

Environment, Food and Rural Affairs Committee

Oral evidence: Labour Constraints, HC 776

Wednesday 28 February 2018

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[Watch the meeting](#)

Members present: Neil Parish (Chair); Alan Brown; John Grogan; Dr Caroline Johnson; David Simpson; Angela Smith; Julian Sturdy.

Questions 1 - 113

Witnesses

I: David Camp, Chief Executive, Association of Labour Providers; Chris Chinn, Cobrey Farms; Andrew Clark, Director of Policy, National Farmers' Union.

II: Gudrun Ravetz, Senior Vice President, British Veterinary Association; Fiona Steiger, Deputy Director, British Meat Processors Association.

Written evidence from witnesses:

- [Association of Labour Providers](#)
- [Cobrey Farms](#)
- [National Farmers Union](#)
- [British Veterinary Association](#)

Examination of witnesses

Witnesses: David Camp, Chris Chinn and Andrew Clark.

Q1 Chair: Good morning. Thank you very much for getting in here in this snowy weather. It is most appreciated. In fact, I think the members have seen it as a challenge. We have probably one of the better attendances this morning. It must be the challenge of the snow that has got us all in here. We are very keen to hold this short inquiry into the availability of labour, so we welcome you all very much here this morning. If you would like to introduce yourselves, we will get started.

Andrew Clark: Thank you very much for inviting me. I am Andrew Clark. I am the director of policy at the National Farmers' Union.

Chris Chinn: Hello. My name is Christopher Chinn. I am an asparagus farmer in Ross-on-Wye, Herefordshire.

David Camp: Good morning. I am David Camp, chief executive of the Association of Labour Providers, the businesses that source and supply the workers into food and agriculture.

Q2 Chair: My first question is fairly broad. You have told us that it has been harder to recruit seasonal workers in 2017. We are now into 2018. What is the situation now?

Andrew Clark: I think the Committee has already received our papers, both the monthly NFU labour survey and the end of harvest survey. You already have that data in front of you. I will not repeat that. I will highlight, though, that the trend that we have seen last year, the year before and looking ahead into this year is one of tightening and constraint, in terms of labour supply. I am sure Chris will have more detail from his particular situation.

When you look at return rates, which are decreasing, and the ability to meet supply over the demand, those are worse last year than they were the previous year. We see no indication at all that it is going to improve. In fact, we suggest that it is probably going to get worse.

Q3 Chair: Have you had many members where it has been the case that they have not been able to get labour at all, or enough labour?

Andrew Clark: My colleagues may be able to provide more information on that. A small number saw very significant impacts on labour supply last year. In our survey we found about 12.5% reported very significant problems of labour supply. As farmers and growers in this situation, their focus is on solutions. They will do everything they can to avoid having that problem of labour supply. We have highlighted a number of things, which we could talk about later, that farmers have done to address that.

Q4 Chair: Yes, I will keep my question to that, because there are lots of



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things we will drill down on. Chris, that would probably be a good time to bring you in. What are you finding the world out there like at moment for labour?

Chris Chinn: It is one year since we were sat here before.

Chair: That is right, yes.

Chris Chinn: The situation is worsening, as we said it would, and as it would be anyway, with a limited pool of labour force to pull from, and the development in the countries that we are pulling them from.

Q5 **Chair:** There was also a reduction in the value of the currency and all those things.

Chris Chinn: Yes. There are lots of different factors in that. I tend to point towards what has happened with the Polish and the Latvian workforce, which used to make up 90% of our workforce and is now making up less than 5%. Bearing in mind we employ about 1,100 workers seasonally, this year we have had 50 applicants from Poland. That is despite putting significant effort in. This year we have gone on two roadshows around Polish universities and job centres to try to find people. We felt the situation is challenging in Romania and Bulgaria, so let us go out there and see what we can do. We have increased it from 30 to 50, with quite significant effort.

Q6 **Chair:** This is out of a total of 1,100 that you need. Where are your workers mainly coming from?

Chris Chinn: Bulgaria is most significant. About 65% are from Bulgaria and the remaining from Romania, with a very small sub 5% coming from all other areas, mostly Poland.

Q7 **Chair:** Over half your workforce will be coming from Bulgaria, a third or so from Romania and the rest from other parts.

Chris Chinn: Yes. I think that is fairly typical of what is happening generally in the horticulture sector.

Q8 **Chair:** What about home-grown labour? Do you have any of that?

Chris Chinn: We do in some of the more permanent and more skilled licence-based roles, so forklift drivers, bus drivers, senior analysts and managers. Those roles tend to have a much higher proportion of UK workforce in. In terms of asparagus or blueberry pickers, there are zero. Again, we continue to advertise, on social media, where we have made quite a lot of effort, through job websites and the jobcentre. There is just zero response.

Q9 **Chair:** You are reasonably confident, though you have had to work very hard at it, that hopefully you can get the workers for this year. Without leading you, you do have concerns about 2019.

Chris Chinn: Yes. To try to put some numbers on it, we had about 15% of vacancies unfulfilled last year. This was mostly in that



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September/October window. That is crunch time. There is quite a seasonal basis in this. It is easier earlier in the year and it gets more challenging as the volume of work required to harvest the crops from the field—

Q10 **Chair:** There is more work out there, basically.

Chris Chinn: There are more crops to harvest in the summer than there are earlier in the spring. The availability of staff seems to be decreasing during that period where we are asking for more. There are lots of different factors as to why: people reaching thresholds, going to claim benefits back home or whatever it might be. September/October was absolutely the crunch time. That is when we were short. We lost something like 18% of our crop in the beginning of October. As a percentage of the total season of course, that is relatively modest, but it is a fairly good indication. We had never lost crop before, so that is a significant move.

Q11 **Chair:** That really shows a concrete effect, does it not?

Chris Chinn: Yes. There is no flexibility. I could previously have gone to some of David's members and said, "I need 20 guys. Could you do them next week? Please can you find some?" Historically, that would have been relatively manageable. There is absolutely no chance now in those crunch periods towards the end of summer that you are going to get anybody. You just get laughed at now.

Vacancies were unfulfilled. There was a loss of a proportion of crop in September/October. This year, we have had a drop in applicant numbers, despite our business growing at about 10% year on year. That is based on investment that we have made in these perennial crops over the last 10 years. They are starting to build and come through. I cannot turn off the tap. For example, we are not investing in more blueberry production, but our volume will increase 10% year on year for the next three or four years regardless. That is just the nature of this sort of business. It is a 20-year investment cycle. We are looking for more workers.

Q12 **Chair:** I suppose, when you plant the crops to start with, you do not get a big crop, and then they gradually come into full production.

Chris Chinn: You are at year 3 before you get anything. You are at year 5 or 6 for peak volume. There is a longer period for that on something like blueberries. They will yield at peak volume for slightly longer, but on asparagus that starts to decline at 10 years, when yields become uneconomic. It is long term. If we do not invest now, and we are scaling back investment quite significantly, volumes drop in three or four years' time.

Chair: Then we are getting more imports rather than less, when we want to produce more here.

Q13 **Julian Sturdy:** Could I pick up on when you were talking about the



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crunch period, that September/October period? You talked about an 18% loss this year. Looking back, have you seen this as a steady decline in access to labour, or has it been a bit of a cliff edge?

Chris Chinn: It is accelerating. As an industry, with the accession of the A2 countries and SAWS being lost, we said, "Guys, we are fine at the moment". We knew that we were going to be fine for the next few years, but we could see what had happened with the Polish and Latvian workforce.

Julian Sturdy: They were dropping away.

Chris Chinn: There was that trend: you open the gates and there is a bit of a flood. As those workers then disseminate around the EU labour market, and their economies back home become stronger and start employing more of their own staff, you see a fairly accelerative decline in the number of those workers who want to come and work in UK agriculture.

Julian Sturdy: Then for the Bulgarians and Romanians—

Chris Chinn: Exactly the same is happening, as we suspected. Brexit is accelerating that process for various reasons, whether that be exchange rate or a slight xenophobic feeling.

Julian Sturdy: It had already started to curve off.

Chris Chinn: It was going to happen. It is difficult to estimate the accelerative impact of Brexit, but it is a few years, not 20 years. I personally believe that was going to happen anyway. To some extent, this is a Brexit issue, but to some extent it is not.

David Camp: All these figures are in the paper that I have submitted to the Committee, but I want to pick out a couple of highlights. The Committee will be aware that unemployment in the UK, at 4.4%, is around as low as it has been since 1975. Across the EU, unemployment, at 7.3%, is fast approaching historic lows of 6.8%. Significant rising employment around the EU provides alternatives and opportunities for workers to work elsewhere.

This time last year, when labour providers were surveyed, between 20% and 30% said they were not able to find enough workers to supply their clients. We do a quarterly survey. In the survey we did that covered the late September, October, November period, 70% of labour providers said they could not find enough workers to supply their clients. That was replicated identically at 70% for the Christmas peak period, so a massive increase in the number of labour providers who were not able to supply their members.

Q14 **Chair:** I suppose there was a massive amount of extra picking, poultry and what have you in that period.



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David Camp: Yes, absolutely. Those peak periods are where the temporary workers are particularly needed.

Chair: It is sprouts and things like that, I suppose.

David Camp: Yes, to get the Christmas dinners on the plates. We also survey, in association with all the supermarkets, the horticultural suppliers, the growers and the food manufacturers. Some 60% of growers and 70% of food manufacturers said they were struggling for workers. When we asked them what they thought the year ahead would be, three-quarters of growers said they would struggle this year, with a quarter saying they would seriously struggle. I do not want to use the "crisis" word, but they said they would seriously struggle.

Q15 **Chair:** You have not had anything like 25% of people saying that before.

David Camp: No. This is unprecedented. I have worked in the food industry all my career and I have never known labour shortages like this.

Q16 **Chair:** We have to be conscious that Government will say, as the Home Office Minister said last time, there is not a real crisis. I think there is. We have to be absolutely certain that you have a situation that is unprecedented and you have not had this before. That is when we need the SAWS and all these schemes we will talk about later. That is the issue. You make a very interesting point that unemployment is low in this country, but unemployment is coming down in the rest of the EU, as is the availability of labour. Then you mix in the exchange rate with it and you have a perfect storm.

David Camp: You mix in the exchange rate. You mix in the fact that we are in competition with Germany and Scandinavia. I was speaking to a group of Polish workers yesterday. The message is very clear in these countries. For the type of individuals that we are attracting, the messages are quite straightforward. The messages are: "You are not welcome. You are not welcome in this country". That is the messaging that is going out across the nations. It is our job to communicate that they are welcome; these are good jobs; they are good environments; we will take care of these workers and provide them with honest, regular work. That is our job.

Chair: You will also provide reasonable accommodation.

David Camp: Yes, indeed.

Q17 **David Simpson:** My question has been taken up: why do you think it keeps getting harder? You have outlined that fairly well. I have a couple of other points that I would like to raise with you. They are interesting figures as regards the unemployment figures here and in Europe, which the Chairman just alluded to again. Are the sort of people you are trying to target ordinary labourers—skilled, unskilled? What sort of people are you looking for?

In Northern Ireland, most of our processors would be anywhere from



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40% to 60% dependent on people from other countries. The dairy sector is now starting to look at some form of apprenticeships to try to encourage young people into that. You have said you went to Poland and other places to talk to the schools, universities and all the rest of it. I suppose if you went to universities here and asked young people, "Are you coming to work on the farms?", they would think you had three heads. They probably would not come near it, but we have to see if we can. There is even automation. When I listen to David, I think I will go out and shoot myself, because it is going to be very bad in the next number of years. That is a crisis point.

For people in Northern Ireland, from my perspective on the industry, it is a crisis. I have them on with me all the time, going ballistic about not being able to get visas through quickly enough. How do we get to the root of the problem and try to resolve it? It is a simple question.

Andrew Clark: To start off, I do not think anybody in this room wants to have a crisis.

David Simpson: No.

Andrew Clark: It is in nobody's interest to see a crisis in our food supply sector. It is certainly not in our members' interest to see that. We want to continue to provide great quality British food, locally produced, for consumers. For me, the frustrating thing is that I do not think we have any lack of data. You have seen all the data we have produced. I know Chris has the data. Dave has the data. Our sector has done more, in terms of providing evidence, than any other sector to justify why we need the labour and the trends we have seen. I feel at the present moment this labour issue is an inconvenient truth that nobody wants to address. We have to have Ministers address it. We have to move on.

Chair: Do not worry; we will have Ministers in. The whole idea of bringing you in here is to give us the ammunition that we can fire at Ministers.

Andrew Clark: The time for sympathy has passed. We have to get solutions. We have set out very clearly some of the approaches that can be taken; hopefully we will come on to them in a moment or two. It is not addressed in the command paper that we have just seen published either. Again, it has been skated around. This is not a transitional issue. Yes, we can invest in those permanent roles that are going to be highly skilled. We need them to be highly skilled, because farming is an important job to do. You have to do it with high-quality workers.

In the future, even with mechanisation, there will be crops that cannot be mechanised. There will be tasks that cannot be mechanised. There will always be seasonal times when there is a huge amount of labour needed in remote rural areas that do not have indigenous labour that is willing to do the job. You cannot go away from that. That is the inconvenient truth.

Q18 **Chair:** I suppose there are also perishable fruits and vegetables that are very difficult to sometimes harvest by machinery.



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Chris Chinn: I could take that on, in terms of automation in our sector, on asparagus, blueberries, rhubarb, green beans and fine beans. On asparagus and blueberries there is no automation. Particularly for asparagus, it is not on the horizon at all. We are not saying, "It will be okay in 20 years". The crop does not lend itself at all to that. That does not mean that we are not trying as an industry. There are five different schemes I am aware of to see whether we can get some kind of automation.

Q19 **Chair:** Is that because the crop is not very uniform?

Chris Chinn: That is right. It sends up a spear. It is a bit like "hunt the spear" when you go into an asparagus field. It is slightly unexciting, which is a bit disappointing for journalists. It is a row, and a root system underneath sends up a spear when it wants to, when it gets warm enough. It is entirely temperature driven. You walk that row at an appropriate time interval, which is generally a day or maybe two days. You find the spears, cut them at ground level and put them in a box.

To get a machine to travel quickly enough, cover enough rows and then select the spear that is the right height, among spears that might be growing underneath it, without damaging them, is a challenge that has just not been met. The mechanisation that has been trialled so far is like a band-saw: just cut everything off and go through once a week.

All these types of mechanism, and we have seen the same with some of the mechanisms in beans, drive a dramatically reduced yield. You will get a 50% loss when you go and mechanise harvest on beans. There is a big discussion about food waste elsewhere in the industry. Is that right? The product at the end is not the same. That would be the same on asparagus, but asparagus costs too much to get to the point of a spear being ready to harvest to even risk that kind of wastage.

Q20 **Chair:** It is a high-value, high-cost crop.

Chris Chinn: The belief from the retailers is that consumers just would not be prepared to pay two or three times the amount to cover that kind of wastage.

In terms of skills, this is quite an interesting one. How do you define a skilled role? A lot of the seasonal work in the harvest roles that we have would not be defined as skilled in the general Government definitions of such a role. Having said that, it is quite hard to find people who can do it. Does that therefore not, by definition, mean that it is a semi-skilled role? The speed and productivity of workers, once they have been doing that role for a month, are dramatically better than somebody who has just started in it. There is a debate there about what you call a skilled role.

In terms of indigenous population, we are now employing approximately 20 UK nationals in our business. That was about three if we look back 10 years ago. Those guys are in permanent roles that are skilled, either degree educated or forklift-driving skills. That is all on the back of a



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business that relies on 1,000 seasonal workers. Those 20 UK nationals would not be employed if it were not for the 1,000 seasonal workers coming in.

David Camp: In the surveys that we did, we asked for skills shortages across the different skills levels. It was very striking that the percentage of businesses that expressed shortages of lower-skilled and unskilled workers was about four times those who were experiencing shortage at the higher skills levels. That came out from food manufacturing, where we are talking about roles that are generally needed in many industries all the year round, and in among seasonal workers. That was a really striking finding.

I can talk about how businesses are responding to that, if that is appropriate. Two-thirds have increased wages to attract more workers; 70% have improved their sourcing and retention strategies; 40% have had to pay more in overtime, so they have had to work their existing workers for a longer time; 60% are looking at automation to replace skills and labour. Then we go into the other ways that businesses are looking at it. One in 12 are looking to source or relocate overseas. One in seven are scaling down their operations. Most concerning of all, 6%, or one in 16, feel that their business is becoming unviable because of labour shortages.

Chair: That is pretty stark.

- Q21 **Angela Smith:** Could I turn it round a little? I have listened to the comments you have made. In terms of forward planning, is there any risk that potential labour shortages and a failure to address the problem could lead to significant changes in investment planning? Is this something that is featuring now, in terms of thinking about the future?

Andrew Clark: We were looking at some of our survey results, which I think the Committee has. It is very interesting to see how farm businesses are responding at the present moment. Some of them have invested in improved accommodation. David has already picked up the point about overtime, so you have to work longer. Chris has indicated how businesses have gone out to try to recruit themselves and establish bases like that. There is increasing administrative cost. There are a whole range of different things that farm businesses are doing now to try to cope. They are trying to avoid the situation of either closing down investment or moving elsewhere. These would all be in our interests, so they are doing these things.

Long term, if we continue to have uncertainty, investments will not be made here. If you cannot pick your crop, you are not going to be planting new asparagus beds. You will not be replacing them. That is the situation we have. We have not got to that situation yet, but there is a clear and present danger that we are getting very close to it.



Chris Chinn: I think we have got to that situation. Sorry, I do not want to conflict with you. We are not investing actively in new plantings, only in stuff that is already in programme. We have stopped investing in UK agriculture, in terms of growth. The asparagus industry is growing at about 5% a year, so there is growth potential for us in that market, alongside blueberries growing at about 10% a year in terms of consumption.

We have stopped actively investing in increased production for two reasons. It is partly because we might not have any staff, and without staff we do not have a business. There are no UK workers and no automation. That is all noise around the edges. Some of that might be there in 20 years' time, but it is not there for next year; it is not there in three years. The other reason is that most of our investment is going into the things that Andrew was talking about there. We are like a swan on the water: we are paddling like hell just to keep going with what we have, in terms of investments in training, accommodation standards, recruitment and, probably as significantly as anything, maintaining a level of productivity. We are really struggling, and maybe we will come on to it later. The quality of the staff we are managing to get is really poor. That is really hurting our productivity.

Q22 **Chair:** What worries us is that we would like to see more production take place and have import substitution, whereas at the moment it looks as if we do not have the availability of labour. It is going in completely the wrong direction.

Chris Chinn: You will import the food, rather than import the people.

Q23 **Angela Smith:** This is the point about asparagus. We produce the best asparagus in the world.

Chris Chinn: Absolutely, yes.

Q24 **Angela Smith:** It is for a very short window, and most of the year we eat Peruvian, South American asparagus. Do you think there is a real risk that our asparagus market could be seriously diminished, even within that short window that we have?

Chris Chinn: Without seasonal labour, there is no UK asparagus industry, apart from a small market garden, or maybe we will see the rise of a few more pick-your-owns. In terms of going into the supermarket and expecting to find British asparagus on the shelf, that will disappear. It is stark.

Q25 **Chair:** What we have here is the green asparagus. I remember, from when I was in the European Parliament down in Strasbourg, in parts of Germany they grow the asparagus where they cover it and it is all yellow. It does not see the light of day. In my view, it does not have anywhere near the flavour that the green asparagus has, which is interesting. It is how different asparagus is grown in different parts of Europe.

Chris Chinn: Green asparagus is on the rise in Germany and Holland.



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Chair: Is it? You are pushing back the yellow asparagus.

Chris Chinn: Yes. The consumers are deciding that the delicate flavour of green asparagus is possibly the preferred route. They have the same issue. It is no different with white asparagus, which is grown underneath the soil bed.

Chair: You have to pull it out.

Chris Chinn: They still need labour to harvest it. They cannot do it any other way. There is investment around the world in how you might do white asparagus harvest automation, but it is not really any further ahead than green asparagus automation. They are still completely reliant on seasonal workers to do that. It is the same around the world; it does not matter where you are.

Andrew Clark: It is worth making the point that, in every country throughout the world, seasonal agricultural work is needed. This is not just unique to the UK. Every country has arrangements with other countries.

Chris Chinn: Including most of the EU.

David Camp: We have Poland, where they bring in Ukrainian workers, or Spain, where they bring in Moroccan workers, or Greece, which has the highest unemployment in the EU, where they bring in Bangladeshi workers to pick their crops. This is throughout developed countries where there are seasonal worker schemes.

Q26 **Julian Sturdy:** Exactly on that point, what consideration have you given to a seasonal agricultural workers scheme and what it might bring or could deliver to the industry.

Andrew Clark: The Committee will be aware that a seasonal agricultural workers scheme has been a well-proven approach that has worked through many years, up until it was scrapped and we became reliant on Bulgarian and Romanian workers. We think it is a model that could easily be adapted to provide the approach that is needed now.

We would argue very strongly, looking at the situation facing us now, as has been highlighted very clearly to the Committee already, that there is a pressing need to look at a pilot based around a SAWS scheme. Home Office officials know very well what type of scheme could work, and it is up to them to work out the details of it. A pilot scheme could be launched this year to help to resolve those back-end labour supply issues that we have and are expecting to see.

There has been a large amount of discussion with officials and Ministers about this. There have been many visits on the farm to see how it would work, and there is experience. Let us get on and see it happen.



Chris Chinn: For me as a farmer, it is pretty frustrating, because this just seems to be a political issue. Some of it we can understand, but broadly speaking, as we touched on already, we are not unique in the UK. We are not a special case. The only special case is the politics. The people are there. Every other country in the developed world that we have looked at has a scheme to bring in seasonal agricultural workers.

Julian Sturdy: They are your competition, basically.

Chris Chinn: That can be Samoans into Australia or Mexicans into America. We are not a special case. It is not a migration issue. There are different factions who are worried about long-term work, but, for me personally, harvesting asparagus or blueberry is a seasonal job. We have zero workers harvesting asparagus in November, December, January, February. We have 1,000 during the season. It is very much a seasonal job. That does not affect migration, particularly a scheme similar to what the SAWS scheme allowed, in terms of very definite people coming in for a particular job and the controls around those guys so they could not disappear into the wider labour market. That seems to get around a lot of this migration noise.

I can see the migration numbers starting to change quite rapidly, as an interested observer of it. Maybe that will change the politics and we can start to get some sense in terms of a seasonal worker scheme. It seems like the blueprint is there. I am sure there are some changes to bring that up to date to meet modern standards, but it is there. It is happening in lots of other countries. To me, it does not seem that difficult to get it in place. We need it quickly. How can I recruit people for 2019 if they have no worker rights to work here?

David Camp: ALP did not believe that we needed a seasonal workers scheme in 2014, 2015, 2016. We changed our mind. We changed our mind because we could not get enough workers. We changed our mind last year, and the situation has got worse. I believe that we need a seasonal agricultural workers scheme. I believe that we should be working collaboratively to design a scheme that is fit for the future. The one that we had previously can be improved to reflect working in a modern economy. I would not necessarily want it to repeat some of the flaws with the H-2 contracts that we see in the States.

I would advocate us working together now to build a model scheme, so that, when the politics has been addressed, we are ready to roll. We need one for this year. I believe that, if we start working now, we can deliver one that works for all parties this year. That is what we will be advocating.

Chair: Robert Goodwill, when he came before and we took evidence, said that this could be done within a few months, if I remember rightly. We have to throw the gauntlet down to Government to do precisely that.

Q27 **Julian Sturdy:** David, with your background, do you have an idea of



what countries and how many people it should cover?

David Camp: The countries they should come from?

Julian Sturdy: Yes.

David Camp: No. Where these workers come from is one of the big questions that should be answered. I do not want to give a view at this time. There are people who look to the relationships they had previously with agricultural colleges in Ukraine. Why Ukraine? There are others who argue that surely, if we are re-establishing relationships with Commonwealth countries, they should come from Commonwealth countries. There are a number of discussions and debates to be had about it. I do not want to say at this table, "It should come from that country".

Julian Sturdy: That is fair enough.

Andrew Clark: The point we should all make is that a pilot has to be available to test how it works. Where the employees come from is a secondary issue. We need to understand and provide confidence that a system that provides labour for a distinct job to be done, and that that labour then returns home, can work. That is the priority issue. That is the confidence builder we need for politicians and populations that are concerned about it.

Q28 **Julian Sturdy:** On that point, Chris, you talked about the fact that you are not investing in new asparagus beds at the moment. What guarantees would you need to give you confidence that you could start reinvesting again?

Chris Chinn: We know that the supply within the EU labour force is declining, regardless of this Brexit process. If we get a transition period where freedom of movement is maintained, and genuinely free rather than a bureaucratic visa process in place, we will struggle on with what we have in the ground at the moment. In order to invest, we would need some confidence and a plan in place that there is a scheme to bring the 85,000 seasonal workers into UK horticulture.

Q29 **Julian Sturdy:** Could a seasonal agricultural workers scheme deliver that confidence to you?

Chris Chinn: Something like that is probably the only way. We need to look outside of the current pool of labour that we have. We have complete flexibility, presumably, to do that. Even within the EU, it would appear that other member states have taken their rights to pull non-European workers into their markets. It is not really a Brexit issue; it is a UK political issue based around migration. My point is that seasonal agricultural workers are nothing to do with migration. The Government do not have the stats or the control over the borders, perhaps, to manage that situation, but it is not a migration issue. As an industry, as



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Andrew said, we have supplied plenty of evidence on how many people are here and how many we need going forward.

Q30 **Julian Sturdy:** You have talked about a 5% potential increase in asparagus and a 10% increase in blueberries. If you could get access to that labour, would you be in a position to meet that potential growth? I know you have a plan and it is a three to five-year planning period.

Chris Chinn: Where we are not investing at the moment will have repercussions in three or four years' time regardless of what happens now. The longer this uncertainty drags on, the longer the drought of investment is and the bigger the impact in three, four, five or six years' time. We may be able to catch up on some of that, given the favourable conditions in the future, but we cannot catch up, to some extent, if that crop is not in the ground.

Q31 **Julian Sturdy:** You need certainty and you need it quickly, basically, you are saying.

Chris Chinn: Yes.

Andrew Clark: It is particularly the case for these permanent crops such as asparagus and raspberries. There is a whole range of crops that require that investment. You cannot just turn it on like that. It is not just sowing the seed today and getting the crop tomorrow.

Q32 **Angela Smith:** Chris, you said it is a problem for the politicians. I agree with that. Actually, it is a problem for the Government, because I think there is a cross-party consensus that we need a scheme. I want to ask particularly Andrew about the statement made by the Secretary of State to your conference last week. I was there. He made it quite clear that the sector had made strong arguments in favour of a new scheme, and that the Government will be saying more shortly. Does that give you more confidence? Does it give the certainty that you are looking for?

Chair: Have you heard anything from the Government?

Andrew Clark: I had a look through the command paper, hopeful that it might be when the announcement that he had announced would be announced, but I am yet to see that. We made a good case to Defra, and I think Defra Ministers understand what we need in the sector. We need to move on from the case and the promises, and have action on this.

Q33 **Chair:** We need some form of delivery.

Andrew Clark: Yes. I have no more insight, I am afraid, than that.

Chris Chinn: It appears that Defra does not have its own numbers on seasonal workers. It makes the right noises occasionally, but it does not really appear to trust the industry's numbers, and is therefore going to wait for a crisis and a disaster.

Angela Smith: That is interesting.



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Chris Chinn: It is already affecting investment. It can turn into an absolute disaster for what is a shining light in the agricultural industry. The horticultural sector is leading the way.

Chair: You are efficient and have increased production, and all this is at risk. This is good evidence that we will use, so I appreciate it.

Q34 **Alan Brown:** Chris, on something you said about a transitional period, you were saying that ideally you would need to still have free movement of people and a non-complex system. How quickly do you need to know what the transitional period is going to look like? I am wondering how far in advance you start recruiting for your start-of-season crops.

Chris Chinn: For us on asparagus, if I keep focusing on that, we are recruiting people and they arrive to work for us when that crop starts to be harvested. That is April, May, June. A number of those will then stay with us for harvesting of blueberries and beans through the summer. As soon as those guys are with us, and particularly as they are starting to leave, we are recruiting them for the following year. Without certainty of their rights to work for the following year—I am talking about June for the following March—we are going to struggle to do that. Those contracts are then offered and confirmed generally around October time for the March start. We need certainty at that point that they have the rights to come back and we know what the process is, because they have choices. It is a freedom of movement system.

Q35 **Chair:** It is quite a competitive market out there for labour.

Chris Chinn: It is a very competitive market, increasingly so. Any hurdle we put in the way gives them an excuse to go and look elsewhere. We are quite good at holding on to returnees, guys who have worked with us before, who enjoy the seasonal nature of it and maybe have something to go back to at home. With certainty, they say, "Yes, fine. It has been good. You have looked after us well. It is a nice environment. We are paid. You have given us good numbers of hours and a good amount of pay. We will come back. Of course we will come back".

With any excuse you put in there, they will say, "Let us go. Let us go and have a look at this Scandinavian option or this German option". Sometimes that will look a bit more guaranteed, a bit more sure, and they will sign up in that direction. It is a difficult answer to say, "We definitely need to know then", but if we do not know by June we are going to make life difficult for ourselves. If we do not know by October it is impossible.

Chair: That is really useful information to put to Government.

Q36 **Dr Caroline Johnson:** You said that it is a competitive market and that labour is diminishing. Essentially, the Government have said that is because the economies in eastern Europe are improving. I looked up some of the figures. Since 2004 the average wage in Poland has almost doubled, and since 2013 the average wage in Bulgaria has already



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doubled. I agree with your point that to some extent this is an inevitable feature.

You also said that each country in the world that produces food requires seasonal labour, and that each country essentially looks to a poorer country where the wages are lower in order to supply that labour. As prosperity spreads over the globe, surely it is inevitable at some point that you will run out of places to go. What are you doing to ensure that the labour in this country wants to do your job? Is it just a case of wages?

Andrew Clark: Implicit in your point is whether our need for seasonal labour is sustainable in the long term. I would answer that by saying that we can reduce our need with some improvements, some mechanisation, certainly down the processing chain, which is already fairly mechanised. In the medium and shorter term, we can address some of the issues through clarity around a SAWS-type scheme and widening our scope there. There are things I would like to see in terms of investment in R&D, improved genetics and technical solutions. Strawberries are very often now grown on tables to make picking easier and faster, so you can pick more with fewer.

There are lots of ways of doing that, but ultimately there will always be this need for seasonal pickers. That is the point I am trying to make about an inconvenient truth. We have to address that. We have to recognise that. There will always be people able to do that. Yes, farmers will invest in accommodation to make it easier. They will have to invest in wages and recruitment strategies, but ultimately we still need to have that labour. Every developed country will need that.

Q37 **Dr Caroline Johnson:** What sort of average wages are paid to people who come to pick asparagus or for similar jobs? Is it an hourly rate?

Andrew Clark: It is about £8.50 an hour, for 42-hour weeks. It would be for Chris and others to answer this, but the wages we offer for seasonal work are attractive. People go away with a good income from working in a good environment.

Q38 **Dr Caroline Johnson:** Do they get accommodation on top of that, or does that include their accommodation?

Andrew Clark: Yes.

Chris Chinn: There is an accommodation offset that is fixed and enshrined in law. It is approximately £41 a week. You perhaps know the exact number.

David Camp: It is £44.80, going up to £49.

Chris Chinn: That is a fixed amount. That is the maximum you can charge, and not all farms will charge that maximum amount. It depends on the quality of the accommodation being offered. Of course, they are able to live elsewhere if they wish to. The wage rates and things are



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talked about a lot. I am not sure it is a real issue. We will pay somebody who works well and picks more than the average significantly more than the average. I would prefer to have people who are earning £10 an hour and picking 30% or 40% more. In terms of those types of piece rate bonus systems, farms are very active at encouraging that sort of activity.

The issue is that it is seasonal. We cannot get away from the fact that fruit, veg, salad picking is seasonal. That does not fit very well with developed society, with families, with a permanent population. I take your point about how far you can keep taking this, moving to another country to find more people who are willing to come and work on a seasonal basis.

Dr Caroline Johnson: Particularly as more countries become prosperous.

Chris Chinn: Yes, absolutely. At the moment, I feel that the rug is being pulled from underneath us. We can invest in that sort of technology, but on things like asparagus it is 30 years away. I do not perceive that there is really a shortage of people willing to travel for well-paid seasonal jobs in the next 30 years. The world is very big and we are very small.

Q39 **Chair:** I take Caroline's point, but it is going to take a while for the whole world. Hopefully, if that does happen, it is better for the whole world. The wider you take the labour force, hopefully the more that money will go back to that country and help as well. It helps on both sides really. It is a difficult one, but she makes a very good point. We are going to have to look further and further afield.

Chris Chinn: It may not last forever. If we look 50 or 100 years into the future, perhaps we have got to the point where automation has taken that over. Perhaps we have got to the point where asparagus costs £50 a pack and it is genuinely only the very wealthy who can afford it. This is some kind of future beyond the remit of our generation to sort out.

Q40 **Dr Caroline Johnson:** It is not just the agricultural workers who have this problem. It is the caring sector, the NHS, virtually every sector. It is not always seasonal, although the tourist industry has seasonal problems as well. The desire for labour seems to be in all the jobs, particularly the less-skilled jobs.

Andrew Clark: Similar questions would apply to those sectors. Are our care assistants going to become robots in the future? We cannot envisage what that looks like. It is a really important point that I want to reiterate that we need to get through the next two years. If we are thinking about what the long-term future will be like in 10 years' time or beyond, some of our businesses might not be here at that stage.

Looking at the survey, this last year members participating in one of the surveys we did invested £2 million in accommodation to try to improve it. We are in a competitive market and you have to provide competitive accommodation, even though there is a fixed ceiling on how much can be



charged for that, in order to attract people and retain them. This is the point that Chris has been making about retaining labour.

Q41 Dr Caroline Johnson: Everything is picked at slightly different times, is it not? How much do you work with other growers whose seasons peak at slightly different times to try to keep people in continual employment for a longer period?

Chris Chinn: A huge amount. Once those guys arrive in the UK for daffodils or asparagus at the beginning of the season, a huge amount of effort goes into retaining those staff, either within a business, between businesses, or between labour providers and labour advisers offering a service to keep them employed. As the labour availability is declining quite rapidly, the crunch time is when it becomes most evident, and that is September/October. The ability to keep hold of that workforce, and keep them gainfully and happily employed through to and over that period, is critical.

David Camp: It has become more fragmented since the end of the last seasonal agricultural workers scheme. One thing you would look for in a model scheme that we design for the future is the ability when a particular crop ends here to have availability of seasonal workers who can move on. Co-ordination of that, to offer regular and ongoing work to the seasonal workers, rather than the peaks and troughs you get with a scheme that is not co-ordinated, is one of the things we want to be looking for from a model scheme for the future.

Q42 Dr Caroline Johnson: If the Government turn round and say they can do this within a few months, which is what they said, is that your problem solved? If they produce seasonal agricultural workers for June, a few months away, is that your problem solved?

Chris Chinn: There is lots of stuff to be clarified, in terms of both our position within the EU and the freedom of movement. That will dictate the seriousness, urgency and numbers required from a SAWS style scheme. We are talking about 85,000 seasonal workers coming into horticulture alone. If the doors are shut and there is no freedom of movement, that is 85,000 workers we need to bring in through a SAWS style scheme to keep the industry going at its current level. Yes, it is partially, but dependent on a few other factors.

Q43 Dr Caroline Johnson: Are you working hard to recruit local people into these jobs as well? Are they advertised locally? Is there anything being done to try to encourage that?

David Camp: To not advertise locally would be discriminatory and against the law. We are very clear that all our members must apply a non-discriminatory recruitment process and always advertise locally.

Q44 Dr Caroline Johnson: But you do not get applications.

David Camp: I am afraid we do not.



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Chris Chinn: If I put that into context a bit, in the wider Herefordshire area there are approximately 500 unemployed jobseekers. On four farms in the local area, there are 3,500 seasonal workers. When we advertise in the jobcentre and online at open days, we do not get pickers. We get other more full-time permanent roles, but not pickers. There is no interest in that.

Q45 **Dr Johnson:** These 500 people are not applying for jobs.

Chris Chinn: They are 500 people out of the population of Herefordshire. I know we are fairly rural, but it is a tiny fraction. I would question the ability of those guys to do that work.

Dr Johnson: The economy is too successful.

Q46 **Chair:** You are being very diplomatic here. I think we understand what you are saying.

Andrew Clark: There is actually a practical situation. I suspect that, of those 500, a few might be in Ross, but most would be in Hereford. This would be work 20 miles into the countryside. There is very little public transport. It is not like applying for a job in a retail park on the outskirts of Hereford.

Chris Chinn: If that were the case, we would put on a bus to get them from Hereford rather than recruiting people in Bulgaria, housing them on site and looking after all their welfare needs. That is not an easy option. If I could put on a bus and get a few hundred people out of Hereford, I would do it in a jiffy.

Q47 **Chair:** You make an interesting point, because very often it is said that industry does not work hard enough to get home-grown labour. You are saying that you would grab it if it was there.

Chris Chinn: There is probably a bigger debate. I am certainly no expert in it, but we used to be able to put on a minibus and drive around. The Forest of Dean is very close to us and there is relatively higher unemployment in that area, so we used to be able to stop off. There were quite a lot of working mums. This was 20 or 25 years ago, but the kids used to jump on the bus as well and they would sit on the side of the field while the mums were working. It was payment at the end of the day and off they went. You would drive the bus around the next day and it was sorted out. That economy just does not exist within our system anymore, with the benefit system and cash in hand. Rightly, in some respects, it is not flexible enough to allow that type of employment.

Q48 **Angela Smith:** It was precisely that point, because I remember the days when the women in our street were taken by Land Rover to work in the fields locally. My point was about gender. Women are effectively now in the full-time/part-time structured workforce. You have already indicated that one of the reasons we rely on foreign labour is precisely because the economy has changed and women no longer want to take up those



opportunities.

Andrew Clark: I grew up on a hop farm in the Teme Valley, where my dad used to do exactly what Chris just described to you. With a minibus, he would go around and pick up people to go and help with the hops. That type of economy has changed; our economy has changed.

Chris Chinn: Fairly critically, our business at that time was limited by the availability of labour that was there. Over the last 15 years, our business has grown on the back of the availability of labour, and the relative certainty and reliability of that labour. That is why we are at this point now.

Andrew Clark: It is a professional business.

Chris Chinn: If we pull that labour away rapidly and on a cliff edge, like we are talking about, we will not be in a position to react quickly enough.

Q49 **Chair:** You also made the point that successive Governments have tried to make the benefit system more flexible. One of the problems is that it does not work. Therefore, people do not want to come off benefits for a short time, because they find it very difficult to get back on benefits again. Although we keep trying to do things to make this easier, I can understand why some people just do not want to come off benefits, because there is the whole problem of getting back if it is only for the short term. It is an interesting one but, even then, there are very few people. That is what you are saying.

Chris Chinn: In reality, the numbers are perhaps partly for the reason that many more of our total population are in work now, be that part time or full time. Yes, the numbers are not available in our rural areas.

Q50 **Alan Brown:** This is a bit of a devil's-advocate question. You have all set out the case well for needing a SAWS scheme. Andrew, your phrase was that we need to get through the next couple of years, but Government is shrouded in politics. If I am a Government Minister, why should you get priority to have some sort of seasonal scheme over other sectors? Caroline touched on it; it might not be seasonal, but the healthcare sector is going to say, "We have gaps and we need some temporary measure for the next couple of years". The construction sector and manufacturing sector are going to be arguing, so why should the Government prioritise you guys?

Andrew Clark: It is for each sector to make its own case. We are clearly going to be arguing the case for food production, which is at the heart of why it is a priority. Everybody needs to eat. There are some great products, especially seasonal products like asparagus, which just will not be available if we cannot address this issue very quickly. While farmers are a relatively small part of the economy, we are part of the largest manufacturing sector in the economy. The food chain depends on our ability to feed our product into it. Consumers would be worse off; they would end up paying more money for product. We would be missing a



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great opportunity to celebrate a great seasonal British food and continue to stimulate what has been a real success story within farming. When you look at the horticulture sector especially, the strawberry season has just kicked off. It seems quite unseasonal with snow outside at the moment, but the strawberry season has just started.

Chair: They will keep well.

Andrew Clark: Yes, they will do. It has just kicked off and we have a great success story. I want to see that continuing. Yes, we will make the case for food. Food is important, because the public want to eat British food.

Q51 **Alan Brown:** I am the Minister for a hard Brexit. Free trade will take care of everything. I know the argument about feeding the wider rural economy, and I use that argument locally to defend farmers and defend CAP. There will be ups and downs to free trade, but it will resolve everything, surely.

Chris Chinn: The big difference between agriculture and other sectors is seasonality. I know there are discussions around the permanent workforce and that will be a challenge in its own right, but it is the seasonal nature of it and the fact that we have always relied on seasonal migrant workers. This is not something that is new. It is not an immigration issue. By definition, seasonal work does not come into the immigration issue, so that should surely be easier to manage from a political standpoint. That is it; it is seasonal.

Q52 **Chair:** The interesting point is that our population has got used to a good-quality, reasonably priced selection of foods. They will not want to see huge hikes in prices, because there is a limit to what they can afford to pay or will pay. They will also not want to see the choice diminished. Everybody talks about how we can import everything. Alan, you are quite right to play devil's advocate but, in reality, you certainly will not get green asparagus and others through the season from elsewhere.

David Camp: The food industry has driven efficiencies over many, many years. Its customers, the supermarkets, have driven very efficient organisations. We want a food industry that exports. To export, we need workers. If we do not have workers, our food industry in the UK will contract and our imports will increase.

Chris Chinn: Prices and volatility will increase with that.

Chair: This is what the public will not want. You always get a certain amount of price volatility, but they are not going to want that and farmers will not want it either.

Andrew Clark: You pick up a very important point there, Chairman, and I want to come to another point on volatility. If we go on to world markets, what protection do we have against their volatility? World markets have been extremely volatile in the last decade. It goes back to



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food security. Having a reliable source of food at home in the UK provides us some protection against that volatility. Another point I would make is that what is special about farming and food production is that it is in rural areas. We have already highlighted the point that, in comparison to an urban area or setting, the indigenous population is not available to meet our demands, in terms of the number of employees.

- Q53 **Dr Johnson:** This is just a quick, slightly provocative question. You are competing for labour with other businesses that want to employ people. You are offering £8.50 on average, you said, for people to come and do this job in a rural area, for which they need their own transport to get there. You seem to be making a judgment that they would prefer to work in that retail park, which is perhaps warmer, more comfortable and easier to get to. Has any research been done into how much the salary would need to increase to entice people out of those jobs and into your work, even if it is seasonal, and then move around different farms? Has that sort of work been done and what sort of inflationary effect would it have as a percentage on your business?

Andrew Clark: We have not done any work like that. It would be erroneous of me to start suggesting figures. I am just conscious that, as the Chairman has indicated, there are many reasons why the UK population does not choose to take this work. Some of it is getting access to that work, the fact that it is not permanent but temporary, the alternatives, the conditions. What is that price point?

Chris Chinn: In an environment of really low unemployment, temporary work is not very attractive.

- Q54 **Chair:** Naturally, it drives up the price of the product to a point where people will not buy.

Andrew Clark: You raise another issue, Chairman, about whether we in farming have the ability to drive up the price of the product.

Chair: I suspect that that will be the big debate in the future. Farmers would very much like to see prices go up. The consumers and Government will get to a level where they do not want it to go, which will be the crux of the matter.

Andrew Clark: We would like to see a return.

Chair: This is probably a little beyond the labour debate of today, but it is part of it.

Chris Chinn: Economics are critical to any business and any sector. I am here because without labour we do not have a business. The economics are completely irrelevant if I do not have labour.

- Q55 **Chair:** We get that, but it was an interesting question from Caroline and one that probably needs to be asked beyond this inquiry. Like you said, it is very difficult to drive the cost of labour up so high that you perhaps



drive the price of your asparagus too high.

David Camp: It is one aspect. We have been running a number of workshops, and we ran one for a group of soft fruit growers yesterday about sourcing and retaining workers. We have to become excellent at finding workers. We need to become excellent at converting those people who express an interest in our work and coming into our business, and at providing them with a community that they work in and enjoy working in, so that they say, "It is all right here. Yes, it is hard work, but they treat me well and it is not a bad place to be. I would come back". We need to become more expert at marketing our sector as a whole, as an industry of choice.

There is a lot we can do. We would like to work with Defra on it. We would like to work with the supermarkets. We are working with the NFU, but we would like to work with the other bodies to take our industry forward. The rate you are paid is one of the factors about why people work. Of the businesses that we surveyed, 60% said they had put their wages up. At a local level, looking at their local market conditions and who they are in competition with, they have come to that decision. It is one of the factors that make people choose an industry, business or country over one of the others. We need a holistic approach to making our sector and our businesses places that people want to come and work in and stay in.

Angela Smith: I have just been distracted by pictures of the snow in my constituency. It looks pretty bad.

Chair: You can look out of the window if you want to see pictures of snow.

Q56 **Angela Smith:** Yes, or at the *London Evening Standard*. The Government are allegedly considering pick-your-own and working holidays as a solution to labour shortages. Is this a viable solution, do you think? You make it look slightly facetious, but the Government have suggested it, so a response would be good.

Andrew Clark: A short no is the answer to that. One thing that I would like to say about that is it is great that people would have a reconnection with food and where it comes from.

Angela Smith: I have done it.

Andrew Clark: I would not say no, never, but our family ran a pick-your-own and it had a pretty poor return.

Chair: It is hard work picking. Some people might like to have a holiday and really work hard to pick vegetables or whatever, but the majority are not going to want to work that hard on holiday. It is how you manage them, I suppose.

Chris Chinn: This has come out of the Australian model. I believe that is where this has come from.



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Angela Smith: That is right; it has.

Chris Chinn: In Australia, 5% of the seasonal agricultural workforce comes from that source. Most of it comes from a similar scheme to the SAWS scheme, pulling in Tongans and Samoans.

Angela Smith: That is interesting.

Chris Chinn: They are no different from any other developed country in the world, where they have a specialist visa programme for pulling in seasonal agricultural workers. As I say, 5% of that workforce comes in and it is mostly European or American students who are travelling over in that area. It is not pulling in nationals; it is pulling in foreign workers.

Q57 **Chair:** It is like the New Zealanders, with backpackers and what have you. It is that sort of system.

Chris Chinn: It is. Historically, prior to the accession of the A2 and A8, we had New Zealand and Australian workers working on our farm, under previous visa programmes. That can definitely become part of it.

Q58 **Chair:** What you are saying is that there could be a limited pool of labour, but it is not the solution. It is perhaps 2% to 5%, which would be helpful, but it would not replace the labour that is coming in.

Angela Smith: You are saying they are not UK nationals.

Chris Chinn: I do not believe that families from Putney want to come to the Wye Valley to pick asparagus.

Chair: They could be from Chelsea. It would be a completely different style of life. They might enjoy it.

Chris Chinn: If that were to happen, it would be for a week over the Easter holidays. What about the rest of the time, when they get back home and want to eat the asparagus? Where it is going to come from? It is more about a reconnection to the food and farming environment. There might be some sense in that, but it is more of a tourism option than a genuine farm solution.

Andrew Clark: We are not offering a vendange grape-picking vacation break.

Chris Chinn: We do that actually. We grow some grapes and have vendange parties, but it is generally not very good for profits.

Chair: Do they eat all the grapes or not?

Chris Chinn: No, they drink last year's production.

Andrew Clark: Perhaps the Committee might like to.

Chair: That sounds like a better type of holiday.



Chris Chinn: It is in that October window of labour supply.

Chair: I could see some bonuses in that. David, do you want to comment on it?

David Camp: I was rather distracted by seeing if this idea extended into our abattoirs and meat-processing factories as well, but I thought it probably would not transfer. There are a number of challenges with the Australian model, which have been instrumental in them introducing modern slavery legislation over there. I am learning from what we do over here and the fantastic progress in the engagement we have had with our workforce over here, over the last few years. I have nothing to add. These gents have covered the idea.

Q59 **Chair:** My next question is on Haygrove farms, which has recently announced plans to outsource production to China. Andrew, in particular, this question is to you. How many farms are considering this? You talked about it at the beginning. Is it a real threat? Is it a real problem and is it going to get worse?

Andrew Clark: It is always regrettable to see for production. That is the real concern. I have no problem about successful British companies establishing overseas. That is good but, if it means production goes overseas, it is a disappointing trend. I suspect that many of the larger companies already have to have overseas aspects to their businesses—I think of G's particularly—to ensure they have continuous supply through to retailers. That is already a feature of the horticulture community. I suspect, if we look ahead and see the situation that we currently have perpetuated into the future, some farming companies will have to go abroad in order to maintain their supply chains.

David Camp: Our survey said that 8% of businesses were looking to source or relocate overseas. Those are the ones that are actively adopting that approach in response to the labour and skills shortage. One in 12 businesses is looking at that.

Chris Chinn: They are probably the bigger businesses.

Q60 **Chair:** We have such an opportunity with the horticulture side, which has been growing, to grow it further. This would be a real retrograde step. It is something also outside your control and investment. That is the other issue that you have been raising this morning.

Chris Chinn: As a business owner looking at a 20-year investment cycle, I am not making it in the UK at the moment. I have already said that. Am I going to make it abroad? I possibly will. It is definitely an option.

David Camp: Consumers like to eat locally, do they not?

Chris Chinn: Absolutely they do but, if that is not an option, they would like to eat.



Chair: I accept the point that Andrew makes, if you are in the salad business or whatever. You want a continuity of supply, so you will have some production here and some production in other climates. That will work, but what we do not want to do is export good production that can take place seasonally here because we do not have the seasonal workers.

Chris Chinn: That is the stark choice: import the labour or import the produce.

Chair: Or export the business.

Chris Chinn: You lose all the business and the supporting activity behind those businesses with the loss of that production in the UK.

Andrew Clark: I live in the Vale of Evesham, which I think of as the home of asparagus, but we can go for Herefordshire as well. A company that produces asparagus abroad would not be able to produce Herefordshire or Vale of Evesham asparagus. It is a PGI.

Chris Chinn: The business does not support the local community. There are no jobs. There is no support for the local engineering firms. The downward spiral is quite dramatic.

Chair: We have reached the end of your panel. Can I say to all of you that it has been a really good evidence session? You have given us some really good stuff to put to Ministers, and it was really great to have you all here this morning. Thank you very much for making your way through the snow this morning to get here. Like I said, towards the end of this coming March, we are having Ministers in to drill down on. The Home Office situation is that Ministers are beginning to consider that they need to do this, so I am hoping that we might be pushing at a slightly open door. I appreciate your time and thank you again very much for your very good evidence.

Examination of witnesses

Witnesses: Gudrun Ravetz and Fiona Steiger.

Q61 **Chair:** Good morning. Thank you very much for making your way through. Having had an all-male panel, we now have an all-female panel, which is good for gender balance. We do not always manage that, but we very much appreciate you coming to give us the benefit of your wisdom and views. Would you like to introduce yourselves? Then we will get straight on.

Fiona Steiger: I am Fiona Steiger, deputy director of the British Meat Processors Association.



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Gudrun Ravetz: I am Gudrun Ravetz, senior vice-president of the British Veterinary Association.

Chair: Thank you very much, both, for coming this morning.

Q62 **David Simpson:** You will have heard the questioning of the other panel, as regards the issue around labour and the difficulties that they experience within their industry. From the processing industry, the pig side, the cattle side or whatever, what are your major difficulties? What are your experiences in trying to attract the labour that is required for your specific industry? It is a different industry compared to picking fruit or whatever, skilled or unskilled again.

Fiona Steiger: The big difference between the panel you have just spoken to and us is that we require permanent staff. We have very slight seasonal peaks around Christmas and Easter, but we require permanent staff. We require skilled or semi-skilled staff, depending on how you define skilled, but boners and butchers. We have had difficulties sourcing those since the referendum. Some of my members are operating at 90% capacity, covering that lack of full staff and full workforce by overtime, which is extensive additional expenditure. That is our problem. We are struggling to recruit people and having to bring in workers who are less skilled and less open to the industry.

Q63 **David Simpson:** You basically have to train in-house for the skill base.

Fiona Steiger: Yes, we are training in house. The turnover has gone up a bit as well, so we are training people and then not getting the benefits of their experience and training for as long as we would have done.

Q64 **Chair:** There is basically more competition out there for labour than there was.

Fiona Steiger: There is, yes. One of the difficulties we are having is that non-UK workers are leaving our industry to go to other service industries, paying similar levels or slightly more.

Q65 **David Simpson:** In the industry itself, certainly within a Northern Ireland context, we have some companies that rely on as high as 60% labour from other countries, such as Moy Park in the red meat sector. That is causing a major problem for them. At Christmastime past, some processors could not supply the full demand for the supermarkets, because they did not have the labour force to do it. They were putting supervisors on the production tables to try to get deliveries out. Where do you see a solution for this? Is it through working hard on the apprenticeship side to try to attract in young people to make it attractive for apprenticeships?

That is one of the difficulties the industry tells me. It is difficult to attract young people into apprenticeships. They are having the same in joinery, plumbing, building and the construction industry, where 40 young people might start the course, but five will finish it. How do you improve that?



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What is the mind set that needs to change?

Fiona Steiger: That is kind of a cultural question as much as anything. It may be beyond the remit of this Committee.

Chair: David is trying to lead you.

David Simpson: It is psychology, yes.

Fiona Steiger: It is a difficult question. As you say that is the experience. People will start working, either in apprenticeships, through the Movement to Work scheme or various other schemes that exist, but getting people to stay is a problem. It is a hard job. It is cold in those plants; it is almost as cold as in this room.

Chair: I am glad you said "almost as cold as in this room". I apologise for that. We are trying to see whether they can get heat to come out, rather than cold air. At the moment, we seem to be having cold air blown out.

Fiona Steiger: It is better than hot air.

Chair: That is right; perhaps we could produce the hot air.

Fiona Steiger: Yes, it is a cold environment. You have to wear a lot of uncomfortable, heavy protective equipment. It is not sexy. Dare I say that? It does not have much social cachet. You cannot take your phone in there. You are on very rigid shift patterns. It does not seem to be work that appeals to the British youth any more. We try schemes: we advertise widely; we start apprenticeships.

Q66 **Chair:** You make an interesting point on phones, because the youth of today cannot manage not to be on the phone or texting for more than 10 seconds at a time. I am being very facetious now, but that would probably be a really big issue if they did not have access to their phones during their shift. For a lot of young people, seriously, that would be a big issue, would it not?

Fiona Steiger: I know what my nieces and nephews are like.

David Simpson: That is the problem.

Gudrun Ravetz: We work within a similar sector, but have quite a different workforce. Our industry are highly skilled, highly trained and uniquely skilled professionals, and they work across a number of sectors, so academia, the research industry, practice, agriculture, government and public health. Our workforce is providing the foundation for the UK's work on animal health, public health and animal welfare, and we underpin all that. Not a penny of the £13 billion for the agri-food industry could be forthcoming if it was not for the underpinning of the work that the veterinary profession does, but there are some stark facts and figures around that.



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Each year, 50% of the new registrants to the Royal College of Veterinary Surgeons are from overseas, with the majority of those being EU. Of official veterinarians working within abattoirs, about 95% are from overseas, again the majority from the EU. Around 30% of vets who can do veterinary health export certificates, vital for trade, are EU vets.

You can see that even losing a small proportion of our workforce could have a huge impact. Research that has been done post referendum shows that one in five EU vets is actively looking for work outside of the UK. It is vitally important that we maintain our workforce. It is important to realise that we work under a Veterinary Surgeons Act. The act of veterinary surgery is prescribed within that Act, and all our members must be members of the Royal College of Veterinary Surgeons. They are a highly trained and uniquely skilled workforce.

Q67 David Simpson: Does veterinary training work on the same basis as training doctors and nurses previously, where there was a bursary introduced? Has that happened in the veterinary sector?

Gudrun Ravetz: Our veterinary students undertake a five-year degree course. At some universities it is a six-year degree course. At the moment, there is no specific funding, so they pay the tuition fees as they do for any other course.

Chair: They land up in very large debt, basically.

Gudrun Ravetz: There is a substantial debt. What is interesting with the veterinary course is that there are also what we call extramural studies, which are for a significant block of time, over six months, which have to be taken outside of the actual academic course. They learn the practical skills, both within the industry but also within veterinary practice, so they do not have that opportunity that other students may have to work within their holiday time.

Q68 Angela Smith: Welcome, both. This is a question for Fiona particularly. Your evidence pointed out that overtime is being used as a substitute, with one business reporting a £500,000 overtime cost over the Christmas period. Could you give us a very quick, concise idea of how widespread that problem is? That is a pretty extreme example, one would hope.

Fiona Steiger: Yes, but it is common across all the members I have spoken to that they are substituting staff with overtime, with the concomitant increase in costs that you would expect to see. They say it is proving a problem. We run at very low margins. The meat processing industry runs at a 1% profit margin. Other manufacturing industries pay about 50% to 55% of their total costs for their supply materials. In the red meat processing sector, we pay about 75%, so any profits are being eaten up by costs. There is no wriggle room or very little wriggle room.

Q69 Angela Smith: The indication from the evidence is that the overtime problem is getting worse. Do you put that down to the uncertainty around Brexit or are there other factors?



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Fiona Steiger: The reason being given in exit interviews, when staff leave and go back into the EU27 countries, is uncertainty about their status and their right to remain. There is also the problem with the pound having lost strength against the euro. Those are the two main reasons.

Q70 **Chair:** Would you say that the retailers, the large retailers in particular, in some ways keep your prices down? The processors have to compete so strongly that this is almost an issue. There is not enough profitability within the processing sector for higher wages. Am I leading you as a witness?

Fiona Steiger: I would not disagree with what you have just said. There is very little wriggle room. At the moment, these extra overtime costs are being absorbed, but that is not a sustainable position at all. Of course, processors are in the middle of the supply chain.

Chair: You get squeezed in both directions.

Fiona Steiger: Yes, exactly, so it is not sustainable.

Q71 **Julian Sturdy:** This is to both of you. What do you see as the biggest risks to your organisations from Brexit, going forward?

Fiona Steiger: Is that from the whole of Brexit?

Julian Sturdy: We have to talk about labour specifically.

Fiona Steiger: For labour, it is the lack of supply from overseas in order to bring in people in the numbers we need, as easily as we need and with the skills we need. We are already struggling to recruit people with the skills that we were used to having before the Brexit referendum. They are staying for less time, so that is our biggest problem, just finding and bringing in labour.

Q72 **Julian Sturdy:** Is it also skills?

Fiona Steiger: Skills is a problem, yes. About 40% of our labour is skilled and 60% is unskilled. We are particularly struggling to find skilled labour and that is mirrored by some of the wage increases. Some people are paying 12% extra for skilled staff.

Q73 **Julian Sturdy:** I asked this to the previous panel. Did you start to see a bit of a drop-off already before Brexit?

Fiona Steiger: No.

Julian Sturdy: Brexit has delivered that.

Fiona Steiger: Yes.

Gudrun Ravetz: Vets have a huge impact in the social and economic sphere in the sectors that we work across. We do enormous work for the economy and trade, for the UK and internationally, but we can only do that with a thriving and sustainable workforce, having the capability and



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the capacity of the workforce on the ground to do that. That is our concern. Our EU colleagues are essential. They are integral to the work that we do. We have the percentages and the numbers there. We are concerned from research that we have done post referendum that, because of the uncertainty about their working conditions and terms to be here, we may potentially lose them. The workforce issue is huge for our businesses. In our private practices, around 30% are EU vets. They are in the community all the time and are pillars of their community, so workforce is essential for us.

Q74 Julian Sturdy: On that and specifically within the veterinarian sector, you talked about the long five to six-year period you have to go through to become a vet. Can you look at that and say if there are enough going through, starting at university, to study? Do you have enough figures on that? Are you starting to see a drop-off earlier, if that makes sense? I probably have not explained that well.

Gudrun Ravetz: We are looking at this as immediate and critical, short, medium and long term. On the figures of new registrants from overseas, since the referendum is the first time we have started to see a dip. Overseas numbers are decreasing. In the short term, we want to be restored to the shortage occupation list, so we can pull capability and capacity from around the world. If there is any transitional period going forward, we should continue to recognise the mutual recognition of professional qualifications. If we can bring legal effect to the assurances that were given in the phase 1 agreement, it would help to assure our EU colleagues already here.

In the medium term, we need to prioritise the social and economic impacts that vets have currently for any immigration policy. In terms of student numbers, currently around 19% of our student numbers are overseas students. The majority of those are third-country students, not EU students. They graduate being able to work here, in terms of being members of the Royal College of Veterinary Surgeons, but they do not have the visas, so they cannot work here automatically. We would ask that those who are graduating here and already putting back into the economy as students have the automatic right to work here without visa. That will automatically pull us around another 15% of our students.

Q75 Julian Sturdy: Do they usually want to try to work here, or are they coming here because of the universities and the qualification, and then going home?

Gudrun Ravetz: A lot of students we speak to from those third countries want to work here, because they have often done their extramural study placements here, set down roots here and often have relationships here. They know the working environment of the veterinary sphere in this country, so a lot of them want to stay, but are not able to stay automatically. It is very difficult to bring them back once they have gone.



In the long term, looking at student numbers is something we are doing and can do. There are a number of working groups looking at that, at the moment, but we have to be realistic. It is a five to 10-year process to get that and start a new veterinary school. Surrey is the most recent one, and around £45 million of investment was needed to even get that school to the point of starting. If we look at the costs of graduating veterinary students, they are around £20,000 a year for a home student. Fees obviously do not cover that, so we will have to look for other funding. Although that is something we are looking at, we have to be aware of the stepping stones to get there. If we look at the academic tutors for the veterinary schools, 20% to 22% of those are EU vets, because we are part of an international science community.

Julian Sturdy: It is a good point.

- Q76 **Angela Smith:** Just to change this slightly, the first panel focused on the problems related to a very seasonal workforce and the demand for a seasonal workforce, whereas your two sectors are based much more on the need for a permanent labour supply. Is there any kind of differentiation, in terms of the problems that you are experiencing, that we ought to have on the record for this inquiry?

Fiona Steiger: We need the ability to bring people in and give them permission to stay for at least a couple of years. Therefore, any registration scheme that the Government devise would need to be administratively as simple and streamlined as it can be. It needs to be non-punitive to industries that need this overseas labour and not be too expensive, whether the expenses are laid on the head of the individual or the industry bringing them in. The crucial thing is to give them at least two years at a time, maybe three. If turnover is about 20% every year, a lot of people are staying for more than a year or more than two years.

- Q77 **Chair:** There need to be temporary workers for a period of time, you are saying.

Fiona Steiger: Exactly, yes.

- Q78 **Chair:** The big political issue is whether we have controlled immigration or not. Perhaps the Government may be more amenable to a controlled system. Like I said, seasonal workers will not suit you, will they?

Fiona Steiger: No, absolutely not. Another aspect that is important is skills. The current talk is all about people having a degree being considered skilled workers. I have a history degree, but I do not think anybody would call me particularly skilled in any aspect. Boners and butchers are skilled, although it is not an academic thing. As a society, we need to be less caught up on the definition of skilled relating to academia.

Chair: Yes, we need practical skills as well as intellectual skills.



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Fiona Steiger: I do not think anybody in this room, within a month, could go in and bone a carcass easily. It is very much a skilled thing. Also, unskilled workers have a role in the economy. If there is a job in the economy that will benefit and add to the British economy, why would you not permit it to be filled?

Q79 **Angela Smith:** On that basis, you would want to see some reform to the migration system in relation to the points-based system.

Fiona Steiger: Yes, to allow skilled people in, exactly.

Chair: We can put this to the Ministers.

Gudrun Ravetz: As I have said, vets are highly skilled and they are uniquely skilled. They have to be members of the Royal College of Veterinary Surgeons to be working here. If we look at practice, many practices are small and medium enterprises, so anybody working within them would be part of that community and part of that business. They may actually buy into that business, so they want long-term security with that job. If we look at public health, again it is integral to businesses and government. It is integral to huge projects that are going on in the economy and trade. They are part of research projects. The short-term nature is just not going to work for a highly skilled profession such as ours. They will often come in and put down roots within those communities, so we need the ability for them to feel that safety and security, and acknowledge the job that they are doing.

Fiona Steiger: It is important to realise that these people are often recruited from a country outside the UK, so they would be coming in specifically for a job. There would be a job for them to come into, so we would not be letting people in and hoping they find a job. We would know. That could be part of any registration system.

Q80 **Alan Brown:** It is quite clear that there are mixed messages between what the industry is saying and feeling on the ground, and what the Government are saying at the moment. For example, one of the panellists earlier on said, when they are trying to recruit, the message they are picking up from some EU nationals is that they do not feel welcome in this country. Fiona, you have said that Brexit is already causing an impact. You can see that in exit interviews, yet the UK Government are saying that EU nationals who are already here have nothing to fear, because their rights will not change and everything will be okay. Clearly that is different.

They each also suggested solutions that could help alleviate labour shortages going forward, but are you getting any indications from the Government of any positive measures that they are actively looking to introduce that would give some comfort or certainty for business?

Fiona Steiger: It is crucial that the Government clarify and are consistent about what the situation will be in the transition period and after the transition period. Once that is clarified and a clear system is put



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in place, so business and individuals know what is needed and expected, how long they will be able to stay, et cetera, things will probably pick up a bit. It is the uncertainty at the moment. I know the uncertainty is preventing some members of my industry from investing further, developing and expanding sites, because they just do not know if they will have the staff to fill those sites. Once we sort this out, get some clarity and consistency, and a system in place, we will alleviate a lot of the pressure that industry is feeling at the moment.

Gudrun Ravetz: It is exactly the same for us; it is that certainty. We know from the research we have done with EU vets who are currently here that it is the certainty that is making them unsure and look to leave. In the immediate term, for us, if we could get registration for the shortage occupation list, it would help.

Q81 **Alan Brown:** At the moment you still see it as uncertainty. You have not had enough clarity from the Government or seen any positive steps that they are taking.

Gudrun Ravetz: If we could have a legal effect to the assurances in the phase 1 agreement, it would help.

Fiona Steiger: Exactly, it certainly would not make things worse.

Q82 **Chair:** We have talked quite a lot about this, but it is no secret that the Government's long-term strategy seems to be to reduce immigration and increase the number of UK workers employed across your sectors. What will the Government need to do to meet this goal? On the veterinary side do we have enough colleges and enough numbers? Surely we must have enough people who would like to go into veterinary studies; what more can we do on that? Then, from the processing side, are we doing enough to appeal to the industry? It is not always cold and wet, and there are jobs to be had.

Gudrun Ravetz: As I have mentioned, for us this is around the long-term aspects of potentially increasing student numbers and the caution with that as well, particularly around funding. We could certainly double numbers; we could triple numbers if we had the academics to teach in it and the funding to get it up and going. Will we then have the graduates going into the jobs where we need them? Where we desperately need them going forward is particularly as official veterinarians in abattoirs. We need to look at making sure we have the right graduates going into the right jobs, so it is not purely a case of numbers.

Q83 **Chair:** This is one of my old chestnuts. Could we design a sort of qualification for a veterinary-trained meat inspector, rather than just having a vet? If you do that, you would then stop those veterinary-trained meat inspectors from doing the full vet's job. It is an interesting one. I know some countries have always had a slightly different approach to this than we have, even across Europe. I do not



know if you have ever given that any thought.

Gudrun Ravetz: Currently the veterinary surgeon is omni-competent as they come out, and that means that they have a holistic approach to all sides of agriculture. They are able to take disease; they are able to research; they are able to analyse and pull that together in their diagnostic approach. That is important. It would be retrograde if we were to step back from the current standards. The current standards under the EU are that we have official veterinarians within abattoirs. The OIE has stated about the importance of veterinary surgeons in abattoirs, highlighting the foot and mouth outbreak and how there was early detection by a veterinary surgeon. We think they have the unique skills and qualifications. Their degree and their holistic approach give them that, so we think it is vital.

There are steps we can take to make this a job that more graduates may want to do. The business environment changed some years ago when the Government moved to a tendering process. Prior to tendering, practitioners in practice would work within the abattoir one or two days a week, so it was part of a portfolio of their career; it was not the sole job that they did. We moved to tendering some years ago and it became a specialised job. It was mainly one company that would take the tender, so the job role has changed and that has now left us with a very specialised job that is important. It is given the kudos and the skills that it should have, but we have lost the skill set within practice to go back into that environment.

Q84 **Chair:** It could be a combination, where the Government may need to look at these contracts in a different way in the future, but perhaps the veterinary colleges also need to look at special parts of the course that might fit into the veterinary profession being in the abattoirs. We are going to have to be very positive here, because we have such a reliance at the moment, I think something like 90% to 95% in abattoirs. That is where we need to go in with our eyes open.

Gudrun Ravetz: With free movement of trade, we have been very fortunate that we can pull from diverse skill sets of veterinary surgeons. EU vets in their colleges focus a lot on public health. We are highly trained in this country, but it is not our focus. As a society and as a profession, we need to look at the value that we put on public health roles, in terms of remuneration in how we view these roles. There are things that we need to do within that sphere. That is going to be a long-term project. We are already working with the Veterinary Capability and Capacity Project, which is multi-stakeholder with us, the Royal College of Veterinary Surgeons, Defra, APHA and FSA to look at these specific areas, so we are aware of them. It is about being aware of the issues and realising that they are not simple. There are many stakeholders within this and there are things that we all have to do, and that includes the profession.

Q85 **Chair:** From the food processing side of it, how do we get our home-



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grown labour force really interested in it? Do we have to mechanise it more? Do we have to make it less cold and so on?

Fiona Steiger: You have the risk that less cold equals possibly less public health and food safety. That is the issue there. My members are doing things. Some of them have raised the wages they pay. Some of them are offering apprenticeships at 50% more than the minimum wage for that age group. They are now looking at the soft benefits and things like introduce-a-friend schemes, with flexibility wherever possible, bearing in mind that you are working on an assembly line. Members are looking at those things.

Q86 **Chair:** Is there a role for Government here?

Fiona Steiger: We are not looking to Government to solve this problem. We are just looking for Government not to make the problem worse or cause us problems.

Chair: You want the Government off your back sometimes. There is the limited labour we were talking about.

Fiona Steiger: As David said in the earlier session, you have to advertise locally. The work across my membership that they do to recruit locally includes—but this is not an exhaustive list—outreach into schools, outside mobile recruiting, apprenticeships, the Movement to Work scheme, advertising in local colleges and further education establishments, holding recruitment fairs, working with jobcentres, targeted social media advertising, regular leaflet drops and digital advertising. They do a lot to try to attract local labour.

Q87 **Chair:** It is still getting tight.

Fiona Steiger: It is still elusive, yes.

Q88 **Chair:** That is the issue this morning. You are seeing it quite a lot tighter than it has been, without leading you.

Fiona Steiger: Yes, it is definitely tighter. There is no getting away from that.

Q89 **Chair:** Have you got to a level where you are worried that you may not be able to fill jobs?

Fiona Steiger: A number of my members have said that that is now one of their chief considerations when they are looking at new businesses and new contracts: "Will we have the staff to fulfil this?"

I will cover automation, as you mentioned that at the start of your questions. Automation is definitely part of the picture. Plants are using it wherever they can already, but it is very difficult to bone a carcass with a machine. It just does not have the skill and flexibility to get it right. On the slaughter line, it is very difficult to use machinery because of the variety and size of carcasses. A human knows exactly where to go in to start the evisceration. A machine will get it wrong and things like that.



Q90 **Chair:** Even the positioning of the way the carcass is hung makes it very difficult for a machine to work that all out.

Fiona Steiger: Exactly. I have talked about boning, but a machine to make pigs in blankets is difficult enough. I have opposable thumbs and I have struggled when I have done it at Christmastime. Automation is there and we are looking at it where we can, but one of my members put in some machinery and had to take it out within a year, because it was producing 2% less yield of meat. The problem with the drop-off in labour we have had since the Brexit referendum is that it has been so immediate. It has been so abrupt and speedy. For automation, you have to find the machinery, see how it would work for you and get the capital together. That all takes more than the 18 months we have had so far and the 13 months we have left until Brexit day. It is part of the future, but it is not the answer now.

Chair: It is very good to have that on record.

Q91 **Angela Smith:** That was very powerful, Fiona, but my supplementary was to Gudrun. My understanding is that the demographic profile of students engaging in veterinary training is changing quite radically. Is that potentially going to have an impact in terms of career choices, perhaps creating problems?

Gudrun Ravetz: It certainly has become more feminised. Well over 50% of the workforce is female now and the studentship is anywhere between 70% and 80% coming through. When we look at what students want to do, it is not changing the job role. What is interesting, when we are looking at our graduates, is the way they want to work, which is how a lot of our young people want to work. They want a lot more flexibility in the working they are doing. A lot more are looking at part-time portfolio careers, and that is across males and females within the profession. Although more women are part time overall, the biggest growth in part-time workers is among the men within our profession.

We are running projects looking at the workforce, because we were aware of retention issues prior to the EU referendum, so we are looking at ways that the profession can change for the changing nature of the work, but also what our clients want, whatever that sphere is. Practices in particular are open a lot longer. People are working different hours and they want us to work different hours. That is all adding to the workforce challenges, because it is not just our sphere, but we are in a 24-hour culture more. People want to visit even the veterinary practice when it is more convenient, so we need to be open more hours. We need to be available. We need to work differently, and we can reflect what members want when they are coming through.

The reason that we are concerned post referendum and the EU exit is that they have brought it into sharper focus. Quite rightly, with freedom of movement, we have been able to draw from a diverse and skilled base, which the EU exit has brought sharply into focus for us.



Q92 **Chair:** I will be a bit more direct than Angela on this one. There is an issue about which vets want to go into small animals and which into large animals, and about callouts. I have a 93-year-old mother and I always say to her, "Mother, at least I could call the vet and I would be sure of getting one. I may not be sure of getting a doctor". Vets are on call all the time for large animals, probably not as much so for small animals. Is this a real issue?

Gudrun Ravetz: In a small way, it is the other way around. An MRCVS is an MRCVS whatever their sex is, and their ability to do the job is exactly the same. Their desire to do whichever job is exactly the same. We are not seeing a gender shift in desires to work. We have a 24-hour obligation. We work with the farming community and farmers have to work with vets. They will only call them out when they are needed, but there is the difficulty in the farming community when you are very rural and quite spaced out. It is difficult to join together with practices to have a less onerous on-call duty, whereas small animals can come together. We are seeing the advent of night practices in particular, which can make it easier for veterinary surgeons to come together and work. We are looking at those. You are right: the way that we need to look at workforce issues is changing as to the needs of the workforce coming through, but we are not seeing any aspirational differences in students.

Q93 **Angela Smith:** To finish that supplementary, that was a really interesting answer and I wondered whether this increasing use of part-time working options is an issue for the meat-processing industry in the same way.

Fiona Steiger: I have not been told it is an issue. I do not think that much part-time working goes on. I am afraid I do not have any stats on that. As I said a few minutes ago, members are trying to introduce flexibility when they can. A part-time role would cut across the shift patterns and things, so it would be more difficult.

Q94 **Angela Smith:** To move on now to my question for Gudrun, have you recorded any vets at all leaving the UK, following the vote to leave?

Gudrun Ravetz: The numbers are quite difficult. We only record registrants, so it is difficult to know when people are leaving. That is something that we are trying to look at. I know the Royal College of Veterinary Surgeons is trying to look at that. We have noticed that there is certainly a dip in registrants, which we have not seen previously in overseas registrants. We know, having asked our members, that they are finding it harder to recruit post referendum, and 11% of jobs out there are not being filled at the moment, which is a significant number. Recruitment is getting harder.

Q95 **Angela Smith:** In which sectors of the veterinary world are that 11%?

Gudrun Ravetz: That is taken across practice as the numbers of vacancies that are currently available. It is about 11% of the practice workforce, but we are aware, from official veterinarians working in the



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abattoir section, that they have seen a drop-off in applications and it is becoming harder for them to recruit.

Q96 **Angela Smith:** I do not suppose there has been any assessment so far of where the critical point will arise in both those sectors.

Gudrun Ravetz: That question has come up within the Veterinary Capability and Capacity Project, and we would like to know what that number of the critical point is. At the moment, we do not know. We know the figures of EU vets who are working in each sector. We know the figures that we think we may need going forward, if we move to trade that needs veterinary certification. We are aware of concerns, but I cannot give you the exact number of how many vets we think we need, because it is quite fluid.

Q97 **Chair:** Coming back to the abattoirs again, the contracts are let and tendered for, so do quite a number of the veterinary companies that do the inspections in the abattoirs then have foreign vets contracted for the said period? Do you know? That would make a difference when those contracts run out. Is it not as rigid as that?

Gudrun Ravetz: My understanding is that those vets are contracted as employees of the company that have taken the tender.

Q98 **Chair:** Are they contracted for the period? I am just wondering whether they are in a contract and, when those contracts finish, more vets might leave at that stage or not.

Gudrun Ravetz: I do not know the specifics. We could find that out. My understanding from talking to ones that have been in abattoirs is that they are on permanent contracts. It is important to note that a lot of these workers who are official veterinarians in abattoirs stay in that position for quite short periods of time, and will then often move into practice or other areas of the profession.

Q99 **Chair:** There is quite a turnover of vets.

Gudrun Ravetz: There is a high turnover of vets within the official veterinarian market, particularly in abattoirs. Therefore, there needs to be a continual application process to keep numbers high. It needs to be seen as a chain, so those vets then move into practices and fill spaces. If they do not move, those spaces are left open.

Chair: That is an interesting and very important point.

Q100 **Julian Sturdy:** Gudrun, this is really to you. If we had an EU exit deal that required health inspections on animal products, which has been talked about as a possibility, what would that ultimately mean for the veterinary sector? Can you cope with that? Is that something that would concern the sector?

Gudrun Ravetz: Currently, if we import from or export to third countries, we need to have a veterinary health certificate for export.



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Depending on what deal we go to, if we go to free trade or WTO, it was estimated by the Chief Veterinary Officer that the amount of products needing to have that certification would increase by about 325%. It could be up to double that within Northern Ireland. At the moment, we have around 1,000 vets able to do that work, and 30% of those are EU vets. We would be very concerned about having the capability and capacity for that increase.

Q101 Julian Sturdy: Are you saying you would not have that at the moment?

Gudrun Ravetz: At the moment, we would really struggle if we got to that stage of a 325% increase in the need.

Julian Sturdy: That is the worst-case scenario.

Gudrun Ravetz: It is the worst-case scenario, absolutely. We would struggle. It is important to note that, without those veterinary certifications, that trade does not happen. It goes nowhere.

Fiona Steiger: That export trade in meat is absolutely crucial to the viability of the sector. You have probably had the whole carcass balance thing explained.

Julian Sturdy: The knock-on effects could be huge.

Gudrun Ravetz: We underpin such a lot. We have a social and economic impact. In terms of economy and trade, vets are the foundation of it.

Q102 Chair: The Government are pushing for greater export. If we do not have the availability of certification, this is quite crucial.

Fiona Steiger: Another aspect that is crucial is the security the third country feels about the vets in the plants doing this export certificate work and generally overseeing operations.

Q103 Chair: The Chinese come over and inspect the systems and everything else. They are very fussy, are they not?

Fiona Steiger: They will make several inspections, yes. They are incredibly fussy.

Q104 Julian Sturdy: On that, is there a feeling that the UK has a very high inspection standard regime and does that help with our exports?

Gudrun Ravetz: It is a European standard, which is thought of in a very good light. We must not go below that standard at all. We cannot unilaterally say that we will remove vets from that signing, because the countries we are trading with want that assurance. The vets are there for the public confidence, animal health, animal welfare and public health, and that kind of assurance is vital for trade.

Fiona Steiger: The whole export certificate system is based on the European system of regulation, food hygiene and plants. They know that system, they understand it and they trust it. It is crucial. To give you an



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example of how long it takes, the Chinese have made numerous inspections for the export of pig trotters. Pig trotters to China is a crucial market for us. Political agreement was reached eight years ago, I think, yet all the veterinary inspections and approval are still going on, and not a single consignment has yet left these shores for China.

Julian Sturdy: I am aware of that, yes.

Fiona Steiger: It is incredibly longwinded.

Q105 **Julian Sturdy:** Is that all still down to the inspections and having to go through that process?

Fiona Steiger: It is all down to the Chinese coming over and reassuring themselves. The Chinese are particularly rigorous in their approach. They have a couple of bodies that come and inspect, but the Japanese and most of the Far East are incredibly cautious in their approach.

Chair: I think I was told that beef is now back on the agenda with China, as far as the Prime Minister is concerned with her recent visit. Of course, that will all need to be checked with inspection.

Fiona Steiger: They have not even completed the final BSE inspection visit. They do not see that it is unlikely to happen, but there will be that inspection visit and then we will start to follow the hygiene regime, so the regulation is done correctly. We are not expecting any beef to go to China probably until 2021-22.

Q106 **Chair:** Is that even now?

Fiona Steiger: Fingers crossed, but that is based on past experience.

Q107 **Angela Smith:** That is incredible. Julian effectively asked my initial question, but your answers beg further questions. If one takes the chemicals industry, its argument is that leaving REACH, the regulation that underpins standards across Europe, will be costly because we will have to replicate the system. On top of that, we will lose access to those licences on the day that we leave. Is this the same kind of thought process that both the vets and the processing sectors are working through at the moment? Have you any idea of how much it may cost to replicate the system?

Fiona Steiger: Why reinvent the wheel, quite frankly? Why not just have exactly the same system? Third countries know it, trust it and everybody is familiar with it. Our biggest fear that keeps us awake at night is that somebody forgets to put the UK on the EU's list of third countries that are permitted to export a product of animal origin to the EU. If that is not done, it does not matter whether there is a vet in every plant and inspection posts, if we are not on that list. To go back to your question, why reinvent the wheel? It works; third countries trust it; we are set up to meet those standards in that system now.

Q108 **Angela Smith:** That is what the chemicals industry would say. We have



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60 trade agreements at the moment with the other third countries via the EU. Is it the same?

Gudrun Ravetz: Yes, we have a common standard for animal health, animal welfare and public health. We have a common standard that allows us to trade with the EU with just commercial documentation, at the moment. If we remove that or step away from that and become a third country, we will need veterinary certification to do any import and export, and for any trade agreements going forward.

Fiona Steiger: We will need veterinary checks at borders.

Gudrun Ravetz: We will need veterinary checks at borders as well, and we do not have the capacity or capability for veterinary checks at borders.

Q109 **Angela Smith:** This is for Gudrun again. The UK has to recognise any veterinary qualification gained in an EU institution, as I understand it, even if these are below the UK standard. Will there be an opportunity to change this if we leave?

Gudrun Ravetz: This is one of the opportunities we see with the EU exit. It is important to note that those veterinary surgeons who are working here from wherever in the EU are doing an extremely good job and are supported by their employers, but we see that we have an opportunity. The current situation is that it is for the employer to decide whether they wish to take from a university that may not be EAEVE-accredited, and we think that that should sit with the regulator. The Royal College of Veterinary Surgeons, as our regulator, should make that decision based on the capability and the criteria that it currently sets for the UK universities. We see that as an opportunity to set the standards that we accept.

Q110 **Angela Smith:** Is the standard significantly lower in some EU institutions, compared to ours?

Gudrun Ravetz: It is different. We have different needs from our veterinary surgeons, so we cannot say one way or the other, but it is different. The Royal College of Veterinary Surgeons is not accrediting those, whereas EAEVE is a body that accredits them, and therefore we can say that we would accept that. We believe that it is for the regulator to make that decision, so we see this as an opportunity to put that in place.

Q111 **Angela Smith:** Given that we have so many EU vets working in the UK at the moment, is this not a consideration, thinking for the next period? If RCVS decides to regulate to a higher UK standard, could we not exacerbate the shortage? I am not saying we should lower standards.

Gudrun Ravetz: A lot of EU universities currently are EAEVE-accredited. The majority of them will be but, if we can set our own standards, we can make sure they fit the capability that we need and we desire, and they



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are in a similar vein to the UK ones that are accredited by the Royal College of Veterinary Surgeons. That could be wider as well. We currently accept students from other third countries, which is one reason we would like to go back on the shortage occupations list, so it is easier to pull from a wider pool.

Fiona Steiger: It is not as high level academically as the veterinary world but, for the last five or six years, anybody handling a live animal in an abattoir has had to have what is called a certificate of competence. It replaced the old slaughterman licence and extended that qualification licence system out to anybody in the lairage, for example.

Q112 **Chair:** It is important from an animal welfare point of view.

Fiona Steiger: Absolutely, yes.

Angela Smith: We discussed that last night at the animal welfare group.

Fiona Steiger: I assume that, after Brexit, the Government will keep a similar sort of licensing certificate system in place. We would like the European ones still to be valid in the UK, as they are now.

Chair: It certainly makes recognition of trade, as well as animal welfare, good.

Fiona Steiger: Yes, exactly.

Q113 **Angela Smith:** We were hearing last night at the animal welfare group about the importance of effective stunning, for instance. I suspect this is the kind of issue that is covered by that point.

Fiona Steiger: Yes, anybody who stuns an animal, who bleeds an animal or who handles an animal must have the appropriate certificate for competence for how they handle that animal.

Chair: Thank you very much for some very good evidence, both from the veterinary side and the processing side, on the need for those high-quality skilled jobs, semi-skilled and practical jobs, which are not seasonal. That brings another flavour to what we are inquiring into and will be really useful for us to put to Ministers to try to get a solution. At the moment, we seem to be going along in a bit of a fog, do we not? We would all like the fog to clear, whichever side we are of the Brexit argument. Thank you very much for this. Thank you for sustaining the cold in the room. I apologise for that. We did not seem to succeed in getting hot air out of there, only cold, but we had some very good evidence none the less, despite the cold. Thank you very much for getting here this morning.