**BRC RESPONSE TO THE ALMA ECONOMICS EMPLOYER PAYS FEASIBILITY STUDY**

**August 2025**

**Responsible Recruitment, the Employer Pays Principle (EPP) and the Seasonal Worker Scheme**

Responsible Recruitment, sometimes referred to as ethical or fair recruitment, means recruiting all workers’ lawfully and in a fair and transparent manner that respects and protects their rights throughout recruitment, work and post-termination.[[1]](#footnote-2)

Unethical recruitment practices have been highlighted as a key driver of forced labour. In cases of adult forced labour exploitation globally, 43% of workers are working involuntarily because they must perform different job tasks from those specified during recruitment, and around 1 in 5 because of debt owed to their employer, recruiter or related party.[[2]](#footnote-3)

The Employer Pays Principle (EPP)plays a critical part of responsible recruitment, with most forced labour practices originating with a form of debt bondage and around one-fifth of all people in forced labour exploitation in the private economy are in situations of debt bondage.[[3]](#footnote-4)

The ILO defines the terms ‘recruitment fees’ or ‘related costs’ as any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection.[[4]](#footnote-5) Please see the full list of fees and costs covered by EPP, as defined by the ILO, [here](https://www.ilo.org/sites/default/files/wcmsp5/groups/public/%40ed_protect/%40protrav/%40migrant/documents/publication/wcms_536755.pdf).

Due to the risks of debt bondage for short-term migrant workers, tackling recruitment fees and delivering responsible recruitment remains a key focus of the Seasonal Worker Scheme Taskforce.

**About the Study**

The [Employer Pays Principle (EPP) feasibility study](https://sciencesearch.defra.gov.uk/ProjectDetails?ProjectId=21823), within the Horticulture Value Chain was commissioned and funded jointly by Defra and the Seasonal Worker Scheme Taskforce. The study aims to address the risk of workers incurring debt for their migration costs while considering food security and the sector's long-term sustainability.

The EPP states that: "No worker should pay for a job - the costs of recruitment should be borne not by the worker but by the employer". As defined by the International Labour Organisation, the costs of recruitment include the transportation and visa costs that workers can incur during their migration.

The research models the economic impacts and assesses the operational feasibility of different ways the EPP could potentially be implemented to determine their likely impact on consumers, retailers, growers and workers. Each option is assessed against its potential impact on: improving worker finances; mitigating the risk of debt due to lawful recruitment-related costs; overcoming short-term cash flow issues faced by scheme operators and growers; facilitating cost sharing across the supply chain; maximising sustainability of the UK horticulture sector.

The objective of the study was to investigate whether the Employer Pays Principle can be operationalised for seasonal workers within the UK horticulture sector, a sector reliant on such workers.[[5]](#footnote-6)

Following its publication, the report's writers, Alma Economics, have found that:

* Total recruitment-related costs paid out would be approximately £43.1 million across all options. This would eliminate recruitment debt for 18,200 workers associated with legal recruitment-related costs in all options except Option 3, with all options improving worker finances for those not in debt too.
* The EPP is likely to improve workers’ mental and physical health and overall wellbeing, particularly through reduced unsecured and high interest worker debt.

Alma Economics also estimates in the **proposed models**:

* Retailers are able to pass on more costs to consumers but may face decreased profit margins due to increased costs of domestic procurement.
* Domestic horticulture output is expected to decline slightly across all models (except Option 4), particularly if smaller growers go out of business.
* There could be a potential increase in import substitution, as retailers replace domestic production with imports due to increased costs and reduced UK output.

As Alma Economics notes, further research is required to assess the impacts of these models.

**Initial reflections on the Study**

Following the report’s publication, BRC’s Director of Food and Sustainability Andrew Opie said: *“We welcome the feasibility study into applying the Employer Pays Principle to the Seasonal Worker visa route. The UK Seasonal Worker Scheme plays an integral role in delivering fresh produce to our stores, and the report acknowledges the overall worker experience is positive. However, there is still work to be done to ensure all worker rights are protected and mitigate financial risks to workers. It is positive to see Defra has supported this work, alongside the Taskforce, as it shows a shared commitment to protecting workers across the UK food supply chain.*

*“No changes or final decisions have been made on the outcomes of the feasibility study and while industry discussions continue, our expectations of suppliers remain unchanged. We look forward to continuing discussions with Government, as well as other stakeholders on the best way forward for both workers and businesses."*

BRC members are committed to upholding worker welfare in their supply chains and believe that all workers should experience fair and responsible recruitment. However, as the study acknowledges, there are significant challenges in implementing the employer pays principle in practice, with a lack consensus on its practical meaning, cost responsibility and lack of assessment of the unintended consequences. We understand that long-term improvements require meaningful stakeholder engagement and careful consideration of the impacts. As acknowledged in the study, important elements were out of scope of the report and require further analysis, such as policy levers, addressing illegal fees, and the potential unintended consequences of an EPP. Furthermore, we would need to understand how options would be competition compliant and how to mitigate negative impacts on the consumer.

We are aligned with stakeholders over the duty the UK government has to safeguard the welfare and interests of migrant seasonal workers and other stakeholders in the horticulture supply chain, including growers, and the leadership role they should take as owners of the scheme. We are also aligned on the fact that a sole focus on EPP does not address the wide range of issues resulting from the SWV. We will continue to explore the additional levers needed to continually improve recruitment practices for the Seasonal Worker Scheme, tackling illicit fees, and improving working and accommodation standards on farm.

We believe this study opens the door for further research and conversations on responsible recruitment. We are committed to working collaboratively with key stakeholders to address these challenges through the Seasonal Worker Scheme Taskforce (SWST).

**Key Considerations:**

As noted, there are important elements that were out of scope that require further analysis. Below we outline key considerations:

* **Role of UK Government–** As owners of the Seasonal Workers Visa Scheme and proponents of UK food security, the government plays a key role in setting and enforcing the standards and rules through which workers are recruited. The Government (Home Office and Defra) should be an active participant in the ongoing discussions.
* **Addressing study assumptions** **and modelling** – Due to the limited scope of the study, further assessment and evidence-gathering is required to assess the actions and changes that would make a material difference to reducing the financial risks to workers. Further assessment is also required to assess the unintended consequences of any potential models, including real-life case studies and data modelling.
* **Risk of SWS EPP “tunnel vision”** – We need to be clear on the ultimate goal: responsible recruitment, reducing recruitment costs and improving worker welfare. There are concerns that the focus on EPP limits the bigger picture of responsible recruitment and the levers at our disposal to reduce the financial burden on workers.
* **Competition Law considerations** – Competition law considerations were not in scope of the study, meaning the proposed options were modelled did not consider how competition law may impact future actions. We therefore need guidance from the Competition and Market Authority (CMA) to further assess the options available to us as a cross-industry group. We also need Government to be an active participant in the discussions and facilitate future action on EPP.

1. Responsible Recruitment Toolkit. “Introduction to the Responsible Recruitment Toolkit.” Accessed August 22, 2025. https://responsiblerecruitmenttoolkit.org/introduction-to-the-responsible-recruitment-toolkit/. [↑](#footnote-ref-2)
2. Ibid. [↑](#footnote-ref-3)
3. Anti-Slavery International. “Bonded Labour.” Accessed August 22, 2025. https://www.antislavery.org/slavery-today/bonded-labour/. [↑](#footnote-ref-4)
4. International Labour Organization. *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage*. Geneva: ILO, 2017. https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@ed\_protect/@protrav/@migrant/documents/publication/wcms\_536755.pdf. [↑](#footnote-ref-5)
5. The EPP stipulates that no worker should pay for a job, that the costs of recruitment should be borne not by the worker, but by the employer. International Labour Organization.

*Global Estimates of Modern Slavery: Forced Labour and Forced Marriage*. Geneva: ILO, 2017. https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@ed\_protect/@protrav/@migrant/documents/publication/wcms\_536755.pdf. [↑](#footnote-ref-6)