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BATA Comment on CAA Consultation on Regulatory Regime & Airport Charges

Ahead of tomorrow's publication of the CAA's consultation on proposals for changes to the regulatory regime and landing charges at the three regulated airports of Heathrow, Gatwick and Stansted, Simon Buck, Chief Executive of the British Air Transport Association (BATA), said:

"No-one questions that Heathrow Airport continues to have substantial monopoly power and therefore requires tight economic regulation. We are therefore pleased that the CAA has previously tentatively rejected the arguments that Gatwick and Stansted do not have such power and therefore expect continued regulation to protect the interests of users. Deregulation, as favoured by both airports, will inevitably lead to poorer service and higher fares, not lower fares as Gatwick has misleadingly claimed.

"We call on the CAA to robustly protect the interests of the consumer by retaining the economic regulation of Gatwick, Stansted and Heathrow airports and using its regulatory powers to ensure there is a real term reduction in airport charges applied during the next regulatory period.

"BATA supports improving the passenger experience at Heathrow. However, we believe this can be done without a repeat of the incredibly steep price rises we have seen in airport charges in the last few years. The previous two review periods have seen the CAA disregard the interests of users and favour those of airport shareholders, with disastrous results. This has to change.

“Prices at Heathrow are triple the level they were ten years ago and Heathrow is already the most expensive hub airport in the world. Clearly this is a concern for passengers travelling through Heathrow, and all airlines operating there. Any further price rises at Heathrow are simply unacceptable.

“In the current economic climate other businesses, in private and public sectors and especially airlines, are making savings and delivering on less money. Airports should not be exempt from that and we call upon the CAA to use its regulatory powers to ensure there is a real terms reduction in charges applied to each passenger.

“Gatwick's charges to airlines have increased by around 50% over the past 5 years. The airport has proposed a further increase approaching 50% over the next regulatory period, while claiming this is a value for money proposition. We do not accept their arguments and reject their aim of deregulation as this is not in the interests of the travelling public.”

ENDS

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Notes to Editors

- BATA is the trade body for UK-registered airlines, with members representing all sectors of the industry.
- In 2012, BATA members employed 73,000 people, operated four-fifths of the UK commercial aircraft fleet and were responsible for some 96% of UK airline output, carrying 131 million passengers and 1.1 million tonnes of cargo.
- The eleven BATA member airlines are: British Airways, DHL, easyJet, Flybe, Jet2.com, Monarch, RVL Group, Thomas Cook, Thomson Airways, Titan Airways and Virgin Atlantic.