Department of
Agriculture and
Rural Development
www.dardni.gov.uk

POLICY AND ECONOMICS DIVISION

Statistical Review of Northern Ireland Agriculture

2008

Agriculture, Fishing & Forestry

A National Statistics publication

Statistical Review of Northern Ireland Agriculture 2008

Department of Agriculture and Rural Development

Policy and Economics Division

A National Statistics publication

National Statistics are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. You can also find out more about National Statistics on the Internet – go to www.statistics.gov.uk.

Brief extracts from this publication may be reproduced provided the source is fully acknowledged.

Proposals for reproduction of larger extracts should be addressed to:

Copyright Section
Her Majesty's Stationery Office
St. Clements House
2-16 Colegate
NORWICH
NR3 1PD.

© *Crown Copyright 2009*

ISBN 978 1 84807 093 6
Published in March 2009 by Policy and Economics Division,
Department of Agriculture and Rural Development.
Cover designed by DARD Media Services Publications 08.09.194

CONTENTS

LIST OF TABLES AND FIGURES

PREFACE

The *Statistical Review of Northern Ireland Agriculture* has been published annually since 1964. It contains a wide range of statistics on the agricultural industry and is an important reference document for agri-food sector stakeholders.

The data contained in the *Statistical Review* are derived mainly from farm surveys, including the Agricultural Census and the Farm Business Survey, and surveys of food processing and agricultural input supply firms. These surveys are carried out in order to enable the Department of Agriculture and Rural Development (DARD) to meet the legislative requirements with which it is charged.

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.

Norman Fulton
Director of Policy and Economics Division
March 2009

Department of Agriculture
and Rural Development
Policy and Economics Division
Dundonald House
BELFAST
BT4 3SB

Tel. (028-) 90 524675
Fax (028-) 90 524676

E-mail Seamus.McErlean@dardni.gsi.gov.uk

KEY FACTS

	NI	UK	ROI	EU15
GROSS VALUE ADDED (GVA)				
Agriculture as % of total GVA	1.2[1,P]	0.5[2]	2.5[2]	1.8[4]
EMPLOYMENT				
Agricultural employment (‘000 AWU)	29[1]	238[2]	153[3]	5,639[3]
As % of total civil employment	2.9[1]	1.4[1]	5.5[2]	3.7[4]
LAND USE				
Agricultural area (‘000 ha)	1,017[1]	17,373[2]	4,300[1]	128,416[4]
As % of total area	75.3[1]	77[2]	62.3[1]	39.7[4]
LESS FAVOURED AREAS (LFA)				
LFA as % of agricultural area	69.9[1]	45.1[3]	69.0[4]	60.6[4]
FARMS				
Number (‘000)	26.0[1]	315.5[3]	133[4]	5,799[4]
Average agricultural area (ha)	39.2[1]	55.4[3]	31.8[4]	26.9[4]
ENTERPRISES				
Average enterprise size:				
Dairy cows	73[1]	84[3]	45[4]	35[4]
Beef cows	16[1]	28[3]	15[4]	19[4]
Sheep	225[1]	426[4]	147[4]	152[4]
Pigs	825[1]	424[4]	1,979[4]	210[4]
Laying hens	13,600[1]	996[3]	290[4]	350[4]
Broilers	39,000[1]	36,000[3]	7,000[4]	1,200[4]
Cereals (ha)	13.4[1]	52.2[3]	20.0[4]	16.5[4]
Potatoes (ha)	7.4[1]	14.1[3]	3.1[4]	2.2[4]

1. 2008 2. 2007 3. 2006 4. 2005, P= Provisional

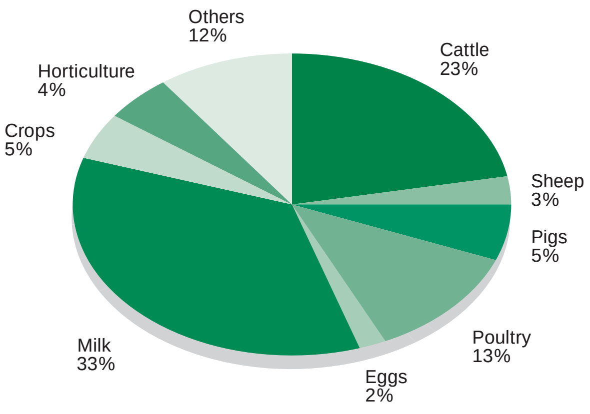
Note 1. NI = Northern Ireland; UK = United Kingdom; ROI = Republic of Ireland; EU15 = Austria, Belgium, Denmark, Finland, France, Germany, Greece, Republic of Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and United Kingdom.

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

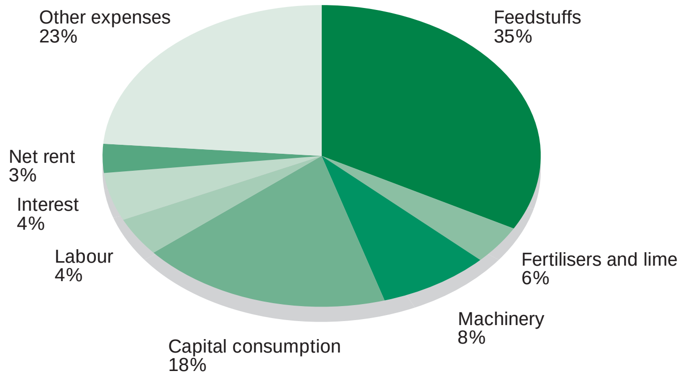
Note 3. In general, figures relate to the latest year for which statistics are available.

COMPARISONS OF NI AND UK AGRICULTURE

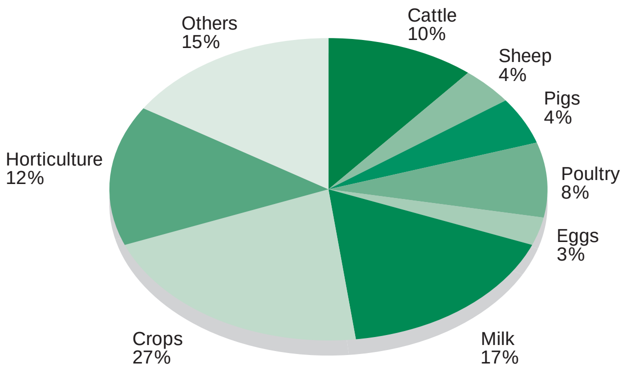
Gross output of NI agriculture, 2008



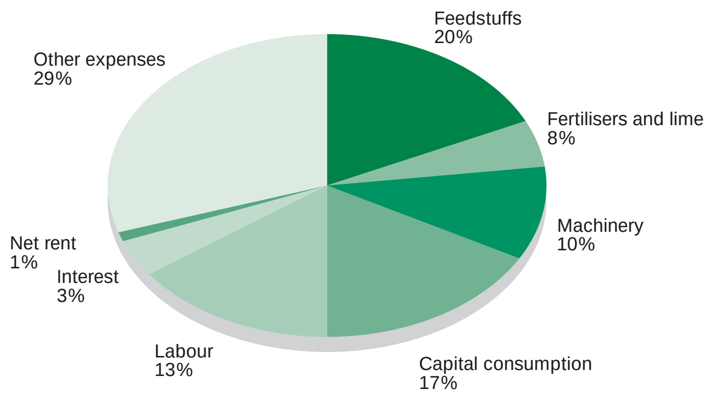
Total expenses of NI agriculture, 2008



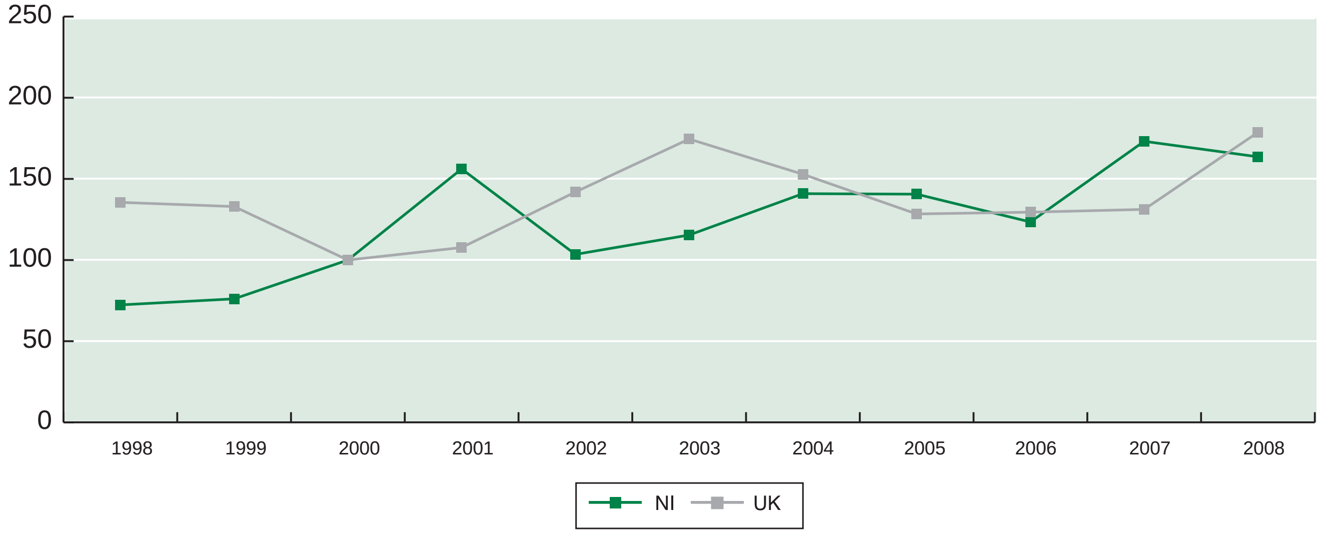
Gross output of UK agriculture, 2008



Total expenses of UK agriculture, 2008

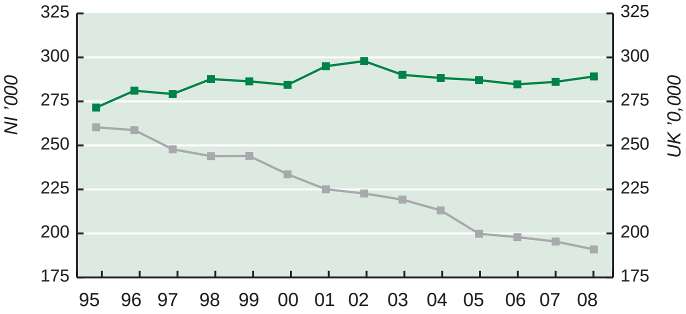


NI and UK Total Income from Farming Indices in real terms (2000 = 100)

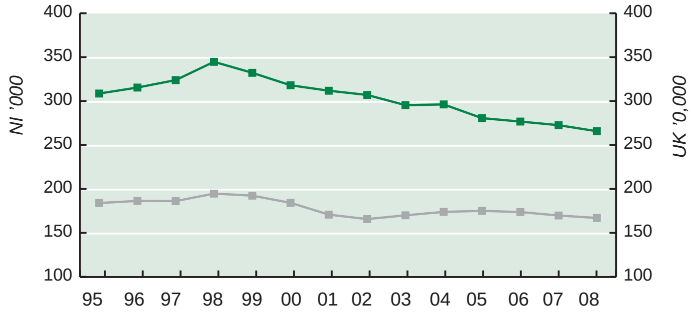


TRENDS IN NI AND UK LIVESTOCK NUMBERS AND CROP AREAS

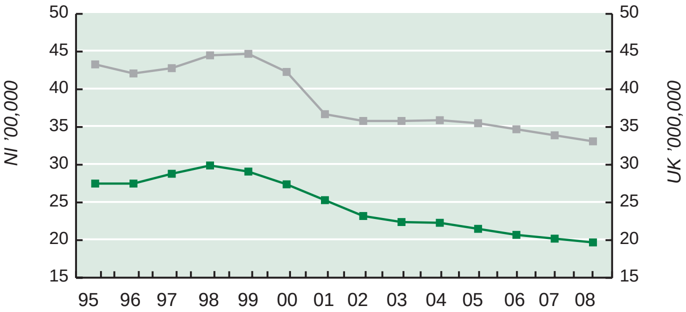
Dairy cows



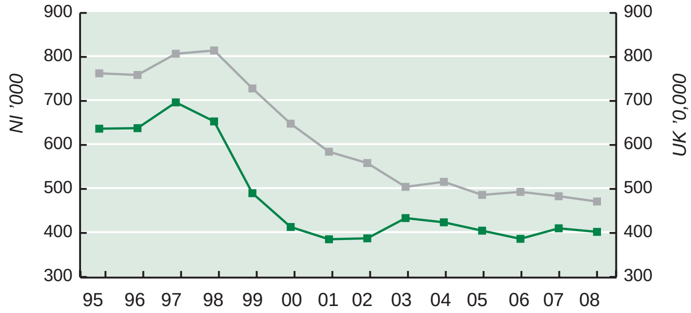
Beef cows



Sheep



Pigs



Laying birds

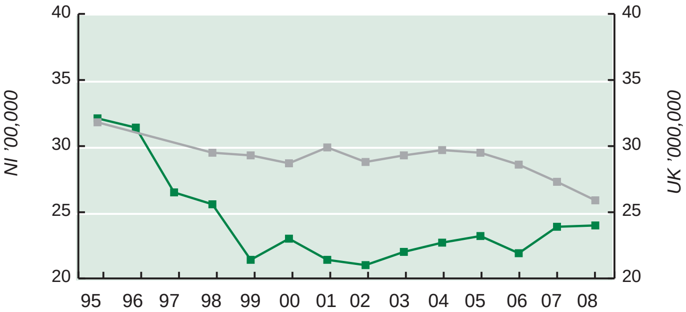
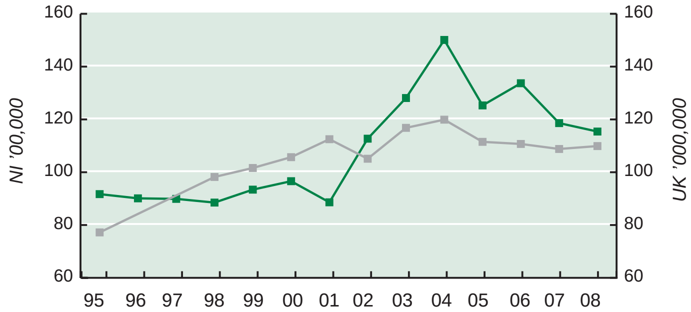
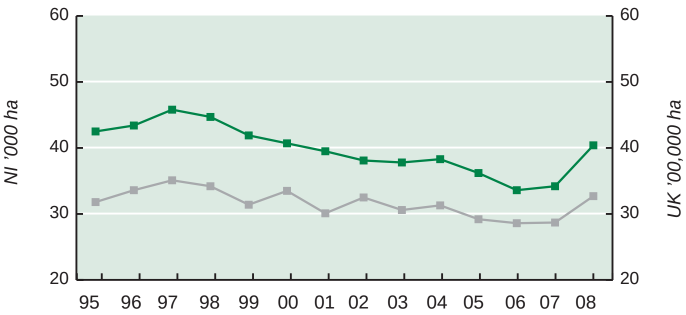


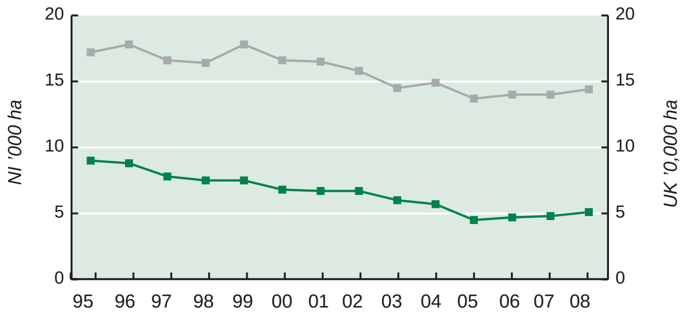
Table chickens



Cereals



Potatoes



NI UK

1. EXECUTIVE SUMMARY

Note: comparisons are with 2007 unless otherwise stated.

Aggregate income (Tables 2.1 - 2.3)

- There was a a substantial rise in the income of Northern Ireland agriculture in 2008.
- **Total income from farming (TIFF)** – which measures the return to farmers, partners and directors, their spouses and other family workers for their labour, management input and own capital invested – decreased by 1.3 per cent (5.5 per cent in real terms) to £233 million, from £236 million in 2007.
- Following the slight decrease in 2008, TIFF is only 0.5 per cent above the average of the last twenty years after accounting for inflation.
- The decrease in income in 2008 can be attributed to a number of factors; firstly, the cost of feedstuffs, fertiliser and fuel has increased compared with previous years; and, secondly, decreases in the output volume of finished cattle and sheep as well as minor output volume decreases for pig, poultry and milk. The negative impacts of these factors were partially off-set by higher average producer prices for most commodities and an increase in the total value of Single Farm Payments because of exchange rate movements.
- At the United Kingdom level, TIFF increased by 42 per cent in 2008 to £3.46 billion, a rise of 36 per cent in real terms. Total Income from Farming per full time person equivalent is also estimated to have risen by 41.9 per cent in current prices, and by 36.3 per cent in real terms, to £18,185. The decrease in Northern Ireland compared with the increase in the UK is due largely to a 66 per cent or £1.27 billion increase in the gross output of cereals in the UK as a whole, as a result of an increase in the volume of production and the fact that the average price for cereals was higher in 2008 compared with 2007. The cereals sector is relatively small in Northern Ireland accounting for only 2.5 per cent of output. Another factor contributing to the differing position for NI compared with the UK as a whole is that the GB milk price remained relatively high throughout 2008, probably because GB producers are much less dependent on export markets. In Northern Ireland, milk prices have weakened during the latter half of 2008 in line with global markets. In 2008, gross output in the UK dairy sector rose by 22 per cent compared with 4 per cent in Northern Ireland.

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

- **Gross output** of Northern Ireland agriculture is estimated at £1.4 billion for 2008 This is 13 per cent above the level calculated for 2007. The output value of most commodities increased, with potatoes and some horticultural crops the exceptions.

- **Gross input** ('intermediate consumption') increased by 18.6 per cent, to £1.06 billion, mainly as a result of a 20 per cent increase in costs of feedstuffs, a 70 per cent increase in fertiliser inputs and a 20 per cent rise in fuel and oil costs. Agricultural contracting costs increased by 23 per cent.

- **Gross value added** decreased by 0.6 per cent in 2008 to £348 million, while net value added – gross value added less consumption of fixed capital (or 'depreciation') plus subsidies such as the Single Farm Payment (SFP) – decreased, by 1.1 per cent, to £387 million.

Productivity (Table 2.3)

- Changes in the volumes of outputs and inputs combined to produce a 3.4 per cent decline in total factor productivity (TFP) – the productivity of all resources in the industry. Output volume changes coupled with a 0.6 per cent fall in the volume of labour input generated a 15.6 per cent increase in labour productivity in 2008. Single factorial terms of trade, which is a measure of farmers' economic welfare, decreased by 12.7 per cent (similar to TFP). The reduction in this index is higher than the decrease in productivity suggesting that because inputs costs have risen to a greater extent than farm-gate prices, the problem of falling productivity has been exacerbated for farmers.

Cash flow (Table 2.4)

- **Cash available to farm families from farming activity** is estimated to have increased in 2008 by 57 per cent, to around £284.5 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)

- **Farm Business Income (FBI)** was introduced as the headline measure of farm income following consultation in 2006-07 and has been adopted throughout the UK. Measured across all farm types, average Farm Business Income increased from £19,385 in 2006/07 to £30,127 in 2007/08, which is an increase of £10,742 per farm. It is expected to decrease to £29,558 in 2008/09, which is a decrease of £569 per farm. At the individual farm type level, the results show that Farm Business Income is expected to increase between 2007/08 and 2008/09 on both LFA and Lowland Cattle and Sheep farms, but to fall for other farm types.

Subsidies (Table 2.10)	• The value of all **direct payments** to farmers increased in 2008 by £26 million or 9.3 per cent, to £305 million. This increase is attributed mainly to an increase in Single Farm Payment due to exchange rate movements. The total value of the Single Farm Payment estimated to have accrued in 2008 is almost £254 million, a net increase of 11 per cent compared with 2007. Single Farm Payments account for approximately 83 per cent of all direct payments.
Labour (Table 2.14)	• The **total agricultural labour force** remained unchanged in 2008 at around 49,000 persons. Within this total there was a 1.5 per cent reduction in the number of full time farmers and a 1 per cent increase in the number of part time farmers. The total number of full time, part time and casual workers combined increased by 1.9 per cent.
Livestock numbers (Table 3.3)	• The number of **cattle** recorded at 1.62 million in the June 2008 census has fallen by 3 per cent since 2000. At June 2008, there were 289,000 dairy cows, one per cent more than in 2007. There were 266,000 beef cows, 3 per cent less than in 2007. Total **sheep** numbers decreased to 1.97 million, while breeding ewe numbers declined by 2 per cent, to around 935 thousand ewes. Ewe numbers are now at their lowest level since 1985.
	• At June 2008, the number of **pigs** totalled 402,400, 2 per cent less than in 2007. However, the female pig breeding herd decreased by 4 per cent, to 35,500 sows. **Broilers** decreased by 3 per cent to 11.5 million birds in 2008, while the size of the **commercial laying flock** remained unchanged at 2.4 million birds.
Crops and grass areas (Table 3.2)	• There was a 13.9 per cent increase, to 58,300 hectares, in the total **cropped area** between June 2007 and 2008. The total area of **cereals** increased by 18 per cent, to around 40,000 hectares; mainly, as a result of an increase in the area of wheat and barley production.
Farm Numbers (Table 4.2)	• There were 25,952 active **farm businesses** in Northern Ireland at June 2008, which was 194 fewer than in 2007. The downward trend in the number of farms is on average 1.7 per cent per year from 2003 to 2008 and 2 per cent per year over the past 10 years.
Agri-Food Sector Performance	• **Agricultural Gross Value Added per head** in Northern Ireland as a percentage of the UK figure deteriorated in 2008. The performance indicators for the **food and drinks processing sector** indicate only slow growth over the period 2000 to 2006.

Rural Economy

- Over the years from 2002 to 2008, the average gross weekly earnings of people in rural areas were consistently below those of people living in urban areas. Data on net VAT registrations indicate that 71 per cent of total net registrations occurred in rural areas in the 11 year period from 1998 to 2008.

Animal Health and Welfare

- Since the first cases of BSE were reported in Northern Ireland during 1988, there has been a total of 2,183 cases. The number of BSE cases in Northern Ireland has declined significantly since the peak in 1993. The number of cases in 2008 was 4.

  During 2007, 1,264 new herds in Northern Ireland were affected by bovine tuberculosis, compared with 2,300 new incidents in 2004 and 1,513 new incidents in 2006. There were 151 new herds that were newly infected with brucellosis in 2007 compared with 118 in 2006.

  The Veterinary Service (DARD) carried out 638 on-farm welfare inspections in 2008. Of those inspections carried out in 2008 as a result of complaints, risk assessment (related to cross-compliance) and targeted visits 84.3 per cent were fully compliant with legislation, while for random visits 97 per cent were fully compliant with legislation.

Agri-environment

- In 2007, some 448,000 hectares or 40 per cent of farmland was registered in an agri-environmental scheme in Northern Ireland. There has been some overall improvement in chemical river quality in Northern Ireland since 2003; however, biological river quality has deteriorated. At around 6 and 10 per cent respectively, Northern Ireland and the Republic of Ireland are the two least densely forested countries in the EU.

Contact: Seamus McErlean, Tel. (028-) 90 524675,
E-mail. Seamus.McErlean@dardni.gsi.gov.uk

2. THE AGRICULTURAL ECONOMY

A. AGGREGATE OUTPUT, INPUT AND INCOME

Methodological note

A 28-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 2007 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 shown in 'italics' with a shaded background within the statistical tables on the pages that follow.

Summary

The estimated income of Northern Ireland agriculture decreased marginally in 2008. **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) – decreased by 1.3 per cent (a 5.5 per cent decrease in real terms) to £233 million, from £236 million in 2007 (see Table 2.1).

Output

The value of **gross output** is estimated at £1.40 billion in 2008, which is an increase of 13 per cent compared with 2007. This increase is explained primarily by increases in the gross output for beef, poultry and milk sectors. Full details of trends in all the individual outputs are given in Section 2B.

Inputs (or 'intermediate consumption')

The value of **gross input** increased in 2008, by 19 per cent, to £1.06 billion. Most of this increase is explained by a 20 per cent (or £89 million) increase in expenditure on feedstuffs to £525 million. The increased expenditure on feedstuffs reflects a 19 per cent increase in the unit cost of feed combined with a 1.2 per cent rise in the volume used. Fertilisers (and lime) and machinery expenditure increased considerably by 71 per cent and 11 per cent, respectively. The volume of fertilisers used, in keeping with recent trends, decreased by 5.0 per cent while at the same time the cost per tonne rose by 81 per cent. The increase in machinery expenses was driven by a 20 per cent rise in the cost of fuel and oil due to higher prices. Full details of trends in individual inputs are given in Section 2B.

Gross and net value added

Gross value added – gross output less gross input – decreased by 0.6 per cent in 2008 to £348 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) – decreased, by 1.1 per cent, to £387 million.

Net value added is the sum of all ‘incomes’ arising in the industry, namely the earnings of paid labour, interest on borrowed capital, rent on conacre land (paid to non-farming persons) and the residual ‘total income from farming’. The cost of paid labour (also termed ‘compensation of employees’) decreased by 3.4 per cent in 2007, to £53 million as the volume of paid labour input declined by 5.4 per cent. There was an 11 per cent increase in bank advances for farming purposes, which coupled with a fall of 0.89 percentage points in rate of interest caused total interest payments to decrease marginally, by 0.1 per cent, to £58 million. Conacre rent paid to non-farmers rose by 1.5 per cent, to £44 million, mainly as a result of an increase in the amount of land rented.

Total Income from farming

The net result of these changes was that **total income from farming (TIFF)** decreased in 2008, by 1.3 per cent to £233 million, a fall of 5.5 per cent after allowing for inflation. Following the slight decrease in 2008, TIFF is 0.5 per cent above the average of the last twenty years after accounting for inflation. Over the same 20-year period, the number of persons drawing an income from farming also declined steadily. From 1989 to 2008, the number of units of entrepreneurial labour decreased by 30 per cent with the result that, in real terms, TIFF per unit of entrepreneurial labour in 2008 was 22 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, 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 2008 by 57 per cent, to around £285 million.

Subsidies

Total direct payments to farmers increased in 2008 by £26 million or 9.3 per cent, to £305 million. This increase is attributed mainly to an increase in the value of the Single Farm Payment due to exchange rate movements. The total value of the Single Farm Payment estimated to have accrued in 2008 is £254 million, a net increase of 11% compared with 2007. Single Farm Payments account for approximately 83 per cent of all direct payments. Direct payments exclude the value of market support such as intervention purchases and export refunds.

Investment

Gross annual capital investment increased in 2008 by around £143 million to £367 million. Within this total there was decreased investment in plant and machinery as well as a slight increase in investment in vehicles. Investment in buildings and works increased to £254 million (of which £168 million was grant aided investment; mostly provided through the Farm Nutrient Management Scheme).

Contact: William Taylor, Tel. (028-) 90 524112, E-mail. william.taylor@dardni.gsi.gov.uk

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

£ million

	2003	2004	2005	2006	2007	2008 (provisional)
OUTPUT[2]						
Livestock and livestock products[3]						
Finished cattle and calves[4]	372.8	413.5	*243.3*	*238.6*	*269.2*	*320.0*
Finished sheep and lambs[5]	57.5	66.7	*43.7*	*51.9*	*39.1*	*48.8*
Finished pigs[6]	64.5	66.2	61.7	62.4	66.1	77.1
Poultry[7]	121.9	139.9	136.0	138.8	149.2	183.6
Eggs[8]	31.7	23.0	22.2	22.1	29.0	33.3
Milk	331.2	348.6	*343.4*	*328.4*	*427.3*	*444.2*
Minor products[9]	8.4	8.5	8.5	8.8	8.8	10.7
Total livestock and livestock products	**987.9**	**1,066.5**	***858.9***	***851.0***	***988.8***	***1,117.7***
Field crops						
Potatoes	22.0	21.0	13.3	19.6	21.7	20.6
Cereals[10]	26.5	28.0	*15.9*	*18.6*	*28.5*	*34.8*
of which: barley[10]	18.2	18.0	*9.8*	*10.9*	*17.0*	*19.3*
wheat[10]	6.7	8.4	*5.3*	*6.6*	*10.1*	*13.9*
oats[10]	1.6	1.6	*0.8*	*1.1*	*1.5*	*1.6*
Other crops[10,11]	8.6	7.5	*8.6*	*10.1*	*11.8*	*11.2*
Total field crops	**57.2**	**56.6**	***37.4***	***48.2***	***62.0***	***66.6***
Horticultural products						
Fruit	5.8	7.7	4.9	8.4	11.3	9.4
Vegetables	16.1	16.4	15.1	16.2	19.0	17.4
Mushrooms	25.1	23.5	24.2	19.4	23.0	23.0
Ornamental and hardy nursery stock	13.8	14.2	14.3	12.0	11.2	11.7
Total horticultural products	**60.8**	**61.7**	**58.4**	**56.0**	**64.4**	**61.5**
Capital formation (breeding livestock)	61.2	49.9	51.2	39.5	55.5	76.4
Agricultural contract work[12]	40.8	45.5	47.9	48.7	51.7	63.6
Milk quota leasing	4.3	7.1	0.7	0.0	0.0	0.0
Inseparable non-agricultural activities[13]	21.5	19.4	17.1	17.3	17.0	17.4
A Gross output	**1,233.6**	**1,306.7**	***1,071.6***	***1,060.7***	***1,239.4***	***1,403.1***
of which:						
subsidies (less taxes) on products[14]	205.3	242.6	*26.0*	*7.7*	*4.2*	*4.4*

1. A description of the methodology relating to this series and the derivation of the main aggregates, is given in the Appendix. The output data for 2005-8 excludes the Single Farm Payment, and **therefore data in italics and with shaded background is not comparable to previous years where italics (and background shading) are not used.**
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, Slaughter Premium, receipts from the Over Thirty Months Scheme and Older Cattle Disposal Scheme. The LFA Compensatory Allowance is included in subsidies'.
5. Includes Sheep Annual Premium and Rural World (LFA) Supplement. The LFA Compensatory Allowance is included in 'other subsidies'.
6. Includes Pig Industry Restructuring Scheme (Ongoers) payments.
7. Includes shipments and exports of breeding and non-breeding birds, and eggs for hatching.
8. Includes eggs for processing and duck eggs.

Table 2.1 contd.

		2003	2004	2005	2006	2007	2008 (provisional)
							£ million
A	**Gross output**	**1,233.6**	**1,306.7**	***1,071.6***	***1,060.7***	***1,239.4***	***1,403.1***
	INPUT (also known as 'intermediate consumption')						
	Expenditure						
	Feedstuffs[15]	354.0	365.0	362.6	375.0	436.3	525.5
	Seeds[16]	10.1	8.4	7.4	7.0	7.8	8.7
	Marketing expenses[17]	34.5	34.3	32.6	31.0	31.9	33.8
	Fertilisers and lime	59.4	56.7	53.2	54.1	49.2	83.9
	Total machinery expenses (excl. depreciation)	86.2	90.3	92.0	96.5	103.1	114.3
	Farm maintenance	31.8	29.6	31.0	31.8	34.6	36.5
	Veterinary expenses and medicines	32.0	34.6	36.1	37.1	39.5	41.4
	Other variable costs[18]	58.0	59.0	63.1	63.4	71.9	75.7
	Miscellaneous expenses[19]	58.0	59.3	60.6	61.7	63.6	71.7
	Agricultural contract work	40.8	45.5	47.9	48.7	51.7	63.6
	Milk quota leasing	5.9	10.5	2.0	0.0	0.0	0.0
B	**Gross input**	**770.7**	**793.0**	**788.4**	**806.3**	**889.5**	**1055.1**
C	**Gross value added (A-B)**	**462.9**	**513.6**	***283.1***	***254.4***	***349.9***	***348.0***
	Consumption of fixed capital						
	- livestock	42.0	52.4	45.6	33.2	48.1	66.6
	- plant, machinery and vehicles	79.1	79.7	81.8	83.2	85.7	91.1
	- buildings and works	94.5	91.6	91.1	91.9	93.6	97.5
D	**Total consumption of fixed capital**	**215.7**	**223.8**	**218.5**	**208.3**	**227.4**	**255.2**
	Other subsidies (not paid on products)[20]	33.7	35.2	*258.1*	*263.2*	*275.2*	*300.9*
	Other taxes (not levied on products)[21]	5.6	5.8	5.9	6.1	6.3	6.7
E	**Other subsidies (less taxes)**	28.1	29.3	*252.2*	*257.1*	*268.9*	*294.3*
F	**Net value added (at factor cost) (C-D+E)**	**275.4**	**319.2**	**316.8**	**303.2**	**391.3**	**387.1**
G	Paid labour	52.2	54.1	52.7	52.3	54.5	52.6
H	Interest	34.5	41.7	42.6	45.5	58.0	57.9
I	Net rent[22]	50.6	49.9	43.5	44.2	42.9	43.6
J	**Total income from farming[23] (F-G-H-I)**	**138.0**	**173.5**	**178.0**	**161.2**	**235.9**	**233.0**

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, hemp, forage crops 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, forage crops, hay and stockfeed potatoes
16. Includes home-saved seed.
17. Hired transport charges, auction fees, slaughter charges and inter farm expenses.
18. Livestock costs other than veterinary and medicines, crop protection, other crop costs, packaging and royalties and levies.
19. Electricity, heating fuel, water rates, fire insurance and other overheads.
20. 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.
21. Farm rates and vehicle road tax.
22. Conacre payments to non-producing landowners.
23. 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

	2003	2004	2005	2006	2007	2008 (provisional)
Index at current prices						
Net value added[1]	108.7	126.1	125.1	119.7	154.5	152.9
Total income from farming[1]	122.9	154.5	158.5	143.5	210.1	207.5
Index in real terms[2]						
Net value added	102.1	115.0	111.0	103.0	127.4	120.5
Total income from farming	115.4	140.9	140.6	123.5	173.2	163.6

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

	2003	2004	2005	2006	2007	2008 (provisional)
Gross output volume[1]	107.9	110.7	110.2	110.5	114.6	111.5
Gross input volume[1]	108.7	110.3	107.4	106.2	105.3	109.0
Gross value added volume[1]	106.8	111.1	113.9	116.4	127.0	114.9
Net value added volume[1]	115.1	121.4	127.8	134.3	152.6	128.0
Total factor productivity[2]	106.0	108.3	111.0	114.3	119.3	115.2
Labour productivity[3]	123.7	134.9	144.8	154.1	178.4	150.6
Single factorial terms of trade[4]	105.6	103.1	107.2	111.7	116.7	101.9

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 at constant 2000 prices.
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).
4. Single factorial terms of trade is a new indicator that measures changes in farmers' economic welfare. See section A in Chapter Six for a full explanation of this concept.

Table 2.4 Estimated cash flow for agriculture

£ million

	2003	2004	2005	2006	2007	2008 (provisional)
Total income from farming	**138.0**	**173.5**	**178.0**	**161.2**	**235.9**	**233.0**
Less:						
output stock change	+7.3	+4.2	-6.7	-9.1	-17.1	-1.6
gross fixed capital formation (breeding livestock)	61.2	49.9	51.2	39.5	55.5	76.4
capital investment[1]	128.5	114.2	178.2	185.0	350.5	245.9
Plus:						
input stock change	+1.8	-0.4	+0.1	+0.4	-1.0	-0.2
capital consumption	215.7	223.8	218.5	208.3	227.4	255.2
capital grants paid in year[2]	0.1	0.2	1.6	17.8	20.4	36.2
change in borrowings	18.1	49.2	-7.8	40.0	86.9	81.0
Cash available to farm families from farming	**176.6**	**277.9**	**167.7**	**212.4**	**180.7**	**284.5**

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]

2007 (Final)

Sector	Adjusted outputs[2]	Estimated specific costs[3]: Feedstuffs	Estimated specific costs[3]: Fertilisers, seeds & sprays	Estimated specific costs[3]: Others	Estimated specific costs[3]: Total	Sector gross margins[4]	
	£m	£m	£m	£m	£m	£m	%
Dairy cows and followers	479.6	109.8	15.1	10.8	135.7	343.9	58.2%
Beef cattle, rearing and fattening	231.8	103.4	25.8	21.9	151.1	80.7	13.7%
Sheep and wool	39.5	11.6	7.3	4.6	23.5	16.0	2.7%
Total grazing livestock	**750.9**	**224.8**	**48.2**	**37.2**	**310.2**	**440.7**	**74.6%**
Pigs	66.0	54.9	-	1.7	56.6	9.4	1.6%
Poultry	178.4	154.1	-	6.2	160.3	18.1	3.1%
Total pigs and poultry	**244.3**	**208.9**	**-**	**7.9**	**216.9**	**27.4**	**4.6%**
Cereals	40.2	-	7.7	-	7.8	32.5	5.5%
Potatoes	21.7	-	4.9	-	4.9	16.8	2.8%
Total field crops	**61.9**	**-**	**12.6**	**0.1**	**12.7**	**49.3**	**8.3%**
Horticulture[5]	64.4	-	11.0	6.0	17.0	47.4	8.0%
Other items	34.0	7.1	1.1	0.1	8.3	25.7	4.4%
Total	**1,155.6**	**440.8**	**72.8**	**51.4**	**565.1**	**590.5**	**100.0%**

2008 (Provisional)

Sector	Adjusted outputs[2]	Estimated specific costs[3]: Feedstuffs	Estimated specific costs[3]: Fertilisers, seeds & sprays	Estimated specific costs[3]: Others	Estimated specific costs[3]: Total	Sector gross margins[4]	
	£m	£m	£m	£m	£m	£m	%
Dairy cows and followers	511.4	134.3	25.3	10.6	170.3	341.1	56.4%
Beef cattle, rearing and fattening	277.7	134.0	42.6	21.8	198.4	79.4	13.1%
Sheep and wool	49.3	14.2	13.7	4.7	32.6	16.8	2.8%
Total grazing livestock	**838.4**	**282.5**	**81.6**	**37.1**	**401.2**	**437.3**	**72.3%**
Pigs	77.1	57.7	-	2.4	60.0	17.0	2.8%
Poultry	216.9	181.4	-	6.4	187.8	29.0	4.8%
Total pigs and poultry	**293.9**	**239.1**	**-**	**8.8**	**247.9**	**46.0**	**7.6%**
Cereals	41.9	-	10.4	-	10.5	31.4	5.2%
Potatoes	22.5	-	4.8	-	4.9	17.6	2.9%
Total field crops	**64.4**	**-**	**15.3**	**0.1**	**15.4**	**49.1**	**8.1%**
Horticulture[5]	63.5	-	11.1	6.2	17.3	46.3	7.7%
Other items	35.8	7.5	2.0	0.1	9.6	26.2	4.3%
Total	**1,296.1**	**529.0**	**109.9**	**52.3**	**691.2**	**604.9**	**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	2003	2004	2005	2006	2007	2008 (provisional)
Livestock and livestock products							
Cattle and calves[2]	tonnes dcw	131,328	139,845	132,300	139,686	157,397	140,686
Over Thirty Months Scheme[3]	tonnes carcase wt	27,584	32,488	29,995	2,531	-	-
Sheep and lambs	tonnes dcw	19,363	21,937	21,212	23,348	21,094	18,796
Pigs[4]	,,	76,640	74,284	67,558	66,994	71,641	70,921
Cattle and calves[2]	'000 head	423	449	406	445	507	448
Older Cattle Disposal Scheme	,,	-	-	-	22.5	19.0	19.0
Sheep and lambs	,,	895	987	956	1,051	957	861
Pigs[4]	,,	989	931	839	826	892	876
Poultry[5]	'000 tonnes lwt	199.6	222.0	228.9	235.3	247.3	243.3
Eggs[6]	m. doz	62.6	60.2	60.1	56.3	57.1	61.3
Milk[7]	m. litres	1,786	1,788	1,870	1,909	1,921	1,906
Field crops							
Wheat	'000 tonnes	48.0	58.3	64.9	67.1	67.4	83.9
Barley	,,	124.6	136.8	127.9	115.4	117.7	126.7
Oats	,,	12.8	14.1	11.4	10.5	10.2	11.3
Potatoes	,,	233.5	236.8	173.1	170.9	183.7	172.7
Horticultural crops							
Fruit	'000 tonnes	24.7	37.2	44.4	40.4	69.4	55.0
Vegetables	,,	50.9	54.3	52.7	49.5	56.1	56.4
Mushrooms	,,	20.7	19.4	19.6	17.0	18.5	18.5

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.
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. Includes exports of store pigs.
5. Excludes shipments and exports of breeding and non-breeding birds and hatching eggs.
6. Includes eggs for processing and duck eggs.
7. Includes farmhouse comsumption

Table 2.7 Average producer prices[1] of agricultural products

£ per unit

	Unit	2003	2004	2005	2006	2007	2008 (provisional)
Finished steers, heifers and young bulls[2]	head	507	541	588	629	642	822
Finished steers, heifers and young bulls[2]	kg dwt	1.62	1.71	1.78	1.92	1.93	2.48
Calves slaughtered or exported	head	96	94	68	93	94	117
Culled cows and bulls[2]	head	253	234	232	437	462	588
Culled cows and bulls[2]	kg dwt	1.05	0.95	0.95	1.40	1.43	1.89
Older cattle disposal scheme	head	-	-	-	245	222	231
Store cattle exported	head	429	447	414	434	439	533
Finished sheep and lambs	head	49.54	51.84	50.71	52.37	51.91	61.34
Finished sheep and lambs	kg dwt	2.40	2.42	2.36	2.45	2.43	2.91
Finished clean pigs	head	69.86	75.20	76.44	79.21	78.40	92.85
Finished clean pigs	kg dwt	0.91	0.95	0.96	0.99	0.99	1.16
Culled sows and boars	head	60	70	80	80	76	141
Milk[3]	litre	0.185	0.187	0.183	0.172	0.222	0.233
Eggs for consumption	dozen	0.506	0.382	0.370	0.392	0.509	0.543
Broilers	kg lwt	0.499	0.519	0.507	0.508	0.531	0.666
Potatoes:							
Ware maincrop[4]	tonne	100	103	88	117	134	127
Seed	tonne	126	111	95	125	172	169
Barley	tonne	87	90	83	95	142	147
Wheat	tonne	94	95	86	100	148	147
Mushrooms	tonne	1,210	1,210	1,232	1,144	1,243	1,243
Apples	tonne	265	148	122	168	171	148

1. Before deduction of marketing charges, commissions and levies, where applicable.
2. Includes cattle slaughtered under the Over Thirty Months Scheme up until 2006.
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]	2003	2004	2005	2006	2007	2008 (provisional)
Finished steers and heifers[3]	221	105	111	115	124	125	161
Culled cows and bulls[3]	32	102	92	92	135	139	183
Store cattle exported	3	112	117	109	114	115	140
Finished sheep and lambs	48	125	126	123	127	126	151
Finished clean pigs	71	110	115	116	119	119	140
Culled sows and boars	1	73	84	97	97	94	169
Milk	360	100	101	99	93	120	126
Eggs for consumption	26	135	102	99	105	136	145
Broilers	80	101	105	102	102	107	134
Potatoes:							
Ware maincrop	19	140	143	123	164	188	178
Seed	3	190	168	144	189	260	256
Barley	23	113	117	109	124	185	192
Wheat	5	116	117	106	123	183	182
Mushrooms	33	97	97	99	92	100	100
Apples	6	238	133	109	151	154	133
Total products index[2]	**930**	**106**	**107**	**106**	**110**	**124**	**142**
Inputs index[4]	**1,000**	**107**	**113**	**110**	**112**	**127**	**161**

1. The indices relate to prices from which marketing expenses have not been deducted.
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.
4. This index does not cover all inputs. It comprises feedstuffs, seeds, fertilisers and lime, and marketing expenses.

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

£ per head

	2003	2004	2005	2006	2007	2008
CATTLE						
Breeding cattle						
Dairy cows/heifers in milk	690	626	664	669	858	1116
Dairy cows in calf	535	478	477	534	635	910
Dairy springing heifers	421	517	440	527	754	1093
Beef cows/heifers with calf at foot	597	616	529	592	613	784
Beef cows in calf	442	437	427	480	504	585
Beef springing heifers	518	570	502	493	535	660
Store cattle						
150-300 kg steers	349	365	309	323	334	392
300-400 kg steers	425	451	399	405	413	491
400-500 kg steers	505	528	471	491	488	601
Over 500 kg steers	594	618	564	603	604	765
150-300 kg heifers	252	281	275	283	291	338
300-400 kg heifers	347	369	355	369	375	450
400-500 kg heifers	436	452	434	466	465	572
Over 500 kg heifers	512	532	515	557	565	712
Suckled calves						
Under 200 kg steers	201	208	156	208	267	232
Over 200 kg steers	442	409	352	398	321	426
Under 200 kg heifers	162	170	166	206	242	231
Over 200 kg heifers	293	292	289	328	292	390
Dropped calves						
For rearing	95	95	69	88	96	119
Cull cows	284	269	280	358	377	523
SHEEP						
Breeding ewes/hoggets						
Blackface	65.20	48.34	47.04	60.90	74.27	73.40
Blackface Cross	71.00	48.00	75.15	71.79	72.46	71.05
Other breeds	69.51	65.10	65.12	62.20	67.26	74.45
Breeding ewe lambs						
Blackface	45.85	23.83	24.92	33.04	34.22	49.64
Blackface Cross	56.23	39.65	47.29	44.11	40.67	49.15
Other breeds	47.10	45.43	42.11	47.99	48.38	56.97
Breeding ewes/hoggets with lamb(s) at foot						
Blackface	47.49	48.45	43.31	42.28	46.98	52.02
Blackface Cross	…	43.83	45.44	63.00	68.00	75.30
Other breeds	77.52	80.18	70.49	75.44	73.86	83.32
Cull ewes						
Blackface	18.26	16.21	14.41	15.21	22.49	18.74
Blackface Cross	18.22	20.74	17.05	18.65	17.68	22.98
Other breeds	33.37	33.36	27.86	31.02	30.91	36.23
Cull rams	37.88	41.97	33.06	34.55	36.41	40.89
Store lambs	35.77	34.24	30.87	33.77	32.89	36.56
PIGS[2]						
Breeding pigs						
Sows in pig	127	92	…	…	…	...
Springing gilts	96	-	…	…	…	...
Weaner/store pigs						
Under 15kg	16.07	15.40	…	…	…	...
15-30kg	22.57	23.00	…	…	…	...
30-45kg	30.10	31.02	…	…	…	...
Over 45kg	49.40	54.37	…	…	…	...
Cull sows	63.20	72.89	…	…	…	...
Cull boars	60.63	80.80	…	…	…	...

1. Average prices calculated from returns made by auction marts.
2. 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]

	2003[4]	2004[4]	2005[4]	2006[4]	2007[4]	2008[4] (provisional)
DIRECT PAYMENTS[5]						
Single farm payment	**-**	**-**	**224.4**	**226.0**	**228.5**	**253.9**
Cereals						
Arable Area Payments Scheme	8.6	8.4	-	-	-	-
Other crops	0.6	0.7	-	-	-	-
Cattle						
Beef Special Premium	44.2	53.7	-	-	-	-
Suckler Cow Premium	44.3	48.8	-	-	-	-
Extensification Supplement	32.5	36.1	-	-	-	-
Over Thirty Months Scheme[6]	26.4	28.1	26.0	2.2	-	-
Older Cattle Disposal Scheme	-	-	-	5.5	4.2	4.4
Slaughter Premium	29.0	32.9	-	-	-	-
Beef Quality Initiative	-	0.9	0.8	0.6	0.5	0.4
Total cattle	**176.4**	**200.5**	**26.8**	**8.3**	**4.7**	**4.8**
Sheep						
Sheep Annual Premium[7]	19.0	20.9	-	-	-	-
Total sheep	**19.0**	**20.9**	**-**	**-**	**-**	**-**
Pigs						
Pig Industry Restructuring Scheme (Ongoers)	0.7	-	-	-	-	-
Total pigs	**0.7**	**-**	**-**	**-**	**-**	**-**
Milk						
Dairy Premium	-	13.6	-	-	-	-
Total milk	**-**	**13.6**	**-**	**-**	**-**	**-**
Other direct payments						
Set-aside (Arable Area Payments Scheme)	0.7	0.6	-	-	-	-
Environmentally Sensitive Areas (non-capital)	5.2	5.7	4.9	4.8	7.4	7.1
LFA Compensatory Allowance	23.7	22.1	21.8	21.0	21.0	20.8
Countryside Management Scheme (non-capital)	3.1	5.6	5.8	10.2	16.9	17.5
New Entrants Scheme	-	-	-	-	0.2	0.8
Others[8]	0.4	0.2	0.4	0.5	0.6	0.4
Total other direct payments	**33.1**	**34.2**	**32.9**	**36.5**	**46.2**	**46.6**
Total direct payments	**238.5**	**278.3**	**284.0**	**270.9**	**279.4**	**305.3**
LEVIES[9]						
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 3.5% in 2003 and 2004, 3% in 2005, 8.5% in 2006, 9.5% in 2007 and 11% in 2008 where applicable. Total modulation amounted to £5.4 million in 2002, £6.5 million in 2003 and £7.3 million in 2004. After application of €5,000 franchise per farm from 2005, total modulation amounted to £4.5 million in 2005, £17.5 million in 2006, £19.7 million in 2007 and £26.4 million in 2008.
5. Excludes expenditure on market regulation (such as intervention purchases and export refunds) by the UK Rural Payments Agency.
6. Gross producer receipts before marketing expenses.
7. Includes Rural World (LFA) Supplement.
8. Includes Organic Farming Scheme and other miscellaneous payments.
9. Excludes non-government levies.

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

£ million[2]

	2003	2004	2005	2006	2007	2008 (provisional)
CAPITAL GRANTS						
Farm and Conservation Grant Scheme	0.2	-	-	-	-	-
Environmentally Sensitive Areas	-	-	-	-	0.3	0.4
Countryside Management Scheme	-	-	-	-	0.6	0.7
Investment in agricultural holdings	-	0.3	1.3	2.7	0.1	-
Organic Farming (Conversion of Animal Housing) Scheme	-	-	0.8	0.8	0.4	-
Farm Nutrient Management Scheme	-	-	0.4	12.2	16.7	99.0
Total capital grants	**0.2**	**0.3**	**2.4**	**15.7**	**18.0**	**100.1**
OTHER DIRECT PAYMENTS						
Other animal disease compensation[3]	22.1	15.6	11.5	11.3	15.3	19.6
Total other direct payments[4]	**22.1**	**15.6**	**11.5**	**11.3**	**15.3**	**19.6**

1. These data relate to monies due rather than monies actually received (ie. they are on an accruals basis).
2. Dashes (-) indicate payments of nil or less than £50,000.
3. Includes tuberculosis, brucellosis, and BSE reactor compensation payments.
4. Includes miscellaneous minor payments.

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

£ million

	2003	2004	2005	2006	2007	2008 (provisional)
Grant-aided investment[2]	2.7	0.8	5.2	28.5	31.2	167.8
Non-aided investment	28.5	44.0	35.0	64.9	77.5	86.3
Total buildings and works[3]	**31.2**	**44.8**	**40.2**	**93.4**	**108.8**	**254.1**
Plant and machinery	67.1	63.7	79.0	82.8	100.5	97.8
Vehicles[3,4]	21.8	17.8	12.5	9.0	13.9	14.6
Total plant, machinery and vehicles	**88.9**	**81.5**	**91.5**	**91.8**	**114.3**	**112.4**
Total investment	**120.0**	**126.2**	**131.7**	**185.2**	**223.1**	**366.5**

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

	2003	2004	2005	2006	2007	2008 (provisional)
Milk quota (million litres):						
Owned[1]	1,670.2	1,763.1	1,769.6	1,817.0	1,853.1	1,879.1
Leased[2]	69.2	31.2	69.3	12.7	-1.3	4.5
Total	**1,739.4**	**1,794.3**	**1,838.9**	**1,829.7**	**1,851.8**	**1,883.6**

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

	2003	2004	2005	2006	2007	2008
AGRICULTURAL LABOUR FORCE[1]						
Farmers and partners						
Full time	19,265	18,329	18,159	17,981	17,185	16,931
Part time	14,728	14,934	14,367	14,013	14,022	14,166
Total	**33,993**	**33,263**	**32,526**	**31,994**	**31,207**	**31,097**
Spouses of farmers	**6,428**	**6,396**	**6,186**	**6,285**	**6,345**	**6,229**
Other workers						
Full time	2,794	2,741	2,553	2,531	2,946	3,089
Part time	2,848	2,785	2,514	2,347	2,696	2,803
Casual/seasonal	8,423	8,147	7,294	6,795	5,780	5,746
Total other workers	**14,065**	**13,673**	**12,361**	**11,673**	**11,422**	**11,638**
Total agricultural labour force	**54,486**	**53,332**	**51,073**	**49,952**	**48,974**	**48,964**
Annual Work Units (AWUs)[2]	**31,641**	**30,595**	**30,002**	**29,622**	**29,071**	**28,894**

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

	2003	2004	2005	2006	2007	2008
MANPOWER STATISTICS[1]						
Self-employed						
Male	18,069	17,249	17,106	16,918	16,261	16,049
Female	1,196	1,080	1,053	1,063	924	882
Total	**19,265**	**18,329**	**18,159**	**17,981**	**17,185**	**16,931**
Employees						
Male	12,368	12,060	10,939	10,285	10,085	10,126
Female	1,697	1,613	1,422	1,388	1,337	1,512
Total	**14,065**	**13,673**	**12,361**	**11,673**	**11,422**	**11,638**
Total agricultural manpower	**33,330**	**32,002**	**30,520**	**29,654**	**28,607**	**28,569**

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 Gross Turnover of the food and drinks processing sector[1]

£ million

	2002	2003	2004	2005	2006	2007 (provisional)
Animal by-products	23	24	17	17	17	17
Bakeries	167	175	175	179	184	187
Beef and sheepmeat	503	518	586	600	637	672
Drinks	302	324	291	274	276	284
Eggs	32	35	34	31	35	38
Fish	84	75	77	78	77	69
Fruit and vegetables	141	156	138	148	162	169
Milk and milk products	541	573	612	588	600	692
Pigmeat	164	179	191	170	166	170
Poultrymeat	318	340	372	440	429	425
Total processing sector	**2,275**	**2,399**	**2,492**	**2,525**	**2,583**	**2,724**

1. 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 2007 have been estimated by adjusting the 2006 baseline, largely on the basis of information available within DARD.

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

£ million

	2002	2003	2004	2005	2006	2007 (provisional)
Animal by-products	20	21	15	14	15	15
Bakeries	47	53	60	57	66	60
Beef and sheepmeat	291	304	356	374	394	405
Drinks	152	155	141	145	144	145
Eggs	25	27	26	25	29	30
Fish	64	56	55	54	54	50
Fruit and vegetables	80	90	79	87	94	95
Milk and milk products	349	369	430	414	425	475
Pigmeat	82	91	103	96	94	90
Poultrymeat	233	262	289	354	371	335
Total processing sector	**1,342**	**1,427**	**1,554**	**1,621**	**1,686**	**1,700**

1. The term 'external sales' refers to sales to Great Britain, RoI, foreign countries and intervention.
2. See note 1 Table 2.16
3. These figures are not comparable with the export statistics published in pre-1996 issues of the *Statistical Review of Northern Ireland Agriculture*.

Table 2.18 Estimated employment in the food and drinks processing sector[1]

full-time equivalents

	2002	2003	2004	2005	2006	2007 (provisional)
Animal by-products	255	216	170	164	165	161
Bakeries	3,500	3,274	3,134	3,015	3,096	3,141
Beef and sheepmeat	2,810	2,623	2,846	2,893	2,939	3,025
Drinks	1,542	1,563	1,407	1,246	1,186	1,203
Eggs	193	197	172	181	179	188
Fish	1,000	900	861	792	768	728
Fruit and vegetables	1,538	1,613	1,673	1,754	1,828	1,808
Milk and milk products	2,228	2,369	2,423	2,352	2,308	2,342
Pigmeat	1,489	1,541	1,572	1,442	1,363	1,306
Poultrymeat	4,178	4,399	4,261	4,890	4,613	4,503
Total processing sector	**18,732**	**18,693**	**18,517**	**18,726**	**18,442**	**18,403**

1. See note 1 Table 2.16

B. COMMODITIES AND INPUTS

The introduction of the Single Farm Payment has fundamentally altered the definition of commodity output. Until 2004 direct subsidies were included in gross output values. From 2005 the Single Farm Payment **cannot** be included in gross output value because it is not commodity specific – however it is included in the net value added calculation (see Table 2.1). 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 and background shading.

Cattle and calves

The number of clean cattle presented for slaughter in 2008 decreased by 50,000 or 13 per cent to 339,200 head. The number of animals slaughtered decreased across all the categories, however, the biggest fall was in the number of steers slaughtered which decreased by 32,000 head. The proportion of steers slaughtered reduced from 51 per cent in 2007 to 49 per cent in 2008 while the proportion of young bulls remains constant at 12 per cent. The proportion of heifers entering the food chain increased from 37 to 39 per cent although the number of heifers slaughtered also fell by 10,500 head.

Average dressed carcase weight was 2.6kg lower in 2008 at 331 kg compared with 2007, probably due to the higher price of concentrates which caused feed costs per animal to rise. In total, the volume of clean beef output fell by 13 per cent to 112,300 tonnes. Average deadweight producer price increased by 29 per cent to 248 pence per kg. The overall result of these changes was that the sales value of finished clean cattle increased by 12 per cent to £279 million.

Sales of culled cows and bulls increased by 7 per cent in 2008 to 103,700 head. Average carcase weights for these animals decreased by 3.5 per cent to 311kg. The average price of culled cows and bulls was up by 32 per cent on 2007 levels at 189 pence per kg deadweight. Overall, total receipts from cull cattle sales increased by 34 per cent to £54 million in 2008. Non-food sources i.e. OCDS accounted for £4.4 million or 8 per cent of total cull cattle receipts. The OCDS closed in 2008 having removed over 61,500 animals during the 3 years since its initiation in 2006.

An estimated 16,000 calves were exported in 2008, down from 33,200 calves in 2007. Increasing costs for veal production as well as disease concerns reduced the demand for calves in Continental Europe. The average calf price increased by 24 per cent to £117 per head and the revenue generated amounted to £1.9 million.

The number of store cattle sold outside Northern Ireland increased by 17 per cent to 8,000 head generating an increase in revenue of 43 per cent to £4.3 million. The average producer price increased by 21 per cent to £533 per head with the main market outlet being Great Britain, which accounted for 65 per cent of shipments.

Overall, the value of output of cattle and calves in 2008 (which deducts the value of imported cattle but includes breeding cattle exports, store exports and OCDS) increased by 19 per cent to £320 million.

Milk

In 2008, the annual average dairy cow population increased to 289,300 head. Average gross milk yield per cow reduced during 2008 by 1.6 per cent, to 6,700 litres. This may be attributable in part to the poor weather conditions experienced throughout the summer and autumn months.

The decrease in milk yield led to a total output of 1.91 billion litres (down 0.8 per cent), which equals the level of milk output attained in Northern Ireland in 2006. Although production levels have marginally decreased, milk prices (gross) in 2008 were 5.0 per cent higher than in 2007, at 23 pence per litre. This higher average price disguises the fact that milk prices strengthened and then weakened during 2008. The high milk price in the first half of the year reflected supply problems on global markets because of drought in Oceania countries during the 2007/08 production season. Production in these countries rose in the second half of 2008 which meant that milk prices on global markets weakened.

Overall, the value of output of milk rose in 2008, by £17 million or 4.0 per cent, to £444 million.

Sheep and lambs

Marketings of clean sheep and lambs decreased by 13 per cent in 2008 to 724,200 head. This can be attributed to a reduced lamb crop from a declining breeding flock. Another factor was that there was a smaller number of old season lambs carried forward into 2008 as a result of high demand for lamb for export associated with the Foot and Mouth Disease outbreak on the UK mainland in autumn 2007 which restricted exports from GB.

Average dressed carcase weight fell marginally to 21.1 kg per head. As a result, the volume of clean sheepmeat produced fell by 14 per cent to 15,200 tonnes. In contrast to 2007 clean sheep and lamb producer prices increased by 20 per cent, to 291 pence per kg deadweight in 2008. The combined volume and price changes meant that the total market value of clean sheep and lambs increased, by 3.1 per cent, to £44 million.

Marketings of culled ewes and rams increased, by 8.4 per cent, to 137,100 head. There was a 13 per cent increase in the price received for these animals. These changes resulted in a rise in the value of market receipts for culled ewes and rams by 19 per cent to £3.6 million.

Overall, the total value of output (which deducts the value of imported sheep but includes breeding sheep and store exports) from the sector increased by 25 per cent, to £49 million.

Pigs

The number of clean pigs marketed during 2008 was 2.2 per cent lower than in 2007 at 860,500 head. Average dressed carcase weight rose, by 0.8 per cent, to 80 kg. These changes resulted in a 1.4 per cent fall in the quantity of pigmeat produced, to 68,900 tonnes. Pig producer prices increased by 17 per cent to 116 pence per kg deadweight. As a result, output from clean pig production was 16 per cent higher, at £80 million.

Marketings of cull sows and boars increased, by 7.7 per cent, to 13,200 head. The average price per head of cull sows and boars increased substantially from 2007, which caused market returns for these animals to increase to £1.9 million.

Overall, the value of output from the pig sector increased, by 17 per cent, to £77 million (this figure includes deductions for the value of imported pigs and additions for the value of breeding and store pig exports).

Poultry

The total volume of poultrymeat production in 2008 decreased by 1.6 per cent, to 243,300 tonnes liveweight. This can be attributed to changes in stocking density legislation affecting the broiler sector and increases in feed costs. The production of broilers was down 1.9 per cent to 222,200 tonnes liveweight, while producer prices increased by 25 per cent to 67 pence per kg. Overall, market value increased to £148 million, which was 23 per cent higher than in 2007. Broilers account for 81 per cent of the total market value of the poultry sector.

Turkey production increased, by 5.3 per cent, to 10,700 tonnes liveweight.

The value of output from the poultry sector was 23 per cent higher than in 2007, at £184 million.

Eggs

Packing station throughput of graded eggs was estimated at 60 million dozen eggs in 2008. This was a rise of 7.0 per cent on 2007 levels. The proportion of station throughput attributed to free range management systems increased from 19 per cent in 2007 to 27 per cent in 2008 with the remaining 73 per cent of eggs originating from intensively managed systems.

The average producer price of eggs increased, by 6.9 per cent, to 55 pence per dozen. This is partly due to the higher proportion of eggs originating from the free range system where a higher price per dozen is commanded. The overall value of egg output therefore increased, by 15 per cent, to £33 million (this figure includes eggs for processing, unrecorded sales for human consumption and duck eggs).

Potatoes

In 2008, the area of potatoes planted increased by 7.1 per cent to 5,100 hectares. This was the largest acreage of potatoes planted since 2004. The average yield decreased, by 8.3 per cent, to 37 tonnes per hectare. This was most likely due to the adverse weather conditions during the 2008 growing season as well as the difficult harvesting conditions experienced in the autumn. Consequently, the total quantity of potatoes harvested was 1.9 per cent lower at 185,900 tonnes.

Marketings of ware potatoes in 2008 were 8.6 per cent lower at 127,200 tonnes. There was a 22 per cent decrease in sales in the first half of the 2008 calendar year and a 1.2 per cent decrease during the second half of the year when compared with the equivalent periods in 2007. Sales in the first six months of 2008 were almost exclusively from the 2007 harvest which was lower than the previous year's harvest, while sales in the last six months of 2008 were mainly from the 2008 harvest.

In 2008, the volume of seed potato output (including home-saved seed) increased, by 11 per cent, to 22,600 tonnes. In total for 2008, the volume of potato output (including ware, seed and stockfeed potatoes) was 172,700 tonnes. This was a 6.0 per cent decrease on 2007 sales levels.

The average price of ware potatoes in 2008 was £132 per tonne, which was 3.2 per cent lower than in 2007. The average price of seed potatoes also fell, by 1.6 per cent, to £169 per tonne. The total value of potato output decreased in 2008, by 4.9 per cent, to £21 million.

Cereals

In 2008, spring barley yields were down by 9.0 per cent, while winter barley yields were up by 12 per cent. The area of spring barley increased by 8.0 per cent to 19,500 hectares, while winter barley increased by 30 per cent to 6,100 hectares. As a consequence, production of spring barley decreased by 1.8 per cent, while winter barley increased by 46 per cent. Overall, total barley production increased by 10 per cent to 131,200 tonnes, whilst the total area of barley grown increased by 13 per cent to 25,700 hectares.

The total volume of barley sold or used on-farm in 2008 increased, by 7.7 per cent, to 126,700 tonnes. The average producer price of barley increased, by 3.9 per cent, to £147 per tonne. These changes resulted in a 14 per cent increase in the value of barley output to £19 million.

In 2008, the area of wheat grown was 32 per cent higher than 2007 at 12,100 hectares and when coupled with a 6.9 per cent increase in yield, resulted in a 41 per cent increase in production to 95,800 tonnes.

The volume of wheat sold or used on-farm in 2008 increased by 25 per cent to 83,900 tonnes, while the price of wheat decreased by 0.6 per cent to £147 per tonne. These changes contributed to the value of output of wheat growing by 38 per cent to £14 million.

The area of oats grown rose by 19 per cent to 2,400 hectares, but with yields decreasing by 13 per cent, production rose by 3.3 per cent to 10,900 tonnes. The average producer price of oats was 5.1 per cent higher at £146 per tonne, resulting in the value of output growing by 8.5 per cent, to £1.6 million.

Horticulture

The total value of horticultural output in 2008 decreased by 4.6 per cent to £61 million. Returns from the sale of fruit (mainly apples) fell by 16 per cent to £9.4 million. Apple production fell by 21 per cent to 54,800 tonnes while prices fell by 14 per cent. These changes resulted in a 19 per cent decrease in apple output value. The value of output of mushrooms remained similar to 2007 levels at £23 million, while receipts from the sale of vegetables decreased by 8.3 per cent to £17 million. Ornamental and hardy nursery stock value of output increased by 4.5 per cent to £12 million.

Feedstuffs

The volume of all compound feedstuffs purchased during 2008 increased by 1.4 per cent to 1.80 million tonnes. Purchase volumes of all cattle (and calf) compounds showed a net increase of 2.0 per cent in 2008. Within this overall change, dairy and calf compounds increased by 2.7 and 4.2 per cent, respectively, while beef cattle compounds decreased by 6.1 per cent. The volume of sheep compounds purchased remained constant while purchases of pig compounds decreased by 12 per cent. Total purchases of poultry compounds in 2008 increased by 3.9 per cent.

Inputs of straights (including home-fed cereals) increased by 0.9 per cent in 2008 to 373,000 tonnes. In total, the volume of all feed purchased was 1.2 per cent higher than 2007 levels at 2.23 million tonnes.

The average price of feedstuffs (compounds and home-fed cereals) increased, by 19 per cent, to £236 per tonne in 2008. The higher prices reflect increases in grain costs that began in the summer of 2007 due to increased demand from Asian markets and the renewable energy sector combined with a reduction in global supplies because of adverse weather conditions in several major cereal growing regions.

Overall, the cost of purchased feedstuffs increased, by 20 per cent, to £525 million.

Fertilisers and lime

The quantity of fertilisers purchased in 2008 fell by 5.0 per cent to 285,200 tonnes while the average price rose by 81 per cent to £291 per tonne. The fall in the total volume of fertilisers purchased is a continuation of the trend of recent years. There was a shift in fertiliser sales away from compounds towards lower priced straights. In volume terms, 48 per cent of total fertiliser sales were straights, while 52 per cent were compounds.

As a result of the price increases, the total value of fertiliser purchases increased, by 72 per cent, to £83 million. The higher prices for fertiliser reflects increased demand from around the world, especially within Asian and oil exporting countries. The production of fertilisers is a capital intensive activity with a considerable lead in time before production capacity can be increased and this has led to supply problems.

Total expenditure on lime rose by 17 per cent to £0.8 million. The quantity purchased increased by 20 per cent, while prices decreased by 2.4 per cent.

Marketing expenses

Increased transport costs in 2008 had a knock-on effect on marketing expenses, which were 6.0 per cent higher than in 2007 at £34 million. Cattle marketing expenses increased to £20 million, while sheep expenses were up to £3.6 million. Marketing expenses for milk increased slightly to £7.9 million, while those for pigs rose to £2.7 million.

Machinery expenses

In 2008, machinery expenses rose, by 11 per cent, to £114 million. This increase was driven mainly by a 20 per cent rise in fuel and oil expenditure because of the high energy prices that prevailed for most of the calendar year. Total expenditure on repairs increased by 5.2 per cent. The cost of other expenses rose by 0.9 per cent.

Interest

Total borrowing for farming purposes increased by 11 per cent in 2008. The average cost of borrowing decreased by 0.89 percentage points to 7.1 per cent. As a result, the total interest bill declined marginally by 0.1 per cent to £58 million.

Labour

In 2008, the volume of paid labour input (excluding labour used on capital projects) was 5.4 per cent lower, at 7.32 million hours, while paid labour costs also fell, by 3.4 per cent, to £53 million.

Table 2.19 Output of cattle and calves

	2003	2004	2005	2006	2007	2008 (provisional)
Steers, heifers and young bulls						
Sales (inc. OTMS) ('000 head)	412.8	433.0	394.0	367.7	388.8	339.2
Average producer price (p per kg dwt)[1]	161.6	171.4	178.3	192.2	192.6	248.3
Average dressed carcase weight (kg)[2]	313.5	315.5	329.8	327.3	333.6	331.0
Quantity of output ('000 tonnes)[2]	129.4	136.6	129.9	120.3	129.7	112.3
Value of output (inc. OTMS) (£m)	209.1	234.2	231.6	231.3	249.8	278.8
Cows and bulls						
Sales (inc. OTMS and OCDS) ('000 head)	106.0	126.5	114.4	86.2	97.3	103.7
Average producer price (p per kg dwt)[1]	104.9	94.9	95.2	139.8	143.2	188.8
Average dressed carcase weight (kg)[2]	241.1	246.3	244.1	312.8	322.5	311.1
Quantity of output ('000 tonnes)[2]	25.6	31.1	27.9	19.9	25.2	26.3
Value of output (inc. OTMS and OCDS) (£m)	26.8	29.5	26.6	33.4	40.4	54.1
Calves						
Sales ('000 head)	2.0	2.0	2.0	17.4	33.2	16.0
Average producer price (£ per head)[1]	96	94	68	93	94	117
Value of output (£m)	0.2	0.2	0.1	1.6	3.1	1.9
Store cattle sold outside Northern Ireland						
Marketings ('000 head)	6.9	7.7	8.1	5.9	6.8	8.0
Average producer price (£ per head)[1]	429	447	414	434	439	533
Value of output (£m)	3.0	3.4	3.3	2.6	3.0	4.3
Breeding cattle sold outside Northern Ireland						
Marketings ('000 head)	1.4	1.7	1.3	1.7	1.8	1.5
Average producer price (£ per head)	678	622	568	590	774	1090
Value of output (£m)	1.0	1.1	0.8	1.0	1.4	1.6
***less* Imported cattle**						
Marketings ('000 head)	43.7	50.1	30.3	28.9	31.4	22.9
Average producer price (£ per head)	531	551	528	528	550	679
Value of output (£m)	23.2	27.6	16.0	15.2	17.3	15.5
Total Market Value (£m)	**216.8**	**240.8**	**246.5**	**254.6**	**280.3**	**325.1**
Other receipts (£m)[3]	150.0	171.4	-	-	-	-
Stock change due to volume (£m)	+5.9	+1.3	-3.2	-16.0	-11.1	-5.2
Total value of output (£m)	**372.8**	**413.5**	***243.3***	***238.6***	***269.2***	***320.0***
Net receipts from non-food outlets (included above)						
Over Thirty Months Scheme (£m)[5]	26.4	28.1	26.0	2.2	-	-
Older Cattle Disposal Scheme (£m)	-	-	-	5.5	4.2	4.4

1. 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.
2. Including animals sold under the Over Thirty Months Scheme, but excluding animals under the Older Cattle Disposal Scheme.
3. Includes Suckler Cow Premium, Beef Special Premium, Extensification Supplement and Slaughter Premium. The LFA Compensatory Allowance is included with 'other subsidies'.
4. Figures in italics (with background shading) are not directly comparable with previous years because of a different treatment of direct payments following decoupling.
5. Excludes Slaughter Premium.

Table 2.20 Sources of home-fed finished cattle marketed[1]

per cent

	2003	2004	2005	2006	2007	2008 (provisional)
Cows and bulls	20	23	23	19	20	22
Steers and heifers originating from:						
- the dairy herd;	34	32	33	36	35	34
- the beef herd;	39	37	36	40	39	38
- calves and stores imported from the Republic of Ireland or shipped from Great Britain	7	7	9	6	5	6
Total[2]	**100**	**100**	**100**	**100**	**100**	**100**
Total number marketed ('000 head)	**519**	**571**	**508**	**454**	**486**	**447**

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 2.21 Output of milk

	2003	2004	2005	2006	2007	2008 (provisional)
Annual average number of dairy cows ('000 head)	291.1	287.0	284.0	284.6	287.1	289.3
Average gross yield per cow (to nearest 10 litres per annum)[1]	6,260	6,380	6,720	6,830	6,810	6,700
Total output of milk for human consumption (million litres)	1,786	1,788	1,870	1,909	1,921	1,906
of which:						
sales off farms	1,781	1,784	1,866	1,905	1,918	1,903
used in farm households	5	4	4	4	4	3
Average producer price (pence per litre)						
Gross price[2]	18.46	18.67	18.31	17.15	22.18	23.28
Net price[3]	18.00	18.23	17.88	16.75	21.78	22.87
Market Value (£m)	**331.2**	**335.0**	**343.4**	**328.4**	**427.3**	**444.2**
Other receipts (£m)[4]	-	13.6	-	-	-	-
Value of output (£m)[2,5]	**331.2**	**348.6**	***343.4***	***328.4***	***427.3***	***444.2***

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 Dairy Premium Scheme and Additional Dairy Premium.
5. See note 4 Table 2.18.

Table 2.22 Output of sheep

	2003	2004	2005	2006	2007	2008 (provisional)
Marketings ('000 head)[1]						
Finished sheep and lambs	755.5	834.6	827.7	884.8	830.2	724.2
Culled ewes and rams	139.4	152.0	128.5	166.1	126.4	137.1
Average price (p per kg deadweight)[2]						
Finished sheep and lambs	239.7	242.0	235.9	244.6	243.1	291.4
Average dressed carcase weight (kg)						
Finished sheep and lambs	20.7	21.4	21.5	21.4	21.4	21.1
Quantity of Output ('000 tonnes)						
Finished sheep and lambs	15.6	17.9	17.8	18.9	17.7	15.2
Culled ewes and rams	3.8	4.1	3.4	4.4	3.4	3.6
Market Value (£m)[3]	**39.2**	**45.3**	**42.8**	**48.3**	**44.6**	**46.1**
Other receipts (£m)[4]	19.0	20.9	-	-	-	-
Stock change due to volume (£m)	-0.7	+0.5	+0.8	+3.6	-5.5	+2.6
Value of output (£m)[5]	**57.5**	**66.7**	***43.7***	***51.9***	***39.1***	***48.8***

1. Estimated home-produced marketings, including unrecorded exports.
2. Average realised return gross of marketing expenses.
3. Includes breeding and store sheep exported less all sheep imported.
4. Comprising Sheep Annual Premium and Rural World (LFA) Supplement. The LFA Compensatory Allowance is included with 'other subsidies'.
5. See note 4 Table 2.18.

Table 2.23 Output of pigs

	2003	2004	2005	2006	2007	2008 (provisional)
Marketings ('000 head)[1]						
Finished clean pigs	974.8	918.1	827.1	813.1	880.0	860.5
Culled sows and boars	13.9	13.0	12.3	12.6	12.2	13.2
Average price (p per kg deadweight)[2]						
Finished clean pigs	91.37	95.47	96.24	98.94	98.79	116.02
Culled sows and boars	39.93	46.36	53.18	53.20	51.79	92.60
Average dressed carcase weight (kg)						
Finished clean pigs	76.5	78.8	79.4	80.1	79.4	80.0
Quantity of output ('000 tonnes)						
Finished clean pigs	74.5	72.3	65.7	65.1	69.8	68.9
Culled sows and boars	2.1	2.0	1.9	1.9	1.8	2.0
Market Value (£m)[3]	**63.7**	**66.2**	**61.6**	**62.5**	**65.3**	**77.3**
Stock change due to volume (£m)	+0.7	0.0	+0.2	0.0	+0.8	-0.2
Value of output (£m)	**64.5**	**66.2**	**61.7**	**62.4**	**66.1**	**77.1**

1. Estimated home-produced marketings, including unrecorded exports.
2. Average realised return gross of marketing expenses.
3. Includes breeding and store pigs exported less all pigs imported. Also includes Pig Industry Restructuring Scheme (Ongoers).

Table 2.24 Output of poultry

	2003	2004	2005	2006	2007	2008 (provisional)
Poultrymeat production ('000 tonnes liveweight)						
All poultrymeat (including broilers)	199.6	222.0	228.9	235.3	247.3	243.3
Broilers	177.9	197.9	206.2	214.1	226.6	222.2
Average producer price (p per kg liveweight)						
All poultrymeat (including broilers)	49.2	51.0	49.7	49.6	51.6	65.6
Broilers	49.9	51.9	50.7	50.8	53.1	66.6
Market value						
All poultry (£m)	121.0	138.2	136.6	138.2	150.3	183.8
of which broilers	88.8	102.8	104.5	108.8	120.3	148.1
Stock change due to volume (£m)	+0.9	+1.8	-0.7	+0.5	-1.1	-0.2
Value of Output (£m)[1]	**121.9**	**139.9**	**136.0**	**138.8**	**149.2**	**183.6**

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

Table 2.25 Output of eggs

	2003	2004	2005	2006	2007	2008 (provisional)
Graded packing station throughput (million dozen)	60.9	58.7	58.5	54.4	55.7	59.6
Average producer price (p per dozen)[1]	50.72	38.36	37.18	39.56	51.07	54.61
Value of output (£m)[2]	**31.7**	**23.0**	**22.2**	**22.1**	**29.0**	**33.3**

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

Table 2.26 Crop production

harvest years

	2003	2004	2005	2006	2007	2008 (provisional)
Potatoes[1]						
Area ('000 hectares)	6.0	5.7	4.5	4.7	4.8	5.1
Harvestable yield (tonnes per hectare)	40.7	41.8	38.4	41.9	39.8	36.5
Production ('000 tonnes)	246.1	237.0	174.4	199.0	189.4	185.9
of which:						
saleable potatoes	217.6	211.6	156.1	172.4	163.9	160.7
chats[2] and waste	28.5	25.4	18.3	26.6	25.6	25.2
Barley[3,4]						
Area ('000 hectares)	27.8	27.0	25.7	22.8	22.8	25.7
Yield (tonnes per hectare)	4.93	5.12	4.57	5.03	5.23	5.11
Production ('000 tonnes)	136.8	138.4	117.6	114.8	119.3	131.2
Wheat[4]						
Area ('000 hectares)	7.3	8.6	8.4	8.7	9.2	12.1
Yield (tonnes per hectare)	7.17	7.54	7.37	7.58	7.41	7.92
Production ('000 tonnes)	52.4	65.1	62.0	66.1	67.9	95.8
Oats[3,4]						
Area ('000 hectares)	2.5	2.5	1.9	1.9	2.0	2.4
Yield (tonnes per hectare)	5.80	5.75	5.03	5.87	5.19	4.5
Production ('000 tonnes)	14.3	14.1	9.8	10.9	10.5	10.9
Oilseed rape[5]						
Area ('000 hectares)	0.1	0.3	0.3	0.5	0.4	0.4
Yield (tonnes per hectare)	3.27	2.90	3.20	3.30	3.10	3.30
Production ('000 tonnes)	0.4	0.8	1.1	1.6	1.2	1.5
Hay						
Area ('000 hectares)	16.9	13.2	14.6	14.1	11.0	12.4
Yield (tonnes per hectare)	7.19	7.80	6.86	7.56	8.03	8.36
Production ('000 tonnes)	121.7	103.0	99.9	106.8	88.6	104.1
Grass silage						
Area ('000 hectares)	286.4	294.1	304.2	270.3	271.9	275.5
Yield (tonnes per hectare)	26.23	25.71	26.03	30.80	31.52	30.76
Production ('000 tonnes)	7,514.3	7,561.1	7920.1	8325.9	8571.2	8,476.3

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. Yield and production estimates are standardised to 9% moisture content.

Table 2.27 Output[1] of potatoes, barley and wheat

	2003	2004	2005	2006	2007	2008 (provisional)
POTATOES[2]						
Quantity of output ('000 tonnes)						
Ware	177.1	181.6	133.4	131.3	139.2	127.2
Seed	29.4	27.8	20.2	18.4	20.3	22.6
Stockfeed	26.9	27.4	19.5	21.2	24.2	22.9
Total	**233.5**	**236.8**	**173.1**	**170.9**	**183.7**	**172.7**
Average producer price (£ per tonne)						
Ware	105.59	105.96	91.50	120.53	135.84	131.56
Seed	125.92	111.43	95.13	125.33	172.12	169.36
Market Value (£m)						
Ware	18.7	19.2	12.2	15.8	18.9	16.7
Seed	3.7	3.1	1.9	2.3	3.5	3.8
Stockfeed	0.3	0.3	0.2	0.2	0.4	0.4
Total[3]	**22.6**	**22.5**	**14.2**	**18.3**	**22.7**	**20.9**
Stock change due to volume (£m)	-0.6	-1.5	-1.0	+1.3	-1.0	-0.2
Value of output (£m)	**22.0**	**21.0**	**13.3**	**19.6**	**21.7**	**20.6**
BARLEY[4]						
Quantity of output ('000 tonnes)	124.6	136.8	127.9	115.4	117.7	126.7
Average producer price (£ per tonne)	86.60	89.63	83.14	94.95	141.84	147.38
Market Value (£m)	10.8	12.3	10.6	11.0	16.7	18.7
Other Receipts (£m)[5]	6.3	5.7	-	-	-	-
Stock change due to volume (£m)	+1.1	+0.1	-0.8	-0.1	+0.3	+0.6
Value of output (£m)[6]	**18.2**	**18.0**	***9.8***	***10.9***	***17.0***	***19.3***
WHEAT[4]						
Quantity of output ('000 tonnes)	48.0	58.3	64.9	67.1	67.4	83.9
Average producer price (£ per tonne)	94.37	95.06	85.53	99.65	148.0	147.13
Market Value (£m)	4.5	5.5	5.6	6.7	10.0	12.3
Other Receipts (£m)[5]	1.8	2.3	-	-	-	-
Stock change due to volume (£m)	+0.4	+0.6	-0.3	-0.1	+0.1	+1.6
Value of output (£m)[6]	**6.7**	**8.4**	***5.3***	***6.6***	***10.1***	***13.9***

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. Net of inspection fees.
4. Includes cereals retained on the farm of origin or sold farm-to-farm.
5. Includes Arable Area Payments but excludes set-aside payments.
6. See note 4 Table 2.18.

Table 2.28 Output of apples and mushrooms

	2003	2004	2005	2006	2007	2008 (provisional)
APPLES[1]						
Quantity of output ('000 tonnes)	24.5	36.9	44.2	40.3	69.3	54.8
Average producer price (£ per tonne)	265	148	122	168	171	148
Market value (£m)	6.5	5.5	5.4	6.8	11.8	8.1
Stock change due to volume (£m)	-1.3	+1.4	-0.9	+1.2	-0.9	+0.9
Value of Output (£m)	**5.2**	**6.8**	**4.4**	**8.0**	**11.0**	**8.9**
MUSHROOMS						
Quantity of output ('000 tonnes)	20.7	19.4	19.6	17.0	18.5	18.5
Average producer price (£ per tonne)	1,210	1,210	1,232	1,144	1,243	1,243
Value of output (£m)	**25.1**	**23.5**	**24.2**	**19.4**	**23.0**	**23.0**

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

Table 2.29 Quantity and cost of the main items of expenditure (including interest and labour)

	2003	2004	2005	2006	2007	2008 (provisional)
FEEDSTUFFS[1]						
Quantity purchased ('000 tonnes concentrate equivalent)	2,156	2,120	2,188	2,236	2,204	2,230
Average cost (£ per tonne concentrate equivalent)	164	172	166	168	198	236
Value of feed consumed (£m)	**354.0**	**365.0**	**362.6**	**375.0**	**436.3**	**525.5**
of which:						
stock change due to volume	+1.3	-0.1	-0.2	+0.4	-0.8	-0.1
FERTILISERS						
Quantity purchased ('000 tonnes product)	427	390	348	320	300	285
Nutrient content ('000 tonnes)	157	142	125	114	102	93
of which:						
Nitrogen	108	99	88	80	76	74
Phosphate	22	20	16	14	9	6
Potash	27	24	21	19	17	13
Average cost (£ per tonne of nutrient)	364	388	416	463	476	889
Value of purchases (£m)	**57.1**	**55.2**	**51.8**	**52.6**	**48.5**	**83.1**
LIME						
Quantity purchased ('000 tonnes)	144	91	92	90	73	87
Average cost (£ per tonne)	15.60	15.60	15.00	16.00	9.70	9.47
Value of purchases (£m)	**2.3**	**1.4**	**1.4**	**1.4**	**0.7**	**0.8**
MARKETING EXPENSES[2]						
cattle	19.3	20.3	18.6	18.8	18.9	19.7
sheep	4.1	4.1	4.3	2.7	3.3	3.6
pigs	2.8	1.9	1.7	1.8	2.0	2.7
milk	8.1	8.0	7.9	7.7	7.8	7.9
Total	**34.5**	**34.3**	**32.6**	**31.0**	**31.9**	**33.8**
INTEREST						
Bank base lending rate (%)	3.7	4.4	4.7	4.6	5.5	4.7
Total interest charges (£m)[3]	**34.5**	**41.7**	**42.6**	**45.5**	**58.0**	**57.9**
LABOUR						
Average weekly hours of full-time paid male workers	41.92	41.45	41.99	40.74	41.74	39.99
Average earnings of full-time paid male workers (£ per hour)[4]	5.56	5.99	6.17	6.30	6.90	6.90
Average earnings of full-time paid male workers (£ per week)[4]	233.08	248.29	259.08	256.66	288.01	275.93
Volume of paid labour (million hours)[5]	9.16	8.68	8.32	7.88	7.73	7.32
Value of paid labour (£m)[5]	**52.2**	**54.1**	**52.7**	**52.3**	**54.5**	**52.6**

1. Includes home-fed cereals, proteins, forage crops, hay 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. A further 6 per cent is used for forestry (Table 3.1). The greater part of the total forested area (87,000 hectares) is managed by the Forest Service of the Department of Agriculture and Rural Development (see *Forest Service Annual Report, 2007/2008*[1]).

Most farmland in Northern Ireland is under grass. Only 4,287 farms (17 per cent) have arable or horticultural crops. These crops occupy 58,300 hectares and make up only 6 per cent of the total area farmed. Barley (25,700 hectares) is the main crop grown followed by wheat with 12,100 hectares. In 2008, the cropped area also included approximately 3,000 hectares of horticultural crops, mainly apple orchards (1,500 hectares) and vegetables (1,400 hectares). Over the 10 year period since 1998 the area of land in cereals and potatoes, decreased by 10 per cent and 32 per cent, respectively. However, in 2008 compared with 2007 there was an 18 per cent increase in cereal area and a 7 per cent increase in potatoes. The popularity of maize silage continued to increase in 2008 when the crop was more widely grown than arable silage for the first time.

Grazing livestock

All but 8 per cent of Northern Ireland farms have cattle or sheep. In 2008, cattle were present on 21,121 farms (81 per cent), sheep on 8,769 farms (34 per cent) and cattle and/or sheep on 23,924 farms (92 per cent).

The total number of cattle, recorded at 1.62 million in the June 2008 census, has fallen by 3 per cent since 2000. At June 2008, there were 289,000 dairy cows, one per cent more than in 2007. There were 266,000 beef cows, 3 per cent less than in 2007. Both beef cow and total cattle populations peaked in 1998 and are now below the levels in that year by 23 per cent and 8 per cent respectively.

In 2008, the sheep breeding flock was 2 per cent smaller than in 2007 with 935.4 thousand ewes. Ewe numbers are at their lowest level since 1985. Including lambs and other sheep the flock totalled 1.97 million in 2008.

Intensive livestock

In Northern |reland, pigs and/or poultry are present on 5 per cent of farms, where the poultry are kept for commercial purposes.

The number of pigs in Northern Ireland at June 2008 was

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

estimated at 402,400, which was 2 per cent less than in the previous June. The number of farms with pig is approximately the same at 488. There was a fall in sow numbers of 4 per cent between 2007 and 2008 to 35,500.

The size of the Northern Ireland pig herd contracted significantly between 1997 and 2001 when pig numbers fell by 45 per cent.

In June 2008, the Northern Ireland poultry flock was recorded at 17.1 million birds, 1 per cent less than in 2007. The number of laying birds (2.4 million) remained approximately the same as in 2007, while there was 3 per cent decline in broiler numbers (11.5 million).

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 28 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 15 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 (196,000) predominate on **LFA farms**, where they are more important than dairy cows (143,000), whereas, on **lowland farms**, there were 69,000 beef cows and 146,000 dairy cows in 2008. **LFA farms** account for 42 and 63 per cent of the Province's pigs and poultry, respectively.

Contact: Paul Caskie, Tel. (028-) 905 24427, E-mail. Paul.Caskie@dardni.gov.uk

Table 3.1 Land use, 2008

thousand hectares

	Crops	Grass and rough grazing	Woodland	Other land	Total land area
Farms	58	937	10	12	1,017
Common grazing	-	36	-	-	36
NI Forest Service[1]	-	-	61	15	76
Other areas	-	-	16	206	222
All land[2]	**58**	**973**	**87**	**233**	**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 2003 - 2008

thousand hectares

	2003	2004	2005	2006	2007	2008
Oats	2.5	2.5	1.9	1.9	2.0	2.4
Wheat	7.3	8.6	8.4	8.7	9.2	12.1
Barley: Winter	4.1	4.5	4.0	4.6	4.7	6.1
Spring	23.6	22.5	21.7	18.2	18.1	19.5
Mixed corn	0.2	0.2	0.2	0.1	0.2	0.2
Potatoes	6.0	5.7	4.5	4.7	4.8	5.1
Arable crop silage	2.3	2.8	3.2	3.3	3.3	3.2
Other field crops	3.6	4.0	4.5	5.2	6.0	6.6
Total agricultural crops	**49.8**	**50.7**	**48.5**	**46.8**	**48.2**	**55.4**
Fruit	1.6	1.5	1.5	1.5	1.5	1.5
Vegetables	1.5	1.4	1.4	1.4	1.3	1.4
Other horticultural crops	0.2	0.2	0.1	0.1	0.1	0.1
Total horticultural crops	**3.3**	**3.1**	**3.0**	**3.0**	**2.9**	**3.0**
Grass: Under 5 years old	138.0	141.8	135.6	126.5	122.1	117.2
5 years old and over	710.3	696.7	675.8	677.2	671.9	672.4
Total grass	**848.2**	**838.5**	**811.4**	**803.7**	**794.0**	**789.6**
Total crops and grass	**901.3**	**892.3**	**862.9**	**853.5**	**845.2**	**848.0**
Rough grazing[1]	152.9	151.2	148.6	151.3	146.5	147.1
Woods and plantations	8.4	8.2	8.6	9.6	9.9	9.9
Other land[2]	11.2	11.0	9.4	14.1	12.9	12.4
Total area of farms	**1,073.7**	**1,062.8**	**1,029.5**	**1,028.5**	**1,014.5**	**1,017.4**

1. Excludes common rough grazing (36,353 ha).
2. Includes set aside and land not used for agriculture.

Table 3.3 Livestock numbers, June 2003 - 2008

thousand head

	2003	2004	2005	2006	2007	2008
CATTLE[1]						
Dairy cows						
In milk	268.7	265.9	N/A	N/A	N/A	N/A
In calf	21.5	22.4	N/A	N/A	N/A	N/A
Total dairy cows	**290.1**	**288.3**	**287.1**	**284.7**	**286.1**	**289.2**
Dairy heifers in calf	60.0	62.5	64.2	66.5	67.8	64.3
Beef cows						
In milk	239.9	240.5	N/A	N/A	N/A	N/A
In calf	55.5	55.7	N/A	N/A	N/A	N/A
Total beef cows	**295.4**	**296.2**	**280.6**	**276.7**	**272.6**	**265.7**
Beef heifers in calf	33.3	34.3	42.4	41.8	36.7	39.7
Total cows	**585.6**	**584.5**	**567.7**	**561.5**	**558.7**	**554.9**
Total heifers in calf	**93.3**	**96.7**	**106.7**	**108.3**	**104.5**	**104.0**
Bulls for service	16.6	17.0	19.7	19.7	17.6	19.6
Other cattle						
Over 2 years	114.8	115.4	175.9	170.5	160.8	151.5
1-2 years	403.5	397.3	374.1	368.3	362.7	333.5
Under 1 year	471.5	466.7	468.7	460.9	439.2	459.0
Total cattle	**1,685.3**	**1,677.6**	**1,712.7**	**1,689.3**	**1,643.5**	**1,622.5**
SHEEP						
Breeding ewes	1,105.6	1,100.5	1,027.3	991.1	957.3	935.4
Other sheep	1,135.5	1,124.9	1,117.8	1,079.4	1,066.7	1,038.2
Total sheep	**2,241.1**	**2,225.4**	**2,145.1**	**2,070.5**	**2,024.0**	**1,973.6**
PIGS						
Sows and gilts	42.9	37.8	36.7	37.4	37.0	35.5
Other pigs	390.8	386.2	368.4	349.2	373.5	366.9
Total pigs	**433.7**	**424.1**	**405.1**	**386.6**	**410.5**	**402.4**
POULTRY						
Laying birds	2,203.2	2,266.1	2,319.2	2,187.7	2,394.0	2,398.5
Growing pullets	552.9	509.8	669.5	743.1	1039.8	1174.3
Breeding flock	2,518.2	2,284.8	1,634.5	1,594.8	1,538.0	1,205.2
Table chickens	12,811.4	15,006.9	12,525.7	13,367.1	11,861.3	11,543.5
Total ordinary fowl	**18,085.8**	**20,067.6**	**17,148.8**	**17,892.7**	**16,833.0**	**16,321.4**
Other poultry	439.6	441.7	465.4	518.3	451.9	809.4
Total poultry	**18,525.4**	**20,509.2**	**17,614.3**	**18,411.0**	**17,284.9**	**17,130.9**
HORSES & PONIES	**9.9**	**9.2**	**9.3**	**10.3**	**10.8**	**11.8**
GOATS	**2.9**	**2.7**	**2.3**	**2.5**	**2.5**	**2.8**

1. From 2005 onwards, cattle figures were derived from APHIS

Table 3.4 Areas of crops, grass, rough grazing and other land by Less Favoured Area (LFA) category[1] of farm, June 2008

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	6	8	32	20
Potatoes	0	1	1	4	26
Other agricultural crops	1	2	3	7	29
Horticultural crops	0	1	1	2	19
Total crops	**3**	**10**	**13**	**45**	**22**
Grass: Under 5 years old	37	34	71	47	60
5 years and over	273	197	471	202	70
Total grass	**310**	**231**	**541**	**248**	**69**
Rough grazing[2]	131	10	142	5	96
Woods/other land	11	4	15	7	68
Total area	**456**	**255**	**711**	**306**	**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 2008

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	47	97	143	146	50
Beef cows	119	78	196	69	74
Heifers in calf	23	34	56	48	54
Bulls for service	7	6	13	6	68
Other cattle					
Over 2 years	31	49	81	71	53
1-2 years	89	110	199	135	60
Under 1 year	153	143	296	163	64
Total cattle	**468**	**516**	**984**	**638**	**61**
SHEEP					
Breeding ewes	539	213	752	183	80
Other sheep	584	248	832	206	80
Total sheep	**1,123**	**461**	**1,584**	**390**	**80**
PIGS					
Sows and gilts	5	10	16	20	44
Other pigs	56	98	154	213	42
Total pigs	**62**	**108**	**170**	**233**	**42**
POULTRY					
Laying birds	941	872	1,813	586	76
Table fowl	2,024	4,858	6,882	4,662	60
Other poultry	936	1,131	2,067	1,122	65
Total poultry	**3,901**	**6,861**	**10,762**	**6,369**	**63**
HORSES AND PONIES	**3**	**3**	**6**	**6**	**48**
GOATS	**1**	**1**	**2**	**1**	**73**

1. See Note 1, Table 3.4.

4. FARM STRUCTURE

Methodological Notes

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

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

but it differs from that used elsewhere in the UK.

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

Farms

The number of active farm businesses included in the June 2008 census, 25,952, was 194 fewer than in 2007. 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 on average 1.7 per cent per year from 2003 to 2008 and 2 per cent per year over the past 10 years.

Almost a quarter of all farms have less than 10 hectares of crops and grass while approximately 1,300 farms (5 per cent) have 100 hectares or more; these latter occupy 23 per cent of the total area of crops and grass.

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). The system applies across the UK, but 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 the classification is based on underlying total SLR.

The majority of farm businesses in Northern Ireland, 77 per cent in 2008, are classified as **very small**. In 2008, there were 19,984 farms in this category (Table 4.3) which was similar to the 2007 figure. 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 49 per cent of the farmed area (Table 4.15). The main activities of these farms are cattle rearing and sheep rearing. In 2008, 66 per cent of beef cows and 51 per cent of sheep were to be found on very small farms. Around 32,000 persons are engaged in the work of these farms (Table 4.13).

There were 3,188 **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 11 per cent of pigs to 29 per cent of total poultry; they cover 21 per cent of the agricultural area and involve 20 per cent of the full time agricultural labour force (Table 4.15).

The 1,289 **medium** and 1,491 **large** farms (together representing 11 per cent of the total number) contribute 54 per cent of the total SGM from under a third (30%) of the land area (Table 4.15). They were particularly dominant in the dairy, pigs and poultry layer sectors with, respectively, 77, 85 and 73 per cent shares of the livestock numbers.

Seventy four per cent of **very small** and 64 per cent of **small** farms are mainly in the LFA whereas, for **medium** and **large** farms, the proportions are 57 and 43 per cent, respectively (Table 4.5).

Farm type

Eighty-six per cent of Northern Ireland farms derive two-thirds or more of their total SGM from cattle and/or sheep (Table 4.6), including 13 per cent classified as **dairy** farms and 73 per cent as **cattle and sheep**. Relatively few farms depend predominantly on cropping with 586 (2 per cent) classified as cereal farms, 245 (1 per cent) as **general cropping** and 297 (1 per cent) as **horticulture**. These exclude specialist mushroom growers who, for statistical purposes, were included along with specialists in horses or goats, in the **other types** category (973 farms). Specialist **pigs and poultry** farms (586) and **mixed** farms (862) make up 2 and 3 per cent of the total, respectively.

Farm tenure

Most farms in Northern Ireland include some rented land, 6 per cent were entirely rented or leased, 45 per cent had a mixture of owned and rented land and the remaining 49 per cent were entirely owner-occupied (Table 4.9). Much of the rented land is

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.

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 2008, 3,975 farms (15 per cent) had dairy cows, 16,903 (65 per cent) had beef cows and 21,121 (81 per cent) had cattle of some type. The average number of dairy cows per herd, 73, was 4 more than in 2007[1]. It compares with an average herd size for beef breeding herds of 16 cows. Fifty-three per cent of dairy cows are in herds of 100 or more cows, compared with 6 per cent of beef cows.

Some 8,604 farms had breeding sheep, with an average of 109 ewes per flock. There were relatively few large flocks in Northern Ireland, only 28 farms with 1,000 ewes or more.

Pigs were present on 488 farms in 2008. Most of the pig herds (368 in 2008) had sows, averaging 96 sows per herd. Of the farms with sows, 43 per cent, (160) had fewer than 10 sows and 24 per cent (87) had 100 or more.

Figures for poultry were taken from the Northern Ireland Bird Register Update in 2008, with only commercial producers considered. Of the 177 business with laying hens three-fifths had over 1,000 birds. Sixteen businesses farmed over thirty thousand birds and these farms account for almost three-fifths of the total laying birds. A similar situation exists for broiler flocks, where 83 per cent of the birds were in 159 (54 per cent) farm businesses (Table 4.21).

In 2008, cereals were grown on 3,025 farms, 12 per cent of all farms in Northern Ireland. The average area of a cereal enterprise was 13 hectares (Table 4.24). While approximately two-fifths (1,189) of the farms with cereals had less than 5 hectares, the 136 farms (4% of cereal farms) which grew 50 hectares or more accounted for around a third of cereal area grown.

Some 688 farms, 3 per cent of total farms, grew potatoes in 2008. Of this number, 123 grew 10 hectares or more with these farms accounting for approximately three quarters of the total area of potatoes grown (Table 4.25).

Contact: Paul Caskie, Tel. (028-) 905 24427, E-mail. Paul.Caskie@dardni.gov.uk

---

1 Figures for cattle are now derived from the cattle tracing system (APHIS).

Table 4.1 Number and area of farms by area farmed[1] , June 2008

Size group	By crops and grass area		By total area	
(hectares)	Farms	Hectares	Farms	Hectares
Nil	610	-	318	-
0.1 - 9.9	5,456	31,911	4,803	28,057
10.0 - 19.9	6,183	89,867	5,706	83,261
20.0 - 29.9	4,125	101,175	4,106	101,013
30.0 - 49.9	4,541	175,122	4,817	186,076
50.0 - 99.9	3,753	255,536	4,349	299,017
100.0 - 199.9	1,110	145,608	1,493	199,166
200.0 +	174	48,780	360	120,791
Total	**25,952**	**847,998**	**25,952**	**1,017,381**

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 2003 - 2008

	2003	2004	2005	2006	2007	2008
Number of farms	28,281	27,614	27,064	26,739	26,146	25,952
Average area per farm (ha):						
Crops and grass	31.9	32.3	31.9	31.9	32.3	32.7
Total area	38.0	38.5	38.0	38.5	38.8	39.2
Per cent of crops and grass area farmed in units of:						
(hectares)						
0.1 - 9.9	4.1	4.0	4.0	4.0	3.9	3.8
10.0 - 19.9	10.5	10.4	10.9	10.7	10.5	10.6
20.0 - 29.9	11.8	11.8	12.1	12.1	12.1	11.9
30.0 - 49.9	21.3	21.2	21.6	21.4	21.2	20.7
50.0 - 99.9	30.4	30.6	30.4	30.5	30.4	30.1
100.0 +	21.9	22.1	21.1	21.2	21.9	22.9
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 2008

number

Area of crops and grass farmed (hectares)	Business size[1]				
	Very small	Small	Medium	Large	All sizes
Under 10	5,774	154	56	82	6,066
10.0 - 19.9	5,943	171	38	31	6,183
20.0 - 29.9	3,696	335	47	47	4,125
30.0 - 49.9	3,214	985	246	96	4,541
50.0 - 99.9	1,269	1,250	662	572	3,753
100.0 +	88	293	240	663	1,284
Total	**19,984**	**3,188**	**1,289**	**1,491**	**25,952**

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

Table 4.4 Number of farms by business size, June 2003 - 2008

number

Business size[1]	2003	2004	2005	2006	2007	2008
Very small	15,206	20,758	20,468	20,319	19,990	19,984
Small	9,365	3,984	3,823	3,650	3,367	3,188
Medium	2,946	1,584	1,478	1,415	1,363	1,289
Large	764	1,288	1,295	1,355	1,426	1,491
Total	**28,281**	**27,614**	**27,064**	**26,739**	**26,146**	**25,952**

1. See Note 1, Table 4.3.

Table 4.5 Number of farms by business size and Less Favoured Area (LFA) category[1], June 2008

number

Business size[2]	Severely Disadvantaged Area (SDA)	Disadvantaged Area (DA)	Total LFA	Non LFA	LFA as % NI
Very small	8,587	6,192	14,779	5,205	74
Small	1,064	982	2,046	1,142	64
Medium	324	408	732	557	57
Large	224	411	635	856	43
Total	**10,199**	**7,993**	**18,192**	**7,760**	**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 2008

number

Business type[1]	Business size[1]				
	Very small	Small	Medium	Large	All sizes
Cereals	495	60	17	14	586
General cropping	132	42	31	40	245
Horticulture	125	64	31	77	297
Pigs & poultry	298	164	55	69	586
Dairy	621	1,093	728	1,015	3,457
Cattle & sheep (LFA)[2]	13,201	1,065	218	107	14,591
Cattle & sheep (lowland)[2]	3,757	447	103	48	4,355
Mixed	512	208	69	73	862
Others	843	45	37	48	973
All types	**19,984**	**3,188**	**1,289**	**1,491**	**25,952**

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 2003 - 2008

number

Business type[1]	2003	2004	2005	2006	2007	2008
Cereals	457	467	469	443	467	586
General cropping	295	314	224	230	231	245
Horticulture	322	312	306	301	284	297
Pigs & poultry	510	557	541	575	547	586
Dairy	4,425	4,201	4,058	3,761	3,619	3,457
Cattle & sheep (LFA)[2]	15,700	15,464	15,430	15,230	14,923	14,591
Cattle & sheep (lowland)[2]	4,589	4,565	4,619	4,629	4,497	4,355
Mixed	1,058	1,034	944	918	779	862
Others	925	700	473	652	799	973
All types	**28,281**	**27,614**	**27,064**	**26,739**	**26,146**	**25,952**

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 2008

number

Business type[2]	Severely Disadvantaged Area (SDA)	Disadvantaged Area (DA)	Total LFA	Non LFA	LFA as % NI
Cereals	28	101	129	457	22
General cropping	21	63	84	161	34
Horticulture	18	87	105	192	35
Pigs & poultry	159	200	359	227	61
Dairy	766	1,256	2,022	1,435	58
Cattle & sheep	8,835	5,756	14,591	4,355	77
Mixed	106	231	337	525	39
Others	266	299	565	408	58
All types	**10,199**	**7,993**	**18,192**	**7,760**	**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 2008

farms

Owned land as percentage of farmed area	Business size[1]				
	Very small	Small	Medium	Large	All sizes
All owner occupied	11,199	911	274	243	12,627
50-<100%	4,666	1,430	612	740	7,448
>0-<50%	2,602	751	367	476	4,196
None owner occupied	1,517	96	36	32	1,681
All farms	**19,984**	**3,188**	**1,289**	**1,491**	**25,952**

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

Table 4.10 Area of land by type of tenure, 2003 - 2008

hectares

	2003	2004	2005	2006	2007	2008
Owner-occupied	708,559	701,500	701,311	704,985	695,381	694,026
Rented	365,189	361,312	328,209	323,510	319,163	323,356
Total	**1,073,748**	**1,062,812**	**1,029,520**	**1,028,495**	**1,014,544**	**1,017,381**
Percentage of owned land	**66.0**	**66.0**	**68.1**	**68.5**	**68.5**	**68.2**
Common grazing	**35,500**	**29,400**	**29,400**[1]	**37,500**	**36,380**	**36,353**

1. 2004

Table 4.11 Average conacre rents by type of use, 2002 - 2007

£/hectare

Use	2002	2003	2004	2005	2006	2007
Grass	201	199	198	180	174	184
Potatoes	412	479	433	453	567	586
Cereals	246	208	247	156	186	190
Rough grazing	51	54	53	45	44	46
All uses	**174**	**166**	**165**	**158**	**165**	**162**

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 2008

number of persons

Labour item	Business size[1]				
	Very small	Small	Medium	Large	All sizes
Farmers and partners					
Full time	9,544	3,460	1,666	2,261	16,931
Part time	13,029	718	172	247	14,166
Total	**22,573**	**4,178**	**1,838**	**2,508**	**31,097**
Spouses of farmers	**4,074**	**1,017**	**499**	**639**	**6,229**
Other workers					
Full time	801	456	305	1,527	3,089
Part time	1,496	603	267	437	2,803
Casual/seasonal	3,021	995	576	1,154	5,746
Total other workers	**5,318**	**2,054**	**1,148**	**3,118**	**11,638**
Total agricultural labour force	**31,965**	**7,249**	**3,485**	**6,265**	**48,964**

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 2008

number of persons

Labour item	Severely Disadvantaged Area (SDA)	Disadvantaged Area (DA)	Total LFA	Non LFA	LFA as % NI
Farmers and partners					
Full time	6,106	5,135	11,241	5,690	66
Part time	5,697	4,490	10,187	3,979	72
Total	**11,803**	**9,625**	**21,428**	**9,669**	**69**
Spouses of farmers	**2,221**	**1,867**	**4,088**	**2,141**	**66**
Other workers					
Full time	800	787	1,587	1,502	51
Part time	1,006	798	1,804	999	64
Casual/seasonal	1,727	1,738	3,465	2,281	60
Total other workers	**3,533**	**3,323**	**6,856**	**4,782**	**59**
Total agricultural labour force	**17,557**	**14,815**	**32,372**	**16,592**	**66**

1. See Note 1, Table 4.5 .

Table 4.15 Distribution of numbers of livestock, hectares of crops, full-time labour and output by business size, June 2008

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	15,805	594	*37*	2,840	347	*21*	1,157	223	*14*	1,319	458	*28*	21,121	1,623	*100*
Dairy cows	851	14	*5*	1,241	54	*19*	790	61	*21*	1,093	160	*55*	3,975	289	*100*
Beef cows	13,832	175	*66*	1,921	53	*20*	592	19	*7*	558	18	*7*	16,903	266	*100*
Slaughter cattle >1year	13,653	157	*38*	2,778	100	*25*	1,149	56	*14*	1,310	97	*24*	18,890	409	*100*
Sheep															
Total	6,640	1,011	*51*	1,350	517	*26*	423	214	*11*	356	232	*12*	8,769	1,974	*100*
Ewes	6,511	480	*51*	1,329	244	*26*	415	102	*11*	349	110	*12*	8,604	935	*100*
Pigs															
Total	249	19	*5*	95	44	*11*	58	45	*11*	86	295	*73*	488	402	*100*
Sows	169	1	*4*	73	4	*11*	48	4	*11*	78	26	74	368	35	*100*
Other pigs over 20 kg	138	13	*5*	78	27	*11*	49	27	*11*	80	173	*72*	345	239	*100*
Poultry															
Total	325	2,909	*17*	212	5,041	*29*	90	3,343	*20*	107	5,838	*34*	734	17,131	*100*
Layers	83	152	*6*	51	505	*21*	17	228	*10*	26	1,513	*63*	177	2,399	*100*
Crops															
Oats	213	1	*30*	96	1	*25*	41	0	*19*	64	1	*25*	414	2	*100*
Wheat	316	2	*19*	192	2	*19*	124	1	*12*	298	6	*50*	930	12	*100*
Barley	1,281	8	*33*	571	6	*25*	257	3	*13*	354	7	*29*	2,463	26	*100*
Potatoes	354	1	*13*	166	1	*16*	70	1	*15*	98	3	*56*	688	5	*100*
Crops & grass	19,501	420	*50*	3,125	176	*21*	1,259	93	*11*	1,457	159	*19*	25,342	848	*100*
Rough grazing	4,815	74	*50*	867	35	*24*	315	19	*13*	282	19	*13*	6,279	147	*100*
Total area	19,984	502	*49*	3,188	214	*21*	1,289	114	*11*	1,491	188	*18*	25,952	1,017	*100*
Labour															
Full-time labour force[2]	9,139	11	*51*	2,975	4	*20*	1,286	2	10	1,476	4	*19*	14,876	22	*100*
Output															
SGM[3]	19,984	190	*26*	3,188	149	*20*	1,289	112	15	1,491	287	*39*	25,952	738	*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 2008[1]

	Dairy cows				Beef cows			
	Numbers of		Percentages of		Numbers of		Percentages of	
Number per farm	**Farms**	**Cows**	**Farms**	**Cows**	**Farms**	**Cows**	**Farms**	**Cows**
<10	382	2,277	9.6	0.8	7,501	37,095	44.4	14.0
10 - 14	150	1,785	3.8	0.6	3,130	35,975	18.5	13.5
15 - 19	148	2,556	3.7	0.9	2,005	33,309	11.9	12.5
20 - 29	364	8,737	9.2	3.0	2,095	49,928	12.4	18.8
30 - 39	353	12,260	8.9	4.2	980	33,011	5.8	12.4
40 - 49	344	15,430	8.7	5.3	479	20,916	2.8	7.9
50 - 59	294	16,102	7.4	5.6	231	12,421	1.4	4.7
60 - 69	292	18,975	7.3	6.6	157	9,944	0.9	3.7
70 - 99	688	58,194	17.3	20.1	222	17,838	1.3	6.7
100 - 199	960	152,931	24.2	52.9	103	15,226	0.6	5.7
Total 2008	**3,975**	**289,247**	**100.0**	**100.0**	**16,903**	**265,663**	**100.0**	**100.0**
Total 2007	***4,151***	***286,073***			***17,035***	***272,616***		
Average 2008		**72.8**				**15.7**		
Average 2007		***68.9***				***16.0***		

1. Cattle figures for 2007 and 2008 were derived from APHIS

Table 4.17 Distribution of (a) slaughter cattle one year-old and over and (b) total cattle by herd size, June 2008[1]

	Cattle one year old and over, intended for slaughter				Total cattle			
	Numbers of		Percentages of		Numbers of		Percentages of	
Number per farm	**Farms**	**Cattle**	**Farms**	**Cattle**	**Farms**	**Cattle**	**Farms**	**Cattle**
1 - 4	6,119	14,082	32.4	3.4	1,004	3,026	4.8	0.2
5 - 9	3,358	22,775	17.8	5.6	1,594	11,980	7.5	0.7
10 - 19	3,380	47,461	17.9	11.6	2,926	43,488	13.9	2.7
20 - 29	1,897	45,957	10.0	11.2	2,762	67,831	13.1	4.2
30 - 39	1,202	41,413	6.4	10.1	2,074	71,668	9.8	4.4
40 - 49	793	35,071	4.2	8.6	1,593	71,156	7.5	4.4
50 - 69	918	53,712	4.9	13.1	2,225	131,997	10.5	8.1
70 - 99	620	51,521	3.3	12.6	2,074	173,667	9.8	10.7
100 - 199	502	67,474	2.7	16.5	2,934	409,173	13.9	25.2
200 - 299	71	17,115	0.4	4.2	1,090	264,029	5.2	16.3
300 & over	30	12,779	0.2	3.1	845	374,526	4.0	23.1
Total 2008	**18,890**	**409,360**	**100.0**	**100.0**	**21,121**	**1,622,541**	**100.0**	**100.0**
Total 2007	***20,821***	***447,115***			***22,252***	***1,643,458***		
Average 2008		**21.7**				**76.8**		
Average 2007		***21.5***				***73.9***		

1. Cattle figures for 2007 and 2008 were derived from APHIS

Table 4.18 Distribution of (a) ewes and (b) total sheep by flock size, June 2008

	Ewes				Total sheep			
	Numbers of		Percentages of		Numbers of		Percentages of	
Number per farm	**Farms**	**Ewes**	**Farms**	**Ewes**	**Farms**	**Sheep**	**Farms**	**Sheep**
1 - 24	1,550	21,162	18.0	2.3	830	11,219	9.5	0.6
25 - 49	1,677	60,168	19.5	6.4	983	36,134	11.2	1.8
50 - 99	2,316	163,381	26.9	17.5	1,630	119,873	18.6	6.1
100 - 199	1,873	255,447	21.8	27.3	2,176	313,121	24.8	15.9
200 - 299	611	145,416	7.1	15.5	1,197	291,874	13.7	14.8
300 - 399	255	85,709	3.0	9.2	661	227,065	7.5	11.5
400 - 499	137	59,856	1.6	6.4	371	165,788	4.2	8.4
500 - 699	98	55,750	1.1	6.0	429	247,272	4.9	12.5
700 - 999	59	47,731	0.7	5.1	279	229,080	3.2	11.6
1,000 & Over	28	40,797	0.3	4.4	213	332,167	2.4	16.8
Total 2008	**8,604**	**935,417**	**100.0**	**100.0**	**8,769**	**1,973,593**	**100.0**	**100.0**
Total 2007	***8,483***	***957,318***			***8,646***	***2,023,978***		
Average 2008		**108.7**				**225.1**		
Average 2007		***112.9***				***234.1***		

Table 4.19 Distribution of breeding sows by herd size, June 2008

	Sows (including gilts)			
	Numbers of		Percentages of	
Number per farm	**Farms**	**Sows**	**Farms**	**Sows**
1 - 4	160	465	43.5	1.3
10 - 19	36	506	9.8	1.4
20 - 49	38	1,246	10.3	3.5
50 - 99	47	3,408	12.8	9.6
100 - 199	45	6,097	12.2	17.2
200 - 299	14	3,218	3.8	9.1
300 - over	28	20,559	7.6	57.9
Total 2008	**368**	**35,499**	**100.0**	**100.0**
Total 2007	***388***	***36,977***		
Average 2008		**96.5**		
Average 2007		***95.3***		

Table 4.20 Distribution of (a) fattening pigs 20kg and over and (b) total pigs by herd size, June 2008

	Fattening pigs 20kg & over				Total pigs			
	Numbers of		Percentages of		Numbers of		Percentages of	
Number per farm	**Farms**	**Pigs**	**Farms**	**Pigs**	**Farms**	**Pigs**	**Farms**	**Pigs**
1 - 9	64	230	18.6	0.1	151	352	30.9	0.1
10 - 19	24	316	7.0	0.1	35	477	7.2	0.1
20 - 49	44	1,369	12.8	0.6	47	1,440	9.6	0.4
50 - 99	19	1,338	5.5	0.6	28	1,948	5.7	0.5
100 - 199	30	4,337	8.7	1.8	33	4,779	6.8	1.2
200 - 399	41	12,211	11.9	5.1	34	10,201	7.0	2.5
400 - 999	65	41,415	18.8	17.3	64	43,568	13.1	10.8
1,000 - 1,999	37	52,704	10.7	22.1	55	76,961	11.3	19.1
2,000 & over	21	124,988	6.1	52.3	41	262,688	8.4	65.3
Total 2008	**345**	**238,908**	**100.0**	**100.0**	**488**	**402,414**	**100.0**	**100.0**
Total 2007	***352***	***240,697***			***490***	***410,450***		
Average 2008		**692.5**				**824.6**		
Average 2007		***683.8***				***837.7***		

Table 4.21 Distribution of (a) laying hens and (b) broilers by flock size, June 2008[1]

Number per farm	Laying Hens				Broilers			
	Numbers of		Percentages of		Numbers of		Percentages of	
	Farms	Hens ('000)	Farms	Hens	Farms	Broilers ('000)	Farms	Broilers
1 - 999	69	5	39.0	0.2	20	14	6.8	0.1
1,000 - 4,999	13	42	7.3	1.8				
5,000 - 9,999	34	240	19.2	10.0	13	105	4.4	0.9
10,000 - 19,999	37	501	20.9	20.9	75	1,176	25.5	10.2
20,000 - 29,999	8	193	4.5	8.1	27	639	9.2	5.5
30,000 - 49,999	8	304	4.5	12.7	85	3,135	28.9	27.2
50,000 & over	8	1,112	4.5	46.3	74	6,474	25.2	56.1
Total 2008	**177**	**2,399**	**100.0**	**100.0**	**294**	**11,543**	**100.0**	**100.0**
Total 2007	***139***	***2,394***			***280***	***11,861***		
Average 2008		**13,551**				**39,264**		
Average 2007		***17,223***				***42,362***		

1. From 2007, figures for poultry were taken from the Northern Ireland Bird Register Update.

Table 4.22 Distribution of total poultry by flock size, June 2008[1]

Number per farm	Total poultry			
	Numbers of		Percentages of	
	Farms	Birds ('000)	Farms	Birds
1 - 999	112	27	15.3	0.2
1,000 - 4,999	86	229	11.7	1.3
5,000 - 9,999	107	751	14.6	4.4
10,000 - 19,999	184	2,692	25.1	15.7
20,000 - 29,999	50	1,198	6.8	7.0
30,000 - 49,999	106	3,946	14.4	23.0
50,000 & over	89	8,289	12.1	48.4
Total 2008	**734**	**17,131**	**100.0**	**100.0**
Total 2007	***672***	***17,285***		
Average 2008		**23,339**		
Average 2007		***25,722***		

1. From 2007, figures for poultry were taken from the Northern Ireland Bird Register Update.

Table 4.23 Distribution of (a) barley and (b) wheat by area of crop, June 2008

Area per farm (ha)	Barley				Wheat			
	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	53	39	2.2	0.2	7	5	0.8	0.0
1 - 4.9	1,045	3,048	42.4	11.9	303	933	32.6	7.7
5 - 9.9	611	4,300	24.8	16.7	271	1,926	29.1	15.9
10 - 19.9	453	6,245	18.4	24.3	193	2,582	20.8	21.3
20 - 29.9	154	3,645	6.3	14.2	84	2,002	9.0	16.5
30 - 39.9	54	1,857	2.2	7.2	27	910	2.9	7.5
40 - 49.9	31	1,350	1.3	5.3	13	578	1.4	4.8
50 & over	62	5,210	2.5	20.3	32	3,168	3.4	26.2
Total 2008	**2,463**	**25,694**	**100.0**	**100.0**	**930**	**12,105**	**100.0**	**100.0**
Total 2007	***2,285***	***22,833***			***704***	***9,161***		
Average 2008		**10.4**				**13.0**		
Average 2007		***10.0***				***13.0***		

Table 4.24 Distribution of total cereals by area of crop, June 2008

Area per farm (ha)	Total cereals			
	Number of Farms	Area of Cereals (ha)	Percentages of Farms	Percentages of Cereals
under 1	60	41	2.0	0.1
1 - 4.9	1,129	3,300	37.3	8.2
5 - 9.9	762	5,372	25.2	13.3
10 - 19.9	578	8,007	19.1	19.8
20 - 29.9	219	5,245	7.2	13.0
30 - 39.9	83	2,819	2.7	7.0
40 - 49.9	58	2,517	1.9	6.2
50 & over	136	13,099	4.5	32.4
Total 2008	**3,025**	**40,399**	**100.0**	**100.0**
Total 2007	***2,736***	***34,206***		
Average 2008		**13.4**		
Average 2007		***12.5***		

Table 4.25 Distribution of potatoes by area of crop, June 2008

Area per farm (ha)	Potatoes			
	Number of Farms	Area of Potatoes (ha)	Percentages of Farms	Percentages of Potatoes
under 1	200	90	29.1	1.8
1 - 4.9	277	666	40.3	13.1
5 - 9.9	88	595	12.8	11.7
10 - 19.9	56	750	8.1	14.7
20 - 29.9	29	684	4.2	13.4
30 - 39.9	14	489	2.0	9.6
40 - 49.9	8	345	1.2	6.8
50 & over	16	1,481	2.3	29.0
Total 2008	**688**	**5,100**	**100.0**	**100.0**
Total 2007	***656***	***4,760***		
Average 2008		**7.4**		
Average 2007		***7.3***		

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 2007/08’.

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, are 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 2007/08. However, provisional income estimates are also presented below for the 2008/09 year.

Income measures

Farm Business Income (FBI) was introduced last year as the new headline measure of farm income following consultation in 2006-07. FBI was also introduced in England, Scotland and Wales and will be used for UK farm income statistics. It is closely aligned to the main EU measure of farm incomes ‘Family Farm Income’ and therefore allows easier comparison between Northern Ireland and other Member States. FBI is the return to all unpaid labour (farmer, spouses and others with an entrepreneurial interest in the farm business) and to their capital invested in the farm business which includes land and buildings.

Net Farm Income (NFI), the previous headline measure of farm income will continue to be published for an interim period, but as a secondary measure in line with the views expressed during consultation. NFI represents the return to the farmer and spouse for their manual and managerial labour and tenant-type capital invested in the farm business. In order for NFI to represent the return to farmer and spouse alone, a notional deduction is made for any unpaid labour that is provided in addition to that of the farmer or spouse. Also, to confine NFI to tenant type activities and assets of the business an imputed rent is firstly deducted for owner occupied land and buildings and for landlord-type improvements made by the tenant. Secondly, no account is taken of interest paid on any farming loans, overdrafts or mortgages or any interest earned on financial assets.

FBI differs from NFI in that it represents the return to all unpaid labour, not just the farmer and spouse and it treats the tenure of farms as it is: tenants as tenants, owner occupiers as owner occupiers and those with both types of tenure as mixed.

Cash Income (CI), measures the difference between total farm receipts and total farm cash costs. This measure excludes notional items such as depreciation charges and livestock/crop valuation changes. It also takes no account of net expenditure on capital investment. CI provides a better indication than NFI and FBI of the short term income position. Trends in Cash Income since 2003/2004 are presented in Table 5.1.

Income changes in 2007/08

Cash Income, Farm Business Income and Net Farm Income by type of farm for the year ending mid-February 2006/07 and 2007/08 are presented in Tables 5.3-5.5. These income figures are for a sample of 276 farm businesses which were in the FBS in both account years and are at least 0.5 Standard Labour Requirements in size. This sample of farms is 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.

At the individual farm type level the results show that Farm Business Income and Net Farm Income increased between 2006/07 and 2007/08 on all farm types with the exception of General Cropping and Pig farms. Measured across all farm types, average Farm Business Income increased from £19,385 in 2006/07 to £30,127 in 2007/08, which is an increase of £10,742 per farm. Also measured across all farm types, average Net Farm Income increased from £11,866 in 2006/07 to £22,619 in 2007/08, which is an increase of £10,753 per farm. In cash income terms, Cereals, Dairy, Cattle & Sheep (LFA), and Cattle & Sheep (lowland) farm types showed an increase in 2007/08 when compared to the previous year, whereas General Cropping, Pig, and Mixed farm types showed a decrease. Measured across all farm types Cash Income increased from £29,752 in 2006/07 to £40,563 in 2007/08 which is an increase of £10,811.

Provisional estimates of incomes for 2008/09

Provisional estimates of incomes for full time farm businesses for the year ending mid February 2009 show average Farm Business Income measured across all farm types decreasing from £30,127 in 2007/08 to £29,558 in 2008/09, which is a decrease of £569 per farm. At the individual farm type level the results show that Farm Business Income is expected to increase between 2007/08 and 2008/09 on both LFA and Lowland Cattle and Sheep farms. The main reason for this increase in incomes is higher beef and lamb prices in the

2008/09 accounting year. The results also show that Farm Business Income is expected to fall on Cereal, General Cropping, Dairy, Pig, and Mixed Farms for 2008/09 when compared with the previous year. This downturn in incomes for Cereal, General Cropping, and Mixed farms is mainly the result of lower cereal prices and higher fertiliser prices in the 2008/09 accounting year. For Dairy farms the decrease in incomes can be mainly attributed to higher feed and fertiliser prices in 2008/09, whereas, for Pig Farms the main reason is higher feed costs.

Average Cash Income measured across all farm types is estimated to increase from £40,563 in 2007/08 to £41,123 in 2008/09, which is an increase of £560 per farm. Whereas, average Net Farm Income measured across all farm types is estimated to be £22,603 in 2008/09 which is a £16 decrease on the previous year.

The provisional income estimates described above were prepared in mid-January 2009 and relate to an account year ending in mid February 2009. 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 2008/09, 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.

Contact: Paul Keatley, Tel. (028-) 90 524063, E-mail. paul.keatley@dardni.gsi.gov.uk

Table 5.1 Indices of average cash income in real terms by farm type, 2003/2004 to 2008/09[1]

Indices: 2000/01 - 2002/03 = 100

Business type	03/04	04/05	05/06	06/07	07/08	08/09 (provisional)
Cereals	255	120	200	196	351	187
General cropping	118	82	80	108	227	120
Pigs and poultry	421	. . .	. . .	897	579	292
Dairy	117	121	131	128	206	192
Cattle and sheep (LFA)	111	127	156	131	142	158
Cattle and sheep (lowland)	98	138	120	110	148	170
Mixed	105	104	105	139	100	101
All types	116	125	138	129	176	172

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), farm business income (FBI) and by farm type, 2007/08

per cent

	Dairy			Cattle and sheep (LFA)			All types		
Income (£'s)	**CI**	**NFI**	**FBI**	**CI**	**NFI**	**FBI**	**CI**	**NFI**	**FBI**
Less than 0	1	10	3	4	34	11	5	27	10
1 - 4,999	-	2	-	6	18	20	4	11	10
5,000 - 9,999	5	3	2	13	19	17	10	12	12
10,000 - 14,999	4	4	5	15	11	21	11	8	13
15,000 - 19,999	2	5	5	21	5	8	12	4	9
20,000 - 29,999	5	18	14	17	8	13	10	12	13
30,000 - 49,999	23	19	27	16	3	7	20	11	14
> 50,000	60	39	44	8	2	3	28	15	19
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**
Number of farms in sample		103			118			276	

Table 5.3 Cash income by business size and farm type, 2006/07 and 2007/08

£'000 per farm[1]

Business type	0.5 < 1 SLR		1 < 2 SLR		2 < 3 SLR		> 3 SLR		+ 0.5 SLR	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
Cereals	33.9	34.4	52.5	81.0	. . .	. . .	. . .	. . .	40.5	50.9
General cropping	. . .	. . .	. . .	. . .	72.3	40.0	. . .	. . .	122.6	91.6
Pigs	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	33.2	27.5
Dairy	18.8	29.2	25.6	42.3	46.9	77.0	81.9	129.0	44.8	71.8
Cattle and sheep (LFA)	15.9	16.1	22.8	31.5	38.1	31.8	69.5	96.4	20.0	22.6
Cattle and sheep (lowland)	3.8	7.0	27.3	45.8	42.6	29.3	. . .	. . .	16.3	23.3
Mixed	18.3	15.7	21.8	15.6	60.6	57.5	29.7	30.6	26.9	23.5
All types	14.2	16.1	25.5	37.6	46.0	60.6	82.3	119.2	29.8	40.6

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 Farm business income by business size and farm type, 2006/07 and 2007/08

£'000 per farm[1]

Business type	0.5 < 1 SLR		1 < 2 SLR		2 < 3 SLR		> 3 SLR		+ 0.5 SLR	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
Cereals	20.7	21.8	38.4	67.0	. . .	. . .	. . .	. . .	25.7	37.2
General cropping	. . .	. . .	. . .	. . .	46.4	16.9	. . .	. . .	98.8	64.6
Pigs	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	26.8	12.0
Dairy	11.4	19.6	17.0	33.1	32.3	64.5	56.7	108.5	30.4	58.7
Cattle and sheep (LFA)	6.8	8.6	15.7	19.3	26.4	24.6	55.5	63.1	11.2	13.4
Cattle and sheep (lowland)	1.9	4.4	14.8	26.0	23.3	20.3	. . .	. . .	9.3	14.6
Mixed	16.7	16.3	21.3	12.9	34.2	46.1	23.8	33.0	21.7	21.7
All types	7.0	9.6	17.0	25.2	31.3	49.9	59.6	99.5	19.4	30.1

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 Net farm income by business size and farm type, 2006/07 and 2007/08

£'000 per farm[1]

Business type	0.5 < 1 SLR		1 < 2 SLR		2 < 3 SLR		> 3 SLR		+ 0.5 SLR	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
Cereals	15.6	9.9	29.4	56.4	. . .	. . .	. . .	. . .	19.9	28.8
General cropping	. . .	. . .	. . .	. . .	44.7	4.2	. . .	. . .	91.9	56.3
Pigs	. . .	. . .	. . .	. . .	. . .	. . .	. . .	. . .	25.8	12.6
Dairy	4.4	13.9	12.0	29.4	21.1	55.1	48.6	100.4	22.9	52.3
Cattle and sheep (LFA)	1.9	3.4	7.0	10.5	7.4	3.9	33.4	40.0	4.1	6.0
Cattle and sheep (lowland)	-3.3	-2.0	4.0	14.4	7.0	-0.5	. . .	. . .	1.4	5.2
Mixed	1.8	-0.1	7.7	0.5	9.8	19.7	29.1	42.5	8.9	9.1
All types	1.3	3.5	9.5	18.2	18.3	37.0	51.0	91.1	11.9	22.6

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 5.6 Average tenant's capital by farm type, 2007/08

£'000 per farm

	Cereals	General cropping	Dairy	Cattle and sheep (LFA)	Cattle and sheep (lowland)	Mixed	All Types
Farm size (ESUs)	42.9	117.3	86.4	24.9	27.1	37.6	48.0
Total farm area (ha)	85.8	73.6	71.9	95.6	60.5	59.2	78.6
Farm Business income	37.2	64.6	58.7	13.4	14.6	21.7	30.1
Total tenant's capital	**92.6**	**129.0**	**122.0**	**64.4**	**87.0**	**86.0**	**89.6**
of which:							
Short term (working) capital							
trading livestock	5.6	1.0	21.1	20.7	37.7	42.9	24.6
crops	18.0	28.4	7.5	3.8	4.9	5.7	5.7
other	2.4	3.2	1.0	0.4	0.7	1.0	0.7
Medium term capital							
breeding livestock	1.3	1.0	58.0	17.6	15.1	12.4	30.1
machinery	65.2	95.5	34.4	21.8	28.5	24.0	28.4

Table 5.7 Average closing valuations by farm type, 2006/07 and 2007/08[1]

£'000 per farm[1]

		Dairy		Cattle and sheep (LFA)		All types	
		2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
	ASSETS						
	Total fixed assets	1,060.8	1,087.8	847.3	857.3	955.8	971.2
	of which:						
	land and buildings	971.4	992.1	801.5	813.1	895.4	908.8
	other fixed assets	89.4	95.8	45.7	44.3	60.4	62.4
	Total current assets	35.9	44.2	24.4	25.6	32.7	36.7
	of which:						
	trading livestock, crops and stores	27.5	31.5	24.4	25.6	29.8	32.4
	debtors/other short term lending	8.3	12.4	-	-	2.9	4.2
	cash in hand and at bank	0.1	0.2	-	-	-	-
A	**Total assets**	**1,096.7**	**1,132.0**	**871.7**	**882.9**	**988.5**	**1,007.9**
	LIABILITIES						
	Total long/medium term loans	34.5	35.0	7.6	6.6	15.6	15.3
	of which:						
	bank/other institutional	33.0	33.7	7.5	6.6	15.1	14.8
	Total short term loans	22.5	19.3	6.2	7.0	12.8	13.1
	of which:						
	bank overdraft	16.4	14.1	5.1	5.5	9.3	9.5
B	**Total external liabilities**	**57.0**	**54.3**	**13.8**	**13.6**	**28.4**	**28.4**
	NET WORTH (A-B)	**1,039.7**	**1,077.7**	**857.9**	**869.3**	**960.1**	**979.5**

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 be faster than in the UK as a whole over the last five years. **Single Factorial Terms of Trade (SFTT)** is a useful measure of changes in farmers' economic welfare. It provides additional information on the state of the agri-food industry in Northern Ireland by adding perspective to TFP. Changes in this index over time provide an indication of whether or not the traditional decline in farm gate prices relative to farm input prices is offset by improvements in productivity. Consequently, it is a measure of return to factors engaged in agricultural production and, in effect, a measure of how farmers' economic welfare changes over any given period. An increase implies an improvement in farmers' welfare (in other words, although farm-gate prices may have fallen relative to input costs, this has been more than offset by improved productivity). On the other hand, a decrease means that improved productivity has not kept pace with adverse output/input price movements and, hence, the benefits of any productivity improvement are being captured by economic agents in the rest of the domestic economy and/or foreign economies. Alternatively, if productivity has deteriorated then a decrease/increase in SFTT suggests that the affect of this on farmers' welfare has not been reversed by improved/adverse changes in the relationship between output and input prices. **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 6 per cent of land is cropped, while in the UK the average farm size is 55 hectares and 27 per cent of land is used to grow crops.

Food sector Performance

The performance indicators sales and value added per employee for the food and drinks processing sector indicate continued growth in recent years. Return on capital employed (ROCE) for the food and drinks processing sector is lower in comparison with other sectors of the economy and has declined slightly in recent years.

Table 6.1 Agricultural productivity indices

Indices: 2000 = 100

	2003	2004	2005	2006	2007	2008 (provisional)
Total factor productivity in NI[1]	105.98	108.27	110.98	114.28	119.29	115.24
Total factor productivity in UK[2]	105.66	105.47	109.18	108.55	107.42	110.37
Single Factorial Terms of Trade[3]	105.63	103.07	107.21	111.72	116.71	101.89
Labour productivity in NI[4]	123.66	134.87	144.82	154.10	178.37	150.58

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. For further details on calculation of this index consult, Fleming, E. 2007 ‘Use of the single factoral terms of trade to analyse agricultural production’, *The Australian Journal of Agricultural and Resource Economics*, 51, p. 113-119.
4. 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[1]

GVA/AWU		2005	2006	2007	2008 (provisional)
UK	£/head	17,275	18,062	19,900	23,981
Northern Ireland	£/head	9,438	8,589	12,036	12,043
NI as % of UK	%	55	48	60	50

1. Up until 2004 direct subsidies are included in the GVA figures. From 2005 the Single Farm Payment (SFP) 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. Therefore, there is a discontinuity in the series as GVA/AWU figures before 2005 and after 2004 cannot be compared.

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

	2001	2002	2003	2004	2005	2006
Sales per employee (£)	116,852	121,457	128,352	134,602	134,837	140,076
Value added per employee (£)	23,457	24,414	25,147	26,110	26,503	27,156
Rate of return on capital employed (%)	9.9	10.0	9.0	9.8	9.4	8.8

B. RURAL ECONOMY

Methodological notes

There are many definitions of the rural population. The 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 and less accessible rural populations are expected to increase.

Earnings

Average gross weekly earnings increased in 2008 in all areas. However, average gross weekly earnings of people in rural areas are consistently below those of people living in urban areas over the years from 2003 to 2008. During most of this period the evidence suggests that the gap between rural and urban weekly earnings was widening. However, this trend appears to be reversed in 2008 when the gap has reduced.

Rural Businesses

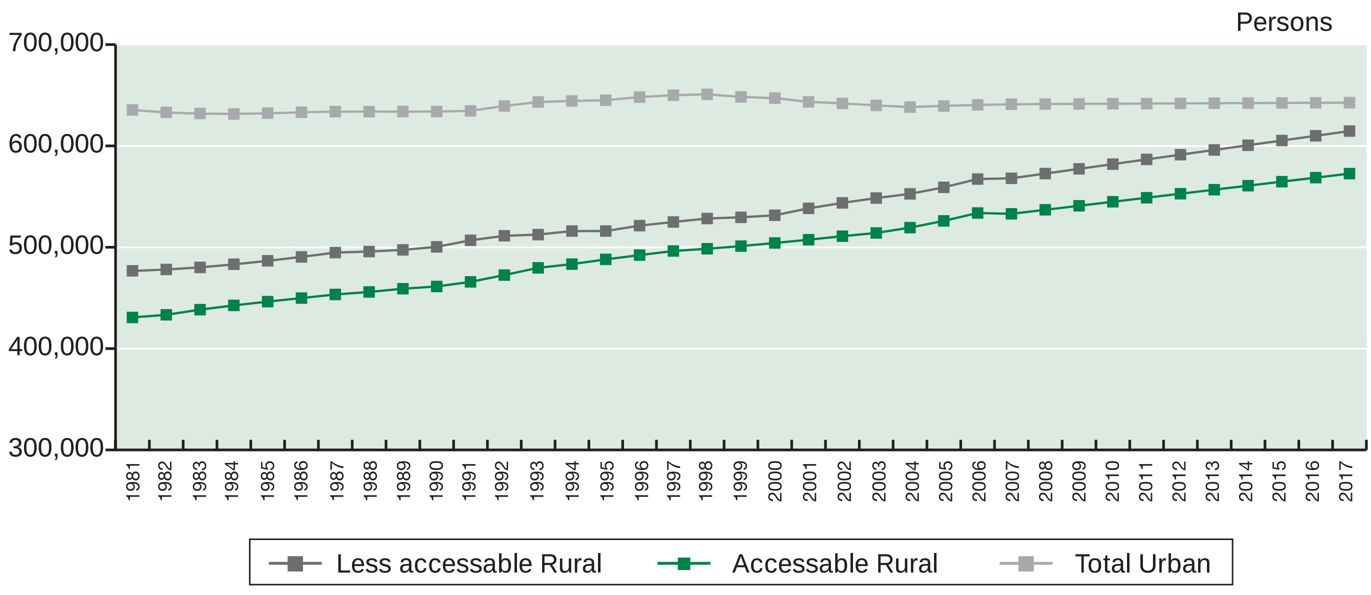
In 2008, there were around 71,555 businesses in Northern Ireland that were registered for VAT and /or PAYE schemes. Businesses are legally obliged to register for VAT once their turnover exceeds £65,000. Approximately 26 per cent of businesses are located, or have their head offices, in urban areas. The tendency for head offices to be located in Belfast may skew the figures a little. Agriculture is the dominant industry group in the Accessible Rural and Less Accessible Rural areas, accounting for 24 and 35 per cent, respectively, of total VAT registered businesses in these zones. Businesses involved in construction were second most prevalent in these rural areas, while property and business services were third most prevalent.

The number of net VAT registrations disaggregated by area over the period from 1998-2008 indicates that rural areas both accessible and less accessible have demonstrated the strongest growth in net registrations by accounting for 71 per cent of total net registrations over this period.

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 91 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 82 per cent.

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



1. The changes in the rural and urban populations from 1981 to 2007 are actual while those for 2008 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

	2003	2004	2005[2]	2006[2]	2007[2]	2008[2]
Urban	396.27	427.60	434.80	462.12	473.52	487.33
Accessible Rural	364.65	393.36	411.29	440.00	439.11	454.65
Less Accessible Rural	360.58	375.51	388.68	403.76	405.51	431.81

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 and again in 2006 therefore creating discontinuity in the time series, data for previous years therefore are not directly comparable. Source: DETI, Annual Survey of Hours and Earnings.

Table 6.5 VAT and/or PAYE based enterprises in Northern Ireland by industrial group, Urban – Rural classification, 2008[1,2,3]

	Urban %	Accessible Rural %	Less Accessible Rural %	Total Number
Agriculture (incl. Fishing)	5	29	66	17,140
Production	24	31	45	4,650
Construction	18	32	51	10,940
Motor Trades	22	33	45	2,645
Wholesale	31	33	36	3,355
Retail	32	30	38	6,715
Hotel & Catering	34	28	38	3,830
Transport	20	32	48	2,450
Post & Telecom	39	32	29	345
Finance	48	24	28	1,005
Property & Business Services	46	26	28	11,115
Education	46	22	32	490
Health	43	26	31	2,635
Public Admin & Other Serv.	42	29	29	4,240
All Categories	**26**	**29**	**45**	**71,555**

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, 2008 (National Statistics website: http://www.statistics.gov.uk)

Table 6.6 Northern Ireland Net VAT Registrations, 1998 – 2008[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
1998	-85	-0.7	220	1.4	215	0.9	355	0.7
1999	70	0.6	40	0.3	50	0.2	170	0.3
2000	10	0.1	265	1.7	715	2.9	990	1.9
2001	230	1.8	110	0.7	375	1.5	720	1.3
2002	-100	-0.8	0	0	-60	-0.2	-160	-0.3
2003	40	0.3	100	0.6	125	0.5	255	0.5
2004	4,245	25	2,470	13	2,430	8.9	9,145	15
2005	-3,990	-31	-2,100	-13	-1,565	-6.1	-7,650	-14
2006	175	1.3	385	2.3	845	3.2	1,405	2.5
2007	4,900	27	3,105	16	3,660	12	11,660	17
2008	300	1.6	870	4.2	2,055	6.4	3,225	4.5

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, 2008[1]

Employee Size Band	Urban Number	Urban %	Accessible Rural Number	Accessible Rural %	Less Accessible Rural Number	Less Accessible Rural %	Total Number	Total %
0-4	11,865	22	15,650	29	25,785	48	53,300	100
5-9	3,250	32	2,935	29	3,830	38	10,015	100
10-49	2,660	38	1,975	28	2,335	34	6,970	100
50-99	305	42	175	24	250	34	730	100
100-249	170	49	90	26	90	26	350	100
250+	105	55	40	21	45	24	190	100
Total	**18,355**	**26**	**20,865**	**29**	**32,335**	**45**	**71,555**	**100**

1. Source: Derived from UK Business: Activity, Size and Location, 2008 (National Statistics website: http://www.statistics.gov.uk/)

C. ANIMAL HEALTH AND WELFARE

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, bovine brucellosis and Bovine Spongiform Encephalopathy (BSE). Since BSE was first reported in Northern Ireland during 1988, there have been a total of 2,183 cases. The number of BSE cases in Northern Ireland has declined significantly since the peak in 1993. There were only 4 cases of BSE in 2008.

During 2007, an additional 1,264 herds in Northern Ireland were affected by bovine tuberculosis, while 151 were newly infected with brucellosis. Bovine tuberculosis and brucellosis were at peak levels in 2002 and since that time the herd incidence for both diseases has reduced by almost 50%.

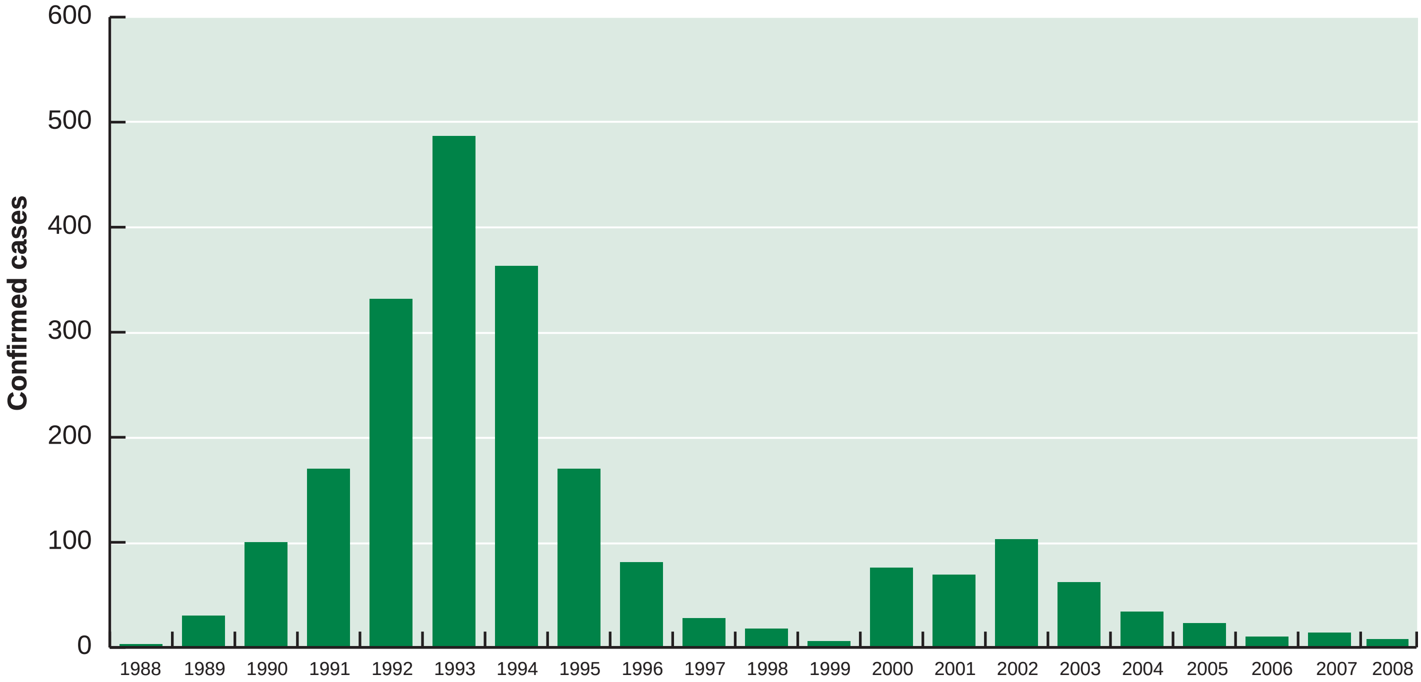
Animal welfare

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 houses 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 638 on-farm welfare inspections in 2008. Inspections take place as a result of complaints from members of the public; or are targeted as a result of information produced by vets working in meat plants; or are programmed as part of the statutory cross compliance surveillance system to assess whether on-farm welfare meets the standards laid down in legislation. Since 2007 many of the inspections are carried out as part of the Cross-Compliance inspection programme associated with the Single Farm Payment scheme. Some inspections, particularly in the complaint category, will represent repeated visits to the same farm where an on-farm welfare problem has been identified. Most inspections will involve more than one category of stock inspection. Of those inspections carried out in 2008 as a result of complaints, risk assessment (related to cross-compliance) and targeted visits 84.3 per cent were fully compliant with legislation (compared with 68 per cent in 2007), while for random visits 97 per cent were fully compliant with legislation (compared with 95 per cent in 2007). The figures for 2008 are provisional.

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 PSNI and the USPCA.

Figure 6.2 **Bovine Spongiform Encephalophathy (BSE): Confirmed cases in N.I including reported and active surveillance cases**[1]



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

Table 6.8 Confirmed cases of BSE: 2003 – 2008[1]

cases

Type	Category	2004	2005	2006	2007	2008
Passive Surveillance	On farm suspects	8	1	0	0	0
	Abattoir suspects	0	0	0	0	0
Active Surveillance	Fallen animals	1	5	7	9	4
	OTM Casualty animals	21	15	3	3	0
	OTM Random animals	1	0	0	0	0
	OTM Ante-Mortem Failure animals	2	0	0	1	0
	Over 42 months survey (including 1996/97 cohort)	1	0	0	0	0
	Cohorts of BSE Cases	0	2	0	1	0
Total		**34**	**23**	**10**	**14**	**4**

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

Table 6.9 Bovine Tuberculosis (TB) statistics for the UK in 2006 and 2007

	GB 2006	GB 2007	N. Ireland 2006	N. Ireland 2007
No. cattle herds eligible for TB testing[1]	89,804	86,281	27,710	25,187
Total Number of Unrestricted Herd Tests	56,772	56,605	29,218	27,249
Total number of animals TB tested	5,470,484	5,879,496	1,711,870	1,640,552
Total new herd TB incidents[2]	3,531	4,172	1,513	1,264
TB reactors slaughtered	19,995	26,071	9,383	7,299
Herds with a TB movement restriction on 31 December	6,859	7,880	…	…

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.

Table 6.10 Bovine Brucellosis (BR) statistics for Northern Ireland in 2006 and 2007

	2006	2007
No. cattle herds eligible for BR testing[1]	25,002	23,099
Total Number of Unrestricted Herd Tests	25,352	24,724
Total number of animals BR tested	985,182	973,529
Total new herd BR incidents[2]	118	151
BR reactors slaughtered	314	402

1. Based on the number of cattle herds presenting cattle for a brucellosis herd test during the previous four years.
2. Herds with at least one brucellosis serological reactor animal but no reactor animals during the previous 12 months.

Table 6.11 Outcomes (provisional) of on-farm animal welfare inspections completed on NI farms in 2008

Type of inspections	Compliance with animal welfare legislation	Number of Inspections	Category[1] of Non-compliance	Number per category	Percentage of total %
Cross-compliance programme of random inspections	No	3	A	2	2.0
			B	1	1.0
			C	0	0.0
	Yes	95		95	97.0
	Total	98		98	100.0
Cross-compliance Risk Assessment based, other Targeted and Complaint related inspections	No	85	A	57	10.5
			B	7	1.3
			C	21	3.9
	Yes	455		455	84.3
	Total	540		540	100.0

Note 1. Reference EC decision 2006/778. Categories of non-compliance are defined as follows. Category A e.g.: non-compliance related to housing or animal treatment with no immediate action for administrative or criminal penalties, though corrective action is required within 3 months.. Category B e.g.: non-compliance associated with staff training, record keeping or frequency of inspection of animals with no immediate action for administrative or criminal penalties, though notice should give an appropriate amount of time to make the necessary improvements i. e. more than 3 months. Category C e.g.: a serious welfare problem requiring immediate action with respect to application of administrative or criminal penalties.

D. AGRI-ENVIRONMENT

Agri-Environmental Schemes

The land–based agri-environmental schemes are managed in the UK under the Rural Development Programme (RDP). In 2007, some 448,000 hectares or 40 per cent of farmland was registered in an agri-environmental scheme in Northern Ireland.

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 compared to England. 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/.

Another way to access water quality is 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 three 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 changed little since 1995. The area of privately owned forest has increased by 37 per cent over the same time period. The volume of timber produced by state forests has increased by 90 per cent since 1995.

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 2005 almost 12 per cent of the UK was wooded. Figures for 2004 indicate that woodland covered 17 per cent of Scotland, 14 per cent of Wales, and 9 per cent of England.

The level of forest cover within the EU27 countries varies considerably. At around 6 and 10 per cent respectively, Northern Ireland and the Republic of Ireland are the two least densely forested countries in the EU27. The two most densely forested countries are Finland and Sweden with 74 and 67 per cent of the total land area with forest cover.

Table 6.12 Proportion of UK Farmland in Agri-Environmental Schemes[1,2]

% of area farmed

Country	Average of 1993-1995	2000	2003	2005	2007
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	40.0
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 6.13 Organic and in-conversion agricultural land area[1]

thousand hectares

Country	1998	2003	2005	2006	2007	2008
Northern Ireland	…	6	7	10	9	10
Wales	…	55	64	71	79	96
Scotland	…	429	345	248	235	228
England	…	252	258	292	296	348
UK	79	741	675	620	620	682

1. Source: DEFRA

Table 6.14 Percentage of rivers by chemical water quality[1,2]

	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
2006	66	27	6	95	3	2	74	22	3

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 with later figures.
4. Poor (and bad).

Table 6.15 Percentage of rivers and canals by biological water quality[1,2]

	England			Wales			Northern Ireland[3]		
Class	Good	Fair	Poor[4]	Good	Fair	Poor[4]	Good	Fair	Poor[4]
1990	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	24	5	80	19	1	56	42	2
2006	71	24	5	82	17	1	54	44	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 with later figures.
4. Poor (and bad).

Table 6.16 Nitrate concentrations in rivers *(% river lengths >30mgNO_3/l)*[1]

	1995	2000	2001	2002	2003	2004	2005	2006
England	33	36	34	32	31	32	32	32
Wales[2]	1	1	0	0	0	0	0	1
Scotland	…	3	2	2	2	3	3	3
Northern Ireland	0	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 6.17 Phosphate concentrations in rivers *(% river lengths >0.1mgP/l)*[1]

	1990	1995	2000	2001	2002	2003	2004	2005	2006
England	67	56	60	60	60	59	58	57	58
Wales[2]	26	10	8	7	7	8	8	9	8
Scotland	...	…	5	5	3	4	4	3	4
Northern Ireland	...	25	27	27	26	21	23	22	23

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 6.18 Forestry area, production, forest park visitor numbers and employment in Northern Ireland

	1995-96	2000-01	2005-06	2006-07	2007-08
Forested area (000ha)					
State	61	61	61	61	61
Private	19	22	25	26	26
All forested areas	**80**	**83**	**86**	**87**	**87**
Timber production from state forests					
Volume (000 cubic metres)	223	359	387	414	423
Visitors to Forest Parks					
Day Visitors (000's)	…	…	370	410	440
Employees (number) Forest Service	460	360	288	262	236

Source: Forest Service, DARD

Table 6.19 Forest cover, 2005 – international comparisons

Country	Forest area (000 ha)	Total land area (000 ha)	Forest as a % of land area
Northern Ireland	85	1,345	6.3
UK	2,845	24,088	11.8
France	15,554	55,010	28.3
Finland	22,500	30,447	73.9
Sweden	27,528	41,162	66.9
EU27	155,584	419,185	37.1
World	3,952,025	13,052,852	30.3

Source: FAO Global Forest Resources Assessment 2005 – Annex 3 Global tables (not National 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 2008 would change by almost ±11 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 2008 presented in this *Review* are estimates based on data available during the period from December 2008 to January 2009, in most cases covering only the first 9-11 months of the year. However, for some items less information was available. 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 2007 figures have been revised as more complete information has become available. Net value added in 2007 is now estimated at £387.1 million (previously £389.6 million) while total income from farming for 2007 is now estimated at £235.9 million (previously £233 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 2008 forms were issued to all the larger businesses but to only half those classified as 'Very Small' unless they had pigs or mushrooms. The records which were aggregated to provide the published results include 2008 returns from those who 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 2008 return was not obtained, estimates were based on the IACS and other administrative systems. Owners of pig herds or mushroom enterprises who failed to make a return in 2008 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.
	2007 onwards	A sample survey was carried out. The number of cattle questions on the survey form were reduced as data was sourced primarily from APHIS (Animal and Public Health Information System) to determine cattle numbers. No poultry questions were asked, with data on poultry being sourced from the Northern Ireland Bird Register Update.

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 Farm Business Survey (FBS) is a continuous annual survey that monitors the physical and financial performance of farm businesses in Northern Ireland. The survey is carried out by Policy and Economics Division of the Department of Agriculture and Rural Development. Similar surveys are carried out in England by DEFRA, in Scotland by Scottish Government, and in Wales by WAG. These surveys along with the Northern Ireland FBS constitute the UK's contribution to the Farm Accounts Data Network (FADN) of the European Union which was established under EC regulation 79/65.

In the most recent accounting year, 2007/08, the FBS obtained farm accounts information from 364 businesses. This accounting information enables outputs, inputs and incomes 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).

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, whereas, the AAA covers the whole agricultural sector; FBS account years end between October and May, with an average account ending date of mid-February, while the AAA relates to calendar years; Except in the case of breeding livestock appreciation, Farm Business Income includes changes in both the volume and price of crops and livestock, whereas the AAA includes volume changes only; 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

OTHER PUBLICATIONS AVAILABLE

Policy and Economics Divison produce a range of publications and statistical series, which are now available free of charge on the DARD website at www.dardni.gov.uk. The following publications are also available in hard copy on request using the order form below.
The year of issue is given in brackets.

EU Structure Survey 2007 Northern Ireland: Report on the agricultural labour force, farm diversification, use of contractors (2008) £10.00

The Agricultural Census in Northern Ireland: Results for June 2008 (2008) £10.00

Farm Business Data 2008. (2007) £7.50

Statistical series (prices in brackets are for e-mail delivery)

Agricultural Market Report, Weekly and Quarterly. (Continuous) £50.00 (£36.00) and £19.50 (£18.00) per annum respectively

Animal Feedstuffs Statistics, Monthly, Quarterly and Annual. (Continuous) £35.00 (£30.00), £19.50 (£18.00) and £12.00 (£12.00) per annum respectively

Fertiliser Statistics, Quarterly and Annual. (Continuous) £19.50 (£18.00) and £12.00 (£12.00) per annum respectively

Milk Utilisation Statistics, Monthly and Annual. (Continuous) £35.00 (£30.00) and £12.00 (£12.00) per annum respectively

Pig Financial Results, Monthly. (Continuous) £23.00 (£20.0) per annum

Order form for hard copies

Please forward [ ] copy/copies of the following publication/s ____________________

____

____

To the address below:

Name ______________________________________

Address ____________________________________

____

____

Telephone ______________ Signature ______________ Date ____________

Return order form to: Department of Agriculture and Rural Development,
Room 656, Dundonald House, Upper Newtownards Road, BELFAST BT4 3SB
Tel: (028) 9052 4594 Fax: (028) 9052 4676

Policy and Economics Division
Department of Agriculture
and Rural Development
Dundonald House
BELFAST BT4 3SB

INVESTOR IN PEOPLE

Department of
Agriculture and
Rural Development
www.dardni.gov.uk

AN ROINN
Talmhaíochta agus
Forbartha Tuaithe

MÄNNYSTRIE O
Fairms an
Kintra Fordèrin

ISBN 978 1 84807 09 6
£17.00

DMS 08.09.208