

**All-Party Parliamentary Food and Drink Manufacturing Group Meeting
Tuesday 23 February 2010, 1500-1600**

How do we prepare young people for a tasty career in the UK's biggest manufacturing sector?

Summary

The Food and Drink Manufacturing All-Party Parliamentary Group met on Tuesday 23 February to discuss the challenges manufacturer's face in preparing and recruiting employees for the sector.

The session was chaired by Bill Wiggin MP and the following individuals gave presentations to introduce the session (see overleaf for transcript):

- Angela Coleshill, Director of Communications, Food and Drink Federation
- Jack Matthews, Chief Executive, Improve
- Maryann Denfhy, Müller Dairy

Key points from the group discussion:

- More needs to be done to increase understanding of career paths and the different options available to students;
- Links need to be made between businesses where existing work is happening and education providers;
- There is a need for good role models or champions including teachers and celebrities.

Attendees:

Richard Ali, British Sugar
Timothy Boswell MP
Nina Blunck, Food and Drink Federation
Russell Brown MP
Richard Carpenter, The Department for Environment, Food and Rural Affairs
Angela Coleshill, Food and Drink Federation
Maryann Denfhy, Müller Dairy
Kate Evans (for Mark Prisk MP)
Justine Fosh, the National Skills Academy
Jim Fox, Coca-Cola Enterprises
Nigel Fletcher, EEF the Manufacturer's Organisation
Jack Matthews, Improve
Rick Pendrous, Food Manufacture Magazine
Jon Poole, The Institute of Food Science and Technology
Katherine Sykes, Coca-Cola GB
Bill Wiggin MP (Chair)
Sharon Wilcox, The Department for Business, Innovation & Skills
Roger Williams MP

Mission Statement:

To consider the issues of concern to the food and drink manufacturing industry and to raise awareness of these matters in Parliament.

Transcript of the speeches

Angela Coleshill I'm a traditional HR director, but my role has developed within FDF to take account of the wider agenda around competitiveness and in particular around employment in the field, which is my speciality.

So, what I want to do very briefly is just give you a bit of insight into the food and drink sector as a whole and what it means and what its value is and what the key drivers are for the future.

Just a bit of feedback on our size and our shape, as it were. So, food and drinks sector is the UK's biggest manufacturing industry and we represent 15% of the UK manufacturing output. We're the fourth largest food and drink sector in Europe and we directly employ 440,000 people. 29% of those are within SME organisations, so quite a significant number within SMEs. We account for up to 1.2 million jobs within the food chain in terms of the wider group. We estimate there are 7000 enterprises within our sector generating 72.6 billion of turnover, so it is quite a significant sector. I think often the sector has not necessarily had the image that perhaps it deserved, and certainly from the innovation perspective, there's a great deal happening behind the scenes, with 8000 new products developed every year, and £330 million spent on R&D. One of the things that we do within FDF is try to lobby to get some recognition for the sector, as a high-tech advanced manufacturing area.

In terms of export, we are a vital export sector, exporting 10 billion to overseas customers. In terms of what does the future look like, clearly there will be an impact from the global recession and we expect that there will be huge demands anticipated in terms of food needs. We expect to have to continue to look very closely at our cost of production and productivity generally, and we are continuing to do consolidation within the sector. We're looking forward to continually changing consumer needs, and there is this real need to continue to drive innovation, new product development for the future of the sector and its competitiveness. We do think that within the UK markets we are highly regulated and that does have an impact on our ability to compete globally and I think that we are expecting that we are in a highly regulated market, but what we are really trying to achieve is an ability to change and to compete given those circumstances.

But a big issue and the issue that we're here for today is to look at attracting talent, and we think that we are going to have some challenges, Jack is going to give quite an insight into the demographics of our sector and what the future might look like in terms of future needs. But the skills of our workforce, existing workforce, and attracting talent in the future are key.

So in terms of what FDF are doing, I think I've mentioned already, that we see this as a priority, we want to develop partnerships with key stakeholders, we're very close to Improve, I personally am a board member of Improve Our Sectors Skills Council, and I think there's a lot that we can do together to improve the situation. I don't know whether someone from Manufacturing Insight is here today, but they are an organisation with a prime function of promoting manufacturing as a career of choice. I think EEF are probably representing that side of things today.

There are opportunities for us to work closer with IMS too. We've been continually looking at targeted media campaigns and in the last 12 to 18 months, we've had some good successes, we had a really good piece on Country File with an interview within one of two countries on opportunities for young people. We are targeting the specialist press and education press, we've had a good spread on the Diploma in Manufacturing most recently. We're planning to work with EEF during Manufacturing Week and we're doing some work in the Daily Telegraph actually next week, looking at manufacturing generally as a career.

The other thing is that we've been backing is the Diploma in Manufacturing and Product Design, which we'd like to talk a bit about this afternoon, we think that's a really really powerful proposition for young people to move into manufacturing, and we're also a keen supporter of the Backing Young Britain campaign, to try to give equal opportunities to get into the workplace, because we do realise that's a particular area of concern. So that's it from me, hopefully I get within my time, and I'm going to pass you over to Jack.

Jack Matthews Thanks again for inviting me to come along and talk to you today about what for us is an absolutely critical deliverable. Improve The Sector Skills Council for the UK Food and Drinks Centre covers as you can see there, the Food Chain as well as just simply manufacturing, and we have to ensure that we deliver an integrated approach to skills across the entire food chain, the only two elements that are there that you won't see are the large multiples, which we don't cover, we cover high street retail and specialist groups, and the farming area, and that's what makes up the difference between one and a half million, which you heard Angela refer to, and the 700,000 which was up there.

But that integration of approach is critical, because if you look along the supply chain, you can see that we do have a demographic problem and our demographic problem is exacerbated by the fact that we are perceived as actually being a low paid sector. We are not a low paid sector, if you look at food scientists, for example, within the food and drink sector, they can come in and range, with a salary at commencement of £25,000, £27,000, and move very rapidly within about three to four years up to £50,000, depending on what the demand is. I'm going to move on shortly to tell you what is facing the sector in terms of the demand for skills, we see why we have got to attract new talent in, not just to replace the people who are leaving, whether they retire or otherwise, but we've got to attract new people in with higher level skills at every single function across our sector. One of the things that we are faced with by trying to address that and create a clear environment for young people is the fact that we've never had a common currency with which to entice young people to actually join our sector and say yes, I can see how that can actually root me for them, because Bakery has always had its own qualifications, Meat have always had their own qualifications, Food Safety was never the same between what the Meat sector wanted, what the Dairy sector wanted, what the Bakery sector wanted. So we had to come up with a whole new approach to create a career development structure that could sustain people and move them forward in their career in the food and drink sector, no matter where it is along that supply chain.

So, we've got to look at that replacement level, 137,000 people, predominantly at least Level II, probably Level III, and above by 2017. So when you consider we're going to be in the same market as everyone else, we are going to have to ensure that not only are our young people coming in, but adults are also coming into the business bringing their skills base with them. How do we actually make that an attractive proposition? How do we place into the hands of the individual the ability to actually carve out their own career for themselves, as well as fulfilling the skills needs, and the competence requirements and compliance requirements of the sector?

So what are we doing about it? Well, we are addressing a shortage in specifically food scientists and technicians, and when I link that to the third bullet point, developing the School's Challenge. We have put over 14,000 school children through the School's Challenge, which is an NPD focussed approach to learning about food, learning about value of food, what food does to your metabolism etc. But we also cover the basics of food science and technology within that NPD approach. Since we've been running the School's Challenge and promoting careers, and working at IFST and other organisations such as FDF, to promote food science, we have had a turnaround. Before, food science was in decline in this country rapidly, it was just not happening. What we've now got is a ratio of what was one in four vacancies permanently unfilled, now that's declined to one in five. 111 new Food Science courses have come on in the past 18 months, more institutions are offering Food Science, and that's about capturing people's interest at school level, in science and in food as a career, and then being able to sustain it, not just

through the Diploma, which is a critical vehicle for us, but also through access to other qualifications, whether it be at FE level, HE level, or in the workplace. And that's why we have come up with, and developed our National Skills Academy to lead that development of higher level skills, and in the corner is Justine Fosh, who's my Academy Director, who would be happy to answer any of your questions.

I just wanted to cover these last few points and link them together, developing future skills and skills for sustainability are inextricably linked together. People talk about future skills, the government have come up with a proposal for a list of new technologies, Advanced Manufacturing, Life Science, Low Carbon, the food and drink sector is doing this already. The whiskey industry already is committed to a process of anaerobic digestion to create energy from the alcohol from the experimentation process, and this is not because of skills shortages specifically, but if you read the last issue of Food Manufacture, you would see a whole list of areas such as Nano Technology could be used for Anti Allergic Therapy, etc. What is happening in Advanced Manufacturing is happening now, and we have got to prepare ourselves, not just to create a new market, but actually to extent the existing market and drive skills in the existing market. A critical element for us therefore is a Diploma in Manufacturing, to encourage people to believe that a career can be sustained and can develop a real future by learning how to make things, and that's fundamental to the work of Improve.

So, finally, we are looking to gain support across government to ensure the food and drinks sector is a key priority, with clear recognitions of major contributors to the growth of the UKs manufacturing base, and we are receiving help on that. We want to ensure that the industry must be seen as paving the way on leading government priorities for sustainability, food safety and security, you can't hide it anywhere else, it has to be given to the industry to do, and we've got to supply the skills for them to do so.

Finally, this is a cry from the heart. If we continuously just force people down the simple food fact qualification route and only that route, you are not going to meet the needs of either the employer or the individual. They must have a much more flexible approach as to how they can develop their own careers and develop the skills required for the industry.

Maryann Denfhy Müller's Dairy, based in Shropshire is in a unique position. Firstly, we're a large rural employer, and secondly, we are a self contained site, what I mean by that is we have all our full manufacturing processes and our head office functions all on one site, so that unique position means that Mullers Dairy is well placed to promote a full range of careers in food manufacturing to high school students within our local rural community. So with that in mind, ten days ago, 12 employee volunteers got involved in our local high school Careers Fair. Those 12 employees were from a wide range of different functions within our business. What we tried to do as well, we tried to make the mix of those volunteers as young and as local as possible, so that the students would engage more with them. A week before the Careers Fair, each of the employee volunteers provided a one page summary, which basically covered their current role at Müller and how they got to that role after leaving school, and this is then circulated to all of the students, which helped them to make their decisions about which of the functions was of the most interest to them so they can actually go to the relevant presentations on the day. So on the day of the Careers Fair each of the employee volunteers basically did a series of ten minute presentations, which went into more detail about their career at Müller, how they got there, their career path, and since they left school, a bit more detail than the one pager.

They then presented these to five to 15 students over the course of the day. I think what's important to point out here is that the other people who were there, the other organisations that were there with us, were ranging from the army, the police, the air force, higher education collages, they were all there to recruit, but we were there purely to inform the students about the different career opportunities. Although we've been attending these local Careers Fairs for many years, this is the first one we have approached in

this way and I'm very pleased to say that the feedback we've had from the schools, students and parents has been extremely positive, so our intention is that this will be the way we do it going forward.

We've also been working together with North Shropshire Education and Business Partnership, or EBP for short, what we're still doing is that we're taking a number of Müller's internal materials and we've been sharing information that we've developed, primarily to actually educate and communicate our business strategy to our own employees, and we've adapted those materials to be used in schools, and we've worked with two Business Studies teachers who have adapted the materials to use with their own pupils, and although this is still very much a work in progress, I think what's really interesting is that we've seemed to have caught the imaginations of these teachers by the fact that they are Business Studies teachers, it's very clear, they have very little hands on experience or knowledge of business in reality. I think that's quite an important point to make.

So in summary, as a large rural employer, we're a self contained site, Müller Dairy is ideally placed to promote a wide variety of careers that are available within the food industry to high school students within our rural community. We believe passionately at Müller, by promoting careers in food manufacturing, that we are helping to secure a sustainable future for Müller, our rural community, and the food manufacturing industry as a whole.