

President's Address – 9th October Day of Action, Dublin

Welcome

- Ladies & gentlemen, I want to welcome you all here today
- It's great to see so many here. Thank you for coming
- I'm also delighted to see so many supporters from the food industry and agri-business.
- Today, we have the biggest turn-out of farmers in Dublin for over 10 years
- We have come to send a strong and determined message to Government and the EU
 - That we are going to fight for the future of family farming.
- Today, Ireland and Europe are facing the most difficult economic crisis in decades.
- Farming and food industry is vital to the Irish economy.
 - Supporting 300,000 jobs across every town and community
 - It brings in €9bn in export earnings
 - And it's worth €24bn to the economy
- The reason we are here is the dual threats to Irish agriculture: They are
 - The proposed cuts to the CAP budget of up to 30%
 - And rocketing input costs – for feed, fuel and fertiliser.

Context – Recession and opportunity in food

- I am well aware these are hard times for everybody.
- Incomes are down everywhere – and they're back sharply in farming this year.
- Young people are being forced to emigrate from every parish.
- We all want a better future for our families.
- To get out of this, Ireland must focus on its strengths. We must support indigenous sectors that can grow output, exports and jobs.
- In agriculture, there are real opportunities. World population is rising fast and there's growing demand for food.
- Our message today to the Government, Taoiseach Enda Kenny and Minister Simon Coveney is this:
 - Farming can help deliver recovery and jobs.
 - But only with the right policies and support from Dublin and Brussels.
- That means – in Brussels:
 - Securing a full CAP Budget.
 - A CAP that works for active farmers
 - And a Rural Development package that supports vulnerable sectors and regions

- At home, it means:
 - Maintaining all farm schemes
 - Regulating retailers to secure fair margins for farmers
 - Reducing costs for the productive sector

CAP Budget

- Our message for Taoiseach Enda Kenny is:
 - You must hold the line on the CAP Budget, which will be decided within two months
- With some countries looking for cuts of up to 30%, it is essential that Ireland builds alliances with like-minded countries, such as France, and holds out for a fully funded CAP
- This is a seven-year deal that runs to 2020. It's worth €1.6bn per year to Ireland.
- I'm saying here today:
 - The Government and our Taoiseach better get it right.
 - There can be NO cuts in the CAP Budget.
- The CAP is not just about farmers. It supports 300,000 jobs right across Ireland and 40 million jobs in Europe.
- It represents real value for money:
 - For less than 1% of public spending in Europe, the CAP delivers food security for Europe's 500m consumers.
 - It delivers food safety, environmental and animal welfare standards; the highest in the world.
- The CAP must continue to support family farming. That means nothing less than a fully-funded EU Budget for the Single Farm Payment and Rural Development.
- My message to the Government, Taoiseach Enda Kenny and Finance Minister Michael Noonan is this:
 - The CAP Budget is under attack in Europe.
 - Any cuts will hit farm incomes and production.
 - Ireland will lose and the country will be the poorer.
 - Business will suffer and jobs will be lost.
- We are now in the last 10 minutes of the game. And this is a MUST-WIN game for Ireland.

Ciolos proposals

- The Commission proposals for redistribution of the Single Farm Payment are seriously flawed.
- Minister Coveney has a major job to do on the CAP 2013 proposals. As they stand, the Ciolos proposals on the Single Payment are:
 - Bad for agriculture, bad for our food industry and bad for Ireland.
- From the day I took over as President, I have made CAP reform my top priority.
 - I have constantly been talking to farm leaders and politicians
 - Last week, I was at a major farmers conference in Europe and met Commissioner Ciolos
 - On Thursday, I was in France addressing 600 French farmers
 - Where I met the French Minister for Agriculture

- In numerous meetings with Commissioner Ciolos, in both Ireland and Europe, I have highlighted your concerns
- But Commissioner Ciolos is not listening. I want to make it absolutely clear:
 - IFA is totally opposed to flat-rate payments.
 - It's an approach that's anti-enterprise and anti-production,
 - Because it fails to recognise and reward effort.
- If the CAP is about food security, then the Single Farm Payment must be targeted at productive farmers.
- We must use the National Reserve to look after young farmers and active producers with low payments.
- We are telling the Commissioner today: Regionalisation offers no solution - it would undermine production in every county in Ireland.
- We are telling the Commissioner: Greening cannot be used to cut the Single Payment by the back door. And there must be flexibility for tillage farmers and on permanent pasture.
- We are telling the Commissioner: Productive farmers will not stand for cuts of up to 50% in their payment.
- And we are telling Minister Coveney:
 - It's time to get tough with the Commission.
 - You must stand up and fight for active farmers
 - Or you can forget about the Government's *Food Harvest 2020* targets.

Rural Development

- Rural Development is a vital part of the CAP, especially for low-income farmers operating under difficult conditions.
- That's why the Rural Development Programme must be targeted at supporting vulnerable sectors and regions
- Ireland requires EU Rural Development funding of €350m per year.
- Minister Coveney must secure this funding from Europe and then the Government must match it, Euro for Euro.
- There can be no back-tracking on Government support for Rural Development schemes.
- Minister, farmers will hold you to account for getting the necessary flexibility to make the Single Farm Payment and Rural Development Schemes work for Irish farming.
- I want to assure you, IFA will spare no effort in our work in Europe on behalf of Irish farmers.

Market support measures

- Price volatility is putting huge pressure on farm incomes.

- EU market supports are essential to deal with volatility, particularly in the dairy and pigmeat sectors.
- But to be effective, market supports must be implemented quickly, to put a floor in the market. It's too late when prices have collapsed.

Bureaucracy

- CAP reform must also reduce red tape and inspections, which are putting huge stress on farmers.

Budget 2013

Farming Difficulties in 2012

- The disastrous weather of 2012 has made it one of the most difficult years for farmers.
- We have had to cope with fodder and crop losses, the extra costs of re-housing stock and very difficult harvest conditions.
- However, the full cost and cashflow impact of the bad weather will not be felt, until well into next year.
- But one thing is clear:
 - Farm incomes are going to take a major hit and could be back by 25 to 30%.
 - Cashflow will be a huge problem on most farms.

Retention of Farm Schemes

- Minister Coveney, farmers are realistic – we know you can't fix the weather
- But you need to show YOUR commitment:
 - You cannot touch farm schemes again in December's Budget

Unfairness of previous cuts

- I want to remind Minister Coveney that farm schemes have been very unfairly targeted for cuts.
 - Last December, farm schemes were cut by 17%
 - That compares with a 6% cut across the Department of Agriculture
 - And a 3.5% cut across all Government Departments
- The fact is that, since 2008:
 - The Agriculture budget has been cut by over 40%
 - Compared to 10% across all Government departments
- These cuts have hit-low income farmers especially hard, in some cases by up to 30%.
- Like all other families in Ireland, farmers have had to find the money to pay higher taxes and charges.
- We have a simple message for Minister Coveney today:
 - Enough is enough!
 - We have taken more than our fair share of the pain.
 - NO more cuts in farm schemes
- That means there must be full funding for REPS/AEOS, Disadvantaged Areas, Suckler Cow Welfare, TAMS and Forestry
- I want to acknowledge here the Minister's announcement of a new AEOS 3 Scheme

- It's a far cry from REPS, but it is a vital support for low-income farmers.
- And I am determined to secure a new REPS-type scheme, as part of the CAP Rural Development programme from 2014

Taxation – productive sector

- It is clear that farmers want to drive on
- But, for farming to succeed, we also need a competitive business environment
- And, to drive growth, we need a tax system that
 - Rewards work
 - And supports farm transfer, land mobility and farm investment
- As a country, our future depends on growth, that can only be generated by the productive sector
- I am saying to the Government today:
 - STOP hammering us with additional costs and taxation
- Higher taxes are NOT the answer.
 - They are hitting jobs and the productive sector.
 - They are hurting our competitiveness and holding us back
- Take the Carbon Tax, as a simple example.
 - It is only adding to our costs of production
 - And making us less competitive in export markets
- I am saying to the Government today:
 - Stick to your commitments and take the Carbon Tax off farming

Retailers

- I want to remind the Government of another commitment that is still outstanding
- The Department of Enterprise is next door to us here on Kildare Street
 - Minister Richard Bruton promised legislation to regulate retailers
 - And he still hasn't delivered
- We're saying today:
 - It's time he faced down greedy retailers and put manners on them
- When you go into supermarkets today, you see how retailers are falling over themselves to play up their links to Irish farming
- And why wouldn't they?
- After all, they are trading on the high standards and quality that consumers expect - and that FARMERS are delivering every day
- But what consumers don't see is the relentless pressure on farmers' incomes, while the retailers take huge margins, at our expense

- It's true in every sector - beef, lamb and dairy.
- But their behaviour right now to our pig, poultry, fresh produce and liquid milk producers, is totally irresponsible:
 - They are forcing farmers out of business
- Producers' costs have risen sharply and these farmers need higher returns from the supermarkets
- I'm telling you today: The retailers can afford it.
- I'm saying to processors: Irish farmers will not tolerate you paying lower prices for beef, milk, lamb or pork, than is paid in the UK and Europe.

Banks

- As I said earlier, this is going to be a very difficult winter for farmers.
- I have met all the main Banks and called on them to stand by farmers.
- The Government must ensure that the Banks provide adequate working capital.

Conclusion

- I'm delighted to see so many farmers here to defend your income
- This is a critical period for Irish farming with the threats of
 - Cuts to the CAP Budget
 - And rising input costs
- I can assure you, that your presence here today has delivered a very strong message:
 - To Commissioner Ciolos
 - To our Taoiseach Enda Kenny
 - To Minister Simon Coveney, and the full Cabinet
 - The message is THAT FARMING MATTERS
- And to protect agriculture, we need:
 - A full CAP Budget.
 - A CAP that works for productive farmers
 - And a Rural Development package for vulnerable sectors and regions
- At home, it's about:-
 - Maintaining all farm schemes
 - Regulating retailers to secure fair margins for farmers
 - And we are telling the Government: STOP putting extra costs on the productive sector

Thank you again & a safe journey home.