# The Family Farmers' Association

Formerly The Small Farmers' Association
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PATRONS:	CHAIRMAN:
The	;
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CAP Reform Committee
European Commission
DG Agriculture and Rural Development
130 Rue de la Loi
B – 1049 Brussels

7, 7, 2010

#### Dear Committee

Yesterday I sent a poorly addressed letter to you as I did not have the correct address. Now I have it I send again, so you may have this twice.

I must apologise for being late. Our general election meant we could not discuss anything seriously until well after it was over.

I have drafted these proposals for the Reform of the CAP. They will be discussed by our committee next week, and altered or enlarged as they see fit; I will send you our formal version.

In the meantime I stress that these are my personal views only. But I feel strongly about them, as a small family farmer for 56 years now. Europe will be a poorer place when it becomes impossible to produce food except on a very large scale, probably using immigrant labour.

Yours sincerely,	
	Chairman

Vice Presidents:

## From the Family Farmers' Association

### Draft PROPOSALS FOR CAP REFORM

According to the farming press, Mr. Ciolos wants to know the whys and wherefores of CAP reform. We start with the answers to the four questions given:

- 1, We need the CAP to provide an income for working farmers who cannot make a living from producing food. (Costs too high, prices too low.)
- 2, Society's objectives for agriculture are that it should produce wholesome food at sensible prices and care for the countryside and its wildlife in the process.
- 3. The CAP needs reform because it costs a lot and its money is not always used to best advantage.
- 4. The following improvements would better meet society's expectations.
- 1. Payments should be only to people actually farming land, i.e. primary producers. They should be paid to the one who does the farming, not to the land owners. (They should not be given to businesses such as Tate and Lyle or Nestles, who process raw material provided by farmers. Nor to any organisation which does not actively farm.)
- 2. Payments should be tapered or graduated. As the size of the claimant farm increases, so the <u>rate</u> of payment should be reduced. (No ceilings, but the scale so arranged that few, if any, receive more than a million.)
- 3. Pillar 1 should be allocated much as now. But pillar 2 should be specifically for farmers, not for all rural activities. One purpose would be to reward farmers for virtuous activities, such as caring for the environment. But its main use would be to help farmers who farmed in difficult conditions, as the Hill Farming Allowance used to do. It would be used to ensure the viability of all farms suffering from natural disadvantage, such as poor or steep land, isolation or remoteness, or small size. A programme aimed specifically at helping farms which were unviable but potentially viable would contribute greatly to rural communities. There are some severely disadvantaged areas which would need substantial help.

## Reasons for point 3:

- (a) Simply to help all farmers to produce more economically may actually disadvantage smaller farmers. Farmers who become prosperous inevitably use their wealth to buy more land. This raises the price of land to the point were only those already making a good income can afford to buy more. Thus smaller/family/starter farmers cannot afford to buy enough land to become viable.
- (b) The total food production from all the poorer farms together is considerable. If they were all abandoned because of lack of profit, there would be a food shortage.

- (c) These quite large marginal areas are not usually suitable for industrial activity. If their farming, were not supported, they would become unpopulated and derelict, or perhaps be at the mercy of tourism.
- 4. Modulation should cease. Once payments were graduated and pillar 2 related to individual farmers' needs it would be pointless. Serious administrative savings would be made by abandoning Rural Development Programmes altogether and only grant aiding the obvious needs of farmers.

If rural areas are found to be in need, a specific fund should help their social or economic problems, as necessary. This would be separate from the CAP and thus would not confuse by financing non-agricultural projects from agricultural budgets.

5. There should be financial help for suitable new entrants. Many other countries have this, it should be easy to discover the best means. A lot is made of the high average age of farmers. This would address that and also the problem of getting more people into farming. Young people would be more willing to work on farms if they had the possibility of becoming farmers themselves in the future.

7.7.10