

## **CANCELLING TRIDENT: THE ECONOMIC AND EMPLOYMENT CONSEQUENCES FOR SCOTLAND**

Based on the Report Commissioned by the Scottish Trades Union Congress and  
Scottish CND and published in March 2007

### **1. Context**

In November 2006 Scottish CND and the Scottish Trades Union Congress jointly commissioned research on the economic and employment consequences of Trident cancellation. The research was undertaken by a team representing a broad cross section of opinion and expertise: Claudia Beamish from the Socialist Environmental Research Association and Scottish Labour Party Executive, Stephen Boyd Research Officer STUC, Professor Mike Danson of Paisley Business School, Stephen Maxwell from SCVO, Dr Eric Sutherland, Research Officer East Renfrewshire Council, David Torrance former staff convener Govan Shipbuilders as well as Alan Mackinnon and John Ainslie of Scottish CND.

The political context of the research was the publication of the White Paper on Trident Renewal in December 2006, the Commons debate promised for March 2007 and the Scottish parliamentary elections in May 2007. The research had to be conducted within a very short time frame, effectively eight weeks, to allow it to be debated and agreed by the STUC General Council and be used to brief MPs for the Commons debate.

The objective was to identify

- how many Scottish jobs were dependent on Trident
- The types of job involved
- When redeployment would be needed
- What funds would be released by Trident cancellation to finance deployment and for more general economic development in Scotland.

For Scottish CND the research represented an important element in building a broad alliance of opposition throughout Scottish society to Trident renewal. The issue of jobs was particularly important in the trade union movement, the Labour Party and the local communities of Clydeside where many people were very genuinely concerned about the impact on employment. In fact in the trade union movement and the Labour Party the **main** argument for continuing with Trident was employment. Some very high estimates had been used. '11,000 jobs locally and thousands more across Scotland' was one claim made in the Scottish parliament late last year. This was why the research was so urgent – particularly in Scotland.

### **2. Initial Findings and Assumptions**

The team agreed on a quite limited remit: solely employment and economic issues. It also agreed that it would also use only government sources or government commissioned research to limit the scope for challenge.

The findings surprised most of the team and strongly influenced the character of the final report.

**First, on the Faslane base.** Surprisingly few jobs depend on Trident. Less than a third. The majority are related to three other functions

- the maintenance and servicing of the non-nuclear-armed Swiftsure nuclear submarines (shortly replaced to be by the Astute class submarines)
- surface vessels and mine sweepers attached to Northern Command
- All administrative and support services for the Royal Navy's Northern Command for Scotland, Northern Ireland and the north of England

According to MoD figures given to the Commons in March only 859 civilian jobs in the base are dependent on Trident

**Second, the timetable for replacement.** Existing Trident employment will continue for a long time. The White Paper made clear that the phasing out of the existing Vanguard class submarines would not start until 2022-2023. In the meantime between 2010 and 2018 there will be a build up to a total of six Astute class conventionally armed nuclear submarines to be based and serviced at Faslane. They will require virtually the same level of work as Trident. Consequently there will need to be **an increase** in jobs in servicing between 2018 and 2022 as the Faslane has to maintain 10 nuclear submarines.

**Third, on the costs of replacement.** A careful reading of the White Paper makes it clear that the cost of Trident replacement will NOT come out of the existing Defence Budget. The decision on how it will be funded will only be made as part of the Comprehensive Spending Review this coming November. This means that the cost of replacing Trident will either have to be paid for out of additional tax or at the expense of other areas of public expenditure. In either case it would cost jobs in both the public and private sectors. Scotland's share of the annual £1bn cost would be at least £85m – the equivalent of something like 3,000 jobs lost because of Trident renewal.

The other side of this equation is the current cost. Figures released by the MoD in January showed that the existing annual servicing and staffing cost of Trident is £1.78bn. If Trident was discontinued, this money would be available for funding alternative employment. Scotland's share would be £153m. £40-£50m of this would cover all existing staffing costs leaving over £100m every year for socially useful new investment.

So the economic argument was clear. Renewing Trident would mean cutting 3,000 existing jobs in Scotland. Cancelling it would release funds to cover replacement employment for all those currently dependent on Trident – and far more.

### **3. Argument of the Final Report: two points for discussion**

#### **Getting rid of Trident: Keeping the Faslane Base**

The most controversial conclusion was that the Faslane base itself would not need to close if a decision was taken now not to continue Britain's nuclear deterrent. Pro-Trident figures in the Labour Party had been claiming this and using it to sustain their high job casualty. But their argument does not stack up. The current review of Naval bases will be concluded in two years. The phasing out of Trident will not take place for fifteen. Meantime there will be the build up in the numbers of Astute class submarines – and there is not the capacity for servicing ten nuclear submarines at Devonport. So closure is a scare tactic. Closure does not fit the needs of the Navy. Closure is opposed by the SNP. And it would be a very foolish Labour government that wilfully went down that path just to 'punish' Scotland.

#### **Long-term planning for arms conversion**

The fifteen years gap before the phasing out of existing Vanguard submarines made it difficult to identify areas for new investment. Marine energy would be the obvious technologically front-line investment today. But it is unlikely this will be the case in fifteen years. In fact most of the Trident related jobs are not in engineering technologies but in security, health and safety and transport. And there is a clear need for spending on these areas in the local economy of the lower Clyde.

What the research did focus on was the need for a planned approach to redeployment. The fifteen year period provided the opportunity to adopt the type of programme used for base reduction in the US where there is a guarantee of replacement employment. It is hoped that the overwhelming vote on 14 June in the Scottish Parliament against renewing Trident (only the 16 Tories voted in favour) will enable the Scottish Executive to undertake the research needed for the establishment of a genuine Arms Conversion Agency – a groundbreaking initiative for Scotland. The STUC is now actively working with Scottish CND to lobby the Scottish government towards this end.

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