

## Written evidence submitted by Karro Food Group (LS0090)

### Evidence Request for labour shortages in the supply chain

Karro experienced a shortage of skilled workers from mid-2021 due the impacts of both Brexit and COVID:-

- **Brexit immigration rules:** EU workers returning home & reducing new labour supply options
- **Impact of COVID:** Workers desire to return home after 18months of travel restrictions. End of lockdowns creating huge consumer demand across Europe driving intense competition for workers.

Karro recognised the challenges for labour availability presented by Brexit and had been working to create new supply both domestically and by utilising the new immigration rules to recruit butchers on the skilled worker visa.

### Skilled Worker Visa

We started work on a new route to recruit skilled workers from early 2020. We have developed a successful recruitment model and will have over 100 skilled workers in place by end Feb 2021. We would expect to bring in c50 workers per month using this route. Unfortunately, the bureaucracy involved in setting this up was significant – from both UK Home Office and overseas Embassy. Therefore, we are only now seeing the benefits of this pipeline into our business.

Key issues :-

1. **5 month delay** from application for Skilled Workers Sponsorship Licence to approval (June 2020 to Nov 2020)
2. Gangmasters & Labour Abuse Authority approval for overseas agency to recruit workers for UK **took 5 months**
3. Delays in approving Certificates of Sponsorship (CoS)
  - a. 1<sup>st</sup> Batch April/May 21: took **4 weeks** to approve
  - b. 2<sup>nd</sup> Batch Aug/Sept 21: took **8 weeks** to approve
  - c. 3<sup>rd</sup> Batch Nov 21: took **3 weeks** to approve
  - d. 4<sup>th</sup> Batch Jan 22: too **24 hrs** to approve
4. The time taken from selection of candidate to arrival in UK has taken up to 6 months. (Candidate selection, candidate testing IELTS & TB, apply & assign CoS, apply for Visas, arrange travel)
5. The costs are significant with c£5k paid to UK govt for each applicant (Immigration Skills Charge, Health Surcharge) plus cost for IELTS testing, airfare, accommodation on arrival, agency fee etc the total costs are £10k +

We are delighted that CoS approval is now down to 24hrs. This gives us a chance of selecting a candidate, testing the candidate, apply & assigning a CoS and arrange visa and travel in a reasonable timeframe (c10-12 weeks). However, the delays experienced undoubtedly reduced the number of skilled workers we could recruit over the last year.

### Temporary Skilled Visas

The government launched the temporary butcher visa scheme last year in response for calls to support the industry. Whilst this was a welcome support unfortunately the execution of the scheme had a number of issues

1. Only 4 service providers were selected to market jobs, identify candidates, and assign temporary visas.

2. The service providers were already tasked with filling Seasonal Poultry workers and HGV drivers prior to the additional butcher brief. There was limited engagement over the first few weeks
3. These service providers were not experienced in recruiting for skilled butcher roles. Their processes were more suited to finding unskilled workers.
4. We had roles for c 200 skilled workers – we were presented with 85 video applications
5. Of the 85 videos we were presented with, 26 videos were not suitable, 52 rejected due to not meeting skill requirement, 7 offers made. With our own referrals this increased to 10

If we could have opened this to recruitment providers who specialise in skilled workers I am sure we would have had a better result.

### **Domestic Workers**

Long term we must find domestic workers to fill our roles. There needs to be a coordinated strategy across the Home Office, Department of Work & Pensions and the Department of Education to deliver the workers that our country needs. Currently, there has been a myopic focus on University Education as the route to push school leavers to create a “high wage economy”. This has created a huge burden on the tax payer (Only 25% of graduates will pay back the student loans in full with £141 billion in outstanding student loans – source UK govt) and graduates trapped in low paying jobs. In contrast skilled roles in the meat industry can earn up to c£45k well ahead of many graduate jobs. The government should divert money wasted on poor value for money degrees and provide 16yr old school students with technical / manual training route to work.

January 2022