JLR

THE ECONOMIC FOOTPRINT OF JLR IN THE UK

13TH AUGUST

A REPORT BY OXFORD ECONOMICS

OXFORD ECONOMICS

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FOREWORD

JLR is a major British company, directly employing 32,800 talented colleagues across 17 sites in the UK. We create modern luxury vehicles from four distinct British brands, each with a powerful and distinguished heritage. We are proud to contribute to the prosperity of the UK and the communities in which we operate.

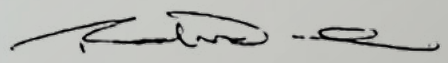
The Range Rovers, Defenders, Discoveries and Jaguars that we see on the roads are reminders of the ingenuity, creativity and talent of the British people. From designers and engineers working in Gaydon, to those perfecting the finish of our vehicles built in Solihull and Halewood, these individuals propel the performance of our business and the UK's reputation as a leading manufacturer of luxury vehicles.

This report highlights the significance of the role JLR plays in the national and regional economies of the UK. Nationally, for example, we contributed circa £17.9 billion to the UK's 2024 GDP, or £1 in every £160. We are also one of nation's biggest exporters of goods, exporting £17 billion worth of vehicles and parts annually.

JLR's regional presence is most significant in the West Midlands and the North West, where we provide highly skilled and well-paid employment to thousands of people. Indirectly, the complex nature of our business means many of our supplier-partners have also co-located their operations to the Midlands or the North-West. For example, to build a Range Rover every 90 seconds, we depend on supplier partners based within a 15-mile radius of our factory in Solihull, feeding components through the hands of our skilled manufacturing colleagues. This close-knit ecosystem directly and indirectly supports approximately 13,600 jobs in the North West and around 60,200 in the Midlands, contributing £1.1 billion and £8.7 billion to GDP respectively.

For over 70 years we have been building vehicles in the UK, with many of our facilities steeped in history, including Castle Bromwich where Spitfires were made during the Second World War. As part of our £18 billion Reimagine strategy investment over five years, we continue to develop our UK business, this time for the clean energy future.

This report not only highlights the importance of JLR to the UK economy but also how JLR's products, people and partners are intertwined with the UK's standing on the global stage.



RICHARD MOLYNEUX
CHIEF FINANCIAL OFFICER
Jaguar Land Rover Automotive plc
13th August 2025

EXECUTIVE SUMMARY

Since its founding in 1922 as a motorcycle sidecars company in the UK, JLR has grown to be a multinational automotive company that designs, engineers, and manufactures luxury vehicles. Today, JLR maintains a strong presence in the UK, where its facilities contribute to economic activity, the nation's public finances, and support high-skilled jobs.

This study, commissioned by JLR, assesses and outlines the footprint of the company's UK operations on the UK economy in 2024. This analysis is conducted both at the national level, as well as on the West Midlands and North West regions, where JLR's main facilities are located.

JLR'S CONTRIBUTION TO GDP

In 2024, JLR supported an estimated £17.9 billion total contribution to GDP across the UK economy. This total was equivalent to around 0.6% of UK GDP in the same year—or £1 in approximately every £160 of UK GDP.

By channel of impact, the company **directly** generated a £5.6 billion contribution to GDP through its 17 sites across the UK. These included 14 sites in the West Midlands, comprised of JLR's global headquarters, several engineering and development facilities, the National Automotive Innovation Centre, and JLR's Learning Academy. Moreover, JLR's software engineering centre and vehicle manufacturing site in Halewood are located in the North West, while InMotion Ventures, JLR's corporate venture capital arm, is situated in London.[1]

£17.9 BILLION

TOTAL CONTRIBUTION OF JLR TO UK GDP IN 2024.

JLR's spending with over 2,200 UK-based suppliers across all regions of the country further contributed an estimated £7.2 billion to UK GDP **(indirect impact)**. Finally, an estimated £5.1 billion was stimulated through the wage-funded spending of JLR's employees and the employees in its UK supply chain **(induced impact)**.

The total GDP impact was 3.2 times the direct GDP impact alone, meaning that JLR's GDP multiplier was 3.2. Or put another way, for every £1 million in GDP directly generated by JLR, its expenditure on inputs and wages supported a further £2.2 million in GDP across the UK economy.

More than half of JLR's total contribution to UK GDP was felt in the West Midlands and the North West. In part, this concentration of economic activity is because this is where JLR's main UK sites are. However, it also reflects the company's spending with just under 900 local businesses, as well as the wages paid to employees living in both regions. We estimate JLR supported an £8.7 billion total contribution to GDP in the West Midlands—equivalent to 4.7% of the regional economy. A further £1.1 billion contribution was estimated to have been supported in the North West—equal to 0.4% of the regional economy.

1. JLR, Global Footprint, accessed April 2025

JLR'S SUPPORT FOR THE LABOUR MARKET AND PUBLIC FINANCES

JLR's economic contribution is estimated to have sustained around 199,000 jobs across the UK economy in 2024. The company **directly** employed 32,782 people across its 17 UK sites.[2] A further 104,000 jobs are estimated to have been supported throughout its UK supply chain **(indirect)**. Finally, an estimated 62,900 jobs were supported through **wage-induced** spending.

199,000 JOBS

TOTAL EMPLOYMENT SUPPORTED BY JLR IN THE UK.

In this case, the employment multiplier was 6.1 in 2024. This means for every 100 people directly employed by JLR, 510 jobs were sustained in other parts of the UK economy. JLR's employment multiplier was higher than several other sectors of the UK economy, which reflects JLR's extensive supply chain expenditure. It was also driven by the high productivity of JLR's workforce.

Indeed, JLR's direct workforce had an average productivity of around £170,000 in 2024, as measured by the GDP contribution per worker.[3] This was more than double the UK average. JLR's direct workforce also received an average wage around 50% higher than the national average.

This higher-than-average productivity in part reflects the capital intensity of JLR's automotive manufacturing, as well as the skills required for JLR's operations. Over 70% of JLR's direct workforce were in engineering and manufacturing roles.[4] Moreover, JLR has training programmes in place to maintain a supply of the necessary skills for its operations. It has over 2,000 employees on apprenticeships and undergraduate and graduate programmes across disciplines covering engineering, digital and technology, finance, and the supply chain.

Finally, the economic activity supported by JLR stimulated an estimated £4.0 billion total tax contribution to the UK Government in 2024. This was equivalent to the annual salaries of over 111,000 nurses during the same year.[5]

£4.0 BILLION

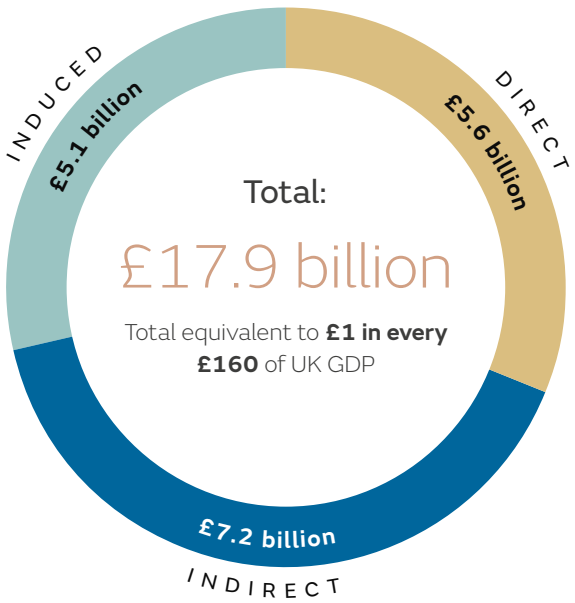
TOTAL TAX CONTRIBUTION OF JLR IN THE UK.

2. This figure is for UK-based permanent workers only. A further 3,257 agency workers were funded by JLR's procurement spending and so are factored into the indirect channel. Overall, JLR's on-site workforce was 36,039 in 2024.
3. This measure of productivity is calculated as the direct contribution to GDP (employment costs, profits, and taxes on production) divided by the direct headcount.
4. JLR direct engineering employees refer to those specified as working under product engineering, and manufacturing employees refer to those working in manufacturing in industrial operations.
5. ONS, Annual Survey of Hours and Earnings, Table 14.7a, 2024, data accessed April 2025

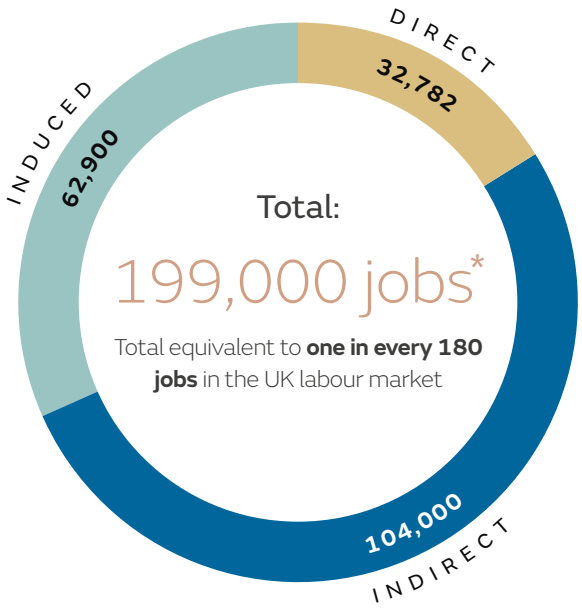
THE ECONOMIC FOOTPRINT OF JLR IN THE UK

In 2024, the impact of JLR's operations was felt across the UK:

UK GDP CONTRIBUTION



EMPLOYMENT CONTRIBUTION



3.2× GDP multiplier

Every **£1 million** in GDP generated by JLR supported a further **£2.2 million** in GDP elsewhere in the UK economy

6.1× Employment multiplier

Every **100 workers** directly employed by JLR supported an additional **510 jobs** elsewhere in the UK economy

Productivity of direct workforce **more than double UK average**.

Over **70%** of the direct workforce in engineering and manufacturing roles.

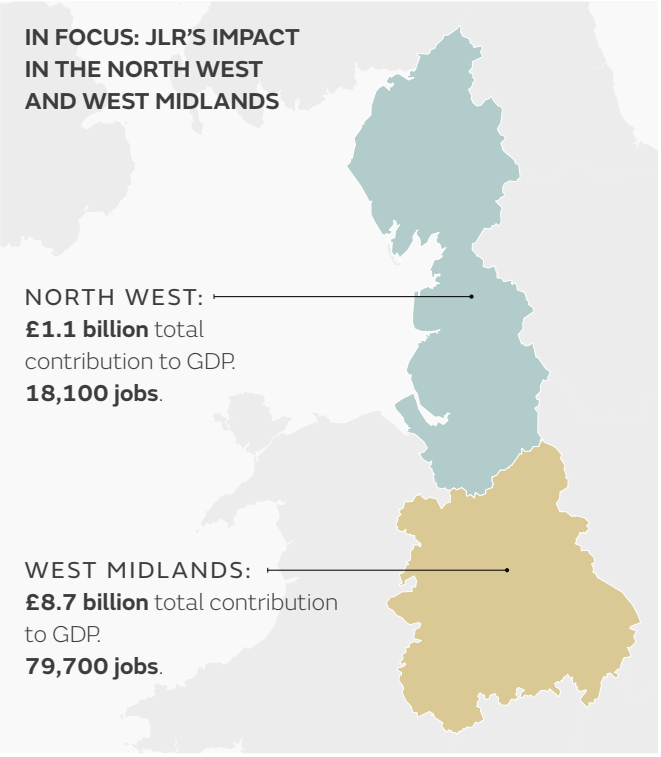
Around **6%** of the direct workforce in early careers programmes.

TAX CONTRIBUTION

Total: £4 billion

Equivalent to the wages of over **111,000 nurses**.

IN FOCUS: JLR'S IMPACT IN THE NORTH WEST AND WEST MIDLANDS



*Figures do not sum due to rounding.

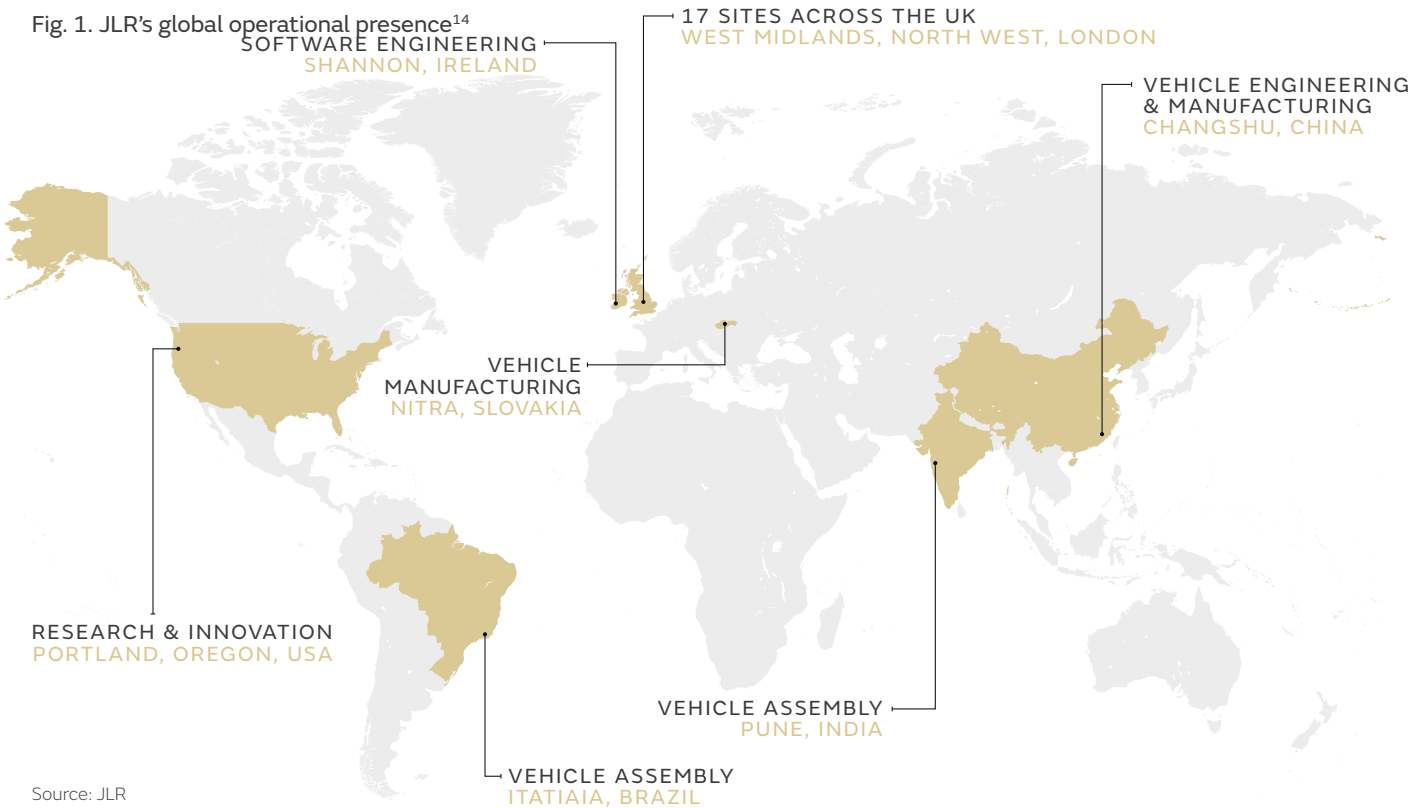
1. INTRODUCTION

JLR is a British multinational automotive company that designs, engineers, and manufactures luxury vehicles. Founded in 1922 as the Swallow Sidecar Company, JLR initially produced motorcycle sidecars before transitioning to passenger cars. It has produced iconic vehicles such as the Jaguar E-TYPE in 1961, as well as pioneering the world's first all-electric SUV, the I-PACE, in 2018. Land Rover was introduced in 1948 and is now globally recognised for the Range Rover, Defender, and Discovery brands. Tata Motors acquired both brands in 2008, forming JLR.[6] With its current aim of being carbon net zero by 2039, and its shift towards electric products as part of its *Reimagine* strategy, JLR supports the UK Government's ambition to transition towards zero emission vehicles.[7]

Today, JLR employs over 40,000 people worldwide, with operations in the UK, continental Europe, Brazil, and the United States, as well as joint ventures in India and China.[8] Yet, despite its global presence, JLR remains a British company at heart. Its headquarters are located in the West Midlands, a region which is also home to one of JLR's two UK vehicle manufacturing facilities, its Electric Propulsion Manufacturing Centre, and its Battery Assembly Centre.[9] The company's other UK vehicle manufacturing site is located in Merseyside, in the North West of England. In 2024, JLR produced circa 257,000 vehicles in the UK—around one-third of total UK car production.[10]

Beyond its main vehicle manufacturing sites, JLR undertakes a vast range of other automotive and engineering activities at locations throughout the West Midlands and the North West of England. Indeed, the North West is home to JLR's software engineering centre in Manchester, while JLR's Engineering and Design headquarters are situated in Gaydon in the West Midlands.[11] JLR also partners with Warwick University's WMG (Warwick Manufacturing Group) and Tata Motors at the National Automotive Innovation Centre at the University of Warwick, an innovation technology hub aimed at future vehicle development. Concurrently, at the JLR Learning Academy in Leamington Spa—JLR's educational hub—the company provides education and training to its employees across different career stages.[12] JLR's site in London—InMotion Ventures—is its venture capital fund, which invests globally across climate, industrial, and enterprise technologies at the application, infrastructure, and deep tech levels.[13]

Fig. 1. JLR's global operational presence[14]



Source: JLR

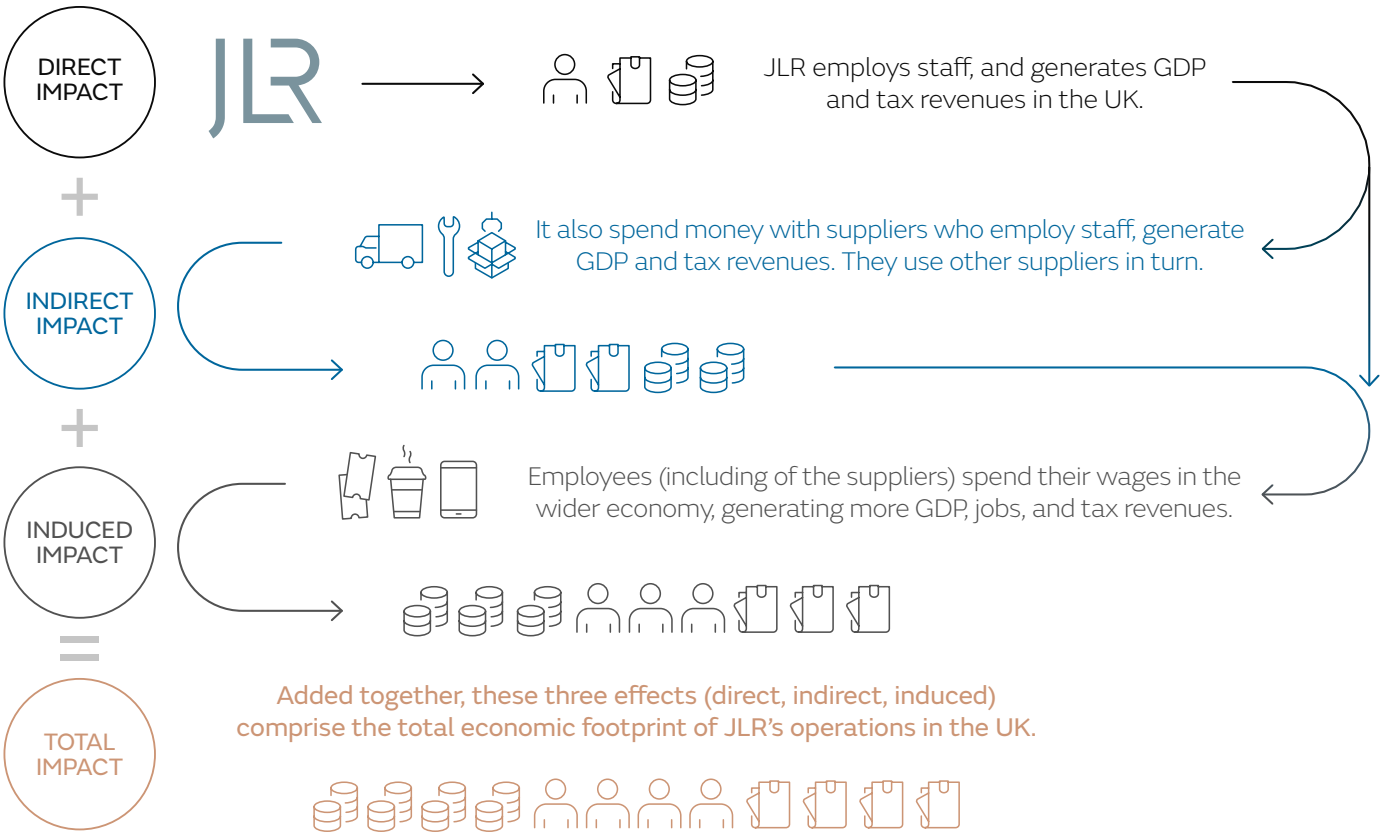
6. JLR, "Our Heritage", accessed April 2025
7. JLR, "Reimagine", accessed April 2025; Department for Transport, "Backing British business: Prime Minister unveils plan to support carmakers", 2025, accessed April 2025
8. JLR, Introduction to JLR, 2024, accessed April 2025
9. JLR, Introduction to JLR, 2024, accessed April 2025
10. Figures provided by JLR, sourced from SMMT
11. JLR, Global Footprint, accessed April 2025
12. JLR, Global Footprint, accessed April 2025
13. JLR, Global Footprint, accessed April 2025
14. Provided by JLR

1.1 INTRODUCTION TO ECONOMIC IMPACT ANALYSIS

The economic impact of a company, industry, or investment can be measured using a standard means of analysis called an economic impact assessment. Three "channels of impact" are captured by the assessment—the direct channel, the supply chain or "indirect" channel, and a wage-spending "induced" channel. These are summarised in Fig. 2 below.

The **total economic impact**—or core economic "footprint" as it is also known—is the sum of these three impacts. This is measured by three metrics: the gross value-added contribution to GDP (hereafter the "contribution to GDP"); the employment supported; and the tax revenues generated.

Fig. 2. Channels of impact assessed for JLR's core economic footprint



1.2 STRUCTURE OF THE REPORT

The remainder of this report is structured as follows:

- **Section 2** sets out JLR's direct economic footprint in 2024.
- **Section 3** assesses the economic footprint of JLR in the UK through the indirect and induced channels, before summarising the company's total economic impact across all three channels.
- **Section 4** presents the economic footprint of JLR in the West Midlands and the North West.

JLR PLUGS INTO BENEFITS OF ELECTRIFICATION

JLR has made significant progress in transforming its plants for pure electric vehicle production. At its Halewood site, a £500 million investment will enable the parallel production of internal combustion engine and electric vehicles. This ongoing transformation of the 62-year-old site has so far involved over one million construction hours to install EV build lines, new robots, new training facilities, and more. The Halewood site is expected to build JLR's first pure electric medium-sized SUVs on the Electrical Modular Architecture (EMA), providing thousands of JLR employees with a role in building next generation vehicles in the North West of England.

In the West Midlands, the company's Solihull site, has so far benefitted from a £200 million investment. This will allow JLR to produce pure electric variants of its Range Rovers, alongside internal combustion and plug-in hybrid versions. In addition, JLR continues to invest in the required training of its workforce in readiness for the launch of Range Rover Electric, such as high-voltage training. The company is also preparing its Solihull site to produce the all-new electric Jaguar.

In Wolverhampton, the installation of new build lines at the Electric Propulsion Manufacturing Centre (EPMC) is well underway, with £356 million invested to date. EPMC will supply Solihull and Halewood with electric drive units and battery packs for the next generation pure electric vehicles, including the Range Rover Electric, new Jaguar, and medium-sized SUVs.

One of the enablers in delivering the company's *Reimagine* strategy is the introduction of a cloud-based enterprise management system to JLR's global manufacturing plants. This system aims to increase efficiency and collaboration for JLR's workforce and suppliers. According to JLR, this system is one of the most advanced in the car industry, combining tools for managing product development, business operations, and manufacturing processes, while integrating supply chain, purchasing, and production activities. This integration improves efficiency, reduces costs, enhances quality, and supports better decision-making.

This case study was provided by JLR

2. JLR'S DIRECT ECONOMIC FOOTPRINT IN THE UK

JLR directly generates economic activity across the UK. The company provides well-paid, high skilled jobs to its UK workers, who in turn support JLR's day-to-day activities by designing, engineering, and manufacturing luxury vehicles, which are sold to consumers around the world. In this section, we quantify JLR's direct economic footprint in the UK in terms of its contribution to GDP, employment, and tax revenues.

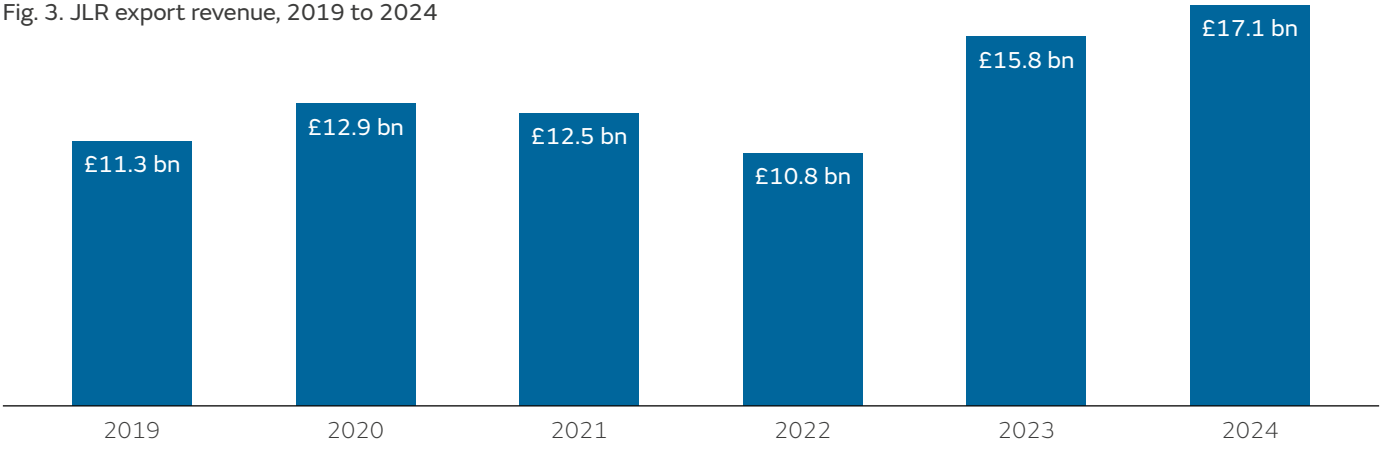
2.1 JLR'S DIRECT CONTRIBUTION TO GDP

In 2024, JLR's UK operations produced around 257,000 vehicles and wholesaled around 400,000 vehicles. JLR's production represented almost one-third of the UK's car production.[15] The company's operational activity in turn generated £20.3 billion in revenues in the UK. Of this, around 84%—or £17.1 billion—was earned from exports in 2024. The US (36% of exports), continental Europe (21%), and China (21%) were the largest markets for the company's exports. JLR's 2024 exports had also risen by 52% since 2019 in nominal terms. The company's exports support the UK Government's Export Strategy's ambition to reach £1 trillion exports annually.[16]

We estimate JLR made a £5.6 billion direct contribution to UK GDP in 2024. This is the value-added generated by the company. It is calculated as the sum of its profits, its employment costs (including wages and other costs, such as social security contributions), and its taxes on production.

JLR's direct contribution to GDP rivalled that of entire sectors of the UK economy. It was similar in size to the textiles manufacturing sector and almost as large as the ship, rail, motorcycle & military vehicles manufacturing sector.

Fig. 3. JLR export revenue, 2019 to 2024



Source: JLR

Fig. 4. JLR's direct contribution to GDP compared to other industries, 2024

Source: Oxford Economics, JLR

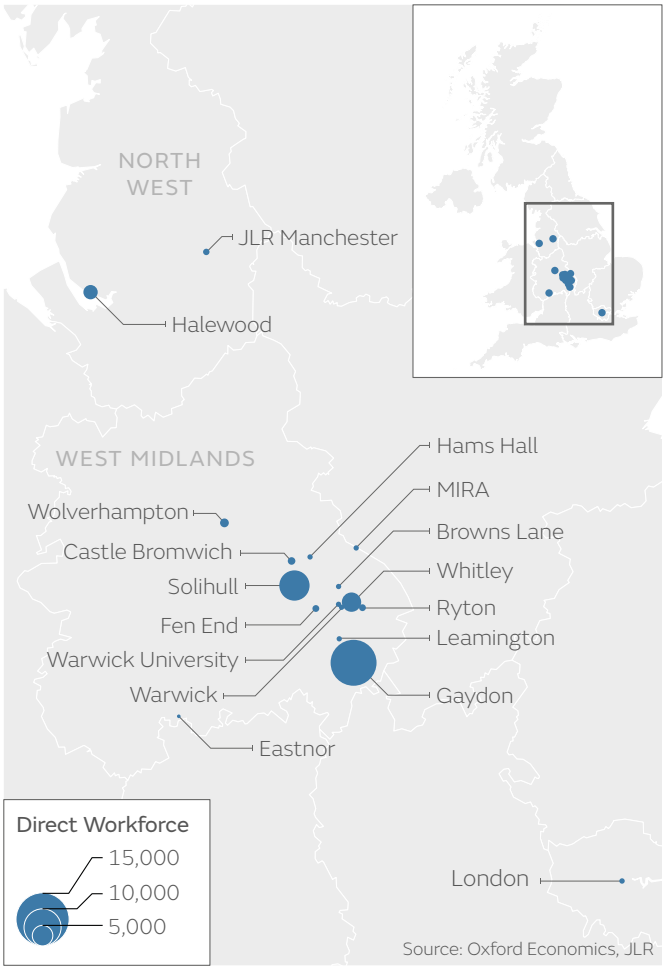
15. Figures provided by JLR, sourced from SMMT
16. Department for Business and Trade, "Made in the UK, Sold to the World", 2021, accessed April 2025

2.2 JLR'S DIRECT CONTRIBUTION TO EMPLOYMENT AND TAX REVENUES

JLR is a major UK employer, with 32,782 direct employees working across its 17 UK sites in 2024.[17] The majority of JLR's direct workforce were based at its sites in Gaydon, JLR's Engineering and Design headquarters, and Solihull, one of JLR's largest vehicle manufacturing sites. Together, these two sites accounted for 20,829—or almost two-thirds—of the direct workforce. Other major locations include Whitley (4,549), which is home to both JLR's global headquarters and its Advanced Propulsion Development Centre, and Halewood (3,063), which produces both the Range Rover Evoque and Discovery Sport vehicles. A further 1,158 employees worked at JLR's Electric Propulsion Manufacturing Centre in Wolverhampton. The remaining 3,183 employees were located across JLR's 12 other UK sites.

JLR's direct workforce is highly productive and well-compensated. We measure productivity as the GDP contribution per worker. On this measure, JLR's direct workforce had an average productivity of around £170,000 in 2024.[18] This was more than double the economy-wide average, and 90% higher than the manufacturing sector average. Having highly productive workers is important because it boosts the price competitiveness of JLR's vehicles, and it improves the standard of living in the broader UK economy.

Fig. 5. Sites where JLR operates across the UK



17. This figure is for UK based permanent workers only. A further 3,257 agency workers are funded by JLR's procurement spending and so are factored into the indirect channel. Overall, JLR's on-site workforce was 36,039 in 2024.

18. This measure of productivity is calculated as JLR's direct contribution to GDP (employment costs, profits, and taxes on production) divided by JLR's direct workforce.

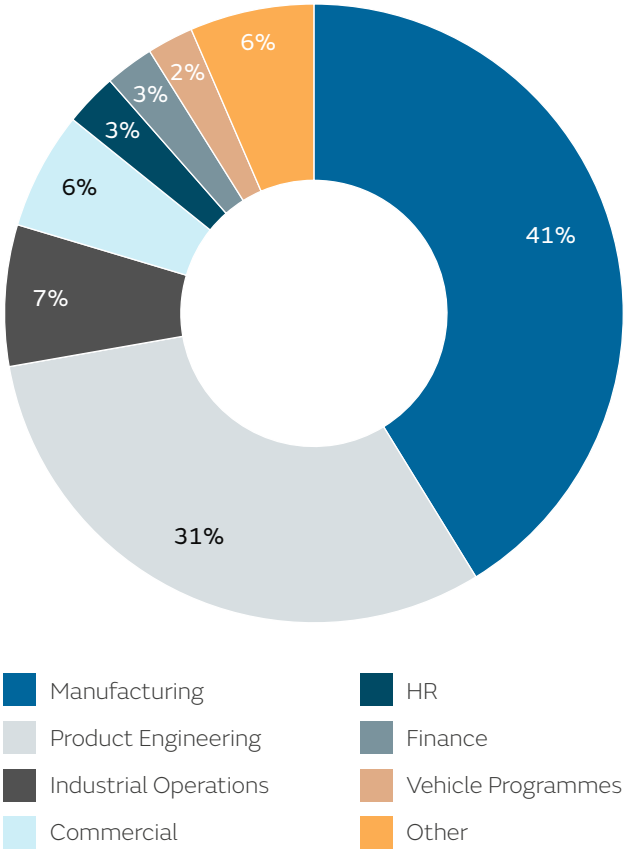
This higher-than-average productivity in part reflects the capital intensity of JLR's automotive manufacturing. It could also reflect the skills required for its operations. In 2024, over 70% of JLR's direct workforce were in engineering and manufacturing roles. The remainder were in functions such as industrial operations, commercial, human resources, finance, and technology.

This productivity was also linked to the above-average wages JLR pays its employees relative to those available in the wider economy. Indeed, we estimate JLR's direct workforce were paid an average wage of approximately £48,000 in 2024—around 50% higher than the national average.[19]

Attracting and maintaining this skilled workforce is crucial to JLR's operations. In part, this is done through JLR's training, including its early careers programme. In 2024, JLR employed over 2,000 people on apprenticeships and undergraduate and graduate programmes across disciplines covering engineering, digital and technology, finance, and the supply chain. This was equivalent to 6% of its direct workforce. Of the early careers cohort, 900 were recruited in 2024 alone, an increase of 20% on the previous year.[20] This should support the knowledge base of the UK automotive sector more generally and help support a more productive economy.

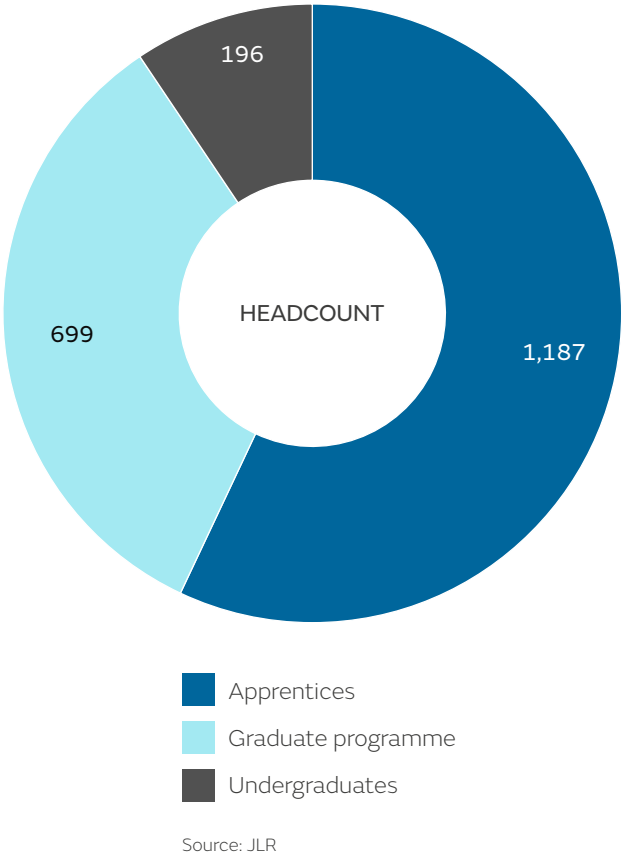
In 2024, JLR and its staff directly contributed £0.9 billion to the UK government through tax payments. This included employee income tax, National Insurance contributions, customs duties, business property rates, vehicle excise duty, and the apprenticeship levy.

Fig. 6. Share of JLR's direct workforce by job function, 2024



Source: JLR

Fig. 7. JLR's early careers workforce, 2024



Source: JLR

19. ONS, Annual Survey of Hours and Earnings, Table 14.7a, 2024, data accessed April 2025
20. JLR, Introduction to JLR, 2024, accessed April 2025

SUPPORTING EMPLOYEES AND YOUNG PEOPLE

JLR's status as a top 50 UK employer has been supported by the company's investment in its people as part of its *Reimagine* strategy in 2021.[21]

For instance, since the start of 2022, it has invested £20 million each year in its Future Skills Programme. Over 20,000 JLR employees are now trained in electrification and digital skills and 95% of JLR's global retail partner technicians are now qualified to maintain electric vehicles. JLR has also developed a dedicated sustainability programme for different areas of the business, with over 25,000 employees taking the online training in 2024.

The health and wellbeing of JLR's employees is also intrinsic to the company's success. This is why JLR continues to evolve its employee support initiatives, working with the NHS to ensure its manufacturing workers get easy access to vital checkups. At JLR's Solihull site, the NHS and JLR's wellbeing teams deliver health checks to 4,000 of its manufacturing employees. This initiative complements the work of JLR's five UK-based wellbeing centres, where employees can receive support with mental health, physical health, dietary challenges, and more.

JLR's Schools Partnership Programme also delivers regular and sustained interventions to 45 schools across the UK, reaching 40,000 pupils annually. This programme aims to increase STEM opportunities for children from challenging socioeconomic and diverse backgrounds, with the ambition to contribute to the curriculum and create a future pipeline of talent. In 2024, this programme won the Design & Technology Association's Excellence Awards for Outstanding Industry Engagement. Meanwhile, in 2025, the company reinforced its commitment to empowering children with the launch of the JLR Foundation, pledging up to £2.5 million in its first year to support young people. Finally, alongside this programme, JLR has launched a free virtual work experience programme for schools across the country, with certificates awarded to those who complete the course. Since its launch, almost 5,300 pupils have enrolled on the course.

This case study was provided by JLR

21. FT Top 50 UK Employers Report 2024, based on an independent survey of 20,000 employees from 500 businesses in the UK between May and September 2024.

3. JLR'S TOTAL ECONOMIC FOOTPRINT IN THE UK

JLR's economic footprint extends beyond its direct operations. In this section we assess the economic activity stimulated through JLR's UK supply chain spending (indirect impact), the spending supported by its wage payments, and wage payments along its supply chain (induced impact).

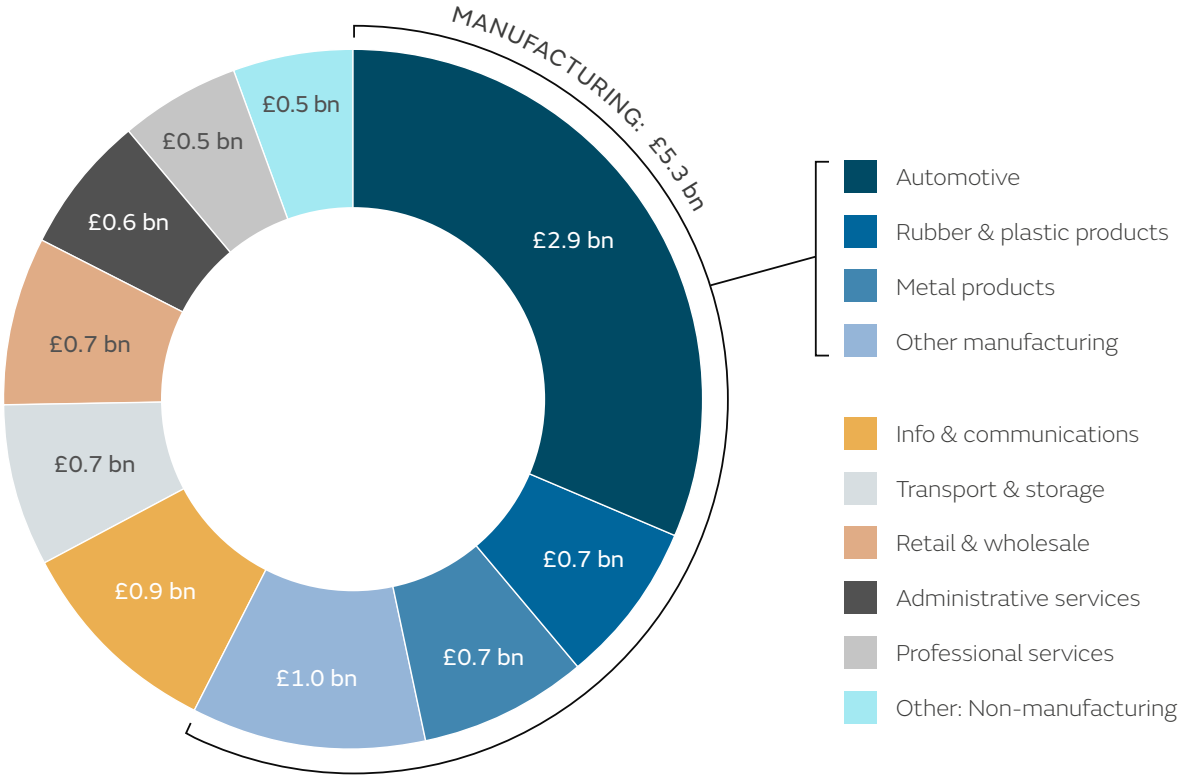
3.1 JLR'S SUPPLY CHAIN (INDIRECT) IMPACT

Purchasing automotive components, materials, business support services, and a range of other goods and services, is essential for the business operations of JLR. Drawn from its supply chain across the UK and overseas, these purchases support further economic activity. In 2024, the business spent £9.2 billion on inputs from over 2,200 suppliers in the UK across a wide range of industries.[22]

Overall, spending with manufacturing businesses accounted for around 58%, or £5.3 billion, of JLR's total UK procurement. This included £2.9 billion spent with other businesses in the motor vehicles manufacturing sector, for example, on parts or technology systems used in JLR vehicles. A further £0.7 billion each was spent on rubber and plastic products, and metal products. This overall manufacturing spend was also concentrated in the West Midlands—the location of JLR's main manufacturing sites—as section 4 explores in more detail.

On the service side of the economy, £0.9 billion (or 10% of UK procurement) was spent on information and communications, such as computer programming services. Finally, £0.7 billion each was spent in the transport and storage and the retail and wholesale sectors.

Fig. 8. JLR's UK procurement expenditure by sector, 2024



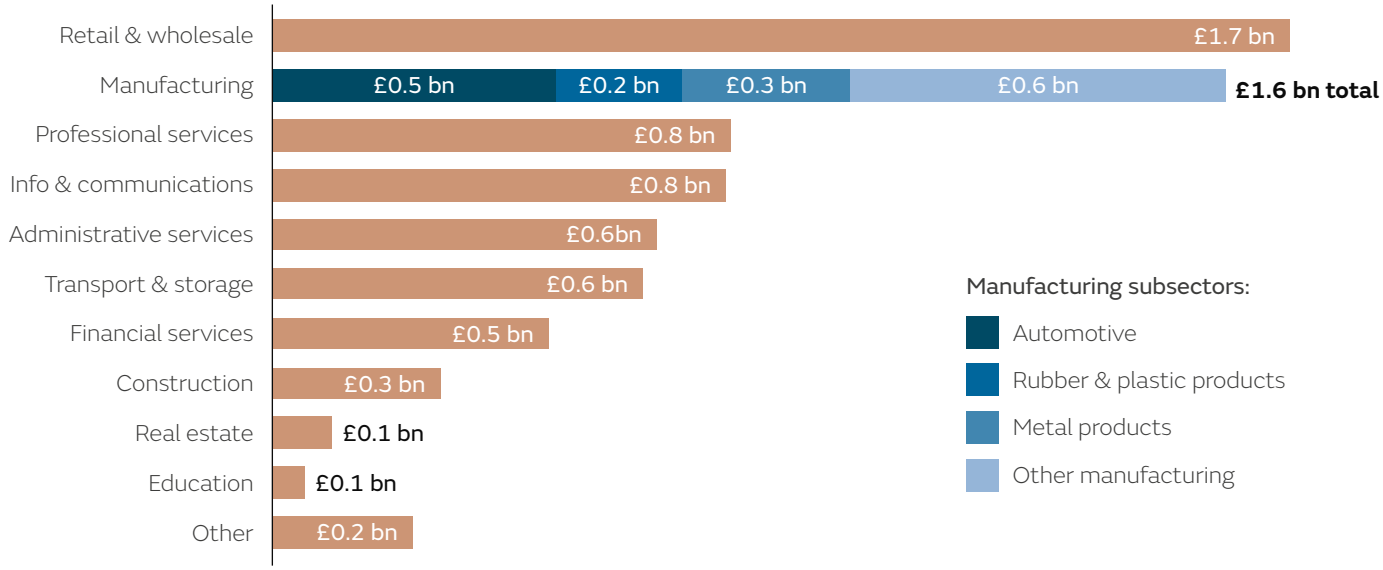
Source: Oxford Economics, JLR

22. This total spend figure is net of any VAT paid but reclaimed.

This spending stimulated further activity throughout the UK economy, as JLR's suppliers purchased from their own suppliers and so on, having knock-on impacts across the country. **Through the indirect channel of impact, we estimate JLR supported a £7.2 billion contribution to UK GDP in 2024.** By sector, the largest estimated impact was seen in the retail and wholesale sector (24% of the indirect GDP impact), followed by manufacturing (22% of the indirect impact). Relative to its share of UK procurement (58%), manufacturing accounted for a smaller share of the indirect contribution to GDP. This is primarily due to the high share of imported inputs in domestically manufactured goods, compared with the share of imported inputs in other sectors. Moreover, professional services, and the information and communication sectors, each accounted for 11% of the indirect contribution to GDP.

Further to this, JLR supported an estimated 104,000 jobs across its UK supply chain in 2024. Most jobs were supported within the retail and wholesale sector (25,200 jobs or 24% of the total), followed by manufacturing (19,900 jobs or 19% of the total). A further 15,900 jobs (or 15% of the total) were supported in administrative services. The jobs supported in administrative services included the 3,257 agency workers who were employed across JLR's UK sites.[23]

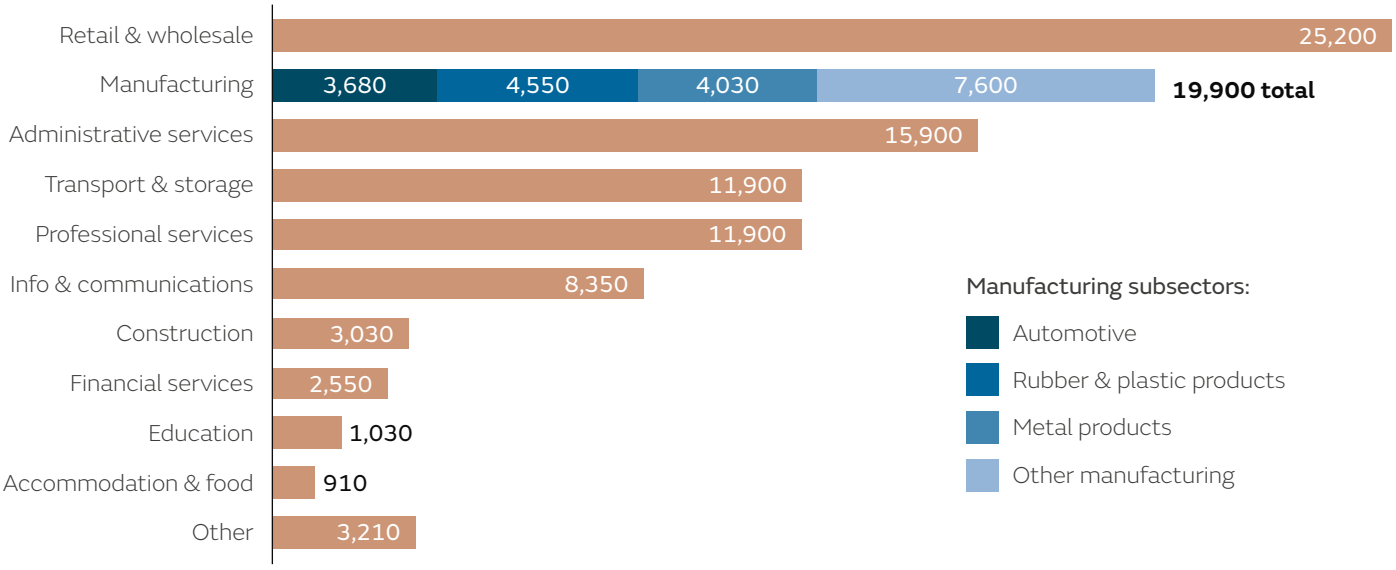
Fig. 9. JLR's indirect contribution to GDP by sector, 2024



Source: Oxford Economics, JLR

Note: Totals do not sum due to rounding.

Fig. 10. JLR's indirect employment impact by sector, 2024 (headcount)



Source: Oxford Economics, JLR

Note: Totals do not sum due to rounding.

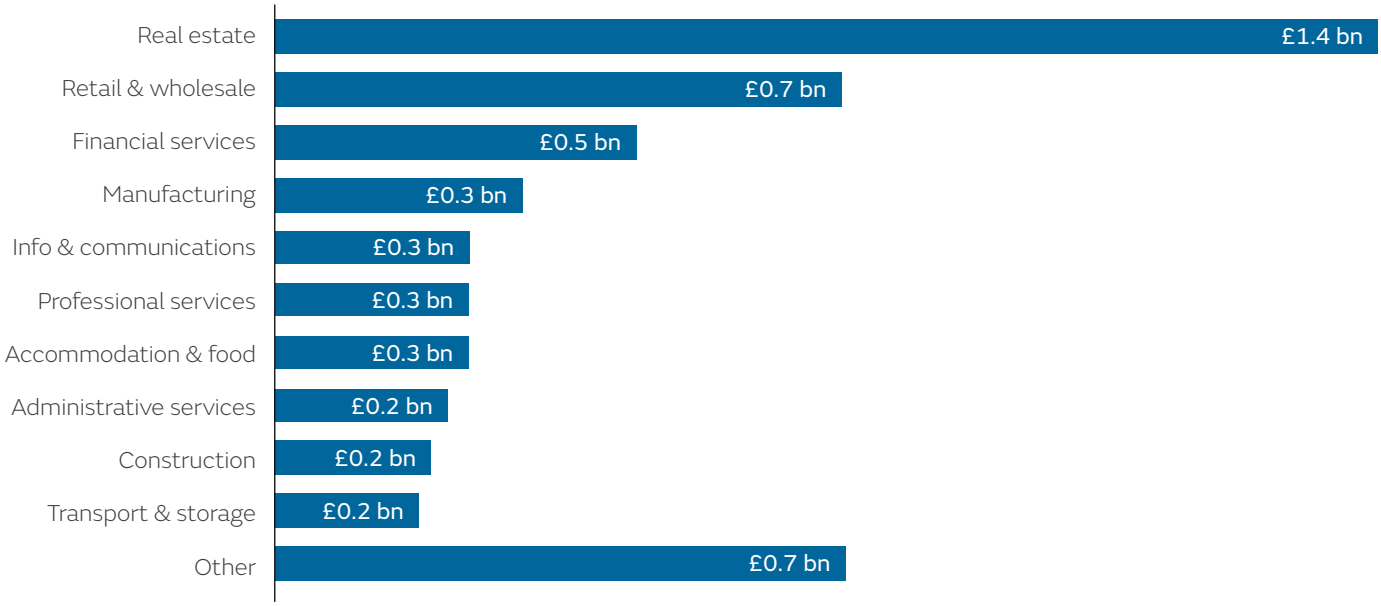
23. JLR's on-site agency workers are funded through its procurement spending and so are factored into the indirect channel in the "Employment services" sector within the wider administrative services sector.

3.2 JLR'S WAGE-INDUCED IMPACT

JLR also supports the wider UK economy through the induced channel of impact. This reflects activity supported by the wage-funded spending of its employees, and of workers in its supply chain. Employees make purchases on housing, and at retail, leisure, and other outlets throughout the country, stimulating further economic activity across the UK.

Through this wage-induced spending, we estimate JLR sustained a further £5.1 billion contribution to UK GDP in 2024. This activity was also associated with 62,900 jobs. Considering the sectors with the largest GDP impact, we estimate that 28% of the induced contribution to GDP—or £1.4 billion—was supported in the real estate sector, driven by spending on rent and housing by employees. This was followed by the retail and financial services sectors, with contributions of £0.7 billion (14%) and £0.5 billion (9%) in each respective sector.

Fig. 11. JLR's induced contribution to GDP by sector, 2024



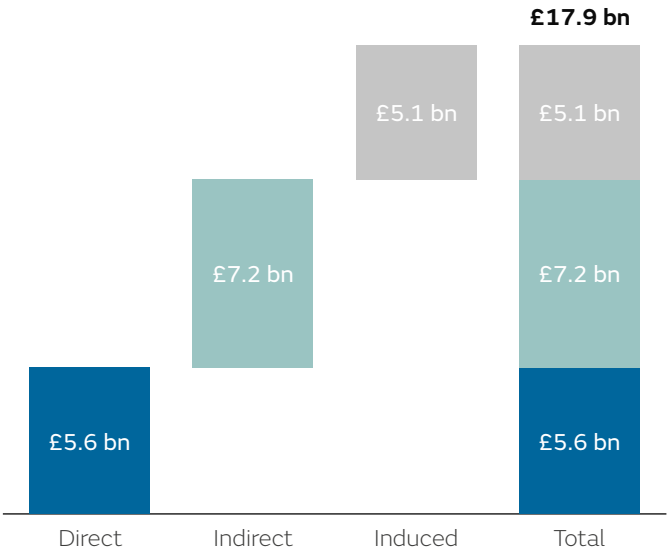
Source: Oxford Economics, JLR

3.3 JLR'S TOTAL ECONOMIC IMPACT

3.3.1 Total GDP footprint

In 2024, we estimate that JLR supported a total contribution to UK GDP of £17.9 billion. This was comprised of £5.6 billion in the direct channel, £7.2 billion in the indirect channel, and £5.1 billion in the induced channel. This total was equivalent to around 0.6% of UK GDP in the same year—or £1 in approximately every £160 of UK GDP.

Fig. 12. Total contribution to GDP by channel, 2024



Source: Oxford Economics, JLR

Note: Totals do not sum due to rounding.

As the total GDP impact was 3.2 times the direct impact alone, we can say that JLR had an estimated GDP multiplier of 3.2. In other words, for every £1 million in GDP directly generated by JLR, its expenditure on inputs and wages stimulated an additional £2.2 million in GDP across the UK economy.

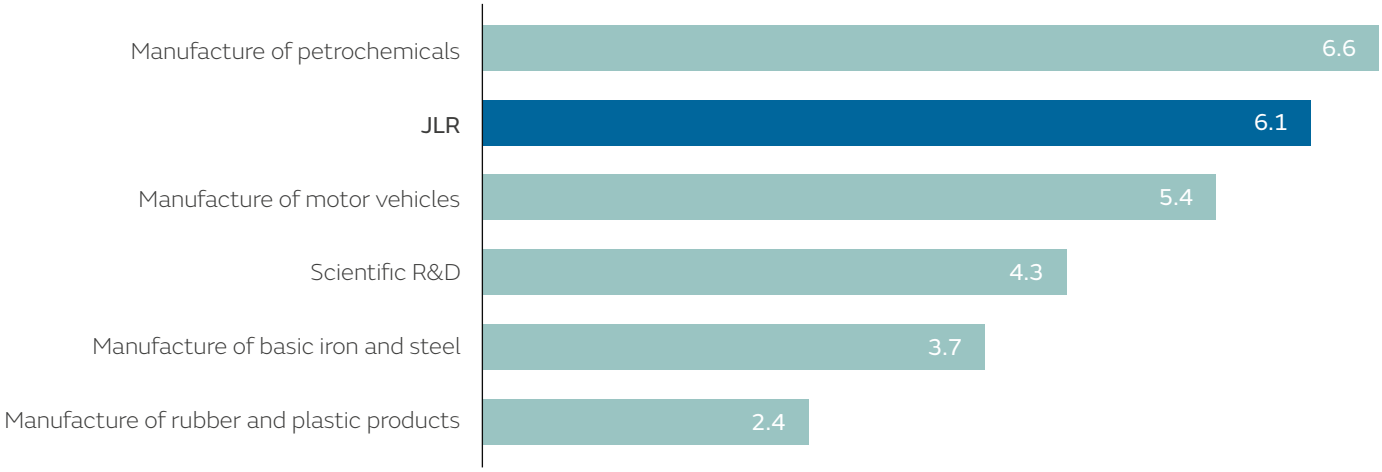
3.3.2 Total employment footprint

JLR also supported an estimated 199,000 jobs across the UK in 2024. Of these, 32,782 were directly employed by JLR, while an estimated 104,000 jobs were supported in the indirect channel, and 62,900 were supported in the induced channel. This total was equivalent to one in every 180 jobs in the UK labour market.

In this case, we estimate the employment multiplier was 6.1. This means for every 100 workers directly employed by JLR, its expenditure on inputs and wages supported a further 510 jobs across the UK economy. The higher employment multiplier (6.1) compared to the GDP multiplier (3.2) reflects the high productivity and wages of JLR's employees, in turn supporting more jobs, on a relative basis, in other parts of the economy.

Moreover, compared to other sectors of the UK economy, there are two key drivers of a sector's employment multiplier: its productivity, and how much of the sector's final output is comprised of inputs used in the production process (i.e. its supply chain). For example, in manufacturing sectors, the final value of output tends to contain a higher share of supply chain expenditure compared to other sectors of the economy—leading to a higher employment multiplier. Compared to UK averages within the manufacturing sector, JLR's employment multiplier is higher than labour-intensive sectors such as metals and rubber and plastics manufacturing. On the other hand, manufacturing sectors that are more capital-intensive and with extensive supply chains, such as petrochemical manufacturing, have higher estimated employment multipliers.

Fig. 13. JLR's employment multiplier compared with other sectors of the UK economy

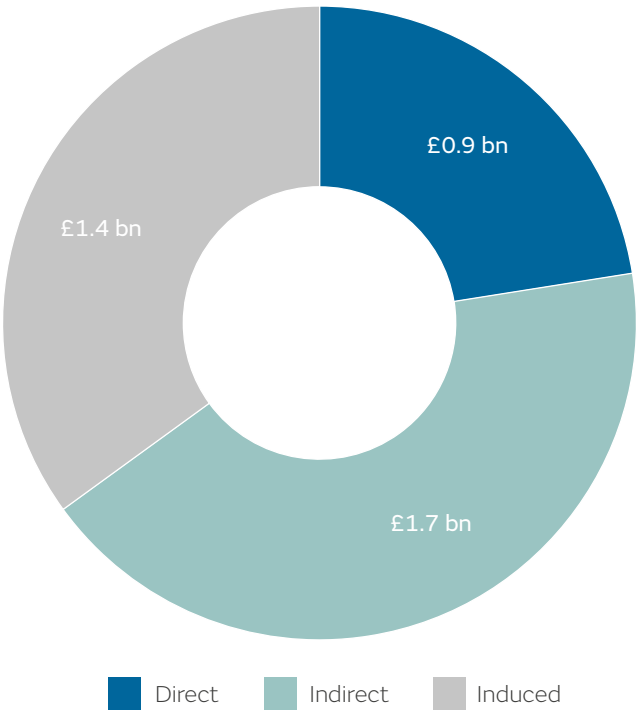


Source: Oxford Economics, JLR, ONS

3.3.3 Total tax footprint

In 2024, JLR supported an estimated total tax contribution of £4.0 billion to the UK government. This was comprised of £0.9 billion in the direct channel, £1.7 billion in the indirect channel, and £1.4 billion in the induced channel. The total was comprised of a range of taxes, including employee income tax, National Insurance contributions, taxes paid during production such as business property taxes, and taxes on products such as VAT on the wage-funded expenditure. This £4.0 billion tax contribution was equivalent to the average annual salaries of over 111,000 nurses in the same year.[24]

Fig. 14. JLR's total tax footprint by channel, 2024



Source: Oxford Economics, JLR

24. ONS, Annual Survey of Hours and Earnings, Table 14.7a, 2024, data accessed April 2025

ENVIRONMENTAL SUSTAINABILITY TOWARDS NET ZERO

The principal route to JLR achieving carbon net zero by 2039 is by reducing tailpipe emissions. This is why JLR plans to offer an electric variant of each of its brands by the end of the current decade. Circularity also plays a role in JLR's approach to addressing environmental impacts beyond tailpipe emissions, including exploring innovative recycling and reuse strategies, while updating facilities to reduce energy consumption.

One initiative is JLR's partnership with UK-based Allye Energy to create a Battery Energy Storage System using second-life Range Rover and Range Rover Sport Plug-in Hybrid Electric Vehicle battery packs. Each system can store 270kWh of energy, enough to power the average UK household for nearly a month. This project extends the lifecycle of vehicle batteries and provides zero emissions power on the go. JLR has also partnered with Wykes Engineering to develop one of the largest energy storage systems in the UK using second-life Jaguar I-PACE batteries. These examples show how JLR can repurpose car batteries to ensure they are used to their fullest potential before being recycled, reducing waste and supporting the energy transition through renewable energy storage.

JLR's Circularity, headquartered in Gaydon, brings cross-functional teams together with expert partners and suppliers in a circular ecosystem, covering every material and component in JLR's vehicles. They are exploring over 50 workstreams on materials and components across glass, polymers, aluminium, and steel, involving closed-loop recycling, redesign processes, or both. According to JLR, some have already resulted in industry-first breakthroughs, like the use of recycled polyurethane foam—a material known to be challenging to recycle—in vehicle seats.

At the company's Castle Bromwich and Halewood manufacturing sites in the West Midlands and North West, JLR is investing in the latest and most advanced technology to reduce the environmental impacts of the vehicle paint process. At Castle Bromwich, JLR is investing £26 million in new paint booths which incorporate the latest energy-efficient technology and filtration techniques to minimise energy and water consumption. Moreover, they utilise fully automated spray robots. These robots typically reduce paint waste by 30% compared to manual painting methods.

At JLR's Halewood site the company has refurbished its existing paint shop, which could save 2.4 tonnes of CO_2e a day, equating to 565 tonnes a year. This includes the installation of a new hydrogen-enabled boiler, marking a significant step in the full decarbonisation of the plant. This is alongside the installation of 18,000 photovoltaic panels that are expected to account for 10% of the 62-year-old site's energy consumption.

This case study was provided by JLR

4. JLR'S FOOTPRINT IN THE WEST MIDLANDS AND THE NORTH WEST

While the total economic footprint of JLR is spread across the UK, a significant proportion of this footprint is felt in the West Midlands and the North West. These two regions are home to JLR's main operational sites. A significant portion of JLR's UK supply chain was also located in these regions, along with where JLR's employees and those in the supply chain live and spend their wages. In this section, we explore the importance of JLR to the regional economies of the West Midlands and the North West.

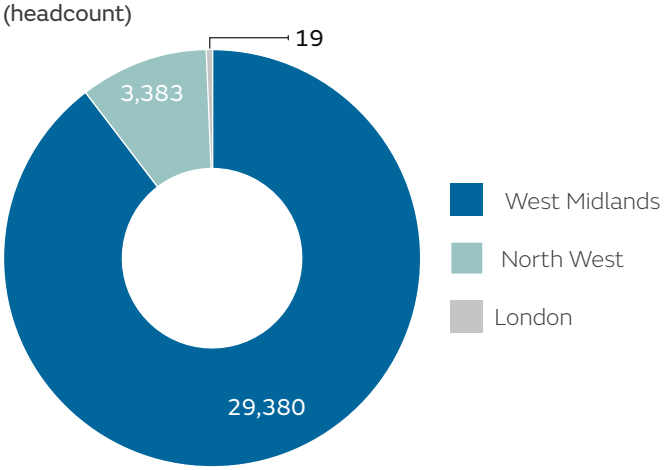
4.1 JLR'S OPERATIONS AND SPENDING IN THE WEST MIDLANDS AND THE NORTH WEST

Almost all of JLR's direct workforce are based in the West Midlands and the North West.[25] In 2024, some 29,380 workers (just under 90% of JLR's direct workforce) were based in JLR's 14 sites in the West Midlands. This includes JLR's headquarters, as well as JLR's sites which encompass its vehicle manufacturing, R&D, and wider commercial activities.[26]

A further 3,383 employees (around 10% of JLR's direct workforce) were based at JLR's two sites in the North West; 3,063 of these workers were based at its Halewood site, one of JLR's vehicle manufacturing sites. The Halewood site has seen considerable investment over the last decade, including £500 million announced in 2024.[27] This investment is intended to transform the site to support the parallel production of electric vehicles, alongside existing combustion and hybrid models, and is explored further in the case study at the end of Section 1. The remaining 320 employees worked at JLR's Manchester Digital Development Centre, which produces software for the systems used in JLR vehicles. [28]

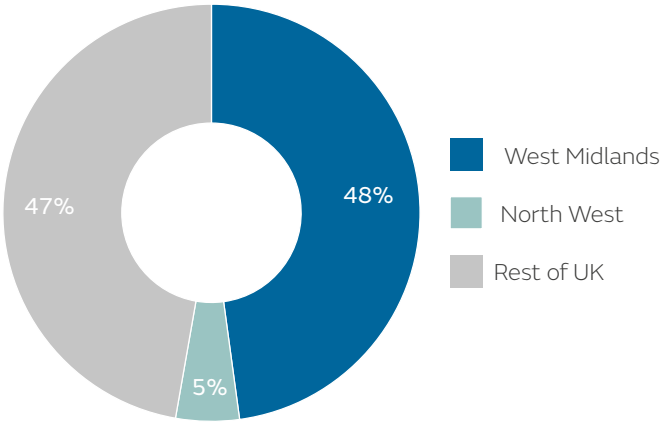
In addition, 48% of JLR's UK procurement expenditure was spent with suppliers based in the West Midlands in 2024. A further 5% went to suppliers in the North West. The remaining 47% was spent with suppliers across the rest of the UK. Moreover, the impact of JLR's supply chain extends beyond the locations from which the company purchases. JLR suppliers buy inputs from their own supply chains located across the UK—broadening the geographic footprint of JLR's indirect channel of impact.

Fig. 15. JLR's direct workforce by operational site, 2024 (headcount)



Source: JLR

Fig. 16. Share of JLR's UK procurement expenditure by region of supplier, 2024



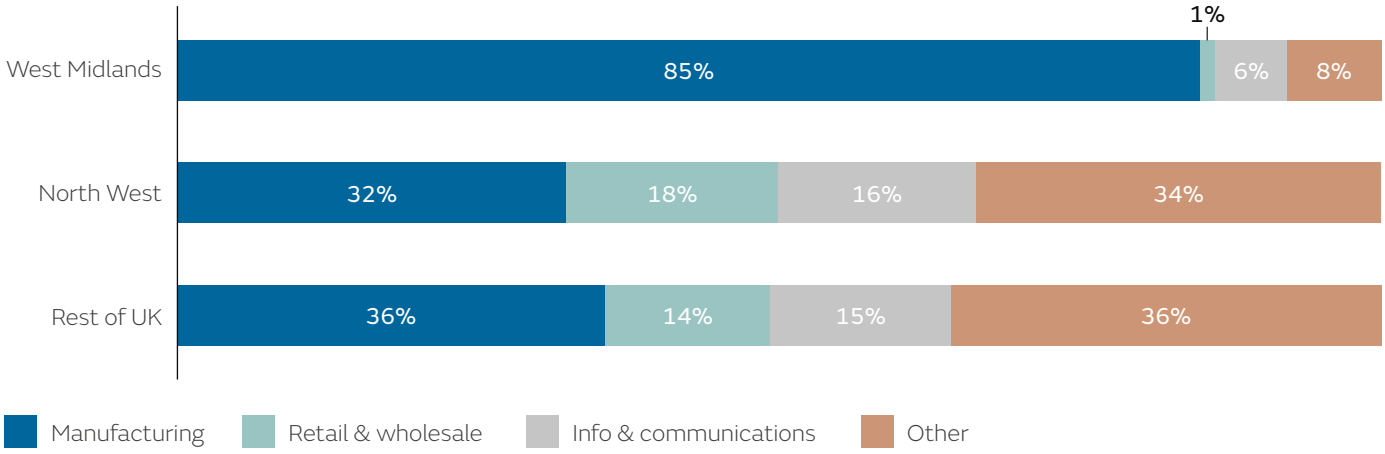
Source: Oxford Economics, JLR

25. There were 19 direct employees based in JLRs London office in 2024.
26. JLR, Introduction to JLR, 2024, accessed April 2025
27. JLR, "JLR INVESTS £500 MILLION INTO CREATING EV FACTORY OF THE FUTURE IN MERSEYSIDE", JLR Media Centre, accessed March 2025
28. JLR, Global footprint, accessed April 2025

Spending with other manufacturing firms made up the highest share of JLR's expenditure in each region. This share was highest within the West Midlands, where 85% of JLR's spending in the region was with manufacturing firms. Overall, more than 92% of JLR's spending in the West Midlands, and over two-thirds of its spending in both the North West and the rest of the UK was undertaken with firms operating within the manufacturing, retail and wholesale, or the information and communications sectors.

In contrast to the geographic distribution of JLR's procurement expenditure, the residence of JLR's employees was more closely linked to the locations of its facilities. The greatest share of the company's direct workforce lived in the West Midlands (76%), while a further 11% of its direct workforce resided in the North West. JLR employees spent their wages in and around the regions they lived in, supporting further economic activity through the induced channel.

Fig. 17. Share of JLR's procurement expenditure by region and sector of supplier, 2024



Source: Oxford Economics, JLR

Note: Totals do not sum due to rounding.

4.2 JLR'S ECONOMIC FOOTPRINT IN THE WEST MIDLANDS AND THE NORTH WEST

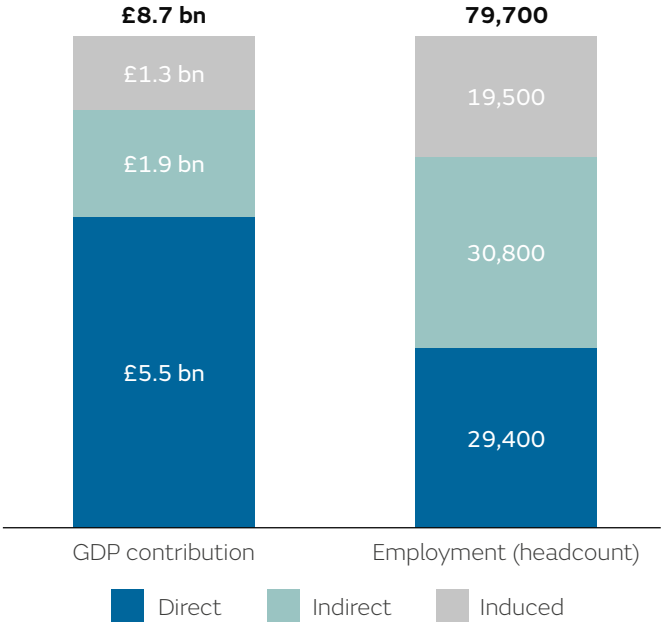
In 2024, we estimate that JLR supported a total contribution to GDP of £8.7 billion in the West Midlands, along with 79,700 jobs. This was equivalent to 49% of JLR's contribution to UK GDP and 40% of its employment footprint across the UK.

Relative to the size of the West Midlands economy, we estimate JLR's footprint in the West Midlands was equivalent to 4.7% of the region's GDP and 2.6% of the workforce in 2024. The higher share of the region's GDP, relative to employment, primarily reflects the high productivity of JLR employees based in the West Midlands.

In its Industrial Strategy, the Government notes the need to "consider where sectors and relevant capabilities are located to identify clusters that can drive growth" and mentioned the West Midlands as a "burgeoning centre of modern industry".[29] JLR's economic footprint in the West Midlands through its own operations, as well as its links with local suppliers, is crucial to supporting this policy priority.

Moreover, our analysis indicates that JLR supported a total contribution to GDP of £1.1 billion in the North West, along with 18,100 jobs, in 2024. This was equivalent to 6% of JLR's contribution to UK GDP and 9% of its employment footprint across the UK. The lower share of this economic footprint compared with the West Midlands primarily reflects the smaller proportion of JLR's operations situated within the region. Relative to the size of the regional economy, we estimate JLR's footprint in the North West was equivalent to 0.4% of the region's GDP and 0.5% of the region's workforce in 2024.

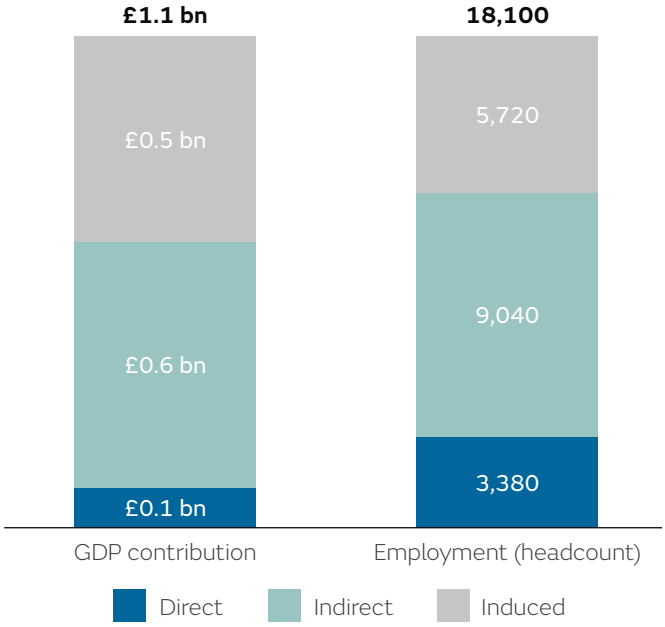
Fig. 18. JLR's GDP and employment impact in the West Midlands, 2024



Source: Oxford Economics, JLR

Note: Totals do not sum due to rounding.

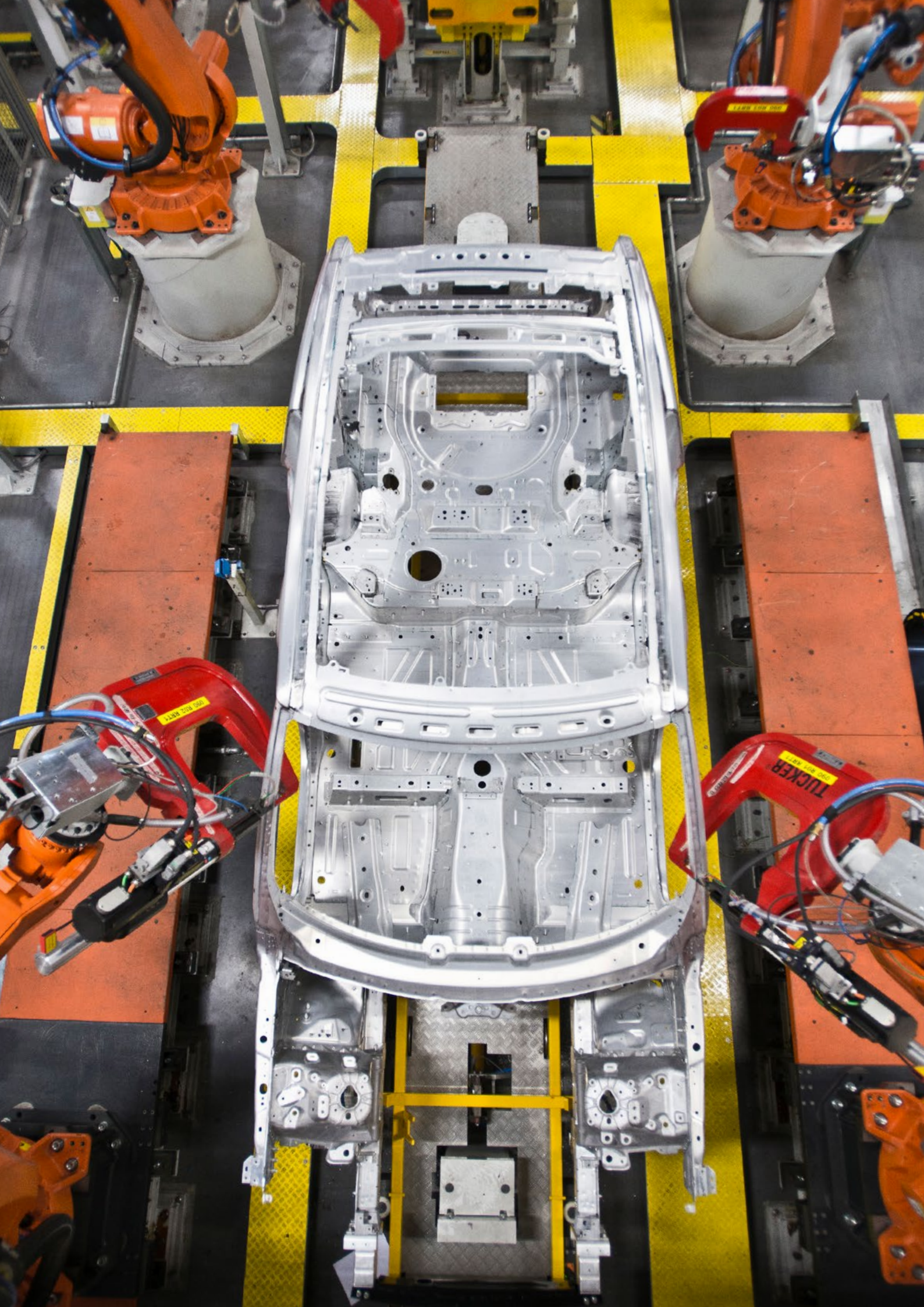
Fig. 19. JLR's GDP and employment impact in the North West



Source: Oxford Economics, JLR

Note: Totals do not sum due to rounding.

29. Department for Business and Trade, "Invest 2035: the UK's modern industrial strategy", 2024, accessed April 2025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APPENDIX: METHODOLOGY

An economic impact assessment is a standard tool used to quantify the economic contribution of an investment, a company, or an industry. Impact analysis traces the economic contribution of an investment or other spending through three separate channels:

- The **direct impact** refers to activity conducted directly by JLR in the UK.
- The **indirect impact** consists of activity that is supported as a result of the procurement of goods and services by JLR in the UK, as well as purchases by those companies, and so on, down the supply chain.
- The **induced impact** reflects activity supported from the spending of wages on consumer goods and services by JLR employees and employees in JLR's UK supply chain.

These impacts were quantified in terms of the gross value-added contribution to GDP, employment, and taxes.

DIRECT IMPACTS

JLR's direct GDP footprint was calculated using the income approach to national accounting. The direct gross value-added contribution to UK GDP of JLR is the sum of its total employment costs, EBITDA, and taxes on production (such as business rates, vehicle excise duties, and the apprenticeship levy). These data were provided by JLR. JLR also provided data on the total number of direct employees across its UK sites, alongside information on taxes it paid over the year to the UK exchequer.

JLR provided a breakdown of the financial and anonymised HR data for the West Midlands, and North West, which were used to estimate the direct GDP contribution and employment footprint of JLR within each region.

INDIRECT AND INDUCED IMPACTS

Oxford Economics put together a detailed model of the UK economy, initially comprising 105 industries in each of the 12 standard statistical regions. The 105 industries are those found in the most detailed version of the ONS set of UK input-output (I-O) tables. A domestic input-output table gives a snapshot of an economy at a given point in time. The model shows the major spending flows from "final demand" (i.e., consumer spending, government spending, investment, and exports to the rest of the world); intermediate spending patterns (i.e., what each sector buys from every other sector—the supply chain, in other words); how much of that spending stays within the domestic/provincial economy; and the distribution of income between employment income and other income (mainly profits). In essence, an input-output table shows who buys what from whom in the economy.

To estimate JLR's indirect impact in the West Midlands and the North West, we used the company's data on the amount spent and type of goods and services purchased from its suppliers across the UK's constituent nations and regions. This ensures that we capture the economic footprint along JLR's supply chain within each region that originates from spending with suppliers based outside of the West Midlands or the North West. The indirect impact also includes the agency workers that JLR hires, as these are counted as procurement expenditure.

In order to calculate the induced impact, we used the information on the compensation it pays to workers, as provided by JLR in an anonymised form. This data were then distributed throughout the consumer economy using the I-O table. Similarly, for the regional impacts, we input the wages of direct JLR workers living in each of the UK's nations and regions.

ABOUT OXFORD ECONOMICS

Oxford Economics was founded in 1981 as a commercial venture with Oxford University's business college to provide economic forecasting and modelling to UK companies and financial institutions expanding abroad. Since then, we have become one of the world's foremost independent global advisory firms, providing reports, forecasts, and analytical tools on more than 200 countries, 100 industries, and 8,000 cities and regions. Our best-in-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social, and business impact.

Headquartered in Oxford, England, with regional centres in New York, London, Frankfurt, and Singapore, Oxford Economics has offices across the globe in Abu Dhabi, Belfast, Chicago, Dubai, Dublin, Hong Kong, Los Angeles, Mexico City, Milan, Paarl, Paris, Philadelphia, Sydney, Tokyo, and Toronto. We employ 700 staff, including more than 450 professional economists, industry experts, and business editors—one of the largest teams of macroeconomists and thought leadership specialists. Our global team is highly skilled in a full range of research techniques and thought leadership capabilities from econometric modelling, scenario framing, and economic impact analysis to market surveys, case studies, expert panels, and web analytics.

Oxford Economics is a key adviser to corporate, financial, and government decision-makers and thought leaders. Our worldwide client base now comprises over 2,500 international organisations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

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