



NFU Scotland *Briefing*

Date : 25 March 2020
To : MSPs; MPs
Cc : Scottish Parliament's Rural Economy and Connectivity Committee; House of Commons Scottish Affairs Committee
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CORONAVIRUS: AGRICULTURE SECTOR UPDATE – ISSUE 2

- This briefing is intended to be a regular update to inform elected representatives of the impacts of coronavirus on the agriculture and rural sector. NFU Scotland (NFUS) is strongly engaged with the Scottish Government to highlight these impacts.

Farms to remain open

1. NFUS appreciates the clarification given by the First Minister in her address to the Scottish Parliament on 24 March which set out that businesses involved in food supply should remain open if possible, subject to being able to adhere to safe social distancing practice and normal health and safety requirements. This guidance will ensure that workers on farms and crofts across Scotland should be able to continue working.
2. NFUS is aware that some farm workers have been stopped by police whilst travelling to work to be asked where and why they are travelling. NFUS understands that it is at the officer's own discretion as to whether the individual should be allowed to continue their journey in such cases. As such, NFUS has advised members that are employers of staff that they give their employees some form of work ID or a letter from the farm confirming the nature of their employment.

Actions Required

- 3. NFUS queries whether government can provide a standard permit/letter that could be used by employees to show that they are entitled to travel and go to their place of work.**

Definition of 'key workers'

4. Following the announcement that schools would be closed effective Friday 20 March, the Scottish Government has published three categories of workers that are to be defined as 'key workers' and are therefore eligible to have continued core service care provided for their children ([link](#)).
5. NFUS appreciates the significant pressure facing the education system and the need to ensure that core services are available only to those who are critical in Scotland's response to the coronavirus situation. As such, together with other trade bodies we are urging members to reduce staffing to the bare essentials required to secure Scotland's food supply in order to ease pressure on vital services.
6. NFUS has also advised members that they should not contact their local authority to make the case for key worker designation unless it is a measure of last resort. All other measures must be explored first. If members are to contact their local authority it should only be to seek a derogation for "business critical" roles.
7. However, we believe it is also vital that Scottish Government provides greater clarity to Scotland's local authorities on who they should define as key workers. National advice issued in England ([link](#)), Wales and Northern Ireland specifies those involved in the production, delivery and sale of food as key workers. NFUS believes that food supply workers should be included under category 2 of the key worker designation for childcare. NFUS is calling for Scottish Government to urgently consider bringing its definition of 'key workers' in line with that of England.
8. NFUS has specified a list of jobs that must be undertaken to ensure primary production and movement of agri-food produce can continue, which has been presented to Scottish Government. We believe this is particularly important not just to ensure consistency in the provision of core service childcare but vitally, so that farm supplies, essential services, and agri-food produce can continue to move through the country whilst the UK is on a lockdown footing.

9. Annex 1 details roles that are undertaken on-farm and in the agri-food supply chain which are vital in order to keep food moving through the country. The list produced specifies those roles where there are a) freedom to travel and childcare considerations needed, and b) childcare considerations needed.

Actions Required

10. NFUS calls for MSPs support in obtaining a clarifying statement from Scottish Government that its advice to local authorities on the definition of 'key workers' will be brought into line with the rest of the UK, and informed by the list of occupations identified by NFUS.

Worker shortages

11. NFUS has established an employment-matching service on its website which is open to any individual who may be able to undertake farm-work. The initiative will match these individuals with NFUS members who are experiencing labour shortages on their farms as a result of the coronavirus situation. The site is available [at this link](#).

Actions Required

- 12. NFUS is grateful for the support of all parliamentarians in promoting the initiative to constituents – either agricultural businesses that are experiencing labour shortages, or individuals who may be out of work and in a position to assist.**
- 13. If workers can be found, many of these workers in the horticultural sectors particularly will be housed on farms in large numbers. Farmers are asking if there is any particular guidance that should be followed to keep a large number of workers who are working closely together safe and protected from the coronavirus.**

Agricultural Sick Pay

14. The minimum rate of sick pay an agricultural worker can receive in Scotland is set by the Agricultural Wages (Scotland) Order. For eligible workers working a 39-hour week, the rate of Agricultural Sick Pay is £320.19, with an increase in the hourly rate for workers of 50p coming into force from 1 April 2020. This minimum rate significantly exceeds the rate of Statutory Sick Pay (SSP), which is presently

£94.25 a week. This significant discrepancy is putting agricultural businesses at a disadvantage to other sectors.

15. The recent changes through the Statutory Sick Pay (General) (Coronavirus Amendment) Regulations 2020 also has implications for Scottish agricultural businesses. The regulation means employees will be eligible for SSP from the first day of absence where they have self-isolated in accordance to guidance from Public Health Bodies in Great Britain and are unable to work. For Scottish agriculture, this means that workers who are eligible for Agricultural Sick Pay will receive SSP for the first three days of absence and received the enhanced Agricultural Sick Pay provision from the fourth day of absence for a maximum of 13 weeks.

Action required

- 16. NFUS is calling for an immediate support package to refund the difference between SSP and Agricultural Sick Pay for workers absent due to COVID-19. NFUS considers that such a measure will ensure that Scottish farming and crofting businesses are better equipped to provide support and security to their employees during this volatile and unprecedented time.**

Pensions contributions for temporary/seasonal staff

17. Under current rules employers must pay a minimum of 3% of staff member's earnings into their pension with the total combined payments by staff and employee being no less than 8%. NFUS supports this, recognising that it helps produce a level playing field amongst employers. However, the pension requirements also apply to harvest workers because their wages are generally well above the weekly earnings threshold of £118 per week.
18. In any normal year, the problem for farms employing a lot of temporary/seasonal non-UK workers is that there is a lot of administrative effort involved in enrolling the workers for the pension and most if not all are not interested in building up a small pension pot in the UK that is not in their currency and that they cannot easily access until they are in their mid to late 50s.
19. Due to the reasons set out above, it is anticipated that there will be a significant shortfall in non-UK workers being able to undertake work in the UK this season

and as such, growers hope to be able to recruit UK resident workers through the aforementioned labour-matching service for this season.

20. It is anticipated that very few, if any, resident workers will take on employment on-farm this season with a view to staying on permanently, as in the vast majority of cases the UK resident workers will be on making as much money as they can until their normal employment resumes. It is not therefore anticipated that these temporary workers will expect to contribute to a separate pension pot.
21. Although workers can opt out of the pension scheme, this cannot be suggested by employers, to avoid them putting pressure on workers to not participate.

Action required

22. NFUS asks whether the requirement for temporary farm workers to be enrolled in a pension scheme be lifted should be suspended, at least until the end of 2020 with a commitment to review the requirement. NFUS would appreciate any political support in communicating this to the UK Government.

Animal Feed

23. NFUS understands that there are some concerns about the adequacy of animal feed supplies as the situation with COVID-19 progresses. It is understood that in the last week there have been some shortages in the Northern Isles, predominantly arising from farmers panic buying and stockpiling.
24. A further, more pressing concern regards the availability of the distillery by-product draff which is used in animal feed. It is understood that with some distilleries considering reduced or ceased production at this time then this could have an impact on the availability of animal feed. This is particular concern if there are further restrictions on imported feed.

Actions required

25. NFUS believes that there could be scope for UK Government to encourage distilleries to remain open and in production if it were to create an incentive to produce sanitising products by waiving tax and excise duties on these products. This could ensure that distilleries remain in

production, ensuring a supply of draff by-products, whilst also incentivising production of sanitising products that are in shortage.

Sector impacts - Soft Fruit and Field Vegetables

26. Without knowing if workers will be available growers will need to make business decisions on whether to proceed with taking crops through to harvest. For example, a large broccoli grower reports that to grow a crop of broccoli requires input cost of £1,300 to £1,500 per acre - so a 400-acre broccoli grower needs to commit circa £500,000 with no guarantee of having any labour to harvest. With only 15% to 20% sown we are at a critical time for growers to make decisions to reduce the remainder of their planned production.

Actions Required

27. If the government could underwrite the cost of growing crops this would give growers the confidence to go ahead with production when there is so much uncertainty about over the availability of labour. NFUS has posed this question to the UK Government and would appreciate any support in gleaning the possibilities around this.

Sector impacts - Ornamentals

28. Due to a crash in demand for non-edible ornamentals, there is a significant amount of stock in glass houses that is now unlikely to move. This in turn is leaving little room to transplant the next crop which would usually be sold over the next 3 months, again with very little demand. As a result, ornamentals growers are looking at substantial losses with concern expressed by some that they may not be able to survive.

29. NFUS is encouraging these businesses to ensure they have access to the various loan schemes and business resilience measures that are available. NFUS also understands that this sector is exploring whether direct marketing and delivery might offer any solution.

General and concluding remarks

30. Like all sectors of the economy, each sector of Scottish agriculture has or will be impacted by COVID-19 and the restrictions imposed by the virus outbreak in

some way. This briefing has set out some outstanding questions relating to particular sectors, but also wishes to highlight the immediate impact that the situation has had on businesses that have diversified into tourism or leisure pursuits in particular.

31. NFUS welcomes the various support packages that have been announced by both the Scottish and UK Government and is encouraging as many members as possible to investigate what support might be available to them.
32. NFUS is in regular contact with banks, lending providers and NFU Mutual to ensure that there are credit and insurance options available to businesses which are in a position to make applications.
33. NFUS is also strongly encouraging members to submit their Single Application Forms (SAF) as in any other normal year in order to receive their agricultural support payments. NFUS understands that the impact of the virus will undoubtedly be felt in RPID offices across Scotland and is working closely with RPID and SAC to ensure applications are made as smoothly as possible.
34. NFUS is concerned about the impact that self-isolation may have on farm-based individuals or families who may already be isolated in their working environment or remote location. NFUS is working closely with RSABI to ensure there is emotional support where it is needed and through NFUS' own communications and regional networks is staying in close dialogue with members who may require some form of assistance.

Annex 1 – NFU Scotland – List of essential workers in agricultural supply and production

- Freedom to travel and childcare considerations needed

Agricultural Sector	Issue	Activity/Worker	Notes
All	Required movement via haulage of essential goods on and off farm	Lorry drivers	<p>Applies to all sectors-essential supplies include: animal feed, seed, fertiliser, chemicals, vet supplies, spare parts, fuel including red diesel and heating oil</p> <p>Regular delivery required as farms have limited storage and very little contingency in terms of feed (particularly in sectors like pigs)</p> <p>For sectors like dairy it is vital that milk can be removed from farm</p> <p>Livestock movement must be possible to get stock to abattoirs and summer grazing for animal welfare</p> <p>Crop movement off farm vital to ensure reaches processors and end users, especially perishable crops</p>
All	Ability to deal with machinery and kit breakdowns	Engineers/Agri Engineers	<p>Required to keep vital machinery running</p> <p>Intensive livestock units rely on automated feeding, temperature control to function.</p>

			<p>Farm vehicles including tractors and trailers and self-propelled equipment needed for planting, husbandry and harvesting of crops.</p> <p>Post harvesting, crops such as potatoes needed to be stored in temperature-controlled conditions. Cooling or drying equipment may need specialist repairs.</p>
All	Ability to ensure that vital farm services like electricity, gas and water are maintained	Utility workers	Required to safeguard vital services and remedy any defects which may cause a risk to public health
All	Ability to carry out time sensitive operations	Agricultural contractors	For things like, slurry spreading and shortly silage making services.
Livestock	Animal welfare	Veterinary care – Vets including Government vets	Required to safeguard animal welfare

Livestock, Dairy	Animal welfare	Sheep shearers, hoof trimmers, artificial insemination technicians (essentially livestock specialists)	Without these, animal welfare will be compromised
Livestock	Production and welfare	Stockpersons (shepherds, herdsmen, lambing assistants etc)	Animals need at minimum, daily supervision. Level of care and staff needed depends on species and with production system - intensive systems by nature require intensive input- eg. Pigs and poultry
Livestock	Collection of deadstock to safeguard public health	Fallen Stock collectors	Dead stock need removed both to comply with legislation but also to stop backlog

Crops	Processing of crops, crop products and co-products	Staff at processing facilities including management, operators of plant and machinery, maintenance, lab technicians, food hygiene specialists, quality control staff, logistics and backroom functions	<p>Nearly all crops require some sort of processing to convert them into a final consumer product. For perishable crops that might be washing, grading, peeling, cutting, freezing, cooking alone, or with other products and final packaging and shipping. For grain crops that would include activities such as cleaning, drying, husk removal, germination, steeping, malting, milling, mixing, crushing, rolling, distilling, cooking or baking alone or with other ingredients, packaging and onward transportation.</p> <p>At the end of processing there are often co-products or by-products that have food, feed or energy generation uses.</p>
Crops	Preparation for planting, planting, husbandry and harvesting of crops	Farmers, farm workers including machinery operators, harvest staff, crop graders, staff involved in packaging and storing of crops. Includes farm-based staff and contractors	The production of home-grown crops is vital for the supply of these for further processing and to end users

- **Childcare considerations needed**

Agricultural Sector	Issue	Activity/Worker	Notes
Livestock	Food production - processing and food safety	Meat inspectors	Vital to ensuring abattoir production continues.
Livestock	Food production-processing	Factory packers	Vital to ensuring packaging of products like eggs
Livestock	Food production-animal feed processing	Feedmill workers	Vital to ensuring that feeds are produced
Livestock	Food production - processing	All abattoir workers	In the case of pigs and poultry, welfare problems can build up very quickly where they are unable to get animals away for slaughter on time.
Poultry	Catchers	Catching teams	To remove hens at end of lay allowing new flocks to take their place.

Dairy	Senior staff responsible for overall management (health and safety, animal welfare)	Dairy farm manager/farmer	A farm manager is likely to live on farm, but if not will be required to travel to and from work and on bigger farm set up move between units.
Dairy	Multi-skilled, covering all the key roles on a farm, and guidance/oversight for all other staff.	Head Dairy Person/assistant.	Smaller farms are totally reliant on the dairy person. They may be the only paid staff on farm, hence indispensable. The senior dairy person will have a key responsibility in e.g. cows calving, the wellbeing of new born calves, cattle management, medications, milking protocols etc.
Dairy	Cow must be milked for welfare as well as productivity. Cows are milked either 3x,2x, or less likely 1x per day.	Shift and relief milkers	While senior dairy managers and senior dairy persons can and may milk, the loss of any number of shift milkers will have severe repercussions which will have an immediate impact, on milk production, health and wellbeing of animals and staff, and longer term serious impact on the sustainability of the farm.

Dairy	Dairy cows are fed via sophisticated feed wagons with highly tailored rations. On larger units this task is undertaken by experienced staff who have the responsibility of ensuring the ration is accurately and consistently fed to the cattle.	Tractor operators	On larger units the staff member in charge of feeding is skilled and cannot be readily replaced by e.g. a staff member whose job is largely milking, or in many cases not the skill set of the specialist in charge of the feed wagon
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