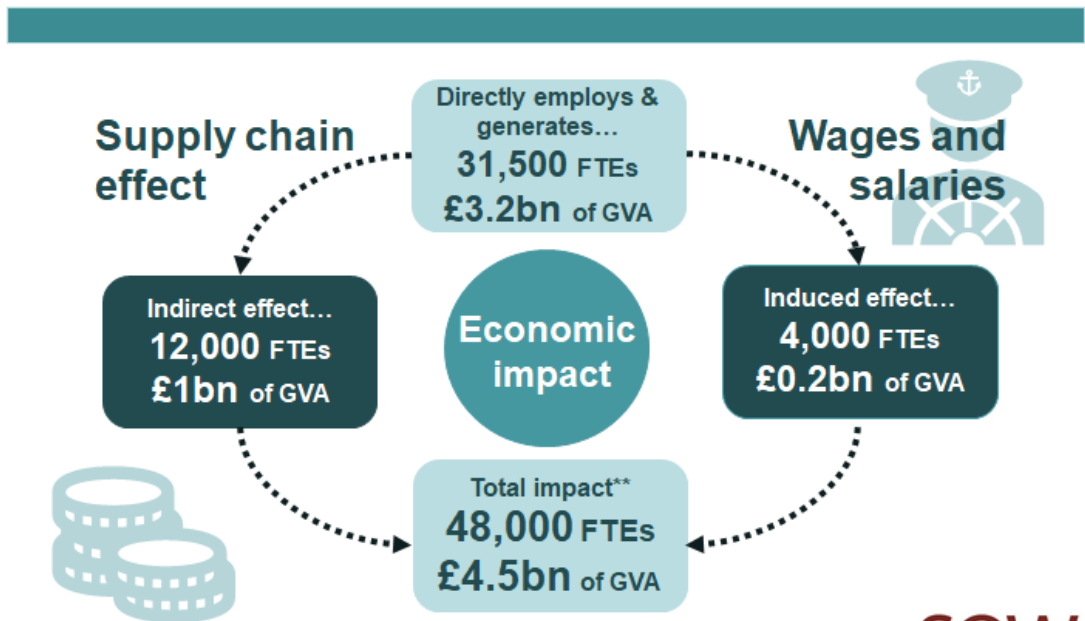
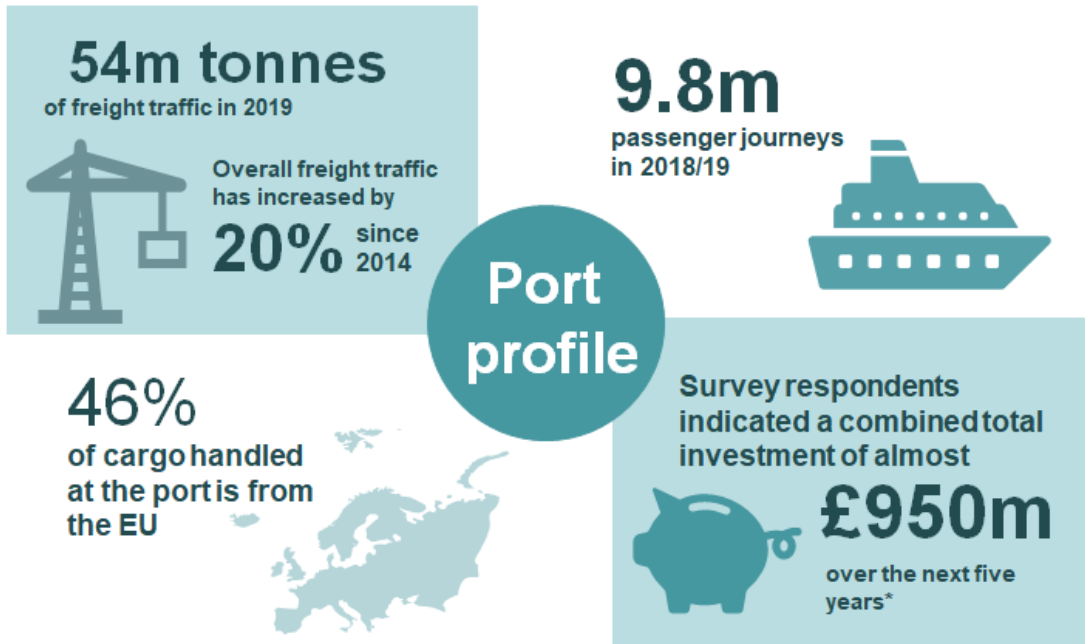


# Port of London Economic Impact Study

## Summary report to the Port of London Authority

Spring 2020

### Port of London Economic Impact 2020



**SQW**

\*Note that the volume of future investment is likely to be impacted by Covid-19  
 \*\*The 2015 study estimated a total economic impact of 43,500 FTEs and a GVA contribution of £4bn

The Port of London is one of the largest ports in the UK, handling 54 million tonnes of freight in 2019 and growing 20% over the past five years compared to an overall 3% fall in the freight tonnage handled by all UK major ports. Reflecting its status as a major port, London deals with freight traffic from around the world, with EU freight traffic particularly prominent. In addition, there are also significant volumes of passengers who use the Thames, with around 10 million journeys made per year.

This study estimates that the London port sector directly employs almost 31,500 FTEs and generates a direct GVA of around £3.2bn. When wider impacts, such as supply chain activity and the spending of wages, are included it is estimated that around 48,000 FTEs and £4.5bn of GVA are dependent on the London port sector. These figures demonstrate the scale of the port sector and the important role it plays in the economies of London, Essex and Kent. The total employment and GVA impacts of the port sector are presented in the table below.

#### Total impact summary

	Employment (FTE)	GVA (£m)
Riverside boroughs and districts	24,494	2,345
Rest of London	5,090	440
Rest of Kent	3,084	332
Rest of Essex	4,190	419
Rest UK	10,466	848
Overseas	417	71
<b>Total</b>	<b>47,740</b>	<b>4,455</b>

Source: SQW

The port sector includes a variety of occupations. Overall, roughly half of all roles are office based, although this disguises significant variation between port sector businesses. In general, the workforce is less diverse than the area average, although again this varies by category of business. Some respondents commented on the difficulty in recruiting individuals with specific skills and were also concerned about an ageing workforce.

Looking forwards, a third of the businesses surveyed had a formal plan to reach net zero emissions. Businesses identified the lack of suitable technology and the cost of switching to more carbon efficient technologies as the two major barriers to reaching net zero emissions.

Port sector businesses interviewed were generally optimistic about the future, with 72% anticipating growth over the next five years and almost £950m of investment planned over this period.

Covid-19 poses a significant risk to this investment and the broader health of port sector businesses. The short-term reaction to Covid-19 will be important in shaping the future of the Port of London, as will medium and long-term responses to decarbonisation and the post-Brexit trading relationship with the EU.