ResULTS project: case study D interview 40

Face to face interview with farming government official, conducted 21st September 2018

Interviewer: I

Respondent: R

I: Okay, so the first question. Can you give me, can you please tell me a bit more about your organisation and the nature, and also what is your position in the organisation?

R: So I’m the [role name] based here in [case study D], although my role is actually wider. I’m also responsible for Shetland, Caithness and Sutherland.

I: Okay, brilliant, yeah.

R: So it’s the North of Scotland right up. So, basically what we do here is we pay out grants and subsidies to the farmers in [case study D] for the Basic Payment Scheme. So that’s the main subsidy scheme, if you like, which includes payments for greening and the young farmer top ups. We also pay out on Agri-Environment Schemes that people are in, and Organic Aid Schemes that people may be in. And we also pay capital grants for certain eligible items like fencing, reseeding, buildings.

I: So it’s more infrastructure? Yeah.

R: Yeah, so in order to ensure that farmers comply with the conditions associated with that money, we inspect five per cent of the holdings that we give money to every year. So we’re inspecting to see that they’re complying with the various good farming practices and cross compliance elements laid down in the EU regulations, and we also ensure that the areas of land that they’re claiming are actually there and existing on the ground. That their cattle and sheep are correctly identified and that their records are correct and the passports for the cattle are kept up to date and that sort of thing.

So we do some of that work in conjunction with British Cattle Movement Service for, as far as cattle records are concerned. And as I say, we do a sort of basic five per cent, but we might get random selections, you know, for other reasons.

So I have a staff here of eight people who carry out the inspections in [case study D], and another three admin staff that do, you know, speaking to the farmers at the counter, or processing applications and claims and everything. So, as well as inspecting, we do the processing of their claims to get them to a status for payment.

I: So are they, filling the forms is made by other SAC or other…?

R: Yeah.

I: But you inspect, pretty much?

R: Yeah, that’s right.

I: Yeah.

R: So either the farmers themselves or like SAC as an agent or other private agents has filled in the…

I: The there are other private, having them…?

R: There are other private individuals do agency work as well. But we are just on the inspection side and the delivery of the grants and subsidies.

I: And who area the other, except, SAC, but there are individuals, they are companies?

R: There are one or two individuals who work…

I: They’re not vets?

R: No, no, no, no. They’re agricultural advisors who do applications for, some for, some for Agri-Environment Schemes and some just for the main subsidy forms for the farmers. They just employ them on a sort of hourly basis to do that work for them, so…

I: Okay. That’s fine. So, are there special features…? I said before that this is about upland and you may ask me why we would consider [case study D] uplands, although it doesn’t have a lot of hills, but it’s remote and challenging. So pretty much all the areas that they get Less Favoured Areas Subsidy.

R: Yeah, yeah.

I: It’s pretty much under that.

R: Yeah.

I: And the, what are the special features particular to the [case study D], area that should be maintained here for you? And I’m talking general. So in the future, what you would like to be maintained here.

R: I think obviously the landscape is fairly unique in the Scottish island situation, you know. The few hills that we have are kind of rolling rather than being rugged and that sort of thing. The land is very productive in comparison to a lot of other islands.

It’s obviously a big tourism draw for the history of the island right back to the Neolithic and right through even to the Second World War. Obviously there was a big naval base here and, you know, there’s lots of interesting infrastructures still visible that people can come and see.

So, I think maintaining, it’s a fairly vibrant economy, that agriculture is quite a big part of. So, for example, the gross value added for agriculture, fishing and forestry for the whole of Scotland is, on average, is about one point three per cent, for [case study D] it’s about eight, just under eight. So, I think the only other county in Scotland that has that kind of input is Angus, where you’ve a lot of fruit and vegetables and, you know, sort of high value crops. So, as an upland, livestock based system, it’s really quite productive and quite an important part in the environment, and the economy. Particularly so for the [area 1] isles because, you know, these islands…

I: Which ones are you talking about? Can you name them

R: [section deleted to maintain anonymity]

And if you didn’t have agriculture on here requiring freight transport to take feed and supplies out, and obviously taking stock and everything back in, it may be quite difficult for the other people living on the islands to have the same level of…

I: Services.

R: …services that, you know, because agriculture drives that economy even more so here than it does on the mainland.

I: On the mainland, yeah.

R: Because the mainland there’s, you know, there’s shell fish, salmon production, you know. The main tourism hub is in the mainland, so there are many distilleries, there’s many other things on the mainland obviously. But, you know, agriculture is a big driver in these, and, you know, we forget sometimes [island 5] is a non-connected island but there’s a large area of [island 5] is pretty unproductive, you know, land.

I: Yeah, yeah.

R: So it’s pretty different.

I: So, but it has sheep and I think it has surrounding….

R: Yes, this is the kind of productive end of it down here.

[section deleted to maintain anonymity]

So, I think that’s important to maintain, you know, a population of 20 odd thousand over the whole place. I think it’s important to…

[section deleted to maintain anonymity]

R: The age there I think will be significantly more than 50. I think they’ll be older than that, but there seems to be quite a, in comparison, probably [island 3] has a bit more population and a bit of a younger population, so there’s a bit more vibrancy there. And it has a, they both have, you know, good draws for tourism because of their nature.

[section deleted to maintain anonymity]

I: Oh, so at least they have a, yeah.

R: …for school, yeah. Because there’s a junior high school here, so children from there come across to the high school.

[section deleted to maintain anonymity]

I: Oh, you’re not from here?

R: No, no, I come from Morayshire originally.

I: Okay.

R: So, I moved up here. I worked in the Perth Office before I came here and I moved up here, and there was more people on these islands at that point. But just over time, it’s just become more difficult to make a living. So places get amalgamated, you know.

[section deleted to maintain anonymity]

I: Yeah, that makes sense. Okay. So what does resilience mean for you? That word, what it means for you.

R: To me, I suppose resilience means your ability to continue with whatever you’re doing, despite pressures, either economic or weather related, or these sort of things that might be impacting on what you’re doing. Whether that’s a business or, you know, some other operations. It’s your ability to be able to continue and avoid, you know, setbacks or that sort of thing, based on external factors, I suppose.

I: Okay. Because the project, it says about upland food system and food system is a term that means so many different things to different people. I tried to make this card, and I will explain what we have here. Blue arrows you have pretty much the supply chain. So input, provider, upland farmer, local farmer, private or secondary processor, wholesaler, retailer, consumer.

R: Mm-hmm.

I: And then around that, you have organisational companies that pretty much try to support that. So I realised we needed one extra, which is what I was saying to you, the regulatory policy agencies, which this might be yourself, your organisation here, SEPA.

R: SNH.

I: SNH, yeah.

R: Mm-hmm.

I: So, there might be banks, there might be colleges, there might be external services like SAC, they might be developmental agencies. Do you think, should we call you developmental agencies or regulatory policy agencies? Because originally I had this one, but then I realised that it’s a bit different, the role. You do more policy rather than working like HIE which is…

R: Yeah, HIE is more about giving money out to the businesses to keep…

I: Yeah.

R: Yeah, we are, we do, I suppose two functions. We’re what they call the delivery part of Governments. So we deliver the subsidies out, but we also, as part of that role, have a…

I: Inspections, yeah.

R: …an inspections element as well.

I: So I think it might may need to be a different type.

R: Yeah, yeah.

I: I was thinking last night that it probably doesn’t reflect really well, so…

R: Yeah. I mean, our title is [name] Division. So that’s the two things that we really do, yeah, mm-hmm.

I: Okay. So there might be standards certification [inaudible] industrialisation lobbies. So, for example, the, I don’t know how to… There is some federation, so NFUS.

R: The NFUS, uh-huh.

I: I think for the butchers there is a federation.

R: Aye, there’s a Federation of Butchers, yeah.

I: Yeah, yeah. And then the consultancy services, including vets, accounts, what other consultancy use the farmers?

R: Well they use like SAC or environmental consultants for maybe, you know, subsidy schemes that they might be involved in. They may also be using, you know, well you say accountancy firms, business services, to look at their business structure.

I: Yeah, yeah.

R: So there’s, you know, there’s maybe a wee bit of overlap with the likes of HIE and that if you’re looking for development money or, you know, so there are… You know, there are a few things that maybe follow.

I: That might overlaps, yeah.

R: Yes.

I: Research Centre, I think there is a Research Centre in [case study D],.

R: Yes.

I: The Agro, how is it called?

R: It’s call the [name] Institute which is part of the University of the Highlands and Islands.

I: Ah, okay.

R: So they were set up really to look at developing crops that are productive at Northern latitudes. So they’ve done quite a bit of trial work on crops in this part of the world. Also Finland, I think Denmark as well, you know. They’ve tried to take some varieties from there to see if they’ll grow here. Varieties that you can harvest earlier with… So, there might be somebody that you want to touch base with and the guy in charge is a chap called Dr [Y].

I: Would it be possible to write it down? I’ll just keep that and I might need to do it, like…

R: So, Dr…

I: And also insurance companies, which insurance companies are on the island? Or is part of the bounds or, where do people get insurance from?

R: They’re all sort of part of bigger companies, but I mean NFU does a lot of insurance for farmers, and, you know, for their householders and everything. NFU are quite a big company nationally now for insurance. But the other one, oh goodness, it’s round at the back of the hotel. It’s another sort of national chain, so you know, there’s quite a few.

I: Okay, I will try… Where is it? Behind [inaudible] hotel?

R: Just at, it’s just at the back door of the Co-op. What is the name? It’ll come back to me.

I: Okay.

R: I can give you their…

I: Contact data.

R: …annual report.

I: Oh, okay.

R: And it’ll detail more.

I: Brilliant, yeah, if you can do. Whatever reports you think might be useful, either economic for the profile of any… You can see what I’m talking here.

R: Yeah.

I: So whatever comes to your mind, just send it by email.

R: Yeah, mm-hmm.

I: Okay, so those organisations together with the supply chain pretty much create the value chain of those. And then you have stakeholders affected, although some of them, they might affect also. So you have the Government and the funding bodies. You have pharmaceutical market, and I’m talking here about the pesticides and the periodic vaccines or whatever. And then you have energy market, conventional and renewable. And then you have environmental and social and interest NGOs which I think, for example, I was coming earlier, so which one you people, for example.

R: Oh yes, [organisation 1] people, yeah.

I: Yeah, yeah. [organisation 1] people. And then that’s [organisation 1] people, but not you people, okay.

R: Mm-hmm.

I: And then obviously the local community and the tourists, they are coming, and the public. So these are the stakeholders that are affected from what the value chain is doing. But this is the kind of the human side, and in the system we consider also biologic organisms like animals, plants, bacteria, all the type of…

So, but the idea is that these are the agents or actors if you would like to call in the system and what we are trying to do is to understand how they interact and in which environment they operate. So seeing that, does it make sense to you? Would you like to add something or remove something?

R: The one that we haven’t mentioned, and I’m not just quite sure where it would fit, is the auction mart.

I: Oh, okay.

R: Livestock auction mart. Because, yeah, they’re a stakeholder because if you didn’t have livestock then they have no business to continue. And your, I suppose, the wholesalers, the sort of end producer at, the companies who buy the finished product. You know, the sheep and cattle to butcher, which tend to be slaughter houses on the mainland.

I: Yeah, you mean the ABP, maybe Scotbeef?

R: ABP, Scotbeef, you know, those companies.

I: But they’re the one that would, the one which is [inaudible]. Someone was talking to me to… Anyway, I know, I know, yeah.

R: Yeah, so they’re…

I: Some may not…

R: They’re another stakeholder, I suppose, but they’re also involved in the…

I: I think those were the ones I was thinking as primary processing units because they’re abattoirs, pretty much.

R: Yeah, that’s right, yeah.

I: And then the secondary processers are pretty much, because they are coming back to the butcher shops and they do all the kind of sausages or, you know, pies or sandwiches, or whatever.

R: So the market, the livestock market as well as selling finished animals, it sells a lot of animals to producers in Aberdeenshire and Perthshire who then do the finishing.

I: Yeah, yeah.

R: So the mart is taking a commission for doing that. And the mart is a sort of farmers’ cooperative. So most farmers have shares in the market, although it’s not that, it’s not that lucrative, you just happen to be a shareholder in the mart, but we think, you know, the mart itself will employ, you know, several people, so…

I: Yeah, yeah.

R: They’re not quite at the abattoir end of things, but they’re certainly livestock whatever producers.

I: So the marts is the broker between…?

R: Yeah.

I: Yeah. The farmer and the, either the lowland farmer, or… I think it’s primarily between the lowland.

R: That’s right.

I: But also it’s between the abattoirs and…

R: That’s right.

I: …the farmer. Okay.

R: Yeah.

I: So I probably might need to add it somewhere here.

R: Yeah, mm-hmm.

I: Okay, great.

R: That’s fine.

I: I really like the fact that you are adding or modifying things.

R: Yeah, yeah.

I: If we can leave that aside for now. So I asked you before how you define resilience. And when I went through the literature, I came across this kind of definition and let’s see if it makes sense for you.

R: Mm-hmm.

I: Resilience is the capacity of the business or a system as a whole to either absorb, buffer, against internal and external establishments which pretty much, you do nothing and you just absorb the loss.

R: Mm, mm-hmm.

I: And then the second is lend and attack through incremental changes. Incremental changes, for example, for farmers might be reduced stocking rates. So, a bit, or increase the fertiliser you put.

R: Yes, mm-hmm.

I: Something… Small changes. And then even transform though radical changes. So the short and long term pressures are no longer, affect them.

R: Mm-hmm.

I: So this is more like, you do beef cattle and then you realise it’s not profitable any more. You go for dairy, or you start doing agri-tourism at the one side, or you do the renewable energy. So quite bigger changes…

R: Yeah.

I: …in the way that you work.

R: Yeah.

I: So does it make sense, that kind of definition?

R: Mm-hmm, yeah, yeah, mm-hmm. That’s fair.

I: Okay. So we’ll leave that aside. Then, there is another card which pretty much, I was trying there to summarise for the businesses, what are the functions, roles, calls, or whatever you would like to call them. So I would like you to read through the card. I have tried to, prepare this that, I have tried to do some, to group them.

R: Mm-hmm.

I: One is like related owners’ private interest. That second one is related to the multiplier affect, recycle into the local community industry through buying inputs. And then, or services. And then the other one is related to public good services. So, first I would like you to go, to read those.

R: Mm-hmm.

I: This is return on investment, yeah.

R: Yeah.

I: So if something doesn’t, it’s not clear what I mean, just ask me. And then, first try to find if there is an important faction that you don’t recognise it there. And then I will ask you… Obviously from your position, I needed to change a bit of the question because usually when the farmers are coming, I ask, what are the five most important, can you prioritise what…? Can you number them what are the five most important functions for your farm? But obviously for your position, you can say, what do you think for the farm? For the processing, the meat processors? Things like that.

R: Mm-hmm.

I: And one last point is like, some of them, they are inter-related so if for any reason you think, for example, number three and number 20, they are very, very, not those specifics but they are very close, you can group them together.

R: Yeah, yeah, mm-hmm, yeah. Okay.

I: So for farmers, for example, did you see something that is missing?

R: No, I don’t think so.

I: Okay. The other thing is that the, I said that there was a function roles or goals or whatever you would like to call them, but pretty much, if they are properly fulfilled, those functions, then they leave positive outcomes. If they are not properly fulfilled, then they will leave with negative outcomes.

R: Yeah.

I: Because there is a, it’s quite new we use that as functions. Usually people, they talk about outcomes and impacts.

R: Yes, uh-huh.

I: But if you go a step back as, you are there as a farming business to deliver something.

R: Yeah, mm-hmm.

I: So if you manage to deliver, then great, positive impact. If you don’t manage to deliver, then there is something maybe that… Yeah, so we prefer to see that in this way.

R: Mm-hmm, yeah, yeah.

I: Okay, so for farmers, what do you think would be the five most important, in [case study D] farmers?

R: I think because [case study D], is relatively unique in that fact that over 90 per cent of holdings are owner occupied, there’s not, there’s a very, very small tenanted sector here. So, succession, a lot of these farms have gone through third, fourth, fifth generation.

We find that when we have, you know, capital investment programmes, [case study D] farmers engage in that quite a lot because, you know, they have this family succession that they know. And they have the security of having the land, so their ability, you know, unless their predecessor has been a bit wild with the way they’ve spent the money, most of the businesses are in quite a good financial footing. So their ability to absorb, you know, a big capital project like that, is much better than the tenanted sector.

I: Mm-hmm.

R: Because, you know, depending on the type of tenancy, it’s a much shorter term investment probably. So, I think [case study D] is kind of unique in that. You’ll not find another part of Scotland with so many owner occupied units. So I think for resilience, that’s quite a good thing because even…

I: Yeah, so it’s gives them that…

R: Yeah, people have, you know, the ability to say, well look, it brings uncertainly, for example. We can kind of hunker down and see things go. Maybe more so than if you’re having to pay a rent twice a year and you don’t really know how things are going to go. So, I think the…

I: So number two, succession. It’s…

R: I think succession is key to the resiliency, yeah. The contribution to the community…

I: And number six, yeah.

R: …number six, I think, is also… Peer pressure. You’ll notice if you’ve gone round [case study D], we don’t have trees or hedges. So everybody can see what everybody else does. So that has, you know, [case study D] has got a great name for quality livestock production and that’s all about people saying, mm, that’s quite good. How could I get to be as good as that? And…

I: So it’s kind of, not imitation but…

R: Yeah.

I: …they’ve tried to copy…

R: Yes, uh-huh.

I: …pretty much what the other person did?

R: So I think, and, you know, again because of the rural community nature, you’ve really just got [town 1] and [town 2] as the two main centres. There’s a lot of people live in the rural areas, so you have, you know, young farmers’ clubs and you have women’s rural institute and you’ve all these things where farming families are heavily involved in that, so…

I: They were going to introduce, where are they, where are they located?

R: The Scottish Women’s Rural Institute?

I: Mm. There is something here in [case study D]?

R: They’ll be in different, almost every parish will have one.

I: Ah, okay, okay.

R: But they’re a national organisation. It’s WRI.

I: Yes.

R: If you Google it, you’ll see it.

I: Yes, yes.

R: So it tends to be, you know, in rural parts of [case study D] and then the islands, there’s lots of farmers’ wives involved in those sorts of things.

I: So is it more a network rather than they have an office and they…

R: Yes, absolutely, yes.

I: Yeah. Because I was thinking, where in [town 1] I can find them.

R: Aye, no.

I: But obviously, no, yeah.

R: No, it’s, you know, it’s… So, so I think that, you know, social cohesion thing is quite strong as well because, you know, there’s interaction through lots of different things. But the fact that everybody can kind of see what everybody else is doing. So there’s a kind of, trying to raise the level of the bar the whole time. And when they… [case study D] was the first place to try and get an animal health…

I: Free disease, you know.

R: Yes. And that was again a very much a peer pressure thing to, you know, try and get everybody signed up to it. So, they could see the benefits economically, but you know, it’s…

I: Those who put the pressure…

R: …if your neighbours don’t cooperate then it makes it very difficult, you know, so...

I: Just, I’m trying to find something from my possession, but from [inaudible] so I’m trying to find. No, I cannot find it.

R: And…

I: Is that the truth in, what is it called, [organisation 2]

R: Yes, that’s the [organisation 2].

I: …[organisation 2].

R: Yes, aye.

I: So pretty much this is set up for securing feeds is, yeah.

R: Uh-huh, yeah, uh-huh. And…

I: So, which is also a kind of strong advantage for…

R: Yes, that’s right. Because you want to have a product that you can sell, you know, whether it be for further breeding elsewhere. So if it has a high health status, it commands a better price. And it also helps reduce the amount of drugs you have to buy and all of those sorts of things. So, you know, there’s more than one benefit. Food security.

I: That’s number, which number? Seven.

R: Seven. So, you know, that’s fairly important when you’re on an island because there’s a lot of stuff comes in, obviously, that you can’t grow here but it’s important that what you can produce here, is available for your community and everything else, because if…

I: And how in [case study D] they achieve that? Because they don’t have an abattoir now.

R: They don’t have an abattoir at the moment, but they have local butchers who are sourcing the cattle here, they’re putting them away to an abattoir to get killed but that’s coming back here. So there is, it will be more difficult depending on the outcome of what happens with the abattoir. But, I think the fact that, you know, you have that kind of resilience built in would be important, yeah. The family satisfaction and wellbeing is obviously important for…

I: Number ten?

R: …farming families as well, I would say. So, I mean, I think the… If you didn’t have a reasonable profit margin…

I: So pretty one, the one is a precondition for everything else?

R: Yes, if you, it may be easier for you to cut your cloth, or, you know, pull in your belt really tight if you own the land, because you might just resort to keeping say, for example, half the stock you currently have. Don’t put any bagged fertiliser on. You know, don’t buy any inputs, you know, keep that really tight. If you’re employing somebody to work for you, you may not employ them any more if you, you know, halved your livestock numbers. So your survival, you know, if things got really bad, I think, would be easier if you own your land and your business is already in a good footing, you could almost free wheel for a while just till you see, you know, how things went.

I: So the buffer, being the capacity, so it’s much bigger.

R: I think it’s much bigger. Obviously, if you’re paying off a man that’s working for you, that has other social downsides, but for you as the farming business, I think you would be able to survive longer than maybe some other places. You know, just because you own the land and you already have good infrastructure and that sort of thing. So I think that’s, you know, is a key…

I: What about eleven, or the, all the rest here then?

R: Recycling money, yeah, obviously, you know, if you’re in a livestock business, it’s key to have veterinary capacity somewhere or else, you know, you’re losing money, you know. Because if you lose stock then, you know, it’s costly to replace all that sort of stuff. The feed and fertiliser thing, as I say particularly in the North [case study D], they try and produce as much feed as they can locally because you have two ferries journeys, so the haulage is even more. So…

I: So you’re talking pretty much for which islands?

R: For these ones here.

I: Ah, from [island 2], all of those, yeah.

R: They kind of try you know, they kind of try and not buy in too much additional feed. They try and, you know, grow what they can locally to keep those costs down. But, I mean, we produce a lot of slurry and farmyard manure.

I: For fertilisers, yes.

R: So, you know, again, you’re kind of trying to avoid what you buy, you know, as bagged fertiliser which is really expensive. So, they’ve also, a lot of them use clover based systems which fix the [inaudible] so you don’t have to buy in so much fertiliser. So, you know, they’ve been trying to do as much of that as they possibly can, just because where they are. So they try and keep that, you know, fairly well, precision farming.

I: So the fact that they are a bit remote, actually it makes them think of how I can be self-sufficient.

R: Yes.

I: Which is, at the end of the day, it makes them more resilient.

R: They have resilience built into them because they’re islanders.

I: Mm.

R: You know, and if you move to an island, you very quickly have to think in terms of, when is the last ferry, and when have I, have I got enough supplies to last me this week? Particularly once you get into this time of year and maybe the ferries are not going to go. So there’s an element of resilience built into the way that they think anyway.

I: Mm.

R: But, they’ve always been…

I: They’re much more proactive?

R: Yeah. And they always look to be progressive and look at technology. So, you know, your precision farming so that you don’t waste fertilisers and strays and things like that, and you try and be as efficient as you possibly can because it’s not as easy to just jump into a tractor and drive 20 miles down the road and get a load of straw from somebody that’s selling it, you know. All of that freight costs a lot of money so you try and maximise what you can from your own resources. So, you know, the…

I: Number, which number are you doing?

R: I’m just trying to see. I suppose a lot of that is to do with that, you know, preservation of…

I: Twenty-one. Number…

R: …cultural values and that. That’s that thing about, you know, it’s already built into you that you want to minimise your purchases that are going to involve a lot of freight costs, or additional costs to your business. So there’s a lot of culture about, you know, growing what grows well here, and maximising what you can there rather than sourcing it elsewhere.

I: Mm-hmm.

R: And I suppose that’s counter acting negative demographics as well because you want to try and…

I: Number twenty-two?

R: Yeah, uh-huh.

I: It’s just I’m saying in order for it to be recorded, because obviously…

R: Yeah, that’s right, yeah. So, I mean, I think that there’s a, people understand as well the benefits, you know, of clean water and air, 16 because it’s a limited resource. And some of the islands when you have your own reservoir and water supply, you know, you can’t just ship it in as easily either, so you know, people are aware of the importance of that and, I think, as well. So, yeah.

I: So this is for farmers, the five most important.

R: Yeah.

I: What about the downstream matters like butchers, or the, even the restaurants or the hotels that they pretty much offer local produce?

[interruption]

R: No, problem.

I: And just think of it about.

R: Yeah, uh-huh.

R: That’s fine.

I: So, for those downstream matters, butchers for example, what do you think are the five most important?

R: I think there…

I: Seventeen.

R: Yeah, because that’s maintenance of the genetic…

I: What is it? Maintaining…

R: They’re selling a product that’s associated with here and that’s a, that’s a big selling point in what they’re trying to get the money from. So, the, well I suppose that’s the genetic diversity of the stock, rather than the people. You know, so the product that they’ve got, you know, is specific to here, and that’s a marketing…

I: So you mean specific native…

R: Breeds.

I: …breeds?

R: Yeah, uh-huh.

I: Which is?

R: Aberdeen Angus and crosses on the back of that and Shorthorns, and these sort of things because, you know, Marks and Spencer’s, Morrisons, you know how these companies have these schemes for, you know, different…

I: The premiums.

R: The premiums for that.

I: Yeah.

R: So people are, you know, they have that in mind in terms of selling their end products, so…

I: Do, you have ABP, who is it selling to? It’s, which supermarkets?

R: I can’t remember.

I: And Scotbeef?

R: Scotbeef’s Marks and Spencer’s.

I: Marks and Spencer’s. So, Lidl, I think Lidl is taking for some, from home.

R: Yeah, yeah.

I: And the other one is Macdonald’s.

R: MacDonald’s, yeah.

I: Yeah, but I think from home, Scotsbeef or maybe…?

R: They take, I think ABP will probably be supplying people like Macdonald’s and that as well, but they have, there’s a bit more DNA testing and things going on to make sure that…

I: They [inaudible].

R: …Aberdeen Angus is actually in the burger, you know, and that sort of thing, so… There’s a lot, that technology has moved on so there’s a lot more checking to see that…

I: Traceability checking, yeah.

R: Traceability checking and that is, you know, is happening. I think too, you know, the natural landscape…

I: Twenty, number 20.

R: …being what it is, number twenty, is important to that brand marketing, you know. Orkney the brand, when you see the, you know, how they market, you know, it’s the landscape that you see. So that’s important that that’s maintained for selling the product. Because it’s implied through that marketing that you’ve got 16, you’ve got clear air and water, you know. That’s, that’s the whole thing. It’s all about, you know, presenting that as a saleable product. Whether that’s…

I: As a marketing strategy, yeah.

R: …as a marketing, yeah. So, the, well probably…

I: Which I suppose you do. It’s related to number eight.

R: Yes, that’s right, that’s right.

I: And, no number nine.

R: Nine, yeah, added value and increasing customer satisfaction. That’s, because the customer has to be there next week to buy it as well. It’s not just enough that they buy it once off, you need to have that repeat.

I: Degree of loyalty.

R: Yeah, that’s right.

I: Okay, so that will be quite difficult a question but obviously there are a lot of farmers, but if you could say what the farming community is doing in terms of resilience in Orkney, struggling, surviving, making a reasonable living right now? You can say like a…

R: So is it…?

I: I don’t know, 50 per cent of those today, they are between, I don’t know, making a reasonable living and moving. I don’t know.

R: Yeah.

I: I don’t know how you can really…

R: I don’t, I don’t think in general terms just right now there are too many businesses struggling. I think a lot of businesses are…

I: Surviving.

R: …surviving and there’s a bit of trepidation of what’s to come. But, I think they are, at the moment, livestock prices are reasonably good. We’re on the back of having a very good summer. The general mood is quite good, which is something that… It’s not a very tangible thing to think about.

But if people are generally feeling a bit buoyant, they might buy that tractor or that car or that… Whereas, if you’ve had a bad summer and depressed livestock prices, they just won’t go there. So, you know, I think at the moment things are, you know, relatively good. I think the suppliers, the feed suppliers, the…

I: They’re optimistic.

R: They’re optimistic, I think, you know, at the moment. But, in…

I: It’s quite interesting because they came out of three wet years.

R: Yeah, mm-hmm, yeah.

I: So probably the previous three years might be kind of, for some of the businesses might have come close to the breaking point.

R: Yes, uh-huh.

I: Yeah, so it’s good that they got there.

R: I mean, obviously what we pay them is a big part of their income, you know. So, any concern over that stopping would be an issue for them. We have 700 businesses here. Over 200 of them are in Agri-Environment Schemes, so that’s a five year programme that they know they’ve got a set amount of money coming in from, you know, through the management of that. So that obviously helps your cash flow and your thoughts about, you know.

I: What are the specifics obviously in [case study D] about the different subsidies and…? So, you don’t know how many businesses there are, farming businesses?

R: Seven hundred.

I: Seven hundred?

R: Yeah.

I: So from those you said for Environmental Schemes, how many there?

R: Over 200.

I: Over 200?

R: Yeah, mm-hmm.

I: Yeah, and then for the Land Based Subsidy, the single?

R: The single farm payment is about 670 claiming that out of the 700. And for LFASS, it’s about…?

I: LFASS? Oh the…

R: Less Favoured Area Scheme.

I: …Less Favoured Area, yeah, yeah.

R: There’s, there’ll be a similar number. Maybe a bit less because you have to have livestock to have that. So, some of the businesses are renting their land out to somebody else and that sort of thing.

I: Yeah, yeah.

R: But, you know, it’s quite a…

I: What about the Calf Subsidy?

R: Calf Subsidy Scheme, yeah, it’s fairly, fairly high here because of the number of beef cattle producers we have. So it’ll be up over 500 of the 700 businesses, yeah.

I: And there is any other subsidy I’ve forgot about?

R: No, I think that’ll be, that’s the main ones, yeah, uh-huh.

I: Okay. Just to have an indication, I mean… And what per cent, what rate of percentage do you think those farmers, they rely, the farming part of the businesses, they rely… Because obviously sometimes they might have [inaudible] more other stuff, but the farming part, what percentage of the income relies on subsidy?

R: It’s fairly high, you know. It’ll be up about 40 per cent, I would think of their income will come from subsidy, I would guess.

I: So pretty much if subsidies go away, for some…

R: Yeah, it would be pretty disastrous for them if subsidies went away because there’s not the opportunity to be this far North, even though we have productive land, we’ve only got about 120 growing days a year. So grass, spring cereals are about the only two crops you can grow. So you can’t suddenly say, I’m going to diversify into soft fruit, because it’s just not going to happen, because your land can’t produce that. You have a, you know, a capability for agriculture here that only really supports…

I: Livestock.

R: …livestock farming. You can’t do anything. You could do, I mean, some people can do it on a small scale, but not, you know, the majority.

I: And I assume when you say livestock, livestock is pretty much saying sheep and beef cattle.

R: Yeah.

I: Any cattle.

R: Yeah, I mean…

I: Yeah, either dairy or beef.

R: We have a small dairy industry here of about, I don’t know, 19, 20 producers that are producing for the creamery, for cheese. And they’re producing about 14 hundred tonnes of cheddar a year. So there’s about 16 million litres of milk produced from about three thousand dairy cows.

When I came here there was nearly 30 dairy producers and now it’s down to that number, but they’re still producing the same amount of milk. So the guys that are left, they just upped their production level.

I: Yeah.

R: Now, they can do that, but it’s very difficult to switch from beef cattle to dairy cattle in this part of the world because you need the infrastructure. You know, you need the milking parlour and you need the buildings. In South West Scotland there’s been quite a few people have gone the other way. Instead of having…

I: From beef to dairy?

R: From beef to dairy.

I: Yeah.

R: But instead of having a 200 plus day winter, they only have 120 day winter. You know, they can keep getting their cattle out earlier and keep them out longer whereas here you have to house them for, As I say, seven months of the year.

I: So when do they start housing?

R: In…

I: Like which month, yeah.

R: Here? Next month, October.

I: October, and then…

R: October. And…

I: And then when go out?

R: May.

I: May?

R: Yeah.

I: And that has changed with the wet years?

R: Some years if it’s wet they’ll start housing the end of September because the ground, if it gets poached in the back end, then it means that it doesn’t come away in the spring. So you end up, or you ruin the structure so you end up with a longer winter and more costs in replacing and recycling. So, if you came here in six weeks’ time, you’d see no cattle out at all. You would only see sheep in the fields.

I: Mm, mm.

R: So, you know, everything ends up inside here. So that’s, again that’s…

I: But then are they also housing sheep?

R: No.

I: No. The sheep have space then?

R: Yeah, the sheep stay outside because, you know, they don’t trample up the land so much and you can spread them out over a wider area to get the benefit of that. But the other thing you’ve got with sheep is you maybe house them at lambing time, just for ease of management.

I: Yeah.

R: But that’s just for a short period of time. On the island [3], which is that one there, because of its name, it’s soil structure is very sandy, so they can keep their cattle out until about December on the, what they call the [inaudible] land.

I: Yeah, yeah.

R: You know, the sort of shore fields and that sort of thing.

I: Why, elsewhere is clay?

R: Yes, uh-huh, there’s clay structure, yeah.

I: Which is quite good for colder weather.

R: So it’s really the only exception where you can keep cattle out a long time. Whereas in parts of England and Scotland, you can keep cattle out, you know, right through to November because although it’s cold, it’s drier, you know. We don’t get an awful lot of rain, but as soon as the land is at capacity it can’t, you can’t put livestock on it. You can’t put cattle on it because they just poach it up, so… Yeah.

I: Okay, okay. I understand. So, you said that pretty much you think that most of them are surviving.

R: Yeah, mm-hmm.

I: So what percentage is struggling, you feel?

R: There will always, you know, be a… Difficult for us to see it, I think so much, because we tend to be in the inspection end of things. But the banks and that, you know, will know just like people’s accounts what, how many businesses are struggling. And, you know, I would guess maybe ten per cent maybe of the total would be in that category.

I: Yeah.

R: And that may just be…

I: So…

R: …new business starting up.

I: …how have things changed over the last five years? Have you seen more going towards the struggling direction or the making the living…? From struggling to surviving, they have gone through struggling direction or making a reasonable living?

R: I don’t know that we’ve just seen a huge…

I: Shift.

R: …shift. The difficulty about expanding your business here is, in some cases you almost double the size of your business. You know, if the next door’s farm comes up for sale, you know, because a lot of the units are a similar size, so it’s quite a stretch to buy the place next door.

I: Yeah.

R: So quite often, you know, it’ll get sold in lots. So, you know, people get a chance to buy two or three fields and that sort of thing. So, there’s always a drift towards units getting larger, you know, and people, and maybe the smaller units having other jobs. You know, maybe with the Council or the post office or in oil or something.

I: Mm, mm.

R: And the bigger farmers getting bigger and just acquiring land as it comes along because with that, you’ve got stability in your business and the banks will lend you money. Because land’s, you know…

I: Yeah, but in terms of ease and in order to understand for 700 farmers you have here. How many of those could you consider big farmers? And what do you mean? What is the rate of big farming?

R: What is big farmers? So...

I: And what is small farmer? Because obviously whatever is here, it’s not the same like coming…

R: Yeah, so we have units of, you know, 500 hectares, that size. But probably only ten percent are up at that end.

I: Yeah.

R: We have a big…

I: So above 500 you mean, is the large ones?

R: Yeah, yeah that’s the large ones who will be employing one or two or three people.

I: Yeah.

R: We have a huge number in that sort of 200…

I: Middle rate.

R: …to 500 range. And then quite a few smaller places than that who will be having employment elsewhere, that sort of thing. So, in the time I’ve been here, for example, that’s a longer period, but 20 years ago we maybe had 900 businesses claiming subsidy and now we’ve got 700. So that’s due to people, you know, retiring and selling up and farms amalgamated. So there’s always a drift at odds, you know, units getting bigger and that sort of thing. So maybe in the last five years we’ve maybe dropped, I don’t know, maybe five per cent of holdings, if…

I: So that shift from 900 to 700, what type of effect it has to food security, environmental landscape and social community here?

R: In terms of food security, very little. Because what’s tended to happen is they’ve taken over that land and the stock numbers haven’t dropped that much. You know, they maybe drop a little bit because there’s efficiencies of scale in terms of, you know, being a bit more ruthless in the culling of the cattle and sheep. So concentrating on the more productive ones.

I: Mm-hmm.

R: So the total number might drop, but the productive… And the dairy industry is a good example of that. Fewer dairy farmers but the production has just gone up. The younger guys have made more investment and just concentrated more on production. So, whilst the food security I don’t think really has changed that much because the people that are there are still producing. In terms of the sort of social aspects of it, those people retired will have got an injection of cash. Now they may have retired but they may have decided to go and do something else with that. They may have diversified into tourism or agri-environment or something like that.

I: But most of them, they stay?

R: Most of them, they stay.

I: Yeah.

R: But there tends to be a drift from people selling up and retiring into [town 1].

I: So, so…

R: Farmers from the islands would tend to sell their holding and move into [town 1] so… Because this is where all the services are. And if you’re elderly, your doctor cover up here is more sparse than it is here, so if you’re older, you know, you’re just nearer what’s going on.

I: So that happens for all of these North islands?

R: Yeah, for all of the islands, yeah, so… And then if it’s not somebody local who buys the land, you quite often get somebody from South. You know, if you sell a four bedroom bungalow in Edinburgh, you can buy 200 acres in [island 3] quite easily, you know. So we do get quite a lot of people buying up and coming in, first time farming. You know, this might be their first opportunity.

I: The newcomers, you mean?

R: Yeah, yeah. And if they survive two winters, they maybe survive for longer, you know.

I: I thought that the test, it was three winters.

R: Yeah. But I mean it’s quite a shock if that’s what you’ve come from and you’ve gone up there in the summer and you’ve thought, oh this would be a nice lifestyle. And then you get a 200 day winter and you think, mm, it’s maybe not as good as I thought it would be, you know.

I: Yeah, yeah.

R: But, yeah, so…

I: So these, by the way that these newcomers, do they have a different profile, their behaviour as farmers? Have you noticed any difference compared to the [people from case study D],? Because obviously [people from case study D], before you were saying that they have the built in capacity of being [people from case study 3], or practice.

R: Yeah, uh-huh.

I: Newcomers, they’re coming with some expectations, probably wrong expectations, you know, for long summers or whatever.

R: Yeah, yeah. But people, if you move into a community their ability to survive long term, I think, depends on them really integrating into the community. Because you cannot survive on these islands if you isolate yourself. It becomes very difficult, and you need to have that neighbouring ability, you know, so that… Good neighbours are always great things but especially in agriculture.

So if you want to go away and visit your family South for a fortnight, who is going to look after your stock? You know, if you don’t get on with your neighbours, nobody is going to do it. So that means you’re then more tied to the unit you’re in and your whole life is a bit more difficult.

So, I think, you find [island 7] is an example of an island that have a lot smaller units and a big turnover of units. You know, you get people coming for two or three years and then selling it on, you know. And because there’s not maybe the same number of people on that island, the ability to fit into a community is maybe a bit more… You know, if you consider, if you’re moving into a community of 50 people, if you don’t integrate into that community, you’ll not stay there very long. You know, because just…

I: So [island 7] is one of the, do you think it’s one example of high income, sorry, high…

R: Turnover.

I: …newcomers for population?

R: Yeah, yeah, mm-hmm.

I: So is there any other island that has a lot of newcomers, or…?

R: Not so much. I think maybe [island 8] probably has quite a number of people who have moved in, you know, in the last few years. But they certainly have, it would appear, the people who have really integrated and, they’re a lot of the drivers for a lot of the community projects. You know, people who, it just seems to be two or three people who have taken early retirement, you know, and maybe in their 50s and they’ve got a lot of drive and enthusiasm based on what they’d done in the past, and, you know, have really, you know, helped the island quite a bit, you know.

I: So how do these people help the island? I mean, what do they…?

R: Well they…

I: What initiatives they do right now?

R: You know, if the community shop is needing a grant to do it up, you’ve lots of paperwork to do. A lot of these people have backgrounds in that sort of thing, you know. Retired policemen, things like that, who have been used to dealing with all aspects of public, you know, and integrating with people and all that sort of thing.

So it depends very much what their background is in. But it seems to be in [island 7] at the moment, there’s just been a few like-minded people who have arrived, whose background have been in things like fund raising and, you know, doing that sort of thing.

I: So they can use their skills for the benefit of the local community.

R: Yeah, yeah. And the locals then see, you know, the benefit of that. And, you know, the thing just kind of multiplies up, you know, so…

I: Very interesting point. Okay. Let’s move on. The next one is this card. It’s here trying to summarise the disturbances, long term pressures, shocks, drivers for change, whatever you want to call them, okay. But the, while you read through that you will consider them, most of them as a threat. So I have first two questions for you. One is, do you see any important driver that is missing from here? And the second question is, is any of those can be seen as an opportunity for [case study D]? I need to find…

R: Opportunities out of there? Mm, that’s quite difficult.

I: For example, Brexit. Many people, they say, oh there might be opportunities. But obviously I would like to know, under what conditions Brexit can be an opportunity?

R: Under…

I: Not general, but for [case study D] communities.

R: Yeah. For a place like [case study D], I think it’s very difficult for an agricultural system that’s based on beef and sheep to find any good points in Brexit. Because sheep meat, you know, has a requirement to be exported because we don’t eat enough of it in this country. And our big export market is France.

The creamery sells 40 per cent of its cheese to France. Not as [case study D] cheese, it’s not marketed that way, but Lactalis who is their main buyer has a catering contract in France and it’s, you know, it’s… If you have an import tariff on 40 per cent of your product, that’s a big, you know, a big risk to your business, so…

I: Which pretty much it means you have issues with, you have to follow the European Standards.

R: Yeah.

I: You have to have access, free access to the market.

R: Yeah, mm-hmm.

I: And…

R: Yeah, so I think there may be, the benefits, I think are quite difficult to find something tangible because we’ve been on the Western edge of Europe, so we’ve had access to a lot of infrastructure for roads and buildings and ferries and Agricultural Subsidies as well, but, you know, a lot of those bigger projects and social projects and stuff, we’ve had good access to that over the years. And I’m not sure that being in…

I: Because of the European planning thing?

R: Yeah.

I: Yeah, okay.

R: I’m not sure that being this far away from Westminster will mean that that, you know, will continue.

I: The same level of, yeah.

R: If Westminster gives the equivalent Agricultural Subsidy that we have at the moment as part of the block grant to Scotland, there are many other demands from hospitals and schools and all sorts of things. So I think it’s vital for Scotland as a whole, but [case study D]… And [case study D], is quite good at selling itself, but I think you have to be able to demonstrate the public good that you deliver through getting that subsidy.

So maintaining the landscape the way it is, and maintaining the population of these islands to service tourism, which I think will be one of the things that will continue… You know, you’re probably already away we’ve a huge liner traffic here comes in, about 160 liners came in this year. So millions of people, you know, over a period of years coming as tourists.

I: So you mean the cruise?

R: Cruise liners, yes, uh-huh.

I: Yeah, yeah, yeah.

R: So, that I think, is probably one of the things that will continue post Brexit because there’ll be pressure on the pound and we’ll be an attractive destination for tourists. But in order to keep your landscape and your infrastructure to service the tourists during the May to October period, you need things for the population to do for the rest of the year.

So, if you, if agricultural, because it is such an important part of the economy here, if it has a down turn then what happens to the ability to support the tourism industry for the rest of the year? The cheap labour, or the cheaper labour from the rest of Europe to come and work in the hotels or, you know, do all of that, so…

I: Do you have a lot of [inaudible]?

R: Not huge. There’s a fairly big number of Polish people here who have been here for a while.

I: In which industries?

R: Sorry?

I: In which industries?

R: In seafood processing and hotels.

I: Yeah, okay, because I didn’t… Most of the farmers, they said, foreign labour, it’s not happening.

R: Not for farming it’s not, but for wider economy, yes. You know, there is an element of that. And that’s because unemployment in [case study D] is about two percent of the population. So finding people, you know, is quite difficult if you’ve got a hotel or a restaurant business. The turnover of staff is really quite high, so… So, I think that, you know, those things that happen in Brexit will definitely be an issue for a place like [case study D].

I: Anything that’s missing?

R: I don’t think so. I think it’s pretty…

I: Okay. If something comes to your mind, fine.

R: Mm-hmm.

I: Then, can you let me know a bit, which are the five most important for farmers, and which are the five most important for butchers or hotels or restaurants, or…? If you use the number, that would be much easier for me.

R: Mm-hmm.

I: And again, it can be a combination, sure, whatever.

R: Mm-hmm. So for farmers, number four. Land and soil degradation is a big issue if that becomes a long term issue. And it’s kind of tied in with climate change. If you got a lot of wetter weather and your soil degrades then your ability to produce is seriously affected.

Extremer weather events, number six, you know, if it’s a one off people can cope with that better, but if it’s a trend that you get through climate change, then that’s a bit more of an issue.

I: Which problem, for example, wet weather, so you at least three on the row.

R: Yeah, uh-huh. If that…

I: And what about that the community has recovered from that enough? Because obviously if they haven’t recovered enough, they’re not, it’s seen in the past for addressing the next shock that’s coming to them. It’s…

R: You won’t do it in one growing season, you know. It takes more than one growing season to recover from that. This year has been very good but if you have, you know, a really bad, wet spell and you have a lot of reseeding to do, you almost lose that production for the next year, because you’ve such a short growing period that, you know, you don’t get that benefit.

So, yeah that, that’s why the, if you move to wetter, warmer conditions, that doesn’t prevent you having to house cattle just because it gets warmer. The housing is to do with the fact that the land is not going to stand up to it in the winter, so… Yeah, that’s a, it takes more than one year to recover from that, so…

Price volatility, number eight, for inputs and products. Yeah, if the agro-chemicals or fertiliser or medicine price goes up, that makes life very difficult.

I: Which now it brings to my mind that exchange rates and also the prices might get up because of the Brexit.

R: Yes, that’s right. And there’s another factor that’ll come in because of Brexit. Some of it really will be to do with Brexit, but lots of other costs will get hung on that particular, or that’s because of Brexit, where companies want to make a bit of profit.

I: Yeah, so the very…

R: You know, that’s a, you know, that kind of always happens when you get a big change like that.

I: So that’s an added.

R: Mm-hmm, yeah.

I: Yeah, because [inaudible].

R: Yeah, mm-hmm.

I: So how other comments can you use Brexit as an excuse pretty much to…

R: Yeah.

I: And do you think there are going to be the companies in the supply chain, not the actual companies, but there’ll be the abattoirs, there’ll be the input supplies. Who is very likely to use that for their benefit?

R: The end of the chain, you know, the retailer at that end is usually the one that’s best placed to make the most profit. The farmer, the primary producer, is a price taker so, you know, they’ll get the biggest hit. The processor in the middle gets squeezed quite heavily by the supermarket end of the chain, but the fact that supply chains are so short, you know, and everything is cut to the absolute bone, in a place where you depend on ferries and freight, that is seen, you know, even more sharply because you’re that bit further away from the market.

So you don’t, you don’t have the option of saying, well I’ll actually just deliver that myself, you know. If you were in South East England you might just say, well I’ll just nip across and do that myself, but you just can’t do that here. So I think that, the length of the supply chain will be an issue, you know, in this part of the world, I think.

I: So it’s, because you are remote, it creates vulnerability and you say that you try to, because the length of the supply chain is quite big already, it induce some degree of vulnerability?

R: Mm-hmm.

I: Is, I’m trying to make sure that I get the message quite…

R: Yeah, I mean I think the, you know, we’re a long way from the market for the end product, even although farmers are selling to suppliers in the lowlands and that sort of thing but it still means you’re away up here and your ability to diversify into anything else is really limited. So, more than ever, you just take the price that you get. There’s very little you can do other than the high health, high quality end will hopefully always give you a better price. But, if you’re just producing a commodity then, you know, you’re…

I: There’s no future in that.

R: There’s no future in that, so…

I: From your experience, do you think [case study D] by nature is more, it should be more for producing store animals, or you think there is enough potential for producing fattening animals?

R: I think store animals primarily, it’s more suited to, because to finish animals, you really need to have a bit of grain in the diet, and if you can’t grow enough of that here, you have to buy it in. So it’s much easier to sell animals at a year old and somebody else has that additional input. You know, you’ve probably been good to them as young stock and creep feed them and get them to a good level and let somebody else then decide what weight they want to finish them at.

There was a tradition here for a lot of years selling animals at 16 to 18 months so you’d winter them twice. And the guys were looking for big framed cattle and they paid quite a lot of money for that. But I think if you focus on, you know, that was a traditional system, I think if you focus on the economics of that, it doesn’t leave people as much money as they would actually think it does, because of this additional length of time you’re keeping something.

If you, with continental, what they call continental crosses, so charolais and simmentals and limousins, you need to keep them moving in terms of growth to maximise their potential, but then give that to somebody else to actually take it through to the final product, because they can get bi-product feed. You know, things like potatoes, carrots, cheap cereals and all that, in mainland Scotland, that you just can’t here.

So, I think some people, as I say, for these traditional breeds like Angus’ and shorthorns, they’re managing to finish them because there’s schemes that are paying a premium price. But for the majority, if you like, of the meat that a big proportion ends up in burgers and all that sort of thing, I don’t think we’re suited to do that. It’s fine for a niche market, but we don’t have the ability to grow enough cereals and get access to other cheap bi-products that you can on the mainland sort of thing.

I: Because what I’m trying to understand here is like, when you had the abattoir, the numbers of fattening animals were higher than now.

R: Yeah, mm-hmm.

I: And it’s, and now it’s low because of what? Because there’s no abattoir, or because pretty much the environment, the climate here doesn’t really suit that type of production and the people they have realised that? So all, it’s a combination.

R: Yeah.

I: I’m trying to understand why.

R: When [case study D] Meat was here and they were selling [case study D] Meat brand, [case study D] Gold as it was called, the animals had to be born, reared and finished in [case study D] to meet that, right. So they were at it early in the piece. Elsewhere in the country and down in England where they were delivering this product, the local niche thing started to take off. So you were competing against people that could produce it cheaper on the doorstep.

Also, [case study D] Meat were having to buy cattle here up against Aberdeenshire and Perthshire buyers who were taking them away and finishing them on cheaper product and getting nearer the market than you were. So, those animals went out of here live and that’s subsidised. The ferry shipment is subsidised. Dead animals have no subsidy. So you are having to buy the animal here, pay for the carcases to be shipped then pay for the offal and the hides to be shipped as well. So it got to be that that was becoming…

I: The waste, you mean?

R: Yeah, the fifth quarter as they called it. But the thing that it meant was that made it very difficult for them to compete. So they started losing money and they had to stop doing it. People then said, well Scotbeef will take the animals or APB will take the animals. So that’s, the people who were producing those type of animals started selling there. So the process moved on.

Three years ago when we had a very bad winter, and people sold a lot of animals in the spring and didn’t graze them for a second year, they sort of went, mm, I’m actually getting a reasonable amount of money for doing that, so why do I want to do that anymore? So there’s been a bit of a gradual change through [case study D] Meat closing down and a wider event where people were kind of forced to get rid of their animals in the spring and they actually got a reasonable price for them and thought, maybe I don’t want to go back to keeping them for another summer, being tight of grass anyway, and actually my cows and calves can benefit from that grass. And I don’t have to buy so much bagged fertiliser to make that grass grow. So, you know, there’s been a bit of a change…

I: Yeah, yeah.

R: …brought about by one or two things happening.

I: Great. Because you explained that very well, that’s…

R: Yeah, and I think that’s why I’m saying that [case study D] suits better for store production than finishing production. As I say, fine for the few that are doing it for schemes and that sort of thing, but I think the direction of travel will be, yeah, we’ll sell them down the country and somebody else can take that additional cost on.

I: There was any subsidy on carcases at some point, or not? Or never there was a subsidy on carcasses?

R: There was a, pre the system we have now, there was subsidy on the end product, the meat and the grain and all… But that’s going back to when we had wide lakes and green mountains and everything. From 1992 we changed the system so we paid the primary producer and we didn’t pay the processing anything, so… But in terms of the subsidy, livestock are subsidised here through the ferry system whereas carcasses were just freight, like any other product. And it doesn’t come under subsidy. Other than the fact, the ferry, the lifeline ferry service is subsidised by the taxpayer anyway.

I: Yeah, yeah, yeah.

R: But livestock had a, there was a further subsidy on live animals.

I: Which still exists?

R: It still exists, yeah, uh-huh, yeah, mm-hmm.

I: Yeah, okay. And then when they stopped doing the carcasses subsidy it was, what about the quality, the [case study D] Meat, it was working at the time, or it was before?

R: [case study D] Meat, I can’t remember when [case study D] Meat started, but it started before the change in the subsidy system. But it was just that they were very early in the market. They had a lot of good supply chains down through England and that sort of thing. But as time went on, [case study D] suffered quite, as it does quite often, with it being a leader in things, you know. Quite progressive and cooperative in moving forward, and then other people started jumping on that band wagon and their supply chain was really much shorter, and they were just more competitive and that was, that’s what happened, yeah.

I: Yeah. And also, I think, they had an issue with the goods and policy, the imitations of their…

R: Yeah, it’s difficult to do. As I say, the DNA testing thing now has become a bit better, especially for different breeds and one thing and another. But, yeah, if somebody puts a side of beef in a butcher’s window and says it’s Scotch or Welsh, it’s difficult to give that…

I: But then, they didn’t have also that PGI or PDO.

R: The PGI, that’s right, yeah, uh-huh.

I: Which could protective to some extent.

R: Yeah, mm-hmm.

I: So, what about the second initiative, that was led by, for abattoir, led by the butchers?

R: Uh-huh.

I: So what features has that initiative? Why it started and it was working and then it failed?

R: It was working reasonably well on the basis that these butchers had a demand for the product obviously for their shops, but they were also selling liner passengers that were coming in, you know. They were freeze wrapping stuff for them and that sort of thing. So there was a demand for [case study D] beef product.

The difficulty was the abattoir building was designed to be killing over 100 cattle a day. So have you the entire plant to start up, then clean down at the end of the time you used it. So they were using it for one day a week and they were only killing about 20 cattle and 30 sheep and a few pigs. So the cost of running the plant were really heavy, for all the amount of animals you were actually putting through. So you had a maintenance issue there. And the building was owned by the Council and the Council maintained the building.

The engineer who was responsible for doing that left the Council and he wasn’t replaced. So the Council said, we, it’s going to cost us money to continue to run or help you run this facility and we can’t do that. So it stopped.

I: Just, I lost the point where you said the engineer left. I’m not sure what type of feedback has that.

R: There’s nobody to maintain the plant.

I: Ah, nobody, yeah.

R: Yeah. So the Council would have to employ somebody to do that and the Council weren’t prepared to do it because they were saying, for, you know, three years we’ve helped this go and it really needs a more, a smaller, more purpose built unit for killing that number of animals a week. And that’s where the butchers were looking to grow. But it’s proven a very difficult to find finance to build a facility like that from scratch. So, that’s why it’s, it was working and it wasn’t. It was to do with the infrastructure that was there to support it.

I: Do you feel that that second initiative for butchers, did it miss the opportunity to do something like the first initiative was doing, trying to export outside of the animals and build around the [case study D] brand using the PDO? Yeah.

R: Yeah, and that, the reason for that is the butchers were limited to investing in the business they had, you know. If they’d, you know, I think they might have all had a look to sell a bit more, you know, going forward, but they were just too small to be able to do that. They were only, you know, just the costs of, you know, having your staff up there for a whole day, just for your week’s supply of meat, it becomes quite draining on the business. And the ability to expand that business was quite difficult because, you know, you just, you’re trying to supply the trade you have and make a go of that, and it’s quite difficult to then go beyond that when you’re doing it on the back of a business that just went under, you know. A business that you look at and think, well they got as big as that, and they didn’t manage to make a go of it, how am I going to manage to make a go at it? It’s that and…

I: But I assume that they need extra kind of skills, marketing skills to bid quite good marketing channels?

R: Yeah, but I think they’re all…

I: It’s not so easy to, that barriers like supermarkets are very…

R: Yeah. You don’t, it’s very difficult for them to get into supermarket. I mean [case study D] Meat didn’t even do that, because they did look at it, I think, for some other, over 30 month cattle, but it’s quite difficult with the supermarkets.

I: I think it was with Tesco, they were doing that.

R: Yeah.

I: Yeah.

R: And, you know, Scotland is down to probably three or four main abattoirs in the country and, you know, their margins are wafer thin.

I: You mean Scotbeef.

R: Scotbeef, yeah. And what’s another concern is half of them are owned by Irish companies.

I: Okay.

R: You know, so APB is an Irish Company, as is McIntosh Donald has it’s just been sold to an Irish company, so the Scottish throughput isn’t in the hands of Scottish businesses so…

I: So those profits, they go back to Ireland?

R: Yeah, yeah, so…

I: Oh, I didn’t know that.

R: So there could, you know, Brexit could have a knock on effect there as well, depending on what happens, you know. So…

I: So how do you think that they will leave Scotland? They sell out?

R: Well I think if the cattle and sheep industry numbers drop, then you’re trying to put fewer carcasses through big systems, and then you can start, the margins disappear. So, if it got really bad, you could see why they might just shut a plant, you know.

I: Yeah, so sell out pretty much, yeah.

R: It’s the, you know, the supply industry is set up as it is at the moment, as I said, because the margins are so thin, you don’t need a huge drop in numbers for it then not to make any sense. So, it’s quite a difficult one to know how it’ll go, so…

I: Okay. I’m a bit concerned about the time.

R: Oh right, uh-huh.

I: Obviously we started a bit later, a quarter later, but obviously…

R: Mm-hmm.

I: Okay. About the Brexit and the subsidies, do you think, there is a lot of discussion now, talking about, let’s forget subsidies on food production and concentrate on subsidies on delivering around with the goods. Do you think it’s a kind of, for [case study D], what would be the future if that will be the route?

R: As I say, there’s a big percentage of farmers already in Environmental Schemes. The difficulty might be for the other farms, that they don’t have that many habitats on their place that can be managed. A lot of the people who have habitats are already managing them. Because the Environment Schemes are competitive, you need to have a reasonable amount of habitat to manage in the first place.

So, the habitat generally is probably already fairly well managed. The drive for public goods in terms of Environmental Schemes and that coming from DEFRA reflects the fact that England is almost the exact opposite to Scotland. So you’ve got only 25 per cent of England is Less Favoured Area, whereas 85 per cent of Scotland is less favoured area. So, there is more wild habitat in that 85 per cent of Scotland than there is in England. So you could say, oh well, there’s potential to manage that wildlife and all the rest of it, but it’s reasonably well managed at the moment, and getting access to that could be quite difficult for some farmers if they’ve just…

I: So it’s not a, pretty much there is no equal access for farmers…

R: Yeah, uh-huh.

I: …to those schemes?

R: Yeah. So it may be quite difficult, unless you come up with a very generalised low level of subsidy that met all your requirements. But, I don’t really see why some farmers need subsidy, you know. It’s a very small number in Scotland because, as I say, there’s only a very small amount of really good quality land. But if you have really good quality land, it tends to be very near the main market and the soil will allow you to grow pretty much anything you want, within reason, you know.

I: Mm, mm.

R: Whereas, equally they can produce livestock if they wanted, they don’t at the moment.

I: So are you talking now for, from outside [case study D] or…?

R: Or in? Yeah, outside [case study D].

I: Yeah, yeah okay.

R: So, if you’re in East Lothian and you’re growing wheat and barley and all the rest of it, it would be relatively easy for you to say, well there’s actually maybe some money in sheep production. I’ll buy some sheep, right. You, by doing that, you know, might make a difference to your business. It may be because you need diversity to manage the environment habitat you’ve created, or whatever, you know, whatever direction the subsidy goes in. But by doing that, you, there’s a danger of you throwing the balance out for the people who can only have sheep, you know.

I: Mm, mm, mm.

R: Because the sheep that you have, your lambing will be earlier, you will be nearer the market, you’ll hit the premium prices quicker. Whereas the people in the Less Favoured Area don’t have the option of saying, I can grow wheat then, you know.

So it’s this, it’s this ability to try and manufacture, or develop a subsidy scheme that copes with a very diverse basis that, you know, subsidy is much easier if all your…. In a place like Holland, for example, when all your land is the same quality, and your farmers can, businesses are the same size, they can move about and change quite easily, but it’s very difficult to do here. Really difficult to do in the LFA and almost impossible to change on an island where you have all the other infrastructure, freight issues and all of those other things, you know.

I: Limitations, yeah.

R: You have all those other limitations.

I: Yeah. I would like to ask you your opinion, because from what I got from the previous interviews, I asked about what are the side effects of different types of subsidies? What do you… Describe what do you think and then I will say a few things from what I got from the other end, to understand where you stand.

So we have then, we used to have the Head Based Subsidies. Now we have the Land Based Subsidies then Environment, Subsidies, sorry. They have subsidies. Any, or the Infrastructure Subsidies, any of the, each of those, what side effects, if they have any.

R: The side effects that the headage had was people chased numbers, because that’s what you were being paid on. So there’s a tendency to over-stock. So the tendency there is the quality then drops because instead of getting rid of the poorer ones, you hold onto them because they’re worth a bit more money, whether they produce anything or not. So that’s the downside of headage.

I: And I assume also that you pretty much push a lot of the land?

R: Yeah, you push the land to its maximum because you, you know, you’re really, [case study D] was stocked at its absolute maximum during the headage payments, you know, it really was. So when you move to a Land Based system, that’s fine but then the quality of the land comes into that. It’s back to that quality issue which is the reason why the Calf Subsidy headage was paid, so that places like [case study D] didn’t drop off the end of a cliff in terms of the available land that they had.

So, the land was at maximum stocking under the previous regime so the payment level was quite high, relatively, per hectare so when you change to a hectareage system where you’re trying to eventually at the end of five years have every hectare worth the same amount of land, a lot of [case study D] businesses were on a decline in level of subsidy.

I: Mm.

R: So they decided to pay a headage payment on calves because beef is the big driver here, to try and, you know, instead of having that happening, have more of a level. Because you were, your Land Subsidy was going that way, but at least you had the Calf Subsidy offsetting that a bit. So…

I: Yeah. But the Calf Subsidy, it’s more focusing the attention on being sufficient, not sufficient, efficient and very productive.

R: Yes, uh-huh, yeah. So, it’s a question of the side effect that that again might be that people would up their numbers. But that hasn’t happened actually. People have concentrated on the quality and the numbers have reduced compared to what they were ten years ago. And again, people see that, if you’re not stocked so highly, your veterinary and medicine bill tends to drop a bit because your stock are not, you know, housed so intensively and you’re not keeping ones that were maybe a bit touch and go anyway, you know.

I: Demanding, yeah, a lot.

R: So, you know, so that side effect, I think, has gone with the change to the Land Based system that we have. The beauty of doing anything with a Land Based system is that it doesn’t change that much. You know, you can’t suddenly… We stopped making land a long time go, so… Land always gets less because housing, roads, development. So land is always going to get less but at least it’s something that doesn’t move quickly. You know, it’s not like livestock you can up numbers here and…

I: But I was thinking, there was some kind of criticism in terms of the land because it creates a tendency to be less productive. So some farmers, they don’t really produce, they just keep the land to get the subsidy.

R: Yeah, so you…

I: And also the access for farmers to the land to buy or to rent, it might… No, to rent it might be good, the access, but to buy land.

R: Yeah, so people, because it’s a historic based payment, people might just be sitting on the land and doing very little with it, just meeting the minimum activity requirements they need to do, and getting the subsidy for that, which doesn’t help other farmers who want to expand, and it also doesn’t really help in terms of production. Because people are not producing anything, you know. The land is just there and it’s not doing very much. So, the downside of that was why we introduced a Scottish clause into the legislation about minimum activity.

I: Oh, okay.

R: And this was to stop the slipper farming that had been talked about in the previous scheme, where people were just sitting back and not doing anything.

I: And when was that introduced?

R: That was introduced three years ago at the start of this programme.

I: Okay, yeah.

R: Critics would say it wasn’t formidable enough. There wasn’t enough requirement to be more active than they are. And that’s back to the difference in the land time. In the West of Scotland where you’re stocking really, really extensively, if you put that in [case study D], that meant that, you know, you were having to do nothing at all, or virtually nothing, because the stock intensity was so low. Whereas we could stock much higher than that. So it appears that you’re doing very little for the money.

I: So that brings to my mind that another comment I got, I got this for the Environment Subsidies, that this is one rule fits the whole of Scotland, or… But it doesn’t really fit with the climate or morphology of [case study D].

R: Mm-hmm.

I: So, like you’ve said right now, that other land can have higher stocking rates and if you put that minimum pretty much, it doesn’t really solve the problem with Land Based side effects in [case study D].

R: Mm-hmm.

I: But with environmental I got some comments like, they ask you to start on 1st of July and pretty much that puts a lot of farmers to start buying their own machinery. And sometimes that’s not a bad thing, but sometimes they buy quite big machinery, disproportion to the land they have. So they put a lot of fixed costs on their shoulders.

R: Mm-hmm, mm-hmm.

I: So that kind of side effect. Or the other side effect was like pretty much all the farmers I interviewed, they didn’t, they couldn’t see a real benefit for their land or the environment applying that Environmental Scheme. Because, for example, they were telling me examples like, having all the edges at the other end of the plot and using pesticides for weeds on the plot. Then having the animals going to the edges eating the weeds, plus the grass, and coming back to the plot, spreading the weeds.

R: Mm-hmm.

I: Next year, I need to do extra fertiliser. So things like that, that pretty much they said, yes, it’s a good scheme, but sometimes it doesn’t fit really Orkney conditions, or we don’t understand what is the real benefit for the environment by doing that. They do it because they get the money, but still they’re not convinced whether it’s, it improves efficiency. Another one was like, because we have been asked to harvest at 1st of July sometimes, the quality of the silage is, it’s lower.

R: Yeah, exactly.

I: Yeah. So things like that, so…

R: And a lot of that is because they don’t quite understand what the end, what the goal is.

I: Mm.

R: They’re looking at it from the point of view the money they’re getting for the scheme, so they like that. The reason the harvest is delayed to 1st of July is so that the ground nesting birds can fledge. They can get out before you go into mow the land so it’s the birds that you’re trying to help and the insects.

Your payment is based on income forgone so if you delay to 1st August you get a set rate, if you delay, sorry 1st July you get a set rate, if you delay to 1st August you get a bigger rate to compensate for the poorer silage that you’re making. Because you’re having to change your farming system slightly to get that compensation.

So what I think farmers don’t always understand about the way the system is set up, the system is going to benefit the environment and the biodiversity. In order… Farmers are not philanthropists, they don’t do something without needing to be paid for it. So, in order for that to happen, they don’t always understand, you know, they look on the… Oh, but I’m having to do something different here. That’s annoying.

I: Mm, mm.

R: Well, that’s what you’re getting the money for. And it’s that thing that they don’t always quite understand. Some of them who have been in it for a number of years, you know, kind of get the cycle of what’s been involved in, but some of them just don’t quite get it. And the fact that you may have, yes a lot of people want to cut their silage on 1st of July, it means that the contractors can’t get to everybody on 2nd of July, so they end up buying machinery to do it themselves and, you know, that’s not maybe what they… That’s a further change to what they used to do, and they don’t have the same flexibility.

But you can’t run schemes where you’re getting paid for income foregone unless you actually forego some income. So, you know, it’s a, it’s getting that message across that’s quite difficult, and it’s made more difficult because most farmers don’t have the ability to draw up their own plan, they get an agent to do it. And they just say to the agent, just get me into the scheme.

I: To do what?

R: To draw up their five year plan.

I: Oh, okay.

R: And so the agents focus, because again, it’s a points based system, agents focus on getting the best number of points for the best chance of getting in and farmers then sort of go, oh but I have to do something that I didn’t really want to do. And the reason for that is, because there’s a limit to the amount of money and, you know, you had to get so many points to get in. So therefore, you may have taken an option like not spraying the headlands because it was worth some points, and the downside is, you’ve more weeds to deal with than you would really have liked.

But the bottom line that you’re getting in your accounts every year is you’re getting that money in. So you either have a reasonable level of payment from your income foregone, or you have like a very flat, bland level of things. And you don’t actually do much changing.

I: Yeah.

R: And then there’s the question is, does it really benefit the biodiversity, or does it not? You know, so it’s a kind of difficult one to work out, you know, what is best for somebody.

I: But I fully agree with what you are saying, but there were some comments like saying, let’s continue with environmental payments and I see what they’re trying to achieve. I’m not sure if they managed to achieve, but I understand what they tried to achieve. But they were saying that probably they need more flexibility of how to apply those days of, for [case study D].

R: Yes.

I: Because what is the harvesting and the conditions in [case study D], it’s not exactly what is, I don’t know, Scottish Borders, for example.

R: Yeah, mm-hmm, yeah.

I: So things like that, that they would like to be, fit more than [case study D] climate and morphology and the patterns of the weather here rather than that thing.

So, overall, because Brexit, we don’t know what is going to happen with subsidies. Hopefully they’re going to continue to exist in some form. But given the experience you had with all these different types of subsidies, and if you had the option to suggest ideally what will be the best subsidy, it can be a mix, what would you suggest there?

R: I think you need a mixture of, what you would call carrot and stick, I suppose. You need some incentives, but you also need I think, an element of safeguarding production of the elements of your market that are under greatest pressure.

So I think the cattle and sheep thing will be under the greatest pressure in terms of numbers available, and you cannot run an Agri-Environment Scheme without grazing livestock. You can’t replicate the benefits that grazing livestock gives you mechanically without going into a phenomenal amount of cost. So, if you don’t…

I: So you mean pretty much, you need to have certain numbers of stocking rates there of animals grazing…

R: Yeah.

I: …and don’t turn too wide, because pretty much the habitat it’s easier to secure that, that it’s not going to degrade. I think there is a very interesting new report from National Sheep Association which has said that they complimented the role of sheep in pretty much trying to, that kind of argument. You cannot really protect the environment by just removing.

R: Yeah, that’s right.

I: Because very low stock rates pretty much lead again to the heart of vegetation.

R: Because it’s not just about the vegetation that’s there, it’s about the dung that the animals produce, insects feed on that, that feed the birds, that help… You know, there’s a whole wider thing going on than just the grazing, you know. There’s even the hoof print on the ground filling with water. You get insect life coming there, you know. There’s so many other things that benefit from it.

I: And also, sometimes I think the bracken is a big thing.

R: Yeah, yeah.

I: And by using grazing to reduce the bracken that, overtakes pretty much.

R: Yes, that’s right, yeah.

I: Yeah.

R: And then you got mono culture habitat which doesn’t have much diversity in it at all, so you want to try and keep as diverse a habitat as you can to have good biodiversity which is what the end game is of the structure that you’re trying to prevent and it’s what people sometimes forget is how did we get where we are now? How does it look the way it is? How do the species that exist at the moment, how did they get there? It got there because the land was managed this way, you know.

So you have to, sometimes have a wee bit look back to find out how you’ve got what you’ve got and if you want to improve some aspects of it. Yeah, it’s just a case of shipping livestock off for a period of time or changing the cropping or whatever it happens to be. But too often in the past, some conservationists have said, it was better just to stop that completely and get rid of the stock. And then they find out very quickly that you then create a different problem that is quite difficult to get over, so… Yeah, there needs to be a bit of thought process about what you want to see and what you want to maintain.

I: So you want to make sure, you said, yeah?

R: Yeah, yeah.

I: Okay.

R: But if you don’t have a healthy agriculture system, you will not have conservation.

I: So pretty much, one of the first comments I got before I started the interviews was like, the focus has to be on the food production.

R: Yeah.

I: And the other one is coming as an added, the environmental, rather than the other way around.

R: Yeah, yeah. If your agricultural industry is not making a profit, they won’t do all the other bits and pieces around that, because why would they? You know, as I say, they don’t do these things out of the goodness of their heart. It’s a bi-product of what they’re doing and they’re happy to do that. But if you don’t have a healthy agriculture to feed the population, you will not get conservation benefit because people’s…

I mean, even if you go back to Neolithic times here, people must have been well fed and housed to spend their time erecting huge monuments. Because your main concern would have been feeding and clothing yourself. That’s what your focus would have been on. So if you… Farmers are good at producing food and making a business out of that, and they can do good environmental work on the back of it. But if you don’t have the stock on the ground to do the grazing for the environment, it just won’t happen.

I: Mm. So from all of those, for farmers, which are the five most important threats?

R: One, four, eight, 12 at the moment. I think Brexit subsidies is a big threat.

I: And free access to the European market, or tariff protection?

R: Yeah, yeah, that’s the other, that two Brexit ones there, the subsidies and the market access, I think.

I: Okay. And what about the production standards? Because a premium product like Orkney Meat, it’s very much appreciated because of the high standards, the European Standards. So if you go away and don’t, it’s not, there is a lot of complaints from farmers saying, oh there shouldn’t be [inaudible 1:54:40] as long as they’re there, a lot of bureaucracy, a lot of pain. Why do we not have the standards, for example, the way they produce meat in the USA?

R: Mm-hmm.

I: So things like that. And do you think it’s a viable option to produce Orkney meat with lower standards?

R: No. And we won’t get to anyway. Because, you know, there’s a lot of nonsense talked about, oh we have to do this because Europe says so. If we come out of Europe the UK are not going to go and say, oh you don’t need to comply with all these European regulations. It’s already built into the law so it’ll still be there.

I: Yeah.

R: And if we want to sell to Europe, we’ll need to do that anyway, so there’ll be no change, I think, in terms of…

I: For selling to other markets, yes, but what about if the tariffs are pretty much doubling at EU level, so pretty much… And if they accept in the UK market meat produced with lower…

R: Yeah, mm-hmm.

I: …standards?

R: Which they will.

I: Yes. What would be the reaction then? Because as you said before, the [area D] farmer does a little of fattening, and does store, so if the fattening industry that goes for, you know, the product goes to the internal market, there’s no anymore market for them because it’s deemed as very, very expensive compared to what is coming from North America or South America, whatever is coming.

R: If you’re a primary producer, you will have to produce to the standard that gives you the best chance of selling something. So, I think it’ll be to the current EU standards that you will produce to. Because you don’t know, the person who is buying it for further processing, he also wants to have the widest possible angle for sale. And if you didn’t something that didn’t meet that at the primary end, your product is immediately worth less because it’s got less exposure in the market.

I: Mm-hmm. So you think the pertaining of that, yeah?

R: I think they’ll continue because they’ll… If you’re the primary producer of something you have to, you know, give your product the best chance to appeal into the biggest market. And that’s probably the only way you can do that. Yes if, you know, if other beef comes in from America, that will be a real pain for UK farmers because they’ll have to produce, I think, to European Standards to give themselves access to the biggest market, and it won’t be a level playing field.

The cheaper imports coming in, but that’s just the world they’ll be in, you know. But it’ll be a real source of frustration but I don’t think they’ll be in a position to say, oh yeah, we’ll start hormone treating beef because Europe will not want it. And then immediately your closest market is done away with. So…

I: But also, we don’t know the, media, the way they work now, they’re not really favourable for farming.

R: Mm, no.

I: But we don’t know how they are going to react for the low, you know, the whole…

R: Yeah, mm-hmm.

I: They might react quite positively, yeah. But obviously retailers, supermarkets, we don’t know how they’re going to… They have the power to present it like a very inexpensive food.

R: Aye, yeah, yeah. But the thing that you have with producing cattle and sheep, it’s a long term thing, you know. You’re a year before you get your money back. So you can’t do something very quickly. So I think the tendency will be to stick the way we’re doing till we see how things develop, because you can’t change just like that and you need to wait and see what happens.

I: So for the processing units, what will be the end retailers? What will the…

R: Well again, I think the…

I: Number eight?

R: …number eight, the price. The Brexit, again the tariffs and things depending on…

I: Fifteen, okay.

R: Fifteen.

I: Fourteen is the production standards we were talking about.

R: Yes, aye, 14. Number three, energy and water. Energy in particular because most of the processing businesses use energy. So that’s number three. And probably the infrastructure, you know, access to services and things I think is fairly important, yeah, mm-hmm. Sixteen.

I: I was told from, I think it was the processing unit, yeah it was, and they were telling me that something that’s missing from this list is like the change in the regulations and also the increase or the kind of regulations they’re getting from FSA or whatever.

R: Aye, mm-hmm.

I: So these kind of constants change and increase, I think, a crazy number of things.

R: Yeah.

I: It’s kind of a threat…

R: Aye, yeah.

I: …from the way they…

R: Aye, because that would, they see that probably in their inputs as a cost to them to comply with all this additional stuff that comes in. So that’s, it’s in their inputs but there’s no specific there, you know, it’s just a grey, because you’ve more paperwork to do and more things to change in your process, so yeah.

I: Mm. We’ve pretty much run out of time. How much time do you have available?

R: What time is it? 12 o’clock.

I: Twelve, pretty much.

R: Yeah, I’ll be okay for another 15 minutes or so, yeah.

[section deleted as irrelevant]

I: Okay, that’s fine. So, the next card is about, this is a portfolio of solutions that the either the farmers, for example, here, they might try to implement, like mitigation [inaudible] or whatever you would like to call them. I would like you to go through those, see if there is something they are doing here to face all these pressures.

R: Uh-huh.

I: And if, some of them, some of those, they expressed there in terms of, may not make sense, but let me kind of explain a bit. So farmers here, how many of those apply as solutions?

R: So I think the stocking rate one is one that they would use. I don’t think they would go, number one, I don’t think they would go as far as total removal, but as I said before, they may cut back significantly so that they can do it with just less labour. That might just be the farmer themselves instead of anybody employed. So that’s a relatively easy one for them to do because they own the land and there’s, you know, you can…

I: Like the fact that they are behind the choice of each solution. You pretty much also describe the trade-offs they might have to face. Either in the resources they need to do, in order to implement the solution, or the impacts that the solution… But the removal, it was more like not total removal but it was like over the winter months.

R: Yeah.

I: So it seems that instead of six months, they get the house, the animals housed for eight months, so pretty much increase the length…

R: Mm-hmm, mm-hmm.

I: …for how long they are…

R: Yeah, I mean I think what would most likely happen there would be that they may house them for less time.

I: Ah, less time?

R: Because if you reduced your stocking, you might manage to get them out earlier and spread them over the land that you have, so wouldn’t have the same… It’s very weather dependent, but you might have, you know, a bit more…

I: Flexibility.

R: …scope, flexibility than you currently have at the stocking rate you’ve got. So, the thing about housing, there’s obviously a cost to machinery for feeding them, whereas if they’re out in the field they’re feeding themselves. So that, it further… It increases your cost of housing for longer because the feed that you’re feeding them requires a mechanical way of doing that, which requires fuel. So if they’re walking about in the field, they’re feeding themselves, whereas if you have them in, you’ve lights on in the building, you’ve machinery to feed them, you’ve your own time for feeding them. That depends on how much you value your time, you know, but that’s… So there are…

I: And the other thing is that they might sell earlier?

R: Yes, yes. That’s…

I: Yeah, that’s kind of what…

R: That would be, you know, I think they would keep them for the smallest amount of time and sell them as quick as they could, so…

In terms of 16, using renewable energy, there’s a lot of farmers already have wind turbines and that sort of thing. So, [area D] has that capacity in terms of its local grid and how much is there, so…

I: So now there is a limit of, because they don’t have power in their connector, but also there is a limit of planning permission.

R: Mm-hmm, yeah.

I: It’s getting more strict.

R: Yeah, that’s right, that’s right.

I: And I think the other limitation there is there use to be a tariff and an incentive which is going down.

R: Mm-hmm.

I: So now it has become a feasible solution for large turbines, which is pretty much not accessible for most of the farmers.

R: Yeah, yeah. Sharing resources, number eight, yeah I think that would be one mitigation. I mean, there’s an element of that happens at the moment, but it’s the kind of machinery being the most expensive thing that you tend to have for making winter keep and things like that. You could see groups of people maybe getting together and sharing machinery for that, and labour as well because it’s kind of easily done, I think.

I: And also some of those, they decide for the machinery they buy to work as a contractor.

R: Yes, to do a bit.

I: To pay it off, pretty much the…

R: Uh-huh, yeah. And that might, you know, find that there’s a bit of that diversifying into different income streams. You, if you bought a machine when you think you could get some work, you know, elsewhere, that is a bit of diversification for you, and using your time and your abilities elsewhere.

I: But also, that diversification is trying to get also sheep if you are doing only beef, trying to do a bit more for growing grains instead of buying things like that. Agricultural diversification.

R: I mean, there’s a, you know, at the moment people…

I: Because the next one is like, oh non-farm or off-farm.

R: Yeah.

I: So the fact that a lot of wives, they work outside of the farm.

R: Yes, uh-huh.

I: Or they start doing other things.

R: Yeah, uh-huh. Yeah, there’s, those are the things that you can, because you have a base to work from even you can do, you know, home working on computer things or, you know, there’s different things that you can probably do, even part-time working from home and things like that. So yeah, that’s…

But I think that the capacity to grow different products is still quite limited. It’s limited to the kind of thing you feed the stock, rather than feed the people.

I: Mm-hmm, yeah.

R: Because there’s not, you know, there’s a kind of limited way you can go with that.

I: I was thinking here about the, do you see, for example, inputs in some cases people, they use sand instead of straw.

R: Mm-hmm.

I: Because they couldn’t have access to the supply, there was a shortage, things like that. They try to use alternative inputs.

R: Yeah, there’s a, as I say, making more use of your slurry and dung that you’ve got more efficiently. Or maybe changing the type of grass mixture you’ve got to rely on over on clover, that sort of thing, to reduce their input costs from bagged fertiliser and that sort of thing. And if you reduce your stocking rate, it’s easier to do that, because you don’t have to force the land to do more than you want, so… It’s almost just like pulling back on production gives you the chance to use less inputs and…

I: I think there is one which is like preserve production capacity, raw material stock or…

R: Yeah, yeah.

I: …you have a stock from material of finished products, or that power.

R: Yeah, aye, yeah, mm-hmm. So…

I: Yeah. So in that case, some of the farmers said they rent extra land in order to avoid using, you know, fields that they may have younger grass.

R: Yeah, so you might end up where, if that was the case, they would just work on their home land and they wouldn’t bother spending money renting in land, they would just concentrate on what they had at home, yeah.

I: Mm. So obviously a lot of those, they use renewable energy, but do they increase the fiscal electronic security? I mean, for example, here, I notice you have this system in order to pretty much make the, reduce the access and protect probably and I assume you have some measures for electronic security for the data.

R: Yeah, uh-huh, yeah, mm-hmm.

I: What type of measures you are taking?

R: Well, all the electronic data is password protected, so, you know, a bit like bank accounts and that sort of thing. So farmers can do their subsidy forms online and, you know, it’s only them that can access. They put the passwords protection into the system to allow them to submit the forms and nobody else can interfere with the information. We’re just looking at what they submit. But because we retain that, we have security so that the documents are protected and there’s a level of physical security for files and all that sort of thing which is, you know, part of this. So that people don’t get access to the information that’s held.

I: And what type of technological innovations they use there? So I assume EBV values might be one.

R: Yeah, I mean they use, they use EBV values. You see a lot of the improvements in farm technology in terms of GPS for working machines, so that you’re not overlapping with your inputs in the field.

Also using, you know, you get various apps on your phone now for, you know, looking at products and how that might be applied to your system. I mean, farmers, like everybody else, you know, there are more mobile phones and more access to the internet. So just even being able to look at things quickly on a phone, rather than maybe sitting down and reading a magazine article about it, you know.

I: Yeah, yeah, yeah.

R: And just saying, oh… And you get other things where you see, and it’s back to the peer pressure thing, you may see a neighbour… As you’re driving out past the golf course on your way to [town 1], there’s a field on the left there that’s got chickaree and plantains and various other things, and it’s partialled off into different sections. And that was a farmer using, you know, paddock grazing and this sheep mix. The plantains have some sort of anthelmintic value to reduce worm burden and things like that. Chickaree grows very quickly and you’ve also got red clover in the mix and things like that.

Now that was, that’s very public, it’s just [inaudible] a couple. So a year later you started to see other fields of it, because people thought, mm, if he’s tried that, that might be quite a good idea. So, you know, trying it in a small way to see how it works, you know.

I: So, but what if the farmer has then, has created trials?

R: Yes aye, he’s fenced it off into plots to see how it works for his system in terms of… And he’ll be weighing the lambs to see how they do on that piece of ground and that, but he got the idea from a farmer in [area B] who was doing it.

I: Okay.

R: You know, and he trialled it up here. And I’ve seen another one or two people trialling it to see if it works for them as well. So you get those kind of things that are tried through monitor farms, you know, those initiatives from [inaudible] so you get that sort of thing. And [inaudible] do similar things, you know, for millage transfer and that sort of thing.

I: Is there any monitor farmer here?

R: There was one in the last round. There was one on the West mainland. So, yeah, that’s an initiative that’s been trialled here. But you also have things like Agricultural Discussion Societies, you know, where you get speakers up to talk about these things. And also through young farmers clubs and networks and that. You know, you get a lot of interaction between farmers in saying…

I: And also it seems that social media, Facebook or Twitter, or…?

R: Yeah, uh-huh. So you get a lot of that, you know, information transferring through those sort of things and people saying, oh we’ll maybe try that and see how it works for me.

I: Okay. That is increased strategic visibilities like try to understand what are the consumer trends? What are the alternative markets? Or what your competitors care to…?

R: Yeah, mm-hmm.

I: It might be an example would you say, they are looking over what the neighbour is doing?

R: Yeah.

I: The other one is increased supply chain visibility which is pretty much along your own supply chain, if there is traceability.

R: Yeah. And they’re also fairly good at using, you know, organisations like the Machinery Ring, you know, where you’re labour pulling, or things like [area D] Farmers which is a cooperative farmers’ store, you know. So you’re buying in raw materials and that at discount price by, you know, the sort of benefits of buying commodities as a pool of people to reduce the costs.

I: Yeah, yeah.

R: So they’re very, they’re very good at doing that sort of thing and, you know, working together to try and…

I: It seems that [area D], because they have that kind of institutional capacity of building these kind of cooperatives to support them, that it overall increases the resilience of…

R: That’s right.

I: …yeah the farming community compared to other places.

R: Yes, that’s right, yeah, mm-hmm, yeah.

I: You don’t see so much movement there.

R: Yeah.

I: Okay. So, I think we covered most of those here. How do they try to increase their financial readiness? You said before that because they own the land, they are much easier for them to tighten the belt, pretty much.

R: Yes, uh-huh, yeah.

I: But do they, have you seen they do more, they buy more insurance? They try to keep savings? Or, how do they try to become ready financially?

R: I think, I think in the years of plenty, they’re quite good at, you know, investing in machinery and that sort of thing. Most farmers, it’s maybe a gross exaggeration, but a lot of farmers would rather than have an overdraft than pay tax, because they feel you get something for an overdraft. You don’t get anything for paying tax.

So, if there are good years, they will buy machinery rather than pay tax. Even sometimes when their accountant says, but you’re only paying 60 per cent, 60 pence in the pound, you’d be better to pay the tax, they would rather have the bright, shiny thing than pay the tax. So…

I: The overdraft, how it works with the tax?

R: Well, if you’ve got an overdraft, you’re borrowing the money from the bank at a kind of reasonable rate, so they see that that, they’re getting something for that.

I: Okay.

R: Whereas, if you just write the money off as tax to the Government…

I: Yeah, yeah.

R: …you see nothing. So there’s a tendency to do things like buy machinery, or invest in buildings where you get tax relief in doing that. Or doing up an old house on the farm and maybe renting it out for somebody, or maybe doing it up for a family member. So if you have property there, it’s back to these family farms where they’ve invested in infrastructure over a number of years, so they’re actually, you know, reasonably well set up for that sort of thing.

And, even keeping, you know, derelict buildings, if you’ve got two gable ends, the Council will allow you to build a new house there on a one for one basis. So that’s where you see quite a lot of old buildings about that haven’t been knocked down, because they’re thinking longer term. Well I’ve got a son or a daughter coming along, I’ll hold onto that and then it’ll be easy planning permission to get a house to replace that. You know, so there’s, they do quite a lot of that kind of forward thinking.

And as I say, it’s back to the security of owning of the land because it’s much easier if you own your land to do long term planning.

I: Do you have any… How much is the crofting here?

R: There’s…

I: Where is it located?

R: Ah, it’s all over. The two, there’s crofts spread out on most of these islands.

I: You mean the [island group 1] isles, yeah?

R: [island group 1]. [island 1] is the one that probably has the most crofts on it, but there’s parishes like of [parish 1] here, there’s a lot of crofts and up in [island 2] there’s lots of crofts up there, historically.

I: Okay.

R: But again, they tend to be owner occupied.

I: The West…

R: On the West mainland, aye.

I: Yeah, yeah, both of those, yeah.

R: North of [town 2] up in here. So, although there’s lots of crofts…

I: Tendency too? You said that there is a tendency.

R: There’s a tendency for them to be owner occupied as well, like everything else. Whereas crofting in elsewhere tends to be crofting estates that are tenanted.

I: Okay.

R: So what a lot of people in [area D] did was, the first thing, if they realised it was a croft, they just wanted to get it out of crofting, so that you’ve more control over it.

So, most of the crofts in [area D] are owner occupied ones and quite often they’re just part of a larger agricultural holding. So there might be a 20 hectare croft there that’s actually just a field now. It’s just been consumed into part of the farm. Because they didn’t see the value in being a crofter. Because there’s an awful lot of red tape around it in terms of legislation. Because it’s got a different legal status, and you can’t do things without getting permission from the Crofter’s Commission to do some stuff.

So, for example, if you have a croft, the bank won’t give you a loan to do anything on that land, unless you take it out of crofting, because there’s all sorts of complications with it. But it might mean the bank becomes a landlord of a croft and the bank doesn’t want to do that. It wants to, if you default on the loan, it wants to take the land back and sell it. And if it’s croft land it can’t do that. So, in order to make things flexible, certainly most of the way through the ‘70s and early ‘80s, if farmers in [area D] had a croft, the first thing their lawyers told them to do was get it de-crofted so that they could increase the flexibility of what they could do with that land.

I: So now those farms, those farms they are not longer seen there as crofts?

R: Yeah, mm-hmm. They become just part of the normal farm. They still exist. We’ve something like, I don’t know, 400 registered crofts with the Crofters’ Commission…

I: And what are they doing with that?

R: …out of 19 hundred holdings, we’ve something like 400. But they’re just being farmed along with everything else.

I: Okay. They don’t do something like different?

R: They could get…

I: Just only the scale is different?

R: The scale is different.

I: And the legal?

R: And the legal. And the scale is sometimes the same. You can have a 200 acre croft next to a 200 acre farm. It’s just an accident of history that one was a croft and one wasn’t. But the thing that, being a croft is, it allows you access to more grants than a farm. That’s just it.

I: Like ground grant?

R: Grants for building a house. You can get a grant for building a house.

I: Ah, grants, yeah. In my mind it was like grounds.

R: Aye, sorry, yeah.

I: Yeah, yeah, sorry.

R: Yeah, so there is the possibility of getting more financial assistance for crofting, but most people just treat it as an extra piece of land that they have and they just carry on and farm it that way, so…

I: Okay, okay. That’s… But obviously it makes it a lot easier because they own the land.

R: That’s right, yeah, mm-hmm. It’s much easier to plan and do stuff with it if you own it, because you have control over what you’re going to do.

I: Okay. We have reached that 15 minutes.

R: Yes indeed.

I: So I have two more questions for you. One is, we talk about infrastructures obviously, is whether they are supportive enough for the [area D] community? And when I talk about infrastructure I mean ferries, power connector, abattoir, roads network. All the kinds of infrastructures. So do you think it’s enough supportive? Would you like to add anything? You have told a bit, but I wonder if there’s…

R: I think the lack of an abattoir is certainly a, it’ll be an issue going forward because it reduces flexibility. And I think if you had an abattoir you would have flexibility to adapt to future changes.

I: But I’m afraid from the feedback I was getting from the interviews, it’s like, in the collective memory now, the people, they say, we tried the Farmers’ Initiative, we failed, we tried the Butchers’ Initiative, we failed. From where this kind of dream will come next?

R: You need, you need somebody with the funding to put behind it.

I: But who will be that somebody? Will it be again another group of farmers? Will it be again butchers? Will it be a kind of combination? Because from the individual interviews I got, it was like, yes, we need an abattoir.

R: Mm.

I: It would be nice to have an abattoir, but who is going to be committed?

R: Uh-huh, yeah, yeah. That’s the difficult question.

I: I’m getting the impression that already people, they have in the back of their mind, they don’t really believe that it’s feasible because of the divisions with…

R: Yeah, small abattoirs, to be honest, will never be viable on their own. They will need propped up by somebody. Now whether that’s the Local Authority, or whether that’s a tax on local farmers or what, you know. But a facility to have there if you need it. If you’ve an animal with a broken leg, what do you do with it? At the moment you just shoot it and put it in a hole, because you’ve no facility to benefit to get the meat off it, you know.

So people are sometimes a little short sighted in that, in terms of, they think about how many times they might have needed the abattoir in ten years, and then they put a value on it. If everybody put that value together, you might have a facility. It’s getting, it’s getting that mind-set to work, I think.

And I just, let me just say, this is just my view, but if I was a farmer going into Brexit, it’s just another tool in the box that you would have if you had something like that here, because I don’t know what you might be facing down the road. If one of these large Irish owned companies decides to stop doing what they’re doing, who is going to fill the gap? Like that, because that’s how quickly you’d have to fill the gap. And if it happened in September on [area D], I’d five thousand cattle ready to sell to these producers, you’ve nowhere to go.

A small abattoir is not going to bail you out, but it’ll bail some of it out, you know. So it’s just a, it’s just one of those things in terms of infrastructure. I don’t, I think for a place that has the largest stocking density of cattle in Scotland per hectare…

I: Without an abattoir, yeah.

R: …and don’t have an abattoir is just, you know.

I: Yeah, it’s a good start.

R: But then the other thing I think, ferry infrastructure for the North Isles is hugely dated and needing updated. The capacity is really quite limited, and especially for these two islands. If the weather is bad, when you’re on…

I: You mean [island 3] and…

R: [island 3] and… When you’re only getting one freight service a week, it might mean that you’ve only got one freight service in ten days because of the weather and things like that, so… It’s an aging ferry fleet they have there and it’s needing, it’s needing investment in it. But as you know when you’re driving about, the roads are very good here, you know.

I: Yeah, but the ferry connection with the mainland? Any improvements there?

R: The ferry connection with the mainland, other than maybe going a bit more in the winter time, possibly. But when I came…

I: Because there were some comments about the type of capacity, especially when a lot of animals are needed to move…

R: Yeah, I mean…

I: …around the short time…

R: That’s been addressed by there being another, the…

I: Extra ferry.

R: …shellfish guys in Shetland complaining. So there’s an extra freight boat has come on. So that has been addressed to a certain extent.

I: But for Shetland, not for [area D]?

R: Yeah, but that means that there’s more freight capacity can come here.

I: Oh, okay, yeah.

R: They’ve put an extra boat on, so I think that’ll…

I: Ah, they will stop in [area D] then they would, okay, that’s fine.

R: Instead of having two they’ve now got three so they should be able to… But the extra deck capacity is only really for a bit of short space of time, and I don’t think any Government would say, yeah, we’re going to beef up the whole system for more than six weeks, that’s... You know, you can…

I: That’s the kind of trade-off, yeah.

R: But, I mean, the ferry service to the mainland is hugely better than what it was 20 years ago. You know, when I came here there was one ferry a day in the winter time.

I: Okay, okay. So, but that’s the one thing and maybe the other thing, just a moment. Just in my mind I’m quickly trying to understand all the areas we have covered, if there is one missing. What was the other thing I wanted to ask you? Sorry, I lost a bit of track of thought of my…

R: Do you know what? If it comes back to you, you can give me a phone. You know, and just say.

I: Yeah, yeah. In terms of, in terms of market structure, because you said it’s quite lengthy, what do you think, what are the vulnerabilities there of the length of the market channel?

R: Well the, well there’s the distance element, obviously, to get to the main producers. But then the market, you’re producing the primary product. So within that chain it may be sold once or twice again and then it’s processed and then it’s packaged and, you know, so… Because of the, because you’re right at this end of it, your ability to get any margin out of any of that is virtually nil, you know.

I: Yeah.

R: So, in order to maximise your return, you want to produce something at this end that’s, is attractive to as many streams of that as possible.

I: Mm-hmm.

R: So, quality, provenance, you know, traceability, all of those things are vital at this end of the production for that supply chain. And if you have that, you know, flexibility to appear to as wide an audience as you can, I think that’s, you know, one of your keys to be able to cope with changes and things. But you really cannot influence the other bits in that chain because you’re too detached from it, you know.

I: Mm.

R: You’re taking the price you’re offered. You’re just having to hope that that price is reasonably high because of its reputation, its quality, its health status, its uniformity of what the market wants, you know. That it’s, for the processor that’s looking at it, he’s the least waste possible so you’re producing the best quality thing at this end that’s then going to yield the greatest amount of meat at the other end.

I: Is there any scope to try just a, it’s a fantasy now, it’s not a kind of… But to have like a cooperative supply of the live animals, in order to increase your bargaining power of the farmers? Does it…?

R: Well the livestock market does that to a fair extent here because it’s the [area D] Auction Mart. It gets the buyers to come up to the sale, so it usually gets 15, 16 buyers to come up. So they organise their transport, their accommodation when they get here, and it organises the shipping of the animals out again to take that out of their, you know, difficulty if you like.

I: Yeah.

R: And they put on fairly large sales so that there’s enough attraction for these guys to get 60 or 70 cattle beasts at the time.

I: Yeah, yeah.

R: So they kind of do that on, you know, as best they can at the moment. But if you’re producing something that’s not what the mainstream wants, inevitably you probably will market it in Thainstone or Perth where there’s already a big established market there and you’re going to get more buyers coming in to look at what you’ve got, you know.

Because organic is a kind of classic one. Although there’s a lot of organic producers, there’s not a huge number of organic buyers so a lot of that is done privately. Because you just don’t have enough volume to have an organic sale, if you like. So a lot of that is kind of done more through a private arrangement than having, you know, an organic group that sells.

I: Could they organic sheep, I mean sheep [area D] climate morphology?

R: No, they wouldn’t do it without subsidy.

I: Okay.

R: You know, you just can’t, it’s back to this short number of growing days, you know, if you don’t get, if we weren’t paying a subsidy to maintain the organic status, I don’t think it would work. Because it’s working at the end of the product that you’ve got a long time to get your money back. If you’re producing vegetables or fruit, you get that money back quicker because you’ve got a much shorter growing season and you’re near a bigger market.

I think here, we’re right at the edge of where it’s really practical, without subsidy, because you’ve the short growing season and your livestock are having to be housed. Through the Organic Scheme you’re having to do that at a lower density for other reasons, you know. Talking about, you know, you’re not able to spray or use artificial fertiliser, so the ability to boost your production is just not there.

Most people, as soon as they become organic, they’d reduce their stock a bit because you cannot produce the same number of stock by being organic. So if the subsidy wasn’t there to take up the balance, it wouldn’t work.

I: Mm, mm.

R: Not this far North. I think there’s other people…

I: And with the auction mart up in Aberdeenshire, which is primarily I think the main type of competitor of the [area D].

R: Yeah.

I: Yeah. So you said that probably you’d go there because you might produce a bit different, the calves…

R: Maybe lighter animals because the guys who are coming up here at this time of year to buy the store cattle are looking for things that has about an eight to ten week turnover, ready for the Christmas market. So they’re quite big animals. And that’s what they’re after. If you’re trying to sell animals at 350 kilos just now, there’s no point in selling them there. You may as well put them to Aberdeen, because you’ve got a bigger market.

The guys who are coming up here are looking for a type to do their job and if you’re selling lighter stuff or stuff that’s not got that kind of continental sire, Aberdeen Angus cross mother, if you’re producing something that’s off that spec, you’d probably put it to Aberdeen because there’s more buyers.

I: Any other reason they prefer to go in Aberdeen?

R: No, Aberdeen is the main, because that’s where the boats come into. You know, they go into Aberdeen and go to Thainstone.

I: No, I mean, any other reasons they don’t prefer to come to [area D], they go to Aberdeen and they…?

R: Yeah, I mean it’s Aberdeenshire buyers who come up here looking for, or Perthshire buyers that come here looking for that type of stock, so…

I: Ah, already, but they are quite proactive and they come here?

R: Yeah…

I: So you, okay, that’s fine. So pretty much I think we’ve covered. If I remember anything, because the issue with this semi structure interviews, you have some questions and some items you would like to discuss, but because it’s a discussion, sometimes people they have already covered things which is later. But I mean overall, do you see anything else that you haven’t said that might create a vulnerability for the, either the farming or the whole livestock…?

R: No, I don’t think so. I mean, I think, whether it was by accident or not, I think [area D] would be the place that you would be able to study.

I: No, I don’t think it was by accident.

R: Yeah.

I: Because that has been decided before I joined the project. And any feedback on the interview? Did you find it easy to follow?

R: Aye it was fine, yeah.

I: The questions? Because I was trying to… It’s so complicated and I was thinking, if you are going to meet so many different people from, you know, different backgrounds, different roles and everything, how are you going to make it consistent?

R: Yeah.

I: And how are you, in two hours, you can pack all these different covered… So that’s why I thought of the cards. But did you like going through…?

R: No, I think that’s fine because it just focuses down on the avenues you want to go to. Otherwise, if you just have a general discussion, you’ll miss something that you’re trying to, you know, trying to nail down, so I think it worked fine, yeah.

I: Fine.

R: Yeah.

I: Good. So thank you very much for both your time and also your kindness to host us the other day.

R: Uh-huh, no bother, yeah.

I: So just sort of to stop that thing. Stop.

**End of transcript**