

Sue Hayman speech to the Northern Farming Conference

Sue

Hayman MP, Labour's Shadow Secretary of State for Environment, Food and Rural Affairs, speaking to the Northern Farming Conference, said:

Thank you for inviting me to speak to you today.

I've been Shadow Secretary for Environment, Food and Rural Affairs since February this year, since when I've been building relationships with farming and food organisations across the country.

For those of you who don't know me I'm the MP for Workington, a very large rural constituency with a lot of hill and livestock farming and many small food producers.

My number two in our team – the Shadow Minister for Farming – is David Drew, the very experienced MP for Stroud in Gloucestershire, also a large rural constituency but with different issues to my own.

So I believe that Labour has a strong team with a good working knowledge of rural issues and I know some of you believe that has not always been the case.

So I've become Shadow Secretary of State at this most critical time for our country's farming and food industries.

We really are at a crossroad, with so much hanging in the balance during the EU negotiations.

Everyone here will know that one of the most important industries that must be protected in these negotiations is our farming industry. In a survey commissioned by the NFU, 85% of people said they believe that it is important that Britain has a productive and resilient farming industry.

That figure shows how important farming is to Britain. It is a key component of the economy, providing 475,000 jobs and driving growth in rural communities up and down the country. Not only is the industry a major part of our economy, it also provides 61% of Britain's food and farmers act

as custodians for our environment, managing more than 70% of the UK landscape.

The Brexit negotiating team must step up to the plate and get the best deal for Britain. We have to have a plan that protects the rights of private citizens and also enables businesses to flourish and our industries to remain successful across the continent.

And food and farming must be a part of our trade talks from day one.

Brexit brings an opportunity to fundamentally review the objectives and design of the UK's long-term agricultural policy, shaping the future of British farming and food production for generations to come. And it has led to new, fresh thinking about the future of food and farming.

But as well as opportunity Brexit brings challenges and risks.

It is impossible to emphasise just how much is at stake for farming during and after the Brexit negotiations.

Agriculture has been more exposed to EU law-making over the past four decades than any other sector of the economy. 80% of all UK food legislation has been negotiated at EU level and many British farmers are heavily dependent on EU farm subsidies for survival.

- 40% of the entire EU's budget is related to agriculture and rural development
- About 80% of our agricultural exports currently go to the European Union
- 94% of farming imports and 97% of exports are with countries with which the EU has negotiated a free trade agreement

So we need to negotiate trade agreements that work for British farming, while recognising and protecting the high standards of food safety and animal welfare that consumers expect – frictionless, tariff-free trade and new markets that exploit this proud record of production standards.

Future trade deals should not undercut British farming in a race-to-the-bottom

Brexit

on food standards and animal welfare. We must not allow the UK to become swamped by imports of food produced to lower environmental, social and animal welfare standards than those of UK producers.

Food and farming should be a clear strategic priority for the Government, one of the cornerstones of a broad industrial strategy. There remains a clear need for a food and farming plan to grow more, buy more and sell more British food.

We have an opportunity to export even more, putting farming at the heart of our future as a great trading nation.

But the government's vision for the UK as a leading free-trade nation with low tariff barriers to the outside world does not sit easily with its declared commitment to high quality and welfare standards in British farming. Combining and delivering these two objectives will be a considerable challenge.

But what is at stake here if the UK gets this wrong is far more than the interests of one industry. It's our nation's food security, nutrition, environment and public health.

I was so pleased to lead Labour's celebration of Back British Farming Day earlier this year – celebrating and recognising the value and contribution of farming to the UK.

British farming provides jobs, driving rural growth both in food production and in diversified industries such as renewable energy and tourism.

And this really cannot be emphasised enough – that farming provides the bedrock for the UK's largest and most thriving manufacturing industry – the £108bn food and drink manufacturing sector.

I would like to assure you all here today that my team and I are working hard to emphasise the importance of British food and farming and drive it up the Brexit agenda, to provide the prominence, attention and thinking time that it deserves.

Farming is an integral part of Labour's vision of a fairer society, one that tackles the increasing social ills of food poverty, poor diets, environmental degradation and inequality.

The

creation of our new British agricultural policy must be ambitious. It should aim to establish a new deal with society – a consensus on what the modern-day farming industry can deliver for the economy, for rural communities, for consumers and for the environment.

Just

as the Government must ensure the nation has a secure energy supply, it must ensure there is a safe, affordable supply of food in the long term. Change cannot be left to market forces alone, as farming is critical to our nation's food security and stewardship of the natural environment. It requires Government leadership and support.

And

I believe that government needs to do more to help and encourage consumers to buy British food. The UK produces some of the best food in the world, with the highest standards of safety and animal welfare and we should celebrate that but currently only 61% of the food eaten in Britain is produced here.

But

if we are going to encourage consumers to buy British better food labelling is vitally important. For our farmers to be able to compete fairly within any new trade deals product labelling must be clear and unambiguous so that people know exactly what they are buying – including the country of origin and method of production. And we can build trust by continuing to promote accreditation schemes such as Red Tractor, which will become increasingly important.

We

should also do more to promote the wide range of regional and speciality food producers – both at home and abroad. In my home county of Cumbria we run the very successful 'Taste of Cumbria' food festivals and value is added to, for example, Lakeland Herdwick lamb by demonstrating its quality and authenticity in the labelling. We should look to develop this once we are out of the EU in order to promote our excellent products right across the globe.

Labour

is committed to increasing the powers and remit of the Groceries Code Adjudicator, to reinstating a form of the Seasonal Agricultural Workers Scheme and to consider how future farming payments could be reconfigured around environmental and public good.

As a member of the All Party Parliamentary Group on Rural Business I met with other members to press the Minister that the review of the GCA should increase her powers and remit. We held sessions in parliament where farmers and producers could give evidence anonymously so as to not prejudice their businesses in any way.

The shared message that came from witnesses was that an extended GCA is necessary to:

- Support transparent trading relationships along the supply chain that give farmers predictability of income and the ability to make informed decisions about their businesses
- Prevent farmers bearing disproportionate risk, which can send a competent business bankrupt
- Support sustainable supply chains that produce high quality for the consumer

So the GCA needs to have the power to ensure that farmers are paid a fair price and tackle unfair trading, while at the same time ensuring that food is affordable. In many areas we seem to have lost the relationship between the price paid to the farmer and the price set by the retailer and this situation is not helped by the volatility of the market in, for example, the dairy industry. I'm sure that consumers would not expect fresh produce to be sold at below the cost of production.

The issue of farm labour is critical and immediate. UK farmers and food processors and producers need to have access to the labour market in Europe. And labour that is properly qualified to do the job.

Findings from a recent NFU labour survey showed the number of seasonal workers coming to work on UK farms has dropped 17%, with more than 1,500 unfilled vacancies in one month alone.

Without access to this labour resource, both the agricultural sector and food manufacturers will face severe difficulties.

A lack of labour will lead to a number of consequences for UK agriculture, including produce left to waste, the movement of investment and operations out of the UK, and the likelihood of price inflation for consumers.

And we also need to invest in skills, training and the exchange of knowledge.

The CLA has argued for a focus on building a high-tech, efficient and resilient industry with opportunities for all, developing a future pipeline of talent. Young people are leaving the countryside; with the average age of a British farmer now at 59.

We need to examine freeing up the market to develop new lower-cost ways for a people from a wider range of ages and backgrounds to enter food growing and farming.

This is essential if we are to enable a new generation to enter farming affordably and create the pipeline of talent needed for a sustainable future for the sector.

I was delighted to attend the awards ceremony for agriculture and land management earlier this year at Newton Rigg College near Penrith and was really impressed with the students' achievements.

We need to look at what skills and training the different sectors need for the future and how we encourage on-going development amongst those already working in the industry and selling agriculture as an exciting and fulfilling career to the younger generation.

I'll now look at some of the challenges we face when considering what could replace the Common Agricultural Policy.

We know that in many cases the profitability of farms is too dependent on direct payments from the CAP. But, because of the huge diversity in farming and the volatility in many areas, we will need to consider how to support farms in becoming more resilient while at the same time mitigating against this volatility.

We are still developing our thinking and policy on what should replace the CAP, but we believe that a future payments system must broadly seek to do the following:

- We need to look at how we target support to farmers who provide the most amount of public good but may struggle to compete in the market through no fault of their own – e.g. a Lakeland hill farmer
- Add transparency – any future system must be transparent as well as relevant, easily accessible and cost-effective.
- Reward environmentally sustainable practice and environmental stewardship – for example management of habitat, of natural resources, of the cultural and

historical landscape for the benefit of all of us. We can promote tourism as part of this.

- Support

flood mitigation through land management – extreme rainfall has become significantly more serious over the last 20 years and we need to look at developing programmes which support farmers in slowing the flow of water through catchments, and for storing water in times of flood.

- Encourage

technological innovation. This is an area I've been discussing with the NFU looking at how investment could meet the broad aims of improving resource efficiency, improve animal health and welfare, manage disease and add value. It could also be used to encourage investment in machinery and software but at the same time there has to be a commitment to fully connect every business to a fast broadband network.

- Support

rural communities – farming is central to the economy and sustainability of our rural communities and the contribution that farming makes should be recognised.

We are still working on this in close collaboration with farmers, environmental stakeholders and local communities to develop our ideas so that any new system that we propose will enable profitable and sustainable farming businesses that support a dynamic rural economy.

I was interested to read the CLA's report that was launched earlier this week on how to improve the profitability of farming and forestry. It brings the kind of vision, determination and positive thinking that we need to see right across the sector.

The report is absolutely right in saying that productivity gains should not be at the expense of the environment. Farming practices that produce more in the short term but over time destroys its own assets – the land and soil – is not economic progress and leaves the industry less resilient to cope with challenges such as climate change and extreme weather.

Over the coming months the Labour shadow Defra team will be working closely with stakeholders in farming and

agriculture to make sure we get our response to the government's Agriculture Bill right.

Farmers have been telling me that they need more certainty about the future and we will be doing all we can to help secure as much certainty and direction for the sector as possible to allow your forward planning.

And I hope that we can strengthen our relationship so that over the coming months we can work together.

With your expertise, your experience and your energy an ambitious and progressive vision for farming and food can be developed and taken to government.

Thank you.