ARMS TO RENEWABLES – WORK FOR THE FUTURE
Bath Stop War summary of CAAT report

There are realistic alternatives to large-scale arms industry employment. This report compares arms employment with jobs in offshore wind and marine energy. It:

- assesses the current number of arms industry jobs
- reviews the outlook for the sector
- provides background information on offshore renewable energy
- compares job numbers, skills and locations
- makes recommendations for government policy.

The shape of the arms industry

The commonly used figure for arms industry workers of 300,000 misuses government figures: CAAT estimates it to be around 115,000 jobs from Ministry of Defence expenditure and 55,000 more in arms export production, making 170,000 arms industry jobs, all in the private sector.

In calculating the jobs to be replaced, CAAT assumed that arms exports would cease and UK arms procurement would halve, affecting around 115,000 jobs. **Halving UK military procurement would save around £7 billion per year over the next decade**. As arms export subsidies amount to hundreds of millions of pounds per year there is further scope to redirect enormous sums of money into investment elsewhere. **Wherever that money was spent, it would create jobs.**

The outlook for UK arms procurement is likely to be static over the coming years. Procurement is reducing in other major arms markets (US and EU), so for the UK arms industry to stay at its current level increased exports to the rest of the world, in particular the Middle East would be needed – when every major arms producer is trying to sell there. Perhaps the arms industry can stay at its current size but it seems more likely that **the long-term decline in UK arms industry jobs will reassert itself.**

Alternatives to arms jobs

There is a severe skills shortage in Science, Technology, Engineering and Maths (STEM sector) in the UK. As a result, there are many sectors that would be grateful recipients of arms industry workers. **Renewable energy & low-carbon technologies** are a prime candidate for the reallocation of resources, for economic, environmental and security reasons. These are the most relevant technologies:

Offshore wind energy The UK has the largest wind resources in Europe and now has as much offshore wind capacity installed as the rest of the world combined. It is expanding rapidly and the potential capacity is huge, though this depends on government policy and, in particular, predictable long-term pricing.

Marine energy will be smaller scale than offshore wind but will still be important for the UK which has enormous wave and tidal resources (tidal stream and tidal range which can be barrages or lagoons). The UK leads the development of these new technologies. If it can stay at the forefront, build the supply chain, and deploy substantial marine energy resources, it could, as for offshore wind, lead to substantial jobs and exports.

Employment comparison

Job numbers

It's estimated that at present there are around 16,000 UK jobs in offshore wind. In the CAAT main scenario there would be around 150,000 jobs in the sector wind. We estimate that wave and tidal power could provide around 60,000 jobs. There would be job losses from putting an end to arms exports and halving arms procurement – but **moving to offshore wind and marine energy could produce nearly twice as many jobs as would be needed to replace those lost.** Note that those are *total* jobs created, rather than necessarily UK ones: other countries make products and deliver services too. The government estimates that in 2012 the UK content for an offshore wind farm was about 25%. Reaping the employment rewards of UK offshore wind

development and potential exports would require a UK government effort to promote a UK supply chain.

Skills

Both the arms and renewable energy sectors are highly skilled. They have similar breakdowns across broad categories of skill levels and employ many of the same branches of engineering. Perhaps most tellingly, **there is substantial overlap between the companies in each sector, from large-scale offshore construction down to the component level.** The arms industry itself believes that renewable energy could make good use of its skilled workers. Even in 2010, in the midst of the economic downturn and when renewable energy projects were smaller than they are now, its trade association warned that if workers left the arms industry, other sectors including "*alternative energy*" "*would mop up those people almost immediately*".

Locations

Arms industry jobs are distributed around the country. The South West, East Midlands and South East of England have most arms employment, then Scotland and NW England. Offshore renewable energy projects are spread around the coast according to the technology. The largest wind sites are along the east coast of England but there are many possible sites around Scotland, NW England, Northern Ireland, Wales, SW England and southern England. Wave energy is dominated by NW Scotland, with substantial resources also off North Scotland and SW England and Wales. The largest tidal stream resources are off northern Scotland but there are substantial amounts along other coasts. Tidal range is highest in the Bristol Channel, NW England, in the Wash and off Kent. Clearly there is not an exact match of job locations for arms manufacture and renewables, but thousands of supply chain jobs could be located anywhere so Government policy could direct 'footloose' jobs where they were most needed.

Conclusion

The renewable energy sector is a viable alternative to the arms industry and its expansion would lead to many more jobs than displaced arms workers would need. The skills required would be similar, and there would also be appropriate work available in most areas where arms workers are located. Change needs to happen quickly – both to address emissions and to put UK industry at the forefront of these important sectors. The arms industry receives political support and public money despite its malign effects and the fact that it is a stagnant sector. Meanwhile, the renewable energy sector, which is vital for UK prosperity, its environment and security, is marginalised. The contrast between the waste and destruction of the arms industry and the potential and benefits of the renewable energy sector is stark. CAAT's policy recommendations are:

• UK government should review its security policy and role in the world which now focus on military approaches to the exclusion of wider security threats such as climate change.

• UK Government should promote renewable energy and low-carbon technologies through policy and legislation; set a renewable energy target for 2030 to provide the stability needed for investment; increase support for R&D and infrastructure (e.g. ports).

• UK Government should commit to a UK supply chain for renewable energy

• As arms procurement and exports reduce, UK Government should encourage alternative sources of work to locate in the areas where arms industry jobs are in decline.

This summary is based on **ARMS TO RENEWABLES – WORK FOR THE FUTURE** *published by Campaign Against Arms Trade (CAAT) in October 2014. Download the full report free of charge from* ***www.caat.org.uk/campaigns/arms-to-renewables/arms-to-renewables-background-briefing.pdf***