



Waiting around due to tube strike will cost economy £110 million, but will increase in cycling and walking reduce the average weight of Londoners?

My normal cycle to work this morning was made more interesting by the sight of at least three times as many commuters walking through central London to work, and a significant increase in novice cyclists snarling up junctions and sticking dangerously close to the curb. I quite enjoyed it, but there is no doubt that the almost universally derided strike action by London's tube workers will impose some costs on the London and wider United Kingdom economy.

By far the biggest impact is the loss of productivity from those who might otherwise be working who are unable (or unwilling) to get to work, or who manage to do some work but are less effective than they might otherwise be. **GDP per day in London is around £850 million**, so if around five per cent of London's workers have zero productivity for both days of the tube strike, there would be a loss of around £85 million. We should also add to this the loss of GDP from other regions that do business with London – a conservative estimate would be another 25 per cent, **bringing the total loss of GDP to almost £110 million.**

It is likely that many economists will over estimate the losses – it seems to me that the vast majority of Londoners have made it into work today, and modern technology allows a reasonably high level of productivity for temporary spells of working from home. In addition, much of the productivity lost is made up fairly soon after, given that the tube strike is only temporary. Clearly, a permanent shutdown of the tube would have a far more devastating and wide-reaching effect on the London and United Kingdom economy.

Another, less tangible, economic impact of the tube strike is the sheer hassle factor for commuters, tourists, shoppers and England supporters (although I am told that the Jubilee Line to Wembley Park is open!). It is difficult to place an economic value on this, **but a relatively stress-free journey to work is a key factor in peoples' quality of life.** With this in mind, public sympathy for trade unions is likely to take quite a hit from the RMT's actions. Given the huge pressures on public expenditure on of the main areas that a **potential Conservative government might look at would be the legislation covering trade union activity, at which time the unions will need all the public support they can muster.**

But we should not forget that even negative short term actions can have some benefits in the long term. Out of the increased numbers of walkers and cyclists on the pavements and roads this morning, there will be a proportion that realise they don't have to squeeze onto public transport every day, and might change their commuting habits forever. **Not only will this accelerated shift towards walking and cycling help to ease the pressure on our crowded tube and rail network, but will also have long term benefits for individuals' health and quality of life, which will actually save public expenditure on the NHS.**

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