

STATES OF JERSEY

Economic Affairs Scrutiny Panel Rural Economy Strategy 2011-2015 Review

THURSDAY, 3rd JUNE 2010

Panel:

Deputy C.F. Labey of Grouville (Chairman)

Deputy R.G. Le Hérisier of St. Saviour

Deputy D.J.A. Wimberley of St. Mary

Witnesses:

Mr. J.E. Le Maistre (President, Jersey Farmers' Union)

Mr. S.L. Carter (Outdoor Crops Section Committee Chairman, Jersey Farmers' Union)

In attendance:

Mr. D. Scott (Scrutiny Officer)

[11:02]

Deputy C.F. Labey of Grouville (Chairman):

Good morning and welcome to the Scrutiny Panel. The first thing I need to bring to your attention is this immunity notice, if you want to have a read of that. There is a notice of protocol on your seats as well, for the audience.

President, Jersey Farmers' Union:

Before we start can I just apologise. Graham Le Lay was due to join us today. He is our Vice-President.

The Deputy of Grouville:

If we can introduce ourselves initially with our names formally and then you can introduce yourself so that Rebecca can pick it up on the tape. I am Carolyn Labey, Deputy of Grouville, and I chair this panel. These are my panel members.

Deputy D.J.A. Wimberley of St. Mary:

Daniel Wimberley, Deputy of St. Mary.

Deputy R.G. Le Hérissier of St. Saviour:

Roy Le Hérissier, Deputy of St. Saviour No. 3.

The Deputy of Grouville:

Darren Scott is our Scrutiny Officer. If you could introduce yourselves and your titles so that the tape can pick you up.

President, Jersey Farmers' Union:

I am John Le Maistre. I am President of the Jersey Farmers' Union.

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

I am Steven Carter. I am the Outdoor Crops Section Committee Chairman for the Farmers' Union.

The Deputy of Grouville:

Have we picked up everyone? Okay.

President, Jersey Farmers' Union:

Sorry, apologies from Graham Le Lay who severed ligaments in his knee at the weekend, so he sends his apologies. He is our Vice-President and very committed to the industry, a glasshouse grower obviously, but he has got a hospital appointment. I spoke to him this morning. He is sorry to be missing it but he is in a great deal of pain, so I hope you will take his apologies.

The Deputy of Grouville:

All right. We are going to run through some questions. We have got about an hour for this submission. We are having hearings today and tomorrow and some later on in a couple of weeks. Could you start by initially talking about the J.F.U. (Jersey Farmers' Union), who you represent, how many members you have, what sort of consultation you had before making your submission to us in April?

President, Jersey Farmers' Union:

We have approximately 100 members, of which 70 would be considered to be actively involved in the industry, many of which would be fulltime farmers who derive their main income through farming. Our consultation process: we invited all members to submit any views they had to us, our council discussed it over the course of a couple of meetings and we came up with our submission which was pretty much unanimously agreed on all points by our council. The council consists of 8 members.

The Deputy of St. Mary:

Presumably elected by the A.G.M. (annual general meeting)?

President, Jersey Farmers' Union:

Elected by the A.G.M.

The Deputy of Grouville:

Is it mainly small holders or do you represent the large entities?

President, Jersey Farmers' Union:

The large entities are members of the union but we obviously accept membership from anybody who is actively involved in farming. The Farmers' Union has been going for about 90 years and it tends to talk about the growing sector, both glasshouse and outdoor crops. As you will see in the submission, we leave comments about the dairy industry to the dairy and Jersey Milk. So, although we have an interest in it and work closely with them, we leave submissions on those subjects to them.

The Deputy of Grouville:

What is the purpose of the J.F.U.?

President, Jersey Farmers' Union:

The J.F.U. has a number of roles: obviously taking part in debates such as this; we also recruit labour for our members; we also publicise the industry and distribute relevant information to our members and indeed the general public.

The Deputy of Grouville:

I am going to move on now to the Rural Strategy, the Rural Strategy firstly of 2005-2010. Do you feel the aims and objectives have been achieved and which, in your opinion, have been more successful than others and which have not been successful?

President, Jersey Farmers' Union:

I think it has generally been successful inasmuch as we still have a very vital farming industry. There is a lot of optimism in the growing sector. Rentals for land have increased so there is obviously a demand for land and the industry is moving forward. So I think you could say it has been a success. There are always areas where it could be improved. The Rural Initiative Scheme and the Countryside Renewal Scheme, we think the funding has sometimes not gone to the areas where it should have gone. We would like to think in the future that will be addressed; for example school milk, we do not think that is a rural initiative budget. People were applying to the Rural Initiative Scheme for projects which warranted funding but there was not enough funding there because of the use of the money for school milk. Similarly the Countryside Renewal Scheme, we feel that the priority should be given to mainstream farming activities. By all means if there is money left over then other environmental projects such as school projects could be funded. In one instance we had a farmer who wanted to convert organic land and there was not enough money there because it had been used for other things. Again, we think that is not the best use of that money.

The Deputy of St. Mary:

Can you give some examples of what you would term in brief misuse of C.R.S. (Countryside Renewal Scheme)? I noticed that in what you said.

President, Jersey Farmers' Union:

I know one of the schools had their school environmental project, a very worthwhile project, I have no problems with it, but at a similar time we had one grower who

applied for organic conversion and there was no money left. So there is one instance of where money is going to non-core funding activities. I am obviously not privy to every application and I do not know where it all goes but we have always thought that money should be directed into mainstream farming activities for the betterment of the environment.

Deputy R.G. Le Hérisier:

You mentioned in your report, John and Steven, that you were disappointed at the lack of financial information presented in the Green Paper. Would you like to elaborate upon that?

President, Jersey Farmers' Union:

Yes. I understand it is normal States practice to develop a strategy but it would seem to me that in this present climate whatever entity you were you would be putting some kind of financial information in there to see what these options cost. I think it is taken as a given that the budget will not go up, it is going to be reduced, and if you are bringing in items others will have to fall by the wayside. One would think it was sensible to see simply what the cost implications of these new projects were. We believe that the core funding to our industry, the 3 main ones which we want to see continue at the highest level it can, is obviously direct area payments which helps us compete in a level playing field with the rest of Europe. The Countryside Renewal Scheme is very important to be well funded because that is how we provide the environmental good. There is very little profit in that, in fact there is rarely any profit in that, but it is helping us to do the things which we have always done. The Rural Initiative Scheme is another area where it is absolutely vital to us that we can reinvest

in our businesses, either with better marketing or better machinery or new techniques. Those 3 are the core areas which we would hate to see eroded by other nice to haves but perhaps not necessities.

The Deputy of St. Mary:

Is that why there is quite a theme running through your document of: “We do not really need that and we should not be doing that”? Is it because you sense the budget pressure and therefore you try to knock them on the head straight away to protect these 3 areas?

Outdoor Crops Section Committee Chairman, Jersey Farmers’ Union:

Well, not exactly, although that does have a sort of means to it. A lot of these things proposed are already being done. As part of other audits we are undertaking for part of the U.K. (United Kingdom) assurance schemes a lot of these things the farmers have in place already. There is not a need for a local version of it because we are already doing the things.

The Deputy of St. Mary:

In your covering letter you mentioned other areas outside this document that impact on the success of the rural economy. Could you comment more on that?

President, Jersey Farmers’ Union:

Yes. It is not only what Government can do for us or encourage us to do but we are also increasingly under pressure from Government through additional taxation. There are a number of minor ones that have happened over the last 10 years or so. The

commercial rate, for example, is now higher than the domestic rate. Not a vast sum; we are probably talking hundreds of pounds for a fairly large farm business. But there are other areas. The water, we are now required to apply and pay for licences. Again, that is another additional cost. We have just had an extremely dry spell before the last shower of rain and you will have seen applications for an extraction licence going into the paper. They will all have cost money. Another one which is due to come in in September, which is a much larger tax, is vehicle emission duty. This is coming in as an environmental tax. It is aimed really at gas guzzling cars, or that is the impression we are given, and you can choose whether you have a Range Rover or a Smart Car. In our industry we have to have the tractors that we have. They are far more efficient than smaller tractors, they will do more work for less fuel, and yet all of them, whether you get a 70 horsepower or a 150 horsepower tractor, will be in the top bracket of the vehicle emission duty. When vehicle registration duty was in, when it was introduced, there was a rebate system for farmers and we got the money back, basically. That all but fizzled out, but then of course it was scrapped altogether. Now it is being reintroduced and it will be a significant tax on the industry and environmentally not achieving anything at all. Indeed, the very latest tractors that are coming out adjust their horsepower to the job they are doing to be as fuel efficient as possible. As Steven said, one of the audits we get done through the supermarkets will be able to show that we are being as energy efficient as possible through the farm business, tractors included.

Deputy R.G. Le Hérisier:

Did you make representations on the tractor issue?

President, Jersey Farmers' Union:

We have and it has so far fallen on deaf ears. We spoke to the Assistant Minister and he had spoken to the Minister for Treasury and Resources and saw it as very unlikely and said that we would be paying the full rate. I understand there is provision within the law to have special rates for taxis and hire cars and one would have thought that an industry which is being subsidised by the Government that they would look at this tax and exempt tractors because environmentally there is no point to it.

The Deputy of St. Mary:

Or you could argue that you simply keep the V.E.D. (vehicle emission duty) "simple" - the same argument relating to G.S.T. (goods and services tax) - and then you make sure that the payments take account of the fact that V.E.D. is hitting the industry in that way. Would that be a way out?

[11:15]

President, Jersey Farmers' Union:

That is a way out and that was the way out chosen when vehicle registration duty went in and funding was put forward for it but it was eroded. Within 2 years it was halved and the final year of vehicle registration duty the subsequent rebate was to be done away with altogether. So we are very suspicious about Government saying: "Oh yes, we will make up for it in other areas" when in reality over time it does not happen.

Deputy R.G. Le Hérissier:

Under question 2 you did not mention that good old standpoint of planning. I know we are in the midst of an Island Plan renewal or revision. Was that an area that you were going to cite where there is a major impact outside of the R.E.S. (Rural Economy Strategy) of government policy?

President, Jersey Farmers' Union:

I have forgotten what question 2 was.

The Deputy of St. Mary:

Sorry, Roy was referring to our question 2. **[Laughter]**

The Deputy of St. Mary:

You are trying to confuse the witnesses.

President, Jersey Farmers' Union:

You have succeeded.

Deputy R.G. Le Hérissier:

It is question 2(a) I believe.

The Deputy of Grouville:

Your question 2(a), no one else's.

The Deputy of St. Mary:

Anyway, the impact of planning.

President, Jersey Farmers' Union:

The impact of planning. The proposed Island Plan seems to be sympathetic to our industry, to allowing development on farms where businesses have to develop their premises to modern requirements. The cost of planning is another cost that has gradually increased. Planning applications used to be free and they are continually growing. When harbour dues were raised, I believe they were raised above the cost of living to help - I think I am getting this right - subsidise the rent of the Heritage, of the Maritime Museum. Well, our industry pay a part of that and they are already high.

The Deputy of Grouville:

I would like to ask a question on the policy option 2.

The Deputy of St. Mary:

Can I just ask a different one about the water?

The Deputy of Grouville:

Is it relevant to the question?

The Deputy of St. Mary:

No, it is to the other. I just forgot. When you say pay for licences, is it just licences or the actual water you pay per gallon?

President, Jersey Farmers' Union:

It is licences.

The Deputy of St. Mary:

At the moment it is just the licences?

President, Jersey Farmers' Union:

Do you know what it is? It depends how much you are extracting I think but it is a couple of hundred pounds a licence and if you are farming you may have 3 or 4 sources that you draw from and so you will have more than one licence.

The Deputy of St. Mary:

Okay. I just wanted to get a feel for the amounts we are talking about.

President, Jersey Farmers' Union:

On that side of it they are smallish sums at the moment. We do not know what they will be in the future and it is the future as much as what is happening now that is a concern. Going back to the rates, there was a concern that the commercial rate might be used as some form of heavier taxation. It is something that needs to be flagged up early that it will impact on our industry.

The Deputy of St. Mary:

What the future is.

The Deputy of Grouville:

I will return to option 2 about the labour. I would like to know what evidence is there to support the assertion that you made that there are enough young people joining the industry to ensure its future?

President, Jersey Farmers' Union:

Well, I do not want to name names but ...

The Deputy of Grouville:

No, we do not want names but you said there are enough young people joining the industry to ensure its future.

President, Jersey Farmers' Union:

Well, there are young people in the industry, believe it or not.

The Deputy of Grouville:

Enough for the future?

President, Jersey Farmers' Union:

The profitability of the industry is what is key. If it is profitable there are loads of people who would like to come into the agricultural industry because it is a way of life that people enjoy and I know a number who would have come into the industry but have not done so because it is not as profitable as other ventures. I know of people who are going away to agricultural college with a view to coming back and I can name you a number of young people who are on farms now in their 20s and 30s. You have to realise, we said earlier about our membership, I think there are 29 dairy

herds; I suspect there is no more than that number who are growing businesses. There are a lot of people who have as a sideline some polythene tunnels, a couple in our parish I know grow small amounts of potatoes that fit in, but mainstream farmers there are not that many. So we will not need that many young people but I think there are people out there who would be only too willing to take up the challenge.

The Deputy of Grouville:

Do you have any evidence or is this just what you believe?

President, Jersey Farmers' Union:

I would have to name you names if I had evidence but my son is on the farm. I was speaking to Andrew Le Gallais, he has got sons who have come to the age where they are going to choose their career; one of them is interested in coming on to the farm. If it is profitable they will. I know of others in the dairy industry, I am not sure of their age, who are certainly round about 30 years old. I am sure they will not mind me mentioning: Dougie Richardson has got a son who will be on the farm. He is going away to agricultural college. There is a farming business which he will presumably eventually take over, and there are others. There are not that many businesses out there. I was on a farm the other day where again there was a young nephew of the proprietor who was 15, 16, interested in agriculture. If it is profitable there will be people there to take up these businesses.

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

In our instance we have got a young lad who was at agricultural college working for us. His family were involved with farming. We do not have a child who is interested

in the farm and he has come to work for us and he is now starting to sort of farm partly on his own as well. So he has got the opportunity to start his farming career with us and potentially take over some of our business when we retire. So he is someone who has not got direct farming links but would dearly love to farm and he has got the opportunity to do that.

The Deputy of Grouville:

Are there enough opportunities like that? Presumably you do not feel that there needs to be because you are saying that there are enough young people coming forward.

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

I think there could always be more, certainly, but there are very few youngsters who would like to pursue a career in farming. As John said, it would need to be profitable but the way of life and the hours do put a lot of people off.

The Deputy of Grouville:

What sort of incentives are there to give people the opportunities to come forward?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

I think they have to show enthusiasm and willingness to learn and I think a lot of farmers who did not have young relatives on the farm would only be too pleased to have someone come along and show some keenness and over the course of time possibly be given more and more responsibilities.

The Deputy of Grouville:

So how would a person find out about that, a school leaver for example? If they are going to Social Security or looking for jobs what would incentivise them?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

A call to the Farmers' Union. The union would advertise among its members and pass an email round saying: "We have got such and such person very interested in learning about farming. Would someone have an opportunity?"

The Deputy of Grouville:

Is there anything in schools or at Social Security to guide them to the Farmers' Union?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

I do not think so.

President, Jersey Farmers' Union:

No.

The Deputy of St. Mary:

Or Careers Office?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

No, but could be something that could be.

The Deputy of Grouville:

Again, not just the farm ownership, what about youngsters leaving school, why not give them opportunities on the farm? Why import the labour?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

We never get approached by anyone. We are quite an active farm. We have got a farm shop. We open our doors to schools through the summer. So there are a lot of people coming and going round the farm, a lot of people know we are there, and we never get inquiries from local children saying: "We would like to come and spend some time on the farm." We get emails from students abroad wanting to come and work on the farm in their holiday time but not local ones certainly.

President, Jersey Farmers' Union:

On the smaller farms most of the farm labour are labourers and you will not get local people to work for the wages paid. The wages paid cannot go up because the marketplace will not stand it because we are dealing in a global market and certainly most of the produce that is exported will be competing against produce that is harvested at wages considerably lower than what we are having to pay already.

The Deputy of Grouville:

You say that but I have come across a young person just this last weekend working in a card shop in town, paid minimum wage, fairly long hours, relatively speaking, 8.30 a.m. to 6.00 p.m. They do work for the minimum wage but personally I do not think they get to even contemplate going on farms or consider farm work because there is nothing out there. I just wondered what you feel.

President, Jersey Farmers' Union:

There is certainly nothing stopping them but, you are right, there is nothing encouraging them. The industry's experience of local staff is generally that they find the work too hard and that the staff we recruit, historically from lots of Europe, now Poland, we have purposely targeted a rural area where most of the labour have some experience of agricultural labouring which is jolly hard work. Whether the lady in the card shop would be able to come and work on a farm and work out in all weathers and all conditions, what is physically hard work, I do not know but if she could there would be no reason why she would not be able to.

Deputy R.G. Le Hérisier:

You think you could run a more assertive system of bringing young people in but how would it cope with the issue of property, the fact that a large part of the industry is run on inheritance, passing farms from parents to children? How is a young person in Jersey, given the current way in which the property market operates, going to break into this?

President, Jersey Farmers' Union:

It seems to me that property is not necessarily that much of an issue because if a business is successful it will be able to pay rent for the premises, should be paying rent for the premises one way or the other, and so there are tenant farmers out there who are renting their properties and making a profit out of it. It is not so much as it was 30 years ago where almost the land farmed was owned by the farmer himself. Now the proportion owned by the actual proprietor is probably quite small and there is rented land; that business will be renting a lot of their land.

The Deputy of Grouville:

Just going to my original question, do you believe that there ought to be apprenticeship schemes for young people? While the person in the card shop might not like the hard labour, there are others that would far prefer to work outside doing manual jobs. Do you think the States should be involved with apprenticeship schemes and could work with the J.F.U. to encourage school leavers and what have you on to farms?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

There was an apprenticeship scheme some time ago. We had a couple of apprentices on the farm and while the Agricultural and Horticultural Training Centre was running those type of courses they were doing one or 2 days day release from the farm as well. So they were getting some scientific knowledge as well rather than just going out, picking up potatoes with the rest of the staff. It is very difficult to have someone on the farm where you are busy yourself to spend time with someone to say: "Yes, this is sort of what is going on." We are all under time pressure so you would basically say: "Go off with the rest of the staff and dig potatoes from 7.00 a.m. until 7.00 p.m." and that is really what they would do and then when that is finished the next job or whatever. So they would need to have some sort of other educational side as well.

President, Jersey Farmers' Union:

We must not forget that in the growing sector the vast majority of work is seasonal work, it is not a fulltime job. There are some fulltime positions but there are also some local people employed in the industry. We employ one local person all the year

round but all the other staff on our or my brother's farm at some point go back to their own country.

The Deputy of St. Mary:

When you talk about people going to college - you mentioned that a couple of times - to study agriculture is there any problem with that or do they get grants okay? The support for that, is that adequate in your view; there is no issue there?

President, Jersey Farmers' Union:

The support is exactly the same as it would be to get to any college.

The Deputy of St. Mary:

The other question was about the availability of land. You mention in a totally different option, 12(a), about enabling more land to be made available and in the context of what we have been talking about why do you have that recommendation? Why do you think that is important?

[11:30]

President, Jersey Farmers' Union:

We are concerned at the continual erosion of the land bank, if you like, the workable agricultural land which has been lost to all sorts of things. Building is one, amenity use is another, and domestic curtilages increasing in size, and it is frightening to see how much land is being lost. It is also being lost to horses, it is being lost to orchards which are considered commercial but in actual fact they are really put there to protect

the property owner's land, so he has basically got an orchard as a garden. Yes, they harvest a crop of apples for the market yards or whoever but in actual fact it is not really farming and the economic activity from it is not what it would be as if it was in mainstream farming.

Deputy R.G. Le Hérissier:

Policy option 13(b). Why would collaboration between the States of Jersey and the rural sector to collaborate to increase efficiency in production be, in your words, difficult to achieve?

President, Jersey Farmers' Union:

I just think the scale of things: "Using vegetables not fit for export and encouraging the production of more food crops for local markets." The industry is trying incredibly hard to do these things but there is no easy answer to this. It just is not that easy. It sounds wonderful but what sort of plant and technology is going to be required for the small amount of cauliflower crop, for example? We just do not see it as being that easy and it may fail. If there are opportunities out there they will be taken up. It is very easy to say let us do these things but doing them in the real world and doing them profitably is extremely difficult.

Deputy R.G. Le Hérissier:

Does the term "efficiency in production" really mean large scale production? Is that what is bugging you, so to speak?

President, Jersey Farmers' Union:

No. We are always trying to improve our efficiency and the Rural Initiative Scheme does allow us to do that by bringing in new machinery. It is the second half of it about developing new products of waste vegetables. Food is so cheap that trying to make money out of waste on the scale we are doing it is very difficult.

The Deputy of Grouville:

I am going to move on to subsidies. Could you explain the nature and importance of subsidies to the growing sector and what are the J.F.U.'s thoughts on the proposed gradual withdrawal of subsidies?

President, Jersey Farmers' Union:

The gradual withdrawal of subsidies refers to that in the dairy sector more than the growing sector. I tend not to comment. I am a dairy farmer but I do not tend to comment on that particular subject but it would seem to me that you have got to make sure that the dairy sector is profitable before you start reducing its support and it may be that it will need to continue at that level. The area payments we believe need to reflect the sort of support that is given to farmers and growers throughout the length of Europe and most of the rest of the world and that to expect us to survive without that support is unreasonable. If you go back in time, when we joined the E.E.C. (European Economic Community) it was a promise made by the States that they would indeed look after the agricultural industry and we think that was right and proper. I am not sure exactly where it is in the document but it does refer to exploring just exactly what support other European countries are getting.

The Deputy of St. Mary:

Parity.

President, Jersey Farmers' Union:

I would rather not compare with the U.K. because the U.K. Government has been pretty unsympathetic to their agricultural industry, and their rural villages, et cetera, have suffered because of it, in my opinion. So we think we need parity and we think it needs to continue. It is the cornerstone of the support we get and without it it would be extremely difficult to continue. It might be worth pointing out how short-sighted it would be if the Government was to stop that sort of support. It withdrew support to the glasshouse industry and it has virtually disappeared. They were spending somewhere round £1 million, up to £1 million supporting it; they were generating £10 million worth of business. We are now in a recession and some of that unemployment will be because of the demise of the glasshouse industry. The glasshouse industry used all sorts of electricians and service industries, it was adding to the freight on the boats so that your harbour dues were better and everything else. It has disappeared overnight and the last thing you want to do, I think, is to have similar things happen to the growing sector or the outside growing sector or to the dairy sector. It is very short-sighted. Yes, it does cost money to subsidise our industry but we are very much part of the economy and we pay taxes as well. We feel that this should continue and that, like all other governments, our government should be supporting us.

The Deputy of Grouville:

Should it continue in its present form?

President, Jersey Farmers' Union:

The area payment is a very straightforward payment which is available, again, throughout Europe. There was talk about changing the Common Agricultural Policy. The French do not even want to talk about it, let alone change it. They have been talking about changing it for many, many years and not a great deal has happened. I do not know the exact figures but I understand that somewhere around 40 per cent of the E.U. (European Union) budget goes into agriculture. It is vast sums of money. A lot of it admittedly is probably not very well targeted but that is the sort of competition we are up against and we think our government should be playing its part for us.

The Deputy of St. Mary:

Is the E.U. support subsidies in the terms that you write here with the area payments? You talked about both. You said area payments do match, the idea matches the E.U. idea. So is the situation for subsidies different or is that only for the glasshouse sector where you subsidised each?

President, Jersey Farmers' Union:

It is similar but that is not the only support they get. They get support in many other ways. Some dairy farmers have been on a field trip to Denmark to look at the cows over there and they were shown around a brand new dairy. I think it is similar in size to the one we have built and two-thirds of it was paid for by Government or E.U. subsidy. Our dairy, I think, has had £120,000 out of £12 million. That is the sort of support they get and for other projects as well, other infrastructure projects. I am not saying we should necessarily have exactly the same but what I am saying is that our

government does need to realise that for us to compete we will need the level of support we are getting at least.

The Deputy of Grouville:

Hypothetically do you think it is time that we joined the E.U.? **[Laughter]** Well, became full members, you know.

President, Jersey Farmers' Union:

How long have you got? I do not know is the answer to that question. I do not know.

The Deputy of St. Mary:

Can I ask why in the answer to this question, which was the policy is about risk management tools, you do not actually mention risk management tools? This is 23(a), your page 9. The answer is all about subsidies, which is fair enough, and we have talked about that and grants and so on.

President, Jersey Farmers' Union:

I had read in the document somewhere about marriage breakups, I think it was, and I am thinking to myself: "Is this the nanny state going bonkers? Which other industry has input from the Government about whether or not the proprietor is going to get divorced or split up from their partner?"

The Deputy of St. Mary:

I did notice that as well but there was also climate change and the risks there and the risks of that weather and how you insure against that and so on. There were issues

there that sounded to me, as a lay person, as being real issues but I do not know whether that is how you saw it.

President, Jersey Farmers' Union:

Our businesses are dealing with risk all the time and if we manage our risk properly we will stay in business and if we do not we will not. I am not quite sure what governments can do. We all know we can get insurance. You can get insurance against the weather but it will probably cost you more than the risk itself over the course of time. So, as I say, I just thought it was the nanny state going bonkers and when it started talking about marriage break-ups I just thought to myself: "What is going on here?"

The Deputy of St. Mary:

Can you explain the lack of interest or take up about farmers' markets? This is on PE4. I think you must refer to it before because I have not got to it myself. Page 11. I suppose that is an observation of ours that the farmers' markets are under-patronised, if you like, by the farming community. People go round saying: "Where is the vege?"

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

We ran a stall at the farmers' markets when they were first set up and found that if there were 2 of us there selling very similar things it really halved what we were taking. The days we were the only one there it was worth doing. So, to have 3 or 4 stalls all selling vege there was not enough people coming through to make it worthwhile. We felt that although some days they did very well, other days we would

be standing either here or in St. Aubins and it just really did not cover our time to be there.

The Deputy of St. Mary:

That is fair enough.

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

We have done the Christmas ones but there was not enough sort of throughput of people through the square. Everyone had gone to the market to buy their vege and were walking sort of back towards the car park and saying: "I did not realise you were here." I think the Island is small and has a very good central market with very good vege displays. You have got access to supermarkets all round the Island with very good vege displays. For a market to turn up every fortnight in one place you are not really going to get ... if it was there twice a week then people would possibly make a point of coming down to do their shopping there.

The Deputy of St. Mary:

The aspect I suppose that gets left out of that is the contact with the community. You are meeting farmers and not trades people. So, how can you build that maybe in other ways as a contact with the community? I know you mentioned schools visits and so on but really how much involvement is there in community and farming and could there be other ways, better ways maybe, of enhancing that? I suppose that connects with the community support of agriculture idea and what do you think of that as well. How can you have more contact with the community that buys your products?

President, Jersey Farmers Union:

Well, you run a farm shop.

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

We run a farm shop and we do have obviously people coming and we have held open days in the past. We have hosted the slow food movement. We have done quite a lot to try and promote ourselves. We advertise quite a lot. We have got a website. We do a fair bit and through May we had 5 different primary schools up on the farm, which is really good, and hopefully we give them all a little bag of vege or whatever to take home.

The Deputy of Grouville:

In one of your answers about the Genuine Jersey products you agree that food and farming partnerships should be developed. How would you envisage developing that further?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

I think Genuine Jersey are doing a good job and certainly they are now promoting local produce in local supermarkets, especially with the Genuine Jersey logo. The Think Twice Buy Local campaign highlighted that. There is more to be done on that front but I think the highlighting of local produce, have specific areas for local produce from the supplier, is the way it can be achieved. Most of the local supermarkets do support local producers to quite a good extent.

President, Jersey Farmers' Union:

I think people underestimate how much local produce is being sold and how difficult it is, because it is very price sensitive. My brother supplies one of the 2 big companies with potatoes. He hand digs them freshly every morning to try and get a really good product but there is a tremendous pressure to drive the price down to the basic harvester dug potato.

[11:45]

Whatever you are producing and trying to sell locally there is always vegetables in the U.K. that can be brought over and sold on that shelf at a lower price. It is very, very difficult to compete locally on price.

The Deputy of St. Mary:

Is that why the percentage is so much lower here of locally grown food than it is in the U.K.? Obviously there is a bigger local. It is a lot lower, is it not?

President, Jersey Farmers' Union:

It is, and it is convenience as well. Also it is quite a concern for the industry if a third supermarket came in, depending on which one, they may not have the supply chain to allow local produce to be fed in. The 2 existing big multiples do take, when they can, at the right price, our produce but Marks & Spencer, for example, take virtually no local produce at all because it does not fit within their supply chain. One might find if you had - it probably would not happen - a French supermarket, for example, we may not be able to fit into that supply chain and the existing relationships, built up over many years, will take some rebuilding with a third supermarket. So it is a concern to

us if a third supermarket came in what effect it would have on local sales, certainly short term and possibly long term as well.

The Deputy of Grouville:

So could Government do more when licensing the supermarkets, i.e. making restrictions to say that they are to sell X amount of local produce?

President, Jersey Farmers' Union:

That idea has been put forward before, that it would insist that a certain amount of local produce would be taken. Very difficult to police, I would have thought.

Deputy R.G. Le Hérissier:

Okay. It is a subject we have already touched on, Steven and John, but should the States of Jersey be providing - contrary, I think, to the sentiment you expressed - necessary training for the sector?

President, Jersey Farmers' Union:

I am not sure if it should. I am not quite sure what training it is looking at really but if you need training as a business you have to go and buy it somewhere. I am not sure that Jersey is big enough to have its own, I do not know, College of Agriculture. It did have when there were more farms and more farmers but we have probably got to the stage now where the industry is more specialised and if you need training maybe you make funds available for you to go to the U.K. and have that training done. If you are coming into the industry now you need some qualifications and farmers are

getting qualifications, whether it be spray operator or other qualifications. We have to have them and as businesses we pay for them.

The Deputy of St. Mary:

Well, you would not look for government support on that kind of training because you would get it in other sectors, I think. You know, if you were to send somebody away on a spray course, not just in Jersey, surely there is some support from the Skills Executive.

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

We are able to get funding from the ...

President, Jersey Farmers' Union:

That is what we are looking at, at the moment; setting up some kind of facility over here to provide the training. I am not convinced the industry is big enough or the Island is big enough and I think the training would be specific to one business. You are better off to get away for a month or so to the U.K. and go somewhere that specialises in whatever area you are looking to improve. But providing funds for that may well be a useful initiative.

Deputy R.G. Le Hérissier:

Are you able to use the more generic business training or business skills training that Highlands and people like that offer? Are they of relevance, the way those courses are structured? Are they of relevance to your industry, like marketing and so forth?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

Certainly some things are. Things like food hygiene training which a lot of farms that do processing need to have; first aid training, businesses have to have a first aider; forklift, machinery operating. That is all available locally. Then there are other specialised sort of business management courses and things that are sort of related and there are things to be gleaned from them. But there is not a lot that really would be required on top of what is there locally and other specialist things you can get from going away and get money towards sort of going and doing that.

President, Jersey Farmers' Union:

The industry itself does have some seminars. For example, we had one last autumn about potato growing and space available and field work control. There is another one in July about fertiliser use.

The Deputy of Grouville:

Who puts those on?

President, Jersey Farmers' Union:

Normans Limited did those.

The Deputy of Grouville:

Normans?

President, Jersey Farmers' Union:

Yes. I was speaking to them about doing one in July and the Farmers' Union might well contribute towards it because bringing people over can ... but they did it. They supply agro-chemicals but the speakers were independent as well as speakers from the various chemical companies.

The Deputy of Grouville:

Does the Government help in any way?

President, Jersey Farmers' Union:

They did not help in that particular event, I do not think. They were not asked. The Government do similar things as well. There was one on Bluetongue quite recently.

The Deputy of St. Mary:

Would there be a role for Highlands? You know, if you were sending someone away for a month to do a refresher or something at farm management level, how would you go about that? Would you just think of that for yourselves, that such and such is a good college, or would you go to Highlands and say: "Well, you have got links with Plymouth" and it may be you kind of ... how does that work? Because you are saying "stand-alone". You are saying, you know, government has no role in this.

President, Jersey Farmers' Union:

I do not think it has any role in providing it.

The Deputy of St. Mary:

Sorry. Right.

President, Jersey Farmers' Union:

It is slightly different.

The Deputy of St. Mary:

Yes, fair enough.

The Deputy of Grouville:

Okay. If I can go on to the land development levy and why the J.F.U. do not feel that re-evaluation or the options of it fall within the context of the proposed strategy.

President, Jersey Farmers' Union:

If land is being developed outside agriculture ... Well, to start off with we do not want to see agricultural land lost to development. If a land development tax stopped that happening then, yes, it would be a good thing. The reality is it is a tax measure to try and gather tax from people who gain from land being redeveloped. I am not sure it is really anything to do with agricultural strategy. It is something to do with the Island Plan possibly, certainly to do with taxation. So that is why we did not see that there was really a great deal that we could necessarily comment from an agricultural perspective. We are very concerned about losing agriculture to development.

The Deputy of St. Mary:

It is certainly puzzling to me because if you want to keep land in agricultural use then one tool is to dissuade people from seeing land as a place to put a building site. So the land development levy, because it is a tax, would be a dissuader for people to go

down that route. So, therefore, on the face of it, it addresses this issue of the land bank.

President, Jersey Farmers' Union:

If you put it that way I can see your point. But I think if there is a demand for building in the countryside, whether you initially put 100 per cent tax on it, a 20 per cent tax is not going to stop somebody changing a field that is probably worth £5,000 to £1 million. Even if there is a 20 per cent tax that is not going to dissuade them from doing it.

The Deputy of St. Mary:

It is a big incentive then, is it not?

President, Jersey Farmers' Union:

Sorry?

The Deputy of St. Mary:

It is a big incentive to go for the policies, support the people who stand at the hustings now and say that is what they want to do and so on and so on. That is a big incentive to go down that route. The gap between £5,000 and £1 million sounds like a big incentive to me.

President, Jersey Farmers' Union:

The point I was trying to make was if you had ... depending on what the tax would be but unless it was 100 per cent or close to 100 per cent it is not going to stop people developing land.

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

There are proposals, of course, for that kind of levy.

The Deputy of Grouville:

Just going back to this levy. What is your opinion about developing the redundant glasshouses?

President, Jersey Farmers' Union:

We are in favour of building on glasshouse sites as opposed to what we consider to be green sites, first and foremost. We also believe the Government has encouraged the glasshouse industry, right up until quite recently, to develop removing the glass. We believe the Government has some responsibility to see that glass removed. The Government have not got the money to do that, I do not think. So the only way you can do it is to have enabling planning permission so that a certain amount of development on the site would be allowed in order for the rest of the site to be cleared and put back to green fields. So there are 2 sides to enabling planning applications. One side we were uncomfortable with. We think there is a justification that, as I say, Government and the industry itself built a lot of glass and now the Government has said: "Well, we do not want to support you any more." We think there is some responsibility there that the Government should help through allowing a certain amount of development, should allow those sites to be cleared. It could be there is a

time limit on it so that it gets done because there is some very old glass around which really needs to be cleared. I can think of 2 or 3 sites that have been derelict for years and years and years. People are waiting to build on it. So they are never going to get cleared but if you possibly allowed a one-off, one house in the corner. You can clear the rest but this offer is only available for 2 years, maybe do it themselves, and you would have a limited amount of development.

The Deputy of St. Mary:

Do you see a role for glass? Keeping glass?

President, Jersey Farmers' Union:

There is a demand for the fulfilment industry at the moment.

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

The plants director and people like that. There are a number of sites taken up by ...

President, Jersey Farmers' Union:

There is one person looking for a site at least.

The Deputy of Grouville:

I do not know who is looking for it but, yes, I see.

The Deputy of St. Mary:

But looking at future scenarios for farming and so on, there are people who say that self-reliance is where we are headed and export, because of transport costs and fuel

costs, everything is going to localise. Then suddenly you might wish you had your glass to grow the range that you might need. How do you react to that kind of argument?

President, Jersey Farmers' Union:

That is with a crystal ball. You may well be right but I would suspect that the glass you are going to be building in 20 years' time, the glasshouses will be different to what we were building 5 years ago. Technology is different. What fuel they use to heat it and what crops you will be growing in there, because most of the glass is set up for tomato crop, and there would be significant cost in changing it to growing ... Well, depending what else you wanted to grow there may well be cost involved in that. So I cannot see a future for the glasshouse sector in the short term but longer term you could well be right.

The Deputy of Grouville:

All right.

President, Jersey Farmers' Union:

I do not know if I am enabling legislation but the other side of it was this idea that you would be allowed to build a house in the corner of your field to sell.

The Deputy of St. Mary:

Yes.

President, Jersey Farmers' Union:

To plough back into your business and we are going to come to talk about that.

The Deputy of St. Mary:

Yes.

President, Jersey Farmers' Union:

Why should the farming industry be any different to any other and if your business is not profitable, what on earth would you want to go ploughing money that you have gained from a planning gain into a failing business. So we think businesses should be there; certainly should be in the position to survive without that sort of uncomfortable planning advantage that the farming community would have.

The Deputy of St. Mary:

Yes. How well has this document identified the issues of the rural sector? Do you think it has basically done the job?

President, Jersey Farmers' Union:

To the effect it is a discussion document and, as such, it is a good document.

The Deputy of St. Mary:

It is on the record anyway.

The Deputy of Grouville:

Are there any glaring omissions from it?

The Deputy of St. Mary:

Or good points, indeed. Highlights.

President, Jersey Farmers' Union:

I think the highlights are there does seem to be a mood to continue with the direct support. The Rural Initiative Scheme, we think, is extremely important. As I said in the beginning, the Countryside Renewal Scheme helps us to deliver what the general public want and those areas are the ones that are key for us really. We do mention in there, I know it is a bit ...

The Deputy of St. Mary:

The C.R.S.

President, Jersey Farmers' Union:

No, we do not like the name Countryside Renewal Scheme. We think it is insulting and we think it does not value the countryside as it should be valued. It is just the name of the thing but it has always annoyed us that somehow or other our countryside is broken. It is not. We might be able to make it better but it is not broken and I think it is a very negative way of looking at the countryside.

The Deputy of Grouville:

Okay.

Deputy R.G. Le Hérisier:

In terms of your vision of the countryside, there are some people who argue that the small scale projects that are put forward, like part-time sheep farmers and people like that, essentially they are hobby farmers on the margins and that the real drive and the hard economic stuff has to come from people like you. Do you believe in that view or do you believe that, handled properly, there is a view for everybody to go forward?

President, Jersey Farmers' Union:

There is a view for everybody to go forward. I just do not think that hobby farming is the way. I do think there are too many left really, other than the people who keep a few sheep as a pet.

[12:00]

I do not have a problem with it whatsoever and these businesses may well develop. I suspect that meat production in Jersey, with the cost of land and feedstuffs, et cetera, unless somehow or other you make an amazingly different product that is better than anywhere else, I cannot see it taking over mainstream. Maybe if the cost of land came down it might but I just do not see the future of farming as that. But there is a future for some people and good luck to them. By all means, Government has a role to make sure that they comply with all the rest of the legislation. I do not think we would have a farming industry if we relied on ... you used the term "hobby farm".

Deputy R.G. Le Hérissier:

Thinking outside the box, do you think this document thinks outside the box sufficiently or is it really trying to hang on to what appears to be, and I am sure is

good, in the hope that it will and has, according to your earlier comments, weathered the economic storms or do you think it really gives open the possibility of developing new ways of agriculture or have we really exhausted those?

President, Jersey Farmers' Union:

Also, I think the industry is continually looking at itself. As I say, every bit of business in the industry, mainstream business, is looking: "How do I improve production? How do I become more efficient? What is out there that is going to help me to do this?" If you are not doing that you are going to be out of business. You will already be out of business. So please do not think we are all sort of sleepily sitting out there in some sort of 1970s mothball; you know, we have got 7 cows and an old Fergie tractor leaning onto the 5-bar gate. Believe me, it is a lot tougher out there than that and there is a lot of talent out there and there is innovation all the time. Steve and a number of other people are trying to develop the organic business, which is a premium product. Jersey Wool is obviously competition between 2 parties at the moment but you can see the money in it as investment. It is vibrant there. The dairy industry is really optimistic at the moment with importation of semen and the new dairy and everything else. So we do not want to seem negative but there is a lot going on that is good at the moment. So we are positive about the future but we know it becomes difficult without some Government support.

The Deputy of Grouville:

Daniel, being on the Environment Scrutiny Panel, would like to ask a couple of questions.

The Deputy of St. Mary:

Yes, a couple. Harmful effects, you mention them on page 3. PR4, the effect that agriculture has on the environment. Can you name some harmful effects that you might have and ... **[Laughter]** Well, they say that there are harmful effects. I just want to know which they are. Reduced to the minimum, the effect your businesses have on the environment. So you must ...

President, Jersey Farmers' Union:

Well, of course we are having an effect. You know, I get up in the morning and turn the lights on and burning of fossil fuel. But we are obliged by our customers, apart from anything else, to make sure that they are making the very best use of any resources they are using. So standards of crop spraying for example; 30 years ago you could go into your local agri-chemical store and pick something off the shelf that looks as though it might do something for something and chuck it on and if the problem was bad you would chuck an extra dose in. That has completely changed now. You know, we have to have our sprayers annually calibrated by an independent body which comes in from the U.K. The spray operators have to belong to the National Register of Spray Operators which requires ongoing attendance at training seminars and other requirements. So we are doing a heck of a lot. Nitrate is obviously an important one and, again, we have got some farmers working with the water resources team to try and do some experimental work to see if we can further reduce any impact we have. So we are doing lot and so we should. We agree with that. So we do have an impact on the environment but we are trying to minimise it.

The Deputy of St. Mary:

How do you think that project is going, the Water Catchment Management Pilot Scheme which you mentioned?

President, Jersey Farmers' Union:

It is has only just got going really. They did sort of a pilot scheme 18 months or so ago. Now they are developing it further. So that hopefully will be useful and hopefully it will give us some ideas about how we can be more effective in minimising any impact they have.

The Deputy of St. Mary:

The J.F.U. is fully supportive of that scheme and where it might go?

President, Jersey Farmers' Union:

Absolutely. Well, it depends where it might go. **[Laughter]** I agree with the first part anyway.

The Deputy of St. Mary:

If it works, you know if they can demonstrate the results of a good impact on the water quality, then they intend to roll it out across the Island, do they not?.

President, Jersey Farmers' Union:

Yes.

The Deputy of St. Mary:

They? You? How do you see it?

President, Jersey Farmers' Union:

It is us, between us.

The Deputy of St. Mary:

Buried in that scheme is quite a lot about training; about the farmers and the department together working what best practice would be and then what you would need in terms of training as well as practice to get that.

President, Jersey Farmers' Union:

Yes.

The Deputy of St. Mary:

How do you feel about all that?

President, Jersey Farmers' Union:

I mentioned spray operators. Fertiliser distribution has to be annually inspected and, again, the same firm comes over and does both. But it is an independent firm and you take your fertiliser spreader to them and they calibrate it for you using the fertiliser you are going to use. Probably unheard of 20 years ago. So, you know, we are only too willing to move forward in those areas.

The Deputy of St. Mary:

Okay. Now we are getting on to this green waste. Yes, green waste. Now, please expand on the value of this. Green waste a la T.T.S. (Transport and Technical Services), E8, page 16.

President, Jersey Farmers' Union:

E8.

The Deputy of St. Mary:

But it does come in the other panel I am on. But you say: "We agree with composting and the use of green waste" fair enough, and that the nutrient value should be then taken into account when looking at the overall balance.

President, Jersey Farmers' Union:

That is right.

The Deputy of St. Mary:

So you seem to agree that there is a value there in green waste.

President, Jersey Farmers' Union:

There is, yes, although there are some restrictions on when and where you can apply it with regard to food safety.

The Deputy of St. Mary:

Right. Why is that? My understanding was that the temperature was so high it kills absolutely everything to 0.0000 ...

President, Jersey Farmers' Union:

It is just people being extra safe.

The Deputy of St. Mary:

Extra, extra safe. So is that the only problem with the use of green waste on fields?

President, Jersey Farmers' Union:

I think so. I have not used it myself. I think you can be subsidised to use it because they have a job to get rid of it.

The Deputy of St. Mary:

Why would that be, from your perspective, J.F.U?

President, Jersey Farmers' Union:

I think if you are using ...

The Deputy of St. Mary:

Why is there a job getting rid of it?

President, Jersey Farmers' Union:

Well, because if you are applying the fertilisers correctly, you will make a better job of applying inorganic fertilisers accurately than you will composted material or, for some reason, manure. So I suspect people would be quite keen to make sure that they put the right amount of fertiliser. But if you are taking into consideration the nutrient

value of compost that is not as accurately spread, then you are going to have variation in your crop. I suspect that is why; convenience and accuracy.

The Deputy of St. Mary:

What about the humus content and the fact that it is building the soil in a different way and increasing carbon and so on? Is that taken into account by farmers generally or your members?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

There is actually very little put on a vergée. I am not sure what the latest statistics are per vergée but it means it is spread very thinly so that you would have to use it for numerous years to build up humus content through it.

President, Jersey Farmers' Union:

I do not know the exact number but there was concern about soil structure. The biggest crop is the potato crop and it is followed by cereals and grass to improve soil structure. The maize crop is probably the least friendly crop after potatoes.

The Deputy of St. Mary:

Sorry?

President, Jersey Farmers' Union:

Maize crop, grown for cattle silage, because it leaves the soil bare in the winter. But all the other crops do improve soil structure and, of course, the dairy industry is improving soil structure by the fact that the grass and clover layers are there anyway.

So our soil structure, we believe, is as good as it was ... probably better than it was in the 1970s when people were growing potatoes, cauliflower, potatoes, cauliflower, year after year. I suspect that our soil structures generally are probably better.

The Deputy of St. Mary:

So is the reluctance on the part of the industry or is it the lack of marketing(?) at T.T.S. that is the problem in selling this wonderful stuff they produce down there. It is ground up green stuff.

President, Jersey Farmers' Union:

It is ground up green stuff. It has a value but I do not know how much value it has, otherwise they would not have to pay you to take it.

The Deputy of Grouville:

Okay. I think you have answered my last question. But in the strategy it said: "How worried are you about the future of the Island's rural economy?" But you have used words "innovation", "vibrant" and "optimism" during the course of this hearing. So I have not got the impression you are desperately worried, unless there are things ...

President, Jersey Farmers' Union:

We are not desperately worried. As I say, the cornerstone is the 3 major supports we get, which is the Countryside Renewal Scheme, rural investment and the direct support. Those 3 are absolutely core to what we are doing and the industry itself has got to be grown up enough to look after itself with those. Things like innovation, there is plenty of that going on.

The Deputy of Grouville:

Okay. I am mindful of the time. We said an hour but, just briefly, is there anything that you would like to say that we have not covered?

President, Jersey Farmers' Union:

I think we have probably covered everything in one way or another. Interesting that what made the headlines this morning was school milk is going to be cancelled. It comes out of the Rural Initiative Scheme and it is just beyond me that the Government can say it is spending money on one thing and doing it on the other but the Auditor General says you fiddle the books all the time. **[Laughter]**

The Deputy of St. Mary:

There is no end to the things we have to put up with.

President, Jersey Farmers' Union:

I mean that is a really important amount of money and for the really right reasons, for investment, and people have been applying and saying: "Oh, there is no money left and £150,000 is going to pay for school milk." You think: "Well, that is wrong really."

Deputy R.G. Le Hérisier:

It is very encouraging to hear the optimism and everything. I mean it was the sort of conventional wisdom that supermarkets were putting farmers to the wall and we saw these continual stories about the dairy farmers in Britain and so forth.

President, Jersey Farmers' Union:

Awful.

Deputy R.G. Le Hérisier:

Yes. From which you were shaded in way because of the protection that was offered, say, to the dairy industry here. Do you still maintain your view of being optimistic even though there is this intense supermarket sort of control of many aspects of your sector?

President, Jersey Farmers' Union:

Yes, it is incredibly worrying us. It is why it is so hard to get local produce into the local multiples because people will tell you they like the countryside and some of them are quite prepared to pay extra to support the countryside but most people, when they go to pick up their vegetables, they look at price. That is the reality that we are fighting all the time but you have got to be optimistic or you would give up, would you not? But, you know, there is a lot of talent in our industry locally. We keep up to date with innovation that is occurring elsewhere. You know, people are going away all the time and seeing what is going on. Bartlett Brothers are a massive company that grow potatoes. They know how to grow potatoes. They may not know how to grow Jersey Royals but a tremendous amount of information is coming back from them. Jersey Wool is a large company, well set up with all sorts of their own advice and they know where to go to seek advice. The rest of us are also looking at all sorts of things that are going on elsewhere to make sure we are keeping up to date. If you go round the farms you will see a lot of ideas that are being tried all the time.

Deputy R.G. Le Hérisier:

Okay. Does Steven think that organic is going to weather the storm?

Outdoor Crops Section Committee Chairman, Jersey Farmers' Union:

Certainly organics sold locally have not really dropped away in the way they have done in the U.K. We also export quite a lot and we were able to find a home for everything we produced last year. Possibly, price-wise, there was not any more than the previous year but it was not any less. So it seems to be sort of coming out of it a little bit now. Whether we will be able to achieve the premiums in the future I do not know. But I think the cost of growing conventionally has increased due to oil prices and land prices. So I think the gap has closed and it is just a case of organic farmers being as productive as they can and supported in the way we were 2 or 3 years ago through the Countryside Renewal Scheme.

[12:15]

We had rental subsidies towards land that was in conversion and then there was a rental subsidy for land that was actually converted which helped because we are not cropping as intensively as commercial growers. So that led to a lot of land being converted to organic. We are now seeing some of that land being lost now due to the pressure on land from conventional potato growers, which is quite worrying. We are seeing the land we are renting increasing in rental due to the fact that the rents are increasing all the time. So it is going to become a point where we possibly cannot continue to farm certain parcels of land organically because we cannot afford to pay

the rent. Although some landlords see the benefits of farming organically, the quality of the soil, the wildlife and everything else, others are sort of purely looking at what they can get for their land. I think the organic farming industry should be supported at the level they were previously. The Countryside Renewal Scheme was working very well. It was a sort of fixed component of that scheme. Now, this year, there appears to be no new funding in the C.R.S. So we have not been able to put ... even if we sort of did have some more land we would like to convert, there would be no help towards it. So we have been in a position of paying rent for the last 2 years and not being able to crop it. So it is a large expense on our behalf. So it has sort of deterred a lot of land going into conversion. So I would like to see that sort of funding ring-fenced and remain as either a permanent component of the C.R.S. or as a separate sort of entity. I know the proposal in the scheme is to transfer the funding from C.R.S. to R.I.S. (Rural Initiative Scheme) but I think it was working very well under the C.R.S. The R.I.S., you would have to apply sort of year on year for various bits of funding; whereas if it was a permanent component then growers would know where they stood and they would not have to sort of worry about funding being cut.

President, Jersey Farmers' Union:

Just one point. I spoke to Graham Malone on the phone this morning. He was worried about land classification. First of all, we do not really see the point in it because for the amount of development that goes on it is better to look at everything as it comes up; although even when you do that and you point out that a field is a good agricultural field, if it is decided it is going to be built on, it gets built on. But there is also a very big danger that if you start listing land grades one to 10 or A to D, automatically property developers will start thinking: "I had better buy up a bit of this

A10 land.” That will be the first ones to go, so that puts the price of land up. Secondly, it is very easy to say: “Well, you said it was not very good agricultural land. Let us build on it.” Thirdly, how do you grade one to 10 in farming. It would probably be one if one was the worst land ever and from an environmental point of view it would probably go off the scale. Conversely, some fields that are very good agricultural fields that can grow grass up in the north ... it may not be good for potatoes but may be incredibly productive land that can grow grass. Where would you grade that? So all our land is valuable. Let us not start saying that some of it is ... well, you can possibly build on that because it is only a one.

The Deputy of Grouville:

We have not questioned you about that because we agree with you.

The Deputy of St. Mary:

You mentioned some landowners who are interested in, if you like, cash return and some have got a longer term view in terms of the quality of the soil and we appreciate that. Do you know where we can find out about landownership? Because you referred to this; that, you know, it used to be that proprietors were farming their own land and now that is not the case. How has that happened and where can we find out the pattern of land ownership? That seems a major factor in what is going on underneath the surface, does it not? I mean who owns what and ... say, hypothetically, one person owned everything, then your options would be fairly limited in terms of renting and in terms of where you would go and what their expectations would be.

President, Jersey Farmers' Union:

There is a question in the statistics about ownership, renting and family members. So there is some information there but, in reality, the reason is because people who used to farm 20 vergées, they may have owned it or ... now to be barred, well, you have got to have 200, 500 vergées. That is no longer going to be a family's ownership. All the farmers around here, families will have retired. So you would be renting land there. Where in the U.K. you will have a farmer who will farm 2,000 acres and may have one or 2 landlords, over here ...

The Deputy of St. Mary:

That is the pattern of having ...

President, Jersey Farmers' Union:

Perhaps now, I cannot think, I have probably got 50 landlords.

The Deputy of Grouville:

Okay. I will ask one final question. Do you feel that the States represents you or you have a rural champion within the States?

President, Jersey Farmers' Union:

Absolutely not. That is no disrespect to the present Assistant Minister because before that ... There is nobody championing our cause whatsoever in the States. If there was, somebody would be having a go at vehicle registration duty, for example. When it first came in it was the President of the Committee of Agriculture who proposed a refund.

The Deputy of St. Mary:

Of V.R.D. (Vehicle Registration Duty), yes.

The Deputy of Grouville:

Okay. I think that is a good final one.

The Deputy of St. Mary:

Yes.

The Deputy of Grouville:

Okay. Well, thank you very much.

President, Jersey Farmers' Union:

Thank you for seeing us and if there is anything else please contact us.

The Deputy of Grouville:

Okay, thank you.

[12:22]