

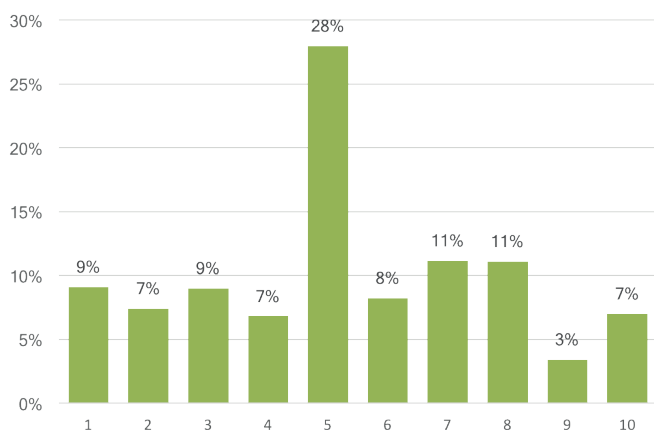


The National Farm Research Unit interviewed 4,069 farmers in a recent poll and asked “How resilient is your business to the potential reduction in Single Farm Payment (SFP) after 2020?”. Results below (fig 1.) show that farmers were unsure across the arable and livestock sectors and could not make a clear choice.

Fig 1. Overall results from the farming community on the SFP interviews

How resilient is your business to the potential reduction in Single Farm Payment after 2020?

On a scale of 1 - 10, where 10 is extremely resilient and 1 is not at all resilient



Source: National Farm Research Unit poll with 4,069 farmers participating in the survey from the arable, dairy, beef and sheep sectors from 18th January – 3rd May 2017.

The overall results appear to be a good representation of farmers’ views in general, regardless of their enterprise, with no individual industry or sector deviating significantly from the

general national view. Farmers scoring 5 on the scale of 1-10 are broken down by sector below:

- Arable 28%
- Dairy 27%
- Beef 29%
- Sheep 28%

However, when focussing on some individual enterprises, there are some interesting points to highlight. For example, despite volatility in the dairy industry in the last few years, the farmers we spoke to appear to be the most confident within this sector when compared to beef and sheep farmers who were the next most optimistic. On the other hand, arable farmers generally appear to be more confident in comparison to the livestock sector.

Results across all sectors and industries show that farmers answered:

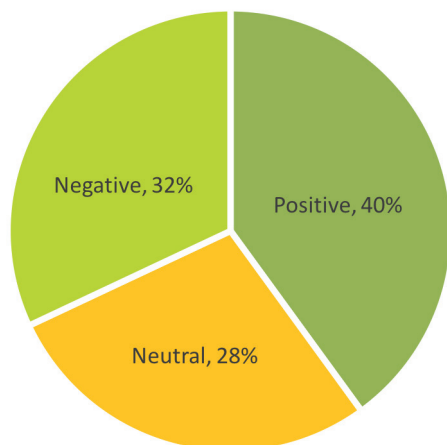
- 40% positively (6-10)
- 32% negatively (1-4)
- 28% unsure (5)

By sector, Defra figures show arable, dairy, beef and sheep farms are particularly reliant on SFP support for income. However, in 2015, farmers made more money out of the SFP than farming itself; the average farmer made £28,300 in subsidies and £2,100 from agriculture, with the average cereal farmer losing £9,500.

The new Defra Secretary of State, Michael Gove, said “Leaving the EU gives us a once in a lifetime opportunity to reform how we manage agriculture and fisheries, how we care for our land, our rivers and our seas, how we recast our ambition for our country’s environment, and the planet. In short, it

means delivering a green Brexit.”

Fig 2. General segmentation of farmers' responses



The outcome of farmers being undecided regardless of the farming enterprise coincides with a previous poll by the National Farm Research Unit, exposing the narrow margin between 34% of farmers opting to leave the EU versus 38% choosing to stay.

To conclude, considering agriculture is worth £109bn to the economy and employs 3.8 million people across all sectors, UK farming in general does rely on SFP. It is essential for the UK government to consider methods and solutions from both the economy's and farmers' perspective

to maintain the strength of UK agriculture. Rebecca Lewis, Head of Operations for the National Farm Research Unit commented: “Only time will tell the impact Brexit will have on UK farming subsidies and UK farming in general. And this feeling appears to be reflected in the results captured by the poll.”

Sources

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About the National Farm Research Unit

Established in 1994 in the UK, the National Farm Research Unit is a respected research organisation and is considered an independent authority on farming. We have the largest, comprehensive and most detailed database in the industry and have carried out over 500,000 telephone interviews. We are proud to have built trust and reputation with over 50,000 UK and Irish farmers and communicate regularly with them by telephone, online and face-to-face interviews.

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