



Tillage Proposal 2017

Tillage, the cornerstone of the Irish agricultural industry, has been neglected by successive governments and their agencies, hammered by years of low prices and let down by our lobbying bodies. The sector is at a low ebb currently but with the right support can have a great future.

We are calling for a change in attitude from all the stakeholders involved; recognition of the premium product produced, more funding for research, developing new markets, centres of excellence, achieving greater economies of scale; and to have that reflected in the price received for our produce.

Background

The tillage sector is 9% of our land base in Ireland with approximately 350,000 hectares used to grow crops. This figure was 3 times greater in pre-war times which highlights the decline of the sector at present. However figures suggest that the tillage sector accounts for 30% of agriculture output and supports approximately 50% of employment in the agricultural sector in Ireland.

Irish growers produce some of the highest yields of grain worldwide, grain that is of the highest quality, fully traceable, GM free and carbon positive compared to other agricultural sectors. Yet we compete on world markets against global producers with none of the quality, environmental, traceability or non-GM standards that we comply with. Despite producing a premium product we receive a commodity price.

Government policy has deprioritised tillage relative to other sector as reflected in the lack of substance in the likes of the Food Wise 2025 and Food Harvest 2020 policy documents, and TAMS for tillage coming on stream in early 2017 two years after other sectors.

Years of low prices has resulted in declining incomes and the land base in tillage further reducing. Where once tillage incomes were on a par with dairy there is now a growing gap (€34,303 vs €62,141 Teagasc National Farm Survey 2015).

The potential of the sector is phenomenal if given the proper backing. The Irish exchequer would benefit greatly if more emphasis was placed on our Irish tillage sector. Rural communities would be reinvigorated with highly paid and multiple jobs available in these communities

To achieve this we need a change of mind-set from all stakeholders, including government, politicians, senior civil servants, farm organisations, merchants etc.

Promotion of High Quality Irish Feed Grain

We need to market and promote Irish grown feed grain as the highest quality, carbon positive, fully traceable, GM free feed in order to obtain a premium over imported feed.

This has the potential to benefit all agricultural sectors in Ireland in terms of higher value domestic and export markets for all sectors. An example of this would be where milk could be marketed as "from GM free fed cows", thus receiving extra income for the dairy farmers and the tillage farmers.

A similar approach could be applied to beef, lamb, etc. Shelf space is being made available in supermarkets in countries like Germany for such products already.

Pricing Proposal

A minimum base price of € 155 per tonne for feed barley @ 20% moisture.

A minimum base price of €170 per tonne for feed wheat @20%moisture

Barley straw @€12 per round bale ex field (€65/tonne baled @15% moisture) at harvest time in the South East.

Growers to get paid a scaled bonus for protein levels in the grain. Base protein level to be set at 9%. Every 1% increase in protein = €5 per tonne bonus. E.g. 13% protein in grain = €20 per tonne bonus.

Irish tillage land should be utilised to grow premium value crops such as food grade: oats, oilseed rape, peas, beans, milling wheat, sugar beet, pharmaceutical crops like linseed, quinoa, hempseed and promoted as such by the relevant Irish bodies.

Research and Development

Research funding to be significantly increased for the tillage sector. With modern technology advancing, let's be ahead of the game like we are in other industry sectors like medical devices,

heart disease treatment etc. We want to promote centres of excellence and food hubs where education and tillage farmers work hand in hand and where farmers can invest in projects that add value to their produce.

Feasibility/Research studies to be carried out on the better routes to be taken by tillage farmers to add value to their produce. TAMS and “the cheap loans” (2.95%), how to utilise these best? Example: Build grain stores on an individual basis or what is the potential to “group” build projects (e.g. dry, store, roll and mix grain to sell as a guaranteed Irish meal). Similar principal to be investigated for machinery. Develop a working relationship with research and development companies; e.g. seed companies receive more funding to develop seed varieties in association with farmers and purchasers of the raw material suitable for the Irish climate.

Cost of Inputs

“The farmer is the only man in our economy who buys everything at retail, sells everything at wholesale, and pays the freight both ways.” – John F Kennedy

Controlling and reducing input costs are crucial to the sustainability of the sector. Achieving economies of scale through models such as group purchasing, farm partnerships, machinery rings, collaborative ventures (e.g. tillage co-ops/companies, etc.) is vital to this.

We need to develop these models in conjunction with Teagasc and other relevant agencies like Enterprise Ireland and Bord Bia so that they can be replicated across the country for our members.

Fertiliser both chemical and farmyard manure is an area that must be focused on as it's one of our biggest costs where there is great potential to save. By products like sludge from sewerage treatment plants and poultry manure must be treated properly to be safe for use on tillage ground. Investment in this area would be advantageous.

Seed, we want to see seed prices coming in line with feed grain prices and therefore we are calling on those involved in the trade to supply seed at no more than € 390 per tonne.

The cost of chemical control of weeds and disease continues to escalate while resistance increases. We need to look at cheaper generics and to bring the VAT treatment in line with fertiliser.

European Union - Common Agricultural Policy (CAP)

Talks for the new CAP proposals are advancing at present in Europe on the next round of "Basic Payments and Greening". The last round of CAP unfairly targeted the tillage sector in terms of reductions to basic payments as well as the burden of greening requirements falling heaviest on the sector e.g. EFAs, keeping 2 metres away from drains, the 3 crop rule etc. We need to be on top of our game immediately and not be utilised by other agricultural sectors, (who are not carbon positive), for their gain.

We call for a review of Ecological Focus Area (EFA) rules to include a broadening of eligibility criteria. Growers must be compensated for having to leave a 2 metre margin along drains idle which was overlooked the last time.

A new view must be taken on the 2 and 3 crop rule. The acreage needed to comply should be reviewed upwards as it has forced the reduction of acreage in tillage. Mixed type farmers have turned their back on tillage partly because of this rule. It is counterproductive as tillage farming is carbon positive compared to other sectors which the land is being used for now.

We plan to submit our proposals on the CAP review in the coming weeks. We have submitted our proposal on the Paris Climate Agreement COP 21 to the relevant bodies.

We plan to submit proposals on matters relevant to the tillage sector when the opportunities arise. Our focus will foremost be representation for the tillage sector but will play our part in strategies that will benefit other sectors in conjunction with tillage.

We need to immediately stop the notion in Europe to reduce the Biofuels percentage for fuel in vehicles by half to 3.75%. In a time where cities are in the process of banning diesel vehicles and climate change is on the top of many agendas, it is outrageous to think that lobbying is taking place to reduce the percentage of biofuel in fuel. We need the government and MEPs to step up to the plate and oppose this before it gets any traction.

Glyphosate: A strong campaign must come from our MEPs and politicians to oppose any major changes in the use of glyphosate in the EU. Science must rule the way on such discussions in Brussels etc. and not misleading information that tends to make its way to the Internet and such like.

Government support requirements:

Direct access to the Minister for Agriculture and other relevant ministers and their senior officials for negotiations at national level on all issues relevant to arable farming.

Government support including commitment to capital funding for the tillage sector for 'on farm' and group funding, for schemes that provide mitigation measures on climate change and reduce greenhouse gas emissions.

Government support including commitment to capital funding for the tillage sector for schemes that contribute to Ireland's transition to the low carbon energy future 2015 -2030 in particular renewable energy from biofuels and develop further markets for animal feed by products and further industrial use.

Government support for investment in schemes that develop new food and beverage markets for Irish products. Support and encourage increased production from existing Irish products such as malting barley, milling wheat, oilseed rape and reintroduce crops such as sugar beet and specialist vegetables. Expand funding for protein crops such as peas, beans and lupins.

Taxation: Create a taxation incentive for farmers who invest in, develop and participate in projects which create additional employment similar to aid to Foreign Direct Investment Incentives.

Have a presence at the newly formed Tillage Forum.