

Ulster Farmers' Union *UPDATE*

THIS WEEK

24 July 2015

Rodenticides: The UFU along with the other UK farming unions have secured the option for farmers to use their farm quality assurance scheme as 'proof of competence' until at least the end of 2017, following the announcement from HSE that new rules on the purchases and the use of professional rodenticide bait will come into force from 1 June 2016. This is a move designed to reduce the risk of non-target species being accidentally exposed to rodenticides. The UK farming unions successfully argued that the number of farmers who would have needed to be qualified by the 1 June 2016 deadline was so large that there was a real risk that essential rodent control would be under threat. UFU have said that securing the option for farmers to use their farm quality assurance scheme as 'proof of competence' until at least 31 December 2017 would be vital in allowing farmers in Northern Ireland who implement their own rodenticide control measures the time and flexibility to undertake the necessary training needed if they want to continue to do so. To read the full story visit: <http://bit.ly/1SFFzAS>

UFU comment on impact of weak euro: UFU says a weak euro is damaging for every commodity, and it will also hit the calculation of single farm payments due in December. The weakness of the euro against sterling is making life tough for exporters. This is making an already bad situation worse for many commodities, not least dairy products and lamb. It also gives our competitors, led by the Republic of Ireland, a huge currency advantage supplying the major UK retailers, which are our biggest customers. This makes life difficult for processors here, which is reflected directly in what they pay farmers. All the signs are that the euro will remain weak, meaning that when the rate to convert euro into sterling for single payments is set in September this will be down by around ten per cent on last year. This is a major blow for farmers at the end of a year when single payments will be desperately needed to maintain cash flows. Adding to the frustration of low prices and cash flow pressures is the fact that this is an issue over which farmers have no control, but suffer more from the fallout than any other industry in Northern Ireland.

French support measures: UFU have said that the French support measures are an ambitious programme and one that has underlined the scale of the crisis facing farmers in every EU member state. Given the weakness of the euro against sterling the problems facing farmers are even worse than those being experienced in France. UFU will be pressing the agriculture minister, Michelle O'Neill to confirm that she recognises the scale of the crisis facing the industry, and the threat this poses to the biggest sector of the local economy. It is difficult to envisage the Executive here doing the same as the French government – but there is a case for radical thinking and for the minister to find ways to help farmers through what is going to be a very difficult autumn and winter. A big focus of the French plan was on cash flow, the UFU has already engaged with all the local banks to develop and implement measures that will ease the cash flow burden farmers' face across all enterprises. The UFU will continue to press for solutions that are achievable in Northern Ireland.

Lamb Sector: Lamb prices have collapsed by a quarter compared with 2014. As with any price downturn, there are a number of reasons, but the main issue is the weakness of the euro. For an export focused industry like agriculture a weak euro is very damaging. It increases the quantity of imported meat in the UK, while making our products more expensive in export markets. Since the beginning of the year beef and lamb exports from the UK have declined by over 20 per cent, because of the weak euro and Russia's import ban on EU meat. This combination creates all sorts of difficulties for local beef and sheep farmers who are now competing with cheaper, lower quality imported products not produced to the same standard as those from Northern Ireland Quality Assured Farms. In recent years consumption of lamb in Northern Ireland has fallen sharply. It is estimated that 40 per cent of local consumers do not purchase lamb at all. This is disappointing as lamb is a key part of the local agri-food industry. Northern Ireland's landscape and rich biodiversity reflects the land management skills of farmers and sheep production plays a key role. To read the full story visit: <http://bit.ly/1TPCXms>

Call for dairy sector support: UFU says the pressure on the dairy sector in every EU member state is now evident to the Commission. The Northern Ireland dairy industry is half a million pounds a day worse off than this time last year with the problem compounded because of the impact of the weak euro on milk prices. While it is a welcome sign that the Commission is beginning to acknowledge mounting political pressure, moves by the European Commission fall far short of what farm and dairy industry lobby organisations have been pressing for from the farm commissioner, Phil Hogan. Over the past days intervention buying of dairy products has been triggered in Lithuania; the Commission has extended storage periods for dairy products taken off the market and it has agreed that its price and trends monitoring Milk Market Observatory needs to be more effective. While these are welcome moves it is not what was needed to stem losses on dairy

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farms as autumn approaches. More needs to be done to stop plummeting commodity prices and the inevitable losses incurred by our dairy farmers. With milk cheques almost certainly facing another fall this month, and further reductions likely as winter approaches, rising production costs will make matters worse. This makes it essential that the industry across Europe ratchets up pressure on Phil Hogan to acknowledge that the scale of the crisis the industry is facing needs more meaningful action than he is contemplating. The key demand of the Commission is that it reviews the price at which intervention support is triggered. This was set in 2003 and reviewed last in 2008, but not changed then. The UFU will be in Brussels in early September with other farm organisations to press the Commission on this issue. Locally it will be holding a dairy industry summit to coordinate plans with advisers, processors and banks to help farmers get through what could be the toughest ever autumn and winter for cash flows. To read the full story visit: <http://bit.ly/1TWsKEQ>

Renewable Heat Incentive Meeting: The UFU have met DETI to discuss the Northern Ireland Renewable Heat Incentive. DETI informed UFU of the legislative procedure which will be followed and will keep UFU informed of any resulting changes going forward.

Dairy UK Meeting: The UFU met with the Chief Executive of Dairy UK Northern Ireland to discuss the situation in the local dairy industry. During the meeting UFU raised concerns at the prospect of sustained low prices and pressures on farms cash flows and received a commitment that Dairy UK would work with the UFU in continuing to lobby for a review of Intervention Threshold levels.

Red Tape: A County Antrim farmer has fallen foul of red tape, while having a quiet smoke in his tractor, parked off the road at a filling station. The notice from the 'tobacco control officer' of Antrim and Newtownabbey Council claims he was 'observed' by an official smoking in a commercial vehicle capable of 'carrying more than one person', this was deemed to break smoking in the workplace regulations. UFU said this seemed to be taking the Northern Ireland Smoking Order (2006) to extreme lengths, adding that this has raised more serious issues. Following the announcement earlier this month in regard to insufficient funds being available to improve road safety by cutting back hedges and verges in rural areas it is difficult to understand how then a local council can afford someone to watch a tractor parked safely off the public road. Regardless of where you stand on smoking, in tough financial times it is justifiable to ask whether this is the best possible use of time and money. To read the full story visit: <http://bit.ly/1DrEfl2>

Sprayer Operator Training Courses

CAFRE Short Courses website registration opens on Monday for Sprayer Operator Certificate. These courses will be delivered in the Autumn. If you are interested in taking part in a training course please follow the link to register: <http://www.cafre.ac.uk/industry-support/industry-training/agriculture-courses/>

NEXT WEEK

- Northern Ireland Farm Quality Assured Cereals Scheme Meeting – Seeds and Cereals Policy Officer
- Pork and Bacon Forum Meeting – Deputy President IF and Pork and Bacon Policy Officer
- Meeting with YFCU – UFU Chief Executive and Deputy President IF
- UK Dairy Union Meeting – Dairy Policy Officer
- Water Catchment Partnership – Seeds and Cereals Policy Officer
- Meeting with Jim Shannon MP – Dairy Policy Officer
- DARD Review Meeting – UFU Chief Executive
- **Policy Committee Meetings: None**

UFU MEMBERSHIP SERVICES

→ For up to date fuel prices for UFU members using the UFU Maxol Fuel Card visit the new UFU website <http://www.ufuni.org/membership/services>