

ENGINEERING SALARY SURVERY - 2014

(UK Food & Drink Manufacturing Industry)



Welcome to Food Careers Salary Survey. Based on the response of **432 Maintenance Engineers across the UK's Food & Drink Manufacturing industry**, this comprehensive survey combines a quantitative examination of salaries paid to Maintenance Engineers working within this industry, with further qualitative data analysis, which has been reviewed and validated by our specialist team.

Engineering Managers seeking to benchmark their team's salaries will find this information useful, perhaps as a point of reference to negotiate Maintenance Engineer pay. The salary survey may also be of use to HR Managers looking to review the pay of Maintenance Engineers and gain an understanding of the level of overtime worked. Maintenance Engineers can also use the survey to compare their current salary, overtime and pay satisfaction with Engineers working in different food sectors, or in other parts of the UK.

The survey details salary analysis across thirteen sectors of the food and drink industry, focusing on ten regions across, England, Wales and Scotland.

Survey Highlights

Our research has shown the average annual basic salary for a Maintenance Engineer working in the Food & Drink Manufacturing industry in 2014 is £34,972 per annum.

Maintenance Engineers are supplementing their pay with an average of £2,761 paid as overtime per annum.

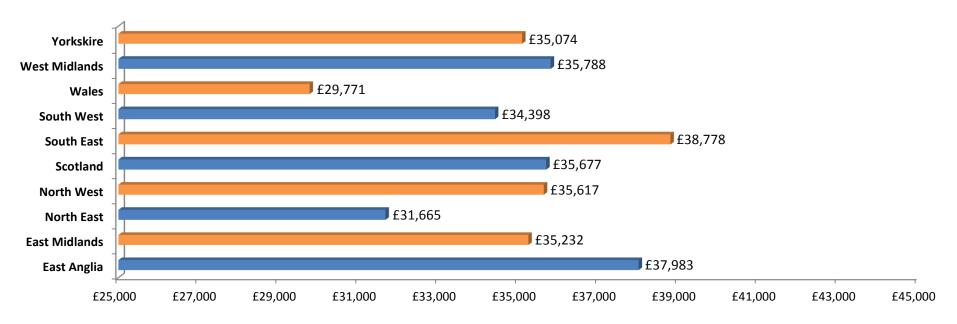
Average total earnings for Maintenance Engineers is therefore £37,733 per annum.

Due to regional house price disparities, companies may struggle to recruit experienced Maintenance Engineers willing to relocate to South East / South West, as salaries offered in the South East / South West fail to keep up with house price inequality.

The lack of younger Maintenance Engineers coming into the sector was evident with only 7% of survey respondents aged 20 to 30 years old.

Average Basic Salaries By Region

(Including Shift Allowances)



Interesting Research - Average Maintenance Engineer Salaries and Average House Prices

As part of our research, we wanted to ascertain whether there was a link between average house prices and average salaries. I.E. Does it correspond that salaries are higher in regions where house prices are higher, and are salaries lower in regions with lower house prices?

On interpreting the data, we found a strong correlation between salary and the average house price in 8 of the 10 regions studied. For example, the South East had both the highest average salaries and highest house prices and the North East and Wales had some of the lowest salaries and lowest house prices.

When we examined the ratio of house price to salary we discovered that despite the higher salaries, the South East region is still the least affordable region for Maintenance Engineers to buy a house. Perversely, the areas where the average salaries were lowest (North East, Yorkshire, Wales) were the most affordable when considering the ratio of house price to salary. The higher salaries enjoyed by Engineers in the South East did not come close to bridging the affordability gap between the high property prices in the South East and the lower prices in other regions.

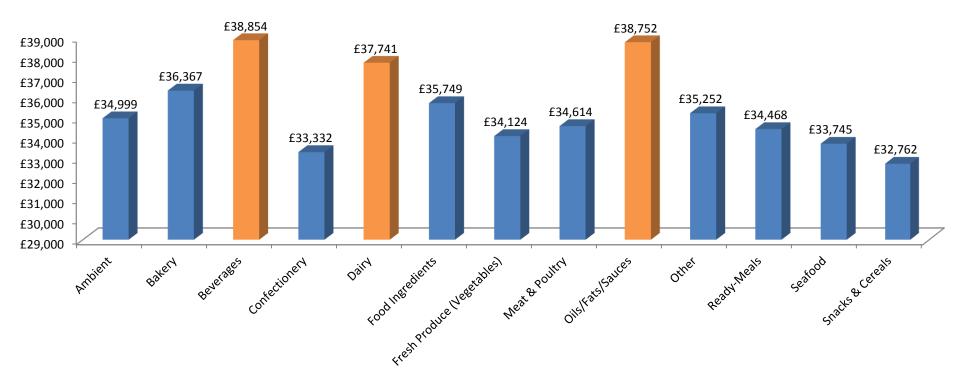
The South West region was unique in that it was the second most expensive region to buy a property, but the average salaries offered are low, with only the North East and Wales offering lower salaries. This anomaly makes the South West the second most expensive region to buy a property by some distance, when comparing the house price to salary ratio. With other regions there was a definite link between average salary and average house price.

The housing affordability issue restricts labour movement and makes it difficult for Engineers from other parts of the country to move to the South East and South West to take up employment. This could lead to a shortage of Engineers in the South East and South West.



Average Salaries by Food Sector

(Including Shift Allowances)



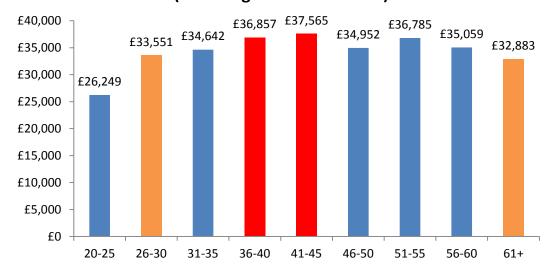
The **Dairy, Beverage** and **Oils/Fat/Sauces** sectors are the highest paying, where Maintenance Engineers can earn an average of 11.3% more than other food sectors.

On average, Engineers in the **Beverage Sector** earn 18.6% more than Engineers in the Snacks & Cereal sector. However, there is only a 2.5% pay differential between Engineer salaries in the following four sectors: Ambient, Meat & Poultry, Ready Meals, Fresh Produce.

65% of Maintenance Engineers working within the **Beverage** sector said they were 'satisfied/very satisfied' with their level of pay and 61% of Maintenance Engineers working within the **Snacks & Cereals** sector said they are 'slightly dissatisfied/very dissatisfied' with their level of pay.



Average Basic Salaries by Candidates Age (Including Shift Allowances)



If not progressing to Engineering Management level, the prime earning age for Maintenance Engineers is between 36 to 45 years old.

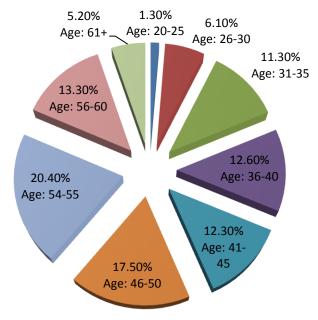
Alarmingly, but maybe not too surprising, **38.9%** of Maintenance Engineers who participated in this survey were aged between 51 to 60 years old with only 7.4% aged between 20 to 30 years old. This suggests there is a very large shortfall of skilled engineers needed for when the older engineers get to retirement age.

Although they are some of the highest paid Maintenance Engineers, 59% of respondents aged **45-55** said they were dissatisfied to some degree, regarding their overall pay.

Maintenance Engineers age 56+ have been able retain a higher basic salary compared to 2 years ago, when they were earning approximately 11% less than the average salary. We believe this is down to improvements across the job market and companies becoming more willing to pay a higher rate for engineers closer to retirement age in an attempt to retain industry experience during a period of significant skill shortages.

However, it was interesting to learn that despite having over 30 years more experience, Maintenance Engineers aged 61+ were earning slightly less then those aged just 26-30 years old. This may be because Food & Drink companies have to pay more to attract young engineers, as they are in competition with other industries equally keen to attract talented young engineers.

Age of Engineers Completed Survey





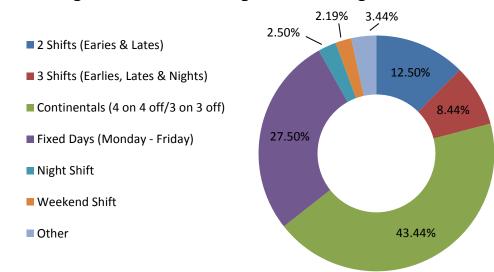
Average Basic Salaries by Shift Patterns

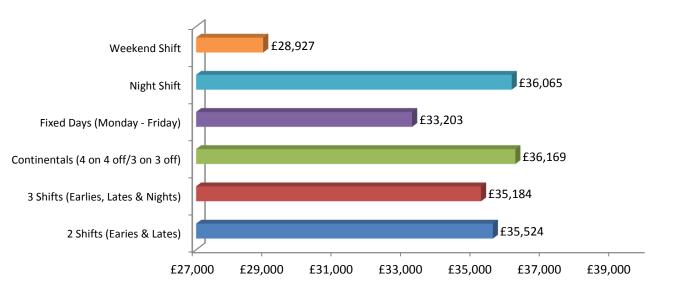
(Including Shift Allowances)

Over 43% of Maintenance Engineers are now working some form of Continental Shift pattern and 12 hour days, demonstrating the Food & Drink industry's move towards 24/7 production cover. This is also reflected in the fact that Permanent Weekend shifts and Permanent Night shifts are becoming less common.

Interestingly, there is a fairly even divide in the satisfactory rating for engineers working a continental shift pattern. This may suggest that whilst more rest days-off may suit some engineers, the strain of working 12 hour shifts may not be so appealing to others.

Percentage of Maintenance Engineers Working Each Shift





Weekend Shifts appeared to offer the lowest paid salary, but under further scrutiny, we found in the majority of cases, this was because weekend engineers work less hours on average, just 36 hours across 3 days.

Historically, premium rates paid for working Continental Shifts (as opposed to Fixed Days) have been circa 25% on top of the basic salary. However, figures provided by Maintenance Engineers who completed the survey suggest the current premium paid for Continental Shifts is just 10%, which is on a par with the premium paid to engineers on permanent nights.

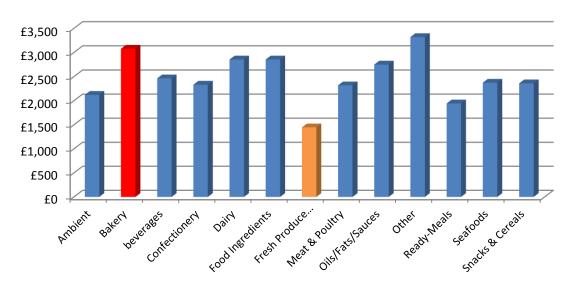


Additional Overtime Earnings

Gross Annual Overtime Payments



Average Amount of Overtime Earned by Food Sector



Engineering Managers may be interested to learn that maintenance engineers aged 36-50 earned the highest amount in paid overtime, indicating they are more likely to accept extra hours offered.

Maintenance Engineers aged 20-25 were similar to those aged 61+ typically earning 18% less in overtime compared to engineers from other age groups.

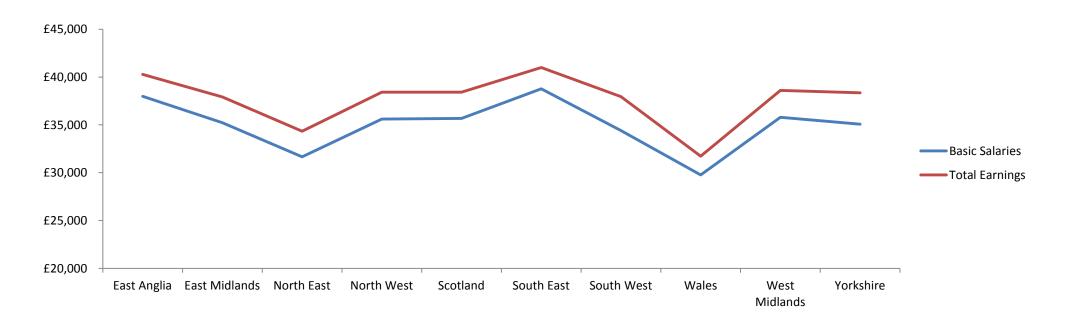
Over 33% of Engineers who completed this survey actually earn less than £1,000 in paid overtime. We believe this could be as a result of more Food & Drink companies moving towards 12hr shift patterns and maintenance engineers being less inclined to work extra hours on top of what could already be a 13hr day (including travel time). Also, Engineering Managers are becoming more aware of the health & safety issues relating to engineers working more than 12 hours and refocusing engineering resources to cover the extra work.

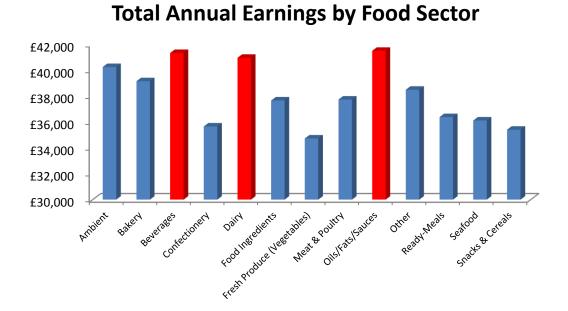
Interestingly, the Fresh Produce sector is within the bottom third of basic salary payers and, also, doesn't offer engineers much opportunity to increase their pay with overtime, as it is the sector where engineers work the least amount of overtime.

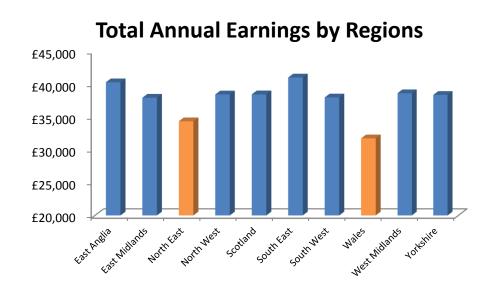
On average, Maintenance Engineers working within the Food & Drink Industry earn 6-8% on top of their basic salary with overtime payments. The Bakery sector leads the way with engineers earning an extra 8.5% through overtime, double that earned by Fresh Produce engineers, at just 4.5% extra



<u>Total Annual Earnings – Including Shift Allowances & Overtime Payments</u>



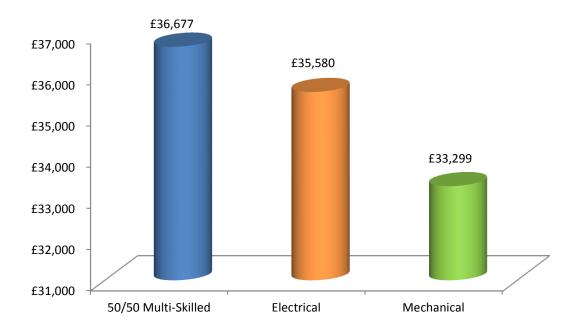




Salaries by Engineering Bias

Average Basic Salaries by Engineering Bias

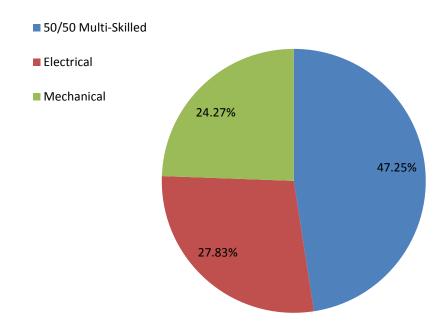
(including shift allowances, but excluding overtime)



Multi-Skilled Maintenance Engineers earn 10% more than Mechanical Maintenance Engineers. However, Multi-Skilled Maintenance Engineers earn just 3% more than Electrical Maintenance Engineers.



Engineering Bias



We were surprised to learn that 47% of engineers who participated in the salary survey considered themselves to be truly multi-skilled engineers (50% Electrical/50% Mechanical). We found this surprising as our experience recruiting Maintenance Engineers for the Food & Drink Industry has shown that Multi-Skilled Engineers usually have a clear bias to Electrical or Mechanical, based on their experience, recognised training and qualifications.

Perhaps this figure demonstrates increased 'cross skilling' by Food & Drink companies over the past 2 years, or with 65% of maintenance engineer vacancies currently being advertised as Multi-Skilled*, are engineers fearful of revealing their true engineering bias as it may reduce their employability?

^{*}Indeed UK October 2014

How Satisfied are Maintenance Engineers with their level of Pay?

- **61%** of Engineers earning £25,000-£29,999 indicated they were 'dissatisfied' with their level of pay.
- **59%** of Engineers earning £30,000-£34,000 said there were 'slightly dissatisfied' and more likely to move in return for increased pay.

- Engineers earning £35,000-£39,999 were a lot more satisfied than their lower paid peers, with **53%** of engineers stating they were 'satisfied' or 'very satisfied'.
- Newly qualified Engineers aged 20-25 years old were uneasy with their pay levels with over 75% declaring they were 'slightly dissatisfied'. Could Food & Drink manufacturers do more to demonstrate the scope, opportunity and earning potential offered to engineers entering the industry? Could the Food & Drink industry do more to improve its image and pay for young engineers, in order to attract the very best engineering graduates and apprentices?





This Salary Survey has been brought to you by Food Careers Ltd, a specialist Recruitment Consultancy committed to the appointment of Engineering, Manufacturing, Operations, Technical, Quality, Supply Chain, Purchasing, Product Development, Sales & Commercial Personnel for the UK Food & Drink Industry. The survey provides a comprehensive insight into the salaries of Maintenance Engineers currently working within the UK Food & Drink Industry.

If you would like to request general salary advice or further details regarding your specific sector of the Food & Drink Industry, please feel free to contact us:

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