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*Brexit ...
All change*



*New PM
New Cabinet*



After the expectation that the EU Referendum on 23rd June would end with a “Remain” vote, we have all lived through one of the most peculiar times in UK politics for decades. Even those who do not normally take much interest in politics must have found the almost daily shocks, dramas, ups and downs quite gripping, and watched with a mixture of amazement – or horrified fascination. Many have commented that if all this had been proposed for a TV drama show, it would be dismissed as much too far-fetched to be credible.

This bulletin makes an attempt to report on what all this political shenanigans might mean for UK aviation and UK airports. There is huge uncertainty, about everything and not only airports. The dust is yet to settle. And it might take a very long time to settle completely ...

The new members of the Cabinet, who may be relevant to aviation may be – aside from **Theresa May** (Prime Minister); **Philip Hammond** (Chancellor); and **Boris Johnson** (Foreign Secretary) – **Chris Grayling**, as Transport Secretary, replacing Patrick McLoughlin.

Also Greg Clark, Secretary of State for Business, Energy and Industrial Strategy, in the new DBEIS. This department now includes DECC (the old Department of Energy and Climate Change, which no longer exists) and BIS (the old Department for Business, Innovation and Skills). **Andrea Leadsom** is the new Secretary of State for Environment, Food and Rural Affairs at DEFRA. **Sajid Javid** is the new Secretary of State for Communities and Local Government (DCLG).

The abolition of DECC has been widely condemned as a major setback to British efforts to combat climate change. Its functions, which include representing the UK at international climate talks, responsibility for meeting carbon targets and levying subsidies for green energy, have been transferred to Greg Clark’s DBEIS.

Heathrow Airport expansion in doubt after Theresa May promotes critics to top cabinet posts

It is widely considered that a 3rd Heathrow runway is increasingly unlikely to be approved after Theresa May appointed to her Cabinet a series of opponents to it. By contrast, just before the Referendum, it was expected – if the vote has been for “Remain” and he was still Prime Minister - that David Cameron would have given the green light to a 3rd runway at Heathrow in early July. But now both he and keen Heathrow supporter George Osborne, are now just back-benchers.

Justine Greening, the new Education Secretary, has said building another runway at Heathrow is not a “smart decision” while Philip Hammond and Boris Johnson have also been opposed (see below for details). Chris Grayling, Transport Secretary, has voiced few public opinions on airport expansion in recent years – though probably privately backed Heathrow in 2009. He will now help oversee the decision on whether Heathrow or Gatwick is chosen for expansion. Whether the option of building neither, which would be the sensible decision, is also being re-considered is unknown. Stansted has repeated its intention to get another runway in about ten years.

Boris has always wanted a huge new 4-runway airport. He has said he would "lie down in front of the bulldozers" if Heathrow built a runway, and would face calls to resign if he remained in a Cabinet that backed the project. 15.7.2016 <http://www.airportwatch.org.uk/?p=31399>

Archive material reveals the extent of new Prime Minister’s opposition to a 3rd runway at Heathrow over many years

Campaign group HACAN has unearthed archive material, from Theresa May's website, which reveals that the new Prime Minister has been a fierce opponent of a third runway at Heathrow, for many years. Her comments on Heathrow since 2008 are copied at the link below. For example, in January 2009 in response to the decision by the Labour Government to give the go-ahead to a 3rd runway, she said:

“I know from all the letters and emails I get that many local people will be devastated by the Government’s decision. A third runway will result in thousands of additional flights, increased noise and more pollution for thousands of people. The Government’s promises on the environmental impact of this are not worth the paper they are written on – there are no planes currently on the market that would allow them to meet their noise and carbon dioxide targets. We need a better Heathrow, not a bigger Heathrow.”

And *"my constituents face the prospect of a reduction in their quality of life with more planes flying overhead, restriction in driving their cars locally and a far worse train service in Crossrail. I hope that the Secretary of State recognises that as a result of today’s announcement, nobody will take this Government seriously on the environment again."*

In March 2008 she said: *"The Government needs to show that expansion is consistent with national targets for tackling climate change and cutting CO2 emissions,"* She has also consistently expressed concern about night flights. 16.7.2016 <http://www.airportwatch.org.uk/?p=31416>

What Philip Hammond – the new Chancellor - has said about Heathrow and Gatwick

Philip Hammond’s constituency is Runnymede and Weybridge, very near Heathrow. In November 2014, Philip Hammond expressed his opposition to a Heathrow runway. An article in the Guardian says “both Hammond and Johnson have told constituents they will strongly oppose the building of a third runway at Heathrow. When he spoke at a public meeting in October 2014 in Egham, in his Surrey constituency Philip Hammond said he was against a third runway "and there was a huge round of applause.”

<http://tinyurl.com/Hammond-Nov2014>

In April 2013 Philip Hammond (then Defence Secretary) became the first Cabinet minister to call publicly for expansion at Gatwick. He wanted a 2nd Gatwick runway, followed later by a 2nd runway at Stansted. He opposed expansion at Heathrow, opposed a Thames Estuary airport, and the idea of a large hub airport at Stansted, as it would do economic damage to the Heathrow area <http://www.airportwatch.org.uk/?p=2588>

In February 2015, Hammond said Heathrow bosses would not be able to “buy” planning permission for a proposed runway expansion, as they had said they would contribute to a £300m flood relief scheme - if Heathrow was allowed to expand. <http://www.airportwatch.org.uk/?p=25288>

When asked about a third Heathrow runway in 2015, Mr Hammond said: “London's role as an international air transport hub can be maintained without additional runways at Heathrow. A second runway at Gatwick, plus enhanced transport links between the airports and better transport links to London will create a ‘virtual’ hub airport, maintaining Heathrow's role in the local economy without expanding it.” <http://tinyurl.com/Hammond-comment-2015>

What Boris Johnson – Foreign Secretary – has said about Heathrow and Gatwick

May 2015, Boris Johnson said in his acceptance speech after being elected MP for Uxbridge that he would join John McDonnell and “lie down with you in front of those bulldozers and stop the building, stop the construction of that third runway.” <http://tinyurl.com/Boris-Uxbridge-Bulldozers>

September 2015, Boris said the Airports Commission’s report itself showed a Heathrow runway would not solve capacity issues, and its own figures indicate it would lead to fewer domestic routes and very little increase in new long haul routes. **“Their report very clearly shows that a third runway will fail both London and the UK on every level.”** Boris and Justine Greening sent a dossier to about 1,500 MPs and Peers setting out the flaws in the Commission’s report. <http://www.airportwatch.org.uk/?p=27582>

May 2014, Boris, then Mayor of London, dismissed Gatwick’s proposals for a second runway as a “sham” and a “delusion”. “Gatwick ... is not the answer, you don't get the connectivity, you don't get the hub. You don't future-proof London and the UK against the needs that will continue to grow..... All you will do by going for Gatwick is you will keep Heathrow as a brutally constrained hub which people fight to get into.”... “Expansion of Gatwick [would be] a sticking plaster that... would stimulate little of the global connectivity we so desperately need.” <http://tinyurl.com/Boris-on-Gatwick>

July 2013, Boris said, about a 2nd Gatwick runway: "You kid yourself this is providing the country with long-term hub capacity. The sooner it is rejected the better." <http://tinyurl.com/Boris-Estuary-Gatwick> and in December 2013, he said an extra runway at Gatwick "would not make a bean of difference because the airlines will still want to go to Heathrow". <http://tinyurl.com/Boris-bean-of-difference>

What Chris Grayling – Transport Secretary – has said about Heathrow and Gatwick

In an interview in the Independent in January 2009, in reply to the question: “I hear you disagree with your party's opposition to the expansion of aviation and a 3rd runway at Heathrow. True?” Chris Grayling said: “Actually, I was the person who – when I was Shadow Transport Secretary – first proposed our alternative policy; a high-speed rail line linking Leeds and Manchester to Birmingham, Heathrow, London, Paris and Brussels. That will take huge pressures off Heathrow. **So I will be voting against the third runway this week.**” <http://tinyurl.com/Grayling-Heathrow-2009>

But the Telegraph said Chris Grayling "has voiced few public opinions on airport expansion in recent years – though was reported to have privately backed Heathrow in 2009."

Government announces runway decision is postponed – now possibly September?

On 30th June, Patrick McLoughlin (then still Transport Secretary) told the Commons: "Being realistic, given recent events, I cannot now foresee that there will be an announcement until at least October." Had there been a vote to remain in the EU, on 23rd June, it was expected that an announcement for a Heathrow runway would have been made by around 8th July. But that is all history. When McLoughlin made the statement about October, it was in the expectation that it would take till September to bring in a new Prime Minister. It seems clear that civil servants in the DfT recommended a Heathrow runway, having believed the (flimsy and guarded) promises by Heathrow on noise and NO2. Just before being removed from his transport job, and becoming Leader of the Conservative Party, McLoughlin said Theresa May should get on and make a runway decision quickly, if the timetable to get the runway built - by 2030 - is not to slip. He said: "So long

as we can get a decision as quickly as we can in October, we can still stick to the timetable that was set out in Davies." He said the decision was for the Prime Minister, and "Parliament rises next week so in all honesty I still think we're probably looking at around about the October period. I don't think this is a decision that could be made when Parliament is not sitting." Parliament sits from 5th to 15th September. Could be then?

On 17th July (2016) Chris Grayling said: "I am very clear that I want to move rapidly with a decision on what happens on airport capacity. It is a decision that will be taken collectively by the government. We have a quasi-judicial role so I'm not going to say today whether I prefer Gatwick or Heathrow ... I'm going to look at this very carefully in the coming weeks." He added: "What I'll be saying to the business community today is I think we need to take a rapid decision to provide certainty on what's going to happen and that will be my objective." <http://tinyurl.com/Grayling-runway-rapidly>

Patrick McLoughlin said in February, on the timetable: "Basically, there are 6 months for the planning inquiry and examination in public; 3 months for the planning inspector to report to the Secretary of State; 3 months for the Secretary of State to consider, report and announce a decision; a 6-week period for any potential judicial reviews; and within that period there are also parliamentary occasions when Parliament can take a vote on the issues."

The timetable the government is working to is a runway by 2030, though Heathrow and Gatwick would prefer it to be by 2025. However, there are likely to be several years of uncertainty on aviation (see more below) and a lengthy period of negotiation to establish arrangements for UK airlines with the EU, and the Open Skies agreement between the US and Europe. With uncertain economic times and a fall in the value of the £, the demand for cheap leisure flights may be affected for some time, cutting demand. 13.7.2016 <http://www.airportwatch.org.uk/?p=31375>

Howard Davies makes more dodgy claims about necessity of building a 3rd Heathrow runway, regardless of Brexit

After the Brexit vote, there are very real uncertainties about the demand for air travel in future decades. Agreements need to be worked out between the UK and Europe, and this includes the Open Skies agreement between the UK and the US. These could take several years to work out. The Airports Commission gave absolutely no consideration to the possibility of Brexit.

SOMETHING NEEDS TO BE DONE

THIS IS SOMETHING

LET'S POUR CONCRETE

However, instead of sensibly deciding to delay a runway decision, Sir Howard Davies (as ever appearing oblivious of the many and serious deficiencies of his Commission's report) is pushing hard, in the media, for a Heathrow runway. These claims are dangerous. Howard Davies says the economic case for a 3rd runway has been strengthened by the Brexit vote; "there are already signs of a slowdown in inward investment, which the project would help to offset." ... The UK "needs some forward-looking decisions to create a sense of momentum, and the construction industry....will soon need the work."

There are claims that some businesses see not building the runway as "a symbol of a lack of interest in Britain's links with the wider world." He says a Brexit choice is "presented by our competitors as an insular move. An early runway decision would do a lot to offset that impression. I hope the cabinet can be brought to see that argument as soon as possible... " ... "If you say your strategy is to be a global trading nation reaching out to China and India, but actually you aren't prepared to provide any airport capacity for people to land here, then that's a joke." 8.7.2016 <http://www.airportwatch.org.uk/?p=31307>

NIMBY Sadiq Khan and his mate Stewart Wingate tell Theresa May to get on and back Gatwick

Sadiq Khan, as well as being Labour Mayor of London, is the MP for Tooting. He has backed a new runway at Gatwick since June 2015. Before that he backed Heathrow, but realised the negative impacts of it would be too great (and his support of it would make him unelectable). He now says Theresa May should allow Gatwick a runway, as soon as possible. In November 2015, Sadiq announced that a second runway at

Gatwick would create 20,000 extra jobs in Croydon and the surrounding area, (Tooting is next door to Croydon). That would all be very convenient, to get some local popularity. It would be especially handy, as nobody in London would be in any way inconvenienced (or have their quality of life reduced) by the 200,000 or more annual flights overhead per year - and the increased local air pollution. Other south London boroughs have been enthusiastic, in a frighteningly NIMBY manner, about a Gatwick runway for the prospects of jobs, and avoiding any more noise from Heathrow flights.

Sadiq appears not to appreciate that Gatwick does not help show the "UK is open for business"; it is primarily a leisure airport. It is in entirely the wrong place to help the whole of the UK, and its expansion will merely serve to facilitate the tourism deficit, as Londoners and those in the south east spend more abroad.
16.7.2016 <http://www.airportwatch.org.uk/?p=31414>



Biggest destruction of British heritage since the Blitz if Gatwick expands – new report



Campaigners against Gatwick expansion have highlighted the extent of the devastation that a 2nd Gatwick runway would cause to important buildings of great British heritage value, as well as demand to local history and environment. Unveiling a new report, the groups say Gatwick's own submission to the Airports Commission detailed 17 listed buildings which would be destroyed. These include some of Britain's finest examples of medieval architecture.

The launch of the report was held at Rowley House (photo below), a former residence of Henry VIII's fifth wife, Catherine Howard, which is among those "requiring removal", according to airport plans. The new runway would require the irreversible loss of the

last remnant of the ancient village of Lowfield Heath, which was recorded in the Domesday Book in 1068.

The groups behind the new report on the threatened heritage damage are CPRE (Sussex, Surrey and Kent branches), the Woodland Trust, the Gatwick Area Conservation Campaign, and Communities Against Gatwick Noise and Emissions.

Brendon Sewill, Chairman of GACC, commented: "Gatwick seek to wallpaper over the sheer level of destruction it would cause to our British heritage. This is a major stand against Gatwick on one of the historical sites that its proposal would destroy. It would be far more damaging than HS2." 2.7.2016 <http://www.airportwatch.org.uk/?p=31258>



BA chief, Willie Walsh, threatens to reduce Gatwick flights if it got a 2nd runway

The CEO of International Airlines Group (IAG), which owns British Airways, has threatened to reduce its flights at Gatwick if the airport is given permission to expand with another runway. BA is the second largest airline at Gatwick. Willie Walsh warned that the cost of building a second runway at would result in charges that are too high. He said: "We struggle to see any business case for the expansion of Gatwick and will consider our position at the airport if the Government backs expansion there, principally because the cost of that expansion when translated into airport charges would likely wipe out the profit we make."

He claimed Chancellor George Osborne and the Treasury are "clearly excited about a large infrastructure project that requires no Government spending", but urged them to consider the options "as if it was funding the project". He added: "If there is expensive, inefficient airport expansion at Gatwick or Heathrow, then we will expand through other airports and hubs." Willie Walsh has repeatedly said he is not prepared to pay very high landing charges at an expanded Heathrow, and would instead move his IAG planes to Dublin and Madrid instead. 24.6.2016 <http://www.airportwatch.org.uk/?p=31205>

Notre-Dame-des-Landes referendum: 55% majority in favour of new airport – ACIPA fights on



There was a referendum in the Loire-Atlantique département on 26th June, with the question whether people backed the moving of the current Nantes-Atlantique airport south of Nantes, to a site north of Nantes, at Notre-Dame-des-Landes. Finally the voting was 55% in favour of the move.

The area to be destroyed for the new airport is good farm land and valuable wetland habitat, and there has been fierce, determined opposition to the project for years. The local opposition, focused through ACIPA, was deeply critical of the way the referendum was organised. They believe areas other than just those in Loire-Atlantique should have been consulted. Some of these areas would be opposed to the move, and some have to contribute public funds towards it. The government wanted the poll as early as possible, as there is a "declaration of public utility" lasting till October, so work has to start by then.

The Prime Minister, Manuel Valls, made a statement as soon as the referendum result was known, that "the government will implement the verdict." Those backing the new airport want to clear the protesters living illegally on the ZAD, some of the land on which the airport would be built, moved away soon, so clearing work can start. ACIPA said this result was just one step in their long struggle against the airport, and their struggle now continues. 27.6.2016 <http://www.airportwatch.org.uk/?p=31199>

Around 25,000 attend a massive protest against the Pointless New Airport – Notre-Dame-des-Landes

At another of the massive protests organised by the campaigners against the new airport, there were some 25,000 people, from across France. They came again, in huge numbers, from the 200 or so support committees across France and Belgium, who work to block the new airport. John Stewart attended and his blog about the event explains just how pointless the plan is to move the airport to this new site, closing down the existing Nantes airport, which is not even full.

The new airport at Notre-Dame-des-Landes has become the most controversial environmental project in France. It is causing the Government of Francois Hollande a major headache. The (non-binding) referendum held on 26th June voted by a small majority for the new airport, but much of the pro vote was from areas some distance to the north, perhaps hoping for jobs or easier trips to the airport on holidays.



The new airport is not being built to cope with high demand, or to avoid flights over Nantes. The economic case is very weak. Opponents feel the new airport is largely an ego project for local politicians. Work has to start before February 2017, when the planning consent runs out. There are fears there will be violent scenes - perhaps this autumn - when the army is likely to be called in to evict those defending the ZAD area. And all for such a pointless, seriously environmentally harmful, project with little real justification. 12.7.2016 <http://www.airportwatch.org.uk/?p=31339>

Joint statement by Nantes anti-airport movement at Notre-Dame-des-Landes after referendum

This is the joint statement of the anti-airport movement on Sunday night following the results of the consultation.

"As was shown the various components of the movement, the setting, the process and the content of this consultation were fundamentally biased. This was based on a series of government lies and was radically unfair. There was no question for us that this is just one step in the long struggle for a future without an airport at Notre Dame des Landes. This struggle continues tonight. We know that the attacks of the government and pro-airport side will be strengthened. On our side, we will not cease to live, grow and protect this farmland. It will continue to be defended with great energy because it carries the ineradicable hopes today against the destruction of the living and the commodification of the world. We call on all supporters and committees throughout France and beyond to mobilize and be vigilant in the weeks and months ahead. There will not be an airport at Notre-Dame-des-Landes. We call in this sense, and in the first instance, for a massive convergence at Notre-Dame-des-Landes for a summer anti-airport gathering, on 9th and 10th July."

28.6.2016 <http://www.airportwatch.org.uk/?p=31233>

Stansted plans to start discussions with government in a couple of years about a 2nd runway

Not to be outdone by the hopes of Heathrow and Gatwick to get another runway, Stansted is getting in on the act, and saying they will be wanting a runway in due course too. Stansted was not assessed by the Airports Commission, as Stansted had no need of a new runway, being far below capacity. The Airports Commission partly understood that, to even try to keep within the carbon cap for aviation of 37.5MtCO₂ by 2050, the addition of one runway would be difficult [it risks UK carbon targets] but it still suggested that by 2040, even if building a runway by 2030, another would be "needed."

Stansted has said in the past that it would like a 2nd runway some time after 2035. Its owners, MAG, are now saying that it will "need" another runway earlier than that. Though they appreciate that there is likely to be a dip in demand for air travel for several years, due to Brexit, they are still keen on adding a runway. MAG's CEO Charlie Cornish has told the Times: "We will be at capacity some time between 2025 and 2030, so in the next two to three years we will need to start having the appropriate dialogue with the government over the need for a second runway [at Stansted]." MAG repeatedly says the existing runway capacity at Stansted must be fully utilised, including improving its rail links. 15.7.2016 <http://www.airportwatch.org.uk/?p=31411>

SSE tells Stansted airport to publish the evidence it is using to try to restrict compensation claims

Following the publication by Stansted Airport of the process it will adopt to deal with long overdue compensation payments for local residents, Stop Stansted Expansion (SSE) has accused it of unreasonably seeking to deter thousands of local residents who may well have a valid compensation claim, from even submitting one. As part of its 'Guide to Residents' on submitting compensation claims, Stansted has published a map which shows an incredibly small 'eligibility area' – with no explanation as to the basis for this.



SSE says there is absolutely no legal basis for eligibility for compensation to be thus restricted. The law only requires claimants to demonstrate that the value of their property has been reduced by physical factors (noise, air pollution etc.) arising from the airport expansion. This came about because of infrastructure that enabled the airport's passenger throughput to triple in the space of the 8 years leading up to 2007.

The limited area includes just a few hundred homes, but the full area includes many thousands of homes that have lost a significant amount of value. Stansted residents have only received any compensation for expansion much earlier, in the 1990s. SSE is advising people not to be deterred, and it will be asking Stansted for a lot more clarification of the legal basis for its attempt to limit claims.

12.7.2016 <http://www.airportwatch.org.uk/?p=31345> SSE website <http://www.stopstanstedexpansion.com>

Ground-breaking seminar on aircraft noise and mental health held in House of Commons

An important seminar discussing the impact of aircraft noise on mental health was held in Parliament on 4th July. It was organised by HACAN and the Aviation Environment Federation (AEF), and hosted by Dr Tania Mathias, MP for Twickenham. The seminar heard from Dirk Schreckenberg, one of the authors of the seminal NORAH (Noise-Related Annoyance, Cognition, and Health) study which looked at the link between noise and health at Frankfurt Airport. (See more below).



The study found negative effects on both mental well-being and on depression, from plane noise - especially in people experiencing increased levels of noise.

A resident from West London, Chris Keady, spoke about his own history of mental problems, and the effect of high levels of aircraft noise on him (see his blog below).

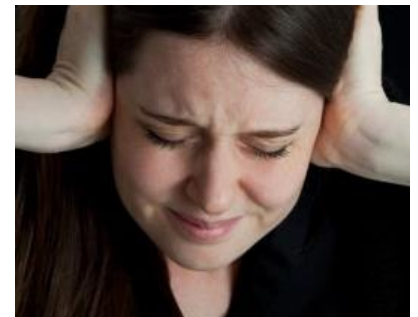
Not enough is known about the impact of exposure to aircraft noise, especially loud noise, often repeated, at different times of day and night, on mental health and stress levels. The evidence suggests that people who already have mental health issues can find aircraft noise particularly disturbing. There is a real problem if there is no escape from the noise, and people feel powerless and impotent against this imposition. We need a constructive dialogue involving noise experts, politicians, campaigners and the aviation industry to give proper consideration to this issue. Matt Gorman from Heathrow Airport also spoke at the event. 4.7.2016 <http://www.airportwatch.org.uk/?p=31271>

Blog: Aircraft noise and mental well-being – the looming challenge only starting to be acknowledged

Chris spoke movingly at the event held at the House of Commons, about his experiences of dealing with both mental health problems and the unwanted imposition of aircraft noise from Heathrow flights near his home. In a blog, Chris explains some of the issues of depression, especially serious depression, its impacts on other family members and the time people can take to get well. Many people with mental ill-health are vulnerable to noise, and noise sensitive.

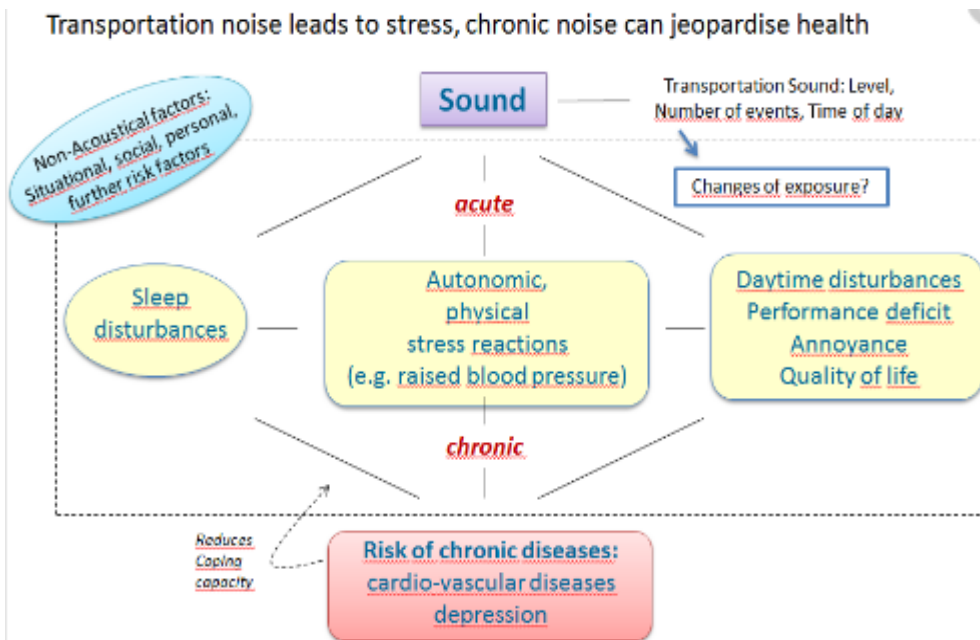
Through no fault of their own, other than choosing to live in the wrong place, people can find themselves subjected to relentless intrusive plane noise, that causes stress, anxiety and depression. Having moved to a quite area, to recover from illness, Heathrow changed flight path use, so Chris's home was intensely overflown.

The anxiety this cause was made worse as there was no proper information or reassurance from anyone about what was going on, or why, or when it might stop. Worse still, it was unclear what, if anything, anyone affected could, do to try and protect themselves. In addition to annoyance, eventually the feeling of powerlessness, having no legal remedies, and the perceived lack of fairness about the situation, lead to a crushing sense of helplessness. For those with mental conditions, this can have dangerous - even life threatening - results. The seriousness of the noise problem, especially for those already susceptible to depression, needs to be acknowledged. The issue of people who are vulnerable to noise should not be ignored any longer. 10.7.2016 <http://www.airportwatch.org.uk/?p=31391>



Findings of the NORAH study in Frankfurt, on effect of aircraft noise on mental well-being and depression

Dirk Schreckenberg, from Hagen, Germany, is one of the research psychologists who worked on the NORAH study (Noise-Related Annoyance, Cognition, and Health) carried out in Frankfurt, before and after the opening of the 4th runway. The study is the largest and most comprehensive to look at the impacts of aircraft noise on people's health and quality of life, and also its impacts on children.



One sub-study looked at mental well-being, and another looked at depression. It was clear from the data that people were more annoyed and more affected by noise from the new runway, and at lower noise levels, than had been expected. Though the links are complicated, and not entirely linear, there is a clear link between worsening mental well-being and more plane noise.

There was a clear relationship between depression and aircraft noise, with more

depression at levels of noise that are widely experienced. The data form an inverted "U" shape graph, indicating less depression at the highest noise levels. The reasons are unclear, but may be a "healthy resident" effect. 7.7.2016 Details at <http://www.airportwatch.org.uk/?p=31282>

Blog: Heathrow's truly negative health impacts on millions of people are not ameliorated by the airport providing local employment

The event on 4th July in Parliament was perhaps the first time this issue has been discussed, and the links made. Heathrow's Matt Gorman spoke at the meeting, to say Heathrow creates jobs and those employed have better mental health because of their financial security. This spurred Murray Barter, a member of one of the groups that emerged in the past 2 years, due to changes to Heathrow flight paths, to write a blog about the widespread dissatisfaction there is with Heathrow and the way it is dealing with communities.

In his impassioned blog, Murray says: "Employment at Heathrow for a minority is not, and cannot be, an antidote to the known adverse impacts on health, well-being and quality of life that are caused by the airport's operations. These affect hundreds of thousands, indeed millions, of people living as much as thirty miles from Heathrow." And "The adverse effects of plane noise on vast numbers of people - including increased incidence of mental stress and depression - cannot, and must not, be swept under the carpet merely because Heathrow provides employment. The good does not outweigh the bad, and attempting to blur the two does Heathrow no credit."

Heathrow expansion cannot be used as a social experiment in noise torture for the unfortunate minority who find themselves under a "noise canyon" (CAA's term). 8.7.2016 <http://www.airportwatch.org.uk/?p=31377>

Brexit: IATA warns UK air passengers could decline 3% – 5% by 2020 due to airline uncertainties and fall in the £



Following the UK's June 23rd vote to leave the European Union, IATA said preliminary estimates suggest UK air passengers could decline 3% - 5% by 2020, following an expected economic downturn and predicted falling £ exchange rates. IATA's evaluation of the impact of Brexit notes that there is considerable uncertainty on details and timescale. A weak £ could make trips to the UK cheaper, but as there are far more outbound trips from the UK than inbound, and foreign trips for Brits going abroad will cost more, the net impact is lower numbers of passengers.

A possible future path for the UK aviation sector would be membership in the European Common Aviation Area (ECAA). That would enable the UK to have continued access to the Single Aviation Market. However, it requires acceptance of EU aviation law across all areas, limiting the UK's

policy freedom. IATS says: "The same would apply to regulations more generally if the UK were to join the European Economic Area. For example, the strongest legal impediment to airport expansion comes from EU local air quality rules which would still apply to the UK if EU membership were exchanged for EEA membership." IAG's share price fell immediately, and easyJet wrote to the UK government and the EC to ask them to prioritise the UK remaining part of the single EU aviation market. BMI said it might "have to review" its bases in the UK. 25.6.2016 <http://www.airportwatch.org.uk/?p=31190>

Euromonitor expects Brexit will 'lead to loss of 2.3 million visitors to UK' by 2020

Market researcher Euromonitor is predicting 2.3 million fewer visitors to the UK over the 5 years up to 2020 following the UK's Brexit vote. Euromonitor (a leading global independent provider of strategic market research) forecast a 2% drop in GDP over the next 5 years, with the biggest impact felt in 2017. They do not expect GDP to return to the baseline until 2023.



Euromonitor says the UK ranked 6th globally in 2015 as a destination country. The UK is highly dependent on European tourists, with around 73% of all inbound tourism in 2015. The largest number of visits to the UK is from France (3.7 million in 2015) and they are fairly resilient to price changes. But based on what happened in the recession, Euromonitor anticipates that there may be less demand from Germany and the US, with perhaps half a million less visitors from each till 2020.

Due to the likely fall in the value of the £ against the € and the \$, trips will be more expensive for Brits going abroad. However, this could make trips cheaper for visitors coming to the UK - but this effect will be overridden as there are more outbound than inbound trips. It took 8 years for the UK travel demand to rebound after the 2008 recession. 6.7.2016 <http://www.airportwatch.org.uk/?p=31278>

Simon Calder: What does Brexit mean for British tourists travelling to Europe?

With Britain, somewhat unexpectedly, voting for Brexit there may be changes in the way airlines operate between the UK and the EU, and there may be other implications for air travel from currency changes. Simon Calder, in the Independent, set out some of the issues and what might happen. The exchange rate of the £ against the \$ or the € may not only make holidays, to the EU or elsewhere, more expensive – but cause an increase in the price of jet fuel, if the £ weakens against the \$.

Through the "Open skies" agreement, since 1994, any EU airline has been free to fly between any two points in Europe. This allowed easyJet and Ryanair to flourish, and forced "legacy" carriers such as BA, Air France and Lufthansa to cut fares. The UK may have to negotiate a similar arrangement to Norway, within the European Economic Area (EEA), in which case little would change. But if Britain does not join the EEA, every route between the UK and the EU might need to be renegotiated on a bilateral basis. The bureaucratic logjam would be immense.

Similarly, British Airways and Virgin Atlantic have easy access to America because of an EU-US treaty on open skies. The freedom for British airlines such as easyJet to fly within and between EU countries could be curtailed; nations such as France and Italy have in the past been protectionist of their home airlines. And much more 24.6.2016 <http://www.airportwatch.org.uk/?p=31181>

EasyJet in talks with several EU member states on moving main HQ there, from Luton, due to Brexit

EasyJet says it has opened talks with EU member states' aviation regulators about relocating its legal headquarters from the UK, due to the Brexit decision. Sky News believes easyJet's Carolyn McCall has had meetings with several unidentified EU states to explore the possibilities, but details could take months to be ironed out.

It is thought that the most likely workable structure would be to be an EU-registered entity with a UK subsidiary". easyJet would need to obtain a air operator's certificate (AOC) that would enable it to base its HQ in an EU country. Some of the states would want an airline with an AOC to move the bulk of their

operations there, but it is understood that easyJet is not willing to do that. One insider said moving the HQ could entail relocating just a handful of staff, depending on the regime operated by the individual country's aviation regulator. Moving the AOC to another country would mean the current AOC in the UK would become just a subsidiary. Whether that would mean jobs being lost at easyJet's main UK base, Luton, is not known.

British Airways' parent, International Airlines Group, already operates using a similar structure with its AOC. Ryanair, whose main source market is the UK, has also said it will obtain a UK AOC should it need to.

4.7.2016 <http://www.airportwatch.org.uk/?p=31254>

Speculation and uncertainty over what Brexit may mean for the US-EU Open Skies agreement in future

The EU–US Open Skies Agreement is an open skies air transport agreement between the European Union and the United States. It became effective in March 2008, and it allows any airline of the EU and any airline of the US to fly between any point in the EU and any point in the US. It allows US airlines to also fly between points in the EU, but EU airlines cannot fly between points in the US.



For the UK, the Open Skies agreement opened up transatlantic opportunities to Heathrow, whereas the previous bilateral deal gave access only to American Airlines, British Airways, United Airlines and Virgin Atlantic. But with the UK Brexit vote, the future of the Open Skies Agreement is uncertain. What happens next could take months or years to work out.

In theory, if the UK is out of the EU, it would be out of Open Skies and have to renegotiate a bilateral with the US - which could mean airline access limits. In reality, that scenario is highly unlikely, because if the UK decides to join the European Common Aviation Area, like Norway and Iceland, that gives access to the Single Aviation Market.

It is likely that the UK will do whatever it takes to continue unfettered access to both the EU aviation market and the US aviation market. However, the attractiveness of increased liberalisation, in many industries, may be reducing. There may be less trust in future of open markets. Uncertainty will continue ... 29.6.2016 <http://www.airportwatch.org.uk/?p=31226>

Lowcost Holidays goes into administration – partly due to effect of Brexit vote

Holiday booking company Lowcost Travelgroup has gone into administration, and ceased trading. Uncertainty before the EU referendum and then the fall in the pound were blamed for its demise. The group has 27,000 holiday makers in resorts and 110,000 more with bookings. There is a loss of 120 jobs in the UK, from its headquarters at Crawley near Gatwick - the staff have been made redundant. Most of the company's 451 staff were in Poland.

Smith & Williamson and CMB Partners were appointed administrators after the firm's own rescue attempts failed. Their efforts had been "hampered by the recent and ongoing turbulent financial environment". Intense competition from other low cost firms had caused the collapse but also the increased terror threat in several countries, and the uncertainty due to Brexit. Before the referendum, holiday makers delayed decisions. The fall in the £ has made holidays significantly more expensive. The future is highly uncertain for how airlines will work between the UK and Europe. About 60% of Lowcost Travelgroup customers were British. This sort of very low cost holiday makes only tiny profit margins, and is very vulnerable to changes in circumstances. It is not a very secure industry. 15.7.2016 <http://www.airportwatch.org.uk/?p=31405>

Brexit vote causes anxiety about weakening of UK environmental regulation

In the wake of the Brexit vote, there has been speculation about the effect of the UK leaving the EU on environmental regulations. The lawyers, ClientEarth, fear that environmental protections may be weakened, and asked politicians of all parties "to affirm their commitment to strong UK environmental laws and to guarantee united action on climate change, despite our upcoming exit from the EU."

Client Earth says many of the laws they use to ensure that nature and health are protected in Britain were drawn up with the UK's agreement in Brussels. During the referendum campaign, no one made clear which environmental laws would be kept.



ClientEarth have taken action on air pollution, but Brexit could mean air quality laws, with which the UK has failed to comply, could be weakened or scrapped. Taking action through the courts may be harder.

Some of the key legislation for aviation has been developed at a national level, independently of the EU, most notably the Climate Change Act (2008). Maintaining full access to the Single Market may, in any case, require the UK to demonstrate compliance with EU environmental legislation,

including having to abide by the Environmental Noise Directive and Ambient Air Quality Directive.

Law firm DLA Piper said: "Environmental law in the UK is now almost exclusively governed by EU law which is referred to directly in UK legislation. It will therefore be essential for transitional arrangements to be in place to provide for the EU legislation to continue to have effect for the immediate future."

Brussels-based green NGOs have urged the European Commission to push on with its 2030 climate legislation – despite the Brexit vote uncertainty. 7.7.2016 <http://www.airportwatch.org.uk/?p=31299>

easyJet, IAG and Ryanair woes over the UK Brexit vote and hit to their businesses

Shares in easyJet have lost value since the Brexit vote, and the airline said its profits would be hit by Britain's decision to leave the EU. There would be continuing economic and consumer uncertainty, partly about the membership of UK airlines in the single European aviation market. easyJet expected its profits to be £28 million lower than earlier expected, in the third quarter of 2016, and revenue in the second half of 2016 would be lower. Revenue per seat might be 8.6% down in the third quarter of 2016.

EasyJet share price over past year. Surely not a sensible time to be planning to build a runway for leisure flying



easyJet said the weaker £ against the € and the \$ would make foreign trips more expensive for Brits, and the low cost airlines would have to cut fares in order to attract them. That means cutting airline profits. Carolyn McCall, easyJet CEO, is urging the European Commission to prioritise British airlines remaining part of the EU aviation area "given its importance to trade and consumers". (ie. given its importance to airline profits).

The value of IAG shares fell on the Brexit result, and they issued a profit warning, as the economic slowdown likely in the UK would reduce air travel demand. Ryanair's share priced also fell. It says it will not deploy new aircraft on routes to and from the UK next year, following the Brexit vote, and will instead focus on the European Union. At present, UK passengers are about 40% of Ryanair's total. They expect the period of "considerable uncertainty" to last for many months. 28.6.2016 <http://www.airportwatch.org.uk/?p=31221>

Prestwick hopes of becoming a "spaceport" boosted by deal with US company

The Scottish Government bought the loss-making airport for £1 in 2013, and is trying to find ways for it to make money. Prestwick now has hopes of becoming a "space hub" delivering small satellites and tourists into low-level orbit. The Scottish Government will provide a funding package, for 2 years, of £240,000 from South Ayrshire Council and Scottish Enterprise. This will cover "infrastructure, business development,

energy reduction and supply chain development." The Queen's Speech in May confirmed aims to drive through the complex legislation needed to certify the safe operation of space vehicles through the Modern Transport Bill. The DfT is setting up a regulatory framework to license individual sites, with Prestwick and two other Scottish locations – Campbeltown on the west coast and Stornoway in the Western Isles – among those short-listed last year.

There are hopes of jobs, if the project goes ahead. Prestwick has now signed a memorandum of understanding with California-based space launch vehicle designer XCOR Aerospace, and space plane design and operating company Orbital Access Limited, setting out an action plan. This would be a competitor to the Virgin Galactic sub-orbital passenger flights, taking 2 passengers at a time into an orbit of 350,000 feet for a short time, at immense cost.

13.7.2016 <http://www.airportwatch.org.uk/?p=31251>

Airbus running out of buyers for its A380s – just breaking even with only 126 orders

An article by Bloomberg looks at the A380, and Airbus's failure to sell enough of them. It has been a financial failure. Not a single US airline has bought one; Japanese airlines have just a few; the only real user is Emirates, with 81 flying and an additional 61 reserved, which is 45% percent of the A380s delivered or on order.

Airbus has delivered 193 A380s - early on it predicted airlines would buy 1,200 over two decades - and has only 126 in its order book, to be built over the next five years or so. Most airlines don't want planes with 4 engines that burn so much fuel. Airbus knows it will never recoup the €25 billion it spent on development. If it produces fewer than 30 planes a year, the program could fall back into the red.

"Axing the A380 outright is hard to do. Besides the embarrassment of admitting defeat on the program, Airbus would need to write off factories across Europe and redeploy thousands of workers. Airlines would see the resale value of their A380s plummet, and the plane's demise would leave airports worldwide questioning the wisdom of facilities constructed to accommodate it; Dubai, for instance, built a dedicated terminal for the A380." The A380 has largely sucked the life out of Boeing 747, with just 40 sold since 2012 and 11 more on order. 8.7.2016 <http://www.airportwatch.org.uk/?p=31310>

Some Useful Links

- For large amounts of up-to-date news on airports and aviation, see **AirportWatch**'s news pages <http://www.airportwatch.org.uk/latest-news/> with many topic sub-sections
- For daily transport news in the UK - **Transportinfo** at transportinfo.org.uk
- **Transport & Environment (T&E)** <http://www.transportenvironment.org> Twitter [@transenv](https://twitter.com/transenv)
- News and expert analysis on the AEF (**Aviation Environment Federation**) website at www.aef.org.uk and on Twitter [@The_AEF](https://twitter.com/The_AEF)
- **HACAN** www.hacan.org.uk Twitter [@HACAN1](https://twitter.com/HACAN1)
- **GACC (Gatwick Area Conservation Campaign)** www.gacc.org.uk/latest-news and GACC research studies <http://www.gacc.org.uk/research-studies.php>
- **Stop Heathrow Expansion (SHE)** <http://www.stopheathrowexpansion.co.uk>
- **Gatwick Obviously NOT** <http://www.gatwickobviouslynot.org/>
- **CHATR Chiswick Against the Third Runway.** <http://www.chatr.org.uk/>
- **HACAN East** at London City Airport. <http://hacaneast.org.uk/news> Twitter [@HACANEast](https://twitter.com/HACANEast)
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