Executive Summary

In 2016 NFU Scotland (NFUS) submitted evidence laying out 10 key priorities for Scottish agriculture including:

The trading arrangements negotiated with Europe and the rest of the world must allow all the workers that the Scottish farming and the food processing industries rely upon to continue to play their vital role.

Access to workers remains a key priority for NFUS, particularly for parts of the industry that are overwhelmingly dependent on non-UK harvest labour, such as the fruit and vegetable sector. Mechanisms to allow access to workers must be in place soon to ensure workers will be able to come to Scotland in spring 2019.

Harvest workers tend to shift between employers as harvesting progresses. As this often involves workers moving from the South of England to Scotland a UK-wide system would be more attractive to migrant workers.

Scottish farm businesses in the sectors dependent on harvest workers are already experiencing difficulty in obtaining suitable staff, suggesting a need for greater flexibility in the countries from which workers can be recruited.

Recruiters report that there are some specific factors which are making recruiting workers for Scottish farms more difficult. Government action could help to attract workers.

Although there are many potential solutions, NFUS believes that a specific Agricultural Labour Scheme would be the best option.

Adequate labour for food processing and transportation are also vital to Scottish agriculture. Changes to the UK Points Based System including the opening of Tier 3, for those who cannot qualify for the other tiers is likely to be necessary.

The Need for Workers

Scotland’s Rural College (SRUC) is currently gathering data on migrant workers in Scotland’s Fruit and Vegetable Sectors. Whilst the findings are not yet published, NFUS expects that the findings will add accuracy to evidence NFUS has gathered from its own members since the outcome of the 2016 EU referendum, which has revealed that:

- there are between 5,000 and 15,000 seasonal workers employed within Scottish agriculture at any one time
- a significant proportion of seasonal workers are directly employed by growers
• employment peaks during the summer months but migrant workers are employed outside the summer, e.g. putting up polytunnels in the spring or harvesting of Brussels Sprouts in the run-up to Christmas

• although a lot of migrants are only employed for the peak part of the season a significant number are employed for more than 6 months at a time

• if there was no access to migrant labour few farm businesses in the fruit or vegetable sectors could continue to grow for those markets.

With 10 percent of Scottish agriculture’s gross output coming from the relatively small number of Scottish agricultural businesses in our soft fruit and vegetable sectors the impact on Scottish agriculture would be very significant. So too would be the loss to local economies of the spending by migrant workers during their stay in Scotland.

Employers report that workers tend to move within the UK as the harvest progresses from South to North. A particular example would be daffodils where workers will move from as far South as Kent to then pick in Scotland. Growers in England experience very similar problems to our own farmers in obtaining suitable staff.

As the SRUC survey only deals with part of Scottish agriculture and not with permanent workers it is clear that the overall requirement for non-UK labour is even greater than the figures determined to date.

Availability of Suitable Workers

It is not just important that workers are available but they must be suitable to the work. Dependence on migrant workers has come about due to the unwillingness of local people to do harvest work. This is not unique to Scotland. In Canada harvest workers come from Mexico; in Greece they are brought in from Bangladesh.

As above, the SRUC study will also examine the views of the harvest workers themselves. It is important that these views are taken into account alongside the scale of migrant labour both during the formation of policy and by farmers too.

One factor that has been identified is the fall in value of the value of sterling against the Euro which has made work in Scotland and the rest of the UK less financially attractive than it was. Although the pound has been even weaker in the past those periods have not coincided with the peak harvesting periods. An offsetting factor is the relatively higher minimum wages offered in the UK compared with many other parts of the EU.

Some employers have reported that they are already seeing a change in the work ethic of some eastern European workers i.e. that younger workers are less productive than their predecessors were. This is possibly a reflection of the same factors that have caused the settled Scottish population to no longer undertake harvest work.

In addition to the impact of currency at least one UK-wide labour provider has reported increasing difficulty in recruiting workers to come to Scotland. The reasons
given included perceptions that Scotland is cold, wet, remote and not welcoming. With Scotland attracting record numbers of tourists it is hard to reconcile the perceptions of tourists and harvest workers.

The Scottish Government could help to overcome misconceptions about working in Scotland, including by highlighting the opportunities during leisure time to see Scotland and participate in the many events that take place during the harvest season. The option identified by Dr. Hepburn’s study for ‘International Outreach Activities in Immigration’ should be considered as a means to attract migrant workers.

Currently it is not possible for farmers or labour providers to recruit workers from outwith the EU. This is already a limitation causing recruiting problems. Post Brexit, NFUS believes that industry should be allowed to recruit from other countries where suitable workers would be more interested in coming to Scotland.

**Systems for Provision of Workers**

NFUS is not prescriptive in what system should be put in place to ensure worker availability from 2019. As the issue is neither new, nor unique to Scotland there are examples that could be used, modified as necessary to meet Scotland’s requirements going forward.

In the past NFUS has suggested a return to the Seasonal Agricultural Workers Scheme (SAWS), which came to an end in 2012. SAWS was well used by the industry and when focused on students, prior to it being restricted to Romanian and Bulgarian workers, it had the advantage that students were easy to train, often spoke English and were well motivated to return home. It did however suffer from limitations. Quotas were a constraint; as the industry has grown further the old quotas would now be too small. There was also a limitation to 6 months employment. The use of polytunnels has expanded the growing season meaning that workers are often needed for more than 6 months.

In May 2004 the UK Government introduced the Workers Registration Scheme (WRS) aimed at regulating incoming workers from eight of the new EU Member States. Workers were required to register to work for a specific employer and pay a one-off fee of £50. They could change employers without paying again but needed to have their registration certificate reissued. Employers were required to ensure that workers did apply / have registration certificates. The Scheme was not restricted to agriculture, which meant that a drift of workers to other employment was not prevented. At the time that was not such a problem as the workers were mostly being employed via SAWS.

The Dr. Hepburn study has identified a number of models from other countries but the focus of that study has been on a differentiated system to operate in Scotland. NFUS fully supports the need for Scottish interests to be represented within the UK decision making process on the immigration systems going forward. However, for the reasons outlined above, NFUS’ preference is that Scotland’s influence should lead to a UK-wide system that meets our needs. Only if the UK Government shows an unwillingness to introduce a system that meets the needs of Scottish agriculture would NFUS favour pursuing a Scotland-specific system.
Features of an Agricultural Labour Scheme for Scotland

Whatever scheme is introduced it should 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

- **flexible** - Currently growers are able to self-recruit workers with many returning year-on-year. Others use labour providers. A new system should not force farmers to use labour providers

- **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 in countries where access to work 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.

**NFUS Suggested Scheme**

A two-part scheme, one being a seasonal scheme for employment lasting up to 10 months and the second, non-seasonal scheme aimed at workers to be employed for longer periods. Common features to both parts would be:

- UK-wide, open to workers from any country, not just the EU, to provide agricultural labour

- a visa system administered by the Home Office, demand-led so as to reflect the industry’s requirements. The Home Office would conduct checks on entry and exit from the UK

- farmers to be able to directly recruit workers or to use labour providers. In either case the employer would require to be licensed and approved by the Home Office.

The Seasonal Scheme would have these additional features:

- 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.
The Non-Seasonal Scheme would not have a specific time restriction. It would also be envisaged that 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.

**Associated Industries**

For the output of Scottish farms to reach consumers it needs to be moved and much of it has to be processed. Therefore for our farms to supply its markets all parts of the chain need to have sufficient labour.

One example is the Scottish red meat processing sector which provides direct employment for approximately 2,700 people. The Scottish Association of Meat Wholesalers has estimated that 50 percent of the workforce in some of Scotland’s abattoirs and meat processing plants are non-UK workers.

The Road Haulage Association has estimated that 60,000 HGV drivers from other EU states are working in the UK haulage industry and in addition there is a shortfall of 45,000 drivers.

The UK Points Based System (PBS) does not currently provide access to the workers needed for food processing or road haulage. Tier 3 should be opened, and the Shortage Occupation List amended to provide such access.