

## Written evidence submitted by British Meat Processors Association (BMPA)

### Seasonal workers in the meat industry

Seasonal labour is often a challenge in the meat industry, as uplift can be significant but for short periods of time; in total an estimated extra 10-15,000 workers are required in the industry at different times of the year. Recent ONS figures<sup>1</sup> show that the “food and necessary goods” industry has the highest proportion of EU-nationality workers at 11%, with a total number of 166,793 workers (it is not clear if this includes seasonal workers). This number is second only to health and social care workers, with the key difference being that none of the other industries have seasonal demand requirements like the food industry. We would urge the Government to extend the scope of the seasonal agricultural workers’ visa to the food processing industry, to avoid future shortfalls and ensure production demand can be met. There has been significant attention from the media and Government regarding seasonal agricultural labour, both with the pilot for seasonal agricultural workers’ visas in 2019 and over the recent summer months with the *Pick for Britain* campaign. Both of these have been focussed on product-driven seasons (i.e. harvest). Whilst these are important, it must be recognised that:

- a. Seasonal labour can broadly be split into two categories; those seasons driven by the product (i.e. lambs ready for slaughter, fruit and veg ready for harvest), and those driven by occasion (i.e. Christmas, Easter, summer BBQ season). This is an important distinction to make, as occasion-driven seasons can be managed with more predictability than product-driven seasons, however they have much sharper deadlines (i.e. Christmas turkeys *must* be in the shops before Christmas day), and product has significantly lower value after the event.
- b. Seasonal labour cannot be thought of as just agricultural for it covers food processing as well. It should also not be considered in isolation; the whole supply chain is affected by seasonal uplift, and stakeholders are heavily dependent on the stage before and after themselves. For example, if meat processors cannot recruit enough staff for the Christmas peak, this can affect how many animals abattoirs can accept due to lower processing capacity, and hence how many animals leave the farm, with a knock-on effect on farmers. It can also affect how much product can make it to store, how well-stocked the shelves are and availability for consumers.

Seasonal uplift in the meat industry varies but can be up to 80% on top of a normal workforce; typically, it sees a 10-55% increase in workers, but is always temporary. Competition for staff between businesses will also be different for the two season types (explained under ‘a.’ above), with Christmas having the strongest competition (particularly unskilled workers) as the largest event across industries, and a very specific cut-off date for product delivery. Christmas can be make-or-break for some companies, where their annual revenue heavily relies on it and their service level to their customers is often an indicator of continuing trade.

Seasonal demand requires labour uplift in all job roles in factories but predominantly needs unskilled or low-skilled workers. In the meat industry approximately 69% of these temporary workers are from the EU, which is a higher proportion of EU workers than the year-round workforce (62%<sup>2</sup>). Under proposed Home Office immigration policy, there will be no route for unskilled seasonal food factory workers to come to the UK from January 2021; the only policy focus to date has been on agricultural seasonal labour, where some allowances have been made as part of a trial. Government however needs to recognise that it is not just fruit and vegetable growers that require seasonal labour, but also the wider food industry including food processing plants. It must be stressed again that seasonal production does not impact only on that business; if a company is unable to recruit enough workers then the whole supply chain may be disrupted, both upwards to suppliers (farmers/growers) and down to customers and consumers.

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The combination of Brexit and Covid-19 in the UK has created a lot of uncertainty for seasonal workers, and BMPA knows that some businesses have struggled to recruit this year for the Christmas peak. Although difficult, Christmas 2020 is likely however to be broadly manageable from a labour perspective, specifically because businesses are able to recruit non-UK workers, predominantly EU workers. Many EU seasonal workers do not live in the UK on a permanent basis, instead moving across Europe to work in different seasonal roles throughout the year. This poses a new problem for UK businesses next year as free movement ends on 31<sup>st</sup> December 2020. Whereas EU citizens living in the UK have been granted settled/pre-settled status and formally very little will change for them after the Transition Period, EU workers not residing in the UK (those without settled/pre-settled status) will no longer be able to undertake seasonal work in the UK on a temporary basis (as they usually do) due to a total lack of immigration route. It is predicted that if not already in the UK, workers will likely stay within the EU for other seasonal work where certainty over employment status enables businesses to attract workers.

The new immigration policy from 1<sup>st</sup> January 2021 provides no access for immigrants to the UK who do not meet the minimum skilled criteria and who cannot make the 70 points required under the new points-based system. The vast majority of seasonal work is unskilled and does therefore not qualify these workers under the new system. Seasonal work is predominantly filled by EU nationals; without a seasonal worker visa system in place it is not clear how these roles will be filled after the 1<sup>st</sup> January and freedom of movement ends.

### **UK workers**

The seemingly obvious choice for businesses would be to instead recruit British workers to fill seasonal roles in the industry. BMPA members make efforts to recruit locally in the first instance and would be more than happy if local workers filled these vacancies. As the BMPA's report on labour (published in June 2020) described<sup>2</sup>, the main reason for few UK employees in the industry in general is due to the low numbers of British applicants. Needless to say, it cannot be predicted at this stage how high unemployment will be due to the ongoing impact of the Coronavirus pandemic on the economy. There is an expected uptick in British workers filling these seasonal roles to an extent, however they are unlikely to fill all vacancies.

It must be stressed that there are a number of reasons that unemployment in one sector does not necessarily translate into the workforce moving into another sector. Geography is the main factor; job losses have been occurring in different locations across the country to where meat processing factories are, and Britons are often reluctant to relocate. In general people are unwilling to move to these more remote locations for work, particularly as seasonal work is temporary.

A mismatch of qualifications is another barrier; whereas certain sectors may face many redundancies, many of these people will hold different qualifications that are unsuitable for the meat industry and in many cases will be over-qualified for low/unskilled seasonal work. It would clearly be a challenge to convince over-qualified individuals to travel potentially long distances to take up temporary seasonal labour.

These issues were part of the problems faced by the *Pick for Britain* campaign, widely circulated in the press. Whilst many Britons signed up to work on farms, many dropped out early on in the process citing reasons such as moving away from home, on-site accommodation, hours required, and the physical nature of the work. The figures for British workers taking up roles as part of the campaign are estimated at around 5-10% of the workforce, but only 1.8% of these jobs were in harvesting<sup>3</sup>. Experience suggests EU seasonal workers are not fazed by these factors and are just as flexible as the seasons demand.

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Although due to Covid-19 unemployment is rising significantly, one would hope this should be a short-medium term downturn and if the economy recovers, then so should the jobs market. In contrast, the immigration policy from 1<sup>st</sup> January 2021 is long term, and was created long before the current pandemic. In the short-medium term this change in jobs market will inevitably help the meat industry recruit, as a large pool of available labour is created. However, it is not clear how food manufacturers will recruit seasonal labour after the job market recovers and unemployment is back to 'normal' levels, whenever that may be.

### **Competition with other countries**

It is important to stress that currently the UK is competing with all other EU countries for the same pool of EU-worker labour during seasonal peaks, on a reasonably level-playing field. At the moment, the UK struggles to fill seasonal vacancies for every season despite having unfettered access to these workers (as an EU member state). From the 1<sup>st</sup> January 2021, the UK will no longer be able to access this pool of labour. EU workers currently in the UK will continue to have access to the rest of the EU jobs market, but not vice versa. This means the pool of labour that UK businesses can recruit from will be severely restricted to those already with the right to work in the UK. Without a seasonal labour visa system, the cost of production could rise and therefore the cost of food could rise.

### **Recruitment efforts**

It cannot be said that businesses are not recruiting locally for lack of trying. To give an idea of the lengths the meat industry has gone to in order to recruit seasonal labour, our members have cited the following:

- Recruitment agencies
- Local newspapers
- Job centres
- Social media
- Government programmes & schemes
- Trade press and professional publications
- Internal vacancy notices
- Company website
- Local community notice boards
- Specialist recruitment websites
- Word of mouth referrals.

Recruitment efforts are expensive and resource intense, but often there are very few UK workers applying for such seasonal jobs, therefore forcing businesses to recruit from the EU. Members have reported that during a seasonal peak they will typically fill between 50-95% of the vacancies available, but there is a dropout rate of 5-10% during the season.

### **Summary**

The focus on skilled labour in Home Office immigration policy does not take into account the value that food industry workers bring in providing food for the nation. The Covid-19 crisis has highlighted how critical these employees are to the UK (deeming them as essential workers), regardless of formal skill level. Although the short/mid-term impacts of Covid-19 mean high unemployment levels will lead to easier recruitment for the food industry, the economy should recover in the future and so should employment levels, leaving the industry in a difficult situation with a small pool of individuals from which to recruit seasonal labour. The new immigration policy does not give an un/low skilled labour immigration route and does not address how the food industry will fulfil its need for seasonal labour in

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the long term. We would urge the UK Government to launch a seasonal worker visa system for the whole food industry to address these needs. The BMPA welcomes engagement from the MAC and Home Office on these issues as we seek to work collaboratively to find solutions to the problems anticipated by industry from 2021 onwards.

## References

- 1) <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/articles/coronavirusandnonukkeyworkers/2020-10-08#key-worker-occupation-groups>
- 2) <https://britishmeatindustry.org/industry/workforce/>
- 3) <https://www.thegrocer.co.uk/brexit-and-the-workforce/eustice-accused-of-overstating-pick-for-britain-scheme-impact/648965.article>