

CONSULTATION QUESTION SECTION

ABOUT YOU SECTION

Your name: Janet Finch-Saunders, Assembly Member for Aberconwy

Organisation (if applicable)

Please note here if you prefer to remain anonymous

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GENERAL QUESTIONS

Please indicate whether you are responding as:
(Please tick)

- a. An individual ✓
- b. On behalf of an organisation

Please indicate which of these best represent you or your organisation
[Please tick all that apply]

- a. Farming
- b. Forestry
- c. Environmental interests
- d. Tourism/hospitality
- e. Food and timber supply chains
- f. Public sector
- g. Private sector
- h. Third sector
- i. Trade Union/Representative
- j. Other, please specify below ✓

I have had the honour of being elected as the Assembly Member for Aberconwy.

Question 1 of 20

From Chapter 4: Land Management Programme

We propose a new Land Management Programme consisting of an Economic Resilience scheme and a Public Goods scheme. Do you agree these schemes are the best way to deliver against the principles?

1. Yes
2. No ✓
3. Unsure

If NO, what alternatives would be best?

I do not agree that the schemes are the best way to deliver against the principles. As you will see from my answers below, I have numerous concerns about the principles, let alone the schemes. However, here I want to highlight my concerns about the five principles outlined in Chapter 4.

Principal 1: *'We must keep farmers, foresters and other land managers on the land. To produce the maximum benefit to wider society, land must be actively managed by those who are best able to do so'.*

I must state that I am very concerned that there is not an emphasis here on farming. Indeed, I believe that active farmers and productivity should be at the heart of this consultation, and that this would then produce the maximum benefit to society. The reason for this is apparent when considering the fact that it is farmers who manage over 80% of the land area of Wales. More so, around two out of every five rural businesses are classed as being involved in the farming industry, indicating to the importance of placing farmers and productivity at the heart of the consultation. Indeed, it cannot be doubted that through encouraging farmers to continue to actively manage and farm the land, there would be a significant benefit to society. This is corroborated by my understanding that agriculture has been acknowledged as the single most significant contributor to an estimated £1.9 billion worth of wildlife based activity in Wales per annum, that agriculture is a backbone for countless rural communities, and that we are a globally responsible nation which has a duty to maintain productive capacity and assist in feeding the UK and improving global food security. Indeed, it is a sorry fact that recent DEFRA figures showed a fall in Britain's production of its own food over the last 30 years – down to 61%.

Given the above, I believe that Principal 1 needs amending so that there is greater focus on actively farming the land too.

Principal 2: *'Food production is vital for our nation and food remains an important product from our land. That means continuing to support the economic activities of farmers where it is sustainable and financially viable to do so'.*

I believe that this principal causes some uncertainty. I agree that food production is vital for our nation, and want to see it and productivity be at the heart of Welsh Government legislation. More so, whilst I do believe that farming businesses need to

be supported to be as efficient as possible, and that funds received ought to be spent carefully so to ensure sustainable food production, I am concerned that this principal could lead the Welsh Government to see some farms in unstable positions. The reason for this is that the principle alludes that you only seem willing to continue to support the economic activities of farmers where it is ‘sustainable’ and ‘financially viable’ to do so.

Undoubtedly, clarification is needed here as what is meant by ‘sustainable’ and ‘financially viable’, and what this could mean for farmers: many of whom farm challenging terrains and have to deal with price volatility.

Principal 3: *‘The support system must be sufficiently flexible to respond to changes in the post-Brexit climate’.*

In addition to having a support system which is sufficiently flexible to respond to changes in the post-Brexit climate, the principal needs to go further. Indeed, one of the greatest threats to farmers’ economic continuity ought to be addressed here to: price volatility. Whilst it is not expected that you control market prices, it is reasonable to expect the Welsh Government to have a strategy which is sufficiently flexible to respond to changes in the post-Brexit climate – including price volatility. This would reassure farmers that there can be support available during extremely tough times, such as the dairy industry has seen over recent years.

Principle 4: *‘Future support will encompass the provision of additional public goods from land. The richness and diversity of the Welsh landscape means there is no paucity of public goods to procure – from clean air, to flood management, to better habitats, to public health and education’.*

Numerous constituents have raised the matter of public goods with me. It follows that in addition to being disappointed and somewhat perplexed as to why the production of food is not regarded as being a public good, I believe that assurances ought to be given that all farmers in Wales should be fairly rewarded for the public goods they are already delivering. Indeed, having had the pleasure of visiting farms across the constituency, and meeting many farmers, I know that they make a positive contribution through their business, such as through slowing the flow of water from highlands, improving wildlife habitats and soil quality, and providing green energy through solar, wind, and hydro schemes.

Principal 5: *‘All land managers should be able to access new schemes’.*

I agree with this principal. However, as you will see below, many constituents have expressed their concerns to me that the schemes might not be accessible to farmers who are tenants.

Given the above, it ought to be clear that the principals need amending so that farmers are at their heart. This is also true about the document as a whole, as you will see in

further comments, which should highlight the fact that that the schemes must do much more to support food production, productivity, and active farmers.

One key change required is the need for some sort of direct payment. The lack of this has been raised with me as being a source of great concern, because if unchanged, it could see numerous farms across Wales lose stability, confidence, and ability to invest going forward. The negative impact this would have is apparent when considering the fact that for every £1 invested in farms, there is a return of around £7.40 delivered. It follows that it seems fiscally responsible and actually viable to provide some sort of direct payment to farmers. Undoubtedly, the current model of payments cannot continue as they are, especially given the financial inequality they cause between different farmers. Nonetheless, some direct payment is needed, especially so that farmers have some help with price/market volatility. The willingness of the public to support this has been established by a YouGov survey which showed that 83% of Welsh consumers supported the idea of a new domestic agricultural policy in Wales providing funding support for Welsh farmers to continue supplying safe, high quality and fully traceable food to the nation. Therefore, I hope that some direct payment will continue to be provided to farmers as it is genuinely needed.

Question 2 of 20

From Chapter 4: Land Management Programme

Does the Welsh Government need to take action to ensure tenants can access new schemes?

1. Yes ✓
2. No
3. Unsure

If YES, what action would be best?

The Welsh Government does need to take action to ensure tenants can access new schemes. This has been raised with me by numerous constituents, who do require assurances that they will be able to access the schemes even if they do not have a long term tenancy.

Question 3 of 20

From Chapter 5: Economic Resilience

From your experience of current programmes, what do you feel would work well for the future?

Whilst I believe that the views of farmers who have first-hand experience of working with the current programmes on offer should be given up most attention, from my correspondence with some constituents, it ought to be noted that there must a continuation of some sort of direct payment. As I have already explained, I believe that this would be of great help in giving farmers some security in the face of volatility, and assistance in maintaining, if not, improving food production.

Question 4 of 20

From Chapter 5: Economic Resilience

Do you agree with the focus of the Economic Resilience scheme being on growing the market opportunities for products from the land throughout the supply chain, rather than restricting support to land management businesses only?

I do not fully agree with the focus of the Economic Resilience scheme being on growing the market opportunities for products from the land throughout the supply chain, rather than restricting support to land management businesses only. Indeed, as you will see from my answer to question 5, I have some concerns about a few of the 5 areas of support. However, in response to this question specifically, it is concerning that the scheme will see money allocated between primary production, processing and manufacturing, as well as other businesses critical to the wider supply chain. Whilst investment across the supply chain is welcome, I do believe that the focus of investment should be on farmers – primary production – without which the rest of the supply chain would suffer.

Question 5 of 20

From Chapter 5: Economic Resilience

Are the five proposed areas of support the right ones to improve economic resilience?

1. Yes
2. No
3. Unsure ✓

Are there any areas which should be included but currently are not?

I have ticked the 'unsure' option here due to concerns about the content of Areas 2, 3, and 4.

Area 2: Improving Productivity:

'Increasing productivity does not mean increasing overall production. Instead support will be offered to help realise opportunities to reduce the unit cost of production, increase the value added to our primary produce, thereby improving competitiveness in existing and new markets'

I welcome the fact that the Welsh Government intends to help farmers reduce the unit cost of production, increase the value added to their primary produce, and improve their competitiveness in existing new markets. However, I have reason to believe that many farmers have already taken significant steps to reduce their unit cost of production, indicating that it could be extremely challenging for some to achieve any more savings. This is another reason why a form of direct payment is needed, because in difficult times, it is true that some farmers simply cannot reduce their unit price enough to make ends meet. It follows that I believe that the aim of the legislation needs to be supporting those who produce primary produce, but that alongside offering help with investment in infrastructure, technology, and animal health, some direct payment is needed.

Area 3: Diversification:

'Further diversification of our businesses will be crucial in building resilience to the market pressures that Brexit may bring... We expect that many land managers will need to consider strengthening their income through diversification and as such we intend to prioritise support to achieve this'.

I support diversification, and have been delighted to see some fantastic examples on farms across Aberconwy. However, in reality, diversification can mean a move away from actively farming the land and producing food. As such, I believe that financial support should be prioritised for aiding farmers in producing food too.

Additionally, I am very concerned that one of the potential areas of support listed under Area 3 is:

'Integration with other national and regional support, such as from Business Wales, for rural businesses looking to diversify beyond food and fibre products and services'.

Earlier this year, following a constituency wide survey and correspondence with the Carwyn Jones AM, First Minister, I disclosed the unbelievable fact that the he is satisfied with Business Wales having only helped what turns out to be around 0.3% (853 of 253,600) businesses in Wales over a 3 year period. Clearly, a shakeup of Business Wales is needed. However, given that the First Minister refused to review its work, I do not believe it is reasonable for Business Wales to be listed as a potential area of support currently.

Area 4: Effective Risk Management:

'We must recognize direct support under the Basic Payment Scheme has been a tool for managing volatility'.

I agree with this statement, and believe that it is further proof that you, the Welsh Government, actually know that there needs to be some sort of direct payment going forward. Therefore, it is extremely concerning that this is not included in your proposals.

Question 6 of 20***From Chapter 5: Economic Resilience***

Of the five proposed areas for support, which are the priorities, both in terms of funding, and the sequence of delivery? For example, are certain measures needed in advance of others?

All five areas of support are important. However, taking into account my response to question 6, I believe that effective risk management is vital, and that providing farmers with some sort of direct payment so to reduce the risks posed by volatility ought to be the priority.

Question 7 of 20

From Chapter 5: Economic Resilience

Should we be investing in people, for example to bring in new ideas, skills and people into land management and the supply chain in Wales?

1. Yes ✓
2. No
3. Unsure

If YES, how should we look to do this?

I welcome the fact that farmers, foresters and other entrepreneurs are noted as being the foundation of the scheme, and that you intend to '*invest significantly in their development*'.

Having had the pleasure of meeting with some members of Young Farmers, and visited farms where it is hoped that the younger generation might take over, I do worry that it is extremely difficult for anyone to enter the sector. As such, I would welcome schemes which give extra support to the youngest generation, and those farmers trying to establish and develop their businesses.

Additionally, I believe that many farmers are enthusiastic about bringing in new ideas, skills and people into farming, but that cost can be a barrier. For example, I am aware that past Welsh Government grants towards various items have required significant contribution by farmers – something that is sometimes unfeasible. As such, I would hope that there is not a significant financial barrier for any farmer wanting to explore new ideas, develop skills, and their business.

Question 8 of 20

From Chapter 6: Public Goods

We have set out our proposed parameters for the public goods scheme. Are they appropriate?

1. Yes
2. No ✓
3. Unsure

Would you change anything?

1. Yes ✓
2. No
3. Unsure

If YES, what?

As has already been explained, I believe that food production should be recognised as a public good. Wales is a globally responsible nation which has a duty to maintain productive capacity and assist in feeding the UK and improving global food security. Indeed, it is a sorry fact that recent DEFRA figures showed a fall in Britain's production of its own food over the last 30 years – down to 61%. As such, I hope that your legislation might see an improvement in productivity, and acknowledge that food production is a public good.

Question 9 of 20

From Chapter 6: Public Goods

This scheme is meant to offer land managers the opportunity to access a significant new income stream as the BPS comes to an end. How could we improve what is being proposed to attract land managers whilst still achieving our vision and objectives?

As has already been explained, I believe that food production should be recognised as a public good, and that there should be some direct payment.

Question 10 of 20

From Chapter 6: Public Goods

Are there any other Public Goods which you think should be supported?

1. Yes ✓
2. No
3. Unsure

If YES, why?

Food production. I have already explained why, but honestly, this should be apparent to any reasonable person.

Question 11 of 20

From Chapter 6: Public Goods

A number of public goods could potentially take several years, sometimes decades, to be fully realised. E.g. carbon sequestration through broad leaf trees. To deliver on these, land managers may need to enter into a long term contract. How do you see such agreements working? What do you see as the benefits or disadvantages to such agreements?

Every farmer should have the opportunity to benefit from providing public goods, as such, I see the requirement to enter into a long term contract as being unfeasible. The reason for this is the fact that many farmers do not have a long term tenancy.

Question 12 of 20

From Chapter 6: Public Goods

A collaborative approach to delivering public goods may in some instances provide better value for money than isolated activity. How could the scheme facilitate this approach? How could public and private bodies contribute to such partnerships?

No comment.

Question 13 of 20

From Chapter 6: Public Goods

Some actions can deliver multiple public goods in the same location. For example, peat bog restoration can have benefits for carbon sequestration and flood risk reduction. However, some locations could be suitable for multiple public goods from different activities. For example, one location may be suitable to either plant trees for carbon sequestration, or to revert to wetland for biodiversity. How could locations for single, multiple or competing benefits be prioritised?

No comment.

Question 14 of 20

From Chapter 6: Public Goods

Given that support for the delivery of public goods will be a new approach in Wales, there will be a requirement for a significant amount of training and advice for the sector. How best could this training and advice be delivered? Which areas of the sector need the most attention?

As you will note from my response to question 5, I have little confidence in the ability of Business Wales to offer effective training and have a positive impact on the sector.

The focus of Welsh Government legislation must be on supporting farmers.

Question 15 of 20

From Chapter 6: Public Goods

Private investment in the purchase of public goods is already happening, but at a relatively small scale. How could the new scheme promote greater involvement from the private sector? What are the barriers to this type of investment?

No comment.

Question 16 of 20

From Chapter 8: Transition, delivery and legislation

What are your comments on the phased transition period and our ambition to complete the changes by 2025?

The transition period must be a sufficiently long. Please see the response to question 17.

Question 17 of 20

From Chapter 8: Transition, delivery and legislation

What is the most appropriate way to phase out the Basic Payment Scheme to start implementation of the new schemes?

I believe that there should be no talk of phasing out BPS until such a reasonable alternative has been found – one which continues to provide farmers with some sort of direct payment. Once this has been established by cooperating with farmers, constituents have explained to me that in addition to there being a sufficiently long transitional period from the current arrangements to a new domestic agricultural policy, the change should first be piloted before being rolled out across the country.

Question 18 of 20

From Chapter 8: Transition, delivery and legislation

How can we simplify the current administration and delivery of the Basic Payment Scheme during the phased transition period?

No comment.

Question 19 of 20

Welsh Language standards

Will the proposed land management programme have any effects (either positive or adverse) on:

- opportunities for persons to use the Welsh language;
- treating the Welsh language no less favourably than the English language?

The current proposals pose a threat to the continuity of some farms, especially due to the complete removal of direct payment. If this transpires, and farmers lose confidence in the sector, it is sadly possible that traditional Welsh language families might have no option but to leave rural Wales. The impact of this on the language and Welsh communities would be detrimental. As such, I believe it important to ensure that the schemes provide some sort of financial stability to farmers, so that they have confidence to survive volatility, and keep their families on the land – contributing both socially and financially to our bilingual communities. Indeed, it should not be forgotten that for every £1 invested, there is a return of around £7.40 delivered.

Question 20 of 20

Do you wish to make any further comments?

In responding to the questions, I have used my best endeavours to express my own views and those of the numerous farmers who have contacted me.

Rather than repeating points which I have already made, which I trust will be considered very carefully, I would like use this opportunity to raise other issues that constituents have brought to my attention with regards to this consultation and Welsh Government legislation going forward. These are the fact that:

- There should not be an increase in the regulatory burden – this could see Welsh farmers disadvantaged compared to the rest of the UK. Also, farmers don't want to see competitive positions eroded compared to the EU27 in terms of the level of regulation imposed and level of support provided.
- There should be measures to support investment in modern farm infrastructure, the latest technologies and innovations.
- It is paramount that we protect the UK internal market. As you should be aware, this is one market we can ill-afford to be without, as currently 65% of Welsh exports go to the rest of the UK.
- It is vital we make Welsh and British produce the produce of choice for consumers in this country.