

Sustain Policy briefing: The UK Agriculture Bill Report Stage Amendments April 2019

The Agriculture Bill is the first major UK legislation on agriculture in 50 years. The Sustain alliance wants to make the best of this opportunity to influence UK farm policy and practice. This is made especially urgent due to the need for the UK to take decisive action on farm livelihoods, working conditions, public health, animal welfare, biodiversity, environmental protection and climate change. This briefing has been produced by Sustainable Farming Coordinator for the Sustain alliance, Vicki Hird, in consultation with working party members and others, setting out issues and proposing amendments:

- 1. to deliver agro-ecological whole farm systems
- 2. to insert a public health purpose into the Bill
- 3. to enhance the Fair Dealing Obligations Clause 27
- 4. to assess the impact of the Act on agricultural workers
- 5. to deliver critical changes on trade, multiannual budgets, climate, pesticides and county farms

We are seeking support for the following amendments which have been tabled but we would be interested in alternative approaches:

1. An amendment to deliver agro-ecological whole farm systems

Amendments 1 and 2 - to Clause 1, page 2, line 8, at end insert—

(h) establishing and maintaining whole farm agroecological systems.

Clause 1, page 2, line 23, at end insert—

"whole farm agroecological systems" include any whole enterprise system for farming or land management which is designed to produce food and/or fuel while delivering environmental and social benefits, and may include organic farming,"

Note: amendment 37 also supports agro-ecological farming systems.

Why this amendment?

- 1) Agroecology integrates food production with delivery of environmental and social public goods. This amendment would allow for support and incentives for farmers to continue to produce food whilst delivering public goods in a way defined as agroecology. This would ensure farmers may transition to ecological farming models, producing whilst restoring the environment and nature and contributing to a food system that provides fresh and nutritious food for all.
- 2) Farmers will be rewarded on a whole farm basis not only for "managing land or water in a way that protects or improves the environment", as in point (a) of clause 1, but for doing so across the whole farm in an integrated manner. Agro-ecological whole farm systems can deliver a higher level of benefits such as, in the case of organic farming:
 - 50% more wildlife than conventional farms;
 - healthier soils with 44% higher capacity to store long term soil carbon;
 - 35-65% less nitrogen; and
 - no persistent pesticides leached from organic arable fields.

These benefits are delivered in an integrated manner as a part of the whole farm system, rather than in reserved areas or only on the margins.

3) **Delivering social benefits**. If Agroecology is specified as a Bill purpose, the government could develop schemes which deliver social benefits as a part of the farm system. Farms might be supported to provide public access to nutritious food, for example through community farm projects where low income households can buy fruit and vegetables, or public learning about where their food comes from, and how to cook it, thereby supporting improved public health or schemes to improve the quantity and quality of jobs. Incentives for delivering on social cohesion and public health outcomes are not currently in the bill.

2. Amendment to insert a public health purpose into the Bill

We are seeking support for an amendment to the Agriculture Bill which would make public health an explicit Bill purpose and suggests some of the possible measures. Two options for amendments are proposed as follows:

Option 1 Amendment to Clause 1 - page 2, line 8, at end insert—

- "(h) supporting the delivery of improved public health outcomes.
 - (1A) Support under subsection (1)(h) may include, but is not limited to, measures to:
 - (a) increase the availability, affordability, diversity, quality and marketing of fruit and vegetables and pulses,
 - (b) reduce farm antibiotic and related veterinary product use, and antibiotic resistance in harmful micro-organisms, through improved animal health and improved animal welfare,
 - (c) provide support for farmers to diversify out of domestic production of foods where there may be reduced demand due to health concerns,
 - (d) reduce harm from use of chemicals on farms, and
 - (e) reduce pesticide residues in food.

Option 2 as tabled in Report stage Amendments 43 and 44

Amendment 43 - Clause 1, page 2, line 13, at end insert—

"(3A) In giving financial assistance under this section, the Secretary of State shall publish objectives for and further—

- (a) the contribution of agriculture to the improvement of public health, and
- (b) the health and welfare of livestock."

Member's explanatory statement This amendment would support greater public access to food that optimises nutritional and public health outcome as well as improved animal welfare. The mechanism for achieving this will be the Secretary of State publishing objectives for the agriculture sector's contribution to the improvement of public health and to the health and welfare of livestock. The Secretary of State will further those objectives in giving financial assistance under clause 1 of the Bill

Amendment 44 #Clause 1, page 2, line 23, at end insert—

"the improvement of public health" includes, but is not limited to, increasing the availability, affordability, diversity, quality and marketing of fruit, vegetables and pulses;

"the health and welfare of livestock" includes, but is not limited to, measures to reduce the use of farm antibiotics and related veterinary products, and antibiotic resistance in harmful micro-organisms, through improved animal health and improved animal welfare.

Member's explanatory statement See Amendment 43

Why an amendment for a public health purpose?

We have the opportunity now to ensure UK farm policy delivers public benefits like wildlife protection, tackling climate change and ensuring access to nature. What is less well agreed is the need to protect public health via agriculture policy. In the same way that farming fundamentally affects our environment, food consumption is one of the key determinants of human health. Action is clearly needed beyond the farm gate to curb the processing and marketing of unhealthy or unsafe foods. But it is also vital to ensure farm policy promotes healthy food production and does not support continued production of foods or systems that contribute to unhealthy or unsafe diets which have a huge societal and economic cost.¹

¹ To assist in preventing diet-related chronic diseases like heart disease and diabetes. This would reduce the financial burden in the NHS: obesity costs the NHS in England more than £6bn per year, and is forecast to reach £10bn by 2050. Diabetes adds on an additional £14bn in costs per year. On average, our fruit and veg consumption needs to increase by 64% to be in line with the Government's dietary guidelines. At present only 1% of the UK agricultural budget is spend on horticulture. see our longer briefing https://www.sustainweb.org/foodandfarmingpolicy/agriculture_bill/

To that end we need unambiguous commitment to public health goals in the Agriculture Bill and, where possible, specific support to enable outcomes beneficial to public health where that does not undermine environmental and other social goals. Outcomes could include:

- Measures to increase the availability, affordability and accessibility of UK-grown and sustainably
 produced fresh fruit and vegetables, nuts and pulses. The land under fruit and vegetables would
 require a minimal land take as the sector is highly productive but there are environmental
 implications which need to be addressed through safeguards or regulation built into the final
 schemes and via the Environmental Bill regulations;
- Tackling mntimicrobial resistance: With livestock accounting for around 40% of UK antibiotic use, support is needed, alongside stronger regulation, for the improvements to animal health, breeding husbandry, and housing required to reduce the need for antibiotics, and to help farmers transition to extensive, high welfare farming systems such as organic, using far fewer antibiotics;
- Delivering healthy sustainable diets (following the Eatwell plate), reduced harm from use of chemicals on farm, and reduced pesticides residues in food

3. Amendments to enhance the Fair Dealing Obligations Clause 27

These amendments to clause 27 on Fair Dealing aims to protect all farmers and growers from unfair trading practices by buyers in the supply chain. We are seeking the following amendments:

Clause 27 Page 20 Line 31 change word 'may' to 'must'

Explanatory statement - We are requesting this to be a **duty** not a power. This amendment would require the Secretary of State to make regulations for fair dealing obligations in Clause 27.

Page 20, line 30 leave out the words 'first'

Page 20 Line 32 (1) leave out the word 'the first'

Page 20 Line 34 (2) leave out the word 'the first'

Page 21 Line 23 leave out the word 'the first'

Page 21 line 38 amend to "purchasers of agriculture products" means persons who in the course of a business purchase agricultural products from producers or from their purchasers

Explanatory statement - These amendments are to reflect the need to remove the restriction that the obligations are for first purchasers only and allow the Secretary of State to deal with the contractual problems where they arise.

What these amendments will do

The first amendment confers duties rather than powers on the Secretary of state to deliver on this clause as it is vital the farm sector is protected from unfair trading practices and evidence is strong that abuse is still common.

The second amendments reflect Sustain and many farmer organizations' long-held position that supporting vibrant, efficient and fair agricultural supply chains requires a regulation that is able to look at the *whole* of a supply chain rather than being restricted to one link in the chain. The scope of the legislation as it is currently drafted is limited to the relationship between the producer and the *first* purchaser — which will mean that large sections of the food supply chain (including many processors, brands and aggregators) will remain outside of the remit of any new regulator established by this Bill or the Groceries Code Adjudicator which can only regulate the top 12 retailers. The enforcement body needs to be able to address issues where they occur and not be restricted to only one part of the chain.

Why these are needed

We welcome the Bill content on Fair Dealing and explanatory text, which has the potential to address, if given statutory duties, amended and adequately resourced, many of the problems inherent in the UK's food supply chain. Sustain has played a leading role in achieving the inclusion of the fair dealing obligations in the draft UK Agriculture Bill, having financially and vocally supported the <u>Grocery Code Action Network</u> over the past years. This Network has very considerable technical expertise on the issue of regulating for

fair dealing in the supply chain, which we believe will benefit everyone, including primary producers. The fact that the Bill includes producers outside of the United Kingdom is welcome.

We would also want to see in the secondary legislation that <u>all</u> agricultural sectors are covered by codes to ensure this measure is not confined to certain sectors as suggested in the explanatory note (which says "will initially be introduced in the sectors where voluntary codes have been unable to significantly improve contractual relationships (for example dairy)". The body undertaking enforcement will need adequate powers and resources to undertake the role including recognition of the requirements for absolute confidentiality, own-initiative investigations, and liaison with the Groceries Code Adjudicator.

4. Impact of Act on agricultural workers - New Clause 20

We are seeking support for a New Clause in the Agriculture Bill which would require the Secretary of State to report on the impact of the Act on agricultural workers in England, and to consult on the findings of that report and the merits of establishing a sector negotiating body.

The clause is currently tabled for MP Report stage as Number 20

Report on impact of Act upon agricultural workers

- (1) The Secretary of State shall, within 18 months of Royal Assent being given to this Act, lay before Parliament a report containing an assessment of the impact of the provisions of this Act on agricultural workers in England.(2) The report under subsection (1) shall include assessments of the impact of the Act upon each of the factors listed
- (2) The report under subsection (1) shall include assessments of the impact of the Act upon each of the factors listed in subsection (3).
- (3) The factors are agricultural workers'—
 - (a) living standards,
 - (b) pay,
 - (c) conditions of employment, and
 - (d) accommodation.
- (4) The report under subsection (1) shall include an analysis of the impact on each factor under subsection (3)—
 - (a) in each region of England, and
 - (b) in each agricultural sector, within the meaning given in Part 2 of Schedule 1.
- (5) The Secretary of State shall, no later than three months after the report under subsection (1) has been laid, open a public consultation on—
 - (a) the report laid under subsection (1) and any conclusions which it might draw or proposals which it might contain, and
 - (b) the merits of establishing a sector negotiating body to be responsible for setting on an annual basis minimum—
 - (i) living standards,
 - (ii) pay,
 - (iii) conditions of employment, and
 - (iv) standards and terms of accommodation for agricultural workers.
- (6) "Agricultural worker" shall, for the purposes of this section, be taken to mean any person engaged in
 - (a) agriculture, as defined in section 109 of the Agriculture Act 1947, or
 - (b) forestry."

Member's explanatory statement This new clause would require the Secretary of State to report on the impact of the Act on agricultural workers in England, and to consult on the findings of that report and the merits of establishing a sector negotiating body

What would this Amendment do?

The amendment would provide the space for a consultation on the impact of new agriculture policy on workers and make recommendations as to whether a new negotiating body should be established. This would start to put the 140,000 England workers on same footing as workers in the other three nations in the UK (Scotland and Northern Ireland have Wages Boards and Wales has an Agricultural Advisory Panel).

The impact assessment and consultation would help to ensure that new policy affecting workers will help to ensure farm employment is an attractive prospect for all skill levels of UK and migrant workers. This is vital as we leave the EU to secure good workers and as just 0.6% of those who harvest the UK's crops are currently British. There are already plenty of examples of farmers not having access to workers.

The clause will mean we would be identifying the need and style of a new body - to bring in an up-to-date approach - to make pay awards and negotiations much more efficient, less burdensome and difficult for what are often SMEs and very isolated workers who deserve the best protection. It would cover workers working on farm, enterprise in agriculture, horticulture and forestry.

Why do we need this?

The UK Agriculture Bill is an opportunity to frame new mechanisms to ensure <u>fair wages and conditions for agriculture workers</u>. Agriculture could and should be a great career choice but for this to happen the <u>evidence suggests that workers</u> need to be better protected. The National Minimum wage does not cover the specific and unique conditions associated with land based workers often in isolated rural situations and needing specific issues covered such as accommodation, living standards, sick pay, and additional tools.

The old Wages Board (AWB), abolished in 2013, set statutory rates of pay and also set other terms and conditions, to form a full package of rights and protections, important for workers in isolated workplaces and rural areas including: grades that reflect skills, certification and experience; overtime, in an industry characterised by long and unpredictable hours; holiday entitlement; and sick pay in the most dangerous occupation in the UK. It also covered maximum deductions for tied housing; allowance for working dogs; payment of on-call and night allowance; and other issues specific to land working. The Defra 2012 *Impact Assessment of the Abolition of the AWB* revealed that Workers would lose £140.5 million in wages, £97.8 million in annual leave and £8.7 million in sick pay.

Many farmers objected to the abolition of this body in 2013 for instance one noted in response to the consultation "it gives me the tools I need to pay them a fair wage"; another "I do not want to damage {strong personal relationship} by having to negotiate wages with them". Since the abolition of the wages board there is evidence of a reduction in pay awards and increased working hours and poorer conditions.

5. Additional critical amendments we encourage you to support

- **Trade rules** and policy must not allow a lowering of food standards To ensure agri-food imports are required to be produced to the same food, environment, and labour and animal welfare regulations as our own. The current amendments on this that we support are "Ratification of international trade agreements" New Clause 1 and "Import of agricultural goods" New Clause NC4.
- **Budget** The need for 'multiannual budgets' to ensure farmers and land managers can plan and the public benefits are long term. To this end we urge support for <u>Amendment 12</u>.
- Climate Given the urgency of the need to act on climate change emissions and pollution from land
 use, supporting farmers effectively in any transition, we are also in favour of the new clause "Carbon
 emissions: net-zero and interim targets" New Clause 8
- Pesticides On reducing the use and impacts of pesticides on workers and public health (NC10, NC11).
- **County Farms** to protect local authority owned 'Smallholdings estates' so ensure holdings for new farm entrants and to promote sustainability and innovation <u>New Clause 9.</u>
- Livestock labelling to protect the definition of 'grass-fed' as fully raised on pasture New Clause 32

The Sustain alliance's work on healthy and sustainable <u>farming policy</u> is part of our <u>Farming and Food Campaign</u> and sits in our Campaign for a Better Food Britain, contact Vicki Hird: vicki@sustainweb.org

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We want everyone to be able to enjoy food that is good for our health, produced in a way that supports good livelihoods, reduced waste and greenhouse gas emissions, high animal welfare and restoration of nature