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Scottish Parliament Election 2016

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NFU Scotland represents farmers, crofters and growers from across the whole of Scotland.

As Scotland's premier agricultural lobby organisation, we are committed to protecting and promoting the interests of our members in the Scottish, UK and European parliaments.

For further information, or to request this document in a dyslexia-friendly format, please contact Clare Slipper on clare.slipper@nfus.org.uk or 0131 472 4182.

www.nfus.org.uk

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Foreword from the presidential team

17 years on from the advent of devolution in Scotland, rural affairs and agricultural policy has become ingrained within Scottish political life.

This election brings agricultural politics into sharp focus, as it comes at an unprecedented time for our industry. Global forces added to the well-versed problems with the delivery of support payments have combined to create a perfect storm.

For the second year in succession, the value of Scotland's farming output has fallen. That is a sad and worrying statistic that all with an interest in the nation's food and drink sector need to take heed of. Farmers are rightly proud of what they do but they deserve a fair reward for the risks they carry every day as they go about their business of putting food and drink on our tables.

NFU Scotland has enjoyed close and positive links with Scottish parliamentarians across the political spectrum throughout the lifetime of this parliament. We have appreciated their strides to support farmers and crofters and welcomed their confident words of increasing transparency and collaboration down the supply chain. However, now is the time for ambitions to become reality, and for us to ask our politicians whether they can stand up to the plate and fight for farming and crofting within the sea of other voices.

NFU Scotland's Manifesto for Scottish Farming 2016 sets out our ambitions for the next parliament, and the key areas we will be taking forward with Scotland's new team of MSPs.

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Andrew McCornick, Vice President

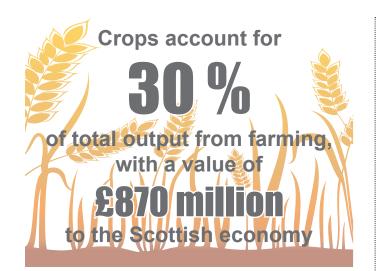
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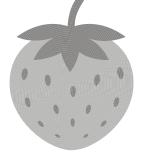
Rob Livesey, Vice President

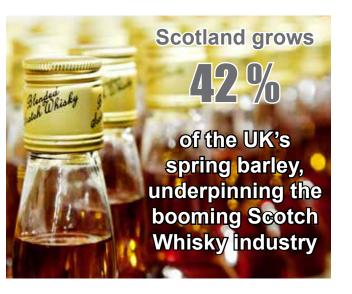
Promoting Scotland's lai



Scotland grows one-third of the UK's soft fruit

with the output value growing by over 150 per cent in the last decade





67,000

people directly employed in Scottish agriculture and a further **360,000**

people directly employed in a Scottish food and drink sector





Scottish farmers and crofters manage environmentally important areas equalling **2.1 million** football pitches in size

rder at home and abroad



since 2007, with a new

export target₂for

of £7.1

The value of income from pigs increased by £28 m between 2004 and 2014

Scotland supplies the majority of the UK's seed potatoes



Half of Scotland's farms have some sort of diversified activity, driving forward telecommunications, tourism and renewable energy ambitions

A support system fit for the future

The new Scottish Government must start on its feet, learning from the problem-stricken delivery of CAP support in 2015/16 to ensure the situation cannot happen again. Transparency and communication must be key in order for the industry to move forward.

As we head into a new negotiation on the CAP in 2020, the new Scottish Government must consider how support can be best used to protect productive agriculture.

Pillar 1 support should be effectively targeted to support productive agriculture, and act as a safety net to cushion against market price volatility whilst covering the real costs of cross-compliance.

NFU Scotland remains of the view that there should be no further transfer of funding from pillar 1 to pillar 2, and that the best use of support is to inject it directly into farming businesses who will multiply the value of that support by spending it in the rural economy.

Pillar 2 should be easily accessible, understood and targeted to avoid land abandonment and ensure farming and crofting continue to sustain more fragile communities. Less Favoured Area support must be retained within the new Areas of Natural Constraint structure.

The new Scottish Government should:

- Focus activities on growing agricultural output. Higher agricultural output is required to fuel a growth in Scotland's food and drinks industry.
- Bring different sectors of the industry together early in the new parliament, to establish common ground far ahead of these complex negotiations taking place. Collaboration, consensus and ambition should be at the forefront.
- Take a balanced view and listen to the needs of Scottish farmers and crofters whilst also creating opportunities for the next generation to come into the industry by avoiding new-entrant traps and recognising what life is like in rural Scotland today.
- Extend the existing Beef Efficiency Scheme to the full five years of the scheme rather than the current three, which will put Scotland's beef herd on a strong footing to be one of the most efficient and carbon-friendly in the world.
- Develop a first-class training, development, knowledge exchange and advisory service to ensure better compliance with regulations and to effectively inform farmers and crofters so that they can make the most of pioneering research, innovation and practical adaptation. Advisory services must be fit-for-purpose, relevant and responsive, to ensure better compliance with regulations.
- Continue the extremely positive work that has been set in motion by NFU Scotland's Farming with Dyslexia campaign, which is working to make a successful career in agriculture easier and more accessible for dyslexic farmers and crofters.

Land reform and land stewardship

NFUS would like to see government encourage agriculture tenure systems that allow fluidity while also offering sufficient security to promote the long-term sustainability and continuation of the Scottish agricultural industry. Let land plays a key role as a route into the industry for the new generation of farmers, and this must be supported.

With much of the 2016 Land Reform Bill being left to regulation, NFUS encourages Scottish Government to robustly engage with stakeholders and industry so that there are no unintended consequences from secondary legislation.

NFU Scotland wishes to work with the next Scottish Government to:

- Set in motion measures that will further instil confidence into the tenanted sector via a robust process for full and fair compensation for improvements at the end of all types of tenancy.
- Give consideration to fiscal incentives for letting land, working with UK counterparts to develop this measure.
- Engage with the agricultural industry ahead of the second stage of the Succession Bill, with particular regard to the proposal to remove the distinction between heritable and movable property.
- Amend the Dog Fouling (Scotland) Act 2003 to include agricultural land within the legislation.

Making markets work

The crippling and ongoing issues in the dairy sector have rightly received much attention from MSPs in the last 12 months. However, throughout 2015 and into this election year there are still market pressures prevailing across the agricultural commodities. The volatile market cannot be managed but a fairer margin share can be addressed.

Now is the time for politicians to garner a fuller understanding of the complexities of agricultural markets to allow them to be reactive in times of future price downturns. Markets need to start returning income back to farmers that is above the true costs of production to enable sufficient profit to be reinvested in growing more efficient farming businesses and systems. Government should be willing to work with stakeholders to lead this change.

To address these issues, NFUS urges the new Scottish Government to:

- Give further attention to volatility-managing tools by giving a stronger steer on effective Country of Origin Labelling that highlights the Scottish brand.
- Make widely available a 'mini Whole Farm review' with a focus to help farmers facing severe market pressure to assess their financial position and assist discussions with the banks – not just in times of crisis.
- Facilitate a crisis task force as early as possible in the new parliament that includes key leaders in finance, advice and the supply chain which can address the severe financial pressures on farms and drive innovative thinking.

Making the market work better will require long-term, collaborative work with players up and down the chain. NFU Scotland wishes to see the new Scottish Parliament work with colleagues in the UK and EU parliaments as well as food producers to put pressure on large retailers to implement transparent and fair trading practices. Initiatives such as the voluntary Code of Practice on milk contracts, the advancement of Producer Organisations and an effective Grocery Supply Chain Code are initiatives that should be supported at all levels, and have relevance to the entire chain.



Sharing in the success of Scotland's good food story

Scotland's reputation for food and drink is continuing to grow at pace, employing 116,000 and valued at £14 billion. Scotland produces incredible natural produce that provides the backbone for this growing food and drink industry.

NFUS believes that this fantastic success has been achieved through the hard work offarmers and growers from across Scotland. However, much of the food produced in Scotland does not go to direct consumer retailer. With a large amount of Scottish food utilised in the food service industry and elsewhere, NFUS urges the new Scottish Government to drive demand and consumption of Scottish agricultural produce through an enhanced Scottish sourcing strategy.

NFUS wishes to work with the new Scottish Government to:

- Encourage local authorities to move toward tendering contracts which are more favourable towards Scottish producers and manufacturers, whilst also engaging with food service companies to better local procurement.
- Stimulate inward investment in new processing capacity. Substantial investment in Scotland is crucial and we need tangible projects to inspire forward thinking, boost confidence and build on the Scottish brand.
- Develop collaborative projects with UK and EU partners designed specifically for exports and opening up new foreign markets, with tools to review successful food exports moving forward.
- Provide more facilities for farmer markets across Scotland – there is a particular need for high-quality covered markets to develop out the domestic food sector in all weathers.
- Put in place systems which increase and improve the quality of information coming back to farmers from abattoirs, so farmers can continuously work to improve the prominence of their produce.

Biodiversity and rural land management

Sustaining healthy, managed ecosystems amongst wider land uses is essential in this day and age where there are competing uses on the land. All political parties should acknowledge the desirability of vibrant rural communities living alongside healthy nature, rather than protected sites and species being safeguarded to the detriment of farmers and crofters.

Land use should not be a choice between farming or forestry or conservation. All can be accommodated if the policy framework that drives land-use decisions can be more coherent and integrated.

NFU Scotland calls upon the new Scottish Government to:

- Acknowledge the importance of farming and crofting to the delivery of environmental outcomes, especially High Nature Value farming.
- Develop fit-for-purpose financial support that properly compensates farmers and crofters for the costs of managing protected sites and hosting protected species.
- Rule out forced 'rewilding' of agricultural areas where this rewilding would be to the detriment of farmers and crofters in that area.
- Only reintroduce new species where there are long term management plans that safeguard farming and crofting, and the funding to implement such plans.

Farmers accept that climate change is driving more extreme weather events, and that Scottish agriculture will have to adapt to this.

Government should:

- Provide advice and support to farmers and crofters to help them make capital and management changes to their businesses in order to minimise greenhouse gas emissions and adapt to climate change.
- Take an enabling role with land managers to reduce flood risk to both farmland and other areas, with a greater tolerance for managed but higher risk activities.
- Allow SEPA to simplify the process for catchment licences, where groups of farmers carry out
 watercourse management along a stretch of river, and implement adequate payments to farmers for
 voluntary natural flood management done on their land.

Developing a crofting system fit for the 21st Century

For the well-being of some of our more remote, rural and island communities, it is in all interests to see a vibrant crofting sector. Active crofting supports population retention and growth, contributes significantly to the local economy, both directly through agricultural production and indirectly through employment and businesses, and maintains nationally important habitats and species.

NFUS calls on the next Scottish Government to:

- Start with a clean slate in relation to crofting legislation and simplify the legislation and management of common grazings to develop a framework that is fit for the wants and needs of modern-day crofting.
- Identify a lead body to support crofters, develop new opportunities and undertake research into the creation of new crofts – possibly on Scottish Ministers' Estate land and in woodlands.
- Develop policies that will maintain a critical mass of livestock producers and the capacity for livestock production within crofting communities, by better promotion of existing schemes. New financial incentives should also be developed through the CAP that will support new crofters while at the same time helping those contemplating retirement.
- Ensure that any new woodland planting on croft land is appropriate in scale and location and does not negatively impact on continued livestock production in the crofting areas, whilst also ensuring that issues such as local community consultation and deer management are fully addressed.

2017

Keeping costs in check

In tough financial times, farmers and crofters do a good job of tightening the belt and making efficiencies as far as possible. The role of government should be to allow businesses to flourish without the burden of undue costs from regulation that cannot be recovered from the marketplace.

In the next parliament, NFU Scotland wants the Scottish Government to:

- Fully implement the recommendations of Brian Pack in his 'Doing Better' report • on regulation, and ensure that the Rural Affairs, Food and Environment Delivery Board delivers genuine better regulation.
- Never gold-plate European rules, particularly those on greening and animal welfare, and show a willingness to amend such rules when they are proven to be inappropriate to the Scottish context.



Work in Europe to create an outcomes-based approach to compliance and a fair, sensible and proportionate structure for penalties which do not jeopardise the integrity of support schemes. A key aspect might be to increase thresholds before penalties kick in.

Scotland is a world leader in science and research and NFU Scotland wishes to work with MSPs to highlight



new and emerging innovations that can reduce costs and better the yield from productive Scottish agriculture.

- In the new parliament, NFUS will work with partners in science institutions to take forward a science in agriculture work programme, and we strongly encourage MSPs to engage with this exciting and dynamic forum for discussion.
- It is important that pioneering research is able to be taken from lab to farm, with government enabling the transfer of proven skills and innovations to farmers on the ground.
- Future decisions must be made formulaically on the principles of sound science and government should be open to at least having a debate on the merits and shortfalls of the use of new technology and innovation in farming practices.

NFUS wants the new Scottish Government to work with industry to put in place measures that will allow farm businesses to rightly pay the new Living Wage whilst still remaining profitable and competitive with our closest neighbours.

NFUS calls upon the new crop of MSPs to:

Listen to NFU Scotland's arguments with regard to the abolition of the Scottish Agricultural Wages Board. NFUS members fully support a fair wage being paid, however since the establishment of the SAWB, vast legislation has been introduced to protect workers, most recently the new National Living Wage. NFUS members, particularly those in the soft fruit sector, are keenly feeling the competitive disadvantage of having two systems with UK employment legislation added to the requirements of the Wages Order which only adds to red tape.



Making Scotland's farms safer for all

Over the past decade more than 80 men, women and children have died on Scottish farms and significantly more have been badly injured as a result of farming activities. That brings a catalogue of heartbreak and misery to numerous Scottish families and rural communities each year.

NFU Scotland looks forward to:

- Working with the Scottish Government to continue the important work of the Farm Safety Partnership, which strives to make Scotland's farms a safer place to live and work.
- Supporting the important work undertaken by NHS Scotland's Healthy Working Lives scheme, which works to promote physical and mental well-being in the workplace.
- Encouraging Scottish Government to commit all new abattoirs funded with public money to be fitted
 with best practice facilities such as downward hide pullers and online clipping, which will improve onfarm safety as well as public health. Funding should also be made available for processors who want to
 retro-fit the facilities into existing abattoirs.

Scotland has a growing reputation for animal health and welfare and this is something which should be preserved in the next parliament. With tightening budgets, the new Scottish Government should:

- Work with industry to develop proactive and positive animal health policies, by continuing to support the Scottish BVD scheme and the Scottish Sheep Scab Initiative as well backing new schemes proposed by industry through Livestock Health Scotland.
- Commit to maintaining the current level and geographical coverage for animal health surveillance.

Policies fit for rural Scotland

NFU Scotland wants future policies to be 'rural-proofed' so that legislation can recognise and adapt to what life is like in rural Scotland today. Rural land abandonment is a real concern in the 21st century, if high-value jobs are simply not available.

- The Scottish Government should continually assess and consider new funding streams and infrastructure that can improve Scotland's sub-standard broadband and mobile network connectivity, and work constructively with UK counterparts to ensure this is delivered.
- Opportunities and skills training on agriculture and the food and drinks sector should be made more readily available to young people as government develops its educational curriculum.
- Fiscal measures and planning policy should also enable agricultural businesses to diversify into new income streams by utilising assets at their disposal and realising development opportunity.