



English Apples & Pears

ENGLISH APPLES & PEARS SEASONAL LABOUR REPORT KEY MESSAGES & EXECUTIVE SUMMARY

KEY MESSAGE:

It is imperative that a Seasonal Agricultural Workers (SAWS) Scheme is put in place by September 2018, in time for the 2019 season, for up to 11,500 workers, to prevent the potential collapse of the UK Orchard Fruit Sector, with detrimental effects for Consumers, the Environment and Government and severe ramifications for Growers.

BACKGROUND:

- An independent report by Andersons Midlands has looked at the potential impact of Brexit on Seasonal Labour and Orchard Fruit production in the UK
- As part of an in-depth investigation into the industry, the review found that British annual orchard fruit production – including apples, pears, plums, cherries, peaches, nectarines and apricots – grew by +27% to 300,000 tonnes between 1997 and 2016¹
- This accounts for around 30% of the UK's total consumption of orchard fruits (987,700 tonnes), with the annual domestic crop worth £181.3 million²
- Growth in UK output was found to have been primarily due to improved production methods and access to a mobile seasonal labour force
- Labour accounts for up to 50% of the costs of production for growers, so having continued access to a competitive labour market is essential for the continuing prosperity and growth of UK orchard fruits
- Total UK consumption of orchard fruits was found to have risen by +7% during the period under review, signalling a continuing increase in demand and a key opportunity for growers who can meet that growing demand

GROWING DEMAND FOR SEASONAL LABOUR:

- Without temporary, imported EU labour, the growth in production and consumption of orchard fruit in the UK would not have been possible.
- A significant proportion of labour is employed on a seasonal basis, with the greatest requirement being during the June-November picking period, while seasonal labour is also used to carry out essential tree handwork (summer pruning, branch tucking and tying) and crop thinning (the removal of excessive or poor-quality fruit from the tree during the growing season)
- Due to insurmountable difficulties in recruiting UK workers, particularly in rural areas, only a small fraction of the seasonal labour force is provided by UK nationals, with the majority of workers coming from the European Union

¹ DEFRA

² DEFRA 2016



- Around 10,300 seasonal workers were employed in UK orchard fruit production in 2016
- Based on current forecasts, there will be a need for more than 11,500 seasonal workers by 2021 (a rise of +12%) in order to keep pace with a crop that is set to grow by +7.7% to more than 322,000 tonnes
- With growers sceptical that the seasonal workforce requirement can be filled by UK nationals – and robotic harvesting of orchard fruit unlikely to be widely available commercially within five years – the likely consequences of restricted seasonal worker numbers would include:
 - ~ A failure to meet current 2021 growth targets
 - ~ A reduction in the number of UK orchard fruit growing businesses, a reduced area of production, and a subsequent fall in the volume of production
 - ~ A significant reduction in the supply of home-grown orchard fruits
 - ~ An increase in the volume of orchard fruit imports into the UK

THE COST TO CONSUMERS:

- Whilst growers' costs continue to rise through inflation, the value of produce has remained static, and this has so far worked in favour of consumers. This is doubtless an important factor in the increase in UK orchard fruit consumption
- However, a reduction in UK orchard fruit production would have very significant implications for UK consumers
- Combined with the anticipated and continued low value of sterling, a reduction in overall market supply would place a greater reliance on imports
- This could ultimately lead to a reduction in the consumption of orchard fruit due to reduced availability and higher prices
- This would be exacerbated even further if imported orchard fruit becomes the subject of trade tariffs

THE COST TO GOVERNMENT:

- A reduction in access to seasonable labour would have an immediate impact on both the UK's balance of payments and the environment, including falls in:
 - ~ Income tax
 - ~ Corporation tax
 - ~ National Insurance payments from both employers and employees

ENVIRONMENTAL CONSIDERATIONS:

- Perishable products like orchard fruit should be produced as close to the point of consumption as possible
- A fall in supplies of domestic orchard fruit would clearly remove the opportunity for consumers to buy local produce
- Any increase in imports of orchard fruits to bridge any shortfall would increase transportation requirements, needlessly adding an environmental cost that could otherwise be avoided