A response to the Scottish Affairs Committee's inquiry on the future of Scottish agriculture post-Brexit.
Compiled by Drew Ratter, acting as a consultant on behalf of Shetland Islands Council

This submission takes note of Shetland Islands Council policies on economic development, and the role of an active agricultural sector in supporting that, as well as important rural infrastructure. It also stresses the role of agriculture, crofting and farming, in stabilising and supporting Shetland’s rural communities

What should be the priorities of any future agricultural support system in Scotland? Are the needs of the agricultural sector in Scotland different from the rest of the UK?

The Council's priorities are quite clear. The Council has been involved in supporting agricultural activity as a priority for well over 30 years, and counts among its successes the facts that Shetland has a viable dairy industry and a working abattoir. We believe that the maintenance of facilities such as these are of great importance to more peripheral and remote rural areas of the UK generally. The Council is clear that we share priorities, through Highlands and Islands Agricultural Support Group with the rest of the Highlands and Islands, and believe that at least the current level of support is critical to survival of agriculture throughout our region. The differing needs of our agricultural support from those of lowland Scotland is of much greater significance than any connection UK wide.

What funding will Scotland’s agricultural sector require post-Brexit? What should future agricultural support in Scotland look like, and what goals should it seek to achieve?

There is no doubt that livestock farming and crofting in our region is already endangered by current levels of support. Prices are lower, inflation corrected, than they have ever been, for very high quality stock. Without area based payments, which reward land managers for protecting the environment, as well as supporting income, the future would be bleak. Hence two critical requirements for the future: area based payments, and top up environmental payments recognising the public goods produced by crofters and farmers sensitive management of the environment, contribution to SG climate change priorities and the wider economy including tourism. Shetland crofters and farmers have been heavily involved in environmental schemes since the first ESA scheme, and the only limit to participation is the incredibly difficult and convoluted application process, and shortage of consultants to navigate this.

How should a future agricultural policy seek to accommodate different sectors of the farming community, especially those in remote and less favoured areas, and crofters?
The previous two answers cover this question fairly well. The Council’s view is that the Highlands and Islands have substantial common interests, and we have worked for some years within HIASG (Highlands and Islands Agricultural Support Group) to uphold and argue for these. It is important to note that Orkney interests are also well aligned, insofar as Orkney can achieve island status. We, as a group, commissioned a paper:

**POST-BREXIT IMPLICATIONS FOR AGRICULTURE & ASSOCIATED LAND USE IN THE HIGHLANDS AND ISLANDS**

Report to the Highlands & Islands Agricultural Support Group May 2018

Andrew Moxey (Pareto Consulting) & Steven Thomson (SRUC)

This paper has been made available to MSPs, and further copies can be disseminated to your committee. It demonstrates quite clearly the consequences on the Highlands and Islands, of any decrease in farming support, and makes the case for a fair and equitable future deal.

- **What should be included in common frameworks between the UK and devolved administrations in relation to agriculture? What balance should it strike between having a common UK-wide approach and providing flexibility to Scotland’s needs?**

As things stand, the Council would support the maximum devolution to the devolved administrations. This would include a full and fair budget allocation. This support necessarily depends on some indication that the Scottish Government intends to create a framework which is just and fair to our region, and which, therefore, would not depend on production subsidies and heavy stock densities, and which would include a sensitive and well designed environmental element, as well as a transition to the ANC arrangements already extensively consulted on and agreed by all parts of the country.

- **What should be done to meet the long-term labour needs of Scotland’s agricultural sector?**

This is not a question which can have much meaning in Shetland and across the Highlands and Islands. Most labour on units in the islands and across the region is family labour, and there is a heavy dependence on specialist contractors. Some support for such contractors given their need to maintain a large quantity of plant in a region where work is by definition seasonal and barely sufficient.

- **What role can innovation & technology have in improving productivity in Scottish agriculture?**

For our islands and region, innovation in marketing of our product is probably worth highlighting. It is difficult to comment on technological innovation.

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