

Defence invests billions into UK prosperity

The MOD has released the official statistics for 2018/19 regional expenditure with UK industry, commerce and employment, putting the total MOD expenditure at £19.2 billion.

The report demonstrates the Government's commitment to doing more than ever to improve the defence enterprise while invigorating the economy, creating hundreds of thousands of jobs across the country and championing a Global Britain.

Defence Secretary Ben Wallace said:

Defence continues to provide security and prosperity for the UK as we see billions invested in every corner of the country and the subsequent hundreds of thousands of jobs.

As we continue to innovate and improve the defence enterprise, it is essential that we recruit and retain the best of British skills and talent to ensure we meet our goals.

The 2018/19 expenditure supported an additional 3000 jobs compared to the previous year, which means roughly 1 in every 220 people are working in full-time roles to support defence. Through both expenditure with UK industry and direct employment, the MOD supported over 322,000 jobs, with 306,000 based in the UK.

The South West continues to lead in employment, followed closely by the South East. The South West is a notable defence hub with helicopter manufacturing in Yeovil and Rolls Royce engine manufacturing in Bristol. The South East is home to several key suppliers including Babcock, BAE and Thales, amongst many others.

Defence Minister James Heappey said:

It is great to see how our investment is expanding employment opportunities and ensuring value for money for each taxpayer.

Defence is a prime example of how we can level-up our economy by investing in the talented people across our country.

An average of £290 is being spent on defence for each person living in the UK. This figure has stayed consistent over the past three years after adjusting for inflation. Wales saw an 11 per cent rise in overall expenditure, the highest of all areas.

Wales also saw the largest rise in jobs at 22 per cent. This boost can be attributed to a 79 per cent increase in training related jobs thanks to the increased payments to the UK Military Flying Training Service at RAF Valley. An additional 400 Welsh jobs were also supported by work on the AJAX vehicle.

In Scotland, MOD expenditure rose by 4.6 per cent, making Scotland the only region to see a year-on-year increase in total expenditure since 2013/14, with an average yearly increase of 4 per cent.

The report indicates that the Government's National Shipbuilding Strategy is coming into fruition. MOD expenditure on shipbuilding continued to increase, rising by a further 2 per cent since 2017/18. Shipbuilding in the North West now accounts for 60 per cent of the region's MOD investment, up from 53 per cent in 2017/18.

ADS Chief Executive Paul Everitt said:

The UK defence industry directly employs 135,000 people in every region and nation of the UK and is proud to supply our Armed Forces with the world-leading equipment and services it needs to protect our national security.

We look forward to continuing work with the MOD on current and future programmes such as the UK's future combat air capability and Type 31 frigates, supporting thousands of high-value, high-skilled jobs. It is important Government and industry work in close partnership to seize the opportunity for further levelling up of employment and income in the years ahead.

Overall, the MOD Regional Expenditure with UK Industry and Commerce and Supported Employment 2018/19 statistical bulletin presents the sum of MOD expenditure with industry and commerce, with the UK broken down by region and industry group. It then calculates the number of full-time equivalent jobs this expenditure supports.