

**Circulation:** NFU Horticulture and Potatoes Board

**Date:** 06/11/16

**Ref:** Labour Providers Survey 2016 Q1-Q3

**Contact:** Amy Gray

**Tel:** 02476 858 628

## Labour Providers Survey 2016

A seasonal labour monitoring tool for Horticulture and Potatoes

### Introduction

Following the abolition of SAWS in December 2013, the NFU established a labour monitoring tool to gather evidence on the supply and demand of seasonal workers in the horticulture and potatoes sector. The original survey was designed to collect data throughout the peak summer growing season.

However, following consultation with the labour providers, it was agreed that, from January 2016, the survey would be changed to collect year-round data and provide quarterly reports. The questions were also modified to better reflect the end requirements for effective lobbying and generate a better response rate.

A panel of respondents have been invited to input recruitment data on a monthly basis. The survey is completed by retrospectively at the end of each quarter to provide data on a month-by-month basis.

The data will form an evidence base for assessing whether or not the monthly supply of seasonal labour is sufficient to meet the needs of the sectors that are being supplied. The data also allows the NFU to establish trends and spot any shortfalls on the horizon before they have an impact on the supply chain. This tool will also enable us to build a national picture of the level of turnover, country of origin of overseas workers and sectors supplied.

### Contents

Key results for January 2016 .....	1
Key results for February 2016 .....	4
Key results for March 2016 .....	5
<b>Key results for Q1 2016</b> .....	6
Key results for April 2016 .....	7
Key results for May 2016 .....	8
Key results for June 2016 .....	9
<b>Key results for Q2 2016</b> .....	10
Key results for July 2016 .....	11
Key results for August 2016 .....	12
Key results for September 2016.....	13
<b>Key results for Q3 2016</b> .....	14
<b>Trend analysis from Q1 to Q3 2016</b> .....	16

### Key

A2 countries = Bulgaria and Romania.

A8 countries = Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia.

## Executive Summary – January to September 2016

*The results from the first three quarters of the NFU Labour Providers Survey 2016 show a dramatic change in labour availability within the space of 9 months and clearly show the deterioration in the ability to obtain and maintain EU labour in the horticulture sector.*

Over the course of 2016 we have moved from a landscape where, in quarter 1 (Q1), 100% of providers reported being able to recruit the right numbers of workers. But in quarter 2 (Q2), 13% of respondents were **unable to meet the demands of the sectors they were supplying**, rising to 47% in quarter 3 (Q3). Indeed, focussing on just August and September 2016, 60% of respondents were unable to meet the labour demands of the sectors that they were supplying.

Labour providers became increasingly unable to meet their **recruitment targets** in the countries from which they were sourcing seasonal labour over the course of the year. The survey found that in Q1, there was over-recruitment of 13%, but in Q2 and Q3 labour providers were 4.7% below target in each quarter. Considering that recruitment targets are based on both the predicted labour requirements in the UK and past experience of what levels of recruitment are feasible at different times of year, the fact that labour providers were unable to meet their targets is unlikely to be due to unrealistic expectations of the recruiters: rather that there was a shortage of uptake.

The number of **returnees** being recruited has dropped over the course of the year. In Q1, 69% of seasonal workers were returnees from previous years. This fell to 29% in Q2 and to 10% in Q3. Furthermore, the percentage of recruited employees that **did not arrive** rose from 2% in Q1 to 8% in Q3.

In addition, the number of **employees that voluntarily left early** rose from 5% in Q1, to 16% in Q2 and to 27% in Q3. Therefore **those employed and remaining until the end** of the contract period fell from 92% in Q1 to 62% in Q3.

*These statistics emphasise the need for substantial trial of a Seasonal Agricultural Permit Scheme for non-EU workers in the 2017 season.*

The Q4 survey will be circulated to labour providers in January 2017.

## January 2016

- Respondents to the survey collectively recruited 2,310 seasonal workers on horticultural farms during January 2016.
- This is 12.1% more seasonal workers than the respondents had originally intended to recruit.
- 1,591 (68.9%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for January was 11.4%.
  - 1.3% of the seasonal workers recruited did not arrive.
  - 8.6% of the seasonal workers recruited voluntarily left employment early.
  - 1.4% of the seasonal workers recruited were dismissed from their jobs.
- 76.8% of the seasonal labour force recruited for January was sourced from A2 countries, with 21.7% coming from A8 countries and 1.5% from the UK.
- 83.3% of respondents said that supply of seasonal workers was sufficient to meet demand and 16.7% saying that supply was tightening.
- 100% of respondents were able to meet the demands of the sectors that they were supplying.

## February 2016

- Respondents to the survey collectively recruited 2,977 seasonal workers on horticultural farms during February 2016.
- This is 15.3% more seasonal workers than the respondents had originally intended to recruit.
- 1,829 (61.4%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for February was 9.2%.
  - 2.5% of the seasonal workers recruited did not arrive.
  - 4.9% of the seasonal workers recruited voluntarily left employment early.
  - 1.8% of the seasonal workers recruited were dismissed from their jobs.
- 64.3% of the seasonal labour force recruited for February was sourced from A2 countries and with 35.7% coming from A8 countries.
- 66.7% of respondents said that supply of seasonal workers was sufficient to meet demand and 33.3% saying that supply was tightening.
- 100% of respondents were able to meet the demands of the sectors that they were supplying.

## March 2016

- Respondents to the survey collectively recruited 4,193 seasonal workers on horticultural farms during March 2016.
- This is 13.5% more seasonal workers than the respondents had originally intended to recruit.
- 3,096 (73.8%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for March was 5.2%.
  - 1.3% of the seasonal workers recruited did not arrive.
  - 2.6% of the seasonal workers recruited voluntarily left employment early.
  - 1.3% of the seasonal workers recruited were dismissed from their jobs.
- 64.9% of the seasonal labour force recruited for March was sourced from A2 countries, with 33.5% coming from A8 countries and 1.6% from the UK.
- 83.3% of respondents said that supply of seasonal workers was sufficient to meet demand and 16.7% saying that supply was tightening.
- 100% of respondents were able to meet the demands of the sectors that they were supplying.

## Key results for Q1 2016

- Respondents to the survey collectively recruited 9,480 seasonal workers on horticultural farms during Q1 2016.
- This is 13.7% more seasonal workers than the respondents had originally intended to recruit.
- 6,516 (68.7%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for Q1 was 8%.
  - 1.7% of the seasonal workers recruited did not arrive.
  - 4.8% of the seasonal workers recruited voluntarily left employment early.
  - 1.5% of the seasonal workers recruited were dismissed from their jobs.
- 67.6% of the seasonal labour force recruited for Q1 was sourced from A2 countries, with 31.3% coming from A8 countries and 1.1% from the UK.
- 77.8% of respondents said that supply of seasonal workers was sufficient to meet demand and 22.2% saying that supply was tightening.
- 100% of respondents were able to meet the needs of the sectors that they were supplying.
- The following comments have been made by labour providers in relation to seasonal labour supply (Quarter 1):-
  - *“The beginning of our intake following a successful marketing and recruitment campaign over the winter.”*
  - *“Based on previous years we have seen a large increase in the numbers of people leaving before the end of their contract, we have in the most part been able to replace them but this has obviously resulted in greater administration pressure in sourcing new workers in short time frames.”*
  - *“We struggled to supply workers with a very good/good level of written and spoken English. The typical applicant now is from more rural areas with a lower level of education.”*
  - *“Overseas recruitment in the A2 countries is buoyant, the local branches in the UK are struggling to meet demand.”*

## April 2016

- Respondents to the survey collectively recruited 2,062 seasonal workers on horticultural farms during April 2016.
- This is 3.1% fewer seasonal workers than the respondents had originally intended to recruit.
- 601 (29.1%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for April was 15.9%.
  - 4.5% of the seasonal workers recruited did not arrive.
  - 11% of the seasonal workers recruited voluntarily left employment early.
  - 0.4% of the seasonal workers recruited were dismissed from their jobs.
- 79.4% of the seasonal labour force recruited for April was sourced from A2 countries, with 14.1% coming from A8 countries, 6.1% from the UK and 0.4% of unknown origin.
- 40% of respondents said that supply of seasonal workers was sufficient to meet demand and 60% said that supply was tightening.

## May 2016

- Respondents to the survey collectively recruited 3,562 seasonal workers on horticultural farms during May 2016.
- This is 3.8% fewer seasonal workers than the respondents had originally intended to recruit.
- 952 (26.7%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for May was 29.4%.
  - 7.4% of the seasonal workers recruited did not arrive.
  - 20.5% of the seasonal workers recruited voluntarily left employment early.
  - 1.5% of the seasonal workers recruited were dismissed from their jobs.
- 89.1% of the seasonal labour force recruited for May was sourced from A2 countries, with 14.1% coming from A8 countries, 0.4% from the UK, 0.1% from other countries (not UK, A2 or A8) and 0.4% of unknown origin.
- 40% of respondents said that supply of seasonal workers was sufficient to meet demand and 40% said that supply was tightening.
- However, 20% of respondents said that supply of seasonal labour was not sufficient to meet the demands of the sectors that they were supplying.

## June 2016

- Respondents to the survey collectively recruited 3,070 seasonal workers on horticultural farms during June 2016.
- This is 6.7% fewer seasonal workers than the respondents had originally intended to recruit.
- 1,007 (32.8%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for June was 20.7%.
  - 5.1% of the seasonal workers recruited did not arrive.
  - 14% of the seasonal workers recruited voluntarily left employment early.
  - 1.3% of the seasonal workers recruited were dismissed from their jobs.
- 74% of the seasonal labour force recruited for June was sourced from A2 countries, with 23.9% coming from A8 countries, 1.8% from the UK, and 0.3% of unknown origin.
- 40% of respondents said that supply of seasonal workers was sufficient to meet demand and 40% said that supply was tightening.
- However, 20% of respondents said that supply of seasonal labour was not sufficient to meet the demands of the sectors that they were supplying.

## Key results for Q2 2016

- Respondents to the survey collectively recruited 8,694 seasonal workers on horticultural farms during Q2 2016.
- This is 4.7% fewer seasonal workers than the respondents had originally intended to recruit.
- 2,560 (29.4%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for Q2 was 23.1%.
  - 5.9% of the seasonal workers recruited did not arrive.
  - 15.9% of the seasonal workers recruited voluntarily left employment early.
  - 1.3% of the seasonal workers recruited were dismissed from their jobs.
- 81.5% of the seasonal labour force recruited for Q2 was sourced from A2 countries, with 15.9% coming from A8 countries, 2.2% from the UK and 0.3% of unknown origin.
- 40% of respondents said that supply of seasonal workers was sufficient to meet demand and 46.7% said that supply was tightening.
- However, 13.3% of respondents said that supply was not sufficient to meet demand.
  - 33.3% of labour providers supplying seasonal workers to the field vegetables/brassicas sector could not meet the needs of this sector.
  - 40% of labour providers supplying seasonal workers to the soft fruit sector could not meet the needs of this sector.
- The following comments have been made by labour providers in relation to seasonal labour supply (Quarter 2):-
  - *“We have struggled with large numbers of our work force leaving before their end of their contract which meant we then had to very quickly try and find replacements. I feel like a number of participants are just using us as a base until they find alternative accommodation and work that is not so physically demanding.”*
  - *“We struggled to supply workers with a very good/good level of written and spoken English. The typical applicant now is from more rural areas with a lower level of education.”*
  - *“Overall we were able to meet the demand from our growers but feedback from the countries we recruit from is that finding motivated workers is getting more difficult.. Despite working with JCP and promoting jobs in UK local recruitment was minimal and no UK nationals.”*

## July 2016

- Respondents to the survey collectively recruited 1,139 seasonal workers on horticultural farms during July 2016.
- This is 0.1% more seasonal workers than the respondents had originally intended to recruit.
- 161 (14.1%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for July was 57.9%.
  - 7.7% of the seasonal workers recruited did not arrive.
  - 42.9% of the seasonal workers recruited voluntarily left employment early.
  - 3.3% of the seasonal workers recruited were dismissed from their jobs.
- 89% of the seasonal labour force recruited for July was sourced from A2 countries, with 11% coming from A8 countries.
- 60% of respondents said that supply of seasonal workers was sufficient to meet demand and 20% said that supply was tightening.
- However, 20% of respondents said that supply of seasonal labour was not sufficient to meet demand.

## August 2016

- Respondents to the survey collectively recruited 1,277 seasonal workers on horticultural farms during August 2016.
- This is 1.2% fewer seasonal workers than the respondents had originally intended to recruit.
- 109 (8.5%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for August was 38%.
  - 10.6% of the seasonal workers recruited did not arrive.
  - 26.4% of the seasonal workers recruited voluntarily left employment early.
  - 1% of the seasonal workers recruited were dismissed from their jobs.
- 81.8% of the seasonal labour force recruited for August was sourced from A2 countries, with 17.2% coming from A8 countries and 1% coming from other countries (not UK, A2 or A8).
- There were no respondents (0%) that said that supply of seasonal workers was sufficient to meet demand whilst 40% said that supply was tightening.
- However, 60% of respondents said that supply of seasonal labour was not sufficient to meet the demands of the sectors that they were supplying.

## September 2016

- Respondents to the survey collectively recruited 1,466 seasonal workers on horticultural farms during September 2016.
- This is 10.8% fewer seasonal workers than the respondents had originally intended to recruit.
- 105 (7.2%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for September was 22.2%.
  - 4.9% of the seasonal workers recruited did not arrive.
  - 16.2% of the seasonal workers recruited voluntarily left employment early.
  - 1.2% of the seasonal workers recruited were dismissed from their jobs.
- 82.6% of the seasonal labour force recruited for September was sourced from A2 countries, with 16.8% coming from A8 countries, and 0.5% from other countries (not UK, A2 or A8).
- There were no respondents (0%) that said that supply of seasonal workers was sufficient to meet demand whilst 40% said that supply was tightening.
- However, 60% of respondents said that supply of seasonal labour was not sufficient to meet the demands of the sectors that they were supplying.

## Key results for Q3 2016

- Respondents to the survey collectively recruited 3,882 seasonal workers on horticultural farms during Q3 2016.
- This is 4.7% fewer seasonal workers than the respondents had originally intended to recruit.
- 375 (9.7%) of seasonal workers recruited were returnees from previous seasons.
- The average turnover rate for the total number of seasonal workers recruited for Q3 was 37.9%.
  - 7.6% of the seasonal workers recruited did not arrive.
  - 27.4% of the seasonal workers recruited voluntarily left employment early.
  - 1.8% of the seasonal workers recruited were dismissed from their jobs.
- 84.2% of the seasonal labour force recruited for Q3 was sourced from A2 countries, with 15.2% coming from A8 countries and 0.5% from other countries (not UK, A2 or A8).
- 20% of respondents said that supply of seasonal workers was sufficient to meet demand and 33.3% said that supply was tightening.
- However, 46.7% of respondents said that supply was not sufficient to meet demand.
  - 33.3% of labour providers supplying seasonal workers to the field vegetables/brassicas sector could not meet the needs of this sector.
  - 33.3% of labour providers supplying seasonal workers to the outdoor salads sector could not meet the needs of this sector.
  - 33.3% of labour providers supplying seasonal workers to the potatoes sector could not meet the needs of this sector.
  - 50% of labour providers supplying seasonal workers to the protected salads sector could not meet the needs of this sector.
  - 75% of labour providers supplying seasonal workers to the soft fruit sector could not meet the needs of this sector.
  - 50% of labour providers supplying seasonal workers to the top fruit sector could not meet the needs of this sector.
- The following comments have been made by labour providers in relation to seasonal labour supply (Quarter 3):-
  - *“We had great difficulty in recruiting sufficient numbers and we also suffered greatly from employees leaving after only 2 or 3 weeks of employment which then left us trying to recruit replacements at very short notice”.*
  - *“This is the first year since 2008, just before the SAWS work card allocation was increased that we have failed to fill the seasonal labour requirements of some of our*

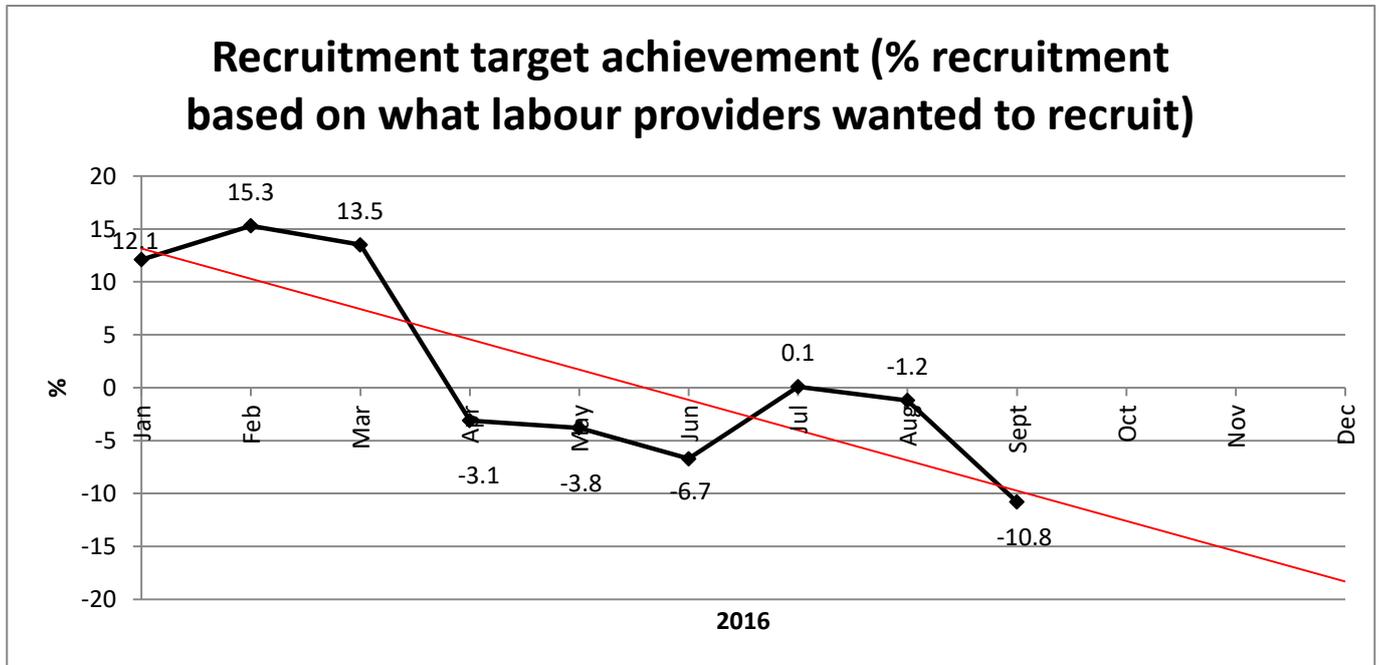
*growers due to a shortage of labour. This has only revealed itself since the result of the referendum. The media in Europe is reporting the outcome of the referendum quite negatively, including some of the xenophobic attacks, and there is a feeling that workers will not be made welcome compared to other countries. This is affecting initial levels of interest. The value of the pound will inevitably have some effect as other countries start to look more financially attractive than they were before compared to the UK”.*

- *“We struggled to supply workers with a very good/good level of written and spoken English. The typical applicant now is from more rural areas with a lower level of education. The cost and availability of travel was extremely restrictive to supply and workers requested a minimum 3 weeks’ notice to consider leaving existing jobs which made the peak urgent vacancies impossible to fill”.*

## Trend analysis from Q1 to Q3 2016

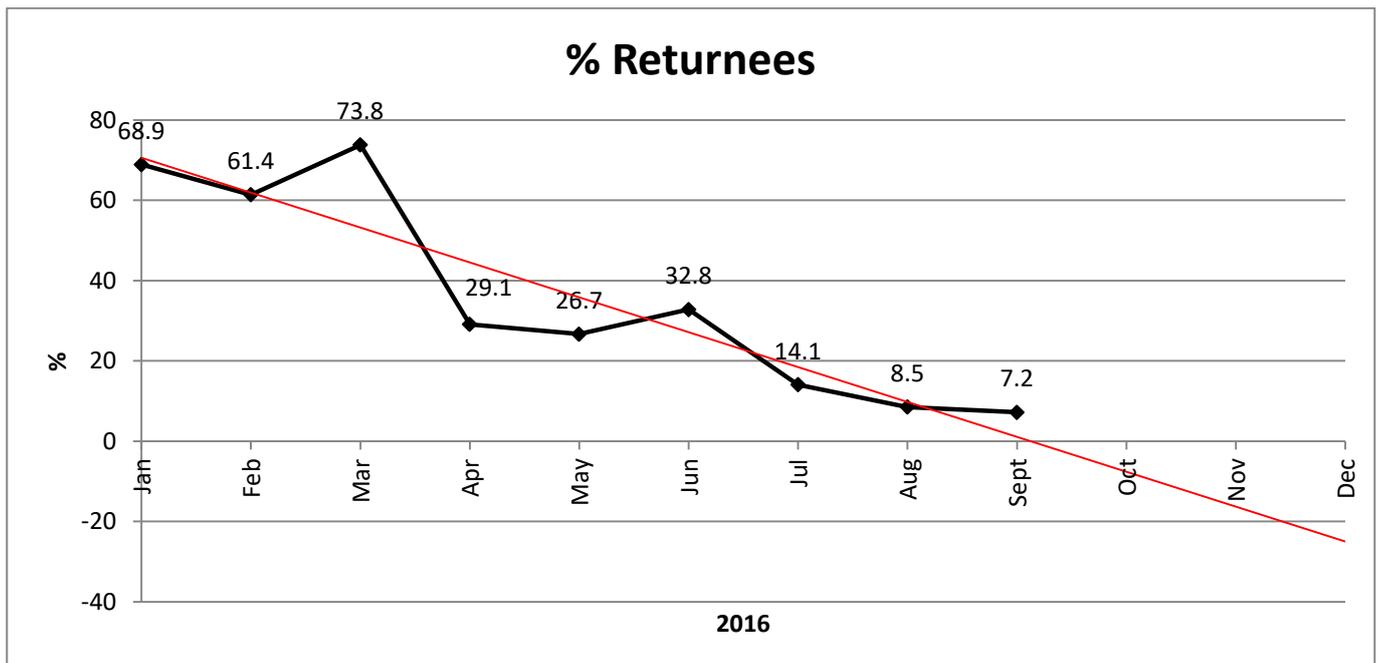
### Recruitment targets

There has been a declining trend in the ability of labour providers to meet their recruitment targets between Q1 and Q3. Labour providers were able to recruit 13.7% more workers than originally planned in Q1, but 4.7% fewer workers than originally planned for both Q2 and Q3.



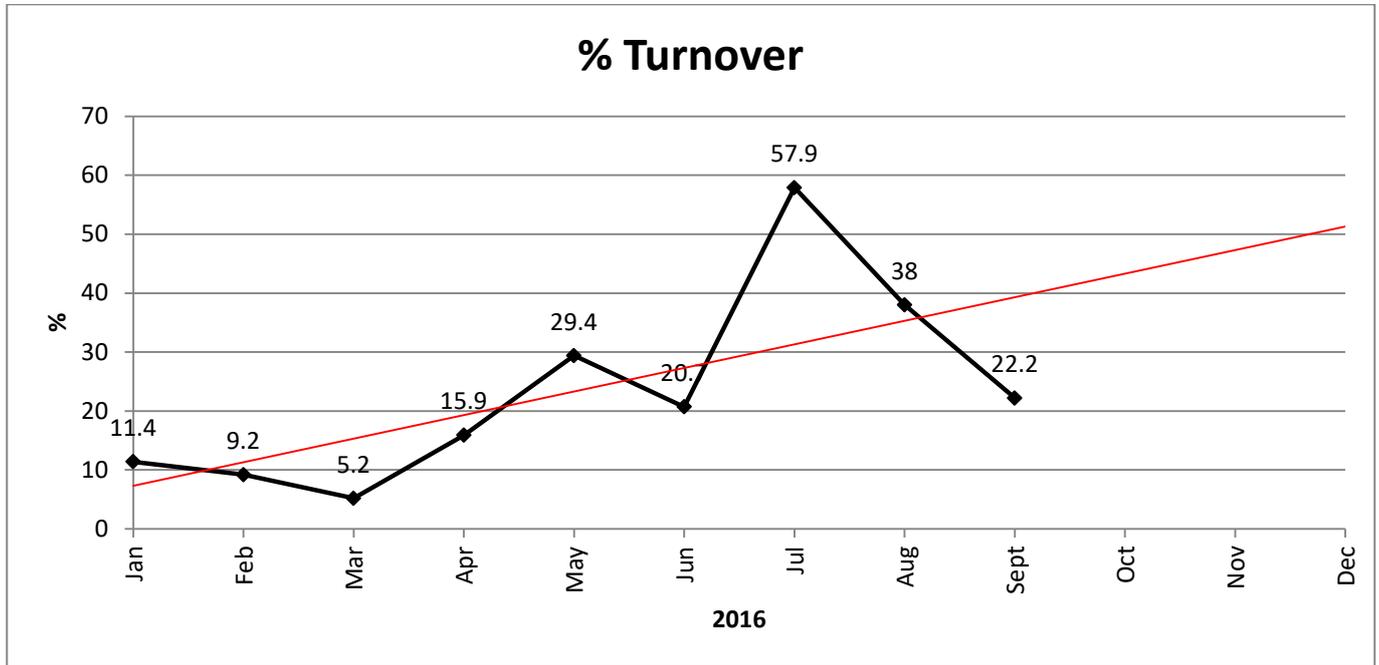
### % Returnees from previous seasons

The number of returnees from previous seasons has decreased from 6,516 in Q1 to 375 in Q3 (-85.9%)  
 In Q1, 68.7% of recruited workers were returnees which fell to 29.4% in Q2 and 9.7% in Q3.



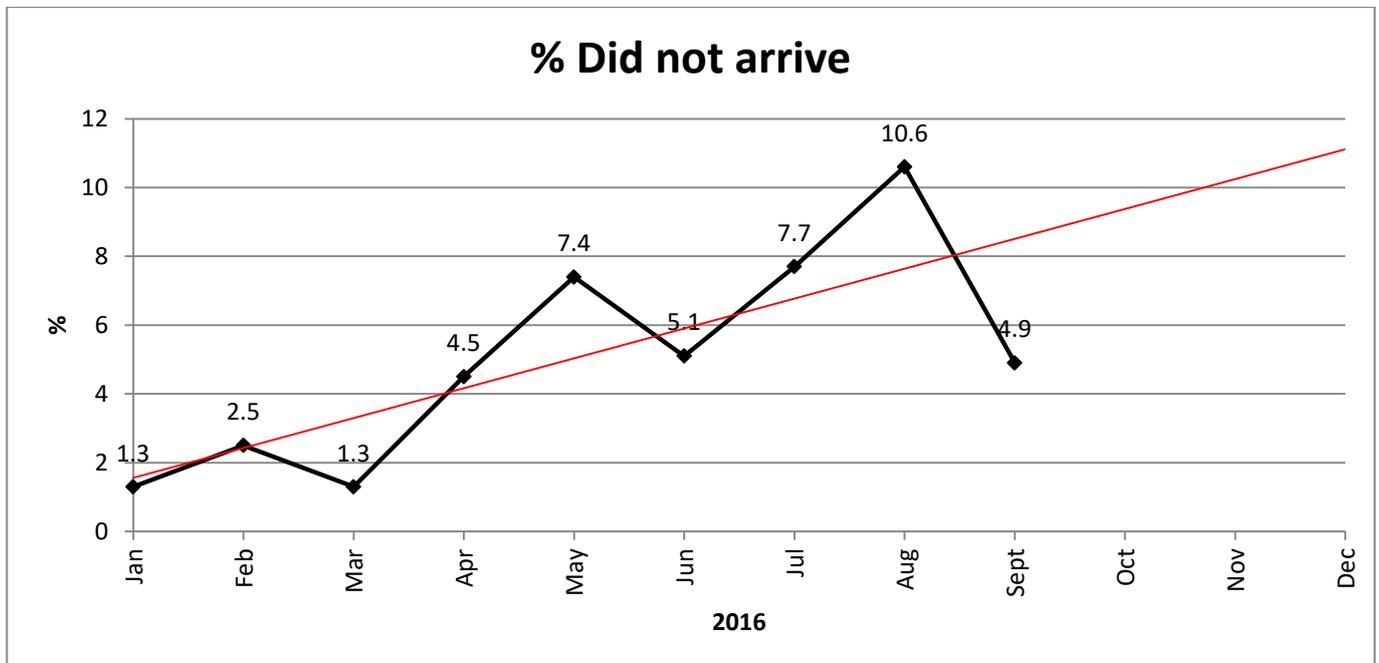
**Turnover rates**

The percentage of recruited workers that did not reach the end of their contracted work period (either because they did not arrive to take up their roles in the UK, voluntarily left employment early or were dismissed) rose from 8% in Q1 to 23.1% in Q2 and 37.9% in Q3.



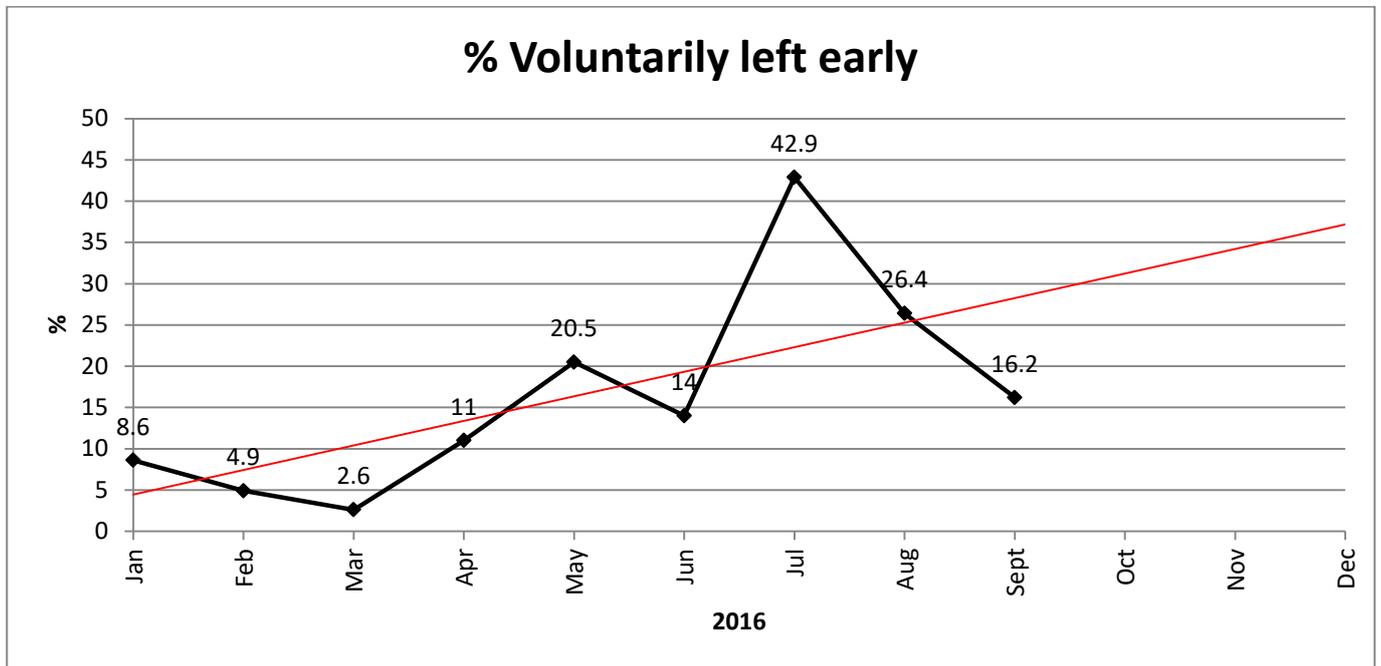
**Non-arrivals**

The percentage of recruited workers that did not arrive in the UK to take up their positions quadrupled from 1.7% in Q1 to 5.9% in Q2 and 7.6% in Q3.



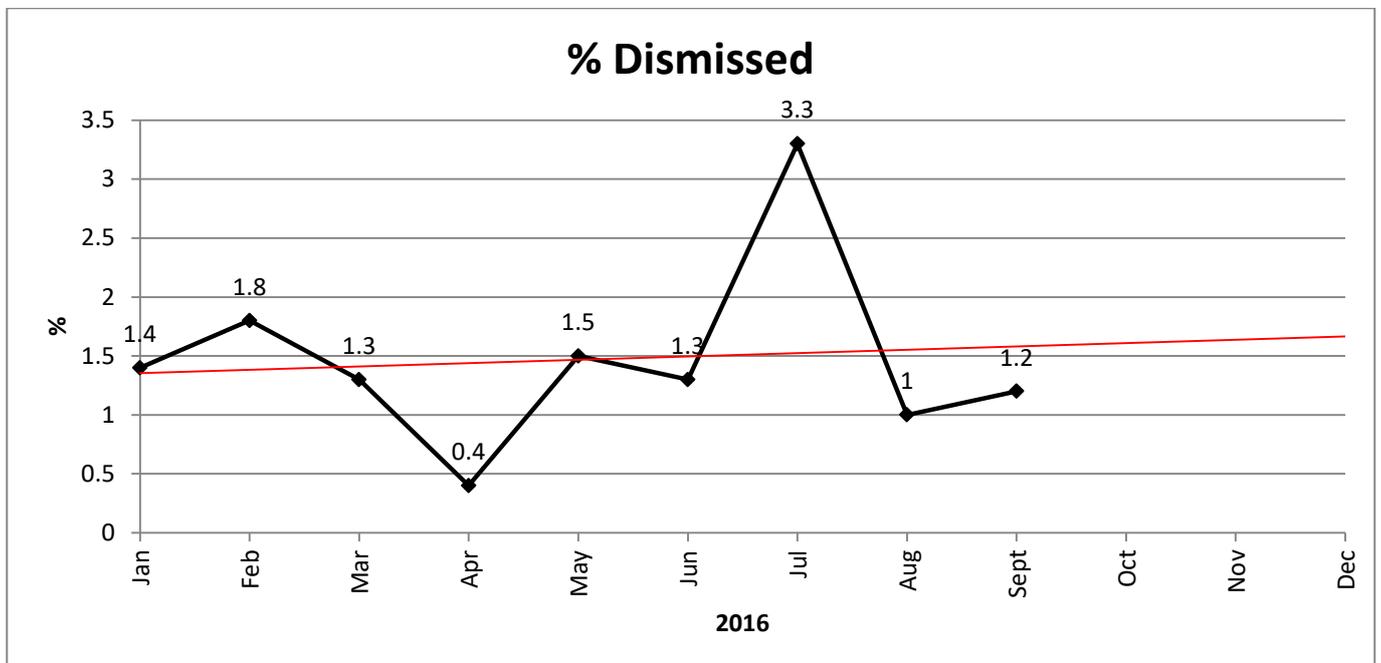
**Voluntarily left employment early**

The percentage of recruited workers that voluntarily left employment early increased nearly six-fold from 4.8% in Q1 to 15.9% in Q2 and 27.4% in Q3.



**Was dismissed before reaching the end of their contract**

The percentage of recruited workers that were dismissed before reaching the end of their contract changed very little, fluctuating from 1.5% in Q1 to 1.3% in Q2 and 1.8% in Q3.



**Country of origin**

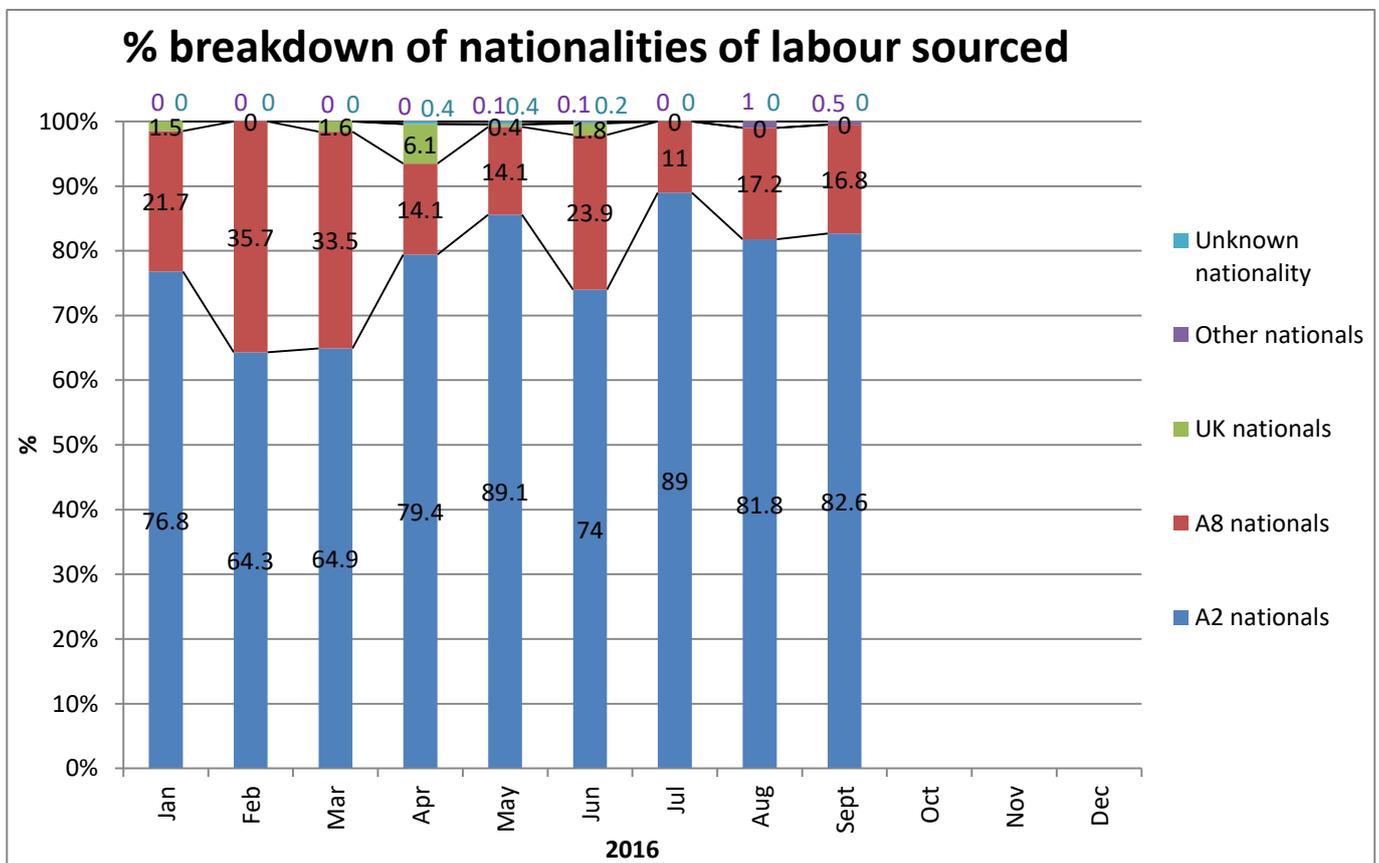
The percentage of seasonal workers sourced from A2 countries in 2016 increased from 67.6% in Q1 to 81.5% in Q2 and 84.2% in Q3.

The percentage of seasonal workers sourced from A8 countries in 2016 decreased from 31.3% in Q1 to 15.9% in Q2 and 15.2% in Q3.

The percentage of seasonal workers sourced from the UK in 2016 fluctuated from 1.1% in Q1 to 2.2% in Q2 and 0% in Q3.

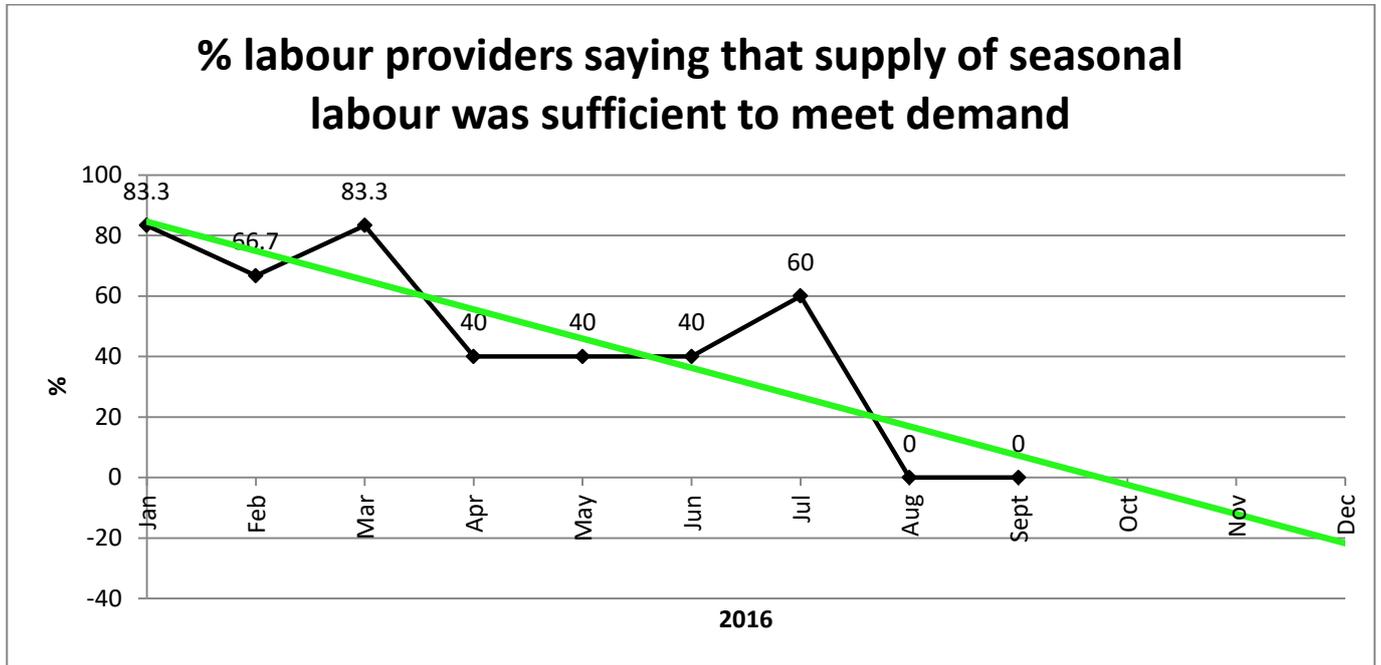
The percentage of seasonal workers sourced from other countries (not UK, A2 or A8) in 2016 was minimal, with 0% in Q1, 0% in Q2 and 0.5% in Q3.

The percentage of seasonal workers sourced whose country of origin was unknown in 2016 was minimal, with 0% in Q1, 0.3% in Q2 and 0% in Q3.

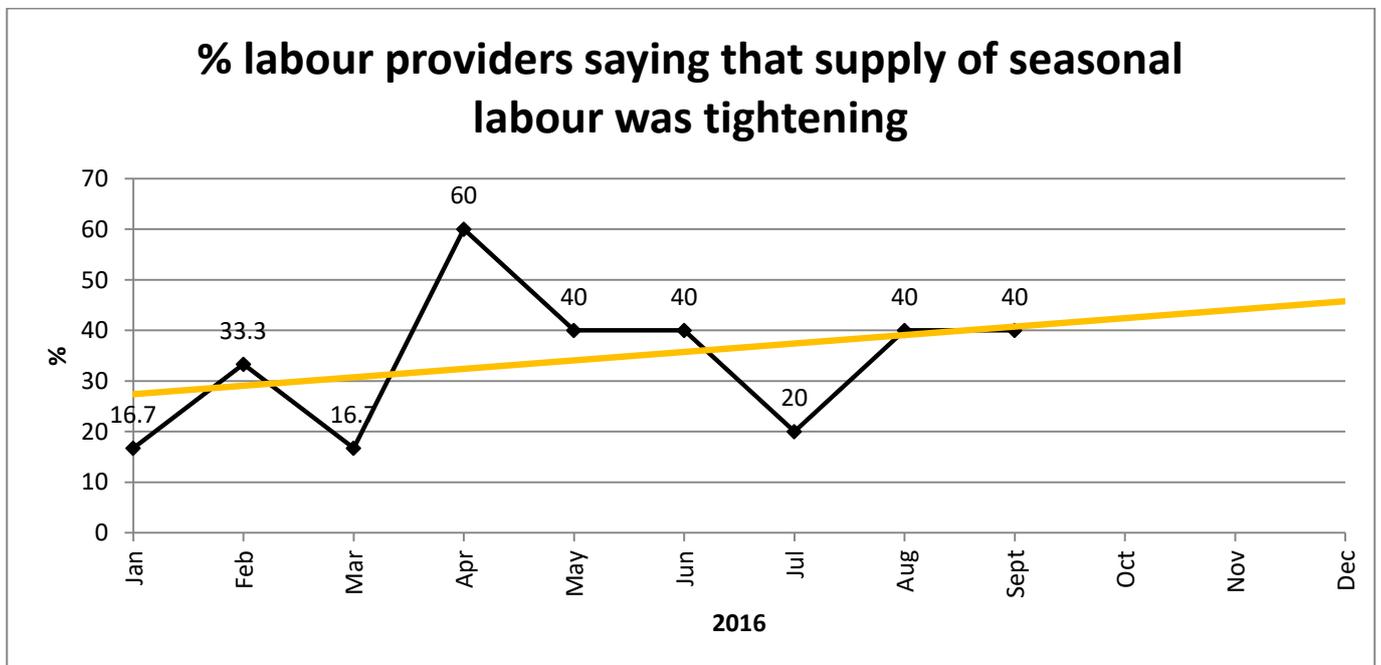


**Did supply meet demand?**

The number of respondents saying that the supply of seasonal workers was sufficient to meet demand decreased from 78% in Q1 to 40% in Q2 and 20% in Q3.



The number of respondents saying that the supply of seasonal workers was tightening fluctuated from 22% in Q1 to 47% in Q2 and 33% in Q3.



The number of respondents saying that the supply of seasonal workers was not sufficient to meet demand increased from 0% in Q1 to 13% in Q2 and 47% in Q3.

