

## Written evidence submitted by Sustain: the alliance for better food and farming (TB26)

### House of Commons Public Bill Committee on the Trade Bill (2017-2019)

In this written submission, we focus specifically on the implications for food standards of the UK's trade discussions and trade deals, especially in relation to the claimed benefits for, or negative impacts on, people living on a low income or otherwise disadvantaged; who may suffer the effects of inadequate access to nutritious food, manifested as food poverty, malnutrition, diet-related ill health or hunger.

There has already been considerable debate about how the UK to move to 0% tariffs for food after we exit the European Union, how this will lower prices for consumers and that this will help those on low incomes. Sustain believes that to date this debate has failed to take account of the full range of factors that impact on food prices or the full potential cost to UK food and farming, our health system or those who will end up eating cheap food imports.

Sustain is the UK alliance for better food and farming and a registered charity, number 1018643. We represent around 100 not-for-profit national organisations and many more at local level, working together to achieve a healthy, fair, humane and sustainable system for food, farming and fishing. Sustain is also a national partner supporting the Sustainable Food Cities network, working with food partnerships and local authorities in nearly 50 cities to improve local food policy and practice.

The Sustain alliance advocates food and agriculture policies and practices that enhance the health and welfare of people and animals, improve the working and living environment, enrich society and culture and promote equity. The alliance is independent from the agri-food industry and is funded from grants (from charitable foundations and government, local authorities or related sources), membership subscriptions and sales of publications. No funding is accepted from any source that would compromise, or appear to compromise, the alliance's principles.

Since the Referendum in June 2016, Sustain has been active in convening alliance members and others to discuss the implications of the UK's decision to leave the European Union, and to work together to achieve the best possible outcome for the country's food, farming and fishing. We have convened and informed over 100 organisations as part of the Sustain Brexit Forum, and (working with Forum for the Future, Food Ethics Council and the Soil Association) to run a Brexit Business Forum. Sustain is a founding member of the Repeal Bill Alliance (coordinated by Unlock Democracy), is a participant in the Greener UK alliance working on environment policy in relation to Brexit, and has contributed to the development of the Food, Farming and Countryside Commission (now coordinated by the RSA, to be launched in November 2017).

Sustain's aim through all Brexit-related policy and advocacy activities is to achieve a Better Food Britain – a protected and renewed culture of high standards, supported by a robust legal framework, as the foundations for building our vision of a healthy, fair, humane and sustainable system for food, farming and fishing. Our members and associates in this work are specialists, in, and vocal advocates for:

- **Better food standards** - safety, quality, nutrition, additives, labelling, health claims, novel food regulation and consumer protection.
- **Environmental protection**, including effective action on climate change; and good governance of the protection of natural resources, wildlife and biodiversity – on land and at sea; clean air and water; sustainable management of soil; pollinators; pesticide and chemical controls; waste

reduction; genetically modified crops; farm antibiotic use; and organic food and farming standards.

- **Workers' rights and protections**, including working standards, health and safety, equality, training, decent pay, and protections against trafficking and modern day slavery.
- **Labour availability and skills for the food industry** – the UK's biggest employer.
- **Sustainable international development**, and development-friendly trade policy.
- **Animal welfare**, and animal and plant health.
- **Effective action to eradicate hunger and food poverty**, and to reduce inequalities.
- **Healthy and sustainable food for public sector institutions** – schools, hospitals, Ministry of Defence, prisons and other public-sector institutions.
- **Robust monitoring, surveillance, data and compliance mechanisms** relating to food, farming and fishing, and accountable public institutions to uphold the standards.
- **Public access to information**, public participation in decision-making and access to justice.
- **Principled, science-based and democratically accountable policies and processes.**

Sustain is an alliance, and works with our members, sector specialists and other associates to develop policy and advocacy work to achieve common goals. We are active with a wide range of organisations on initiatives to address food poverty and the health and inequalities problems that this causes. Due to time and capacity constraints, we have not been able to consult fully on this submission, but have taken soundings with expert members to ensure that it represents common ground and concerns. We have focused on themes that we feel are under-represented in public debate and parliamentary scrutiny. This submission does not represent the detailed views of all of Sustain's member organisations, some of whom may give evidence or put in their own submissions.

## **'Cheap food' doesn't always mean good food**

**Sustain: The alliance for better food and farming, January 2018**

### **Top key points**

- We want affordable food, not 'cheap' food, which may be poor quality or unsafe to eat. Cheap, poor quality, imported food will come at a cost – to the farmer or food producer, to animal welfare, to the environment or jobs in UK food and farming. There may be hidden costs to our NHS and economy from food poisoning and lost days at work.
- Research shows foodbank use is rising in the UK and that the primary reason is low or uncertain income and delays or changes to benefits payments. These problems will not be solved simply by cheap food. We need to improve household incomes, control housing costs, link wages and benefits to the cost of living and fix the welfare safety net.
- British people should refuse to trade away food standards. Our UK farming industry has worked hard to reduce unnecessary antibiotic use and clean up meat production. We don't want their farms and jobs put at risk by competition with cheap, poor quality imports.
- We want trade that doesn't short-change farmers in the UK, or in poor countries, and which supports sustainable development and global commitments on issues like climate change. It is important to maintain good food and farming standards to help achieve these aims.

## Background/context

Following the Brexit vote, there have been warnings of potential food price increases from a number of sources, including the [chairman of Sainsbury's](#), the [British Retail Consortium](#), [KPMG](#), and think tanks like the [Food Foundation](#) and [The Resolution Foundation](#).

There have also been warnings from [food industry leaders](#) about the potential for produce rotting at UK borders and [empty shelves in supermarkets](#), as the UK races to build new food supply chains post Brexit. Add to this that [an estimated 8.4 million people in the UK already struggle to afford to eat](#), [food bank use is on the rise](#) and that the health inequalities between rich and poor in this country [are ever widening](#) and you can see why [food experts are concerned](#) about how best to feed ourselves after we leave the European Union.

### **Can't we just set 0% tariffs on food after Brexit, import cheap food and help those on low incomes eat whatever comes?**

Fans of the free market, ranging from the [Adam Smith Institute](#), [Daniel Hannan](#), Jacob Rees Mogg and the infamous Wetherspoon [beer mat](#) argue that the EU imposes high tariffs (a type of border tax) on food from other countries, driving up prices for UK consumers. Consequently, they say that low/no tariff trade deals with countries outside the EU [will lower food prices](#), and automatically help people on low incomes.

But, as the Government [says](#), the most important drivers of change in the cost of food are not tariffs, but commodity prices, exchange rates and oil prices. Any potential savings [could be cancelled out](#) by a weak pound, currency movements and commodity fluctuations, and increases in the cost of food from European countries, from where we buy almost a third of our food.

EU negotiators have warned that if the UK leaves the EU customs union and single market – which are agreements to trade without border taxes - will create 'friction' at borders, such as delays and compliance checks. And the Institute for Government, amongst others, has warned that this [will add costs](#), even with tariffs reduced to 0%. So cheap food after Brexit sounds appealing, but it's based on assumptions that are not necessarily true.

Those calling for 0% tariffs (no border taxes) want this to happen as soon as the UK leaves the EU. But we will need to negotiate trade deals with individual countries and that will take time.

Anyway, can we be sure that any potential cost savings will be passed on to the consumer? Wetherspoon Chairman Tim Martin [admitted to the Environment and Rural Affairs Committee](#) at the end of 2017, that any savings to food importers might result in higher profits for pubs, restaurants and shops, rather than cheaper prices for consumers.

### **Cheap, poor quality food comes at a cost – with a negative impact on those on low incomes**

If we deliberately allow in a flood of cheap, poor quality food, this is likely to bring more costs to the NHS. The cheapest food tends to be long shelf-life snacks and processed foods with higher levels of fat, salt, sugar and additives, and lower levels of fresh and healthy ingredients. As one example, the implementation of the North American Free Trade Agreement (NAFTA) [flooded the Mexican market with](#) “cheap corn, meat, high-fructose corn syrup and processed foods from the United States”. This has led to increased levels of obesity and diet-related disease.

Very cheap meat may also come with a nasty dose of food-poisoning bugs, for which consumers and the NHS would have to pick up the bill through increased cases of food poisoning. Poor diet is now the [major contributor](#) to disease in England and piling on more cheap, poor quality food could exacerbate this situation. Michael Gove, a leading supporter of Brexit, confirmed at the Oxford Real Farming Conference in January 2018 that cheap, poor quality food can have significant hidden costs for health and our environment. We need trade deals that uphold high standards of food quality and safety.

When talking about our fundamental right to food, Olivier De Schutter, former UN Special Rapporteur for the Right to Food, [said](#) “any society where a healthy diet is more expensive than an unhealthy diet is a society that must mend its price system.”

### **What could be the cost of cheap, poor quality no- or low-tariff food imports?**

**Loss to the UK’s domestic economy and industry**, which could result in:

- An end to buying British. British [industry](#) is predicting job losses in UK agriculture and food processing if British companies are forced to compete purely on price with low quality and low animal welfare imports. British confectioners [also fear sharp prices](#) rises and risks the 4000 strong workforce if the UK chooses a hard exit from the EU.
- Loss of competitiveness for British farmers on the international stage if they lower standards in order to compete purely on price.
- With [3.9m](#) million people in UK employed in food and farming – from farmers to caterers, manufacturers, supermarkets workers, this is the single largest sector of employment in the UK. Job losses and low pay in this sector are already driving more into poverty – hundreds of thousands of low-income British food workers cannot afford for this situation to get worse.

**Lower food standards and animal welfare**, which could result in:

- The UK being forced to accept lower quality, lower animal welfare imports: the US Commerce Secretary has already [warned us](#) that the UK must accept US product standards if we want a trade deal.
- Being forced to compete with cheap imports could increase pressure on British producers to cut corners with animal welfare, worker safety and food hygiene – (downward price pressures were said to have contributed to cutting corners in chicken production at the [2 Sisters chicken plant](#)).
- Flooding the domestic market with cheap imports could also result in UK farmers exporting their high quality produce while British consumers eat lower quality goods.
- Cheap, poor quality meat that has been injected with hormones/irradiated/dipped in chlorine (production processes banned or severely restricted in the EU) making its way into mass catering for our schools, hospitals, take-aways and restaurants where there

are no requirements to label the origin of the meat, so we won't know what we are eating.

- British consumers inadvertently supporting unacceptably [poor animal welfare standards](#) and overuse of [antibiotics](#), contributing to the rise in superbugs, if we strike a trade deal with the US.
- Less transparency in labelling (country of origin, ingredients, production methods) could make it harder for us to make informed decisions about the food we eat.

**Poor diets, poor health and lower productivity**, which could result in:

- The UK importing American levels of obesity and diabetes alongside cheap, highly processed food imports, with severe implications for the NHS. [Obesity levels In Mexico rocketed](#) in the years after NAFTA was signed and their domestic market was flooded with low nutrient/highly processed food from the United States.
- But according to [the School of Public Health in Harvard](#), the phenomenon is not limited to Mexico. Research shows free trade is among the key factors that have accelerated the spread of low-nutrient, highly processed foods from the West, “driving the obesity epidemic in China, India, and other developing countries worldwide”.
- An increase in poor health if we start importing cheaper but unhealthy food. These would most likely be promoted to people living on a low income, who already have poor diets and little opportunity to eat well. The Faculty of Public Health [states](#) that “In the UK, the poorer people are, the worse their diet, and the more diet-related diseases they suffer from”.
- An increase in costs for the economy. According to the Food Standards Agency foodborne diseases already cost the UK economy £1.5bn per year, with campylobacter costing the economy [£900m per year](#). We can expect to spend more if our food poisoning rates rise in line with the US. The largest US food exports are meat and poultry, which have lower welfare and production standards and may increase our risk of food poisoning. Cheap food comes at a high cost.
- The 2015 the Fabian Commission found that low pay is prevalent throughout the food sector. Researchers calculated that 48% of the workforce in the food industry were classed as low pay, twice as much as for the economy as a whole; some 1.7 million people in the UK food sector are not making a living wage. Further pressure on the UK food industry and rising food prices could worsen their situation.

**Political impact**, which could result in:

- A hard border between Northern Ireland and the Republic of Ireland, as Southern Ireland will need to stop these low-quality products making their way into their markets via the UK.
- The [impact](#) of flooding the UK market with cheap, poor quality food falling disproportionately on rural areas where the domestic agricultural and food industry jobs are – [areas that are already suffering from deprivation and under-investment](#).

*January 2018*

**Appendix: What is Sustain arguing for?**

**Appendix: What is Sustain arguing for?**

In response to the Wetherspoon beer mat, circulated to 0.5 million people in pubs; Sustain's CEO Kath Dalmeny [brought 10 of her own home-made beermats along](#) when she appeared before the Environment and Rural Affairs Committee, to hand out to committee members. She argued strongly against the idea of trade deals being allowed to flood the market with cheap, poor quality food. She argued instead for:

### **1. Affordable and good, healthy, not cheap, food**

The Trussell Trust is the largest provider of charitable food banks in the UK and their research has found that people using food banks are not doing so simply because food is too expensive. Households using food banks face extreme financial vulnerability and the research found users have an income well below the threshold for low income. More than a third of households experienced 'an income shock' in the past three months and over two thirds reported unexpected and rising expenses during the same period. Almost half of households reported their incomes were unsteady from week to week or month to month. Half of households included someone with a disability.

According to the [latest statistics release from the ONS](#), lower income households spend a higher proportion of their money on food and energy. If food, especially fruit and veg, is more affordable, then that must be good for people on low incomes. However, we simply cannot tell if 0% tariffs *will* lead to affordable, *healthy* food for everyone and given everything we have outlined above, we think it likely they won't.

The [Harvard School of Public Health](#) found that free trade is contributing to shifts towards Western diets and increased levels of obesity across the globe. Researchers also found that in high income countries like the UK it is the poor who lose out with increased levels of obesity. It is worth noting that calorie for calorie, processed foods that are high in fat and sugar are [2.5 times cheaper than veg](#).

### **2. Improved household incomes, reduced food insecurity, and better promotion of access to good, healthy food**

Eight million people in the UK struggle to put food on the table, a shocking state of affairs in the 21<sup>st</sup> century. When people are hungry, their studies, their work and their mental health may suffer. Cheap food in a crisis is preferable to no food at all – but we should be aiming to help everyone to eat well, not normalising a culture of poor quality food and [charitable handouts](#).

After years of working with others to solve food poverty, the Sustain alliance firmly believes that we must focus on helping everyone to eat well, through support for a range of financial, community, school and local authority initiatives, as well as national schemes to help older people and young families be able to afford good food.

A misguided focus on driving down the price of food as low as possible results in poor quality food and poor health. It also means that someone else along the food system, in the UK or abroad, isn't getting paid a fair wage, animals are being treated badly, or that the food production is causing environmental damage elsewhere.

### 3. A food system that is high quality, fair and transparent

UK farmers have made great strides over recent years to improve animal welfare, and to [reduce antibiotic use](#) and salmonella food poisoning. More work still needs to be done, but the last thing responsible producers need is for a new trade deal simply to pull the rug out from under their market by allowing cheap, poor quality imports to take over. Many argue that we'll be able to continue to support UK farmers by choosing to buy their products. The reality is that much of the food we eat – in schools, hospitals, take-aways and sandwich shops – has little requirement for labelling, so we won't know what we're eating.

Internationally, we also need to ensure any trade policy is also development-friendly, supporting sustainable farming and food in poor countries and ensuring we support global commitments on the environment, climate change, human rights and UN Sustainable Development Goals.

#### The Sustain Beer Mat Manifesto



ENDS