

## **'Licence to Grow'**

**The Government is expected to propose in a Green Paper later this year aviation can only grow as it meets its social and environmental responsibilities.....**

It is understandable that residents who are driven to distraction by a constant stream of planes passing over them rage at the aviation industry. Their lives are being turned upside by aircraft noise. It is like a shadow that is always present - even in their own homes where they could expect to be able shut out the noise of the outside world.

It is not surprising these suffering residents might want to block their ears to the idea that aviation can be a force for good in the world. Yet there are significant worldwide benefits to its growth. The aviation industry has an important role to play in improving connectivity between nations. Better connectivity facilitates trade which in turn helps create prosperity. And historically, it has been trade which has played a key role in opening up closed societies, breaking down taboos and increasing individual freedom.

Flying also enables people to visit other countries and share in their cultures. And at present it is a more environmentally-friendly way of transporting people and goods than shipping which, like aviation, is a major cause of CO<sub>2</sub> but which, unlike aviation, causes real noise problems the entire length of its journey.

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The International Air Transport Association (IATA) expects worldwide air travel to grow by an average of 4.1% per annum over the next 20 years. The challenge for governments and the aviation industry is to find ways to enable at least some of the growth to take place while minimising the downsides.

The UK Government is developing the idea of 'Licence to Grow' – growth will only be permitted as the industry shows it is serious in dealing with noise, air pollution, climate emissions and any other downsides. The idea will form a central part of a Green Paper it will consult on later this year en route to publishing a new aviation strategy in 2019.

It would be churlish to deny that the aviation industry has not taken measures to reduce noise. Principally, it has spent billions in investing in much less noisy planes. And the more responsible airports around the world have introduced improved operational practices and better compensation packages.

But far too often it has turned a deaf ear to residents' concerns. There are innumerable examples. Here is just a flavour of them:

- In America the FAA's (Federal Aviation Administration) cavalier disregard for residents when it decided to introduce its new-style flight paths by concentrating all the routes over a few communities;
- Frankfurt's decision to reorganise its flight paths to accommodate its 4<sup>th</sup> runway which has resulted in years of protest by residents;
- Glasgow Airport's refusal to pay compensation to some of the lowest-income communities impacted by noise;
- London City's decision in 2016 to concentrate all its flight paths after just minimal consultation;
- And in many less-developed countries an absence of compensation when people's land is taken.

The Government is right: the future has got to be different before the industry is allowed to grow. If the 'licence to grow' is tough, as it ought to be, the industry will find it challenging on the noise front. Unless and until there is a revolutionary step forward, such as the introduction of electric planes, there is limited scope to build significantly less noisy aircraft. There will be scope for steeper approaches and ascents, particular if the new satellite-based flight paths which are coming in are well-designed. The sharing out of the noise through respite schemes will be crucial in limiting the number of planes flying over any one community.

But the Government may find it needs to manage demand if noise is to be significantly cut as these days it is the number of planes which is the real problem. It already imposes Air Passenger Duty (APD) at a level which makes UK flights the most heavily taxed in the world. It will be reluctant to impose more taxes. But the scope is there to do so should they be required. Aviation fuel is tax-free; there is no VAT on airline tickets. And there are innovative approaches like a Frequent Flyers Levy which could curb the growth in air travel without hitting business trips or most family holidays (every leisure traveller would be permitted one tax-free return flight a year, with the tax increasing with each subsequent flight taken). A market mechanism, such as carbon trading, might also do the trick.

But, in our view, these taxes should only be used if required to dampen down demand because it doesn't look as if the industry can deal effectively with key downsides like noise and climate change. They should not be used to kill off or wound the aviation industry for, if that happened, all the undoubted advantages it brings would also disappear.

**Posted by Cut Noise**