



ASSOCIATE PARLIAMENTARY FOOD & HEALTH FORUM



Minutes of the FHF Meeting “Supermarkets, Nutrition and Farming”

6pm 18 October, 2005

Committee Room 15, House of Commons

Present: Lord Rea, *Chairman*
The Earl Baldwin of Bewdley, *Secretary*
Baroness Gibson of Market Rasen
Baroness Miller of Chilthorne Domer
Roger Williams
Patricia Constant, CLC
Rob Hailey of CLC
15 Associate members, names recorded.

Apologies: 13 members sent their apologies, which have been recorded.

Speakers: Terry Jones, Head of the National Farmers’ Union’s London Office.

Andrew Opie, Director of Food and Consumer Policy for the British Retail Consortium.

Professor John Webster, Emeritus Professor at the University of Bristol Veterinary School.

Introduction

1. Lord Rea welcomed members to the meeting and introduced Terry Jones and Andrew Opie. He apologised for the late start of the meeting as a result of divisions called at 6pm.

Terry Jones

Introduction

2. Terry Jones (TJ) began by saying that agriculture is facing challenging times, especially in the red meat and dairy sectors and, more recently, poultry. In his view UK Farmers have to be part of the debate on nutrition, not least because they need points of difference on which they can compete with international competitors who can beat them on prices. He emphasised that nutrition is a whole chain (of food supply) issue because quality measures and issues such as traffic lighting issues have an impact at the farm gate.

What has changed?

Chairman: Lord Rea
Vice-Chairmen: Tony Baldry MP, Dr Ian Gibson MP
& Baroness Miller of Chilthorne Domer
Secretary: The Earl Baldwin of Bewdley
Treasurer: Baroness Gibson of Market Rasen

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3. The media express nostalgia for a golden age, but TJ questioned the accuracy of this in terms of the nutritional quality of our food. Some developments, such as freezing, may have led to significant improvements in the quality of our food. Post farm gate action has a much greater impact on the nutritional quality of our food than what happens on the farm. Farmers cannot and should not be expected to take all the responsibility for the nutritional quality of our food. The media pick up on certain issues, such as food transport, GM foods, etc, but TJ questioned whether such issues affected the nutritional quality of our food and whether, for example, intensively produced food was any less good in terms of its quality.
4. Consumers have changed. They are now very often cash rich but time poor and increasingly urbanised and this affects the food choices they make. Many changes in the food now produced have been consumer driven.

What is farming's role?

5. Commercial pressures on farming, for example supermarkets' requirements in terms of the appearance of food, have not had a major impact on the nutritional quality of food.
6. Locally sourced food may not be healthier and there may be other reasons why it is attractive to consumers, such as a pride in local products.
7. The nutritional quality of our food is most likely to improve as a result of research, but the farming community has a good record in terms of investment in research and development. Farmers' ability to invest will, however, remain dependent on their economic viability.
8. British farming exists in a highly regulated market and consumer demand means that farmers have a real incentive to produce good quality, nutritious food. Farmers can take responsibility for improving the quality of food further, but they need a clear signal from the market to do so.

Andrew Opie

Introduction

9. Andrew Opie (AO) described the retail food market as being highly competitive and responsive to consumer demand. It is worth some £120 billion. Health and nutrition has become an increasingly important competitive issue, although the nutritional quality of our food still ranks below price and general quality in terms of customers' priorities. AO pointed out that the choice of brands will reflect the lifestyle choices of consumers and that promotion and marketing is having a significant impact on the nutritional quality of our food.

What are retailers doing?

10. Supermarkets offer a huge choice of products, including a healthy range of products alongside value and standard products. The healthy range of products is now worth about £1 billion and is increasing. Supermarkets also offer a significant amount of information.
11. Supermarkets follow a comprehensive approach to healthy eating focusing on overall diet rather than demonising certain products.
12. Supermarkets are reformulating products to make them healthier, for example reducing the salt and fat content of food sold.

13. Supermarket's food labelling greatly exceeds regulatory requirements, for example nutrition labelling and in-store information, and further information is provided through websites and magazines. All of these formats are used to promote health eating.
14. Retailers are increasingly promoting and marketing healthy products in order to attract customers. They also use campaigns linking diet and activity to steer customers towards more healthy food, such as fruit and vegetables.
15. British retailers are key stakeholders both at an EU and UK level. They liaise closely with government about the development of food and health plans. AO told members that the UK has been held up as a model at EU level which other Member States should follow in this respect.

Implications for farmers

16. The fruit and vegetable market is worth about £6 billion and is a key part of supermarket business. Consumers respond positively to simple campaigns and the 5-A-Day campaign is leading to a noticeable increase in fruit and vegetable sales.
17. Consumers like variety and won't, with rare exceptions such as English apples, accept seasonality as a reason for not eating certain products.
18. The added value market, which includes healthy ranges and, for example, prepared vegetables, is popular. Supermarkets are now looking at ways to make fruit and vegetables more popular to low income consumers.

Opportunities for farmers.

19. Farmers should seek to promote products under a combined range of headings such as British, healthy, etc. and must respond to the demand for both convenient and healthy food.

Threats for farmers.

20. Farmers face increasing competition. They also need to be aware of the dangers inherent in certain products being or becoming demonised, for example, dairy products and bacon. Farmers must take account of consumers resistance to seasonality and beware shifts in consumer demand caused by fads such as the Atkin's Diet. The reformulation of products, for example, the move to milk with a lower fat content, creates a potential problem for farmers because the surplus must be used constructively otherwise they will suffer financially.

Lord Rea

23. Thanked both Terry Jones and Andrew Opie. He then welcomed Professor Webster, Emeritus Professor of the Bristol University School of Veterinary Studies, who would be speaking about quality assurance and the way in which it can be made to work for consumers, farmers and animals.

Professor John Webster

Introduction

21. Professor John Webster (JW) told members that we need quality assurance more now than ever because consumers are less knowledgeable about farming and cooking. He outlined the pros

and cons of quality assurance for consumers, farmers and farm animals. For consumers, quality assurance should lead to an increasing awareness of and trust in the quality and safety of their food. As far as farmers are concerned, quality assurance should lead to improved husbandry, more successful farms and enhanced satisfaction. Quality assurance should also promote better health and welfare of farm animals.

22. However, quality assurance does not necessarily lead to more trust on the part of consumers who are sceptical about the messages they receive. Farmers may feel that quality assurance simply increases the bureaucratic burdens they face for little reward and animals will only benefit if quality assurance schemes lead to action for their benefit.
23. JW drew attention to three schemes which he felt had been of little success in raising consumer awareness and trust: the Little Red Tractor scheme, organic labelling and RSPCA Freedom Foods. The Little Red Tractor scheme had successfully conveyed a message that products were British, but little else. JW suggested that organic standards had generated high awareness, but much less understanding, and expressed scepticism about aspects of organic products. JW told members that the organic debate was clouded by mysticism, prejudice and fundamentalism. The RSPCA Freedom Foods were aspirational in terms of animal welfare.
24. JW outlined what he described as the “virtuous bicycle” whereby increasing quality is the result of standards being set and met by producers who then promote their products to consumers who respond positively to them, increasing the incentive for producers to carry on.

Action for change

25. Consumers are driving changes faster than Government regulation, for example with regard to free range eggs. In this case change has not been brought about because people think free range eggs are of a higher quality, but as a result of respect for the hens and a desire to see their living conditions improve. Supermarkets respond to consumers and, as a result of consumer preferences, all the eggs sold by Waitrose and the Co-op are now free range.
26. The value which consumers place on products is vital to the farmer: milk is 46p a litre, half the price of fizzy water in supermarkets. If we want farmers to produce high quality food and adopt high welfare standards, we should be prepared to pay for it.

Questions

27. **Baroness Miller** thanked Professor Webster for a wonderfully inspiring speech, focusing on the need for action, before questioning Andrew Opie’s claim that fruit and vegetable sales have increased and Terry Jones’s suggestion that locally derived food is not necessarily the best. In response AO commented that although fruit and vegetable sales had, as Defra figures demonstrated, decreased they were now increasing rapidly, especially in the value ranges which are bought by low income consumers. TJ stressed that he had not meant to criticise locally sourced products, but he doubted whether claims based on nutrition could be validly made for them. There are other problems, including environmental costs, associated with transporting food long distances.
28. **Roger Williams** asked Professor Webster to illustrate with some examples his scepticism about the claims made for the organic approach to farming and JW responded by citing the treatment of mastitis with homeopathy and attempting to control parasites through pasture control.

29. **Alan Long of Vega Research** expressed surprise that the speakers had not said more about the Common Agricultural Policy (CAP) and expressed scepticism about the suggestion that the UK could be held up as a model on this issue in Europe. He suggested that Finland had a longer and better record on these issues, particularly in the development of healthier products, than the UK. He also criticised the CAP as a means whereby farmers had been encouraged to produce unhealthy products that were then sold off cheaply to non-EU states. JW responded by saying that it was counter-productive to demonise certain foods and farmers, retailers and the government should focus on promoting a healthy overall diet.
30. **Baroness Miller** said the Women's Food and Farming Union's call for more research on the nutritional quality of food produced as a result of different methods, for example, milk from cows fed on red clover, and asked if this had been undertaken. TJ said there had been considerable research, but a bigger challenge was to brand products effectively to draw attention to more healthy products. JW commented that it was quite easy to manipulate the nutritional quality of foods derived from simple stomached animals such as pigs and chickens but not from ruminants.
31. **Charles Bourns of the NFU** said the NFU had done some research on fats in chicken and that, perhaps surprisingly, organic chickens had a higher fat content than non-organic chickens.
32. A member of the Forum suggested that locally derived fruit and vegetables were surely fresher and better for us and should be promoted as healthy as well as British. AW responded that English apples are not necessarily healthier, but they are popular and are one product which consumers accept as being seasonal. TJ drew attention to the promotional work of the English Apples and Pears Association.
33. **Lord Rea** asked whether farmers were as "in thrall" to the supermarkets as we are led to believe, both in terms of the ever higher standards they are expected to meet and the low prices paid. AO agreed that supermarkets are in a very strong position, but pointed out that their margins on fruit and vegetables were relatively low (3-4%) and that they seek to act responsibly, for example, by setting up and liaising closely with producer clubs. TJ suggested that supermarkets could do more to act on the responsible sentiments which they express.
34. **Professor Webster** noted that people are increasingly buying their food in restaurants and fast food outlets and these suppliers are increasingly adopting and marketing both more nutritious food and higher animal welfare standards.
35. **Alan Long** asked to what extent the issue of nutritious food is considered in Parliament's food policies. Baroness Miller noted that Parliamentary Food would be the subject of a future meeting, but she was aware of considerable interest in it among Parliament's chefs.
36. **Baroness Miller** suggested the NFU should respond to Professor Webster's comments on the Little Red Tractor logo. It was agreed by TJ and JW that the logo was used to draw attention to British food of a baseline standard rather than the nutritious quality of the food.

Conclusion of the meeting

37. **Lord Rea** thanked the speakers for their very stimulating presentations and for responding so thoughtfully to some searching questions. He also drew members' attention to the next meeting of the Forum on 29th November, when the subject of alcohol-related diseases and deaths and the Government's policy on alcohol, including the Licensing Act, would be discussed.

CLC, October 2005