



# CHANGE: Why people matter to Scottish farming and food

# Why people matter

Agriculture is the keystone of Scotland's booming food and drink sector, the largest manufacturing sector in Scotland. A substantial proportion of the agricultural workforce is made up of non-UK nationals, and continued access to this overseas supply of labour is critical.

Non-UK nationals work in essential seasonal and permanent positions to deliver high-quality Scottish produce from field to fork.

NFU Scotland members try to employ local labour as far as possible, using a range of recruitment tools including new social media. However, there are various reasons why NFU Scotland members have found local worker recruitment to be unreliable when compared to workers from overseas.

- The domestic population tend to exhibit a preference for permanent employment, which makes recruitment of seasonal workers difficult.
- Most agricultural and food processing work is physical in nature, with long hours often necessary and jobs located in remote, difficult-to-access areas – making it appear unattractive to the domestic workforce.
- NFU Scotland members have reported that local populations often will not respond to job advertisements, or when they do, individuals will fail to stay on.

Mechanisation of the agricultural industry has also been cited as the solution to labour needs, but this is a long-term solution, and cannot be considered a like-for-like substitute. In its broadest sense, Scottish agriculture faces a range of challenges from the landscape and climate to the overall profitability of the sector – where automation can provide no substitute for skilled staff. Technology and automation can deliver great benefits for the sector, but this will take considerable time and financial investment.

Prior to the EU referendum, labour providers and employers were already reporting a decline in the number of EU nationals wanting to work in the industry – particularly in seasonal roles. Reasons include falling unemployment levels in the EU; enhanced welfare benefits in Romania, Bulgaria and Poland; the weakness of sterling and a preference for more desirable, permanent jobs.

Brexit, the ensuing uncertainty, and the current lack of clarity over the UK's future relationship with the EU have accelerated this trend. Any further barriers to non-UK nationals coming to work in Scotland after the UK leaves the EU would cause considerable disruption to the entire agriculture and food supply chain. **Any future immigration system must ensure an adequate supply of non-UK workers in both highly skilled and less skilled, but highly competent, seasonal and permanent positions.**



# How important are non-UK nationals to the supply chain?

Between **5,000** and **15,000** non-UK seasonal workers are employed within Scottish agriculture at any one time - with **85%** employed within the horticulture sector

## ONE IN FIVE

farms and businesses connected to the pig industry would struggle to survive without permanent non-UK workers

## 50%

of staff in Scottish red meat processing are non-UK

## NON-UK NATIONALS MAKE UP OVER 40%

of temporary and permanent egg sorters and packers in the integrated egg industry

## 1/3

permanent staff in the dairy sector are non-UK

**60,000** hauliers and HGV drivers are non-UK

## Over 80%

of vets in approved meat establishments come from outside the UK

... And beyond farming, food and drink, non-UK nationals are employed in a vast range of downstream industries that are vital to Scotland's economy – such as hospitality and tourism.



## Seasonal workers

**100%** of surveyed  
NFUS horticulture and potatoes  
members

are concerned about the impact  
labour shortages will have on their  
business in 2018 and beyond.

## Two-thirds

of survey respondents had difficulty  
recruiting non-UK workers in 2017,  
*with almost half*  
reporting difficulty harvesting the  
crop.

**74%** anticipate new and  
increased challenges  
in recruiting non-UK  
workers in 2018.

If faced with sustained labour shortages,  
more than half of survey respondents  
will consider downsizing their businesses,  
with **42%** suggesting  
they may cease  
current activity.

### James Porter, East Scryne Farm



*"We grow around 70 acres of soft fruit which means we need to employ around 250 temporary workers and 12 permanent workers on our farm.*

*"Because of the seasonal nature of the work and the need for timely harvest, we need to have our workforce onsite. We have tried to employ local labour wherever possible, but have had no success. Strawberry picking is a skilled and well paid job. With bonuses, our best pickers earn up to £12 per hour. The average wage earned is £8.25, well over the National Minimum Wage, and will rise again this year.*

*"There is deep concern in the UK soft fruit industry following the Brexit referendum. Unless provision is made to reinstate the Seasonal Agricultural Workers Scheme, the soft fruit industry would be forced to move abroad to source labour, and nearly all soft fruit would be imported from France, Spain, Holland, Poland, etc.*

*"The current uncertainty is eating into the confidence of growers to expand, and also many of our employees are very concerned about their livelihoods."*



Ten per cent of Scottish agriculture's gross output comes from the relatively small number of Scottish agricultural businesses in the soft fruit and vegetable sectors.

Many workers are only employed for the peak part of the season, but a significant number are employed for more than six months at a time.

The industry is already experiencing a squeeze on recruitment and will continue to do so ahead of Brexit. This is not an issue confined to a future immigration system beyond March 2019. The lead-in time for recruiting seasonal labour is around 9 months and many farm businesses will have already been trying to plan their workforce requirements for 2018 – and will have encountered significant challenges and concerns in the process.

Without a steady stream of non-UK workers for the 2018 season, and beyond Brexit, the immediate impact will be significant and with widespread difficulties in harvesting fruit and vegetables. Such issues could lead to production shifting to other places, where the labour supply is more secure, and greater pressure from imported produce.

**The UK Government must address this shortfall as a matter of priority.**

## Permanent workers

Non-UK nationals are vital not just to the fabric of Scottish agriculture, food and drink but also the communities in which they choose to make their homes and this socio-economic contribution must not be undervalued.

Lack of labour on-farm will seriously undermine the productivity of Scotland's farm businesses at the very moment that the UK's future outside the EU will demand Scotland's food producers to become more productive and outward-looking. And lack of productivity will have an immediate impact further up the supply chain – affecting Scotland's ability to process foods (notably meat products), and ultimately food security.

### Kenny Campbell, Slagnaw Dairy Farm



*"Slagnaw Farm is situated close to Castle Douglas, Dumfries and Galloway, with 570 milking cows and associated young stock.*

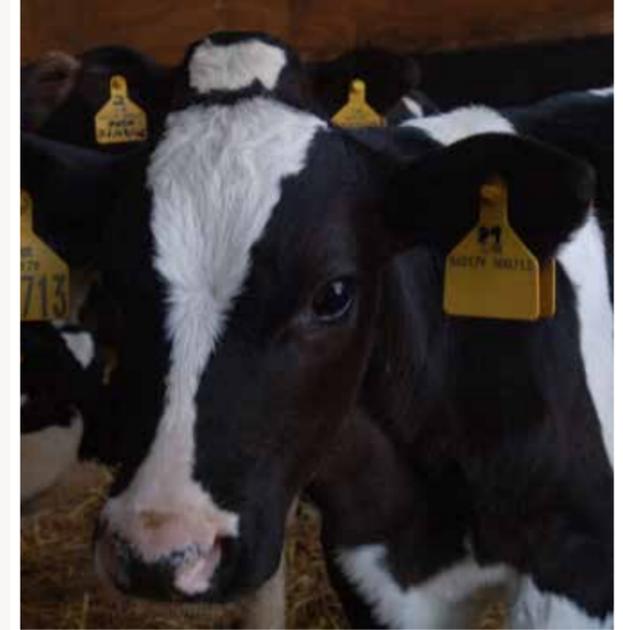
*"Having previously tried to employ local people for shift milking positions, I found there was a lack of uptake and interest from the*

*local population and so I have now employed non-UK workers for over 15 years.*

*"A steady inward movement of young and enthusiastic workers from Poland into the local area has provided a good base of talent and I now have two Polish workers on permanent contracts who have been in Scotland for over five years. They are outstanding.*

*"Both of my Polish workers were school leavers when they arrived and required minimal training to get to grips with the job. Over the years I have invested in additional training for them, and one of them has recently taken on a managerial role within my business.*

*"If there are to be controls on inward migration in the future, the community will see the most damage. My staff have moved their lives to Scotland – they have children in the local primary schools and intend to stay for the foreseeable future. In an area where retention of the younger generation is a growing problem, it's important that we do not curtail the movement of young people into the local area who will contribute economically."*



**20%** of pig businesses  
have reported  
that they would be  
'unable to survive'  
without access to overseas workers

– WITH A FURTHER **25%**

reporting that they would have to  
completely change how they operated  
in such a change of circumstances.

The British Veterinary Association estimates  
that as much as

**95%** of

**OFFICIAL VETERINARIANS**

are from overseas, with the vast majority  
graduating in the EU.

The Royal Association of  
British Dairy Farmers  
estimate that

**65%**

of British dairies employ non-UK labour.

# Proposed Solution: Two-Part Agricultural Labour Scheme

The UK Government's forthcoming Immigration Bill must be based on a realistic expectation of the ability and availability of UK workers to fill the jobs currently carried out by EU migrant workers.

The Bill must recognise the crucial importance of migration for certain sectors of the UK economy, particularly the agriculture, horticulture and food processing sectors, and ensure that a steady stream of skilled and competent workers can fill vacancies in these sectors on a temporary and a permanent basis.

Any new immigration system, if it is to fit the needs of Scottish and UK agriculture and food processing, must be:

- **Demand-led** - It is employers who best know how many workers they need. Fixed quotas do not allow for the flexibility needed to react to changes caused by retail demand or the weather.
- **Regulated** - It is clear that a degree of control will be needed. Employment of agricultural workers is already regulated via the Gangmasters and Labour Abuse Authority (GLAA). Its model of licensing could be adapted to apply to a new system for migrant workers.
- **International** - The system should allow workers to be employed from countries outside of the EU. This would not only increase the pool of suitable workers but would also provide labour opportunities and money to improve living standards in countries where access to work at decent wages is needed even more than it is in EU Member States.
- **Simple and low-cost** - For the system to attract workers it cannot be overly complex or impose high charges for visas or permits. Similarly, excessive burdens on employers must be avoided.

## NFU Scotland's Proposed Agricultural Labour Scheme

- UK-wide - open to workers from any country, not just the EU, to provide agricultural labour
- Home Office-administered visa system which conducts checks on entry and exit from the UK
- Flexible so farmers can directly recruit workers or use labour-providers - subject to a Home Office-approved license
- Subject to a definition of 'agricultural work', developed in conjunction between the Home Office and industry, which is added to the Occupation Shortage List

### Seasonal Component

- Modelled on operation of previous Seasonal Agricultural Workers Scheme, but open to both EU and non-EU workers.
- Visas to work in the UK issued by the Home Office, restricted to a maximum of ten months in a year with flexibility to cope with different crop requirements.
- Workers should be able to transfer to other agricultural seasonal work via a Home Office transfer system, to allow workers to move from where harvesting is complete to farms where there is work for them.

### Non-seasonal Component

- No specific time restriction, but restricted to only agricultural employment.
- Opening of Tier 3 under the current Points Based System to provide access to workers for food processing and road haulage.
- The restriction to only agricultural employment would end if the worker stayed in the UK sufficiently long to make a successful application for UK Citizenship.





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## NFU Scotland - Make Your Voice Heard

No sector will be more directly affected by Brexit than ours. The role of NFU Scotland in representing its 8,500 members has never been more important.

### Contact us:

Tell us what your priorities are when it comes to delivering the best deal for Scotland's farmers and crofters.

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