

## **UK Trade & Business Commission**

### **The UK's agriculture and fishing sectors: Plans for a future trade deal**

Date: 9<sup>th</sup> March 2023

#### **Mike Cohen**

Good morning and welcome to this session of the UK Trade and Business Commission on agriculture and fishing. Both sectors, the management of which was deeply tied up with our membership of the EU, both sectors which are having to look at different ways of going about doing what they do in this new international political and trading environment. As always we are fortunate to have some excellent witnesses here to give us the benefit of their expertise. This first part of the session is focusing on agriculture, we have with us Richard Griffiths, Chief Executive of the British Poultry Council, representing UK poultry meat producers. We have Nick Von Westenholz from the National Farmers' Union where he is Director of Trade and Business Strategy and Orla Delargy, Head of Public Affairs for Sustain which advocates for sustainable food and farming practices. As always we have a packed list of questions and our panel are really keen to get into these issues. So, I think with no more ado I'll start us off if I may?

If I could turn to Richard first, and ask the really general question to start us off, what does the agricultural sector contribute to the UK's economy and to British society, and what are the key challenges facing the sector at present?

#### **Richard Griffiths**

Gosh thanks Mike. How long have we got? I think from our sector's point of view, which is poultry and meat producers, poultry is half the meat that the UK eats, massive contributor towards food security, employment, the economic benefits, the tax revenues to the treasury, but fundamentally we're in a position where we cannot, our food supply is becoming more fragmented and at risk. So the contribution is there for all to see in that feeding the nation fundamentally, but if we are now putting that at risk with the various challenges we're facing and I don't want to pre-empt any of your questions but the contribution is massive and the biggest challenge is even more so at the moment with the cost of production and that is reflected in empty shelves that we're seeing in various sectors. And us for one, we are worried that we are going to be the next set of empty shelves. So that's my opening gambit and back to you Mike, I think.

#### **Mike Cohen**

Thank you very much Richard and that phrase food security I suspect is one we're going to hear more and more and more as to year goes along and possibly as this session does. Can I turn to Nick for your views now please?

#### **Nick Von Westenholz**

Yes, so I mean farming in itself in a narrow definition contributes about half a per cent to national GDP, so in that sense it's quite small comparatively, but you know we often point out the fact that

actually it underpins a wider food sector which is an extremely important part of the British economy. It employs around four million people, is worth somewhere between £110-115 billion so about ten times as big as the agriculture sector itself, but agriculture provides the raw materials for a large proportion of that sector. Obviously not all of it, there will be imports as well. So economically it has an important part to play of a very successful manufacturing sector in the UK. Obviously within rural communities it is particularly important, at a time when we're talking about levelling up or rebalancing the economy or however you want to put it, actually the role of agriculture and supporting industries and sectors both for the pre and post farm gate is particularly important in those areas, so that's something that we shouldn't lose sight of when we just take a very broad national picture.

The other important point of course is that over 70% of the UK land mass is farmed environment and so having farmers in those areas in that massive proportion of the UK is really important for managing and looking after that environment as well. You know if you didn't have farms operating on them you'd have to think very hard and work out how you were going to pay for the management and the upkeep of vast tracts of the countryside, and you know we can have discussions about the environmental impact of farming, but increasingly farmers are taking their responsibilities as land managers and environmental guardians as well as being food producers. So really important aspect of agriculture there in terms of looking after the countryside. And then that point that you touched on at the end there Mike, just in terms of food security, you know food security sort of seems to be a cyclical issue for UK politicians, it kind of comes around every now and again ten or 15 years and we're in one of those periods I think at the moment when actually suddenly people are sitting up, taking notice, worried about the affordability of food, about the availability of food, obviously lots of geopolitical issues that are playing into that. But you know I think that the point that I would make is that domestic production is a critical aspect of food security, it's not the only aspect of food security but it is a critical one and when you see some of the issues we're now having in terms of availability it reminds you that actually having sufficient or a significant aspect of food supply provided by domestic producers and domestic firms actually puts in quite a decent amount of resilience into the system which is crucial. So that I think is kind of my brief overview of the sector.

#### **Mike Cohen**

Thanks very much Nick, and I'll pass to Orla then, thank you.

#### **Orla Delargy**

Thanks very much, I agree with Nick, quite a lot of what Nick has said was what I was intending to say but just to build a little I've dialled in from Sustain, we're a food and farming organisation, we're very interested in the food sector, all parts of it. It is a large manufacturing sector for the UK and as such the people who work in it are very valuable members of the workforce and large amounts of them are underpaid, so I think there's balance in the debate to be struck between food production as Richard rightly pointed out and as Nick then built on with the concept of food security but also the environmental land management is very important and domestic food supply. We import a lot of our fresh fruit and vegetables from countries that are already experiencing climate and water stress, so actually we can't keep doing what we're doing and expect the same results, we do have to look at how we produce food and do that in a way within the UK that actually balances the needs for people and nature and food production and we would argue that you can do a lot of that by farming in a more agri-ecological manner. It's not necessarily realistic to think that we can produce all of our own food, but I think we need to be very careful about the idea of potentially exporting harms and having people send us food that has been produced in a way that's very harmful to people and the planet

elsewhere in the globe. So yeah, we need to produce our own food in a way that's kind to people and planet and also not do that kind of damage externally either.

### **Mike Cohen**

Thank you very much and that's set the scene really, really well in terms of locating this discussion in terms of the security of domestic food supply, the really crucial importance of the sector socially in rural communities and in identifying the really key role it has in environmental stewardship and management of land, so thank you very much for setting the ground for us. I'll pass over to Deborah now for our next question if I may?

### **Deborah Annetts**

Thank you very much Mike. So my question is going to focus on Brexit in some detail, so the first part of the question which I would like Nick to answer is as follows, how many changes in the wake of Brexit including the potential for regulatory diversions have affected the UK's agricultural sector, so that's the first part of the question going to Nick.

### **Nick Von Westenholz**

Well a lot, I think as Mike said in his introduction agriculture and fisheries as well are two of the most obviously impacted sectors by Brexit. We as the NFU set out very early on after the EU Referendum vote those kind of areas where we would expect pretty seismic change over the next few years and that has been borne out. So in particular there are four areas, firstly the common agricultural policy and the support systems that farmers in the UK benefited from under the common agricultural policy, obviously that has been swept away and the new schemes are still in development, so the old payment system is being phased out and new schemes are beginning to come on track. However, we may talk a bit more about those later, but that is a pretty substantial change in the way that farmers operate and the way that their income is structured, because the support payments under the cap were a significant part of income for farmers in specific sectors, so mostly the extensive sectors, red meat, arable, cropping and the like. The second area was around labour, so the ending of free movement of labour was always going to have a big impact and has done, particularly the provision of seasonal labour where workers from the EU were able to obviously move freely and come and take up those jobs, non-permanent jobs in areas most notably like horticulture but also, and Richard may have a view on this, things like poultry and pig production and dairy sector as well. So the ending of free movement and the pivoting of our immigration system to what they call higher skilled, I think I always make the point that many of these jobs are very skilled, but has meant that there are real struggles in getting sufficient workers in some sectors and that extends to other parts of the food supply chain.

Third area is around international trade obviously, the relationship with the EU where we've seen trade barriers erected and that has had an impact on trade in agrifood, particularly our exports into the EU but also the establishment of new trading relationships, most notably obviously with Australia and New Zealand where we have new FTAs due to come online very soon and that will change the profile I think of UK agriculture and food businesses making it more difficult to trade with our nearest market in the EU and putting more competition in our domestic market from liberalising imports from elsewhere overseas. And then the last area is of course regulation and so far that hasn't had a major impact but at the moment we are now looking at this retained EU law bill which is in Parliament at the moment and which has the potential to make some pretty substantial changes to the regulations that govern farming, DEFRA is the department which has the most retained EU law,

and obviously there's a risk that some of that might just disappear at the end of the year, but I think there is equally a risk that some of that retained EU law will be amended without proper Parliamentary oversight. And even there is a risk that actually where we think there's a good opportunity to amend and change regulatory systems and to improve them post-Brexit, and there are opportunities, that they may be missed in the rush just to do a job that's required by the end of the year.

So those are the four key areas and I'm sure we'll touch on a few of those as the session goes on.

#### **Deborah Annetts**

Can I just ask, has the value of your sector gone down as a result of all these trade issues that have now arisen post-Brexit?

#### **Nick Von Westenholz**

I don't have quantitative figures on that and I think one of the problems we also have is obviously there's been a lot of other variables recently, notably the pandemic and the war in Ukraine, so it's quite difficult to make kind of comparative assessments over the last few years, but what we have seen for example on trade with the EU is if we look at 2019 pre-pandemic, pre-Ukraine war, our exports in terms of volume on agrifood with the EU has dropped about 25% so that is significant. In terms of value it's much less because of inflation so the impact is potentially less, although of course inflation is having an effect the other way as well. But certainly in terms of volume we've noticed a significant drop off, which is not surprising because we've obviously erected trade barriers with that market.

#### **Deborah Annetts**

Well, that sounds really significant, 25% drop, really significant. So, what would be the best way for the UK Government to ameliorate some of these effects? I mean I think, obviously you've got new trade agreements out there which have been described as not entirely helpful, has the Government done anything helpful, useful at all?

#### **Nick Von Westenholz**

So we do have an ambition to try and improve our export performance generally, that's not just with the EU but other markets across the world, and there are those two aspects. So firstly we need to significantly improve the trading relationship with the EU. We're hopeful actually that the Windsor framework is going to help prepare the ground to do that a little bit, that we can then move towards discussing possibly a veterinary agreement for example or other mitigations to remove some of those barriers. It will never obviously revert to the smoothness of trade you have as a member of the Single Market but you certainly can improve it without being a member of the Single Market from where we are now. And we hope that we can sort of move towards a better relationship in the next couple of years. And then outside of the EU, the Government has actually made some progress in the last year or two with putting in supporting structures that might help us export more, for example they've placed now eight new agricultural attaches, there were three before that, but eight new agricultural attaches in our embassies in overseas markets to try and drive more agrifood exports in those key markets. They've now established a food and drink export council to try and look at where there are barriers, both with the EU and outside on exporting and how we overcome that. So you

know it would be unfair to say there hasn't been progress made on trying to improve some of that export performance, but it's early days at the moment.

**Deborah Annetts**

And my last question which I'm going to still keep with Nick on this one, does the Windsor framework alleviate any concerns facing the agricultural sector?

**Nick Von Westenholz**

Yes, as I say firstly for the reason that we hope that actually that will make broader negotiations and conversations between the EU and the UK on improving trade easier and we might start to see some progress there, so for example there's been a total ban on exporting seed potatoes which is very important for some sectors into the EU, now that that has been resolved in regard to GB/NI trade, we're hoping that there can actually be some conversations around that relating to total UK to EU trade as well. And it's sort of been quite clear to us that those conversations weren't really possible while the Northern Ireland Protocol issues existed. And so if those are improved then that might shift the log jam a little bit on that. And there are other similar areas, so there's a positive in that step. And there's also a positive in looking at the framework itself where the prohibition on certain goods, many of which have been covered by grace periods up until now, but if those grace periods lapsed there would have been real friction on GB to NI trade in agrifood and the Windsor framework clearly does improve that and get around that. Having said that there will still be some checks and some friction on trade between Great Britain and Northern Ireland even under the framework but it does look like it will be vastly improved as to what would exist if the protocol was properly applied in a strict sense.

**Deborah Annetts**

OK thank you very much and I'm going to hand back to the Chair, thank you.

**Mike Cohen**

Thank you very much Deborah and thank you Nick for that really interesting series of answers there. I'm going to pass to Stephen for the next question please.

**Stephen Kinsella**

Yes thank you Mike and Nick has already touched on this question in his answer so I'm going to address it to Richard and then to Orla, but you talked about the Brexit impact and obviously one of the consequences of Brexit and obviously what was trumpeted by many as one of the opportunities was we'd have either the need or the ability to sign our own trade deals, those with New Zealand and Australia getting particular attention. But how are those trade deals affecting the UK farming industry and what have we learned from them and from the way in which they were conducted and the impacts so far as we've seen it yet about what we should really be prioritising in future trade negotiations? So, Richard first.

### **Richard Griffiths**

Thanks, and I think on the first point to make is that the lessons that we're learning from our relationship with the EU are very important indicators of broader trade deals. For our relationships and for the poultry meat sector, 75% of our trade remains with the EU, inwards and outwards. One of the really damaging factors within that is the imbalance, so the cost of administration, the cost of exporting is not reflected in the cost of importing, so it puts our businesses at significant disadvantage. Something we've always known, and it's always fed into the system is that the return, the value of our trade, particularly our export trade, and certainly for our sector, has a direct relationship with the cost of food in the UK. So, the two, the trade element and the food for domestic consumption have an intrinsic link. So, the more it costs and the more imbalance there is in our trading relationships the more it impacts on UK cost of food.

I think that's indicative of where we need to look at with our broader trade deals, because I think Nick has alluded to the imbalance between with the Australia/New Zealand trade deals. And I think in the desperation to look at further afield trade deals, there's been a lack of focus on what we actually need to get out of it, what the benefits are for the UK and for me it comes back to standards, both in the standards of food production, whether that's hygiene or environment or any other aspect, technical aspect, but also what we stand for in our food production, food consumption and whether as Orla said earlier, we certainly do not want to export our impact, but I think we need to do a better job at exporting the positive aspect of where we are with our standards. What I think ... and again it touches back on divergence with the EU, but the last thing we possibly want is to take any steps backwards in standards. The UK is, was, still is in a good place generally for standards, there are always going to be improvements and developments in the science, so following the science is important. What we can't do and what will fundamentally undermine domestic production is differences in standards, lowering the standards, opening the door to different standards, lower standard imports. And I think that gets lost in the Government's enthusiasm for trade deals.

### **Stephen Kinsella**

Yes and I think you did a very good job Richard of actually introducing Orla for me there, because you provided a very natural segue, because Orla we've seen you've obviously commented publicly on the unfair competition that arises from these deals but also as Richard said, the fact that we just maybe ship our environmental footprint somewhere else. But again, looking slightly to the future because we've got about another minute on this session, what would you ask Government to do better and to prioritise for the future deals?

### **Orla Delargy**

Thanks, I'll try and hit the minute mark. So what we would ask the Government to do, obviously the common agricultural policy has done and it's being replaced by an environmental land management scheme which we wholeheartedly endorse, but farmers need confidence I think to make that switch and at the moment there is a lot of uncertainty they're facing into a loss of payments and uncertainty about what's coming next and that is creating a lot of stress in the sector as being reported to us. So, we would urge Government to accelerate the process and give farmers confidence about how their businesses are going to be impacted and how they are going to face into the future. The other thing they're reporting to us is the uncertainty of trading with countries that have demonstrably lower standards than the UK does and then facing into increased competition where larger agricultural nations such as Australia, that you know use more antibiotics than we do and license more highly hazardous pesticides than we do for example, just to pick two. That is unfair competition because the Australian producers can produce their food to lower standard and it's cheaper. And UK farmers,

what we can't do is ask them to reach higher standards and then have them undercut by lower standard produce from the other side of the world, that just doesn't make any sense and it totally undermines the UK's plans to transition to more nature-friendly farming. And what they're reporting to us is that they fear loss of farms which is obviously would have a very significant impact on rural communities and on the landscape as well. And yes ELMS [ph 0:25:04.4] and where their income is going to come from is the biggest thing that they're reporting to us.

What we'd like to see, we have three "S's", a trade strategy, more scrutiny in Parliament and a set of core standards and it is possible to have core standards for imports, you just have to make sure that it's non-discriminatory and that they match your domestic produce, it's perfectly doable and happy to answer questions on the three yesses as we're going forward.

### **Stephen Kinsella**

Thank you very much and I'm sure those recommendations will feature in our report. Back to you Mike.

### **Mike Cohen**

Thank you, Stephen, and to Richard and Orla for that. There was a lot in there, I really like the drawing out of that link between trade agreements and competition and standards and fundamentally values and there's a really interesting link there and thank you for teasing that out. I'm going to pass over to Charles now for the next question please.

### **Charles Rose**

Thanks Mike. I'm going to move us onto the issue of labour shortages and as an issue within the agricultural sector and the question really is how can challenges related to labour and skills in this sector be tackled by Government and do new trade deals offer any solution to these issues? And I'd like to take this in the order of Orla, Richard and then Nick. Orla, over to you.

### **Orla Delargy**

Thanks very much, well I mean there have been problems, I think Nick touched on it earlier, we would agree that there have been labour market challenges on farm and with shortages of workers and that does raise some questions and I would invite the Commission just to consider the impact on the sector of having low paid workers and the conditions that they're working in, you know some people think that the ultimate goal is to have cheap food, but cheap food costs somewhere along the line and some of the lower paid workers, some of whom are coming from different countries who are losing out in terms of their quality of life and the conditions that they're working under. But also UK farmers then are struggling to run businesses because there has been a drop in labour. There has been some exploitation reported of workers being sent into debt as a result of the seasonal agricultural workers scheme and the way that's been run and the tight timeframe hasn't suited actually the nature of harvest. So that's one thing I think that the Government could definitely revisit. I think there's also been labour challenges beyond the farm gate so in processing, for example in butchery and in abattoirs as well and all of these then have return impact back onto farmers. And also the horticulture sector, I think we put in some evidence to you about the need for traineeships and apprenticeships particularly in horticulture and the need for skills there, so there's definitely a role that Government could play to improve labour conditions.

Farmers, we would also argue as well about the wider retail conditions, about 90% of the food market is captured by the large nine supermarkets and then they get to dictate prices back to farmers, so and also their own workers, some of whom are amongst the lowest paid I think in the UK. So there is a lot that could be done there to improve maybe diversify the market a bit more and also to improve conditions within the supply chain that the supermarkets are overseeing and there's a role there for the grocery code adjudicator and the codes of practice in the supply chain.

### **Charles Rose**

Thanks very much Orla, I think you've highlighted the inter-relatedness of everything from the prices in the supermarkets through to the wages that the labour receive, but can I move this onto Richard please?

### **Richard Griffiths**

I think as poultry labour we're in a slightly different position perhaps to the one Orla is describing in that, and I'm going to separate out labour and skills just briefly, I think those are two different areas. And the shortage that we suffered of labour through Brexit, through sort of across the period of the pandemic, one of the biggest challenges for us was the turnover of staff, so the difficulties in replacing staff. So, the access to new labour. The cost of labour increased significantly and we all remember the specific jobs around say lorry drivers, the availability of lorry drivers for example. And there were other specific examples within our supply chain where if you lose certain roles that's the supply chain compromised. So we've seen the sort of value of labour go up and that's part of the need to increase pay, to recruit people. We've also seen the increase in investment in Government reach for used technology, so we've seen actually we've seen increased investment in technology, upskilling as well. Still struggling to find a balance, but the thing we've run up against with availability of labour is ideology, it comes back to the Brexit ideology. That's why I wanted to, that's the labour side of things.

The skills is probably much more accessible to Government assistance, but it has to be the right assistance. I think historically with skills governments have funded or supported areas that they think are required and those do not necessarily match the areas that industries think are needed. So I think there's a better job of work to do to focus on the skills and long-term skills and development that are actually needed, lifelong learning for example has been an area that we've always been keen to develop but government projects and programmes have always focused on younger people. So there's a balance to be struck there, I think and this is not to say that it's all on government, we as industry and certainly as poultry and I think Nick might agree with agriculture more widely, we need to do a better job in persuading people that their careers and their professions can happen within food and agriculture. I think there's a gap there for us as well.

### **Charles Rose**

Thanks very much Richard, I think that's a very useful distinction between skills and labour, and the highlighting the vulnerability of the supply chain to these issues has been very helpful. Nick, can I move this over to you?

### **Nick Von Westenholz**



Yes, thanks. I mean both Orla and Richard have both made some very good points and I won't repeat them too much but, as I said at the beginning there's clearly been a major impact, particularly on seasonal workers, you know there are as I say other impacts across the broader food supply chain as well. There have been developments there, positive developments particularly in horticulture which is one of the areas we've had major concerns where there has been a development of a seasonal workers scheme, that has been increased a little bit so we now I think it's 45,000 licenses this year, visas this year for seasonal workers in horticulture which can be expanded if necessary. That is a positive development to alleviate the issues that we've seen, particularly in that sector. It's still not perfect, you know the growing season has much expanded now where a seasonal worker actually could be needed for up to say nine months and that scheme doesn't necessarily cover that. And you know this also does seem to be that the Government are reluctant to make this a sort of permanent fixture because they're hoping that there is going to be a much more wholesale revolution in the immigration system in the UK. The concern we have is the structure of the labour that's needed, it is seasonal and naturally therefore it's not often appropriate for domestic workers who are looking of course for, mostly for full-time employment. You know there is another issue and this touches a bit on what Richard was saying about skills, about the attractiveness of some of this work. And we've always struggled certainly in recent decades to recruit domestic workers to many of these sorts of jobs and that's maybe just a cultural issue.

So often actually being within freedom of movement, being within the Single Market and access to freedom of movement worked very well and often you would find these workers actually were permanent seasonal workers as it were, they would move around different markets across Europe and therefore freedom of movement very much lent itself to filling those roles here and ending that and having a very different approach to immigration has created problems with those types of roles. You know as I understand it actually you know immigration for other roles has not dropped off and actually you know we shouldn't see it in the sense that you know suddenly there is a total drop off in access to labour from people coming into the country, but it is in those seasonal roles where we see that very explicitly and in other specific sectors.

So how will we resolve that, I think there just probably needs to be a maybe some thought given to a more permanent seasonal schemes, more investment in automation as well, automation is not the answer across the board but clearly where businesses can automate that puts a little bit less pressure on the need to recruit people into those roles. And you know I've always been a little bit confused and surprised by the Government's desire to have what they see as a sort of high-skilled, high-paid immigration system that to me therefore means that certain jobs are for domestic workers only and we know that often those jobs are the ones that domestic workers don't want to do. So there's a natural tension there and I hope that maybe the Government and future governments look at this in a more pragmatic way and decide actually what are the needs of different sectors across the economy in terms of labour force.

#### **Charles Rose**

Thanks very much, I think that's been a very interesting three sets of insights into the labour situation. With that I'll pass back to Mike in the chair.

#### **Mike Cohen**

Thanks very much Charles, I'm conscious of time, I shall move us straight onto Caroline's question.

#### **Caroline Lucas MP**

Thanks very much Mike. Yes, we've already touched briefly I think Orla did on the environmental management payment schemes so I was going to come to Nick first if I could and just ask how it's comparing to the old [inaudible 0:37:16.0] scheme and how it can be improved in particular. I know there are concerns around certainty and around how forthcoming the funding is, but perhaps you could just elaborate on some of those points please?

### **Nick Von Westenholz**

Yes I think there's been positive developments recently as you said Caroline there are concerns over certainty and clarity and just detail on what's coming in and you've got to remember we're now into the third year of the phasing out of the old direct payment system, so just purely from an economic perspective for farmers, you know that is a reduction in income and if it's not clear how they can replace that, what else that they can do in order to make up that loss of income, then that is a problem. And that is sort of where we are at the moment. Income is being lost through the phasing out of the old system and it's not clear how it's made up with the incoming new system. But as I said, there have been more details recently at the beginning of the year so we are sort of seeing progress, it's just slow.

As the NFU we are supportive of the idea of public money for public goods as a system, but I think there's two things that sit behind that. Firstly it's got to be properly resourced, it's got to pay properly. Farmers will be looking at this and making a business case for it. They're not going to do things if it actually costs them money and costs them their livelihoods. They have to be able to still make a living. And you know if the market isn't always rewarding them properly and we're seeing that at the moment, then these sort of schemes can be very important, as the old direct payments under CAP were from an economic perspective. So the payment rates have to be sufficient for business case to come into these schemes and there is concern that they may not be, but again I think there have been some positive developments there.

The second aspect though is it also needs to be tied into food production and I think one of the concerns we have is that it's kind of not making that link, or it runs the risk of not making that link that there could be important environmental options and requirements under the scheme, but they're kind of divorced from the role of farmers as food producers. What we believe is that actually this is a very good opportunity to incentivise and reward farmers for producing food and farming in a more sustainable way. So you have to have that link and again there seems to be some positive developments moving in the right direction around that which is good, but you know the bottom line is this is six and a half years after the vote to leave the EU and therefore come out of the Common Agricultural Policy and we still don't have really, it's not clear for farmers what they're going to be required to do next year, the year after or beyond.

### **Caroline Lucas MP**

Can I just pick up one point that you made, although you're saying that progress has been made when it comes to the financing, the first point that you made, is there still a requirement for us to be advocating for example for some greater bridging finance so that as the CAP money has gone and the ELMS money isn't coming on fast enough, is there still a requirement to do something in that potential gap?

### **Nick Von Westenholz**

Yes, no, absolutely as I say there's been sort of progress but it's still you know not, it runs the risk of not being sufficient at all, you'll know that we've only got actually the budget for all of this guaranteed till the end of the current parliament, so what happens after that is totally murky. And you know the payment rates as they are recently announced for some of the new options coming forward look better than they did maybe 12 months ago, but ultimately question mark whether they're still sufficient, I think in some areas they are but in some like the uplands for example, there are big concerns that they just simply don't add up. And you know as I say what happens in two or three years' time to the total budget and I think farmers and environmental organisations and others are very aligned on this, that you know there needs to be proper financing of this to be able to kind of achieve the changes that people want.

**Caroline Lucas MP**

Lovely, thank you. I was going to come to Orla next and maybe in particular to put that question around the extent to which food production and environmental protection restoration are being potentially compartmentalised rather than brought together, I think that was a point that Nick was making, is that something that you would agree with?

**Orla Delargy**

Yeah, I mean we tend to look at things from a systemic perspective so absolutely, the balance needs to be there between looking after the environment and also producing food. But we feel that those two things aren't mutually exclusive, it is possible to produce food in a way that doesn't damage the planet, but farmers do need support to transition to that if they're not already doing it. And actually I would make if I can one point, and Nick touched on it, that farmers are doing lots of good already, and they're doing lots of good things voluntarily, so I touched briefly on the antibiotic over-usage and its link to AMR, a lot of the progress that's happened in the UK has been thanks to farmers taking voluntary action and that was I think overlooked a bit whenever there were debates on the future trade agreements and we put in some objections to the Trade and Agriculture Commission, they were rejected on the grounds that what we were saying was happening in Australia was based on the regulations and that actually what was happening on the ground was different and that we didn't need to be as concerned as we were, and I would sort of flip that around and say that actually there's lot of things that farmers are doing here in the UK that may be going over and above the regulatory framework in the UK and that their actions shouldn't be undermined by future trade agreements.

**Caroline Lucas MP**

Can we capture that though, if it's not actually in regulation how do we capture that when we're having the discussions with Ministers or anyone else?

**Orla Delargy**

Well that's a key question, if it's voluntary, do we put the regulations in place and I think this is all part and parcel of the standard debate as well. You can't have these kind of actions undermined by trade agreements and we felt that we weren't comparing like with like in terms of what the standards were in other countries and what the standards were here, and I think the scrutiny that was put in place was very much concerned with the Food Standards Agency for example were very much looking at regulations and they only concerned themselves with what was written in

regulation. And they weren't, they ruled out looking at things like voluntary actions that farmers had taken on the grounds that they weren't written into regulations. So to our mind that is a gap and that it could do with a bit more scrutiny of that actually.

**Caroline Lucas MP**

OK thank you, coming to Richard now, any reflections on how ELMS is affecting you.

**Richard Griffiths**

Yes, I mean as a sector that is actually outside of CAP and is outside of ELMS, we're a sort of interested observer. Obviously we want to be part of a broader agricultural system that is healthy and positive. I've often wondered how much of these schemes, programmes, grants, plans would be alleviated or mitigated by a fair market price being paid and the costs of the impacts that we have within the price of the food. And my concern and not about specifics of ELMS or any other plan, is that if you have these programmes and plans what it does is trap the problem within agriculture when in fact the problem is actually a broader societal problem that has different parts, it's not just in the agriculture and food parts of the chain, consumers and onwards, they're all part of this system. So by focusing purely on the agricultural end you ignore the broader societal issues that have to be considered as part of food production and consumption in this country. But as I say I'm an observer to ELMS not a participant.

**Caroline Lucas MP**

I appreciate that, but just following up your last observation very quickly, can you think of a recommendation that would capture how you could bring this debate out of something that's seen purely in terms of agriculture and put it instead in terms of that wider conversation that you were suggesting?

**Richard Griffiths**

Yes, I absolutely can. Talking about government, government puts its money where its mouth is and pays a fair price in its public procurement programmes to the standards that it wants to see production held at. It may not be an enormous part of the food sector overall, but it sets leadership and it would set an example to how we want to move forward and it would recognise that it's not just problems contained in agriculture, it's across the entire production and consumption chain. That would be my recommendation.

**Caroline Lucas MP**

Lovely, thank you very much Richard, I'll hand back to Mike.

**Mike Cohen**

Thank you very much and yes highlighting I think there again that cheap things always cost something somewhere and we should never lose sight of it. Can I pass to Geoff now and somebody is unmuted and I'm hearing something else?

**Geoff Mackey**

Thank you very much Chair, I hope it's not in the background here. Good morning, could we continue down the conversation we've started to have, I'd be really interested in having a conversation about how can the UK's agricultural sector be supported towards net zero, within some of the conversation we're having about trade initiatives. We've touched on this already, Orla could we start with your comments if we may please?

**Orla Delargy**

I mean that's a great question. I suppose the point to make is that food production creates a lot of emissions and we need to factor those in both at home and overseas, you know we can't export our harms to other countries and that unfortunately did come up in some of the trade debates after Australia, the sort of concept of if for example we strike a deal with Australia the production standards in Australia aren't our concern was the view put forward and that there was nothing that we could do about that, and I think Sustain's view would be that there are plenty of issues in terms of food production that span borders and the two big ones for us I suppose would be net zero and ... more than two, but net zero, biodiversity, deforestation, there are so many that they drive global issues that really concern us all. So there's really no point in trying to set standards at home, you know particularly through the Environmental Land Management Scheme and then import food from other parts of the world where for example their deforesting in order to get land so that they can have more cattle and produce that cheaper and then send it to us to eat. I mean that's just an absurdity. And we have responsibilities as global citizens and I would say the elephant in the room is diet and at the risk of lobbing in the word turnip, you can see why some people are nervous about the role of Government and what they say about what we eat. But actually, we do have responsibilities and there are things that we can do in terms of the choices that we make. And that is something that we do need to tackle but governments are frightened of it, but it is the big driver, what we're eating is actually yeah creating emissions, deforestation, it's lowering our biodiversity and ultimately killing us slowly. So there is a role to play for us as citizens, our farmers being supported to farm in a way that's less harmful and also for Government to help with regulation and in the supply chain.

**Geoff Mackey**

Thank you very much, I think there's always room to lob in a turnip to say the least as part of these conversations. Nick, net zero, real issues regarding trade initiatives, where do we start?

**Nick Von Westenholz**

Yes it is a very tricky one and you know it's one of the problems that we face on this issue is the difference between product standards and production standards and when we're talking about net zero in trade you know often it's a production standard issue and as Orla touched on, you know one of the reasons that we find it very difficult using trade policy and trade law as it currently exists is that there is very little room to leverage how other countries produce their food through trade laws or trade deals. You can have a say on the quality or the safety of the food that enters your own

borders, but not on necessarily how it was produced if it doesn't have any impact on that quality and safety. So climate change is a tricky one because obviously we all have a skin in the game on this, if somebody is producing something in a climate unfriendly way then that has a potential to impact all of us on the world. But trade policy and trade law hasn't really caught up with that and that's one of the problems. I mean I would point the Commission to a piece of work I was involved with at the back end of last year by a body that was brought together called the Trade and Climate Change Commission, so not totally certainly different to yourself but we produced a report at the back end of last year looking at some of these questions and it may be that you would find it useful to look at some of the recommendations in that report. But one of the key areas and again something Orla touched on is the need for multilateral international collaboration on this, that is not an easy thing to do and we all know that that doesn't, when you go down those sort of multilateral international type forums to try and achieve change things can take a long time. But you do need countries to move in lockstep on some of these issues and so where we can find forums, whether it's WTO or anywhere else and WTO is not a particularly functional institution at the moment, but where you can find those sorts of forums to try and move things forward collaboratively that is the key to all of this. And there are initiatives, there's some of the countries within WTO, Costa Rica, New Zealand and others are clubbing together to try and create more climate friendly trade policies, but the last thing I would say I think alongside that desire for the UK Government to really engage internationally on this is the need to set out a clear trade strategy here in the UK which demonstrates how their trade policy matches up with some of their other policy goals and objectives including on climate change, because at the moment that just seems absent, you know they are pursuing trade policies and trade deals in a very old-fashioned sort of way just an economic liberalisation agenda without seeing how that might impact more broadly on climate change. So a kind of strategic approach to this would be key.

#### **Geoff Mackey**

Nick, thank you very much, the thought of a joined up and strategic approach I'll just leave that hanging happily for the moment. Richard just very briefly, your sector has internationalised very, very rapidly, any comments to make about the support towards net zero that we could do with trade?

#### **Richard Griffiths**

Well I think it comes back, a lot of it comes back to standards and the fact that trade is often driven as a price first approach, I think certainly I'll speak UK, I think one of the biggest barriers to progressing towards net zero is poverty is a massive barrier to climate change action, and certainly within food as people become economically poorer, socially poorer in terms of services, health poorer and accessing and affording food and the price point becomes the priority. I think that within the UK and within trade deals if we can become more food first sustainability focused, feeding people, feeding people well, productively, building in the direction towards net zero into that, I think we as a nation will do ourselves massive favours. Both socially and business-wise and through net zero. So, I think we can deliver all of those, but if one is so out of kilter with the rest then the net zero becomes immeasurably more difficult. That's not to say there's not firm commitment from food producers, but operating in a system that is increasingly pressured on the price really skews the efforts towards net zero.

#### **Geoff Mackey**

Thank you very much, I think the question of what sustainability means to different people and different markets is part of that conversation. I appreciate that, thank you very much. Chair back to you please.

**Mike Cohen**

Thanks Geoff, and as we've got our witnesses for the next session already coming in, I'll pass straight onto Tamara to finish off the questions for this part of the proceedings.

**Tamara Cincik**

Thank you Chair. So my question for the last part of session one is what are the three key policy recommendations that you would issue to the Government or request the Government to look into regarding your sector, and I'd like to start with Richard please.

**Richard Griffiths**

Well, I'll limit it to two and you've already had one of mine and that's a common procurement money where mouth is. The other one is much more specific but it's levelling the playing field, import and export controls with the EU, I think that would have a massive impact on the viability of businesses in this very difficult environment, and obviously I'd prefer the export controls to drop, but while we have got nothing on import controls and everything on export controls it's an unfair system.

**Tamara Cincik**

Thank you. Nick?

**Nick Von Westenholz**

Yes, I'll have to be careful because I could probably give you 23, but if I gave you three it would be I think firstly some certainty and assurances around the development of the ELM scheme and SFI particularly on the budget and much more clarity on how that new support scheme will be funded and clarity on the budget. I think secondly as most of us have already said, a proper trade strategy from the Government, one that is shown to clearly tie in with domestic policy priorities as well and attached to that proper scrutiny of Government trade policy which at the moment is extremely lacking as we saw with the Australia FTA. And then finally it would be to change tack on the retained EU law bill, we do think that there is an important process to be done in reviewing retained EU law, why not, why should we not do that systematically. But we don't need to do it by the end of the year with this sunset guillotine hanging over all retained EU law, we can do it in a much more considered and careful way over a longer time period.

**Tamara Cincik**

Thank you, and Orla.

**Orla Delargy**

Thanks very much, yeah like Nick I've got about 23, I might actually go up to 43.

**Tamara Cincik**

Why hold back?

**Orla Delargy**

Exactly, make yourselves comfortable. Anyway, because you're the Trade Commission I'm going to focus on our trade asks, but yes also interested in public procurement and ELMS and net zero, all of the things that we've talked about. But with trade in particular it is our three S's, it's as Nick pointed out a trade strategy we really need one to marry up domestic policy with the UK's trade ambitions, it's very hard to assess how they're doing without a strategy. How can you tell if they're meeting their objectives if you don't know what they are is the first thing? So, we definitely need a trade strategy. And then yeah absolutely agree on scrutiny, at the moment it was woeful under Australia, from a civil society perspective we weren't given access to negotiators necessarily, not as a sector, occasionally people were allowed in but then had to sign NDAs, so you know we would prefer a completely different approach to scrutiny. We think scrutiny is a good thing and it will strengthen future deals but we'd quite like it front-loaded, so in other countries and happy to give you more evidence on this, in other countries civil society and parliamentarians have a say in setting the objectives at the beginning.

**Tamara Cincik**

I mean but Orla, do you think this has been a Government where there's been much engagement to allow for scrutiny.

**Orla Delargy**

I'm going to say no and it wouldn't just be us saying it, I think if you look at the evidence from the International Trade Committee and the International Agreements Committee, they have also said that the scrutiny process isn't fit for the 21<sup>st</sup> Century which is pretty damning and that is a lever that Government can pull. It's in its gift to improve scrutiny. I don't want to scribe motives, but it hasn't. And Australia they opted not to have a debate, so I mean that feels like a dereliction of duty to citizens. So that's strategy, scrutiny and standards is our third one and I think we've already gone through what the impact on farmers of potentially competing with lower standard food is, so I don't need to go to that, and would absolutely echo what Nick said about the RAEUL [ph 1:00:51.3] bill, you know the idea that you'll get rid of all of these laws by the end of the year is absolutely absurd. I mean our public health, the Food Standards Agency has already said that it will have a massive impact on public health if we get rid of the food laws, DEFRA is sitting on I think it's almost 2,000 laws at this point, although they haven't actually confirmed the final amount. So the idea that they would go by the end of the year is just absurd. But also I would say that pushing them into other arbitrate dates 2026 or 2028 or pick a date of your choice is also absurd, you shouldn't have Ministers, the Minister who kicked all of this off, Jacob Rees-Mogg is no longer in post, so you know to have Ministers have a red pen over the standards in food and farming that we all hold dear is an absurdity and it's not sovereignty in our view, that should not be in the hands of Ministers and I think the reason why that comes into play very much with trade is that we've already seen that the larger agriculture nations are circling and are already asking us to lower our standards in order to facilitate



trade deals, I mean Canada is being quite open about it actually and looking at beef production and beef standards and you know I would remind the Commission about all of the debates about hormone beef during the agriculture act debates, those standards on the use of hormones are now up for grabs, for getting rid of by the end of the year. So RAEUL is a big, it's flashing very red on our dashboard that's for sure. But it shouldn't be Ministerial powers, it shouldn't be then making decisions. By the end of 23 or 26 or 28, regardless of the year that should not be down to Ministers.

**Tamara Cincik**

Thank you Orla, I'll hand back to the Chair, and thank you for everyone who answered my question.

**Mike Cohen**

Thank you, and a huge thank you to Orla, to Nick and to Richard for your contributions there, a huge amount for the Commission to get its teeth into. Mindful of time I'm going to move straight onto the second part of our session where we're looking at another aspect of food production in the UK which is the fishing industry. We have four witnesses here, we have Phil Haslam, Managing Director of North Atlantic Fishing, we have Elspeth Macdonald from the Scottish Fishermen's Federation, Bryce Stewart at the University of York and Chris Williams from the International Transport Workers' Federation. And our first question is from Deborah in this session.

**Deborah Annetts**

Thank you very much and thank you to all the experts for attending this session this morning. We've heard an awful lot about fishing during the run up to the referendum and how that became a key driver in much of the discussion and conversation, so it would be really interesting to find out a bit more about fishing in the context of post-Brexit. But before we get to that, can I just ask you, what does the UK's fishing sector contribute to the UK's economy and society and then what challenges are the sector currently facing. So, it's a two-pronged question. Can I come to Elspeth first?

**Elspeth Macdonald**

Thank you and good morning and thank you very much for giving us the opportunity speak to the panel today. In terms of what the industry contributes, essentially in 2021 which is the last year for which full figures are available, the UK fishing fleet landed fish with a value of just under a billion pounds and that was an increase on the previous year of about 5% in terms of landings and 11% in terms of value, although important to remember that the comparator year 2020 was the Covid year. The industry employs around 11,000 fishers across the whole of the UK, in Scotland we have about 4,200 of those and there are obviously very many shore side jobs also, whether that's in processing, in engineering and in all the necessary support services that the fishing industry requires. The gross value added of the industry certainly in Scotland was £284 million in 2020 and fishing accounted in Scottish terms for 0.2 of the Scottish economy and 7% of the marine economy in Scotland. And then again looking at the shore-based side, seafood processing contributed £355 million GVA and was 0.26 of the Scottish economy and 9% of the marine economy. So there's a lot of statistics that you can find in various Government reports, but I think it's important to also think about the fact of what fishing industry is essentially contributing is food and that's much of what you are keen to hear about today. It's essentially contributing healthy food from sustainable resources with a very low carbon

footprint and with lower emissions than many other forms of food and certainly many other forms of animal protein. So it contributes a great deal both in terms of the economy particularly to coastal communities, but also to society in terms of providing healthy, renewable foodstuffs.

In terms of challenges there's a number of both short and medium-term challenges, I think in the past year we've seen the industry faced as many industries and certainly many food producing industries have been faced with the challenges of dealing with high energy, high fuel costs, that was a real problem this time last year. Certainly from the catching sector's point of view the fuel prices have reduced from the highs of March/April last year but they are still certainly higher than they would have been before the invasion of Ukraine which drove much of that pressure. Our industry is completely dependent on wild, natural resources that we have no control over so we're very dependent from year to year on the fishing opportunities that are allocated to the industry which are dependent on a great deal of underlying signs and research that is needed to support that. So ensuring that Governments can continue to support the necessary scientific investment in our industries is really key. I think there are medium and longer-term challenges that the industry really faces and I'll probably speak a bit about them later on in terms of the spatial pressures that the industry faces at sea, there are increasing spatial challenges from other sectors, from nature conservation policies, from all sorts of other areas that are concerning for the industry certainly now in the short-term, but certainly looking further ahead. And I think too there are real challenges that the industry faces in terms of I think sometimes a public narrative that is, or not a public narrative but a narrative that I think is promoted by perhaps people who oppose fishing and don't support it in terms of environmental impacts and I think it's very important that we focus on evidence and not on rhetoric and not on emotion.

There's obviously much ahead in terms of what the industry and Government will be doing collaboratively through the Fisheries Act and the joint fisheries statement and developing fisheries management plans, there's much to do there and indeed again as I'm sure we'll speak about later today the industry both at sea and ashore faces challenges in terms of workforce and labour for where we are currently and also looking forward. So there are many challenges, they're quite diverse, some of them are socio-economic, some of them are scientific, some of them are in terms of other industry pressures, so yeah I think there's much for us to talk about this morning, thank you.

#### **Deborah Annetts**

Thanks very much Elspeth, I'm very conscious of time so I'm just going to ask Bryce if you had any further points you want to add to what Elspeth has said.

#### **Bryce Stewart**

Yes sure, thanks for that Elspeth. So I would I guess just add aside from all the sort of monetary values and things, fishing and seafood has actually a less tangible but very important connection to UK society, you know we have a situation where fish and chips is the national dish, the country has a very long maritime history, very culturally connected to fishing and fishing ports etc, and you can't easily put a value on that but clearly that's part of who the British are. Think of it as well in terms of tourism, you know fishing ports would look very, very different if there were no fishing boats in there. If you couldn't go and get your crab sandwiches and things like that. So you know, like I said it's hard to put a value but that is still just, if not more, important. Elspeth touched on the fact that in Scotland it is proportionately much, much more important, Scotland lands something like 60% of our seafood, but it only has a small less than 10% of the population. And then in terms of challenges, there is longer-term things like climate change and spatial squeeze absolutely, or spatial squeeze is already happening, one thing I'm hearing a lot about is sort of consultation overload, so there's a lot

going on at the moment and representatives of the fishing industry and the fishermen themselves are finding it difficult to keep up with responding to all the consultations, you know having the capacity to be fully involved in things like fisheries management plans, so you know I'm sure Elspeth and Mike could talk more about that, but yeah definitely that's an issue as well, so it's important everyone gets a fair say.

**Deborah Annetts**

Thank you very much, I'm going to hand back to Mike because I'm very conscious of time, thank you both very much.

**Mike Cohen**

Thank you very much for that really good introduction to the topic and for highlighting I think the huge diversity we have when we talk about the fishing industry, boats from four metres long to over 100 metres long, employing dozens of crew or small family businesses and everything in between so this is a diverse and complicated area, that's a great introduction. I'm going to pass to Stephen for the next question, thank you.

**Stephen Kinsella**

Thank you, Mike, well it won't surprise our experts that this Commission is obviously interested in the impacts of Brexit and everyone will have a few but I think I'll address this one to Phil and then to Chris. As Deborah said, the fishing sector was much discussed during the run up to Brexit and particularly because there were at least they felt they could make tangible claims about the benefits that would arise, not least because we would suddenly get back control over what they called "our fish", but some years later is it possible to identify what have been the effects of Brexit on the fishing sector and again we always try to look forward, what more could the UK Government do now to support the industry and the communities that rely on fishing in the face of the challenges posed by Brexit. So first to Phil please.

**Phil Haslam**

Thank you and good morning, you're absolutely right you know as an island nation the totemic sort of perspective of taking back control was never more than you know being able to control what happens in our waters and I think you know that's where the fishing element of it got blended in with the very politicised processes that were going on at the time. So in terms of the operational impacts you'll be well aware that what was secured in the Trade and Cooperation Agreement of which we're in the transition phase now until 2026, was not welcomed by many within the UK fishing industry. They didn't feel that they got their due in terms of access, exclusive access to waters, so particularly the UK territorial waters, and whilst there was some repatriation of quota within that agreement I think some would think it would go further. I think the other thing that you know Brexit effect has been is the sort of introduction of non-tariff barriers, so business models that export and I think you probably heard this in the previous session, the ramping up of the bureaucracy and the friction, the operational friction of trying to export has introduced risk and cost there.

I think a less tangible but still present thing is a sort of hostility, there is particularly towards inward investment, so within the fishing sector those that wish to ... from external overseas companies wanting to invest in the UK fishing, there has been that sort of Brexit thing of it's British and it's for

the Brits, so I think that is something that could be worked upon. And I think as we go forward, as they said the Trade and Cooperation transition period it expires in 2026, I think the opportunity there is for more balanced fishery specific negotiations that are taken away from the highly charged tensions of 2020 and 2021 and perhaps something more balanced and more specific that can align to a strategy of what do we require from our fishing sector, what do we require from our sea and how do we set ourselves up for success for that. Thank you.

### **Stephen Kinsella**

Thank you Phil and I'm sure we'd all welcome that more balanced approach. Chris I saw you nodding at a lot of what Phil was saying although I was mostly admiring the banner in the background and I'd encourage all our speakers to bring a prop like that along in future, but I'd love to have your perspective.

### **Chris Williams**

Thanks yes, it's mandatory to have some kind of interesting Zoom background these days. So first of all thanks very much for having me on. I have a great deal of sympathy with the fishing industry around Brexit, I've worked in fisheries in this country and abroad for the last 19 years and I've actually never seen fishing kind of punch above its weight in the kind of public consciousness as it was in the build-up to the referendum. The sad truth of the matter is that the Government hugely let down the fishing industry, they over-promised and under-delivered and I'd urge you to read a very well-written letter that Elspeth put into Fishing News to Boris Johnson after the Trade and Cooperation Agreement was signed. I was also very fortunate to work with Bryce Stewart on a paper about the impact of Brexit in my previous role and it's very clear that in terms of access, they completely failed because there was a red line around European fleets being able to fish in the six to 12 mile zone which they completely capitulated on, the Government that is, they massively under-delivered in terms of zonal attachment in terms of the quota gains that they'd promised and the only area where they might have had some success is in terms of regulatory autonomy and these fisheries management plans that are now being set up, but it's going to take a long time to see whether that is actually in any way beneficial compared to what would have happened within the Common Fisheries Policy anyway. So to start with I feel a great deal of sympathy because I think they were seriously let down, they were put in this sort of totemic position to galvanise support for Brexit, but then actually you know basically sold out at the 11<sup>th</sup> hour.

In terms of the Trade Union perspective the main issue that I see is the labour shortage that has been exacerbated greatly by Brexit because in seafood processing and in the catching sector lots of the deckhand positions were actually citizens from Eastern Europe who were working in the UK fishing industry on a share of the catch, like nationals would be as self-employed deckhands. Over the last decade or more, but particularly acutely since Brexit, what's happened now is a two-tier employment system has developed where there are nationals and some settled Eastern Europeans and others on a share of the catch working on vessels, on the same vessel there might also be crew who are contracted labour from outside the European economic area, mainly from the Philippines, Ghana, Sri Lanka, Indonesia and India and they are currently entering the country on seafarer's transit visas to then work in international waters, which means outside UK territorial waters outside 12 miles, but in many instances in particular where that maritime boundary is more than 12 miles from the shore, so like Northern Ireland, around the Isle of Man and in the West of Scotland in the

Clyde area, there is actually crew that are working in UK waters on a seafarer's transit visa and they are being paid £1,000 a month which is under what minimum wage would be for the hours they're working. So the ITF has a real concern that the labour shortage is being used as an excuse for labour exploitation and under-payment of migrant workers and we think that this two-tier system isn't helpful. And I think Elspeth indicated the sort of medium-term challenge there. There's one issue around recruiting a national workforce, but there's another issue in terms of enabling a sector to pay under the minimum wage or to have a separate payment structure for migrants from outside the EU, which is obviously extremely profitable, if you can pay people £1,000 a month instead of what you would have to pay someone on a share that's obviously going to incentivise the employment and recruitment of migrant workers.

Now there's one issue if they're working outside of UK waters, ITF still thinks that they should be on a specific skilled worker visa for fishing, but certainly when they're working in the UK, living on UK fishing boats and working in the UK ports they should certainly be afforded the protections and rights that any other UK worker on land would be afforded. So that's our main concern is how to transition from this loophole that the fishing industry have been working within in terms of immigration for the last sort of 12-15 years and how to transition to a skilled worker visa, or something that affords the same standard and upholding the same UK legislation around minimum wage and working hours and things like that.

#### **Stephen Kinsella**

We keep coming back to values don't we, I mean Chris thanks very much for that. We need to move on but I think these two questions have really set the scene for the discussions that will follow. Mike.

#### **Mike Cohen**

Thank you Stephen, I'm sure we're going to come back to some of those issues in due course. I think the next question is with Alan.

#### **Alan Winters**

Yes thanks very much Mike and thanks to the panel for being here. In a sense continuation of the previous question but not exclusively so, I was just wondering what the difficulties currently facing fishing exports and exporters are, and whether you have in mind any particular solutions, actually sort of concrete proposals. So any exports but I guess mostly that's Europe. So why don't we start with Bryce?

#### **Bryce Stewart**

Sure, thanks for that. So yes it was mentioned before about these non-tariff barriers, so you know fortunately we did get a deal, the TCA with Europe, but there have been considerable changes in the rules and regulations around exporting seafood to the EU which is more than half of where our seafood goes, so it's our closest and most important market. And so these are things like extra paperwork, extra processes, there's a flow diagram that you can get from DEFRA that I think has nearly 30 different steps on it, whereas before it was literally like fill in one form, put your seafood on the lorry and it will be in Paris by lunchtime in somebody's restaurant. And that's added costs and well as time and procedures, so firms have had to employ extra staff, they've had to clearly spend more of their budget on this. That has seen some firms go bust, I think the bigger exporting firms

have been able to incorporate it to some extent but definitely some of the other ones have really struggled. So, they're the sort of obvious things. And I guess another really important one is this effective ban on the export of live [inaudible 1:21:14.7] shellfish, so this is things like oysters and mussels in particular. So the new rules are that unless they are purified which is basically putting them in clean water for a period of time, you can't export them from most of the British waters to the EU. We're considered now suddenly to have different quality water. And so this has been a huge problem particularly for mussels and the issue is once you purify them they last a lot less time, so in terms of the value to the market it's much, much lower and that's really affected certain producers.

So yeah, there's a whole range of different things but I'll let somebody else speak at this point.

### **Alan Winters**

OK, thanks very much. Elspeth.

### **Elspeth Macdonald**

Yes I think Bryce has very clearly set out the fact that there are additional non-tariff barriers and I think if we turned the clock back two years to when the industry was just starting to adjust to these new trading relationships, it was evident that there were certainly challenges and problems in getting what is essentially a highly perishable product quickly to market. I think certainly speaking from a Scottish perspective there's been good support from the Government here in Scotland in terms of facilitating export hubs for seafood and I think they've worked really pretty well, so that is essentially allowing smaller consignments to come together in logistic hubs where the certification takes place and where it will make it easier for people who are not sending huge consignments to be able to bulk up their consignments with others and for the necessary paperwork and checks to be done there. So I think there has been good support from the Scottish Government and from Food Standards Scotland to do that.

I think perhaps a frustration is around the pace at which Government has been able to make some of these systems digital, so we've been talking with Government now probably for those two years about how to digitise some of these systems, make them quicker, less reliance on paper, less reliance on people stamping things and that seems to be really slow and I think if some of those processes could be speeded up and a bit more investment and resource perhaps put into these areas that would certainly be helpful. I think there's obviously been some sort of very specific technical things around exporting of seafood that brings some challenges and of course some of the EU rules have changed fairly recently and again industry is having to adapt to these. But I think I would say that overall it's working, exports are working certainly better than they were a couple of years ago, but there's certainly room for improvement in how things can be done more efficiently and effectively and make it easier for businesses. I think it probably is true that some smaller exporters will perhaps have stopped exporting to the EU, it's just become too difficult for them. And I think again I heard it touched on just at the end of your previous panel, I think when businesses here are dealing with the bureaucracy of exports but they see no checks in terms of imported products, it doesn't feel like a level playing field.

### **Alan Winters**

Thank you. Phil, from your perspective.

**Phil Haslam**

Thank you, I echo everything that's been said. I'm actually in the process of exporting today and I have been so since eight o'clock this morning, so whilst digitisation as Elspeth mentions has eased the process, there are several different parallel systems that you have to complete. One I would particularly mark out is the Export Health Certificate which is a critical piece of documentation that needs to be complete. You need to submit it 24 hours in advance to enable an inspection and your ability to edit it once you have submitted it is not there, it's taken away. So if the lorry details change and you get a different truck turn up, you then have to pay a fee to have the Export Health Certificate amended, you know so there are many issues within it, so whilst the system is trying to make it easy as best it can, what we need to do is get to one sort of digitised export system where you input data once and it's used many times. At the moment you have to be a one-armed [inaudible 1:25:41.6] but a less tangible impact there is purchaser confidence, so once you have ordered something from the UK and it has stumbled through customs and it's arrived a couple of days late, if not a couple of weeks late, you're going to be reticent about going and engaging again. Now, the next load might get through you know within 24 hours no problem at all, but it's the variability that causes a crisis of confidence and that can have an intangible impact. And I think I had a truck yesterday with 1,000 boxes of fish on it that was entirely unloaded by the French because they weren't confident in the paperwork, it was all right and then they loaded it all back on again, but that's just the operational friction that you can go through.

**Alan Winters**

OK, sounds a different world. Chris, I gather you're passing on this so unless you want to say something?

**Chris Williams**

No, that's one for the industry.

**Alan Winters**

Yes, OK so thanks very much, what I'm hearing mostly is trade facilitation, although changing rules [inaudible 1:26:41.3] is clearly an issue. So let me hand back to Mike.

**Mike Cohen**

Thank you, Alan, and with the great concision of our witnesses we've almost caught up, so I will go straight over to Hilary and we'll keep to time.

**Hilary Benn MP**

Mike, thanks very much indeed. I want to ask about the way in which the challenges faced by small scale fishing boats, clearly different from those compared to larger vessels, what are they and how can they be better supported? I'm going to start with Elspeth.

**Elsbeth Macdonald**

Thank you. As I think Mike said a moment ago we've obviously got a very diverse fishing fleet and certainly within the membership of Scottish Fishermen's Federation we have everything from the very smallest to the very largest and all points in between, and they do indeed face different challenges. I think certainly one of the challenges that we see certainly here in Scotland in our inshore waters, so more likely to affect our small scale fishers is we don't have such good investment in scientific research and monitoring of our inshore fisheries, so I think that's certainly a challenge that our small scale fishers face because they don't always have as good an evidence base as we have for some of the other commercial species, so I think that's something that we often talk to Government about in terms of to have better management of our inshore fisheries, we need good data, we need good evidence and that requires investment and resource.

I spoke in my opening comments about the spatial pressures that our fishing industry faces and is increasingly facing through things like the expansion of offshore renewables, the increased provision of marine protected areas and policies looking to designate areas as highly protected marine areas where it will not be possible to fish at all, and I think there are particular challenges that the small scale fishing sector faces around these, because they don't have the same alternative options, so larger vessels are able to move around more, can go somewhere else, very often the small scale fleet can't because it's simply not safe, they haven't got the range to be able to go further afield if their traditional fishing areas are being impacted. And I think whilst we see things certainly in Scotland like wind farms moving further offshore, the small-scale fleet will still be impacted by things like cable routes, vessel movements, increased activities in inshore waters. I think to our small scale fleet again certainly in Scotland generally is fishing for non-quota species so the ones that are not subject to total allowable catches in the way that the quota species are, and many of them I think would be keen to be able to diversify what they fish for. And again I think that points back to what one of the other panellists said a few moments ago about the end of the adjustment period for the Brexit Treaty and the ability perhaps to leverage some further adjustment on quota shares and then you know there would be the opportunity to look at how that additional fish resource might be allocated within the UK.

So I think there's a number of similar challenges across the fleet but I think there are some very specific things that the small scale fleet face and certainly they are very exercised in Scotland certainly about the ability to move elsewhere if their fishing operations are impacted by other activities and certainly want to see greater effort and investment in having a better evidence base about the inshore fisheries.

**Hilary Benn MP**

OK, thank you very much indeed. Phil.

**Phil Haslam**

Thank you. In terms of the small scale fleet I would say it hangs on two things, access to waters and access to quota and I think the history of the inshore fleet in the UK and particularly in England where 72% of vessels I think are under 10 metres, so it's predominantly a small scale industry, it's that ability to put to sea for a day, to catch a viable catch, make a viable profit on it and support the business model and that cannot be guaranteed for a number of reasons. Access to quota, the under ten fleet gets a very small element of the quota, so then they have to reach out and be reliant on non-quota species and one totemic species in that is bass, and because bass became a valuable fish to catch it was fished and then there had to be management measures to cut the fishing back, and



it's that vulnerability to fisheries management or indeed any other regulation that can have huge impacts upon the business model. And it's also access to the quotas just as a geographical thing, so the south-western fisheries enjoy a selection of up to 50 different species in their waters which is rich, but if you're on the east coast of UK around East Anglia you've probably got six target species there, and if they are restricted in any way it immediately impacts upon your business model.

At the other end of the spectrum the larger fishing models, once again it's generating crew to work on the vessels, fishing has become quite a niche activity in terms of a career path, so that opens difficulties and then it's the sort of hostility that can be around it. So the companies that I represent we operate large pelagic trawlers, so we fish for low value species in high quantity, obviously strictly within our quotas, but my vessels are often dubbed super-trawlers and the narrative is they are very, very large vessels with very, very large nets specifically designed to empty the sea, which is ludicrous and ridiculous, but you know that is a good narrative if you're trying to make a demon out of something. And I think for me, the difference between small and large-scale differences, I think we need the lift the debate. The debate is about food production, the debate is about food security, of course sustainable managing the stocks is the key deliverable here because none of this will work without those wild stocks regenerating themselves, but then we need to decide what are we trying to get out of the fishery, is it maximum economic yield to get the maximum benefit, or are we trying to promote maximum employment opportunity within fishing, and I think there are some key decisions to be made around that which will then shape the fleet of the future.

**Hilary Benn MP**

OK that is really helpful, thank you very much. Bryce?

**Bryce Stewart**

Yeah, lots of points that I would echo there. I think one thing worth bearing in mind is for most small scale fishermen Brexit left them worse off, so in terms of those quotas that the UK was able to lever through the Brexit deal almost all of them went to the larger scale vessels. So for example if you just look at western mackerel and herring and sole in the North Sea, that made up 50% of all the extra quota, that was achieved in the Brexit deal. And there was almost no extra quota at all, this is based on the work that Chris was talking about that we did together with others. And yet they are mostly fishing for those non-quote species, things like crabs and lobsters, scallops, which are almost all exported, so they're suffering in terms of those extra restrictions on export. So yeah, there is a very big difference, certainly where I'm based in Yorkshire most of them are just fishing for crabs and lobster, so that leaves them very reliant on literally one or two species, we see something happen like for example the mass die off of crabs along the north-east English coast which has happened over the last couple of years and these people have got nothing left to turn to. So, you know they are in a very vulnerable position, they don't have that resilience that the larger boats face, but they are culturally and socially economically very, very important for the local communities. They are local people, often generations of fishermen, they're providing those locally based jobs and benefits. So I do think yes, they need more support is my overall message really.

**Hilary Benn MP**

OK thank you very much. Now I could see you nodding vigorously Chris.

**Chris Williams**

Yeah, I think those are some really good points raised by all of the other three panellists. I mean I think what Phil is talking about, those pelagic vessels that are high volume, low value species actually are extremely attractive jobs if you go up to Peterhead or Fraserburgh or the east coast those are like really, really well-paid jobs and quite desirable I think, often kept within families and local networks because they are so well-paid. Someone told me when I was in Fraserburgh that even the cleaning job on some of those herring and mackerel boats that the cleaners get over 100 grand a year. So I think those are really quite niche but very profitable one, but it's one that's important to think about when it comes to small scale fishing because the history of fishing in the UK at least recently is really one of power imbalances, so when the quota system was effectively privatised and fixed quota allocations were brought in in 99, those bigger vessels that had track records were then basically gifted that quota in perpetuity, whereas as Phil said three-quarters of the fleet were under tens and didn't have to keep those records so basically didn't get that access, they've been fighting for sort of between two and three per cent of the quota ever since and they've moved into shellfish and non-quota species. So if you look at, Elspeth really explained the situation in Scotland, but if you look at the English inshore fishery it's effectively a whelk fishery, yes there is some rod and line bass fishing and some netting going on and some crab and lobster on the east coast and a bit in the south-west, but I mean really all of that pressure has been piled into exporting whelks to South Korea which is something that obviously the public doesn't really associated with fishing in the UK because it's not something we really eat.

My other point on power imbalance is also about help for coastal communities, so bigger organisations like the one that Phil works for and some of the big producer organisations, they have their admin teams, they have legal support, they have lots of in-house expertise and they can apply for what used to be European funding and now comes from the UK or devolved administrations. I think the small-scale fishing sector really, really struggle, first of all to collaborate effectively together and they also struggle with the capacity to actually access some of the funds that are available. So I spent eight years working with a community interest company of fishers on the south coast of England to get European Maritime Fisheries Fund money so that they could develop a processing unit, smokery and basically turn from price takers to price makers and add value to their own catch, and I think that's going to be really important with a small scale fleet is that provenance, freshness and then getting it straight from net to plate as it were. And being rewarded for that. But in order to do that as Elspeth said they need investment and they need infrastructure and I think at the moment the issue is it's very, very hard to get big enough groups of small scale fishers to collaborate effectively to be able to then access the funds that are available, and just relying on individuals who are trying to fish full-time as well to do that is just I think unrealistic. That's a point I've made previously, thanks.

**Hilary Benn MP**

OK thank you very much indeed. Back to you Mike.

**Mike Cohen**

Thank you very much. We go to Tamara for the next one please.

**Tamara Cincik**

Thank you Chair. Attracting workers to the UK's fishing sector and connected industries proved challenging at times and Brexit has now added to this, how can labour challenges related to the industry including visas available to foreign workers best be addressed going forwards? I would like to go to Elspeth on that please first.

**Elspeth Macdonald**

Yes, I think fishing and seafood processing in general probably suffers from similar types of problems to other types of food production. Those jobs are not necessarily seen as being particularly attractive, commercial fishing certainly brings its own particular challenges and its own particular skillset and attributes I guess that might be very different from jobs ashore. And I think there has been certainly a sort of longer-term challenge for the industry in terms of having the workforce that it requires. I think one of the things that the industry really values is that fishing crew are recognised as skilled workers through the work done by the Migration Advisory Committee and therefore it is possible for fishing crews to be able to come into the UK from other countries through the skilled worker visa route and Chris spoke earlier about the challenges that the industry has in terms of access to labour and an increased reliance on labour from overseas and I think making this transition to the skilled worker route is quite challenging but one that the industry is certainly committed to in terms of those vessels that are working within territorial seas and I think again we've just been speaking about the challenges that small scale fishers face, inshore vessels perhaps, these are not big businesses, they don't necessarily have the heft of how you have an HR department and legal advice at your fingertips to help you become a sponsor for example. So it's great that fishing crew have been recognised as skilled, they are skilled and when we have a reliance, and it's not all parts of the fleet by any means rely on foreign crew, there's particular parts of the fleet that have developed an increased dependence on them, and we want to make that transition through the skilled worker route. But I feel that we do need some support and some assistance from Government to help the industry to do that and the industry UK-wide has essentially made a case quite recently to the Home Office saying you know we are committed to this, we want to do it but we do need some assistance along the way and we've been able to set out what the industry feels it needs to do this and what the effects will be if we aren't able to make that transition.

So I think there are many similarities with other parts of food production and food processing, but there are some particular challenges that we face in fishing and we do have an industry-wide organisation across the UK that's trying to address these issues and to make sure that no matter where crew come from, whether they're domestic crew, whether they are crew from beyond the UK, that people are treated well, are treated fairly, are treated equitably and again Chris just touched on the issue of the fishing industry being price takers not price makers and I think that there's much that we have to do in terms of engagement and discussion with other parts of supply chain in terms of how we make sure that that happens. So there's much to do here and I'm sorry I'll stop there.

**Tamara Cincik**

No, it's just I'm aware of time and we are quite late, but if I could go to Phil and then our other two evidence givers if they've got points then we can go to you quickly.

**Phil Haslam**

OK just as I said earlier fishing has become a bit of a niche career and I think that whilst the short-term may require visas to bring in the sufficient labour to support business models, I think the longer term has got to be grow our own. I mean it's fallen off the radar as a career path, I think we

should try to put it back on and there have been initiatives to do that, not blowing my own trumpet but you know this company we sponsor courses at Trinity House Academy from 11 years old to introduce people to the concept of a career at sea, it doesn't necessarily have to be fishing, we sponsor that through to 18 years old through various sections and then we select cadets either for engineering or a cadet that we send to the Blackpool and Fylde Nautical Campus and you know none of this is linked to you must work in fishing afterwards, but the way we treat them, the terms and conditions, hopefully we encourage them at the end of their studies to join across the industry. So I think growing our own is the key. In terms of financial support for it there has been money through the Government assistance to fishing, £100 million that was put across but that was pumped towards training establishments, so all the infrastructure is in place to train people, however there is very few people walking through the doors. So I think it's got to be a parallel process to encourage youngsters to consider going to sea for a career. I think that's what I'd like to say on that point, thank you.

**Tamara Cincik**

Yes, I think that's a very relevant point and you are not alone in your sector for being a skills gap and a communication gap in opportunities for the jobs market in the UK.

**Phil Haslam**

Sorry if I could just make one more point apologies, but just in terms of the terms and conditions it's absolutely key treating people right in any workplace, you know, and there can be a bit of a narrative that oh a fishing community what goes on at sea stays there, you know, under the ILOC188 requirement to make sure that your terms and conditions are right, every fisherman has a work agreement, every fisherman has the normal HR support, you know that you would expect. So things such as bullying, harassment, discrimination policies, so they can elevate concerns. You know all of that has to be bedded in across the fleet and that's a very live thing, but it certainly, you know fishing is no different to any other workplace in terms of looking after our people because without people none of this happens.

**Tamara Cincik**

Thank you. Bryce and Chris, if you've got points speak now or I'm going to hand back to the Chair.

**Bryce Stewart**

Just very quickly, I really like what Phil just said about growing our own and I think the average age of a fisherman in the UK is sort of mid-50s which says a lot. One thing I would say is it's great to hear about the schemes that he's involved in, but you can always do more and do better and there's quite a lot we could learn from overseas, I had a Masters student look into this a few years ago and in the United States and particularly in Canada they have some really great schemes for bringing people into the fishing industry from a young age, so I would just sort of recommend that once again.

**Tamara Cincik**

Thank you, Chris before I hand back to the Chair.

**Chris Williams**

Yes, so I mean I take all those points. I think the issue is if there's a situation where you're able to pay someone in a very labour intense kind of industry, if you're able to pay someone 12 grand a year who is coming in from another country then there's no real incentive to pay two or three times that to a UK crew member. So, I think that's an issue. But I really welcome the comments from both Phil and Elspeth but the reality is that at present there is no pay parity, there is not equality, there isn't equity and there's lots of gaps in terms of labour market enforcements, things that never get spoken about because it hasn't been relevant to share fishers because they're self-employed and they have all the benefits you do as a citizen of this country. But because of the hostile environment, because of our immigration policy, it's basically left these people in the lurch, they don't really have rights and protections at work that they should have and that's not really the fishing industry's fault, that's Government policy that's causing that problem. But what it does mean is that it's enabled employers to pay less than they should. I mean normally after three months in a job you should get auto-enrolled in a pension, that's not happening for these guys. There's no social security contributions, nothing approaching minimum wage and I just think we need to harmonise the kind of conditions because at the moment there is no genuine incentive to employ people from here because you can get away with paying someone you know £35 a day for a 16-hour day on a fishing boat, which is ... who is going to do that? It would be the worst paid job, it's below minimum wage, it's a third of the minimum wage really, so I think we need to get the incentives right because the incentives need to be the same and then that would drive up actually having desirable jobs in fishing for UK nationals.

But I agree, there's probably far fewer people that want to take that up as a career here than are actually needed for the industry, but the way around that is not to incentivise and enable a race to the bottom and labour exploitation, the way to do that if you've got a job shortage is make those jobs as attractive as they can possibly be.

**Tamara Cincik**

Yes, I would agree with you. Thank you so much for all your contributions, back to the Chair.

**Mike Cohen**

Thank you very much. Being very conscious that we are running quite a bit behind, it's painful to ask such good witnesses to be brief but I'm going to have to beg for brevity because we have two more questions to go, and I'll pass to Alison for this one.

**Alison Williams**

Thank you, so we're going to focus on environment and sustainability so the question is how can the UK's fishing sector be supported to achieve environmental goals, what sort of practices and trade agreements must the UK Government support in order to help the sector operate sustainably? I'm sure you've all got strong opinions on this. Can I go to Chris first?

**Chris Williams**

Sure, I'll be very brief because this is really one for the industry, just to make an observation that globally in our work we have affiliates in 150 countries and 123,000 fishers that are members of unions that are in the ITF and globally we do see that if you're willing to kind of break laws and exploit loopholes around employment practices that there's often a correlation between illegal fishing or over-quota fishing as well, so it's just important to bear in mind and that's not an accusation of anything in the UK that's just taking a global pictures. If you're likely to flout one set of regulations you're likely to flout other ones, so that's my point.

**Alison Williams**

Thank you. Elspeth?

**Elspeth Macdonald**

I think there's obviously a clear focus through the UK Fisheries Act now in terms of sustainability through its three pillars, environmental, economic and social, and I think certainly from the environmental perspective what I would really like to see is a recognition of fishing and production of seafood actually being an important contributor to our environmental progression and that I would like the narrative that we often hear or that we can hear from some sources that fishing is an environmental problem and needs to be managed, fishing actually can make a really important environmental contribution in terms of how we can feed people through these sustainable renewable resources, well-managed, well-resourced investment into proper signs will be a big part of that. So I think there's much that fishing can actually bring to this when you look at the capability of the fishing industry in terms of the expertise, the knowledge, the vessels that we have, I think there is a great deal of opportunity here to look at how fishing contributes to achieving environmental goals and that we don't only see it in the context of something to be managed to achieve environmental goals.

**Alison Williams**

And your comment earlier is ringing in my ears around you know you can't set environmental goals for one country that you have to think about those in terms of the trade deals and the implications they have with other countries, thank you. Phil?

**Phil Haslam**

I echo all that has been said. I mean I think just in terms of how do we assure sustainability, I think it's worth just stating that the fishing industry has been working on sustainability for an awful long time, you know through selective fishing, innovative gear and you know I think inclusivity going forward is the key thing, in making sure that all sectors of the catching sector are included in that and those business models that are not sort of awash with money, to incentivise them to develop new gears and the like will all help push in that direction. In terms of trade deals you know you've just said it, it's got to be a level playing field, we cannot have higher standards and then import food from other areas with lower standards. But there are very good models out there, there is a forum called The Coastal States that brings together those that fish for certain stocks in the north-east Atlantic,

that is a very good clearing house to make sure that the pressure is applied and the influence is applied to make sure everyone operates sustainably. In the fisheries that we operate in there has been some very bad behaviour in terms of politically driven total allowable catches being set independently, you know, but it looks as if pressure has been applied by other members of those fora and drive that behaviour back down again, so I think it's a blend of everything but I would just hang it on inclusivity, the fishing industry has got a lot to contribute in terms of science and just general professional knowledge and I think that should be sourced from the outset. Thank you.

**Alison Williams**

Thank you. Bryce, any last few words before I hand over?

**Bryce Stewart**

Yes, I just would say like yes there's a lot of great stuff in the Fisheries Act, there's complementary sort of commitments in the TCA that effectively should hold the UK to account in terms of responsibility. From my point of view what's important is that that is actually followed, so it's very easy to have lots of fine words but not necessarily deliver them completely and there's a lot of people watching the industry, obviously there's a lot of NGOs and there's a few awkward academics, so it's really important for the Government to be fully transparent in the way that it's operating to deliver the evidence publicly, to invest fully in science so that actually we can properly assess sustainability and we heard about this from Elspeth for example with the inshore stocks, yes there's a lot of improvement to be made. So everything is there, all the ingredients are there and the industry has been massively improving over the last couple of decades, but we just need to keep it going and keep it out in the open.

**Alison Williams**

Thank you very much, back to the Chair.

**Mike Cohen**

Apologies, the Chair's microphone won't unmute. With that, we've actually arrived bang on time at the last question, it's always the biggest and the hardest one last, which is to ask you to distil all of that right down, if you could make three recommendations to policy to Government, what would they be? And I'm just going to start in the order you appear on my screen, with Phil please.

**Phil Haslam**

OK I'll be brief, I think my first one would be as far as it's possible to provide business certainty through a strategy to recognise fishing as a food production process, and that will help us to underpin national food security by delivering the product which is highly nutritious protein for human consumption with a very small CO2 footprint. So I think a strategy of what we want from the sea first and foremost and then how we go about sourcing that can be subsequent discussions.

My second one would be back to the inclusivity point in terms of marine planning. Our seas are increasingly congested and contested in terms of the many different actors that wish to, energy, aggregates, telecoms, etc, I would just say that you know fishing needs to be at that top table from

the outset so it is included and the requirements for fishing are balanced. The Fisheries Act states that we are to have a buoyant and profitable fishing industry, in reality if you look at the available space to go fishing and the spatial squeeze that's placed upon it might be quite different.

And thirdly looking forward and this needs to happen at pace, is incentivising green investment. Transition of propulsion in the marine environment, you know engines and the like, it's happening but it's not happening at a pace that is necessary and I think, I don't know if people are working on Maersk and P&O to come up with some solutions that will then trickle down, I think we should actually prompt it from the other way up, you know if we've got 2,500 under-ten fishing vessels starting a diesel engine every morning, maybe we should start there. Thank you.

**Mike Cohen**

Thank you very much, and on that we have recently had an initiative through sea fish to look at alternative propulsion in small boats, so a little bit of work is starting to be done but very, very early days and a well-made point. Following along the row I've got Chris next please.

**Chris Williams**

Great, thanks so my three, one would be about trade deals to ensure that there are labour clauses included in any future trade agreements, as is the case with the EU, by that I mean labour provisions that put obligations in these agreements to protect and advance workers' rights through cooperation, social dialogue, that kind of thing and I think that's really missing at the moment. We need to think about that and that links to the race to the bottom as well, how can the UK aim to be a gold standard and compete if consumers here are buying from countries and fisheries where none of that is basically in place.

My second one would be the social component of fisheries management plans should include labour and working conditions, not just sort of cultural values. And my third one would be that UK authorities need to be empowered to actually uphold UK law, the Marine and Coastguard Agency can't actually enforce minimum wage, working time directive, so you can't have a fair system when the regulatory bodies can't do any labour market enforcement, it's a gap. If you look at the ILO guidance to flag states, labour market enforcement is a major part of the working fishing convention and this is not being done. So those would be my three, thank you.

**Mike Cohen**

Thank you very much Chris, that's really good. I've got Bryce next please.

**Bryce Stewart**

OK thanks Mike. Number one would be fully embracing an ecosystem based approach to fisheries management. So again this is in the Fisheries Act, it's almost everywhere these days, but we're not really doing it and actually not many countries are and you can see the challenge with this with most of the fisheries management plans are actually based on single species, we don't actually really include for example habitat assessments in our fish stock assessments but the two things are inextricably linked. So, I'm not saying that we have to tear up what we've got, we've got all the frameworks in place, but we need to bring them together, so there's a real priority there.



Second would be to fund and enable in the long-term really good partnerships between the fishing industry and science so at the moment through the UK Seafood Fund we have some projects being funded, that's great, but most of them will be over in a couple of years and then what happens. But this is the way forward, fishermen are out there every day, something Mike Keiser [ph 1:57:42.8] has said you know, turn fishing vessels into scientific data gathering vessels, we've got things like artificial intelligence at the moment which can analyse huge amounts of data very quickly, so there's a real, I think that's the way forward in the long-term.

And then third, sort of related is to embrace innovation, so technological innovation, innovative practices, slight self-interest here but for example with the recent discovery of catching scallops with lights, you know let's just not make that a little interesting finding, let's actually see if it can be rolled out. Electrification of the fleet, it was good to hear that mentioned as well. You know that is going to be necessary in a few decades' time. So yeah, absolutely they would be my top three, thank you.

### **Mike Cohen**

Thanks Bryce, and then Elspeth.

### **Elspeth Macdonald**

I'm going to take the privilege of going last to actually mention four things but I think that's legitimate because Phil has already touched on some of the things on my list. I think absolutely protecting the interests of fishing in the spatial squeeze that we're feeling, we need a far better understanding of the potential displacement of fishing from other marine activities. Not just simply to understand what that looks like for the industry but you know it's really critically important that the UK doesn't lose its ability to feed ourselves and others, fishing is a key part of our current and our future food security and we mustn't lose it simply to other pressures in our sea space. We absolutely must see policy going forward based on evidence and not rhetoric and not based on partial information about things, we are starting to see a lot of pressure coming to bear now around things like blue carbon, yet I think the scientific community would largely acknowledge that what we know about blue carbon is really very poorly understood and there's a lot that we need to understand before we can start developing management and policies around that, so I think really important that we've got a policy making future that's based on evidence.

We touched earlier on about Brexit, I think really important that we've got Government support for improving the Brexit deal after the end of the adjustment period, that's coming up in the middle of 2026 and it's really important that we don't just let the concrete set on that, there are some opportunities there to improve the deal that would benefit all. And absolutely continuing to look for support and assistance from Government on workforce and labour and including where that's necessary and where that's relevant, fair and equitable immigration provisions. So these would be the things I would mention, thank you.

### **Mike Cohen**

Thank you all very much for the whole session. Phil, Chris, Bryce and Elspeth, I really appreciate your expertise and your candour and the detail of those responses. I think there's a huge amount for the Commission to dig into there and that will be of significant benefit to the work we're doing, so thank you all very much and with that I will bring the session to a close. Thank you very much to everyone who has attended, asked questions and listened in.

