

CANADIAN AGRICULTURAL TRAVEL SCHOLARSHIP ASSOCIATION

(NUFFIELD TRAVEL SCHOLARSHIP)

A SUMMARY OF CONCLUSIONS

FROM

AN AGRICULTURAL STUDY TOUR

THE UNITED KINGDOM

BY

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TABLE OF CONTENTS

	<u>PAGE</u>
ACKNOWLEDGEMENTS.....	1
BACKGROUND TO REPORT	
Nuffield Farming Scholarships.....	5
Author's Background.....	6
OBJECTIVES OF THE STUDY TOUR.....	7
LAND TENURE	
Objective.....	8
Study.....	8
Life Assurance and Pension Funds as Land Owners	11
Conclusions.....	13
GROUP FARM ACTIVITIES	
Objective.....	15
Machinery Syndicates.....	16
Buying Groups.....	17
Multi-Activity Farm Groups.....	20
Conclusions.....	22
HIRED LABOUR	
Objective.....	23
Farm Workers in the U.K.....	24
Hiring U.K. Farm Managers for Canadian Farms...	25
Joint Farm Use of Labour.....	27
Labour Studies.....	28
Conclusions.....	29

TABLE OF CONTENTS

PAGE

LIVESTOCK MARKETING

ACKNOWLEDGEMENTS..... 31

BACKGROUND TO REPORT..... 31

Nullified Farming Schemes..... 32

Author's Background..... 34

OBJECTIVES OF THE TOUR..... 35

LAND TENURE..... 37

Objective..... 31

Study..... 31

Life Assurance and Pension Funds as Land Owners..... 31

Conclusions..... 31

GROUP FARM ACTIVITIES..... 31

Objective..... 31

Machinery Syndicates..... 31

Buying Groups..... 31

Multi-Activity Farm Groups..... 31

CONCLUSIONS..... 31

HIRING LABOUR..... 31

Objective..... 31

Farm Workers in the U.K..... 31

Hiring U.K. Farm Managers for Canadian Farms..... 31

Joint Farm Use of Labour..... 31

Labour Studies..... 31

Conclusions..... 31

Objective..... 31

Group Marketing..... 31

Farmer-Controlled Slaughter Plants..... 32

Marketing, Slaughtering, Processing..... 34

Support for Farm Marketing Groups..... 35

Conclusions..... 37

APPENDIX

Individuals and Agencies Contacted During Tour. 1

Places Visited with Other Scholars..... 7

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RESPONSIBILITY FOR CONTENTS OF REPORT

The views presented in this report do not necessarily reflect the opinion, or represent present or proposed policy of any person who contributed to making this study and report possible. The author accepts full responsibility for the contents of this report.

A limited number of copies of a detailed final report will be available in June, from the Planning and Research Secretariat, Saskatchewan Department of Agriculture, Regina, S4S 0B1.

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BACKGROUND TO REPORTNuffield Farming Scholarships

This is a plan originated by the Nuffield Foundation, a charitable foundation based in London, England. The farming scholarships plan was originated to provide funds for farmers in the United Kingdom to study agriculture in other countries, and allow farmers from Commonwealth Countries (Canada, Australia and New Zealand) to study agriculture in the United Kingdom and Europe.

The Nuffield program is well known in the U.K., and we, as visiting farming scholars to Britain, are given every opportunity to meet and discuss agricultural topics with former Nuffield scholars, other farmers, government and university personnel, farm organizations, agri-business and other individuals and agencies associated with agriculture.

In Canada, the Nuffield farming scholarships program is now controlled and funded by the Canadian Nuffield Scholars' Committee, and is known as Canadian Agricultural Travel Scholarship. I received this award for 1976, and studied agriculture from February 28th to July 27th in England, Scotland, Wales and Southern Ireland.

Author's Background

I am a third-generation farmer, and have lived in the Indian Head area most of my life. I received a B.S.A. (1963) and Master of Science in Agricultural Economics (1966) from the University of Saskatchewan.

We have farmed full-time since 1966, and at present have a total of 1,600 acres producing cereals, grass seed and beef. For the past four years we have jointly owned and operated a combine and grain dryer with a neighbour, and we employ a man each year for six to ten months.

During each winter since 1965, I have been employed by the Saskatchewan Department of Agriculture as a Farm Management Specialist. I have been involved with instructing at record keeping courses, Farm Management Clubs, Farm Business Management courses and, in the last few years, an increasing amount of counselling with individual farmers involved in father-son agreements, leases, farm transfers and financial planning and budgeting.

OBJECTIVES OF THE STUDY TOUR

Our own experiences in farming, coupled with my exposure to many individual farm problems encountered while working as a Farm Management Specialist, formed the basis of my study. It is evident that many problems of annual farm income, effective organization of farm units, rural depopulation and social adjustment have their roots in the lack of opportunities and alternatives for farmers to obtain, organize and use land, labour and capital resources.

With the above as a central theme, I attempted to gain new ideas and concepts from farming in the United Kingdom. I specifically studied land tenure, group farm activities, hired labour and livestock marketing. The following summary of each topic covers the specific objectives, the study of the topic and conclusions I reached as to how some ideas could be adapted in Canada. It is obvious that I was only able to scratch the surface of these subjects, but it is hoped that the contents of this summary will stimulate further discussion and study at farm, extension, research and policy levels.

LAND TENUREObjective

My general objective was to examine the traditional leased land system in the United Kingdom, to ascertain ideas which might be adopted in Canada. A specific objective was to try to determine the views and opinions of landlords and, if possible, types of individuals or groups who can fill the role of landlord in our country - which has a tradition of owner-occupied farms and few landlords.

Study

I initially realized that I had to understand three main facets that had shaped the landlord-tenant system in the United Kingdom:

1. The fact that farming and land owning are two separate, distinctive factors in the United Kingdom. (The National Farmers' Union represents farmers; land owners are represented by the Country Landowners' Association).

This clear separation of farming and landowning is a key point we should consider in shaping land tenure in Canada - is it

more important for future generations to be able to farm -
or own land?

In 1948, The Agricultural Holdings Act was passed in England,
and a similar Act a year later in Scotland. This created
the following:

- lifetime security of tenure to tenants who had farmed
a parcel of land for one year;
- a system of rent reviews every three years in England -
five years in Scotland - together with Kent Tribunals to
settle disputes; and
- Scottish law created the right for tenants to pass a
lease on to descendants in 1968, and this became effective
in England on January 1, 1977.

The ever-increasing taxation pressure on land owners has
primarily emerged since 1960 in the following form:

- higher income tax on rental than earned income;
- estate and capital transfer tax;
- capital gains tax; and
- the most recent threat is a proposed annual "wealth tax".

3. The past and present economic climate:

The average cash rental (main form of leasing) for many years was one to three per cent of the value of the property, and at present rarely exceeds five per cent. This means tenants have not faced a high annual land cost, and this has permitted more investment in livestock, equipment and annual expenditure for hired labour, crop and livestock inputs. It appeared that the lower annual land cost had, thereby, facilitated a higher degree of management.

In general, the British agricultural scene has witnessed:

1950-60 Increase in owner-occupiers, due to landlords holding onto land (taking "land in hand") whenever a tenant quit - due to the legal situation;

1960-70 Continuation of landlords taking land in hand and devising "Tax Fiddles" to reduce the taxation pressure; and

1970's A new group of institutional landowners, such as Pension and Life Assurance Funds, have begun to purchase land as part of their mortgage portfolio of investments.

Life Assurance and Pension Funds as Land Owners

Due to the fact that these Institutions represented a new landowner that we might conceivably see in Canada, I endeavoured to determine their reasons for investing in farm property, and the possible advantages and problems of them owning land.

Individual pension schemes, and the development lately of several plans combining their funds, have the ultimate aim of surviving and increasing profits. Generally, both life assurance and pension funds can take a very long view of their investments. The institutions maintain a diversification of investments in shares, government bonds and mortgage property. The mortgage property consists of shops, offices, industrial and agricultural land and buildings. The reasons given for institutions turning to agricultural land, which yields an annual return of about four per cent as compared to seven or eight per cent for other mortgage property, were:

- low annual yield was compensated by a very low risk of default by the tenant, high level of occupancy and prospects for increase in annual yield as related to book cost; and

- to balance their total asset portfolio between assets with high annual yield but low growth, and assets with low initial yield but long-run inflation-proof growth; thereby reducing risk in their total asset portfolio.

When compared with individual people who own and lease land, two advantages to a tenant in having such an institution as a landlord are:

- institutions are generally prepared and able to supply funds for land and building improvement - normally at an annual cost to the tenant of the going rate of interest at the time of expenditure; and
- institutions are interested in long-term holding of property; thus, accept long leases and, if they sell the property in the future, perhaps it would be to another institutions.

With the limited experience in the U.K., the main problems that appeared to be emerging from institutions owning land were:

- they were seeking higher annual returns than most traditional landlords;

- they often preferred to lease in large blocks to a few farmers, or actually farm the land themselves; and
- they were accused of pushing up land prices; however, in the case of land already subject to a lease, the annual rental they would be able to collect influenced the amount they could afford to pay for the land.

The general landlord-tenant relationship with property owned by institutions is noted in the annual report by the Chairman of one pension fund as follows: "We view these investments (buying and improving agricultural property) not as absentee landlords, but as partnership operations with the tenants"; and, further: "The farmers are glad to have a substantial landlord prepared to improve and extend their holdings..."

Conclusions

In relating to our Canadian situation; I believe farmers, farm organizations and policy makers need to separate land ownership and farming, and accept the idea of allowing non-farm individuals and institutions more freedom to own land, provided the land they own and lease is under a regulated leasing system.

Some of the main regulations could be:

1. Size of holding per farmer - limits could be determined which would create farm units capable of supporting two full-time working people. This will give opportunity for economic and social advantages;
2. Length of leases - could run for 15-20 years, with rent reviews every five years and opportunity for renewal give years before termination; and
3. Rental payment system - due to the instability of markets, a system of the tenant guaranteeing a specified level of physical production for the landlord should be adopted. (e.g. 2,000 bushels of 2 C.W. spring wheat per year for one section of land). With this sytem, the landlord's return would depend on the actual price and rate of sale (quotas) of products.

A regulated leasing system could complement our present situation of individual land ownership and such schemes as Land Bank. It simply means applying controls at the leasing, rather than ownership, level and could provide increased opportunities for farmers at little cost to society. The U.K. history has several examples of policies which could be modified in any land tenure system to provide an acceptable legal, taxation and economic position for land owners.

It is highly probable that the increasing capital requirements in Canadian agriculture will attract non-farm investment; and, if investors do not find an adequate climate for ownership and leasing of land, the alternative is likely to be a three-tier system of owners of land, hired management and totally hired force of workers. I found this situation in the U.K., and have also noted it in recent reports from the United States. This system may have some economic efficiencies, but potential disadvantages to society. It remains for farmers, farm organizations and, ultimately, policy makers, to guide our future farming and land ownership pattern!

GROUP FARM ACTIVITIES

Objective

Part of my study in the United Kingdom was aimed at finding ideas that farmers in Canada could adopt to gain advantages from working together. I did examine some situations where landlords and tenants operated a partnership; however, I will confine this part of my report to groups where each farmer maintained his farm and worked with other farmers on selected activities. This section deals with the findings and conclusions regarding group activities at the production level which lowered costs and/or increased output. Another section of this report examines how farmers are working together to market livestock.

Machinery Syndicates

The impetus for machinery syndicates in the U.K. is credited to a Hampshire farmer in 1955. Since that time, it has received government encouragement and some grant aid, organizational support from the National Farmers' Union and provision of special credit by two banks. The primary aim of the machinery syndicate movement is to promote economic efficiency in farm mechanization by enabling from two to twenty farmers to pool their equipment requirements, so that machines are used to their full capacities. A secondary aim is to make special credit available to groups of farmers to assist their joint purchase of shared machines.

The approach taken in the United Kingdom was to establish Syndicate Credit Companies in each county, through the County Branch of the National Farmers' Union. This is essentially a non-profit board of local experienced farmers. They act in each area to organize, approve and administer syndicate applications and handle problems. Specific responsibilities are ensuring that the machine being purchased is adequate for the total work load and that provisions are made for the day-to-day sharing.

Credit for machinery syndicate loans has come from the Barclays and Midland banks. This has been at lower interest rates

because the syndicate members are individually and collectively liable for the debts of the syndicate. As well, the loan was usually regarded by the banks as a separate line of credit, and did not disturb other borrowing power of the farmer. Collection of the loan is by an authorized direct debit from each individual farmer's bank account.

Experience in the U.K. has shown that farmers purchased a wide variety of machines with syndicate credit, with silage and grain harvesting machinery heading the list, along with fertilizer and manure spreading equipment. One study in 1975 showed that 82 per cent of the silage syndicate groups that had started in the period 1968-71 were still operating, many indicated increases in quantity and quality of silage harvested and the consequent increase in the size of their herds. One key to much of the success is the practice of having the same person operate and service the machine on all members' farms. As well, potential problems of cost division and rotation in use were examined and dealt with in the rules set up by each syndicate.

Buying Groups

In the 1960's farmers in some areas formed themselves into buying (requisite) groups to gain efficiencies and economic advantage in the purchase of inputs from existing farm supply

dealers, including farmer-owned co-operatives. The normal procedure is for the group to negotiate discounts with existing dealers and, also, serve as a central clearing house for information on availability and prices and, in some cases, evaluate quality of inputs available from the dealers. In nearly all cases, the groups own no physical assets, and simply rent the required office facilities.

A board of directors approves each new member added to the group and manage the various business affairs. They also check on members' complaints of lack of service by dealers and ensure that members pay their accounts. Members can purchase directly from dealers who have a list of members or through the group. A member can purchase an item in May and, if the dealer forwards the invoice to the group by June 5, then the farmer is to pay the group by June 20; and, in any case, the dealer is paid by the group before June 20.

Advantages claimed by the group for farmers were:

- larger farmer saves time comparing prices, availability, etc;

- small farmer benefits from volume buying;

- salesmen come to the group, rather than each farmer going to several dealers; and
- better prices - estimated eight to ten per cent savings in costs.

The groups felt dealers benefit by:

- the opportunity to arrange more efficient delivery of products such as seed, feed and fertilizer;
- salesmen only have to contact the group, not every farmer; and
- can mail all invoices for group members to one address.

The operations of a group are paid by an annual membership fee, a surcharge on member invoices and interest on money between the time a farmer pays his account and the group pays the dealers. Membership in individual groups varies from a few to several hundred farmers.

General opinion by members of buying groups was that there is as much benefit from the saving in time and better access to market information as in the strictly cost savings.

They appreciate availability of a central buying agency in busy seasons, as it enables them to spend more time working on the farm, rather than using the telephone or shopping for inputs.

Multi-Activity Farm Groups

I studied three groups with a closely knit membership involved in a multitude of activities. The secret of their success appeared to be the manner in which they had started and were operating. All groups noted the following key points:

1. Each group grew from one farmer who found another with whom he could work "comfortably". Each additional member had to be acceptable to all existing members. Total membership varied from 8 to 16;
2. The groups are careful to balance the aspects of independence and group action - so that each farmer operates his own farm and simply works with other members when it is to his advantage;
3. All groups had started with simple activities - often group purchasing - and then moved on to more complex activities such as a few members forming machinery syndicates. Other activities had been (and were going to be) added only after thorough study, discussion and acceptance by those members who were going to be involved;

4. It is important to keep every member actively involved by rotating responsibility, etc; and

5. Regular monthly meetings.

Some activities in addition to group purchasing and machinery syndicates are:

- sharing of individually-owned equipment - where each year a list of custom rates is drawn up by the group, then the members can obtain the use of the listed equipment, subject to rules of availability, etc;
- joint hiring of labour - where a few, or all, members of the group employ one or more men who often have special skills and are given specific responsibilities - relief milkers, operators of specific equipment, mechanics, etc;
- joint production and marketing of special products (e.g. potatoes) - where each farmer commits so many acres, the group then supplies all equipment and operating costs and, usually, one or two members of the group are responsible for management;

- marketing of particular products, (e.g. one group of dairymen had researched and developed consistent markets for all the group's cull cows and new born calves);

- one group had researched the stage of operating a complete farm with equipment and labour supplied from the individual members' farms; and

- informational activities such as farm walks, newsletters and guest speakers.

As well as specific activities, individual members expressed reassurance at knowing the group as a whole is "management insurance" in the event of sickness or death of an individual member and, also, provides a forum where an individual farmer can discuss his own problems and seek ideas for solution from the group as a whole; in effect, an unpaid management board for running individual farms!

Conclusions

It is evident that group farm activities have the same potential benefits for farmers in Canada as in any other country. The following would assist the establishment and operation of such groups:

1. Information, assistance and encouragement from provincial agricultural departments. It must be realized that such activities cannot have direct government involvement, but professional agricultural personnel employed by the extension departments are probably in the best position to advise on technical information at the present time;
2. To encourage machinery syndicates, it is probably necessary for banks and credit unions to set up special loan programs with preferred interest rates. As well, encouragement, organization, review and guidance of applications could be provided by a special syndicate board established in each rural municipality. Credit unions could establish special farm syndicate credit committees; and
3. The most important cog in all group activities is the effort by farmers who see the potential benefits of joining action; they simply require the three C's: Courage, Confidence and Consideration.

HIREN LABOUR

Objective

This part of my study started with a general objective of learning as much as possible about employment of hired labour

on farms in the United Kingdom. As farm size increases in Canada, farmers are mainly choosing to increase capital (machinery, buildings and equipment), rather than add labour. The consequence to the farmer is often a reduction in time available to manage his farm or participate in off-farm agricultural and social activities. Therefore, I was attempting to determine ways and means of acquiring and efficiently using hired labour to make it a more viable alternative for farmers.

Farm Workers in the United Kingdom

I was very impressed with the farm work force in the U.K. It is obvious that it is an established profession, and available positions usually have many applicants (two farmers I visited each received 100 applications for a single job!). The 1975 statistics show a total of 400,000 managers and workers and 288,000 farmers in the U.K. - or 1.4 hired employees per farm. Much of the interest in working on farms in recent years is due to the desire to "live in rural areas". As well, the time and expense of commuting to work, together with improvement in working conditions on farms, has resulted in more people seeking opportunities to live and work on farms.

Farm workers in Britain are generally well trained and often serve as managers of specific enterprises and, in some cases,

entire farms. The managers generally have two years' formal training at an agricultural college and at least one year of practical training. This training would be comparable to our School of Agriculture. At present, new graduates are finding difficulty obtaining jobs. The decline in the number of farms and increase in individual farm size, along with the trend toward mechanization, has reduced the number of positions available.

During 1976, the minimum wage level for a 40-hour week for farm workers was about \$65 in Britain. The average was about \$85 per week. Minimum wage rates for different categories of workers and other conditions of employment are determined by the Agricultural Wages Board, which is under the Ministry of Agriculture. This Board has a representation from employers (National Farmers' Union), workers (National Union of Agricultural Workers) and Government. In general, agriculture is subject to more rigid labour laws than many other industries in Britain.

Hiring U.K. Farm Managers for Canadian Farms

It became obvious to me that one of the best imports we could get from Britain is some of their trained farm managers - particularly for some of our intensive dairy, hog and beef farms.

What is missing at present are agencies in Canada and the U.K. which would enable interested U.K. farm managers and Canadian farmers to get together.

At present the Saskatchewan Agent General's Office in London - the representative of the Saskatchewan Government in Europe - does recruit workers for Saskatchewan farmers on an individual basis. However, this is a little-known source of assistance, and is limited to finding workers by advertising. As well, in many instances they are not provided with sufficient information about the requirements, employer commitment and other conditions of the job opening in Saskatchewan. They can be very useful in interviewing and assisting with immigration procedures if they have adequate information.

One complaint from Canadian farmers is that employees hired from foreign countries often stay only a limited time and then transfer to another occupation. I believe much of this problem is due to recruiting by advertising, and people wishing to emigrate see an advertised farm job as a way of achieving their objective. In other cases, management-trained workers are treated as "hired hands" and become dissatisfied with this unfamiliar role.

Joint Farm Use of Labour

There are many instances of a farm worker being hired by several farmers in the United Kingdom. Sometimes it is part of an overall group farm activity, and, in other cases, it is to specifically manage a grain storage drying facility, or to operate particular machines (silage, harvesting) owned by several farmers.

The normal practice is for farmers to hire skilled workers, often with training as carpenters, mechanics, electricians, etc. After the employee performs his main duties for the group, he is then occupied on individual farms utilizing his particular skills. This provides a key person during peak labour periods and part-time skilled labour at little cost to each farmer. A specific practice being copied from the Netherlands' experience is the establishment of labour relief co-operatives, particularly for dairy farmers. The practice is to hire well-trained, adaptable workers and pay them about 20 per cent more than regular agricultural workers, plus travelling expenses. These workers then replace normal employees for vacations, days off, sickness, etc. One important group rule is that they will not allow members to use relief labour for unpleasant, menial tasks.

Full-time organizers, such as retired farmers, are employed to encourage and organize relief labour groups. Grant

aid from governments in Holland was for financial help to employ full-time organizers - the philosophy as been, "Given the right man and a good idea, all the rest will follow".

Labour Studies

A new and interesting area of research I examined in Britain is a small group of individuals who are specifically studying labour relationships on farms. This is the British Society for Agricultural Labour Science (B.S.A.L.S.). It is concerned with all that contributes to effective work and satisfied and healthy people in agriculture. The Society includes research and advisory personnel as well as farmers.

Only recently was it fully recognized that the quality of man management and, consequently, man's motivation to work can produce more dramatic results than the way in which his effort is applied. Studies have been conducted to determine what employers and employees feel is important in the job situation. Employees rated such things as sense of achievement, feeling of responsibility and recognition as being important; whereas employers tended to stress wage levels. In other words, employees derive considerable satisfaction from the status which the job allows them amongst their friends and from the feeling of belonging and involvement, both in the work process and amongst their fellows. The ongoing

research was recommending areas of training for management and staff, examining bonus systems and communication of farm plans and objectives. It is worth noting - in studies of farms with large staffs, experience shows that such staffs were best employed in a manner which "simulated the small farm situation".

The traditional treatment of farm workers in Britain, together with new ideas coming from members of the B.S.A.L.S, provides a favourable climate for a stable labour force. This gives U.K. farmers an envied position of having considerable time available to manage their farm units and enjoy off-farm activities.

Conclusions

1. Canadian farmers who require qualified farm employees could benefit from obtaining farm managers from the U.K. A continuous relationship needs to be established between an agency in Canada, perhaps affiliated to our Farm Labour Pools, and a corresponding agency in the U.K. such as the Agricultural Colleges. As well, it is essential that such personnel from the U.K. are treated as "managers", and not "hired hands";
2. Canadian farmers who require a limited, but skilled, amount of hired labour should consider jointly hiring personnel with other farmers. Certainly, intensive livestock producers

could benefit from such a practice. It may also be a way of retaining mechanics, electricians, welders and carpenters in some rural areas;

3. It is obvious there is a lot of room for improving and providing training for farm workers in Canada. Study of locations, types of courses and general approach is necessary at the outset. As well, courses are necessary to train farmers in the aspects of man management. Efforts in this regard could facilitate development of working on farms as a profession rather than a "bottom-of-the-barrel" type of job; and
4. Agricultural Departments in our universities should be encouraged to add a Labour Science Section to their Agricultural Economics Departments. This could serve as a central agency to study information from other countries, monitor employer-employee relationships on farms in each province; research, develop and recommend programs for individuals, groups of farmers, farm workers and government. They could also provide instruction, particularly in the schools of agriculture and at regional courses.

After all, of the three resources in agriculture - land, labour and capital - it is obvious labour has received the least attention.

LIVESTOCK MARKETING

Objective

Although it was not my original intention to study marketing to any great extent in the United Kingdom, I became very curious about what some farmers, through group effort, were doing to increase their market strength "beyond the farm gate". The feeling was that a farmer has to be a chief buyer, marketing manager and technical expert; and that farmers are least well-equipped to do the marketing job. Thus, in groups where members committed themselves to supply market stock, one member, a board of directors or hired managers could do a considerably more effective job of marketing.

The objective of my study in this area was to ascertain for a few different groups how they operated, what approaches to marketing they used and their benefits, with the hope of obtaining new possibilities for Canadian livestock producers.

Group Marketing

In some areas, farmers bulk together their individual supplies of finished beef cattle, lambs and hogs. The groups then negotiate premiums for procurement with two or three packing plants. The premiums are adjusted for quality and

weight range, and the groups are also paid an added bonus for achieving certain set numbers supplied.

A normal procedure is for the directors of the group to negotiate the premiums with the packing plants in March. Then, during April, the producer-members indicate how many of each class they will provide - and to which packing plant. In May, the group indicates to each packing plant the actual number to be supplied, and bonuses are tied to achieving this number. Farmers then sell their stock directly to plants, who pay farmers the regular prices and forward bonuses to the group. The farmers share the bonuses at the end of the year.

Benefits noted in addition to premiums of \$4 to \$8 per head are reduced trucking costs due to arranging full loads for shipment, and information getting to farmers re quality and grades required. These features are aided by fieldmen employed by the group who supply market information to the members and assist with selection of finished stock.

Farmer-Controlled Slaughter Plants

An additional step taken by some groups has been ownership or leasing of slaughtering facilities. The groups can control ownership if their stock until they sell the carcass to a wholesaler or butcher shop. Until recently, it has been reasonably

easy to rent slaughtering facilities or hire slaughtering time in the U.K., due to the requirement that each county own such premises. These groups generally require members to sign a three to five-year marketing contract, guaranteeing to supply 50 to 100 per cent of their stock to the plant. In one case, farmer-members pay a small membership fee plus about \$2 per head for cattle (returned after five years), and 3 per cent of the value of the carcass to the plant. Farmers notify plants when they have stock ready and the plant arranges for pickup or notifies the farmer when to deliver. A noted feature here is the use of weekly pooled prices for each type and grade of stock, calculated on a dressed-weight basis.

Advantages claimed for farmers who control slaughtering plants are:

- no time required by farmer in marketing, i.e. checking prices, etc.;
 - better prices over a year;
 - services from fieldmen - market requirements, etc.;
- and
- they own the company and benefit in improved efficiency of plant operation.

An overall aim is to get farmers to supply the quality and type of carcasses required, as well as increase income. Both types of groups mentioned here use conferences, tours of packing plants and fieldmen to achieve this objective.

Marketing, Slaughtering and Processing

The objective of some of the livestock marketing groups is to eventually control their stock from the farm, through slaughtering and processing, until they hand the meat in a pre-cut form to retail store or restaurant-type establishments. A few attempts at retailing have been disappointing, except for frozen food centres, and most meat groups feel they want the final selling to be done by the retail stores. To this end, a few farm groups are remodeling and building new facilities to process meat. The assumption is that consumers wish to buy quickly, without a high level of skill and with trust; and it is felt that the large retail stores will eventually sell the majority of meat in the United Kingdom in branded, frozen, pre-packaged, retail cuts.

As well as extending the control farmers have over the livestock they market, they have also been able to introduce efficiencies, in terms of knowing the number that will be marketed, scheduling delivery and, thereby, allowing the meat salesmen information as to what will be available to sell. A free enterprise

manager hired by a farm group noted, after six months, how "dead easy" it was to operate a plant with this information available.

Another real strength of some farm marketing groups was the communications system from the directors and management of a packing plant back to individual producers - particularly where 15-20 farmers in an affiliated satellite group can have explained to them weight and quality of finished stock required. A change in size of stock marketed can occur in a few weeks.

Support for Farm Marketing Groups

The main stimulus for producer-controlled marketing groups has been enthusiastic, far-sighted individual farmers. They were able to foresee the potential benefits of increasing farmers' strength in the market place by joint action. As well, in recent years at least two agencies have been established to assist with the development of marketing groups.

In 1967, the Central Council for Agricultural and Horticultural Co-operation (CCAHC) was established under the terms of The Agriculture Act 1967, with the general approval of the three main political parties. The three major functions of the Council are:

- organize, promote, encourage, develop and co-ordinate co-operation;
- advise ministers on all matters relation to co-operation in agriculture and horticulture; and
- administer a scheme of grants designed to aid co-operative activities in production, storage, preparation for market, marketing and transport. This aid is primarily available for those who wish to form a production or marketing group.

Other forms of assistance are training of management and other staff, grants for feasibility studies and resource staff to assist in the field and at research levels.

Agricultural Co-operation and Marketing Services Ltd. (ACMS), was set up in 1972 to strengthen, speak for and service all forms of producer co-operation in England and, in effect, serves as an umbrella to all individual groups. It has the following aims:

- development - by actively encouraging producers to improve their strength and efficiency in production and marketing;
- provision of services - by providing market information, central computer service and a contract-reviewing service

which can be done at less expense than by each individual co-operative group; and

- representation - by co-ordinating the views of individual groups and providing a united voice for marketing co-operatives.

It is obvious that governments in the United Kingdom have supported the principle of producer marketing groups being formed. Financial support is evident in the establishment of the CCAHC and in grants to aid establishment of new groups. Moral support is shown in statements such as that by the Minister of Agriculture in 1974, the Honourable F. Peart, as follows: "I believe strongly in agricultural co-operation. The record in this regard has been exceptionally good and all parties have subscribed to it".

Conclusions

1. Group marketing by farmers should be given more consideration in Western Canada. The fact we are a long way from our main market should not deter farmers. One of the most successful groups in the U.K. is in Northern Scotland, and it has organized to ship to the London market;

2. Farmers should establish, and then commit their finished stock to small marketing groups who could then bargain with two or more packing plants for premiums based on weight, grade and numbers supplied. The next step could be the establishment of a partnership between a packing plant and a farm group representing several individual marketing groups. At this stage, the packing plant could be annually paid for their investment in plant and facilities and this, and all other costs of slaughtering processing and marketing, could be borne by the partnership. Thus, a combination of guaranteed supply from producers and expertise in operation of a packing plant could occur with little initial capital requirements.
3. The move toward increased processing at packing plants is happening in Canada. This should be encouraged, along with more rapid adoption of breezing and branding of specified meat cuts. These changes have advantages in terms of use of by-products, lower transportation costs, separation of meat cuts according to market requirements and reduced selling costs at the retail level and, hence, benefits producers and consumers;
4. Governments in Canada should encourage efficiency in marketing from the producer to the consumer. There are three objectives for an agricultural marketing policy:

- a continuing supply of goods of the type and quality required;
- a reliable method of letting the producer know what the consumer wants; and
- a fair balance between buyers and sellers.

The British Government's encouragement of farm marketing groups has considerable merit, and should be studied in greater detail; and

5. Any government or quasi-government agency set up to encourage co-operative marketing by farmers should be done on a regional basis. For example, Western Canada could have one agency, as most problems in the area are common to all provinces, and it would avoid unnecessary duplication of research and development activities and, also, prevent competition between individual provinces.

INDIVIDUALS AND AGENCIES CONTACTED DURING TOUR

Agricultural Mortgage Corporation, London: P. Carroll, J. Healy

Agricultural Development and Advisory Services:

London: J. North, M. Parsons, E. Carter, H. Helmer

Chelmsford: P. Wheatcroft, M. Jenkins, D. Elson

Reading: P. Ailing; P. Jones and Farm Management Staff

Winchester: B. Drew

*Salisbury: T. Lester-Gard

J. Armstrong, Wales: Consultant on farm labour studies

G. Ballard, Worcestershire: N.S. farm partnership and group marketing

H. & A. Barbour, Cheshire: estate owners and landlords

Barclay's Bank Limited, London: P. Dolan, R. Francis -
machinery syndicates

*A. Beckett, Devonshire: N.S. farm labour organization

T. Boden, London: Agent-General for Sas. - Crown Government

* People stayed with
N.S. farm; Nuffield scholar

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J. Armstrong, Wales: Consultant on farm labour studies

G. Ballard, Worcestershires: N.S. farm partnership and group
marketing

R. & A. Barbour, Cheshire: estate owners and landlords

Barclay's Bank Limited, London: P. Bolan, R. Francis -
machinery syndicates

*A. Beckett, Birmingham: N.S. farm labour organization

T. Boden, London: Agent-General for Saskatchewan Government

* People I stayed with
N.S. Former Nuffield Scholar

- *J. Butler, Somerset: professional advisor to farmers in multi-activity group
- *J. Butler, Cheshire: consultant for Milk Marketing Board and multi-activity farm group
- Buchan Meat Producers Ltd., Scotland: I. Gow, market management
- Canadian High Commission, London: Agriculture, G. Cooper, J. Filion
- D. Carter, Wiltshire: farm management and co-operative marketing consultant
- Central Council for Agricultural and Horticultural Co-operation:
London: N. Guiton, F. Roberts
Exeter: N. Wendover
- Country Landowners Association, London: W. DeSalis, G. Thomas
- *J. Cyster, Sussex: N.S. member requisite and grain storage groups
- *J. Davey, London: surveyor (investor) for pension fund trusts
- Department of Employment, London: publications on employment Acts

- *R. Dick, Scotland: tenant farmer, member of multi-activity farm group
- N. Draffen, Cluttons, London: land agent for property owners
- R. Drummond, Michael Barne and Partners, Scotland: land agent
- East of Scotland College of Agriculture, Edinburgh: K. Runcie and staff
- Farm Partners, Lincolnshire: M. Fordyce, C. Wright - farm business management
- Marmeat Ltd., Kent: farmer-controlled slaughtering business
- *Mr. & Mrs. B. Fell, Cumberland: retired farmers
- I. Howie, Hereford: N.S. manager intensive beef farm
- G. Hyde, Dorset: N.S. partner in farm business and director livestock marketing group
- *M. Isaac, Hampshire: N.S. director watercress marketing group
- R. Leaney, Somerset: farmer, member multi-activity farm group

- D. Laing, Scotland: N.S. partner in farm business, farm management consultant
- M. Lorrimer, Edinburgh: legal consultant to Scottish Landowners' Association
- P. Martin, Wiltshire: farmer in partnership with landlord
- May & Baker Ltd., Exxes: J. Heywood, R. Martin and other staff
- *J. Massey, Hertfordshire: N.S. manager and partner on farm, labour study
- I. McCrone, Scotland: N.S. director vegetable production and marketing group
- A. Medley, Dorset: N.S. arable manager on large farm, labour study
- Meat Research Institute, Bristol: various staff members
- Meat & Livestock Commission, Bletchley: K. Baker and staff
- National Farmers' Union:
- London: various directors and staff members
- Chelmsford: P. Shaw, country secretary
- Liss, Hampshire: W. Keenleyside, county secretary

- *J. Peake, Dorset: farmer involved in machinery syndicates
- D. Pearman, Birmingham: farmer with slatted floor beef system
- H. Pickford, Wiltshire: farmer in partnership with landlord
- *T. Pitt, Essex: N.S. farm host, arable and hog producer
- N. Scott Plummer, Jones Lang Wootton, London: land agents
for property owners
- A. Rosen, Fountain Farming Ltd., Hampshire: managing director
of large scale farm company
- J. Rowsell, Hampshire: N.S. tenant with son (Giles) on large
farm
- R. Stewart, Kent: manager of Rother Valley Farmers requisite group
- J. Stewart, Buckinghamshire: N.S. intensive calf rearing
- Scottish Agricultural Organization Society, Edinburgh: various
staff members
- Agricultural Co-operation & Marketing Services, London: J. Turner,
representative for requisites

University of Reading, Reading: Department of Agriculture

D. Lloyd: labour studies

A. Harrison: research on farm businesses

Velcourt Farms Ltd., Hereford: large farm company in partnerships
with land owners, R. Grimley, T. King,
D. Overens

West of Scotland College of Agriculture, Ayrshire: Economics
Division, J. Clark and staff

J. Whaley, Northumberland: farmer, co-ordinator of a farm
requisite group

L. Whirlidge, James Abbott Partnership, Essex: auctioneer and
land agent

M. Willey, Imperial Chemical Company, Essex: computerized farm
cropping program

J. Whitehead, Fife Growers Ltd., Scotland: field representative
for vegetable group

W. Wyatt, Somerset: farmer, member potato group and in partner-
ship with another farmer

W. Young, Kent: accountant, experience with legal and financial structure of co-op marketing groups

PLACES VISITED WITH OTHER SCHOLARS

Farms

Bosington Farms, Hampshire: Manager, G. Butler

Tanley Farm, Wiltshire: Owner, J. Cherrington

Boyton Estate & Farms, Wiltshire: Owners, Mr. & Mrs. Wheatley-Hubbard

Lulworth Castle Farms, Dorset: Partner, G. Hyde

Three Barrows Farm, Dorset: Tenant, D. Bacon

Wiltshire Trout Fisheries, Wiltshire: Manager, Mr. Taylor

Havyatt Farm, Bristol: Owners, J. Alvis & Sons

Research Institutes

Liscombe Experimental Husbandry Farm, Somerset: Director,
J. Willcock

Long Ashton Research Station, Bristol: fruit trees

University of Reading, Horticultural Station, Shinfield:
horticulture

Grass Land Research Institute, Hurley: grass research and use

National Institute of Agricultural Engineering, Silsoe: design
and testing

Rothamsted Experimental Station, Harpendon: rotations

NOTE: The author collected various papers, publications and other materials. As well, numerous slides of agricultural activities were taken. Any of these items are available on a loan basis.