

# Food: Prices

Question

4.45 pm Nov 2011

Asked By **Lord Knight of Weymouth**

To ask Her Majesty's Government what measures are being taken to assist families in the United Kingdom to cope with increasing food prices.

**The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Lord Taylor of Holbeach):** My Lords, the impact of rising food prices is of concern to the Government. While it is not the Government's role to control food prices, we understand the need to monitor the impact of price increases on households. I hope it reassures the noble Lord that the Government provide a nutritional safety net to extremely low-income families through the Healthy Start scheme, which offers vouchers for essential foods. As the noble Lord will know, we also take into account food prices when benefits rise annually with consumer price inflation.

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**Lord Knight of Weymouth:** My Lords, according to the latest statistics from the OECD, UK food consumers face the second highest increase in food prices of anywhere in Europe—ironically, after Hungary. What are the Government going to do about it? Why are British food consumers so hard-hit relative to others in Europe? This is an urgent problem for family budgets—what is the Government's response?

**Lord Taylor of Holbeach:** My Lords, the House will know that food supplies and volatility in food price markets have been a feature of the past 12 months. We cannot doubt that in this country we have the most efficient food supply chain in Europe. Our supermarkets are extremely price-competitive, as anyone here who has shopped in other countries

will realise. I think that the noble Lord was talking about increases rather than absolutes, but I am talking in absolute terms. Of course we are concerned. I think that the secret lies in increasing food production and producing a great deal more self-sufficiently in this country—a policy that was abandoned by the last Government but which this Government are determined to take up.

**Lord Howe of Aberavon:** I dare say that my noble friend will not recall that my first appearance in the Cabinet was on Guy Fawkes Day 1972, when I was appointed Britain's first Minister for Consumer Affairs—a role described by Sir Edward Heath as the Minister for Keeping Down Prices. Does my noble friend recollect that that task was then taken on by the noble Baroness, Lady Williams of Crosby, and that the most enthusiastic enforcer was the late Lord Cockfield? If there is any lesson to be learnt, it is that we were all wasting our time and burdening the nation to wholly no good. Will he please assure us that that lesson is fully understood?

**Lord Taylor of Holbeach:** I am very grateful to my noble and learned friend for taking me back to my childhood in politics—names like Aubrey Jones and Fred Catherwood and prices and incomes policies all come back to me. Indeed, my noble and learned friend is right to remind us that there is nothing like a competitive market with a strong retail sector to make sure that prices are kept as competitive and as low as possible.

**Lord Pearson of Rannoch:** My Lords, can the noble Lord confirm the previous Government's estimate that the EU's agricultural policy costs each family of four in the United Kingdom about £1,000 per annum in higher food costs and tax? Would he also agree that since these higher food costs fall largely on milk, bread and sugar, they hit our poorest hardest? Finally, would he confirm that there is nothing we can do about this while we remain in the European Union?

**Lord Taylor of Holbeach:** I should inform the noble Lord that in actual fact the world price of sugar is currently higher than the internal European price of sugar. Indeed, the common agricultural policy, despite all the misgivings, at least provides some degree of stability in

the huge volatility that there has been in global commodity prices. I cannot share the noble Lord's view.

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**The Lord Bishop of Norwich:** My Lords, is the Minister aware of the rapid growth of food banks around the country—a Christian initiative which is gaining ever wider support? I declare an interest as the patron of Norwich Foodbank, which has assisted 860 families and individuals in just the past three months. What might be done to better integrate this generous voluntary provision with the work of statutory agencies?

**Lord Taylor of Holbeach:** Last week I, like a number of other noble Lords, attended an evening on food waste here in the House. Present at that gathering was FareShare, which, with FoodCycle, offers a facility whereby food that would otherwise be wasted can be made available through charity outlets. I think that that is a worthwhile initiative, and I congratulate my noble friend Lady Jenkin of Kennington on arranging the evening. It was most enlightening and, indeed, encouraging.

**Baroness Trumpington:** Is the Minister aware of the extremely helpful programme going out weekly on the BBC describing British food that is available to everybody but does not seem to be taken up? Can Defra please help the BBC? Cabbages, eggs and everything you can think of are being dealt with most efficiently on the BBC—I hate to give it credit but it is true. It would be helpful if Defra could follow in those valuable footsteps.

**Lord Taylor of Holbeach:** The BBC has pioneered informative broadcasting on agricultural matters, from “Farmer’s Diary” to “The Archers” to “Countryfile”, all of which I hope inform the public about what it is to produce food and all the elements that go in to making a strong food supply chain in this country.

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