

Cynulliad Cenedlaethol Cymru | National Assembly for Wales
Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig | Climate Change, Environment and Rural Affairs Committee
Ymchwiliad i ddyfodol Polisiâu Amaethyddol a Datblygu Gwledig yng Nghymru | Inquiry into the Future of Agricultural and Rural Development Policies in Wales
AAB 11
Ymateb gan Cymdeithas y Ffermwyr Tenant
Evidence from Tenant Farmers Association

08 064 008

1 of 7

T F A Cymru's response to Inquiry into the future of Agriculture
and Rural polieices in Wales

1/ What are the fundamental outcomes we want to see from Agriculture
,land management and rural development policies?

The primary activity on land in Wales should be Agriculture, but
this should be carried out in such a way that it does not harm
the environment, but rather preserves and enhances the habitats that
already exist.

The landscape/habitat that we see today are the result of farming
activities over hundreds even thousands of years. Those living and
farming the land are the best people to deliver the outcomes everyone
seeks.

Thus it is imperative that any future policy and funding is designed
to insure that those at present farming the land continue to do so.
If future policies are such that only environmental matters are
supported, then the farmers themselves may well give up farming al-
together, with resultant depopulation of Upland areas, with all the
knockon effect on those people and business's that are dependent on
farming for their livelihood.

Even more important is, that if farming were to cease being the main
activity in Upland areas, all those skills developed and inherited
over many generations would probably be lost foreever. Hefting of
sheep cannot be learnt by obtaining a degree in Entomology from the
University of South Wales Pontypridd.

It is the absolute duty of any Government to feed the population.
At present about forty percent of what we eat is imported. This is
fine while we can, however maybe at some point in the future this
country will need to produce more or even all the food we need.
It should not be forgotten that food rationing was still in place ten
years after the end of World War 11. More recently at the start of
the 2001 Foot and Mouth epidemic the abbatoirs closed resulting in
the Supermarkets running out of food in four days. Thus the retention
of the ability to produce food even in the marginal areas is essen-
tial.

008 064, 008

247

The land at the top of Snowdon is probably more productive than some parts of the World where the populations are starving. A recent picture in the Sunday paper of people in the South Sudan on their knees picking up grains of maize from a burst air-dropped bag makes the point.

Having said that it is also essential that the land where the food is produced is maintained in a condition in which it can continue to do so. No farmer would wish to destroy the very fabric which supports his livelihood.

Much has been made of the practice of amalgamating fields by removing hedgerows, trees etc. This was probably indeed the case in parts of England in the past, encouraged it has to be said by Government, in Wales where the Arable area is relatively small, this rarely occurred. It should be pointed out that removing hedges/trees without planning consent, licence has been illegal for a number of years.

Statistics indicate that in Wales 10% to 15% of the land claimed under the Common Agricultural Policy (CAP) is inelligible for any payments because of the presence of trees, scrub, rocks, streams, which illustrates the point (RPW Statistics)

Abandoning the land in Upland areas to Wolves Lynxes and Brown Bears is not the answer. Equally over intensive farming, largely driven by flawed CAP which harms the environment is not the answer either.

2/Lessons learnt from current and previous policies.

Most of the problems facing farmers today are the result of "one size fits all" CAP. Large payments have been made to the wrong people in the wrong places for the wrong reasons. Payments are supposed to go to those actually farming the land (Active Farmer) In all too many cases payment is going to landowners who play no roll whatsoever in farming. This has led to hyperinflation in land values and contributed to unsustainable rents in the tenanted sector. CAP payments have distorted the markets, led to bad farming practice created surpluses of some products and shortages of others.

The result has been that the price paid to farmers for what they produce has lagged behind the cost of production to the extent that

08 064 008

3 of 7

up to 60% of Upland farmers income is or was, subsidy.

When one considers that fifty years ago before UK joined the Common Market the minimum Agricultural wage was £ 8 10 s per week a gallon of red diesel was 4 d, whereas now the minimum Agricultural wage is around £ 350 a week 41 times higher and red diesel is 45.75p a litre-(£1-14s-4d a gallon) 103 times higher. and against this fifty years ago Barley was selling at up to £ 22 a ton now around £ 120 a ton, some 5½ times higher, and Half Bred yearlings in Salisbury market could be had for £ 7 now around £70 ten times higher .it is hardly surprising that farmers are wholly dependent on subsidy for survival.

The pre joining Common Market Agricultural support, which worked perfectly well, consisted of guaranteed prices for produce, a capital improvement grant scheme and a Hill Subsidy, recognising the importance of helping those to farm in the more marginal areas.

The problem now of reviving such a policy is that if after Brexit UK comes under World Trade Agreement rules (G A T T) production subsidies are not allowed. Some way would need to be found to support farming without contravening these rules.

The current C A P is not fit for purpose even after the recent reforms. Paying people just for owning land-which is in effect what the present policy does, is not the way forward. If Agriculture is to be supported, and it is clear that it has to be to survive, then payment must be for doing something. It has been said that any payments should only be made for delivering Public Good. Providing cheap, plentiful, environmentally friendly, home grown food, is surely Public Good.

Support for those in I P A 's is at present geared towards Agri-Environment schemes (Glastir). The problem here is that under E U rules, payment can only be for income foregone, viz for farming the land less intensively. This also applies to G A T T rules. Thus if a farmer is making a loss he will not solve the problem by entering Glastir. He will still be making a loss.

The other problem with Glastir which would need to be resolved under any new scheme is that payments is for "prescriptions" and not outcomes. Thus very often that which the payment is trying to achieve is not obtained.

08 064' 008

4 of 7

For tenant farmers Glastir is often not available. To participate a tenancy has to be for more than five years which disenfranchises a significant number of farmers. In addition Landlords permission to enter must be obtained. If this is forthcoming the landlord often wants a cut or tries to increase the rent.

The proposal to introduce "Conservation Covenants" whereby once land is in an Agr-Environment scheme it is in in perpetuity, but payment is not in perpetuity (Law Society Report 2014²) would be a major deterrent to landlords giving permission.

Support for farming in the Uplands post Brexit is essential, for the above reasons this needs to be some sort of stand alone policy, outside any mainstream Agr-Environment scheme.

A large number of Upland farmers in the small to medium category 250/300 acres are part time farmers having outside jobs to prop up their farming businesses (Aberystwyth Farm Business Survey³) If extra support is not forthcoming post Brexit, many of these farms will become unviable.

The larger farms are probably even worse off as because of the extra work the farmer would not have the time for outside work. If future payments were to be of Agri-Environment nature only, would a farmer then loose these payments on the loss making farming enterprise. For lowland farmers the situation is slightly different. Loss of Direct support would probably mean that these farms would no longer make a profit, but could probably survive.

L F A makes up about a third of Wales, within this about a third is Hill (mountain and moorland). Upland can produce as much as lowland but because it is usually on a slope and is higher up, cost of production is far higher-hence the need for extra support, if farming in these areas is to survive-and farming the land is the best way of preseserving the environment that has been created by farming. (NSA Report on Sheep Grazing in the Uplands⁴, N R W reply to Stategic Framework consultation 2014⁵ TFA Vision 2020-2010⁶)

Other areas that come within the remit of W A G, are encouraging and helping new entrants to farming. The recently Farming Connect Share Farming Matching initiative appears to be a success and should continue. The decision of some local authorities to sell of the County Council

08 064 008

5 of 7

Smallholding Estates is a disaster. Council Farms have been, and are one of the most important ways for people to get on the farming ladder. Through lack of management and investment many Estates are in decline. Cash strapped Councils can see an easy way of raising funds quickly by selling off farms. Once sold that is it.

The inquiry set up by former Environment Minister Alan Davies under Charles Coates might well have found a way forward. Due to lack of W A G backing the inquiry was curtailed half way through. This should be reconvened with W A G backing. (Welsh County Farms Way Forward Initiative)

Bovine TB. This has been, and is a major problem in many areas of Wales. The W A G policy over the last five years, while reducing the number of herd outbreaks has done nothing to reduce the number of infected cattle. This has cost the W A G a large sum of money in compensation for animals culled, and a large sum of money on what would appear to be a totally ineffective Badger vaccination policy in Pembrokeshire. The W A G Consultation on the new TB eradication programme at last acknowledges that it may be necessary to do something about the Badger population in High Risk areas. However the circumstances in which a cull of Badgers would be allowed are so narrow, and the evidence needed to initiate such a cull so onerous, that it is unlikely that any progress will be made.

The enhanced testing regime in these high risk areas will place extra burden on farmers without properly tackling the main problem.

Sorting this out would be the best way to help struggling beef farmers (TB Debate Senydd Oct 2016, W A G Refreshed TB Eradication Programme)

3/ To what extent should Wales develop its own agricultural, land management and rural development policies?

As above, the Welsh landscape is totally different to England, with about 30% L F A to Englands 10%. Wales needs to develop its own policies. The present problems for farming have been caused by having a one size fits all C A P, trying to have one set of rules for Olive growers in Greece, Arable farmers in France and Hill sheep farmers in Wales. This has not worked. The numerous and often idiosyncratic

08 064. 008

6 of 7

rules and regulations, have contributed to the uncompetitiveness of U K produced food. This has resulted in the shortfall of what is required to feed the nation. This has been made up by importing food from countries which often do not have the same environmentally friendly practices that we do. This is counter productive .

An example of poor rules is the current rule on trees, which was clearly designed to prevent people claiming agricultural subsidies on conifer afforrested areas in Bavaria- and not on sparsely spaced native oak in Wales. The rule is a deterrent to planting trees at all.

If Wales policy was married to an English policy the same sort of problems could easily arise.

Having said that any Wales policy should be compatible with that in England- after all Wales is only a small part of U K. There may well be certain areas where a common policy would be beneficial. The first Minister recently said that he thought Animal Health might be better undeveloped- having different T B policies and sheep tagging rules, for instance is not clever.

One area in which Wales lags behind England is in Tenancy Act reform. Modernising the Repairing obligations, end of tenancy compensation and encouraging longer term tenancies are all areas which have or are being tackled in England- Wales is some way behind.

The uncertainty of what will happen to Agricultural support makes it very difficult to plan ahead, but the mistake of having no plan whatsoever either in England or Wales for a Brexit vote last June 23 must not be repeated.

It would appear from the Chancellors statements and the Cabinet Secretary in the Senydd Debate, that funding is guaranteed until 2020 and that the Agricultural Budget is ring fenced. This is welcomed. We must all work to come up with a post Brexit Policy which genuinely targets the right people and delivers the outcomes which both the farming community, other interested groups and the general public can support.

The proposals outlined in T F A 's Post Brexit document, if implemented, would go a long way to achieving these aims.

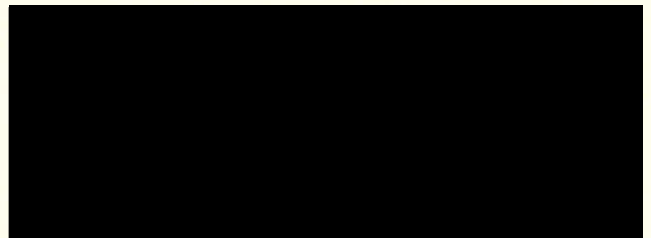
08 064' 008

7 of 7

The late King George VI ,a great conservationist, is often quoted concerning the countries wildlife. If this was put in the context of this discussion he would probably have said something like this-

" This land is not ours to do with as we please-we have it in trust-we must account for it to those that come after "

Think on this and choose wisely.



D R A Matheson. T F A Gymru
Croniarth November 21 2016

Source.

- 1/R P W Statistics
- 2/Law Society. Conservation Covenants 2014
- 3/Aberystwyth Farm Business Survey 2013/14
- 4/NSA Upland Sheep Report 2016
- 5/NRW Response Strategic Framework Consultation 2014
- 6/TFA Vision 2020-2010
- 7/Welsh County Farms Way Forward Initiative. Charles Coates 2014
- 8/Senydd Debate TB Oct 2016.
- 9/W A G Afresh approach to TB eradication
- 10/TFA Brexit Proposals.