

STATES OF JERSEY

SCRUTINY COMMITTEE

BLAMPIED ROOM, STATES BUILDING

<u>Present:</u>	Deputy Rob Duhamel (Review Chairman)
	Senator Ted Vibert
	Deputy Gerard Baudains
	Senator Jean Le Maistre
	Deputy Phil Rondel
	Deputy Bob Hill

EVIDENCE FROM:

Jersey Farmers Union

Mr Graham Le Lay & Mr. John Le Maistre

on

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EVIDENCE OF GRAHAM LE LAY and JOHN LE MAISTRE

(JERSEY FARMERS UNION)

DEPUTY DUHAMEL: Good morning and welcome. I have read something out to you before. It is important that you fully understand the conditions under which you are appearing at this hearing. You will find a printed copy of this statement I am about to read to you on the table in front of you.

Shadow Scrutiny Panels have been established by the States to create opportunities for training States Members and Officers in developing new skills in advance of the proposed changes of Government. During this shadow period, the panel has no statutory powers and the proceedings at public hearings are not covered by Parliamentary privilege. This means that anyone participating, whether a Panel Member or person giving evidence, is not protected from being sued or prosecuted for anything said during hearings. The Panel would you like to bear this in mind when answering questions and to ensure that you understand that you are fully responsible for any comments you may make.

So, welcome again. I would like to kick off with the first question, if I may. How would your organisation or industry have benefited if the funding had been approved by the States as intended?

MR LE MAISTRE: Well, I think our organisation's members would have benefited by obviously additional money coming into the industry for all the environmental benefits that it delivers. We are required under crop protocols to be as environmentally friendly as possible. It means we have to do a lot of things and obviously this money would help us to achieve the very best practices possible.

DEPUTY DUHAMEL: And in terms of a significant contribution, would it have been seen as a vital component of the monies coming into a particular farming business?

MR LE MAISTRE: It would certainly have helped. Obviously a lot of the environmental benefits are not necessarily economic benefits to any given business, but are some of those things which we are required to do are not by law but by the produce protocols and it does give us a marketing edge, so the economic benefits are not great but the real benefit is to the environment really.

DEPUTY DUHAMEL: Right. And certainly, without those monies, those environmental benefits could not have been procured?

MR LE MAISTRE: Some of those environmental benefits through the Assured Produce Schemes are being delivered at a cost to the industry, which is obviously suffering financial difficulties, and so they are being delivered now, but one wonders how sustainable that is and how far environmental benefits will go.

DEPUTY DUHAMEL: Right. Could you perhaps just indicate which things are being done without monies from the States?

MR LE MAISTRE: It is a very complicated subject because no two farms are alike and the Assured Produce Scheme, as an example, is only one of a number of schemes. There are others which are at least to the same high standard. They work by obviously they are independently audited from the UK. Any statutory requirements you have to fulfil obviously and, if you don't, you fail automatically. There are a further number of voluntary initiatives which you may or may not follow. You are scored on those and you have to attain 90%,

a score of 90% or, again, you fail and are no longer a member of the Assured Produce Scheme. There are also some elements, such as having an energy audit, which are included in the schemes, but they are not scored and you are not failed for not having them. But they are, if you like, added on as desired rather than needed. So each individual business will vary as to what he delivers.

DEPUTY DUHAMEL: Right, okay. Panel Members?

SENATOR LE MAISTRE: Can we pick up on the question of the Assured Produce, because I think that is actually quite important for us to understand how it integrated with the Agri-Environment Scheme, had it been delivered, essentially that the Assured Produce takes everybody up to a certain level, but actually the Agri-Environment Scheme was intended to raise farms above that level for the benefit of the countryside and the environment and obviously the farm units as well, but not in a financial sense. In other words, part of the packages did not have an economic return and that was why the scheme was designed for an input by the Government, by the States, to assist farms to raise above a certain level in terms of either nitrate reduction, for example, or slurry, protection of water through slurry pits meeting enhanced standards and so on. But neither of those actually give a return to the farming industry. Can you confirm that that is the case?

MR LE MAISTRE: That is the case, and the elements vary from items that do give a return to items that give no return at all. As an example, the energy audit will give some economic benefit, because the whole purpose of it is to make you as energy efficient as possible, so that has got to be a good thing. Whether you recover the total cost of the energy audit is probably dubious, but

you will get some recovery. The environmental audit, for example, is unlikely to return you anything and, indeed, if you carry it out, it is going to cost you a considerable amount of money no doubt.

DEPUTY DUHAMEL: Any other Members?

SENATOR VIBERT: Yes. When the original scheme was brought forward, what was the JFU's view of (a) the need for it and (b) did you actually examine it in close terms and (c) did you understand it, appreciate it and support it?

MR LE MAISTRE: Well, there are a number of questions there. When it first came forward it as part of the agricultural policy, which was debated and accepted in 2002. We always considered that it was part of the overall policy and it fitted with it. Making the industry carry out environmental functions which would cost a lot of money did require the other elements within that policy and we always wanted the policy accepted in total. So the environmental policy was accepted as part of the total package. We are very concerned that now it has been forward on its own, as it were, we don't actually have an agricultural policy effectively, because no funds were ever found for it, so we are not quite sure how this new environmental scheme will be funded and we are desperately concerned that other elements of our support for, for example, services or direct support, will be eroded in favour of an environmental scheme. The consequences of that will be that there will be less farming activity to carry out the Agri-Environment Scheme, so we think it is illogical really. So we did accept it as a part of a package.

MR LE LAY: I think it is fair to say that most growers were opposed to the scheme being conditional; and that is the scheme was conditional and, if you

didn't sign up to it and abide it, then you would lose all aid from the States and that was the bit that stuck in the throat with a lot of farmers. Nevertheless, as John said, because the whole scheme had to go through as a package, we were prepared to accept that. When in March there was a scheme put forward for the extra spending review, that scheme was going to be unconditional and voluntary, so growers had the choice of either signing up to the scheme or not and, you know, they would still carry on getting aid in any event that they were getting from the States.

SENATOR VIBERT: So you saw it ... did the JFU see it very much as a subsidy to a farmer in fact rather than an environmental scheme?

MR LE LAY: I think we saw it as the two being in unison. That is the way, I think, we still feel things have got to go forward.

SENATOR VIBERT: We have actually heard this morning that nothing is likely to happen on a scheme until two thousand and?

DEPUTY DUHAMEL: Six.

SENATOR VIBERT: 2006. I wondered what the views were, what your views were, of the likely implication for the industry of that position.

MR LE MAISTRE: It depends what happens to the other support we get. That is key. There are elements that would be supported in the environmental scheme which would give us a marketing edge. Being a member of the Assured Produce Scheme is becoming the norm, but there are other protocols that are even more demanding than assured produce that we would be able to achieve if further money was given. But it is not ... if an environmental scheme didn't come in until 2006, it would not necessarily have much of an economic effect on our industry.

SENATOR VIBERT: No, but what about on the environment?

MR LE MAISTRE: Well, I think you would probably have to ask somebody who is an expert on the environment about that. We are making progress as an industry. Protocols didn't exist ten years ago, so we are making progress, but that progress inevitably will be slower than if money was found for the environment.

MR LE LAY: If I can just come in there. One of the problems we have in Jersey is the Assured Produce Scheme to which we have to sign up if we want to supply any supermarket, in the rest of Europe, certainly in the glasshouse industry in the rest of Europe, there is support there for people to be able to comply with the Assured Produce and any other scheme that might be in place. Indeed Holland, Holland alone, I think, has got something like €280 billion a year just for growers to comply with the Assured Produce Scheme.

DEPUTY RONDEL: How would your organisation have benefited if the funding had actually gone through and allocated?

MR LE MAISTRE: Well, some of what we do now, we would have been subsidised to do, if you like, so we would have benefited in that way. It all depends. We understand that in the present economic climate the Government has not got a lot of money to spend so it is where best to spend it and, even if you look through the elements of the scheme, there are some very expensive and some not so expensive and prioritising which of those can be afforded, if you like, is something which never got ... was never developed, but that is an important element of it as well. Slurry stores are incredibly expensive.

DEPUTY RONDEL: Within your organisation, have you got a body within the organisation who looks after the environment side of things within the agriculture industry?

MR LE MAISTRE: Well, as our industry has shrunk, so has our union and the way it is structured. We used to have a committee system. Now we just have a council and Mr Le Lay is our environmental representative and he actually, not as a member of the JFU, but he sits on the Environmental Forum as well, so he is responsible for environmental matters.

SENATOR VIBERT: What was the view of your members when, having gone through the States and having it approved in the States debate, having £700,000 approved for part of it, to then find out that it went to the Fundamental Spending Review and in fact you had got no funding? What attitude did it create in your organisation?

MR LE MAISTRE: Well, obviously it was extremely disappointing to think that the whole agricultural policy was passed and then no funding found for it. The actual environmental element, there was a vote that the money should be found, but it wasn't, but our position, as I said earlier, was really that it was a total package and really the total funding should have been found. Bearing in mind that it hasn't, we have no policy, and that is desperately concerning to everybody in the industry. We need to know which way we are going. We need to plan for the future. I understand that the policy is being developed and that is great, but, you know, we need it. We haven't really had one for some years now.

SENATOR LE MAISTRE: Can I pick up on the question of the ----

DEPUTY DUHAMEL: Sorry.

SENATOR VIBERT: I thought we were going to work through the Chair, that is all.

SENATOR LE MAISTRE: Okay. Can I?

DEPUTY DUHAMEL: Carry on.

SENATOR LE MAISTRE: Can I pick up on the question of land, the fact that there will be land which will not be used, that there is land which is not being used and that is likely to be increasing in the future if the industry declines even further. Do you see the need for a properly structured Government funded scheme to assist landowners as well as growers to manage the countryside? How do you see that division developing, because clearly there is going to be - - it is happening now -- that division?

MR LE MAISTRE: It is an extremely difficult question to gauge because there is this popular idea that there is going to be vast tracts of land not farmed. Now, I don't necessarily subscribe to that. It is very difficult to judge the future, but there isn't as much land as people think that is not let. Some of it is very marginal and very small pieces, which are not easy to work, but, generally, having land available as a farming business is a good thing because rents will be lower and we will be able to do more rotation, so we are concerned about large areas of land being taken out of agriculture because it will have the reverse effect, that land will then be in demand again, rents will be higher than they should be and maybe higher than the market will stand. So I'm a little bit concerned about having other people managing land. I'm not quite sure what's meant by that, but we feel as an industry that the best way of managing our countryside is to have active farming businesses on the go.

SENATOR LE MAISTRE: Nevertheless, there is some land that will not be farmed.

There is some land now that is not being farmed. If the issue of the environment is important, does the JFU have a view on that land or whether it should just be left to look after itself, which is the common term, or should there be some form of land programme to ensure that it doesn't ... think of weeds and think of the control of weeds that are not controlled and so on?

MR LE MAISTRE: Yes, I should have gone back to my earlier answer. I am not sure where all this land is. Certainly the farmers that I talk to are farming the areas and if there is land, good land, available around them, they will farm it.

SENATOR LE MAISTRE: Yes.

MR LE MAISTRE: So we haven't come to the stage that you are suggesting, I don't think. I know landlords are worried about letting their land, but, at the moment, if it is good land and it is reasonably easy to work, it will be let at a lower rent, which is good for the industry.

SENATOR LE MAISTRE: But there are areas at Egypt, at Crabbé and certain areas at Les Landes which are not being used, Grantez around there and, you know, the question mark of some of the growers saying that they are not sure that they can carry on. So there is a concern there, that there is a potential ... well, I can say that it is more than a potential. I can take you to fields that are not being worked, and I am sure you have got them in Grouville as well. They may not be large areas at the moment and that hopefully can stay the same, but is there any view taken by the industry? If you have got a neighbour with a field full of ragwort, for example, is there any view taken as to what should happen, or is that not the position of the industry?

MR LE LAY: I think a lot of that land is land which, if you look back probably 30 or 40 years ago, probably wasn't farmed either, but a lot of that land has been, you know, broken up and brought back into the farming land threshold, if you like, and it is that land which is going to be stopped being used the first because it isn't really that profitable, other than for growing very early potatoes. Some of it is very hard to work and I think if most of it is ... all the ones you have mentioned are close to what is basically the headlands of the Island anyway. As I just said, it wasn't farmed a few years ago. In our grandfather's time, it certainly wasn't farmed. In fact, it reverts back to heathland and bracken and, I suppose, you know, it should be used for the benefit of the Island. I mean, this is the land that has to go first and we have to make sure that it is not the land in the centre of the Island which has got some use which is allowed to go into not being used. I think, as prices come down, people will find use for land. I had an instance this week of someone asking for land in St Ouen's.

DEPUTY DUHAMEL: Deputy Hill was next.

DEPUTY HILL: Yes. If you want to expand that because mine is a different point.

SENATOR VIBERT: Yes, I just wanted to expand that particular point. One of the things that certainly worries me is that if the amount of marginal land, which really is what you are talking about, from what I understand, that they are going to be the areas that are going to go first, in other words the stuff that is not producing the best quality and is not the easiest to work will just revert back to the countryside, as it were, what then happens if, for instance, we discover new crops or something happens with the Jersey Royal, that we can

find ways of freezing it, or vodka factory works and there is a need for more land. Once it goes back to this natural condition, I mean, the cost of bringing it back to agricultural is going to be enormous.

MR LE LAY: I think, of course, nowadays it would be far less than it was, you know, 40 or 50 years ago. I think this is one area where perhaps we would want to see that land retained or remain as sort of soft agricultural land rather than allow it for other uses, where it could never revert back to agriculture. If agriculture was on the ascendancy, then perhaps some of that land could be brought back into use.

DEPUTY RONDEL: Can I come in on the back of that, this particular issue?

DEPUTY DUHAMEL: Yes, then Deputy Hill.

DEPUTY RONDEL: It is on this particular issue.

DEPUTY DUHAMEL: Yes.

DEPUTY RONDEL: So your understanding then, the Farmer's Union understanding, of all the land left fallow, how would you manage it?

MR LE MAISTRE: Well, you are assuming that there is large areas. Senator Le Maistre said that there was a lot of ... no, not a lot of land, but he said there are probably areas in Grouville, for example, but there isn't a lot of land left. There are odd patches of land that are uneven or sloping, but there is not a lot of land left. In St Saviours I know an old dairy farmer who is always moaning that he can't get hold of enough land for his dairy farm. I do accept the point around the north coast, which is pretty exposed, that there are portions of land being left. But we haven't got to the stage where there are large areas being left.

DEPUTY RONDEL: But it would be very serious of that happened though.

MR LE MAISTRE: It would be very serious if that happened. That is why it is important, we feel, to support an agricultural industry in the four ways proposed in the original policies, because we do need to farm the countryside because then you will start getting large areas of land left and that would look terrible.

DEPUTY BAUDAINS: But is there not a danger that, without a strategy, we really do not know what is going to happen and we cannot guarantee what is going to happen in the next few years with the Jersey Royal? Without a strategy, this scenario could hit us. What do we then?

MR LE MAISTRE: You are absolutely right. That is why we need an agriculture policy of some sort, which we do not have. It comes all the way round. An agriculture policy is not just exclusively an environmental policy. It is a whole package.

DEPUTY BAUDAINS: It is the whole package, which is the way that it was presented to the States.

MR LE MAISTRE: Yes.

SENATOR LE MAISTRE: I am sorry, we will come round to Bob in a moment, but picking up on that, for the States to produce just an environmental plan by itself would not be necessarily welcome by the industry in isolation.

MR LE MAISTRE: One of the points we tried to make is, if we are required to adhere to it and it is not 100% funded, then it is going to have a detrimental economic effect on our industry. That is why it would not be good, but any of the elements that we are carrying out already, obviously, it would effectively be a subsidy and that would be welcome. But I think that it needs to be seen

alongside the whole approach to agriculture and the environment and not just the environment on its own.

DEPUTY HILL: Could I go right back to almost really where we were and compliment you on the work you did way back in 2000 and 2001, which seems ages ago now, but certainly a tremendous amount of work was done and certainly a lot by yourself? What sort of impact do you think the failure of the States' decision had? What sort of disappointments, or what sort of benefits or what morale booster was it or to your disadvantage was the States' decision to say "Right, we are going with a policy but we are not going to fund it"? Do you think it has caused a greater fallout of growers, a loss of growers, a loss of cattle people? Do you think that in itself is one of the reasons or the reason, because we know there has been a fallout or a drop in the number of growers and farmers in the last two years.

MR LE MAISTRE: That is right. You have got to be a little bit careful. The drop in number of growers is inevitable.

DEPUTY HILL: Yes, but no one is coming in though.

MR LE MAISTRE: It is not a particularly attractive industry. It is obviously very difficult. There are better opportunities for young people, so people will be leaving it anyway. Every business is having to become more efficient, so we are getting bigger, so there is less room for other businesses and morale and confidence in Government is pretty low, needless to say. Like I have said before, there is no policy, we don't really know where we are going in the future, we are relieved, to some extent, that our other support, direct support, has been earmarked for the next two years, but there are all sorts of rumblings about what will happen after that and that will have very serious

consequences. So looking forward, one is very concerned. We need to know where we are going and I think the Government needs to tell us where it thinks we should be going and where it will support us and where it won't.

DEPUTY HILL: There will always be tensions between the industry. It is unfortunate, I would like to think that there would be a day when there wasn't, but there was a tension between the cattle, the grower and even the landowner themselves. Do you think that made any contribution whatsoever, that tension, do you think that might in any way have governed or contributed to the thinking of P&R and of States Members in coming to the decision to say "Yes, we agree with the policy, but we don't agree with the funding"? Do you think that may have come through as a lack of confidence in the States' Members to give the funding?

MR LE MAISTRE: It may well have. It is up to States Members to decide why they make decisions. As for conflict between the dairy industry and the growing sector, I do not believe there is one at all. In fact, I would say it is quite the reverse.

DEPUTY HILL: You would like to think it is better now.

MR LE MAISTRE: I know it is. I work on a mixed farm, but I actually have close relationships with other dairy farmers where I grow potatoes and we swap land etc., and I am by no means unique. It happens all the time everywhere, so I don't think there is great tension between those two.

DEPUTY HILL: But there was this perception, real or otherwise, that there were tensions and that may have had an influence on certain people in arriving at decisions.

MR LE MAISTRE: Yes. It is quite possible.

DEPUTY BAUDAINS: Could I plug into that, because I wanted to go back to the early stage too, because there was lobbying by some Members against the scheme, which I actually believed fundamentally caused its failure.

MR LE LAY: You are absolutely right. The dairy farmers were not supporters of the scheme.

DEPUTY BAUDAINS: Could I ask a brief outline of what the reasons for that opposition were? Was it solely the conditionality aspect or were there any other reasons that you are aware of?

MR LE MAISTRE: Conditionality didn't help. I also think they understood probably better than the Farmers Union did that it would never be funded, so they were supporting something that would never happen.

DEPUTY BAUDAINS: I thought it was actually a sort of catch 22 situation, that it actually followed the other way round, that they wanted in some ways the scheme not to go ahead and by lobbying they would ensure that therefore the funding wouldn't be there and therefore it wouldn't happen.

MR LE MAISTRE: Again, I expect you are getting people from the dairy industry and they will explain their position. Our position was quite clear, that we saw the policy as put forward by Senator Le Maistre as being beneficial to the industry.

DEPUTY BAUDAINS: I need to know because it wasn't helpful at the time that we didn't have a clear picture coming across.

MR LE MAISTRE: No, no.

DEPUTY DUHAMEL: Are there any particular measures within what was proposed in terms of the various elements of the scheme that the farming industry at the moment are most upset to have not had funded? For example,

we had a list like farm manure and waste management plan, organic conversion, wet grassland meadows and things like that. Is there any one particular measure that the industry feels that, perhaps if nothing else goes forward, this particular measure should be picked up and run with with the new committee or the new organisation?

MR LE MAISTRE: We have not actually sort of prioritised each element as it is.

DEPUTY DUHAMEL: So you took it as a package and all elements were equally important, did you?

MR LE MAISTRE: Yes. From an economic point of view, some elements are more important than others, and I would have to furnish you with the ones which we consider to be more important. Obviously the elements that are required by our Assured Produce Schemes, which are not a legal requirement but a requirement of the customer, if you like, we are having to do now. Any help with those or any way that we can do those better, because, as I have said before, for example, with the scoring system you only have to 90% and it is quite good to go to a customer and say “Well, actually we have got 100%” and if you are helped to do that and, as Mr Le Lay said, in the UK, for example, your registration fee, which is not a massive amount of money, but that is paid for by the Government. They encourage people to join these schemes. We have to fund them ourselves.

DEPUTY DUHAMEL: Yes. In respect of prevention of water pollution and slurry banks and manure systems, is there any thing in particular you feel that the States should be doing in order to assist your industry in sound practice?

MR LE MAISTRE: Our industry follows sound practice now.

DEPUTY DUHAMEL: Right.

MR LE MAISTRE: The provision of slurry stores is really a dairy matter, and we do not really usually talk on dairy matters, but that is obviously a high cost and will give benefits to the nitrate problem. Buffer zones etc also would contribute to the decrease of nitrates in water. I understand that the latest statistics are that the Island is winning that battle and the level of nitrates is indeed falling. It is a combined approach because obviously the main drains etc also play their part and the practices that we now follow on farms ensures that we use fertiliser in a much better way than we would have 30 years ago, but not necessarily because people 30 years ago were doing anything that they didn't think was wrong, but obviously as knowledge improves we realise that it is important to reduce the nitrates getting into the water. Our industry is doing quite a lot, but there are elements in here that would help, buffer zones, for example.

DEPUTY DUHAMEL: Has the industry actually moved back to the old practice of crop rotation?

MR LE MAISTRE: No. Crop rotation is practised less than it was because there is a greater reliance on the potato. That is not to say there is no crop rotation and, going or encompassing the earlier question, the availability of land allows people to rest fields and on many farms now people are beginning to rest a proportion of their land so it is even better than rotation to some extent. It doesn't necessarily help the nitrates situation because resting fields in turf, for example, actually is probably not good for nitrates because ploughing up old turf releases more nitrates into the water course than if you farm it every year in potato, believe it or not. So the nitrates issue is very complex. Industry has responded and it now uses the best practices, but, as I say, there are elements

in here that would help: buffer zones and slurry stores, slurry injection and all those things could play a part in further reducing nitrates.

DEPUTY DUHAMEL: One question that worries me or interests me is has the downturn in the fortunes of the agriculture industry actually helped in more ways than perhaps an agri-environment scheme could have done?

MR LE MAISTRE: From a nitrate point of view?

DEPUTY DUHAMEL: Yes.

MR LE MAISTRE: I don't necessarily think that is right at all.

DEPUTY DUHAMEL: No? So, in the sense that if there is less pressures on production and farmers are able to rest their land and go back to a proper crop rotation, then are you not in a better position?

MR LE MAISTRE: Well, some of our practices that we do now have improved. For example, we used to do a lot of double cropping. That has virtually gone now. We are having green crops after, so that is a consequence of the second crops not paying, if you like.

MR LE LAY: One of the improvements on the nitrates is because people signed up to the Assured Produce and Nature's Choice protocols and that actually insists that you record the amount of nitrates that you put on each field and that is your limit on that.

DEPUTY DUHAMEL: Yes.

MR LE LAY: These protocols contributed to the vast boom.

DEPUTY DUHAMEL: Yes. In terms of the changes that have taken place over the intervening years in land management, do you think that the package of measures that were proposed as part of the agriculture policy, in particular the

Agri-Environment Scheme, were ahead of their time or at the right time or behind time?

MR LE MAISTRE: I think that Europe, the rest of Europe, is moving towards similar schemes. We probably were ahead of them. Whether that is a good thing or a bad thing I am not sure.

DEPUTY DUHAMEL: Right.

MR LE MAISTRE: But there is always talk that the rest of Europe are going to put more money into the environment and less into agriculture, but there are no actual signs of it happening.

DEPUTY DUHAMEL: No.

MR LE MAISTRE: Talk is one thing, but most of my farming career we have been told that subsidies will end in France and Spain within the next few years, but it never actually seems to happen.

DEPUTY DUHAMEL: No, okay.

MR LE LAY: The scheme which you were referring to presumably was a scheme which was put forward by Senator Jean Le Maistre's committee.

DEPUTY DUHAMEL: Yes.

MR LE LAY: When in 2004, March of this year, there was a growth bid put in for extra funding to run the scheme, that was actually an amended scheme. I don't know if you are a privy to a copy of that.

SENATOR LE MAISTRE: I would like to ask that question, because the scheme that should be rolled out was that which was accepted by the States. There has never been a rescindment and, therefore, I find it intriguing that there was actually a request for funding for a scheme which is different to that which

was agreed by the States and I would like to perhaps understand how that has been developed and on whose authority the funding bid was made.

MR LE LAY: The funding bid was done by Chris Newton's committee, the Environmental Committee. We looked at the entire scheme and we looked at elements of it and there were extra elements put in it which were more to do with repairing countryside walls and basically giving help to not only the farmer but the landowner as well. And there were some elements in there which were put in for that very reason. So if you owned land and didn't let it, you could qualify to come under the scheme. As I said earlier, the scheme was going to be totally voluntary.

SENATOR LE MAISTRE: Was it very different to the Agri-Environment Scheme?

MR LE LAY: Not vastly different, no.

SENATOR LE MAISTRE: No, no, right. The basic principles were the same?

MR LE LAY: Yes.

SENATOR LE MAISTRE: To enhance the countryside and to protect it.

MR LE LAY: Yes, the principles were the same. In fact, if anything, the scheme was leaning more towards the environmental side and a bit less towards the agricultural.

DEPUTY DUHAMEL: Senator Vibert?

SENATOR VIBERT: Yes. We were told this morning that one of the major reasons why funding was opposed, the overall funding was opposed, was because the committee of the day saw the future and recognised that there was this downturn happening back four years ago and took the view that the scheme would not be appropriate for a smaller agricultural industry. I wondered what your views were on that, that if you were doing an agri-

environment scheme today, in other words starting now, how different would it be or what elements would you change to the elements that were in the original one?

MR LE LAY: I would certainly pull out the elements that were going to give the greatest benefits, I think possibly, to the farmers, believe it or not. Obviously they would contribute to environmental benefits as well, but I seriously believe that if you do not keep the farmers in business -- and consecutive report after report after report stipulates that the farmer is still the best person to deliver the environmental advantages to the Island and they are the best people to manage the land -- but unless we keep the farmers profitable, then I am afraid who is going to look after this land?

SENATOR VIBERT: Do I understand from that that you mean not pull out, but you mean retain?

MR LE LAY: Yes, retain. I mean look at the elements which ... eventually it would be nice to have sufficient funds to do all of the elements, but surely you have to look at the ones that are going to give best cost/benefit.

SENATOR VIBERT: The best benefit to the farmers?

MR LE LAY: To the stock and so on. If you wanted to carry out all the elements in the scheme that you have there, you would probably need four or five million for the first year.

SENATOR VIBERT: Is it possible for you to highlight to us what you consider those to be?

MR LE LAY: I think slurry takes a very ----

SENATOR VIBERT: If you could let us know that rather than trying to do it on the hoof?

MR LE LAY: I think slurry tanks are very important. Coming back on the question of slurry tanks, I understand that, when the water pollution law was passed in the States, it was recognised then that the agricultural industry would need help, and this was nothing to do with the policy review in 2001. Money was required for that then. It was nothing to do with the Agri-Environmental Scheme.

SENATOR VIBERT: Right.

MR LE MAISTRE: One thing one must not forget either is that whilst the number of farmers is reducing, the area we are looking after is not reducing, is as great, so an environmental scheme is for all that land, whether there is 20 farmers working it or 200. So it is not easy. The scheme probably wouldn't really change on the variance of the number of farmers.

DEPUTY RONDEL: I must say that the point that I found hard to understand was the point that you raised.

SENATOR LE MAISTRE: Yes. I think the point made by Mr Le Lay, if one can pick up on that, that the addition to the scheme was that it recognised the land that wasn't being farmed, which was the point that I was trying to draw out earlier, that surely would be supported by the industry because it maintains that land for future use if that was ever required.

MR LE LAY: Absolutely.

SENATOR LE MAISTRE: I think that is the point.

DEPUTY RONDEL: You make the statement about the farmers being the best people to look after the countryside. How can you rectify this with the known knowledge that we see, the public see regularly, many, many rolls of discarded polythene on hedgerows, which go back in some cases for many

years and also we see large areas of land being covered by discarded potatoes dumped on the land and then being rotivated later on, but in rather large quantities and in some cases near the water courses of reservoirs. You make the statement that the farmers are the best people to look after the land, so how can you justify that?

MR LE LAY: I think I take your point on the potatoes that are dumped on the land, but farmers really don't have any choice. The problem came up with Crabbé. The first people who were told that a new site was opened at La Collette was opened and the first people who were not allowed to use the site were the farmers. If you cut your lawn and you cut your trees, you can take it to Le Collette, but if you are a farmer and you have a bag of tomato cuttings, you can't take it there. So obviously every farmer had to make his own arrangements and, as far as possible Well, we are. The Farmers Union have set up a sort of code of good conduct for farmers to dispose of their potatoes and their green waste from greenhouses in a sensible manner. This has been done with the exception, I think, of one instance where somebody wasn't vigilant enough and put too many potatoes on their land.

DEPUTY RONDEL: And in relation to the polythene?

MR LE MAISTRE: Polythene is interesting. The States of Jersey used to pay to recycle it all. They stopped that and then started charging growers a lot of money, all of a sudden really, and so there was a blimp in it being disposed of. Now, again, the situation has improved. There are not as many rolls as there were, but you are quite right, there are rolls. We have got some fields with rolls that belong to farmers who gave up five years ago. I now have to pay to get rid of that if I want to, which seems a bit grim. But, generally speaking, I

think we have cleared a lot of that backlog of polythene and it is going, but I am quite happy, if you let us know where they are, to try and help, but I think you will find that the rolls that are left are from people that are now out of the industry. That is the problem.

DEPUTY RONDEL: If I can come back in, they may be out of the industry, but you were saying, you still lay claim, that the farmers are generally the best people in general to look after the countryside.

MR LE MAISTRE: Yes.

DEPUTY RONDEL: That does not stack up with what you are just telling me because the farmers have gone out of the industry or others have not bothered to curb their polythene, so, therefore, do you still maintain what you said, Mr Le Lay, that they are the best people to look after the countryside?

MR LE LAY: Absolutely.

MR LE MAISTRE: The better farmers are the ones who are left, and they are the ones that don't leave the polythene.

SENATOR LE MAISTRE: Again, in fairness, I think would you agree though that some farmers have gone out of business not because they were not good farmers, but simply the economics went against them in terms of volume probably. I can think of two or three of the medium size or smaller growers who just could not survive, but they were not bad growers.

MR LE MAISTRE: No.

SENATOR VIBERT: In fact, they were the ones who achieved the highest quality rating at some of the export stores.

MR LE MAISTRE: Yes. I am generalising when I say that the people who leave the polythene on the hedges are gone, presumably for all sorts of reasons.

SENATOR VIBERT: Yes.

DEPUTY DUHAMEL: Do you want to pick up on that one?

SENATOR VIBERT: Yes. Can I just pick up on the question about the future of the industry, which we have been discussing, and the future of the scheme, because there are a number of us in the States who were very concerned during the Strategic Plan of the plan of the Island to drive forward economic growth and increase the number of people working in the Island by 500. An OXERA report was read out, which said that the only way that could be achieved was in fact to shrink the tourism industry and shrink the agriculture industry.

MR LE MAISTRE: But that would have a massive effect on the environment, I would suggest, and the quality of life for everybody.

SENATOR VIBERT: That was the great concern that was expressed in the States. I wondered whether that had actually yet come through to your members, that that was a policy. It is in.

DEPUTY BAUDAINS: It's in our States Policy.

SENATOR VIBERT: It is now States policy and part of that policy is to encourage a higher level of the type of people employed in the Island in terms of their quality.

SENATOR LE MAISTRE: Economic return.

SENATOR VIBERT: Their economic return and that they don't regard economic return on farms as being sufficient to continue to really develop the industry, but, on the other hand, they say that's their plan because they want to develop the industry. There was this enormous contradiction which was caused by the furore in the States and I wondered whether your industry had

had an opportunity to look at that in terms of how you view the future of the industry?

MR LE MAISTRE: Well, it has filtered through just recently, and we get confused and conflicting messages all the time from Government. That is one of the problems. We maintain that farmers are the best way, that keeping farming active is the best way of looking after the countryside and it won't be looked after if our industry disappears. Everywhere in the world it is a low cost industry. It returns low returns in every way, so it is for the Government to make up its mind. It would be dreadful if this Government were just about the only government in Europe that doesn't support its agriculture. I can't see any ... certainly there is no environmental benefit of that and I think it would be quite wrong. I actually know a number of people, although there are not a lot of young people coming into the industry, there are some and there is a future, providing our Government is as responsible as other governments within Europe for agriculture.

SENATOR LE MAISTRE: Could we draw out one of the questions that if agriculture were to decline, that the cost of delivering the environment would be far greater to government than if agriculture was maintained? Is that a statement you would support or not?

MR LE LAY: Absolutely.

MR LE MAISTRE: Yes.

MR LE LAY: Very much so.

DEPUTY DUHAMEL: There is another issue as well, because within the Strategy Report that was recently agreed there is a suggestion that there should be development into rural initiatives. Now "rural initiatives" are two words

which can mean anything and everything to all of us. It could be hogweed farms; it could be tennis courts; could be football, cricket, you name it. Likewise there is a statement today, in that the Policy and Resources Committee would like to see greater access. Now, how would your industry actually view developments in those two particular directions compared to an agri-environment scheme, which is basically to assist as a trade-off between good agricultural practice and environmental enhancement?

MR LE MAISTRE: Well, rural diversification is quite a broad subject really. As you say, it can be anything. As long as there is enough of a land base for our industry to be active, then losing some land to a golf course in the right area is not the end of the world. If large amounts start being lost to the industry, then, like I said earlier, the price of land would go up and we won't be competitive again.

DEPUTY DUHAMEL: I think point Senator Vibert was making is that if indeed enmeshed with the economic policies of the Island there is a move towards trying to actually secure only the labour element which is going to derive the greatest tax benefit, then presumably, I mean, if you can make a bigger income in turning your land over to a golf course than you can by growing potatoes, there will be an enhanced pressure to do that.

MR LE MAISTRE: Yes. I am not so sure how much room there is for this, you know, football pitches and cricket pitches, golf courses etc. I think, when you start going on to the other sort of quad bike, you start having problems of "Not in my back yard" type of thing. Who wants to have a go-cart track outside their home in the middle of the countryside? So it is such a broad subject

really, but I can't see it. I think if you built another golf course what you really need to make it pay is a leisure complex and hotel with it.

DEPUTY DUHAMEL: Well, that will probably come.

MR LE MAISTRE: That has other implications. From a planning point of view, it could end up just a town.

DEPUTY DUHAMEL: Deputy Hill?

DEPUTY HILL: Yes. This morning we have had someone come before you and there was a sort of perception that the agri-environment was really a prop-up for the small farmer. I don't know whether you subscribe to that view and how important, how do you see the rôle of the small grower? It depends on how small you see the small grower, however, but the perception is always the bigger guy and the smaller guy and there was this perception, I felt, that it was there to prop up the small farmer to keep them in agriculture.

MR LE MAISTRE: I don't accept that that was the case really because I don't see how the small farmer would be getting less because he would have less hedgerows to look after and less meadows and less etc, so I'm not so sure that it was targeted at the small or big. It didn't really count in this particular subject.

DEPUTY HILL: So no reality that perception?

MR LE MAISTRE: No. I don't see how the money would be targeted to smaller growers as opposed to bigger growers.

SENATOR LE MAISTRE: It was a false perception?

DEPUTY HILL: It was a false perception, that is right. That is really the point I am trying to come to. You really don't subscribe to that view.

MR LE MAISTRE: No.

DEPUTY HILL: Just to expand on that -- sorry, Jean, but just to go on -- how small do you think a small farmer can be today?

MR LE MAISTRE: I don't think it is relevant. I think whether it is a good farmer or a bad farmer is what counts and there are some small good farmers and there are some bad big ones. So it is the other way round. It is how good they are and what they do. Some activities are quite small, but they can generate an income for the person, and I think that is what is important.

DEPUTY DUHAMEL: Deputy Rondel?

DEPUTY RONDEL: With the new Landowners Association having been formed, do you believe this may help your industry or will it cause problems? If you believe it may cause problems, where do you see the stumbling blocks?

MR LE MAISTRE: Well, we have yet to see exactly what their agenda is. I think it seemed to be originally set up to counteract the sort of Jersey Royal Potato Marketing Limited setting up, which indicated that it would have tremendous bargaining power with regard to the price of land, and I think it was set up as a reaction to that. Quite what its agenda is I'm not sure. The marketplace will determine what the value of land is to some extent, and certainly the industry can't afford to pay the sort of levels of rent that it was paying three or four years ago. They have already come down and sensible landlords are recognising that, if they have got good tenants, they will lower rents and continue to let that land.

DEPUTY RONDEL: In that respect then, how much competition do you see yourselves in with people in the equine industry, i.e., horses?

MR LE MAISTRE: There is a demand for horses. Again, I don't know how much more land would need to be taken out to supply the demand. I don't think

very much. I don't think there are a lot of people out there who want to put horses on their land.

DEPUTY DUHAMEL: Ted?

SENATOR VIBERT: It struck me when I read the landowners' group's submission that you are in fact in absolute conflict with their aims because their aim is to maximise rentals from their end and your aims are to get as cheap land as you can to make your farms viable. They are quite worthy aims. What is worrying me is that within the Environmental Department there appears to be a view being expressed that there should be changes to the various laws to enable agricultural land to be freed from the restriction of always being agricultural land to enable people to own them, buy them and turn them into either gardens or whatever, which is going to or could make life very difficult for farmers in terms of value and what they can afford to pay for their land. That would obviously be of great concern to you, wouldn't it?

MR LE MAISTRE: It is of great concern. We are very concerned about the '74 Land Act being changed. It could have a very significant detrimental impact. As for the Landowners' Association, whether it is getting much for its land, I think, probably, like us, it wants to have a fair price for its land and we can meet in the middle. Obviously we do want it at a reasonable cost.

SENATOR VIBERT: The crux of the pressure is, of course, which comes with housing and all of these things, that the shortage creates the price, when there is a shortage. So if some land is taken out of the bank that you are using and turned into something else, then the pressures that are on your land that you are using for business are obviously going to rise. It is no different to housing or offices or whatever.

MR LE MAISTRE: That is right.

MR LE LAY: I think the landowner has got to recognise that he has had it all his own way for the last 20 years. That is the same if you are in a block of flats. You would be able to rent them at very high prices and that is the same with the landowner. He has capitalised. He has made hay whilst the sun was shining and now he is screaming.

SENATOR VIBERT: It is market forces.

MR LE LAY: It is market forces. I think the price of land as it is now in general for good land is probably at the right level. Coming back to the protection of land and the Environment Forum I know looked at this and you are probably going to be interviewing them at some stage, but they actually say that *“Agricultural land should retain a high degree of protection as a major part of the Island’s economic countryside resource. This requires a legislative framework, currently through the Agricultural Land (Control of Sale and Leases) (Jersey) Law 1974. This should be reviewed to extending its powers to include all agricultural land.”* By that it means that if it was land that was purchased before 1974, it does not come under their control. Fortunately a lot of that land is owned by huge manors in the Island and the Waterworks Company and people like that, who are not likely to do anything with the land other than put it to farming. But there is nevertheless a huge amount of land that does not come under that law.

MR LE MAISTRE: The other question you mentioned was access to the countryside and that is one element of a couple of elements in here that relate to access to the countryside, but that is one element that is not covered by Assured Produce Schemes, as far as I know in any way. It is also one of those

items which usually does not return any economic benefit either, although I know there is -- I don't know if it is still running, but there certainly was -- one private bridle path in the St Martin's area from which the farmer was trying to get a return and I think there was some resistance because it actually proved quite expensive for people wanting to take their horses across the land. I believe it was somewhere around £700 per horse, but it was quite expensive and I think there was some resistance to it happening, so it is one of the elements that there is no economic benefit and quite expensive, I would imagine, for the Government to put into. I would make the observation that there is pretty good access now, certainly on most farms. If you said to the farmer "Can I do anything on your land", they would say "Yes". On my own particular farm, we have the hunt, we have the Hashhouse Harriers, we have blackberry pickers and we have people having picnics.

To do it formally, to actually let the right to roam, if you like, across your land could to some extent be dangerous because you don't know what you are going to be doing in a field on a given day. You might want to spray it or you might have a bull in the field and, with the present system, I don't believe there is a lack of access to the countryside. We also in Jersey have a peculiar road system. Just about at the end of every field there is a road. We have cycle lanes. We have 50 mile per hour lanes. All of these things do give some access. There would be merit in some areas to have more access, to have some more walks, but they would be quite expensive to provide, but they do not at this moment in time appear in the Assured Produce Schemes.

DEPUTY DUHAMEL: So overall, just going back slightly, in your view, have there been any serious kind of repercussions from any particular direction,

environmental or otherwise, that have been caused by the funding not actually being available to the Agri-Environmental Scheme?

MR LE MAISTRE: Have there been any serious implications? No, I don't think there have been any serious implications. What the Agri-Environment Scheme would do is make something that is very good, better.

DEPUTY DUHAMEL: Right, okay.

DEPUTY BAUDAINS: Just picking up on a previous comment, I have always been concerned about public access to farming lands simply because most of the people going there would probably not be familiar with farming practices. You have highlighted things like crop spraying and that sort of thing and then people wandering off from where they should be and things like that. There is extra insurance for the farmers, liability insurance and all this sort of thing. But the one thing I would like your comments on is that there is a feeling amongst the public that if we are supporting farmers we have a right to wander round that which we have paid for. Would you comment on that?

MR LE MAISTRE: Well, that is the point I made. Right to roam I don't think is a right that can be given for safety reasons. Providing access, I don't know any farmer that really refuses access. I have mentioned some things we have. We have school visits.

DEPUTY BAUDAINS: I mean general access, maybe, as you say, the right to roam.

MR LE MAISTRE: Well, the right to roam I don't think is safe. I think it is flawed on safety. I just don't think you can have your land. There are all sorts of implications for people. We have got large machinery. You can't have people just suddenly come across a field when you are handling machinery. There

has to be some sort of ... Well, I think it is politeness, if nothing else, for someone to say to a farmer "Do you mind if I ride my horse across your headland every day" and you either say "Well, yes, but next week I'll be fencing it in because I've got some cows in there", or "Yes, until I put the potatoes in."

DEPUTY BAUDAINS: Could it be that what we are talking about is not really appropriate for the scale of Jersey. On an English farm it might be that you can have a path that is five miles long, or something?

MR LE LAY: There are areas of path. That is something that the Agri-Environmental Scheme looked at and this is one of the extra elements that has been put in, that there are areas of land. It might be a small area of meadow which the farmer doesn't use and perhaps that can be fenced off with a path leading up to it, again fenced off or with a row of trees, making that available to the public. Obviously the farmer would have to be compensated in some way, because he is not going to create all that at his own expense. This is one of the elements of the Agri-Environmental Scheme. That could make areas of land more accessible, designated areas. There are also areas on the cliff tops. That is round Groznez and places like that, that people don't have access to because there are arable fields blocking them off. Sure, if the farmer is approached and he took a second look at his field, with a path and a gate and it was properly done, then that would give the public access to that land. But the farmer has to be compensated to do it.

MR LE MAISTRE: Absolutely.

MR LE LAY: Because he has to insure. If you have a field and you leave an up-turned harrow there and the kids are playing in it and they fall on it and hurt themselves, you are liable.

MR LE MAISTRE: The closest thing you have got or example really is the Les Creux Country Park, where there is access all round every field. I don't know what that cost per vergee of the land -- we actually work the land there and it is wonderful access, we accept, and it is used by quite a few people -- but one wonders what the cost/benefit is there and whether that can be achieved on a wide scale. I suspect the costs would be prohibitive, but there may be areas, as Graham said, or there may be one or two farmers who have got a particular idea where they could have a little walk, which would be great.

SENATOR LE MAISTRE: Does it work actually or is there any conflict between the public access and the growing of crops? Do you find that works okay?

MR LE MAISTRE: Yes. I think there is for and against it really. Certainly, again, as the price of land has come down, leaving larger headlands, there is less of a problem because you can afford to do it.

SENATOR LE MAISTRE: There is a practical consideration.

MR LE MAISTRE: Yes, there is a practical thing. Spraying is a problem.

SENATOR LE MAISTRE: Yes, if there is public around.

MR LE MAISTRE: If there is public around, because you have quite often got a small spray window and you have got to go and do it at a certain time and, with that particular land, as I say, which we farm, strangely enough, you have to pick your day when you go. You know, you are not going to go just before people are going to work because there will be a lot of people walking their dogs, so you have to pick your times.

SENATOR LE MAISTRE: Can I pick up on one point, which has not been mentioned, and that is the organic conversion scheme, which I gather the funding has stopped, which I think would have been part of the Agri-Environmental Scheme to encourage people to move across to organic growing. Really what are your views on that? Do you feel strongly about it?

MR LE LAY: I think the principle of organic farming is all very well and I think there is room for it, but, in reality, it is not providing the returns that farmers want. One of the reasons is that unfortunately in the UK it is the Soil Association who police that type of farming and their demands are very, very onerous compared to other countries. You have only got to go in your own supermarket shelves even here in Jersey and you will see organic produce that comes from Egypt, Israel or Spain, and I have been out to Spain to see where they grow organically and it is not the sort of organic growing that we are doing. So all this is coming on to the marketplace and you have to compete with that and you can't. You just can't compete with it. On a small scale, fine, but I can't see it. People who have the belief that if Jersey was all organic it would benefit from it, I can't see that at all. That is a personal view.

SENATOR LE MAISTRE: That is not the question I am asking though. The question I am asking is, in relation to the funding locally which has been withdrawn, do you have any views on that or do you accept that as being fine.

MR LE MAISTRE: Well, like most of these things, I have got to declare an interest because we actually do a little bit of organic farming, so bear that in mind, but organic farming has got to stack up economically alongside conventional farming. You have got to get a premium because it is more expensive to produce the food and so, on a small way, we have converted some land.

Whether we increase that proportion of our land in organic will depend on how the economic return is. The actual conversion period, which used to be funded which now no longer is, every other country helps with that. Again, with the price of land falling, it is not as expensive to rest it for two years as it was before. It is a help. But organic farming should not be encouraged at the expense of the conventional farming. It has got to stand on its own two feet economically.

SENATOR VIBERT: I think you would agree, wouldn't you, that the evidence of organic farming's success in the UK is that in fact it started off with a big boom and then it became the fashion sort of icon of the month and in fact now it is being considered as being really not viable for most people, from the reports that I have read.

MR LE MAISTRE: What I would suggest that some crops are easier to grow organically than others.

SENATOR VIBERT: It depends.

MR LE MAISTRE: It depends what you are growing and what else you are growing really.

SENATOR VIBERT: But the consumer does not appear to be prepared to pay the price.

MR LE MAISTRE: Well, I think the consumer, like farmers, realises that the difference between organic and conventional is not that great and conventional farming is getting closer and closer to organic because of the protocol, so the gap is narrowing and there was nothing wrong with the conventional in the first place. So they are not going to pay. Well, some people will always pay a

slight premium for organic, so there is a slight marketplace and somebody has got to fulfil that. The economics will sort themselves out.

MR LE LAY: The problem, as I say, with organics is that it varies from country to country. To give you an example, I'm involved with the glasshouse industry and we grow peppers using IPN. We don't use any pesticides, any spray, nothing. It is all done to satisfy the supermarkets. We grow basically in water. Now, in the UK that cannot be classed as organic because it is policed by the Soil Association and we don't grow in the soil and so it's not organic. Just across the water in France, they grow exactly the same way as we do -- in fact they are allowed to use sprays so long as the sprays are organic, so it is much easier for them to grow than it is for us -- and they can bring their produce to Jersey and sell it in Jersey as organic.

SENATOR VIBERT: Organic, yes.

MR LE LAY: Which just makes an absolute nonsense. I think the general public, as you say, there has been a downturn in the general uptake of organic produce and that is because the public are becoming aware of that. If you asked 90% of the people ten years ago was organic sprayed, they would say "No, of course it isn't", but they are now realising that it is. It can be sprayed with organic compounds, some of which are very dangerous and they have not been allowed. Things like copper has not been allowed to be used in normal horticulture for years.

DEPUTY DUHAMEL: Well, okay. I am conscious of time. If there are no other questions from the Panel Members, I would like to thank the two gentlemen for attending and for their contribution. Thank you.

MR LE MAISTRE: Thank you.

DEPUTY DUHAMEL: Thank you.

Mr Le Lay and Mr Le Maistre withdrew

Adjournment between 12:45:17 and 14:03:59