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Centre for Agricultural Strategy



Smallfarmers' Association

# Strategies for family-worked farms in the UK

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## 17 Modern technology and the family-worked farm. What hope for the future?

L Stewart

### INTRODUCTION

Modern technology can be a huge asset to family-worked farms (a type classification; in reality family-farmers are a highly variable lot who will no more herd together than a flock of St. Kildan sheep!). However, this technology can also be a huge danger to their future, especially when controlled by the intervention of central government.

The number of farmers in some regions has reduced by at least two-thirds, and the subsequent introduction of modern technology has caused certain unforeseen problems with farm production, the rural environment and the heritable landscape. Most experts agree that 'the family-worked farm is the most efficient, versatile and acceptable structure', so why do we have such a decline? This paper will inevitably have a Scottish flavour. Nevertheless, the author feels sure that the situation described is similar throughout the UK.

### ECONOMICS AND STATISTICS

Identifying the problems is not made easy because information published by the official organisations tends to ignore the fortunes of family-worked farms, and consider only the situation right across the industry. For example, figures issued by the Economics and Statistics Division of the DAFS are extensive and factual, yet it is not possible, even in this computerised generation, to discover how many family-worked farms there are in Scotland. There is an important place for part-time farms and company farms, but it could be a great surprise to discover

the extent of land and amount of produce produced by farmers other than full-time. One or two 300 cow dairy herds operated by tax-loss companies can easily confuse the figures published on production.

The official coding system is clearly inadequate. Each year in a Press Release we discover how many paid employees have left farming and how much land has been lost to agriculture. But it is virtually impossible to find out how many family-farmers retire and how many viable farms are irrevocably amalgamated. After all the DAFS has defined the viable farm as one of not less than 280 smd — we really need the figures.

### EDUCATION, ADVISORY AND DEVELOPMENT SERVICES

The quality of these services is high yet little account appears to be taken of farm structure and the rural environment. Past governments have always accepted that agricultural development should centre around maximising output regardless of other implications, and the extension services have reflected this trend.

Family farms have always been successful when there is a next generation prepared to follow on, yet the colleges have noticeably failed to run any of their farms to illustrate or study the progress of family-worked farms in relation to modern events and technology. The move away from 'big is beautiful' has caught on, but the development services look as though they will be 'cut back' through public expenditure cuts rather than respond to the difficult challenge of land settlement in the 1980s.

### RESEARCH INSTITUTES

The standards of our Research Institutes are also excellent, yet the net result of their work has nearly always benefitted factory-farm production. The day when more milk is required from cows, by applying more artificial means, is really over. Very little research has been directed towards the family-worked farm and the rural environment under the guidance of the Scottish Agricultural Development Council (which includes virtually no smallfarmers). The situation regarding research has now become entrenched. The original concept put forward by the EC in the Treaty of Rome, whereby regions grew those crops most suited to their area has now been totally discredited because it has led to monoculture and all the problems associated with it. Break crops have to be grown, and now we even hear that crop rotations are 'still' the most acceptable form of production. These methods are ideally suited to the family-worked farm, using moderate forms of technology.

## DAFS AND THE SCOTTISH OFFICE

Perhaps the greatest threat towards the existence of family-worked farms within the concept of modern agriculture, lies with the Scottish Office and the DAFS itself. They have an unfortunate catalogue of unsuccessful land settlement schemes stemming right back to the beginning of this century. Their many honest efforts to pass Bills concerning land settlement and smallholding schemes always seem to have been overtaken by modern technology and political events in an embarrassing fashion.

Their most recent scheme, the Small Farm (Business Management) Scotland Scheme, 1968 and Amendments, seemed to be partially successful, yet political pressures from big business never really allowed any follow up. The farmers' lobby, through the House of Commons, would never allow Exchequer money to be structured or selective. The original Finance Act, 1925 and subsequent Amendments which allows Estate Duty Relief on farming investments, really geared the industry up to 'the larger the unit the more benefit from subsidies, grants and tax concessions'. If all grants, subsidies and tax concessions are considered as social payments, then there have been some fairly unsocial things done with public monies.

The need to expand in order to derive the most benefit from grants, subsidies and tax concessions, seems to have been to the fore since the 1940s, even though EC schemes have suggested tapered or modulated systems to protect the structure of farms. The larger the unit, the greater is their benefit from grants, subsidies and tax concessions, as well as advantages of discounts for bulk buying. It is therefore understandable that the smaller farms have declined and the full potential of agricultural production lost.

The remit for the DAFS since its formation in 1929, has been responsibility for 'the development of agriculture in Scotland' yet more often than not, when lesser organisations than the SNFU have a meeting with them, they say their task is to put into practice the legislation passed by the government of the day. Their concern about the structure of farming and the technology used only works as a very limited buffer against the wishes of the politician. Of the 40 so called 'farmer MPs' in the House of Commons in the 1974 parliament, only one or two were working farmers and none of them particularly small. One could thus hardly look for legislation which might limit farm expansion or redress the balance towards the smaller farmer.

## THE FARMERS' LOBBY

The constitution of the SNFU is an excellent document yet, somehow, it does not seem to work in practice. Again the interests of the progressive and

expansionist members seem to come to the fore — whether at branch or at headquarters level. Any suggestions by members to put farming on a professional level in parallel with the BMA, or the Law Society, seem to have been discarded in favour of operating a 'free market' (in which government money and legislation plays such an important role).

## RECOMMENDATIONS

The following recommendations stem from the above analysis:

- (i) Official statistics should register full-time, part-time and company farms separately. If this were to happen, studies could be carried out regarding matters such as farm structure and the proportion of production arising from the different types of unit.
- (ii) The advisory and development services should play a more vital role which would include the various environmental, social, landscape and national policy implications as well as food production.
- (iii) If the Research Institutes are not to be 'cut-back', perhaps they should take up the challenge offered by alternative systems of agriculture and the potential of family-worked farms. Agriculture at present, may not be working to its full potential.
- (iv) The DAFS should have a long-term policy, to include part-time and family farmers, which structures both production and the units themselves through a tapered (or selective) system of incentive. This should be effective as farmers are usually very responsive to incentives, as the DAFS know to their cost! The DAFS should also be responsible, in conjunction with the colleges and Research Institutes, for bringing forward environmental issues including animal welfare. Here the family-worked farms are highly versatile, and, given the right carrot and the right stick, almost anything could be achieved. The appropriate modern technology would then fall into place.
- (v) The SNFU should have a convenor for small-farmers with a committee drawn from the regions, as exist at present for the various commodities like cereals and milk and for the hill farmers. In this way the working family farmers would be encouraged to put their points of view forward.

## CONCLUSIONS

A slight change in emphasis is required which could put our farming at the very top of the league. We used to make the best use of our part-time, full-time and company farms by registering their numbers and studying their location. To do this we ought to use our development services and Research Institutes along with

the DAFS to ensure that all primary, secondary and tertiary products which are possible to produce off the farms, are spread amongst the different geographical areas. This might well be done by using a selective (tapered or modulated) subsidy, grant and tax system. One would hope then that the right technology would then fall into place.

In order to protect our wonderful and varied rural heritage, strong devolutionary measures should be given to the regions to ensure local involvement in their maintenance.

When looking at a 'high-rise' housing scheme which had totally failed to meet the people's needs, one sage was heard to quote the old proverb, 'natural folly is bad enough, but learned folly is intolerable' — let us hope this never happens to our agriculture.