What a difference a year makes. In the football world, Leicester were languishing at the bottom of the English Premiership 12 months ago, now they look on the cusp of winning it. They have at least guaranteed a spot in Europe next year. Similarly, the Northern Ireland economy was languishing at the bottom of UK economic league table in 2015 in relation to rates of growth. Now, according to the latest PMIs, we are at the top, with business output rising at a stronger rate than in all other UK regions. Unlike Leicester, however, Northern Ireland's performance has really only been at this level for the month of March, not for the season / year as a whole.

A year has also made a very significant difference in relation to oil prices and exchange rates. Last year, a barrel of Brent Crude stood at £43, today it stands at around £27.50 a barrel. The cost of domestic home heating oil has fallen by one-third. 12 months ago, a Euro was worth 71.8p. Today it is worth almost 81p. We have also seen big changes in commodity markets. Wheat for instance is down 3 percent in the year, and cattle prices are down 20 percent. This is presenting significant challenges for the farming community. With the Northern Ireland economy generally now performing strongly, this is the inverse situation that prevailed in the recent past.

In recent years, the agriculture sector had been outperforming all other sectors. After the Credit Crunch, whilst other sectors of the economy such as construction and manufacturing were struggling badly, the agri-food sector was in rude health, benefiting from favourable exchange rates as well as strong global demand. However over the last year, agriculture has been enduring a torrid time; indeed the most challenging conditions of all sectors. Total Income from Farming (TIFF) for instance is down 42 percent year on year and is now at its lowest level since 2006. Furthermore, TIFF is now almost 20 percent below the average of the last twenty years after accounting for inflation. Gross output of Northern Ireland agriculture is down 9.2 percent in the past 12 months. Farm Business Income is down in the region of 45 percent in 2015/16. Northern Ireland had the lowest production of saleable potatoes in 2015 since at least 1981. This was down 14 per cent year on year.

This is in contrast to the economy as a whole. In 2015, full-time employment in Northern Ireland grew at a record rate. Residential property prices grew seven percent. Personal insolvencies fell for the first time in eight years. Whilst agriculture was going into reverse, the economy as a whole was moving up through the gears.

Such has been the challenging time for agriculture that farmers might be reminded of the Status Quo number one hit from 1975 Down, Down, Deeper and Down. Indeed, in other ways, it feels like 1975 too.

For one, then, like this year, an unfashionable East Midlands team (Derby) was top of the

English football league. The UK public finances also weren’t in great shape, as is the case today; highlighted graphically in the recent UK Budget. In 1975 Prime Minister Harold Wilson was warned by one of his ministers that the UK economy faced “possible wholesale domestic liquidation”. This was a year before the then Chancellor Dennis Healey approached the IMF for a bailout loan.

And of course, in 1975, arguments were being well-versed regarding the pros and cons of membership of Europe, that year was the last referendum on membership of the EU, or the EEC as it was then. Back then, unlike now, the UK was dubbed the “sick man of Europe”.

Agriculture and farming will be most affected of all sectors by whether the UK will be leaving EU or not. In the short term, the uncertainty brought about by the upcoming referendum has actually been helpful to farmers as it has caused sterling to weaken considerably, leading to a more conducive environment for exporting from the UK. However, there is lots of uncertainty ahead that would not be helpful. This uncertainty includes how long trade deals would take the UK to negotiate if leaving the EU. No trade deal with the EU has ever been quick. Just ask Canada which has been negotiating one for the last 7 years. There are also significant questions around what tariffs for imports into the EU would be. None of these things is likely to be a positive for the farmers and the agri sector as whole.

In a post-Brexit world, if the UK fails to secure a favourable trade deal, what happens next? It would then revert to the current WTO (World Trade Organisation) rules. Under these conditions, 90 percent of UK exports to the EU by value would face tariffs e.g. the food and drink sector would face tariffs of 20 percent. This would add to the sector’s woes.

Northern Ireland tops the UK league for exports to the EU. Some 57 percent of Northern Ireland’s exports go into EU markets, against 45 percent for the UK as a whole. Our large agri-food sector is dependent on EU support and access to the EU market. In 2015 we received £236million in agricultural support. What level and form of support would occur in a post-Brexit world? This is an unprecedented time for the agri-sector. No sector arguably gains as much from the status quo

So, as we get nearer to the June 23rd date for the Referendum vote, the lyrics of other hit songs from 1975 are likely to feel apt for many – *Hold Me Close, Don't Let Me Go*, and *Stand By Your Man*. The agriculture sector will not likely to be signing Billy Connolly's song from that year DIVORCE.

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