

Polymers

The Polymer industry comprises four discrete processing areas: Polymer Processing (Plastics & Rubber Processing) Composites, Signmaking and Packaging. The industry is important supply chain to heavy manufacturing industries such as automotive and aerospace. Polymer products are commonly used in many household products from cling-film to high tech composites. Polymers are versatile in that their shape, density, colour, translucency, conductivity, mechanical strength, corrosion resistance etc and can be finely tuned for a required application. The industry directly employs over 220,000 people. This figure rises to approximately 400,000 employees when companies who process polymers as a secondary operation to their main business, are taken into consideration. Products and component parts developed using polymers, are used in many applications. Each year the demand steadily grows.

Headlines

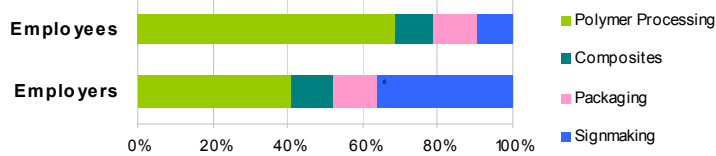
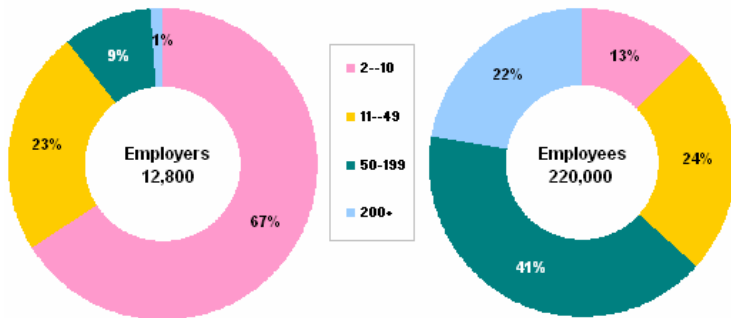
- The UK is one of the **top 5 Plastics Processing countries in the EU** with some 4.8m tonnes of materials processed in the UK.
- **Sales account for approximately £17.5bn** (approximately 2.1% of UK GDP).
- The **packaging sector accounts for 36% of plastics consumption** in the UK⁵.
- The industry invests **£76m in research and development⁶** and around **£482m on capital expenditure⁷** in the UK.
- Productivity in the Polymers Industry has increased by 44% over the last 10 years. Average annual growth rate for the industry is 5.4%. The industry is forecast to reach a **turnover of £54bn** in 2015.

Economic Picture¹

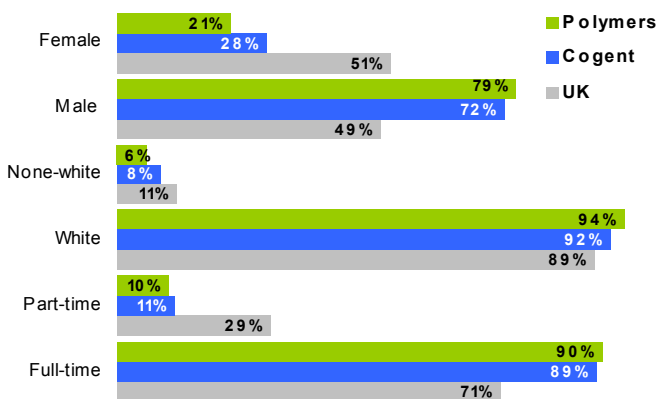
Industry	Turnover	GVA*	GVA per Employee
	£ / bn	£ / bn	£
Polymer Processing	19.88	7.47	41,282
Packaging	2.88	0.64	24,731
Overall	22.76	8.11	36,115

The Workforce

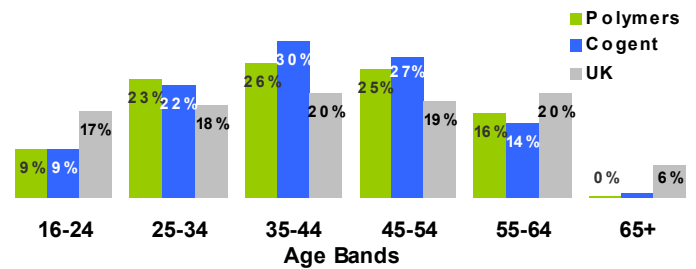
Employers and Employees by Size^{1,2,4}



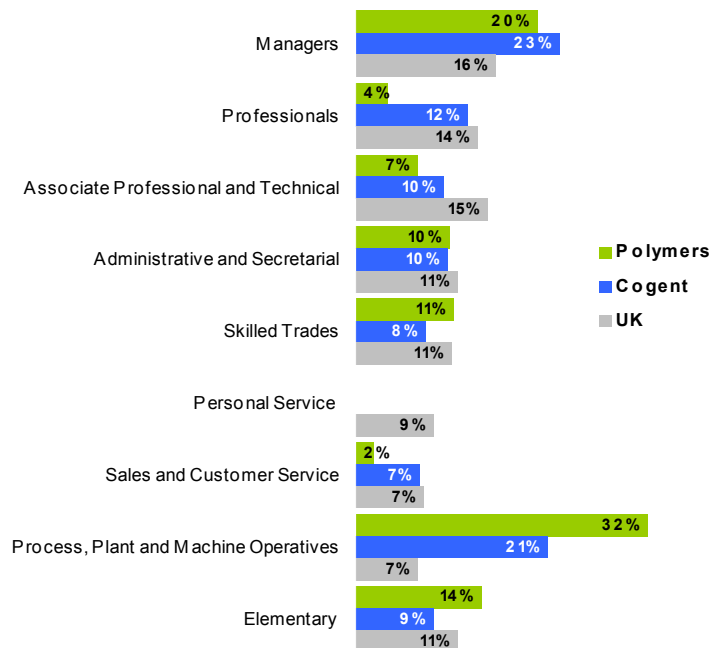
Workforce Distribution- Gender, Ethnicity and Employment Profile³



Age Profile³



Occupational Distribution³



1. Annual Business Enquiry (ABI) 2008-data released June 2010, Office of National Statistics (ONS) 2010

2. National Employers Skills Survey (NESS) 2009

3. Labour Force Survey (LFS) 2009, ESDS 2010

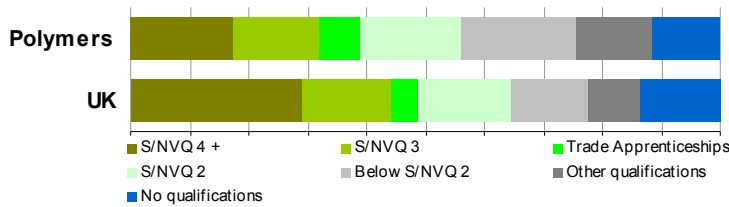
4. Cogent Industry Estimate- (estimated from national data, ABI, LFS, NESS, BIS..etc)

5. British Plastics Federation 2010, www.bpf.co.uk

* GVA - Gross value added (GVA) represents the amount that individual businesses, industries or sectors contribute to the economy.

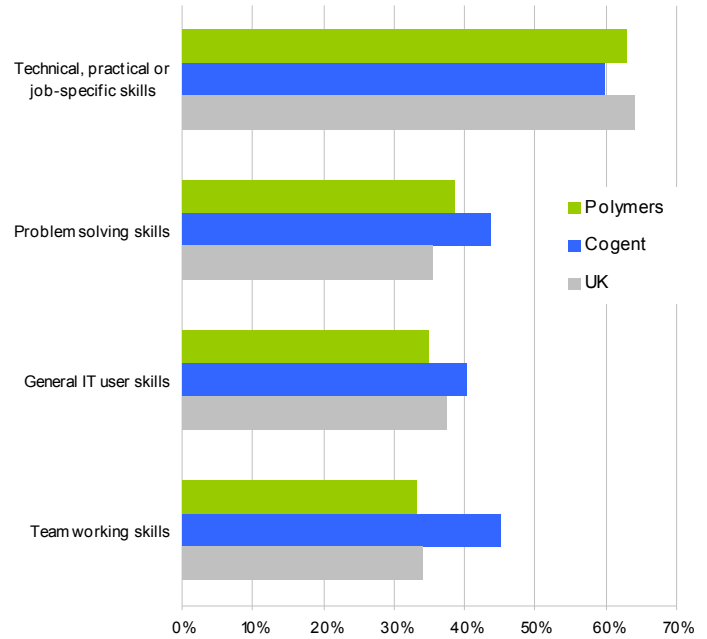
Skill level and Skills Needs

Skill Level³

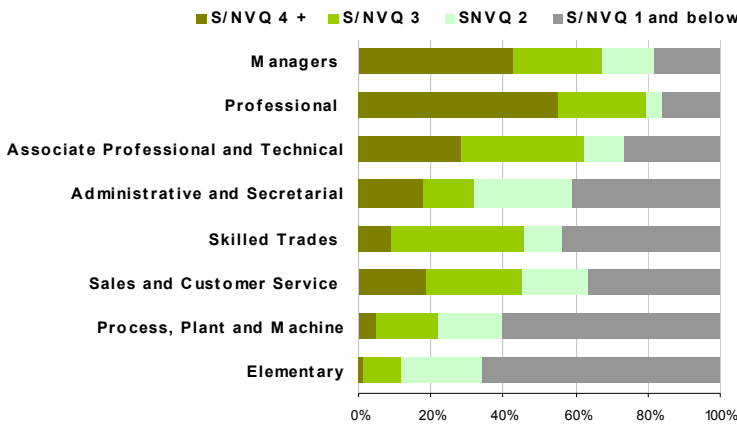


Skills Needs²

Top four skills that will need improving or updating in the next 12 months in all occupations, as reported by employers.



Skill Level by Occupation³



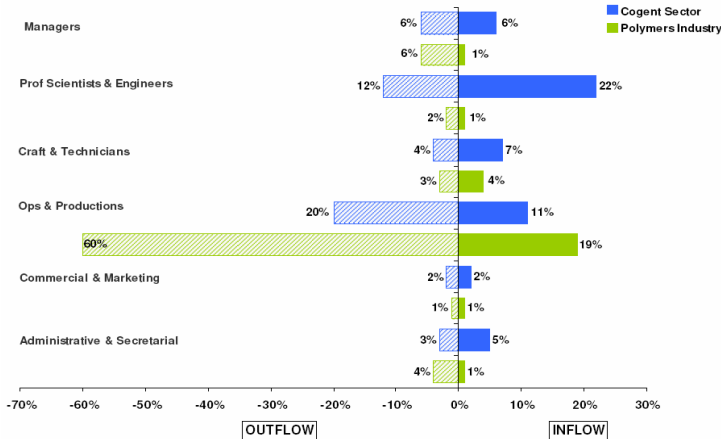
Skills Demand / Training²

- Vacancies for 'Associate Professionals' (33%), 'Machine Operatives' (30%) and 'Skilled Trades' (10%) were reported by employers as most 'hard to fill'.
- Employers (60%) expect the demand for both leadership and management and professional/higher level skills to increase in the next 12 months⁷.

	Polymers	Cogent
Proportion of employers that expect staff will need to acquire new skills or knowledge in the next 12 months	54%	63%
Internal skills gap (proportion of employees that are not fully proficient at their jobs, as reported by employers)	19%	21%
Proportion of employers that provided training over the last 12 months	57%	66%
Number of staff trained as a proportion of employees (last 12 months)	39%	50%
Average annual training budgets per employee ⁷ (excludes cost of maintaining production while training the employee)	£560	£930

Employment and Workforce Distribution

Employment Turnover by Skill Level⁷



According to the Polymers Skills Oracle, employment turnover for 2009 was 33%.

- The main recruitment routes were: 'Mature Entrants' (65%) with skill level 1 and 2. Polymer industries are less dependent on those individuals with higher level of skills and qualifications
- The main departure routes were: 'redundancies (61%) other (33%) and retirements (6%)'.

Employment by Region and Nation¹

	Employees		Employers	
	n	%	n	%
East	18,892	10%	968	11%
East Midlands	23,233	13%	921	10%
London	6,842	4%	534	6%
North East	9,499	5%	351	4%
North West	28,047	15%	1,121	13%
South East	18,301	10%	1,081	12%
South West	14,140	8%	770	9%
West Midlands	21,116	11%	1,043	12%
Yorkshire and The Humber	19,368	10%	877	10%
England	159,438	86%	7,666	86%
Scotland	12,832	7%	429	5%
Wales	12,084	7%	493	6%
Northern Ireland ⁴	1,000	1%	275	3%
Total	185,354	100%	8,863	100%

* Industry estimates can exceed ABI employee and employer data due to contractor workforce and SIC limitations. Cogent estimates an additional 4,000 employers and 35,000 employees for the Composites and Signmaking workforce.

6. Business Enterprise R & D (BERD) 2008 – released Dec 2009, ONS 2010

7. Skills Oracle 2010, Cogent SSC

8. Northern Ireland Annual Business Inquiry (NIABI) 2008, ONS

Standard Industrial Classification (SIC 07 code: 21.19; 22.21; 22.22; 22.23; 22.29; 82.92), Office of National Statistics (ONS) 2010

Cogent website: www.cogent-ssc.com

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