

## Written evidence submitted by The British Meat Processors Association (LFS0022)

The British Meat Processors Association is the leading UK red meat trade body, working on behalf of businesses that supply over 80% red meat to the country. Our members are responsible for supplying fresh meat and meat products to retailers, restaurants and food service companies throughout the UK.

We work alongside the Government and other organisations to help develop a meat industry that is competitive, professional and provides a sustainable, long-term and affordable supply of food to British customers. We also have a strong Associate membership of supporting and associated industries to core red meat processing.

### **What impact will the Government's proposed points-based immigration system have on labour in the food supply chain? Which sectors will be most affected by a reduced ability to recruit from abroad?**

- The UK meat sector employs around 97,000 people directly, and including supporting/associated industries this totals 255,000 people. Our most recent data shows that across the UK 62% of workers in the industry are EU nationals (10% down since 2018), but with huge regional variation of 39-75%. Whilst rates of EU workers are reducing, there is still a heavy reliance on EU labour and these workers are fundamental to the successful functioning of the meat supply chain.
- The meat industry requires workers with a wide variety of skill level, from unskilled to skilled, to fill different job roles within a plant. Whilst many unskilled jobs have been replaced by automation, it is not possible to automate all of them; reasons include lack of suitable technology available, yield loss too large or sometimes initial investment prohibitively high. Some machinery may also only be needed on a seasonal basis - making pigs in blankets is one example of this, there is currently no automation available for this task, alongside the fact that this product is produced only for around half of the year in preparation for Christmas.
- The majority of businesses in the meat processing industry will struggle to get experienced workers through the new points-based system. Therefore, given the reality on food businesses running on tight margins, and thus the challenges in simply increasing pay and passing labour costs on to retailers or consumers, recognition of roles in shortage in the food supply chain is vital going forward.
- The jobs most affected by the proposed points based immigration scheme will be unskilled/low skilled workers, seasonal labour and butchers. For butchers (SOC 5431), this may in part be resolved by adding them to the Shortage Occupation List. Butchery is RQF Level 3 skilled work, which as the policy currently stands would be almost impossible to recruit from abroad. Without adding butchery to the SOL, the required 70 points are hard or impossible to achieve, and the salary threshold of £25,600 is too high, particularly for newer butchers. Whilst employers have successfully recruited more local UK workers in the last two years, there is not enough local labour supply, and skilled workers, to satisfy the vacancy demand.
- Seasonal labour: the meat industry has peaks throughout the year, but the most significant peak is Christmas. Seasonal uplift varies regionally and by company, with members reporting between 10-78% uplift on factory worker numbers (most commonly 25-55%). The makeup of the seasonal labour force is different; on average 69% are EU workers compared to 62% year-round. Whilst some skilled butchers are required for seasonal peaks, the majority of the labour is unskilled/low skilled. Many members in the first instance try to recruit in the locality, but this alone does not fulfil the number of worker vacancies. Businesses often then need to recruit through agencies,

and some even directly with agencies based in mainland Europe (mostly Eastern). The new immigration policy is therefore a significant threat to seasonal peaks as it will stop the more successful routes of recruitment completely and therefore risk companies becoming unable to fulfil customer orders, or produce with any level of efficiency they normally do, cause an increase in production costs and therefore food costs.

- An immigration system that locks out unskilled or lower skilled workers completely is damaging to the industry. These workers are valuable to the industry and wider food supply chain, and play a significant role in feeding the UK population. The Covid-19 crisis has shone a light on the invaluable work food industry employees do to keep the vital food supply chain going, and the public has a fresh understanding and respect for this. The proposed system will likely mean a reduced ability to produce food in Britain due to lack of suitable labour, which will have knock on effects both up and down the supply chain.
- Veterinarians are fundamental to the UK meat supply chain. They carry out official controls in plants and carry out inspections to ensure meat is of the highest food safety standards. They also complete export health certificates (EHCs) for the export of meat to third countries, but from 2021 the UK will treat the EU member states as third countries. The demand for EHCs will consequentially increase significantly, in order to continue trade with the EU; this means the demand for vets will increase in line with this. Whilst vets are already on the SOL, the vast majority of vets based in meat plants are from the EU and have moved to the UK as a result of free movement. Adding in an administrative burden such as is proposed, via a visa process, reduces the attractiveness of the UK for EU nationals, compared to other EU countries. The BMPSA would urge the Government to look into solutions for this urgently as it is anticipated that by 2021 there will be an increased need for vets combined with a more restrictive route for vets to work in the UK.

**Will investment in staff retention, productivity, technology and innovation compensate for the Government not implementing an immigration route for “lower skilled workers”?**

- This should help in part to alleviate the issues raised above, but more detail would be welcomed around level of investment, engagement with industry and timeframes. The UK will have ended free movement for EU citizens in the UK by 31 December 2020, but it is unlikely many of these initiatives will have been implemented by this date.
- This sort of investment will not resolve the issue of seasonal workers coming from the EU on a temporary basis to work in food processing plants, unless suitable visas can be arranged for lower skilled workers. The industry would also welcome assistance in recruiting local workers into these roles, as it makes significant efforts to do so already, but with limited success.
- The UK meat industry has already invested heavily in training programmes, both on their own and as partnerships with local colleges. A joined up approach with government is welcomed, to make the best use of these existing resources and help with recruitment and retention of workers on training programmes in plants.
- It is not clear how these government initiatives will address the anticipated issue of a significant lack of vets in the UK when demand for vets surges in January 2021. More detail would be welcomed to understand this.
- We welcome government initiatives to improve access to, and feasibility of, technology and automation in meat plants. Currently many plants have invested in automation where possible, but due to aforementioned reasons, automation is not currently possible for many of the roles in meat plants.

- It must be emphasised that whilst a lower skilled worker may not hold formal qualifications relevant to this line of work, they are nevertheless a vitally important member of any company, work hard and have very useful specific skills such as manual dexterity. The industry is heavily reliant on 'lower skilled workers' to perform valuable work, and as the Covid-19 crisis has shown, they are essential workers. It is important government recognises this and does not dismiss the role these workers play in maintaining food supply to the British people.

**What impact has the Seasonal Workers pilot scheme had on agriculture and horticulture? What should be the future of the scheme, including whether it should cover more, or different, agricultural and horticultural sectors?**

- Currently the seasonal worker pilot scheme was only open to those working in agriculture or horticulture. This did not recognise or address the need for seasonal labour in the food processing sector, both product-driven (i.e. when lambs are ready for slaughter) or consumer-driven (i.e. Christmas demand). An inability to successfully recruit for seasonal labour in food processing plants has impacts both up and down the supply chain. Meat is an expensive and perishable product, and stock build up for peaks can only be made so far in advance, and only for consumer-driven peaks. Seasonal workers are essential to ensuring animals are moved off farm at the right time for the farmer, and that product is on the shelf at the right time in the right quantity. The UK meat industry would like to make a case for the seasonal workers scheme to be extended to include food factory workers for these reasons.
- Seasonal workers are predominantly unskilled/low skilled workers and come to the UK mostly from the EU. Good English is an advantage, but in most circumstances basic English language skills are adequate for these jobs. The current proposed immigration policy does not allow for either of these factors.
- A suitable visa to address seasonal labour in the meat processing industry would:
  - o Allow seasonal workers to work in the UK in food processing sites to suit the needs of both types of seasonal peaks (consumer and product-driven).
  - o Allow unskilled or low skilled workers to come to the UK, where suitable seasonal demand exists
  - o Require workers to have a basic level of English
  - o Reduce the pay threshold to lower than £25,600

**How many seasonal workers are required in agriculture and horticulture each year, and how can this demand be reasonably met from 2021?**

It is estimated that approximately 10,000 -15,000 seasonal workers are needed in the meat industry each year. It must be noted however that this is not seasonal worker demand spread evenly throughout the year, and quite often nearby companies (in the meat industry, but also other manufacturing and distribution industries) will be competing for the same seasonal workers in a short period of time.

It is not clear how this demand will be met from 2021. The BMPA would welcome assistance in helping local worker recruitment for seasonal vacancies in the meat industry. We would also consider it vital that there is a viable route for entry for non-UK workers to come to the UK for this type of work. It is recognised that due to the Covid-19 related economic situation in the UK (and associated higher unemployment), the available workforce is higher in 2021. However it should not be predicted that this will continue and therefore the immigration system needs to allow for industry to meet labour demand more flexibly in the future.