



Bwyd a Diod Cymru
Food & Drink Wales

Welsh Food and Drink
Economic Appraisal – 2024

Gross Value Added (GVA)

The Gross Value Added (GVA) figures haven't been included in this release due to the Office for National Statistics identifying a problem in their

system used to collect and process the Annual Business Survey 2023 data. We will update this release with the GVA figures as soon as possible.

Food Foundation Sector

The Welsh Food Foundation Sector incorporates food and drink businesses that produce, process, manufacture and wholesale food and drink goods, including secondary businesses required in the food and drink industry¹.

The Food Foundation sector is the primary focus, of the vision, mission and goals set by the Welsh Food and Drink industry Strategic Vision².

In 2024 the sector experienced an increase from 2023, with turnover increasing by £945m (10%) from £9.3bn to £10.2bn. This increase came from select subsectors such as Dairy and Wholesale, whilst others, namely Meat and Meat Products saw a decrease in turnover. These subsectors are explored further, later in the appraisal. Over the longer term, the sector has seen growth in turnover, increasing by £2.0bn (25%) from £8.2bn in 2019.

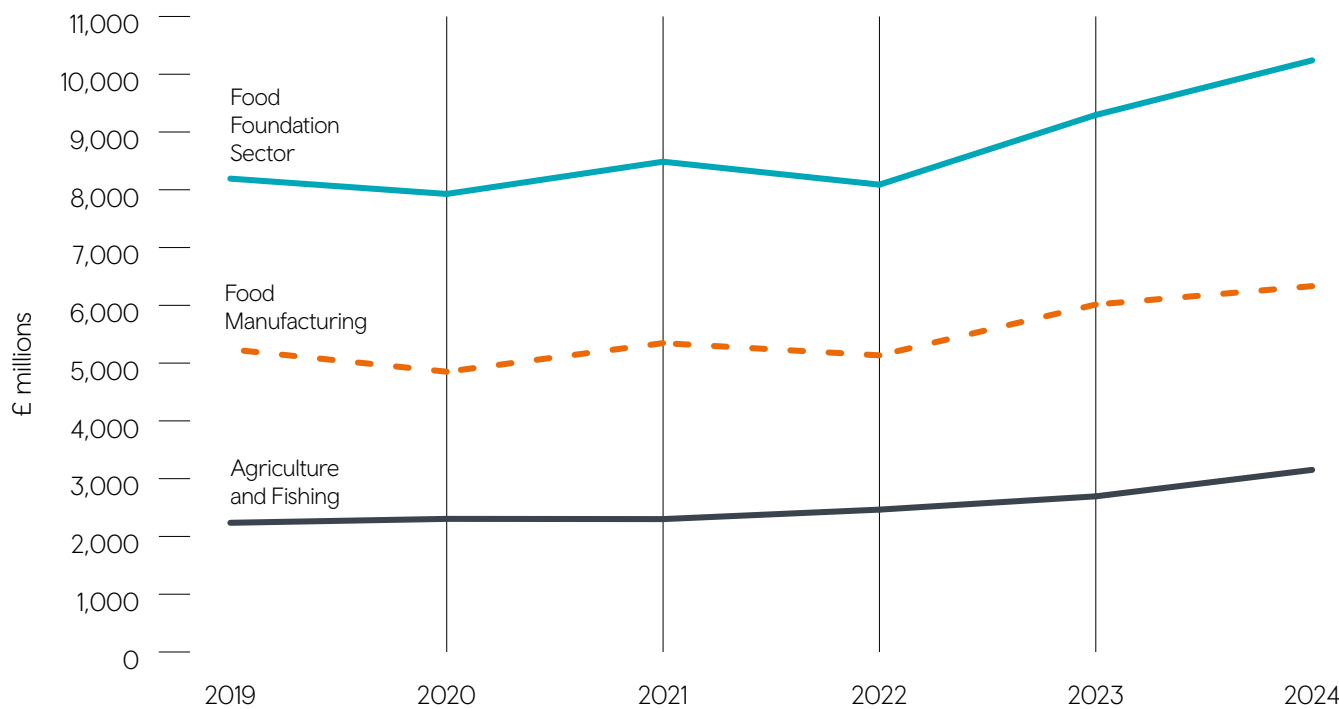
There were 1,533 local business units in the sector in 2024, a decrease of 154 units year-on-year but an increase of 129 since 2019. 73% of the business

units in the sector were classified as Micro in 2024, 2% less than 2023. This is similar to the other UK nations, with England at 75%, Northern Ireland at 70%, and Scotland at 67%.

Across the remaining business units in Wales for the sector, 17% were small, 8% were medium and 2% were large. There were 98 (8%) Welsh businesses in the sector that had a turnover greater than £10m in 2024.

The sector employed 40,000 people in 2023, a 7% increase from 37,500 in 2022. 90% of employees in the sector worked full-time equivalent (FTE). The median salary for the sector in Wales was £26,418 in 2024, a decrease of £125 (0.5%) from 2023. Across the same period, UK median earnings increased by £2,319 (8%), from £29,247 to £31,566. 73% of all workers in the Welsh Food Foundation Sector earned at or above the Real Living Wage in 2024, a decrease from 81% in 2023.

Turnover by Sector 2019–2024, (£ millions)



Source: Welsh Government analysis of the Inter-Departmental Business Register (IDBR).

1 Such as the manufacture of plastic and glass products used in the food system. A full breakdown of the categories that make up the foundation sector can be found in [The Food and Drink Foundation Sector Definition](#).

2 The whole Welsh Food and Drink Strategic Vision can be found at [A Vision for the Food & Drink industry from 2021: Building on our success](#).

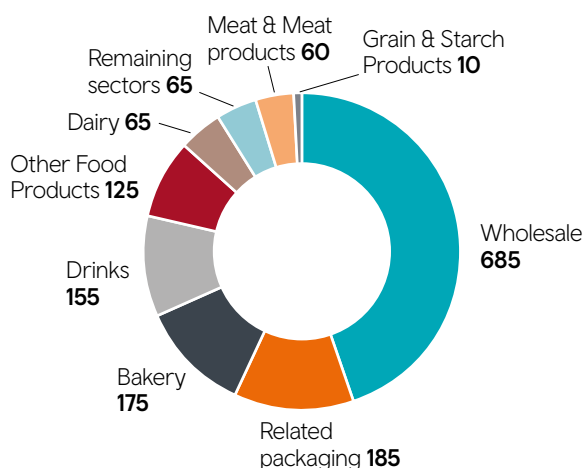
The number of business units in the sector has decreased by 154 year-on-year, the majority of these (142) were micro businesses (less than 10 employees). In the longer term the number of business units in the sector has increased by 129, with 124 new micro business units, 3 new small businesses (10 – 49 employees) and 2 new medium sized business units (50 – 240 employees). There have been 0 new large business units (250+ employees).

In 2024, 34% of employees in the sector worked for medium sized businesses, and 48% for large businesses, with micro and small sized firms having a much lower employment share of the market, at just 19%.

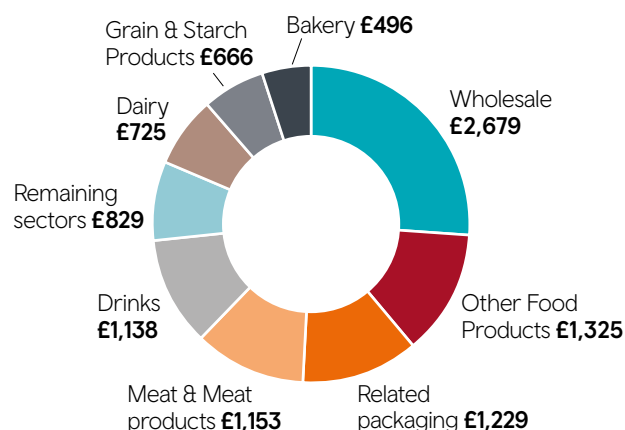
The sub-sector which had the largest growth in business units from 2019 to 2024 was Drinks, with 33 new units. This sub-sector had 8 new small business units the largest growth out of all the sub-sectors.

In 2024, 73% (934) of Welsh businesses in the food foundation sector had a turnover of less than £1m. This 73% of businesses accounted for 13% of employees and 4% of the turnover in the sector. 8% (98) of Welsh businesses in the sector had a turnover value greater than £10m. These businesses accounted for 69% of employees and 83% of turnover. A full breakdown of businesses, employees and turnover by turnover band is available in Appendix A.

Food Foundation Sector Local Unit Counts by Sub-sector, 2024



Food Foundation Sector Turnover by Sub-sector (£ millions), 2024



Source: Welsh Government analysis of the Inter-Departmental Business Register (IDBR).

Table 1: Food foundation sector businesses by size

Business size	Business units 2024	% of total units	Turnover 2024 (£m)	% of total turnover	Employment 2023 (000's)	% of total employment
Large (250+)	27	1.8%	4,951	48.3%	17.2	47.8%
Medium (50–249)	120	7.8%	3,497	34.2%	12.1	33.6%
Small (10–49)	267	17.4%	1,190	11.6%	2.6	7.2%
Micro (0–9)	1,118	73.0%	602	5.9%	4.1	11.4%
Total	1,532	100.0%	10,240	100.0%	36	100.0%

Source: Welsh Government Analysis of the Inter-Departmental Business Register (IDBR). The employment figures in this table are taken from the IDBR, unlike the employment figures discussed during the other sections of this report, which are from the Business Register Employment Survey (BRES). BRES data is recommended to be used over the IDBR when discussing employment figures, however for the purposes of comparing employment figures across business sizes, IDBR employment data has been used. The employment figures in the table above do not include a significant portion of agriculture labour. The 'Remaining Sectors' category includes Prepared Animal Feed, Fruit and Veg, and Fish and Crustaceans.

Food and Drink Supply Chain

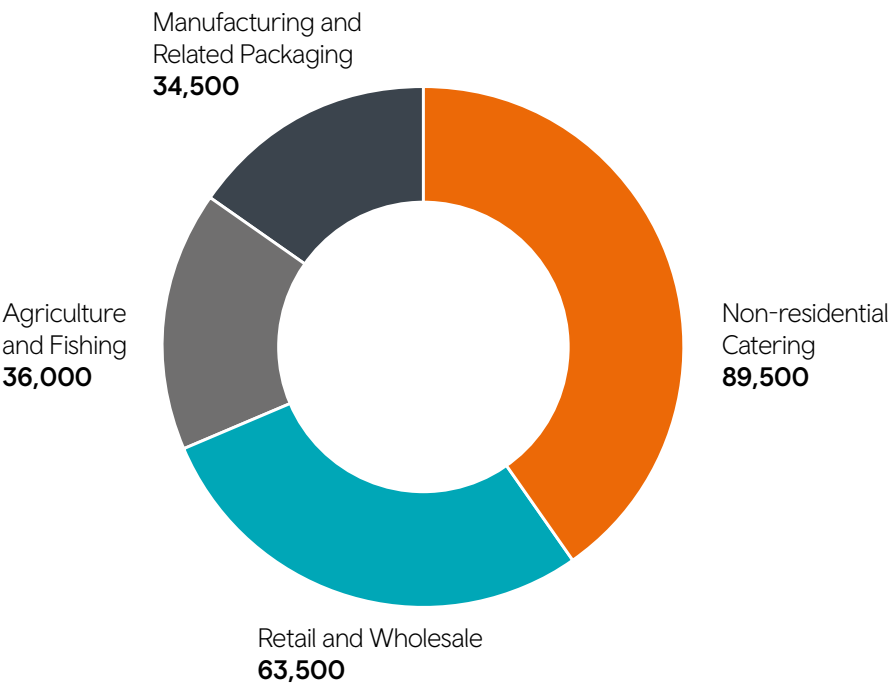
The Welsh food and drink supply chain also saw growth in 2024, this sector contains manufacturing and related packaging, agriculture and fishing, retail and wholesale, and non-residential catering. Businesses in the sector had a total turnover value of £27.0bn in 2024, a year-on-year increase of 10% from the £24.6bn in 2023. Exports increased in 2024 compared to 2023, rising from £813m to £839m, an increase of 3% (£26m).

The number of business units in the sector dropped slightly, decreasing by 2% from 28,678 in 2023 to 28,087 in 2024. 85% of the business units within the sector were classified as micro in 2024, the same as in 2023. Compared to the other UK nations Wales had the second highest proportion of micro businesses in the food and drink supply chain, with Northern Ireland at 89%, Scotland at 79%, and England 78%.

In 2023 the supply chain employed 223,500 individuals in Wales – a 1% decrease from 2022 – accounting for 17% of Wales’ total workforce. 46% of employees in the sector worked full-time equivalent (FTE). Median annual earnings in the sector for 2024 were £20,210, decreasing by 2% from 2023. The UK median salary for the sector was £22,065 in 2024, which increased by 7% on the year prior. 50% of employees in the Welsh food and drink supply chain earned the real living wage in 2024, a decrease from 64% in 2023.

Welsh food and drink continued to expand its award-winning products, winning 163 Great Taste awards in 2024, a decrease of 79 from 242 in 2023. Wales had 24 protected food names as of March 2025. This is 4 more than in 2023.

Number of Employees in Key Food and Drink Supply Chain Sectors, 2023



Source: Welsh Government analysis of the Business Register and Employment Survey (BRES).

Food and Drink Manufacturing

The Welsh Food and Drink Manufacturing sector in 2024 experienced an increase in turnover by £318.7m (5%) from 2023, increasing from £6.0bn to £6.3bn.

The sector employed 26,000 in Wales in 2023, the same as in 2022. 90% of employees in the Welsh food and drink manufacturing sector worked full-time equivalent (FTE). The median salary for the sector in 2024 was £25,225, an increase of £81 from £25,144 the previous year. In 2024 66% of individuals in the sector were earning the living wage, a decrease from 78% in 2023.

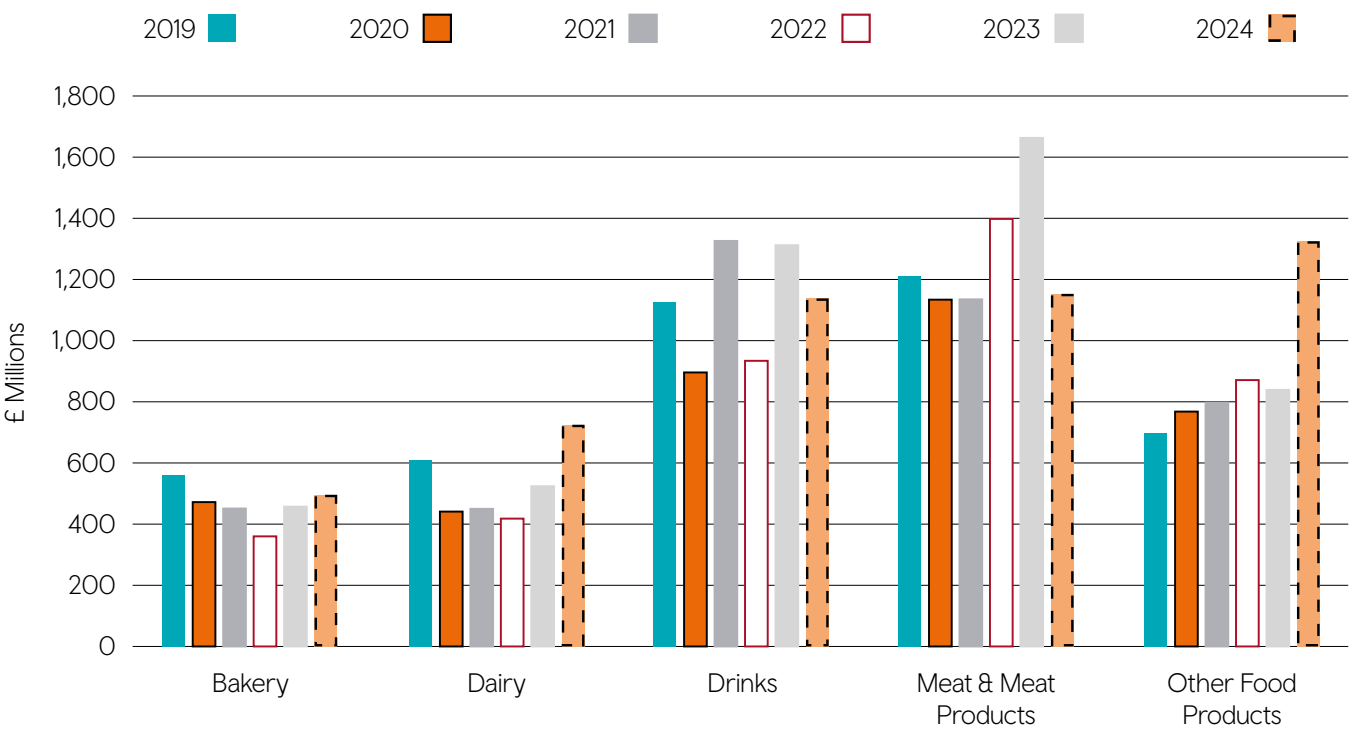
There were 663 food and drink manufacturing businesses units in Wales in 2024, a decrease of 18 from 681 in 2023.

69% of the 663 businesses units were classed as micro (17% small, 10% medium, 3% large), this is the same as England which also had 69%, while Northern Ireland had 63% and Scotland had 61%. There were 49 (9%) Welsh businesses in the sector with a turnover greater than £10m in 2024.

In 2024 the business birth rate was 12% in the sector with 70 new businesses, down from 13% in 2023. The 5-year survival rates for businesses in the sector from 2019-2024 was 48%, an increase from 45% survival rate between 2018-2023.

Over the longer-term, the sector has seen strong growth; turnover increased by £1.1bn (21%) from £5.2bn in 2019 to £6.3bn in 2024. Additionally, the median salary increased by £3,653 (17%) from 2019 to 2024, increasing from £21,571 to £25,225, this is less than the UK increase of £7,074 (29%) over the same period.

Turnover by sub-sector 2019–2024, (£ millions)



Source: Welsh Government analysis of the Inter-Departmental Business Register (IDBR).

Meat and Meat Products

The Welsh Meat and Meat Products sector had a turnover of £1.2bn in 2024, a significant decrease of 31% from £1.7bn in 2023.

The sector employed 5,000 individuals in 2023, down by 9% from 5,500 in 2022. 95% of the individuals employed in the sector in 2023 worked full-time equivalent (FTE). The median wage for the sector in 2024 was £23,986, a decrease of 0.2% from the previous year.

There were 60 business units in the sector in 2024, a decrease from 66 in 2023. Up to the 31st December 2024 the number of establishments approved for handling, preparing, or producing meat products was 37 for red meat and 21 for poultry. This is a decrease from the previous year, which had 38 for red meat and 21 for poultry.

The total value of exports for meat and meat products in 2024 was £293m. This is comprised of £88m of live animal exports, and £204m of meat products. This figure increased by 5% from the previous year, from a value of £280m. Individually the export of live animals increased by £9m, and meat products increased by £3m year-on-year.

According to Hybu Cig Cymru (HCC), in 2024 exports of sheep meat of Welsh origin were worth approximately £198m, which alongside exports of offal were estimated to be worth a total of £202m. In terms of value, approximately 97% (£192m) of exported sheep meat went to the EU. Exports of Welsh beef in 2024 were estimated to be worth £79m, of which approximately 90% (£71m) was exported to the EU.

Retail spend on meat in Wales increased by 4% in 2024 when compared to 2023, to a value of £1.0bn. In comparison, GB also saw an increase of 4%.

In retail, chilled ready meals continued to hold the highest share of the meat categories, with the share increasing from 18% to 19%. This category is followed by cooked meats and then fresh poultry. These three combined account for 45% of retail spend on meat.



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Retail spend on meat in Wales increased by 4% in 2024 when compared to 2023, to a value of £1.0bn.

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Drinks

The drinks sector in Wales had a turnover of £1.1bn in 2024, a decrease of £174m (13%) from £1.3bn in the previous year. Over the longer term, the sector has seen little growth in turnover, increasing by £13m (1%) from £1.1bn in 2019. The drinks sector in Wales has seen large fluctuations in turnover since 2019 with the mean change year-on-year being £319m.

The sector employed 2,500 individuals in 2023, an increase of 25% from 2,000 in 2022. 89% of the employees in the sector worked FTE. The median salary for the sector was £29,924 in 2022, a decrease of 9.5% over 2020. The UK median salary for the sector in 2024 was £36,910, a 1% decrease from the year prior. The Wales median salary figures for 2024, 2023 and 2021 cannot be disclosed due to either low sample size or it has high variance and is disclosive.

There were 154 business units in the sector in 2024, a decrease from 155 in 2023. 81% of the business units in the sector were classified as micro, a 1 percentage point increase to the year prior.

Retail spend on drinks in Wales totalled £1.2bn in 2024, an increase of 0.3% compared to 2023. In comparison GB as a whole, had a year-on-year increase of 2%.

Sales of Beers, Wines and Spirits (BWS) accounted for around three-fifths (60%) of the Welsh retail spend on drinks, with wine having the largest share of the three at 26%. Flavoured alcoholic beverage (FAB) had the largest percentage increase in the sector over the year, however this category remains small within the market.



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The drinks sector employed 2,500 individuals in 2023, an increase of 25% from 2,000 in 2022.

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Other Food Products

The Other Food Products sector includes businesses involved in the following manufacturing activities: sugar, cocoa, chocolate, confectionary, tea, coffee and coffee substitute manufacturing, condiments and seasonings, prepared meals and dishes, and homogenised food preparation and dietetic food³.

Turnover for the Other Food Products sector was £1.3bn in 2024, a significant increase of 58% from £839m in 2023.

The sector employed 7,000 individuals in 2023, a decrease of 7% from 7,500 in 2022. Almost all of those employed in the sector worked FTE in 2023. The median salary for the sector in 2023 was £26,771, a decrease of 0.3% over the previous year. Across the same time-period, the UK median wage for the sector increased by 4% from £26,061 to £27,158. The Wales median salary figures for 2024, cannot be disclosed due to either low sample size or it has high variance and is disclosive.

There were 127 business units in the sector in 2024, the same as in 2023. 69% of the businesses were classified as micro, the same as in 2023.

Welsh retail spend on Take Home Confectionery increased by 9% from 2023 to 2024, increasing from £281m to £306m. Spending on Tea and Coffee increased by 6% in the Welsh retail market, increasing from £113m in 2023 to £119m in 2024. Spending on Table Sauces, Condiments and Pickles decreased year-on-year by 2%, from £69m to £68m. Across GB, retail spend on Take Home Confectionery increased by 9%, Tea and Coffee increased by 4%, and Table Sauces, Condiments and Pickles increased by 1%.

Retail spend on Chilled Ready Meals increased in Wales from 2023 to 2024 by 10%, from £180m to £199m. The same category increased at the GB level by 7%.



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Turnover for the Other Food Products sector was £1.3bn in 2024, a significant increase of 58% from £839m in 2023.
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³ Examples of homogenised food preparation and dietetic food include baby formula, follow-on milk, gluten free foods, low sodium foods and diabetic foods.

Dairy and Eggs

The Welsh dairy sector had a turnover of £725m in 2024, a significant increase of 39% from £524m the previous year. This is the largest turnover figure for this sector since 2019, which saw a turnover of £611m. When compared to 2019, turnover has increased by 18%.

In 2023 the sector employed 1,625 individuals, an 8% increase from 1,500 in 2022. 85% of those employed in the sector worked FTE, an increase from 83% the previous year. The median salary for the sector was £26,069 in 2024, an increase of 3% from the 2023 value of £25,227. The UK median salary was £35,324 in 2024, up by 9% from £32,345 in 2023.

In 2024 there were 66 business units in the sector, this is a slight increase from 63 the previous year. 62% of these business units were classified as micro, this is 1 percentage point less than 2023. 24% were classified as small, employing 10 – 49 individuals an increase of 2 percentage points from 22% in 2023.

Up to the 31st December 2024 there were 109 establishments approved for processing eggs or egg products, an increase from 108 the previous year, and 109 establishments approved for processing raw milk or dairy products, decreasing from 111 in 2023.

Numbers for dairy cattle (female 2+ with offspring) decreased in 2024 to 251,300, a decrease from 254,700 the previous year. The number of chickens used for egg production was 4.4m in 2024, this is a 2% decrease from 4.5m in 2023.

Retail spend on dairy products in 2024 was £627m, an increase of 1% compared to the previous year. GB retail spend for dairy products also increased by 1% in 2024 when compared to the previous year. Milk continued to have the highest share of dairy spend at 35%, whilst ambient flavoured milk had the strongest growth within the category at 34%.



The Welsh dairy sector had a turnover of £725m in 2024, a significant increase of 39% from £524m the previous year.



Bakery

The bakery sector in Wales had a turnover of £496m in 2024, a 9% increase from £457m the previous year. Over the longer term, the sectors turnover has decreased by £64m (11%) from £560m in 2019.

The sector employed 6,000 individuals in 2023, the same as in 2022. 83% of those employed within the sector worked FTE, an increase from 82% the year prior.

In 2024 there were 176 business units in the sector, a decrease from 182 units from the previous year. 70% of the business units were classified as Micro and employed fewer than 10 individuals, a decrease of 3% from the previous year.

In 2024 the median salary for the sector was £23,864, a 6% increase from the 2023 value of £22,582. The salary across the UK also increased, to £29,180 in 2024, a 7% increase from £27,189 in 2023.

Retail spend in the Welsh bakery sector was £609m in 2024, an increase of 3% compared to 2023. The growth for the entire market across GB was also 3%. Morning goods continued to have the highest spend share of the market in Wales at 24%. Ambient Christmas Puddings had the strongest growth in the bakery sector, with retail spend increasing by 38%, however this category remains small within the market.



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In 2024 the median salary for the bakery sector was £23,864, a 6% increase from the 2023 value of £22,582.

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Retail and Wholesale

The retail industry had a turnover of £10.1bn in 2024, up by 5% from £9.7bn in 2023.

The retail sector employed 58,000 individuals in 2023, a 9% decrease from the 63,500 employed in the sector in 2022. 27% of those employed in the sector worked full-time equivalent.

The median salary of the sector in 2024 was £18,703, a decrease of 5% from £19,644 in 2023. The median salary of the sector across the UK increased by 6% in 2024, increasing from £16,372 to £17,399.

The percentage of FTE employees in the sector has increased to 27% in 2023 from 25% in 2022. In GB the percentage of full-time equivalent employees in the sector was 32% in 2023 the same as 2022.

In 2024 there were 4,091 business units in the sector, relatively consistent with the 4,073 business units in 2023. 70% of the units in the sector were classified as Micro in 2023, the same as the previous year.

Total retail spend on grocery was £7.2bn in 2024, increasing by 3%, from £7.0bn compared to the year before. GB as a whole also increased similarly, at a rate of 4%, from £145bn to £150bn.

Tesco accounted for 29% of the total spend share in Wales during 2024, the largest of any supermarket, increasing its share by 0.3 percentage points from 2023. Tesco is followed by Asda (13%), Aldi (10%), Morrisons (8%), and Lidl (7%) in respect to spend share in Wales.

The wholesale sector had a turnover of £2.8bn in 2024, a 20% increase from £2.4bn in 2023.

The wholesale sector employed 5,500 individuals in 2023, a 15% decrease from the 6,500 employed in 2022. 82% of those in the sector worked full-time equivalent. The median salary in 2024 was £25,934, a 0.3% increase on the 2023 value of £25,863. Across the UK, median wages for the sector also increased year-on-year, at a rate of 7% from £29,073 in 2023 to £31,082 in 2024.



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Catering

The catering sector incorporates all non-residential catering including restaurants and cafes, foodservice, mobile caterers, take away, and events catering.

The sector had a turnover of £3.2bn in 2024, a significant increase of 17% from £2.8bn in 2023.

The sector employed 89,500 individuals in 2023, a 1% decrease from 90,500 in 2022. 34% of those employed in the sector worked full-time equivalent. The median salary of the sector was £11,065 in 2024, an increase of 1% from £11,004 in 2023. Median salaries also increased at the UK level, from £13,648 to £15,238 (12%) in the same time-period.

In 2024 there were 8,946 business units in the sector, a 5% decrease compared to 2023, when there were 9,396 units. 74% of the business units in the sector were classified as Micro in 2024, employing fewer than 10 people, a decrease of 1% compared to 2023.

According to the Living Costs and Food Survey, people in Wales spent on average £19.40 per week on catering services (restaurants, café meals, alcoholic drinks away from home and take-away) between the year ending 2021 and year ending 2023. This is the second lowest amount of the 4 UK nations, with the average spent in Scotland being £19.20, the average spent in England was £22.60 and the average spent in Northern Ireland was £28.70 across the same time period.



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The sector had a turnover of £3.2bn in 2024, a significant increase of 17% from £2.8bn in 2023.

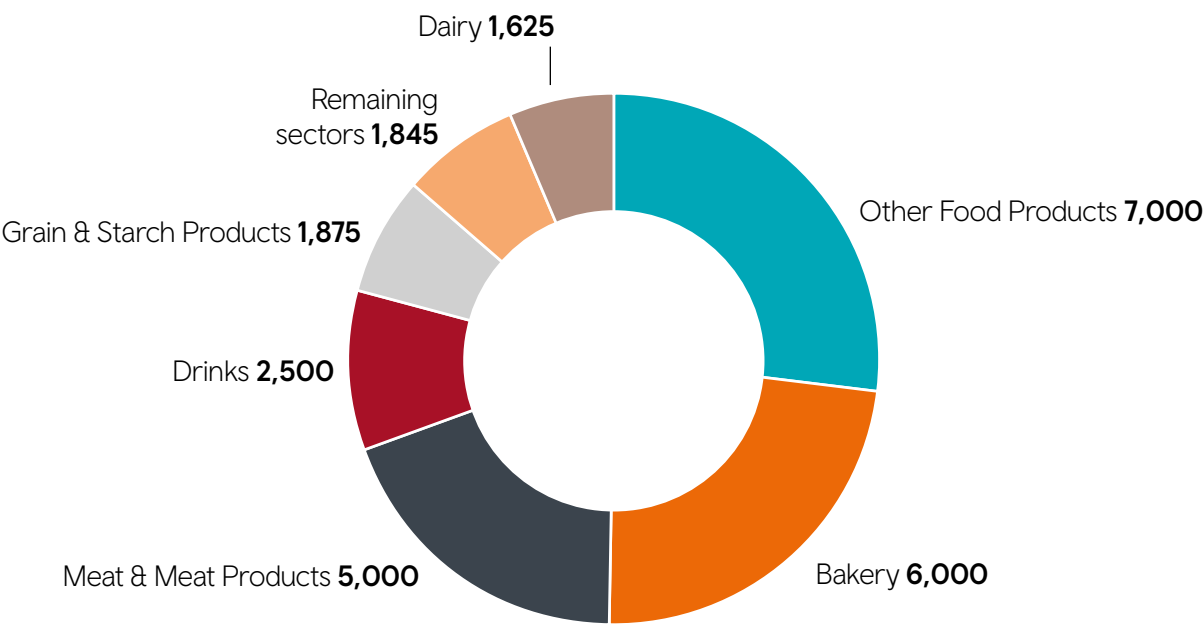
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Appendix A: Welsh Food and Drink industries – Additional statistics

Welsh Food and Drink Turnover and Business Units relative to the UK

Metric	Wales	UK	Wales as % of UK
Food Foundation Sector			
Turnover 2024	£10.2bn	£287.6bn	3.6%
Business Units 2024	1,533	40,755	3.8%
Food and Drink Supply Chain			
Turnover 2024	£27.0bn	£667.3bn	4.0%
Business Units 2024	28,087	469,415	6.0%
Food and Drink Manufacturing Sector			
Turnover 2024	£6.3bn	£131.3bn	4.8%
Business Units 2023	663	13,995	4.7%

Employment by Food and Drink Manufacturing sub-sector in Wales, 2023



Source: Welsh Government analysis of the Business Register and Employment Survey (BRES). The 'Remaining Sectors' category includes Prepared Animal Feed, Fruit and Veg, and Fish and Crustaceans.

Food Foundation Sector: Turnover Growth 2019–2024

Year	Wales			UK		
	Turnover	Turnover Growth	Turnover Growth %	Turnover	Turnover Growth	Turnover Growth %
2019	£8.2bn	£0.64bn	8.5%	£228.6bn	£4.93bn	2.2%
2020	£7.9bn	-£0.27bn	-3.2%	£232.7bn	£4.11bn	1.8%
2021	£8.5bn	£0.56bn	7.0%	£233.6bn	£0.88bn	0.4%
2022	£8.1bn	-£0.4bn	-4.7%	£230.4bn	-£3.19bn	-1.4%
2023	£9.3bn	£1.21bn	14.9%	£245bn	£14.57bn	6.3%
2024	£10.2bn	£0.95bn	10.2%	£287.6bn	£42.63bn	17.4%

Food and Drink Supply Chain: Turnover Growth 2019–2023

Year	Wales			UK		
	Turnover	Turnover Growth	Turnover Growth %	Turnover	Turnover Growth	Turnover Growth %
2019	£22.1bn	£0.76bn	3.6%	£548.9bn	£10.64bn	2.0%
2020	£22.4bn	£0.27bn	1.2%	£562.8bn	£13.89bn	2.5%
2021	£23bn	£0.64bn	2.9%	£569.8bn	£7.08bn	1.3%
2022	£22.3bn	-£0.69bn	-3.0%	£553.6bn	-£16.29bn	-2.9%
2023	£24.6bn	£2.29bn	10.2%	£588bn	£34.42bn	6.2%
2024	£27bn	£2.36bn	9.6%	£667.3bn	£79.36bn	13.5%

Food and Drink Manufacturing: Turnover Growth 2019–2023

Year	Wales			UK		
	Turnover	Turnover Growth	Turnover Growth %	Turnover	Turnover Growth	Turnover Growth %
2019	£5.2bn	£0.39bn	8.1%	£104.5bn	£4.68bn	4.7%
2020	£4.9bn	-£0.39bn	-7.4%	£102.7bn	-£1.72bn	-1.6%
2021	£5.3bn	£0.5bn	10.2%	£104.2bn	£1.44bn	1.4%
2022	£5.1bn	-£0.21bn	-4.0%	£107.3bn	£3.12bn	3.0%
2023	£6bn	£0.88bn	17.1%	£112.9bn	£5.62bn	5.2%
2024	£6.3bn	-£0.32bn	5.3%	£131.3bn	£18.41bn	16.3%

Food Foundation Sector industry breakdown – Businesses headquartered in Wales

Year	Turnover Size Band	Entity Count	Employee Count	Turnover (£m)
2023	Total	1,438	22,926	5,146
	a. <£1m	1,112	3,545	229
	b. £1m - £2m	107	1,040	153
	c. £2m - £3m	25	359	61
	d. £3m - £4m	28	573	98
	e. £4m - £5m	25	611	111
	f. £5m - £10m	52	1,732	357
	g. >£10m	89	15,066	4,138
2024	Total	1,276	22,234	5,698
	a. <£1m	934	2,873	212
	b. £1m - £2m	103	748	140
	c. £2m - £3m	43	499	102
	d. £3m - £4m	28	606	97
	e. £4m - £5m	17	410	75
	f. £5m - £10m	53	1,731	367
	g. >£10m	98	15,367	4,706

Source: Welsh Government analysis of the Inter-Departmental Business Register (IDBR)

Appendix B: Methodological notes

The data in this appraisal were compiled between December 2024 and July 2025. The statistics presented in this appraisal were the most up-to-date available at the time of writing.

Sources

Data	Data Source	Latest year available for Report
Employment	Welsh Government analysis of the Business Register and Employment Survey (BRES)	2023
Business Statistics (local units, entity counts, turnover)	Welsh Government analysis of the Inter-Departmental Business Register (IDBR)	2024
Protected Geographical food and drink names	Protected geographical food and drink names - GOV.UK (www.gov.uk)	2025
Earnings	Welsh Government analysis of the Annual Survey of Hours and Earnings (ASHE)	2024
Food Standards Agency Approved Businesses	Approved Food Establishments: https://data.food.gov.uk/catalog/datasets/1e61736a-2a1a-4c6a-b8b1-e45912ebc8e3	2024
Taste of Wales Awards	https://greattasteawards.co.uk/	2024
Retail Expenditure	Kantar WorldPanel data	2024
Export Values	Welsh Government analysis of Regional Trade in Goods	2024
Export Values for Welsh lamb and beef	Estimations from Hybu Cig Cymru (HCC)	2024
Average expenditure on catering services	Living Costs and Food survey	2023

If you have any questions please contact:
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