



Paul Pomroy
Chief Executive Officer, UK



Mr Matthew Taylor
Chief Executive
RSA
8 John Adam Street
London WC2N 6EZ

23 January 2017

Dear Mr Taylor,

Re: Independent Review of Employment Practices in the Modern Economy

As one of the UK's largest employers, we are interested in the Independent Review of Employment Practices which you are leading on.

McDonald's and its franchisees employ over 110,000 people across the country, with 15,000 having joined us over the past five years alone. Having completed over a decade of consecutive sales growth, we announced in August a further commitment to create 5,000 new jobs in the next 18 months.

I'm proud of the opportunities that McDonald's offers people of all ages with our workforce spanning more than seven decades. We give thousands of young people their first taste of work each year. The skills and experience you gain while working at McDonald's are second to none and combined with the great flexibility and benefits offered, we believe it is a great introduction to working life. But we also employ many parents and older workers and know one of the reasons people join us is because of the flexibility we provide.

In this context, your review is of significant importance to our business with a number of elements of particular relevance. Firstly, security, rights and pay. McDonald's have used flexible contracts for over 40 years and they've been positive for our people. While they work for the majority, we have heard from some of our employees that fixed hours would better suit them. That's why we ran a trial earlier this year where we offered all hourly paid staff the chance to switch to contracts with minimum guaranteed hours; 80% chose to stay on their existing flexible contracts.

Secondly, training, where we invest over £40 million in training our people each year, with employees given the opportunity to gain a wide range of nationally recognised qualifications. Since 2006, over 65,000 qualifications have been achieved by McDonald's employees, including over 20,000 Maths and English qualifications. Thirdly, on new business models, where we can draw on our experience as one of the UK's foremost franchised businesses. We franchised our first restaurant in the UK in 1986 and now around 70% of our more than 1,250 UK restaurants are operated by franchisees. It's a business model that has worked well for us and our franchisees and one that has evolved over the past 30 years.

If a meeting to discuss these issues would be of interest, or if McDonald's can be of any assistance during your review, please do not hesitate to get in touch with my colleague A

Yours sincerely,


Paul Pomroy
Chief Executive Officer, McDonald's UK

McDonald's Restaurants Ltd
11-59 High Road
East Finchley
London
N2 8AW

