

**ROYAL AERONAUTICAL SOCIETY CONFERENCE
CHARLES LLOYD, CHAIR AVIATION COMMUNITIES FORUM**

Introduction

I knew virtually nothing about the aviation industry three years ago, but I've been on a steep learning curve.

Much of what I've learnt - about the way the aviation industry is run, the way it's regulated and about aviation policy - has astonished me.

It's a sector that's reaped the benefits of privatization and restructuring in an impressive and hugely successful way, with far reaching social benefits and some economic benefits. And we should pay tribute to that success.

But it's also a sector that thinks and behaves like no other I've come across. It's a sector that enjoys - and expects - extraordinary privileges but which hasn't yet fully recognised that with extraordinary privilege goes - or should go - extraordinary responsibility.

That's what I'd like to talk about today - privilege and responsibility.

I'm happy to answer questions about Gatwick's approach to community engagement. But in my view the critical issues - if your industry really wants to build better relationships with communities - don't start with engagement. They start with the policy, legal and regulatory frameworks the industry operates in. With the way you handle the privileges you've inherited and the responsibilities you have.

Privilege and responsibility

Let's talk about a few of those privileges.

Starting with the law. One of the first things you learn as an aviation campaigner is that you're powerless. Everyone else around the table has cards to play: legal powers, policy levers, safety, economic power and so on. But people impacted by the industry have none - except rational argument and democratic processes - because the industry is set above and beyond the law.

We all know how daft the position is. I can take legal action against my local church if its bells are too noisy. But there's nothing communities can do if your industry chooses to narrow flight paths over them - as has happened at Gatwick - or to increase the number of aircraft using a flight path by 50%, as has happened in Teddington.

That might have made sense over 100 years ago when Winston Churchill exempted the then new aviation industry from nuisance claims. But it doesn't make sense now.

Of course it wouldn't be acceptable for flights to be stopped every time someone took out an injunction. But a clear, accessible, legal framework, based on precedent and case law, is the basis for tolerant relationships between those who pollute and those who suffer pollution in virtually all other sectors. Why should aviation be different?

How much clearer we would all be about what is acceptable, and what isn't, if that framework had been allowed to build up over the past decades.

In the absence of a functioning legal framework you might have expected there to be thorough regulation of aircraft noise. But another extraordinary privilege of your industry is the **virtual absence of noise regulation**. The culprits here aren't the industry itself but its regulators the CAA and the DfT.

The regulatory framework for NATS - the industry body best placed to increase or reduce noise impacts - is silent on noise. In fact the word "noise" doesn't exist in NATS' licence. The word "environment" comes up twice, but both of those refer to flight efficiency and fuel savings. Not surprisingly NATS is - in my view - only at the start of a long journey towards taking responsibility for the noise impacts of its operations.

If NATS wants to build community tolerance, put your hand up for meaningful noise regulation. The signs here aren't good. NATS' response to the CAA's recent consultation on its regulation says that noise "*has the potential to be a significant impediment to the delivery of airspace modernisation*".

Too right it does. But look at what the language betrays. Communities are seen as an obstacle to the delivery of a more important outcome. Instead of noise reduction being one of your core objectives it's an afterthought: a problem to be managed not a goal to be achieved.

As far as the DfT is concerned, I'm sure the easy answer every time they've look at noise regulation is to keep things as they are and hope for the best. But that simply isn't the right answer. It isn't even a good answer. It's clearly not a good answer for communities. But it's also not a good answer for the industry. The price you've paid has been - and will likely continue to be - that airspace modernisation (and maybe new capacity in the south east) fails to be delivered.

Anyone who thinks that the current failed system of self-regulation is fit for purpose in a world where ATMs are forecast to increase by 50% is simply deluded. Aviation noise regulation needs a root-and-branch overhaul; the Department needs to take its responsibilities seriously and lead the debate; ICCAN might be part of the answer but its certainly not the whole answer or an adequate answer.

Some may argue that noise is too complex, too subjective or too local to be regulated effectively. We reject that absolutely. Last week communities put forward a detailed proposal for noise regulation, based on tried and tested regulatory technology used for decades in other sectors. Those proposals are being discussed at tomorrow's Airspace and Noise Engagement Group at DfT.

I imagine the knee-jerk reaction from industry - and maybe the Department - will be to try to pick holes in our proposals. But I hope you'll respond much more positively and try to find ways in which an objective, independent, regulatory system can work for all parties. If you really want to build community tolerance you need it every bit as badly as we do. Regulation of the industry has simply not kept pace with the changes in its structure and the impacts it has and must now catch up. Models that might have worked 30 years ago when BAA was state owned and NATS part of the CAA simply don't work now.

Another extraordinary privilege the industry enjoys is your Houdini like escape from responsibility for the **external impacts** you have. The 2003 Aviation White Paper said that the industry should pay the external costs its activities impose on society - in other words it said, "*the price of air travel should reflect its environmental and social impacts*".

Where are we almost 15 years later? Compensation is trivial compared to the industry's impacts. The cost of travel reflects only a small proportion of environmental externalities. And the industry is arguing furiously for further tax reductions.

You obviously wouldn't expect the industry to put its hand up for cost increases. But this state of affairs should be an acute embarrassment to Ministers and officials at DfT. Of course low cost flights are a populist golden goose. But government is there to do the right thing sometimes as well as to be popular.

And the list goes on. Just two more points:

- do you really think that running the **Future Airspace Strategy programme** as a community free zone is a good idea? One of the objectives of FAS - we're told - is to minimise the impact of aviation on the environment. But there's no one in the room at FAS meetings who represents environmental or community interests. Is that really going to build community tolerance?
- you seem to have little no interest in the **health impacts** of your activities. There's plenty of evidence of those impacts from third parties but I've seen virtually nothing from the industry. You seem to have a see-no-evil, hear-no-evil approach. What does that say about your willingness to take responsibility?

And so on.

So let's be clear. From where I sit the foundations for community tolerance - the policy, regulatory and cultural environments needed for it to develop - simply don't exist currently.

Consultative Committees, Community Noise Boards, ICCAN and the like are welcome, but they're not enough. I don't want to play down the importance of engagement. But the answer isn't to keep saying the same thing in different ways. Or to set up new forums for people to talk to each other about the same old issues. It isn't to keep telling us, patonisingly, as the DfT airspace

consultation did, that we “*don’t understand the reasons for change*” or “*can’t always see how decisions have been arrived at*”.

The problem lies in the industry’s policy and cultural frameworks; the privileges it expects and that the Department has got used to giving it. The answer is to change those policies and that culture. Don’t keep banging your head against the wall, rebuild the wall.

If you are serious about change there’s never been a better time. Airspace policy is changing, aviation strategy is changing, airspace design itself may be changing.

So if you’re serious what should you do? I have five suggestions:

- 1 Work with communities and the government to design and put in place a comprehensive, independent system of regulation for aviation noise
- 2 Accept that the industry must meet a far higher proportion of the external costs it imposes on communities both through compensation and taxation
- 3 Rethink the place noise has in your planning processes. Stop behaving as if it’s something secondary, something to be mitigated but which is subservient to your growth ambitions. Start thinking of noise impact reduction as a pre-condition of growth: that you can’t have one without the other.
- 4 Open your doors. No more pretending you can design airspace for the next few decades in cosy industry-only rooms
- 5 Get serious about the health impacts of your business.

Those are big challenges. They would amount to a revolution in the way the industry is regulated and managed. Some of you will think they’re unrealistic. Some of you won’t be interested: you’d rather focus on shorter-term issues. I don’t criticise that.

But I hope that some of you will recognise that alongside the extraordinary privileges you enjoy go serious responsibilities, which you, and the regulators and policymakers who oversee you, must start to live up to. We need a generation of policy makers and industry executives who recognise that change is both needed and is in the industry’s long term best interests.

Thank you.