

YOUR LONDON AIRPORT *Gatwick*



GATWICK GROWTH BOARD – 15 March 2017

Economic impact of Gatwick Airport in South East Local Enterprise Partnership area: further analysis by Oxford Economics

THE ECONOMIC IMPACT OF GATWICK AIRPORT

Gatwick Growth Board commissioned Oxford Economics in 2016 to produce independent assessment of the economic impact of Gatwick Airport

Report published January 2017

http://www.gatwickairport.com/globalassets/documents/business_and_community/about-gatwick/gatwick_growth_board_jan17.pdf

Key findings:

- Gatwick contributed £5.3 billion - or 0.3% of the UK's GDP - and supported 85,000 jobs in 2016
- Gatwick could support an extra 13,000 new jobs by 2025 with its existing single runway – and lift its total contribution to the national economy to £6.5 billion - if passenger numbers grow by around 20% from 43 million a year today – a growth rate broadly similar to that achieved in the last 5 years.
- Gatwick Airport and other businesses on the Gatwick campus directly generated £1.6 billion and 23,800 jobs
- The airport's impact in the Gatwick Diamond area – including supply chain activity and spending in the local consumer economy - rises to £2.3 billion and 36,000 jobs. This is around 10% of the total economic activity in the Gatwick Diamond area, and one in every 12 jobs
- Gatwick accounted for 14 per cent of the UK's aviation connectivity in 2016 (availability of seats to international destinations and the economic importance of these destinations), delivering productivity benefits to the UK estimated at £1.1 billion.

This note presents additional analysis by Oxford Economics of the impact of Gatwick Airport in the South East Local Enterprise Partnership area.

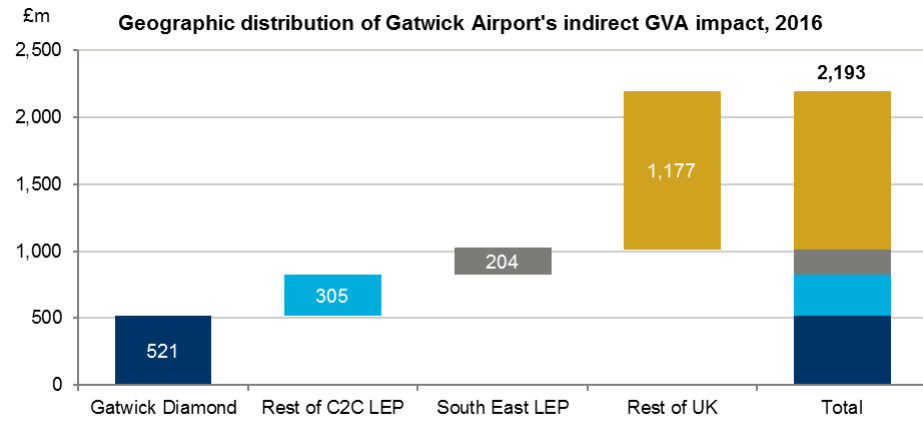
ECONOMIC IMPACT IN THE SOUTH EAST LOCAL ENTERPRISE PARTNERSHIP AREA, 2016

Channel	Metric	Gatwick Diamond	Coast to Capital LEP	South East LEP	Rest of UK	Total
Core	GDP (£m)	2,328	2,743	294	2,281	5,297
	Employment (Jobs)	35,900	42,700	5,500	37,600	85,400
	Tax (£m)					2,199
Tourism	GDP (£m)					6,075
	Employment (Jobs)					130,600
	Tax (£m)					1,597
Connectivity	GDP (£m)					1,065

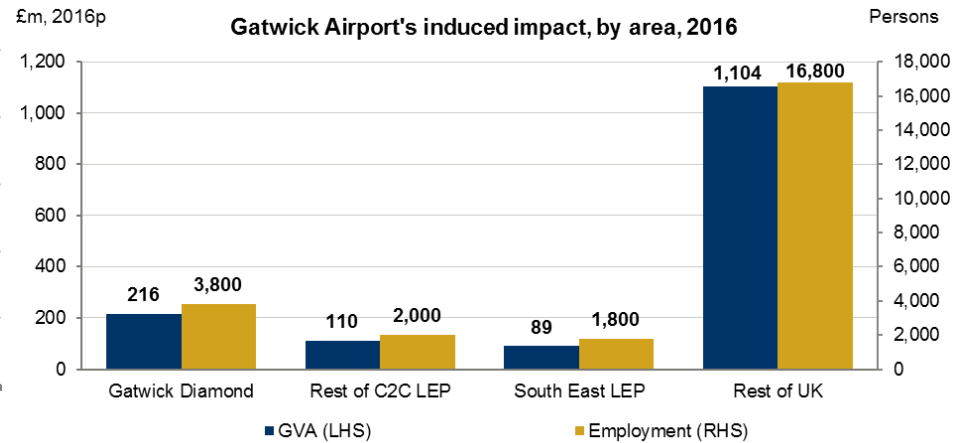
In 2016: South East LEP accounts for 6% (c.£300 million) of the £5.3 billion gross value added to the UK economy by Gatwick Airport. It is the location of 6% (5,500 jobs) of the employment generated by Gatwick Airport.

Employment impact of Gatwick Airport								
jobs	direct		indirect		induced		total	
Gatwick Diamond	23,800	100%	8,300	22%	3,800	16%	35,900	42%
rest of C2C LEP			4,800	13%	2,000	8%	6,800	8%
SELEP			3,700	10%	1,800	7%	5,500	6%
rest of UK			20,700	55%	16,800	69%	37,600	44%
total	23,800		37,500		24,400		85,400	

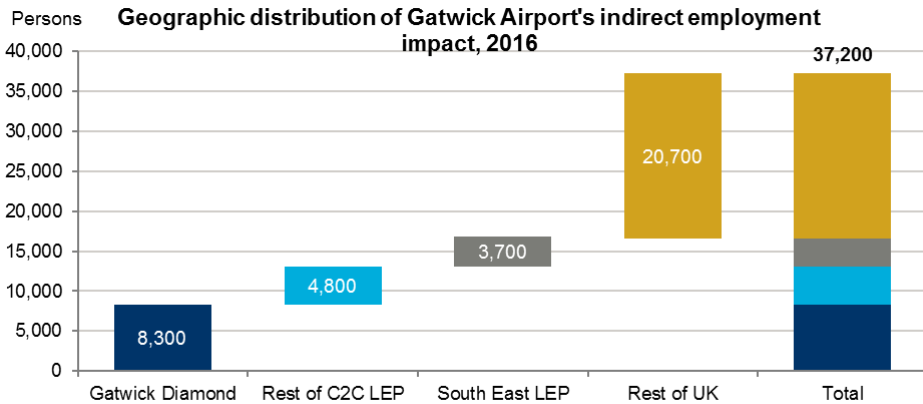
ECONOMIC IMPACT IN THE SOUTH EAST LOCAL ENTERPRISE PARTNERSHIP AREA



Source: Oxford Economics

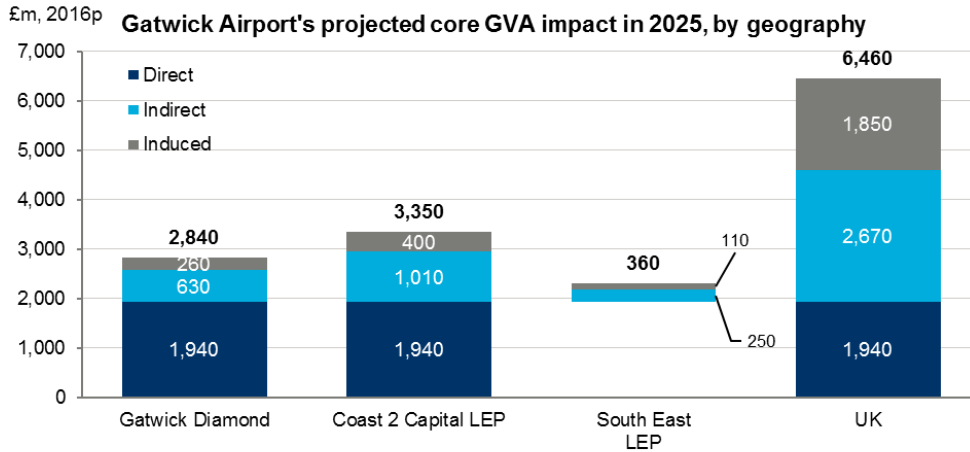


Source: Oxford Economics

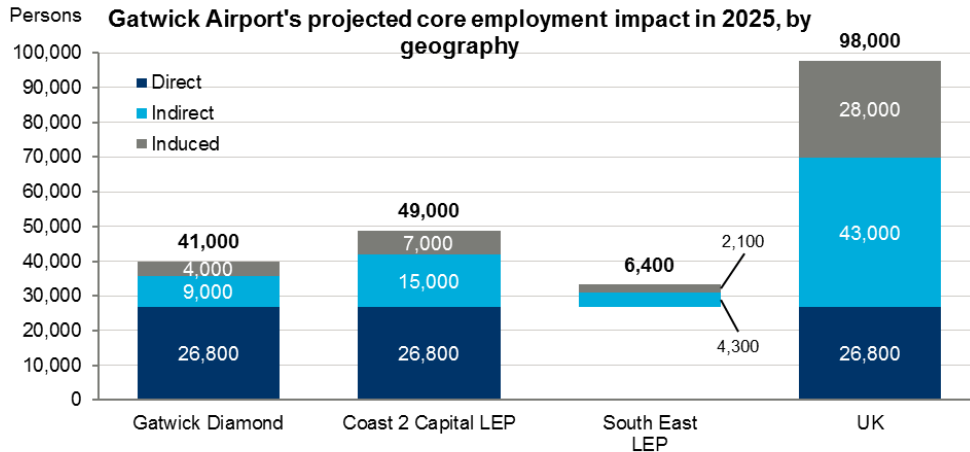


Source: Oxford Economics

POTENTIAL FUTURE ECONOMIC IMPACT IN THE SOUTH EAST LEP, 2025



Source: Oxford Economics



Source: Oxford Economics

By 2025:

If passenger numbers grow to around 53 million by 2025 (by around 20% from 43 million a year today – a growth rate broadly similar to that achieved in the last 5 years) then:

- Gatwick Airport's GVA impact could rise to £6.5 billion
- Its employment impact could increase to 98,000 jobs across the UK

Economic impact in SELEP:

- Gross value added rises to £360 million, 6% of UK total
- Employment rises to 6,400 jobs, 7% of UK total