

The Chaplain for Agriculture & Rural Life, Hereford Diocese

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Dear Colleague,

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A few notes which I hope will be helpful in your dealings with the farming community.

Competition Commission launches investigation

The supermarkets' treatment of the farmers which supply them is to be investigated by the Competition Commission. This will include an assessment of whether the behaviour of the retailers threatens the economic viability of their suppliers in a way that damages the competitiveness and diversity of the supply chain. It will also look at the impact the supermarket code of practice has had on relations with suppliers. The Competition Commission has asked for people to provide evidence, which can be submitted to groceries@cc.gsi.gov.uk

The Competition Commission's investigation comes at a time when farming's share of the profits from the food chain continues to decline. Figures collated by Defra show that in 2004 agriculture added £7.6 billion to the economy, less than 10% of the value added by the food chain as a whole. Since the decoupling of price support and the introduction of the Single Farm Payment this has fallen even further, to £5.2 billion. The Office of National Statistics has calculated that the UK farmers' share of a typical basket of indigenous produce is 36%, compared to 47% in 1988, and their share of the entire household food bill is only 26%. Self sufficiency has also declined, in 1995 73% of the types of produce that could be grown in the UK came from UK farms, in 2005 this had fallen to 60%. Since 1990 inflation has risen by 48%, but food prices have risen by only 27%.

GM crops under debate

It is expected that Defra will launch a consultation on guidelines to allow for the co-existence of Genetically Modified (GM) Crops next to non-GM crops. In particular, what proportion of GM "contamination" would be permissible in non-GM crops for them still to be labelled as GM free? The organic sector has asked for a threshold of 0.1% but the National Farmers Union (NFU) has suggested a 0.9% threshold for foodstuffs and a 0.5% threshold for seeds. The Soil Association, which represents organic farmers, has claimed that the Union's policy is biased towards GM crops, whilst the Union is saying that a 0.1% threshold is simply too difficult to achieve commercially.

Wage negotiations

The annual wage negotiations in agriculture have been concluded, resulting in a 2.9% pay rise for standard grade farm workers (Grade Two workers). This will take the minimum rate for standard workers to £5.74/hour and the statutory holiday entitlement to 23 days. The Transport and General Workers Union was hoping for a rise to £6 an hour. Lead workers (Grade Three workers) have the highest rate of increase at 6.8%, taking their rate to £6.31/hour.

Biofuels in the spotlight

BP, DuPont and Associated British Foods have announced a joint biofuels project concerning the production of biobutenol. This will be produced mainly from sugar at British Sugar's Wisington plant, but if successful a new wheat-fuelled plant is likely and may be on stream by 2008. The predictions are that the plant would utilise up to 1 million tonnes of wheat a year, mostly from the UK. In turn, this may lead to an increase in domestic wheat prices.

Food Miles Campaign

The farming magazine *Farmers Weekly* food miles campaign (see June briefing) continues to draw attention to the distances food has to travel to the consumers' plates, and to promote local food. Nominations have been requested for individuals who are working to cut food miles, conversely nominations are also called for the "Limp Lettuce Award", for food that travels excessively high distances between the farm gate and the plate. See the website fwi.co.uk for full details.

Farm Sunday considered a success

The Farm Sunday campaign (see May briefing) was considered a success with up to 300 farms nationally opening their gates to the public on June 11th. More locally, perhaps we should give consideration whether Rogation Sunday (early May) or the later June date would provide the best opportunity for churches and farms to join together.

British Food Fortnight

British Food Fortnight is in its fifth year and will run from 23rd September to 8th October. The theme is "Are you cooking it?" and all schools in England and Wales will be invited to teach children how to prepare simple meals using locally produced food. This follows an idea from France where 3,500 chefs go into schools every year to teach children about their national cuisine. Cooks and chefs across the country are being encouraged to participate in the event. Supporting material will be available and further details are available from the website www.britishfoodfortnight.co.uk or telephone 020 7840 9292, e-mail info@britishfoodfortnight.co.uk

For those interested.....

Although not light reading, if you are interested in the thinking about some of the pressing rural issues of our day then a recent report "A New Rural Agenda" produced by the think-tank IPPR (the Institute for Public Policy Research) will give you food for thought. The report has been written by academics from a variety of disciplines and institutions, and it addresses issues such as agricultural and rural development policies, and delivering rural economic regeneration, together with sections on rural society and public services including housing.

The Carnegie Trust's Commission for Rural Community Development also published its progress report on 6th June. The intention is that the final report in 2007 will highlight practical measures that need to be undertaken to tackle some of the challenges of rural areas. See www.carnegieuktrust.org.uk The report identifies that rising house prices and declining amenities and services are causes of concern. It also states that the complex array of grants, and the bureaucracy associated with accessing them, were contributory factors to the slow rate of rural development.

I hope this helps!

Nick Read