



# rethink!

The case for a fundamental review of the  
Aviation White Paper

airportwatch

The Government's 2003 Aviation White Paper announced a massive programme of airport expansion. It was widely denounced as unsustainable, and the economic justification underpinning it has been shown to be flawed. This year, the Government is due to review the White Paper. It wants to do a mere progress report. AirportWatch, the alliance of community and national organisations against airport expansion, is calling for a full policy rethink.

This brochure sets out our ten demands.

## 1 Rein back expansion so it is consistent with climate change targets

- Aviation is the fastest-growing contributor to climate change. Greenhouse gas emissions caused by UK air travel have doubled in the past 13 years.
- Planes are not even considered in the Government's stated target to cut CO<sub>2</sub> by 20% from its 1990 levels.
- If aviation continues to grow at the present rate, it will take up the entire sustainable emissions budget for all sectors of the UK economy by the 2030s and all sectors of the EU economy by the 2040s. That means that schools, hospitals, homes, commerce, and industry will not be able to release any emissions if the UK and the EU are to stay within environmental limits.
- Engine improvements will not compensate for the predicted growth in flight numbers (and in any case the majority of the UK aviation fleet is very young and won't be replaced for more than 20 years). Major improvements are decades away — well beyond the dates by which scientists say we need to cut CO<sub>2</sub>. The only realistic way to reduce emissions is to manage the growth in demand.
- The Government's answer is to put aviation in the EU emissions trading scheme, where airlines will have to buy pollution permits — most likely only to accommodate future growth rather than to pay for the damage they currently cause. Experts warn that, in the short term, it will only put a small amount on ticket prices and hardly affect growth at all.

*We need annual cuts in total emissions. The Government must wake up to the reality of aviation and climate change and rein back expansion so that aviation emissions are consistent with our national carbon targets.*

## 2 Recognise the limits rising oil prices will put on long-term growth

- The Aviation White Paper assumed that fuel prices 'would stabilise at \$25 per barrel in real terms in year 2000 prices.' This is quite unrealistic. Oil prices are rising sharply. (At the time of writing Brent crude oil is trading at over \$70 a barrel — around \$60 a barrel in 2000 prices). There is no realistic alternative to kerosene on the horizon.



- The Government must not shelter behind the argument that the continuing fall in the price of travel will ensure that passenger demand remains much as predicted in the Aviation White Paper. Those low prices are dependent on the aviation industry continuing to receive generous tax breaks.
- The trend of rising oil prices may well continue as easily accessible reserves decline. Oil industry analysts agree that this will happen soon; all they disagree on is how soon. Some believe the decline is already evident.

*The review should contain realistic forecasts of future demand, with sensitivity tests showing what the impact will be if oil prices go on rising.*

## 3 Remove the taxbreaks the aviation industry enjoys

- The tax breaks amount to over £9 billion a year, thanks to tax-free fuel and the fact that all aspects of aviation are zero-rated for VAT (*Fly Now, Grieve Later*, Sewill, 2005). These tax breaks simply stimulate the demand for air travel. A person on average income pays £500 a year in tax to subsidise the aviation industry (*A Poor Deal*, HACAN, 2003).
- Air Passenger Duty contributes less than £1 billion a year to the Exchequer. It would need to rise tenfold to make up for the tax shortfall. A good start would be to double Air Passenger Duty and increase it gradually in each subsequent budget.
- It is often said that international agreements make it impossible to tax aviation fuel, but while there are some technical difficulties, these are routinely overstated. The UK could tax domestic flights tomorrow. And as the European Commission has recently noted, Member States already have the power to tax fuel on the majority of flights between their countries. All that's required is the political will — and a number of European countries are already pressing for the introduction of a fuel tax.
- The Government argues that higher fares would hurt poor people. The facts don't back up this assertion. The average annual household income of passengers using Stansted — an airport used mainly by low-cost airlines — in 2004 was £47,000 (*Passenger Survey Report 2004*, Civil Aviation Authority). The top 10% of income earners fly the most while the poorest 10% of the population hardly fly at all. And business passengers account for only a quarter of all





trips. The truth is that the revenue from sensible taxes on the luxury of air travel could be used to benefit the less well off in the UK. Globally, it is the poorest people in the world who will be hardest hit by climate change. The rich fly; the poor are likely to suffer ever more severe droughts, floods and hurricanes.

*The review should recognise that by 2030 it is likely that the present tax concessions for air travel will have been removed and adjust passenger forecasts accordingly.*

#### 4 Reassess air freight

- Flying in fruit and flowers from all over the world is unnecessary, and damages British horticulture as domestic producers struggle to compete with cheap imports.
- Imports are artificially cheap since no tax is paid on the fuel used to transport them — despite the damage it's causing.
- Flying 1kg of asparagus from California to the UK uses 900 times more energy than the home-grown equivalent. (*The Independent* 28/5/05)
- Many aircraft become freighters once they have retired from passenger service after 25 years or more. This means the majority of freight aircraft are dirtier, noisier planes — a particular problem when freight is flown in at night, as increasingly happens.

*It is unlikely the increase in air freight would have taken place without the tax breaks the industry receives. As a start, Air Passenger Duty should be extended to freight. And freight should pay any environmental levy agreed at a European level. The review should recommend that the tax concessions enjoyed by air freight are progressively removed.*

#### 5 Reduce the noise suffered by local communities

- The noise suffered by many people around airports and under flight paths is already too high. And, for many, it has got worse in recent years as the sheer number of flights has outweighed any benefits from the introduction of quieter aircraft.
- The White Paper did not hide the fact that the predicted increase in freight and passenger numbers will only increase the noise problems — many of the airports it analyses show a deteriorating noise climate. New areas of the country, many of them relatively tranquil at present, will experience noise problems as airspace is expanded to cater for the increased number of planes.
- Like all countries in Europe, the UK Government has signed up to the noise standards recommended by the World Health Organisation. These guidelines suggest that outdoor noise events at night should not exceed 60 decibels and that, if noise averages out above 55 decibels during the day, communities will suffer significant annoyance.

- The Government needs to take noise seriously. The WHO guidelines are currently regarded as no more than 'a long-term aspiration', but if there is to be any credibility that the Government even 'aspires' to achieve them the White Paper review should set out a programme for doing so. That must involve an expansion of insulation programmes, progressively tighter noise standards for aircraft, tougher noise-charging schemes, a ban on night flights (for which the economic case is shaky anyway) and a recognition that at the worst affected airports, growth may have to be restrained.

*The review should recommend that the EU incorporate the WHO noise guidelines into its revised Noise Directive (which is expected in 2009) and which all member states must adhere to. There should be dates by which those targets should be met. The review should be able to state that the total volume of noise caused by aircraft in the UK will decline.*

#### 6 Respect the country's heritage, biodiversity and ancient woodlands

- The expansion proposals in the White Paper threaten the character and tranquility of the countryside and would destroy significant areas of irreplaceable habitats. At least 11 ancient woodland sites would be directly destroyed by the proposals at Stansted, Birmingham and Luton alone, despite ancient woodland being theoretically protected in national planning guidance.
- There is no recognition of the wider effects that airport expansion has on important habitats. Pollution from more and more flights will damage delicate ecosystems and significantly degrade important sites. For example at Hatfield Forest near Stansted pollution will rise to more than twice the level recommended by the EU Habitats Directive to avoid major changes to habitats.
- The expansion plans threaten to damage or destroy 44 Sites of Special Scientific Interest, seven Areas of Outstanding Natural Beauty and eight registered parks and gardens (*Campaign to Protect Rural England website*).
- They also would affect 49 ancient monuments and 319 listed buildings (*Campaign to Protect Rural England website*).

*The review must abandon proposals which would destroy irreplaceable and historic habitats, countryside and buildings.*



## 7 Revisit Rail

- 45% of flights in Europe are less than 500 kilometres. That's about the distance from London to the Scottish border. About three hours in a fast train. The sort of time where people will switch from air to rail.
- The French TGV on average is attracting 90% of the traffic where the train journey is two hours or less, 65% at three hours and 40% at four hours.
- The improved Virgin service between London and Manchester has shown what can be done. Before the service improved, 60% of people flew between the two cities and only 40% used the train. Those proportions have now been reversed. (*Virgin Trains* 2006)
- High-speed trains emit up to ten times less carbon than planes (*External Costs of Transport*, INFRAS 2004), and so a rail-based system to move people and goods across Europe would be considerably less polluting than one based on air travel.

*Rail would really flourish as a natural competitor to air if the tax-breaks enjoyed by the aviation industry were phased out. Given the potential of rail in reducing air travel, the review should include a serious examination of the extent to which good rail services could substitute for short-haul flights.*

## 8 Revise the economic assessment of the aviation industry

- The Aviation White Paper consistently overstated the benefits of aviation to the UK economy. Not surprisingly, as it was based on a study (commissioned by the Government but largely paid for by the aviation industry) which didn't consider the costs to the UK economy of the tax breaks the aviation industry receives, nor its environmental costs.
- The Government argues that expanding airports is necessary to attract more overseas investment in the UK. But the government rarely acknowledges that air transport also attracts UK investment overseas. The difference does not work in the UK's favour. The deficit grew throughout the 1990s and has recently averaged tens of billions of pounds each year. (*United Nations Conference on Trade and Development* 2002)
- The current balance of tourist spending — the difference between what UK tourists spend abroad and what inbound tourists spend in the UK — demonstrates the haemorrhage of money and jobs from the UK economy that is facilitated by cheap air travel: £15 billion a year, and rising (*Office of National Statistics* 2004). London is the only region in the country to show a small net benefit; every other UK region has a substantial deficit.

*The Government's assessment of aviation's contribution to the economy, prepared in advance of the Aviation White Paper, was riddled with flaws and unduly influenced by the aviation industry. The review should be based on an independent, factual assessment of aviation's importance to the economy*

## 9 Review the big expansion plans for the UK airports

The Aviation White Paper is outdated. The 'predict-and-provide' approach to transport planning has been discredited for roads, since it simply generates more traffic. The same is true of aviation. The Government must acknowledge that simply catering for the growth in demand is unsustainable. It must put in place measures to manage demand, and it must revoke the massive expansion plans for UK airports that were set out in the White Paper.

*Since the policies it contains are outdated and unsustainable, it is not enough to do a mere 'progress report' on the White Paper. The review needs to be a fundamental rethink of aviation policy.*

## 10 Rethink the approach

These ideas can and must be woven into a coherent and sustainable policy for aviation. The policy would have two main strands. It would be based on a factual reassessment of the importance of aviation to the economy, and framed by the need to limit its impact on climate change, noise and biodiversity.

The starting point is that aviation policy has to change. Its growing contribution to global warming, its impact on local communities and on the countryside means that business as usual is not an option. Improved technology — leading to cleaner and quieter planes is, in itself, inadequate to meet the challenge. The Government's preferred option of an Emissions Trading System also falls short. What is required is the use of fiscal measures to manage the demand for passenger and freight traffic so that it remains within environmental limits.

What any government needs to know is the impact this new approach would have on the wider economy. This can only be assessed through an independent study which looks not only at the effect on the aviation industry if its growth were to be curbed, but on the positive impact that might ensue for other industries, such as UK tourism. It needs to include the economic savings there would be from a reduction in emissions and noise. Only then could a true assessment be made of the overall economic situation.



For more details of the rethink! campaign contact [info@airportwatch.org.uk](mailto:info@airportwatch.org.uk), tel 0207 248 2223 or check out our website [www.airportwatch.org.uk](http://www.airportwatch.org.uk)