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Written summary of oral submission to the ISH on Socio-economics – 5th June 2019

We have heard how the jobs forecast is derived from the ATMs forecast which is derived from tonnage. RSP states in its response to SE.2.3 that the basis for job forecasts is “*Work Load Units*”. The underlying assumption is that the average passenger weighs 100kg, so 1 million passengers would weigh 100,000 tonnes.

The Work Load Unit is a **rule of thumb** to help avoid over-loading the aircraft, and to gauge the fuel requirements for the flight ahead. The **only** equivalence is weight. Dealing with a tonne of “things” is less labour-intensive than dealing with a tonne of people, in the air or on the ground. An all-freight airport generates fewer jobs than an all-passenger airport or mixed use airport.

In an earlier hearing, Dr Dixon said that this is her only airport forecast. By contrast, Ms Congdon has years of relevant experience. Her evidence is to be preferred.

Dr Dixon inappropriately uses the figure of 887 from EMA. Her figure for **direct** jobs is therefore too high. 650 direct jobs would be closer. Dr Dixon is forecasting a very labour-intensive freight hub.

Any accurate estimate of **indirect** jobs would involve combining the multipliers for every type of employment and employer, throughout every one of the airport’s supply chains, nationally and globally. It’s so difficult that nobody bothers, preferring to adopt someone else’s multiplier, as Dr Dixon has done.

If her **indirect** jobs figures are guesstimates, her **induced** jobs figures are just guesses – supposedly derived from the **spending** of all the people in the direct and “indirect” jobs. This cannot be known, checked or verified.

The most absurd estimate is the estimate of **catalytic** jobs, which could be just about anything – “*facilitates employment and economic development in the national economy through a number of mechanisms*”. Once again it cannot be checked or verified.

Dr Dixon pays scant attention to the jobs that would be lost or displaced as a result of RSP’s proposal - an important oversight. These are not quantified. Dr Dixon also does not suggest using the same multipliers for the indirect, induced and catalytic jobs that would also be lost for every direct job lost.

Dr Dixon over-estimates jobs created, fails to calculate the impact of jobs lost and displaced, and over-states any possible **net** socio-economic benefit. Her jobs forecast is not a robust or reliable assessment of the level of employment that RSP's proposal would generate.