

A guide to the UK's aerospace,  
defence, security & space sectors

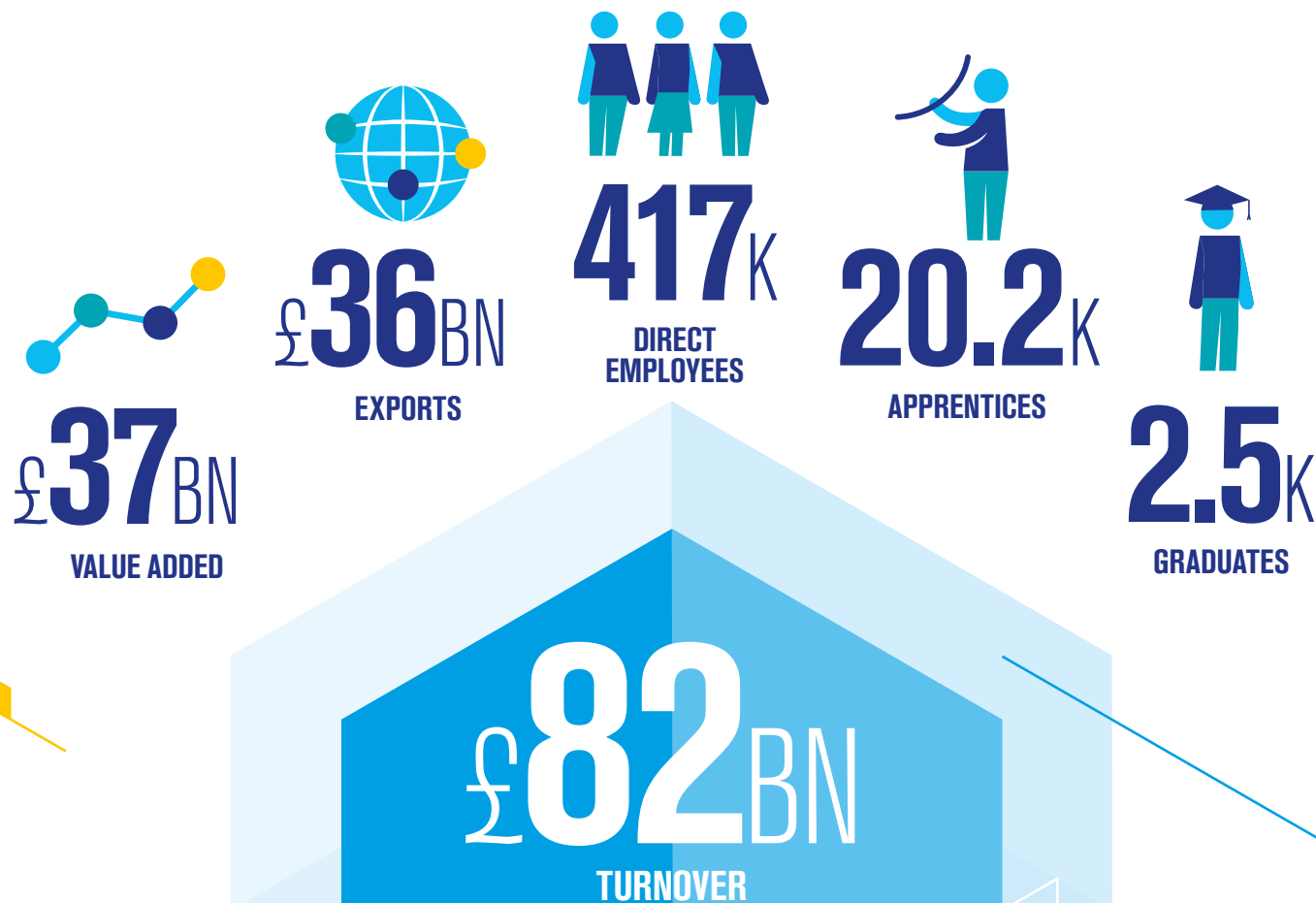
# INDUSTRY FACTS & FIGURES

2023

# OUR MEMBERS ARE THE CUSTODIANS OF A WORLD-LEADING ADVANCED ENGINEERING AND SERVICES WORKFORCE

Supporting one million jobs across the country, ADS and our members aim to expand this unique workforce capability and national advantage.

In 2021/22 the UK aerospace, defence, security and space sectors contribution to the UK economy was:



All 2022 figures are estimates

# ADS STRATEGY AND PRIORITIES FOR OUR SECTORS



1

## DOMESTIC ADVANTAGE

ADS is focused on the development of a current and future workforce that will help realise our national ambitions.



THE ADS VISION IS TO ADVANCE THE UK'S LEADERSHIP IN AEROSPACE, DEFENCE, SECURITY, AND SPACE, TO ENABLE PROSPERITY AND CLEAN, SECURE GROWTH FOR OUR NATION



2

## GLOBAL ADVANTAGE

ADS is committed to growing our sectors' exports and enhancing relationships with the UK's international partners.



3

## FUTURE ADVANTAGE

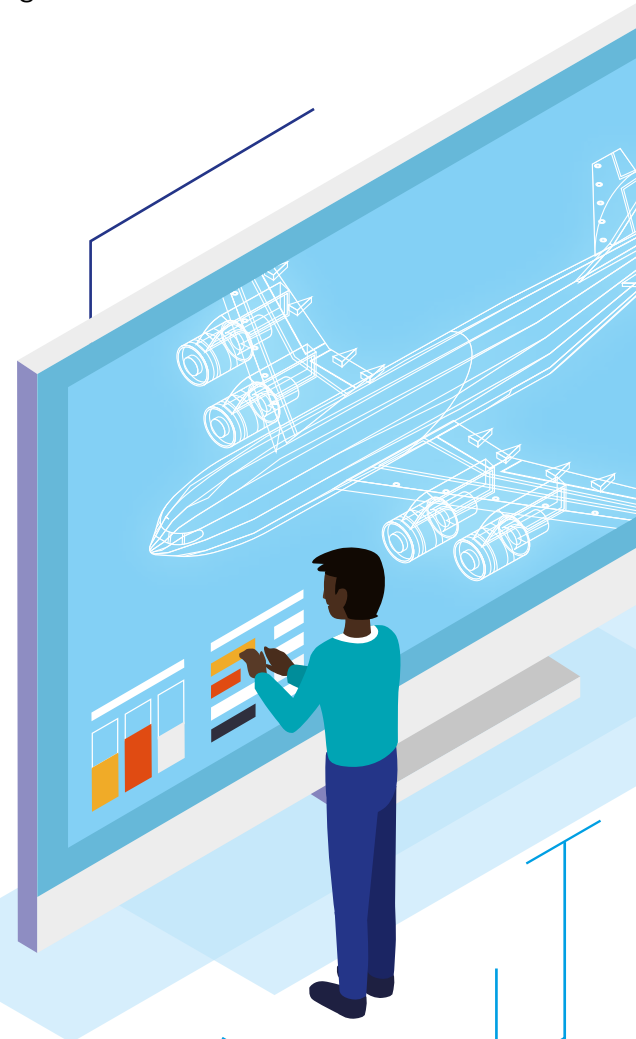
ADS is working to shape the UK's regulatory approach to seize future market opportunities in emerging and disruptive technologies.

### Sources and methodology

ADS Facts and Figures 2023 is a collation of estimates and reported data for the year 2022. Data is compiled from a range of sources including official data from the Office of National Statistics, Oxford Economics, the Department for Business and Trade, the Ministry of Defence, and a number of reports including from the UK Space Agency, know.space and Aerospace Technology Institute, as well as ADS' own data. Data for the space sector is on a time lag and the latest data available is for the period 2020/21.

# UK AEROSPACE SECTOR

The UK's aerospace sector is a hub for advanced manufacturing, generating well-paid jobs across the country and driving decarbonisation through innovation.



# THE AEROSPACE SECTOR DELIVERS STRATEGIC ADVANTAGE FOR THE UK THROUGH NEW TECHNOLOGIES



**£101K**  
output per worker.  
Sector productivity  
**56%** higher than whole  
economy average

**90%**  
aerospace jobs located  
outside of London and  
the South East

**97%**  
of aerospace  
businesses  
are SMEs

**£1.6BN**  
R&D spend by UK  
business in aerospace  
in 2021

- ▀ Average annual earning of **£44k** which is **32%** higher than the UK average
- ▀ Aerospace products account for almost **10%** of UK exports of manufactured goods

# UK DEFENCE

## SECTOR

The importance of the UK defence sector continues to grow as global threats and volatility increases.



£ **7.4** BN  
EXPORTS  
(3 year average)



£ **9.8** BN  
VALUE ADDED

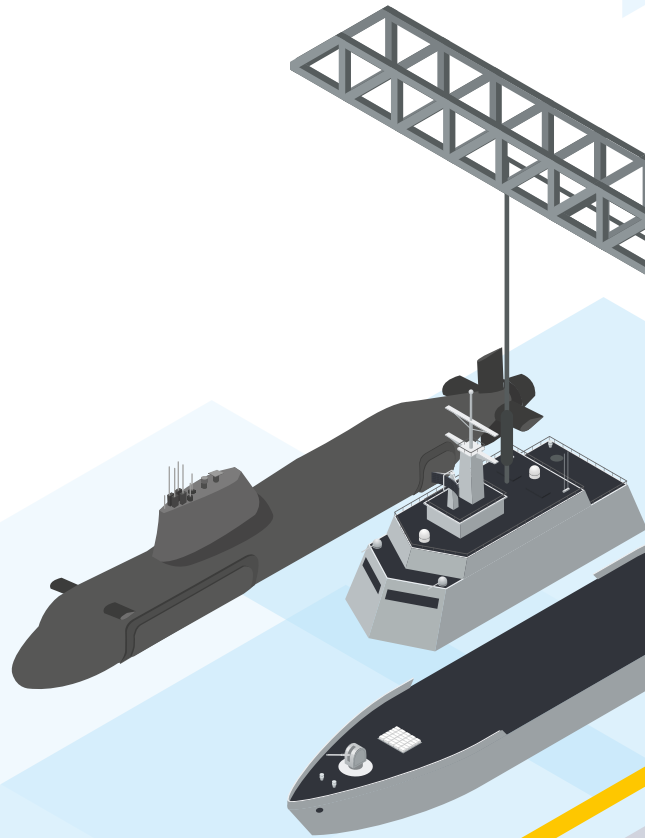


**147.5** K  
DIRECT  
EMPLOYEES

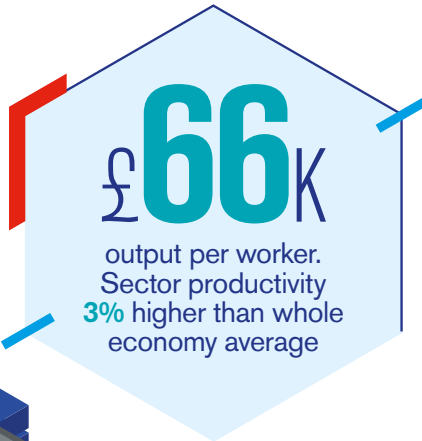
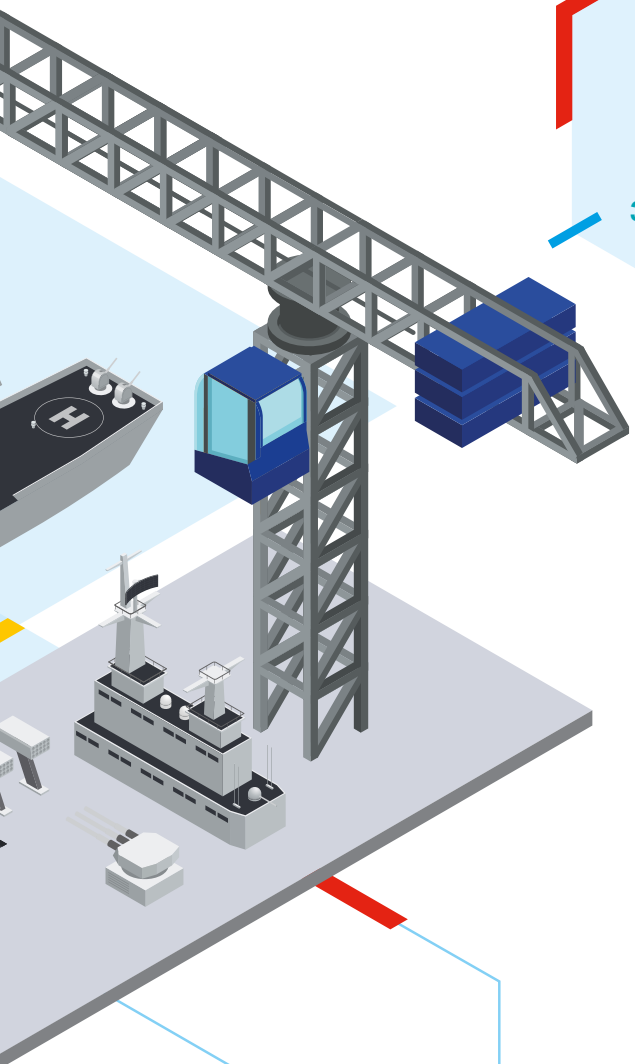


**6.9** K  
APPRENTICES

£ **22.8** BN  
TURNOVER



# THE DEFENCE INDUSTRY DELIVERS ON UK PROSPERITY AND INNOVATION WHILST PROTECTING OUR NATIONS AND KEEPING OUR INTERNATIONAL ALLIANCES STRONG



## EXPORTS BY MARKET SECTOR 2022



77% AIR



10% LAND



13% SEA

(ADS by OE data)

- UK is the **second largest defence spender** in NATO\*
- Average annual earning of **£37.4k** which is **12%** higher than the UK average
- The UK remains the **2nd largest global defence exporter** on a rolling 10-year basis

\*Second largest according to the International Institute of Strategic Studies.

# UK SECURITY & RESILIENCE

## SECTOR

The UK's security and resilience sector is providing advanced physical and digital capabilities.



£ **9.5** BN  
EXPORTS



£ **12.8** BN  
VALUE ADDED



**145** K  
DIRECT  
EMPLOYEES



**5.8** K  
APPRENTICES

£ **23** BN  
TURNOVER



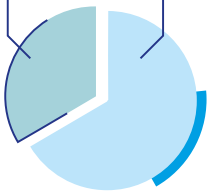


# THE SECURITY AND RESILIENCE SECTOR UNDERPINS OUR PROSPERITY AND SECURES UK ADVANTAGE AGAINST A RANGE OF MALICIOUS AND NON-MALICIOUS THREATS

## EXPORTS OF TECHNOLOGY CAPABILITY

### UK SECURITY EXPORT CAPABILITIES

Physical Digital



**61%** CYBER SECURITY



**7%** FIRE EQUIPMENT



**6%** SURVEILLANCE



**5%** COMMUNICATION EQUIPMENT



**3%** RISK SERVICES & PROTECTION



**4%** SCREENING & DETECTION



**6%** OTHER



**5%** DATA ANALYTICS & STORAGE



**4%** ACCESS CONTROL & IDENTITY MANAGEMENT

£ **88**K

output per worker. Sector productivity **36%** higher than whole economy average.

**203%**

increase in turnover in last ten years (since 2012)

ADS by OE own stats

- Average annual earnings of **£38.6k**, **16%** higher than the UK average
- In 2021, the UK retained its status as the **third largest** exporter of global security exports
- **55%** security and resilience sector jobs located outside of London and the South East

# UK SPACE SECTOR

The UK space sector is a world leader in a rapidly expanding global space economy with opportunity to be at the forefront of unlocking new capabilities and skills.



£ **5.9** BN  
EXPORTS  
(2020/21)



£ **7** BN  
VALUE ADDED  
(2020/21)

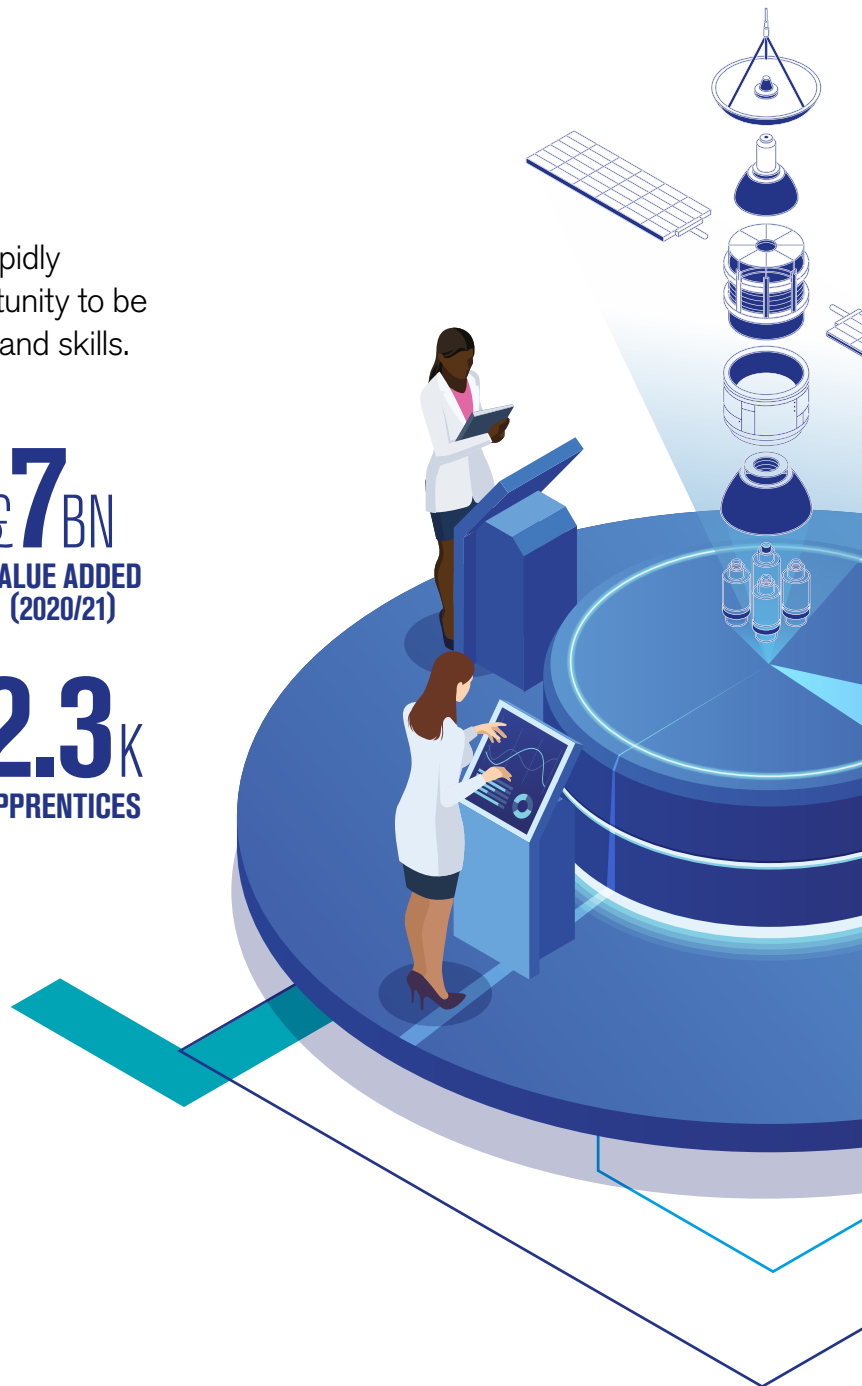


**48.8** K  
DIRECT  
EMPLOYEES



**2.3** K  
APPRENTICES

£ **17.5** BN  
TURNOVER



# THE UK SPACE SECTOR DEMONSTRATES HUGE BENEFITS TO THE UK THROUGH A WIDE RANGE OF PUBLIC, COMMERCIAL AND CONSUMER USES

£ **143** K

output per worker.  
Sector productivity  
**121%** higher than whole  
economy average

£ **1.8** BN

UK government  
commitment to space  
sector via European Space  
Agency (ESA)

## SPACE TURNOVER BY ACTIVITY



**75%** SPACE  
APPLICATIONS



**9%** SPACE  
OPERATIONS



**12%** SPACE  
MANUFACTURING



**3%** ANCILLARY  
SERVICES

- ◆ **£788m** R&D expenditure in 2020/21
- ◆ **1,590** UK space organisations recorded in 2020/21
- ◆ **All of the UK's regions and nations** are home to headquarters of space organisations

# THE STRENGTH OF OUR SECTORS

Our 1,200+ members, large and small, span the length and breadth of the UK

 INDICATES THE LOCATION OF AN ADS MEMBER

 NUMBER OF DIRECT EMPLOYEES ACROSS INDUSTRY IN:



AEROSPACE



DEFENCE

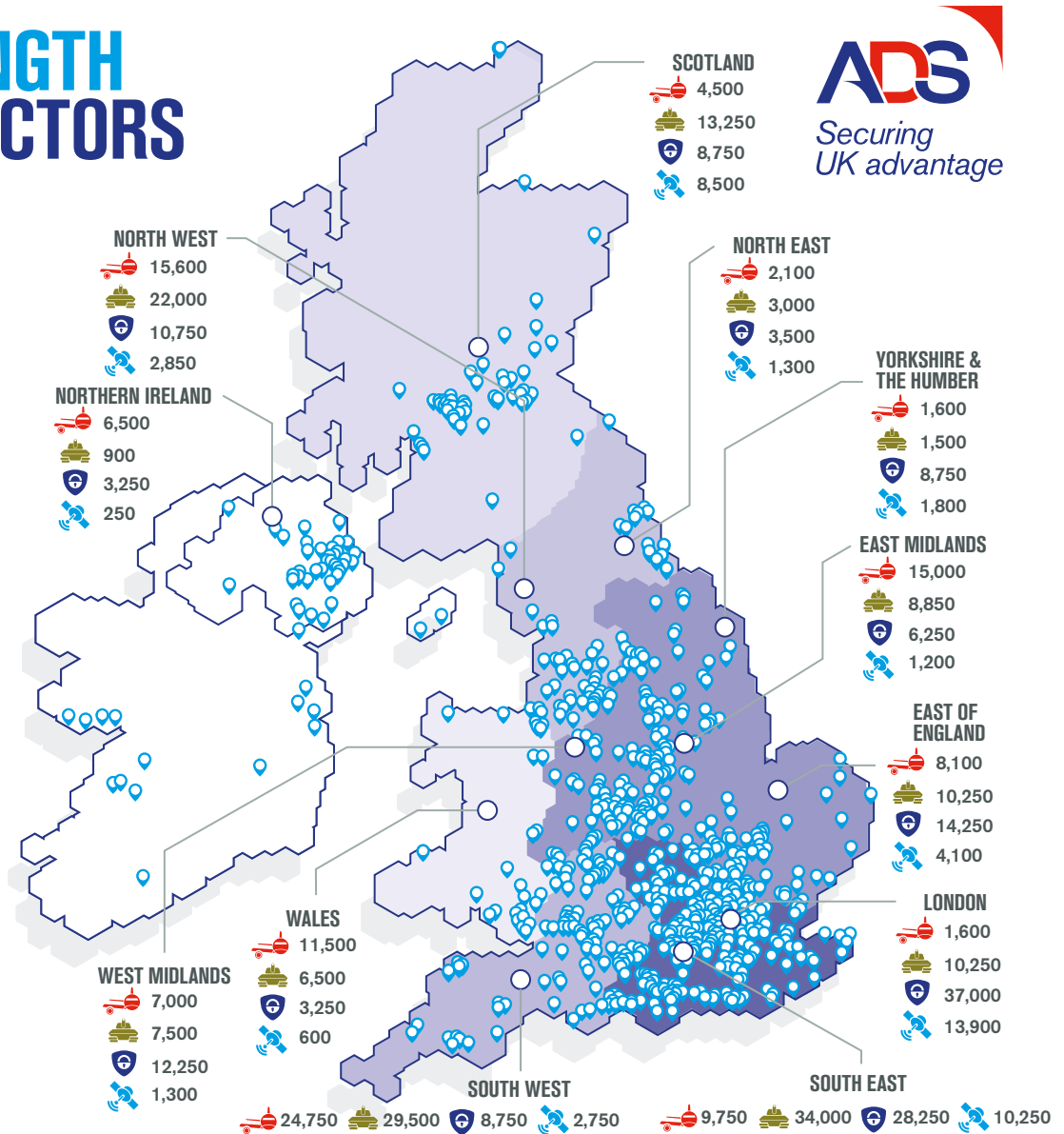


SECURITY



SPACE

Strength of our sectors is primarily based on employment distribution but shading reflects the value add across different regions and nations



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**ADS is the UK trade organisation representing the aerospace, defence, security and space sectors.**

Space regional employment taken from Size and Health of UK Space 2022 - UK Space Agency by know.space. Employment data does not include the Republic of Ireland. Member HQ locations are often concentrated in the South East and London.