DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS WELSH GOVERNMENT

Report on Wages in Agriculture

1 January to 31 December 2012

Presented to Parliament pursuant to section 13 of the Agricultural Wages Act 1948



© Crown copyright 2014

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence v.2. To view this licence visit https://www.nationalarchives.gov.uk/doc/open-government-licence/version/2/ or email PSI@nationalarchives.gov.uk Where third party material has been identified, permission from the respective copyright holder must be sought.

This publication is available at www.gov.uk/government/publications

Any enquiries regarding this publication should be sent to us at the Department for Environment, Food and Rural Affairs, 17 Smith Square, London, SW1P 3JR

Print ISBN 9781474110891 Web ISBN 9781474110907

Printed in the UK by the Williams Lea Group on behalf of the Controller of Her Majesty's Stationery Office

ID 17111402 11/14 44654

Printed on paper containing 75% recycled fibre content minimum

CONTENTS

REPORT OF THE PROCEEDINGS UNDER THE AGRICULTURAL WAGES ACT 1948 FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2012

		Page
Introduction		4
Part I The Ag	ricultural Wages Board for England and Wales (AWB)	5
	gricultural Wages Board	
1		
2012 Wage Re	view	5
Economic Pres	entations and the Future of the Board	5
	ns	
_	of the Proposals	
	leeting on the Future of the Board.	
	ractice and Code of Practice on Access to Information	
-		
Minimum Rate	s in 2012	13
	ture April 2012 to March 2013	
31 March 2013	rement of the Agricultural Wages Order: 1 April 2012 to 3	
	vitiesvities	
	ngements for Learners.	
	armworkers' Houses.	
	ormance standards from 1 April 2011 to 31 March 2012	
report on perio	of marioe standards from 1 April 2011 to 51 March 2012	
Part IV Agricu	ltural Dwelling House Advisory Committees (ADHACs)	18
Appendices		
Appendix I	Membership of the Agricultural Wages Board, 2012	19
Appendix II	Agricultural Wages Board - The Main Statutory Minimum Rates in force during 2012.	20
Appendix III	Orders made by the Agricultural Wages Board during 2012	
Appendix IV	Agricultural Wages Committees in 2012	
Appendix V	Membership of Agricultural Wages Committees 2012	
Appendix VI	Membership of the Agricultural Dwelling House Advisory Committees 2012	

Introduction

This Report is presented jointly by the Secretary of State for Environment, Food and Rural Affairs and the Welsh Government.

During the period under review, responsibility for the Agricultural Wages Board for England and Wales was shared jointly by the Secretary of State for Environment, Food and Rural Affairs and the Welsh Government, except for the expenses of the Board which remained the responsibility of the Secretary of State. Responsibility for Agricultural Wages Committees rested with the Secretary of State in England and the Welsh Government in Wales.

This Report also covers the work of the Agricultural Dwelling House Advisory Committees (ADHACs). ADHACs give advice to local housing authorities when a farmer applies to the authority, requesting it to re-house an agricultural worker (or former worker) so that the cottage in which he or she lives can be made available for a new farm worker. The ADHAC considers the agricultural case and how quickly the farmer needs the cottage for the new worker.

REPORT OF THE PROCEEDINGS UNDER THE AGRICULTURAL WAGES ACT 1948

PART I

REPORT OF THE AGRICULTURAL WAGES BOARD FOR ENGLAND AND WALES FOR THE PERIOD 1 JANUARY- 31 DECEMBER 2012

The main responsibility of the Agricultural Wages Board under the Agricultural Wages Act 1948 is to fix the minimum rates of wages, holiday entitlement and other minimum terms and conditions of employment for workers employed in agriculture in England and Wales. The Board has certain duties to ensure that the rates of pay it sets are no lower than the National Minimum Wage.

The Chairman's report of the Agricultural Wages Board proceedings during 2012 is set out in paragraphs 1 to 74 below.

Meetings

1. The Board met on five days during 2012 to consider wages and other minimum terms and conditions of employment for agricultural workers. It also considered proposals by the Government to abolish the Board.

2012 Wage Review

- 2. In April 2012 the Workers' Side gave notice of their claim for a 5% pay increase across all grades and also exploring the possibility of reflecting the AWO in salary terms. There were no further elements to the claim.
- 3. In May 2012 the Employers' Side responded. They proposed a 1.5% increase across all grades. No changes were proposed for the Apprentice rates. Nor were any further changes proposed to terms and conditions.
- 4. A package of statistical information, prepared by the Department for Environment, Food and Rural Affairs had been circulated to Board Members in May.
- 5. Copies of the Workers' Side Claim and the Employers' Side Response were circulated to Board Members in May.

Economic Presentations and the future of the Board

- 6. The Board met in April 2012 to hear the economic presentations from the Employers' and Workers' Sides which would inform the annual negotiations. The members also discussed the proposals by the Government to abolish the Agricultural Wages Board.
- 7. Prior to hearing the economic presentations the Board was informed by Defra officials that no firm decision had been taken regarding the future of the Board. Ministers were currently considering how to proceed.
- 8. The Workers' Side noted that the Public Bodies Act 2011 stated that consultation must be carried out with the body or office holder and persons substantially affected by the

proposals. In their view every worker would be substantially affected by abolition and therefore any decision not to consult all workers would make a mockery of the consultation and therefore would not be acceptable to them. Consultation, if it meant anything at all, had to be meaningful. Defra officials replied that the Department had to be practical in the manner in which it carried out its consultations. They suggested that a possible method might be to place the consultation document on the Defra website. The Workers' Side replied that in their view the requirements of consultation would not be served merely by placing the consultation document on a website or advertising it in the trade press. To use other consultations as a template was unacceptable and if Defra did not have the wherewithal to consult all farm workers it could ask farmers to consult their workers. In fact they believed that if that procedure was followed, Defra would find that a substantial number of farmers would actually support retention of the Board.

- 9. The Chairman suggested that the Defra officials reflect upon the comments made by Members. The Workers' Side reminded them that if the consultation was not meaningful it would leave Defra open to the possibility of Judicial Review. They replied that a Code of Practice existed which governed consultations and Defra would abide by it.
- 10. The meeting then moved to the economic presentations by the Workers' Side and the Employers' Side respectively.
- 11. The Workers' Side began its presentation by focusing on the ability to pay by the industry and noted that overall producer prices had increased by 12.9% in the previous twelve months. The cost of fertilizers and soil, on the other hand, had declined by 16% since 2008. Estimates for Total Income From Farming (TIFF) were up by 2% which indicated that the industry remained in good shape compared to the decade from 1998-2007. Labour costs continued to account for less than 14% of farm input costs and, since the start of the decade, labour productivity had grown by around 26%.
- 12. Turning to the situation faced by agricultural workers they observed that from 1 October 2012 the National Minimum Wage (NMW) would increase to £6.19 per hour, leaving the current AWO standard rate at 58 pence above the NMW. They noted that the current Retail Price Index (RPI) was 6.5% and within that household consumables were up 6.5%; vehicle and tax insurance were up 8.5%; and clothing and footwear were up 10.4%.
- 13. Finally, the Workers' Side noted that the industry was a notoriously low-paying one with median hourly pay elementary occupation data showing a farm worker receiving £7.75 and a refuse/salvage worker £8.76 per hour respectively. They contended that higher rates of pay were the key to maintaining the existing skilled workforce, attracting new workers into the sector, and overcoming labour shortages.
- 14. In conclusion, they believed that without a substantial pay rise across grades the industry faced ongoing recruitment and retention problems.
- 15. The Employers' Side then proceeded to set out the general economic conditions affecting farming. They began by noting that TIFF fell by 3% in 2010 and that while the long term outlook was good, in the short term it appeared uncertain. They observed that it was the horticulture and general cropping sector which was the single largest employer of labour in the industry, both part-time and full-time.

- 16. Turning to sector trends they noted that between 2010/11 and 2011/12 there had been some marked changes in farm business income by farm type. Dairy, grazing livestock, cereals, and mixed farming had all experienced an increase in income, while general cropping, specialist pig, and specialist poultry had all suffered a decrease.
- 17. As far as farm prospects were concerned, wages were the third largest input into agriculture. The costs of fuel and fertilizer were also a contributing factor. A high proportion of their members considered input prices to be an issue of most concern to them. Farm costs were now at record levels.
- 18. In conclusion, they noted that in the wider economy unemployment had reached 2.6m. Youth unemployment had dramatically increased and one-third of all unemployed people were between 16 and 24. Compared with that, employment in agriculture had risen by 3.2% in 2010/11.

The Negotiations

- 19. The Board met on 11 and 12 June for the annual negotiations. Before asking the two Sides to present their respective cases the Chairman informed Members that he had received a letter from Susanna May of Defra who had assumed the responsibilities previously held by Jeremy Cowper. She had indicated that she would like to meet Members and would be able to join them at the Confirmation Meeting in July. She was anxious to keep the Board informed of developments. The Chairman expressed frustration at the lack of progress in relation to the future of the Board and hoped that Ms May would indeed be able to inform Members of the timing of the consultation process, about which they had heard very little. In his view such a state of affairs simply was not good enough. The Workers' Side observed that although Ministers had signalled their intention to abolish the Board it was not proving as straightforward as they had anticipated.
- 20. The Workers' Side then proceeded to set out the details of their Claim. They began by noting that the agriculture had been doing reasonably well and had grown by 127% in the previous five years. Median pay settlements were currently running at more than 5%. Agriculture was suffering from the fact that a growing percentage of workers were over fifty and there was an urgent need to attract young people into the industry which would not be achieved as long as wages remained low. Inflation was currently running at 2.5% but for workers the real cost of living was much greater as there were hidden costs such as fuel, electricity, food and the like, where the increases were far in excess of the headline rate. The cost of living was therefore a real burden for workers and there was thus a real need to address the problem of low pay in the industry. In the view of the Workers' Side the Board had a historic opportunity to do so in 2012.
- 21. In response the Employers' Side observed that the UK was officially in recession and the GDP for the first quarter of the year had been revised downwards which was in itself unusual giving a negative growth figure. The UK economy was 4% lower than 2008. There was thus a considerable impact on employment prospects.
- 22. The eurozone further complicated matters. The present rate of the euro was 80 pence to the pound. The pound was strengthening against the euro which was bad news for farmers. They added that TIFF was not an adequate measure of farming. Weekly earnings were averaging 0.6%. There was negative growth in the construction industry and a considerable

gap between the AWB, construction, and manufacturing. They added that the proposed increase in the AWB minimum rate was double that of the private sector.

- 23. The Employers' Side then proceeded to summarize the opening offer. They began by stating that the reasons for their offer lay in what was happening in the in the wider economy. While cereals and the arable sector generally had experienced good growth the same had not happened in the wider economy. The price paid to farmers was at the expense of the producers and the fault lay with the supermarkets. The dairy sector had been looking good but there were signs that that sector too was experiencing a lack of growth. The price of milk had dropped sharply. A further factor was the vagaries of the weather. They concluded by stating that they had heard what the Workers' Side had said in support of their claim. However, while the Board was doing a very good job they found it difficult to believe that the claim was feasible. They re-affirmed the rates set out in their Submission.
- 24. The meeting was then adjourned to allow the two Sides to discuss the respective proposals either separately or bilaterally.
- 25. On the resumption of the negotiations the Workers' Side said that they had reflected on the discussion and would like to see the Order reflected in salary terms. As far as the rates were concerned they had dropped their claim from 5% to 4.9% which would take the Grade 2 rate to £7.10. They proposed to reduce their claim for the Grade 1 rate from 5% to 2% taking it to £6.22. That represented an 8.6% saving on the cost of the claim.
- 26. The Defra statisticians confirmed that the revised claim amounted to £71m without premiums and £80m including premiums.
- 27. In reply the Employers' Side stated that both Sides had had discussions about salaries over the years and they saw no problem with the principle. If the Board felt it was worth considering then they could proceed but they would have to have regard to the political scene. It was possible that there could be a mechanism but it was not feasible at the negotiations. They added that he was disappointed that the Workers' Side had scarcely moved with their claim. For their part they were prepared to offer 1.5% on Grade 1 and 1.8% on Grades 2-6.
- 28. The Defra statisticians confirmed that the revised offer amounted to £26m without premiums and £30m including premiums. The Chairman then adjourned negotiations for the day.
- 29. On the resumption of negotiations the following day the Workers' Side put forward a revised rate of 2% for Grade 1 and 3.8% for Grades 2-6. That would take the Grade 2 rate to £7.03 an hour. They believed that the increases proposed were affordable. Moreover, if people were to be attracted into the industry it was important to have a reasonable settlement.
- 30. The Defra statisticians confirmed that the revised claim amounted to £56m without premiums and £63m including premiums.
- 31. The Employers Side indicated that they wished to consider the Workers' Side offer and discuss various scenarios. They would come back with a new offer shortly.
- 32. On the resumption of negotiations the Employers' Side stated that they had discussed the various positions. They believed that the way forward was to put forward an offer which

the industry could afford. In that spirit they were prepared to make an offer of 2.1% for Grade 2 and upward, taking the Grade 2 rate to £6.91. The Grade 1 rate would remain at 1.5% or £6.19.

- 33. The Defra statisticians confirmed that the cost of the revised offer came to £31m without premiums and £35m including premiums.
- 34. The Employers' Side remarked that the aspirations of the Workers' Side were too high for the industry. Agriculture had not been affected by the recession but it would eventually be. In reply the Workers' Side claimed that their claim was affordable and suggested that the Sides discuss the matter with the Independent Members.
- 35. The meeting then adjourned to allow both sides to reflect on the offer that had been made.
- 36. On the resumption of negotiations the Workers' Side said that they were prepared to revise their claim still further and they proposed that the Grade 1 rate be increased by 1.8% to £6.21 and the Grade 2 rate by 3.5% taking it to £7.01.
- 37. The Defra statisticians confirmed that the cost of the revised claim came to £51m without premiums and £58m including premiums.
- 38. The Employers' Side then asked for an adjournment in order to consider the revised offer
- 39. On the resumption of the negotiations the Employers' Side informed Members that they had reflected on the revised claim by the Workers' Side. However, while it was undeniably true that the arable sector had done well, that was not true of other sectors. Taking into account the various factors affecting the industry they were prepared to make an offer of 1.8% on Grade 1 taking it to £6.21 and 2.1% on Grade 2 taking it to £6.91
- 40. The Defra statisticians confirmed that the cost of the revised claim came to £31m without premiums and £35m including premiums.
- 41. The Employers' Side confirmed that they were unable to make a further offer at that time. They felt that the offer was fair and reasonable in the circumstances given what was happening in other sectors of the industry. The Workers' Side replied that they found the revised offer disappointing in the light of other private sector settlements. Responding, the Employers' Side said that they were prepared to consider their position but they wanted to impress upon the Board the pressures on other sectors of the industry.
- 42. The meeting then adjourned to allow both Sides to consider the respective offers.
- 43. On the resumption of the negotiations the Employers' Side stated that it had considered its position and had received additional information regarding the industry. The 2011 Quarterly National Accounts had shown that agriculture was formally in recession. The value of output in four successive quarters was negative. They added that the figures were a measure of GDP which showed the value of the agricultural sector. The industry was not very buoyant. Having said that they had reflected upon their previous offer and they were well aware of the settlement by the Scottish Agricultural Wages Board, which was £6.86 for a

standard worker. However, they were prepared to make a further offer of 2.4% for Grade 2 taking it to £6.93. The Grade 1 rate would remain the same. They believed that the revised offer was fair and reasonable.

- 44. The Defra statisticians confirmed that the cost of the revised claim was £34.5m without premiums and £39.9m with premiums.
- 45. The Workers' Side thanked the Employers' Side for the revised offer and indicated that they would like to adjourn and consider it. They added that farm workers in Scotland did not have the same pressures as those in England and Wales.
- 46. On the resumption of the negotiations the Workers' Side stated that they were prepared to put forward a further revised claim. They proposed a 3.2% increase on Grade 2 taking it to £6.99. For apprentices they were proposing an increase in the rates of 2.1% and in the final year of an apprenticeship the rate should be £6.21 for a worker aged 21 or over.
- 47. The Defra statisticians confirmed that the cost of the revised claim was £47.5m without premiums and £53.6m with premiums.
- 48. The Employers' Side expressed their disappointment with the proposal regarding apprentice rates and requested an adjournment in order to consider their response to the revised claim.
- 49. On the resumption of the negotiations the Employers' Side made a formal response in respect of the apprentice rates. They rejected the claim for an increase in the rates and reaffirmed the offer as set out in the NFU's original submission. However, in respect of the main rates they were prepared to make a further offer of 2.7% taking the Grade 2 rate to £6.95. The Grade 1 rate remained the same.
- 50. The Defra statisticians confirmed that the cost of the revised offer was £39.5m without premiums and £44.5m with premiums.
- 51. In reply the Workers' Side stated that they were prepared to drop their proposal for an increase in the apprentice rates to 1.8% with the exception of the adult rate which would remain at £6.21. With regard to the main rates they proposed an increase of 3.2% on Grade 2 taking it to £6.98.
- 52. The Defra statisticians confirmed that the cost of the revised claim was £45.7m with premiums and £51.5m with premiums.
- 53. The meeting then adjourned to enable both Sides to reflect on the offers which had been made.
- 54. On the resumption of the negotiations the Employers' Side reiterated their offer in respect of the apprentice rates. They were for £3.57 in the first year of an apprenticeship and in the second year of an apprenticeship they were £3.68 (16-17), £4.98 (18-20) and £6.19 (21+). On the main rates they were prepared to offer 1.8% on Grade 1. On Grades 2-6 they proposed a 2.8% increase as follows:

•	Grade 2	£6.96
•	Grade 3	£7.66
•	Grade 4	£8.21
•	Grade 5	£8.70
•	Grade 6	£9.40

55. The Workers' Side then put forward their proposal. They began by remarking that apprentices needed better rates than those in the Order but in the light of everything that had been said they accepted the offer set out by the Employers' Side. With regard to the main rates however, they proposed an increase of 3.1% on Grades 2-6 with the Grade 1 offer of 2.1% remaining. The proposed rates were as follows:

•	Grade 2	£6.98
•	Grade 3	£7.68
•	Grade 4	£8.24
•	Grade 5	£8.73
•	Grade 6	£9.42

- 56. The proposal by the Employers' Side was then put to the vote and carried by nine votes to eight.
- 57. The proposed changes to the 2011 Order were advertised in the farming press and representations were invited.

Confirmation of the proposals

- 58. The Board met again on 20 July 2012 to:
 - consider the representations which had been received;
 - decide whether to confirm the proposals; and
 - agree the text of the 2012 Order.
- 59. Before turning to the main business of the meeting the Chairman of the Board asked the Defra official present to update Members on the future of the Board. Members were informed that Government policy was still that the Board should be abolished, but there were certain processes that needed to be gone through to achieve that. It was not possible at the moment to give any more detail. The official added that Defra would consider all legislative options. Defra officials understood fully the concerns of Members and they undertook to inform the Chairman about the timeline for abolition.
- 60. The Workers' Side remarked that what they had heard was welcome news. They did not agree with abolition. There was a need for a full consultation and they wished to be aware of the options for consultation. The decision to abolish the Board was a purely political one.
- 61. The Employers' Side raised concerns about the qualifications and skills levels set out in the Order. They were concerned about their accuracy and suggested that Lantra be asked to bring the Appendices up to date should that be required. While they were aware that the Board was going to be abolished their concern was that any final Order would be accurate in every detail as it would affect all those in agriculture at the date of abolition. They asked if

Defra was prepared to fund the necessary research. Defra officials replied that they could not give an open-ended commitment to do so as there were pressures on government spending. The Workers' Side pointed out that the Board had a budget and that the funding would come from within that budget. No new money would be required.

- 62. The Employers' Side stated that funding was needed to ensure that the qualifications were accurate. The NFU supported abolition and a substantial sector of the industry believed that the Board had already been abolished. The Workers' Side added that the updating of the qualifications were necessary. The Board existed and as long as it remained in existence it had a legal duty to ensure that the Order was accurate in every detail. It also had a legal duty to carry out such work as was necessary for it to fulfil its functions under the Act.
- 63. The Board then proceeded to consider the representations received in response to the publication of the proposals.
- 64. Only two representations had been received. The Employers' Side believed that the reason for the low number of responses was due to the fact that a significant number of NFU members thought that the Board had either been abolished or that the Board was in its last stages.
- 65. Prof. Ditch regretted that there were not more responses to the proposals. It was not possible to comment on just two replies. They were too few to weigh in the balance. He added that the negotiations were the most difficult he had been involved in during his time on the Board. He had listened with great care to the arguments put forward by both Sides. He referred to research carried out by the Joseph Rowntree Trust. The research looked at the minimum income needed for a decent standard of living and concluded that a single person needed to earn £16,383 annually before tax which was equivalent to £8.38 per hour. A couple with two children needed to earn £36,728 which was equivalent to an hourly rate of £9.39. He did not wish to be moralistic about the problems which faced farmers, but he felt obliged to share the results of the research with Members and to point out that the figures were at variance with both the National Minimum Wage and the Agricultural Minimum Wage.
- 66. The Board then voted to confirm the proposals by 7 votes to 5.
- 67. The Draft Order was then formally approved by the Board.

Consultation Meeting on the Future of the Board

68. The Board considered the Government's consultation on the future of the Agricultural Wages Board, Agricultural Wages Committees and Agricultural Dwelling House Advisory Committees at a special meeting convened on 2 November. The Board concluded that the most appropriate course would be for the employers and workers sides to respond to the the Consultation via the NFU and Unite the Union respectively.

Code of Best Practice and Code of Practice on Access to Information

69. The Code of Best Practice, Code on Access to Information and Publication Scheme continued in force in 2012. In accordance with the Code of Best Practice the Secretariat holds a register of all Independent Board Members' relevant interests. Copies of the register can be obtained from the AWB Secretariat at Area 3A, Nobel House, 17, Smith Square, London, SW1P 3JR.

Legal Adviser

70. Cumberland Ellis LLP acted as Legal Adviser to the Board throughout 2012.

Membership

71. Full details of the Board's membership for the year are at Appendix I.

Minimum Rates in 2012

- 72. Details of the minimum rates fixed by the Board which applied in 2012 are at Appendix II.
- 73. The list of Orders issued by the Board during the year is at Appendix III.

Board Expenditure April 2011 to March 2012

74. The Board incurred expenditure in the 2011/12 financial year for meeting costs, provision of legal advice, advertising expenses etc. of £37,844.23. The printing and distribution of the Order cost £28,518.60. Staff costs for the financial year were estimated to be £20,908.50. This gives overall expenditure of approximately £87,271.33.

PART II

ENFORCEMENT OF THE AGRICULTURAL WAGES ORDER: 1 APRIL 2012 TO 31 MARCH 2013

- 75. Since 1 April 1999 the National Minimum Wage enforcement procedures have been applied to the Agricultural Minimum Wage. From 18 May 2009 the Pay and Work Rights Helpline became the primary stage for those members of the public who had a query about the provisions of the Wages Order. The Agricultural Wages Team (AWT) which operates from Defra's office at Crewe remained responsible for dealing with queries about the Wages Order referred to it by the Helpline and for handling complaints. It also retained responsibility for handling enquiries and complaints from employers and workers in Wales.
- 76. When a complaint is received and it appears that the worker has been underpaid, AWT staff attempt to resolve matters by writing to, or in some cases telephoning, the employer and explaining the requirements of the legislation. The aim is to persuade the employer to pay the worker at the correct rate and to pay arrears. If the employer agrees to put matters right by a specific date and the AWT receives confirmation from the worker that this has been done and that he or she is content, the case is closed. If the employer refuses to co-operate or fails to pay the money, the case is passed to an Agricultural Wages Inspector (AWI) to investigate.
- 77. A visit from an AWI may be sufficient to prompt the employer to put matters right. Where this fails, an Enforcement Notice may be served. A schedule of arrears attached to the Notice shows the sum due to the worker for the hours worked, holiday taken etc. in each pay reference period and sets this against the sum received. The arrears due in each pay reference period are calculated and the total sum due is stated in the Enforcement Notice. (Where an Enforcement Notice relates to more than one worker a separate schedule is required for each worker.) An employer may appeal to an Employment Tribunal against an Enforcement Notice. Provided the Notice is upheld, the employer is required to pay the arrears due and, if he or she fails to do so, a Penalty Notice may be served.
- 73. The following table gives the number of calls and complaints received from 1 October 2012 to 31 March 2013 and information about cases closed and enforcement action taken. Figures for the five preceding years are given for comparison.

	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013
Calls to Helpline	4965*	1671~	N/A	N/A	N/A	N/A
Complaints carried						
forward	21	169**	177**	181**	175**	27
Complaint forms						
received	235**	32	33	37	42	61
Total number of cases						
open during year	256	201	237	218	217	88
Cases resolved;						
employer agreed to pay	31	29	38	35	40	10
Arrears recovered						
where employer agreed	£85,614	£98,714.4	£109,302.96	£42,468.22	£93,028.50	£39020.00
to pay		9				
Cases passed to AWIs	10	6	8	2	11	8
Enforcement Notices						
issued	4	4	3	1	2	0
Cases resulting in debt						
recovery action	1	0	0	0	0	0
Employment Tribunal						
Appeals	2	4	3	1	0	1
Employment Tribunal						
hearings	1	0	3***	0	0	1
Enforcement Notice						
upheld	0	0	0	0	0	0
Value of arrears in						
cases where	£94,822.36	£6.987.39	£125,000	0	0	0
Enforcement Notice has						
been served						
Cases closed because:				_		_
insufficient	8	8	14	6	139	2
information; no						
underpayment;						
complaint withdrawn;						
worker and employer						
resolved problems while case was on hold.						
Complaints open at 31						
March	33	179**	181**	175**	27	53
* These figures d			_			

^{*} These figures do not include queries made to the Agriwages mailbox which average out at approximately 20+ per week.

^{**} includes 155 complaints against one employer.

*** Cases settled at the Tribunal Hearing without going through formal process.

[~] Helpline transferred to the Pay and Work Rights Helpline with effect from 18 May 2009

PART III

AGRICULTURAL WAGES COMMITTEES (AWCs)

- In 2012 there were 15 AWCs in England none in Wales. The AWCs for Wales were abolished in 2007 and a single Committee was formed to cover the entire Principality. No members had been appointed during 2012. The groups of Counties and former Counties served by each Committee in England were based substantially on the former Regional Service Centre boundaries of the Ministry of Agriculture, Fisheries and Food. Committees are constituted under Section 2 of the Agricultural Wages Act 1948. Section 5 of the Act, (which empowered them to grant permits of exemption to incapacitated workers), was repealed on 1 October 2004 because it was not compatible with EU legislation which required equal treatment in employment for people with disabilities. Sections 6 and 7 of the 1948 Act empower Committees to issue certificates regarding premium arrangements between employer and learner or apprentice and to revalue farmworkers' houses. Also, under Section 46 of the Agriculture (Miscellaneous Provisions) Act 1968, AWCs have powers to issue craft certificates (but since July 2003 there have been no provisions in the Wages Order which require the Committees to use this power). As required by Section 13 of the Agricultural Wages Act 1948, Annual Reports are prepared by each Committee. Under Section 29 of the Rent (Agriculture) Act 1976 AWC Chairs are responsible for appointing Agricultural Dwelling House Advisory Committees (ADHACs).
- 80. A list of the Committees in England and Wales and a note on their constitution is given at Appendix IV. Full details of AWC membership is at Appendix V.

Review of Activities

Premium Arrangements for Learners

81. Apprentices or learners may be charged for tuition by their employer only if the AWC, in whose area they are employed, has issued a certificate of approval. No applications have been made under these arrangements since 1993.

Valuation of Farm-workers' Houses

82. The assumed standard value for a house, provided through the contract of employment as part payment of a farm-worker's minimum wage, is fixed by the Agricultural Wages Board. However, if an employer or worker considers that this amount does not represent the true value in a particular case either party can apply to the local Agricultural Wages Committee for a higher or lower figure to be fixed. Since 1995 there have been just 7 applications all of which were made in 1997.

Report on performance standards achieved in England by the Secretariat to the Agricultural Wages Committees from 1 April 2011 to 31 March 2012.

- 83. During the 12 months ending on 31 March 2012 Defra's Rural Development Service:
 - (a) arranged 15 AWC meetings and dealt with 107 expenses claims; and

(b) prepared and submitted 15 AWC statutory Annual Reports to the Secretary of State, on average within four weeks of the end of the calendar year.

No appointments were made.

84. As a result of the abolition of the former AWCs in Wales and their replacement by a Committee covering the entire Principality no meetings were held and no appointments were made.

PART IV AGRICULTURAL DWELLING HOUSE ADVISORY COMMITTEES (ADHACs)

- 85. The Rent (Agriculture) Act 1976 and the Housing Act 1988 give certain agricultural workers (including retired workers and successors) living in farm cottages, security of tenure. However, under these Acts a farmer may apply to the local housing authority to have the protected worker re-housed if he/she needs the cottage for another worker in the interests of efficient agriculture. To assist the housing authority in considering the farmer's application the 1976 Act provides for an ADHAC to give advice on the case made by the applicant concerning the interests of efficient agriculture and regarding the urgency of the application. Section 29 of the Rent (Agriculture) Act 1976 makes provision for the establishment of ADHACs within the area of each Agricultural Wages Committee. The areas of each AWC are detailed at Appendix IV.
- 86. Each ADHAC comprises an independent member, who is the Chair, one member representing agricultural employers and one member representing agricultural workers. Details of ADHAC membership are at Appendix VI.
- 87. Details of ADHAC cases in 2012 are as follows:-

	England	Wales
Applications carried forward from previous year	0	0
New applications received	7	0
Applications withdrawn or invalid	2	0
Cases in which ADHAC concluded a need	2	0
Those where ADHAC concluded need was immediate	1	0
Cases in which ADHAC concluded no need	3	0
Complaints about ADHAC performance	1	0
Cases carried forward to the next year	0	0

Report on performance standards achieved in England and Wales in relation to Agricultural Dwelling House Advisory Committees from 1 January to 31 December 2012

- 88. During the 12 months ending 31 December 2012, the Rural Development Service in England arranged 5 ADHAC meetings and dealt with 25 expenses claim forms.
- 89. No requests for an ADHAC were received by Divisional Offices in Wales.

APPENDIX I

MEMBERSHIP OF THE AGRICULTURAL WAGES BOARD 2012

Chairman

Mr Derek Evans CBE

Appointed Members (Independent Members)

Prof. J Ditch

Ms C Elliott

Mr J Magee

Dr L Walford

Representatives of Employers

Mr R J Fiddaman MBE (Leader of Employers' Side)

Mr P Bicknell

Mr C Bourns

Mr J Grant

Mr D Jarman

Mr R Pascal

Mr J Potter

Mr M Raymond MBE

Representatives of Workers

Ms C Speight (Leader of Workers' Side)

Mr M Belsey

Mr R Graham

Mr S Leniec

Ms K Matley

Mr I Monckton

Mr R Neville

Mr D Weeks

Secretary to the Board

Mr D McInerney

Legal Adviser to the Board

Keystone Law LLP

APPENDIX II

AGRICULTURAL WAGES BOARD MINIMUM WEEKLY RATES OF PAY IN FORCE IN 2012 FOR WORKERS WORKING STANDARD WEEKLY HOURS

1 January to 30 September 2012					
Grade 6 Grade 5 Grade 4 Grade 3 Grade 2 Grade 1					Grade 1
£	£	£	£	£	£
356.46	329.94	311.61	290.55	264.03	237.90

1 October to 31 December 2012					
Grade 6 Grade 5 Grade 4 Grade 3 Grade 2 Grade 1					Grade 1
£	£	£	£	£	£
366.60	339.30	320.19	298.74	271.44	242.19

Higher rates apply to Full Time and Part Time Flexible Workers.

APPENDIX III

ORDERS MADE BY THE AGRICULTURAL WAGES BOARD DURING 2012

Date of Order Title of Order

20 July 2012 The Agricultural Wages (England and Wales) Order 2012

Operational Date 1 October 2012

Effect of principal changes

The Grade 1 pay rate for workers over compulsory school age was increased by 2.5% from £6.10 to £6.21 per hour. The pay rates for Grades 2-6 rose by 2.8% taking the rate for a Grade 2 Standard Worker from £6.77 to £6.96 per hour.

The minimum hourly rate for Apprentices in their first year was set at £3.57. In the second year of an Apprenticeship the rate remained at £3.68 per hour for 16-17 year olds, and at £4.98 per hour for 18-20 year olds. For those aged 20 and over the rate increased from £6.08 to £6.19 per hour.

The "Other Accommodation" offset was increased to £4.82 per day.

The night work rate was increased to £1.36 per hour.

The dog allowance was increased to £7.63 a week per dog.

Other technical and consequential drafting amendments have also been made.

APPENDIX IV

AGRICULTURAL WAGES COMMITTEES IN 2012

Counties and former Counties for which separate Agricultural Wages Committees are established.

England

Humberside

Shropshire

Combinations of Counties and former Counties for which Agricultural Wages Committees are established.

England

- 1. Avon, Dorset, Somerset and Wiltshire.
- 2. Bedfordshire, Cambridgeshire, Essex and Hertfordshire.
- 3. Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire.
- 4. Berkshire, Buckinghamshire, Hampshire, Isle of Wight and Oxfordshire.
- 5. Hereford and Worcester, Gloucestershire, Warwickshire and West Midlands.
- 6. Devon, Cornwall and Isles of Scilly.
- 7. Norfolk and Suffolk.
- 8. Kent, Surrey, East Sussex and West Sussex.
- 9. Cheshire and Staffordshire.
- 10. Cleveland, Durham and North Yorkshire.
- 11. Lancashire, Greater Manchester and Merseyside.
- 12. South Yorkshire and West Yorkshire.
- 13. Northumberland, Tyne and Wear and Cumbria.

Constitution

Each AWC should comprise a chairman elected by the AWC, two independent members (appointed by the Secretary of State in England and by the Welsh Government in Wales) and an equal number of members representing employers and workers. Employers' representatives are nominated in England by the National Farmers' Union and in Wales by the NFU and the Farmers' Union of Wales in proportions agreed between them. Workers' representatives are nominated by Unite.

APPENDIX V MEMBERSHIP OF THE AGRICULTURAL WAGES COMMITTEES 2012

AVON, DORSET SOMERSET &

WILTSHIRE

Mr I H C Powell (Chair) *Appointed Members*

Vacancy

Representatives of Employers

Mr M J Amos Mrs M Battens Mr J R Cossins Mr C M Foot Mr P N B Harvey Mr P J Wyatt

Representatives of Workers

Mr D Freegard Mr A Gould Mr H Kirkbride Mr R G Lanning Mr E T Marsh Mr J F Moulton Mr T Hall

BEDFORDSHIRE,

CAMBRIDGESHIRE, ESSEX

& HERTFORDSHIRE

Canon F Scuffham (Chair)

Appointed Members

Mr R P Bush

Representatives of Employers

Mr C D Broughton Mr P Hammett Mr R Warner-Smith Mr N P Rome

Representatives of Workers

Mr J Barrett Mr I Beeby Mr R Cook Mr P Read Mr R Rejdak Mr B Smith

BERKSHIRE, BUCKINGHAMSHIRE, HAMPSHIRE, ISLE OF WIGHT &

OXFORDSHIRE

Mr J C Sinkins (Chair) *AppointedMembers*

Vacancy

Representatives of Employers

Mr J Archer Mr T G Brock Mr I R Dalton Mr T R Houghton

Representatives of Workers

Mr G Beer Mr M Belsey Mr S Harding Mr S Leniec Mr M Pollek

CHESHIRE & STAFFORDSHIRE

Mr E Orgill (Chair) *Appointed Members*

Vacancy

Representatives of Employers

Mr R Dobson Mr J Hooley Mr G R J Lewis Mrs B Smith Mr R Collier Mr M Madders

Representatives of Workers

Mr P Dracup

CUMBRIA, NORTHUMBERLAND &

TYNE & WEAR

Mr D Hill (Chair)

Appointed Members

Mr G Astbury

Mr A Humphries MBE

Representatives of Employers

Mr P M Hogg Mr W G Proud Mr R Field Mr R Shaw Mr T C Whiteford

Representatives of Workers

Mr A McGuckin Mr G Pettit Mr N Halton

DERBYSHIRE, LEICESTERSHIRE,

LINCOLNSHIRE,

NORTHAMPTONSHIRE AND

NOTTINGHAMSHIRE

Mr R W Tinn (Chair)

Appointed Members

Mr A R Wylde, MA

Representatives of Employers

Mr J E Grant Mr G E M Hennell Mr G A Jenkinson

Mr P Tame Mr R J Watts

Representatives of Workers

Mr J C Allin Mr G Ayto Mr M Hancock Mr L Humphries Mr P Orme Mr P Whipps Mr M Woollock

DEVON, CORNWALL AND ISLES OF SCILLY

Mr I H C Powell (Chair) *Appointed Members* Mrs C Kendrick

Representatives of Employers

Mr R Angrove Mr F W Clarke Mr M J Grills Mr D Hale Mr M Stanbury Mr J Whetman

Representatives of Workers

Mr M Bristow Mr D T Jilbert Mr A S Martyn Mr W F C Vanstone Mr S K White

GLOUCESTERSHIRE, HEREFORD AND WORCESTER,

WARWICKSHIRE AND WEST MIDLANDS

Mrs E M Milton, MBE (Chair) *Appointed Members*

Vacancy

Representatives of Employers

Mr A Cozens

Mr M Meredith Mr J Tingey

Representatives of Workers

Mr R Shutt Mr E Rowlands Mr H B Wright

HUMBERSIDE

Mr I D Potter (Chair)

Appointed Members

Mr F Archenhold

Mr D A Howard

Representatives of Employers

Mr R H Brown Mr J Waring

Representatives of Workers

Mr M A Hancock Mr P Redgate Mr A Senior Mr J L Tubby

KENT, EAST AND WEST SUSSEX, SURREY

Mr J C Sinkins

Appointed Member

Miss J Dalal

Mr I J Whitburn

Representatives of Employers

Mr J Archer Ms F Maidment Mr I Mills Mr J Myatt Mrs M F Regan

Representatives of Workers

Mr N Davidson Mr R Neville Mr P A Shaw Mr D Weeks

LANCASHIRE, GREATER MANCHESTER

AND MERSEYSIDE
Mr G B Parker (Chair)
Appointed Members
Mr A Humphries, MBE
Representatives of Employ

Representatives of Employers

Mr J Heyes Mr D Neave Mr G B Shepherd

Representatives of Workers

Mr A Robertson Mr A Haves

Mr B Nelson

NORFOLK AND SUFFOLK

Canon F Scuffham

Appointed Members

Vacancy

Representatives of Employers

Mr J E Coles

Mr B Collen

Mr P Hammett

Mr M Holmes

Representatives of Workers

Mr K E Bull

Mr S Harley

Mrs T MacKay

Mr B Salmon

Mr B Smithson

Mr M Ward

NORTH YORKSHIRE, CLEVELAND AND DURHAM

Mr D A Howard (Chair)

Appointed Members

Mr I D Potter

Representatives of Employers

Mr R E Dennison

Mr E A Hardwick

Mr J R Kettlewell

Mr J R Littlefair

Mr D K Sanderson

Representatives of Workers

Mr I R Appleyard

Mr P Houldsworth

Mr J L Tubby

Mr P Redgate

SHROPSHIRE

Vacancy

Appointed Members

Mrs S E P Fowler

Representatives of Employers

Mr R Collier

Representatives of Workers

Mr I Monckton

Mr H B Wright

SOUTH YORKSHIRE & WEST YORKSHIRE

Dr W Belfield (Chair)

Appointed Members

Mr A P H Dundas

Mr G Astbury

Representatives of Employers

Mr R Farnsworth

Mr P Kershaw

Representatives of Workers

Mr M A Hancock

Mr P Houldsworth

Mr P Redgate

Mr R Cannon

APPENDIX VI MEMBERSHIP OF AGRICULTURAL DWELLING HOUSE ADVISORY COMMITTEES

AVON, DORSET, SOMERSET & WILTSHIRE

Appointed Members

Vacancy

Representatives of Employers

Mr M J Amos Mr S J Banfield Mr A L Bartlett Mr R Bowditch Mr M K Brake Mr H E J Bryant Mr G M Butler Mr J R Cossins

Mr C Foot

Mr A E H Gardener

Mr G Donaldson

Mr P W Hunt Mr C Wills

Representatives of Workers

Mr E Amey Mr D Freegard Mr T Hall Mr H Kirkbright Mr E T Marsh Mr O J Trevett Mr S K White

Mr K Wilkins

BEDFORDSHIRE, CAMBRIDGESHIRE, ESSEX AND HERTFORDSHIRE

Appointed Members

Mr A E Alport Mrs C M Payne

Representatives of Employers

Mr PA Evans Mr C E Menhinick

Representatives of Workers

Mr J Barrett Mr I Beeby Mr R Murden Mr P Read Mr R Rejdak Mr K Sheath Mr B Smith

BERKSHIRE, BUCKINGHAMSHIRE, HAMPSHIRE, ISLE OF WIGHT AND OXFORDSHIRE

Appointed Members

Vacancy

Representatives of Employers

Mr J J Atrill Mr T G Brock Mr D M H Brown Mr D J Greasby Mr T R Houghton Mr G M Maclean Mr R L Orlik Mr R Uglow

Representatives of Workers

Mr G Beer Mr M Belsey Mr P W J Cozens Mr J Cull Mr J Gardner Mr G Goble

Mr S F Harding Mr S Leniec Mr T Timms

CHESHIRE

Appointed Members

Mr E Orgill

Representatives of Employers

Mr J Ball Mr R Dobson Mrs B Smith Mr P D Thomas Mr S R Wharfe

Representatives of Workers

Mr P Dracup

CUMBRIA, NORTHUMBERLAND, TYNE & WEAR

Appointed Members

Mr G Astbury

Mr A Humphries MBE

Representatives of Employers

Mr P M Hogg Mr W G Proud Mr T C Whiteford

Representatives of Workers

Mr A McGuckin Mr J G Short Mr G Pettit Mr N Halton

DERBYSHIRE, LEICESTERSHIRE,

LINCOLNSHIRE.

NORTHAMPTONSHIRE AND

NOTTINGHAMSHIRE

Appointed Members

Vacancy

Representatives of Employers

Mr M Atkinson
Mr R Bailey
Mr J T Bunting
Mr R B R Burtt
Mr S Enderby
Mr M Foot
Mr J E Grant
Mr G E M Hennell
Mr G Ingham
Mr G A Jankinson

Mr G A Jenkinson Mr J A Slack

Mr B Sutton Mr A Richards Mr S A R Markillie Mr S A R Murch Mr T E Reading Mr J F C Taylor

Mr J Ward Mr R J Watts Mr N R Wild Mr F Wright

Representatives of Workers

Mr J C Allin Mr M Doherty Mr M Hancock Mr I Orton Mr P Whipps

DEVON, CORNWALL AND THE ISLES OF SCILLY

Appointed members

Mr I M Arrow Mr P E Sanders

Representatives of Employers

Mr W J Bailey Mr J F Blewett Mr F W Clarke Mr C R Gaden Mr R H T Moore Mr W E R Philip Mr G T Smith Mr S H Wallis

Representatives of Workers

Mr M Bristow Mr A H F Fooks Mr A S Martyn Mr P Starkey Mr W F C Vansto

Mr W F C Vanstone Mr S K White

HEREFORD & WORCESTER, GLOUCESTERSHIRE, WARWICKSHIRE

Appointed MembersMr A G Corless

Representatives of Employers

Mr T Bradeley Mr R Colwill Mr A Cozens Mr T Heritage Mr M Meredith Mr B Sutton Mr J Tingey

Representatives of Workers

Mr S Preddy Mr E Rowlands Mr H B Wright

HUMBERSIDE

Appointed Members

Mr F Archenhold Mr D A Howard

Representatives of Employers

Mr R H Brown Mr J Waring

Representatives of Workers

Mr M A Hancock Mr P Redgate Mr A Senior Mr J L Tubby

KENT, SURREY, EAST SUSSEX & WEST SUSSEX

Appointed Members

Mr A D Hart

Representatives of Employers

Mr A Barr Mr G W Butler Mr H Cornwell

Mr P Eastwood

Mr P Forknall

Mr M F French

Mr G E Lee-Steer

Representatives of Workers

Mr N Davidson

Mr B Moss

Mr D Weeks

LANCASHIRE, GREATER MANCHESTER, MERSEYSIDE

Appointed Members

Vacancy

Representatives of Employers

Mr P Benson

Mr J N Lucas

Mr D Neave

Mr G B Shepherd

Representatives of Workers

Mr J Hall

Mr T Hayes

Mr A Nelson

NORFOLK & SUFFOLK

Appointed Members

Ms J I Firrell

Mr M A Harrowven

Representatives of Employers

Mr C J Brown

Mr A Fairs

Mr N Guyer

Mr M Holmes

Mr J R M Wayman

Representatives of Workers

Mr K E Bull

Mrs M E Holmes

Mrs T Mackay

Mr P Medhurst

Mr B Salmon

Mr B Smithson

Mr M Ward

NORTH YORKSHIRE, CLEVELAND & DURHAM

Appointed Members

Vacancy

Representatives of Employers

Mr R E Dennison

Mr E A Hardwick

Mr C Hedley

Mr J R Kettlewell

Mr D K Sanderson

Mr J R Littlefair

Representatives of Workers

Mr P Houldsworth

Mr P Redgate

Mr J L Tubby

SHROPSHIRE

Appointed Members

Mrs S Fowler

Representatives of Employers

Mr S Y Brown

Mr D W Burton

Mr J E Cooke

Mr J Croxton

Mr J W Evans

Mr R Eyres

Mr M Goodwin

Mr J Wild

Representatives of Workers

Mr I Monckton

Mr H B Wright

STAFFORDSHIRE

Appointed Members

Vacancy

Representatives of Employers

Mr T J Bailey

Mr T S Furnival

M R F Hartley

Mr A L Needham

Mr K Unwin

Mr M Wain

Representatives of Workers

Mr C Elsmore

SOUTH & WEST YORKSHIRE

Appointed Members

Vacancy

Representatives of Employers

Mr R Farnsworth

Mr T Gitsham

Mr J L Senior

Mr P Smith

Representatives of Workers

Mr M Hancock

Mr P Houldsworth

WII I HOUIUSWOIL

Mr P Redgate

