

**Opening Statement to the Oireachtas Committee on Agriculture, Food and the Marine
by Liam Herlihy, Chairman of Teagasc, October 23rd 2018**

Introduction

Chairman, I welcome the opportunity to present this Opening Statement to the Committee.

The last twelve months has witnessed some of the most severe weather events in living memory. Teagasc has been centrally involved in supporting farmers through its lead role in the Interagency Fodder Group that was established by Minister Creed.

We expect that these weather events are likely to be more frequent and more severe when they do occur. Teagasc is very conscious of the need to support the sector in the mitigation of Green House Gases and in its adaptation to Climate Change. This focus will be a key priority for the organisation into the future.

Teagasc Mandate, Mission and Goals

Teagasc was established under the *1988 Agriculture Act* with a remit to conduct research on agricultural production and food processing and to deliver advisory and education services to farmers.

The Mission of Teagasc is to:

“To support science-based innovation in the agri-food sector and wider bioeconomy so as to underpin profitability, competitiveness and sustainability”.

The Teagasc Authority has adopted four goals:

- 1. Improve the competitiveness of agriculture, food and the wider bioeconomy*
- 2. Support sustainable farming and the environment*
- 3. Encourage diversification of the rural economy and enhance the quality of life in rural areas*
- 4. Enhance organisational capability and deliver value for money*

Teagasc Budget, Staff and Facilities

Teagasc’s budget in the current year is about €187m. It is unique as a non-commercial body in having a relatively large proportion of non-Grant-in-Aid (GIA) income, some €56m in 2017. This non-GIA income comprises grants awarded to Teagasc as a result of success in competitions for research and advisory funds at national and EU level, advisory and education fees, farm operations, industry levies and the sale of various professional services. In 2017 Teagasc received €125m GIA (including an amount for pensions of €43m) to meet its current expenditure needs and a further capital grant of €3.15m. Teagasc has a total staff of about 1200, including contract staff. In addition Teagasc has about 280 Walsh Fellows, comprising 260 at Ph.D. level with the remainder at M.Sc.

Teagasc has 51 advisory offices; four colleges of further education plus three privately owned colleges that are subvented by Teagasc; and seven research centres.

Teagasc Programmes

Teagasc has six operational programmes:

1. Animal grassland research and innovation
2. Food research
3. Crops environment and land use
4. Rural economy and development
5. Advisory and extension
6. Education and training

In addition Teagasc has a central administration service embracing Finance, HR, ICT and Corporate Service functions.

I want to now briefly comment on these programmes.

Animal grassland

Teagasc aims to drive the productivity of the beef, dairy, sheep and pig sectors without compromising sustainability. Despite the very difficult weather conditions experienced this year, the FoodHarvest target to increase milk production by 50% by 2020 will most probably be achieved this year. There are two central pillars to Teagasc's ruminant livestock programme: genetics and grassland improvement. Recently Teagasc has embraced the potential of digital technologies to transform pasture-based agriculture through the recent launch of the €40m VistaMilk programme.

Food

Food research at Teagasc is focused on assisting companies cope with the Brexit challenge through enabling their adaptation to new market opportunities. Core activity is concentrated on underpinning food safety and quality; extending shelf life; developing 'smart' ingredients for the Infant Formula market; adapting products to the requirements of new markets (e.g. 'Cheese for China'); and researching more sustainable and competitive processing technologies. Together with its dairy industry partners, Teagasc are investing €10m in Moorepark Technology Ltd and plans are also well advanced for the construction of a Food Technology Hub, following a funding commitment of €9m in last year's Budget. Another €10m is being invested in the newly launched Prepared Consumer Food Centre. Recently Teagasc, along with Galway Co. Co. and a large number of local organisations, have received nearly €3m from Enterprise Ireland to establish a BIA Innovator facility on its Athenry campus. This facility will support innovation in the region in small food companies and artisanal producers.

Crops, environment and land use

Agriculture must meet the ambitions of FoodWise 2025, whilst delivering sustainability in both economic and environmental terms.

Key to achieving these objectives will be the redoubling of our efforts in the development of better varieties of crop species and integrated production systems to address the challenges of new pest and disease threats and the loss of plant protection products.

The promotion, in collaboration with the Department, of sustainable forestry expansion (including native woodlands on dairy and other farms is a critical priority in the context of Climate Change.

Our environment research and knowledge transfer programmes centre around four main areas: Soils, water, climate change and biodiversity.

Rural economy

Recent initiatives from our Rural Economy Programme have focused on quantifying the costs of Climate Change mitigation; the modelling of the economic impact of Brexit scenarios; research into the incomes and viability of 'small' farms; and devising and tracking indicators of sustainability.

Advisory

Teagasc provides an advisory service to 44,000 paying clients and an information service to 130,000 farmers with a staff of 240 advisors; 87 (Dairy), 131 (Drystock and Environment, mainly beef); 14 (Tillage).

Teagasc works closely with Bord Bia in implementing Origin Green at farm level through its unique Carbon Navigator programme. Teagasc has recently begun collaboration with the Local Authorities and the co-ops on a major programme to provide a free water quality improvement advisory service to farmers called the Agricultural Sustainability Support and Advisory Programme (ASSAP).

We also work closely with the Health and Safety Authority in the delivery of research, training and dedicated health and safety initiatives to make farms safer places to work and for family life. Teagasc will shortly appoint an additional health and safety specialist who will work closely with our team of advisors.

Education

In 2017, more than 7,000 learners participated in Teagasc school leaver, adult vocational and Teagasc-linked higher education courses. We are now implementing three major initiatives stemming from a recent review of the Programme: extension of education pathways, including apprenticeships; promotion of innovative teaching and learning practices; and the development of Continuous Professional Development courses aimed primarily at farmers.

Issues of concern

Chairman in conclusion I'd like to mention a few issues that are of concern to the Authority in the delivery of our mandate.

Capital requirements

In the absence of access to borrowing facilities Teagasc faces significant challenges in funding its working capital requirements.

Similarly, in the absence of a borrowing facility, longer-term capital funding for our research and educational infrastructure is even more challenging. Major infrastructural needs are funded either through the sale of assets that are no longer programme priorities, or, through once-off special capital grants from Government. Neither of these is satisfactory.

Recruitment

Teagasc is facing severe challenges in recruiting and retaining high calibre staff. The main obstacle is the relatively low starting salaries that we are obliged to offer to young highly qualified researchers in particular.

We also face a difficulty in facilitating the large numbers of students that are on a waiting list for part-time and distance-education courses unless we are enabled to continue to recruit contract teaching staff.

Thank you Chairman.