



Response to “Interim Discussion Document from the Scottish Government’s Agriculture Champions”

NSA (Scotland) welcomes the opportunity to be able to contribute to the Interim Discussion from the Scottish Government’s Agriculture Champions. We would anticipate that as this is a Government strategy, and although the Agriculture Champions have been tasked with advising Government on the strategy, that there will be further opportunity for lobby groups to give further input directly to the Scottish Government.

As this discussion paper does not have defined questions for answering we are taking the liberty of raising our own questions on the basis that we believe this will help to clarify some of the points raised and to stimulate further discussion.

The following are the comments from NSA (Scotland) in direct response and given the document did not contain reference numbers or questions we list comments in the same order as the Agricultural Champions Interim Discussion Document.

Timescale:

The statement that farming is a long term business is the core of this document. Since the second world war the farming industry has adapted to government demands, supply chain wants and needs and ultimately to consumer expectation. Farming and in particular livestock farming has shown it can adapt and will continue to meet market demands. We would ask who will define what these evidenced needs (as stated in the document) are and how will they be measured? There are several policy papers, including those published by the National Sheep Association that highlight issues pertaining to various parts of the sheep industry and we would ask that these are taken into account before any future strategy is published. They include. “The Complementary Role of Sheep in Upland and Hill Areas”, and “The Benefits of Sheep in Arable Rotations”, as well as a policy position on Brexit. Our Development Manager, George Milne, would be happy to separately discuss the outcomes from NSA papers.

The current system is not a "one size fits all" as the Discussion paper states, and does work in some areas. We should be building on what has already been successfully delivered. Leadership skills (highlighted as a concern in the document) have come a long way in the last twenty years with projects such as the Rural Leadership programme and the skills which SAYFC provide benefiting the agricultural sector, which in our opinion prepares people for public life as well as any other sector. Rural Leader and other Government schemes have been a success, and our own National Sheep Association Young Ambassador programme is oversubscribed. There are plenty capable young and not so young people in the industry able to take on the leadership roles, however the biggest problem is often the lack of time. The more able the individual the greater the likelihood that they are developing their own businesses, often making time to take up higher office quite difficult.

Public Value: What is the definition of Public Value?

There appears to be some confusion in this paper as to whether it is Public Value or Public Interest, or indeed Public Favour that we should be delivering. All are different and we would agree that we should be looking at ways of communicating our value to create interest and build support. NSA's report, "The Complementary Role of Sheep in Upland and Hill areas" outlines and explains many of the public goods that are delivered purely by maintaining sheep production in vast areas of Scotland.

We would agree with a baseline study. Many sectors have a strong commercial brand but this is not the case for the sheep sector. Lamb, despite having the highly respected PGI status and being marketed as Scotch Lamb, does not generally offer a premium over other lamb sold in the UK. Indeed Scottish lamb is sold at a consistently lower value ex farm than in the rest of the UK. Work needs to be done to see Scotch PGI lamb gain value for the producer. In the sheep sector the majority of our production is sold to other parts of the UK. One of our main issues is that we have a very small home market and few internal exporters to help drive prices no matter how good our product is. There are issues with the Scottish supply chain and we need access to both UK and European markets and develop new markets in other countries around the globe.

The societal brand discussed is ambiguous and we are unsure of what this involves, and any rebrand will take time to develop. It has taken 30 years to get the Scotch brand in place so we would urge caution in overhauling these brands. Origin is something that consumers can identify with, without the need for lengthy campaigns. As the Saltire flag is already used on UK packaging perhaps post Brexit this could be the symbol to develop a brand providing it is clear to the consumer as to what standards it actually stands for rather than just an origin mark. Most produce in Scotland will be already assured under an industry assurance scheme so perhaps this could be worked into the societal brand. We need to appreciate the massive importance markets south of the Border have in the Scottish sheep industry, and recognise that much of the lamb killed in Scotland is not sold as Scotch. If we can build premium markets in Scotland for producers, we must be careful not to have detrimental impact on the current options (many of which are for lambs which may not be desirable for the standard specifications, and sheep over a year old). Scotland has very little internal demand for sheep meat over a year old or lightweight and heavy lambs.

Themes:

Continuity

Whilst some may see the changes in the last 20 years as slow enough to allow the industry time to adjust, the fact is there was no change of substance over 15 years and the industry was not allowed to evolve. Fast change may be alarming, but it is not the timescales that are important but the relevance and suitability of change that is required. NSA would look for a continuity of at least the same budget and notice of changes, but are wary of equating change with instability; we have seen delays in change, or tinkering without thorough advice, causing real detriment to our sector.

Assisting the Industry

In our opinion, mind-set change has started as farmers respond to the changes required of them. Trying to raise the bottom quartile will be difficult if their mind-set is against ideas, and is it a good use of resources? These are private commercial businesses and as such have a responsibility to help themselves whether that be up skilling or seeking technical or financial help otherwise they will not be in business. The NSA would recommend schemes to encourage innovation and help increase efficiency.

Does farming have huge public goodwill as the discussion document suggests? There are supporters who buy Scotch and Scottish and lots of viewers tuning into programmes such as This Farming Life but there are also still a lot of negative comments at times in the press and social media and there is no evidence that public pay more for Scotch in terms of general returns to producers. Is there evidence/ focus group work to back up this statement in the discussion paper? The paragraph correctly notes subsidy should not be an automatic right, and there is work to be done to improve our image, but compared to many other countries in the world and extensive experience within our group we do not feel confident that the Scots identify with or certainly have goodwill for farmers that would translate into funded support or sales. Sheep farmers will respond to market demands but we produce the raw material not the end product. As such we will respond to supply chain demands but we currently rely on processors and sellers further down the chain to undertake product development.

Public funded farm support we agree is not an automatic right but if consumers want food security and thriving local communities then there needs to be some form of support as Government's own publications show that the market place does not provide sufficient return for all sectors.

Enhancing Scotland Natural Capital

In our opinion there has been considerable good work done in recent years and there is already good practice in place. Farmers are custodians of the countryside and have made a good job of looking after it, however we are rarely complimented for doing that job, nor recognised by the general public for generations of good farming practice. With the climate change debate we need better tools to ensure that calculations are off set down the chain and shared with the end consumer. It should not be the case that agricultural bears the brunt. Farmers have for decade's utilised technology to help produce food. Surely the crux here is to have a joined up approach as to how to lock in carbon and to reduce emissions. The next stage is to pass on that message to the various farming sectors so that they and their advisors can then take this forward. Past performance has shown that there are economic benefits and ultimately this benefits profitability. Therefore we do need better policy integration and we would question if the Land Use Strategy has drawn all these threads together.

Future research into cropping should also include grass and fodder. Given that more than 70% of Scotland is not arable cropped, grassland should be at the forefront of our research.

With regard to the inclusion of an opinion on forestry, it is hard, perhaps impossible to think of a stock farmer who would "see any woodland creation as a threat" and our own sector has engaged in locally driven habitat enhancing projects, and appreciates the value of shelter. We welcome proper integrated schemes which enhance agriculture but cannot see commercial forestry having a place in a Farming Champion document which should argue the benefits of well managed farmland and nutritious food, not make a case for wood or other land uses.

Helping to Improve Productive Efficiency

The paper states that Farm productivity has not moved. Government policies have capped the level of livestock with the various support mechanisms that have been in place over the past four decades. It should also be recognised that tax incentives for land ownership, and tenure values have also kept farmers in place that are not necessarily interested in growth or innovation in their business.

By the nature of benchmarking there will always be a bottom and many may find their business in that quartile for various reasons: weather, type of landscape, lack of services i.e. veterinary, cost of goods, transport. These factors should be explored more before looking to even out efficiency and margins.

Research demand for product by all means, but also research how to create a demand for product that our land is well suited too such as Omega 3 rich grass fed meat.

Opportunities for Careers

Whilst efforts have been made and money indeed spent, there has been little success in creating a better environment for new entrants. This will continue unless new entrants and those creating opportunities for themselves are actually consulted as to what the issues are and how they think the situation could be resolved. As well as college graduates and school leavers entrants include women coming back to employment and people retraining and this should be recognised in the discussion.

We feel that there is not a wide industry awareness of the work that LANTRA and Skills Development Scotland are doing nor is there for the funding sources that individuals can tap into to help with their training. Many are not aware that school take-up is a possibility as few schools have rural studies as part of their curriculum, such as the Food for Life Programme. With the reduction in the number of college places for agriculture it is worrying that practical students report problems in accessing training without regular college attendance, training which may not offer the "hands-on" skills required.

Improved Supply Chain Integration

We are not entirely sure what a government owned campaign would look like or where the evidenced need for this is; is it a holistic industry idea or specific to sectors. Greater supply chain collaboration is certainly needed, but it might be beneficial to look at why some collaborations have failed whilst others have been successful. In our opinion the most successful sector schemes are designed by those who want them and that is the responsibility of industry aided by their advisors with funding made available for pump priming or product development through the likes of the Farm Business Diversification grants, Business Gateways etc.

In the paper there is a comment about *"if we overproduce what we cannot sell then that quality product goes into the commodity market"* What products do we over produce? If we are to develop export markets we need extra production, but we do not recognise overproduction of food, just a breakdown in the laws of supply and demand achieving a profitable price, which is where subsidy has augmented incomes. SAMW have stated they are undersupplied in livestock, and the UK uses all of its produce; even lamb is roughly matched to use, albeit seasonality means export and import.

Next Steps

This topic needs fuller discussion, and a well resourced programme to target specific ideas. Given the impending changes coming a more specific and tangeable programme needs rolled out and the discussion document does not show us the ideas in any detail that the groups had. To have a valuable contribution our industry organisations should be responding to or indeed leading discussions on specific measures and formed ideas which have moved on from the previous strategies and we presume this shall come as the next stage.

Agriculture needs to move away from any sense of entitlement towards self-help and positive initiative and we have the opportunity to re-dress this. It is vital that the champions who are spearheading this embrace the fact that they are champions for future food production security as well as farming prosperity and no other agendas. There needs to be recognition that the various farming organisations may have their own opinions and much work has been done already with these organisations that could help develop this strategy.

Finally we have the opportunity to do something different that meets the requirements of feeding a nation, meeting climate targets and ultimately giving a worthwhile, rewarding career for the next generation. It will not be easy to tick all the boxes but we need to draw all these strands together to ensure that all sectors feel a part of it. NSA (Scotland) will be happy to discuss any of the points that we have raised or to take further part in further debate.

A handwritten signature in black ink, appearing to read 'John D Fyall', with a stylized flourish at the end.

John D Fyall

Chairman NSA Scotland on behalf of NSA Scotland

Appendix of links to NSA work referred to in this reply.

<https://www.nationalsheep.org.uk/workspace/pdfs/nsa-report-on-the-complementary-role-of-sheep-in-upland-and-hill-areas.pdf>

<https://www.nationalsheep.org.uk/workspace/pdfs/nsa-the-benefits-of-sheep-in-arable-rotations.pdf>

<https://www.nationalsheep.org.uk/workspace/pdfs/policy-position-on-uk-agriculture-outside-the-european-union.pdf>

(Please be aware Brexit document is currently being updated and will be amended)

<http://www.nationalsheep.org.uk/next-generation/ambassador-group/>

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