25,305	*17,874*	*19,328*
Northern Ireland	£/head	15,584	13,999	14,587	16,558	*9,501*	*9,150*
NI as % of UK	%	76	62	56	65	*53*	*47*

1. Up until 2004 direct subsidies are included in the GVA figures. From 2005 the Single Farm Payment cannot be included within GVA figures due to changes required to conform to agreed national accounting principles as SFP cannot be attributed to a particular agricultural sector and therefore creates a discontinuity in the series shown above. It is however included as ‘other subsidies’ in Table 2.1.

Table 6.3 Performance indicators for the food and drinks processing sector in Northern Ireland

	1999	2000	2001	2002	2003	2004
Sales per employee (£)	113,283	113,870	116,852	121,458	128,353	136,355
Value added per employee (£)	21,912	22,164	23,457	24,414	25,147	26,215
Rate of return on capital employed (%)	9.0	9.3	9.9	10.0	9.0	9.6

B. RURAL ECONOMY

Methodological notes

There are many definitions of the rural population. The definition definition used here is based on Local Government Districts (LGD). There are undoubtedly better definitions of the rural population available, but this definition is preferred because most of the geographical data that is available annually in Northern Ireland is only available at the LGD level. The definition used defines urban as the LGDs of Belfast, Carrickfergus, Castlereagh, Newtownabbey, North Down and Derry while the other LGDs are treated as rural.

Analysis by NISRA of the 2001 Census by the Office of National Statistics (ONS) has shown clear differences between the more accessible east and the less accessible west of Northern Ireland, and so data for accessible rural and less accessible rural are comparable also. The definition of more accessible and less accessible areas is based on LGDs and the split is as follows. The accessible rural LGDs are Antrim, Ballymena, Banbridge, Craigavon, Down, Larne, Lisburn and Newtownards. The less accessible rural LGDs are Armagh, Ballymoney, Coleraine, Cookstown, Dungannon, Fermanagh, Limavady, Magherafelt, Moyle, Newry & Mourne and Omagh.

Rural Population

In 2001, using the LGD based definition of the rural population, 32 per cent of the total population are less accessible rural, 30 per cent are accessible rural and overall 62 percent are rural. A census of the population takes place every ten years and estimates for the years in-between are produced at the LGD level only. The trends in Figure 6.1 indicate that the urban population is expected to remain close to current levels over the projection period, while the accessible rural and less accessible rural populations are expected to increase.

Earnings

The average gross weekly earnings of people in rural areas were consistently below those of people living in urban areas over the years from 2001 to 2006. There is no strong evidence to indicate that the gap between rural and urban weekly earnings is narrowing (or widening) over time. Nevertheless, although average gross weekly earnings increased in 2006 in urban and rural areas, the lowest rate of growth occurred in 'less accessible rural' areas.

Rural Businesses

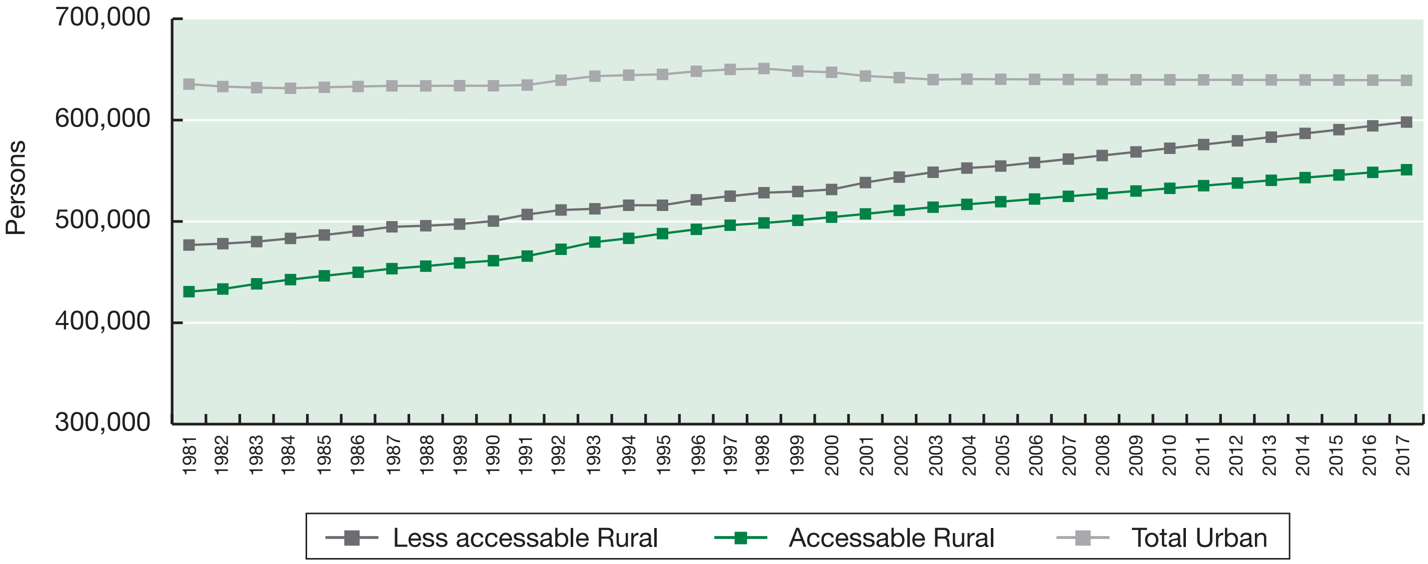
In 2005, there were around 55,265 businesses in Northern Ireland that were registered for VAT. Businesses are legally obliged to register for VAT once their turnover exceeds £58,000. Approximately 23 per cent of businesses are located, or have their head offices, in urban areas. Agriculture dominates the Accessible Rural and Less Accessible Rural areas, accounting for 29 and 43 per cent of total VAT registered businesses in these zones respectively. Construction and Transport have a slightly higher than average concentration in rural areas. Finance is heavily skewed to the urban zone, but this to some extent reflects the location of head offices in Belfast and takes no account of branch networks across the region.

The number of net VAT registrations disaggregated by area from 2003 indicates that rural areas both accessible and less accessible have demonstrated the strongest growth in net registrations, while the Urban area saw a net fall in the number of registered businesses up until 2005.

Rural Employment

Northern Ireland is a small business economy, with micro businesses (those with less than 10 employees) accounting for 88 per cent of the total number of firms. Given the importance of agriculture in rural areas (normally farmers are sole traders with few or no PAYE employees), it is a little surprising that the distribution of micro business is not more skewed. In fact while around 90 per cent of rural businesses have fewer than 10 employees, the number of micro businesses, as a share of total businesses in the urban zone, is also very high at 62 per cent. An inverse relationship can be seen to exist between firm size (by number of employees) and location in or near an urban area, however care should be taken in the interpretation of this because of the head office effect noted previously.

Figure 6.1. **Population Trends and Projections in NI[1]**



1. The changes in the rural and urban populations from 1981 to 2004 are actual while those for 2005 to 2017 are estimates.
Source: NISRA (NINIS website: http://www.ninis.nisra.gov.uk/)

Table 6.4 Average Gross Weekly Earnings per Person[1]

£ per week

	2001	2002	2003	2004[2]	2005[2]	2006[2]
Urban	372.80	385.58	396.27	427.60	434.80	464.25
Accessible Rural	350.14	356.48	364.65	393.36	411.29	441.74
Less Accessible Rural	322.81	346.68	360.58	375.51	388.68	405.09

1. LGD based definition of Rural Areas is used. Source: NISRA (NINIS website: http://www.ninis.nisra.gov.uk/)
2. Survey methodology changed in 2004 therefore data previous is not directly comparable. Source: DETI, Annual Survey of Hours and Earnings.

Table 6.5 VAT registered enterprises in Northern Ireland by industrial group, Urban – Rural classification, 2005[1,2,3]

	Urban %	Accessible Rural %	Less Accessible Rural %	Total Number
Agriculture (incl. Fishing)	5	29	67	16,615
Production	25	31	43	4,020
Construction	19	33	48	8,085
Motor Trades	22	34	44	2,285
Wholesale	34	32	34	3,175
Retail	34	29	38	6,040
Hotel & Catering	34	28	38	3,090
Transport	19	33	48	2,055
Post & Telecom	38	33	25	240
Finance	62	19	12	130
Property & Business Services	49	25	26	7,350
Education	48	34	21	145
Health	33	27	40	260
Public Admin & Other Serv.	42	31	27	1,785
All Categories	**23**	**30**	**47**	**55,265**

1. Many smaller farm businesses voluntarily register for VAT, as farmers do not charge VAT on most sales and benefit by reclaiming VAT on input costs. In contrast many smaller businesses in other sectors of the economy will not voluntarily register.
2. It should be noted that firms operating from more than one site, are normally only recorded in the area where their head office is located. Coverage includes both companies and the self-employed.
3. Source: Derived from UK Business: Activity, Size and Location, 2006 (National Statistics website: http://www.statistics.gov.uk)

Table 6.6 Northern Ireland Net VAT Registrations, 1997 – 2006[1,2]

Year	Urban No.	Urban % of total VAT registered	Accessible Rural No.	Accessible Rural % of total VAT registered	Less Accessible Rural No.	Less Accessible Rural % of total VAT registered	NI Annual Net Change No.	NI Annual Net Change % of total VAT registered
1997	-235	-1.8	+105	+0.7	+370	+1.5	+240	+0.4
1998	+115	+0.9	+220	+1.4	+520	+2.1	+855	+1.6
1999	-335	-2.6	-5	0	+285	+1.1	-55	0.1
2000	-75	-0.6	+65	+0.4	+350	+1.4	+340	+0.6
2001	-225	-1.8	+90	+0.6	+365	+1.4	+230	+0.4
2002	+430	+3.5	-245	-1.5	-1,520	-5.8	-1,355	-2.4
2003	-70	-0.6	+20	+0.1	+110	+0.4	+60	+0.1
2004	-35	-0.3	+30	+0.2	+150	+0.6	+145	+0.3
2005	+275	+2.1	+325	+2.0	+730	+2.8	+1,320	+2.4
2006	+225	+1.7	+410	+2.4	+870	+3.3	+1,520	+2.7

1. Source: Derived from UK Business: Activity, Size and Location (various years) (National Statistics website: http://www.statistics.gov.uk/)
2. Registration rates provide an indicator of the level of entrepreneurship and of the health of the business population. It should be noted that VAT registrations are not synonymous with business start-ups, as some registrations are the result of changes in ownership. In most cases businesses de-register for VAT because of closure. Closure does not necessarily involve bankruptcy or insolvency proceedings, which make up only around one in four closures throughout the UK.

Table 6.7 VAT registered enterprises by employee size-band, Urban – Rural Classification, 2006[1]

Employee Size Band	Urban Number	Urban %	Accessible Rural Number	Accessible Rural %	Less Accessible Rural Number	Less Accessible Rural %	Total Number	Total %
0-4	8,115	19	12,795	30	21,785	51	42,695	100
5-9	2,460	32	2,345	31	2,865	37	7,670	100
10-49	2,100	37	1,650	29	1,965	34	5,710	100
50-99	240	43	145	26	175	31	560	100
100-249	135	45	75	25	90	30	300	100
250+	75	56	30	22	30	22	135	100
Total	**13,125**	**23**	**17,040**	**30**	**26,905**	**47**	**57,070**	**100**

1. Source: Derived from UK Business: Activity, Size and Location, 2006 (National Statistics website: http://www.statistics.gov.uk/)

C. ANIMAL HEALTH AND WELFARE

Northern Ireland Strategy

The Northern Ireland Animal Health and Welfare Strategy has been developed to respond to the need for a comprehensive, strategic approach to animal health and welfare and provides a vision of a sustainable future for animal health and welfare and the framework to help meet this vision.

The Strategy reflects Northern Ireland's geographical position within the Island of Ireland and the corresponding work on seeking an agreed strategic approach to animal health and welfare across the island. The Strategy also addresses the Department of Agriculture and Rural Development's commitment to produce a strategy that is consistent, in terms of its principles and outcomes, with the GB Strategy published in 2004. The NI Strategy was published on the Department's website in 2006 (http://www.dardni.gov.uk/index/strategies-reports-accounts/).

Disease

DARD has on-going programmes of disease management and eradication, and also undertakes animal welfare surveillance activity. Recent diseases of high importance are Bovine Tuberculosis and Bovine Spongiform Encephalopathy (BSE). Since BSE was first reported in Northern Ireland during 1988, there have been a total of 2,165 cases. The number of BSE cases in Northern Ireland has declined significantly since the peak in 1993. There were only 10 cases of BSE in 2006.

During 2005, an additional 1,792 herds in Northern Ireland were affected by bovine tuberculosis. However, this is a reduction of 23 per cent compared to 2004.

Animal welfare

DARD plays an important and active role in educating livestock keepers in standards of welfare and carries out a programme of animal welfare surveillance. Farm premises, farming practices, animal transportation, markets and slaughter are all assessed against legal requirements, and enforcement used where necessary. The responsibility for many of these routine and targeted checks falls to the Veterinary Service (VS).

The VS carried out 743 on-farm welfare inspections in 2006. Inspections take place as a result of complaints or are programmed as part of the statutory surveillance requirement to assess whether on-farm welfare meets the standards laid down in legislation and welfare codes. Some of these inspections, particularly in the complaint category, will represent repeated visits to the same farm where an on-farm welfare problem has been identified. Some visits will involve more than one category of stock inspection. Of those inspections carried out as a result of complaints 54 per cent were fully compliant with legislation (compared with 58 per cent in 2004), while for programmed visits 91 per cent were fully compliant with legislation (compared with 91 per cent in 2004).

All complaints and allegations of poor welfare on specific farms are treated as a matter of urgency. DARD also co-operate closely with other organisations such as local authorities and the RSPCA.

Figure 6.2 **Bovine Spongiform Encephalophathy (BSE) Confirmed cases in N.I including reported and active surveillance cases**

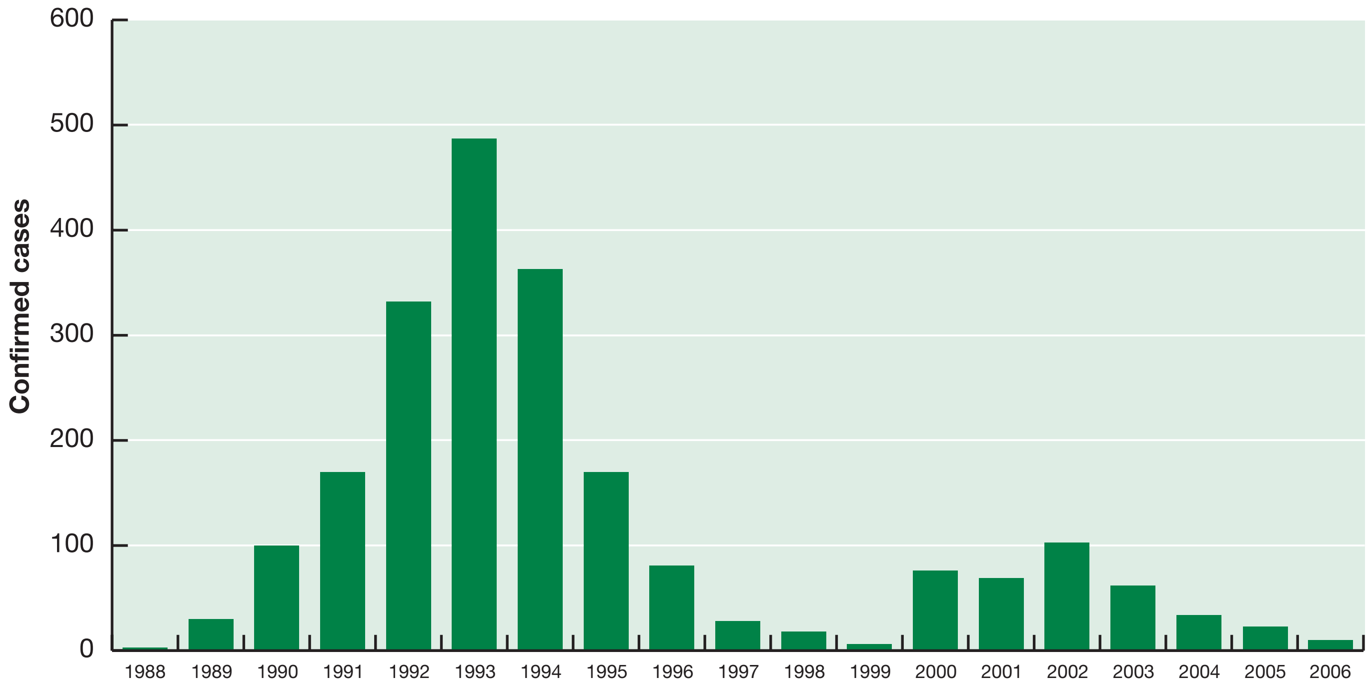


Table 6.8 Confirmed cases of BSE: 2003 – December 2006[1]

cases

Type	Category	2003	2004	2005	2006
Passive Surveillance	On farm suspects	8	8	1	0
	Abattoir suspects	3	0	0	0
Active Surveillance	Fallen animals	4	1	5	7
	OTM Casualty animals	43	21	15	3
	OTM Random animals	2	1	0	0
	OTM Ante-Mortem Failure animals	2	2	0	0
	Over 42 months survey (including 1996/97 cohort)	0	1	0	0
	Cohorts of BSE Cases	0	0	2	0
Total		**62**	**34**	**23**	**10**

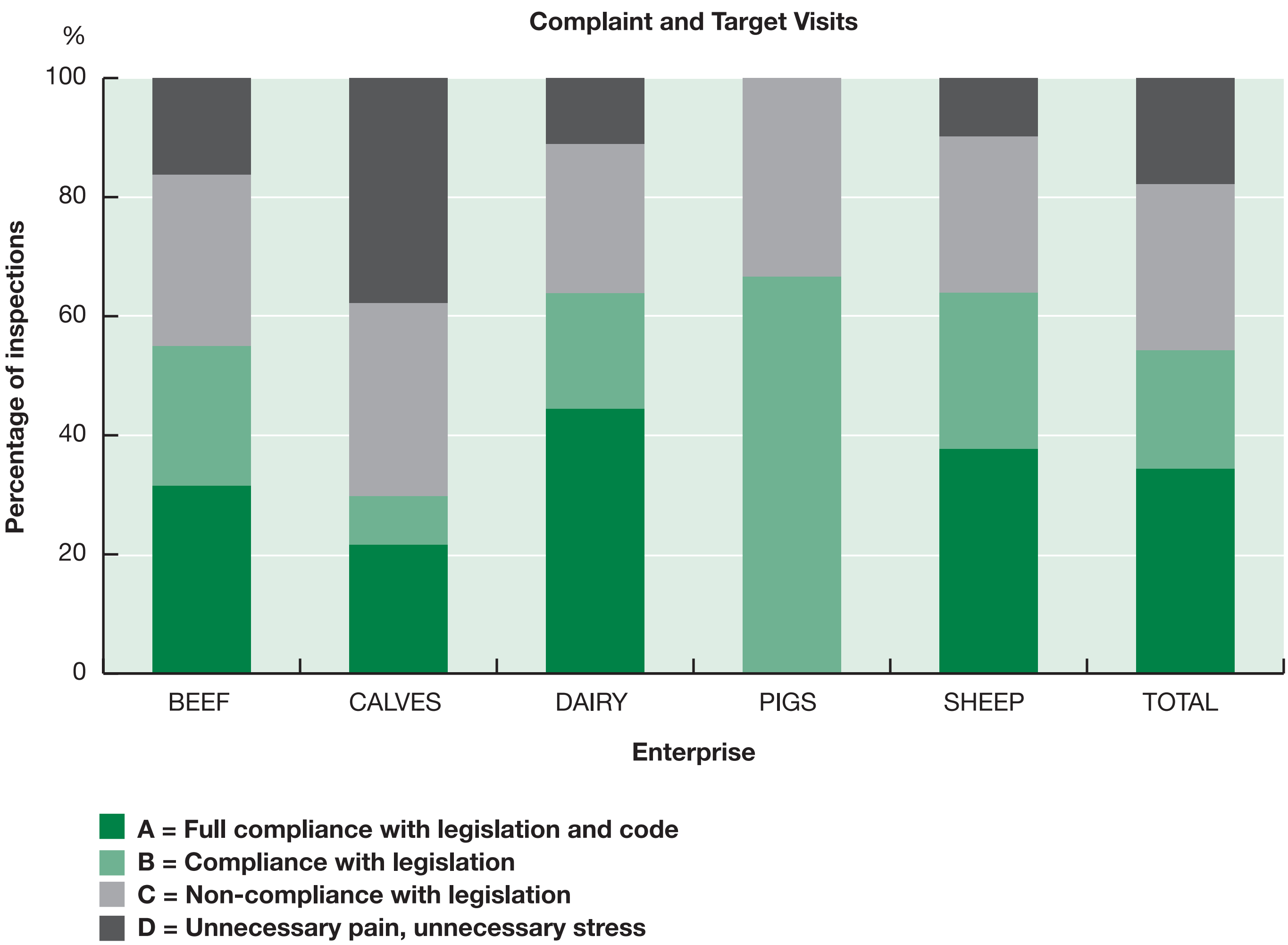
1. Source: TSE Branch DARD, contact James Moody 028 905 24642

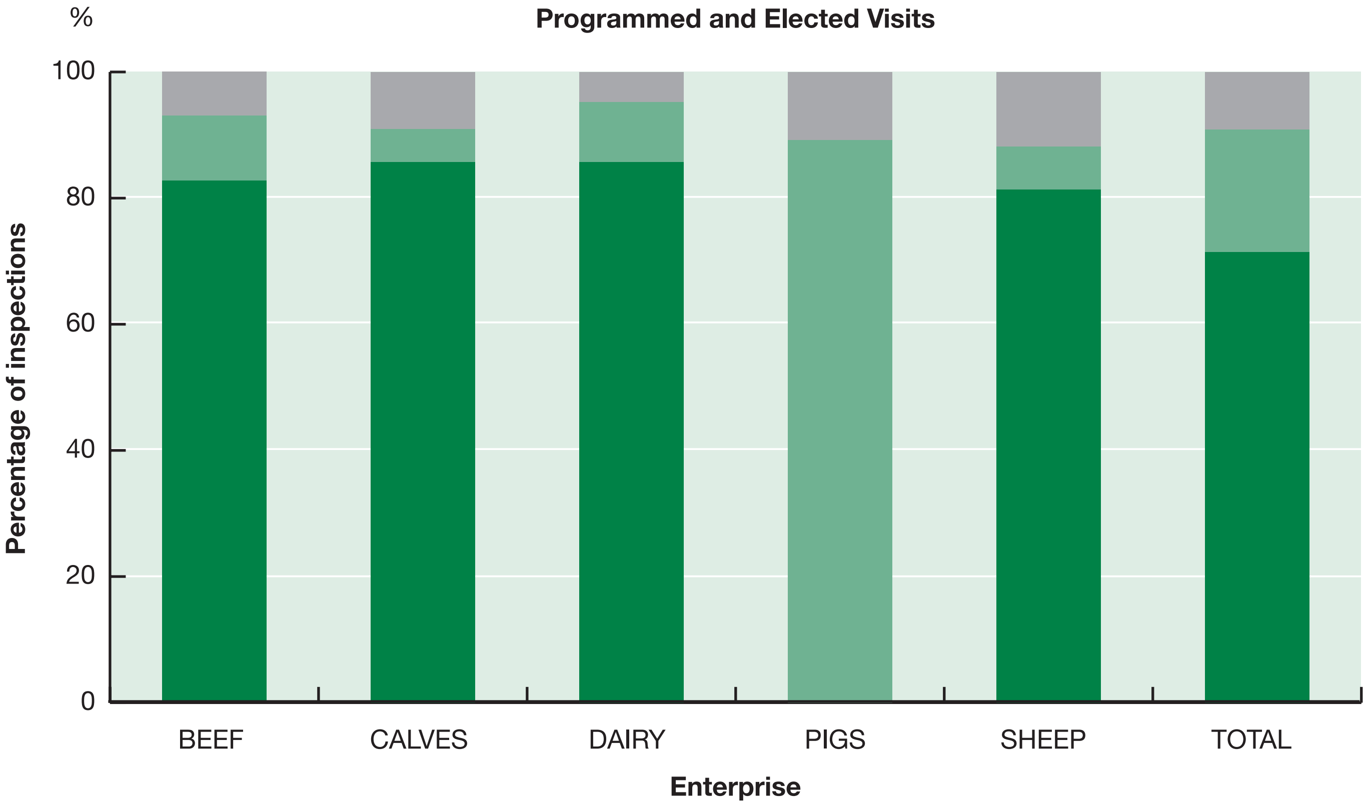
Table 6.9 Bovine Tuberculosis (TB) statistics for the UK in 2004 and 2005

	GB 2004	GB 2005	N. Ireland 2004	N. Ireland 2005
No. cattle herds eligible for TB testing[1]	93,489	90,971	28,568	28,263
Total Number of Unrestricted Herd Tests	48,790	46,617	32,443	30,263
Total number of animals TB tested	4,638,761	4,848,057	1,865,762	1,776,099
Total new herd TB incidents	3,349	3,670	2,324	1,792
TB reactors slaughtered	19,975	25,745	15,086	10,479
Herds with a TB movement restriction on 31 December	3,745	5,782	…	…

1. Based on the number of cattle herds presenting cattle for a TB herd test during the previous four years in the case of Northern Ireland and based on the total number of cattle herds registered on Vetnet in the case of GB.
2. Herds with at least one TB skin reactor animal but no TB skin reactor animals during the previous 12 months.

Figure 6.3 **Outcomes of on-farm welfare inspections completed on NI farms in 2006[1,2]**





1. The figures for sheep also include goats
2. The welfare code for pigs has not yet been finalised.

D. AGRI-ENVIRONMENT

Agri-Environmental Schemes

The land–based agri-environmental schemes are managed in the UK under the Rural Development Programme (RDP). Five schemes, or composites, were operational in Northern Ireland by 2003: the Environmentally Sensitive Area scheme, Countryside Management Scheme, organic farming schemes, woodland schemes, and areas of Special Scientific Interest. In 2005, some 325,000 hectares or 33 per cent of farmland was registered in an agri-environmental scheme in Northern Ireland. As a proportion of total farmland, this closely mirrors the UK average.

Organic farming

Organic farming involves holistic production management systems for crops and livestock, based on ecological principles that impose strict limitations on farm inputs, especially purchased inputs, in order to minimise damage to the environment and wildlife. Farming is only considered to be 'organic' at EU-level if it complies with Council Regulation (EEC) No. 2092/91. Austria has the highest proportion of farmland under organic management amongst the EU-15, while Northern Ireland has the lowest.

Water quality

Farming continues to be a source of water pollution, both diffuse, such as from fertiliser and pesticides spread on the land, and point sources such as runoff from livestock buildings. The main areas of concern are nitrate pollution in surface and groundwater, phosphorus levels in surface water and contamination by pesticides. The lengths of rivers with nitrates levels over 30 mg NO_3 per litre are low in Northern Ireland, Wales and Scotland while in England levels have fallen overall since 2000 (though 2004 and 2005 show an increase) reflecting the decrease in fertiliser use. It is believed that agriculture accounts for around 60 per cent of the nitrate in rivers. High levels of phosphate in freshwater can cause eutrophication, which affects the ecological balance of the water environment leading to excessive plant growth. The percentage of phosphates found in rivers that is attributable to agriculture is likely to be about 30 per cent. Further information can be found at: http://www.environment-agency.gov.uk/, http://www.sepa.org.uk/, http://www.doeni.gov.uk/.

Water quality is assessed in terms of its chemical and biological status. There has been relatively little overall change in the proportion of rivers of good or fair chemical quality since 2000, though there has been some improvement in Northern Ireland over the last two years. In terms of biological quality, the percentage of rivers of good quality has improved in England and Wales, but has fallen in Northern Ireland since 2000.

Forestry

In Northern Ireland the state owned forest area has remained relatively constant since 1995. The area of privately owned forest has increased by 26 per cent over the same time period. The volume of timber produced by state forests has increased by 90 per cent since 1995 but the value of this output has increased at a much lower rate.

The area of woodland in the UK has increased over the past century. Approximately 5 per cent of the UK was covered by woodland in 1924; in 2004 almost 12 per cent of the UK was wooded. Around 700,000 hectares of new woodland have been created in the UK in the last 30 years. In 2004, woodland covered 17 per cent of Scotland, 14 per cent of Wales, 9 per cent of England and 6 per cent of Northern Ireland.

The level of forest cover within the EU25 countries varies considerably. At 6 and 10 per cent respectively, Northern Ireland and the Republic of Ireland are the two least densely forested countries in the EU25. The two most densely forested countries are Finland and Sweden with 72 and 66 per cent of the total land area with forest cover.

Table 6.10 Proportion of UK Farmland in Agri-Environmental Schemes (1993-2005)[1,2]

% of area farmed

Country	Average of 1993-1995	2000	2003	2005
England	4.9	10.7	17.8	28.3
Wales	2.8	14.9	20.3	17.3
Scotland	3.9	32.6	43.7	50.8
Northern Ireland	9.5	19.9	27.0	32.5
UK	4.7	18.7	27.8	34.3

1. The results are for cumulative land area, i.e. all the land receiving payments in each time period, not just new agreements. Source: DEFRA, Welsh Assembly and Scottish Executive websites.
2. Area farmed excludes common grazing.

Table 6.11 Organic and in-conversion area (ha) as a percentage of UAA: 1998 – 2005[1,2]

	1998		2002		2004		2005	
Country	hectares	%UAA	hectares	%UAA	hectares	%UAA	hectares	%UAA
N. Ireland	215	0.02	5,038	0.48	6,483	0.62	8,947	0.87
UK	78,833	0.50	741,174	4.80	695,619	4.25	608,952	3.30
ROI	24,411	0.60	29,850	0.70	30,670	0.70	…	…
Austria	287,899	8.20	296,154	8.70	326,703 [3]	9.70 [3]	360,369	11.04
Greece	15,402	0.50	77,120	2.70	244,457 [3]	6.80 [3]	109,410 [4]	…
EU-15	2.287m	1.70	4.888m	3.70	5.098m [3]	4.06 [3]	…	…

1. Source: DG Agri, DARD,Eurostat, DEFRA and Dept. of Agriculture and food, ROI
2. UAA – Utilised Agricultural Area
3. 2003 figures
4. Provisional

Table 6.12 Percentage of rivers by Chemical river quality: 1990 – 2005[1]

	England			Wales			Northern Ireland[3]		
Class	Good	Fair	Poor[4]	Good	Fair	Poor[4]	Good	Fair	Poor[4]
1990	43	40	17	86	11	3	…	…	…
1995	55	35	10	93	5	1	…	…	…
2000	64	29	6	93	5	1	…	…	…
2003	62	31	7	93	6	2	58	35	7
2005	64	29	7	95	3	2	63	33	4

1. Based on the GQA chemical classification system. Figures are three year averages ending in the year shown. Source: Environment Agency, Scottish Environmental Protection Agency, Environmental Heritage Service.
2. Percentages may not add to 100 due to rounding. Scotland has a different system for measuring the chemical quality of rivers which is not strictly comparable to that used in England, Wales and NI.
3. The length of rivers chemically classified in NI was greatly increased in 2002 and this means that results obtained before this point in time are not comparable to later figures.
4. Poor (and bad).

Table 6.13 Biological river quality: 1990 – 2005[1,2]

	England			Wales			Northern Ireland[3]		
Class	Good	Fair	Poor[4]	Good	Fair	Poor[4]	Good	Fair	Poor[4]
1990[4]	60	30	11	78	20	2	…	…	…
1995	66	27	6	87	13	0	…	…	…
2000	67	27	6	78	20	1	61	36	3
2003	69	26	5	79	20	1	57	41	3
2005	71	25	5	80	19	1	56	42	2

1. Source: Environment Agency, Scottish Environmental Protection Agency, Environmental Heritage Service.
2. Percentages may not add to 100 due to rounding. Scotland has a different system for measuring the chemical quality of rivers which is not strictly comparable to that used in England, Wales and NI.
3. The river length monitored in Northern Ireland more than doubled in 1999 and this means that results obtained before this point in time are not comparable to later figures.
4. Poor (and bad).

Table 6.14 Nitrate concentrations in rivers *(% river lengths >30mgNO$_3$/l)*: 1990-2005[1]

	1995	2000	2001	2002	2003	2004	2005
England	33	36	34	32	31	32	32
Wales[2]	1	1	0	0	0	0	0
Scotland	..	3	2	2	2	3	3
Northern Ireland	0	0	0	0	0	0	0

1. Three year averages ending in the year shown. Annual average for Scotland. Source: Environment Agency, Environment and Heritage Service
2. Wales refers to national boundary not Environment Agency Wales river catchment boundary.

Table 6.15 Phosphate concentrations in rivers *(% river lengths >0.1mgP/l)*: 1990-2005[1]

	1990	1995	2000	2001	2002	2003	2004	2005
England	67	56	60	60	60	59	58	57
Wales[2]	26	10	8	7	7	8	8	9
Scotland	..	..	5	5	3	4	4	3
Northern Ireland	..	25	27	27	26	21	23	22

1. Three year averages ending in the year shown. Annual average for Scotland. Source: Environment Agency, Environment and Heritage Service
2. Wales refers to national boundary not Environment Agency Wales river catchment boundary.

Table 6.16 Forestry area, production and employment in Northern Ireland, 1995/96-2004/05

	1995-96	2000-01	2003-04	2004-05
Forested area (000ha)				
State	61	61	62	61
Private	19	22	24	24
All forested areas	80	83	86	85
Annual planting area (ha)				
State	774	999	1069	916
Private	836	783	414	342
All planted areas	1,610	1,782	1,483	1,258
Timber production from state forests				
Volume (000 cubic metres)	223	359	423	422
Value (£000)	5,000	4,006	5,394	…
Employees (number) Forest service	460	360	323	…

Source: Forest Service, DARD

Table 6.17 Forest cover, 2000 – international comparisons

Country	Forest area (000 ha)	Total land area (000 ha)	Forest as a % of land area
Northern Ireland	83	1,345	6.2
UK	2,794	24,160	11.6
ROI	659	6,889	9.6
Finland	21,935	30,459	72.0
Sweden	27,134	41,162	65.9
EU15	115,685	313,188	36.9
EU25	139,637	385,059	36.3

Source: Forestry website – www.forestry.gov.uk/statistics

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 Single Farm Payment 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 (such as the Single Farm Payment)
= **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 2006 would change by ±10 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 2005 presented in this *Review* are based on data available in December 2006-January 2007, 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 2006/07 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 2005 figures have been revised as more complete information has become available. Net value added in 2005 is now estimated at £321.1 million (previously £327.1 million) while total income from farming for 2005 is now estimated at £181.9 million (previously £185.6 million). A 25-year consistent series of the AAA is available on the DARD website at www.dardni.gov.uk

Single Farm Payment

The **Single Farm Payment (SFP)** was introduced in 2005 and replaces many of the direct payments that were attributable to particular sectors and payable on a per head or per hectare basis. The treatment of the **SFP** in the aggregate agriculture accounts is different from that of the direct payments because it is not attributable to any one sector. Direct payments such as Beef Special Premium and Suckler Cow Premium were included in the **gross output** figures because they were attributable to finished cattle and calf production. Thus, while Beef Special Premium and Suckler Cow Premium appear in the **gross value added** figures the SFP does not. However, SFP is added to **gross value added** as part of the **net value added** calculation. As a consequence **gross value added** figures from 2005 are much lower than the figures before and they are not strictly comparable. The **net value added** and **total income from farming figures** are comparable between pre-2005 and post-2005.

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 2006 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 2006 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 2006 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 2006 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.
2001-2006	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 of 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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