

Throttle back on production to spite the supermarkets? Has UK farming finally lost the plot?

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Reflecting on discussions at this year's Oxford Farming Conference, and with some SFI payment options reportedly offering a better return to landowners than farmers producing food, the idea that we should throttle back on production to tackle perceived imbalances in the value chain might turn out to be a catastrophic own-goal for our industry. A more secure and sustainable future for Britain's farmers does not lie in dialling back production, battling against our customers, or relying on future taxpayer handouts for producing food less efficiently. We urgently need farm policies which benchmark, measure and reward improvements in sustainable, efficient food production, which respond to the COP28 agenda by setting more ambitious targets for domestic output and clear goals for reducing the environmental footprint of our food system, and which encourage the use of new agricultural technology and innovation to do so, argues East Yorks mixed farmer Paul Temple.

Reflecting on discussions at this year's Oxford Farming Conference, and following the publication of an OFC report entitled *Is the UK supply chain broken?*, the suggestion in a recent *Farmers Weekly* editorial that Britain's farmers might sensibly take the foot off the throttle and produce less food to help tackle perceived imbalances in the value chain, and to address unfair 'retailer tactics', shows just how detached from global reality our food and farming policies have become.

It is scarcely a month since food and agriculture featured on the COP conference agenda for the first time, and leaders from around the world (including the UK) highlighted the

importance of using science and innovation to produce more food, more sustainably, in the face of a rapidly changing climate.

I wholeheartedly agree with former NIAB director Tina Barsby's <u>line of argument</u>, writing for Science for Sustainable Agriculture last week, that as a nation we should do much more to unlock the productive potential of our world-leading position in agricultural research, which ranks third only behind the much larger economies of China and the USA.

Taking aim at British farmers' major customers, the supermarkets, makes no sense at all. It is difficult to imagine another industry, or sector of the economy, believing a sound commercial strategy is to work against, rather than in partnership with, its primary customer base.

Some SFI payment options may currently offer a better return to landowners rather than farmers producing food, but are the supermarkets genuinely to blame? Or does the fault lie rather in regulations which delay and deter access to innovation, and farm policies which do not recognise food production as a 'public good', and which do not set clear targets for agricultural productivity growth?

The economic reality, when Britain is only 60% self-sufficient in food, is that reducing production would simply lead to more imports, rather than driving up domestic returns. International prices set the floor in the market, and unfortunately the majority of UK shoppers do not exhibit the degree of chauvinism we might aspire to for choosing home-produced goods. In some product categories, buying British may be important to a small minority, but consumer surveys consistently find that price is the primary factor driving shoppers' purchasing decisions, not country of origin.

But there are other reasons why throttling back on production might turn out to be a catastrophic own-goal for our industry.

The first relates to our continued access to innovation. As Professor Barsby's article points out, the immediate reality of Britain's departure from the EU has been a significant increase in the regulatory costs and resources required to bring new innovations — new crop varieties, agchem, feed imports, novel feed additives - to a much smaller market. With very few of the companies behind those innovations headquartered here, this may already be focusing minds on future investment in the UK. If farmers opt to reduce intensity of effort or to remove land from production on any significant scale, the viability of UK-based innovation may be at serious risk. And once the tap has been turned off, it cannot easily be turned back on again.

The second relates to how confident we can be that public payment for the delivery of environmental goods will be maintained at current levels. Faced with the prospect of a change of Government, the Labour leadership has already indicated that there will be no

increase in the agricultural budget without growth in the national economy. No mention of 'real terms increase' there, so in an inflationary cycle a reduction in the value of farm spending may already be on the cards. In the longer term, outside the CAP and without the militancy of the French and Germans fighting farmers' corner, I believe we must plan and prepare for ever-declining financial support. When the future demands of the NHS, social care, education and defence budgets are pitted against agriculture, is continued taxpayer support for farmers and landowners likely to be a vote-winner?

And thirdly, I genuinely believe that as farmers we have a contract with society to provide a plentiful and affordable supply of food. Despite recent weather events, the evidence indicates that Britain is much less vulnerable to the production-limiting effects of global warming than other parts of the world. We have a moral responsibility, in line with the COP28 declaration, to optimise our food production capability, and we have the good soils, temperate climate, highly equipped and professional farming sector, and world-leading science base to respond, rather than simply out-sourcing and exporting the environmental footprint of our food system, with potentially even more damaging consequences for the climate and biodiversity elsewhere.

Contrast the UK Government's uninspiring Food Strategy commitment to 'broadly maintain' current levels of domestic food production despite a rising population, with the United States' plan to increase farm output by 40%, while cutting the environmental footprint of US agriculture in half, by 2050.

I am equally envious of US farmers' access to better technologies, a practical framework of evolving regulation to enable new breeding techniques and Secretary of State Vilsack championing the USDA for farmers and the rural economy.

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Paul Temple manages a mixed arable and livestock farm on the East Yorkshire Wolds, producing cereals for seed, oilseed rape, vegetables and beef. He is a past vice-president of the National Farmers Union, former chairman of the Copa Cogeca Cereals, Oilseeds and Protein Group, and founder of the European Biotech Forum. Paul is also a board member of the Global Farmer Network, which brings together strong farming leaders from around the world to amplify the farmers' voice in promoting trade, technology, sustainable farming, economic growth, and food security.