

## Further written evidence submitted by Sustain (AB41(a))

### Sustain submission to the Agriculture Bill Committee Part 2

As this is the first major UK legislation on agriculture in 50 years, and the Sustain alliance wants to make the best of this opportunity to influence UK farm policy and practice. This is made especially urgent due to the need for the UK to take decisive action on farm livelihoods, working conditions, public health, animal welfare, biodiversity, environmental protection and climate change. In consultation with working party members and others, we are setting out issues and proposing amendments in this submission. This is part of Sustain's wider work on securing better food, farming and fishing when the UK leaves the EU.

We previously submitted a short piece of evidence and welcomed the chance to give oral evidence to the Committee. This is a second set of written evidence largely covering later issues to be covered by the Committee but also reiterating some of the points made in the oral session.

### Overarching issues and amendments

Sustain believes that the purpose of new UK agriculture policy should be a prosperous, resilient and sustainable farming system that provides healthy food grown to high standards of animal welfare, environment and nature protection. Farming must be able to provide healthy food, as well as good livelihoods, supported by fair prices and trading practices. Farming must also play its part in significantly reducing antibiotic use, as well as the greenhouse gas emissions that cause harmful climate change.

Achieving this vision requires an integrated policy, a sufficient budget and a strong regulatory baseline. There must be incentives for farmers and land managers to make the transition to better practices where the market will not pay and new strategies for training, advice and research. It also requires government to identify and support better food and farming as a core priority and to [redefine productivity](#) to deliver on wider objectives. The Sustain alliance has previously circulated our agreed paper '[Beyond 2020 New Farm Policy](#)', endorsed by food, farming, environmental and animal welfare groups. This outlined a new set of principles and a policy framework to deliver a sustainable and viable future for UK food and farming.

The draft UK Agriculture Bill, introduced to the UK parliament in September 2018, has several purposes. The UK's departure from the EU necessitates repatriation to the UK of some existing frameworks, funds and responsibilities, including replacing some of the functions previously undertaken as part of the EU Common Agricultural Policy (CAP).<sup>1</sup> Also included in the draft Bill are more future-thinking objectives, set out as enabling powers for the Secretary of State, but with no duty for these powers to be used, nor a timeframe within which this should happen.

We think this is major a missed opportunity to set out, in legislation, a new vision for farming policy in the UK, and how this relates to national strategies and the UK's international

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<sup>1</sup> The UK is also set to adopt a new Environment Act and establish a new environmental watchdog, which will also be relevant to farm policy, although few details are yet available. Find out more from the Greener UK Alliance: <http://greeneruk.org/>

commitments. We therefore strongly recommend that the Purpose of the draft Bill should be amended to include explicit reference to environment, animal welfare and public health goals.

Our amendments (see below) cover these and additional issues including workers and new-entrant farmers, conditions for delinked payments, training and advice provisions, trade policy, repatriation of funds, and measurement of household food insecurity. We have the following comments and proposed amendments and would welcome discussion with MPs, farmers, civil society organisations, stakeholders and others, with the common purpose of improving the Bill.

### **Purpose of the Agriculture Bill**

The draft UK Agriculture Bill<sup>2</sup> needs to present a new vision for farm policy in the UK. As such, the Bill's 'Purpose' needs to reflect new objects. We would want to see explicit reference to: *environment, animal welfare and public health goals*.

### **Principles of the Agriculture Bill**

At present, the draft UK Agriculture Bill contains no requirement for the Secretary of State to consider or demonstrate explicitly how new regulation or policy helps the UK to meet **national or international agreements** and other specific domestic policy goals and legislation, on issues such as environment, antimicrobial resistance, animal welfare, conservation of biodiversity, dietary health, modern slavery, and climate change. **Amendment NC8 Duty to report on international obligations covers these.**

The draft Bill currently has no specific reference or link to Defra's proposed **Food Strategy** objectives, nor likely outcomes such as improving the nutritional security of the nation, or ensuring that food bought by publicly funded institutions (such as schools, hospitals and the armed forces) supports local producers and is of highest environment, labour and animal welfare standards, as well as enhances availability of nutritious local and regional food. This needs to be added and may require a specific clause. We also recommend a new requirement for measurement of household security, a necessary starting point for ensuring that everyone has access to adequate food.

### **Duties of the Agriculture Bill**

At present, the draft UK Agriculture Bill contains no requirement, nor any timeline, for the Secretary of State to act on many of the issues such as enforcing supply chain fairness. It provides powers to act, but not the duties. This leaves much of it vulnerable to political priorities. In the suggested clauses below we have replaced the word 'may' to 'shall' or 'must' as relevant. An overarching general duties clause is needed to ensure the outcomes are delivered.

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<sup>2</sup> <https://www.gov.uk/government/publications/the-future-for-food-farming-and-the-environment-policy-statement-2018>

## Targets and budget

Sustain is concerned at the lack of reference to legally binding targets to deliver on objectives including environmental, health, social and economic outcomes, nor to signal any meaningful mechanism to ensure the progress towards a healthy farming future can be measured and government held accountable.

Alongside this, there needs to be an ability to provide multi-annual long-term support to farmers and land managers. We support amendments to this effect. The support needs to be secure and long term to deliver the public goods and ensure farmers can plan for a resilient and viable future. The Bill needs to include reference to obligations to draw up targets for delivery of purposes in line with evidence base and existing commitments, and to set an adequate budget for the aim of delivering on purposes both during the transitional period and beyond the transitional period.

## New Financial Assistance Powers [Part 1. 1. (1)]

The financial assistance powers focused on purposes in 1 (1) (a) to (g) are welcome. All the elements of financial assistance (including 1 (2) on 'productivity') must support the delivery of public goods, not undermine them, and must deliver on high welfare and environmental and social targets. We support [Amendment 73 to](#) ensure this.

Clarity needs to be given on the balance of payments between 1 (1) and 1 (2) with favour given to 1(1) (and 1(3) if included). We are asking for additional clauses on improving '[public health](#)', rural development and for agro-ecological systems, including organic.

## Part 6

### Fair Dealing Obligations [Part 6, clause 25]

Sustain has played a leading role in achieving the inclusion of the fair dealing obligations in the draft UK Agriculture Bill, having financially and vocally supported the Grocery Code Action Network over the past two years. This network has very considerable technical expertise on the issue of regulating for fair dealing in the supply chain, which we believe benefits everyone, including primary producers. So we are pleased with the Bill content [Part 6 25.] and explanatory text, which has the potential to address, if given statutory duties and adequately resourced, many of the problems inherent in the UK's food supply chain. The fact that this includes producers outside of the United Kingdom is welcome. We need to be ensuring the body undertaking enforcement has adequate powers and resources to undertake the role including recognition of the requirements for absolute confidentiality, own-initiative investigations, and liaison with the existing Groceries Code Adjudicator. We propose the following amendments:

#### 25. Fair dealing obligations of first purchasers of agricultural products

*Amendment 48 - Clause 25, page 19, line 21, leave out "may" and insert "must"*

*Member's explanatory statement This amendment would require the Secretary of State to make regulations for fair dealing obligations in Clause 25.*

*Additionally - 25 (1) page 19 line 22 The Secretary of State must make regulations in accordance with this section for the purpose of promoting fair contractual dealing by the first purchasers of all\* agricultural products.*

We welcome the Explanatory Text which refers to sector specific codes “As the issues faced by different farming sectors vary considerably, the clause includes powers to introduce sector-specific codes, as well as general powers to improve principles of fair contractual practice across the whole industry.” But we want to see in the Bill an explicit requirement for all sectors to be covered by codes. This amendment is to ensure this and the codes are not confined to certain sectors as suggested in the explanatory note (which currently says “which will initially be introduced in the sectors where voluntary codes have been unable to significantly improve contractual relationships (for example dairy)”).

**Amendment 93** Clause 25, page 19, line 22, leave out “the first” Member’s To require the Secretary of State to make regulations that require the purchasers beyond first purchasers to come into scope so that the whole supply chain is regulated.

**Amendment 94** Clause 25, page 19, line 24, leave out “the first”

To require the Secretary of State to make regulations that require the purchasers beyond first purchasers to come into scope so that the whole supply chain is regulated.

**Amendment 86** - Clause 25, page 20, line 9, at end insert— “(aa) for the identity of any person who has made a complaint relating to alleged non-compliance to be held in confidence and not disclosed during any investigation into their complaint;”

The issue of confidentiality has always been vital in regulating supply chain fairness and there is a climate of fear amongst suppliers risking losing contracts if they complain. Hence, confidentiality is a crucial provision, which we fully support. We would vociferously object to any weakening on this point.

**Amendment 87** Clause 25, page 20, line 9, at end insert—

“(aa) for an investigation to be launched where there are reasonable grounds to suspect that there is non-compliance;”

The enforcement authority needs to have capacity to undertake proactive investigations of systemic abuse not just responding to individual complaints.

*Additional amendment - 25 (10) page line 32 add – Producer includes a producer outside the United Kingdom, and also includes both individual producers, and those entities which sell agricultural products after they have been aggregated from several producers. For the avoidance of doubt ‘producers’ also includes those businesses operating a packhouse.*

To ensure that primary producers on land and at sea all benefit from supply chains regulated for fair dealing, we propose that this approach should be amended to “**first purchases of agricultural, fishery and aquaculture products**”, with all instances of this wording amended, including Schedule 1. If this is not possible within the terms of the UK Agriculture Bill, then the Secretary of State must, without delay, make clear by means of a policy statement that marine fishers and aquaculture (fish) farmers – in the UK and overseas, should also expect to enjoy the same protection from unfair trading practices that is being enabled for agricultural producers.

## **Additional clauses**

### **International trade deals**

The UK Agriculture Bill should contain provisions to require all food imported into the UK be produced to standards that are at least equivalent to the standards required of UK producers, and certainly no lower, as they relate to animal welfare, environmental protection, worker health, safety and condition, veterinary antibiotic use, chemical use and new technologies and any other legitimate public policy concerns associated with food production, as those required of producers in the UK. The amendment could read: The following is an amended version of one the NFU has been drafting and we have added food standards to the food and employment standards

#### **1. To move the following Clauses –**

##### **Import of agri-food products**

*(1) The import of agri-food products into England is prohibited unless it can be demonstrated by the importer to Her Majesty’s Revenue and Customs that the relevant products have been produced to standards that are equivalent to the relevant requirements under UK legislation in relation to –*

- (a) animal welfare;*
- (b) environmental protection;*
- (c) food safety and standards; and*
- (d) employment*

*(2) The Secretary of State must make regulations specifying the “relevant requirements under UK legislation” referred to in subsection (1).”*

**Explanatory statement:** *To ensure that agri-food products produced to lower standards are not imported into the UK, undermining the efficiency, productivity and profitability of the agricultural sector.*

##### **Trade negotiations**

*(1) Prior to the start of any negotiations relating to a new trade agreement between the UK and another country, the Secretary of State shall publish a mandate to be followed by those involved in the negotiations which states that agri-food products imported into the UK must be produced to standards that are equivalent to the relevant requirements under UK legislation in relation to –*

- (a) animal welfare;*
- (b) environmental protection;*

*(c) food standards and safety; and*

*(d) employment*

*(2) The Secretary of State must make regulations specifying the “relevant requirements under UK legislation” referred to in subsection (1).”*

***Explanatory statement:*** *To ensure that agri-food imports are specifically included in any future trade deal negotiations.*

### **Workers – powers to create a new negotiating body between agriculture workers and farm or land-based employers**

Sustain was disappointed to see no mention of agricultural worker pay, conditions, rights (or availability). This leaves 140,000 farm workers in England out in the cold, with some subject to on-going unfair wages and treatment, whilst never enjoying the employment benefits that many of us take for granted such as wage progression, decent housing, sick pay or parental leave. Having a standard mechanism also helps farmers or land managers avoid the expense and difficulties of negotiating with agricultural workers individually or benchmarking wages and conditions across the sector. The UK Agriculture Bill is an opportunity to frame new mechanisms to ensure [better wages and conditions for agriculture workers](#). Agriculture could and should be a great career choice, otherwise [why would anyone want to pick our crops?](#)

On boosting agricultural labour availability, the recently announced scheme to allow 2,500 seasonal workers is wholly inadequate. We propose:

*To move the following Clause—*

*“Report on impact of Act upon agricultural workers*

- 1. The Secretary of State shall, within 18 months of Royal Assent being given to this Act, lay before Parliament a report containing an assessment of the impact of the provisions of this Act on agricultural workers in England.*
- 2. The report under subsection (1) shall, amongst other things, include assessments of the impact of the Act upon each of the factors listed in subsection (3).*
- 3. The factors are agricultural workers’—*
  - a. living standards*
  - b. pay*
  - c. conditions of employment, and*
  - d. accommodation.*
- 4. The report under subsection (1) shall include an analysis of the impact on each factor under subsection (3)—*
  - a. in each region of England and*
  - b. in each agricultural sector, within the meaning given in Part 2 of Schedule 1.*
- 5. The Secretary of State shall, no later than three months after the report under subsection (1) has been laid, open a public consultation on—*
  - a. the report laid under subsection (1) and*
  - b. the merits of establishing a sector negotiating body to be responsible for setting on an annual basis minimum—*

- (i) *living standards*
- (ii) *pay*
- (iii) *conditions of employment, and*
- (iv) *standards and terms of accommodation*

*for agricultural workers.*

6. *“Agricultural worker” shall, for the purposes of this section, be taken to mean any person engaged in—*

- a. agriculture, as defined in section 109 of the Agriculture Act 1947, or*
- b. forestry.”*

Explanatory text Agriculture workers and on-farm or near-farm packing and processing workers within the farm business need to be covered, amongst others. The powers should allow for providing a pay structure for farmers to pay and protect existing workers in England, as well as enhancing the status of farm work to attract recruits into the industry. In parallel with other sectors this would provide a sector bargaining body and not an advisory or consultative body.

In addition and to uphold statutory rights, we would also like to see some reference to ensuring enforcement agencies that protect all workers from abuse will be adequately resourced, with sufficient capacity to enforce employment laws, including the Modern Slavery Act.

### **New entrants**

Sustain is also concerned to ensure the UK Agriculture Bill enables new entrants to farming to be encouraged through new initiatives, and that when they come in they can survive and thrive. The Defra Bill policy statement (but not the Bill) suggests a role for ‘Council Farms’. These are farms owned by councils and could offer real opportunities of land available for new farmers to start a foundation business, based on good standards, and gain the experience they need to progress onto a larger unit. There should be new provision in the UK Agriculture Bill to stop these farms being sold off and we can provide more detail on this. A suggested amendment is below.

This and other measures, such as capital grants, training and planning rules, and measures to ensure available and affordable land will be crucial to encouraging new entrants and enterprise.

*(1) Every smallholdings authority who immediately before the commencement of this Part of this Act hold any land for the purposes of smallholdings shall review the authority’s smallholdings estate shall, before the end of the period of eighteen months beginning with the commencement of this Part of this Act submit to the Minister proposals with respect to the future management of that estate for the purposes of providing —*

- (a) opportunities for persons to be farmers on their own account;*
- (b) education or experience in environmental land management practices;*

- (c) opportunities for increasing public access to the natural environment and understanding of sustainable farming; and*
- (d) opportunities for innovation in sustainable land management practices.*
- (2) No land held by a smallholdings authority as a smallholding immediately before commencement of this Part of this Act is to be conveyed, transferred, leased or otherwise disposed of otherwise than—*
- (a) in connection with the purposes listed in subsection (1); and*
- (b) in accordance with proposals submitted under subsection (1).*
- (3) For the purposes of this section, “smallholdings authority” has the same meaning as in Section 38 of the Agriculture Act 1970.*

### **Training and advice**

The draft UK Agriculture Bill contains no specific duty to provide the additional and independent advice, training and guidance needed for farmers to deliver a new era of resilient farming which delivers public goods and plays a significant role in reducing the greenhouse gas emissions that cause dangerous climate change, in pursuance of obligations set out in the Climate Change Act.

A new clause needs to be inserted that confers duties on the Secretary of State to provide such support in a manner which is affordable, universally available, independent from industry influence on setting principles and outcomes and which helps deliver on the purposes in Part 1.

### **Purpose of repatriated EU funds**

We understand that the current plan is for most EU funding streams (such as the European Regional Development Fund, European Social Fund and European Maritime and Fisheries Fund) to be repatriated and pooled into a UK Shared Prosperity Fund, possibly managed by the Ministry for Communities and Local Government. So far, we have seen no indication of the purpose, remit and governance of this fund, it having been earmarked for ‘productivity’ according to some reports. The Agriculture Bill mentions several such funds. Hence, we propose an amendment:

**To include a requirement for funds previously derived from the UK’s membership of the EU (such as ERDF, ESF, EMFF, etc.) to be governed and disbursed according to principles of sustainable development, and to support diverse communities, farm business types and the transition to a low-carbon and circular economy that reduces inequalities.**

### **Measurement of household food security**

We propose an additional amendment (supported by the team working on the Food Insecurity Bill currently before Parliament) on measuring household food security. **This is now New Clause NC1.** The aim is to require the Government to monitor and report on household food security in the United Kingdom, with the purpose of assessing need and informing development of food, supply chain and farming policy.

*November 2018*