



Welsh Affairs Committee

Oral evidence: [Brexit: agriculture, trade and the repatriation of powers](#), HC 402

Tuesday 8 May 2018

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Members present: David T. C. Davies (Chair); Tonia Antoniazzi; Chris Davies; Geraint Davies; Ben Lake; Liz Saville Roberts.

Questions 504 - 542

Witnesses

- I. Laura Elliott, Chairman, YFC Wales (The Wales Federation of Young Farmers Clubs), Dafydd Jones, Vice Chairman and Rural Affairs Chairman, YFC, Cennydd Jones, Senior Member of the Year, YFC, Jacob Anthony, Member, YFC Wales, and Caryl Hughes, Member, YFC Wales.



Examination of witnesses

Witnesses: Laura Elliott, Dafydd Jones, Cennydd Jones, Jacob Anthony and Caryl Hughes.

Q504 **Chair:** Very good morning to Young Farmers, Wales. Diolch yn fawr am ddod. Croeso. *[Translation] Thank you for coming. Welcome.* Obviously it is a bit warm today so if you want to take your jackets off, please feel free to follow our lead.

We are conducting an inquiry, as you probably know, into Brexit and agriculture at the moment. We wanted to hear the voice of the future of farming in Wales, which you all represent. You probably have different perspectives on it, which is good and should make it enjoyable for us. We are going to kick off with a few questions. We welcome you coming here today—we are very grateful. If you feel there is anything any of you want to add, either during or at the end of the session, please feel free to do so.

To kick off, the farming community in Wales—like everywhere else I think in the UK—was somewhat divided on the issue of Brexit, far more so than perhaps *Farmers Weekly*, *The Guardian*, the NFU and the FUW would have us realise. What do you all see as the main challenges, opportunities and threats that Brexit presents for Welsh agriculture?

Cennydd Jones: It is important we embrace the challenges and we create opportunities out of them. The biggest threat is going to be to the Welsh lamb sector because we are so reliant on exports to European Union countries at the moment. It is vitally important that we embrace that opportunity and create new markets.

The biggest threat that I see personally is that Welsh agriculture is going to be undermined a bit. We produce top-quality food welfare-wise, environmentally-wise and also efficiency-wise. The last thing we want to see as an agricultural industry is that exchanged as a cheap trade-off with, for example, the USA where we get chlorine-washed chickens and hormone-fed beef come in that is going to be much cheaper to produce for Americans than it would be for us in Wales. Welsh farmers cannot compete with that. It is important that our produce will be valued as we move forward. That is the biggest thing I am worried about, that consumers are not going to value our product.

Dafydd Jones: I can only agree with what Cennydd is saying next to me here. As a YFC membership, we are very lucky now with young people. Brexit, like it or not, is coming and as young people we are very proud that our membership is keen to work it out.

The main thing that concerns me is that we do not know what trade links we will have in future. There are massive opportunities. One thing that we are keen on is a level playing field. We have that standard of quality



of what we produce and that must be reflected in what comes into this country; it is only fair. We do so much for the environment. There are opportunities to do more on air and water quality in the future. It is a public good and it is really important we work more on that. To me, the main thing would be that level playing field. At the end of the day, we are producing food—and food for the nation.

Laura Elliott: From my perspective, the biggest challenge is going to be uniting the agricultural industry in how any kind of new funding mechanism is managed. For many farmers, the common agricultural policy was where they came down on Brexit, whether they were Leavers or Remainers. Trying to find that level playing field for an industry that is so diverse—in terms of food production, environment management, livestock welfare and things like that—where there are so many avenues to go down and to come up now with a policy that is going to recognise the merits of the industry, which are so varied, is going to be the biggest challenge.

Jacob Anthony: I completely agree with my colleagues. Welsh farming has a lot to shout about. As a young farmer I am quite optimistic for the future. This is a perfect opportunity for us to go back to the drawing board and to engage with politicians like yourselves, to be able to shout about what we want from the younger people's perspective moving forward.

As they have said about the lamb issue, it is a big issue at the moment. We have a fantastic USP in Wales; high welfare, grass-fed, pasture-fed and helps protect the environment as well. Let's shout out then and look for new markets. Let's embrace change and be optimistic. Optimism streams down from the top so we need to engage with people like yourselves, and you need to shout about the opportunities out there. It is happening whatever happens so let's not be negative and let's look to the future.

Chair: Thank you for that.

Caryl Hughes: I agree with the rest of the panel. I primarily sheep-farm myself, obviously Welsh lamb is a priority for our farm at home. It is also keeping the balance with the environment as well. We have self-catering accommodation so we have a lot of public attending our farm and visiting it. It is getting that engagement over as to what we are doing as farmers; that we are protecting the environment and being a good food producer as well.

Chair: That was an excellent set of opening comments, if I may say. I want to come back to it a bit later if I can because I am going to ask you maybe specifically to think about some of the opportunities that there are.

Q505 **Liz Saville Roberts:** We have questions but, forgive us, we will almost certainly go off them. Just to explain—I am not sure if it has been clear—



what we are doing, and what your contribution is to, is an inquiry on the effect of Brexit on Welsh agriculture. What you say today will play back via the membership of this Committee with the recommendations we put forward. This is an opportunity for you to influence that, particularly in relation to your communities. Dafydd, ry'ch chi a fi yn dod o ardalaeth o'r un etholaeth. *[Translation] Dafydd, you and I come from an area in the same constituency.* You are coming from different areas with different interests in agriculture.

Laura, you mentioned the importance of a level playing field. You have come to Westminster today and you are here now effectively as lobbyists to this Committee. We know that many aspects of the powers that would come down from ESA and the EU are going to be held here, the 24 powers will be held here. We have an agriculture department here in DEFRA that for 19 years has had very close lobbying links with the lobbying groups of England. How do you think we will move into a situation where we make sure that the voice of Wales, with only 40 MPs, and yourselves—with the smaller interest but the very specific needs of Wales in relation to agriculture—comes through?

Laura Elliott: Some work has already been done with that, from what we can gather from the Assembly in terms of their commitment to having a seat around the table. Obviously the Assembly Member we work most closely with on this is Lesley Griffiths. She has been quite clear that the devolved nations recognise the importance of them being around the table in these discussions.

I would say that probably my experience to date is that we have been more closely linked with the Assembly than we have necessarily with our MPs. That is something that has appealed to us hugely, being here today and having this opportunity to speak directly with you guys and our representatives in our various different areas and getting that message through. Everyone is starting to realise how important communication is in agriculture. A lot of the time we can be accused of preaching to the converted in terms of knowing how important education is. We need that to come from our political representatives in terms of pushing how important food production and food in farming is in various different mechanisms, whether it is public communication or whether it is through the education system. As we said about the level playing field, and with the funds that will now be redirected from Europe, it is going to be very difficult with a lack of education to show how important food production is if you align it next to the NHS or next to the education system. We are very keen to engage with everyone at all levels, through the Assembly and through Westminster, to be able to say this is absolutely a fundamental priority. We need to be self-sufficient in terms of whatever trade links are decided.

Jacob Anthony: I completely agree with Laura again. It is a fantastic opportunity for us to engage as well. We are meeting with you guys today. We meet with the Assembly. We meet with Lesley quite a lot. Laura mentioned preaching to the converted. Farming has never been in



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the public press so much since Brexit. It is a fantastic opportunity for us to speak to the public. We really, really need to get out there and tell our story, not to other farmers but to sell it on the streets.

Q506 Chair: Do you think enough is being done in central Government and the Assembly to enable you to do that? Personally I agree with you, but are you getting the opportunity to sell that story?

Jacob Anthony: At this moment in time, there could be more opportunities for us to go into the streets, there could be more done from maybe yourselves in Westminster and from maybe the other AMs in Cardiff to give us the opportunity to voice it a bit more.

Laura Elliott: The farming community recognises how important it is. You have seen that with the growth of things like Open Farm Sunday and those kind of events where farmers are welcoming the public to the farms. There is an inaccuracy in the representation of farming and food production in the media especially. We have seen that in the early part of this year. There is a level of ignorance among some consumers in terms of the welfare and the care that goes into food production in this country. We have mentioned the welfare standards and things like that. Initiatives like Open Farm Sunday, and education and the curriculum, need to be promoted and championed in terms of educating the consumer on how good British and Welsh produce is and why it should be the first thing in your basket and not the last.

Cennydd Jones: There are many things that occur on social media, and documentaries demonising agriculture as the massive industrial process that goes on in America and so on, what a lot of people do not understand is that it is a completely different system in the EU, and in Wales in particular. It is more natural. We don't feed hormones to our cattle. I went into a café in Aberystwyth the other day and they had a vegan leaflet there saying our milk is drenched with hormones. That is lies then, isn't it? It is just lack of knowledge and we need to pass that through to the consumers.

Q507 Geraint Davies: Hopefully it wasn't a special hormone café. Are you concerned the Government might do a trade deal with the United States that would allow in hormone-impregnated beef, GM foods and all the rest of it in exchange, for example, for Britain getting access to financial services and procurement so that the Welsh farming industry is small beer compared to that?

Cennydd Jones: For me, that is a massive concern, not simply because of the impact it will have on Welsh agriculture but also in Welsh rural communities as a whole. It is going to have such a massive knock-on effect. We talk about the Welsh language and everything, it is going to have a big knock-on effect because it is going to make these Welsh family farms non-sustainable if that occurs, in my opinion.

Q508 Geraint Davies: Can I ask Laura Elliott because I can see you responded



to this, with the BSE crisis we had our beef excluded from Europe for a generation. Is there a worry that if other standards are imported in exchange for a US deal then that will block our exports to the EU?

Laura Elliott: That is absolutely a concern. I think everyone involved in the agricultural industry has a fear that food and trade deals may be used as a trade-off, and agriculture may be used as cheap trade-off to gain access to other things because it is seen as something that is able to be traded as a commodity rather than appreciating the background of it and the whole industry that is involved around it. Especially in Wales, as Cennydd mentioned, farming is the lifeblood of the rural community in terms of the people that are involved in food production and wider agricultural and then on to the supply chain as well. We have mentioned the problems perceived with hormone treatment in meat and what we have seen at the turn of the year in terms of the food standards that are portrayed in the media. There is a concern. That is why the traceability of UK produce is so important. That is probably our biggest selling point, being able to fundamentally say where everything comes from and it reaches that standard. That is the concern with any trade deal with any other nation.

Q509 **Tonia Antoniazzi:** Laura, you have touched on education and Open Farm Sunday. I have a local dairy farmer, Andrew Stevens, who opens his farm to the local primary schools. Through knocking on doors, talking to the children and the parents they really, really do engage. Do you see the role of Young Farmers as being able to take this forward or where would you want the responsibility to lie? We need to get the message out there, as Cennydd has touched on as well. What can we do to push this agenda forward for you?

Laura Elliott: There are a lot of people, especially those involved in Wales Young Farmers, who are taking that up themselves and are doing it off their own back in their local communities with their local schools and things. If the Young Farmers were tasked with taking that on, obviously there would be a funding implication. We are very aware that the Young Farmers industry and the Young Farmers as a movement are probably the most contact that a lot of people have with the agricultural industry. We are very open to and aware of how important selling the message is. However, there does need to be an imperative from a Government level, whether it is in Cardiff or Westminster, to be able to push that as well.

Tonia Antoniazzi: Because you could be the changing face of agriculture and this is something we need to drive forward.

Laura Elliott: Yes.

Chair: There we are, there is a possible recommendation for the Committee.

Q510 **Chris Davies:** Thank you, Chair, and thank you to the panel, it is great to see you here in Westminster. I have seen some of you here before but



on other occasions.

First of all, I must say how well you are all looking considering you just had a national AGM in Blackpool at the weekend. I would put on record, Chairman, if I may, that Erwood Young Farmers in my constituency won the pantomime competition and they were absolutely superb. Can I also put on record that I am vice-president of the Brecon YFC and a regular contributor to Radnorshire YFC?

You really have shown what the YFC is all about. I must say when Brexit first came on the scene the first question time I had was organised by Sennybridge YFC. Not only did they get the local MP there but they got Meurig Raymond, chairman of NFU nationally there. It shows the power of the YFC, you can get a lot of people jumping to your tune. I am just disappointed that sometimes—forgive me for saying—this panel was an afterthought, Chairman, if I remember correctly and was not part of the original grouping of inquiries.

Chair: We agreed as soon as you mentioned it, Mr Davies.

Chris Davies: You did indeed, thank you very much. It shows what you have heard so far as to the importance of the YFC and how you are the front of farming.

I am going to touch on CAP in a second but before I do you talked very much about, sadly, the misrepresentation—shall we say—of farming sometimes in the press. We had Hybu Cig Cymru in here just a few weeks ago. Some of us were a little bit critical towards them because they are now what I can see as catching up after being 20 years behind. There is no question but that the red meat sector has slightly declined in this country. What can you do as the YFC to change that? The older generation have to do a lot more, but how can the YFC play its part in selling good British produce to the British people? It is great to have all these international markets but we are not really fulfilling our own at the moment.

Cennydd Jones: It is about connecting with people of similar age to us and connecting with younger people. If anything, those are the ones who are not buying as much red meat and dairy produce as the previous generation. There is a responsibility with us and it is a responsibility that we want to take. We want a strong future for the Welsh agricultural sector more than anybody else.

As we mentioned already with open days for schools and so on, it is a fantastic way of getting school children out. They enjoy coming to us and we enjoy teaching them as well. I would like to put on record that Ceredigion YFC is hosting A Day Out on the Farm in September. We have previously had 200 schoolchildren coming in on the Friday and 1,000 members of the public coming in on the Saturday. That is just one county. If every county in Wales did that then all of a sudden you are engaging with thousands of members of the community. Ceredigion isn't that big a populated area. It is something that we, as Young Farmers Clubs, can do. Laura will correct me on this if I am wrong but the



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chairman of the National Young Farmers Club this year has stated that she wants to engage more with schools, it is one of Lynsey Martin's aims to connect with schools about the production of food.

Dafydd Jones: One thing we have done nationally before was that at the Spring Festival and the Royal Welsh we had a farm-to-fork roadshow sort of thing. We had different items on display, showing the food process and how food is made. The Spring Festival was ideal as you have maybe a younger audience than you would have at the Royal Welsh. Having those young people engage in such simple things is crucial. We can do much more there as the YFC. I believe there is no one better to engage with young people than young people themselves. I can see there is a huge opportunity there and we have a few things in the pipeline regarding funding, hopefully, so we will be able to get a few more resources to do a bit more work there.

Caryl Hughes: Just to tap on to that—Laura and Dafydd can correct me—membership in Wales YFC is less than half that have directly stuck with agriculture and farm themselves. There are a lot of other jobs in YFC, there are teachers, nurses, there is everything. We probably could do a bit more with them on giving the right information. In my club alone with different talent we have about 25 primary school teachers who are working in areas like Wrexham, quite strong urban areas. We can be there alongside those people who are already in those right places. We can target those different places as well. Wrexham, to me, is quite an urban area. We are really disconnected. I live on the border of Wrexham County Borough Council, we are the green belt. Wrexham itself is really urban. Until we had the snow a few months ago they did not realise the amount of food we had on the shelves ready for them.

Laura Elliott: We hold a rural affairs conference every year. I always find the most fascinating speakers are the ones touching on market trends, in terms of what is lively and what is trendy in the food sector at the moment. That is one thing we have to be more positive about, whenever a new trend comes up such as the turn of the year veganism and things. There is enough food production to go around so long as we are dispelling the myths that are perpetuated with those, it is about us being able to sell how our produce fits into that and how it fits as part of a healthy diet. We have more access than ever before to our consumers via social media and things. It is about getting that positive message out, being receptive to the comments of the general public outside agriculture and then using that as a stepping stone to educate them.

Jacob Anthony: I completely agree with what Laura said about social media, one Tweet can go out to hundreds and thousands of people. All farmers can play their part in that, the majority of us have smartphones. Let's sell our story to the people on how we produce it, how we get it and, not only that, the people and the families who look after the land and the environment.



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Q511 Chris Davies: That was an excellent range of questions. I am only now coming to the question I should have been asking you, which is to do with CAP. We have talked about markets already—we have a lot more to discuss as the afternoon progresses—but CAP has been a lifeline for so many farmers up and down the country, particularly in Wales and up in areas like my own. It has also been said that CAP has been a stumbling block to allowing young entrants to come in, to allowing young people to take on farms and progress. My question is, would you agree with that? We have not yet seen so far from DEFRA that we have come up with an exit strategy for those senior members in the farming community who want to get out. That is something we need to be looking at. Do you think CAP has stifled progression in agriculture for some of you?

Jacob Anthony: I think personally that it is the way they structure the payment. They need to come in a slightly fairer way so you are actually rewarding the people—maybe not from a food production point of view because that would be going to what it was 20 to 30 years ago but from an efficiency point of view—who are looking after the land and giving the public good back. The way they currently distribute it does not do that to its full potential. That was a lot of the problem younger people were finding, the way the payments are distributed. We need payments because they are support payments, which is how food is so cheap and is a public good in that sense. However, they need to be distributed slightly more evenly.

Q512 Ben Lake: I should also perhaps place on record I am a member of Ceredigion YFC. I am not a chairman but I am a very proud member.

Chair: Just younger than us.

Ben Lake: Yes, although for once perhaps not the youngest on the panel here today. Thank you, all of you, for coming along. As Chris said, you look very well considering the weekend.

My question touches on something we have already discussed in passing, which is that the agriculture industry in Wales is very diverse but also quite distinct from the rest of the UK. When we come to thinking about the future agricultural policy, I am interested to know what specific aspects or circumstances you would like to see highlighted and safeguarded in that policy.

Cennydd Jones: For future agricultural policy, if you are going to be subsidising in any way, you should only be subsidised for environmental conservation if you are increasing efficiencies on farms. As an example, a grant is being rolled out now by the Welsh Government for capital incentives to buy certain items that will gain efficiencies on the farm. Also, if you farm in less favoured areas there has to be some sort of subsidy going on there because it is not financially viable at all. There must be a drive to push efficiencies more than anything. Personally, I would love to be able to farm without being reliant on subsidies because at the end of the day you are going to have a much more efficient farm, you are less reliant on that checklist coming through in



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November/December and, as a whole, you have a better ecosystem on farms. That is the way I would like to see it being placed in the future personally.

Dafydd Jones: For me, the crucial thing is that it would have to be simple. If it is simple it can be effective. As farmers we spend days in the office. There is plenty to be doing outside. It is very important you do the work for traceability and all that, but we need an effective framework. We don't want less red tape, of course we have to maintain standards, but everything needs to be cut down and simple.

Probably the biggest one for me is some sort of way where you are upskilling the farming sector. Whoever is going into farming is leaving college or university and that is it. We have the Wales licensed lamb scheme. It is a requirement for anyone who is on that to go to training events that inform them of different things that are going on. I was speaking with Lesley Griffiths last week and she has just returned from a trip to New Zealand. She is astounded how much further afield they are technology-wise and the things they have at their disposal. There is a lot of work to be done to catch up. We need to upskill our farmers constantly, it needs to be on the minds of farmers to want to progress and raise that skill level.

Jacob Anthony: As Dafydd said, the farmers who want to progress, the skilled farmers and the ones looking to be innovative are the ones who are putting those payments back into the rural communities. They are investing in machinery that is giving people jobs and employment. I really do think it is important moving forward that these support payments are understood by the public. A lot of farmers are demonised by the fact they get support payments. If we can get it over that we invest back into rural communities. It doesn't necessarily go into farmers' pockets—in fact it hardly ever does—because farmers are putting it back into the communities, keeping the Welsh language going and supporting employment in areas that would have, quite frankly, nothing if it wasn't for farmers.

Laura Elliott: One of the important things to be picked up on that has been promoted, in the last couple of months, especially from Michael Gove, is public money for public good. Agriculture has a huge part to play in that and should be recognised for what it can contribute to the growth of the economy as well as health and wellbeing, breaking down the silos between healthy eating, exercise and the rural community and things like that where they are all intertwined.

Touching on the stumbling block for CAP in terms of progression, any future agricultural policy is going to have to reward innovation and those farmers who are willing to be brave and try new things and push the industry forward. Another point Dafydd made was about upskilling, the recognition that CPD is as vital in the agricultural industry as it is in every other industry, and is valued and supported so workers on farms are able



to access it. That will go hand in hand with the health and safety element. If anything that has to be a fundamental cross-cutting theme of any future agricultural policy, for any reward you would have to be able to demonstrate you are working within the remits of health and safety.

Caryl Hughes: I would like to agree with Cennydd on his point on development, which is quite a high factor. We have all mentioned upskilling, it is coming down to benchmarking as well. Farmers are benchmarking and doing all the work on paper to make themselves more efficient. That will all lead then back to agriculture looking like more of a professional career, not just what you go home to do if you have nothing else to do. That will then lead back into education that it is a career people want to go and do and want to be involved in. There are so many broad things you can do in agriculture but it is not always seen as the professional career that it should be.

Chair: Before I go on to the next question, I should say there is a quite a large panel here. Everything you are saying is great but if I can suggest that possibly we need slightly more concise questions and answers because we are not getting through this very quickly at the moment, if I can politely put that over.

Liz Saville Roberts: We are jumping around.

Chair: We are jumping around a bit, which is true.

Q513 **Geraint Davies:** Laura Elliott, you mentioned the issues around health and well-being in relation to environmental protection and public good. Would you agree that direction of travel, as it were, is consistent with what is happening in the EU—perhaps taking it a step further—but less consistent with some of the standards we see in the United States? I want to ask you all how keen you are to stay within the Customs Union and the single market to enable trade of agricultural products to continue freely.

Laura Elliott: A personal point of view, I would like to remain within the Customs Union. That is about the traceability of food production and things like that. It is a vital avenue for our food and for everything we produce in agriculture.

The coupling with the health and well-being is where everyone needs to be concerned after Brexit. It is marrying up every single aspect or Department of Government to recognise how each complements the other and not coming up with a system where funding towards well-being is at the expense of agriculture because of how much they complement each other.

Q514 **Geraint Davies:** Jacob talked about the trade-off between efficiency and public goods and environment. I was wondering how—if you look towards the United States or you look towards Europe—one tends towards efficiency and one a bit more to these public good things, but I do not know, again, whether you have a view particularly on the Customs Union



and the single market.

Jacob Anthony: I might be quite different from the other panellists. I am probably the only one that voted for Brexit. I voted for it in the sense I would like Europe to remain our trading partners for the moment but in 15, 20 years I do not think they would be. They are the slowest growing economy in the world and it is the perfect opportunity for us to get out and look and explore new avenues to send our produce to. At the moment it will stay in that transitional period, it is absolutely vital that we do not have a cliff-edge scenario but we need to look at the world globally, not just focus on Europe primarily.

Caryl Hughes: Like Jacob said, I voted to remain in the EU but then I could see, after it happened now, the options are coming up. As Jacob said, about having it out there after, it was definitely a strong place to be in.

Cennydd Jones: If we remain in the Customs Union that will force us to keep our welfare standards and environmental standards up to that of the EU. I want Welsh produce to be the best in the world in terms of welfare and environmental standards, because that is the way we are going to sell ourselves. We cannot compete with America in terms of the total produced. So we must push through our unique selling point, which is sustainability and environmental standards.

Dafydd Jones: I would agree. We have to avoid that cliff-edge scenario most certainly, and it will be that transition period so we can work out which direction and what options are coming to us. I am a person who is optimistic on what is out there. There is a growing population; number-wise the world needs food and we can grow grass cheaply, effectively. Unfortunately it rains a lot, so grass grows well and we can create healthy, wholesome food very effectively, and there are opportunities there.

Q515 **Tonia Antoniazzi:** To what extent do you think agricultural policy should be set in Cardiff or Westminster?

Cennydd Jones: For me it has to be in Cardiff, because agriculture is such a broad subject. Jacob and I spoke about it on the train here. If you look at agriculture in Wales itself it is quite diverse. You have farms down in the Towy Valley that are keeping dairy and cattle, then up in the top at Arowry there are totally different farms. So if you spread that over the United Kingdom all of a sudden you have grade one arable land in East Anglia getting the same policy as people in less arable areas in North Wales. It has to be focused in Cardiff and that goes for all of the devolved nations, in my opinion.

Tonia Antoniazzi: Do you share his view?

Dafydd Jones: I completely agree. As a Meirionnydd farmer in North Wales, what I need is not the same as an arable farmer in Cambridge, and I completely agree it has to remain in Cardiff.



Laura Elliott: I do think there are two angles to that in terms of the mechanism for supporting farms and what has been done with the environment and production in Wales, which is vitally important that that is directed from Cardiff. But there are bigger issues that need to have an umbrella approach across the UK fundamentally—mainly in my head—with TB, and the approach to that because we are an island. When it comes to animal welfare it is difficult to instil in an animal that there is a border, so that is something that needs an holistic approach.

Q516 **Tonia Antoniazzi:** Do you think the Welsh Government should have a veto on trade deals that the UK Government may want, such as my colleague has touched on with hormone impregnated lamb and beef? If it is not in the interests of the Welsh farming communities do you think the Welsh Government should have a veto to stop the trade deals, to stop the beef coming in, to stop the lamb coming in?

Cennydd Jones: I would like to see that happen, yes, definitely. But once again, if you go to a different population of people from a non-farming background then they want what is going to benefit them. People from more urban areas, they might feel, "Can we not veto something that is going to have more of an effect on us?"

Q517 **Tonia Antoniazzi:** But it is the health and well-being agenda, again, is it not? Because we want to have healthy food on our plates and not—

Cennydd Jones: Yes, but the biggest problem is—going back to the earlier points raised—how many people are aware of the importance of that link; home-grown food and so on?

Laura Elliott: I do not think a veto would necessarily be very productive. I do not think that is going to help the development of any policy. But I do think it has to remain a two-way conversation in terms of the priorities for Wales and what the Assembly are fighting for and how that fits into the bigger picture. Not everyone is going to be happy, so we just have to make sure that the key priorities for Welsh farmers are considered as part of any negotiation.

Jacob Anthony: It is all about engagement. It would be quite detrimental if there was a veto often because there are different colours in Westminster, there are different colours in Cardiff, and are they using that to potentially affect the relationships there, almost out of spite, for example. I do not think it would be very sensible to have the—

Q518 **Tonia Antoniazzi:** Because what we want is the best deal for you and the farming industry in Wales to be as productive and maintain those high standards as possible. I would hate to see the UK Government coming in and bringing in conditions that are not going to be suitable for us.

Jacob Anthony: It is important we are going to use a bargaining chip. That is the thing we have to imply but I do not think a veto would be to the benefit of us.



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Q519 **Chair:** I have a question for you which follows on from that. I mentioned it outside. You obviously have a concern about the UK doing a trade deal with any country that has lower welfare standards and cheaper costs of production. What do you make of the news in *Farmers Weekly* that the EU has done or is about to sign off a deal with Mercosur, which will allow a huge increase in imports of low-tariff beef from South American countries? Could you accept there is as much of a threat inside the EU as outside of the EU from cheap imports coming in?

Dafydd Jones: I was in Brussels a few months back and we were fortunate to sit in on the Mercosur trade deal discussion Ireland were hosting. It was fascinating to hear. When we exit the EU, Europe will be 190% self-sufficient in beef and to imagine that they are still sourcing beef from outside is quite scary. But one of the things we learnt is we are outside of the EU but so much of our sugar is sourced from across there as well and what is tended to be used is if you want X amount of sugar you must take X amount of beef as well. It all comes back again to being used as a bargaining tool. There are other things on the table and not just beef; that is the concern for me.

Q520 **Chair:** At the moment, although we are big importers of beef and dairy products, are we not, in the UK an exporter of lamb? Presumably the threat is to our lamb industry but there must be opportunities for our beef and dairy industry if we get this right.

Dafydd Jones: Yes.

Chair: Is that a fair comment? Okay.

Q521 **Liz Saville Roberts:** I was wondering at the same time—we may be in Mercosur and the TTIP agreement—whether made through the other nation states of the EU there will be more protection with the chlorinated chicken concerns and the hormone impregnated beef than we will have if we are looking to make a deal directly with the United States. If that has been played out as different considerations, the protection that we might have is as one of a group of many as opposed to one out there on the international stage seeking a favour.

Laura Elliott: That is probably one of the biggest questions at the moment. How is that going to pan out and how is it going to be negotiated, and is being part of a bigger group more beneficial with the competing priorities as well? That is still very unclear and I do not think I could make a statement on it to know whether it is going to be a good or a bad thing.

Liz Saville Roberts: You have partly answered the Chairman's question.

Q522 **Chair:** Geraint has one perspective and I have another and we are always tempted to ask you questions that will get an answer that fits in with our preconceived view. We are all slightly guilty of this. Let me try to give you an open question. Which nation or group of nations do you think poses the biggest threat to agriculture in Wales in terms of cheap imports coming in? The US, the lamb from New Zealand, or Mercosur and its



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beef?

Cennydd Jones: It depends on what sort of impact. In terms of flooding the market, particularly with regards to lamb, it is going to be New Zealand. If it is in terms of undermining what we are doing as farmers in Wales, it is going to be America. They are the ones that can undercut us. Those would be our biggest threats in that regard.

Chair: Let's try not to create an argument with each other. It is not fair on our guests.

Q523 **Geraint Davies:** Two very quick questions. One is whether Welsh lamb should be protected by a geographical indicator, like Cornish pasties are, for example, in Europe and whether we should have that as a red line trade agreement, so at least if other sorts of lamb are coming in people know what they are eating and people cannot call it Welsh lamb if it is made in Canada.

Chair: Yes or no on that one.

Geraint Davies: I presume people agree with that. On the veto—and I appreciate what we said about if anyone is playing political games and all this sort of stuff—but do you feel that things like Welsh lamb are closer to home in Cardiff than they are in London? If London is looking at access to financial services and various manufactured goods and this sort of stuff, what sort of say, if any, do you think the Welsh Government should have in these trade deals? Assuming you do not think they should have a veto.

Chair: You are universally in favour of Cardiff having the main say, are you not?

Laura Elliott: Yes.

Q524 **Chris Davies:** Just on that point, we had George Eustice in front of us last week and in the Chamber in the House of Commons the week before Michael Gove made it very clear that we are not looking to monetise any payment that comes forward to Wales, Scotland or Northern Ireland in the future. When I spoke to the Welsh Commons Forum on Friday in Builth Wells they were very concerned that any money that was outside a framework, or even within a framework, would not be ring-fenced for the Welsh Assembly. Do you have any concerns that the Welsh Assembly, if they are just given a lump of money, will spend that on other things apart from agriculture?

Laura Elliott: That is obviously going to be a concern because it could happen. That is why we felt that the engagement, especially with the Agriculture Department and Rural Affairs in Welsh Government, has been so important so far. I feel like we have been able to participate in those discussions as an equal partner round the table. Our promotion of the industry is important and is going to be key when that pot is carved up. We are going to have to be on our best game in terms of continuing to sell the food, farming and agriculture story to make sure that we get the fair share of the support that the industry needs.



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Jacob Anthony: It is important that when that lump sum of money goes to Cardiff they understand the Welsh amount is 2 billion, and that the food sector in Wales is the largest employer. Farming is the cornerstone of both of them, and it is vitally important that they understand that. It has been our opportunity to be able to engage with them, and that is why it is great now that we are getting to speak to people like yourselves, and are able to tell you from the floor what we think and what we feel.

Q525 **Chris Davies:** Just briefly, and this is a general point, you say you engaged with your AM and you are engaging with the Welsh Assembly, but do you all engage with your MPs?

Dafydd Jones: We have very good contacts with them. They are very open and we have a good relationship.

Q526 **Chris Davies:** The rally season is coming up; do you invite them along to your rallies and get them engaged?

Laura Elliott: Yes, we do.

Chris Davies: Do they usually come?

Caryl Hughes: Yes.

Jacob Anthony: We are in south Wales, which is not as rural as the rest of the young farming area, so maybe they do not see the importance quite the same, which can be quite frustrating from our point of view.

Q527 **Chris Davies:** Which is my concern when it comes to a majority in the Welsh Assembly, certainly at the moment, that they are not all from rural areas and the majority are not from rural areas. Priorities may change, but that is my own particular feeling.

Laura Elliott: What I have tended to find anyway, is that those that have little or no rural background seem to be more appreciative of the dialogue with organisations such Young Farmers to be able to inform their thoughts, so I do not see that as necessarily a negative in terms of the balance of where the Assembly Members or the MPs come from. I think it is as much our job as theirs to make sure that we are engaging with them. I think that everyone, so far, has been quite receptive to it.

Chair: Time is flying by, which is a credit to you and your evidence by the way, but we have to move on.

Q528 **Liz Saville Roberts:** This is something that you touched on earlier. I am jumping questions now so there is one that has been missed. Particularly given that you are young farmers, it is the important that we encourage young entrants. I know my colleague, Simon Thomas AM, has managed to have a certain amount of money put aside specifically for this point and it is being looked at I understand. I know a number of people have looked at this over the years. Could you tell us what you think would bring people in particularly? What are the critical things that we need to transfer between generations and to bring in, possibly, new people from



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different backgrounds as well?

Jacob Anthony: Most of the farms are not there at the moment because there is maybe an ageing generation that, putting it in the nicest possible way, maybe need to step aside to be able to let the new ones come in to the sector, but without them feeling like they are unwanted. There has been a lot of focus on the amendment scheme. I think there should be something a bit more like what they had in Ireland where you are concentrating on that top end because a lot of us youngsters are happy to come in with the ideas, we are happy to come in with innovation and take the risks but the opportunities are just not there to allow us to do that.

Laura Elliott: I think that one of the big things with CAP is that because the status quo has been maintained and maybe the changes that some farmers have been asking for have not happened it is easier at home to maintain the status quo, because if nothing has changed in the funding mechanism then why change anything at home. Whereas now we have an opportunity to relook at that and especially to fund innovation and look for those efficiencies that Jacob has mentioned and hopefully then that may be a lever in kick-starting the succession planning at home.

Q529 **Liz Saville Roberts:** You were talking about the Dieter Helm scenario and so forth. How do you think, looking at bringing in more environmental payments without having the dead hand of bureaucracy based in an office with a science degree who perhaps has never seen that particular environment or that particular environment, they going to balance these very specific needs to effectively bring in environmental support in the future?

Cennydd Jones: I just wanted to make a quick point on what was being spoken of previously. I think shared farming as well because it is so tough for a new entrant to get hold of land because land is worth so much but shared farming, I think, needs to be pushed a lot. That would be something that would be quite good to have the formal support in the—

Liz Saville Roberts: The new initiative, yes.

Cennydd Jones: Yes. But with regards to the environmental side, I think it has to be, as Dafydd said previously, simple to do and also that it has to be simple enough, but if you are not the holder of that farm you cannot gain any financial benefit out of that. If you are not farming that land as an active farm I think that that is a key issue as well because there are so many people just holding on to land, getting the financial benefits of grants and the CAP but not being active farmers.

Q530 **Liz Saville Roberts:** I am aware of Glastir complaints. There are obviously a tension with people who know the land very well, who feel that they are not trusted. Perhaps this is one of the professionalising things: you raise people to the position where they are able to say, "Look, this is what needs to be done" and they are trusted by somebody



else or there is some way of improving that relationship, which at present is not working very effectively.

Laura Elliott: It fundamentally has to be a common-sense approach, so that any environmental policy is not looked at in isolation. Then with the agriculture and with the work that is currently going on on the land, that has to be married with the ideals of any environmental policy and seeing what work is already being undertaken that complements that and is fundamental to that certain area. We have talked about the diversity of the land across Wales and what is good for some areas and what is not good for others. It cannot be a tick-box sheet from an office. It has to be based on what is there and on the history of the land as well. Like you say, the farmer knows better than anyone what will work on that land and they have to have an input into how it is administered.

Q531 **Chris Davies:** Just a point of clarity, Chairman, if we may, on Cennydd's point. You have probably raised something that most of us think is the correct one. I am just wondering whether the whole panel agree with your point on the fact that any form of subsidy that does come, whatever it is called, should go to the farming practitioner rather than the landowner. So do you, as a panel, agree with that? You do. Okay, thank you.

Dafydd Jones: No. We tend to think of the environment as taking a green field and planting trees in it, which is all well and good but it must be remembered that if you have a field, which is properly maintained, looking after soil quality, the carbon storage of just a plain grass field is huge if it is utilised properly, proper farming. At the same time, it is of massive benefit to the environment, to soil quality, to water and air quality as well as producing food at the end of the day. I firmly believe it is not about shutting fields off. It is about—

Q532 **Liz Saville Roberts:** Diverting pasture into protein in turn, yes.

Dafydd Jones: It goes hand in hand, farming and the environment.

Q533 **Chair:** I think Ben Lake may want to come in, although I think we have sort of half-answered some of this stuff, but not all of it unless you want to add something.

While everyone is thinking about that I have a question for you, which I raised with George Eustice the other day. Given the amount of power that the Welsh Government is going to have should organisations like Young Farmers and the NFU and FUW be looking at specific items of legislation that could be changed—for example fallen livestock regulation is something that I think could be decided in Cardiff once we are outside of the EU head-streaming regulations. There is a whole raft of things that we can read about in *Farmers Guardian* every week that we could change. Do you see a list of these anywhere because I have not yet? I would love to be presented with one. Shouldn't there be one somewhere? Shouldn't we be all looking at this?



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Laura Elliott: Yes, absolutely. I think the best people to evaluate any legislation are the ones who are living it and the ones who are using it and abiding by it day to day. Public consultations are great, but in order to get the people on the ground to buy into that and contribute to that I think more probably needs to be done in terms of when these are reviewed.

Q534 **Chair:** My understanding is that the fallen livestock regulations that prevent burial of certain stock came about because of high water tables in the Netherlands, so we got an EU-wide piece of legislation. It would not be at all necessary in Dublin and Wales, for example. This is a concrete example of something we could change.

Hedge trimming is a bit more controversial, I would accept, but there is an argument for allowing that in August. There must be dozens of things; none that are going to change agriculture overnight but added up together they are an opportunity, whether you wanted to stay in or out of the EU.

Dafydd Jones: It comes to what we said earlier, the requirements of specific areas are completely different and I would agree that the requirements in Wales are different from other sectors and it would be most helpful that we could have an influence on that.

Chair: We want a list.

Q535 **Liz Saville Roberts:** But nonetheless when I have been speaking to farmers nobody has raised fallen stock or cutting hedgerows, not that they are happy with the situation regarding fallen stock or the situation with hedgerows, but when they know that I am an MP and that I am coming here to talk about the impact of Brexit on agriculture they do not raise that. Having spoken to some of the upland people, maybe on family farms, but in general with you coming here to us today, what are the major messages, do you think, we should be hearing and we should be passing on to our fellow MPs?

Cennydd Jones: Something that I have not raised before but I would like to raise it now because Dafydd mentioned it earlier, is upskilling and the knowledge transfer. We are fortunate in Wales that Farming Connect and Mentor a Business—okay, they get a lot of money mainly from the European Union—played a massive role in my opinion in knowledge transfer, getting first-class scientific research done in Aberystwyth and then transporting that knowledge into practical steps for farmers to do. I think that that is something that must be carried on. Farming Connect could be exactly the same as it is now or in a more streamlined version, but we must have something similar because that is going to drive forward gains in efficiencies in sustainability and so on.

Q536 **Liz Saville Roberts:** So we must ensure funding that is directed towards that activity, is that it?

Cennydd Jones: Yes. That would be key.



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Caryl Hughes: I think that it is, as in farming we are more willing to do it because of benchmarking and that kind of thing. We know how to do it better. We are more skilled in IT and that kind of thing, so we can do it easier. It is just us all doing it and all getting the right information to each other and passing it on. I know as farmers we are probably bad at it, but we always compare ourselves with the neighbours and always judging ourselves and that kind of thing, but we all sing from the same hymn sheet, all doing the right thing, and we should be learning from each other a bit more.

Dafydd Jones: Could I point out the need for broadband everywhere is crucial for this?

Q537 **Ben Lake:** We have missed a few points. We have already discussed at some length the potential effect of undermining standards if we were to have a trade deal with certain countries. Just to sum up, how confident are you or how reassured have you been with statements from the UK Government that this will not happen in any future trade agreement? I can go off script a little bit here now. There is that question and also then, in the terms of the soundings from the UK Government about their future aspirations for agricultural policy, what are your thoughts or impressions?

Jacob Anthony: I don't think they know themselves at the moment. That is how I feel about it. The information is just not getting out there. I feel that we do not know enough about what is going on.

Laura Elliott: It is easy to be pessimistic at this stage because the narrative around the priorities after Brexit change from month to month, and depending on what is the driving force of that at that time, agriculture and any agricultural policy can pale into insignificance when you talk about things like national security and what else is on the agenda at that point. It can be easy to be naturally pessimistic about it but I think, like we have all said, these open communication sessions and making sure that we feel like our voice is being heard, which we do, is key to prioritising that moving forward and making sure it does have equal standing.

Dafydd Jones: It is getting those answers. Farming is a long-term planning session. Every day you are planning months ahead. I know many farmers who are Brexit-proofing as best they can. They are looking at markets changing—breeds for example. We are producing food, not a fluffy creature to look at and what colour it is. I could be shot by farmers for saying that. But at the end of the day we are producing food and it is just about getting answers. It is all up there to play for at the minute and it is just getting so we can plan for the future.

Q538 **Ben Lake:** Just on that point, Dafydd, obviously at the moment CAP is a seven-year cycle. When it comes to future UK agricultural policy, is there a period of time that springs to mind that you think you need in order to best place you as businesses to be able to plan effectively? What kind of



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time periods would you like for some certainty?

Caryl Hughes: I would say as soon possible. Things are changing fast and I feel at home we are not going to know enough information quick enough to be able to adapt to it and that is where you are going to have that crash and fall possibly.

Q539 **Ben Lake:** So when we come to forming some sort of UK agricultural policy, at the moment CAP is seven-year cycles, so what kind of cycle would you like to see the new one run on?

Laura Elliott: Common sense would say the nature of farming is you cannot be overly reactive in terms of the planning of what goes into your work and your cycles and things like that, so I think it needs to be—

Jacob Anthony: It needs to be seven to 10 years to be honest, because you need to be able to plan ahead. I am 25, my father is 50 and my grandfather is 87, he is still farming full time. We need to be able to have that timeframe to be able to invest and be able to know what is happening and whether those payments will eventually pay themselves back.

Cennydd Jones: It is about having the balance, isn't it, of being short term enough that it is evolving with the current markets, global trends and so on, but yet again to give you that long-term form of security. I think it is finding that balance.

Q540 **Ben Lake:** A two-tiered structure, perhaps.

Cennydd Jones: Yes, it is just finding a balance I feel between those two.

Q541 **Geraint Davies:** Can I ask, next March the plan is to Brexit, we will have left, but we will have the transition period so you can trade into the EU but we will not have these relationships with third countries. There are some countries, like Chile and Australia for instance, who said they want to change their trade relationships. What it means is they will be able to import through the EU to us and we will not have an agreement to export to them. Are you concerned about the imminence of March and the possibility of not having a trade relationship through people who have the right to trade to us through the EU?

Laura Elliott: It is one of those things where to avoid the cliff edge that we have touched on earlier we are going to have to have an awareness of what is possibly on the table, or could be on the table, from these countries that have put their hand up and said, "Look, we would be interested in trading with the UK" or even if it is a backdoor trade agreement that they are looking for like that. There is very little that we are going to be able to control, I feel, during that transition period, so I think it is important that there is clear communication right now and up until March on what the UK Government will be willing to accept and what the UK Government will be able to change. The concern for me in the



transition period is, we are not in the EU but we are not out of the EU and, as you say, the trade deals are not going to happen overnight. I think that is probably, for me, where the most work needs to be going in the next 10 months—into pre-empting these possible trade agreements and seeing how quickly we could be up and running.

Q542 Geraint Davies: Do you think in theory there is a case for the exit day March to be pushed along the transition period, so while we will be completely gone after the transition period we have a bit more time to plan from a position of strength?

Laura Elliott: I think a position where you are in control of some things but not able to contribute to others is a dangerous place to be.

Chair: Okay. Thank you very much indeed for that. Diolch yn fawr iawn am ddod. Roedd eich tystiolaeth yn arbennig o dda. *[Translation] Thank you very much for coming. Your evidence was excellent.* Thank you very much indeed for coming along and I hope that any Select Committees taking evidence on agricultural-related matters will bear in mind the contributions young farmers can make in the future. Diolch, thank you.