



By: *Harvey Morris*

# Britain's struggling farmers lament that it never rains but it pours



A season of record rainfall has added to the woes of British farmers already facing a crisis of rising production costs, low returns and inadequate government support that is forcing some of them off the land.

The sector's concerns are being **raised** this week at a Farm to Fork summit at Prime Minister Rishi Sunak's headquarters in Downing Street.

The annual summit, the first of which was held last year, comes after a survey by the National Farmers Union reported confidence at an all-time low, with two-thirds of respondents saying their profits were declining or their businesses might not even survive.

Existing challenges, which include the phaseout of European Union subsidy payments since the UK left the bloc, have been exacerbated by the impact on yields of the wettest 18 months since 1836, according to the NFU.

Although agriculture contributes less than one per cent of GDP, it is the basis for the more productive retail and catering sectors.

There is also a growing awareness of the importance of domestic production in an era of international tensions that potentially threaten global prices and supply chains. The UK currently produces food worth 60 per cent of its domestic requirements.

## The surge in food and energy costs

Prime Minister Sunak **highlighted** the importance of food security in a speech to the NFU earlier this year in which he noted the surge in food and energy costs prompted by Russia's invasion of Ukraine.

He also acknowledged the frustrations experienced by farmers as the country transitioned away from the EU's common agricultural policy (CAP).

There was a perception, not confined to Brexit voters, that the CAP disproportionately favoured large landowners. The outgoing NFU president, Minette Batters, complained when she stepped down earlier this year that the same imbalance prevailed post-Brexit. She also said replacement support mechanisms placed too much emphasis on the environment at the expense of food production.

The UK's overwhelmingly urban population - the growth rate of rural communities is each year lower than that of cities and towns - has an ambivalent and sometimes distorted view of the farming sector.

### "People simply don't pay enough for their food" - Jeremy Clarkson

In the popular urban imagination, the countryside is identified more with prosperous conservative-thinking rural squires than with either large agricultural conglomerates or struggling tenants.

It is hard to say whether this caricature has been tempered or reinforced by motoring celebrity Jeremy Clarkson switching his attention to farming in TV's current top-ranking series that chronicles the experiences of a novice farmer.

Clarkson has at least endeared himself to the farming community by **stating** that prices should be higher. "People simply don't pay enough for their food," according to Clarkson. "The one thing a government will never say is you've got to pay more for your food."

## The legacy of Brexit and the Covid pandemic

Some anti-Brexit urbanites are tempted to say that farmers have only themselves to blame for their current travails. Farmers have often been falsely portrayed as a single Brexit-supporting bloc, despite significant geographical and sectoral variations in the 2016 referendum vote and the fact that the NFU supported

remaining in the EU.

Whichever way they voted, farmers dependent on seasonal workers from overseas have been particularly affected by the country's EU departure, which contributed to substantial crop losses in 2022.

The legacy of both Brexit and the Covid pandemic has reduced the supply of seasonal workers, despite a government scheme that provides for 45,000 visas. It has announced that the system of six-month seasonal visas would be extended until 2029.



*The government wanted to address the labour issue by investing in automation via £427 million in grants - Steve Barclay*

Steve Barclay, the environment secretary, **told farmers** last week that the government also wanted to address the labour issue by investing in automation via £427 million in grants. It would also assist farmers by trimming bureaucracy and red tape.

Listing post-EU benefits open to the sector, he said legislation on gene-editing environmentally friendly, disease and drought-resistant crops would not have been possible if Britain were still in the EU.

Farmers, however, have come to share a wider skepticism about such perceived benefits of Brexit, particularly when it comes to the limited trade deals delivered since the EU departure.

The NFU protested that free trade agreements with Australia and New Zealand abolished limits on those countries' exports of beef,

lamb, dairy and other products while providing few benefits for British farmers.

## Profits go to retailers rather than producers of food

This and other challenges facing British agriculture will inevitably be a factor in an approaching election. The opposition Labour party has already pledged to reduce imports that undercut British farmers, not usually considered as part of its natural support base.

Perhaps ingrained culture rather than politics presents the greatest threat to the farming sector. Although few would embrace Clarkson's appeal for higher food prices at a time when many people are already struggling with rising bills, it can be argued that many farmers are not being rewarded enough for their labours.

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The larger profits meanwhile go to retailers rather than producers of food in a system in which wholesale prices are often set by the large supermarket chains. At farmers' protests, a rarity in the UK, farmers have taken to their tractors to protest in front of supermarkets about competition from cheap imports.

It is unlikely that a crude Buy British campaign would do much to sway a public used to buying, say, off-season Peruvian asparagus or Vietnamese prawns rather than often more

expensive local alternatives.

However, fostering a recognition that food security is a growing concern, coupled with worries about climate and food waste, might increasingly persuade consumers that it makes sense to support producers closer to home.