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MONTHLY FARMING UPDATE

July 2024



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I Policy issues

- 1 MSPs have voted in favour of The Agriculture and Rural Communities (Scotland) Bill which is set to become law.
- 2 The Australian Government has announced plans to ban the live export of sheep by May 2028.

II Reform

- 1 The on-line checker for round I of the Laying Hen Housing for Health and Welfare grant has opened with full applications due to open in October. The housing must provide a high level of biosecurity, excellent ambient environment and maximise the space available by ensuring full and safe accessibility to all birds. Projects should include mechanical ventilation and high-welfare multi-tier systems, including a veranda where outside space is permitted.

III Grants/regulations/legislation/environment

- 1 Data from the February 2024 Farm Practices Survey has been published.
 - 57 per cent of holdings have a nutrient management plan, unchanged from recent years.
 - 12 per cent of farms process waste by anaerobic digestion compared to 7 per cent 5 years ago.
 - 48 per cent of farms are taking action to reduce greenhouse gas emissions, the most popular being recycling waste materials and improving energy efficiency.
 - 78 per cent of holdings spread manure or slurry on grass or arable land while 84 per cent spread fertilizers.
 - The most common method of manure storage is in the open on a field (66 per cent) whereas for slurry above ground tanks with no cover and lined or unlined earth bank lagoons (both 31 per cent) are the most common.
 - 74 per cent of livestock farms have a Farm Health Plan, unchanged in recent years.
 - 85 per cent of livestock holdings sow some or all of their temporary grassland with a clover mix while 70 per cent sow high sugar grasses.
 - 66 per cent of livestock holdings use a ration formulation programme or nutritional advice.
- 2 The Environmental Farmers Group has joined forces with Rothamsted Research for the introduction of on-farm water quality testing laboratories to help farmers reduce farm-related river pollution. The testing has initially covered the Wylde catchment area in Hampshire but will be extended to tributaries of the Hampshire Avon, the Dorset Stour, the Test and the Itchen.
- 3 In 2022, Scottish agriculture greenhouse gas emissions fell by 3 per cent to 7.7MtCO₂e. Since the baseline period in 1990, emissions from agriculture have fallen by 12 per cent as cattle and sheep numbers fell by 19 per cent and 32 per cent respectively. However, emissions have been relatively stable since 2016.
- 4 The Moredun Institute, in collaboration with the University of Glasgow, Scotland's Rural College and the Sustainable Control of Parasites in Sheep Industry Group, has been awarded a grant of £1.2 millions to study the mechanism of resistance to the macrocyclic lactone injectables in the sheep scab mite, *Psoroptes ovis*

- 5 During the past year, the average rate of peatland restoration in Scotland has more than doubled to 10,360 hectares.
- 6 Sightings of Asian Hornets have occurred in June at Martin's Mill, near Dover.

IV Other matters of farm finance and tenure

- 1 Total Income from Farming in the UK data has been published for 2023.
 - TIFF was £7.2 billions, down 9.8 per cent on 2022.
 - Livestock output was £19.2 billions, down 0.7 per cent driven by falls of 10.1 per cent in milk and 2.7 per cent in sheep for meat.
 - Crops output was £12 billions, down 9.7 per cent driven by falls of 28.3 per cent in wheat, 25.7 per cent in barley and 44.9 per cent in oilseed rape.
 - Input costs were £21.1 billions, down 2.8 per cent mainly due to a fall of 28.4 per cent in the value of fertilizers.
 - Agriculture's contribution to the economy was £13.7 billions, down 4.5 per cent to 0.56 per cent.
- 2 Updated figures have been published for Total Factor Productivity between 2022 and 2023 in England.
 - TFP decreased by 5.1 per cent.
 - The volume of all outputs fell by 5 per cent.
 - The volume of all inputs increased by 0.1 per cent.
 - Output of cereals fell by 15.6 per cent, vegetables and horticultural products by 0.4 per cent, potatoes by 6.9 per cent and fruit by 11.9 per cent but there was an increase of 2.7 per cent for industrial crops.
 - Output of livestock fell by 5.4 per cent and livestock products by 0.8 per cent.
 - There were increases in input volumes of 3 per cent for energy, 15.3 per cent for fertilizers and 2.7 per cent for maintenance but falls of 3.9 per cent for chemicals, 0.9 per cent for veterinary products and 2.1 per cent for animal feed.
- 3 The Agricultural Price Index for outputs rose by 0.1 per cent in April, compared to a year earlier, and by 0.3 per cent compared to March. The index for inputs fell by 6.6 per cent and 0.5 per cent respectively.
- 4 In Wales, it is estimated that agriculture's gross added value fell by 3 per cent in 2023, while total income from farming fell by 6 per cent. The value of aggregate agricultural output rose by 6 per cent to £2.2 billions but inputs rose by 10 per cent to £1.5 billions.
- 5 The Scottish Government have invited views on proposals for changes and simplifications to crofting law. Topics include entry to crofting, crofting communities, use of common grazings, strengthening residency and land use and enhanced Crofting Commission powers. The consultation closes on 2 September.

V Product prices

A Market background

- 1 Sterling improved against the Euro but fell against the US Dollar this month; in both cases the net movements were not large. Having opened the month against the Euro at 85.2p, Sterling improved to peak mid-month at 84.0p but relaxed over the remainder of the month to close at 84.6p per € (0.6p stronger). Against the US Dollar, Sterling initially improved from its opening position of 78.5p, peaking at 77.7p, but for most of the month it fell back, hitting a low of 79.3p, whilst a marginal recovery in the final days saw it close at 79.1p per \$ (0.6p weaker).

2 The gold price was more settled this month, with smaller fluctuations and a lower peak. From a starting position of £1,830 per troy ounce, it rose and fell a number of times, reaching £1,876 and falling as far as £1,799, before settling at a closing price of £1,843 per troy ounce (a gain of £13).

3 Crude oil prices started the month by falling a further \$4, but thereafter rose for the rest of the month. Brent Crude opened at \$81.60 per barrel and fell to \$77.50 before steadily climbing to a close of \$86.40 per barrel, a net gain of \$4.80 overall.

B Crops

1 The cereals market, at both spot and futures levels, has fallen significantly this month, although the market sentiment is bullish for a degree of recovery. Dry weather forecasts for Ukraine and Russia, alongside high temperatures and dry weather in the US grain belt, are watchpoints for the global market and, as usual, the 'speculative trader effect' is adding further swing. Average milling premiums are holding strong, above £60 per tonne. Feed wheat futures fell significantly across the board this month, to the greatest extent in the short term, albeit with a small up-tick in the final days, giving a relatively flat price profile; by late June deliveries for November 2024 and 2025 were £197/tonne (-25) and £197/tonne (-13) respectively; whilst deliveries in March 2026 closed the month at £201/tonne (-13). The oilseed rape market has fallen back this month, largely following the soya market and influenced by forex fluctuations. The longer-term expectations are largely flat, with softening demand counteracting the marginally lower forecast production in the US, Australia and parts of Canada. Average spot prices in late June (per tonne ex-farm): feed wheat £172 (-20); milling wheat £240 (-21); feed barley £149 (-22); oilseed rape £360 (-27); feed peas £285 (-3); feed beans £281 (-3).

C Livestock

1 The average live-weight cattle prices for steers and heifers improved this month, and with less volatility. The average steer price rose steadily from its opening average of 261p/kg lw, plateauing mid-month before improving again to close at the month's peak of 274p/kg lw (up 13p, to sit 8p/kg above the average a year earlier). The average finished heifer price, from its opening position of 274p/kg lw, fell early on to 268p/kg, then bounced back to a high of 278p/kg before climbing gently for the remaining weeks to a closing average of 281p/kg (up 7p, to sit 5p below the average a year earlier). The average dairy cow price continued along a similarly volatile path: climbing from its opening position of £1,315 per head to peak at £1,400, then falling back to £1,269 before recovering to close the month at £1,528 per head (up £213 to sit £373 below the all-time-high average set a year earlier).

2 The average finished lamb price (SQQ liveweight, new season) turned back towards normality this month, after the exceptional highs in May, by falling back materially. Opening at 402p/kg lw, the average fell marginally in the first two weeks, to 394p/kg, before falling more heavily in the latter weeks to close the month at 354p/kg, down 48p/kg but still sitting 44p/kg above the average a year earlier.

3 The average UK all pig price (APP) ended a long downward trend this month with uncharacteristic volatility. From an opening position of 211p/kg dw, it rose to 214p/kg in the early days, fell back to 211p/kg, climbed back to 213p, then fell to 212p/kg dw, where it closed the month (a gain of 1p to sit 10p below the closing average a year earlier).

- 4 The UK milk price, in the most recent reports, fell again in April. The UK average 'all milk' price for April, reported in June, was 37.21ppl: 0.92ppl below the March average and 2.22ppl below the price a year earlier. The EU average for April was only marginally down, sitting at 40.65ppl; 0.20ppl below the March average and 2.47ppl below the price a year earlier).

VI Other crop news

- 1 The US Department for Agriculture has reduced its forecast for the Russian wheat crop from 88Mt in May to 83Mt, similar to forecasts of 81.5Mt by IKAR and 80.7Mt by SovEcon.
- 2 The latest AHDB crop development report shows that, as at 5 June, 55 per cent of GB wheat is rated as good or excellent, up from 45 per cent a month earlier and 34 per cent at the end of March but below last year's 85 per cent. Spring barley is rated 55 per cent good or excellent compared to 73 per cent last year.
- 3 FranceAgriMer has reported that the French winter barley sowings in good to excellent condition have fallen to 63 per cent compared to 84 per cent a year ago while spring barley was at 73 per cent compared to 78 per cent a year ago. Good to excellent soft wheat was stable at 62 per cent, down from 83 per cent a year ago, while durum wheat was 63 per cent, down from 77 per cent last year.
- 4 In the year to February 2023, 133,000 hectares of agricultural land in the UK were used to grow bioenergy crops, 2.2 per cent of the total arable land. 36 per cent of land use for bioenergy was for biodiesel and bioethanol in the road transport market with the remainder used for heat and power production. 153 million litres of biofuel was produced for the road transport market and 6.7 million tonnes oil equivalent of plant biomass were used to produce power and heat.
- 5 Concern has been expressed that the UK could lose its accreditation under the EU Renewable Energy Directive II. A year ago, the European Commission announced it would no longer recognise the UK's national accreditation body which assesses assurance schemes which assure growers so they can supply wheat for biofuel production. There is also a requirement that UK greenhouse gas emission data on a NUTS 2 basis is approved prior to this year's harvest to enable the crop to be used in biofuel production. Further the EU Union Database for Biofuels requires all feedstocks used in biofuel production to be traceable and logged from this coming November.
- 6 Survey results from Statistics Canada show that Canadian farmers have planted 1.5 per cent less wheat than according to the March intention survey, 10.5 per cent less barley and 5.5 per cent less oats. Oilseed rape plantings were up 2.9 per cent.
- 7 The Agricultural Price Index for April shows falls of 16.4 per cent for wheat, compared to a year earlier, 12.2 per cent for barley, 15.7 per cent for oilseed rape and 18.4 per cent for fresh vegetables but there were increases of 25.8 per cent for oats, 121.6 per cent for potatoes, 89.5 per cent for forage plants and 26.4 per cent for fresh fruit. Compared to March, there were increases of 1.3 per cent for wheat, 0.9 per cent for oats, 10.2 per cent for potatoes, 1.1 per cent for oilseed rape, 4.2 per cent for forage plants, 2.8 per cent for fresh vegetables and 20.8 per cent for fresh fruit but a fall of 5.1 per cent for barley.
- 8 Potato planting has largely been completed in Germany and France but less than half the Belgian crop has been planted and only 80 per cent of the Dutch crop.
- 9 The Mintec Benchmark has reported that English white potatoes reached a new high of £750 per tonne on 11 June, up 87.5 per cent on last year, the second highest year of record highs.

- 10 QV Realisations Ltd, previously known as AH Worth Ltd and based in Holbeach, has entered into administration after a buyer could not be found for its fresh and prepared potato operations.
- 11 With effect from 2025, growers of sugar beet will be allowed to purchase seed from third parties rather than just via the British Sugar UK Seed Account.
- 12 During 2023, home production of vegetables fell by 4.9 per cent to 2.2m tonnes; the value of home production increased by 10 per cent to £1.9 billions; total supply fell by 1.8 per cent to 4.2m tonnes; imports increased by 0.8 per cent to 2.1m tonnes; exports fell by 22 per cent to 75,000 tonnes; and home production contributed to 53 per cent of UK supply, down from 54 per cent in 2022. The area for vegetables fell by 6.5 per cent to 101,000 hectares; the brassicas area fell by 3.1 per cent to 23,000 hectares with the broccoli area down 1 per cent to 7,465 hectares and the cauliflower area down 1.1 per cent to 8,754 hectares. Broccoli yields fell by 0.4 per cent to 8.5t/ha but market prices rose by 4.3 per cent to £2.43/kg making the overall crop value £107 millions, down just 0.2 per cent. Cauliflower yields fell by 9.2 per cent to 9.1t/ha and production fell by 10 per cent to 71,000 tonnes but prices increased by 50 per cent to £1.26 per head resulting in a 33 per cent increase in the overall value of the crop to £75 millions. The lowest area of planted bulk onions for several decades was 7,349 hectares but late rains resulted in a 13 per cent increase in yield to 38t/ha; overall production fell by 3.6 per cent to 283,000 tonnes; the crop value increased by 48 per cent to £196 millions; and the average price increased by 54 per cent to £0.81/kg. The carrot area increased by 1.5 per cent to 11,000 hectares; yields fell by 7.2 per cent to 65t/ha; overall production fell by 6.4 per cent to 734,000 tonnes; the price increased by 36 per cent to £0.67/kg; and the overall crop value increased by 21 per cent to £211 millions.
- 13 In 2023, the area of field vegetables fell by 6.6 per cent to 100,000 hectares; production fell by 5.2 per cent to 2 million tonnes; and the overall crop value increased by 12 per cent to £1.5 billions. The area of protected vegetables increased by 4.9 per cent to 710 hectares; production fell by 1.9 per cent to 235,000 tonnes; and the overall crop value increased by 3.7 per cent to £374 millions.
- 14 Garford Farm Machinery and RootWave have entered an agreement which will bring next generation weeding technology to the UK market. The RootWave system uses electricity to boil weeds and their roots, is non-chemical and does not disturb the soil. It is compatible with both organic and regenerative farming systems while Garford's Robocrop Guidance System allows for accurate and efficient hoeing for both in row and inter-row weed management and prevention control.
- 15 The Soil Association, Sustain and The Wildlife Trusts have called for farmers to be given incentives to double the acreage of land used to grow fruit and vegetables to stop the country relying on imports and to improve public health.
- 16 In 2023, the fruit area fell by 1.8 per cent to 32,000 hectares; production fell by 12 per cent to 585,000 tonnes; the overall crop value of orchard fruit fell by 24 per cent to £293 millions while that of soft fruit increased by 19 per cent to £755 millions; and home production contributed 16 per cent of total UK supply, down from 17 per cent in 2022.
- 17 EU production of apples is forecast to fall by 6.3 per cent to 11.1m tonnes in 2023/24, 3.6 per cent below the 5-year average and a 3-year low. Germany is expected to be down 12 per cent, France 10 per cent and Poland 9 per cent partly as a result of a 4 per cent reduction in area and also adverse weather conditions. Of the total, 7.1m tonnes is expected to be used for fresh consumption, down 5.7 per cent, and 4m tonnes for processing, down 5.2 per cent. EU per capital consumption of fresh apples is expected to decline to 14.3 kg, down 7 per cent.

- 18 In 2023, the strawberry area was unchanged at 4,700 hectares; production fell by 11 per cent to 106,000 tonnes; yields increased by 11 per cent to 22.8t/ha; and the overall value increased by 11 per cent to £471 millions. The raspberry area increased by 5.3 per cent to 1,400 hectares; yields fell by 7.3 per cent to 11.5t/ha; the market price increased by 36 per cent to £9.34/kg; and the overall value increased by 33 per cent to £180 millions. The area of culinary apples fell by 1.2 per cent to 2,300 hectares; production fell by 30 per cent to 59,300 tonnes; yields fell by 29 per cent to 26t/ha; the market price fell by 35 per cent to £1.16/kg; and the overall value fell by 61 per cent to £37 millions.
- 19 Global Plant Genetics and Polish Rubus breeding programme, Niwa, have agreed a licensing programme for Maryna and Juhas, two new primocane blackberry varieties.
- 20 Parkside has introduced Popflex, a new lidding film which is designed to stay attached to punnets and trays and which will not contaminate plastics during the recycling process. The film is certified by an On-Pack Recycling Label.
- 21 The University of Kent's School of Biosciences has discovered the water-borne and food-borne parasite *Cryptosporidium* in 17 per cent of samples of pre-washed vegetables in supermarkets in Kent. The parasite causes cryptosporidiosis with symptoms such as diarrhoea, vomiting, stomach pains and fever.
- 22 Spanish scientists have reported that climate change is benefiting the bacteria *Xylella Fastidiosa* which clogs the ducts and plant tissues of vines and has wiped out millions of plants in southern Europe and will therefore spread further north in Europe.

VII Other livestock news

- 1 The number of new bovine TB herd incidents in the year to March fell by 8 per cent in England, compared to the previous year, with a fall of 11 per cent in the High Risk area but an increase of 5 per cent in the Low Risk area. There were falls of 38 per cent in Scotland and 2 per cent in Wales. The number of herds not officially TB free at the end of March fell by 3 per cent in England with a fall of 5 per cent in the High Risk area but increases of 3 per cent in the Edge area and 9 per cent in the Low Risk area. There was a fall of 46 per cent in Scotland.
- 2 The Welsh Government has introduced legislation which is hoped will lead to the eradication of Bovine Viral Diarrhoea. With effect from 1 July, keepers will be required to
- screen their herds annually by testing a small number of cattle
 - isolate Persistently Infected animals from the rest of the herd for the remainder of their lives.
- The annual herd test must be completed by 1 July 2025.
- 3 During May, UK prime cattle slaughterings rose by 2.9 per cent, compared to a year earlier, to 184,000 head; beef and veal production rose by 1.4 per cent to 78,000 tonnes; sheep slaughterings fell by 12 per cent to 817,000 head; mutton and lamb production fell by 10 per cent to 20,000 tonnes; pig slaughterings fell by 1.6 per cent to 857,000 head; and pigmeat production fell by 0.7 per cent to 79,000 tonnes.
- 4 The Agricultural Price Index for April shows increases of 29.7 per cent for sheep and lambs, compared to a year earlier, and 3 per cent for eggs but there were falls of 2.5 per cent for cattle and calves, 3.3 per cent for pigs, 5.9 per cent for poultry and 4 per cent for milk. Compared to March, there was an increase of 6.5 per cent for sheep and lambs but falls of 1.1 per cent for cattle and calves, 0.3 per cent for pigs, 0.4 per cent for poultry and 2.5 per cent for milk.

- 5 AHDB has reported that the genomic testing of dairy heifers is widening the gap between the best and worst herds. Producers using genotyping services for 75-100 per cent of their dairy heifers had an average Profitable Lifetime Index across their 2023 calf crop of £430 compared to £237 for those herds which test 0-25 per cent of their heifer calves.
- 6 Organic Herd has increased its milk price by 3ppl taking a standard litre to 54ppl.
- 7 During April, milk available to processors increased by 1.9 per cent, compared to March, to 1,262 million litres. Liquid milk production increased by 3.9 per cent to 514 million litres, cheese production by 5.5 per cent to 45,200 tonnes and milk powder production by 43 per cent to 12,600 tonnes but there was a fall in butter production of 0.8 per cent to 19,100 tonnes.
- 8 Arla has increased its price by 0.44ppl taking the conventional manufacturing price to 40.89ppl and the liquid price to 39.23ppl. The organic price has increased by 0.89ppl taking the conventional manufacturing price to 50.87ppl and the liquid price to 48.81ppl.
- 9 Muller had increased its price by 1ppl to 39ppl.
- 10 During May, average butterfat fell by 2.6 per cent, compared to April, to 4.15 per cent and by 1.9 per cent compared to a year earlier. Average protein fell by 0.8 per cent and 0.8 per cent respectively to 3.37 per cent.
- 11 First Milk has increased its price by 0.8ppl to 40.3ppl.
- 12 Saputo has increased its price by 0.5ppl to 40ppl.
- 13 Organic milk production in May fell by 9.7 per cent, compared to the previous year, while 2023/24 production was down 14 per cent on 2022/23.
- 14 Meadow has increased its price by 1.7ppl to 37ppl.
- 15 Barbers has increased its price by 1.03ppl to 41.28ppl.
- 16 Meadow has taken over as buyer of milk of 31 dairy farms following the collapse of Mona Dairy in Anglesey.
- 17 Ceva Animal Health has reported a production problem affecting the supply of its enzootic abortion of ewes vaccine, Cevac Chlamydia.
- 18 The full economic cost of production of pork for the first 3 months of the year is estimated at 194p/kg deadweight with margins per slaughter pig estimated at £16 per head.
- 19 African Swine Fever has been reported in a wild boar in Hesse, western Germany for the first time. The region borders North Rhine-Westphalia, the highest pig-producing state in Germany. Poland and Germany have both reported their first outbreaks in domestic pigs.
- 20 Confirmed findings of avian influenza in non-avian wildlife in 2023 comprise 2 cases in Common Dolphin in Devon and Pembrokeshire, 3 cases in Eurasian Otter in Shropshire, Salisbury and Durham and 2 cases in Red Fox in Perth and Kinross and Powys.
- 21 During May, UK commercial layer chick placings fell by 2.4 per cent compared to a year earlier, to 2.9 million chicks; broiler chick placings rose by 3.3 per cent to 94.7 million chicks; turkey chick placings fell by 11 per cent to 600,000 chicks; turkey slaughterings rose by 4.3 per cent to 500,000 birds; broiler slaughterings rose by 2.6 per cent to 91 million birds; and total poultry meat production rose by 5.9 per cent to 162,900 tonnes.
- 22 During May, High Pathogenicity Avian Influenza H7N3 was detected in the State of Victoria, Australia followed by H7N9 in a nearby poultry unit.

VIII Inputs/Supply businesses

- 1 Frontier has introduced a new scheme for oilseed rape growers whereby seed that failed to establish would result in the cost being waived while partial failure would result in partial cost waiver. Eligible varieties include LG Adeline, Murray, LG Wagner, Matrix CL and Crocodile and growers must sow an approved Kings Crops companion crop alongside the oilseed rape.
- 2 Regulator HSE-CRD has granted an Extrapolated Trials Permit for drone spreading of a granular slug pellet product.
- 3 The Agricultural Price Index for April shows increases of 1.8 per cent for seeds, compared to a year earlier, 3.2 per cent for veterinary services and 6.5 per cent for equipment maintenance but falls of 11 per cent for energy and lubricants, 21.5 per cent for fertilizers, 8.1 per cent for chemicals, 10.9 per cent for animal feedingstuffs and 3.5 per cent for buildings maintenance. Compared to March, there were increases of 0.1 per cent for veterinary services and 0.3 per cent for equipment maintenance but falls of 0.7 per cent for seeds, 1.8 per cent for energy and lubricants, 0.5 per cent for fertilizers, 1 per cent for chemicals and 0.8 per cent for animal feedingstuffs.
- 4 Nitrogen balance, the difference between nitrogen inputs and outputs, was 38.2kg N surplus on the average Scottish farm in 2022/23, a fall of 28 per cent. Nitrogen use efficiency rose by 5 per cent to 31 per cent. The largest decreases in Nitrogen balance were in general cropping farms (129 per cent) and cereal farms (66 per cent).

IX Marketing

- 1 Between July and April, UK wheat imports totalled 1.8Mt, up 65 per cent on the year and 25 per cent on the 5-year average. Full year imports are expected to reach 2.175Mt, up 60 per cent on the previous year. Maize imports have totalled 2.24Mt up 21 per cent on last year and 7 per cent on the 5-year average. Barley imports have reached 147,000 tonnes, more than double both last year and the 5-year average.
- 2 Beef imports totalled 19,300 tonnes in April, up 1,000 tonnes on March, with increases from Brazil, Uruguay and Australia although Ireland remains the largest supplier at 14,600 tonnes. Exports totalled 9,700 tonnes, up 500 tonnes on March and 1,900 tonnes on a year earlier. In the year to date, exports total 36,900 tonnes, up 2,900 tonnes on a year ago.
- 3 The Food Standards Agency has reported that Greencore Group, Samworth Brothers Manton Wood and THIS! have recalled sandwiches and wraps from retailers over concerns of Shiga toxin-producing E.coli where there have been 375 cases across the UK and at least 1 death. It is thought the problem lay in a type of lettuce used in sandwiches.
- 4 During 2023, vegetable exports fell by 4.6 per cent in value to £82 millions and by 22 per cent in volume to 75 million tonnes; imports rose by 13 per cent in value to £3.1 billions and by 0.8 per cent in volume to 2 million tonnes. Fruit exports rose by 8.9 per cent in value to £70 millions but volumes fell by 4 per cent to 36,000 tonnes; imports rose by 3.5 per cent in value to £4 billions but volumes fell by 3.9 per cent to 3.1 million tonnes.
- 5 According to Kantar, in the year to 17 March, consumers spent 15 per cent more on out-of-home food service and the number of visits grew by 12 per cent.
- 6 During April, sheep meat imports fell by 2,000 tonnes to 5,000 tonnes. Exports totalled 5,500 tonnes, down 1,700 tonnes on March.

- 7 Aldi has signed a 20-year contract with AC Goatham & Son, Kent-based fruit growers, valued at £750 millions, for it to be the sole supplier of British apples. In addition, a 200 acre 'Aldi Orchard' will be planted near Gravesend to supply Gala and Braeburn apples for Aldi.
- 8 Data from British Apples & Pears has revealed that 7 of the leading 10 supermarkets have increased their purchases of homegrown top-fruit from member growers in the 6 months since the start of the 2023 season. Top performers were Sainsbury's, which bought 2,737 more tonnes of British apples and pears, and Lidl, up 2,597 tonnes. Tesco fell back by 714 tonnes but the worst performer was Morrisons, down 2,613 tonnes.
- 9 Great British Pea Week runs from 1-7 July.

X Miscellaneous

- 1 An NFU survey has revealed that 54 per cent of farmers have experienced fly-tipping; 30 per cent had suffered from large-scale fly-tipping; and 50 per cent considered the problem had worsened over the past 5 years.
- 2 A licensing regime for the use of rodent glue traps has opened to applicants ahead of restrictions coming into force on 31 July when glue traps may only be used under licence.
- 3 Cumbrian beef and sheep farmer Alistair Mackintosh has been appointed interim chair of Red Tractor following the retirement of Christine Tacon.
- 4 Geoff Sansome has been appointed chair of the 2025 Oxford Farming Conference.
- 5 Nationwide has reported that house prices in rural areas have increased by 22 per cent over the past 5 years compared to 17 per cent in urban areas.
- 6 The Thanet Earth Centre of Excellence at Hadlow College, in Kent, has opened as the UK's first Centre of Excellence in glasshouse growing.

Postscripts

Nun Grading Papers

Can you imagine the nun sitting at her desk grading these papers, all the while trying to keep a straight face and maintain her composure! Spelling left as written.

1. In the first book of the bible, guinessis, god got tired of creating the world so he took the sabbath off.
2. Adam and eve were created from an appletree. Noah's wife was Joan of Ark. Noah built and ark and the animals came on in pears.
3. Lot ' s wife was a pillar of salt during the day, but a ball of fire during the night.
4. The jews were a proud people and throughout history they had trouble with unsympathetic genitals.
5. Dampson was a strongman who let himself be led astray by a jezebel like delilah.
6. Samson slayed the philistines with the axe of the apostles.
7. Moses led the jews to the red sea where they made unleavened bread, which is bread without any ingredients.
8. The egyptians were all drowned in the dessert. afterwards, mooses went up to mount cyanide to get the ten commandments.
9. The first commandment was when eve told adam to eat the apple.
10. The seventh commandment is thou shalt not admit adultery.
11. Moses died before he ever reached canada then joshua led the hebrews in the battle of geritol.
12. The greatest miricle in the bible is when joshua told his son to stand still and he obeyed him.

Monthly Farming Update

Mind the Gap!

Much has been made of the intentions of the Labour Party to raise additional revenue by tackling tax avoidance. Indeed, when has there ever not been a manifesto pledge by either of the two main parties to do so. Further, tax avoidance is a common feature of any Budget announcement.

It may be more effective if the main parties injected more resources into HM Revenue & Customs to tackle the 'tax gap' which, in 2022/23, stood at £39.8 billions, the highest ever. The 'tax gap' represents the receipts HMRC would expect compared to those which actually reach its coffers.

Despite the cash gap increasing, the 'tax gap' as a percentage of the tax base has actually fallen from 7.4 per cent in 2005/06 to 4.8 per cent in 2022/23.

Income Tax, National Insurance and Capital Gains Tax represent 34 per cent of the total 'tax gap'; Corporation Tax also represents 34 per cent; VAT makes up 20 per cent; Excise Duties make up 6 per cent; and other taxes 6 per cent.

The share of the 'tax gap' attributed to small businesses has risen from 44 per cent in 2018/19 to 60 per cent in 2022/23 whereas that attributed to large businesses has fallen from 15 per cent to 11 per cent alongside that attributed to mid-size businesses.

What does seem surprising is the 'tax gap' attributed to criminals has fallen from 15 per cent to 9 per cent, the same as is attributed to wealthy persons and other individuals.

The figures suggest that those people deemed to be 'wealthy' in the main pay their taxes and contribute to the wellbeing of the economy. One can only hope this is recognised in the next Budget.

We welcome feedback on the MFU.

Does this issue raise any questions in your mind?

Would you like more information on a particular item?

Please ring one of our agricultural specialists:

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