

Assessing changes in inter-municipality commuting: The Portuguese case

Topic: Sustainable production and consumption 2

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Recent changes in travelling patterns have largely increased the importance of transportation and mobility. According with the last data available (based on 2001 Census), 23,7% of Portuguese inhabitants needed to travel daily to another municipality in order to work or study. In 2007, Portuguese households spent approximately 10% of their total expenditures, in goods and services associated with car use. 7,33% of households budget was spent in car buying or repairing, while 3,72% was spent in diesel or gasoline. Moreover, in the same period, Portuguese families have spent 1,37% of their budget with road and rail passengers transportation services.

Despite the relatively high share of expenses with car use by the Portuguese household's, most of the products associated with automobile use are mainly imported or incorporate many imported inputs throughout their production. In fact, in 2007, cars' production in Portugal was mainly to satisfy foreign demand (97,5%), while more than 99% of the cars bought by Portuguese households resident were imported. Additionally, fuel refining was made using oil as the main input (77,3% of intermediate consumption) which is not produced in the Portuguese territory.

The main objective of this work is to assess economic impacts of inter-municipality commuting in Portugal. For this, we assume a hypothetical scenario based on the assumption that Portuguese households do not travel between different municipalities for commuting proposes considering change in private final consumption. Accordingly, we expect to assess the direct, indirect and induced impacts of inter-municipality commuting and understand how the Portuguese economy would react if all inhabitants live in the same municipality where they work or study. For this, we will use an Input-Output table with a Supply and Use (SUT) format at basic prices and representing domestic flows. Our purpose is to evaluate the macroeconomic net benefits of commuting, by different criteria (e.g., employment, GVA, taxes, international imports).