

Northern Ireland Affairs Committee

Oral evidence: [Brexit and Northern Ireland: Agriculture](#), HC 939

Wednesday 6 June 2018

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Members present: Dr Andrew Murrison (Chair); Mr Gregory Campbell; Mr Robert Goodwill; John Grogan; Lady Hermon; Kate Hoey; Jim Shannon.

Questions 1 - 62

Witnesses

I: Wesley Aston, Chief Executive, Ulster Farmers' Union; Dr Mary Dobbs, Lecturer in Environmental Law, Queen's University Belfast; Dr Viviane Gravey, Lecturer in European Politics, Queen's University Belfast.

Written evidence from witnesses:

– [Dr Viviane Gravey and Dr Mary Dobbs](#)

Examination of Witnesses

Witnesses: Wesley Aston, Dr Mary Dobbs and Dr Viviane Gravey.

Q1 Chair: Good morning. Thank you so much for coming to give evidence to the Committee this morning on this important matter. I would like you to very briefly give us an introduction of who you are, where you are coming from and your interest in the matter of agriculture and horticulture, so far as it relates to Brexit and Northern Ireland, which is the substance of our current inquiry. Perhaps, Dr Dobbs, you might like to lead off.

Dr Dobbs: My name is Mary Dobbs. I am a lecturer at Queen's University Belfast in the School of Law. I am predominantly an environmental law lecturer, but I have been looking at agri-environmental issues for the last number of years and, with the wonders of Brexit, have been looking at it in this context also.

Dr Gravey: I am Viviane Gravey. I am a lecturer in politics in Queen's, and I am also a co-chair of Brexit & Environment, which is part of the ESRC UK and Changing Europe research programme, on which I am looking at Brexit across the four nations, especially in Northern Ireland, and at environment and agriculture.

Wesley Aston: I am Wesley Aston, chief executive of the Ulster Farmers' Union. I have been involved in the Ulster Farmers' Union for 26 years. UFU represents 11,500 people across all parts of Northern Ireland and all the different sectors. Given the importance of the CAP payments to the farming industry, the whole issue of Brexit has been very important to us. We did a bit of restructuring internally a few years ago, which appointed me as Brexit lead, so we are taking it very seriously.

Q2 Chair: I will kick off with a question. The wonderfully named *Health and Harmony* consultation paper that will lead into the agricultural Bill has come up for a little bit of flak. In particular, your written evidence, Dr Dobbs and Dr Gravey, has been somewhat critical of the fact that it is a bit England-centric and perhaps does not speak too much to the Northern Ireland element of Brexit, so far as it relates to agriculture. I wonder if you could expand a bit on that and tell us what your concerns are. Clearly this is going to be an influential piece of work that will feed into legislation. Particularly given that we do not have an Executive at the moment, it is incumbent upon the UK Government to ensure that the Northern Ireland element of this, given the uniqueness of agriculture within Northern Ireland, is properly reflected.

Dr Gravey: *Health and Harmony* is supposed to be about England. In a way, it is not a problem that Defra, which is supposed to be making policy for England, thinks of England when it makes policies. The problem is if that is then the basis for common frameworks and is expanded to the whole of the UK, becoming common by default. The fact



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that it is thinking of England is a good thing. The problem is if we end up just copy-pasting it for Northern Ireland.

There are a lot of different issues. The starting point is that what we have right now is divergence. The common agricultural policy is very flexible; it has to be, because it covers 28 countries with completely different farming systems, so there are lots of options. The four nations of the UK have picked lots of these different options. I am sure Wesley will be able to talk more about this but, for example, we have levels of direct payments that are capped in Northern Ireland and they are not capped in England. You have very different amounts of agri-environmental payments. In England, 75% of rural development money goes to agri-environmental payments. In Northern Ireland and the rest of the UK, it is much lower, so it is a different situation.

That has some very concerning elements when it comes to *Health and Harmony*, because the plan is to cap payments to free some money in order to fund that agricultural transition, but payments are already capped in Northern Ireland. They are capped at €150,000. If you free up a lot of extra money in England to fund that transition, you will not be able to free up that extra money in Northern Ireland. You need to get that money for transition elsewhere.

There are also concerns, as Wesley pointed out, in terms of the reliance of the agricultural sector in Northern Ireland on CAP funding. Ludivine Petetin, who is an agricultural law lecturer in Cardiff, has calculated that the Defra proposal, as it stands, would mean 25% of English farmers going out of business because of cuts to direct payments. In Northern Ireland, and all parts of the UK but England, there is a much higher level of reliance, so that 25% could be much higher in Northern Ireland if you were just to copy-paste *Health and Harmony* to Northern Ireland.

Q3 Chair: Can we explore that a little bit? In Northern Ireland there is already a cap, but in Northern Ireland farms tend to be a lot smaller. Therefore, you would probably expect the cap not to come into operation very often, in any event. Would that be accurate?

Wesley Aston: I do not have the figures to hand, but there are a very small number of farms affected through the capping system we have in Northern Ireland.¹

Q4 Chair: The amount of money that would be generated, crudely, for Pillar 2 type activity, when it is translated into the new arrangements, is going to be fairly small in Northern Ireland.

¹ Mr Aston subsequently provided the Committee with the following clarification on 8 June 2018: "At present, BPS Payments are capped at €150,000 for the BPS element only. This does not apply to the Greening Payment or the Young Farmers' Payment. In 2017, 5 businesses were subject to this cap. The total amount deducted as a result of capping was €226,804."



Wesley Aston: It will be very little, yes. If I could pick up on what Viviane has said, in terms of agricultural policy, we are not as concerned about the fact that *Health and Harmony* is England-centric. We want the ability to devolve. We want to be able to regionalise. Under the CAP you can do that anyhow, but within limits. That is the important thing: there has to be an overarching UK framework, so that we cannot create competitive distortions across the UK borders as a whole. We want regionalisation there, but within limits.

In the context of agricultural policy, while it is important—and I know we will touch on this later on, in terms of where we are going with it—the overarching issue is trade and ultimately what sort of trade deal we do. Depending on whether you have a good trade deal or a bad trade deal, you will have to develop and establish your agriculture policy accordingly. There is no point in just assuming that you are going to have an agriculture policy that will meet all eventualities in terms of trade. That is absolutely critical.

Chair: I have to say in recent weeks and months I have taken a particular interest in mushrooms, which I love very much. I had not fully appreciated the enormity of mushrooms in terms of the sector in Ireland overall. Perhaps we will come on to deal with some of that later on in the evidence session.

Q5 **Jim Shannon:** Ladies and gentleman, thank you very much for coming. First of all, Mr Chairman, I declare an interest as a member of the Ulster Farmers' Union. I have been since 1984 or 1983, whenever the insurance premiums were better than anybody else. They have been better ever since, which is why I am still there, but also because you represent the farming community as well.

My questions are going to be very specific to agriculture. I am not sure if, ladies, this is something you might want to contribute to, but most of my questions will probably be for Wesley in relation to that. In my constituency, Mr Chairman and members of the Committee, we have a very important part of the agri-food sector, and that is Pritchitts or Lakeland Dairies, as they are. They have two factories in the Republic of Ireland and one factory in Northern Ireland, in Newtownards in my constituency. The thing that makes it a great example of where we are in relation to Brexit potentially, and how we deal with that, is my discussion with the factory in Newtownards and with the senior management in the Republic of Ireland as well, in relation to this matter.

The milk goes across the border from the Republic of Ireland to Newtownards. It is processed as a powder, sent back across the border again and then it comes back across the border a third time. Ultimately, it is then prepacked and sent out to the rest of Europe. We have a really great example of what we have at present and hopefully how that can work. As for the factory and the workers, it is massive employer in my area, not only in the powder in the factory, but also in the contributory people who send their milk in from the Irish peninsula and Mid Down.



You will know that, Wesley, without me going into those details.

In relation to that system, have you had any discussions with the likes of Lakeland Dairies or any other of the firms in relation to how we will be able to manage post-Brexit come next year? I have one other wee question in relation to that, and a couple of others I want to ask. On the workers, we have many examples along the southern part of where you probably live yourselves, where a lot of workers go across the border and come into Northern Ireland to work, and also some go the other way. What is the philosophy of the Farmers' Union in relation to that, please?

Wesley Aston: In relation to the overarching questions, when we had a devolved Executive, the Department of Agriculture established, immediately after the referendum outcome was known, a group that has been engaged with dairy processors, beef processors, producers and environmentalists. We all came together. At that stage, we looked at the very high-level issues, such as regulation, labour, trade and support.

In terms of the whole issue around trade, it was very clear even at the outset that Northern Ireland plc did not want any additional controls at borders, either north/south or east/west between Northern Ireland and GB. That was always our starting point: in other words, we should not be disadvantaged in any direction because of the outcome of the referendum at a UK level. That remains our position.

At the minute, we are looking at the current UK/EU discussions on the withdrawal process. Of the three issues—people, money and the Irish border—the Irish border is still the one that we do not have a definitive position on, and we would like that sooner rather than later, so we know where we can go. Obviously, discussions are ongoing between the UK and the EU on that. It would be interesting to see what happens later on this month and maybe going forward to October, which is the absolute deadline in all this, if we are trying to look at where we are going. Our clear position as Northern Ireland agri-food plc is that we do not want any borders north, south, east, west, i.e. additional controls of any description, whether they are tariffs or whether they are phytosanitary controls. We have to maintain the same standards in order to minimise trade disruptions.

In terms of workers, this is a critical issue for not just Northern Ireland agri-food, but Northern Ireland as a whole and indeed the UK as a whole. There were figures produced fairly recently by the Department of Agriculture that suggest that, on average, our processing sector engages somewhere in the region of 40% of employees who are non-UK nationals, most of whom are from the EU. That would go up to higher percentages, depending on the type of business, particularly in our meat-processing plants. That has grown over the last number years, so it is absolutely essential to making sure the Northern Ireland agri-food industry moves forward. It is not just the plant operatives; it is actually at the managerial level as well. It is the whole spectrum of different types of labour, so we need that workforce. It is particularly important for our



mushroom sector, actually, that we have the ability to pull down that labour.

We have tried in Northern Ireland to engage the indigenous population, but it is easier said than done. The jobs were there and the people came to the jobs, rather than the other way round. That is an important issue going forward, in terms of the whole outcome of Brexit and the need to access that labour going forward.

Q6 Jim Shannon: The agriculture sector in Northern Ireland, along with other parts of the United Kingdom of Great Britain and Northern Ireland, has had the advantage of European grants and so on over the last number of years as well. Our Government have made a commitment to continuation of that grant assistance in this term of Government, as they have the power to do. They will look at that further on, after the next election. How critical is a continuation of this grant process that the EU has now, but that our Government have signalled a continuation of for the future?

Wesley Aston: In terms of the importance of direct support to the farming community and the agri-food industry generally, it is absolutely critical. In fact, last year was the first year for some considerable time that the total income of farming in Northern Ireland exceeded the amount of direct support that we got in. The direct support only went to some sectors; it did not go across the whole industry. The whole industry made less than we got in direct support. Last year, we managed to get an 82% increase in real terms, from £253 million to £473 million total income of farming, but that was from a low base. It has been a low base for some considerable time.

It is absolutely essential going forward and, unfortunately, farming is a long-term business. It is not the sort of thing you can switch on and off overnight. 2022 sounds a long way off, but it is less than four years away. In the lifespan of a farming business, when you decide to produce a calf, to produce a heifer, to produce a dairy cow to produce milk, that takes a period of time and you are probably talking about four years, so you need to make those decisions now. The money coming in, and the guarantee at a UK level of the allocation of that money across all of the UK regions, is important. We would like to maintain what we get in Northern Ireland, because historically we are a small intensive region and generate more, which is why we have ended up with the figure that we have at the minute of just over 10% of the total pot of money.

Within that, we would like to see how we could spend it better to suit the needs of Northern Ireland, going back to the earlier point about the ability to regionalise. Within Northern Ireland, we would also like it to be ring-fenced for the agri-food and agriculture industries, just in case it comes in as part of a block sum of money that can be distributed elsewhere, across things like health and education. We need that money. We have the support of our local politicians back in Northern Ireland for the agri-food industry. They recognise the importance of it. They



recognise its importance to the economy and jobs, and to the environment and rural areas. It is good from that point of view. We would like the UK money to be guaranteed, Northern Ireland's share to be guaranteed and the money to be ring-fenced in Northern Ireland.

Q7 Jim Shannon: The other critical issue, which I mentioned when I was speaking to you outside, is the one of animal exports, both from Northern Ireland to the Republic and from the Republic of Ireland to Northern Ireland. On that subject, there is very detailed information for us to go over, by the way, Mr Chairman, from our staff here. I thank them for that. Some 10,000 pigs are imported from the Republic of Ireland; 1,000 cattle go from the Republic of Ireland to Northern Ireland. Then we have some 5,000 lambs and sheep going in the other direction. In terms of borders after Brexit in the future, those animal movements both ways are of critical importance for the agri sector in Northern Ireland and in the Republic, because we depend on each other greatly. Could you give us your thoughts upon that?

Wesley Aston: The two industries, Northern Ireland and the Republic of Ireland agri-food, are highly integrated and they move both ways. I think you mentioned pigs coming to Northern Ireland from the Republic of Ireland, and beef cattle. Equally, we put lambs and milk into the Republic of Ireland. That two-way movement is a historic thing and it is essential, not just for live animals, but also for products. You mentioned earlier the products moving back and forth across the border in the manufacturing process. It is absolutely essential that that is allowed to continue, going back to the earlier issue about no additional constraints north/south, as well as east/west.

We could not change our industries overnight to make up for the slack that we get from those animals not coming across, and the same in the Republic of Ireland. It is absolutely essential that that trade continues. Equally, in terms of live animal exports, just because we have a stretch of water between Northern Ireland and Great Britain, it is somehow or other perceived as an additional barrier to live exports. We are saying, "Why should it be, just because the animals are on a boat?" The journey time is probably less than going from the north of Scotland to the south of England.

The whole issue is about UK trade. The Defra Secretary had a call for evidence in relation to live exports and we put a very substantive submission in there, in relation to how essential it is that trade both between Northern Ireland and the Republic of Ireland, and between Northern Ireland and GB, is allowed to continue going forward. Equally, we ship calves through the Republic of Ireland to France. Provided the welfare standards at the EU level, and the terms and conditions, are met, what is the real issue? The key thing is making sure those standards are satisfactory and enforced.

Q8 Jim Shannon: This probably illustrates very well, Mr Chairman, the need for the Republic of Ireland agri-food sector and the Northern Ireland agri-



food sector to have those close relations. Therefore, it is important for both sectors, north and south, that they have that continuing relationship. Could I perhaps ask the ladies to make their comments as well, please?

Dr Dobbs: First, in relation to the border, it is very clear that any change to the border will have a significant impact. It is not just about the tariffs, which have been discussed before in this Committee, along with the significant impact they would have on costs, but even thinking about the delays. If you have delays of any sort at the border, you are talking about perishable goods and distressed milk, which can no longer be kept. It then becomes waste. It is very complicated, costly and detrimental to industry if you have that.

Regarding animals, the UK has been at the forefront of animal welfare. If you have animals being cooped up there for a duration, while you are having documents checked on the origin of the animals and the like, and diseases being controlled, all of that is complicated and problematic, not to mind the labour issues we were also discussing. Not only do you need access to the market for these people coming in to do the work, such as mushroom picking, which is a crucial one, but you also need it to be attractive for them to come in. Currently, if migrants are coming in, if they are EU workers, they get EU rights coming in.

Also, sterling has traditionally been quite strong. With the drop of sterling and the potential reduction of the rights that they will have, if they are no longer going to be citizens or have citizens' rights from the EU within the UK—they will obviously have decreased rights, or one would presume so—it becomes less attractive for these individuals to come in. All of these are problematic, whether you have a hard border or not. It is the very differentiation that exists in the first place.

Q9 **Kate Hoey:** Dr Dobbs, you have said that more people could have problems if they did not get all the rights. What about all the people who, at the moment, cannot come in to work in the summer, who are outside the European Union? Surely this gives an opportunity to many people in the rest of the world, who would like to come and do this but cannot, at the moment.

Dr Dobbs: We are able to facilitate this currently, to an extent. You can have different approaches to visas. There are multiple difficulties as regards that. We could have visa waiver schemes or the like for individuals outside of the EU, in the future. There are differences in the types of agriculture that are done in different countries, so we have the possibility of people coming in who are not actually experienced in that type of farming, which may or may not have an impact, depending on what task they are given, but you would prefer people with some knowledge and expertise.

You also still have the issue that I raised about the value of sterling and the lifestyle that they will be able to have. How far will they have to



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travel to come here, get some money for a duration and then leave again? We will be able to get some. We can also incentivise the local population to engage in this work but, as we have been hearing, not necessarily all the locals want to engage in this type of work, as it is.

Kate Hoey: You are presenting the most negative aspect of that, rather than seeing it as an opportunity and a positive thing that could happen.

Dr Dobbs: The point is that we have that. We can do that absolutely, but we need to acknowledge the challenges and find ways to go and make it more attractive. If the de facto approach to the problem is that it would be less attractive for individuals to come in, we need to find ways to counteract that, incentivise people to come in and take up those positions.

Q10 **Kate Hoey:** I just want to ask if the department where you work gets any EU money at all.

Dr Dobbs: Yes. Within the department, I am involved in two Jean Monnet projects, one internally and one externally. I will go and say that I like the EU for many things, but I acknowledge the severe problems that are there with elements of the EU, as well.

Q11 **Chair:** It is also worthwhile pointing out that the economies in eastern Europe are growing at a significant rate. For the UK to be reliant upon labour ad infinitum from countries that are relatively poor is wrong in principle and, in practice, is going to leave us short. I suspect we are going to have to do something about that eventually, in any event.

Dr Gravey: In terms of labour, we have the problem of people coming over the summer to pick fruit, but it is also about year-long labour workers, in the meat-processing industries, for example. There, we really want people who are trained and who have very high standards, because these are premium goods and we want to be able to say we are very confident about the quality of them. Of course, lots of very good people outside of the EU could be doing this kind of work, but we are talking about people being there year-round. It is a different kind of visa system. It is not just about seasonal workers; it is also about year-round workers.

The question you were pointing at is that we still have a lot of uncertainty. Uncertainty is really problematic for all of the cross-border trade we have. If we are talking about cross-border trade on the island anyway, it is about agri-food in general. Most of it is agri-food-related. There is distressed milk; there are live animals waiting there. The EU, having listened to the UK a lot on these issues, is not very happy with exporting or importing live animals to or from third countries. That means there are two questions here: whether the UK is willing to export live animals to third countries and whether the EU is willing to accept their import as well. It goes both ways.



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As you all know, we are seeing the industry already adapting. We have whole-Ireland supply chains, which are now being separated. LacPatrick has invested a lot in Strabane to try to have all Northern Irish processing plants, in order to powder milk directly in Northern Ireland, instead of having to do it in the Republic. Businesses are preparing for the worst already, just in case, and that is what you would expect them to do. The longer we have this uncertainty, the more they will have to invest for a situation that may perhaps not occur, and instead that money should have gone elsewhere.

Q12 Jim Shannon: In fairness, businesses are not necessarily preparing for the worst, with respect. They are preparing for the future, which many feel is one that they can take advantage of and do better with. I think that may be better terminology, if you do not mind me saying so.

Dr Gravey: When I said preparing for the worst, I meant they are preparing for a full breakdown in negotiations, in which there is no deal at the very last minute. That for me is the worst. Whatever the different types of trade deal you end up with, business can adapt. It is more the political situation not being resolved. That is the worst.

Q13 Chair: To what extent do you think agriculture in the UK is looking at the experience that New Zealand had in the 1970s, when it sustained a quite significant shock, but recovered fairly quickly by adapting its practices? I am thinking that the modern iteration of that might be, for example, mechanisation to deal with the labour issue and the fact that unemployment in Northern Ireland is extremely low, and thus the pool of people who might be able to do tasks on the land is pretty modest by UK standards.

Wesley Aston: Northern Ireland has a livestock-based agri-food industry. We are not arable-based, vegetable-based or whatever. From that point of view, when you are dealing with animals, you cannot necessarily automate things. We certainly have processors saying they cannot automate boning out carcasses of livestock. There may be a role for automation, but it is not there yet. It is much further down the line and a lot of research is still required to do that. In the meantime, we need the labour and the highly skilled labour to do those tasks.

Q14 Mr Goodwill: As a farmer in England, I have picked up a lot of frustration in the farming community because of the complexities, the bureaucracy and the difficulties of not only applying for basic payments, but also the agri-environmental schemes. Was that reflected in Northern Ireland in the way that farmers viewed the Brexit vote? In some ways, farmers were biting the hand that was feeding them.

Dr Dobbs: I think Wesley is best placed to answer on the views of farmers.

Wesley Aston: I suppose we recognised that we needed the funding. The direct support is absolutely essential, but it was the way it was delivered and particularly the way that regulation was linked through



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cross-compliance to those direct payments. The regulations have always been there. It is not as if they suddenly came in; they were always there. We found that the whole issue about how it was enforced was turning a lot of farmers off and jeopardising the future of their businesses. We have taken a court case to judicial review, in terms of the definition of intent for one of these particular penalties, because there is a principle there. The Department of Agriculture is able to take 3% off your direct payment because of a minor issue. Because of the regulation associated with Europe, farmers—not all farmers, but a lot of farmers—said they could not really see things getting any worse. They recognised that the funding was absolutely essential.

Dr Gravey: The problems you have in England you would definitely also have in Northern Ireland, especially because four out of five farms in Northern Ireland are considered very small. You will not have the money or the time to hire someone to fill in the forms for you. There is going to be a lot of pressure on the farm. You can consider this a good thing for democracy that you can receive a lot of money from the EU and still not be bought or vote especially for remain. It is nice to know that people vote for other reasons than just whether they are a direct recipient of EU funding.

Dr Dobbs: One issue that I have come across both down south and up north, as very similar farming occurs down there, is the difficulty with specific deadlines and restrictions. For instance, slurry has to be spread within a certain period. That perhaps is something where we can maintain the same sort of standards, but have different mechanisms in the future. My parents live out in the countryside and, the day before the deadline, there is mass spreading of slurry irrespective of what the weather is like, because it is the last minute that they can do it. A more tailored approach might be more suitable, with different land management mechanisms. Certain elements of CAP, because it was done on the basis of a very large, broad, common framework, do not necessarily work extremely well at the regional level. That may be where we can have some flexibility in the future to go and deal with it.

Tying that back into the previous question you were asking about the significance of the grants and the removal of them, they are currently absolutely fundamental to the survival of most farms within Northern Ireland. That is partially because not only are they very small, but they are also in the less favoured areas and the very less favoured areas. If the same approach was taken as in *Health and Harmony* with the agri-environmental schemes, that approach would work best for the farms that have the capital to invest already, which are able to survive without direct payments and do not need them just to get by, day by day. That is where we need to think about new mechanisms.

If we are going to have a reduction in the direct payments, how do we ensure that farms can survive at the moment, and adapt and change in the foreseeable future? For that they need certainty. That comes back



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to what we have been discussing all the time: we do not know what the policies are going to be; we do not know the timeframe for those policies. Will they last for a few years? CAP arose in seven year cycles. It was one of the benefits of CAP, although Wales has suggested 30 years. It is to have that legal certainty and financial security, and to facilitate the changes for farmers within that.

Q15 Mr Goodwill: Are you, to an extent, making a case that instead of farmers getting a drip-drip of payments based on their land area or whatever, there should be more reliance on capital types of support, so that farmers can invest in better productivity, better production or, indeed, in environmental upfront costs?

Dr Dobbs: That is essentially what *Health and Harmony* is suggesting. A combination is required. Small farmers will not necessarily be able to invest that capital into making those changes unless they also have the direct payments at the same time. They need them currently just to survive, so they need the capital at the same time to make changes. Also, are those changes even feasible for the type of farming that is current in Northern Ireland? That is something that would need to be done from grassroots level up with those farmers.

Wesley Aston: I mentioned earlier that the Department of Agriculture, when we had a devolved Executive, started a process of engagement with the industry about what we might look like after Brexit. One of the things that we did was very broad, but we did a more specific piece of work at the back end of last year. This document that I have here is one that we have sitting on the shelf, which is ready to go if we can get a Northern Ireland Executive to take decisions. This document is our Northern Irish version of *Health and Harmony*. It was pulled together in conjunction with the agri-food industry stakeholders and environmental groupings. We were all involved in it.

It is frustrating, because we were ahead of the game and now we are behind. We can get into the whole issue about just how to get that out there, bearing in mind that the CAP payments are going to end in 2019. That is their last year and then, in 2020, we will need a new system of some description to deliver that money. It is how we get from where we are now to that, within the very short period of time that we have.

Yes, we do see a different support system from the CAP. Certainly we do not see a land-area payment. This is going into paying people for the things that they do, whether production activity or environmental activity. It is not just about public goods. You could argue whether food is a public good. Is food security a public good? This is something that we in Northern Ireland have managed to pull together at this stage, and we would like to try to move it on because, ultimately, we will have a decision to take, but it is a different system than we currently have.

Q16 Kate Hoey: Have you sent it to the Secretary of State, because he has visited Northern Ireland quite regularly?



Wesley Aston: Yes, we have.

Dr Gravey: Defra has this document and Defra had this document before it started the consultation on *Health and Harmony*. Any Northern Ireland-specific element could have been put in *Health and Harmony*.

Q17 **Mr Goodwill:** Do you think that one of the problems in the past has been that the Commission always seems to come from the premise that agri-farmers are crooks who are likely to be trying to fiddle the system? Given the experience with olive trees in the south of Europe, that might well have some justification. The way we have administered our schemes has to be very bureaucratic and very difficult for the farmers to negotiate, because there is the assumption, which I believe is the wrong assumption, that farmers are somehow out to fix the system. In a new era, do you think we would be able to get to more of a partnership arrangement, where there is a lot more trust on both sides?

Wesley Aston: From our perspective, very much so: it should all be outcome-based, rather than process. Everybody gets hung up on the process and how you do things, but what is the actual outcome? Going back to a point that Mary made earlier in relation to when to spread slurry, we cannot farm by calendar dates. That is black and white; you can enforce it around a date, but it depends on weather conditions. There is more scope to do things going forward, and that is what we are looking to achieve.

Dr Gravey: I would just say something positive about the CAP, which is quite rare. One of the EU's treaty objectives is to have decent incomes for farmers. Farmers' income is at the heart of the common agricultural policy. It is not at the heart of *Health and Harmony* at all. We need to be very careful about whether we make something that is a very good policy when it comes to the environment and agricultural output, but perhaps leaves farmers behind. We need to be careful that we do not lose support for incomes as well.

Dr Dobbs: I will follow up by being positive, not about CAP this time, but about the activity in Northern Ireland. Yes, we are being stalled by not having a Northern Ireland Executive. That has been problematic and negative for the way forwards, but the groundwork within the community has been excellent. As Wesley was saying, all the different participants are coming together and trying to develop things. If we can get a general policy out there for the region and if some certainty comes out of it, it will be feasible for the local communities to be engaging much more and figuring out in what ways to develop farming policy in the future in Northern Ireland.

Q18 **Lady Hermon:** Thank you very much indeed for giving us evidence this morning. Let us start with the direct question. I have listened very intently to the evidence that you have given. From the Northern Ireland perspective, how do you think the Brexit negotiations are going? Wesley, I am going to start with you and we will go down the table. We are



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running out of time.

Wesley Aston: Yes, that is the key thing. We need certainty, irrespective of which way it goes. I have outlined where we see things around trade, which are critical to us. That is part of the whole issue around the Irish border but, beyond that, we need certainty so we can start planning ahead. At least if people know where they are going they can take decisions, so certainty would be the key thing going forward.

Dr Gravey: We are running out of time in the UK/EU negotiations, but we are also running out of time here in the parliamentary work on Brexit, such as the EU (Withdrawal) Bill. We do not yet have the agricultural Bill and we do not know whether it is going to be UK-wide or just England. We do not agree yet on common frameworks and who should be doing what. We are running out of time in lots of different directions.

Dr Dobbs: I have to say that I am genuinely impressed by the amount of work that has come out from the civil servants in particular, but from the departments as well.

Q19 **Lady Hermon:** In Northern Ireland?

Dr Dobbs: In Northern Ireland as well, but actually within the UK and the various regions. Such a bulk of material has come out. Yes, we are bemoaning that it is slow and it is slow, but it is not slow relative to normal processes for developing legislation and policies. It is an extremely complex issue, hence why I am somewhat impressed by it, even though there are factious elements. On the EU front, we are absolutely running out of time. We need to do it. Things can be extended, but you need the EU and the UK to agree on everything.

Q20 **Lady Hermon:** How detrimental has it been to agriculture and environment in Northern Ireland that we have not had a functioning Assembly since January of 2017? How detrimental has that been? I think someone described it as “problematic”, Mary, which is a very diplomatic way of saying it has made matters more difficult.

Dr Dobbs: It makes matters more difficult for deciding. The most obvious one is for deciding future policy. Farmers get on with their jobs. They get on with their lives but, without being able to put that document out for consultation, without being able to go and develop the policy, without being able to go and have a political voice at the tables, it undermines the capability to go and determine the future.

Lady Hermon: It undermines the capability of the sector to determine the future.

Dr Dobbs: Yes.

Dr Gravey: There is that paper on agriculture. There is a similar paper on the environment. There is a similar paper on rural development. The stakeholders have been doing a lot of work. The good thing that has



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come out of this situation is that you have people all across Northern Ireland talking to each other, and we realise that the asks of the environmental sector and the asks of the agricultural sector are not that far apart, and there is lots of potential to work together once we get the Assembly back.

Q21 Lady Hermon: What is the forum that brings all of these groups together?

Dr Gravey: Stakeholder groups organised by the department.

Q22 Lady Hermon: Which stakeholder group are we specifically looking at when we bring environmental issues together with farming issues and fishing issues? What is the stakeholder group? Just give us the name.

Dr Gravey: There is an agricultural stakeholder group and an environment stakeholder group, but they came together to discuss the draft agricultural policy proposals. There was lots of engagement. The UFU already sits on both the environment and agriculture, and there are a lot of NGOs on both, but they also came together to make sure there was lots of buy-in from all stakeholders on this very important policy document.

Q23 Lady Hermon: This very important policy document has gone to the Secretary of State, Michael Gove, of Defra, but it has not gone out for consultation in Northern Ireland.

Dr Dobbs: It cannot.

Lady Hermon: It cannot, because we do not have—

Dr Dobbs: An Executive.

Dr Gravey: You need a Minister to send it out for consultation.

Q24 Lady Hermon: Have you made representations to the leader of the Democratic Unionist Party and the leader of Sinn Féin in Northern Ireland?

Wesley Aston: The Ulster Farmers' Union recently had a series of meetings with all the Northern Ireland political parties.

Q25 Lady Hermon: With the leadership of those parties?

Wesley Aston: No, just the parties themselves, primarily their agriculture representatives. We stressed the importance of it and they are aware of this document, because the Department of Agriculture had informed them. They were aware of it, but the issue is how we get it out there.

Q26 Lady Hermon: What was the feedback from those agriculture representatives? Are they all agreed that they should have the Assembly up and running before the summer?



Wesley Aston: Yes, they all agree it should be up and running, but that is getting into wider Northern Ireland politics. The issue is who will take the decision. As far as we are concerned, we are just stressing the importance of getting that information out there, getting it out to consultation, at least getting that part of the process underway, given the limited timescale going forward.

Equally, we are very keen to look at, for example, pilot projects, to look at where we are at the minute and transiting to a new system. Can we do things that might help us move in that direction? We already have a number of schemes sitting on the shelf that are ready to roll. Again, we are frustrated that those are not rolling out. We are looking at the minute at using the Government's industrial strategy that came out just before Christmas of last year, which has £90 million for the agri-food industry, to see whether we can draw down any of that to start piloting things in Northern Ireland, which the UK can then use as an exemplar, whether it is good or bad.

We are probably at a more advanced stage than the rest of the UK would be and we are keen to try to move on, but we stressed the importance to the political parties of getting this document out there. We have met with the Northern Ireland Office and referred to the importance of this too.

Q27 **Lady Hermon:** Just to sum up then, would it be fair to say that the agriculture sector is suffering as a result of having no functioning Northern Ireland Assembly?

Wesley Aston: It is not necessarily suffering immediately. Farmers are getting on with their lives and, actually, they are making a bit of money for a change. The weather has been good and they are getting on with what they should be doing. In the medium to longer term, there are issues that we have to deal with to make sure that they are in place, so that people can farm and we can move to a healthy agriculture industry through a transitional period to a system that comes up in due course.

Q28 **Lady Hermon:** Moving on to a related topic, as you will know, the Prime Minister still repeats the mantra that no deal is better than a bad deal. It is not something I agree with; however, the Prime Minister still repeats it. What would be the impact on the agriculture and indeed the environment sectors in Northern Ireland if the United Kingdom were, perchance, to fall out of the EU without a deal by March of next year?

Dr Gravey: You have an all-Ireland agri-food economy with a supply chain crossing the border. No deal means no exports of live animals and no fresh milk crossing the border. That is just in terms of the EU protecting its single market.

Q29 **Kate Hoey:** Sorry, did you say there would be no fresh milk crossing the border?



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Dr Gravey: Yes, you have milk that is picked up in Northern Ireland that goes to the south to be processed, then perhaps goes up to be pasteurised and then goes back across the border to be made into powdered milk.

Q30 **Kate Hoey:** Who would actually stop it at the border? Who is going to put the border up?

Dr Gravey: I am not sure who is going to put the border up. The EU will have to protect its single market, in terms of making sure of the quality of the product coming in. The EU has pledged multiple times that it does not want anything bad to happen to the Northern Irish peace process, so whether it will be as strict on the border here as it would at Dover we cannot know, because this situation has never arisen before. We are not talking about car parts: we are talking about live animals; we are talking about fresh products that could go to waste. If you have stops, a few hours' delay can make the difference between milk that is usable and milk that becomes distressed milk, a waste product. It could be very problematic, and that is why you have companies moving away from the all-Ireland economy and investing to make sure they can do everything within Northern Ireland.

Wesley Aston: There has been a significant amount of work done through various reports. Our Livestock and Meat Commission commissioned a report on what the outcome would be in the WTO scenario. AFBI, the Agri-Food and Biosciences Institute, has done something similar. It clearly shows that, under WTO circumstances, there are some sectors in Northern Ireland that do not get hit to the same extent, but there are a large number that do and suffer fairly substantially, particularly in relation to the issue of integration in the island of Ireland.

Q31 **Lady Hermon:** Forgive me for interrupting, Wesley, but it is important for us to know which sectors would primarily be hit if we had WTO rules imposed.

Wesley Aston: It depends on what import arrangements and trade deals the UK actually does and what tariffs are applied. Under WTO rules, the tariffs are fairly significant.

Q32 **Lady Hermon:** On what in particular?

Wesley Aston: On everything—all sorts of dairy, beef and lamb. All those products have in excess of 40% tariffs on them.

Dr Gravey: Dairy UK gave some evidence to this Committee when you were doing the inquiry on the border. They were saying that south-east Asia is a very interesting area for exporting powdered milk and, right now, under EU trade deals with that part of the world, it has a tariff around 15% or 16%. If it were to fall under World Trade Organisation rules, it would double the tariff and that would kill that export market. It depends, because Northern Ireland exports food products to many parts



of the world, with lots of different cuts of the animal, if you are looking at pigs for example. All those different markets for all the different cuts will be affected. They have very different tariff rates as well, depending on the cuts and depending on the level of processing.

Wesley Aston: Our key concern is not necessarily on exports, because most of our trade is with GB. It would mainly concern imports. The UK would have the ability to set its own tariff rates and standards. It is interesting that the EFRA Committee has come out with a report that has called on Defra to clarify exactly what it means in terms of import standards and maintaining those standards. We all hear about maintaining standards, but what does that actually mean? We have to be able to compete on an equal footing with our competitors and, if we have all these standards to meet, then surely the general public in the UK should expect those standards from all the products that they consume and, therefore, that we import. Imports are our big concern, not necessarily exports.

Dr Gravey: This is about devolved powers as well. How much say will the devolved Governments have in trade policy? George Eustice has said he is not willing to give a veto to devolved powers on whether to allow in hormone beef, GMOs or this type of thing. That creates a lot of problems for areas in which you have lots of beef producers.

Q33 **Lady Hermon:** That takes me into the last question. Thank you very much indeed. You could not see the notes. It comes back to a really important point that Wesley had touched upon at the start of the evidence session. A reference was made to post-Brexit, the Brexit Bill and the legislation that is coming through and back to the House next week. You said, Wesley, that we need to have overarching frameworks within the UK—you made that point—and then went on to say that there has to be regionalisation within limits, but you did not tell us, at that stage, what the limits are. You are going to tell us what the limits are now.

Wesley Aston: We should segregate direct support from the regulatory standards. Regulatory standards at the whole of the UK level are critical in terms of food hygiene, labelling, animal and plant health, and all those things. They are essential; otherwise it would create borders. Where there is scope to change, within limits, is in terms of direct support.

Lady Hermon: This is what is going to be devolved.

Wesley Aston: We already have that under the CAP where, in Scotland, they have a payment on a suckled calf; in Northern Ireland, we do not. We have capping in Northern Ireland; in England, they do not. Within limits, we can look at what we can do in terms of direct support. There has to be an overarching framework, but we have to be able to regionalise. We do not necessarily see ourselves regionalising the standards. They have to be operated at a UK level. In fact, in our



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response to the Defra *Health and Harmony* consultation, that was very clearly the position that we set out, at that time.

Q34 **Lady Hermon:** How do we reconcile that with the fact that, under the devolution settlement, the Northern Ireland Assembly has full legislative and executive control over all of the devolved matters, including agriculture, fisheries and the other departments? How do you reconcile the devolution settlement with keeping these overarching frameworks within the UK?

Dr Dobbs: You basically have agreements between the devolved Administrations and England.

Q35 **Lady Hermon:** Is it watered-down devolution, though?

Dr Dobbs: Yes, in a way it is, absolutely. I am not trying to be lawyery in going back and forth. They are powers coming from the EU and being returned to the UK. Large parts of those would be given back to Northern Ireland, but with a minimal common framework. It does not have to be very detailed or very extensive, but there need to be some common frameworks.

I would go further than Wesley. There is a document that was created with 153 areas that are covered within EU powers, and only 24 of them are for common frameworks. Within those that are excluded from the 24 are things like the environmental impact assessment directive and things to do with water quality. I would say that those should also be common frameworks. From an environmental perspective, I would also highlight things like nature protection. They are so directly relevant that there should be common frameworks for those. Also, it is a minimum standard, with some elements to it, which then allows the regions to go higher. It puts in that core standard that facilitates an internal market and facilitates trade externally as well.

Dr Gravey: We do not need to see UK frameworks as undermining devolution. UK frameworks do not have to mean it is decided here. The four Governments could be coming together and agreeing things. If you have that, you then do not necessarily need to have Westminster taking a decision for the whole of the UK.

Lady Hermon: You do need a Northern Ireland Agriculture Minister.

Dr Gravey: That is given. In any kind of scenario, we need the Assembly back up and running, and Ministers who can speak for Northern Ireland. Those discussing this right now in the Joint Ministerial Committee are all at ministerial level, plus a civil servant from Northern Ireland. It is harder for a civil servant to speak at the same level.

But we need to be realistic. There has been lots of money in Whitehall for Brexit preparedness. This money has stayed in Whitehall. The devolved Administrations also need to prepare for Brexit. Currently you have 1,200 members of staff in Defra preparing for Brexit. You have 30



in DAERA and about 60 in the Welsh equivalent. Defra has gone back up to its 2010 levels, but DAERA is still going down in terms of staffing levels. We have lots of pressure. You need to pool some resources together and have some kinds of common rules, because you cannot expect 30 people in DAERA to develop a whole policy, compared to 1,200 in London.

Q36 Lady Hermon: Do you see those? Do you see the out-workings of those pressures on those officials?

Wesley Aston: Yes, I do.

Lady Hermon: Excellent, Wesley. Say more. That was very definite, so elaborate a little for us, please, because that is an aspect we have not had any evidence about at all.

Wesley Aston: We are trying to move on as best we can and there is more co-ordination at a Northern Ireland level than is probably happening elsewhere in the UK but, at the same time, because of limited resources, we cannot necessarily do all the work that we would like to do. In the absence of a Government, we cannot take the decisions or go through the processes that we need to go through. It comes back to frustration. We all could do more, but we are a small region and we just have to get on and do what we can.

Dr Gravey: In the future, it does not mean everything has to be done at the UK level. It could also be that Wales and Northern Ireland, or Wales and Scotland, agree to develop specific schemes together. We need to think a bit imaginatively, because we have these big constraints. It might be that different types of farming in different parts of the UK could think together, but we have a very limited number of people working on things.

Lady Hermon: They are common frameworks, minus the “common” on occasion.

Dr Dobbs: The whole idea would be that you would have a certain degree of commonality but, going to *Health and Harmony*, it had “providing for differentiation” or something like that within it. You would have a core element in common and then recognition within it that there are certain areas that work differently. For instance, there are much smaller farms in Wales, Scotland and Northern Ireland than in England. There is a much greater number of the less-favoured and very less-favoured areas. The type of farming, whether it is cattle, sheep, dairy or cereal, varies. The broader framework could provide for that variation and then each region can develop its own specific policy within that. It would work as a form of umbrella.

Dr Gravey: You have a very different discussion and common framework for agriculture than you have for the environment. I am extremely concerned about the list as it stands for the environment. The idea that,



in areas like air pollution and water pollution, or nature protection, which are obviously cross-border, it is perfectly fine not to have UK-wide common frameworks is ludicrous. You have rivers that cross the border between Wales and England, or England and Scotland. What happens if we agree to have a higher level of pollution in England than in Scotland?

Of course, for Northern Ireland that means thinking of what happens to the Republic. Currently, we are jointly implementing the water framework directive, because that is how the island is made. You have international waterways. If Northern Ireland starts not implementing the water framework directive, then perhaps it means that the south will not be able to meet its water framework directive objectives. On these kinds of very elementary cross-border issues, I find the discussion that we need no common frameworks at all, or just no legislative frameworks, very odd.

- Q37 **Chair:** Can I press you on this issue of resourcing? I am getting from what you have said that resourcing in DAERA to prepare for Brexit is lean and mean, particularly compared with Defra, but actually the sector is working quite well in Northern Ireland. In some respects, the sense I am getting from you is that it is quite well advanced compared to the rest of the United Kingdom, but the problem is the lack of a Minister. Would that be accurate or have I misunderstood?

Wesley Aston: You have summed it up very well.

Dr Gravey: There is lots of agreement on the big picture, but you still need a lot of administrative capacity to take it from the big picture to things that are implementable on the farm, on the day.

- Q38 **Mr Campbell:** I suppose it is somewhat heroic that we constantly hear the dark clouds of foreboding about imminent collapse and issues coming over the horizon in terms of March 2019 and Brexit, compounded with the difficulties we have had with the Assembly, and yet, Mr Aston, you were indicating that the farming community has enjoyed a better period of time in the past 12 months than in previous years. I will not take the logic of that to its final conclusion and I do not expect you to comment on that.

I want to ask you a question that I do not believe has been posed often enough. I wonder about both the farming perspective and then the academic perspective. Given what is going on in Europe at the moment—and we do not know where that uncertainty will lead, whether it is the emergence of a far-right Government in Italy, the issues in Austria, Hungary and Poland, or the Deutschland party in Germany—have there been any discussions or analysis done of the agriculture industries in those countries? I am talking about meetings in Strasbourg or Brussels, or exchange programmes, where we can see or hear of concerns or lack of concerns that the farming communities there may have, as they look at possible changes? Forget about Brexit. There is this understandable emphasis on Brexit because it affects us here in the UK, but what is going



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to be left in the EU with the changes that are ongoing there? Have there been any discussions or analysis there of likely outputs in the next two or three years?

Dr Gravey: The current CAP is 2013-20, so we have just had the proposals for the future CAP and there is talk about a 15% budget reduction. The CAP is going to be less generous moving forward. There are questions about whether the direct payments will link to climate change measures. There are questions around what you actually mean by greening and, east/west, taking money from farmers in western Europe who had much more generous direct payments and rebalancing with farmers in the east.

The CAP, yes, is seven years once it is agreed, but the reform of the CAP is always a very long, drawn-out process and it is starting now. We have a proposal and a budget discussion. Farmers in the EU do not know what is going to happen to them in the next few years, so there is a moment of uncertainty everywhere.

Q39 **Mr Campbell:** They did not know that anyway six or 12 months ago. I am talking about the emerging political change that is happening now. Is that creating additional concern or is there any sense of awareness?

Wesley Aston: There is nothing really that we have detected at this stage. We as UFU were involved in an EU umbrella organisation called Copa, which brings together groups of farmers. We meet every couple of months, so we have not been there since these events have happened. As Viviane rightly pointed out, the CAP itself is up for reform and the proposals were just launched this week. We have been keeping an eye on the points that Viviane has outlined, because they set the parameters within which the UK will be looking at how Europe is dealing with agricultural policy going forward. There are issues at an EU level between different countries, even just historically. The amount of support given between east and west has always been a bone of contention. Farmers across the whole of Europe are not necessarily thinking things are great either. They have to pay out the money in the same way as everybody else does, not just us.

Q40 **Mr Campbell:** I read about the proposed Italian Government's potential challenge to the EU in terms of funding and what that might mean, as the emerging details come out over the course of next few months.

Dr Gravey: The discussion there around the budget proposal is around linking regional funds to help the refugees, and to take a lot of money from central and eastern European countries that have not accepted any refugees and to give much more to Italy and Greece, to help cope with the situation. That is around the regional funding discussion, which is a bigger part of the EU budget than the CAP. It is not so much on the agricultural side for now. These are very early days for the Italian Government and very early days for the new Spanish Government as well, so we do not know what position they are going to take yet.



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Q41 **Mr Campbell:** Uncertainty does not appear to be a UK preserve.

Dr Dobbs: It is not in the slightest, but political uncertainty is political uncertainty and that has been seen worldwide recently. The uncertainty regarding trade and agriculture is greatest for the UK at the moment but, yes, there is that element within the EU. It is about the length of the uncertainty and the significance of the uncertainty, I think.

Dr Gravey: If you have 28 countries, every year you are going to have more than one election for a Government. You always have in the EU different Governments coming in, and sometimes they are pro-EU; sometimes they are anti-EU. For now, the EU has managed to go on. There is concern, but it is not at the same level as what we are seeing here at all. Perhaps people are underestimating the problem. That might be the case but, for now, the level of concern is much lower.

Q42 **Mr Campbell:** As far as I am aware, the EU has never seen the emergence of a far-right phenomenon of the scale that we are seeing at the moment and the implications that that could possibly have for the EU.

Dr Gravey: You are right that Italy is one of the largest member states. It is a founding member state. It is not the same as having the far-right Government in Austria we had in the 1990s, but we do not know yet if it is actually going to be a far-right Government, because who knows what the Five Star Movement is really and where it stands? I am not an expert in Italian politics.

Q43 **John Grogan:** This is fascinating evidence and I have just a few questions. First to Wesley, it is absolutely critical that we get devolution back and there is an agriculture Minister fighting the corner. I am very impressed by your politeness. You saw the agriculture experts from the different parties and so on. Should you not be out there banging the drum with the CBI? Is it not absolutely critical that there is an Executive? Are you on the airwaves every day saying, "We want the Executive back now" or is this polite approach going to work in the end?

Wesley Aston: We are a small-p political organisation.

Q44 **John Grogan:** But with very good contacts.

Wesley Aston: We have very good contacts, and we will fight our corner for the agri-food industry and say, "What about the agri-food industry?" Yes, we need an Executive back. We need a decision-making process there.

Q45 **John Grogan:** Would you say it is critical for the future?

Wesley Aston: It is critical. Time is marching on and we need those decisions taken, in some shape or form.

Q46 **John Grogan:** I have the privilege of sitting on two Select Committees, the EFRA Select Committee and the Northern Ireland Select Committee. I will not say which is best; they are equally fascinating. What would you



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say should be retained? You talk about a framework at national level. Really you want to do most of the divvying of the money in Northern Ireland, do you not? What would be retained in an ideal world? If I was the Northern Ireland Agriculture Minister, what would you be saying should be retained?

Dr Dobbs: Standards would be one of the core elements for me. Obviously trade deals have to be negotiated at the UK level, but it does not mean that the region should not be feeding into that, because there are different interests in the regions. Northern Ireland is a net exporter of agricultural produce, whereas the UK as a whole is a net importer.

These are standards not merely as regards food production or agricultural production more broadly, but also as regards animal welfare, which is linked into it, whether it is to do with processing later on or the general environmental standards. Essentially, I would like to learn from the EU, not necessarily adopting everything, but I would like to start from there and say that we are having the EU (Withdrawal) Bill anyway. We are going to have that. How much of this should be done with some level of co-ordination at a UK level? Let the UK have a basic common framework for that, rather than saying we must have some differentiation so we will not have any common framework. You can have differentiation within that.²

Q47 **John Grogan:** *Health and Harmony* from Michael Gove basically means that payments to farmers are based on the idea of public goods, as I understand it: environmental public goods possibly, animal welfare and so on. I got the feeling that you were not happy with that purely for Northern Ireland and there would be other bits to it, or am I wrong? Is it not a really good concept?

Dr Dobbs: It is a wonderful concept.

Q48 **John Grogan:** You think that concept should be adopted in Northern Ireland.

Dr Dobbs: It is a superb concept. The difficulty is with it in practice. First, the list of public goods could be expanded. For instance, we have mentioned things like food security. Rural development has one line in *Health and Harmony*, and that is about it. You could look at other public goods and what is relevant within the region again.

But also, are they economically practical? Again, it comes back to the nature of farming in Northern Ireland. When you have very small farms, which are barely surviving at the moment, what is actually needed to make this work?

² Dr Dobbs subsequently wrote to the Committee on 27 June 2018: "By differentiation within a framework, I mean enabling regions to build upon standards and take varying approaches, but without cutting standards below the shared minimum."



It depends on how public goods work. Wesley talks about being outcome-based. I love the idea of outcome-based. Again, it is a wonderful concept, but it still requires monitoring and some form of enforcement. Also, that approach normally involves farmers being paid some capital investment and then more at the very end. In the meantime, what happens if things go wrong? What happens if the weather changes, there is some freak climate incident and lots of environmental pollution? You do not meet your target. Do you get no money, even though you have invested and now you are bankrupt? For me it is about having manoeuvrability within it. That might be through some limited direct payments, and that is required for Northern Ireland, but you can vary the nature of them, but that public good agri-environment scheme cannot purely be outcome-based. It at least has to have some milestones en route as well. There has to be some element to make it practical for Northern Ireland.³

Wesley Aston: We have very different agri-food industries with very different environments across the regions of the UK. Surely the people in those areas know best how to spend that money, in terms of their needs. Going back to where we see the potential of Northern Ireland, it is all about activity and it is not just productivity. It is environmental activity as well, because we recognise that we have to change if we want to use the time that we have to help us in that change process. That is why we are very keen on the pilot schemes.

Q49 **John Grogan:** These are my final two questions, devil's advocate questions really. I noticed from the evidence that not a penny should be saved from the current direct payments. It should all be guaranteed and ring-fenced. Is there not an argument that you could support farmers in Northern Ireland and get some of these public goods, but shave off 25% and perhaps use it elsewhere in the rural economy? What is the justification that not a penny should go elsewhere in Northern Ireland, possibly to the other areas of the rural economy, if you can make it more efficient? We have all been thinking, for 20-30 years, that the CAP is pretty inefficient. What is magical about this current level of support that it has to be maintained?

Wesley Aston: It is the food price or the prices that the farmers receive for their products. It simply does not add up without some sort of direct support. Whether that comes in through an area-based payment, an environmental payment, a headage payment, it is still support in some shape or form. It is about how you get it within the WTO rules that allows you to do it. We recognise that we do not necessarily see support continuing for ever and a day. We have to be more efficient. We would argue for continued support as and when we need it, but we recognise that we should try to make our farms more efficient. There are

³ Dr Dobbs subsequently wrote to the Committee on 27 June 2018: "As a member of the WTO, any support mechanisms will need to comply with the Agreement on Agriculture in particular – this is feasible, whether for direct payments or payments for public goods, but needs to be undertaken carefully."



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productivity gains that we can make. There are environmental gains through becoming more efficient and doing this. That is why we, in Northern Ireland, are very keen to try to move in that direction.

Q50 **John Grogan:** Over time, I am not saying it will disappear, but maybe it could come down.

Wesley Aston: It could change.

Dr Dobbs: This comes back to what we were discussing about the nature of public goods. If one of those public goods relates to rural development, if the farmers are specifically contributing to that in some fashion, that is then going there. It is just going slightly indirectly. Plus, these farmers are not hoarding money. They do not have the money to hoard. It is being spent within that economy anyway. Agri-food industry is absolutely essential to the Northern Ireland economy.

Dr Gravey: You could also see that money going up, if you are serious about a public-goods approach. We have had such a fall in the farm birds population, problems with water quality and problems with climate change. We could be giving lots of money to farmers to improve this situation. If we really care. If this is the best place to put the money to address these environmental problems, that money could go up.

Q51 **John Grogan:** This is just a final devil's advocate question. A hard-line Brexiteer might say, "We are going to have access to free markets now. Let us support marginal farmers, perhaps in difficult areas", which I know a lot of farmers are in Northern Ireland, but what about consumers? There is a prospect of free markets there and lots of cheaper food for hard-pressed Northern Ireland consumers.

Dr Gravey: On that, I would quote from Theresa May's Florence speech saying that UK consumers "do not want shoddy goods, shoddy services, a poor environment or exploitative working practices". That is true for consumers across the UK. We care a lot. This country has had food scares before, and we care about the quality of the products on our plates.

Wesley Aston: You mentioned you sit on the EFRA Committee, and a report came out, which has a clear statement from Defra in relation to standards.

Q52 **Kate Hoey:** Mr Aston, I was interested that you said you cannot consult on your report because there is no Minister. Have you written to the Secretary of State for Northern Ireland and asked for the Secretary of State to make a decision to allow it to be consulted?

Wesley Aston: We have spoken with Lord Duncan, who is the Under Secretary of State. We met him at the same time as we were meeting some of the political parties, and told him about the document, although he was aware of it in advance anyway. The response we got was: "If the



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parties in Northern Ireland come together” et cetera. There was nothing new in that, but he is aware of the issue.

Q53 Kate Hoey: Do you think most of your members, certainly the ones who I know including relatives, are pretty clear that they would just like to get on with things? Are you telling the Secretary of State, on behalf of your members, forgetting the desire to get an Executive back, in the meantime you would like Her Majesty’s Government to take a bit more direct interest and do some to these things that are desperately needed, like, for example, getting the consultation going?

Wesley Aston: There are two things. We were told quite clearly that the Northern Ireland Office can only get involved when the political parties wants it to get involved. That is what we were told. Equally, going back to the earlier point, to what extent can civil servants actually take decisions? Now, we know that there is the public interest test around this particular document and potential consultation. The understanding is that we are trying to pursue that. From our discussion, the parties recognise that it needs to get out there for consultation, in order that we can move forward, albeit that decisions cannot be taken post the consultation, because that will need Ministers. There has to be a public interest benefit, just in the same way as a decision was taken on RHI, because that was in the public interest. It relates to this as well, in a way. How that decision is taken is not for the UFU to decide, but we are stressing the importance of getting that consultation out there, sooner or later.

Q54 Kate Hoey: Are you hopeful they are listening to you?

Wesley Aston: Yes, I am.

Kate Hoey: Good, so we might see it in the next couple of weeks, perhaps.

Wesley Aston: We are reasonably optimistic on this one, because we have political support across all the parties and it is in the public interest, because of time moving on.

Q55 Kate Hoey: On the *Health and Harmony* policy overall, some people have submitted to our Committee views that it is distant and complex, that really only the larger organisations will be putting their views forward, and that the small farmers, the horticultural areas and all of those are not going to be listened to. Does it worry you that sometimes the views of small farmers throughout the United Kingdom are less listened to than the large organisations that have more money and clout?

Wesley Aston: In any consultation different organisations and individuals can put in a response. I am not as concerned in relation to *Health and Harmony* because, as I said at the outset, it is primarily an English agricultural policy proposal. From that point of view, we in Northern Ireland very selfishly are saying, “That is fine, but we would like to do it this way”. We are already doing it in Northern Ireland. We have



done it. From our perspective, we feel that we have taken on board, through very extensive consultation, the views of our members across the geographical spread, the sectoral spread and the farm-size spread. It is about what is right for Northern Ireland. I am not as concerned about whether small farmers had an input into the *Health and Harmony* document.

- Q56 **Kate Hoey:** You are reasonably happy that your members are being listened to, certainly by you. Can I push a little further? I do—all of us do—meet people and farmers from Northern Ireland regularly. Do you sometimes feel that the whole debate on this is very negative? Do you see opportunities? As was mentioned earlier by Dr Dobbs, I hear all the time ridiculous rules that are not common sense, for example on slurry. That is the sort of thing on which you in Northern Ireland, in the farming industry, may be able to make your own decisions based on common sense. Does that make you feel optimistic or not?

Wesley Aston: If we knew exactly what the outcome of the trade discussions was, yes, we would be optimistic in terms of our ability to devise and establish our own agriculture policy. We are optimistic about our ability to have a common-sense approach and make sure we have an outcome-based process, as opposed to a regulatory environment. That is the good side and there is potential there. Against a Brexit background, that is where we are heading, but we would still like the certainty of where we are on trade.

- Q57 **Kate Hoey:** Everyone wants that certainty as soon as possible. Does it concern you sometimes that there is a feeling that only the experts know what goes on in farming and that, somehow, farmers do not care about animal welfare, food hygiene or all these things? That attitude is there sometimes, instead of realising that bottom-up would be much better than top-down.

Wesley Aston: I would not say that is the case in Northern Ireland. The general public in Northern Ireland and the politicians in Northern Ireland recognise the importance of the agri-food industry and what we do.

Kate Hoey: I was talking about the EU; I meant the EU.

Wesley Aston: In the end, I suppose it comes down to how you create a common policy across 28 different member states with different regulatory systems and different farm structures. It is not that easy but, while we have the ability to take control of our own domestic agriculture policy, it is something we should look at, in terms of how we go forward and what is best for farmers and the environment in Northern Ireland.

Dr Gravey: You mentioned a concern around whether *Health and Harmony* has managed to get buy-in from lots of different groups. There have not been that many people responding to the inquiry. I think it was 44,000 throughout the UK. There is concern there. There were 100,000 UK citizens who responded to the REFIT process of the birds and habitats



directives in the Commission, so 44,000 for the future of agricultural policy in the UK is not much.

Q58 **Kate Hoey:** Why do you think that is?

Dr Gravey: I think it is because there is such a crowded political agenda. Everything is up in the air right now, so perhaps agriculture is not as high, but it is concerning. As you were saying, irrespective of how we feel about Brexit, everyone in the agriculture sector and in the environmental sector are saying the same thing: agriculture is where you can reap most of the benefits. There are lots of things we can do better, so it is quite disappointing there is so little participation in the consultation.

Kate Hoey: Perhaps they are too busy farming.

Dr Dobbs: It is sometimes very difficult to engage in these sorts of processes. As you are saying, it is a complex document and it is hard to focus on what elements are important. Sometimes it feels a little too overarching. You want to focus on the practical elements as well.

Q59 **Kate Hoey:** The two of you are academics. Just out of interest, how often do you get out there, visit farmers in Northern Ireland, talk to them and go to see what it is like at 5 am? There is reality and academia. How do you make sure that you are genuine?

Dr Dobbs: We have been engaging a fair amount with farmers, but not on the farms. Now, I have been on plenty of farms during my life because my mum's family are all from the countryside, but I have not been out on the farms talking to the farmers. We have however been doing a lot of meetings with farmers and farming reps elsewhere, as Viviane in particular has been doing.

Dr Gravey: I have been impressed at how there are lots of opportunities in Northern Ireland, for instance at the agricultural colleges, for farmers to get together with the environmentalists and with people in academia, to talk about these things. We always have farmers in the room when we are talking about agricultural policy in Northern Ireland, and I am not sure that is the case everywhere in the UK or at EU level.

Mr Goodwill: I think possibly Mr Aston was too bashful to say that the reason that farmers do not respond to these consultations is that they are well represented by organisations like the Ulster Farmers' Union.

Q60 **Chair:** That was an exceptionally good observation to make. Can I ask finally about animal and plant health, and the need for north/south co-operation in this matter? It is axiomatic that the island of Ireland is indeed an island, and these conditions and diseases that affect animals and plants are clearly held in common. The question is whether we can deal with this using common outcomes or whether processes need to be pretty much the same, as they are at the moment in relation to phytosanitary and sanitary rules. The Horticulture Forum for Northern



Ireland is quite clear that there needs to be an integrated all-Ireland strategy to deal with this. Others would say that perhaps we can achieve the same ends by other means around mutual recognition. I would be interested to know what you think the way forward is on this after Brexit.

Wesley Aston: Because we are a single epidemiological unit as far as diseases are concerned, whether they are animal or plant diseases, it is important for control of disease that we do something. Equally, there are a lot of production diseases that we have to try to move on as well now. Having said that, because they are two separate jurisdictions, we are coming from different starting places, whether it is bovine TB or other cattle diseases that we are working on at the minute. We recognise that it is important strategically that we try to eradicate them on an all-island basis, and that is what we are trying to achieve, albeit through two different processes. An overarching strategy is critical.

Dr Dobbs: First and foremost, because of the peace agreement or Good Friday agreement, agriculture and the environment are two of the core areas that are meant to be co-operated on within the North South Ministerial Council, which is also a bit problematic at the moment. There has been an intention to have full co-operation in relation to invasive species and similar issues. This has also proved a little bit more problematic. Such a strategy absolutely is essential. The processes, at the very least, will require documentation on both sides so, as regards processes, there will have to be minimal elements that are at least equivalent, if not necessarily identical. It also comes down to what the trade agreement is between the EU and UK, because that will also impact on it.

Dr Gravey: It will come down to administrative capacity. If we have a smaller capacity, we should focus our efforts of divergence on where we can reap the most benefit. I am not sure having different processes to check animal and plant health would be in our best interest. If no one really has any problem with us keeping it the same for now, let us focus on the important divergences.

Dr Dobbs: It is one of the ironies of Brexit. There were these phrases: "scrap lists", "the regulatory bonfire" and the like. Sometimes, getting rid of the regulations is more burdensome than just keeping them the same as they are for the moment. Changes may happen, but sometimes you want things to continue on in some elements, at least for the time being.

Q61 **Chair:** Can I finally press you a little more on the labour force and, in particular, what the future might hold in relation to a successor to the seasonal agricultural workers scheme? Does that need to be addressed for our future after Brexit? Can we design something that has the same effect, using the powers that we will have after Brexit to address the issue that you have raised concern about, which is to say a labour force that will be able to serve agriculture in Northern Ireland, given the scope for mechanisation and increasing productivity that way will be limited?



Wesley Aston: A seasonal agricultural workers scheme operated previously, but then ceased. We hope it will be brought back in but, as Viviane rightly pointed out, seasonality is not the issue; it is the all-year-round workers that we have. We need those for mushroom picking. Mushrooms are not seasonal. We need them in our processing plant.

Q62 **Chair:** Would it be true to say that, in Northern Ireland, seasonality does not apply in the same way, given the nature of agriculture and horticulture in Northern Ireland, as it does in, say, East Anglia?

Wesley Aston: It is important that we have access to a scheme, but it is not as big an issue for us in Northern Ireland. The permanent labour force is.

Dr Gravey: What is different is the border, because you need people who can cross that border. If we were to get workers from outside the EU, for the operation of the business, they would need to move from the north to the south. Do they also have access to the south? The question of visa would have that transboundary element as well.

Chair: Thank you very much indeed for being with us today. We have certainly given you a good old grilling. I said outside that you could expect us to be a benign and friendly Committee. I hope that has been your experience, but the evidence you have given has been of exceptional value, as you would have gathered from the fairly detailed questioning that you have coped with today.