

Written evidence submitted by the Labour Animal Welfare Society (LAWS) (FFS0001)

The Labour Animal Welfare Society (LAWS) provides this written evidence to the Environment, Food and Rural Affairs (EFRA) Committee as part of its inquiry into Fairness in the Supply Chain. LAWS is a members' association which is officially affiliated to the Labour Party. LAWS provides support and advice to the Labour Party on animal welfare issues and works to achieve policies which effectively advance the lives and well-being of animals. LAWS is submitting evidence as part of this inquiry because animal welfare standards and food labelling are expressly within the scope of this inquiry and because power imbalances between farmers and retailers can negatively affect animal welfare. While the Groceries Supply Code of Practice (the 'GSCOP' or 'the Code') was developed with the goal of protecting food suppliers from unfair treatment by major grocery retailers, the Code fails to sufficiently address the adverse effects that power imbalances between retailers and suppliers often have on animal welfare.

Animal Welfare is an Important Component of Fairness in the Food Supply Chain

An examination of fairness in the food supply chain must necessarily include consideration of how current supply chain practices affect animal welfare. The British public expects the highest standards of animal welfare in our food system. Polling shows that 71% of the British public believe that it is never acceptable to cause pain and suffering to animals (One Poll, 2022)¹ and 69% describe themselves as animal lovers (YouGov, 2022).²

The public's desire for high farm animal welfare standards remains strong notwithstanding the cost-of-living crisis. Recent data from IGD shows that despite the cost-of-living placing pressure on household budgets, 84% of the public see animal welfare as an important factor when making purchasing decisions.³ IGD's polling found that the welfare of animals is the second-most important ethical concern to shoppers after freshness of product—with animal welfare ranking even higher than supporting local or British producers or how the product has been produced. Further, data from the Food Standards authority shows that the public's concern for farm animal welfare spans both rural and urban respondents, and includes respondents worried about food affordability and those skipping or cutting the size of their meals for financial reasons.⁴

Expanding the Groceries Supply Code of Practice to Incorporate Animal Welfare Principles

¹ See Animal Aid "[Animal Aid asks public: are you one of the 71%](#)" (14 April 2022).

² See RSPCA "[Kindness Index](#)" (2024).

³ See Agriculture and Horticulture Development Board (AHDB), "[Animal welfare seen as important by 84% of shoppers](#)" (29 May 2024).

⁴ Data extracted from the Food Standards Agency's "[Consumer Insights Tracker](#)" during the period of July 2023 to March 2024.

The GSCOP is a law which seeks to protect food suppliers from unfair treatment by retailers.⁵ Section 2 of the GSCOP requires retailers to deal with suppliers fairly and lawfully. This requires retailers to, inter alia, conduct their trading relationships with suppliers in good faith, and in ‘recognition of the [s]uppliers’ need for certainty as regards the risks and costs of trading, particularly in relation to production, delivery and payment issues’.

LAWS provides evidence below in response to the EFRA Committee’s current call for comment as to the potential merits and demerits of expanding the scope of the GSCOP.

LAWS is concerned that the GSCOP as it currently stands is failing to effectively prevent a ‘race to the bottom’ in terms of pricing—hurting both farmers and animal welfare. Currently, many suppliers are reporting that a barrier to them adopting higher animal welfare practices is retailer insistence on the lowest possible farmgate prices—and suppliers’ concern that retailers may simply go elsewhere if the low price the retailers seek is not agreed to. This adversely impacts animal welfare: there is little incentive for suppliers to improve animal welfare methods of production if they are unable to recuperate some of the additional costs of higher welfare through increased farmgate prices. Retailers must be willing to pay a premium for higher welfare products – and thereby partly absorb the costs of higher welfare practices.

Moreover, the GSCOP fails to prevent retailers from insisting on relatively short-term supply agreements. This is despite the principle of fair dealing in Section 2 of the GSCOP purporting to provide suppliers with certainty as regards the risks and costs of trading, particularly in relation to production. This too adversely impacts animal welfare: suppliers are often reluctant to invest in higher welfare practices which invariably involve some increase in the costs of production, without any guaranteed outlet for the products over the longer term.

These problems contribute to significant animal suffering. Mother pigs in the UK (approximately 200,000) continue to be kept in movement-restricting farrowing crates where they are unable to turn around, nestle their piglets or express natural nest-building behaviours.⁶ Egg-laying hens (approximately 8 million) continue to be kept in enriched cages which restrict many key natural behaviours of layer hens⁷ and allow for little more space per hen than an A4 sheet of paper.⁸ And over one billion chickens are bred to grow so fast that

⁵ [The Groceries \(Supply Chain Practices\) Market Investigation Order 2009](#), Schedule 1.

⁶ Emma M Baxter et al "[Sow welfare in the farrowing crate and alternatives](#)"(10 November 2017). Available online: Woodhead Publishing Series in Food Science, Technology and Nutrition, 2018, Pages 27-72 (“the restriction of sow movement interferes with the performance of species-specific behaviours such as nest-building, orientation, exploration and communication with the piglets and leads to increased physiological stress”). See also Compassion in World Farming “[End the Cage Age Sows Investigation 2022](#)”

⁷ See K.M. Hartcher and B. Jones, “[The welfare of layer hens in cage and cage-free housing systems](#)”, World’s Poultry Science Journal, Volume 73 Issue 4 (31 October 2017) (“While furnished cages offer some provisions for dustbathing, their use varies between different types of furnished cages, and hens are often unable to dustbathe satisfactorily due to the depletion or inadequate provision of dustbathing materials. There is also a very limited ability for hens to forage and ground-scratch. Therefore, while there are some provisions to allow greater behavioural expression than in conventional cages, the hens’ full behavioural repertoire is not able to be expressed in furnished cages.”)

⁸ The printing area of the A4 format size is 625 cm². Enriched cages provide 750 cm² of cage area per hen, 600 cm² of which must be usable: The Welfare of Farmed Animals (England) Regulations 2007, Schedule 4, Section 2(a). See also Compassion in World Farming “[Position note: Enriched cages do not meet the welfare needs of laying hens](#)”.

millions of them struggle to walk properly and can suffer from significant heart defects.⁹ These compromised welfare outcomes matter: both because every one of these individual animals is a sentient being, and because the British public expects the highest standards of animal husbandry.

One option to partially address these issues would be to expand the GSCOP to address these animal welfare issues, or to address them in a supplementary code. This could take the form of expanding the fair treatment obligation in Section 2 to incorporate a set of principles in relation to animal welfare in the supply chain. These could include:

- A principle that retailers should strive to encourage, wherever possible, suppliers to continue to improve animal welfare, and should seek to ensure that suppliers are appropriately compensated for any additional costs associated with using higher animal welfare standards.
- A principle that retailers should strive to factor higher animal welfare standards into long-term supply agreements so that suppliers can invest in higher welfare systems knowing that they have some certainty that the product will continue to be purchased.

We note, however, that the adoption of these (or any substantially similar) principles will not alone materially improve animal welfare in the food supply chain. A problem remains in that, as DEFRA has observed, retailers often sell products below cost to protect and expand their market share.¹⁰ Therefore, retailers are likely to be more willing to pay suppliers more for using higher welfare practices if the retailer is able to charge a higher purchase price to consumers of the end product.

One effective mechanism for facilitating these shifts in pricing incentives is through animal welfare method-of-production labelling. The best means of achieving this is through the adoption of DEFRA's well-developed "A-E" method-of-production welfare label for eggs, chicken and pork, as set out in its consultation which closed in May 2024.¹¹ This proposed labelling regime would allow farmers to more easily be compensated for their higher welfare production, as retailers selling high-welfare products would be more able to tailor prices according to the welfare status of the product.

Labelling would also support domestic farmers by helping consumers to identify imports produced to animal welfare standards which would be illegal if produced in the UK; this in turn is likely to encourage many retailers to stop selling low welfare imports and to replace them with higher quality British products. By shifting the incentives in the retail sector and promoting competition along animal welfare lines,¹² DEFRA's impact assessment estimates that method-of-production labelling would deliver an increase in profit of over £40 million per year for British farmers,¹³ and would provide a net benefit to society in the value of £139.9 million over 10 years.¹⁴

⁹ RSPCA Assured "[Fast Growing Chickens](#)"; RSPCA "[Eat.Sit.Suffer.Repeat: The Life of a Typical Meat Chicken](#)" (2020).

¹⁰ Department of Food, Environment and Rural Affairs (DEFRA) "[Fairer Food Labelling Public Consultation – Impact Assessment](#)" (25 January 2014), page 45.

¹¹ DEFRA, "[Consultation on Fairer Food Labelling](#)" (opened 12 March 2024)

¹² DEFRA "[Fairer Food Labelling Public Consultation – Impact Assessment](#)", page 45.

¹³ DEFRA's central scenario predicts an annual profit change of £46.56m for British farmers. See "[Fairer Food Labelling Public Consultation – Impact Assessment](#)", page 44.

Finally, we note that while this call for evidence is narrowly focussed on the GSCOP, there are a number of wider policy issues that must be addressed if we are to effectively raise farm animal welfare standards in accordance with public expectations. We hope that the EFRA Committee will conduct a call for evidence on wider farm animal welfare issues, including animal welfare labelling, as part of this Inquiry in due course.

January 2025

¹⁴ DEFRA “[Fairer Food Labelling Public Consultation – Impact Assessment](#)”, page 1.