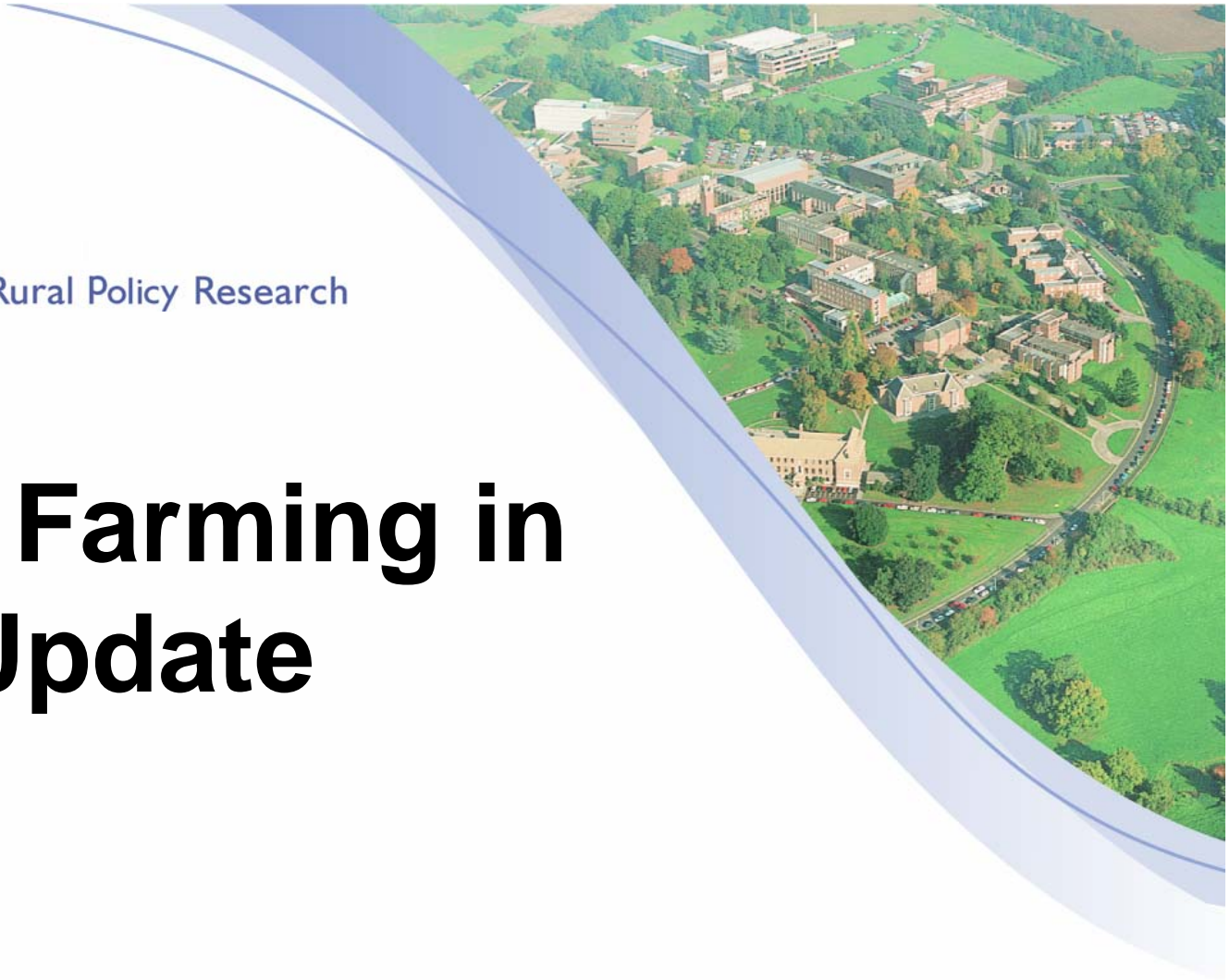


State of Farming in Devon Update

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Background

- 4th in series of reports DCC have commissioned on farming in Devon in order to monitor change & inform decisions
- First attempt to look in detail at impact of CAP reform

Recent agricultural change: labour

- 1.9% fall in labour 2000-06
- Most losses in category of full-time workers
- Increase in number of part-time farmers
- Small increase in 'managers'
- Marked reliance on family labour in comparison with SW and England

Recent agricultural change: livestock

- 11.9% reduction in number of dairy holdings since 2002
- Size of dairy herd falling but at slower rate than nationally
- Beef numbers declining
- Fewer sheep on more holdings. Av flock size declined by 21.9% since 2000

Aggregate farm incomes

Farm Type	NFI in 2004/05	NFI in 2005/06	% Change from 2004/05 to 2005/06
Cereal	4.41	5.18	17.6
Dairy	46.79	42.50	-9.2
LFA	6.47	6.83	5.6
Lowland Cattle & Sheep	5.31	5.63	6.1
Mixed	6.95	7.23	4.1
Main farm types in Devon	69.93	67.38	-3.6

Plans for the next 5 years

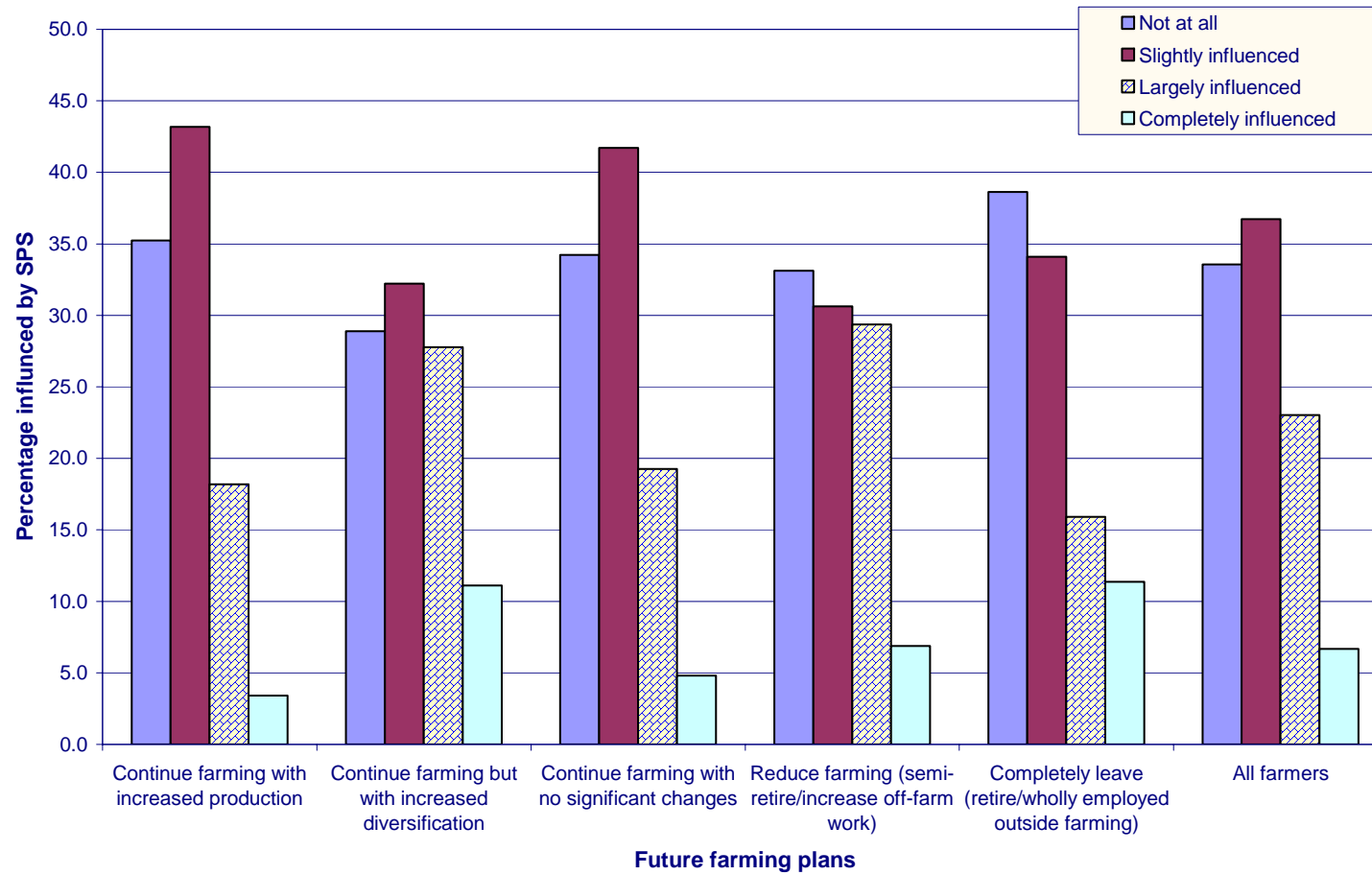
	Number	% of all farmers
Continue farming with no significant changes	191	32.4
Semi-retire from farming	121	20.5
Continue farming but with increased diversification	92	15.6
Continue farming with increased production	88	14.9
Reduce farming and take up/ increase off-farm working	42	7.1
Completely retire from farming	35	5.9
Leave farming and take up/ increase off-farm working	9	1.5
Don't Know	11	1.9
All farmers	589	100.0%

Impact of CAP reform

Influence of CAP reform	Number of farmers	% of farmers
Not at all	196	33.4
Slightly influenced	214	36.5
Largely influenced	137	23.4
Completely influenced	39	6.7
All farmers	586	100.0

Source: Devon sample from SW farm survey CRPR 2006

Planned changes



Future developments

- Future developments influenced by combination of factors including SFP but also farm size, type & age of 'farmer'
- Minority (approx 30%) of dairy farms account for most plans for future expansion (land & livestock)
- Largest farms also most likely to plan further expansion
- Operators of smaller farms more likely to plan to reduce scale or leave farming

Conclusions

- Difficult period of adjustment & transition
- Some will leave. Most plan to stay. Some of those would be better off leaving.
- Devon's agriculture yet to reach 'tipping point'
- Complexity:
 - e.g. dairy sector – concentrated on fewer, larger holdings (a trend apparent for decades)
 - Larger holdings 'locked in' to farmed centred development path?
- High subsidy dependency, so more change inevitable in longer term

So what?

- Need for on-going monitoring
- Need for advice & information resources for those planning to diversify/work off farm
- Need to facilitate dignified exit for those planning to leave
- Need to be forward looking & consider opportunities & barriers facing Devon's agricultural entrepreneurs

Farming in Devon: changes since 2002 and developments in the near future

Download full report from:
www.centres.ex.ac.uk/crpr/