Circulation: NFU Online Date: 16 November 2020

Ref: Immigration – MP Briefing

Contact: <u>rachel.chambers@nfu.org.uk</u>

# Future Immigration: Permanent Labour needs of Agriculture and Horticulture

- Significant value is provided by workers at all skill levels within agriculture and horticulture
   this must be recognised if the future immigration system is to be fit for purpose.
- The decision to exclude entry level permanent roles should be revisited so that strategically targeted entry level pathways are in place to fill key entry level shortages in critical sectors like Agriculture and Horticulture.
- Costs for the new points-based system (PBS) must be made more accessible and all further process refinements that are no longer expected to be in place for 1 January 2021 are delivered as soon as possible thereafter.
- The independent Migration Advisory Committee (MAC) recommendations to upgrade the skill level of Vent Chick Sexers should be implemented by 1 January 2021, ideally along with their other recommendations for the shortage occupation list.
- The Youth Mobility Scheme should be expanded to the EEA, with any cap on migrant numbers set sensibly and alternative mechanisms for covering maintenance created.

#### Introduction

With the impending advent of the new immigration system and the ending of free movement at 11.00 p.m. on 31 December 2020, this briefing, which is focused on permanent as opposed to seasonal needs, outlines the NFU's key immigration related policy asks.

Revisiting the lack of any entry level pathway

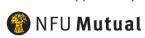
A number of roles within our sector, which Covid19 has shown to be of critical national importance, are not considered skilled enough for the new PBS (see Annex A). As skill and value are not always the same, we would ask you as an MP to support our call for government to take a more targeted approach to entry level roles e.g. by making provision for evidenced entry level shortage roles in strategic sectors like Agriculture and Horticulture to be exempted from the skills threshold for the PBS.<sup>1</sup>

## Costs and Accessibility

Compared to freedom of movement, the PBS will be costlier and involve more complex processes for both migrants and employer sponsors - see Annex B for more details. Given real-world limitations on farmers and growers in raising prices to cover increased labour costs, this could make it difficult and, in some cases, unviable for businesses in our sector, most of whom are SME's, to use the PBS. On this front, the NFU position is that the Immigration Skills Charge should be abolished and that other costs need to be lowered further, particularly for smaller businesses. Likewise, charges to migrants must be competitive if the UK is to attract those migrant workers it needs. To this end, NFU would

<sup>&</sup>lt;sup>1</sup> Alternatively, provision could be made for a temporary work visa of at least two years to allow workers to come into the UK to carry out work in entry level shortage roles within strategically important sectors such as Agriculture and Horticulture. The design of which could be premised on sponsored workers undertaking a formal qualification like an apprenticeship alongside their work and could allow for in country switching so that sponsored workers could move up into a more skilled role via the PBS after the temporary visa period ended (assuming they had demonstrated the required aptitude and met the PBS criteria).







advocate for more accessible charges to migrants, including reform of the Immigration Health Surcharge so that it is payable in instalments. Similarly, it will be imperative that simple and speedy user-friendly processes for using the PBS are in place. As not all the proposed process refinements for gaining a visa under the PBS will be available from 1 January 2021, a clear drive is needed to deliver all further simplifications and processing time reductions as close to the start of the new immigration system as possible rather than in subsequent years. Accordingly, as an MP, we would ask for your support in highlighting these important practical concerns with the viability of the PBS.

### Gaining Shortage Occupation List (SOL) Recognition

The reduced general salary threshold for the PBS (£25,600)² and the flexibility created by tradeable points within the PBS are both welcome. Nonetheless, with around half of workers in our sector earning below the threshold and the existence of real work limitations on pay, the recognition of our sectors shortage roles and the extra tradeable points this status brings is therefore important.³ Presently there is a total absence of such recognition. The NFU will continue in future annual reviews to seek to rectify this and would ask for your support as an MP in this endeavour. In the interim, the independent Migration Advisory Committee (MAC) in their 2020 SOL report made a significant and separate recommendation that the role of Vent Chick Sexers be ascribed a higher skill level to make it eligible for the PBS. This recommendation has however been jeopardised by the governments' decision to pause before implementing any of the MAC's SOL findings. Similarly, important supply chain shortage roles recommended for addition to the SOL will, due to the pause, not be given this status from 1 January 2021 when the new immigration system starts.

Given the distinct nature of the Vent Chick Sexer recommendation and the fact that our member survey data shows this role to be in shortage, the decision to pause should not be allowed to delay this role from being upgraded. Furthermore, much needed roles in wider supply chains (e.g. butchers) have been recommended by MAC for addition to the SOL. Given shortages in these areas will have a knock-on impact at production level and will also compromise food security, the decision to 'pause' should be reconsidered, or at least kept to an absolute minimum duration. We would therefore call on your support as a MP in pushing for these two outcomes.

#### Youth Mobility Scheme Expansion

As shown in Annex A, the Youth Mobility Scheme (YMS) outlined in Annex A is less costly than the PBS and while migrant numbers entering via the YMS are capped, its structure and design may better suit SME's. Nor is it restricted to roles at a particular skill level. Consequently, the NFU is keen to see the YMS extended to cover EEA countries when freedom of movement ends, with any applicable caps on numbers set sensibly. Additionally, we would like to see a mechanism made available so employers can underwrite or guarantee a YMS migrants' maintenance, thereby allowing migrants without the required savings to use this route. To this end, we are seeking your support as an MP to help drive forward expansion of the YMS along these lines as soon as possible. Priority EEA countries for Agriculture and Horticulture would be Eastern European countries like Bulgaria and Romania where the majority of current agricultural workers originate.

<sup>&</sup>lt;sup>3</sup> The latest review by the Migration Advisory Committee only recommended Agriculture and Horticulture production roles to be added to the Northern Ireland only shortage occupation list.





<sup>&</sup>lt;sup>2</sup> At present, this includes only direct remuneration. However, the NFU position is that accommodation and other aspects of the wider remuneration package should count towards the general salary threshold.

### Annex A – Production level and wider supply chain roles that are eligible for the Points Based System

Looking at Agriculture and Horticulture and its wider supply chains, roles covered in the following table<sup>4</sup> will be eligible but all other Agricultural and Horticultural roles and wider supply chain roles will be excluded e.g. herdsmen, tractor/ agricultural machinery drivers and chick/ vent sexers.

Pre-Farm Gate				
Occupation (as categorised by government)	Going Rate for occupation	Relevant Salary Threshold if other tradeable points are not available		
Managers and Proprietors in Agriculture and Horticulture <sup>5</sup>	£25,200 (£12.43 p/h)	£25,600		
Farmers <sup>6</sup>	£20,100 (£9.91 p/h)	£25,600		
Horticultural Trades <sup>7</sup>	£17,000 (£8.38 p/h)	£25,600		
Wider Supply Chain				
Occupation (as categorised by government)	Going Rate for occupation	Relevant Salary Threshold if other tradeable points are not available		
Veterinarian	£32,500	£32,500		
Metal Working Production and maintenance fitters including Agricultural Engineers	£25,300 (£12.48 per hour	£25,600		
Butchers <sup>8</sup>	£19,300 (£9.52 p/h)	£25,600		
Inspectors of Standards and Regulations (SOC Code 3565) including Meat Hygiene Inspector	£26,600 (£13.12 p/h)	£25,600		
Fishmongers and Poultry Dressers <sup>9</sup>	£17,100 (£8.43 p/h)	£25,600		





<sup>&</sup>lt;sup>4</sup> Subject to revision depending on any recommendations from the Migration Advisory Committee

<sup>&</sup>lt;sup>5</sup> E.g. Farm manager, farm owner, nursery manager (horticulture)

<sup>&</sup>lt;sup>6</sup> E.g. Agricultural Contractor, Agricultural Technician, Crofter (farming), Farmer, Herd Manager

<sup>&</sup>lt;sup>7</sup> E.g. Grower, Horticulturalist (market gardening), Market Gardener, Nursery Assistant, Nurseryman

<sup>&</sup>lt;sup>8</sup> E.g. Butcher, Butcher's assistant, Butchery Manager, Master Butcher, Slaughterman

<sup>&</sup>lt;sup>9</sup> E.g. Butcher (fish, poultry), Poultry Processors

Appendix B – Costs to migrants and employer sponsors under the Points Based System

Costs to migrant			
Charge Type	Amount  NB: Fee rates can change and up to date fees should be checked on gov.uk.	Youth Mobility Scheme Comparison	
Visa fee - up to 3 years Visa fee - over 3	£610 if applying from overseas/ £704 in country.  £1220 if applying from overseas/ £1408 in country	£244 for a maximum of a 2 year visa	
Reduced visa fee - shortage occupation roles	£1,408.  Up to 3 years: £464  Over 3 years: £928		
Immigration Health Surcharge <sup>10</sup>	mmigration Health £400 per year of visa, set to increase to £624 – only payable if		
Maintenance	Migrants must demonstrate that they can support themselves and their dependants, or if they are unable to do so, their employer must confirm that they will do so if required.	Requirement for £1890 in savings - will increase to £2540. Not able to bring dependants.	
Charges for Employer Sponsor			
Sponsor License Fee	£536 for small organisations and £1476 for medium to large organisations	N/A – worker not tied to particular employer	
Certificate of Sponsorship	£199		
Immigration Skills Charge <sup>11</sup>	£1,000 for a year, £500 for every 6 months in addition  Reduction to £364 for small businesses and charities		
Maintenance	Potentially may need to underwrite migrant's ability to maintain themselves and any dependants if migrant unable to demonstrate this themselves.		

<sup>&</sup>lt;sup>10</sup> NFU has advocated for this charge to migrants to be made payable by instalments to make it more manageable for potential overseas workers. This is especially so given that the government are intending to increase this cost and that it would be payable per person i.e. for the migrant and each dependant they were brining over with them.

<sup>&</sup>lt;sup>11</sup> NFU has advocated for this charge to be abolished to make the system more accessible to the small and medium sized enterprises that may need to use the PBS when freedom of movement ends.



