4. Key findings from the farmer survey

4.1 Introduction

4.1.1 The data source utilized in this chapter is the data-set of farm interviews carried out between November 1995 and May 1996. These interviews focused on farm management decisions taken in the context both of CAP 92 measures and other factors. Because of the need to deal with a number of farm enterprises in some detail, the section within the interview schedule dealing directly with environmental management and environmental features was necessarily relatively brief. Thus analysis of environmental change is based primarily on drawing inferences from the farm management data supplied by our respondents.

4.1.2 Table 4.1 shows the distribution of the sample by farm type, farm size and country. The survey response is give in Table 4.2, although it should be remembered that these data do not indicate actual responses rates as matched reserve sample farmers were approached as replacements within cells. In total 575 farmers were interviewed out of the original target of 608.

Table 4.1 Stratification by farm type, farm size and country

	England	Wales	Scotland	Total
Dairy	**48**	**30**	**30**	**108**
Small	16	10	10	36
Medium	16	10	10	36
Large	16	10	10	36
Cattle & Sheep (LFA)	**48**	**30**	**30**	**108**
Small	16	10	10	36
Medium	16	10	10	36
Large	16	10	10	36
Cattle & Sheep (lowland)	**48**	**30**	**30**	**108**
Small	16	10	10	36
Medium	16	10	10	36
Large	16	10	10	36
Cereals	**48**	**0**	**30**	**78**
Small	16		10	26
Medium	16		10	26
Large	16		10	26
Cropping	**48**	**0**	**30**	**78**
Small	16		10	26
Medium	16		10	26
Large	16		10	26
Mixed	**48**	**30**	**30**	**108**
Small	16	10	10	36
Medium	16	10	10	36
Large	16	10	10	36
TOTAL	**288**	**120**	**180**	**588**
Additional Scottish Crofting Sample			**20**	**20**

Table 4.2 The survey response

Farm Type	England	Scotland	Wales	Farm Type Total
Cereals	47	27	–	74
General Cropping	48	28	–	76
Dairy	48	26	28	102
Cattle & Sheep (LFA)	46	29	27	102
Cattle & Sheep (lowland)	46	24	29	99
Mixed	50	29	26	105
GB Total	285	163	110	558
Additional Crofting Sample		17		17

4.1.3 On the whole the interviews went well averaging a little over an hour in length as anticipated with most farmers helpful and supportive. The interviews were scheduled to have been completed by March 1996. However, as shown in Table 4.3, a significant proportion of interviews took place after the BSE announcements of the 20th March 1996, with a marked variation in the geographical spread of beef farmers who were interviewed after this date. Nearly two thirds of the farm survey interviews of *beef producers* in England (63%) were completed before 20th March compared with just 8% in Wales. It was reported by all interviewers that the 20th March watershed had an adverse affect on the interview programme, not so much on the response rate but on the conduct of interviews.

Table 4.3 Date of farm survey by country, farms with beef enterprises

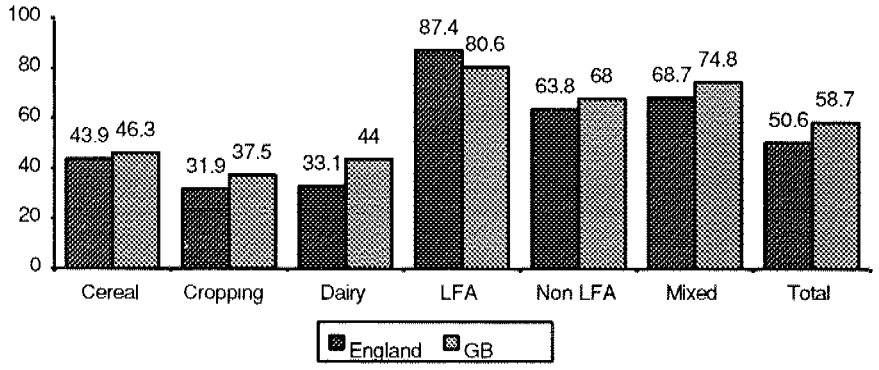
Country	Before 20th March (%)	After 20th March (%)	Total beef farms (%)
England	63	37	100
Scotland	47	53	100
Wales	8	92	100
GB Total	44	56	100

4.1.4 Our sample was stratified to cover only farms over 20 hectares in size and representing six key main farm types (dairy, LFA cattle and sheep, lowland cattle and sheep, cereals, general cropping, and mixed) with adequate numbers of farms for statistical purposes in each of the three countries and in each of three size groups. Subsequently, our raw data were raised, or weighted, so as to give a true picture of our population as a whole. The survey data presented in this chapter are raised in this way and, subject to the limitations of any sampling process, are intended to be representative of the population as a whole. However, it is important to point out that our population excludes farms of less than 20 hectares and farm types other than the ones previously mentioned. This is a particularly important caveat when we are talking about the survey as a whole.

4.2 Survey results

4.2.1 As Figure 4.1 shows, the distribution of beef enterprises varies according to farm type. The majority of farms involved in stock rearing (LFA cattle and sheep, non-LFA cattle and sheep and mixed) ran a beef enterprise. This contrasts with the arable sector where beef enterprises were present on just a significant minority of cropping and cereal holdings enterprises.

Figure 4.1 Proportion of Farms with Beef Enterprise by Farm Type



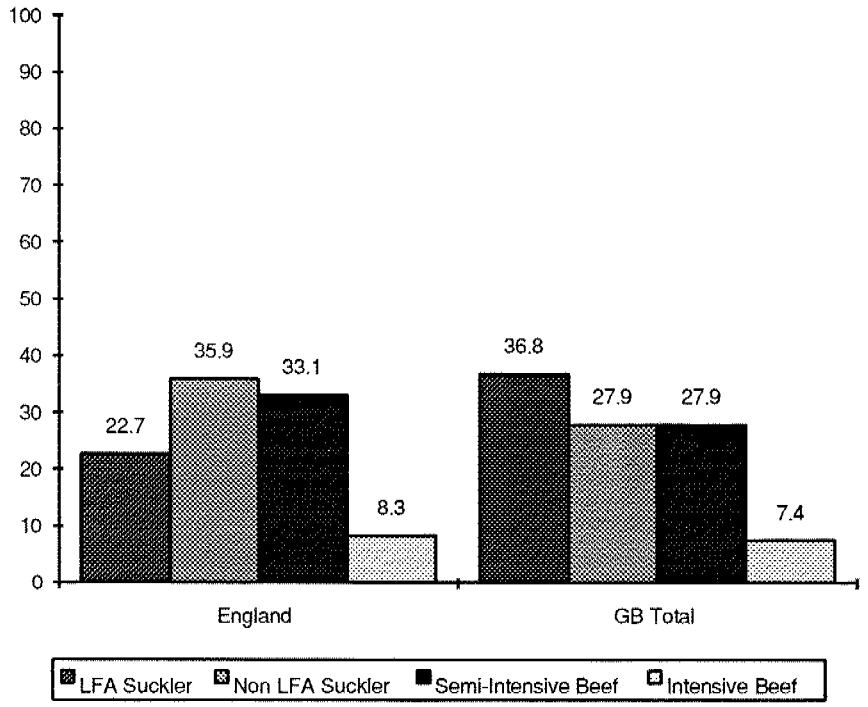
4.2.2 Of the 389 GB farmers who ran a beef enterprise, 361 (92.8%) were able to provide details about stock numbers and management practices. The beef enterprises can be classified into four major systems (Table 4.4).

Table 4.4 Major beef production systems

Beef system	Description
1 LFA Suckler	Farms in LFAs with a suckler herd
2 Non LFA Suckler	Farms outside LFAs with a suckler herd
3 Intensive Beef	Farms without a suckler herd and producing intensive beef (eg veal, barley beef and silage beef)
4 Semi-Intensive Beef	Farms without a suckler herd and producing extensive beef (eg Store beef, 18 month beef and 24 month beef)

4.2.3 In England 58% of the farms with a beef enterprise have a suckler herd (Figure 4.2). Intensive production was practised on only 21 of the sample farms in GB as a whole. However, a further 23 farmers in GB who ran suckler herds also said they produced intensive beef.

Figure 4.2 Distribution of Major Beef Systems
(% of farms)



4.2.4 In England LFA suckler herds were almost entirely found on the two types of livestock farm (Table 4.5). Non LFA suckler systems tended to be found on mixed, cereal and lowland livestock farms.

Table 4.5 Distribution of major beef systems by farm type: England

	Farms (%)					
Beef System	**Cereal**	**Cropping**	**Dairy**	**LFA**	**Non LFA**	**Mixed**
LFA Suckler	0.0	0.0	3.0	74.1	22.3	0.6
Non LFA Suckler	19.3	12.2	0.2	0.3	46.0	22.0
Semi-Intensive Beef	15.8	12.0	38.4	3.7	11.1	19.0
Intensive Beef	32.6	15.1	48.2	0.0	4.0	0.0
Total	14.9	9.6	17.4	18.0	25.7	14.3

4.3 Stocking Rates and Extensification

4.3.1 As explained in Chapter 2, the relationship between intensity of beef production and environmental benefit is far from straightforward. In some instances biodiversity would benefit from a reduction in stock numbers through a reduction in spot or diffuse pollution arising directly from cattle production and indirectly from intensive grassland management. In other instances, cattle provide a vital management component and a significant reduction in their numbers would have negative

consequences for site-specific biodiversity management. Thus the stocking rate rules need to be considered with this very much in mind.

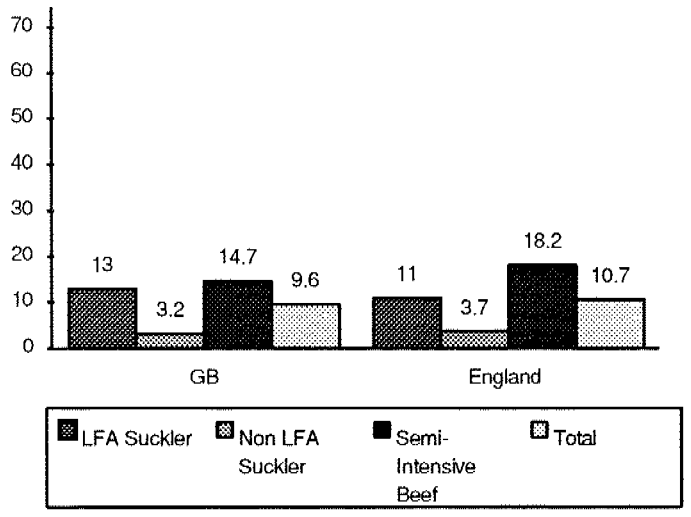
4.3.2 At first sight it would appear that the stocking rate rules would make receipt of beef payments dependent on a stable or declining stocking rate. However, there are two principal reasons why stocking rates may not, in practice, be reduced significantly if at all:

- the rules on stocking rates mean that 'real' stocking rates may not be as low as 'official' stocking rates;
- the stocking rate level may be set too high for significant reductions to be necessary.

4.3.3 The stocking rates calculated for the purposes of IACS are designed to establish farmers' eligibility for BSPS and SCPS payments. However, the stocking rates calculated for this purpose cover only male cattle on which BSP has been claimed, dairy cows, breeding ewes on which SAP has been claimed, and suckler cows on which SCP has been claimed. The stocking rate figures do not include female animals being reared for beef, or any other animal not eligible for payments (other than dairy cows) such as following or replacement stock or other categories of livestock such as horses, deer or goats. Thus neither the stocking rate rules on eligibility nor the incidence of extensification payments necessarily engender declining stocking rates in real terms, measurable by fewer animals on the ground. In reality, the main point of both the eligibility criteria and extensification is to offer an incentive to farmers to limit their claims on the EC budget rather than necessarily to reduce stocking rates for environmental reasons.

4.3.4 A striking finding of the survey was that only just over 10% of English beef farmers said that the management of their livestock enterprises had been affected by the introduction of the stocking density regulations (Figure 4.3). Another striking finding of the survey was that there was little variation in the impact of the stocking density regulations across the different beef systems. Less than five per cent of intensive beef producers said they had made changes to their management practices as a result of the new regulation.

Figure 4.3 Proportion of Beef Farms affected by the introduction of stocking density regulations (%)



4.3.5 Of those farmers affected by the introduction of the stocking density regulations over two thirds said that they now managed their stocking density more carefully and there was little variation in the response between the different beef systems(Figure 4.4). Only about a quarter of English farmers affected by the restrictions had made an overall reduction in stocking density (Figure 4.4). A small number of farmers had made changes to their 'official' stocking density by changing the balance between premia and non premia livestock on their farms. Very few farms had decreased 'actual' stocking densities.

Figure 4.4 Proportion of Beef farms affected by the introduction of stocking density restrictions who now manage their stocking density more carefully (%)

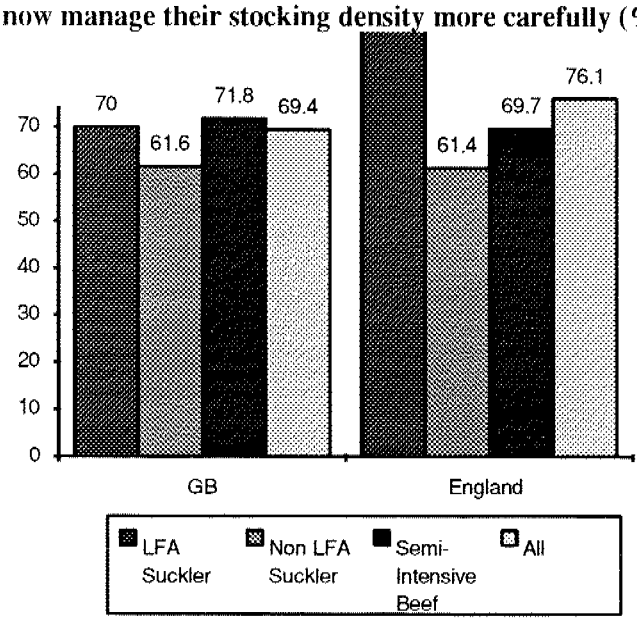
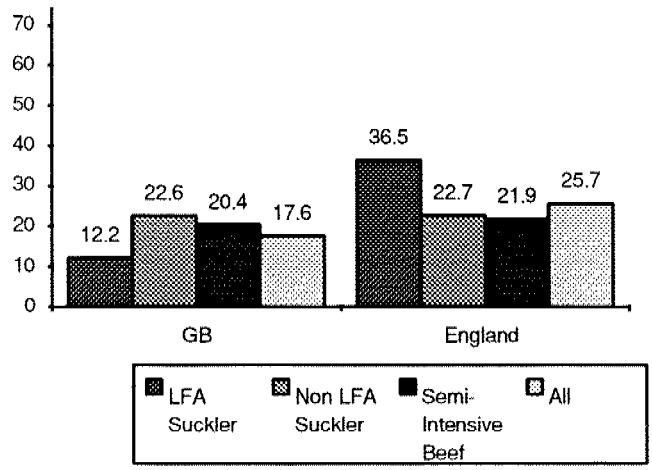


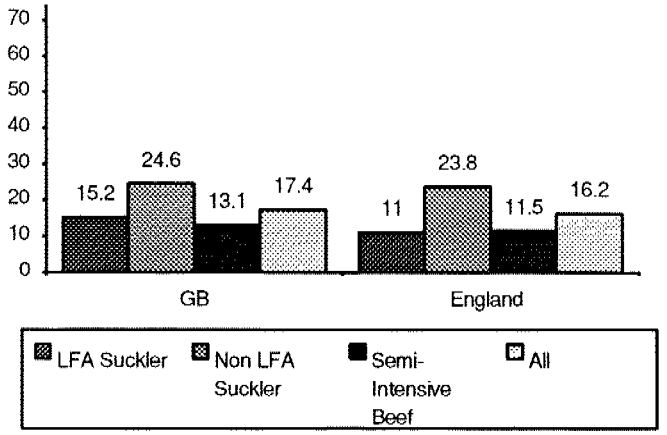
Figure 4.5 Proportion of Beef farms affected by the introduction of stocking density restrictions who have made an overall reduction in stocking density (%)



4.3.6 Turning again to the full sample of beef farmers, even the reduced 1996 stocking levels are likely to cause just 16.2% of all English beef farms to make further adjustments (Figure 4.6). Significantly more lowland than LFA farmers will be affected in this way. Fewer than one in five of the farmers affected in this way said they would reduce stocking rates by reducing the number of livestock on their farms. One in four of the affected farmers would acquire additional forage area as a means of

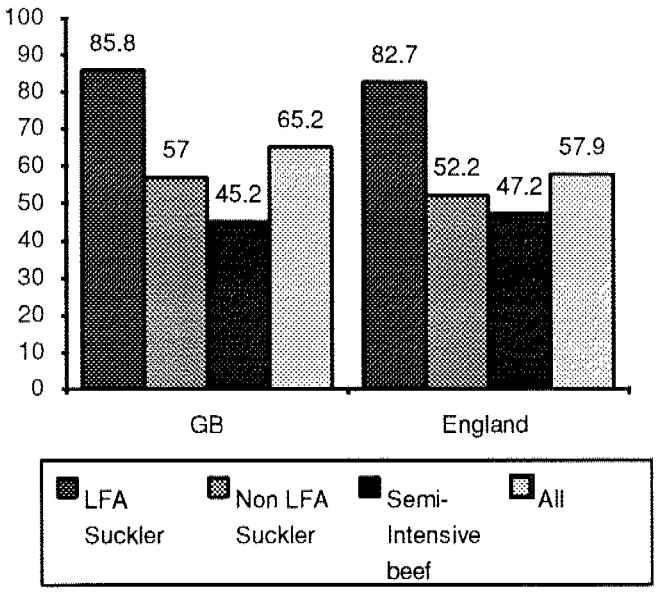
reducing stocking density. A quarter would reduce their 'official' stocking density by reducing the number of claims made but not by reducing actual stock numbers[11].

Figure 4.6 Proportion of Beef Farms affected by the 1996 stocking density regulations (%)



4.3.7 The majority of beef farmers receive extensification premia (Figure 4.7). In England, this ranges from 82.7% for LFA suckler farmers to 47.2% for farmers with Semi-intensive systems.

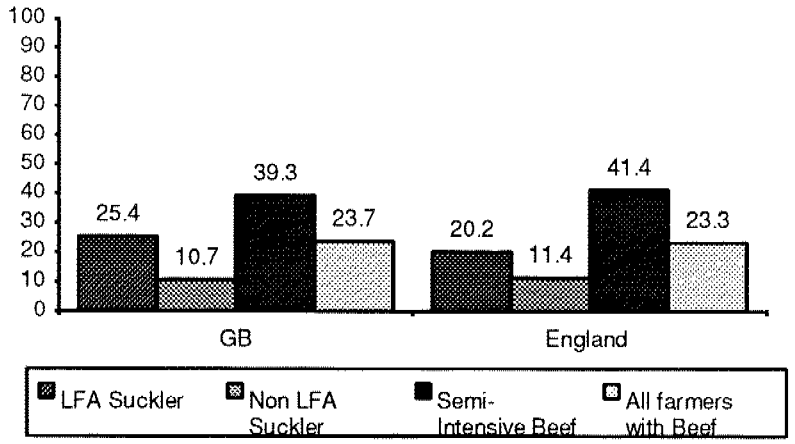
Figure 4.7 Proportion of Beef Farmers claiming the extensification premium (%)



[11]These figures may well have changed post-BSE.

4.3.8 A significant proportion of farmers have made subtle 'paper' changes to qualify for extensification premia but very few have made real changes to stocking rates (Figure 4.8). Very few farmers (less than 1%) plan to make changes to qualify for extensification premium in the future.

Figure 4.8 Farmers deliberately changing their livestock management to claim the extensification premium (% of farms receiving premium)



4.4 Quotas

4.4.1 Despite the introduction of sheep and suckler cow quotas, can the livestock support systems be compared with the dairy sector where milk quotas impose a strict absolute limit on production of milk? For both sheep and beef production, quotas impose limits on the number of breeding stock rather than on levels of output. Efficiency gains through better breeding rates, especially in the sheep sector where there is considerable scope for further increases in productivity in some systems, could mean that levels of output increase within a quota system, with corresponding knock-on effects for the intensity of land management. We encountered no evidence of quotas seriously affecting farmers businesses and levels of intensity.

4.5 Environmental conditionality

4.5.1 The application of environmental conditionality is provided for through the threat to withhold payments in cases of overgrazing and unsuitable supplementary feeding practices. It is important to recognize the limitations of this. There is no suggestion that lowland practices of intensive livestock production with their associated pollution risks are unsuitable. The clause is directed at the uplands, where the issue of over-grazing long pre-dates the 1992 reforms. To date, the application of this measure has been relatively weak and very selective with only a small number of cases where action has been taken.

4.5.2 Required reductions in stock numbers will be limited only to the land on which the damage is occurring rather than the whole farm. Overall stock numbers, therefore, may be maintained. In cases where extreme damage is occurring despite the withholding of a proportion of premium payments, all premium payments may then be withheld. However, there appears to have been some controversy concerning the legal requirement for a period of notice to farmers of MAFF's intent to withdraw subsidies. (Baldock and Mitchell 1995: p34)

4.5.3 Our farmer survey threw up no examples of cases where farmers had been affected by the withdrawal of subsidy in this way.