



Llywodraeth Cymru
Welsh Government

Review of the Agricultural Sector Act 2014



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Foreword

Lesley Griffiths AM, Cabinet Secretary for Energy, Planning and Rural Affairs



This report analyses the effect of the Agricultural Sector (Wales) Act 2014 on agricultural workers, employers and the sector in general during its first three years of operation.

Supporting rural communities and ensuring workers in the agricultural sector receive fair pay, which reflects the importance of the contribution agriculture makes to our economy, environment and rural communities, is a key objective of this Government and crucial to the further development of a prosperous, resilient and more equal Wales.

This Report highlights how the Act has contributed to achieving these aims and supports my commitment to the long-term viability and success of the agricultural industry in Wales.

I should like to take this opportunity to thank all those who contributed their views during the consultation on the operation and effect of the Act and to the Agricultural Advisory Panel for Wales for the work they have undertaken to date.

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1. Introduction

Policy context

1.1 *Taking Wales Forward*¹ sets out how this Government will deliver more and better jobs through a stronger, fairer economy, improve and reform our public services, and build a united, connected and sustainable Wales. Our aim is to create a Wales that is:

- Prosperous and Secure;
- Healthy and Active;
- Ambitious and Learning; and
- United and Connected.

1.2 These are areas where the Welsh Government can contribute significantly to the seven well-being goals set out in the Well-being of Future Generations (Wales) Act 2015, to make Wales a prosperous, resilient, healthier, more equal and globally responsible country with cohesive communities with a vibrant culture, a healthy environment and a thriving Welsh language.

1.3 The Agriculture Sector (Wales) Act 2014 (the Act) is a key piece of Welsh Government legislation, which supports the sustainable development of the agriculture sector in Wales and enables this sector to deliver against our commitments in *Taking Wales Forward*.

1.4 The Act sets fair minimum wage rates for agricultural workers, in accordance with the level of their responsibilities and skill-sets by means of agricultural minimum wages orders. The minimum pay rates and allowances safeguard household incomes and support local communities to thrive across Wales. Sustainable employment is still considered the best route out of poverty.

1.5 The Act also supports the development of an appropriately skilled agricultural workforce. There is a progressive six grade structure with different minimum rates for each level to encourage skills acquisition and career development. There is also significant emphasis placed on the role of the Agricultural Advisory Panel to encourage career development.

1.6 This report considers the impact of the first three years of operation of the Act and aims to set out how the Act, if retained, could make a continued, positive contribution to our economy and the well-being of our communities.

Challenges and opportunities

1.7 The UK leaving the EU presents the Welsh agricultural industry with both challenges and opportunities. To overcome these challenges and capitalise on these opportunities, all involved in the sector as a whole must work collaboratively.

1.8 The Amaeth Cymru Report - *The future of agriculture in Wales: the way forward*² is the culmination of work following a consultation on a Strategic Framework for Welsh Agriculture.

¹ <http://gov.wales/docs/strategies/160920-taking-wales-forward-en.pdf>

² <http://gv.wales/topics/environmentcountryside/farmingandcountryside/amaeth-cymru-agriculture-wales/?lang=en>

This document sets out the long term Vision for Welsh Agriculture of ‘*A prosperous, resilient agriculture industry promoting Wales’ present and future well-being*’. It also sets out the associated outcomes, an overview of where the industry is currently and the strategic priorities that we will need to address to achieve that Vision. The Act is one of the key instruments that will be used to deliver the Vision.

1.9 The agriculture sector in Wales will need to seize opportunities to establish new ways of doing things and building on best practice. There will be opportunities for farm businesses to explore different approaches, such as carbon management, renewable energy provision and innovative farming methods. It will be important to build on our established international reputation for high quality produce, particularly if our trade arrangements change significantly as a consequence of the UK’s exit from the EU. The Agricultural Advisory Panel for Wales, established under section 2 of the Act, comprises expert members and is well placed to further research in this area and to disseminate the findings to the industry.

1.10 Annex 1 contains links to some useful sources of information included for reference.

The main provisions of the Agricultural Sector (Wales) Act 2014

1.11 The provisions in the Agricultural Sector (Wales) Act 2014³ are designed to support the effective functioning of the agricultural sector, enhance the professionalism of the industry and improve the resilience of farm businesses in Wales. The Act makes provision for:

- the establishment of the Agricultural Advisory Panel for Wales;
- the introduction of Agricultural Wages Orders; and
- the enforcement of those orders.

1.12 An overview of each of these provisions is provided below, with further detail on the implementation to date set out in section 3 of this report.

1.13 Annex 2 provides links to the main pieces of legislation described in this section.

The Agricultural Advisory Panel for Wales

1.14 The Agricultural Advisory Panel (the Panel) was established by the Welsh Ministers via The Agricultural Advisory Panel for Wales (Establishment) Order 2016, in accordance with the requirement imposed by section 2 of the Act.

1.15 The Panel is an independent advisory body to the Welsh Ministers with the remit to promote career development and draft agricultural wages orders. There is more detail on the role of the Panel at 3.20 below.

Agricultural Wages Orders

1.16 The Agricultural Wages Board (AWB) for England and Wales, abolished in 2013, was a statutory private sector pay board. Its main responsibilities included setting the minimum wage rates, holiday entitlement and other minimum terms and conditions of employment for agricultural workers in England and Wales. In Wales, the Act maintains a system of Agricultural Wages Orders to continue the main protections afforded to agricultural workers

³ <http://gov.wales/topics/environmentcountryside/farmingandcountryside/agricultural-sector-wales-act-2014/?lang=en>

under the previous system. These include minimum wage rates for six grades of agricultural workers according to increasing skill levels to encourage progression. This approach supports the Panel's remit to encourage career development. Overtime payments, holiday and sick pay, and certain allowances are also provided.

1.17 Section 3 of the Act allows for the preparation of Agricultural Wages Orders by the Panel, based on their expertise and consideration of the conditions in the industry at the time. The draft proposal is consulted on, reviewed and then submitted to Welsh Ministers for consideration and approval. If approved, the Welsh Ministers then proceed to bring the Order into force. This includes subjecting the order to the full scrutiny of the National Assembly for Wales.

Enforcement

1.18 The responsibility for ensuring compliance with the provisions of the Act and wages orders lies with the Welsh Ministers. This includes the minimum rates of pay and conditions set out in any wages order and the duty placed on the employers of agricultural workers to keep records.

The need to review

1.19 Section 13 of the Act requires Welsh Ministers to lay a report on the operation and effect of the Act before the National Assembly for Wales (the Assembly) after the review period. The review period runs from 30 July 2014 (the date the Act received Royal Assent) to 30 July 2017. The Act stipulates that the report must contain information about the effect and operation of the Act during the review period on agricultural workers, employers of agricultural workers and the agricultural sector generally, as well as requiring the Welsh Ministers to consult who they consider appropriate. This report has been compiled in pursuance of the Welsh Ministers' duty imposed by section 13 of the Act, following consultation.

1.20 The Act contains a "sunset clause" which provides that the Act will cease to have effect after a fixed period of time if no legislative action is taken to preserve it. This report will inform the decision as to whether to introduce the necessary legislation to save the legal effect of the Act.

Consultation

1.21 A full 12 – week, public consultation reviewing the Act was conducted from 12 June – 4 September 2017. Its aim was to provide an opportunity for all to contribute their comments and observations on the operation and effect of the Act. All responses were considered carefully and have directly informed this report.

Timeline for preserving the Act

1.22 Having considered the contents of this report, the Cabinet Secretary for Energy, Planning and Rural Affairs will take a decision as to whether the Act should remain in force. If the Act is to continue in effect, a Statutory Instrument in the form of an Order preserving the Act is required and must come into force prior to 30 July 2018. In the absence of such an Order, the Act and its provisions will cease to have effect.

2. An overview of the Agriculture Sector in Wales

2.1 A range of Welsh Agricultural Statistics are available on the Welsh Government website⁴ and Annex 1 contains links to further information included for reference.

2.2 The main output areas in the agriculture sector for Wales are red meat (lamb accounts for 29% of the UK flock and beef, 11% of the UK herd) and dairy (13% of the herd).

2.3 The Welsh Government has included Food and Farming as a “Priority Sector”.

- This includes primary production and manufacturing, which had 40,900 employees jobs (not including those self-employed jobs) in 2016, up from 40,400 in 2015.
- Employed a total of 50,600 people (based on 2016 figures) if all farmers and agricultural workers are included, up from 50,300 in 2015.

2.4 The ‘principal farmers’ are the largest group of workers on Welsh farms. These are partners in the farm business who draw an income from the profits of the business. In recent years the balance between full and part time farmers has shifted towards there being fewer full time farmers. ‘Regular workers’ work on the farm on a continuous basis and may be members of the farmer’s family, and these may be paid or unpaid. The number of ‘regular workers’ on Welsh farms is relatively small and the majority of farms do not have regular employees.

2.5 The nature of the work carried out on farms is often quite different to that found in most other sectors. The physical nature of much of the work can be particularly demanding and health & safety must be a constant consideration. A significant amount of work is carried out by self-employed contractors, who have specific skills in certain areas and provide their services across a number of farm holdings. Common examples of this contract work in Wales would include sheep shearing and hedging.

2.6 There are also many cases of less formal agreements between farmers where, for example, a farmer may help on another farm during a busy period with the favour returned at a later date. It is very difficult to measure the extent of these arrangements accurately. Interpreting these into the more regimented notions of regular workers, full-time and part-time etc. would inevitably lead to inaccurate classifications of workers.

2.7 In his briefing paper on Agricultural Labour⁵, S Devlin observes the changing composition of the agricultural workforce towards a greater reliance on casual or seasonable workers, often from abroad.

2.8 The paper also raises the question of how this labour profile would change should relationships and agreements with the EU and the rest of the world change significantly post our departure from the EU. Devlin further finds that agri-technology developments, along with trading arrangements that lean towards importing high-labour products and exporting low-labour products are resulting in a smaller agricultural workforce. Consideration of the labour profile of the industry in Wales will inform future work in this area to ensure that pay and conditions of agricultural workers are fair and appropriate for the longer-term viability of the industry.

⁴<http://gov.wales/statistics-and-research/?subtopic=Farming&lang=en>

⁵<http://foodresearch.org.uk/wp-content/uploads/2016/07/Agricultural-labour-briefing-final-30-June-2016.pdf>

3. The Agricultural Sector (Wales) Act 2014 - Implementation

Welsh Government actions during the review period

3.1 This section sets out how the Welsh Ministers have exercised their functions under the Act during the review period.

3.2 Please see Annex 2 for links to the Act, subordinate legislation and guidance.

3.3 The Act preserved the statutory Agricultural Minimum Wage regime that existed in Wales previously under the Agricultural Wages Act 1948 and Agricultural Wages Board for England and Wales, both of which were abolished by the UK Government in 2013. The Act recognises the unique nature of agricultural work and provisions relating to Wages Orders ensure experience and qualifications are rewarded through a progressive, six step career path.

3.4 Immediately following the Act receiving Royal Assent in 2014, the Welsh Government began work on its implementation. A public consultation on the possible structure and remit of the Agricultural Advisory Panel ran from 7 August to 30 October 2014. Responses to that exercise and additional feedback from stakeholders informed the development of the proposals on membership and operation of the Panel. A further consultation took place from 27 March to 19 June 2015. Responses informed the final constitution of the Panel, the selection of members and the remit of the Panel. That was followed by the introduction of the Agricultural Advisory Panel for Wales (Establishment) Order 2016, which created the Panel and set out its constitution and functions.

3.5 In advance of the Panel being established, the Welsh Ministers introduced an Agricultural Wages Order in accordance with section 4 of the Act. A full public consultation on the possible introduction of the Agricultural Wages (Wales) Order 2016 was undertaken before the Order came into force on 26 February 2016. This preserved the safety net of an agricultural minimum wage and the incentives to develop skills in the industry for agricultural workers in Wales. The 2016 wages Order raised the minimum rates of pay for agricultural workers, which had remained at the same level since 2012.

3.6 The 2016 Wages Order remained in place until the first Agricultural Wages (Wales) Order proposed by the Panel was approved and made by Welsh Ministers on 2 November 2017.

3.7 The introduction of Wages Orders has ensured that there has been no interruption to the provision of minimum rates of pay and certain allowances for agricultural workers, the encouragement of skills development or enforcement of the provisions of the applicable agricultural wage legislation in Wales.

Enforcement of the Agricultural Minimum Wage legislation

3.8 The Act makes the enforcement of the Agricultural Minimum Wage provisions the responsibility of the Welsh Ministers. Section 5 provides for the enforcement of the provisions contained in Agricultural Wages Orders that relate to the minimum rates of pay for agricultural workers in Wales. It does so primarily by applying (with some modifications) the provisions for enforcing compliance with the National Minimum Wage as set out in the National Minimum Wage Act 1998. Cases relating to suspected breaches occurring before October 2013 are handled in conjunction with Rural Payments Agency acting for UK Government. There are co-operative arrangements between enforcement officials across the UK, which result in the sharing of best practice, advice and experience.

3.9 Enforcement Officers, appointed by the Welsh Ministers under the Act, can serve notices on employers who, in the opinion of the Enforcement Officer, may have underpaid a worker. Such notices require employers to pay the additional remuneration due to the worker.

3.10 Welsh Government officials deal with enforcement issues as they arise. Specialist advice is commissioned where needed. The SLMenquiries@wales.gsi.gov.uk mailbox has been set up to deal with questions related to agricultural wages in Wales and as a neutral way to receive complaints. The volume of enquiries by email or phone varies, but during the period 1 April 2016 – 31 March 2017, there were 42 enquires. Most were seeking confirmation of the minimum rates or entitlements set by the relevant wages Order. Requests for such information are received from organisations, unions, solicitors, employers and employees. The availability of such advice helps to resolve many issues before they escalate and continued promotion of the legislative requirements raises awareness.

3.11 Since the Act has been in place few (3) formal complaints have come forward for consideration by Welsh Government. Two have been resolved between the parties concerned without the need for further arbitration or referral to Court and the third is ongoing. It is difficult to predict the number of cases likely to come forward in the future.

3.12 This demonstrates that Welsh agricultural workers whose employment terms and conditions do not comply with the provisions of the wages Orders, have an avenue of recourse.

3.13 Whilst there are no formal statistics available for overall non-compliance, anecdotal evidence, from agencies and organisations within the industry, suggests that there are instances where non-compliance is suspected but not reported.

3.14 It is clear from those cases dealt with by the Welsh Government during the review period that once reported the matter is invariably resolved to the satisfaction of the employee. It is vital that every agricultural worker's terms and conditions are compliant with the legislation.

Responses to the consultation on the operation and effect of the Act in relation to enforcement

3.15. Respondents suggested that more needs to be done to disseminate information on the provisions of wages Orders. Some advocated making greater use of social media as well as other forms of communication. Many in the industry are of the view that this is key to improving awareness of the Act and that publicity is a powerful deterrent. Consultations on all proposed legislation have been published on the Welsh Government website. The Panel has its own website which is used to publish information on its remit, membership, its Annual Report, notes of its meetings and links to Wages Orders.

3.16 It is accepted that an increased focus on building awareness of the Act's provisions is needed, should it be preserved. The aim of increasing awareness will be to ensure compliance with the Act and wages Orders, but also to build a more professional and prosperous industry.

The operation of the Agricultural Advisory Panel for Wales during the review period.

3.17 The Act imposed a statutory duty on the Welsh Ministers to establish the Agricultural Advisory Panel for Wales. While there was no specific deadline by which the Welsh Ministers had to act, the Agricultural Advisory Panel for Wales (Establishment) Order 2016 (the Panel Order) came into force on 1 April 2016, less than two years after the Act achieved Royal Assent.

3.18 The membership and constitution of the Panel was accomplished in accordance with the provisions of the Panel Order. Appointments of the independent members and the Chair were made swiftly and in accordance with the public appointments procedure.

3.19 Links to the Panel Order and the Panel's website are at Annex 2.

3.20 In accordance with the Panel Order and the Act, the Panel's functions include:

- promoting careers in agriculture;
- preparing agricultural wages orders in draft, consulting on such orders and submitting them to the Welsh Ministers for approval; and
- advising the Welsh Ministers on such matters relating to the agricultural sector as the Welsh Ministers may require.

In accordance with the Panel Order the Panel has responsibility for:

- determining its own procedure;
- establishing the Skills Development and Training (SDT) Sub-committee and other sub-committees as appropriate;
- determining the procedure of the sub-committees; and
- obtaining expert advice from an organisation or individual where necessary.

3.21 The Act requires that the Panel membership adequately reflects the interests of the agricultural sector and that members are equipped with the necessary skills and expertise to perform their duties effectively. The current Panel comprises seven members. This includes one representative from each of the farming unions in Wales, the Farmers Union of Wales (FUW) and the National Farmers Union Cymru (NFU Cymru); two representatives of employees (UNITE) and three independent members (including the Chair) with relevant expertise. The current membership is listed at Annex 3.

3.22 The composition of the Panel is based on two consultation exercises conducted by Welsh Government. The first, between August and October 2014, sought the views of the public on the constitution and functions of the Panel. This was followed by a second 12- week consultation in March 2015 on the detailed final proposals. The Panel Order sets out procedural matters of the Panel, including appointment and resignation of members, vacancies and meeting arrangements. The independent and representative members of the Panel are appointed for a period of four years and can be re-appointed for a subsequent term of four years.

3.23 The Panel held its first meeting on 26 June 2016.

Supporting the Panel's operation

3.24 Welsh Government provides administrative support to the work of the Panel. The Panel has appointed a law firm to advise on drafting agricultural wages orders and any other legal issues.

3.25 The Panel holds no budget of its own. Welsh Government provides limited financial support, with funding available to commission expert advice and research on specific areas the Panel considers important to its decision-making.

3.26 In the first year of its operation, (1 April 2016 – 31 March 2017), limited research was undertaken by the Panel. The Panel's expenditure for that year was £56,000. This covered administrative expenses incurred in attending meetings, completing work for the Panel and

legal advice. The expenditure is expected to be approximately £64,000 in the year April 2017 – March 2018 to include administrative expenses as well as research commissioned on Labour Market Intelligence and legal advice.

3.27 The Panel must produce an annual report each financial year (covering the period from 1 April - 31 March). The annual report must include action taken in exercise of the Panel's functions and a summary of issues relevant to the agricultural sector in Wales. The first of these reports is available on the Panel's website, which became operational in March 2017⁶.

Brief summaries of the Panel's meetings

3.28 The Panel is required to meet at least three times per financial year. In 2016 the Panel met in June, September and October. In 2017, the Panel met in May, September and November. Summaries of the discussions held and decisions reached at each meeting are published on the Panel's website.

3.29 **The first meeting** was held on 24 June 2016. The Panel considered what was needed to update the Agricultural Wages (Wales) Order 2016 in its first meeting. The Panel agreed to work towards developing and submitting proposals for a new wages order later in the year.

3.30 **The second meeting** took place on 8 September 2016. This meeting focused on the proposals for a new wages order and proposed changes to minimum rates of pay and conditions. There was also discussion on establishing the statutory SDT sub-committee. Following the meeting, the SDT sub-committee was established and met for the first time in November 2016. Proposals for a new wages order to update the 2016 Wages Order were agreed and a consultation was conducted.

3.31 **The third meeting** took place on 24 October 2016. The Panel discussed the proposals for a new wages order and the consultation that had taken place. The Panel considered the 2 responses received to the consultation. One response suggested that the Panel should rely on "UK arrangements" meaning wider employment law and the National Minimum Wage or National Living Wage (NLW), the other asked for clarification of certain points, which was provided during the third Panel meeting.

3.32 The Panel considered responses to its consultation on its proposals for a new wages Order. The Panel then instructed its legal advisers to draw up a draft Order which was submitted to Welsh Ministers for consideration and approval.

3.33 The **fourth Panel meeting** took place on 11 May 2017. The Panel discussed matters relating to Continued Professional Development (CPD) in the agricultural sector and the importance of having up to date Labour Market Intelligence (LMI). The introduction of the 2017 was also discussed.

3.34 Though subsequent meetings are outside the Review period they are included here for reference.

3.35 At the **fifth meeting**, on 19 September 2017, the Panel considered options brought forward by union representatives on the level of increase to the minimum rates of pay for the six grades of worker in a wages Order for 2018. No other changes were proposed. The proposals would be subject to consultation during October 2017. The introduction of the 2017

⁶ <http://gov.wales/agriculturaladvisorypanel>

Wages Order was also discussed. The decision on the proposals, and the request that the Order would come into effect from 1 April was arrived at by a majority vote.

3.36 **The sixth meeting** was held on 9 November 2017. The Panel considered responses to the consultation on its proposals for a new wages Order. After discussion the Panel decided by a majority vote to instruct its legal advisers to draw up a draft Order on the basis of the consultation which was then submitted to Welsh Ministers for consideration and approval.

3.37 The Panel confirmed its resolve to review the provisions and structure of wages orders to ensure they were entirely appropriate to the current shape of the industry as well as the future shape. This review is underway. The Panel's intention is that this will result in proposals emerging late in April 2018.

3.38 In the short time since establishment, the Panel has undertaken a significant amount of work. The Panel submitted a proposal for its first agricultural wages Order to Welsh Ministers in November 2017 following consultation. The Panel quickly established its statutory SDT Sub-committee and has demonstrated its commitment to helping to improve the long-term future of the industry. The Panel, along with its sub-committee, is investigating provision of professional development and has commissioned research on the labour market to identify priority areas in need of improvement. This was commissioned in partnership with the Food and Drink Wales Industry Board to ensure there is consideration of the whole food and drink supply chain and to achieve economies of scale. The findings of the research are expected in April 2018.

3.39 The Panel has focused on the need to ensure that fair pay and allowances are in place for agricultural workers and that these are structured in such a way as to support skills and career development. This is the intention of the wages Orders the Panel has submitted to the Welsh Ministers. The Panel will ensure that its expert advice continues to be focused on ensuring fair levels of payment and building career development pathways for all agricultural workers. In the view of the Panel this will drive forward a sustainable, profitable industry for the long term benefit of the industry and will enhance the future well-being of our communities.

Responses to the Consultation on the operation and effect of the Act in relation to the Panel

3.40 Respondents acknowledged that the industry is facing many challenges and that the Panel was established at a difficult time. There was a view that the Panel should be allowed more time to deliver the outcomes and positive impact it was seeking. The benefit of an agricultural minimum wage set by legislation as a base for agricultural workers was recognised. The Panel's remit to encourage training and career progression in the sector was seen as being a powerful lever of positive change.

3.41 The Panel is working to ensure that its ways of working are collaborative and co-operative. Panel members consider this approach to be key.

3.42 The structure of agricultural wages orders was thought to be in need of review to ensure the provisions were appropriate for the needs of the industry now and into the future. Some thought that reliance on the National Minimum/Living Wage legislation would be a sufficient safety net and that there was no need to recognise the unique nature and circumstances of agricultural workers at this time.

3.41 As detailed above, the Panel is undertaking a review of its approach to developing draft agricultural wages Orders. It is also seeking to identify improvements to its ways of working for the future.

3.42. Should the decision be made to preserve the Act and, therefore, the Panel, it will be important to monitor the effect of the Panel's work on skills development, and the effect of the agricultural minimum wage on the industry and the Welsh economy. There are sufficient safeguards in place in both the Act and the Panel Order to ensure such monitoring takes place.

The Skills Development and Training Sub-committee of the Panel

3.43 To ensure the Panel is able to fulfil its statutory functions, it may establish sub-committees on specific issues as required. The permanent Skills Development and Training (SDT) sub-committee was established in 2016.

3.44 The SDT sub-committee's remit is to advise the Panel on matters related to skills development, training opportunities and career progression. It comprises representative members from the farming unions, the Wales Young Farmers Clubs (YFC), Lantra, academics and independent members. The current membership is listed at Annex 3.

3.45 The SDT sub-committee met in November 2016, March and December 2017. The sub-committee began by considering various reports on skills and training development in the sector to inform its work. Their focus was initially on the wider picture, and the direction provided by Professor Wynne Jones in "Towards a New Professionalism - The skills strategy for agriculture and horticulture" as well as the need to increase the professionalism of the industry at all levels. The expert members of the sub-committee provided further insight into the current training provision in the industry.

3.46 The SDT sub-committee has instigated work to explore the needs of the sector and to review relevant research, reports and literature to inform its view and build robust advice to drive improvements.

3.47 The SDT sub-committee is working to clarify ways to improve Continuous Professional Development (CPD) in the industry. The SDT sub-committee considers that there is a need for clearer guidance on apprenticeship provision in Wales and will bring forward papers on this. It intends to report to the Panel, making recommendations on actions deemed necessary to achieve improvement, in 2018. This will inform the Panel's considerations of future agricultural wages orders.

Responses to the consultation on the operation and effect of the Act in relation to the SDT sub-committee

3.48 The majority of respondents were of the view that there was considerable potential for improvement and welcomed the sub-committee's establishment. However, there was some disappointment that not more had been achieved by the sub-committee in its first months of operation.

3.49 The sub-committee has agreed to work with others where appropriate for example with the steering group of Faming Connect on the development of CPD. The review of the wages orders will include looking again at the qualifications stipulated for each of the six grades to assess whether they remain relevant and appropriate, as well as the extent of any change needed. Lantra and others will be involved in this work.

3.50 The SDT sub-committee began scoping out the needs of the industry immediately and presented papers to the Panel on the need for more information on the labour market and CPD.

4. Agricultural Wages Orders

4.1 The Act preserved the effect of the Agricultural Wages (England and Wales) Order 2012. This continued to apply in Wales, until the Agricultural Wages (Wales) Order 2016 replaced it. The 2016 Wages Order was made by the Welsh Ministers in exercise of their power under section 4 of the Act and came into force on 26 February 2016. It was the first Wales-specific Agricultural Wages Order and continued the provision of an agricultural minimum wage and certain allowances for agricultural workers in Wales.

4.2 When the Panel was established, the power under section 4 lapsed, with the effect that all subsequent agricultural wages Orders must be proposed by the Panel and submitted to Welsh Ministers for their approval. Such orders are subject to full Assembly scrutiny before they can be made.

4.3 It is possible that all agricultural workers in Wales are paid at rates and receive the allowances, set by the legislation. The data collected on this though is not robust and efforts are being made to obtain further information to clarify the situation. The minimum agricultural rates set out in Agricultural Wages Orders act as a baseline rather than being the only rate that a worker, at a particular grade, can be paid. The set overtime rate (of 1.5%) is seen as a protection for agricultural workers who frequently work long hours in isolated rural settings. Their work often involves working with livestock where safety and welfare standards must be maintained at all times. The six stepped minimum levels of payment based on skills and qualifications act as an incentive to develop the skills that are important to the industry generally and to individuals employed within it.

4.4 The six grades of progression are:

- Grade 1 – Initial Grade
- Grade 2 – Standard Worker
- Grade 3 – Lead Worker
- Grade 4 – Craft Grade
- Grade 5 – Supervisory Grade
- Grade 6 – Farm Management Grade

A diagram showing progression through the six grades is at Annex 4.

4.5 Agricultural wages orders set out conditions of employment and agriculture-related benefits, including provisions for the following:

- Overtime rates
- Remuneration for children of compulsory school age (aged 13-16)
- Apprentices
- Entry to a grade
- Travelling
- Training
- Bad weather
- Output work (previously piece work)
- Housing allowance
- Dog allowance
- On-call allowance
- Night work supplement
- Birth and Adoption grant
- Agricultural Sick Pay

- Rest breaks
- Holiday leave and pay
- Bereavement leave

Responses to the consultation on the operation and effect of the Act in relation to agricultural wages orders

4.6 Panel members responding to the consultation suggested that the structure of the orders, the six grades and other provisions need to be re-examined to ensure that they are entirely relevant to the needs of the industry today and into the future. Panel members representing the farming unions wanted to ensure that the adversarial approach to discussions on proposals for wage rates, adopted by the Agricultural Wages Board for England and Wales in the past were not perpetuated by the Panel. Their stated preference was for the co-operative approach evident in much of their work in Wales.

4.7 The Panel is reviewing its procedures and the structure of wages Orders to ensure they are relevant now and into the future. The Panel intends to bring forward recommendations in this respect in 2018.

The Agricultural Wages (Wales) Order 2016

4.8 The Welsh Ministers had the power to introduce an agricultural wages order ahead of the establishment of the Panel (Section 4(2) of the Act). Public consultation on whether such an order should be introduced and if so, the provisions it should contain, was undertaken between 11 May and 3 August 2015. In line with the consultation responses, the then Deputy Minister for Farming and Food decided to introduce the Agricultural Wages (Wales) Order 2016 (see Annex 2).

4.9 The 2016 Wages Order increased wages by around 6% above the levels in the Agricultural Wages (England and Wales) Order 2012 for all grades and categories of workers, except Grade 1, which was set at 2p above the current National Minimum Wage (NMW). The night work supplement was raised to £1.44 per hour.

4.10 The 2016 Wages Order retained the grading structure of the 2012 Wages Order to ensure continuity and introduce minimal disruption to the functioning of the sector.

4.11 The 2016 Order included updated schedules of applicable awards and certificates of competence, which help determine the Grade of the worker. The schedules were updated in the light of changes to the educational framework and the titles of certificates that had occurred since 2012.

The Agricultural Wages (Wales) Order 2017

4.12 This was the second wages Order made in accordance with the provisions of the Act, but the first to be made following proposals referred to Welsh Ministers by the Panel. It retains the overall grading structure and allowances from the previous Wages Orders and updated the Schedules of applicable awards and certificates of competence, which help determine the Grade of a worker.

4.13 The 2017 Order increased the 2016 levels for all categories and grades of agricultural workers as well as certain allowances. It removed the provisions for flexible workers and corrected an error in the 2016 wages Order in relation to the on-call allowance.

4.14 The Panel proposed a 1.2% increase to rates for Grades 3-6 and for children of compulsory school age (aged 13-6). The rates for Grade 1 and Grade 2 workers were proposed in the context of the NLW and NMW increases.

4.15 The Panel's original timeline proposed the 2017 Wages Order would come into force on 1 April 2017, the same date the NLW and NMW increases took effect across the UK. However, the date was not achievable. Information emerged during the progress of the Order that required the provisions of the Order to be considered further. The Welsh Ministers referred the draft wages Order back to the Panel for further consideration.

4.16 A further draft Order was then submitted to the Welsh Ministers and was made on 3 November 2017, but with retrospective effect from 1 April 2017 so that the provisions were introduced from the date originally intended. A link to the Order is contained in Annex 2.

The Agricultural Wages (Wales) Order 2018

4.17 The Panel has submitted a draft 2018 Wages Order to the Welsh Ministers for approval. The draft Order proposes increases to the minimum rates of pay for the six grades of worker and increases in the Dog allowance, the Night Work allowances as well as the Birth and Adoption Grant. No other changes were proposed.

Guidance on wages orders

4.18 The Welsh Government issues guidance⁷ to help workers and employers to understand the statutory requirements of agricultural wages orders.

4.19 The aim of the guidance is to be user-friendly and easy to follow, containing advice on how to calculate specific entitlements, such as holiday leave pay and sick pay. The intention is to update the guidance as necessary and when new wages Orders come into force.

Responses to the consultation on the operation and effect of the Act in relation to Welsh Government guidance.

4.20 Respondents suggested changes to the type of guidance issued – suggesting that a Question and Answer approach would be more effective and requesting an online calculator to be created for use by employers and employees.

4.21 Many in the industry maintain that having easily accessible guidance in plain language is important and is a useful tool to increase compliance and understanding. Respondents expressed this view. They also emphasised that the publication of the guidance should be as close to when changes occur as possible. They complained that too often this had not been the case.

4.22 The Guidance is used by Unite the union, the farming unions in Wales, the Citizens Advice Bureau and others to inform the industry. Cases are often dealt with by these organisations without referral to Welsh Government.

4.23 The comments made in response to consultation are considered reasonable and will shape future engagement.

⁷ <http://gov.wales/docs/dra/publications/161201-agricultural-wages-wales-guidance-en.pdf>

5. Agricultural wage arrangements across the UK

5.0 The Agricultural Wages Board for England and Wales (AWB) was abolished in 2013. The Panel in Wales has a significantly wider remit than that of the AWB.

5.1 There are similar, but not parallel, Agricultural Wages Boards in Scotland and Northern Ireland. The emphasis in Scotland is more firmly on setting minimum rates of pay for agricultural workers and reliance on the National Minimum/ Living Wage provisions with an additional rate for skills acquired.

Responses to the consultation on the operation and effect of the Act in relation to cross border co-operation

5.2 Some respondents considered that it would be helpful to have better procedures for handling cross border cases.

5.3 Welsh Government officials work collaboratively with colleagues from across the UK - the RPA in England and the Governments of Scotland and Northern Ireland - on the enforcement policy and procedures. This includes building working relationships, sharing best practice and experience. Liaison across the UK between these bodies and Boards aims to avoid duplication of effort and to ensure cross border issues are dealt with efficiently.

5.4 The intention is that should the Act be preserved this will continue and will be improved wherever possible with increased publicity to inform the industry. This will apply to residual, ongoing or new cases should they arise. Co-operation with the UK Director of enforcement has been established with a meeting taking place in 2017 between his office and Agricultural Wage enforcement officials from Wales, Scotland and Northern Ireland.

6. The UK National Living Wage and the National Minimum Wage

6.1 Article 12 of the Agricultural Wages (Wales) Order 2017 stipulates that agricultural workers are to be paid by their employer at a rate which is not less than the agricultural minimum wage. This provision is subject to the operation of section 1 of the National Minimum Wage Act 1998 (i.e. if the agricultural minimum wage rate is overtaken by the National Minimum Wage, an agricultural worker is entitled to the higher rate in accordance with the National Minimum Wage Act 1998).

6.2 The UK Government introduced the National Living Wage on 1 April 2016. Any future agricultural wages orders in Wales would ensure the sector operates under provisions which are in step with current economic conditions, including increased cost of living and changes to the National Minimum Wage and National Living Wage levels.

6.3 More detail on National Minimum Wage and National Living Wage requirements is provided at Annex 5.

7. Communications and engagement

Welsh Government

7.1 Welsh Government ensured that all consultations on the legislation needed to fulfil the requirements of the Act were conducted publicly, in accordance with appropriate procedures and according to the timelines set out in the Act. The consultation on the operation and effect

of the Act was published on the Welsh Government website and sent directly to a wide range of organisations (see list at Annex 6).

7.2 The Welsh Government's internet site was used for this purpose and to publish appropriate information. It presents information and links to key documents such as Guidance on Wages Orders as well as relevant announcements from the Cabinet Secretary on changes as they occur.⁸

7.3 The Cabinet Secretary for Energy, Planning and Rural Affairs has regular meetings with stakeholders in the sector and attends key events i to gauge attitudes and assess upcoming issues.

7.4 Printed copies of the Guidance on the Agricultural Wages (Wales) Order 2016 have been distributed to stakeholders, and at key events including the Royal Welsh Agricultural Society (RWAS) Winter Fair at Llanelwedd in 2016. Copies are placed in offices and sent to stakeholders throughout Wales to augment publication on the Welsh Government website. Subsequent updates of this Guidance will be widely distributed. The Guidance includes contact details for enquiries/complaints.

The Agricultural Advisory Panel for Wales

7.5 The Welsh Government hosts an online platform for the Panel to publish its minutes, papers, consultations and promote initiatives as it considers appropriate⁹.

7.6 The Panel is responsible for managing its own procedures, communications, consultations, meetings and disseminating messages.

7.7 The Panel's consultation on its proposals for the 2017 Wages Order was posted on the Panel's online platform and distributed to an extended list of stakeholders and from them to their wider networks. It is intended that any future consultations will be more widely promoted, with notices issued to specialist and general media, including the local and national press and specialist publications.

Responses to the consultation on the operation and effect of the Act in relation to the Panel's promotion of requirements and sharing proposals with the public.

7.9 Some respondents, including those who supported the preservation of the Act and the Panel, expressed the view that more needs to be done to get the messages out to the industry. The respondents thought this would help to increase understanding and to facilitate meaningful feedback on issues and performance.

7.10 The Panel has reviewed its performance in this area and has refreshed its communication plan. Members agree that its future communications will include dissemination of messages through social media, local, national and specialist press articles, and other publications as resources permit. The Panel is working wherever possible in conjunction with the Welsh Government's Farming Connect programme, the Farm Liaison Service and Gwlad online to disseminate key messages.

⁸ <http://gov.wales/topics/environmentcountryside/farmingandcountryside/agricultural-sector-wales-act-2014/?lang=en>

⁹ <http://lyw.cymru/panelcynghoriamaethyddiaeth> <http://gov.wales/agriculturaladvisorypanel>

8. Legislation to preserve the Agricultural Sector Act (Wales) 2014

8.1 The Act contains a provision that states the Act ceases to have effect after 30 July 2018 if no Statutory Instrument is made to preserve it.

8.2 Section 14 of the Act is as follows:

(1) This Act (other than subsection (3) and, for the purposes of that subsection, sections 17(1), 17(2) and 18) ceases to have effect at the end of the expiration period, unless an order is made under subsection (2).

(2) The Welsh Ministers may, by order, after the end of the review period (30 July 2017) but before the end of the expiration period (30 July 2018), provide that this Act is to continue in effect despite subsection (1).

8.3 Should the decision be made to preserve the Act, an Order in the form of a Statutory Instrument will be required in accordance with Section 14(2) of the Act before 30 July 2018.

8.4 Such an Order would have to be made in accordance with the affirmative Assembly procedure. This will require the Assembly to debate and vote on such an Order.

9. Conclusion and recommendation

Conclusion

9.1 The Act recognises the distinct nature of agricultural employment, including seasonality, incidence of casual employment, as well as the positive impact of encouraging career development and increased professionalism on the industry and individuals employed within it.

9.2 The Welsh Ministers have complied with all of the duties imposed on them by the Act within the review period. Consultations on the legislation were conducted in accordance with the requisite procedures and all legislation implemented has received the appropriate level of National Assembly for Wales' scrutiny.

9.3 The first wages Order made under the Act in 2016 was made by the Welsh Ministers before the Panel was established. It ensured that agricultural workers in Wales benefitted from agricultural minimum wage legislation for the first time in over four years. It also continued to provide the encouragement for employees to build a career in agriculture as an industry with bespoke statutory protection of employment terms and conditions. Preserving the Act would continue such support for an industry which is facing significant challenges linked to the UK's exit from the EU.

9.4 Acting in accordance with the powers in the Act, the Welsh Ministers established the Panel as an independent body in 2016. Its members were appointed following a public appointments process to select the independent members and independent Chair of the Panel. The Panel has discharged its two primary statutory duties having brought forward proposals for agricultural wages orders in both 2017 and 2018 as well as establishing the Sub-committee on Skills, Development and Training. It has convened meetings and established its procedures in accordance with the Panel Order. The Panel is yet to provide advice to the Welsh Ministers on skills but will do so in the near future.

9.5 The Panel's proposals for the Agricultural Wages (Wales) Order 2017 preserved the main provisions of the existing agricultural minimum wage regime, increased the minimum

rates of pay and certain allowances and the maintained the progressive grade structure to encourage career development.

9.6 The overall aim of the Order is to set fair wages for agricultural workers and to support skills and careers within the sector, enabling employees to learn and progress. It contributes to the development of a more prosperous, resilient and equal Wales. The Order was developed in consideration of the Welsh Government's obligations under legislation relating to the Welsh language, equality and human rights and children's rights

9.7 The proposed 2017 Order was referred to Welsh Ministers by the Panel before new issues were raised. The Order was referred back to the Panel for approval and clarity and resubmitted by the Panel. The Order came into force 3 November 2017 backdated to 1 April 2017. The issues encountered during the process meant that there was a call to examine the procedure adopted for the first Panel order so they did not occur in the future. Meetings have been held and better working relationships have been agreed. The Panel submitted proposals for a 2018 Wages Order for the consideration of Welsh Ministers in November 2017.

9.8 The SDT sub-committee met for the first time in November 2016. It commissioned research to gather an evidence base on the agricultural labour market. It is undertaking work on ways to increase Continuous Professional Development opportunities for employees and employers in the sector which in turn will encourage career development. The aim is to greater incentivise younger and new entrants to the industry when they are considering career choices, whilst also providing confidence and clarity for those working in the sector who wish to steer a path towards higher levels of achievement. The sub-committee's work would be furthered through the preservation of the Act. It would benefit from more time to fully realise its potential and to continue to build on the already positive steps made in a short space of time.

9.9 Responses to the consultation on the operation and effect of the Act have informed this review. The majority of responses supported the preservation of the Act. Respondents felt the Panel and its sub-committee would benefit from more time to provide the Welsh Ministers with robust advice on how to improve skills provision and take-up in the industry.

9.10 There is a view expressed in the responses and held by the Panel themselves that the structure and provisions of wages orders, including the qualifications required need to be reviewed to ensure that they are entirely appropriate for the industry now and in the future. The Panel has committed to reviewing provisions in 2018.

9.11 The objectives of the Act are in line with a number of the goals of the Well-being of Future Generations (Wales) Act 2015. In particular, the implementation of the Act during the review period has contributed to the development of a more prosperous, resilient and equal Wales by setting fair wages for agricultural workers and supporting skills and careers within the sector, enabling employees to learn and progress.

Recommendation

9.12 Agriculture is an important component of the Welsh economy, and especially important within rural areas. Ensuring fair wages for agricultural workers and securing opportunities for training and career development can assist wider rural communities and economies to grow and thrive.

9.13 The actions of the Welsh Ministers and the Panel during the review period demonstrate the importance of having a statutory basis underpinning a bespoke minimum wage regime. The terms and conditions on which agricultural workers in Wales are employed have had a firm

basis and that should be recognised in the context of the preservation of the Act.

9.14 The Panel is working to improve and develop agricultural wages orders to update them so they are relevant to the industry as it develops over time. The Panel's work on career development and improving the provision of access to skills in the sector will be key to the future sustainability and competitiveness of the sector. The Panel intends to work in partnership to develop this aspect of its work.

9.15 Based on all of the information contained in this report, including the consultation exercise conducted, preservation of the Act is recommended. Whilst acknowledging the progress that has been made to date, it is accepted that the Act is very much in its infancy in legislative terms and that there is scope to make the improvements suggested during the process of consultation, as well as addressing the issues the Panel and Welsh Government have identified during the compilation of this report. The Act's continuation will provide the Welsh Ministers with the best means of ensuring this.

Information sources

The Agriculture sector (Wales) Act and related documents on the Welsh Government Website
<http://gov.wales/topics/environmentcountryside/farmingandcountryside/agricultural-sector-wales-act-2014/?lang=en>

Agriculture Wages in Wales 2016: A Guide for Workers and Employers No 1
<https://www.gov.uk/agricultural-workers-rights/overview>

Agricultural statistics concerning various aspects of the agriculture industry
<http://gov.wales/statistics-and-research/welsh-agricultural-statistics/?lang=ens>
<http://gov.wales/statistics-and-research/?subtopic=Farming&lang=en>

The Welsh Agricultural Survey
<http://gov.wales/statistics-and-research/survey-agricultural-horticulture/?lang=en>

The pocket guide “Farming Facts and Figures”
<http://gov.wales/statistics-and-research/farming-facts-figures/?lang=en>
<http://gov.wales/statistics-and-research/?subtopic=Farming&lang=en>

Office National Statistics -Employment and Labour market.
 People in and out of work covering employment, unemployment, types of work, earnings, working patterns and workplace disputes.

<https://www.ons.gov.uk/employmentandlabourmarket>

Towards a New Professionalism: The Skills Strategy for agriculture and horticulture –the AgriSkills Forum <http://www.agriskillsforum.co.uk/AgriSkills%20Strategy.pdf10>

Amaeth Cymru. The future of agriculture in Wales: the way forward
<http://www.tfa.org.uk/wp-content/uploads/2017/11/Untitled-attachment-00023.pdf>
Amaeth Cymru – Agriculture Wales is an industry-led group, with Welsh Government as an equal partner. This document contains an overview of where the industry is currently and is set within the context of Taking Wales Forward.

Agricultural labour in the UK – The Food Research Collaboration Brief. 7 July 2016, Stephen Devlin, New Economics Foundation
<http://foodresearch.org.uk/wp-content/uploads/2016/07/Agricultural-labour-briefing-final-30-June-2016.pdf>

Review of Learning Delivered by Further Education Colleges and the Relevance of that Delivery in Supporting Farm Businesses in Wales. Professor Wynne Jones
<http://gov.wales/docs/drah/publications/150130-review-of-further-education-colleges-with-agricultural-provision-report-en.pdf>

The impact of Brexit on the UK agricultural workforce. Horizon Market Intelligence. 20 September 2016, AHDB
http://www.ahdb.org.uk/documents/Horizon_Brexit_Analysis_20September2016.pdf

Legislation

The Agriculture Sector (Wales) Act 2014

<http://www.legislation.gov.uk/anaw/2014/6/contents/enacted>

This Act makes provisions for:

- the establishment of the Agricultural Advisory Panel for Wales;
- the making of orders which set the terms and conditions for persons employed in agriculture in Wales (agricultural workers); and
- the enforcement of such terms and conditions.

The Agricultural Advisory Panel for Wales (Establishment) Order 2016

<http://www.legislation.gov.uk/wsi/2016/255/made>

This Order establishes the Panel as an independent advisory body to the Welsh Ministers. The Panel's functions are to promote careers in agriculture, to prepare agricultural wages orders in draft, consult on such orders to submit them to the Welsh Ministers and to advise the Welsh Ministers on matters relating to the agricultural sector in Wales.

The Agriculture Wages (Wales) Order 2016

<http://www.legislation.gov.uk/wsi/2016/107/made>

This Order provides that agricultural workers are to be employed subject to the terms and conditions set out in Parts 2-5 (article 3) and specifies different grades and categories of agricultural worker (articles 5-12).

Part 3 makes provision about minimum rates of remuneration that must be paid to agricultural workers (article 13) and other provisions for allowances.

Part 4 provides that an agricultural worker is entitled to agricultural sick pay in specified circumstances (articles 19-22) and the entitlement (article 24) and calculation of the amount (article 23).

Part 5 makes provision about agricultural worker's entitlement to time off, including rest breaks, annual leave and holiday pay.

Guidance on the Agriculture Wages (Wales) Order 2016

<http://gov.wales/docs/drah/publications/161201-agricultural-wages-wales-guidance-en.pdf>

It is intended that Guidance appropriate to each Wages Order introduced will be issued.

The Agriculture Wages (Wales) Order 2017

<http://www.assembly.wales/laid%20documents/sub-ld11265/sub-ld11265-e.pdf>

This is the second wages Order made under the Agriculture Sector (Wales) Act 2014 and the first wages order made on the basis of recommendations from the independent Agricultural Advisory Panel for Wales, formed in April 2016.

The Order replaces the 2016 Order and makes new provisions about the minimum rates of remuneration and other terms and conditions of employment for agricultural workers in Wales.

The rates in this Order were proposed by the members of the Agricultural Advisory Panel and increase wages to all grades and categories of workers. Grades 3 to 6 rise by 1.2% rise in

comparison to the 2016 wage levels, while Grade 2 workers' hourly rate will be set at £7.54. The Grade 1 rate is set above the new National Minimum Wage and National Living Wage, depending on the age of the worker.

The provisions of the Order are applied from 3 November backdated to 1 April 2017.

The Agricultural Advisory Panel for Wales – Membership**Membership 1 April 2016**

Dr Lionel Walford	Independent Chair
Mr Daryl Williams	UNITE Representative
Mr Ivan Monckton	UNITE Representative
Mr Darren Williams	FUW Representative
Mr John Davies	NFU Representative
Mr Peter Rees	Independent
Mr Stephen Hughson	Independent

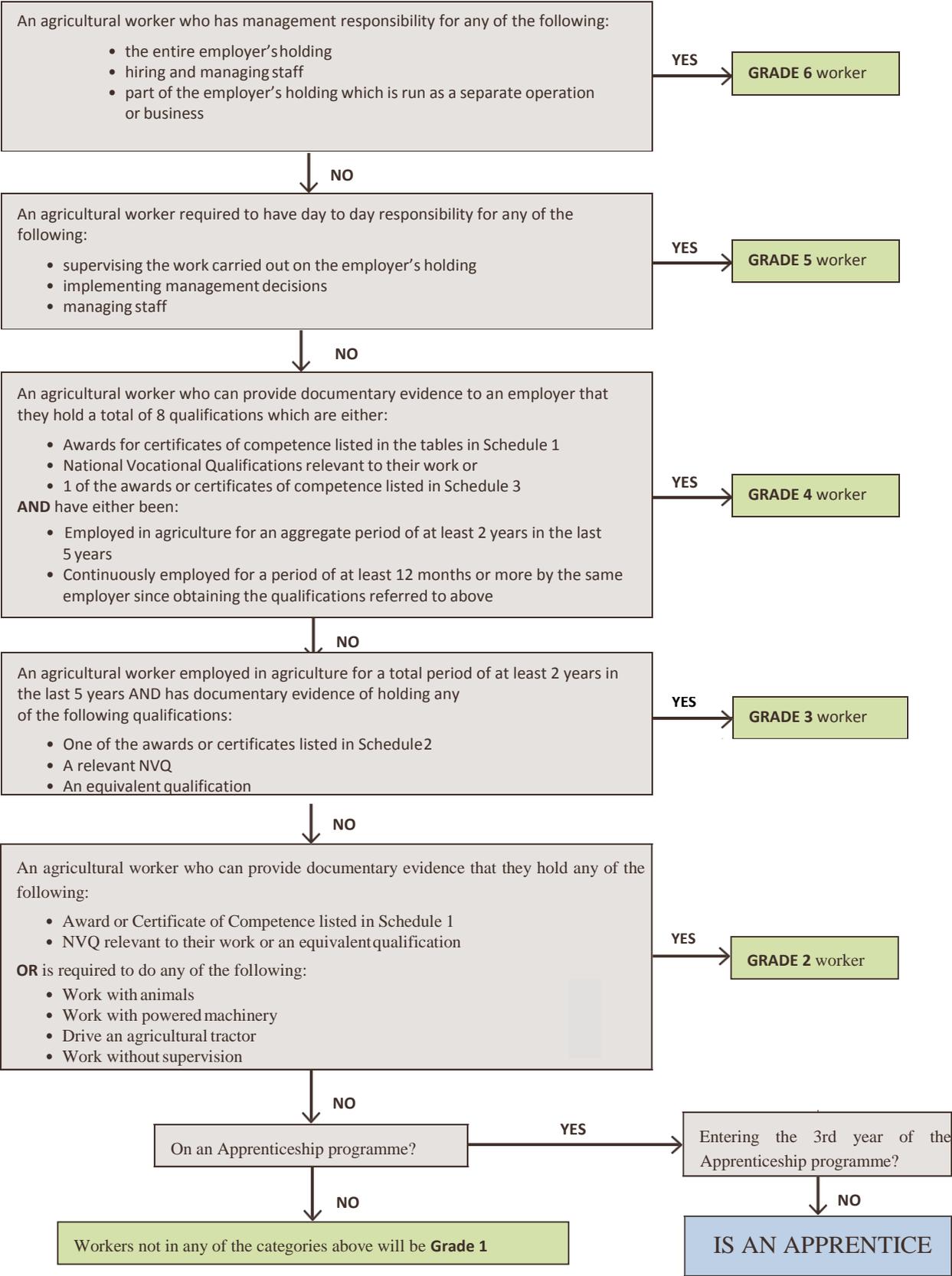
Membership 1 April 2017

Dr Lionel Walford	Independent Chair
Mr Bryan Godsell	UNITE Representative
Mr Ivan Monckton	UNITE Representative
Mr Darren Williams	FUW Representative
Mr John Davies	NFU Representative
Mr Peter Rees	Independent
Mr Stephen Hughson	Independent

Permanent Sub-committee on Skills Development and Training Membership**Current Membership**

Dr Lionel Walford	Independent Chair
Mr Peter Rees	Independent Education
Mr Stephen Hughson	Independent Agriculture
Mr Bryan Godsell	UNITE Representative
Mr Ivan Monckton	UNITE Representative
Kevin Thomas	Lantra
Elin Williams	Wales YFC
Alun Elidyr Edwards	FUW representative -Agricultural Education
David B Jones	Coleg Cambria Chief Executive
Will Prichard	NFU Representative

At which Grade should you be employed?



National Minimum Wage, National Living Wage rates

You must be at least:

- [school leaving age](#) to get the **National Minimum Wage** in Wales this means you can leave school 30 June as long as you will be 16 by the end of that school year's summer holidays.
- aged 25 to get the **National Living Wage** - the minimum wage will still apply for workers aged 24 and under

These rates are for the National Living Wage and the National Minimum Wage. The rates change every April.

Year	25 and over	21 to 24	18 to 20	Under 18	Apprentice
October 2016	£7.20	£6.95	£5.55	£4.00	£3.40
April 2017	£7.50	£7.05	£5.60	£4.05	£3.50
April 2016	£7.20	£6.70	£5.30	£3.87	£3.30

[Apprentices](#) are entitled to the apprentice rate if they're either:

- aged under 19
- aged 19 or over and in the first year of their apprenticeship

Who gets the minimum wage?

Workers must be at least school leaving age (last Friday in June of the school year they turn 16) to get the National Minimum Wage. They must be 25 or over to get the National Living Wage.

Contracts for payments below the minimum wage are not legally binding. The worker is still entitled to the National Minimum Wage or National Living Wage.

[Workers](#) are also entitled to the correct minimum wage if they're:

- part-time
- casual laborers, for example someone hired for one day
- agency workers
- workers and homeworkers paid by the number of items they make
- apprentices
- trainees, workers on probation
- disabled workers
- agricultural workers
- foreign workers
- seafarers
- offshore workers

Read the information on [who is entitled to the minimum wage](#).

You can use the [minimum wage calculator](#) to check whether the National Minimum Wage or National Living Wage is being paid.

[Contact Acas](#) if you're not getting the National Minimum Wage and think you should be.