

Written evidence submitted by Scottish Association of Meat Wholesalers (FSA0030)

22 April 2019

Pete Wishart MP
Committee Chair
Scottish Affairs Committee
Houses of Parliament
Westminster
LONDON

BY EMAIL ONLY

Scottish Affairs Committee- call for oral evidence 23rd April

Thank you for your email of 18 March, I am sorry that we were unable to accept the invitation to attend the Committee's evidence gathering session in person.

Just over 2 years ago we surveyed our members to establish how many non UK staff are employed within the Scottish red meat industry. As the enclosed Annex demonstrates, we as an industry are heavily reliant on non-UK employees to keep our businesses operational with 43% of our staff originating from outside of the UK. Generally speaking my members find it extremely difficult to attract local people, especially school leavers, to pursue a career in the meat processing sector. The requirement to have access to trained staff from out with the UK is therefore an essential business need and our operations and businesses would be seriously affected should we lose access to current employment markets in other EU countries.

The issue of retaining staff is a regular topic discussed at our Executive Council meetings. So while this survey is from 2 years ago I am confident that the current profile of the workforce across the membership is largely unchanged. Furthermore my members tell me that even when they are successful on recruiting locally based employees the lack of appropriate skills and employee retention are issues for all my members. Skill levels of the newer staff are not great and so productivity goes down, therefore earnings are down as is the largely piece work rate, and so it spirals downwards and you can quite quickly lose your new recruits and the cycle starts again. The impact on business viability is stark, as productivity diminishes as throughput of livestock is curtailed, you bone out less meat, therefore business revenue falls.

Furthermore as a direct consequence of recruitment issues you encounter problems in letting go employees who under-perform, exhibit a bad attitude in the working environment or are persistent non-attenders without a valid or plausible reason. Because you can't get them replaced you cannot instigate appropriate remedial measures to address poor performance. People that this type of behaviour won't be tolerated as you need to run a production line.

As an example of the recruitment/retention challenges we face, the local ALDI in Perthshire advertise that the company's starting wage is £9.10 / hour (annualised at

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£18,928) whereas because of the downward pressures exerted on our margins due to intense competition to supply all manner of proteins on to the wholesale, retail and food services commercial environment, my members can only offer £8.21 / hour, the minimum wage) which equates to an annualised salary of £17,076.80. Our employees earn £1851.20 pa less than a shopper worker.

Yours sincerely

Martin

Martin Morgan
Executive Manager

SCOTTISH LABOUR FORCE SURVEY – conducted in February 2017

STAFF NUMBERS

Total Numbers	Number of UK Origin	Number of EU Origin	Number of Rest of World
3,518	1,993	1,499	26

TYPE OF WORKERS

Number of Skilled*			Number of Unskilled			Number of Supervisory/Management			Others		
UK	EU	REST	UK	EU	REST	UK	EU	REST	UK	EU	REST
817	644	8	754	790	16	316	60	0	106	5	2

***including butchery and slaughtering workers**

April 2019