

The 2003 Aviation White Paper
Did the Government get it right?

The issues

Aviation growth is booming ahead although passengers and the public are becoming more aware of the environmental costs that their activities impose on the planet.

The Government is welcoming the economic benefits that aviation brings to the UK, including the number of jobs the industry provides, directly and indirectly.

Passengers are enjoying more and cheaper flights to a wider range of destinations.

But...

The high growth in the number of passengers and aircraft will bring **accelerated global warming**.

Communities around airports will experience higher levels of **air and noise pollution**.

More pressure will be put on our already **congested road and rail network**.

This is all leading to conflicts which need resolution sooner rather than later.



The Government's current plans are insufficient to either provide for, or manage, this growth, in that the Aviation White Paper has failed to achieve the correct balance between costs and benefits.

The aviation policy debate needs to be reopened.

SASIG has identified four possible policy options to help the Government take an informed decision

Limited growth

Constrain the freedom to fly to around 2% per annum, rather than the current average annual growth of around 5%

Unconstrained growth

Largely meeting demand as in the current Aviation White Paper

Environmentally controlled growth

Ensure that the polluter pays by requiring the industry to meet demanding standards

Selectively located growth

Meet demand but at a small number of suitably located airports

Where are we now?

The Government's 2003 Aviation White Paper – The Future of Air Transport – is not standing the test of time. The UK needs a new aviation strategy that is based on more realistic forecasts of demand, and one that creates a better balance between environmental impact and economic benefits. A sensible long-term vision is what is needed, not a policy stance that reacts – too late – to growth pressures.

Predict and provide, by simply expanding all or most existing airports, is the Government's current policy but is it the right way ahead?



Introduction

It is less than three years since the Government's Aviation White Paper was published, but already it is clear that the forecasts of unconstrained passenger growth, which underpinned the White Paper's proposals, are understated.

There is growing consensus amongst politicians, environmental campaign groups, residents around airports and (more recently) passengers that the environmental damage caused by the aviation industry, and the impact that airports have on local communities, is increasingly unsustainable. Yet despite this, Government policy remains very much based on a **'predict, provide and then try to manage the consequences'** philosophy.

SASIG welcomes the work being done by the aviation industry through the publication of 'Sustainable Aviation – a strategy towards the sustainable development of UK aviation'. But that report is more aspirational at this stage than one containing firm promises about reduced impact. It lacks specific environmental targets that the industry guarantees to meet and thus there is still a danger that high levels of growth will overtake the environmental gains achieved by those aspirations.

SASIG has consistently campaigned for a more balanced approach to aviation policy. Although it recognises the economic importance of aviation, and the obvious personal freedom that the ability to fly provides, it believes that the balance of policy is biased too much towards allowing the aviation industry to sell its products too cheaply. This takes insufficient account of the environmental consequences, both globally and locally.

SASIG recognises that the issues are complex. There are no easy answers. But what is clear is that the current policy will be increasingly unsustainable if the remorseless growth in demand is allowed to go unchecked and in the absence of the vision needed to find a better solution.

The Department for Transport is to publish a progress report on the implementation of its Aviation White Paper towards the end of 2006. SASIG does not believe this is sufficient and is calling upon the Government to commit to a full review of aviation policy over the next few years. This must include:

- updating the forecasts of growth based on recent data but now looking to 2040 or even 2050;
- setting out clearly the economic and environmental costs of both meeting and not meeting demand; and
- identifying more balanced solutions for airport development across the country than in the current White Paper.

The issues are too important to leave for a later review. SASIG has set out in this statement a range of options which should be considered sooner rather than later.

SASIG will continue to campaign for a sustainable aviation policy which puts the environment and the needs of local communities at the heart of the policy making process, whilst acknowledging the economic benefits that the aviation industry brings to the country as a whole.



The Aviation White Paper context

In essence the White Paper policy was to make maximum use of existing airports so as to meet demand with some environmental safeguards. The White Paper identified those existing airports where expansion would be supported, either by new runways, extension of existing runways, or new terminals.

Many airports throughout the country are progressing their proposed growth by the production of master plans which, if acceptable to the local authorities, can be embedded in their local planning policy statements.

There have also been other developments, most notably some delay with proposals for a new runway at Stansted and growing uncertainty about how or whether that new runway can even be financed. There is also grave doubt whether pollution at Heathrow can ever be brought within legal limits.

In SASIG's judgement the continuing sharp rise in passenger numbers, combined with the uncertainties over Stansted and Heathrow, fully justify a more serious and in depth review of the proposals in the White Paper than is currently planned by the Government.

The White Paper contained no surprises and was largely a continuation of past policies – often called 'predict and provide'. Bearing in mind the timescale needed to implement any new infrastructure, looking only to 2030 does not really allow for a visionary approach. The lack of a sensible and acceptable long-term plan, which addresses all parties' needs, has in the past resulted in piecemeal development and commitments being broken. Powerful objections are thus voiced which inevitably lengthen the planning and development process. The White Paper did nothing to resolve the many conflicts that have always existed. Aviation has not been required to meet its external costs and on that basis it is able to fuel its own growth by ever lower ticket prices.

Since the White Paper was published at the end of 2003 the Government has updated its Sustainable Development Strategy giving more emphasis to the two overarching criteria of: 'living within environmental limits', and 'ensuring a strong, healthy and just society'. There is also greater public recognition that aviation impacts on global warming. The number of aircraft movements continues to rise, resulting in aviation's contribution to global warming now being recognised as a serious problem.

In SASIG's view the current White Paper cannot provide for sustainable growth of aviation, given the developments since its publication. The Government must now take a lead in working towards a better balance between aviation growth and its impacts.

The White Paper approach is risky

The experience of the last few years is that growth is not slowing down – and if the average growth rate since 1998 continues, the current planning estimate of 500 million passengers per annum will be reached by 2021 not 2030.

There could be 780 million passengers a year by 2030 – way above the upper limit of the Government forecasts which was 600 million.

Every year after 2030 there could be an extra 15 to 25 million passengers a year wanting to pass through UK airports.

SASIG believes that the White Paper now needs a policy update rather than the simple implementation review that is promised by the Department for Transport.

Are the forecasts right?

In 1998, the base date for the latest official forecasts, 160 million passengers used UK airports. By 2005, that had grown to 229 million – an extra 70 million and around 43% growth in 7 years. It's extraordinary how much more we are all travelling!



It is important to understand how that splits between the London area airports (Heathrow, Gatwick, Stansted, Luton, City and Southend) and the numerous regional airports shown on the map.

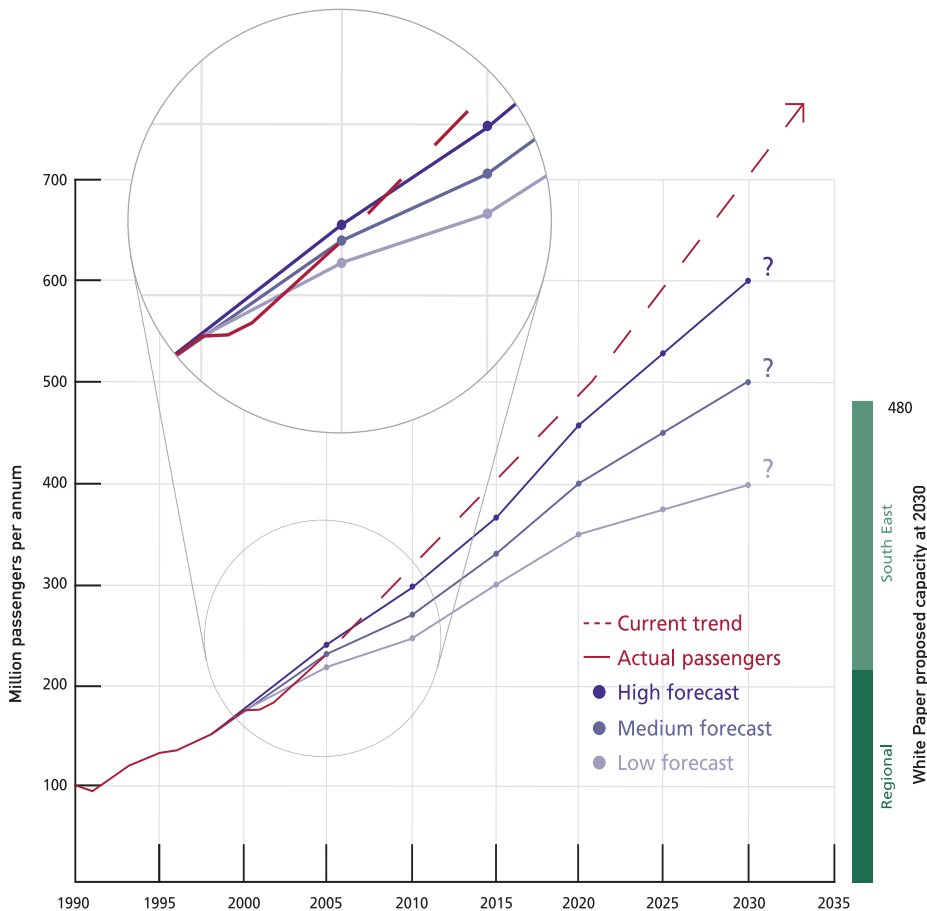
The London airports grew by 31.6 million passengers (102.2 to 133.8 million passengers per annum) and the regional airports grew by 37.4 million passengers (58.0 to 95.4 million passengers per annum) from 1998 to 2005. In all cases growth has been faster over the last 3 years, as the effects of September 2001 wear off. Growth rates now show no sign of declining.

Looking ahead, the Government's forecasts suggest growth to between 400 and 600 million passengers a year (mppa) with the mid point, 500 mppa, normally being the figure used for long-term planning purposes. There was an assumption in those forecasts that the rate of growth would decline gradually over the years and that there would be peaks and troughs in the graph.

Of course there could be a series of international disasters or a world economic decline. But should our aviation planning policies be based on predictions of gloom? Of course not. We should either be planning to accommodate the current high levels of growth or, if that level of growth is not acceptable, then we need to plan to constrain the growth to an acceptable level.

Passengers and percentage growth at all UK airports

	1998	1999	2000	2001	2002	2003	2004	2005
Total passengers (mppa)	160.2	169.7	181.2	182.3	189.8	200.9	216.6	229.2
% growth from previous year	8	6	7	1	4	6	8	6



Clearly we should all be thinking about the need for better long-term strategic policies

The Aviation White Paper should have looked further ahead so as to give the public and the aviation industry a clear strategic direction – for the next 50 years.

The lack of a proper long-term strategy is a concern now and will not go away until the Aviation White Paper has been subject to a thorough review.

Will growth continue?

What is the aviation industry doing – is it marking time or responding to demand like any other buoyant industry does?

There is every indication that the industry is buoyant and that it is assuming a continued high level of growth. For example:

- statistics show that not only are we flying more often but also that we are flying to more distant destinations;
- air fares are dropping to low and even lower levels;
- new routes and destinations are always in the news, particularly from the low-cost airlines;
- new and bigger aircraft are being developed and orders for them are being placed so that they come into airline fleets over the next few years;
- new runways and terminals are being proposed, with many airports expecting faster growth than in the White Paper;
- the airport market is buoyant, with regular bids for the purchase or management of airports;
- airspace is being re-organised and expanded.

There is also every indication that the industry is seeking to facilitate its growth by looking at its impact and aiming to show that growth can take place in a sustainable way. There are always critical claims that sustainable aviation growth is just window dressing but the industry has set out its stance in a report called 'Sustainable Aviation' and it is up to the public and the politicians now to hold the industry to those aspirations and to help develop them into firmer commitments.



Unfortunately no one, neither the Government, the industry nor local authorities have been able to find a way of measuring the full economic, social and environmental costs of this growth – and then to find a way of reflecting those costs in the ticket price.

What are the good and bad environmental, social and economic effects?

One issue which is even higher on the agenda now than it was whilst the White Paper was in gestation, is that of **global and local air pollution**. Local air pollution around airports is detrimental to the health of local residents, particularly vulnerable groups. Global air pollution is creating climate change and aviation is one sector where the percentage contribution to global warming is predicted to be on the increase due to the growing number of flights. Warmer, hotter summers, with freak floods in winter may be the effect of global warming in the UK. In other parts of the world whole countries may be flooded!

But the alternative is to accept that aviation, whilst minimising its effects, will always be an atmospheric polluter. The implication is that other sectors will have to make even more swingeing cuts in their pollution to compensate for the environmental impact of aviation. Is this an acceptable price to pay for the freedom to travel by air?

The **noise impact** from aviation is said to be reducing. Certainly most aircraft are quieter now than they were years ago, but there is no such thing as a quiet aircraft. Residents around airports are increasingly vocal about the problems they suffer. This may be partly due to the increase in the number of aircraft movements and thus the number of times people are being disturbed. There is also increasing concern about more widespread sleep disturbance and the associated long-term effects.

Access to airports is increasingly an issue – but is it realistic to expect most passengers carrying luggage to use the present public transport system? The aviation industry, working with the Government, has to find more innovative solutions to get passengers and staff to and from airports in a sustainable way.

A clear planned approach to aviation development will allow integration with other long-term transport infrastructure projects.



Most of the **social effects** of aviation are positive – such as the ability to travel and learn from other nations. The number of jobs created and maintained in the industry is also valuable – unless they are in areas where this overheats the local economy.

A challenge which would have both social and environmental implications is for the Government to take positive steps to encourage rail journeys in preference to flights over a distance of, say, 700 miles or those journeys where the flying time is less than 2 hours.

Again, many of the **economic effects** are good. Aviation creates lots of jobs and is a big factor in making the UK a successful economy. Aviation should be used to encourage regional economic growth and reduce disparities between regions. Many businesses also depend heavily on aviation. One of the negative effects is that we all spend more when holidaying abroad than is spent by visitors to this country, so tourism is a net loss to the UK. It also needs to be remembered that we spend a lot of money on our aviation activities and it is that spending which creates the jobs in the UK. If aviation were more constrained we would simply spend that money on other goods and services, thus creating different jobs. But as the Government acknowledge the huge economic benefits, why are not more of those ploughed back in to mitigating more of the environmental effects?



What do we do about the good and bad effects?

There are many who suggest that the climate change effects of aviation could be so catastrophic that growth in aviation should stop.

There are, and always will be, lots of negative environmental effects for those living around airports, so perhaps those residents should all be better compensated.

Stopping or slowing down aviation growth may be the correct environmental reaction – but would any Government implement such a policy and would it be acceptable to the growing number of people that enjoy travelling to ever more distant and exotic places?

SASIG believes that we deserve better long-term policies so that we manage the adverse effects at the same time as we enjoy the benefits of aviation.



Policy options

SASIG believes that the existing policies in the White Paper look a bit like predict and provide. In any case, they do not look far enough ahead. **They neither provide for enough new runways and terminals to meet the likely long-term demand, nor put constraint policies in place so that demand is curtailed in a way that reduces the additional adverse environmental impacts.**

So, what should the UK aviation policy look like for the next 40 or 50 years?

There are several approaches that can be taken by a Government to a long-term strategic aviation policy. Some of these are set out below, with a comment in italics on each. SASIG is not advocating any of these policy options at this time but is seeking to promote a debate, which should help the Government take an informed decision.

The four policy options are:

- **Limited growth**
- **Unconstrained growth**
- **Environmentally controlled growth**
- **Selectively located growth**

Policy option – Limited growth

To identify a sustainable level of growth, possibly closer to 2% than the current average growth of around 5% per annum, and introduce fiscal or infrastructure policies to impose a constraint on the freedom to travel by air.

To date the Government seems to have accepted that the economic benefits to the country are so great that demand should not be constrained. However, many groups and individuals are strongly promoting a policy option of limiting growth.

Supporters of this option do not favour finding the best way of meeting all demand because they believe that to be unsustainable.

Policy option – Unconstrained growth

To do little or nothing about constraining demand and to give the aviation industry permission to build new terminals and runways wherever and whenever they are wanted so as to meet demand within broad parameters set by the Government.

This is largely a continuation of the present White Paper policies. Over time, this is bound to lead to yet more new runways and/or terminals at all or most existing airports. It could maximise the economic benefits to the industry and to the country but there will be significant local and global environmental costs, as well as local economic costs.

Policy option – Environmentally controlled growth

To introduce a range of economic and infrastructure policies at an international and local level to ensure that the 'polluter pays principle' is imposed on the aviation industry. Examples of this would be to tax aviation fuel (currently completely tax free); to place strong limits on local and global pollution; to insist on higher than existing levels of compensation for noise and blight on houses, schools and other community buildings; to secure improved road infrastructure; and to ensure the aviation industry does more than at present to guarantee that public transport is the main way in which passengers and staff get to the airports. This option would also be strengthened by rail services being improved so as to be more competitive over distances of up to 700 miles or those journeys where the flying time is less than 2 hours.

This could result in a similar level of provision to the policy option of limited growth, but it would be justified in a different way and could take a very long time to establish due to the international agreements that would be needed. To many people it is the preferred approach and is thus a good long-term goal but it will be difficult to achieve in the next 20 or more years. It may also not be acceptable to the travelling public who are enjoying their freedom to fly cheaply.

Policy option – Selectively located growth

To do little or nothing about constraining demand but to accept that many airports are so located that their growth should slow down or stop. This option involves the growth at a smaller number of airports throughout the UK, including the possibility of at least one new one, where high levels of growth could be acceptable and economically beneficial to the UK.

This was the policy suggested by SASIG in the consultation stages prior to the White Paper but which was rejected by the industry and the Government as being impractical, uneconomic and unnecessary. In the light of the latest levels of demand, the time may have come to revisit a strategy based on growth at selected locations. Many of our airports are too close to built-up areas – France has been more enlightened in building Charles de Gaulle airport where surface access is superb, local economic benefits are welcomed and noise impact is minimal. We could be left behind by more enlightened countries if we do not plan with greater vision.





Some regional airports can expand to meet and exceed their 2030 forecasts without excessive local environmental impact, although some exhibit the same constraints on growth as the more congested of the London airports. But many of the regional airports also seek greater access to London airports to link into a wider range of international destinations. This has been very much the justification for a third short runway at Heathrow which itself will create further unacceptable environmental effects.

In the White Paper the Government claimed that there was no need for another hub airport in the south-east and on that basis rejected the concept of a new airport. In saying that, they clearly looked no further ahead than 2030 (or possibly not even as far as that). Now that it seems increasingly likely that growth will exceed the forecasts, and in light of the increasing awareness of environmental pollution, this is the right time to challenge the Government once again. SASIG suggests the need for more far-sighted policies – whether or not that means a new airport or the continued expansion of some of the existing ones that are capable of sustainable expansion.

The need for a policy debate

SASIG believes that a major national debate on these topics is needed. It is easier to ask the questions than find the solution – but the best way ahead needs to be established in discussion with politicians, the aviation industry, local authorities and the public.



Urgent decisions need to be made... what do you think?

- Should aviation policies be established such that they can only be implemented in a way that sensibly balances the economic, social and environmental issues involved? How can that balance be calculated? Is it being achieved at present?
- In light of the forecast unconstrained growth in passenger numbers, and related environmental issues, should a new strategic aviation policy be promoted by Government that takes a more visionary and long-term approach? This could involve all or some of the policy options outlined earlier.
- Should night flights be phased out? What should the criteria for that phase-out be?
- Are the economic and social benefits of aviation to the UK and its population so great that there should be no fiscal or physical constraint on growth, providing important pre-conditions to minimise environmental impact are met? If so, what should these pre-conditions be?
- Should more of the economic benefits of aviation be made available by the Government to help reduce any local unacceptable environmental effects? How would this be achieved?
- In light of the stated national economic benefits of aviation how can higher levels of financial and organisational support from Government be made available for better public transport and road provision not only serving airports but providing for rail to replace some air services?
- How can the aviation industry be challenged to do more than make a minimal reduction in their adverse local and global effects? Should growth only take place when and where those adverse effects are reduced to an acceptable level, specified by Government in consultation with local communities?
- How can the industry be incentivised to provide greater financial support for the improvements that are needed?

Conclusion

The aviation industry seems basically to be content with the present policies. It is business as usual for them in that they are likely to be securing growth where they want it – even if it takes longer to battle their way through the protests and innumerable public inquiries. In addition the publication of ‘Sustainable Aviation’ may well have convinced Government that all is well and impacts will be controllable.

This could ultimately mean that all UK airports just keep growing to meet demand in 2030, 2040 and beyond. For example, Manchester will experience runway and other capacity problems... several regional airports will need a new runway... Nottingham East Midlands could see huge increases in night freight flights... Heathrow could have three full-length runways... Gatwick might grow to two runways... Stansted could even have as many as four runways... night flights generally seem bound to increase at most airports... local noise and pollution issues will not be kept to tolerable levels by any form of restriction or compensation... global warming will be fuelled... and there are lots of other examples.

Long-term vision is needed if the freedom to fly – indeed the right and the desire to fly – is to be accommodated without unacceptable effects.



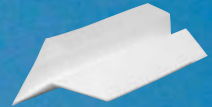
The challenge

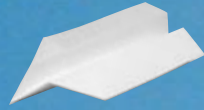
If the Government is to be persuaded that its current aviation strategy remains unsustainable and needs to be further reviewed, then it is essential that as many organisations and individuals as possible contribute to a new debate.

The Government and the aviation industry need to be put under pressure to accept changes in the strategy currently being followed.

This pressure can only be created if we all actively and constructively engage in the debate and work with our politicians to make sure they know what we think.

Please help by making your views known.





Who is SASIG?

SASIG is a group of over 60 local authorities, representing some 30% of the population of England. We are deeply involved in the economic, environmental and social implications of aviation policies. We work closely with the Government so as to ensure that our unbiased view influences decisions.

SASIG has a mandate from its national membership of local authorities to promote sustainability in the development of aviation in the UK. SASIG was the first organisation to campaign for a 30-year strategy, resulting in the publication of the Aviation White Paper in December 2003.

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