



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Pwyllgor Deddfwriaeth Rhif 3
Legislation Committee No. 3**

**Dydd Iau, 12 Tachwedd 2009
Thursday, 12 November 2009**

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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg. Darperir cyfieithiad i'r Gymraeg o rannau penodol o'r cyfarfod

These proceedings are reported in the language in which they were spoken in the committee. In addition, an English translation of Welsh speeches is included. A translation into Welsh is provided of specific parts of the meeting.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Peter Black	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
William Graham	Ceidwadwyr Cymreig Welsh Conservatives
Janice Gregory	Llafur Labour
David Lloyd	Plaid Cymru (Cadeirydd y Pwyllgor) The Party of Wales (Committee Chair)

Eraill yn bresennol
Others in attendance

Elin Jones	Aelod Cynulliad, Plaid Cymru (y Gweinidog dros Faterion Gwledig) Assembly Member, Plaid Cymru (the Minister for Rural Affairs)
Dorian Brunt	Llywodraeth Cynulliad Cymru Welsh Assembly Government
Neil Howard	Llywodraeth Cynulliad Cymru Welsh Assembly Government
Dylan Morgan	Dirprwy Gyfarwyddwr a Phennaeth Polisi, NFU Cymru Deputy Director and Head of Policy, NFU Cymru
Ed Rees	Cadeirydd Bwrdd Da Byw, NFU Cymru Chair of NFU Cymru's Livestock Board
Stephen Williams	Y Gymdeithas Arwerthwyr Da Byw Livestock Auctioneers' Association

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Fay Bowen	Clerc Clerk
Gwyn Griffiths	Cynghorydd Cyfreithiol Legal Adviser
Ruth Hatton	Dirprwy Glerc Deputy Clerk
Carys Jones	Gwasanaeth Ymchwil yr Aelodau Members' Research Service

Dechreuodd y cyfarfod am 1.29 p.m.
The meeting began at 1.29 p.m.

Cyflwyniad ac Ymddiheuriadau
Introduction and Apologies

[1] **David Lloyd:** Croesawaf bawb i **David Lloyd:** I welcome everyone to the gyfarfod diweddaraf Pwyllgor Deddfwriaeth Rhif 3. Yr ydym yn trin y Mesur Arfaethedig ynghylch y Diwydiant Cig Coch (Cymru). Dyma'r ail sesiwn dystiolaeth, a dyma ran latest meeting of Legislation Committee No. 3. We are discussing the Proposed Red Meat Industry (Wales) Measure. This is our second evidence-gathering session, and this is the

gyntaf ein cyfarfod y prynhawn yma.

first part of our meeting this afternoon.

[2] Yr ydym wedi cael ymddiheuriadau gan Helen Mary Jones a Christine Chapman.

We have received apologies from Helen Mary Jones and Christine Chapman.

[3] Nid ydym yn disgwyl prawf o'r larwm tân y prynhawn yma, ond os yw'n canu, dylai bawb adael yr ystafell drwy'r allanfeydd tân penodol, gan ddilyn cyfarwyddiadau'r tywyswyr. Dylai pawb ddiffodd eu ffonau symudol, eu galwyr a'u mwyar duon gan eu bod yn amharu ar yr offer darlledu byd-eang. Mae Cynulliad Cenedlaethol Cymru yn gweithredu'n ddwyieithog. Mae clustffonau ar gael i glywed y cyfieithiad ar y pryd o'r Gymraeg i'r Saesneg, a gellir addasu lefel y sain arnynt os ydych yn drwm eich clyw. Peidiwch â chyffwrdd â'r botymau ar y meicroffonau oherwydd gall hynny amharu ar y system ddarlledu, a sicrhewch fod y golau coch yn disgleirio cyn dechrau siarad. Mae'r cyfieithiad ar y pryd ar sianel 1, a gellir clywed darllediad gair am air ar sianel 0.

We are not expecting a test of the fire alarm system this afternoon, but if the alarm sounds, please leave the room through the appropriate fire exits, following the instructions of the ushers. Everyone should switch off their mobile phones, pagers and BlackBerrys because they interfere with the global broadcasting system. The National Assembly for Wales operates bilingually. Headsets are available to hear the simultaneous translation from Welsh into English, and the volume can be adjusted if you are hard of hearing. Please do not touch the buttons on the microphone as that can interfere with the broadcasting system, and please ensure that the red light is on before starting to speak. The simultaneous translation is on channel 1, and the verbatim feed can be heard on channel 0.

1.31 p.m.

Y Mesur Arfaethedig ynghylch y Diwydiant Cig Coch (Cymru)—Cyfnod 1: Sesiwn Dystiolaeth 2

The Proposed Red Meat Industry (Wales) Measure—Stage 1: Evidence Session 2

[4] **David Lloyd:** Diben y cyfarfod heddiw yw gwranddo ar dystiolaeth lafar mewn cysylltiad â'r Mesur Arfaethedig ynghylch y Diwydiant Cig Coch (Cymru). Mae'r tystion sydd ger ein bron heddiw yn dod o Undeb Cenedlaethol Amaethwyr Cymru a'r Cymdeithas Arwerthwyr Da Byw. Yn ail rhan y cyfarfod, byddwn yn cymryd tystiolaeth gan Elin Jones, y Gweinidog dros Faterion Gwledig, drwy gynhadledd fideo gan ei bod yn y gogledd ar hyn o bryd.

David Lloyd: The purpose of today's meeting is to hear further oral evidence in relation to the Proposed Red Meat Industry (Wales) Measure. The witnesses before us today are from the National Farmers' Union Cymru and the Livestock Auctioneers' Association. In the second part of the meeting we will be taking evidence from Elin Jones, the Minister for Rural Affairs, by way of a video-conference, as she is currently in north Wales.

[5] Croesawaf Dylan Morgan, dirprwy gyfarwyddwr a phennaeth polisi Undeb Cenedlaethol Amaethwyr Cymru, Ed Rees, cadeirydd bwrdd da byw yr undeb, a Mr Stephen Williams o'r Gymdeithas Arwerthwyr Da Byw. Mae gennym restr hir o gwestiynau sy'n ymwneud â phob agwedd posibl ar y Mesur arfaethedig. Gan fod cynifer ohonynt, gofynnaf i'm cyd-Aelodau fod yn gryno, gan obeithio y bydd yr atebion hefyd yn gryno. Mae pa bwynt bynnag sydd

I welcome Dylan Morgan, the deputy director and head of policy at the National Farmers' Union Cymru, Ed Rees, the chair of its livestock board, and Mr Stephen Williams, from the Livestock Auctioneers' Association. We have a long list of questions, which cover all possible aspects of the proposed Measure. As there are so many questions, I ask my fellow Members to be brief in their questioning, in the hope that the answers will also be brief. Any point that you have to

gennyh yn siŵr o gael ei gynnwys, o ystyried ehangder y cwestiynau. make is bound to be addressed, given the wide scope of the questions.

[6] Gofynnaf y cwestiwn cyntaf. Gallwch ddewis pwy sydd i ateb, ac nid oes rhaid i'r tri ohonoch ateb pob cwestiwn os byddwch yn cytuno. Mae'r cwestiwn hwn yn weddol gyffredinol. Pam mae'n angenrheidiol cael fframwaith deddfwriaethol i hybu a marchnata'r sector cig coch yng Nghymru? I will ask the first question. You may choose who will respond, and all three of you do not have to answer each question if you are in agreement. It is a relatively wide-ranging question. Why is it necessary to have a legislative framework for the promotion and marketing of the Welsh red meat sector?

[7] **Mr Rees:** The most important thing to say is that we welcome the opportunity to come to committee to speak on this issue. The reality is that Wales has its own identity and has protected geographical indication status. In France, Welsh lamb is the only commodity that is sold under a national label. It is sold to schools in Rome, as it is the only lamb that the Italian Government will accept, because it has PGI status. So, we need products to have that Welsh identity, and we need to drive PGI forward. It is massively important to the red meat industry in Wales that that be done well and successfully.

[8] **Janice Gregory:** What are the failings of the current legislative arrangements? How do you think the proposed Measure will improve on those arrangements?

[9] **Mr Rees:** The current arrangements are simply an adaptation of what was created in England as a result of the Rosemary Radcliffe review. We want to drive the industry forward, and this is one way in which to do so.

[10] **Janice Gregory:** What is your view of the statements made by previous witnesses that the proposed Measure is merely a housekeeping exercise?

[11] **Mr Morgan:** On the whole, we would agree with that. It aligns the relationship between our meat promotion body, Hybu Cig Cymru, and the Welsh Ministers by doing away with the Welsh Levy Board. We are acutely aware that, politically, the general policy of the Welsh Assembly Government is to keep or to bring functions in-house, so an Assembly Government-sponsored body does not fit well with previous political decisions made by the Welsh Assembly Government. As far as we are concerned, the proposed Measure opens up opportunities both now and in the future for developing a brand for Welsh beef and lamb, and the pig industry as well.

[12] **Mr Rees:** It is important for the committee to realise that Wales is a net exporter of red meat, especially if you take Offa's Dyke as the border. We are consuming only some 4 to 5 per cent of the lamb that we produce in Wales; the rest has to be exported. It is therefore essential that we get this industry right for the future.

[13] **David Lloyd:** Mae'r gyfres nesaf o gwestiynau o dan ofal William Graham. **David Lloyd:** The next series of questions is from William Graham.

[14] **William Graham:** In your previous evidence, you suggested that the proposed Measure was appropriate and went on to say that you would expect to be fully consulted. So, why is it necessary for the objectives of the proposed Measure to be so broadly drafted?

[15] **Mr Morgan:** It needs to be broadly drafted to ensure that it covers the wide range of issues that the industry will encounter, both now and in the future. We have to look at how we can support the industry in its development and by giving practical help to farmers on the ground. We have to look at research and development to tackle the major issues that we are talking about now, such as consumer trends in how people eat, and climate change mitigation,

which is a big issue for the future. We also have to cover aspects such as the marketing and promotion of the various products and by-products of the red meat sector while also ensuring effective communication. Consider the animal disease and public health issues of the last 10 years. We have no idea what might come our way in the next 10 years. So, we need this proposed Measure to give us the flexibility to respond quickly to such events. We are not really asking for anything more than was given to the other UK levy bodies through the Natural Environment and Rural Communities Act 2006. The main principles of this proposed Measure reflect section 87 of that Act, so I do not think that we are being unfair in asking for these powers for Wales.

[16] **David Lloyd:** Are you happy with that, Stephen?

[17] **Mr Williams:** Yes.

[18] **David Lloyd:** Excellent. That is the sort of answer that we like.

[19] **William Graham:** Section 3(1) of the proposed Measure confers powers on the Welsh Ministers to do anything that they consider appropriate to further the objectives outlined in section 2. What are your views on the breadth of those powers?

[20] **Mr Rees:** We need total flexibility and, as long as the industry is fully consulted on this, and as long as the board as it is of HCC represents the industry, we want to see this taken forward. Look at what HCC has done over the last couple of years: it has worked on bio-reducers with Bangor University, which will be massively important for the sheep industry in the future; it has done research on the electronic identification of sheep; it has been involved in smokies; it has commissioned work on the carbon footprint of the Welsh sheep industry. That work is massively important, and we have to have the flexibility to undertake that kind of work when necessary.

[21] **William Graham:** Section 3(2) of the proposed Measure states that, for the purpose of furthering the objectives outlined in section 2, the Welsh Ministers may, along with other things, exercise any of the functions listed in section 1 of the proposed Measure. Is that list of functions appropriate?

[22] **Mr Morgan:** As I said earlier, the needs of the industry are wide and varied, and Schedule 1 covers much of that. Earlier this year, in conjunction with WAG, Hybu Cig Cymru put forward a strategic action plan for the future of the red meat industry in Wales, which was a 60 or 70-page document that fleshed out many of the provisions of Schedule 1. That gives us the basis to expand and look to develop and promote the industry in Wales, and to get a strategy.

[23] **William Graham:** The explanatory memorandum that accompanies the proposed Measure explains that its intention is to remove the need for a public body to undertake the marketing, promotion and development of the red meat industry, and to make the Minister directly accountable for those activities. What are your views on that intention?

[24] **Mr Morgan:** As we mentioned earlier, we respect the views of the Welsh Assembly Government—that it does not support public sponsored bodies, which is exactly what the Welsh Levy Board was. This is a streamlining proposed Measure to bring Hybu Cig Cymru closer to Welsh Ministers.

1.40 p.m.

[25] So, we are pleased that the proposed Measure has been drafted, as it allows us to drive the industry forward with flexibility. We are content for the Minister to be directly

accountable, but we stress that decisions should be made for the development and promotion of the red meat industry only after full consultation with the industry, because, at the end of the day, we are responsible for paying the levy, which is a significant proportion of the funds. So, provided that there is full consultation, we are content.

[26] **David Lloyd:** Stephen, do you have any views on this?

[27] **Mr Williams:** I still go along with it, Chair.

[28] **William Graham:** To what extent would abolishing the Welsh Levy Board and giving direct accountability for the sector to Welsh Ministers lead to greater streamlining and/or efficiency with regard to the red meat levy and the promotion of the red meat sector in Wales?

[29] **Mr Morgan:** Frankly, NFU Cymru represents the primary producer, so to all intents and purposes, the roles and responsibilities of the Welsh Levy Board were delegated to HCC. We expect that, when the proposed Measure comes into force, responsibility for the day-to-day running of it will be passed on to HCC. So, with regard to the primary producer, I do not think that we will see any difference on the ground; we hope that we will not. However, as time goes by, and industry and Welsh Ministers learn to make use of the proposed Measure, it is to be hoped that it will give us the flexibility to do things differently in Wales in a way that is specific to the needs of the Welsh red meat sector.

[30] **William Graham:** Evidence from the farming unions emphasised a need for industry-wide consultation if any changes to existing arrangements are to be made under the powers contained in the proposed Measure. Do you believe that this requirement should be included in the proposed Measure?

[31] **Mr Rees:** To put another body in place would simply be a waste of money. We want to keep it simple. We want one body that represents the industry, collects the money and does the work. Provided that we, as the industry, have good representation on that body, we want to keep it simple and make it work.

[32] **Mr Morgan:** It goes without saying that we would expect industry-wide consultation on any issue. As a farmers' union, we would love to be able to ensure that full consultation takes place on any Measure or legislation being dealt with in this building to do with agriculture, and that you would not do anything unless we were in full agreement. Realistically, we know that that is not going to happen. [*Laughter.*] However, it is important that we highlight here the need for full and proper consultation, particularly given the fact that we are contributing a significant portion of the funds to this.

[33] **Peter Black:** I am tempted to say that full consultation does not mean the same as full agreement, but why should I put a spanner in the works? [*Laughter.*]

[34] **Mr Rees:** If you do not ask, you do not get.

[35] **Peter Black:** Witnesses have suggested that the functions currently undertaken by Hybu Cig Cymru should continue to be undertaken by an organisation outside the Welsh Government. In your written evidence, you support this view. Could you further explain why these functions should be undertaken by a separate organisation? In other words, why should Hybu Cig Cymru remain separate from the Welsh Government?

[36] **Mr Morgan:** Hybu Cig Cymru, although accountable to Welsh Ministers and owned by the Welsh Assembly Government, is a limited company with a board of directors with strong industry representation, and we therefore see it as having the necessary accountability to both the Welsh Assembly Government and levy payers. That proviso is on the basis that

the majority of the board of directors is representative of the industry and levy payers. You just referred to it as a totally separate organisation. As an industry, we have to accept that the Welsh Assembly Government also provides a significant level of support for the promotion and development of the red meat industry in Wales. For that, you also want to see a level of accountability to Welsh Ministers. So, provided that we can continue with the current arrangements of a Welsh-Assembly-Government-owned body that has a board of directors with strong industry representation, we would be content.

[37] **Peter Black:** Would it not be simpler and more accountable if the Government simply did it all?

[38] **Mr Rees:** Can we trust you?

[39] **Peter Black:** That is my point. I am asking you: can you trust us? [*Laughter.*]

[40] **Mr Morgan:** It comes down to the relationship that the industry has had with the Welsh Assembly Government over the past 10 years and the fact that HCC is a limited company, which necessarily requires a board of directors. One of the main branches of that is that the majority of those are representative of industry, which gives us some—

[41] **Peter Black:** The relationship has been up and down, has it not, over the last 10 years? It has not been consistently good.

[42] **Mr Morgan:** So much has changed in the last 10 years, in terms of the Welsh Assembly Government and the National Assembly for Wales developing and what has happened in the industry.

[43] **Peter Black:** Okay. I shall desist now. However, I will just ask whether the Livestock Auctioneers' Association agrees with this point of view.

[44] **Mr Williams:** Yes, I am in full agreement with HCC being kept as a separate body. It has a proven track record of leading the industry from the ground up, and we are more than happy with that organisation.

[45] **Peter Black:** Okay, thank you. I believe that my other question has been answered.

[46] **David Lloyd:** Mae'r cwestiynau nesaf **David Lloyd:** Janice Gregory has the next gan Janice Gregory. questions.

[47] **Janice Gregory:** Witnesses have told the committee that the definition of 'secondary activities' was unclear but that they were content that the inclusion of the term provided sufficient flexibility in future to deal with other parts of the supply chain, such as retailers. This proposed Measure is broadly defined to provide Welsh Ministers with the flexibility to impose a levy on all those in the red meat supply chain, if that were required. Do you agree with that approach and, if so, why do you think that it was necessary?

[48] **Mr Morgan:** The question of collecting levy from other parts of the supply chain is an interesting one. As primary producers, we would argue that all sectors of the supply chain benefit from the promotion of red meat in Wales, so there is certainly a strong argument to say that others in the supply chain should pay for it. The only problem that we have as farmers is that, in the past, we have generally seen, either directly or indirectly, levies or charges placed on other people in the supply chain being passed back down the chain to us, so the advantage of the levy at present is that we can at least see exactly what is going out. However, we need to keep this in mind, particularly as we go forward and discuss how the levy is collected. As you know, we have concerns that the level of production in Wales is a lot

higher than the level that you get back, because a lot of our animals are slaughtered outside of Wales. So, if, in future, we look to use some of the powers in this proposed Measure to change the way in which the levy is collected, we may need to look to other people to collect the levy on our behalf, and it is probably important that we have this within the proposed Measure.

[49] **Mr Rees:** You have to realise that the levy is collected from producers and farmers when the animal is transferred. The levy will be collected by the auctioneers, but that levy transfers with the animal to the slaughterers. It is the slaughterers who pay the levy to either the levy board or HCC. If the auctioneers in Abergavenny, for example, sell my lambs and collect the levy from me, and the lambs then go to the Forest of Dean to be slaughtered, it becomes an English levy. So, we need powers with regard to how the levy is collected. Under protected geographical indication status, those lambs can still be sold as Welsh lamb. So, it is rather mixed up and complicated.

[50] **Mr Williams:** To develop that point a little further, from the perspective of operating a livestock market, we receive lambs from England and Wales and, as you said, we then credit the abattoir to which they are sent with the levy. So, there could be lambs coming from England into a market in Wales that are slaughtered in Wales and, therefore, the abattoir in Wales is credited with the levy, or, it could go in the opposite direction, with Welsh producers selling to an English market and the slaughter taking place in England, which would mean that the benefits of the levy are not spent in Wales.

[51] **Janice Gregory:** That is simple, then. [*Laughter.*] I jest about its being simple; of course it is not. I can see the complexity of it all. Forgive me if you have partly answered the next question, because I am still trying to get my head around the levy going back and forth across the border. I will give you a chance to put this clearly on the record. Should the general provisions on the person subject to a levy be more specific, or do you believe that they need to be flexible as they are drafted?

1.50 p.m.

[52] **Mr Morgan:** They need to be relatively flexible to look at the possible flexibilities in future. One important thing in terms of the general provisions is that it mentions that the Order specifically states that a levy paid by persons in respect of the cattle sector, the sheep sector or the pig sector may not be used for the purpose of meeting expenditure incurred or to be incurred specifically in relation to a different sector. We believe that that is very important. Livestock producers—beef, sheep and pig producers—are paying the levy and they need some guarantee within the Order to ensure that expenditure can be spent only on their industry. That is vitally important.

[53] **Janice Gregory:** Thank you. Going back to the complicated answers—I think that I know the answer to this question—would you welcome a change in the way that the levy is collected?

[54] **Mr Rees:** We have to be realistic and realise that we have to find a better way of collecting this levy. It is not really up to us as an industry to propose it, but we would like to see the levy from the stock produced in Wales used to promote Wales. The trouble is that the system was created—and I am going to say it, but it is not the right phrase—when there was no Wales. You know what I mean; when the Meat and Livestock Commission was set up.

[55] **Mr Morgan:** With the current system, we are vulnerable, because it is entirely based on the location of abattoirs, and producers, Hybu Cig Cymru and Welsh Ministers do not have much say over where abattoirs will be in the future. As things stand at the moment, we are losing somewhere between £0.74 million and £1.53 million, because a lot of stock is moved

out of Wales. So, Hybu Cig Cymru and our Minister are looking at ways of altering that to base levy on geographical location. We are in discussions with the other devolved administrations at the moment. However, if we cannot do that, perhaps we need to look at changing it.

[56] **William Graham:** I would like to ask a short supplementary question. The flexibility is vital to this proposed Measure, because it could be that, in the future, there are no abattoirs in Wales. Therefore, you have to have a method of collecting some form of levy to fund your activities.

[57] **Mr Rees:** We have no serious beef slaughter in abattoirs in north Wales. Along the A55, Ellesmere kills a lot of cattle, as does Shrewsbury, but they are both outside Wales.

[58] **Janice Gregory:** That is interesting; thank you.

[59] **David Lloyd:** Janice, I do not know where you are on the questions; I have lost control.

[60] **Janice Gregory:** Neither do I. [*Laughter.*] No, of course I know where I am. That is the trouble when we move off the script.

[61] I have two more questions on this subject. What is your view of the intention to broaden the legislation to include those involved in the secondary activities in the sector? What is your understanding of secondary activities?

[62] **Mr Morgan:** Given the discussion that we have just had regarding the possibility of needing to change the way that the levy is collected, we might need to be innovative regarding how we collect the levy in future if we change it. We may need to look at changing who collects the levy.

[63] In terms of secondary activities, if there are other people in the supply chain who are benefiting from the work of Hybu Cig Cymru and the levy that goes into it, there is an argument that they should also put some money towards it. So, we need the flexibility. In relation to what constitutes secondary activities, I suppose that it would be anyone who adds value to meat: anyone who is involved in marketing meat products and also by-products, as that is an important issue and one that might also be important in the context of what happens with climate change in the future. So, it is anyone who is not covered under primary activity, as in the Order.

[64] **Janice Gregory:** Thank you. My final question is specifically for NFU Cymru. In your evidence, you make several references to the need for industry-wide consultation should the Welsh Ministers intend to make changes to the levy mechanism. Should this requirement to consult be contained within the proposed Measure?

[65] **Mr Morgan:** We touched on this earlier. Obviously, as private producers paying the vast majority of this, it is imperative that they are fully consulted upon before any changes are made. As a farming union, we would like to see that no changes are made unless consultation with industry had taken place and agreement had been reached. It is for the experts to determine whether it is possible to put that in the proposed Measure.

[66] **Janice Gregory:** Would you like to see it contained within the proposed Measure?

[67] **Mr Morgan:** Yes.

[68] **David Lloyd:** Bydd William Graham **David Lloyd:** William Graham will ask the yn gofyn y gyfres nesaf o gwestiynau. next series of questions.

[69] **William Graham:** Sections 8 and 9 of the proposed Measure, on returns and estimates and the provision of information, contain provisions to make it an offence to fail to provide accurate information on which a levy calculation will be based and to fail to submit returns within the required timescales. Do you think that it is proportionate to make such actions an offence that is subject to a fine?

[70] **Mr Rees:** The simple answer is ‘yes’. The levy is collected from farmers by either auctioneers or slaughterhouses. It is the auctioneers or the slaughterhouses that—

[71] **Mr Williams:** When a farmer-producer sells livestock through the market, we credit the abattoir with the producer’s element of the levy. It would be scandalous if the producer were having it deducted from his income when he sells the animal and if it were not then passed on by the slaughterer to HCC or whichever body is ultimately collecting it. That defeats the whole object, so it must be rigorously enforced.

[72] **William Graham:** What are your views on the flexibility contained in section 8 of the proposed Measure for the Minister to be able to change the timing and information required within a return? What would be the impact of that on those subject to a levy?

[73] **Mr Williams:** Again, the data for the animals that have been slaughtered are in the abattoir at the same time as the arrival of the animals. So, it is not a complicated procedure to notify the body within hours or days. The timescale is miniscule.

[74] **Mr Morgan:** As long as changes are fully consulted upon, agreed, and that there is a lead-in period, we do not see problems with that.

[75] **William Graham:** How could the requirement in sections 8 and 9 of the proposed Measure be enforced in practice? Do you foresee any problems with enforcement?

[76] **Mr Morgan:** You always hope that enforcement is used as a last resort, and that it only happens if all reasonable discussions and advice have failed. Obviously, you need to have enforcement somewhere. The only issue that I can foresee is if a company has gone into financial difficulties or even into receivership, and has stopped trading, that may make enforcement difficult in relation to recovering any lost money.

[77] **Mr Williams:** Notoriously, much of the red meat industry has problems with financing, and, sadly, in the past the Meat and Livestock Commission and other bodies have always appeared on the list of creditors in the final stages of an abattoir’s trading, as abattoir operators have placed it furthest down the list.

[78] **David Lloyd:** Bydd Peter Black yn **David Lloyd:** Peter Black will ask the final gofyn y gyfres olaf o gwestiynau. series of questions.

[79] **Peter Black:** Following on from that, sections 10 and 11 of the proposed Measure relate to inspection and the powers of industry. As you know, under section 11 a justice of the peace could issue an appointed person with a warrant to enter the land or premises to carry out a search, but only if there were reasonable grounds for thinking that that search might produce evidence that would show that someone was evading the levy. Is having a JP issue a warrant a proportionate method of enforcing the levy?

[80] **Mr Rees:** We have no objection to that. Abattoirs have to meet hygiene and food health standards, and—

[81] **Mr Morgan:** It is normal practice. There is a significant amount of legislation, so we

have to put our trust in the JP to do his job as he does with other legislation.

[82] **Peter Black:** The warrant gives the power to enter the premises, to inspect animals, documents and records, and to remove anything that the appointed person reasonably believes may be evidence of failure to comply with the requirements of the proposed Measure. Do you have views on that range of powers? Is that also reasonable?

2.00 p.m.

[83] **Mr Rees:** There could be some documents that he could not remove under animal health legislation, but on the gathering of information, I do not see any problems at all.

[84] **Peter Black:** I think that the word 'reasonable' is in there.

[85] **Mr Rees:** As long as they are reasonable. 'Reasonable' is the right word.

[86] **Mr Morgan:** I think that the powers need to be wide ranging because there are many different types of premises and establishments where the levy is collected and people may have different ways of keeping records and things like that. So, you need to include the things that you have in section 11, in terms of computer data and so on.

[87] **Peter Black:** The thrust of these questions is whether the balance is right between the enforcement of the levy and protecting the rights of the people who are experiencing that enforcement.

[88] **Mr Morgan:** Again, I think that we would see it as a last resort. The fact is that you have to go to a justice of the peace first and give your reasons for it. We would hope that that would be the check and balance to ensure that the power is not misused.

[89] **David Lloyd:** Dyna ddiwedd y cwestiynau swyddogol. A oes gan unrhyw un o'r tri thyst sylwadau pellach? A ydych yn credu bod angen pwysleisio rhyw bwynt, a oes pwynt sydd heb ei drafod, neu a ydych yn hapus â'r sefyllfa fel y mae hi?

David Lloyd: That brings us to the end of the formal questioning. Does any of the three witnesses have any further comments to make? Is there a point that you think needs to be further emphasised or that we have left out, or are you happy with the situation as it is?

[90] **Mr Morgan:** Yr wyf yn hapus, diolch, Gadeirydd. Yr wyf yn credu ein bod wedi cael sgwrs eithaf eang a'n bod wedi mynd dros bob peth sydd o fewn y Mesur arfaethedig hwn.

Mr Morgan: I am happy, thank you, Chair. I think that we have had quite an extensive conversation and that we have covered everything that is in this proposed Measure.

[91] **David Lloyd:** Diolch yn fawr. Gallaf felly ddiolch yn swyddogol i chi'ch tri am eich cyfraniadau y prynhawn yma ac am ateb y cwestiynau mewn modd mor raenus a dealladwy. Gallaf yn awr eich hysbysu y bydd y clerch yn anfon trawsgrifiad drafft atoch o drafodion y prynhawn yma. Gallwch ei gywiro os nad yw pethau'n union fel yr ydych yn meddwl y dylent fod. Fel mae sawl Cadeirydd yn hoff o ddweud yn y Cynulliad, os ydych yn difaru eich bod wedi dweud rhywbeth, mae'n rhy hwyr i newid hynny ond

David Lloyd: Thank you very much. I can therefore thank the three of you officially for your contributions this afternoon and for answering the questions in such an orderly and intelligible way. I can now inform you that the clerk will send you a draft transcript of this afternoon's discussion. You can amend it if things are not exactly as you think that they should be. As several Chairs like to say in the Assembly, it is too late to change something that you regret saying, but in terms of accuracy, you are free to verify the draft of

o ran cywirdeb, gallwch wirio'r drafft o drafodaethau'r prynhawn yma. Gyda'r sylwadau hynny, diolch yn fawr ichi am eich cyfraniad. Bydd toriad yn awr tan 2.30 p.m. er mwyn i ni ailosod yr offer. Mae angen yr amser hwnnw arnom i drefnu'r cyswllt fideo â'r gogledd, lle y bydd y Gweinidog dros Faterion Gwledig yn barod ar gyfer yr ail sesiwn gwestiynu. Bydd toriad yn awr i Aelodau tan 2.30 p.m.. Diolch yn fawr iawn ichi.

this afternoon's discussion. With those comments, thank you very much for your contribution. There will now be a break until 2.30 p.m. in order to rearrange the equipment. We need that time to arrange the video link with north Wales where the Minister for Rural Affairs will be waiting for the second session of questioning. There will now be a break for Members until 2.30 p.m.. Thank you very much.

*Gohiriwyd y cyfarfod rhwng 2.02 p.m. a 2.29 p.m.
The meeting adjourned between 2.02 p.m. and 2.29 p.m.*

**Y Mesur Arfaethedig ynghylch y Diwydiant Cig Coch (Cymru)—Cyfnod 1:
Sesiwn Dystiolaeth 2—Parhad
The Proposed Red Meat Industry (Wales) Measure—Stage 1: Evidence Session
2—Continued**

[92] **David Lloyd:** Croesawaf bawb yn ôl i Bwyllgor Deddfwriaeth Rhif 3. Yr ydym yn ailymgynnull ar gyfer y sesiwn cynhadledd fideo hon gyda'r Aelod sy'n gyfrifol am y Mesur Arfaethedig ynghylch y Diwydiant Cig Coch (Cymru). Hon yw'r ail sesiwn dystiolaeth. Yn gynharach y prynhawn yma, clywsom oddi wrth NFU Cymru a'r Gymdeithas Arwerthwyr Da Byw. Cyfle'r Gweinidog ydyw yn awr, sef yr Aelod sy'n gyfrifol am y Mesur arfaethedig hwn, Elin Jones, y Gweinidog dros Faterion Gwledig. Yr wyf yn croesawu Elin Jones i'r pwyllgor o draethau pell Llandudno.

David Lloyd: I welcome everybody back to the Legislative Committee No. 3. We reconvene for this video-conference session with the Member who is responsible for this Proposed Red Meat Industry (Wales) Measure. This is the second evidence session. Earlier this afternoon, we heard from NFU Cymru and the Livestock Auctioneers Association. It is the Minister's turn now, namely the Member who is responsible for this proposed Measure, Elin Jones, the Minister for Rural Affairs. I welcome Elin Jones to the committee from the distant shores of Llandudno.

2.30 p.m.

[93] **Y Gweinidog dros Faterion Gwledig (Elin Jones):** I gychwyn, hoffwn ddiolch i'r pwyllgor am gytuno i gynnal y sesiwn gyda mi drwy fideo-gynadledda, gan fy mod wedi cytuno i fod yn siaradwr gwadd yng nghynhadledd Hybu Cig Cymru y bore yma yn Llandudno. Felly, yr oedd hynny yn creu rhywfaint o broblem i mi o ran ceisio bod mewn dau le ar yr un pryd. Diolch i chi am gytuno i gynnal y sesiwn drwy fideo-gynadledda.

The Minister for Rural Affairs (Elin Jones): To begin with, I thank the committee for agreeing to hold this session with me through video-conferencing, as I had agreed to be a guest speaker at Meat Promotion Wales's conference in Llandudno this morning. So, that created a problem for me in trying to be in two places at the same time. Thank you for agreeing to hold the session through video-conferencing.

[94] **David Lloyd:** Diolch i chi am hynny, Weinidog. Gyda ni yn y pwyllgor hefyd y mae Neil Howard, pennaeth rheoli cynlluniau Llywodraeth Cynulliad Cymru, a Dorian Brunt, cyfreithiwr Llywodraeth Cynulliad

David Lloyd: Thank you for that, Minister. Also with us in the committee are Neil Howard, head of schemes management for the Welsh Assembly Government, and Dorian Brunt, lawyer for the Welsh

Cymru. Yr ydym wedi bod yn cynnal sesiynau eithaf braf ac ysgafn o ran cwestiynu. Mae ystod eang o gwestiynau, ac mae bob un o'r tystion ar y pwnc hyd yma wedi mwynhau eu hunain yn fawr. Felly, yn ôl ein harfer, dechreuaf gyda'r cwestiwn cyntaf ynghylch y Mesur Arfaethedig ynghylch y Diwydiant Cig Coch (Cymru). Pam mae'n angenrheidiol i wneud darpariaeth statudol drwy fframwaith deddfwriaethol i hybu a marchnata y sector cig coch yng Nghymru?

[95] **Elin Jones:** Y rheswm pam mae'r Mesur arfaethedig hwn yn cael ei gyflwyno yw oherwydd nad oes gan Weinidogion Cymru bŵer i godi ardoll yn uniongyrchol. Yr unig bŵer sydd gennym o dan Ddeddf yr Amgylchedd Naturiol a Chymunedau Gwledig 2006 yw i sefydlu corff y tu allan i Lywodraeth, Bwrdd Ardollau Cymru, i godi'r ardoll benodol honno. Felly, mae'r Mesur arfaethedig yn rhoi pŵer i Weinidogion Cymru i godi'r ardoll yn uniongyrchol, ac felly yn dod â rôl Bwrdd Ardollau Cymru i ben.

[96] **David Lloyd:** Diolch yn fawr. Mae'r cwestiwn nesaf o dan ofal Janice Gregory.

[97] **Janice Gregory:** What are the shortcomings of the current legislative arrangements, and will the proposed Measure enable you to deal with those shortcomings?

[98] **Elin Jones:** It will. As I said in my previous answer, the fundamental shortcoming is that Welsh Ministers are unable to raise a levy directly, and therefore we have had to establish an Assembly Government sponsored body to raise that levy for us. It is the Welsh Government's policy to undertake functions within Government, rather than set up AGSBs. By enabling us to directly raise the levy, it will obviate the need for a Welsh Levy Board. Therefore, on passing of the proposed Measure, the Welsh Levy Board will no longer exist.

[99] **David Lloyd:** Diolch yn fawr. Mae'r cwestiynau nesaf o dan ofal William Graham.

[100] **William Graham:** Minister, I think that you are going to prefer this line of

Assembly Government. We have held fairly pleasant and light sessions in terms of questioning. There is a broad range of questions, and every witness on this subject thus far has enjoyed themselves immensely. So, as usual, I will start with the first question about the Proposed Red Meat Industry (Wales) Measure. Why is it necessary to make a statutory provision through legislative framework to promote and market the red meat sector in Wales?

Elin Jones: The reason why this proposed Measure is being introduced is because Welsh Ministers do not have the power to raise a levy directly. The only power that we have under the Natural Environment and Rural Communities Act 2006 is to establish an external Government body, the Welsh Levy Board, to raise that specific levy. So, the proposed Measure gives Welsh Ministers the power to raise the levy directly, and therefore brings the Welsh Levy Board to an end.

David Lloyd: Thank you. Janice Gregory has the next question.

Janice Gregory: Beth yw diffygion y trefniadau deddfwriaethol presennol, ac a fydd y Mesur arfaethedig yn eich galluogi i ddelio â'r diffygion hynny?

Elin Jones: Bydd. Fel y dywedais yn f'ateb blaenorol, y diffyg sylfaenol yw na all Gweinidogion Cymru godi ardoll yn uniongyrchol, ac felly yr ydym wedi gorfod sefydlu corff a noddir gan Lywodraeth y Cynulliad i godi'r ardoll honno ar ein rhan. Polisi Llywodraeth Cymru yw ymgymryd â swyddogaethau o fewn y Llywodraeth, yn hytrach na sefydlu CNLCau. Drwy ein galluogi i godi'r ardoll yn uniongyrchol, bydd yn osgoi'r angen am Fwrdd Ardollau Cymru. Felly, pan gaiff y Mesur arfaethedig ei basio, ni fydd Bwrdd Ardollau Cymru yn bodoli mwyach.

David Lloyd: Thank you. William Graham has the next questions.

William Graham: Weinidog, credaf y bydd yn well gennych y math o gwestiynau a

questioning to that which you enjoyed yesterday morning, but I might have to ask you for a short answer to this question. What are your policy objectives for the red meat sector, and how will the proposed Measure enable you to achieve these objectives?

[101] **Elin Jones:** My policy objective is to raise the levy directly and to enable and delegate the raising of the levy to Hybu Cig Cymru, and to allow Hybu Cig Cymru to undertake and continue the work that it currently does to promote and develop the red meat sector in Wales. The proposed Measure also provides the flexibility to consider further policy changes in the future on the appropriate place to collect the levy. That is why there is the ability under section 4 for Welsh Ministers to designate other primary or secondary producers to collect the levy from. Currently, I have not taken the decision to do that as a policy, and if those options need to be taken up there will be full consultation with the industry before an Order is made.

[102] **William Graham:** The functions in the proposed Measure contained in section 3 and Schedule 1 are quite broadly drafted, allowing Welsh Ministers to do anything that they consider appropriate through subordinate legislation. Why was this necessary?

[103] **Elin Jones:** The functions in Schedule 1 replicate the functions that are currently outlined in the Welsh Levy Board Order 2008, which set up the Welsh Levy Board. Although they may seem to be broad, they are only replicating the current status quo.

[104] **David Lloyd:** Symudwn ymlaen i'r cwestiynau nesaf, sydd o dan ofal Peter Black.

[105] **Peter Black:** The proposed Measure, if agreed by the Assembly, would give Welsh Ministers wide-ranging powers in relation to the red meat sector. Why is it necessary to delegate those powers to another body?

ofynnir yma yn hytrach na'r hyn y bu'n rhaid ichi ei wynebu fore ddoe, ond efallai y bydd rhaid imi ofyn ichi am ateb byr i'r cwestiwn hwn. Beth yw eich amcanion polisi i'r diwydiant cig coch, a sut bydd y Mesur arfaethedig yn eich galluogi i gyflawni'r amcanion hynny?

Elin Jones: Fy amcan polisi i yw codi'r ardoll yn uniongyrchol a galluogi a dirprwyo'r gwaith o godi'r ardoll i Hybu Cig Cymru, a chaniatáu i Hybu Cig Cymru ymgymryd â a pharhau â'r gwaith y mae'n ei wneud ar hyn o bryd i hyrwyddo a datblygu'r sector cig coch yng Nghymru. Mae'r Mesur arfaethedig hefyd yn darparu'r hyblygrwydd i ystyried newidiadau polisi pellach yn y dyfodol o ran y man priodol i gasglu'r ardoll. Dyna pam mae'r gallu o dan adran 4 i Weinidogion Cymru ddynodi cynhyrchwyr cynradd neu eilaidd eraill i gasglu'r ardoll oddi wrthynt. Ar hyn o bryd, nid wyf wedi penderfynu gwneud hynny fel polisi, ac os bydd angen manteisio ar yr opsiynau hynny ceir ymgynghori llawn â'r diwydiant cyn gwneud Gorchymyn.

William Graham: Mae'r swyddogaethau yn y Mesur arfaethedig sydd wedi'u cynnwys yn adran 3 ac Atodlen 1 wedi'u drafftio'n weddol eang, gan ganiatáu i Weinidogion Cymru wneud unrhyw beth y maent yn ei ystyried yn briodol drwy is-ddeddfwriaeth. Pam oedd hyn yn angenrheidiol?

Elin Jones: Mae'r swyddogaethau yn Atodlen 1 yn dyblygu'r swyddogaethau sydd wedi'u hamlinellu ar hyn o bryd yng Ngorchymyn Bwrdd Ardollau Cymru 2008, a sefydlodd Fwrdd Ardollau Cymru. Er eu bod yn ymddangos yn eang, efallai, nid ydynt ond yn dyblygu'r sefyllfa sy'n bodoli ar hyn o bryd.

David Lloyd: We will move on to the next questions, which will be asked by Peter Black.

Peter Black: Byddai'r Mesur arfaethedig, pe bai'r Cynulliad yn cytuno iddo, yn rhoi pwerau eang eu cwmpas i Weinidogion Cymru mewn perthynas â'r sector cig coch. Pam mae rhaid dirprwyo'r pwerau hynny i gorff arall?

[106] **Elin Jones:** Hybu Cig Cymru undertakes that delegation currently and there is a considerable degree of support for the work that it is doing. It was a policy decision of the previous Government to set up Hybu Cig Cymru in its current form and I see no reason to change that format. Having a close link with industry representatives, and having farmer, producer and processor representatives on the board of Hybu Cig Cymru, is useful in ensuring that all aspects of the industry feel that they have ownership of the promotional and development activity of Hybu Cig Cymru. As primary producers and processors, they are the ones who are paying the levy, of course.

[107] **Peter Black:** Thank you for that answer, Minister. What you said very much supports what the witnesses have said to the committee, namely that the current arrangements for the work of Hybu Cig Cymru work well. Given that these arrangements are working so well, why do you need the flexibility to do things differently in the future?

[108] **Elin Jones:** The industry is subject to shocks, and they may be shocks that result from animal diseases or particular food scares. There is a requirement for the proposed Measure to be drafted in such a way to allow, if particular issues affect the industry—I hope that they do not—for us to put in place policies within a short time to respond to them.

[109] **Peter Black:** Given that your powers are so broad and the sort of detail that is in the Measure as to how you may change those arrangements, can you give us some examples of the sort of circumstances in which you would change arrangements and some idea as to how you might consider changing arrangements to meet those changed circumstances?

[110] **Elin Jones:** The area of discussion and debate currently is on the collection of the levy and about the distribution of the levy, especially between Wales, England and Scotland. Currently, a higher proportion of the animals that are produced in Wales are

Elin Jones: Mae Hybu Cig Cymru yn ymgymryd â'r pwerau dirprwyedig hynny ar hyn o bryd ac mae cryn lawer o gefnogaeth i'r gwaith y mae'n ei wneud. Penderfyniad polisi gan y Llywodraeth flaenorol oedd sefydlu Hybu Cig Cymru yn ei ffurf bresennol ac ni welaf unrhyw reswm i newid y fformat hwnnw. Mae cael cyswllt agos â chynrychiolwyr y diwydiant, a bod â chynrychiolwyr o blith ffermwyr, cynhyrchwyr a phroseswyr ar fwrdd Hybu Cig Cymru, yn fuddiol er mwyn sicrhau bod pob agwedd o'r diwydiant yn teimlo bod ganddynt berchenogaeth ar weithgarwch hyrwyddo a datblygu Hybu Cig Cymru. Fel cynhyrchwyr a phroseswyr cynradd, nhw yw'r rhai sy'n talu'r ardoll, wrth gwrs.

Peter Black: Diolch ichi am yr ateb hwnnw, Weinidog. Mae'r hyn a ddywedoch yn ategu'r hyn y mae'r tystion wedi'i ddweud wrth y pwyllgor, sef bod y trefniadau presennol o ran gwaith Hybu Cig Cymru yn gweithio'n dda. O gofio bod y trefniadau hyn yn gweithio cystal, pam mae angen yr hyblygrwydd amoch i wneud pethau'n wahanol yn y dyfodol?

Elin Jones: Mae'r diwydiant yn agored i ysgytiadau, a gallent fod yn ysgytiadau sy'n deillio o glefydau anifeiliaid neu ddychryn ynglŷn â rhyw fwyd neilltuol. Mae gofyniad i'r Mesur arfaethedig gael ei ddrafftio mewn ffordd a fyddai'n caniatáu inni, pe bai problemau neilltuol yn effeithio ar y diwydiant—a gobeithiaf na fydd hynny'n digwydd—sefydlu polisiau o fewn cyfnod byr i ymateb iddynt.

Peter Black: O ystyried bod eich pwerau mor eang a'r math o fanylion sydd yn y Mesur o ran sut y gallech newid y trefniadau hynny, a allwch roi rhai enghreifftiau inni o'r math o amgylchiadau lle byddech yn newid y trefniadau a rhyw syniad o sut y byddech efallai yn ystyried newid y trefniadau i ymateb i'r amgylchiadau newydd hynny?

Elin Jones: Y maes sy'n destun trin a thrafod ar hyn o bryd yw casglu'r ardoll a sut y caiff yr ardoll ei rhannu, yn arbennig rhwng Cymru, Lloegr a'r Alban. Ar hyn o bryd, mae cyfran uwch o'r anifeiliaid sy'n cael eu cynhyrchu yng Nghymru yn cael eu lladd yn

killed in England and, therefore, the levy on them is collected in English abattoirs and is subject to be used by the English authority, with no means of repatriating that levy back to Wales. Hybu Cig Cymru and its board members have raised this with me at a meeting that I attended a few weeks ago, and it was a subject of discussion again this morning in its conference at Llandudno.

2.40 p.m.

[111] It has estimated that there is a shortfall of around £1 million in its annual budget from not having access to the funding from the animals killed in England. It also means that there is a particular risk in the system, because, should some of our existing abattoirs cease to trade or reduce their capacity to kill, that would again reduce the ability to raise and collect the levy in Wales, which would reduce the amount of money that we have for the purposes of promoting Welsh red meat. Therefore, by introducing clauses in this proposed Measure that could allow for the collection of levy to be based not wholly at the abattoir but at the primary producer end, possibly, or in organisations that may be engaged in secondary activities in the red meat sector, then I am putting in place powers that could allow for a change of policy in the future. That would be subject to considerable consultation and also discussion and agreement between Welsh Ministers and the relevant English and Scottish Ministers, who are all equally affected by this due to the nature of the cross-border trade between Scotland, England and Wales.

[112] **Peter Black:** Thank you.

[113] **David Lloyd:** Diolch, Peter. Mae'r gyfres nesaf o gwestiynau o dan ofal Janice Gregory.

[114] **Janice Gregory:** I refer to section 4, which relates to imposing a levy and the designation of persons liable. Could you provide us with the rationale behind ensuring that there is flexibility for you to impose a levy on all those in the red meat supply chain, if this were required? Why is this necessary?

[115] **Elin Jones:** Currently, the levy is

Lloegr ac, felly, caiff yr ardoll arnynt ei chasglu yn lladd-dai Lloegr a'i defnyddio gan yr awdurdod yn Lloegr, heb unrhyw ffordd o ddychwelyd yr ardoll yn ôl i Gymru. Mae Hybu Cig Cymru ac aelodau ei fwrdd wedi codi hyn gyda mi mewn cyfarfod y bwm ynddo rai wythnosau'n ôl, ac yr oedd yn destun trafod eto y bore yma yn ei gynhadledd yn Llandudno.

Mae wedi amcangyfrif bod diffyg o oddeutu £1 filiwn yn ei gyllideb flynyddol gan nad yw'n gallu manteisio ar y cyllid o'r anifeiliaid sy'n cael eu lladd yn Lloegr. Mae hefyd yn golygu bod risg arbennig yn y system, oherwydd, pe bai rhai o'n lladd-dai presennol yn rhoi'r gorau i fasnachu neu'n lleihau eu capasiti lladd, byddai hynny eto'n lleihau'r gallu i godi a chasglu'r ardoll yng Nghymru, a fyddai'n lleihau'r swm o arian sydd gennym i'r diben o hyrwyddo cig coch o Gymru. Felly, drwy gyflwyno cymalau yn y Mesur arfaethedig hwn a allai ei gwneud yn bosibl i beidio â seilio'r gwaith o gasglu'r ardoll yn gyfan gwbl ar y lladd-dy ond ar leoliad y cynhyrhydd cynradd, o bosibl, neu mewn sefydliadau a allai fod yn gweithio ar weithgareddau eilaidd yn y sector cig coch, yna yr wyf yn sefydlu pwerau a fyddai'n caniatáu ar gyfer newid polisi yn y dyfodol. Byddai hynny'n ddarostyngedig i lawer iawn o ymgynghori a thrafod a chytuno hefyd rhwng Gweinidogion Cymru a Gweinidogion perthnasol Lloegr a'r Alban, y mae hyn yn effeithio i'r un graddau arnynt i gyd oherwydd natur y fasnach drawsffiniol rhwng yr Alban, Lloegr a Chymru.

Peter Black: Diolch.

David Lloyd: Thank you, Peter. The next series of questions is from Janice Gregory.

Janice Gregory: Cyfeiriaf at adran 4, sy'n ymdrin â gosod ardoll a dynodi'r rhai sy'n atebol. A allech roi inni'r sail resymegol wrth wraidd sicrhau bod hyblygrwydd ichi i godi ardoll ar bawb sy'n rhan o'r gadwyn gyflenwi cig coch, pe bai'i angen? Pam mae hyn yn angenrheidiol?

Elin Jones: Ar hyn o bryd, caiff yr ardoll ei

imposed on slaughterers and primary producers and collected at the abattoir. It may be the case that we need to look at the collection of levy either under the primary activity or under secondary activity, so that we are able to more fairly collect and spend the levy that relates to the animals produced in Wales for the purposes of Welsh red meat promotion.

[116] **Janice Gregory:** The proposed Measure will allow you to extend the designation of those subject to a levy to those involved in secondary activities, as you have mentioned. Could you explain why you have chosen not to name specific activities so that the designation is defined on the face of the proposed Measure? Do you believe that this provides sufficient legal clarity?

[117] **Elin Jones:** As anyone involved in secondary activity in the red meat sector is not currently subject to a levy, any change to that designation or introduction of such a designation would be made by Order under the affirmative procedure. I am not currently in a position to outline what persons are involved in a secondary activity, because it would require considerable consultation and work to identify that activity and where the appropriate collection of levy could be undertaken as a means of raising the levy based on the transactions within the red meat sector.

[118] **Janice Gregory:** What would you hope to achieve by collecting the levy in a different way or imposing the levy on other groups?

[119] **Elin Jones:** I guess that I would hope to achieve more money for the Welsh red meat sector. I identified earlier that, currently, because such a large proportion of our beef cattle, in particular, but also our sheep, is killed outside of Wales, that levy then is not repatriated to Wales. By collecting in a different way, we could achieve a fairer distribution of levy in accordance with the amount of animals that are produced on-farm in Wales, but this will have an effect on the amount of levy available in England, or even Scotland, and therefore I have highlighted that these issues need further consideration

chodi ar gigyddwyr a chynhyrchwyr cynradd a chaiff ei chasglu yn y lladd-dy. Efallai y bydd angen inni ystyried casglu ardoll un ai o dan y gweithgaredd cynradd neu o dan y gweithgaredd eilaidd, fel ein bod yn gallu casglu a gwario'r ardoll sy'n gysylltiedig â'r anifeiliaid a gynhyrchir yng Nghymru yn fwy teg i'r diben o hyrwyddo cig coch o Gymru.

Janice Gregory: Bydd y Mesur arfaethedig yn caniatáu ichi ymestyn dynodiad y rhai sy'n ddarostyngedig i ardoll i gynnwys y rhai sy'n ymwneud â gweithgareddau eraill, fel y crybwyllasoch. A allech egluro pam yr ydych wedi dewis peidio ag enwi gweithgareddau penodol fel bod y dynodiad yn cael ei ddiffinio ar wyneb y Mesur arfaethedig? A ydych yn credu bod hyn yn rhoi digon o eglurder cyfreithiol?

Elin Jones: Gan nad oes unrhyw un sy'n ymwneud â gweithgarwch eilaidd yn y sector cig coch yn ddarostyngedig i ardoll ar hyn o bryd, byddai unrhyw newid i'r dynodiad hwnnw neu gyflwyno dynodiad o'r fath yn cael ei wneud drwy Orchymyn o dan y weithdrefn gadarnhaol. Nid wyf mewn sefyllfa ar hyn o bryd i amlinellu pwy sy'n ymwneud â gweithgarwch eilaidd, oherwydd byddai gofyn gwneud cryn lawer o ymgynghori a gwaith i ganfod y gweithgarwch hwnnw a ble y gellid mynd ati i gasglu'r ardoll yn briodol fel ffordd o godi'r ardoll ar sail y trafodion yn y sector cig coch.

Janice Gregory: Beth fydddech chi'n gobeithio ei gyflawni drwy gasglu'r ardoll mewn ffordd wahanol neu godi'r ardoll ar grwpiau eraill?

Elin Jones: Mae'n debyg y byddwn yn gobeithio sicrhau rhagor o arian i sector cig coch Cymru. Nodais yn gynharach nad yw'r ardoll honno yn dychwelyd i Gymru gan fod cyfran mor helaeth, ar hyn o bryd, o'n gwartheg eidion, yn arbennig, ond hefyd ein defaid, yn cael eu lladd y tu allan i Gymru. Drwy gasglu mewn ffordd wahanol, gallem sicrhau bod yr ardoll yn cael ei dosbarthu'n decach yn unol â faint o anifeiliaid a gynhyrchir ar ffermydd yng Nghymru, ond bydd hyn yn effeithio ar faint o ardoll sydd ar gael yn Lloegr, neu hyd yn oed yn yr Alban, ac yr wyf felly wedi tynnu sylw at y ffaith

with English and Scottish Ministers before any decision on redesignation is taken.

fod angen ystyried y materion hyn ymhellach gyda Gweinidogion Lloegr a'r Alban cyn gwneud unrhyw benderfyniad i ailddynodi.

[120] **Janice Gregory:** I move on to my final question. Some witnesses have referred to the need for consultation with the industry prior to the implementation of any amendments. Would including a requirement to consult with the industry in the proposed Measure provide the industry with more stability in your view?

Janice Gregory: Af ymlaen at fy nghwestiwn olaf. Mae rhai tystion wedi cyfeirio at yr angen i ymgynghori â'r diwydiant cyn gweithredu unrhyw newidiadau. A fyddai cynnwys gofyniad i ymgynghori â'r diwydiant yn y Mesur arfaethedig yn rhoi mwy o sefydlogrwydd i'r diwydiant yn eich barn chi?

[121] **Elin Jones:** The activities that would require any change of designation by Order would be subject to consultation and, as I have highlighted, if we consider an option in Wales that would designate persons involved in a secondary activity in the red meat sector for levy collection purposes, then that would require considerable consultation. However, I do not believe that it is necessary for that to be on the face of the Measure. The affirmative procedure will allow that consultation, so it should happen.

Elin Jones: Byddai'r gweithgareddau y byddai gofyn newid eu dynodiad drwy Orchymyn yn ddarostyngedig i ymgynghori ac, fel yr wyf wedi pwysleisio, os byddwn yn ystyried opsiwn yng Nghymru a fyddai'n dynodi pobl sy'n ymwneud â gweithgarwch eilaidd yn y sector cig coch at ddibenion casglu ardoll, yna byddai gofyn ymgynghori'n sylweddol. Fodd bynnag, ni chredaf fod rhaid i hynny fod ar wyneb y Mesur. Bydd y weithdrefn gadarnhaol yn caniatáu'r ymgynghori hwnnw, felly dylai ddigwydd.

[122] **William Graham:** I want to turn to sections 8 and 9 on returns and estimates, and the provision of information. How do you envision the processes involved being enforced?

William Graham: Yr wyf am droi at adrannau 8 a 9 ar ddatganiadau niferoedd ac amcangyfrifon, a darparu gwybodaeth. Sut ydych chi'n rhagweld y bydd y prosesau dan sylw yn cael eu gorfodi?

[123] **Elin Jones:** The enforcement is outlined later in the proposed Measure in order to ensure that the levy is collected efficiently and is in line with the aspirations of the legislation; enforcement is a key part of that. To date, my understanding is that Hybu Cig Cymru and the Welsh Levy Board have not needed to undertake court action, but the threat of enforcement is important to ensure the effective collection of levy.

Elin Jones: Caiff y ddarpariaeth gorfodi ei hamlinellu'n ddiweddarach yn y Mesur arfaethedig i sicrhau bod yr ardoll yn cael ei chasglu'n effeithlon ac yn unol â dyheadau'r ddeddfwriaeth; mae gorfodaeth yn rhan allweddol o hynny. Hyd yma, yn ôl a ddeallaf ni fu angen i Hybu Cig Cymru a Bwrdd Ardollau Cymru weithredu drwy'r llysoedd, ond mae'r bygythiad gorfodi yn bwysig er sicrhau bod yr ardoll yn cael ei chasglu'n effeithiol.

[124] **William Graham:** How much of a departure is the approach in the proposed Measure from current arrangements?

William Graham: I ba raddau y mae'r drefn sydd yn y Mesur arfaethedig yn wahanol i'r trefniadau presennol?

[125] **Elin Jones:** There is a strengthening on enforcement and powers of entry. I have not yet asked officials to contribute, so I will ask if they want to come in here.

Elin Jones: Mae'r ddarpariaeth gorfodi a'r pwerau mynediad yn cael eu cryfhau. Nid wyf wedi gofyn i'r swyddogion gyfrannu eto, felly gofynnaf a hoffent siarad yn awr.

[126] **Mr Brunt:** On the question of a

Mr Brunt: Ar gwestiwn gwyro oddi wrth

departure from the provisions of the Welsh Levy Board, the maximum penalty levels for breach of the Order is the same as for the Welsh Levy Board—the proposed Measure sets it at a maximum of level 5. We have sought to make the provisions of the proposed Measure more comprehensive than the Welsh Levy Board Order 2008, which has been around for about 18 months, and having reflected on that before instructing the Office of the Welsh Legislative Counsel to draft the proposed Measure, we considered that the enforcement provisions should be examined, consolidated and made more appropriate. As you know, there may be a possibility in future of designating different persons for the payment of levy, which may in itself raise enforcement issues. We hope that the proposed Measure's enforcement powers are more appropriate and that they represent sufficient safeguards and checks.

[127] **William Graham:** Section 11(12) creates an offence of obstruction 'without reasonable excuse'. Section 8(8) creates an offence of failing to submit a return but contains no corresponding 'without reasonable excuse'. Why was it considered appropriate to create an absolute offence in one case and not in the other?

2.50 p.m.

[128] **Elin Jones:** It does not seem to be particularly consistent, you are right. I wonder whether the officials could outline whether there is a particular cause or reason for this, or whether we consider it to be appropriate to be consistent throughout that sub-section.

[129] **Mr Brunt:** Having instructed the Office of Welsh Legislative Counsel to draft this, and having listened to that question, I think that we will need to take this into account in considering whether to table amendments to the proposed Measure at the next stage.

[130] **David Lloyd:** Mae'r gyfres olaf o gwestiynau o dan law Peter Black.

[131] **Peter Black:** I will move on to inspection and powers of entry, which come under sections 10 and 11, and, in particular,

ddarpariaethau Bwrdd Ardollau Cymru, mae'r lefelau cosb uchaf am dorri'r Gorchymyn yr un fath ag ydynt i Fwrdd Ardollau Cymru—mae'r Mesur arfaethedig yn ei osod ar lefel 5 fan bellach. Yr ydym wedi ceisio gwneud darpariaethau'r Mesur arfaethedig yn fwy cynhwysfawr na Gorchymyn Bwrdd Ardollau Cymru 2008, a fu mewn bodolaeth ers oddeutu 18 mis, ac ar ôl pwyso a mesur hwnnw cyn cyfarwyddo Swyddfa Cwnsleriaid Deddfwriaethol Cymru i ddrafftio'r Mesur arfaethedig, yr oeddem o'r farn y dylai'r darpariaethau gorfodi gael eu harchwilio, eu cyfnerthu a'u gwneud yn fwy priodol. Fel y gwyddoch, efallai y bydd yn bosibl dynodi pobl wahanol i dalu'r ardoll yn y dyfodol, a gallai hynny ynddo'i hun godi materion gorfodi. Gobeithiwn fod pwerau gorfodi'r Mesur arfaethedig yn fwy priodol a'u bod yn cynrychioli camau diogelu a gwiriadau digonol.

William Graham: Mae adran 11(12) yn creu trosedd atal 'heb esgus rhesymol'. Mae adran 8(8) yn creu trosedd o fethu â chyflwyno datganiad ond nid yw'n cynnwys cymal cyfatebol 'heb esgus rhesymol'. Pam oedd hi'n cael ei hystyried yn briodol creu trosedd ddiadmod yn y naill achos ond nid yn y llall?

Elin Jones: Nid yw'n ymddangos yn gyson iawn, yr ydych yn gywir. Tybed a allai'r swyddogion amlinellu a oes achos neu reswm neilltuol am hyn, neu a ydym o'r farn mai priodol fyddai bod yn gyson drwy'r is-adran honno ar ei hyd.

Mr Brunt: A ninnau wedi cyfarwyddo Swyddfa Cwnsleriaid Deddfwriaethol Cymru i ddrafftio hyn, ac ar ôl gwranddo ar y cwestiwn hwnnw, credaf y bydd angen inni roi sylw i hyn wrth ystyried a ddylem gyflwyno gwelliannau i'r Mesur arfaethedig yn y cyfnod nesaf.

David Lloyd: The final set of questions are from Peter Black.

Peter Black: Af ymlaen at arolygu a phwerau mynediad, sy'n dod o dan adrannau 10 ac 11, ac, yn arbennig, y pŵer, drwy

the power, by warrant, to enter premises, and so on. What evidence is there to justify the provision of power to an ‘appointed person’ to enter a private dwelling that goes beyond existing powers?

[132] **Elin Jones:** I will ask the officials to answer that, if that is okay, because they are the more appropriate people to answer.

[133] **Peter Black:** I thought that you would do that.

[134] **Mr Howard:** It is probably easier to start by explaining what the current situation is in order to explain what the proposed Measure is trying to do. Presently, the levy is determined at the point of slaughter, therefore the information about the number of animals that are put through the slaughterhouse and the amount of levy that is to be collected is available at four major points of information collection. If we were to move to a situation where the levy was determined at the farm, then you would get 32,000 points of data collection, and we would have a situation where the records were kept on the farm. There are no clear and consistent definitions of a farm, a farmhouse or a dwelling house. So, you need sufficient powers to be able to inspect the records that the levy is based on, and those records may be in the farmhouse—they may be in a farm office or somewhere else, but it is pretty likely that they will be in the farmhouse, however that is defined. So, for the purposes of this proposed Measure, we have taken a similar framework to that which is used in agriculture legislation across the board, for example in the cattle movement regulations, and the provisions in this proposed Measure, to a greater extent, mirror others that are used elsewhere.

[135] **Peter Black:** If you were to move to that different method of collection, and I understand that you have not made a decision on that, would that require an affirmative resolution, or would that be done by regulation? How would that work?

[136] **Mr Brunt:** Do you mean the designation of new levy figures?

[137] **Peter Black:** If you moved to collect the levy at the farm, instead of collecting it at

warrant, i fynd i mewn i fangre, ac ati. Pa dystiolaeth sydd yna i gyfiawnhau darparu pŵer i ‘berson penodedig’ i fynd i mewn i fangre breifat, sy’n mynd ymhellach na’r pwerau presennol?

Elin Jones: Gofynnaf i’r swyddogion ateb hynny, os yw’n dderbyniol, oherwydd nhw yw’r bobl fwyaf priodol i ateb.

Peter Black: Yr oeddwn yn meddwl y byddech yn gwneud hynny.

Mr Howard: Mae’n haws mwy na thebyg dechrau drwy egluro beth yw’r sefyllfa bresennol er mwyn egluro beth mae’r Mesur arfaethedig yn ceisio’i wneud. Ar hyn o bryd, caiff yr ardoll ei phennu yn y man lladd, felly mae’r wybodaeth am y nifer o anifeiliaid sy’n mynd drwy’r lladd-dy a’r swm o ardoll sydd i gael ei chasglu ar gael o bedwar man casglu gwybodaeth mawr. Pe baem i symud i sefyllfa lle câi’r ardoll ei phennu ar y fferm, yna byddai gennych 32,000 o bwyntiau casglu data, a byddai gennym sefyllfa lle câi’r cofnodion eu cadw ar y fferm. Nid oes diffiniadau clir a chyson o fferm, ffermdy neu dŷ annedd. Felly, mae angen pwerau digonol arnoch i allu archwilio’r cofnodion y seilir yr ardoll arnynt, a gallai’r cofnodion hynny fod yn y ffermdy—gallent fod mewn swyddfa fferm neu yn rhywle arall, ond mae’n bur debygol mai yn y ffermdy y byddant, sut bynnag y diffinnir hwnnw. Felly, at ddibenion y Mesur arfaethedig, yr ydym wedi cymryd fframwaith tebyg i’r un a ddefnyddir mewn deddfwriaeth amaethyddol yn gyffredinol, er enghraifft yn y rheoliadau symud gwartheg, ac mae’r darpariaethau yn y Mesur arfaethedig hwn, i raddau helaeth, yn adlewyrchu eraill sy’n cael eu defnyddio mewn mannau eraill.

Peter Black: Pe baech yn symud i’r dull gwahanol hwnnw o gasglu, a deallaf nad ydych wedi gwneud penderfyniad ar hynny, a fyddai angen penderfyniad cadarnhaol ar gyfer hynny, ynteu a gâi hynny ei wneud drwy reoliad? Sut byddai hynny’n gweithio?

Mr Brunt: Ai dynodi ffigurau ardoll newydd yr ydych yn ei olygu?

Peter Black: Os symudwch i gasglu’r ardoll ar y fferm, yn lle’i chasglu yn y lladd-dy

the slaughterhouse or at the point of sale, would you require an affirmative resolution? What would the legal method be of moving to that position?

[138] **Mr Brunt:** The proposed Measure contains powers under section 5(3) and 6(2) to make regulations about the imposition payment rate, and so on, of the levy. So, if we move to imposing levy on a different type of levy payer, then we would make regulations and it would not be done by administrative action.

[139] **Peter Black:** Would those regulations be subject to the negative resolution?

[140] **Mr Brunt:** Yes.

[141] **Peter Black:** You presumably take into account the opportunity cost of collecting that tax, because a major consideration in any taxation is whether the cost of collecting justifies the additional taxation.

[142] **Mr Howard:** That would be part of the complicated discussions that you must have to see whether or not the balance of getting the £1 million back into Wales is offset by the costs associated with collecting it from 32,000 farmers rather than from four major slaughterhouses.

[143] **Mr Brunt:** May I add to what I have said previously? We have sections 5(3) and 6(2) if we need to amend the calculation of payment, but the main basis of the calculation of payment is set out in Schedule 2, which requires regulations by the affirmative procedure.

[144] **Peter Black:** So, if you were to move to collection at the farm, it would probably have to be an affirmative procedure in terms of the calculation.

[145] **Mr Brunt:** We would need to check which power to use, but it is likely that it would be amending Schedule 2, using the affirmative procedure.

[146] **Peter Black:** Perhaps we could have a note, Chair, on how that would be done. It is important to determine whether more should

neu'r pwynt gwerthu, a fyddai angen penderfyniad cadarnhaol arnoch? Beth fyddai'r dull cyfreithiol o symud i'r sefyllfa honno?

Mr Brunt: Mae'r Mesur arfaethedig yn cynnwys pwerau o dan adran 5(3) a 6(2) i wneud rheoliadau ynglŷn â gosod cyfradd yr ardollau, ac ati. Felly, pe baem yn symud i osod ardoll ar wahanol fath o dalwr ardollau, byddem yn gwneud rheoliadau ac ni châi ei wneud drwy weithredu gweinyddol.

Peter Black: A fyddai'r rheoliadau hynny'n ddarostyngedig i benderfyniad negyddol?

Mr Brunt: Byddent.

Peter Black: Yr wyf yn cymryd eich bod yn ystyried cost cyfle casglu'r dreth honno, oherwydd un ystyriaeth o bwys gydag unrhyw drethu yw a yw'r gost casglu yn cyfiawnhau'r trethu ychwanegol.

Mr Howard: Byddai hynny'n rhan o'r trafodaethau cymhleth y mae rhaid eu cynnal i weld a fyddai'r fantais o gael £1 miliwn yn ôl i Gymru yn gwneud iawn am y costau sy'n gysylltiedig â chasglu'r arian oddi wrth 32,000 o ffermwyr yn hytrach nag oddi wrth bedwar lladd-dy mawr.

Mr Brunt: A gaf fi ychwanegu at yr hyn a ddywedais gynt? Mae gennym adrannau 5(3) a 6(2) os oes angen inni newid y ffordd o gyfrifo'r taliad, ond mae'r brif sail y cyfrifir y taliad arni wedi'i nodi yn Atodlen 2, a rhaid cael rheoliadau drwy'r weithdrefn gadarnhaol o dan yr atodlen honno.

Peter Black: Felly, pe baech i symud i gasglu ar y fferm, mae'n debyg y byddai rhaid wrth drefn gadarnhaol o safbwynt y cyfrifiad.

Mr Brunt: Byddai angen inni gadarnhau pa bŵer i'w ddefnyddio, ond mae'n debygol y byddai'n diwygio Atodlen 2, gan ddefnyddio'r weithdrefn gadarnhaol.

Peter Black: Efallai y gallem gael nodyn, Gadeirydd, ar sut y câi hynny ei wneud. Mae'n bwysig penderfynu a ddylid cynnwys

be included in the proposed Measure with regard to how you would go about making that change.

[147] **Elin Jones:** The designation of any person involved in primary activity—the producer—for the purposes of collection of the levy is currently subject to the negative resolution procedure under section 4. However, this was subject to considerable scrutiny yesterday in the Subordinate Legislation Committee, where I was challenged on the use of the negative rather than the affirmative procedure for the designation. I am considering further the committee's views on this. Additionally, Peter has raised the use of the powers of entry to dwelling houses for primary activity designation. That is a further factor for my consideration.

[148] **Peter Black:** That is the route that I would have suggested as well. Given that your officials have suggested that you might have to change the Schedule under the affirmative procedure, you might have a bit of a contradiction with regard to how you do it. So perhaps that needs to be looked at. You could come back to us on that.

[149] Section 11(4) is unclear with regard to the conditions under which an appointed person could enter a private dwelling house. Could you clarify your intention in section 11(4)(a) in relation to the difference between a private dwelling house and a holding?

[150] **Elin Jones:** I would like to refer to my officials on this.

[151] **Mr Brunt:** As you say, there is a reference to a private dwelling house and a holding in section 11(4). The term 'holding' is not defined in the definitions section, section 14. We will be discussing with the Minister whether the definitions section will need to be revised in the light of that.

[152] **Peter Black:** I have another question in relation to enforcement. You have the power of entry under warrant in the proposed Measure. If you moved to a situation where you were collecting the levy in a different way, would Hybu Cig Cymru or the Minister have powers under the Regulation of

rhagor yn y Mesur arfaethedig ynglŷn â sut y byddech yn mynd ati i gyflawni'r newid hwnnw.

Elin Jones: Ar hyn o bryd mae dynodi unrhyw un sy'n ymwneud â gweithgaredd cynradd—y cynhyrchydd—i'r diben o gasglu'r ardoll yn ddarostyngedig i'r weithdrefn penderfyniad negyddol o dan adran 4. Fodd bynnag, yr oedd hyn yn destun craffu sylweddol yn y Pwyllgor Is-ddeddfwriaeth ddoe, lle cefais fy herio ynglŷn â defnyddio'r weithdrefn negyddol yn hytrach na'r un gadarnhaol ar gyfer y dynodi. Yr wyf yn ystyried barn y pwyllgor ar hyn ymhellach. Hefyd, mae Peter wedi codi mater defnyddio pwerau i gael mynediad i dai annedd yng nghyswllt dynodi gweithgaredd cynradd. Mae hynny'n ffactor pellach imi ei ystyried.

Peter Black: Dyna'r llwybr y byddwn inni wedi'i awgrymu hefyd. O gofio bod eich swyddogion wedi awgrymu y gallai fod rhaid ichi newid yr Atodlen o dan y weithdrefn gadarnhaol, efallai y bydd gennych anghysondeb o ran sut y gwnewch chi hynny. Felly efallai fod angen edrych ar hynny. Gallech ddod yn ôl atom ar hynny.

Mae adran 11(4) yn aneglur o ran o dan ba amodau y gallai person penodedig fynd i mewn i dŷ annedd preifat. A allech egluro'ch bwriad yn adran 11(4)(a) mewn perthynas â'r gwahaniaeth rhwng tŷ annedd preifat a daliad?

Elin Jones: Hoffwn droi at fy swyddogion ar hyn.

Mr Brunt: Fel y dywedwch, mae cyfeiriad at dŷ annedd preifat a daliad yn adran 11(4). Nid yw'r term 'daliad' yn cael ei ddiffinio yn yr adran diffiniadau, adran 14. Byddwn yn trafod gyda'r Gweinidog a oes angen adolygu'r adran diffiniadau o ystyried hynny.

Peter Black: Mae gennyf gwestiwn arall ynglŷn â gorfodi. Mae gennych y pŵer i fynd i mewn dan warrant yn y Mesur arfaethedig. Pe baech yn symud i sefyllfa lle'r ydych yn casglu'r ardoll mewn ffordd wahanol, a fyddai gan Hybu Cig Cymru neu'r Gweinidog bwerau o dan Ddeddf

Investigatory Powers Act 2000 to carry out surveillance as part of that to find out whether someone is breaking the law?

[153] **Mr Brunt:** The Regulation of Investigatory Powers Act 2000 is currently under review. There has been a consultation by the Home Office on its future use.

[154] **Peter Black:** I am talking about it as it stands now.

[155] **Mr Brunt:** My understanding of the way that the Act works is that directed surveillance can be undertaken by Government officials where there is authorisation or there is an urgent need to do so and there is no time to obtain authorisation. The Act is used in order to establish whether any crimes have been committed. Therefore, it may not be appropriate here because of the civil penalty regime. We will all need to see how the consultation results affect the Act when it is amended by the Home Office.

[156] **Peter Black:** Local authorities are using it for level 5 and other offences are they not?

[157] **Mr Brunt:** I am not aware—

[158] **Peter Black:** So, at this stage, you do not think that there will be any need for Hybu Cig Cymru to make use of that Act?

[159] **Mr Brunt:** No. Under the Act's regime, persons authorised to undertake surveillance must be authorised by a designated body. At the moment, the Welsh Assembly Government is a designated body, as the police and the Home Office are, for example. HCC would not be a designated body for the purposes of undertaking surveillance under that Act. That is my opinion, but I am fairly sure that is correct.

[160] **Peter Black:** Is there a possibility that, at some stage, a Minister—not necessarily this Minister—might consider giving Hybu Cig Cymru the authority to use that Act?

Rheoleiddio Pwerau Ymchwilio 2000 i gynnal gwyliadwriaeth fel rhan o hynny i ganfod a yw rhywun yn torri'r gyfraith?

Mr Brunt: Mae Deddf Rheoleiddio Pwerau Ymchwilio 2000 yn cael ei hadolygu ar hyn o bryd. Cynhaliwyd ymgynghoriad gan y Swyddfa Gartref ynglŷn â'r defnydd ohoni yn y dyfodol.

Peter Black: Yr wyf yn sôn amdani fel y mae yn awr.

Mr Brunt: Fy nealltwriaeth i o'r ffordd y mae'r Ddeddf yn gweithio yw y gall swyddogion y Llywodraeth ymgymryd â gwyliadwriaeth o dan gyfarwyddyd lle rhoddwyd caniatâd neu lle mae angen brys i wneud hynny ac nad oes amser i gael caniatâd. Caiff y Ddeddf ei defnyddio i sefydlu a oes troseddau wedi cael eu cyflawni. Felly, efallai na fyddai'n briodol yma oherwydd y gyfundrefn cosbau sifil. Bydd angen inni weld sut mae canlyniadau'r ymgynghoriad yn effeithio ar y Ddeddf pan gaiff ei diwygio gan y Swyddfa Gartref.

Peter Black: Mae awdurdodau lleol yn ei defnyddio ar gyfer troseddau lefel 5 a throseddau eraill onid ydynt?

Mr Brunt: Nid wyf yn ymwybodol—

Peter Black: Felly, ar hyn o bryd, nid ydych yn credu y bydd unrhyw angen i Hybu Cig Cymru ddefnyddio'r Ddeddf honno?

Mr Brunt: Nac ydwyf. O dan gyfundrefn y Ddeddf, rhaid i'r rhai y rhoddir caniatâd iddynt i gynnal gwyliadwriaeth gael caniatâd gan gorff dynodedig. Ar hyn o bryd, mae Llywodraeth Cynulliad Cymru yn gorff dynodedig, fel y mae'r heddlu a'r Swyddfa Gartref, er enghraifft. Ni fyddai HCC yn gorff dynodedig at ddibenion cynnal gwyliadwriaeth o dan y Ddeddf honno. Fy marn i yw hynny, ond yr wyf yn weddol siŵr ei bod yn gywir.

Peter Black: A oes posibilrwydd y gallai Gweinidog, ar ryw adeg—nid o reidrwydd y Gweinidog hwn—ystyried rhoi'r awdurdod i Hybu Cig Cymru i ddefnyddio'r Ddeddf honno?

3.00 p.m.

[161] **Mr Brunt:** The Regulation of Investigatory Powers Act 2000 was made by the UK Government, and we would have to lobby the Home Office to amend Schedule 1 to the Act to add in a new authorising body. That is not devolved at present, I am afraid.

Mr Brunt: Gan Lywodraeth y DU y cafodd Deddf Rheoleiddio Pwerau Ymchwilio 2000 ei gwneud, a byddai rhaid inni lobio'r Swyddfa Gartref i ddiwygio Atodlen 1 at y Ddeddf honno i ychwanegu corff awdurdodi newydd. Nid yw hynny wedi'i ddatganoli ar hyn o bryd, mae arnaf ofn.

[162] **Peter Black:** That is fine. I am just trying to ensure that there are appropriate checks and balances in relation to that Act.

Peter Black: Popeth yn iawn. Nid wyf ond yn ceisio sicrhau bod mesurau priodol i gadw cydbwysedd mewn perthynas â'r Ddeddf honno.

[163] My last question is about section 12(7), which refers to partnerships and Scottish partnerships. Minister, could you clarify whether there is a need to make specific reference to Scottish partnerships? I suspect that I know the answer.

Mae a wnelo fy nghwestiwn olaf ag adran 12(7), sy'n cyfeirio at bartneriaethau a phartneriaethau Albanaidd. Weinidog, a allech egluro a oes angen cyfeiriad penodol at bartneriaethau Albanaidd? Credaf fy mod yn gwybod yr ateb.

[164] **Elin Jones:** It is an intriguing question. My understanding of that section is that a partnership would be constituted under English and Welsh circumstances, and we need to make specific reference to a Scottish partnership because, if a Welsh designated person was in a partnership with a Scottish partner, that would also be subject to enforcement for this purpose. So, it is to avoid any potential Scottish partnership not being included under the enforcement of this proposed Measure.

Elin Jones: Mae'n gwestiwn diddorol. Fy nealltwriaeth i o'r adran honno yw y byddaiartneriaeth yn cael eu sefydlu o dan amgylchiadau Cymru a Lloegr, a bod angen inni gyfeirio'n benodol at bartneriaeth Albanaidd oherwydd, pe bai person dynodedig o Gymru mewnartneriaeth gyda phartner o'r Alban, byddai honno hefyd yn ddarostyngedig i orfodaeth i'r diben hwn. Felly, mae yno i osgoi peidio â chynnwys unrhyw bartneriaeth Albanaidd bosibl yng nghamau gorfodi'r Mesur arfaethedig hwn.

[165] **Peter Black:** What about Northern Ireland? There is a separate legislative regime there, too.

Peter Black: Beth am Ogledd Iwerddon? Mae cyfundrefn ddeddfwriaethol ar wahân yno, hefyd.

[166] **Elin Jones:** I refer you to my officials.

Elin Jones: Fe'ch cyfeirïaf at fy swyddogion.

[167] **Mr Brunt:** As the Minister said, we have included Scottish partnerships to avoid the situation in which a partnership constituted in Scotland but operating in Wales evaded enforcement. On why we do not name Northern Ireland partnerships, I cannot give you a definitive answer to that, but it is standard drafting practice in England and Wales to refer to Scottish partnerships but not to Northern Ireland partnerships.

Mr Brunt: Fel y dywedodd y Gweinidog, yr ydym wedi cynnwysartneriaethau Albanaidd i osgoi'r sefyllfa lle byddaiartneriaeth a sefydlwyd yn yr Alban ond sy'n gweithredu yng Nghymru yn osgoi camau gorfodi. O ran pam nad ydym yn enwiartneriaethau â Gogledd Iwerddon, ni allaf roi ateb diffiniol ichi i hynny, ond mae'n arfer drafftio safonol yng Nghymru a Lloegr cyfeirio at bartneriaethau Albanaidd ond nid at bartneriaethau â Gogledd Iwerddon.

[168] **Peter Black:** It occurs to me that, as well as having a separate legislative regime,

Peter Black: Mae'n fy nharo i, yn ogystal â bod ganddi gyfundrefn ddeddfwriaethol ar

Northern Ireland is closer to Wales than Scotland is. Perhaps you could look at that.

wahân, fod Gogledd Iwerddon yn nes at Gymru na'r Alban. Efallai y gallech edrych ar hynny.

[169] **David Lloyd:** Dyna ddiwedd y cwestiynu swyddogol. Diolch yn fawr i'r Gweinidog am gymryd yr amser i ddod atom fel pwyllgor. Er ei bod yn bell i ffwrdd, mae'n hynod agos dros y gwifrau. Diolch hefyd i'r swyddogion am eu cyfraniadau. Weinidog, a hoffech wneud unrhyw sylwadau ychwanegol? A oes unrhyw faterion y mae angen ehangu arnynt, neu a ydych yn hapus gyda'r gosodiadau fel y maent?

David Lloyd: That concludes the official questions. I thank the Minister for taking the time to come to committee. She is far away, and yet very close thanks to the technology. I also thank her officials for their contributions. Minister, are there any additional comments that you want to make? Are there any matters that you believe need to be expanded, or are you content with the statements as they are?

[170] **Elin Jones:** Yr wyf yn hapus i derfynu ar hynny, diolch.

Elin Jones: I am happy to leave it there, thank you.

[171] **David Lloyd:** Atgoffaf swyddogion am y nodyn. Oherwydd yr amserlen dynn o ran gweithredu'r pwyllgor, gofynnaf yn garedig iddo gyrraedd y clerch cyn gynted ag y bo modd.

David Lloyd: I remind your officials about the note. Given the committee's tight operational timetable, I kindly request for the note to reach the clerk as soon as is possible.

[172] Weinidog a swyddogion, bydd y clerch yn anfon trawsgrifiad drafft o'r trafodaethau hyn atoch iddo gael ei gywiro os bydd angen cyn cyhoeddi'r Cofnod terfynol. Diolch yn fawr ichi i gyd am eich presenoldeb. Bydd cyfarfod nesaf Pwyllgor Deddfwriaeth Rhif 3 ar ddydd Iau nesaf, 19 Tachwedd, pan fydd y pwyllgor yn cymryd tystiolaeth gan gymdeithas lladd-dai Prydain ac yn ystyried y materion allweddol sydd i'w cynnwys yn ei adroddiad terfynol. Diolch ichi i gyd am eich presenoldeb. Mae'r cyfarfod ar ben. Diolch yn fawr am y cyfieithu.

Minister and officials, the clerk will send you a draft transcript of these proceedings so that it can be corrected if necessary before the final version of the Record is published. Thank you for your attendance. The next meeting of Legislation Committee No. 3 will be held next Thursday, 19 November, when the committee will take evidence from the British abattoirs association and will consider the key issues for inclusion in its final report. Thank you all for your attendance. The meeting is now closed. Thank you for the interpretation.

Daeth y cyfarfod i ben am 3.04 p.m.

The meeting ended at 3.04 p.m.