

Delaware River Port Authority of Pennsylvania and
New Jersey.

/Summary; the economic impact of the
Delaware River Ports/

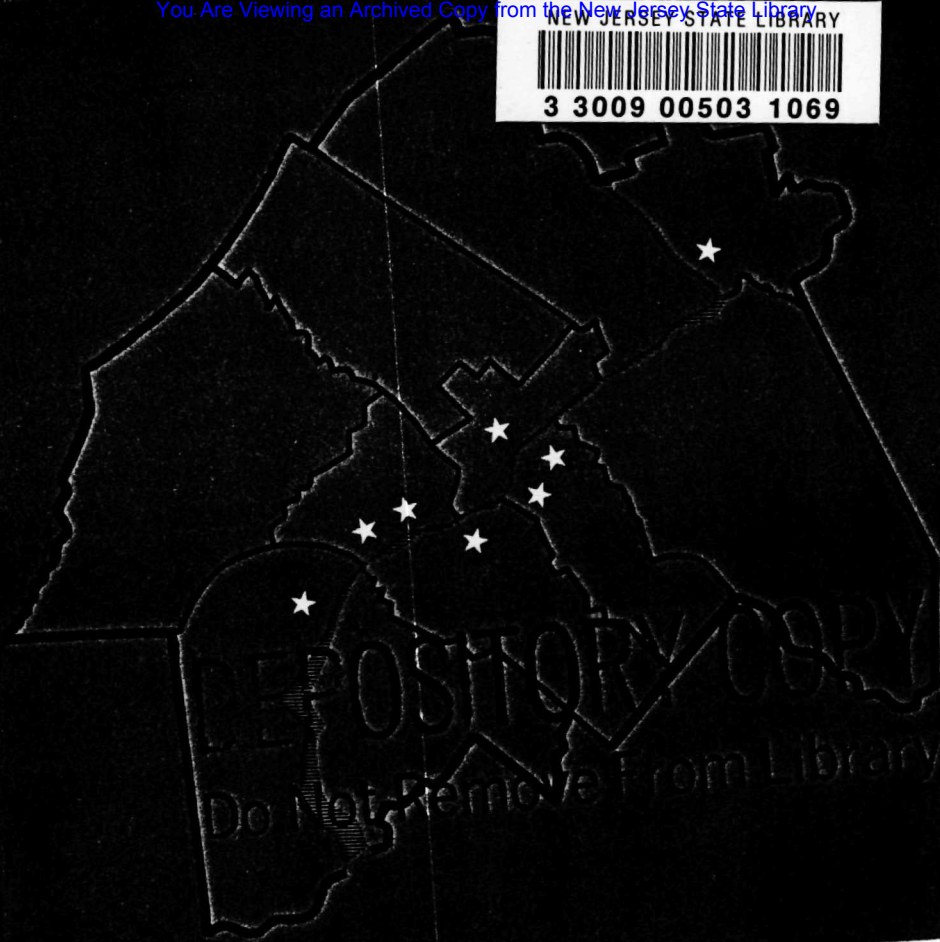
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THE ECONOMIC IMPACT OF THE DELAWARE RIVER PORTS

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DELAWARE RIVER PORT AUTHORITY

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*See committee report of the
Delaware River Port Authority*

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STATEMENT FROM THE CHAIRMAN

The Delaware River Ports account for the second largest tonnage of any U.S. Port area. Port business helps make the city of Philadelphia and the other Delaware River Port cities thriving metropolitan areas. The economic effects of port activity, however, are probably not self-evident to the average citizen, nor do they stop at city lines. The immediate economic benefits of the river ports are felt throughout the Delaware Valley—in Pennsylvania, New Jersey, and Delaware—and also throughout neighboring states.

In order to provide a factual basis for evaluating the place of the Port in the business and industrial community, the Delaware River Port Authority engaged the firm of Alderson Associates, Inc. of Philadelphia to do a thorough study of the economic benefits of Port activities. Special emphasis was placed on determining the employment and wages derived from Port business, the degree of port dependency of industry in the 11-county Greater Philadelphia Area, and the tax revenues generated by port dependent industry and maritime activities.

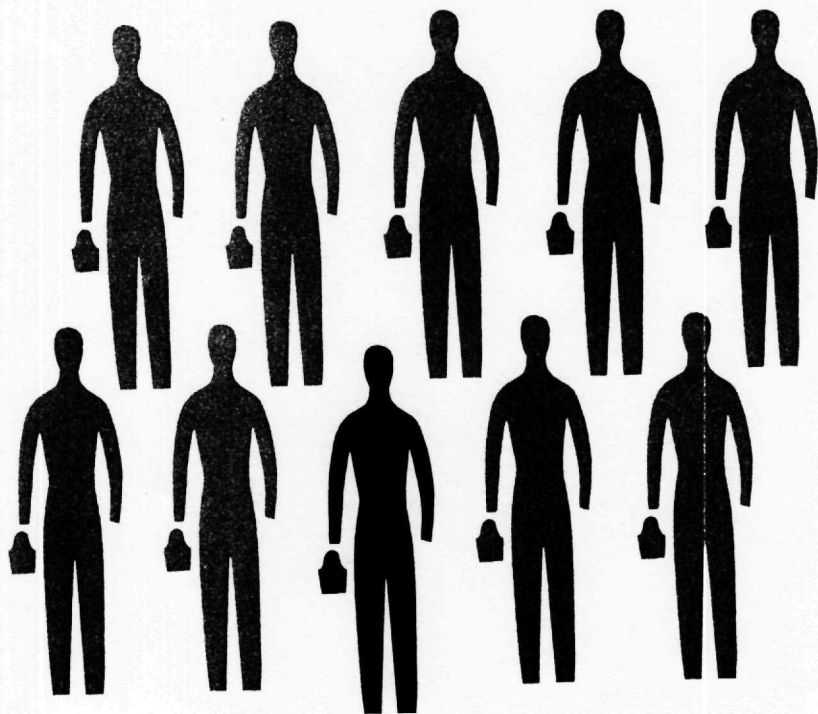
A study of this scope cannot be conducted in a library. Our researchers found it necessary to seek information and data from many sources. The Delaware River Port Authority extends its thanks to all those in business firms and public and private agencies who have assisted in the development of the completed document. Through their efforts to provide basic information for this study, executives and experts from many phases of business, industry, and government have shown their great interest in the growth and development of the Delaware River Ports.

We take pleasure in presenting a short summary of the findings of this study on the following pages. It is our hope that these highlights will prove interesting to every citizen whose economic life is in some way connected with the Ports on the Delaware River.

JAMES V. BANEY

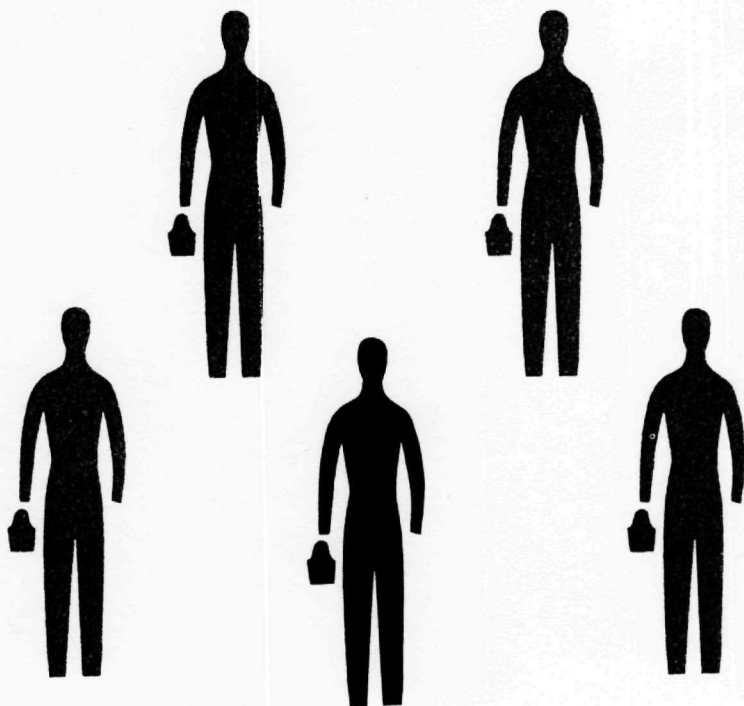
Chairman

1 job in 10 in manufacturing industry and in wholesale and retail trade depends upon materials and merchandise received through the port.

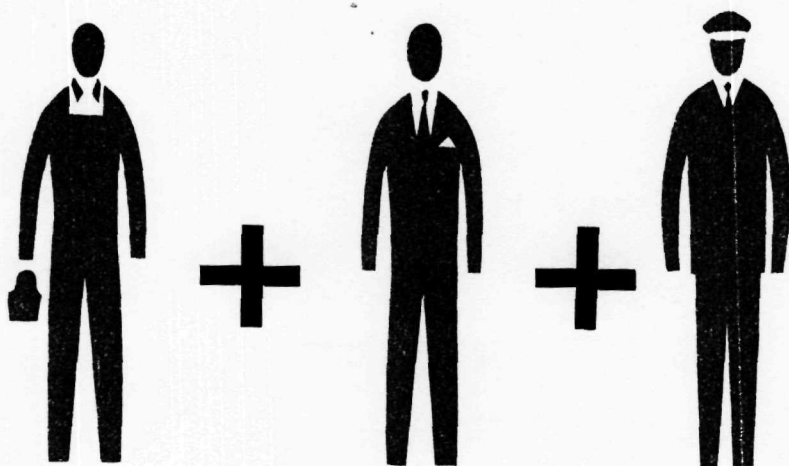


More than one job in every ten in manufacturing industry and in wholesale and retail trade in the 11-county Delaware River Port Area depends upon the availability of materials and merchandise received through the Delaware River Ports. This statement is based on the fact, uncovered by the survey, that 11% of the total cost of materials for manufacturing and commerce in the Port Area are received through the Port.

1 job in 5 in manufacturing
depends upon materials received
through the port.



Nearly one job in every five for manufacturing alone depends upon the availability of materials and merchandise received through the Delaware River Ports. Receipts through the Port totaled 18% of the cost of materials for industry in the 11-county metropolitan area.



PORT DEPENDENT
INDUSTRY
35,600

WHOLESALE AND
RETAIL TRADE
5,400

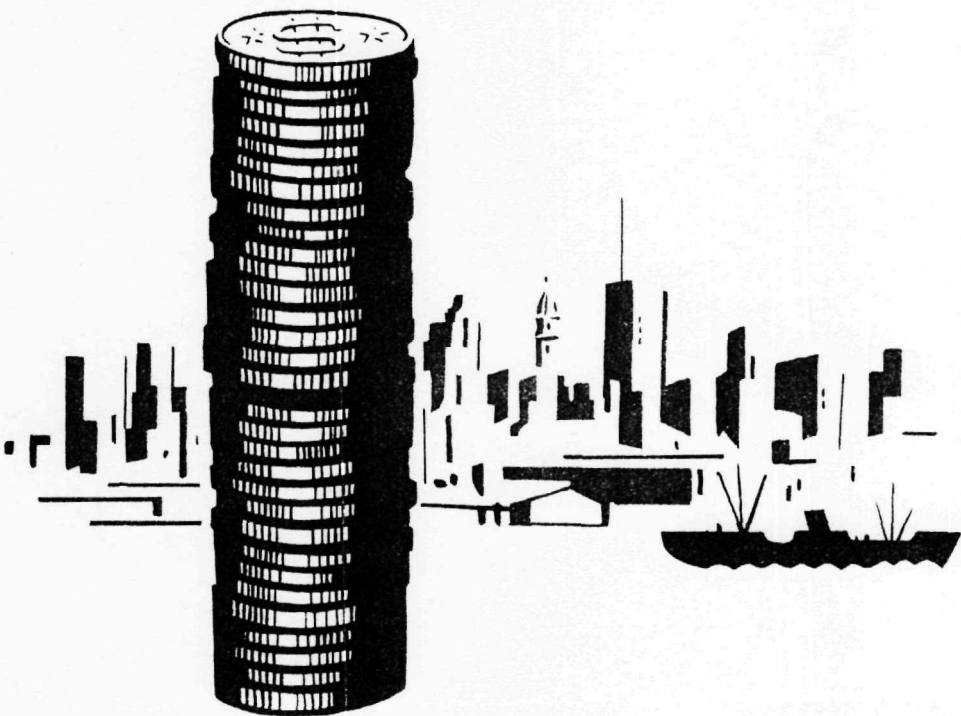
DIRECT MARITIME
ACTIVITIES
55,300

= 96,300
port dependent jobs

A total of 96,300 employees in the Delaware River Port Area derive their income either directly or indirectly from the existence of the Delaware River Ports. This total is made up of 35,600 employees in industry, 5,400 employees in wholesale and retail trade, and 55,300 employees in direct maritime activities in the Port Area.

\$516,000,000

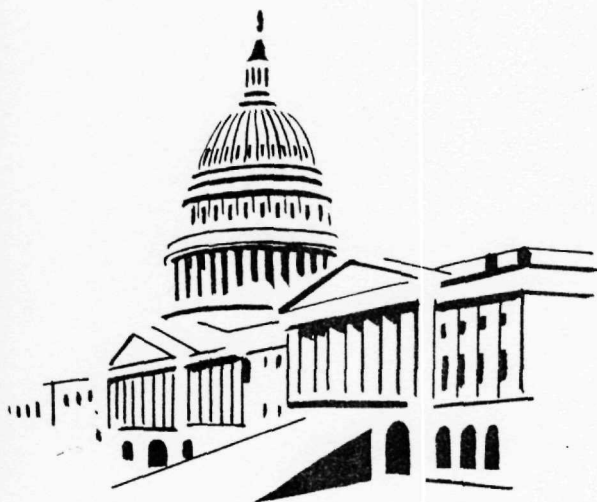
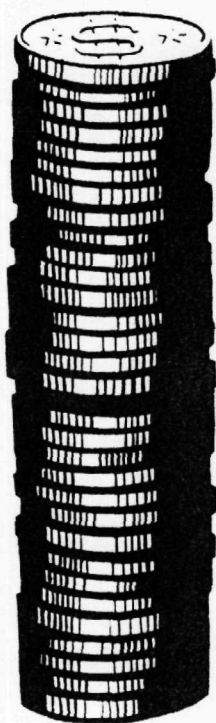
port generated wages and salaries annually



Total wage and salary income of port dependent employees amounts to \$516,000,000 annually. This figure includes \$200,300,000 of employee income from port dependent industries, \$19,800,000 to employees in wholesale and retail trade, and \$295,900,000 to employees in direct maritime activities in the Port Area.

\$133,000,000

in tax revenues from port dependent business



Tax liability dependent upon the existence of the Port totals \$133,000,000 annually. Of this total, \$121,900,000 in taxes stems from port dependent industries, \$5,700,000 from wholesale and retail trade, and \$5,400,000 from direct and auxiliary maritime activities.

\$53,000,000

in customs collections











In addition to the tax liability from port dependent business and industry and direct maritime activities, customs duties of over \$53,000,000 were collected by the Philadelphia District during the year of this survey. Taxes paid by private individuals who are dependent upon the Port for their employment are in addition to the above figure, and no attempt was made to assess them.

\$481,000,000

in port created payrolls

How they are spent

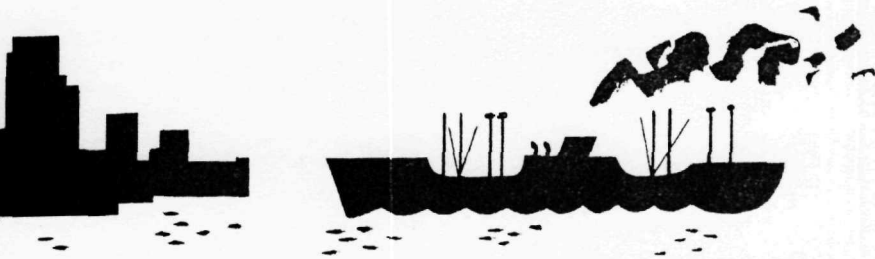
		DOLLARS IN MILLIONS
	AUTOS AND PARTS	27
	FURNITURE AND APPLIANCES	25
	CLOTHING AND SHOES	38
	FOOD AND BEVERAGES	147
	GASOLINE AND OIL	15
	HOUSEHOLD OPERATION	28
	HOUSING	60
	TRANSPORTATION	14
	MISCELLANEOUS	127

Not only does income accrue to employees directly connected with port dependent industry, wholesale and retail trade, and direct maritime activities, but these consumer dollars are spent mainly within the 11-county Port Area. Port created payrolls resulted in consumer expenditures of more than \$481,000,000 in retail trade and service establish-

ments. This money was spent in the food markets, drug stores, barber shops, service stations, etc. It was spent for housing, transportation, furniture, automobiles, clothing, gasoline, and all the other items every citizen needs and buys. To this extent, every business and industry in the 11-county area is in some way dependent upon the Port.

\$2,959,000,000

in cargo flows through the port annually



INBOUND CARGO \$1,856,000,000

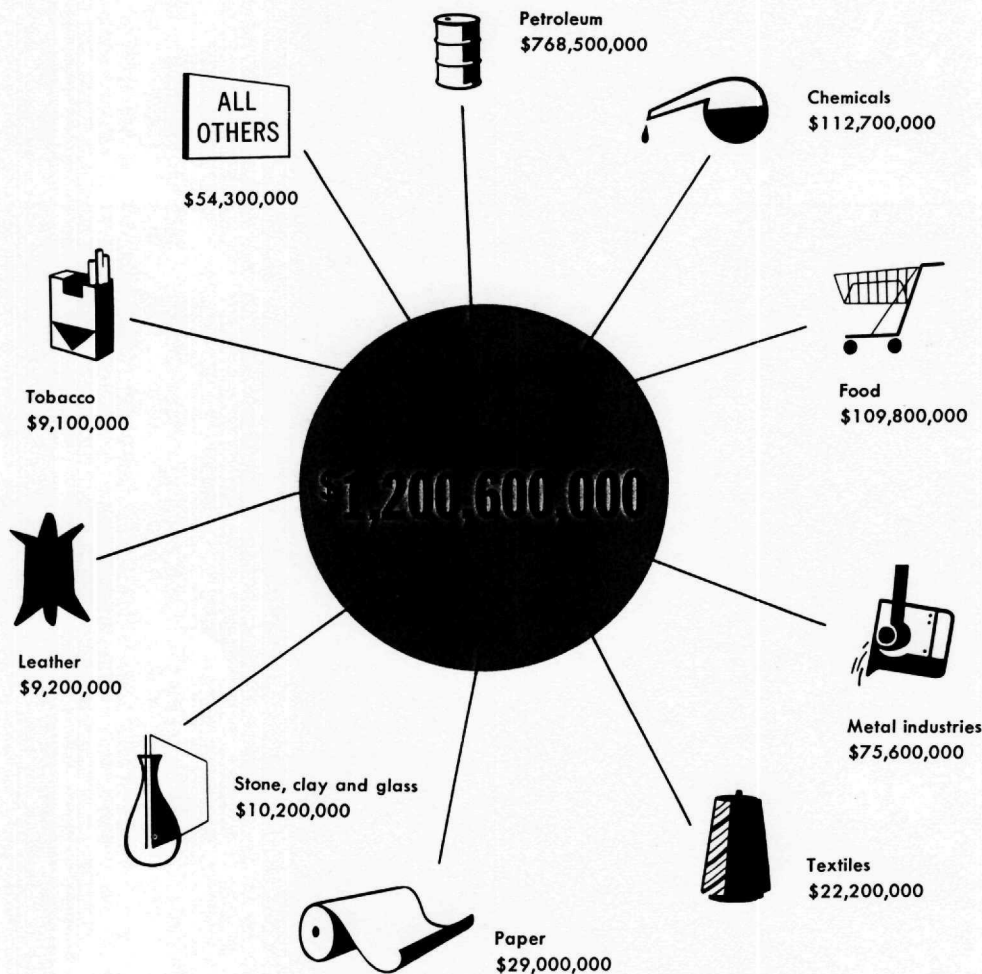


OUTBOUND CARGO \$1,103,000,000

The total value of cargo moving through the Delaware River Ports approaches three billion dollars annually, even when local traffic is entirely omitted. Inbound cargo is valued at \$1,856,000,000, of which 78% is destined for points within the 11-county area. Outbound cargo is valued at \$1,103,000,000 of which 73% comes from points in this same Port Area.

Value of raw materials received through the port

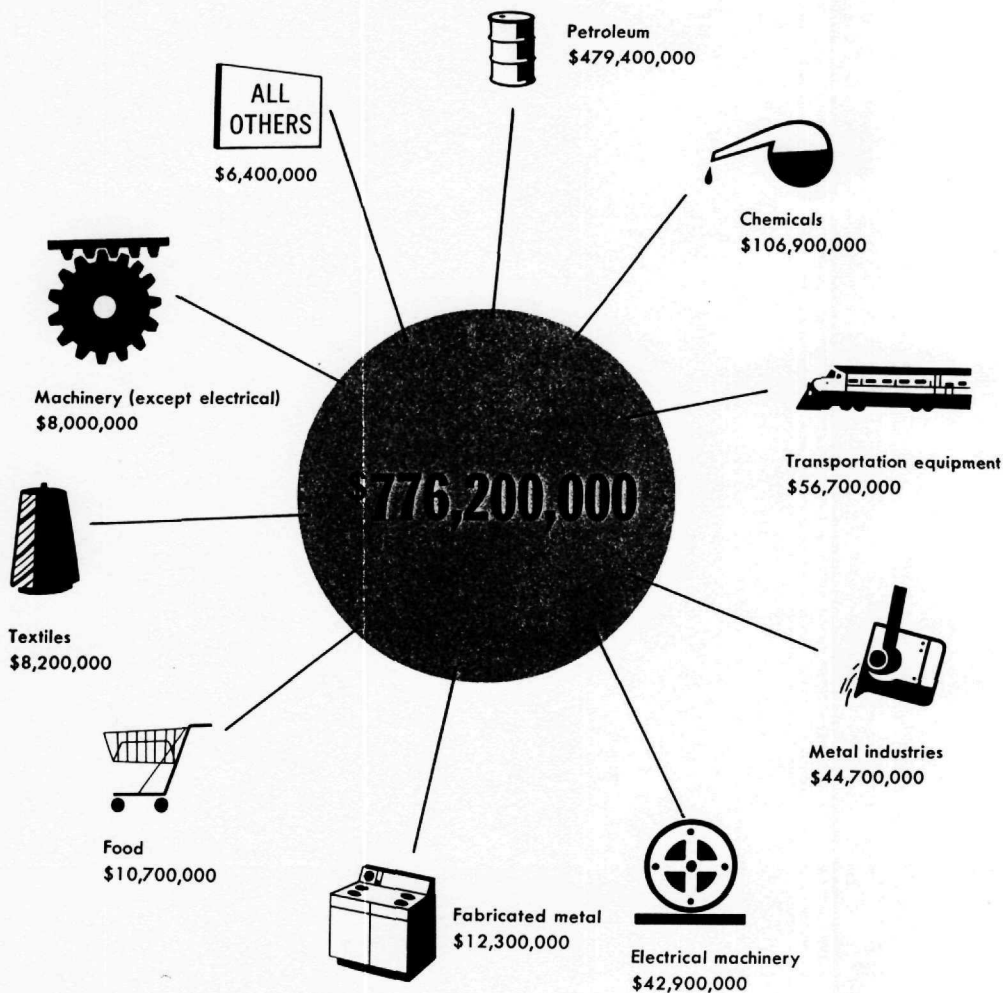
(by Greater Philadelphia industry)



Industry in the 11-county metropolitan area consumed \$6,760,000,000 of raw materials during the year surveyed. Over \$1,200,000,000 of these materials were received through the Delaware River Ports. The chart above shows the extent to which the various industrial groups shared in raw material receipts via the Port.

Value of finished products shipped through the port








(by Greater Philadelphia industry)



Industry in the 11-county Delaware River Port Area shipped \$12,350,000,000 of products in the year surveyed. Over \$776,000,000 of these manufactures were shipped through the local Port. The chart above shows the extent to which the various industrial groups used the Port for shipment of their output.

Raw materials received through the port

(as percent of total purchases)






	Petroleum refining and related industries	77%
	Tobacco manufactures	23%
	Chemicals and allied products	18%
	Leather and leather products	14%
	Paper and allied products	13%
	Food and kindred products	11%
	Primary metal industries	10%

On the basis of percent of raw materials received through the Port, petroleum refining heads the list, followed by tobacco manufacturers, chemicals, leather, paper and allied products, food, and primary metal manufacturers. Each of these industrial groups used the Port for 10% or more of its raw material requirements.

Some individual industries within the above industrial categories depend even more heavily upon the Port. Sugar refining (included in food group) received over 90% of its raw materials by water; paper mills over 24%, and newspaper publishing over 23%.

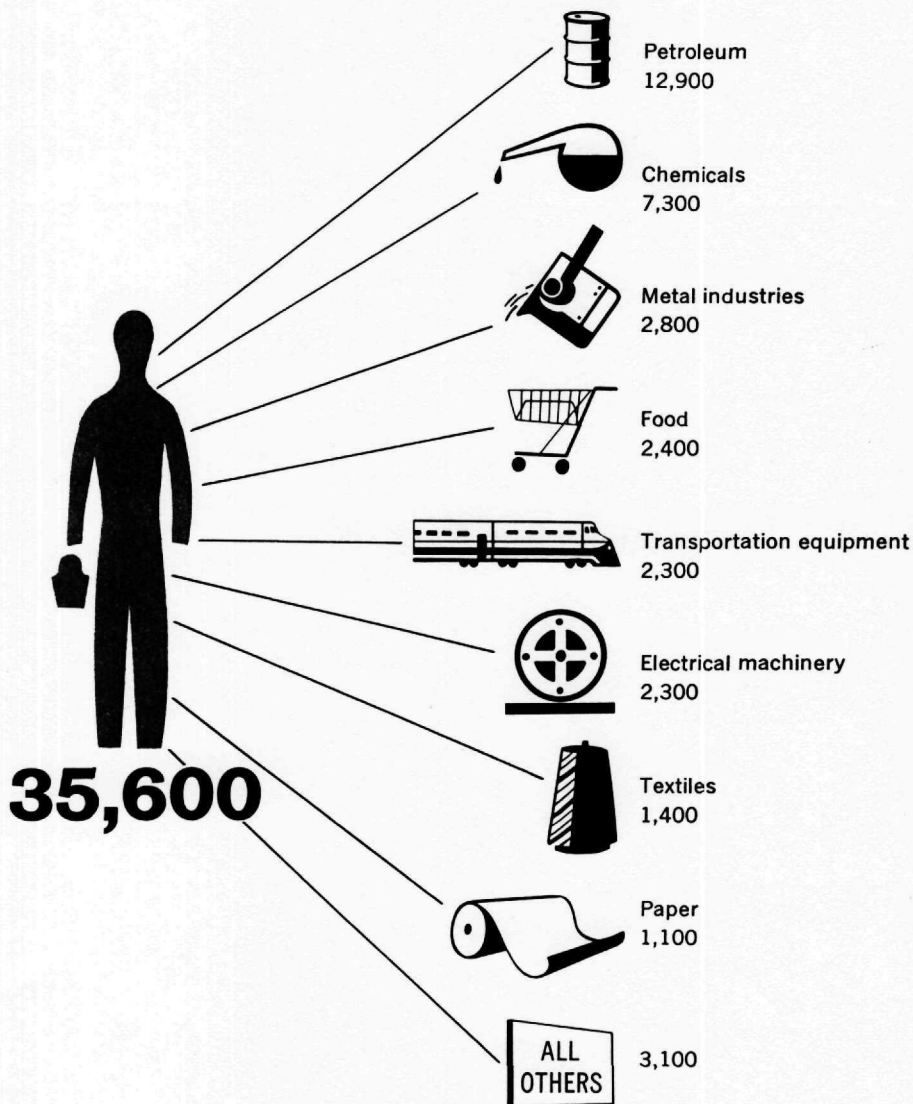
Manufactures shipped through the port

(as percent of total sales)

	Petroleum refining and related industries	37%
	Transportation equipment	9%
	Chemicals and allied products	8%
	Electrical machinery, etc.	5%
	Primary metal industries	4%

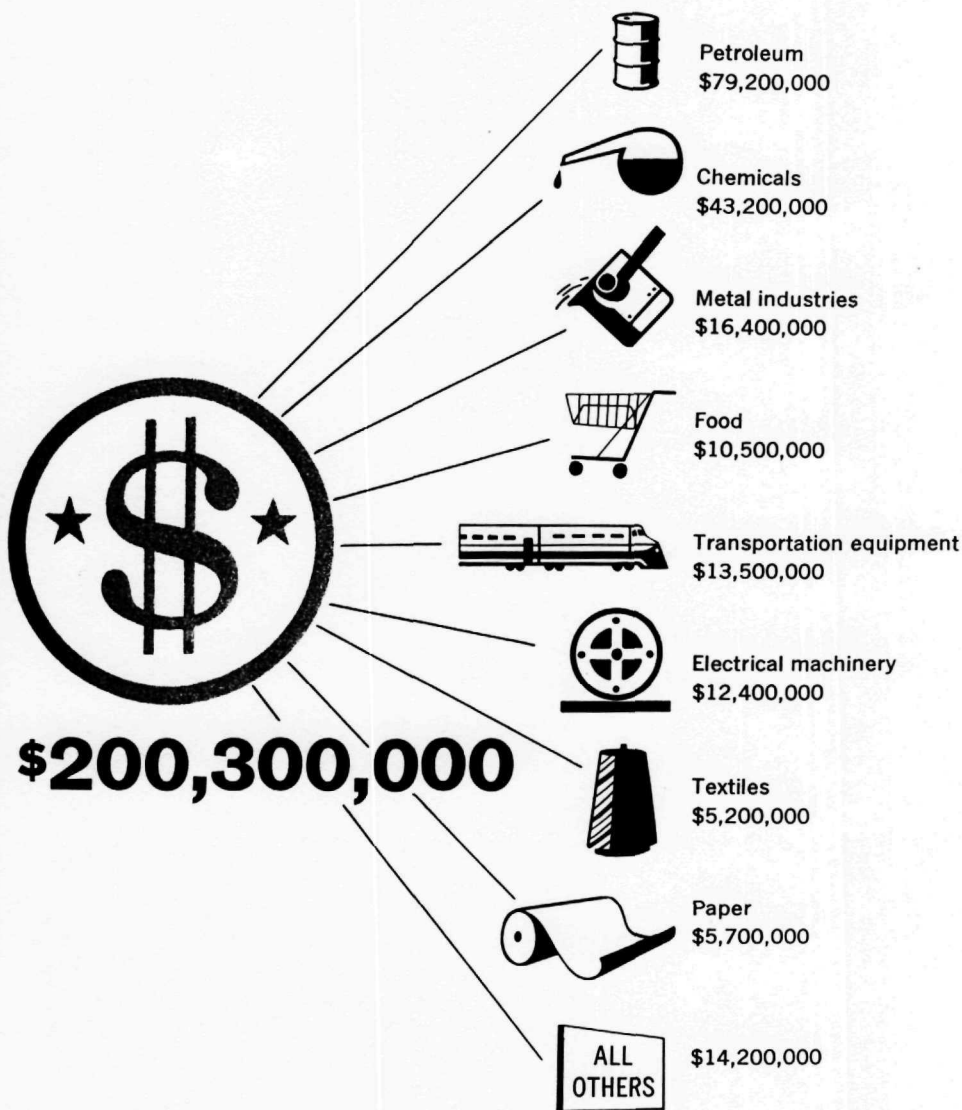
On the basis of percent of sales shipped through the Port, petroleum refining, transportation equipment, chemicals and allied products, electrical machinery, and primary metal industries are port dependent to the greatest degree. These five industry groups within the 11-county metropolitan area ship over \$730,000,000 of their products through the Ports on the Delaware River.

Industrial employees dependent on the port



Industrial employment dependent upon the existence of the Port was found to be 35,600 jobs within the 11-county metropolitan area.

Industrial wages and salaries dependent on the port

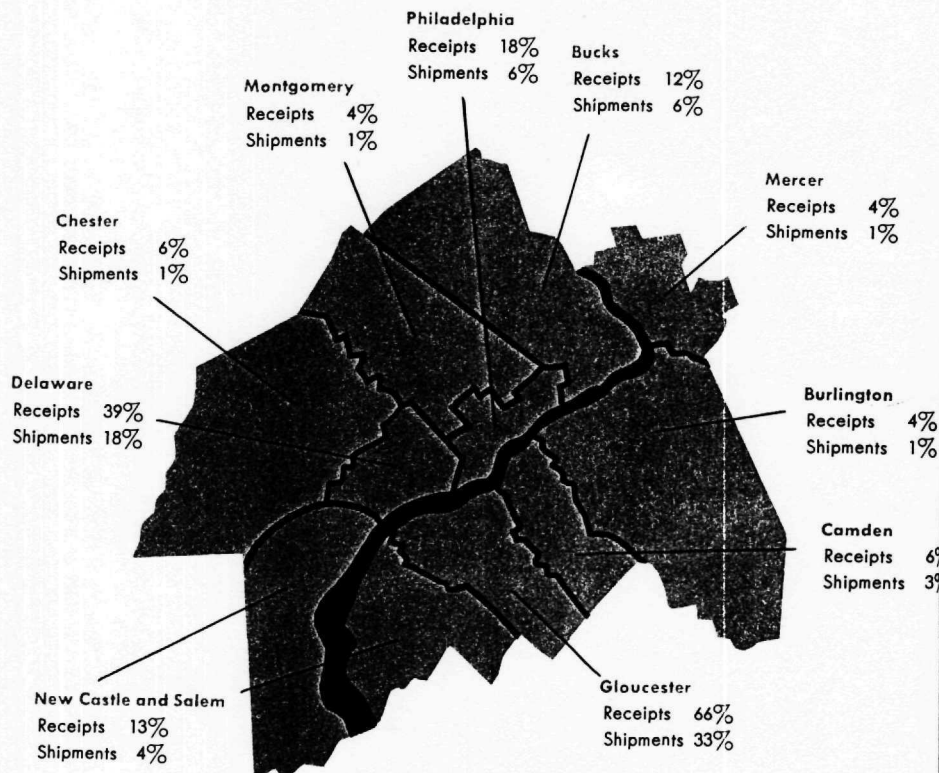


Industrial workers whose employment is port dependent earn \$200,300,000 each year.

Industry dependence on the port...by county

Receipts (% of total raw material purchases coming in through the Port)

Shipments (% of total finished goods sales shipped out through the Port)



11-County Delaware River Port Area

Receipts 18%

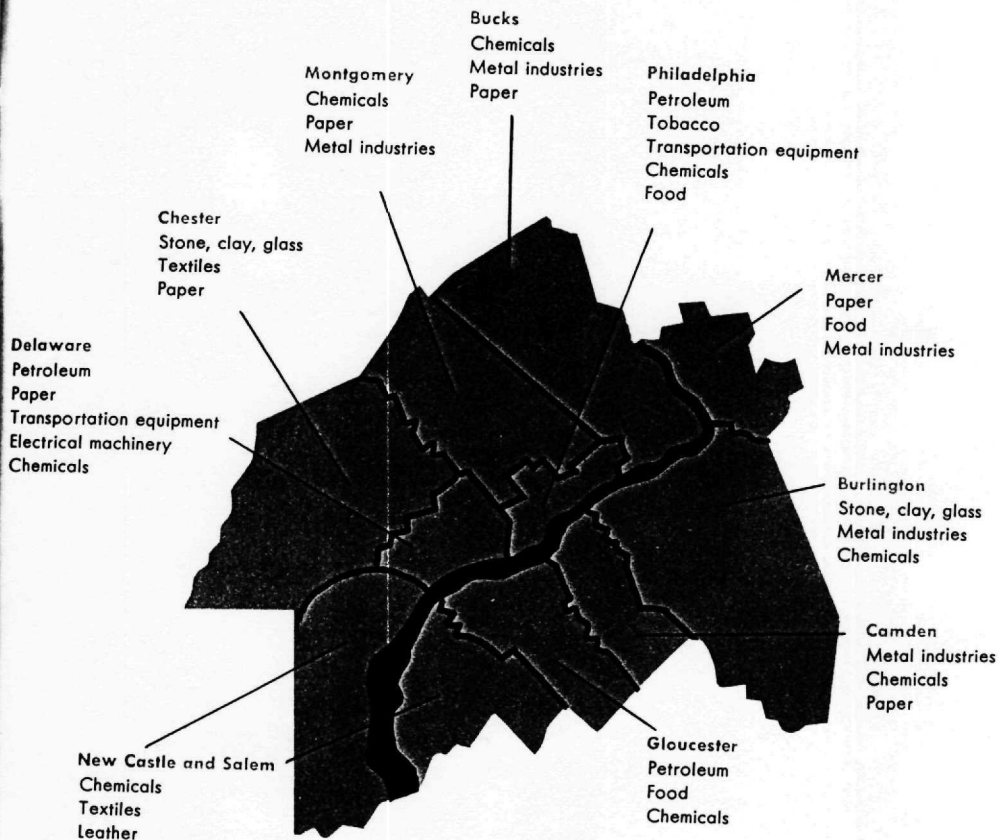
Shipments 6%

The dependence of industry on the Port for receipt of raw materials and for shipment of finished goods varies widely from county to county. The above chart shows the percent of raw materials used by industry which were received through the Port (receipts) and the percent of manufactured goods shipped through the

Port (shipments) for industry in the individual counties in the metropolitan area.

In Gloucester County, for instance, nearly two out of three jobs in manufacturing are dependent upon the Port for raw material requirements, while in Delaware County nearly two out of five workers are port dependent.

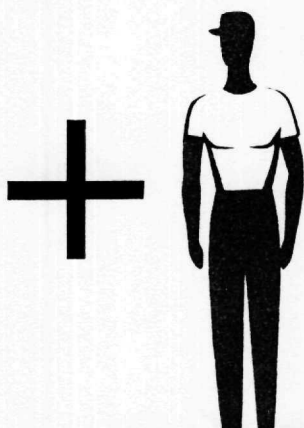
Types of industries most dependent on the port...by county



Industries with the greatest degree of port dependency are shown by county in the above chart. The chemical industry is prominent in eight different counties, paper in six, primary metals in five, and petroleum refining in three. These industries account for the major portion of port dependent industrial employment in the 11-county area.



29,700
government & public
maritime activities



25,600
non-government
maritime activities

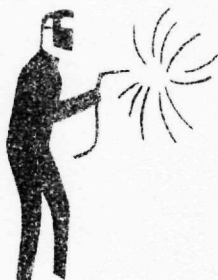
55,300
maritime employees

Maritime activities in the Delaware River Port Area employ 55,300 workers with annual wages and salaries of \$295,900,000. Of this total, 29,700 workers with a total annual income of \$160,600,000 are found in government and public maritime activities. These jobs are with the U.S. Navy, Coast Guard, Army Corps of Engineers, Customs Service, Bureau of Port Operations of the City of Philadelphia, Delaware River Port Authority, and other federal, state, and local governmental units.

25,600 employees in non-government activities

shipping and cargo handling

14,040



shipbuilding and repair

9,110

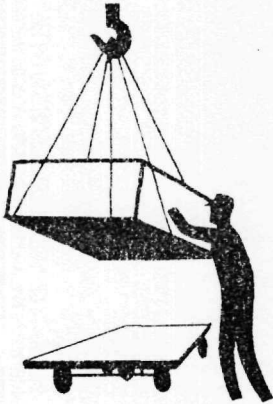
auxiliary services

2,450

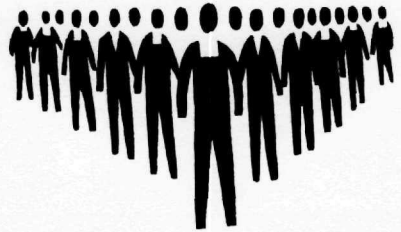


Non-government maritime activities employ 25,600 workers with annual wages and salaries of \$135,300,000. Longshoremen, checkers, watchmen, sailors, pilots, tugboat operators, line-runners, office employees of maritime firms, and other workers directly concerned with bringing vessels into port and unloading them account for 14,040 jobs. Another 9,110 workers are employed in shipbuilding and repair. The remaining 2,450 workers are in other services connected with port activity including foreign freight forwarders, customhouse brokers, and employees in maritime insurance, foreign banking, warehousing, trucking, railroad marine terminals, etc.

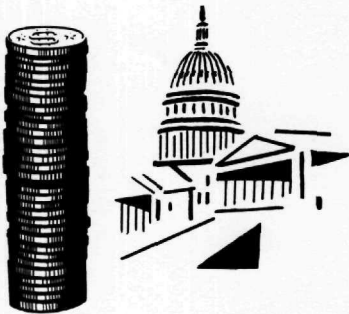
In conclusion...



Over 100,000,000 tons of cargo valued at nearly \$3,000,000,000 are handled each year by the Delaware River Ports.



The Port is responsible for 96,300 jobs with annual wage and salary income of \$516,000,000.



The Port contributes \$133,000,000 in tax revenues each year in addition to customs collections of over \$53,000,000.



Port connected employees spend \$481,000,000 in retail trade and services in the local area.

The facts in this booklet clearly show the tremendous economic influence of Delaware Valley's greatest single asset, the Port. The Port and its development have made Greater Philadelphia the great and prosperous industrial and commercial center it is today.

The Port is the most potent factor in attracting new industry to the area. New areas for growth offer a potential of practically unlimited development.

It is your Port. Use it! Promote it! Support it! Your prosperity depends on it!

