

Welsh Affairs Committee

Oral evidence: [The economic and cultural impacts of trade and environmental policy on family farms in Wales, HC 607](#)

Wednesday 2 February 2022

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Members present: Stephen Crabb (Chair); Simon Baynes; Geraint Davies; Ruth Jones; Ben Lake; Robin Millar; Dr Jamie Wallis; Beth Winter.

Questions 55 - 94

Witnesses

I: Julie James MS, Minister for Climate Change, Welsh Government; Vicky Jones, Head of Agriculture, Sustainability and Development Division, Welsh Government; James Owen, Head of Land Management Reform, Welsh Government; and Jon Travis, Head of Forestry Reform, Welsh Government.

Written evidence from witnesses:

- [Welsh Government](#)



Examination of witnesses

Witnesses: Julie James MS, Vicky Jones, James Owen and Jon Travis.

Q55 **Chair:** Good morning. Welcome to Committee Room 15 in the House of Commons where we are continuing our Welsh Affairs Committee inquiry into the economic and cultural impacts of trade and environmental policy on family farms in Wales. We are delighted this morning to welcome the Welsh Government Minister for Climate Change, Julie James, Member of the Senedd. Minister, welcome. Thank you for giving up your time this morning. We have a lot of ground to cover today so I ask my fellow Committee members to keep their questions brief. If you could be brief in your answers as well, that would really help us.

I will open the questioning, Minister, by asking you to very succinctly sum up the Welsh Government's vision for the future of farming in Wales. Specifically, where does food production sit within that overall vision?

Julie James: Thank you. Farming is entirely devolved to the Welsh Government. We have a very robust set of policies in place, which we are working through at the moment with our farming community. We have a very large problem with climate change right across the globe, as I am sure the Committee is aware, so we are working with our farmers to make sure that we have the right combination of tree planting, protection of other forms of habitat and food production on our farms in Wales.

Q56 **Chair:** Thank you, Minister. Are you concerned that Wales is seeing a disappearance of high quality land that is suited for food production, in the name of tree planting?

Julie James: No. Our policies are very clear. We are looking at farmers across Wales converting around half a hectare on each farm to tree planting. That would give us the tree cover that we need. We are very concerned to plant the right tree in the right place and we are working with Governments across the world in developing forest and tree policy. As I say, farming is entirely devolved to Wales and we are very keen on working with our farmers to make sure that we are working in harmony with them.

We have a very large number of projects in Wales that I can commend to the Committee as a good mix of agricultural, tree planting and protected habitats, because it is not just trees that we need. We also need our peatlands, boglands, protected long grass meadows and so on. Working with our farmers and making sure that our conservation aims are met and our biodiversity loss can be halted and reversed is an important part of our policy.

Q57 **Chair:** Why is Wales being targeted by predatory companies looking to buy up agricultural land to effectively greenwash some of their clients through carbon offsetting schemes? That is happening now, isn't it, Minister?



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Julie James: We have some examples of companies buying land in Wales with a view to planting trees. However, we have very robust policies in place to make sure that they do not get any kind of Welsh Government funding for schemes that are not within the good forestry guides that we have. They must get consent for that from Natural Resources Wales and we work very hard with them. We live in a capitalist society and we can't prevent people from buying land in Wales any more than we can prevent the farmers from selling it. We can make sure that when they do it, they don't do the sorts of things that we don't want them to do. We don't want them planting the wrong tree in the wrong place to offset carbon that they should be doing other things with.

I hope that the Committee will come on to this, but much of that is to do with whether we can get the right kind of emissions trading scheme and carbon budgets in place. It is not so much to do with what happens on the farms as what the incentive for companies to do that is.

Q58 **Chair:** Minister, thank you, and you are right that there is freedom in our society for people and companies to buy land wherever, but when public money comes in, that can create incentives. Did British Airways receive Welsh Government money to purchase land in Wales for tree planting?

Julie James: Certainly not to purchase land. We don't give anyone money to purchase land. We have schemes that allow people to put woodland creation schemes in place. You have to go through a very strict process of planting the right tree in the right place. You have to have a biodiverse forest planted. You cannot plant monocultural conifers, for example, using any of the Welsh Government schemes. We are encouraging the hedges and edges policies for everyone in Wales, not just active farmers. We are currently looking at whether or not we should aim more money towards active farmers. Those are easy things to say but problematic to do. For example, one of the companies registered outside Wales that has received Welsh Government funding is the Woodland Trust.

Q59 **Chair:** Did British Airways benefit in any way from the funding scheme?

Julie James: I am not sure. I wonder whether one of my officials knows.

Chair: Do any of the officials want to help answer that?

Jon Travis: I am not aware that British Airways has benefited from any of the schemes.

Chair: Thank you very much. Minister, thank you, and I will bring in my colleague Simon Baynes now.

Q60 **Simon Baynes:** Thank you, Minister, and your colleagues for your time this morning. It is greatly appreciated. I will continue on the tree planting issue. We have a lot of other things to cover and you have made some very helpful remarks already, but can you say what are the main tree planting offset schemes in operation in Wales at the moment?



Julie James: Offset schemes is not how we view it at all. At the moment we are encouraging people to plant trees on the marginal land on their farms or on their land. It is not just farmers, of course. We have other landowners in Wales. We are encouraging a biodiverse mix of trees. You have to have at least five species in planting and it has to be to good forestry standards. The idea is to create biodiverse woodlands across Wales to protect our biodiversity and to address our climate change problems. We are not particularly encouraging offsetting. We very much want to see people reduce their carbon in the most appropriate way and only offset where it is not possible to reduce the carbon footprint more. That is not down to the policies of the Welsh Government but to the way that the carbon budgets and the emissions trading scheme work.

Q61 **Simon Baynes:** Thank you for that. Looking at the issue of where the trees are sourced for this planting—and I speak here as the MP for Clwyd South where Maelor Forest Nurseries in my constituency produces 28 million UK-grown trees per annum for customers in the UK and Europe—to what extent are you ensuring that the tree planting plans that you have are sourced from trees grown in Wales, and certainly in the UK, rather than imported from abroad?

Julie James: These matters are entirely devolved to the Welsh Government, but of course we are very keen to ensure that the jobs and commercial benefits of tree planting come to the people of Wales as well as the advantage of planting and growing the trees. We are very keen on ensuring that the green jobs that go with the climate change action that we are taking come to and remain in Wales. We are also very keen to make sure that the trees that are planted are native trees and that they bring all the biodiversity that a mixed native woodland brings.

Q62 **Simon Baynes:** Are you taking any specific measures to ensure that the trees being planted are sourced as much as possible in Wales?

Julie James: Yes. As I said, it is our policy that we should be using as many trees sourced in Wales as possible.

Q63 **Simon Baynes:** Okay, fair enough. To what extent are you working with the UK Government on this?

Julie James: We work very closely with the UK Government on a range of measures. In particular, we work closely with the UK Government on border issues and on making sure that the emissions trading scheme, which we hope will go out to consultation very soon, and the carbon budgets and so on are done at a UK level and are fit for global purpose.

Q64 **Dr Wallis:** I have a quick supplementary question, Minister, on some of your earlier answers. The Welsh Government are proposing to allow a productive farm in the Vale of Glamorgan to be essentially concreted over for an aviation trading estate. Are the Welsh Government prioritising aviation over farming?



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Julie James: I am not answering that, I am afraid. I am the planning Minister and if that has a planning implication it would not be appropriate for me to comment.

Chair: Okay, thank you.

Q65 **Ruth Jones:** Thank you, Minister and the officials, for your time today. You have made it very clear that farming is devolved and we understand that. The question I have is about the tree planting. What action are the Welsh Government taking specifically to ensure that farmers are protected? We are all hearing about the cold calling of farms and things like that, of large aviation industry trying to buy up areas. What are the Welsh Government doing specifically to help and protect farmers?

Julie James: This is an interesting concept in a capitalist society, isn't it? If the land is valuable and the farmer wishes to sell it, we are not in a position to prevent that from happening. For us the issue is what is the incentive, what are the trading schemes in place that are driving that kind of behaviour? What can we do with the UK Government to ensure that the emissions trading schemes and the carbon budgets are not encouraging that kind of behaviour and are instead encouraging people to address the carbon at source and to offset when that is the only option available and to do that in the most appropriate way to ensure that the net zero targets are met but also that nature and biodiversity are met alongside that? We need to make sure that the emissions trading scheme and carbon budgets are incentivising those kinds of behaviours.

Q66 **Ruth Jones:** I know that a working group was set up in September to look at this particular issue. Have any recommendations or conclusions been produced yet?

Julie James: We have a number of working groups looking at a range of issues for agricultural policy in Wales. Most of them are still ongoing. We have a number of groups of experts looking at tree planting, for example. I am about to have a group of experts look with me at biodiversity recovery in Wales. They are all ongoing at the moment. As I say, all of these matters are wholly devolved to the Welsh Government. The thing that is not devolved entirely is the emissions trading scheme and the carbon budgets.

Q67 **Ruth Jones:** If the inquiries and working groups are ongoing, do you have a timescale for when they will be producing their reports and conclusions?

Julie James: Yes, during the course of this year.

Q68 **Beth Winter:** Bore da, Minister. It is lovely to see you. What is your assessment of the impact that climate change is having on farming in Wales? What actions are you or could you be taking to mitigate those challenges?



Julie James: A large part of what we are doing in Wales is to live up to our net zero ambitions and our biodiversity recovery ambitions. We were the first Government to declare the climate emergency and we have also declared a nature emergency in Wales. I cannot emphasise enough that we cannot do that alone. We absolutely need the UK Government to play their part in doing that. A large number of the emissions that we are fighting in Wales are produced by things that are reserved to the UK Government. Farming, of course, is not reserved. It is a wholly devolved matter. We have a very good and robust plan of action in place for the things that are devolved, but it is very important to us that the UK Government do the right thing for the things that are not devolved so that we can meet our net carbon targets.

Q69 **Beth Winter:** Could you elaborate a bit on what the UK Government could be doing in collaboration with you? What needs to happen? It is very welcome that we have the Ministry for Climate Change set up in Wales and you mentioned climate emergency. Are there specifics that you can talk about on the collaborative work, please?

Julie James: Yes. At the moment we are waiting on being able to go out to consultation on the new emissions trading scheme. We hope to be able to do that very soon. It is a four-nations agreement to do that. I am afraid that I think it has been rather slower than it might have been, and my Scottish counterpart shares that point of view. We are very concerned that that consultation happens before the pre-election period for Northern Ireland because if it doesn't it will be delayed until after the Northern Ireland elections. It is essential that we get that consultation out there so that we can get a UK emissions trading scheme that is fit for purpose and starts to drive some of the behaviours that we want to see and not some of the behaviours that the Committee is obviously concerned about.

The issue here is not whether the Welsh agricultural policy is fit for purpose in turning away British Airways. The issues are what are the behaviours driving British Airways to want to try to carbon offset in that way and what can the UK Government do to prevent those kinds of behaviours in the first place? Getting the emissions trading scheme out to consultation and making sure that it is fit for purpose will be a very large part of that alongside the carbon budgets that go with it.

Q70 **Ben Lake:** Diolch, Minister, for your time this morning. I want to elaborate a little bit on Beth Winter's comments about the collaboration between the four Governments of the United Kingdom. In particular, I am interested to see how open the Welsh Government might be to discuss with the UK Government, as well as the other devolved nations, the possibility of some UK-wide common frameworks for agricultural policy. I draw specific attention to a policy paper dated 2018 by the Farmers Union of Wales, which suggested that collaboration in certain key parameters, much as used to happen on the EU level, might be useful in avoiding any unintended market distortions and other unintended consequences from different diverging policies. Is that something that the



Welsh Government might be interested to pursue further?

Julie James: We are very keen on making sure that the common frameworks work right across the UK and don't disadvantage people in Wales, mostly in trade for farmers, to make sure that their markets are not distorted by internal market arrangements or external trading arrangements. We are keen to make sure that the frameworks work. We are not keen to make sure that the UK Government put frameworks in place that limit the devolved powers of the Welsh Government. I think that it is very much horses for courses there. We are very clear that our agricultural policy is working in Wales. We are working very hard alongside our farmers to make sure that they have the most sustainable farming possible. I am not the farming Minister, I have to say. I am the Minister for Climate Change, although I work very closely with my farming Minister colleague Lesley Griffiths.

Our very big concern, mostly for our farmers, is about whether they can still continue to export their very high quality produce and continue to produce it in that way and still make a living, frankly. We are very keen to make sure that we have a voice at the table of the trade agreements that are being negotiated to ensure that. It is not so much about common frameworks. I would certainly not want to see devolved responsibilities absorbed into a UK framework. I would like to see a seat at the table for Welsh farmers and Welsh Government for the trade agreements that very much matter to the ability of the farmers to make a living in producing high quality food.

Q71 **Ben Lake:** Thank you very much, Minister. That is very useful. To come back on that, just to be clear, I am not suggesting a UK framework that is imposed on the devolved nations. As you might imagine, I would certainly be opposed to that. What I have in mind is what used to happen at the EU level, when we were members of the European Union, very much a basis of collaboration that different nations would come together to co-author and co-design some frameworks. For the sake of clarity, is that something that the Welsh Government would be open to pursue further should the other nations of the UK be willing to participate?

Julie James: Yes, absolutely. We are very keen to make sure that the high standards we have in Wales are maintained. That includes traceability and food safety. We are regularly pressing the UK Government on the importance that the FTA provisions made do not come at the expense of undermining the close relationships with our closest trading partners, who are obviously still in the EU, and also make sure that we absolutely continue to enhance that. I am sure the Committee does not want me to wax lyrical for 25 minutes about the difficulties that we have had in setting up the border posts and some of the difficulties with the continuing protocols there, but that is of concern to us.

I should add that we have welcomed the establishment of the Trade and Agriculture Commission but we do not have any representation on it at



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the moment. We are working hard with the UK Government to make sure that Welsh stakeholders are engaged in that process and that the particular concerns of Welsh farmers and Welsh food producers are reflected there. You have to bear in mind that the Welsh farming industry is very animal based. It is not wheat based or crop based in the same way as many of the English farmers are. We are very keen to ensure that our stakeholders' rights and responsibilities are reflected in those agreements and that those high standards are maintained.

We would welcome the Welsh-specific impact assessment for all FTAs and we have asked for early access to the UK Government's impact assessments. We want to better understand the cumulative effects of all of that. That is where we are. It is much less about our own policies, which we are very happy are fit for purpose, robust and supporting our farmers. It is much more about our place in the world and inside the UK and how we protect our farmers' interests and our food-producing interests in those negotiations.

Q72 Ben Lake: Thank you very much, Minister. You have touched on some of the limitations or the restrictions potentially that the UK Internal Market Act has imposed on you as a Government operating in certain policy fields. What is your assessment of the potential impact that the UK Internal Market Act will have on the Welsh Government's ability to formulate future agricultural policy?

Julie James: It remains a concern to us that we are not limited by a lack of ambition on the UK Government's part. We are engaged in a constant conversation at various interministerial groups about how these things impact on policy objectives in Wales. I emphasise that I am not the farming Minister. I am sure the Committee is aware that we have been having an argument about the banning of single-use plastics, for example. We are very concerned that the Internal Market Act is limiting the ambition of the devolved nations to ban single-use plastics at the speed and pace that we would like to. That is an example from my own portfolio that we are very concerned about but, as I say, I am not the agriculture Minister so I don't have all the detail of the conversations she has been having with UK Government along the same lines.

Q73 Robin Millar: Minister, thank you. This is just responding to a couple of references in your last set of answers. One phrase was, "wanting a seat at the table for Welsh farmers", and another was, "It is about our place in the world and the UK and representing our farmers". This is a Committee of representatives of those farmers, is it not?

Julie James: I am sure it is. I am not quite following your point, I am afraid.

Q74 Robin Millar: I wanted to check that the inference in your comments was that they were not being represented in the UK Government and the due process of the UK Government such as the trade agreements and so on. The fact is that each one of us here represents the farmers in our



constituencies. They do have that representation and, in fact, this inquiry was launched because of conversations that I had in the first instance with farmers in my constituency.

Julie James: I am sure that is right. That is not the point I was making at all. The point I was making was that the Welsh Government and the Welsh stakeholders with it do not have a seat at the table on the agriculture commission. I am not sure if the Committee has a seat at that table, so I am not quite sure where you are going with that. I am sure you all represent the farmers in your constituencies, as do the Senedd Members who represent those constituencies.

Robin Millar: I have made my point. Thank you.

Q75 **Geraint Davies:** Bore da, Julie. It is good to see you. Can you comment on the balance of principles from the Senedd and the UK on growing trees, putting trees and wood in building, and burning trees? You mentioned the emissions trading scheme. We are in a situation in England where we spend £800 million burning 7 million tonnes of wood pellets at Drax, which are not counted in our carbon footprint. Can you say what the balance is and maybe build on your comment about how these carbon budgets and the like should change?

Julie James: We are very keen on planting trees in Wales that have a number of purposes. We want a productive, sustainable timber industry. We also want the trees to sequester carbon. The best way of getting them to sequester carbon is to have them growing in the ground, and the second best way is to use them in long-term construction. We are very keen indeed on running forward with our innovative housing programme and our sustainable wooden house building in Wales. We have done very well with our innovative housing programme in doing that.

We now need to work very hard with our farming communities to make sure that they are able to produce the kinds of biodiverse and productive woodlands on their farms in marginal land. As I say, we are expecting each farmer to plant a very small amount of their land, 5% to 10% of the land around the edges—hedges and edges we call the policy—to do that. We have very good forestry practices in place that allow us to grow biodiverse forests and for those forests to be productive. We are very keen on making sure that the carbon sequestered in the trees stays sequestered.

Burning the wood does not do that. We are very keen to have policies in place that ensure that the only wood that is burnt is not grown to be burnt. It is actually waste wood where at all possible. That is a real big issue. At the moment in Wales a very large amount of the productive forest, as in timber grown for crops, goes into very short-term uses like fence posts and pallets and so on. We have a job of work to do to make sure that that is turned around.



As I said in answer to several previous questions, one of the big things that drives some of the behaviours of the people who are seeking to plant the trees in Wales is the emissions trading scheme and the carbon budgets, which I know that you are very well aware of, Geraint.

Q76 Geraint Davies: Maybe you would like to write to the Committee with your views on that. That might be helpful.

Turning to distinctive Welsh food, can you enlighten the Committee on what discussions you had with the UK Government on promoting our Welsh food for sale and incorporating our interests in negotiations they have on trade agreements? What could be done further?

Julie James: Again, I emphasise that I am not the agriculture and food Minister; that is my colleague Lesley Griffiths. I am the Minister for Climate Change, but we have a regular interministerial group in which we discuss these matters. We have been very keen that we make sure that we have a global Britain approach to our food markets abroad. We have a group called Hybu Cig Cymru, our meat promotions levy body, which I am sure the Committee is familiar with. We have been helping it engage in growing new markets in the Middle East and Japan, for example. There is also an opportunity to grow into the US and we have had a number of trade missions over to the US to do that.

We have the opportunity to push for inclusion of things like animal welfare, microbial resistance and climate change considerations in those new trade agreements. We are very keen to make sure that that voice is heard loudly there. It is my colleague Lesley Griffiths who is in charge of those negotiations, not me.

Q77 Geraint Davies: In a nutshell, you are actively promoting Welsh products abroad but you are not at the negotiating table for the trade agreements where it is decided which ones can be sold. Is that right?

Julie James: That is right. One of the things we have been very concerned about is the cumulative impact of the various agreements. We are very concerned with the Australia, New Zealand pattern. Increases in tariff-free sheepmeat, beef, dairy and so on will have a very big impact on Welsh agriculture. As I emphasise again, this is not my portfolio. I am sure one of the officials can give you more detail about this, but we are very concerned that the interests of the Welsh farmers are represented in negotiating things like the Australian free trade agreement.

Q78 Robin Millar: Thank you again, Minister, for your time this morning. It is much appreciated. Looking now to the question of the export opportunities you referred to, in previous evidence sessions we have heard how, for example, in New Zealand there is a concerted national-level effort to help farmers in the promotion of their products overseas. How are the Welsh Government working with the UK Government to promote new export market opportunities and support the businesses in accessing them? I am talking about the practical level perhaps rather than the high-level strategic.



Julie James: As I say, we are very keen that the UK Government take the cumulative impact of these various free trade agreements into account. I cannot emphasise enough, and I am afraid I have to say it again, that I am not the portfolio Minister for food and agriculture so I am not the person who has these, although I work very closely with my colleague. I have made it very clear at interministerial groups—and I know that Lesley has as well—that any new trade deal must not cause an unlevel playing field by giving food importers with lower animal welfare and environmental standards any kind of economic advantage in our market compared with our own producers.

We have some of the highest animal welfare standards in the world and we continue to express our concerns that some of the practices and standards in other countries, like Australia, are not equivalent to ours. I am very concerned that we make sure that those standards are maintained and that they do not cause a disadvantage to our producers in our own markets.

Q79 **Robin Millar:** Do you feel that the existing intergovernmental structures are effective in this area—for example, the ministerial forum for trade?

Julie James: We meet regularly to discuss all aspects of international trade, including the differences in opportunity. I think that they were taken into account in the drafting stages of the FTA text but we cannot always be sure of that. We are very keen to make sure that we have that input right up to the final agreement and not just at the early stages.

Q80 **Dr Wallis:** I want to ask you, Minister, about the free trade agreements and your conversations with the UK Government. Could we start with what conversations the Welsh Government have had with the UK Government about the concerns of Welsh farmers on the potential long-term impacts of the free trade agreements?

Julie James: As I say again, it is not me, it is Lesley you should be talking to direct about matters in her portfolio. As I think I said in an earlier answer, we would welcome a Welsh-specific impact assessment for all FTAs. We have asked for early access to the UK Government's impact assessments, which outline the impacts for Wales. We are also interested in better understanding the cumulative effects of the various trade agreements. Obviously, one by one they may look okay but cumulatively they may be having a more profound effect on the ability of our producers to sell into the market. We have continued to request sight of the cumulative impact modelling the UK Government have taken, but we do not have that at the moment and we are not aware that they have actually undertaken the cumulative impact modelling yet.

We are looking at the feasibility of undertaking a Wales-specific model to estimate the cumulative impact of the various free trade agreements in Wales, but we do not have access to detailed Wales-level trade data and we do not have the economic modelling capacity that the UK Government have anyway. We very much welcome the inquiry into this matter, and



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we very much welcome the Committee's support in trying to get that modelling for Wales and its farmers.

Q81 **Chair:** Minister, you are quite right, you are not the agricultural Minister and I want to make sure my fellow Committee members are aware, but we are grateful that you are doing this session. We did try to secure the Welsh agricultural Minister but she was not available.

Could I ask you, Minister, whether the Welsh Government are still pressing the UK Government for a Wales-specific impact assessment on the free trade agreements that they are intending to sign?

Julie James: Yes, absolutely. As I just said in my last answer, we are continuing to press for that. I am not sure whether they have done a cumulative impact model yet, but if they have done it we do not have it. We are not aware of it.

Might I just ask one of my officials whether they have more up to date information than I have on that? I will just check. They may not.

Vicky Jones: I am happy to come in, Minister, if that is helpful to the Committee. Good morning. We have continued to request sight from UK Government colleagues of any cumulative impact modelling that the UK Government have undertaken and, as the Minister said, at present we are not aware that any such modelling work exists. Along with assessing the impacts of individual free trade agreements on Wales, we are also interested, as the Minister has said, to understand those cumulative effects and do continue to press our UK Government colleagues for sight of any analysis or evidence.

Q82 **Chair:** Thank you. That is very helpful. Minister, I make a point of asking all of the Welsh Government Ministers who appear before us, who kindly give evidence to us, about their relationships with their opposite numbers, if you like, in the UK Government. Who is the Minister that your position in the Welsh Government most closely corresponds to in the UK Government?

Julie James: There are a number, I am afraid, because there are rather a lot less of us in Wales than there are in the UK Government, so I have quite a wide portfolio. I attend a number of interministerial groups with George Eustice, Greg Hands and Michael Gove. There are quite a few of them. I am also the housing and planning Minister, remember, so I am afraid there is quite a long list.

Q83 **Chair:** Yes, and how often do you meet, either virtually or in person, any of those Ministers? I am just trying to get a sense of how much interaction in the course of your day to day duties there is between the Welsh Government and the UK Government.

Julie James: It depends whether there is something that is happening that we need to have the interaction on. We have a very regular interministerial group on overarching agricultural and rural affairs, which



George Eustice is a member of. I attend that alongside Lesley Griffiths. She attends more often than I do. At the moment I have a very regular meeting with Greg Hands because we are looking at the emissions trading scheme that I mentioned, and we have been trying to press for the early consultation to go out on that.

We have periodic standing interministerial groups on all the other issues but they tend to accelerate if there is an issue of the day to deal with. From my point of view, I would probably attend an interministerial working group once a fortnight.

- Q84 **Chair:** That is very helpful. Finally on this theme before I bring in Robin Millar again, where does the Wales Office sit in these relationships that you have been describing between the Welsh Government and the UK Government? Can you give this Committee a sense of where the Wales Office fits into that picture? Is it party to some of those regular discussions that you have? Do you use the Wales Office to help to facilitate some of these meetings, or is it purely a bilateral relationship that you have between your Department, with your officials, and the relevant Ministers that you have just been describing?

Julie James: The Wales Office often attends the interministerial groups, just as an attendee. The closest working relationship I have with the Wales Office has been over coal tip safety, where the Secretary of State for Wales and our First Minister jointly chair the coal tip safety meeting. That is the closest working relationship. In all the other groups the Wales Office is an attendee alongside a number of others.

- Q85 **Robin Millar:** Minister, I have three questions, all to do with this idea of the impact—I am afraid it is on hill farming but I think the context is also relevant to climate change. Again, I am very grateful that you are answering questions on behalf of a colleague as well in many respects.

The first is that, when we were looking at the issue of hill farming and looking at the impact of UK-wide policy on hill farming, in one of the earlier evidence sessions there was a suggestion that there was a parallel with perhaps the experience of hill farming in Cumbria, even to the point of recognising that Cumbrian hill farmers might have a slight dialect in some of the language and phrases they use, obviously not to the extent of the Welsh language and the importance of hill farming to the Welsh language. You mentioned there a Wales-specific consideration in terms of trade or climate change. In your work, do you see any parallels with other parts of the UK or farming communities within other parts of the UK?

Julie James: Yes, of course. We work with regions of the UK and we also work with the Scottish and Northern Ireland Governments as well, in terms of understanding whether there are lessons to be learned from each other and whether we have things that we can share. Yes, we do that. I am not sure what you mean in terms of further work on that but, yes, we—



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Q86 Robin Millar: I was interested to know which areas you felt that there was similarity with. I thought your distinction, for example, between Welsh farming being very heavily dairy and meat versus arable in other parts of the UK is a very helpful characterisation of Welsh farming and some of the unique challenges of it. I am keen to see whether you have identified specific areas where you saw a similarity.

Julie James: As I say, I am not the farming Minister so this is not my day to day job, but we certainly work alongside a number of regions of the UK and, indeed, the other nations of the UK in coming together on solving difficult problems we all have.

Q87 Robin Millar: Having a look at young people and then perhaps older people at the other end—and again I am afraid it is the farming sector—what actions are the Welsh Government taking to make agriculture and farming a viable career option for younger people? Are there specific policies that the Welsh Government have put in place, perhaps, to encourage that? It is something I know that farmers in my constituency and young people in my constituency have said to me is a great concern for them.

Julie James: Yes, we absolutely do have a whole series of measures designed to entice young farmers into the farming profession. I cannot emphasise enough that this is not my portfolio responsibility and obviously these matters are fully devolved, but yes we do have those things.

Q88 Robin Millar: Thank you. I appreciate that. One of the things that I know in Eryri, in Snowdonia, is the land ownership and the significant land holdings of the National Trust, which of course is a UK-wide body. That is making it possible to encourage forward thinking, new business models and encourage new entrants into farming, so I think that is very significant. There are also those who are at the other end of the farming profession, if that is the right phrase, who are looking to have to exit farming. Where they are tenants, it can pose profound questions for them about an identity for themselves. I can think of one farmer in my constituency who in his 70s is struggling to find accommodation off the farmstead that he and his family before him, for generations, have farmed. How are the Welsh Government supporting farmers to plan for succession and retirement, do you know?

Julie James: Again, I am very sorry but that is not my portfolio area. I know that we are developing our proposals for the sustainable farming scheme and the transition plan and that we are very concerned that we have both an entrance and an exit strategy for farmers. I know my colleague Lesley Griffiths has been very concerned with mental health issues in the farming community over the pandemic in particular, but I am afraid that I am not the right Minister to ask detailed questions of that sort of.

Robin Millar: Minister, thank you very much for your time. I appreciate



your answers.

Q89 **Chair:** Thank you very much. We are almost coming to the end of our session with time to spare. It has been a masterclass in succinct questions and very succinct but helpful answers from you, Minister, so we are grateful.

Can I ask you a question that I hope you feel does relate very much to your role as the Minister for Climate Change? One of the things that I find dismaying when I go to talk to farmers in Pembrokeshire is the number of times they tell me that they feel like farming is being singled out as a villain in the climate change story. Minister, why do you think that farmers are feeling like that?

Julie James: I am really sorry to hear that they feel like that. That is not my view of the farming community and it is not the view reflected back to me by the farming unions in Wales, who I have a very regular set of meetings with. Farmers are absolutely the answer, not the problem, in climate change terms. We have to have sustainable farming. We have to be able to produce our food in a sustainable way and we have to use our land in order to get the most resilience, both in biodiversity terms and in climate change terms, and without the farmers we cannot do any of it, so I do not recognise that. I am sorry to hear any farmer feels like that.

We have a large number of projects in Wales, which, if the Committee has not gone to see, it should perhaps aim to do so, Covid conditions allowing. There is a particular project I would like to commend to you called Stump Up for Trees, which is a group of farmers who have come together to do all the things that we would like to encourage farmers across Wales to do in terms of tree planting: the right tree in the right place, the right food in the right place, the right protection for land in the right place.

I am sorry to hear, Stephen, that you have a farmer who feels like that. That certainly isn't our view. It is not how we work with the farming unions and I absolutely cannot emphasise enough that all the landowners of Wales, most of whom are, of course, active farmers, are absolutely the key to us unlocking the answer to both climate change and the recovery of our precious biodiversity.

Q90 **Chair:** It is good to hear you say that, Minister, and I completely agree that farming should be part of the solution in all of this. I want to believe that Wales has a very successful future as a food-producing nation in line with other climate change objectives that we might have.

In answer to one of your earlier questions about the difference between farming in Wales and in England, I think you said that in Wales it is more animal based. Do you think that Wales should reduce the proportion of animal-based farming it does to meet its climate change objectives?

Julie James: No, I don't. I think the issue there is not how many animals we produce but how we produce them. I have been at pains to emphasise



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to the Committee throughout this session that we have very high animal welfare standards and very high food standards in Wales. We do have some issues in Wales, which we will be working with the UK Government on because they are part of the issue we have with river pollution. That is to do with intensive chicken farming and the import of, in particular, soya to feed the chickens and the output from the intensive chicken farms.

For most of the farms in Wales, we are talking about sheep and cattle. Those tend to be grass fed. They tend to be locally produced and slaughtered. They are not particularly contributing to our climate change difficulties, but there is no doubt that we have some problems with some of the more intensive arrangements. We are looking closely at that but I think the message here is that decently reared animals for food, fed locally, slaughtered locally and eaten locally, is probably the best thing you can do in terms of climate change diet.

There are some issues with, in particular, intensive chicken production and we are working with the UK Government—despite, I think, some of the evidence heard in the Commons the other day—on cross-border issues, on the rivers that cross the borders in particular, to make sure that we can address some of the pollution issues that we have in some of those river catchment areas, particularly the SACs.

Q91 **Chair:** Minister, thank you. Welfare standards and the issues around nitrate pollution are very important issues. They are not quite the same as the issue of carbon. It is cattle farming and particularly cattle farmers, dairy farmers in Wales, who particularly feel that they are singled out as a negative within the climate change story. I am encouraged to hear you say that you do not believe that that is the case, and I am encouraged to hear that you believe Wales should maintain its animal-based farming.

Julie James: Sorry, can I just come back there for a moment?

Chair: Yes, sure, Minister.

Julie James: I want to emphasise this. I think it is a very important point. This is about not just what kind of food you eat but how it is produced, what it is fed on, what is imported, and so on. One of the big issues that we have is not just what we produce in Wales but whether we are deforesting the rest of the world in order to do it.

The reason I talked about intensive chicken farming is not because I have mixed up carbon with pollution but because obviously most of the soya that is imported into Wales is imported for intensive chicken production. That is causing some deforestation issues elsewhere in the globe, so I just wanted to be clear that that is why I was mentioning it in that particular context. Obviously, we are also concerned about the loss of biodiversity in polluted rivers and so on as a result. As you rightly said, it is a slightly different matter.



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In terms of meat production, what we are talking about is mostly grass-fed animal production, so we do not have the same kinds of global issues with soya and imported food stocks that we do with intensive chicken farming.

Chair: Thank you, Minister, that is very helpful.

Q92 Geraint Davies: Minister, you will be aware of conversations coming from the EU in particular on carbon border tax and the need to account for the carbon that is used in transportation. Presumably, therefore, in future that needs to be priced in when we talk about trade deals. Do you think there should be more thinking on this? It does strike me, alongside what you have said about the Australian trade deal, that we have lower food standards, lower animal welfare standards coming in, where cows can be 48 hours without any food or drink in transportation, where sheep are mulesed, and so on. They are basically sent halfway around the world, and presumably at some point in the future consumers will have to pay the carbon price for that. Does that tell us that strategically we should be focusing on home-grown, high-quality foods rather than importing food from halfway round the world?

Julie James: That is absolutely right. The way that the UK does net zero at the moment does not take into account the global footprint. One of the things we will be doing in Wales is looking at our carbon footprint around the world rather than just domestically. That, of course, will include things like carbon miles for importing food, deforestation issues, what Wales's footprint in the world looks like in terms of where other food—particularly animal feed—is grown, and what the impact of that is.

As I am the Climate Change Minister, if you will indulge me for a moment, one of the things I would like to point out is that one of the ways we could get to net zero much faster in Wales would be to close our steel industry. However, the global footprint caused by that would be much higher because our steel is produced very efficiently and using locally sourced ingredients—sorry for the characterisation in that way. Obviously, we could just close it down and we would no longer have those emissions in Wales, but we would have to import that steel from elsewhere in the world and our global carbon footprint would go up. I do think it is very important to have a global carbon budget as well as a domestic one for all kinds of reasons, not least that one.

The other thing to say is that we need to work very hard in making sure that those sorts of industries have access to the right kinds of investment to make sure that they can decarbonise as fast as they can possibly go using, we hope, technologies that will come on stream in the future but certainly looking at what they can do already.

I could not agree with you more, Geraint. We have to look at our global carbon footprint in each of these trade deals and, indeed, in the way that we produce everything in Britain and in Wales, otherwise we will only be exporting the problem.



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Q93 **Robin Millar:** Minister, I was listening very carefully to your answer to the Chairman about levels of meat production. One of the farmers in my constituency has been hounded publicly by those who suggest that we should all eat less meat as a way of reducing carbon emissions. I was just wondering—this is an opportunity—whether the Welsh Government have a policy on whether we should eat less meat to reduce carbon emissions.

Julie James: No, we don't.

Q94 **Beth Winter:** Minister, you mentioned earlier about coal tips and flooding, which the research has shown does clearly have an impact on farming in terms of flooding fields and the impact on crops. For some of the farms higher up on the ground, obviously the water comes down into the valleys such as mine, which has the highest level of high-risk coal tips. I want to pick away a bit more in terms of what the Welsh Government see is required to address those issues and, more specifically, what the UK Government can and should be doing.

Julie James: We are very unhappy about the UK Government's position on this, I am afraid. At the moment, we are undertaking a series of investigations and inspections alongside the Coal Authority. I believe we have 2,700-and-something coal tips in Wales. We have 40% of the residual coal tips of the UK coal industry in Wales, considerably higher than our population share. It is obviously a legacy industry. We are very concerned to make sure that, because of the history and the cultural fear in Wales of these kinds of things—which, Beth, I know you are very well aware of—our communities feel safe and secure where they live. We have been conducting the investigations. We have been doing quite a lot of trialling of new technologies to make sure that the tips are stable and we are very aware of where the high-risk tips are.

Can I just emphasise that high risk does not mean high risk of falling? It just means that they need much more careful investigation. I don't want to start any hares running, for people to be afraid where they need not be. We are very keen to work on making sure that we have all of those identified and we have those mitigation measures in place.

What we do not have is the £500 million to £600 million necessary to remediate all the tips and bring them back into productive use. That, of course, will affect the ability to farm and produce trees on them or just use the land beneficially. You will know that in many of the valleys where the tips have been remediated we have good employment and residential housing land out of them. It will very much be horses for courses—forgive the cliché.

We are very keen on working on projects that make sure that we plant the right trees, bushes, shrubs and vegetation on tips—so, long-rooted plant life that stabilises the soil. You do not want shallow-rooted trees that will come over in a storm or in a flood and so on. We are working very hard on those kinds of solutions, but we are very disappointed indeed in the UK Government's position on the matter.



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Chair: Thank you very much. Are there any final questions from Committee members? No, that is fine.

Minister, thank you. We have come in ahead of time and it has been a very useful session. We are very grateful for you taking the time out of your busy day to answer our questions and provide us with some really useful information. Thank you as well to your officials who have been supporting you. We will bring the meeting to a close. Thank you, and have a great day, everybody.