

---

# The Report of the Agricultural Advisory Panel for Wales

April 2023 - March 2024

---

---

# Contents

Introduction .....	3
Establishing the Panel .....	4
The Remit of the Panel.....	4
Membership .....	4
Supporting the Panel’s Operation .....	5
Summary of Issues Affecting Agriculture (2023/2024).....	6
The Operation of the Panel.....	8
Panel Meetings .....	8
The Feasibility of The Real Living Wage for Agricultural Workers in Wales .....	11
The Agricultural Wages (Wales) Order 2024 .....	12
Enforcement of Agricultural Wages Orders .....	13
The Skills Development and Training Sub-Committee .....	14
Annex 1 .....	16
Links to Legislation.....	16

## Introduction



The Agricultural Advisory Panel for Wales is an independent body that advises Welsh Ministers on the Agricultural Minimum Wage arrangements and terms and conditions of employment for agricultural, horticultural and forestry workers in Wales. Additionally, the Panel promotes career opportunities in these fields, supports the development of a suitably skilled workforce, and offers supplementary advice to Ministers as needed.

The minimum rates of pay and allowances and other minimum terms and conditions to which agricultural workers, including those who work within the horticulture and forestry sectors, are entitled to by law are set out in the Agricultural Wages (Wales) Order.

On an annual basis, the Panel conducts a review of the Agricultural Minimum Wage arrangements and other provisions of the Order. They propose amendments and engage in consultations regarding these proposals before submitting a draft to the Welsh Ministers for consideration.

In making their decisions, the Panel relies on their expertise while considering the prevailing economic conditions in the industry, as well as all relevant legal requirements, including the National Minimum Wage. This approach ensures agricultural workers receive fair, regularly assessed wages and allowances, as well as appropriate employment terms, and supports the Welsh Government's Tackling Poverty agenda by safeguarding household incomes, particularly in rural communities.

Once passed by the Senedd, the Agricultural Wages Order has legal authority in Wales.

This is the fifth Report on the progress and operation of the Agricultural Advisory Panel for Wales covering the period from April 2023 – March 2024.

Guidance for employers and workers, details of the current pay and allowance levels and the minimum terms and conditions are available on the Welsh Government website: <https://www.gov.wales/agricultural-advisory-panel-wales/legislation-and-guidance>

## Establishing the Panel

The Panel was established on 1 April 2016 under section 2(1) of the Agricultural Sector (Wales) Act 2014 (“the 2014 Act”) and by the Agricultural Advisory Panel for Wales (Establishment) Order 2016 (“the Establishment Order”). Links to the legislation can be found at [Annex 1](#).

## The Remit of the Panel

In accordance with Section 2(2) of the 2014 Act, the Panel’s functions are:

- a) promoting careers in agriculture;
- b) preparing agricultural wages orders in draft, consulting on such orders and submitting them to the Welsh Ministers for approval;
- c) advising the Welsh Ministers on such other matters relating to the agricultural sector in Wales as the Welsh Ministers may require;
- d) such other functions as the Welsh Ministers may specify in the order.

In accordance with the Establishment Order the Panel has the responsibility to:

- determine its own and sub-committee procedures;
- establish, in addition to the Skills Development and Training Sub-Committee, other sub-committees as appropriate; and
- obtain expert advice as considered necessary.

Payment of minimum rates and holiday pay is legally enforceable by Welsh Government, which also has a duty to investigate complaints raised about non-compliance with these provisions.

The Terms of Reference for the Agricultural Advisory Panel for Wales can be found at:

<https://gov.wales/agricultural-advisory-panel-wales/terms-reference>

## Membership

Section 2(4) of the 2014 Act requires the Panel membership to:

- a) include persons with the skills and expertise necessary to enable the Panel to perform its functions efficiently and effectively, and
- b) adequately reflects the interests of all parts of the agricultural sector.

The Panel consists of 7 members:

- an independent Chair;
- two independent members with relevant expertise;
- two representatives from UNITE the Union;
- one representative from the Farmers Union of Wales (FUW); and
- one representative from the National Farming Union (NFU Cymru).

The independent members were selected through the Public Appointment process and appointed by the Welsh Ministers. Their role involves contributing their expert perspectives to discussions on key issues and advising on the opportunities and challenges facing the industry.

Representative members are nominated by their respective organisations and their role is to apply their expertise in representing the interest of their members on the key issues in Panel

discussions and to advise on the opportunities and challenges facing the industry. NFU Cymru, FUW and UNITE have guaranteed representation on the Panel to achieve a balance of interests.

There is a key responsibility on all Panel members to ensure that fair and reasonable draft Orders are brought forward on matters relating to minimum pay levels and relevant terms and conditions for agricultural workers in Wales.

The term of office for both independent and representative members is four years, with the possibility of reappointment up to a maximum of eight years.

The membership of the Panel for the period covered in this report is as follows:

Name	Position / Representative Organisation
Dr Nerys Llewelyn Jones	Independent Chair
Janatha Stout	Independent Member (Education)
Stephen Hughson	Independent Member (Agriculture)
Joanne Galazka	Unite the Union
Ivan Monckton	Unite the Union
Darren Williams	Farmers Union of Wales (FUW)
Simon Davies	National Farmers Union of Wales (NFU Cymru)

## Supporting the Panel's Operation

The Welsh Government sponsorship division provides the secretariat function for the Panel, equivalent to 0.8 of a full-time member of staff at Management Band Three. The secretariat facilitates meetings, prepares papers, takes minutes of meetings and other tasks as required by the Panel. Welsh Government policy officials also attend all Panel meetings.

In addition, an external law firm drafts the Wages Order and advises the Panel on any other related legal matters.

The Panel's online platform is hosted by Welsh Government and managed by the Panel secretariat: <https://gov.wales/agricultural-advisory-panel-wales>

The Panel has no budget of its own but may use funds allocated by Welsh Government, with the approval of Welsh Ministers. This includes limited funding to commission studies and research on specific areas to inform their decision-making. The following table shows the itemised budget spend from operational expenses of the Panel over the 12 months covered by this report.

Topic Area	Amount
Legal Support	£15,662
Attendance Fees & Travel Expenses for Panel Members	£6,340
Room Hire & Catering	£1,980
Advertising Costs for Panel Independent Member*	£7,974
TOTAL	£31,956

\* Due to one of the independent members reaching their 8 year limit, a Public Appointment recruitment exercise was undertaken for a new independent member to join the Panel from April 2024

## Summary of Issues Affecting Agriculture (2023/2024)



Russia's war on Ukraine continues to have a direct impact on global food and feed availability and prices – whether as a direct impact or due to sanctions – and the UK is exposed to the price volatility caused by global shortages. For example, in 2019, around 10% of global wheat exports came from Ukraine, while around 15% came from Russia; around 16% of global maize exports came from Ukraine; 19% of global barley exports came from Russia and Ukraine; and around 42% of global sunflower oil exports came from Ukraine, while around 21% came from Russia.

The conflict has also had a significant impact on input prices including energy and fertilisers, which producers carried over into 2023. Output prices for cereals and dairy stabilized from the highs of 2022 to pre-conflict levels, whereas livestock prices increased through 2023 as cereal feed costs reduced<sup>1</sup>.

Bovine TB continues to have a major economic and psychological impact on Welsh farming communities, with over 11,000 animals being slaughtered for TB control in the year up to March 2024 – an increase of 16.8% on the previous year<sup>2</sup>. In the 12 months to December 2023, the number of new TB incidents across Wales increased to 618, up from 601 in the previous year, representing a 2.8% rise.

The Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 came into force on 1 April 2021 with transitional periods for the implementation of some requirements under the Regulations. The Welsh Government's 2021 Regulatory Impact Assessment (RIA) states that the regulations will cost Welsh farmers as much as £360 million in infrastructure costs alone – with annual compliance and impact costs in addition to this figure. This equates to average infrastructure costs per Welsh holding of around £14,500, which rises to an average of around £25,000 when only those (cattle farms) most likely to be acutely impacted are considered<sup>3</sup>.

---

<sup>1</sup> "Agriculture in the United Kingdom 2023" <https://assets.publishing.service.gov.uk/media/66670481d399bad66e5f63b6/auk-2023-06jun24i.pdf>

<sup>2</sup> "Incidence of tuberculosis (TB) in cattle in Great Britain: March 2024" <https://www.gov.wales/incidence-tuberculosis-tb-cattle-great-britain-march-2024>

<sup>3</sup> "Regulatory Impact Assessment the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021" <https://business.senedd.wales/documents/s112177/EM%20SL5735%20-%20The%20Water%20Resources%20Control%20of%20Agricultural%20Pollution%20Wales%20Regulations%202021.pdf>

Uncertainty surrounds Welsh Government plans to introduce its Sustainable Farming Scheme (SFS) from 2026 with questions over the practicality of some of the proposals, conditions attached to the scheme and unknown payment rates making business planning and cash flow projections challenging. There are also concerns the proposals would lead to an estimated 5000 job losses in the sector according to the Economic Impact Assessment carried out into the SFS proposals.<sup>4</sup> Clarity in relation to the impact of the amended Sustainable Farming Scheme proposals on agricultural employment is vitally important going forward.

The UK's departure from the European Union continues to cause uncertainty for the agricultural sector including changes in trade agreements and regulations.

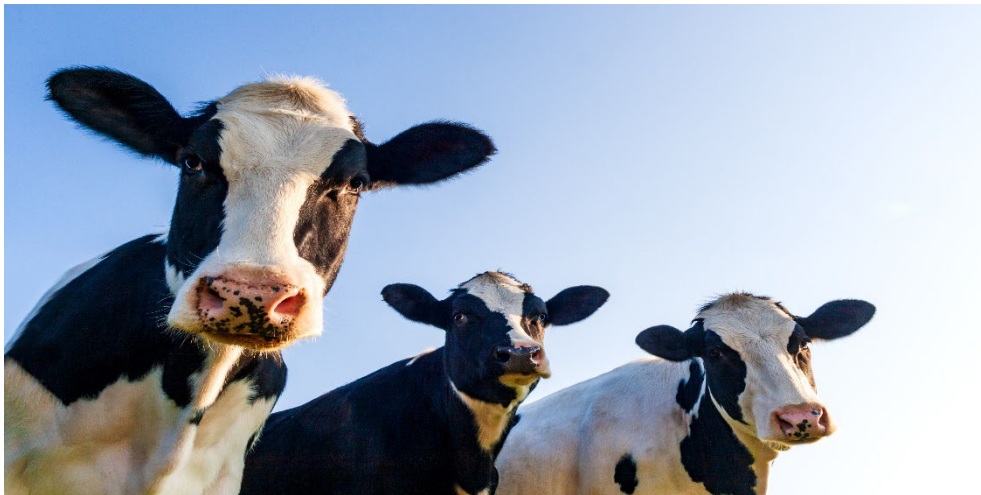
The agricultural sector is vulnerable to the impacts of climate change. Rising temperatures, changing rainfall patterns, and the increased frequency of extreme weather events (such as droughts or floods) all disrupt crop production, affect livestock, and impact rural communities.

Advancements in technology such as precision agriculture and automation, whilst having the potential to improve productivity and efficiency, require significant investment and training.

---

<sup>4</sup> "Potential economic effects of the Sustainable Farming Scheme" <https://www.gov.wales/sites/default/files/consultations/2023-12/potential-economic-effects-of-the-scheme-phase-4-universal-actions-modelling-results.pdf>

## The Operation of the Panel



The Agricultural Advisory Panel for Wales (Establishment) Order 2016 requires the Panel to meet at least three times per year. The Panel met six times during the 2023/24 financial year. Two were “in person” and four online via Microsoft Teams.

### Panel Meetings

Minutes of the meetings can be found on the Agricultural Advisory Panel’s webpages on the Welsh Government website: <https://www.gov.wales/agricultural-advisory-panel-wales-meetings>

#### Meeting Number 41 (12 May 2023)

<https://www.gov.wales/agricultural-advisory-panel-meeting-12-may-2023>

Topics of discussion:

- Proposed adjustments to the minimum overtime payment rate within the 2024 Order.
- The publishing of the 2023 Order.
- Presentation of a report from the Legislation, Justice and Constitution Committee concerning the 2023 Order, including the Regulatory Impact Assessment.
- Review of a scoping paper for the Real Living Wage Feasibility Study, accompanied by a correspondence from the Minister on this matter.
- Student Loan repayments of agricultural workers.

#### Meeting Number 42 (27 June 2023)

<https://www.gov.wales/agricultural-advisory-panel-meeting-27-june-2023>

Topics of discussion:

- Changes to the Panel’s webpages on the Welsh Government website to improve accessibility.
  - The Chair's meeting with Cynnal Cymru concerning the Real Living Wage and future engagement opportunities for the Panel.
  - An update on the Real Living Wage Feasibility Study specification and the proposed Panel Review.



- A summary of the latest meeting of the Panel’s sub-committee on Skills, Development and Training held on 6 June 2023.
- The report by the Legislative, Justice and Constitution Committee (LJCC) on The Agricultural Wages Order 2023.
- Proposed legal amendments to the Agricultural Wages Order 2024.
- The Accommodation Offset Allowance within the Order.

## Meeting Number 43 (4 and 5 September 2023)

<https://www.gov.wales/agricultural-advisory-panel-meeting-5-september-2023>

### Day 1

Topics of discussion:

- A proposal aimed at simplifying and streamlining the Agricultural Wages Order.
- Proposed pay rates and changes to terms and conditions with regards to the draft Wages Order for 2024.
- The Welsh Government’s Social Partnership, Employability and Fair Work Directorate’s Guide to Fair Work.
- An update regarding the proposed Panel Review.

### Day 2

Topics of discussion:

- Further negotiations regarding proposed pay rates and changes to terms and conditions with regards to the draft Wages Order for 2024.
- A paper on the Real Living Wage Feasibility Study.
- A Call for Evidence on Seasonal Workers Visas by the Migration Advisory Committee.
- Terms of office for representative members.

## Meeting Number 44 (21 November 2023)

<https://www.gov.wales/agricultural-advisory-panel-meeting-21-november-2023>

Topics of discussion:

- Responses to the Consultation regarding the Agricultural Wages Order 2024.
- The Regulatory Impact Assessment for the Agricultural Wages Order 2024.
- An update on the specifications for the external, independent Panel Review.
- An update on the recruitment process for a new independent member from April 2024.
- An update on the terms of office for representative members.
- The final version of the Panel’s Annual Report for 2022/2023.
- An update on the Real Living Wage Feasibility Study.
- Consideration of potential amendments to the overtime provisions for the Agricultural Wages Order 2025.

An update on the Call for Evidence from the Skills Development and Training Sub-Committee.

## Meeting Number 45 (23 January 2024)

<https://www.gov.wales/agricultural-advisory-panel-meeting-23-january-2024>

### Topics of discussion:

- An update regarding the terms of office for representative members.
- An update on the recruitment process for a new independent member from April 2024.
- An update and draft paper on the Real Living Wage Feasibility Study.
- An update on the Agricultural Wages Order 2024.
- The Sustainable Farming Scheme Consultation.
- A draft document outlining proposed amendments to the overtime provisions for the Agricultural Wages Order for 2025.
- Flexible Working / Jobshare within the agricultural sector.

## Meeting Number 46 (5 March 2024)

<https://www.gov.wales/agricultural-advisory-panel-meeting-5-march-2024>

### Topics of discussion:

- A Conflict of Interest Declaration Form for all Panel members to complete.
- Increased publicity for the Agricultural Wages Order through Farming Connect.
- A Plan of Action regarding Panel governance.
- The proposed Sustainable Farming Scheme.
- An updated version of the Real Living Wage Feasibility Report.
- A revised document addressing Flexible Working and Job Share opportunities within the agricultural sector.
- Suggested revisions to the Panel's webpages on the Welsh Government website.
- An update regarding the Agricultural Wages Order 2024.
- An amended paper on the proposed changes to the overtime provisions for the Agricultural Wages Order 2025.
- Sustainable Land Management principles applicable to all legislation in Wales, including the Agricultural Wages Order.

## The Feasibility of The Real Living Wage for Agricultural Workers in Wales



The Panel has been discussing and evaluating the feasibility of implementing the Welsh Living Wage since the publication of the Fair Work Wales report in 2019. The report recommended the Panel investigate and report on the feasibility of paying the Welsh Living Wage (equating to the Real Living Wage) in Welsh agriculture phased in over a three year period.

The Panel has been actively considering the issue and exploring various methods to appropriately assess the potential opportunities, risks and impacts. This includes a focused effort on gathering new and current data to inform a true economic impact assessment of such an approach.

In 2023, the Panel provided several updates to the Minister for Rural Affairs, North Wales & Trefnydd, addressing the ongoing data issues that have been consistently highlighted. The challenges associated with the underlying data collection have been the primary obstacle to advancing the feasibility study when the Panel commenced its discussions and consideration of this matter. Unfortunately, despite the efforts of the Panel and Welsh Government officials to overcome these data issues, this is still the main barrier to being able to undertake this work comprehensively.

Following the discussion of an action plan at the Panel, three options were presented to the Minister by officials in November 2023 to address the data-related issues. These options were:

- Continuing with an externally procured feasibility study.
- Adopting the Panel's proposed action plan which could enable the Panel to carry out a feasibility study in relation to the Real Living Wage.
- Acknowledging and accepting the risks associated with Agricultural Wages data while developing a qualitative approach to the Real Living Wage recognising the low confidence expressed by Welsh Government economists and statisticians about resolving the data challenges within existing budgets and concerns regarding the value that any new data would add to a feasibility study.

Considering the low confidence in the likelihood of resolving the data issues and the significant pressures on Welsh Government budgets, the Minister decided to forgo the need for a quantitative feasibility assessment and instead accept a qualitative view from the Panel.

A report was submitted to the Minister in March 2024.

## The Agricultural Wages (Wales) Order 2024



<https://www.legislation.gov.uk/wsi/2024/390/made>

The Agricultural Wages (Wales) Order 2024 was finalised during the 2023/2024 financial year and is set to come into force on 1 April 2024.

The Order replaced the Agricultural Wages Order 2023 and introduced the following changes:

- Increased minimum pay rates across all grades (linked to an increase in the National Minimum Wage and National Living Wage announced in the UK Government's Autumn Statement on 22 November 2023).
- From April 2024, the National Living Wage was extended to 21 and 22 year olds. The age bands specified in the Order have been revised, and the age band for those 23 years and older has been removed.
- All allowances have been increased by 8.5%.
- Overtime rates of pay will now be calculated based on the agricultural worker's actual hourly rates of pay, rather than the minimum hourly rate of pay prescribed within the Order.

The statutory rates of pay and allowances outlined in the Order will remain effective until a new Agricultural Wages Order is established (or until they are superseded by changes to the National Minimum/Living Wage).

The updated "Guidance for Workers and Employers" was made available in both online and printed formats.

An additional standalone document addressing flexible working and job sharing within the agricultural sector has been published in response to the new flexible working regulations that took effect on April 6, 2024. This document will be integrated into the main guidance publication in 2025.

The guidance documents can be found at: <https://www.gov.wales/agricultural-wages-guidance>

## Enforcement of Agricultural Wages Orders

Minimum rates of pay and holiday pay are enforced by Welsh Government.

Welsh Government officials handle enquiries and complaints from both employers and workers.

Suspected noncompliance can be reported to:

Helpline: 0300 060 4400

Email: [SLMEnquiries@gov.wales](mailto:SLMEnquiries@gov.wales)

Post: Agricultural Minimum Wage Team  
Welsh Government Office,  
County Hall,  
Spa Road East,  
Llandrindod Wells,  
Powys LD1 5LG

All complaints are treated as confidential.

## The Skills Development and Training Sub-Committee



The remit of the Agricultural Advisory Panel for Wales includes the promotion of careers in agriculture, horticulture and forestry and the development of an appropriately skilled workforce.

The Agriculture Sector (Wales) Act 2014 places a statutory duty on the Panel to establish a permanent Skills Development and Training Sub-Committee. This must include representatives from Lantra and the Wales Federation of Young Farmers Clubs. They are joined by union representatives, academics and experts from across the industry who have a breadth of experience, knowledge and understanding of the skills and training needs for the agriculture sector, as well as the requirements for career progression opportunities.

The Terms of Reference for the Sub-Committee on Skills Development and Training can be found at: <https://gov.wales/permanent-sub-committee-on-skills-development-and-training/terms-of-reference>

The sub-committee met twice during this reporting period to build upon the outcomes of the Strategic Awareness Event held in October 2022. The next steps were discussed towards developing a strategy for skills, training and development for the agriculture industry in Wales.

The sub-committee agreed that a "Call for Evidence and Expertise on the Delivery of Careers Education, Skills, Training, and Development for Agricultural, Horticultural, and Forestry Workers in Wales" would be initiated as a preliminary step. Additionally, it was agreed that Lantra's Skills and Continuous Professional Development Conference, scheduled for 19 October 2023 at the Royal Welsh Showground, would serve as an appropriate venue for the official launch of this initiative.

Feedback from the event led to some revisions of the draft Call for Evidence. The updated document was published on the Panel's webpage on the Welsh Government website on 10 January and will remain open for responses for 12 weeks, closing on 2 April 2024.

Details of the Call for Evidence can be found at: <https://www.gov.wales/careers-education-skills-training-and-development-agricultural-horticultural-and-forestry-workers>

The membership of the sub-committee for the period covered in this report is as follows:

Name	Position / Representative
Dr Nerys Llewelyn Jones	Independent Chair
Janatha Stout	Independent Member (Education)
Stephen Hughson	Independent Member (Agriculture)
Joanne Galazka	Unite the Union
Ivan Monckton	Unite the Union
Alex Higgs	National Farmers Union of Wales (NFU Cymru)
Alun Elidyr Edwards	Farmers Union of Wales (FUW)
Kevin Thomas	Lantra
Mared Jones	YFC Wales
Vanessa Cashmore	Colegau Cymru
Louis Dare	Colegau Cymru
Laura Griffiths	Welsh Government (Farming Connect)

## Annex 1

### Links to Legislation

The Agriculture Sector (Wales) Act 2014

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

The Agriculture Sector (Wales) Act 2014 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).
- 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>

The Agricultural Advisory Panel for Wales (Establishment) Order 2016 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 Sector (Wales) Act 2014 (Continuation of Effect) Order 2018

<http://www.legislation.gov.uk/wsi/2018/515/made>

The effect of section 14(1) of the Agricultural Sector (Wales) Act 2014 ("the Act") is that the Act would lapse on 30 July 2018, unless an order was made by the Welsh Ministers under section 14(2) providing that the Act is to continue in effect. This Order is such an order and provides that the Act continues in effect.