STRUCTURAL CHANGE AND LABOUR IN AGRICULTURE

Project findings and case studies from six European countries















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as well as by numerous dedicated unionists, proprietor and managers who patiently answered all of our questions and who participated in discussions.

We would like to thank all partners and participants for their active dedication.

Project team

Berlin, November 2010

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INTRODUCTION

Compromising a time horizon of a year, the project “Structural change and labour in agriculture” was funded within the PROGRESS programme framework of the EU. Partners from six countries were able to analyse, evaluate and document their respective situations during transition periods in agriculture. The reader at hand is part of a distribution strategy which was executed during the project’s duration as well as after the end of the project.

Especially due to the current discussion concerning the Common Policy, the project’s findings gain importance for discussion regarding the European Social Fund and the Common Agricultural Policy. All participants are – in different ways – involved in this discussion, e.g. as actors on the farm und local level, as scientists concerning with future questions in agriculture or as representatives of numerous boards on regional, national and European levels.

Different facets and impact factors of agricultural structural change on the farm level were analysed. Analytical means compromised observations and discussions about experiences, problems and options on farms and in educational and scientific institutions.

In a first discussion at the beginning, the project’s aim was concretised and different emphases were determined. The later compromised:

- First-pillar-farms with innovation and diversification (crop and animal farming)
- Small scale farming
- Operational cooperation
- Social Farming
- Local participation
- Transfer of innovation and applied research
- Education and Consultancy

Respective examples were suggested for every country involved. Every firm was analysed via a prepared questionnaire and experiences, problems and options were discussed on-site.

Aim involved gaining an insight in diversity of agricultural production and understanding dynamic impacts of social and economic changes on farms. Furthermore, positive examples were presented, where farms were able to successfully face changes and simultaneously secure employment.

Central intension included displaying changes in employment and development of suggestions for further instruments. Participants (employees, managers and politicians) should thus be better prepared for structural change.

I. DEVELOPMENT OF LABOUR IN EUROPEAN AGRICULTURE

Structural change in agriculture is publically discussed for decades. In general, the term refers to the decrease in number of smaller farms, thus raising average farm size. Albeit speed and intensity of this process varies within Europe, structural change can be observed in all European countries.

Employment in agriculture

Concerning the impact on labour, a decrease in the share of people employed in agriculture can be observed. Simultaneously, the share of employees off all people employed in agriculture is increasing. There is an increasing shift from family workers to contracted employees.

Overall the number of people employed in agriculture is decreasing. Driving force behind this process is the increasing degree of economisation in which the production factor labour is substituted by capital. Thus labour time of employees is reduced by technical innovations, e.g. modern agricultural machinery or stable constructions. On the other hand, the service sector is increasing in agriculture resulting in new employment opportunities.

Qualification of employees

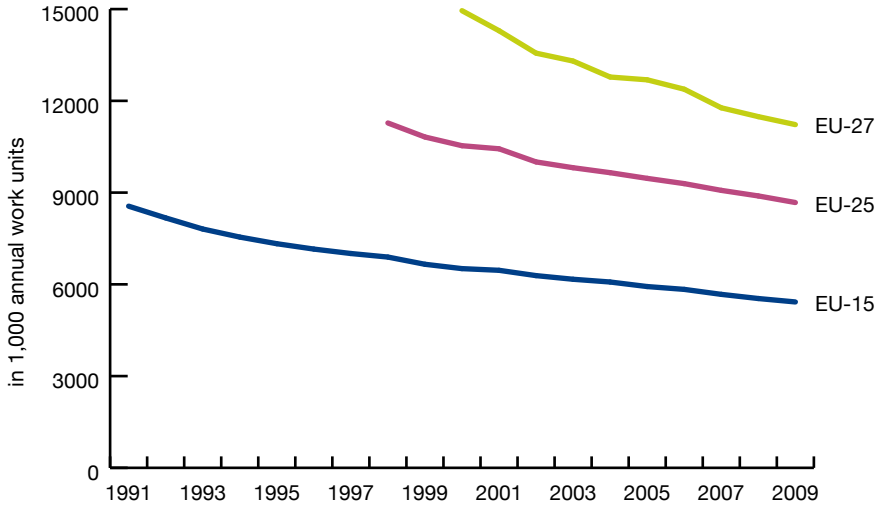
This development results in an increasing demand for employee's qualifications. Respective requirement profiles of employees are subject to significant changes, at least in developed countries. Two different directions can be observed. On the one hand, the significance of simple manual labour is increasing. There are less requirements concerning qualification of employees. Such activities are often performed part-time. On the other hand, there is an increasing demand for specialised skilled workers whose qualifications is of great importance for farms. Such activities are often very different from manual labour and often require intellectual work. Common activities compromise operating machinery, monitoring processes with means of data processing or other professional activities in animal and crop farming. Trade unions play an important role in these processes, especially concerning the identification of qualifications demands.

Further challenges

Often the loss of small scale farms in favour of more competitive structures due to structural change is bemoaned. By cutbacks in general agricultural subsidies, these smaller farms are getting increasingly under pressure. Current developments, e.g. activities of international investors on the land market or speculators on the agricultural markets, seem to have an accelerating effect, albeit final judgements are not possible at the moment. The same is true for concentration appearances in agricultural trade or supermarkets.

Labour in agriculture plays an important role in the development of rural areas in Europe. These areas are only considered as place of residence, work and living if people are provided with attractive employment opportunities

National and European structures possess instruments to counteract the aforementioned processes – at least rudimentary. This could be done in the frameworks of land policy or in general law. Eventually, it is a question of political preferences of the protagonists to what extent these instruments are applied.



Development of employment in agriculture (Source of data: Eurostat)

New opportunities for employee participation on the firm level arise due to the phenomenon that operational co-determination is more pronounced in larger firm structures. A combination of employee participation opportunities with the partner principle of the European Fund could thus be funded with interplant instruments.

Even more significance is added to labour in agriculture by the current discussion about skill shortage as well as by forecast concerning demographic change. Agriculture is especially affected here because the drain of human resources in rural areas is accelerating this development

II. POLICY INSTRUMENTS FOR EMPLOYMENT

Agriculture is subject to policy decisions like nearly no other economic sector. Apart from the traditional instrument of the Common Agricultural Policy (CAP), employment policy has gained importance for agricultural production in the last years.

Migration opportunities of Central and East European workers towards Western Europe have resulted in massive extension of seasonal employment opportunities. Roughly 4 million workers migrate transboundary in European agriculture towards seasonal work, e.g. harvest, planting and caring of fruits and vegetables. This extension of opportunities for foreign workers results in new employment opportunities for domestic and foreign persons in receiving countries.

Employment policy

With increasing European integration, employment receives a stronger transnational significance. This is underlined with the Lisbon Agenda where more and better employments are taken in the focus of European policy.

Monitoring of employment policy becomes more important through European instruments and policy approaches. Promotion of mobility for creation of new employments plays an important role for agriculture. Intentions for creation of new and better employment opportunities in agriculture can be better realised in the future due to the concept of increased mobility, both concerning

- professional mobility and
- geographic mobility.

The EU programme for employment and social security – PROGRESS – was designed for financial support for implementation of social agenda's aim, especially in the areas of employment, social affairs and equal opportunities. The social agenda was implemented by combination of different instruments:

- Improvement of work environment and work conditions, including labour security and health security
- Compatibility of career and family
- Observation of structural changes

Agricultural policy

Promotion opportunities of employment are manifold within the so called Second Pillar of Common Agricultural Policy. Some examples of instruments which affect employment are:

- Funding of agricultural investments
- Payments for nature related disadvantages in mountain areas and payments in other areas with disadvantages
- Village renewal and village development
- etc.

Employment effects are often not directly traceable, but are quite noteworthy on closer looks. For one, our example of ALMO in Austria shows that the funding for less favoured areas facilitate employment. This is true for the employment of small scale farmers as well as in downstream areas like processing, marketing, tourism and gastronomy.

Not only “hard” investments are funded. “Soft” factors are promoted with numerous instruments whose employment effects cannot be traced, e.g.:

- Educational and information instruments
- Competence development

Such instruments are important for the promotion of education in rural areas and for the identification of inhabitants with their region or regional initiatives.

Opportunities for employees are provided by the European cooperation model, e.g. discussion and co-deciding concerning agricultural policy and its separate instruments. There is still a big need for action for employees and unions.

Structural policy

Employment is created with means of structural policy in rural areas. This can be done through investments or through the creation of infrastructure. Thus new conditions can be promoted which may result in new employments.

New instruments for new employment

New policy instruments give impulses for employment. Promotion of renewable energies is critical for employment in agriculture, too. Due to the construction of wind energy plants – funded by the Renewable Energy Law – in Germany new work opportunities was created in agriculture and in rural areas.

Promotion opportunities for employment are manifold on the European, national and regional level. In the future it will be crucial to use synergies more efficient by a better coordination of policies. Furthermore, negative impacts of certain instruments on employment should be foreclosed.

III. PROJECT FINDINGS

Analysis of factors with respect to innovative firm development shows a variety of possible options for firms. Extended entrepreneurial activities can create new employments in rural areas. A connecting link of all case studies is the necessity to qualify labour, to facilitate cooperation and to promote participation on all different levels. In this regard, inclusion of applied agricultural research as well as education and extension gain a prominent weight.

Factors for firm development which were identified in the project's framework are manifold:

- Governmental policy, creation of conditions and promotions
- Capital
- Innovative potential (research, business ideas)
- Education and extension
- Municipal support
- Regional inclusion (networking, creation of supply chains)
- Networking with branches (e.g. operational cooperation with tourism, marketing)
- Promotion of motivation und participation

The main focus within this project lays in the significance of labour.

Employees in agriculture

Employment of employees is increasing in many regions. One can observe a differentiation of agricultural activities which shall be described in the following section.

Simple tasks involving manual labour without much previous knowledge are increasing. Especially rising is the number of workers for simple task in harvest, planting and care of specialised crops. Mainly seasonal workers are employed in this area. Seasonal work is considered an employment up until eight months in many European countries.

Specialised workers are demanded in animal and crop farming in many regions. Due to technical progress, requirements for these activities are increasing. A skill shortage is predicted, both by companies and research institutions.

New fields of activity arise often in directly attached areas of farms or in economic networks of producers. Fields of activities are for instance processing, marketing, sale, gastronomy and energy production. New specialised knowledge is often necessary.

An increase in employment is also observable in companies which execute direct services for farms. Apart from traditional services, e.g. seeding of animals, agricultural contractors gain significant weight. Again, mostly specialised knowledge is demanded from the employees here.

So-called niche producers are gaining importance concerning labour market, too. Due to an increase in consumer demand, organic production has developed to an employment area which offers new perspectives.

Requirements towards employees

The project shows how the working environment in agriculture is changing and how complex activities have become. Employment in agriculture demands from employees:

- Increasing higher specialised requirements
- Further competences (soft skills), e.g. cooperative work, more independent actions
- Employees must be educational willing to cope with continuously changing requirements.
- Dedication of employees and their contribution to the firm must be raised in order to cope with more and more complex processes.
- Physical stress is decreasing while psychosocial stresses will increase.
- Employees will have to be more mobile that is e.g. sharing employment on two farms or having an employment in another region.
- New requirements arise. Employees have to be prepared for them, e.g. changes due to climate change

Consequences for education and extension

New requirements can only be successfully coped with if respective accompanying means are carried out. For instance, only an employee who possesses a broad basic knowledge and social competence can be mobile and flexible. From an employee's view, education demands a broad training so that the employees stay flexible and adaptive to changing conditions. At the same time, this development demands a continuous training of employees.

Request for lifelong learning must finally be implemented in agriculture. New requirements towards companies and employees arise due to technical changes, social changes and climate change.

Preventive and accompanying instruments

Requirements towards agricultural policy and state:

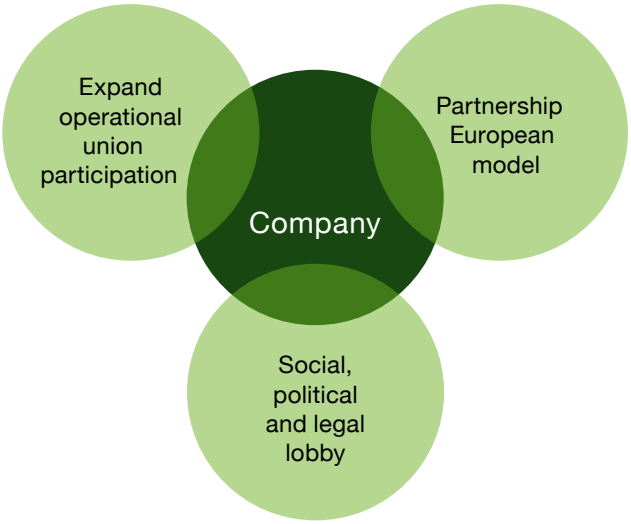
- In general, a stronger consideration of labour is necessary in agricultural policy. It must be treated equally with aims of income, environment, animal welfare and consumer policy.
- Training for employees must be promoted more strongly.
- Preservation and promotion of vocational apprenticeship

- An effective control of labour protection standards and social standard (e.g. through Cross Compliance)
- Improvement of changes for the participation of employees and unions on operational, regional and European level

Requirements towards Employers:

Employers must change with respect to handling their employees, too:

- Better preventive labour and health protection
- Better promotion of education and extension
- Stronger participation in operational decisions



Participation possibilities of trade unions

- Open attitude towards participation on operational and local level
- Profit participation
- Demand for change in attitude towards employees

Union participation – challenges and opportunities

Due to an increase in wage work, especially among qualified employments, new chances arise for employees and their lobby, the unions. The main problem of union participation remains the same and is not removed by growing companies:

- Small firms with a small number of employees (rarely more than 20 per firm)
- Minor traditional rooting of trade unions

Apart from old spheres of activity – e.g. collective labour agreements, payment and preservation of social position of employees – new challenges und changes arise for unions in

- operational participation
- participation possibilities at intercompany and regional level
- union-organised education and extension.

Outlook

Employment in agriculture will be characterised by

- a simultaneous shrinkage and increase in employment

- a qualitative schism of labour market in agriculture
  - more multifaceted
  - more qualified
- less qualified activities and an increase in wage work employment.

Hence, new requirements and spheres of political activity arise.

A stronger weight for labour and social conditions will be necessary in agricultural policy. The factor labour must gain a more prominent weight in the Common Agricultural Policy.

IV. CASE STUDIES FROM PARTNER COUNTRIES

The following case studies from operational praxis are a collection of visited farms, operations, education and research institutions. They represent the variety of agriculture and the band width of respective employment.

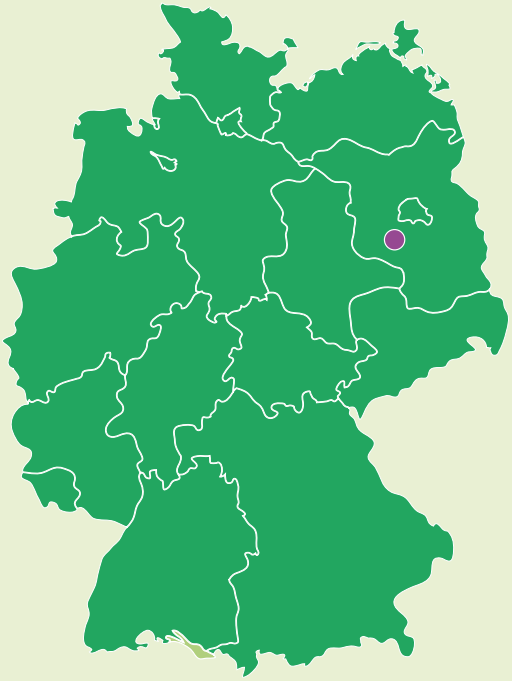
The examples show also the strong dependence of agriculture on external factors, e.g. the CAP and other subsidies, the availability of land, major investments and national parameters. On the other hand, also regional and firm internal factors are important for the development of firms, e.g. education and qualification, operational cooperation and regional partnerships for the development of business cycles. These factors can partly be determined by the firm itself so that it has influence on its own competitiveness and the development of employment.

Further case studies are displayed on the website www.laendlicher-raum.eu.

Region of Brandenburg / Werder and Fläming Heath

The region around Werder is characterised by sandy and easy warming soils. Vegetable and fruit growing is suitable for such soils and has also long tradition here. These production conditions and the short distance to the metropolis Berlin are advantageous, especially for direct marketing. The former cooperatives in the region were transformed to the now dominating vegetable and fruit growing farms, where asparagus and soft fruit are main crops. The continuously declining rainfall is problematic for agriculture in the region.

In the region of Fläming Heath, mainly grain, potatoes and energy plants (like oilseeds) are grown. While amounting to 9.7 employees per ha in 1990, the worker density was 1.2 employees per ha in 2009. Nonetheless agriculture is still an important economic factor in this structurally weak region. Energy production is an essential alternative to conventional agriculture.



Humboldt University Berlin – Faculty of Agriculture and Horticulture

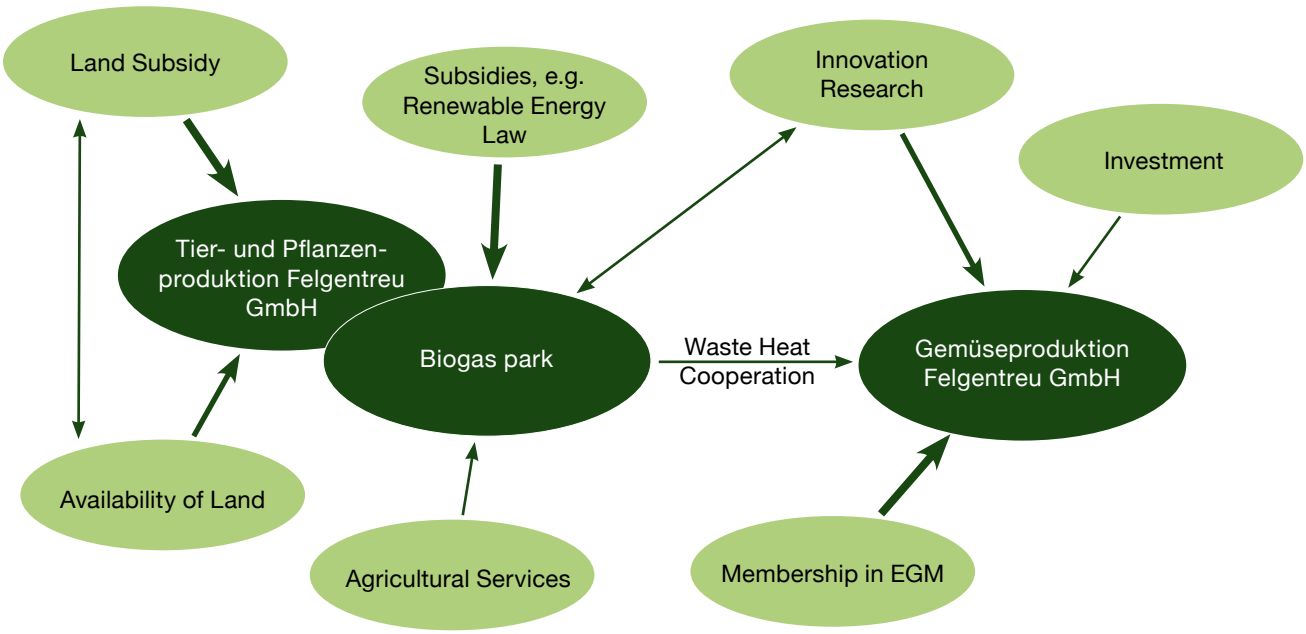
The area of bio-systems technology is partner within the regional research project “Innovation network adaptation to climate Brandenburg Berlin” (INKA BB). Central theme of INKA BB is the development and promotion of new strategies for land use and water management under changed climate conditions. The regional context consist of the relatively small amount of rainfall and the sandy soils with low water storage capacity which make Brandenburg prone to impacts of climate change. In the presented partial project a resource conserving irrigation of horticultural used areas is applied and studied – in this case asparagus fields.

A further enterprise is the joined project “Future initiative low energy greenhouse” (ZINEG) where the system of collector greenhouses is developed. A nearly completly closed operation is rendered possible by saving waste heat for other purposes.

Tier- und Pflanzenproduktion Felgentreu GmbH – Branch: Biogas Park

The farm Tier- und Pflanzenproduktion Felgentreu GmbH emerges from a former agricultural cooperative. The company possesses 2,900 ha agricultural acreage and 700 ha forest area. Since 2008 mainly energy plants (rye, maize and sudan grass) are grown for the energy production by this farm and two more equally sized companies. The farms are part of a holding (large-scale investor) which currently operates the fourth largest biogas plant in the world. The complex compromises 10 biogas plants with a power of 844 KW each. An enlargement is under way. The current produced is fed into the public grid and is subsidized by German law (EEG). Waste heat is used for the greenhouse of vegetable production in Felgentreu.

Overall 15 employees are employed full-time and there are different up- and downstream service areas, e.g. transport and service, which provide additional employment.



Factors in structural change
Case of Tier- und Pflanzenproduktion Felgentreu GmbH / Gemüseproduktion Felgentreu GmbH

Gemüseproduktion Felgentreu GmbH

The vegetable producer is closely connected to the biogas park. The farm operates 10.2 ha under glass and produces tomatoes (6,000 tons per year). Marketing is done by EGM (a producer's central market) in which the farm is also a member. The registered cooperative society compromises 80 farms as members in Germany, Italy, and Hungary. Products can thus be supplied all year. Purchasers are big trade chains. In Gemüseproduktion Felgentreu circa 42 all-season employees are employed and seasonal workers are employed for harvest.

The company was built near the biogas park and it can absorb waste heat from the renewable energy production for the heating of the green houses.

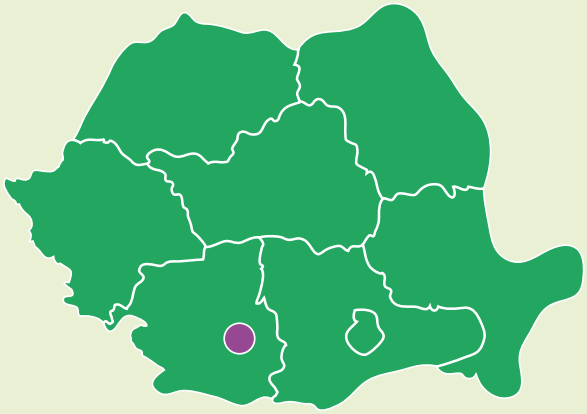
Conclusion

Both research projects try to establish a close connection with praxis at the operational level (sample areas among farms of the region) and provide a positive contribution for climate change in agriculture and horticulture with their research approaches. By implementation of the findings in the operational praxis employment can be ensured in the long run. A participation of employees and a qualification for new technics and methods would be desirable.

Cooperation, like the aforementioned ones, for environment orientated utilisation of energy and water are economically efficient. Due to high subsidies (66,000 EUR per employee in case of Tier- und Pflanzenproduktion Felgentreu), they are economically sustainable, at least for the duration of the subsidies. Qualitatively high employments are a result and there is also a creation of new employments in down- and upstream areas. The production of energy plants is executed in Felgentreu by three farms on an area of 10,000 ha. Such a massive growing of energy plants and a crowding out of traditional food production results in displeasure within rural areas – let alone ethical aspects.

New changes for trade unions arise to improve their member potential due to the emergence of such companies. A work counsel already formed in one of the farms.

ROMANIA



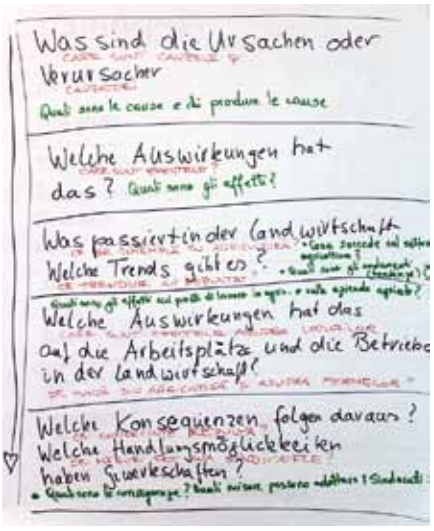
Region Olternia / Dâmboviţa

The region belongs to former Wallachia, lies in the south of Bucharest and is bordered in the south by the river Danube. In this respect, the region is characterised by relatively fertile soils. From an agricultural view, the area is well developed and there is a relatively high standard of living. Roughly 28 up to 32 % of the rural population live from agriculture, mostly as subsistence farms.

Lager farms and cooperatives are relative scarce in the post-socialist time. 93 % of Romanian farms can be considered small-sized or middle-sized farms. Further development restrains of agriculture are unclear property rights, out-dated and destroyed infrastructure (e.g. irrigation) and broken away markets. Huge problems, especially in agriculture, arise from the massive migration of young people to the cities and to other countries.

Agrostar – consultation centres in Slatina and Targoviste

The agricultural trade union Agrostar has established regional education and consultation centres in the region of Oltenia and Dambovita. Employees, peasants and members of cooperatives are educated here in the areas of labour protection, health protection, management, business administration and data processing. Simultaneously, there is an intensive consultation of farms and managers by regional employees directly on-site. Activities are subsidized by the European Social Fund (ESF). At the moment no strictly agricultural courses can be given because this is not possible via the ESF in Romania. For such education activities Agrostar does not get any subsidies via the Common Agricultural Policy (CAP).



Municipal Izbiceni

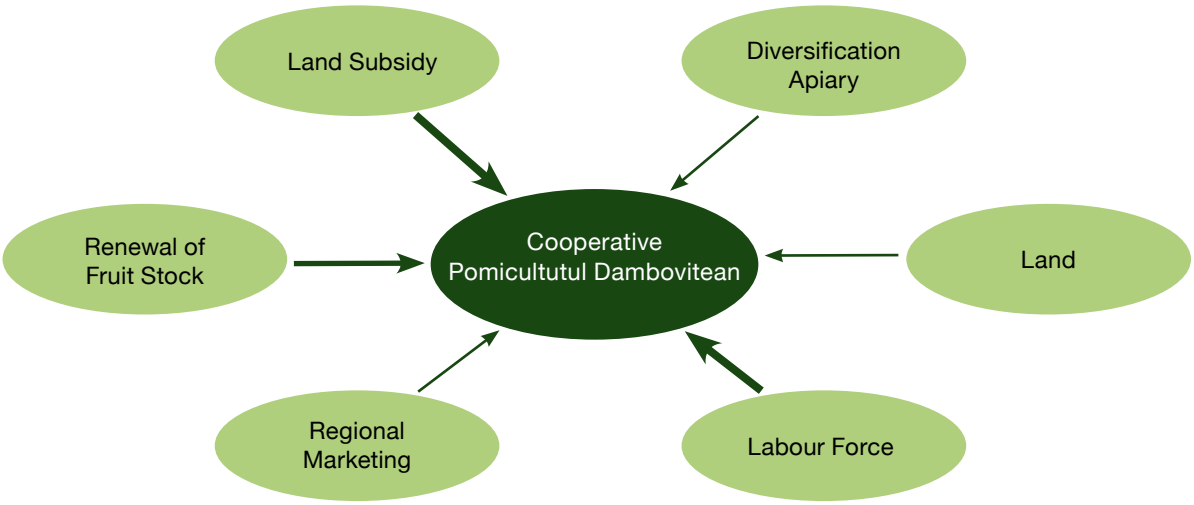
The municipal Izbiceni lies in the south of Wallachia between the Olt River and the Danube. Here a common local boom happened due to a very motivated mayor. The inhabitants in this area have worked on their economic foundations through their own initiative. People in many other locations in Oltenia were demotivated after the transition due to the close-down of important infrastructure like irrigation.

Nearly every land owner grows tomatoes in green houses in his/her garden area. The tomatoes are sold on regional markets by older family members. Transport of the goods is executed by the younger ones. By such means a certain economic wealth could be established in the region in the last years. There were also investments in the social community. Thus the kindergarten was expanded and the local infrastructure is about to be modernized. A large group of Romanies is integrated in the village. The family clans there possess land with good-looking houses.

Agricultural cooperation “Pomiculturul Dambovitean”

The fruit cooperation farms an area of 80 ha. Parts of the farm are of old growth but there are also new planted areas. Apples and pears are produced. There is no processing. Fruits are sold on the farm and on near markets in Targoviste. Additionally an apiary is operated.

5 persons from the cooperation work for the farm, mainly family workers. During harvest up to 100 seasonal workers are employed which mainly come from the surrounding villages.



Factors in structural change
Case of agricultural cooperative Pomiculturul Dambovitean

No subsidies were used so far. The economic and agricultural situation can be described as good. Combination with beekeeping is innovative and extendable. However, processing and marketing opportunities are missing. As long as there are no innovations and investments such farms are not marketable in the long run.

Conclusion

The regional consultation centres operated by the union Agrostar distinguish themselves by offering both qualification and extension and farm consulting on-site by known members of the union. Employees have also experience on the European level. This certainly has a calming effect among the small and medium sized farms which are heavily alienated since post-socialist times and the EU accession.

Concerning the example of Izbiceni, it was observed that a whole municipal can dedicate itself to prosperity and employment – provided a sufficient amount of motivation, cooperation and a “working horse”. The union of Agrostar is strongly integrated in the local community. It can offer educational and cultural events and thereby contribute to the population’s motivation.

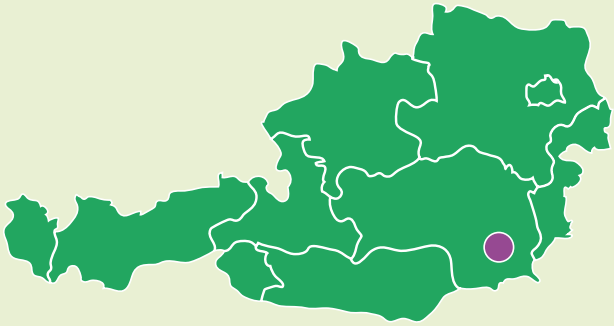
The fruit farm shows good development potentials. Employees and know-how are at hand in the region and there is a consultation structure through Agrostar. Promotion of investments, operational incentives and joint marketing strategies would be necessary. To keep the farm competitive, investments in processing and marketing have to be executed, thus building a regional supply chain. A first approach was done concerning the apiary. Options for unions and employees lie in consultation and training, attracting CAP funds, collective agreements for social security of employees (including seasonal workers) and support at cooperation intensions.

Region of Styria

Southern Styria is characterised by small-scale agriculture. Reasons lie in the mountainous landscape as well as in the mentality of the rural population. Farm sizes range from 10 to 30 ha. There is a continuously increasing demand for employees, especially for seasonal harvest labourers.

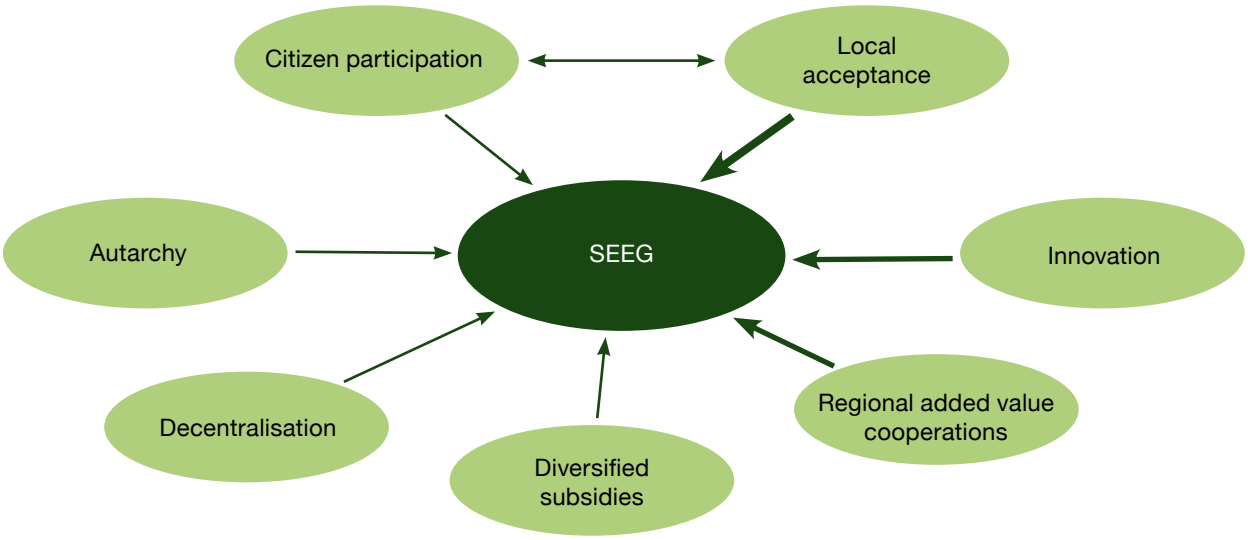
61 % of the area of Styria is forested. Mainly grain, potatoes, fruits and vegetables are grown on the agricultural acreages of the plains. Pumpkins have become a main crop of Styria. Excellent wine is produced in the steep slopes of Western Styria.

Mountain pastures are located northeast of Graz and form the largest connected mountain pasture area in Europe. Preserving this kind of cultural landscape by agriculture is a challenge concerning structural change.



Südsteirische Energie- und Eiweißerzeugungsgenossenschaft – SEEG Mureck

Owners of SEEG are 600 members of the cooperative, mainly from south, east and west Styria. Since over 20 years, a bioenergy circular flow economy is continuously built and expanded in region of Mureck and surroundings. Meanwhile, 24 employees are employed, an additional 25 full-time employments at contract



Factors in structural change. Case of Südsteirische Energie- und Eiweißerzeugungsgenossenschaft – SEEG Mureck

partners and other at surrounding companies and part-time farmers.

SEEG produces an annual energy amount worth 15 mil. € with the help of an energy mix consisting of biogas, biodiesel, photovoltaic, waste heat and woodchip heating. It covers thereby 90% of the heat energy demand of the city of Mureck. Due to that energy mix a relative small amount of agricultural area is used. There was a close cooperation with the University of Graz during the development.

The transition from fossil energy to the well-tried circular flow economy has succeeded in the region of Mureck. Plenty of regional employment was thus created.

Factors in structural change
Case of ALMO – Styrian highland marketing community

ALMO – association of Styrian highland marketing community

The marketing community was founded 25 years ago by 45 alp farmers. It was a reaction to European export promotion which resulted in transportation of living animals across Europe up to Northern Africa. This contradicts the moral concepts of the down-to-earth farmers.

The strategy involves the raising of cattle on their own mountain pastures according to species-appropriate and well-proven traditions and the marketing of the products in Austria. This is only possible through a close cooperation and a common marketing strategy. Meanwhile, the association compromises 530 alp farmers which annually produce 4,500 bullocks. The animals are slaughtered in the farmer's own slaughterhouse. This premium meat is marketed in Austria and Germany.

The traditional cultural landscape of the mountain pastures is preserved, in addition to the profitability of meat production. There are positive interrelationships towards tourism. The innovative and regional interaction between husbandry and slaughtering, gastronomy and tourism generated revenues and employment for all in the region.

Viniculture school Silberberg

Viniculture is taught on an area of 25 ha (thereof 10 ha terrace farming), including precipice farming. Mainly farmers who are about to take over a wine farm graduate from the viniculture school. It also has a boarding school. Furthermore much wanted skilled employees in the area of viniculture and penology visit the school.

Students learn all stations of the wine, from planting the wine garden to selling the wine. Due to the structural change new content of teaching were added, e.g. wine taverns, holiday on the wine farm, tourism and marketing.

Conclusion

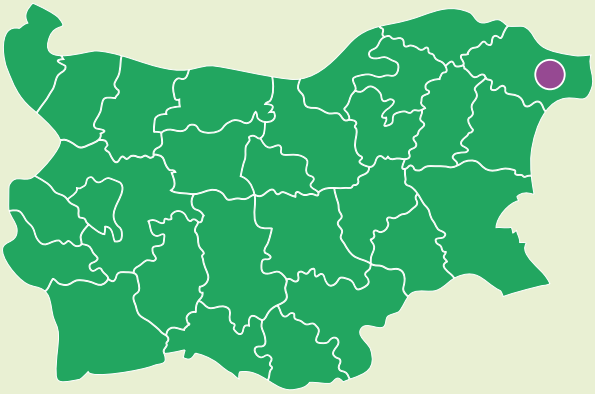
All case studies from Styria can be assessed as success stories. We were able to identify different strategies and means which are very important in structural change, especially for the new accession countries. These strategies could be recognized by a review of the farm's stories (circa 15 to 20 years) and their problems at that time.

They agreed to cooperation (operational and regional) and postponed their own interest in favour of common welfare, due to their connection with the region. Certainly, this happened as a result of the awareness that only a networked and joint approach can lead to prosperity and employment, especially in such a small-scale structured region.

Vocational training of the viniculture school has adapted to that, too. The curriculum was expanded with new content of teaching and instruments according to the new requirements.

Employees can be prepared for structural change by a close cooperation of unions and the Landarbeiterkammer. The latter plays an important role with qualification offers and information events. Simultaneously, it is a good instrument for intercompany participation of employees in small-scale farms.

BULGARIA



Region of Dobrich

Areas around Dobrich are very fertile and belong to the best agricultural regions in Bulgaria. Agricultural land is farmed by 100 %. One-third of the Bulgarian grain is grown in the region. There are 5 agricultural vocational schools in the region as well as the biggest agricultural research institution of Bulgaria. However, only 4.4 % of employees in agriculture pass an apprenticeship. Age of employees is a big problem – more than 50 % are older than 50 years. Payment is poor, work is hard and there is hardly any infrastructure in rural areas.

Agricultural cooperation Ovcharovo

After 1990 the agricultural cooperation Ovcharovo emerges from a former agricultural cooperation. It farms 7,500 ha and compromises four individual cooperations in six locations. Three firms became bankrupt. The surviving cooperative Ovcharovo was founded in 1993 and currently cultivates 1,269 ha, thereof 500 ha wheat, 380 ha sunflowers, 157 ha maize and 200 ha rapeseed.

15 employees are employed: 2 in management and accounting, 7 tractor operators and 5 workers and security staff. Qualification of the employees is conducted (partially jointly with other cooperatives) in the areas of labour protection, health protection, management, accounting and agricultural machinery.

The machinery was out-of-date, so in 2006 new machinery were purchased via the SAPARD program. Additional machinery was purchased via the European Agricultural Fund in 2008. Storage capacity was expanded by constructing of storage buildings.

Conclusion

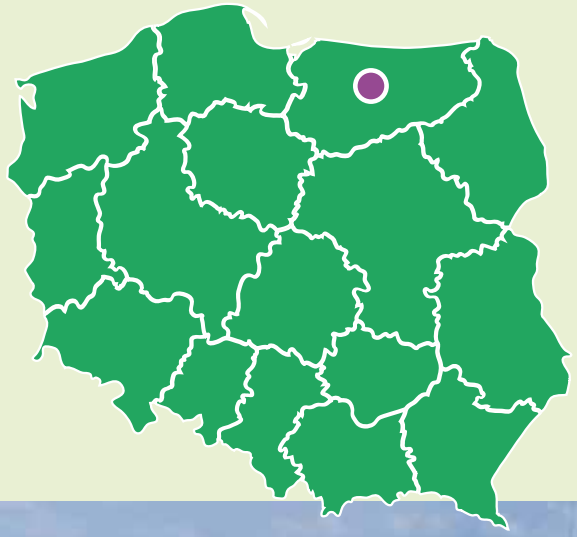
The farm can stay competitive concerning size and agricultural area. Employees can be qualified towards future activities and modern machinery, especially in connection with educational and research institutions in the region. A certain degree of diversification is certainly necessary in order to compensate possible declines in prices among individual products.

There is a company union within the cooperative and the unions negotiate collective agreements.

Region of Masuria

The region of Masuria is the fourth largest Voivodeship in Poland. The region is scenically very attractive with lots of lakes and forests. There is hardly any industry, so employment is mostly provided by agriculture. Meanwhile, tourism is gaining weight. This includes agri-tourism, too.

Masuria was heavily affected by liquidation of state property. In this respect, the highest unemployment among rural population can be observed here.



Agency of agricultural real estate – ANR

The agency of agricultural real estate has a field office in every of Poland's 16 Voivodeships. In the first years of the restructuring process, the ANR has organised manifold social procedures for former employees of state-owned farms. This ranges from qualification and training, to children holiday camps and accommodation agencies. Unions were strongly involved in these processes. Meanwhile, the main task is directed to privatisation of former state-owned farms. Accompanying social procedures became subordinate.

Direction of ANR's policy depends on current political conditions in Poland, the CAP and further international connections. A national task is the strictly limited land sale of maximal 500 ha per farm. Because this size is considered not profitable by many farmers, it is usual that the children or other persons buy additional land, thus increasing farm acreage.

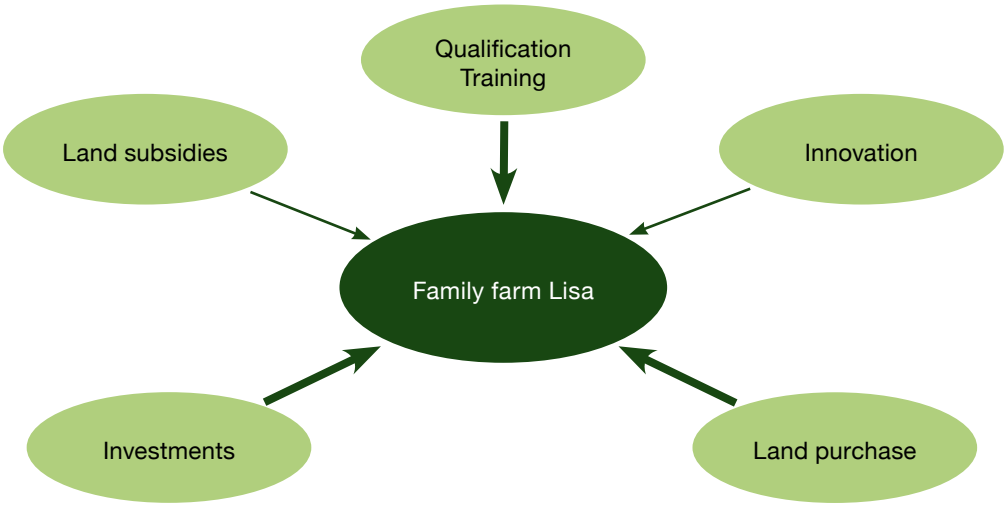
University of Warmia and Mazury – Faculty of Agriculture

The department has scientifically accompanied the restructuring of the state-owned farms in Poland through the ANR. The restructuring was studied from different perspectives, the short and long term impacts were forecasted and the social changes were taken into account. Thus suitable educational activities were organized before and during the process.

Family farm Lisa – dairy farming and calf husbandry

Circa 800 dairy cows (Holstein Frisian) are milked in this family farm. A calf husbandry is operated for reproduction of the stock. Milk is bought by a 50 km afar dairy. The farm cultivates its own 499 ha acreage for fodder plants and litter. Circa 60 ha are farmed by the son and 80 ha are rented. Straw is purchased from the surrounding farmers. 24 employees are employed full-time, additional 10 are employed for harvest time. Employees work according to a time quota.

The farm was purchased from ANR in 1992. A modern dairy farm was built into a stable which is under historical preservation protection. Soon the son will purchase 499 ha agricultural land. Then they will not have to buy the fodder and the litter anymore.

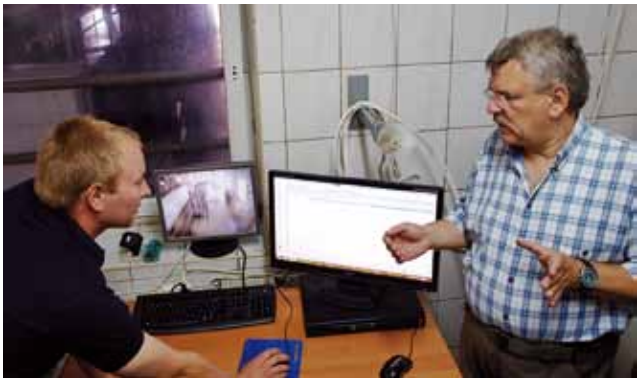


Factors in structural change
Case of family farm Lisa – dairy farming and calf husbandry

Continuing education of his employees (academic studies, exhibition) has a very high significance for the owner, especially concerning the further development of the farm. Livestock technicians are responsible for the computer-aided operation of the milking installation. They are well paid and can participate. Only by good payment and operational participation, the manager can hold qualified employees.

Conclusion

Participation of unions into the social intensions of ANR can be positively highlighted. Thus social problems of former employees of state-owned farms were taken into account from the beginning, e.g. preservation of employability under new conditions via qualification activities. Unfortunately, such good approaches were capped due to cash shortages or political changes.



Middle-sized farms, like the family farm Lisa, perceive the limitation of land sale as a development obstacle. However, different approaches were developed to avoid these rules.

On the other hand, land purchases by major investors are contained. These investors are often not from Poland and operate with figureheads.

ITALY

Region of Lazio / Tuscia and Alban Hills

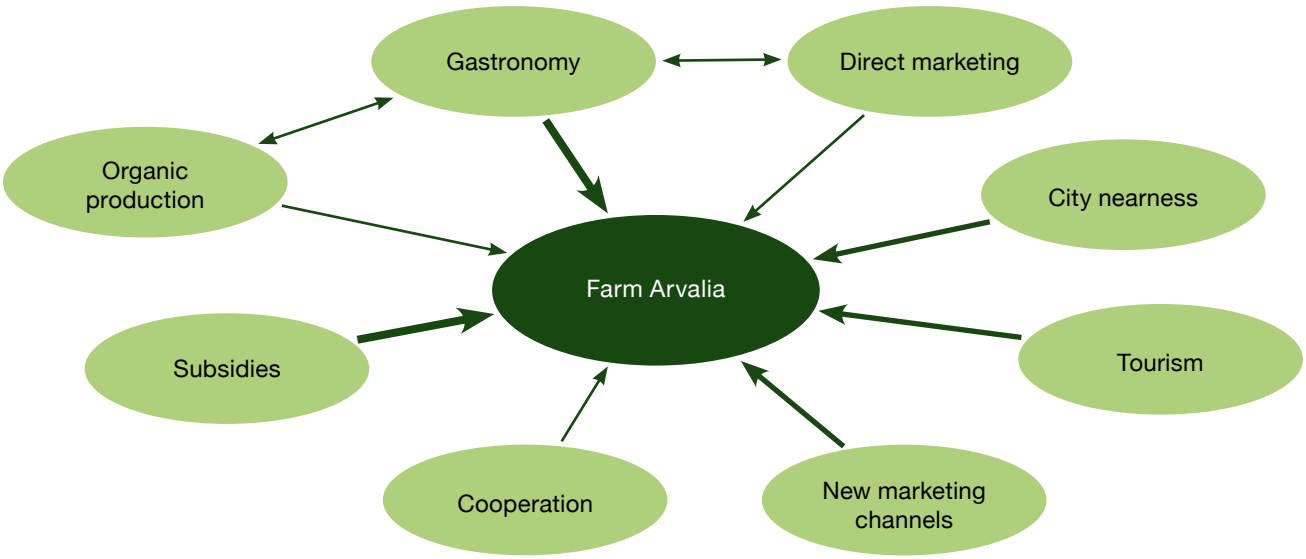
The region of Lazio is scenically very manifold and is called a historic landscape. Even today, agriculture and sheep farming are important economic factors. The volcanic soil is extraordinary fertile, thus vegetables, wine, citrus fruits and olives can be grown. Due to proximity to the capital Rome, economic areas like direct marketing and agri-tourism have expanded and are now competitive. The strongly diversified and organically operated farms need a lot of simple manual labour. In this respect, they are very suitable for social agriculture.

Tuscia University in Viterbo - Faculty of Agriculture

The Faculty of Agriculture of Tuscia University studies the history and impacts of social agriculture and the welfare effects of agriculture, respectively. The faculty supports social farms und promotes public relations. Research focuses on different aspects and impacts of social farms and their general framework.

The Faculty of Agriculture was involved in EU project “SoFar: Social Farming - Social Services in Multifunctional Farms” in the years 2006 until 2009, together with research institutions in six other European countries. After a review of the situation in all of the 7 countries, common strategies for the promotion of social agriculture were developed.

The Faculty of Agriculture of Tuscia University operates sample areas on which, among other things, the reduction of pesticides through alternative methods (integrated growing) is studied. The use of plants for medical purposes is also investigated.



Factors in structural change
Case of farm Arvalia

Farm Arvalia

The farm of Arvalia is a limited partnership. The owner employs 14 employees, thereof 5 permanent employees and 9 seasonal workers for duration of 156 days.

For now 12 years the farm grows organic vegetables on an area of 2.5 ha from the end of March until October. Alongside to vegetable growing, agri-tourism was added in 2000 and a restaurant in 2007. The area of direct marketing, in cooperation with other producers, is expanded continuously. The project "Bio Box" was successfully established. Families and groups from the near city are continuously supplied with seasonal horticultural products. It was shown that the single branches mobilize each other and thus become market ready. Persons who buy in the shop are likely to visit the restaurant and vice versa.

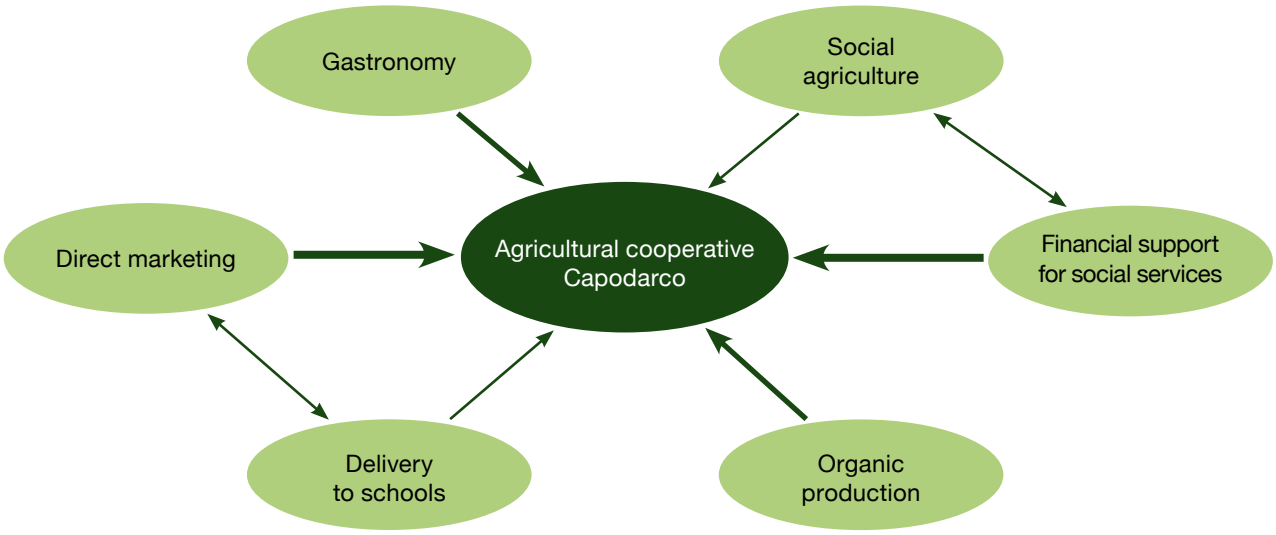
Agricultural cooperative Capodarco – social agriculture

The agricultural cooperative Capodarco was founded 10 years ago. The aim was to establish a farm for the integration of disabled persons and drug addicts and to persuade through the successful combination of social services and the production of high-valued agricultural products. The farm structure incorporates social services, agricultural production, processing, marketing in the farm shop, gastronomy and hostel, as well as the execution of conferences, events and celebrations.

Conclusion

Social agriculture is a known term in Italy and it is appreciated and promoted. A profitable farm is well combinable with social services, especially in organic farming and strongly diversified horticulture where plenty of simple manual labour is demanded. The union of ALPA is well included into the structures and thus contributes to considering of employee interests. Collaborations with the university and its respective research in this area can be considered innovative. The project SoFar also shows that this new kind of agriculture gains significance in other European countries.

A further aspect which was discussed during the farm surveys was the great problem of mafia-like structures in agriculture. It is tried to bring consumers towards conscious purchase decisions and therefore withdraw all participants from mafia structures.



Factors in structural change
Case of agricultural cooperative Capodarco – social agriculture

That is, buying a product of “Liberia” means making a stand against the mafia. Farms which produce and market these products do not support illegal employment and commit themselves to the rules. Such ethical aspects in agriculture can also be found among fair trade products in other countries. Certainly, their competiveness will rise in the future.

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	ZINEG – Future initiative low energy greenhouse www.plantputer.com
	EGM - Erzeugergroßmarkt Thüringen-Sachsen-Spreewald e. G. www.egm-eg.com
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	Südsteirische Energie- und Eiweißerzeugungsgenossenschaft / SEEG Mureck www.seeg.at
	Viniculture school Silberberg www.silberberg.at
	ALMO – Verein Steirische Bergland Marktgemeinschaft www.almenland.at
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	University of Warmia and Mazury www.uwm.edu.pl
	Agency of agricultural real estate – ANR www.anr.gov.pl
ROMANIA	Agrostar – Consultation Centres www.federatiaagrostar.ro
BULGARIA	FNSZ/FIATU www.fnsz.org
ITALY	ALPA Nazionale www.alpainfo.it
	Tuscia University in Viterbo – Faculty of Agriculture www3.unitus.it
	SoFar – Social Farming – Social Services in Multifunctional Farms www.sofar-d.de
	Agricultural cooperative Alice www.coopalice.it
	Farm Arvalia www.arvaliabio.it
	Agricultural cooperative Capodarco www.agricolturacapodarco.it
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Social
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