

Written evidence submitted by NFU Scotland (ISSB09)

- NFU Scotland (NFUS) welcomes the opportunity to give evidence to the Public Bill Committee scrutinising the Immigration and Social Security Coordination Bill ('the Bill').
- NFUS understands that the Bill will repeal free movement and other related rights derived from the EU, and bring EU citizens under domestic immigration law. Whilst the Bill will not set up the future immigration system, it will ensure a framework is in place to ensure that the Secretary of State for the Home Office can implement a new UK immigration system under Section 3 of the Immigration Act 1971.
- NFUS understands that it is the intention of the UK Government, as set out in the Immigration White Paper, to introduce a unified immigration system for EU nationals and non-EU nationals that is non-discriminatory in terms of their country of origin but will be strongly focused on skills. NFUS is very concerned about the proposals set out in the White Paper and has fed in evidence to the UK Government's Migration Advisory Committee (MAC) to this effect. NFUS feels it is important to set out its position on the proposals within the White Paper whilst also offering comments on the content of the Bill.

Context – skills requirements in Scottish agriculture, food processing and haulage

1. Although the numbers of workers in full time employment on farms has fallen due to factors such as mechanisation it is the position of NFUS that there remains a real need for motivated workers for permanent roles. Growth in the fruit and vegetable sectors has also increased the number of harvest workers needed. Vacancies have become increasingly hard to fill due to changes in the expectations of young people. Opportunities for formal education in farm skills have also declined – a chicken and egg scenario. As a result farms in Scotland have increasingly looked outside the UK to source trained workers and young people willing to learn.
2. The Annual Economic Report on Scottish Agriculture reports on labour requirements (in full time equivalents) from the previous year. Table 1 sets out the findings from 2018.

Table 1: FTE labour requirements in Scottish Agriculture, 2018 Economic Report on Scottish Agriculture

Main farm type	2017 Holdings	2017 Standard Labour Requirements
Specialist cereals	2,458	2,037
General cropping	1,724	4,537
Specialist horticulture & permanent crops	699	6,271
Specialist pigs	264	694
Specialist poultry	827	1,855
Specialist dairy	659	4,368
Cattle and sheep	17,963	29,016
Mixed holdings	4,350	6,210
General cropping ; forage	20,984	1,130
Unclassified	1,210	198
Total	51,138	56,316

- In addition, the Scottish Government gathers farm employment data annually during its June Census. Table 2 highlights stability in permanent employment but an increase in migrant labour from 2017.

Table 2: Scottish Agricultural Census, June 2018

Farm Workers, Scotland	2017	2018
Regular full-time staff (excluding family)	8,173	8,192
Regular part-time staff (excluding family)	3,389	3,415
Casual and seasonal staff	8,249	8,215
Migrant labour (person working days)	659,138	710,381
Farm Occupiers, Scotland		
Full time	11,108	11,196
Half time or more	5,923	6,036
Less than half time	20,704	20,205

- Although NFUS does not represent the food processors or road haulage companies, agriculture has become increasingly dependent on those industries. Retailers have streamlined supply chains having fewer but larger warehouses and processing plants. The result is more road miles travelled by our food. The Road Haulage Association has estimated that there are at least 60,000 EU drivers working in the UK domestic haulage sector and there is a long-standing shortage of drivers.
- In parallel, consumer demand for processed food continues to rise. It has been estimated that dependence on workers from the EU to process seafood, meat, fruit and vegetables is around 40 per cent but the figure is even higher for meat. Figures from the Scottish Association of Meat Wholesalers suggested that 43% of meat processing sector workers came from the EU.
- Quality Meat Scotland in 2017 reported that Food Standards Scotland had estimated that 98% of their official veterinarians were of non-UK origin. Abattoirs cannot legally operate without veterinary inspectors.
- The Royal Association of British Dairy Farmers has estimated that 56% of dairy farmers have employed workers from the EU. In 2016 half of the dairy farmers responding to a survey had experienced difficulty recruiting staff within the previous five years. Poland, Romania, Slovakia, Latvia and Hungary were common sources of overseas dairy labour.
- Difficulties in recruiting UK workers became evident for seasonal work sooner than for permanent workers. Foreign harvest workers have been coming to the UK for at least 65 years. This has been recognised by successive reviews undertaken by the MAC.
- Scotland's Rural College (SRUC) published research on seasonal migrant labour in March 2018¹ which found that in Scotland alone, the number of seasonal agricultural workers in any year was 9,255. The survey indicated that 95 percent of the workers were of non-UK origin. Harvesting or picking was by far the main employment (60+ percent) with planting and crop husbandry and processing and packing being the other main tasks. Workers were

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https://www.sruc.ac.uk/downloads/file/3834/farm_workers_in_scottish_agriculture_case_studies_in_the_international_seasonal_migrant_labour_market

also involved in maintenance tasks such as erecting polytunnels. This means that many workers cannot not be tied to a particular Shortage Occupation List Code.

10. Farmers and stakeholders commented on an overall decline in seasonal labour availability in 2017 and this was backed up by recruitment agencies. Concordia and Hops said they had experienced a 15-20 percent increase in demand for seasonal labour, with both agencies failing to fully supply demand with a 10-15 percent shortfall on requests in 2017. This pattern was repeated in 2018 with crop tonnage being lost due to lack of pickers.
11. In a 2018 survey of NFUS horticulture and potatoes members, 100% respondents reported being 'concerned' or 'very concerned' about the impact worker shortages would have on their business in 2018 and beyond. When asked about what business decisions would be taken should worker shortages persevere:
 - a. 58% of respondents said they were 'likely' or 'very likely' to downsize their business
 - b. 42% said they would cease current activity.

NFU Scotland position

12. NFUS recognises that the UK Government's Settled Status scheme is a pathway for permanent workers from the EU to ensure they can stay within the UK after EU exit and the introduction of a new immigration system. However, the evidence available to NFUS (as set out above) strongly suggests that permanent farm jobs that have previously been filled by EU workers, trained in their home countries, are becoming increasingly difficult to fill. It is therefore very concerning to NFUS that this Bill proposes ending free movement of labour – a measure which NFUS believes will only make these roles even more difficult to fill in the future. **NFUS strongly opposes this element of the Bill.**
13. At the same time, the evidence available to NFUS also suggests that since the UK Government ended the previous Seasonal Agricultural Worker Scheme (SAWS) for seasonal worker recruitment in 2013, there has been a downward trend in seasonal workers from the EU filling these posts. This trend has accelerated following the outcome of the EU referendum, for a number of reasons but primarily due to the change in the exchange rate. Indeed, this is a trend that was predicted by the MAC in a May 2013 report² on the impending closure of the previous SAWS scheme:

"in the medium term [after one or two years], farmers are likely to experience increasing difficulties sourcing the required level of seasonal labour from the EU (including the UK) labour market. A new source of seasonal labour is likely to be required." [Tables later in the report show that during the period 2004-2007 Ukraine, Russia, Belarus and Moldova supplied nearly two thirds of SAWS workers.]
14. NFUS appreciates that the UK Government has recognised the challenges facing businesses with worker shortages by setting up a Pilot Seasonal Agricultural Workers Scheme. Under the Pilot, permits for up to six months will be offered to a maximum of 2,500 non-EU nationals during the Brexit transition period in 2019 and 2020 whilst EU

freedom of movement is still in operation. Whilst this Pilot scheme is a step in the right direction, NFUS is clear that it will not provide nearly enough permits if shortages such as those experienced in 2017 and 2018 are to continue. NFUS estimates that, if worker shortages such as those experienced in 2018 persevere into the Brexit transition, then approximately 10,000 additional permits will be required for non-EU workers.

15. NFUS strongly believes that the future immigration system must be based on a realistic expectation of the ability and availability of UK workers to fill the jobs currently carried out by migrant workers and **it is concerning to NFUS that this is not recognised on the face of the Bill.**
16. Through the evidence-taking process on this Bill, NFUS feels it is important to put on the record its concerns with the UK Government's Immigration White Paper and the conclusions of the MAC.
17. It is the position of NFUS that the 2017 conclusion by the MAC that there was not a general need for immigration to fill vacancies at salary levels below the Tier 2 £30,000 p.a. is inconsistent with its own previous reports on the Seasonal Agricultural Workers Scheme and with international experience with low paid employment.
18. If the Tiered immigration scheme is not amended to provide access to lower paid workers then the Shortage Occupation List needs to be expanded. Without non-UK workers the supply chain – farms, processors and hauliers - will be unable to maintain the current provision of food to UK consumers.
19. **It is clear that to maintain the productivity of the agricultural sector, immigration policy must allow recruitment on a seasonal basis for workers from both the EU and non-EU, at a non-restricted level such as that which has been suggested within the Immigration White Paper.**

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