

**Minutes of a Meeting of the Cross Party Group on Food AGM held on Sept 19<sup>th</sup>  
2018 in Committee Room 5 of the Scottish Parliament**

**Present**

John Scott	MSP (Chair)
Mark Ruskell	MSP
Rhoda Grant	MSP
Peter Chapman	MSP
Maureen Watt	MSP
Mary Lawton	CPG Food Secretariat
Ian Wright	FDF
George Burgess	Scottish Government
David Thomson	FDFS
Cat Hay	FDFS
Kirk Hunter	Dairy UK
Ann Packard	RSA*
Laura Wyness	Nutrition Research and Comm*
Myles Fitt	Coeliac UK
Julia Brown	Pinsent Masons
Julie Ryan	Forth Environment Link
Iain Stewart	Edinburgh Community Food
Ben Lejac	Edinburgh Community Food
Jackie McCabe	REHIS
Beverley Hart	Scotland Food and Drink
Ian Clunie	Zero Waste Scotland
Chris Peace	Genius Foods*
Sara Smith	Royal Highland Educational Trust
Craig McCormack	Greencity Wholefoods*
James Graham	SAOS
Sue Whittle	Compassion In World Farming
Ewan MacDonald-Russell	Scottish Retail Consortium
Andrew Opie	British Retail Consortium
Neil Chalmers	Aberdeen Uni
Christine Fraser	Food Training Scotland
Bill Gray	Community Food &Health Scotland
Courtney Peyton	Crown Estate Scotland*
Jessica Burrows	Soil Association Scotland
Robbie Landsburgh	Scottish Salmon Producers Org
Donald Inch	Scottish Land and Estates*
Eleanor Kay	Scottish Land and Estates*
Anil Gupta	COSLA
John Armour	NFUS
Pete Ritchie	Nourish
Uel Morton	Consultant
Sarah Hunter Argyle	Agriculture &Horticult Devel Board*

To meet requirements of CPGs, organizational non-members (as submitted on re-registration) are denoted by an asterisk.

### 1. Apologies for Absence

These were received from Graeme Findlay, Fran Throw, Ceri Ritchie, Stan Blackley, Wendy Wrieden, Willie Macleod, Martin Meteyard, Kirsten Leask, David Lonsdale, Fiona Bird, Archie Gibson, Martin Hunt, Miriam Smith, Douglas Scott, Vivian Maeda, Aileen Bearhop, Lesley Stanley, Gail Ross, Robbie Beattie, Jonathan Wilkin, Viv Collie, Greg Sandilands, Geoff Ogle, Elspeth Macdonald, Moyra Burns, Jim Fox, Karen Barton, Moira Stalker, Ray Lorimer, Lynn Mann, Athina Tziboula-Clarke, Carl Schaschke, Gary Stephenson, Tony Dumbreck, Brenda Black, Martin Irons, Gillian Bell, Abi Mordin, Joyce Thompson, Helen Welsh, Dawn Findlay and Rachel Mirfattahi.

**John Scott (JS)** noted that around 20 people had called off at the last minute due to the weather and transport difficulties and thanked all those who had managed to get there.

### 2. Minutes of the Last Meeting (23.5.18)

These were proposed by Christine Fraser and agreed.

### 3. Matters Arising

**Mary Lawton (ML)** said the Good Food Nation(GFN) had been the theme for all the meetings of the last session and all minutes had been sent to Scottish Government (SG).SG had recently published a [Programme of Measures](#) which proposed a consultation in the Autumn. In Parliament the previous week, a motion had been passed requesting SG to bring forward a GFN bill within 12 months. It was agreed a watching brief should be maintained.

ACTION: ALL

### 4. Election of Officers

There was an election of Co-Conveners. The following were proposed by Peter Chapman MSP, seconded by Christine Fraser and duly elected:

John Scott (Conservative)  
Mark Ruskell (Green)  
Rhoda Grant (Labour)  
Gail Ross (SNP)

Peter Chapman MSP proposed Mary Lawton FDF Scotland as Secretary, this was seconded by Ann Packard and she was duly elected.

## 5. Brexit and the Price of Food

**George Burgess, Head of Trade Policy Food and Drink (GB)** at the Scottish Government gave a presentation which is attached to the minutes. In particular, he highlighted the potential for negative impacts;

- In 2017, food exports to the EU were valued at approximately £1.1 billion, representing 68% of Scotland's overseas food exports;
- Our exports of food and drink as a whole are approximately four times more important to the Scottish economy than for the UK as a whole;
- Our fresh, chilled and perishable products attract a premium for quality and freshness, but could be delayed and spoil at extended customs checks;
- Up to 10,000 non-UK EU nationals are employed in the food and drink growth sector, particularly in food processing;
- In Grampian, 70% of workers in seafood processing are from the EEA, much higher than in any other part of the UK;
- A (June 2017) survey by the Scottish Association of Meat Wholesalers showed that 52% of the unskilled workforce; 44% of the skilled workforce; and, 16% of supervisory and management staff are non-UK EU nationals;
- Food Standards Scotland report that 98% of their official veterinarians are EU nationals.

As Ian Wright was delayed, **GB** took questions from the floor.

**Ann Packard (AP) (RSA)** asked about abattoirs, migrant labour and add-on costs. **GB** said that some migrants were now returning to their own country (including vets) and as well as uncertainty around Brexit, this was also a product of exchange rates and improving economic situations there. If there was a no deal the tariffs on beef exports could be so high that only specialized products would continue. There would also be an issue for carcass balance, primary producers and animal feed. He stressed that they were still looking for a tariff free option.

**Mark Ruskell (MSP)** asked about options for protected geographical indicators (GIs). **GB** said that the July white paper proposed a new UK system. As it is an intellectual property issue this is a reserved matter. SG is working with DEFRA and a consultation should be out soon on a system using the withdrawal powers that will be very similar to the EU. The intention is to only cover UK GIs and not European ones such as feta cheese. The UK ones will remain part of the Euro system as there is no mechanism to remove them currently. However, this will all be part of the negotiations. SG can see the possible risk of the Euro list changing and know how valuable GIs are for Scotland so is pressing for mutual recognition of lists.

**Christine Fraser Food Training Scotland** asked about exports and given currently we meet EU requirements, how quickly we could meet other eg Canadian requirements. **GB** said that the intention of the Withdrawal Bill is that at the point of Brexit, all the EU legislation (which had been scrutinized line by line) would be translated into workable UK legislation. The difference would be that the UK would now be regarded as a third country by the EU and vice versa (hopefully not in the transition period). If a common rule book approach is agreed, this should make

things easier. He noted that the comparatively tiny bit of legislation for GIs ran to 85 pages.

**Ian Wright FDF (IW)** arrived at the meeting and gave his presentation. **GB** had to leave shortly after.

**IW** noted that events regarding Brexit and food were moving so fast it was difficult to get a handle on things and in particular which decisions were immutable and which could be changed. He cited the GI negotiations as not inspiring confidence.

The fact is that whatever happens whether No Deal/ Blind Brexit/ Some Transitional Phase, the UK will be regarded as a Third Country from either 29.3.19 or December 2020. He stated that very few of the arrangements as a third country would be comfortable for Scotland/UK to adapt to quickly, such as issues with exports/imports and customs checks. These would all have an add on cost to food.

These costs come against a backdrop where farmers, horticulturists and manufacturers are currently under pressure with non-Brexit costs from areas such as the impact of public policy. With regards to obesity, money was been spent on innovation and reformulation of products to make them healthier. There was also now a change in policy in plastic which for years has been used for convenience and ease of product preservation. He pointed out that a half cucumber last 12 more days if encased in plastic. Work was needed to develop new wrappers and this all gives incremental costs.

There were also shocks to the system, for example earlier this year there had been a shortage of carbon dioxide, used in a variety of ways in the food and drinks industry including, vacuum packing, chilling, freezing, stunning animals and beer production. The normal price was around £50/ton. However during the shortage, manufacturers were paying £800-900/ton. Farmers and food manufacturers do not have large margins and some of this cost had to be passed on.

Currently there was also a battle between retailers, where price was a key determinant.

When considering Brexit, he hoped that a No Deal was not possible politically. The immediate costs would be steep. It was thought that with the new checks that would be required, the port at Dover would close within 3 hours. The costs of spoiled product, drive time issues and breakdown of just –in time manufacturing would be immense.

He also thought the recent report from the [Migration Advisory Committee](#) was unhelpful. He agreed that food production needed to be more automated, but this was not always possible and took time. In the meantime with a price war, it was not practical to put up wages as this would lead to food prices going up.

**IW** view was that we needed to address the bigger question of what we wanted our relationship to be with food. The consumer spends on average 11% of domestic income on food (16% for more disadvantaged) compared to 33% in the 1950s. Food is relatively cheap at the moment. Choice, ranges and accessibility for most are the

norm. A debate was needed about the food we eat including quality, provenance, wages and the price consumers want to pay.

**IW** finished by stating that food was a matter of national security. If you can't feed your country, you haven't got a country.

**JS** thanked both speakers for their contribution and then opened up the meeting to questions.

**JS** said he found the presentations worrying and asked whether the UK Agriculture Bill had the right emphasis on food security. **IW** thought it had the environment as a top priority and was concerned that food was not covered. Rural affairs also seemed a low priority and the Bill was not anchored to the production of food. **JS** asked for advice for Scotland. **IW** thought that SG could contribute by setting the Agriculture Bill in the context of what is needed for food for the consumer and what rural communities need. He noted the excellent food policy Recipe for Success in Scotland and thought that England should do something similar.

**Peter Chapman MSP** thought people appreciated quality food and were prepared to pay more for it. For a WTO deal if food prices went up then farmers who were net sheep exporters would suffer and asked about the process. **IW** thought there would be tensions and zero tariffs could be imposed as a knee jerk and would cover all countries. He noted that there were ongoing discussions now with Australia, New Zealand, USA and Latin America. He thought these should be discussed openly as there would be no going back and they had different regulations, for example in the USA the use of growth hormones in beef and chlorine for chicken.

**Ewan MacDonald-Russell SRC** noted the low wage growth and so defacto fixed income and the challenges of food price inflation. **IW** answered that had concerns that rising food prices would drive disadvantaged to poorer diets. If people are used to seeing the shelves full, then disorder could follow if they are not. He was also concerned with the length of time it would take to negotiate trade deals.

**Pete Ritchie Nourish** asked given potential issues with tariffs making beef vulnerable, how could the consumer help in its protection? **IW** said if the UK step outside the common tariff for beef then consumers could influence the political debate and noted farmer's successful voice in the past. If this was unchallenged the effect could be devastating and people needed to be aware of the consequences of cheap food. He said there was clear template in what happened in New Zealand when subsidies were removed overnight, which had 10 year repercussions for farmers and also the political party. He thought there should be a full debate, not just for meat but all produce that would be affected.

**AP** asked how we should engage with people so they understand issues in order to make representations to politicians. **IW** said it was difficult but there should be engagement with trade associations and other representative groups. The conversation on cheap food was needed along the whole food chain including consumers. **AP** thought the time lines for particular food products should be made public so people understood the gravity and the challenge. **IW** thought it important that people weren't told what they should think but informed so they could reach their own view.

**IW** said in the event of a No Deal situation this would be a huge public administration failure and a scandal. He did not think this would happen but was concerned about the transition period and the need for a debate with the public voice heard then.

**Sue Whittle CIWF** asked how animal welfare was going to be taken consideration. **IW** said that Michael Gove MP had said he wanted higher animal welfare standards and some indications of this were shown in his dialogue with Liam Fox MP. It had also been stated on other occasions that animal welfare was crucial and trade deals would not be signed that lowered this.

However **IW** did have concern with what the regulatory settlement after Brexit would be for the UK and the devolved administrations. There was also the issue of Northern Ireland which he thought would have to follow the EU rules as the rest of Ireland did. Additionally there needed to be risk assessment and management taken on that was now done by the EU.

**John Armour NFUS** said that farmers did not see opportunities apart from niche with US/NZ /Australia. He asked where he thought the markets were. **IW** said the EU! He also noted that the US Ambassador had said they were minded to do a deal with the UK but this depended on the deal the UK negotiated with the EU first.

**JS** asked about the Irish border. **IW** said the genius of the Good Friday Agreement and had been the creation of citizenship of 2 countries. There were houses and farms that straddled the border and many roads that could not be policed. Therefore he thought the North had to match the South in terms of regulation.

**Uel Morton Consultant** asked whether given the reduction of manpower at DEFRA over the years, whether they had the capacity for all the work needed. **IW** declared an interest as a member of the UK Food and Drink Sector Council and so was engaged with DEFRA who he thought had definitely improved. He noted that all contingency planning for a No deal was being dealt with by DexEU.

**JS** thanked **IW** and **GB** (in his absence) for the excellent talks and fielding of questions. **ML** suggested that minutes be sent to the Scottish Parliament's call for evidence.

ACTION: ML

NOTE: Following discussions, it was agreed these should not be sent.

## 6. CPG Food Annual Return

**ML** said in accordance with rules an Annual Return would be sent to the Parliamentary CPG Secretariat.

## 7. AOB

There was no AOB.

## 8. Dates of the next meeting

The next meeting would be held on 16 January at 6pm in Conference Room 4. It will be a joint meeting with the Older People CPG and will be on a theme of Older People and Food -Making it Work for these Consumers.

The rest of the meetings for the year will be

- 3 April (note this is a change from 17 April due to recess changes)
- 5 June
- 18 September

These will all be in Committee room 4.