

Rt. Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
London
SW1A 2HQ

28 March 2020

Dear Chancellor,

As you know, the impact of the COVID-19 outbreak on UK aviation has been severe and truly unprecedented.

Global demand has collapsed, with markets with severe travel restrictions now covering 98% of global passenger revenues. Across UK airports, passenger numbers are approaching near zero. IATA's headline statistic on the economic impact has more than doubled with industry passenger revenues expected to fall globally by \$252 billion, or 44% below 2019 revenues. Restrictions have all but eliminated airline and airport revenue, but not costs, which are substantial and go far beyond solely wages. It remains unclear what the duration of the economic impact will be on the UK's airlines and airports, who face a pressing challenge to survive.

It is essential that they do. The UK has a world-class aviation sector and the third-largest aviation market in the world. UK aviation **supports some 1.6m UK jobs** across our nations and regions – including in the tourism industry. It is one of our truly international sectors.

In short, aviation plays a huge role in our national and economic life, and a healthy, competitive, UK aviation sector will be essential to support the recovery of the wider UK economy once this crisis has passed.

We welcome the cross-economy measures you have announced to date which will make a real difference to all businesses. But given the scale of the impact on aviation, they alone will not be enough and you have rightly indicated that further industry-wide measures will be considered to both support the sector through the crisis, and enable its recovery. You previously acknowledged the scale of the challenge facing aviation when you announced, on 17 March, that discussions would begin on a bespoke support package for airlines and airports.

Airlines, airports, air navigation service providers, travel retailers and ground handlers have made clear to Government the support they need. We believe the Government should review these measures urgently, to safeguard jobs and the UK's international competitiveness as an aviation hub. This should include liquidity support where necessary, cost alleviations – including on a range of taxes and industry charges, regulatory easements and the adaptation of the Job Retention Scheme to take account of the unique aviation

context. Industry, meanwhile, stands ready to work in partnership with Government by putting in place their own measures to assist with the effort.

These measures – from Government and industry – would make a material difference ensuring the ongoing health and competitiveness of UK aviation and delivering a strong, UK-wide economic recovery.

We would welcome the opportunity to meet with you, virtually, to discuss these measures at a time of your convenience.

Yours sincerely,

Allan Dorans MP
Philippa Whitford MP
Richard Thomson MP
Owen Thompson MP
Dave Doogan MP
David Linden MP
Kirsten Oswald MP
Alison Thewliss MP
Peter Kyle MP
Brendan O’Hara MP
Mike Kane MP
Colum Eastwood MP
Catherine McKinnell MP
Ian Paisley MP
Chris Matheson MP
Christine Jardine MP
Henry Smith MP
Richard Thomson MP
Caroline Nokes MP

Rachel Hopkins MP
Maria Eagle MP
Sir Graham Brady MP
Robert Goodwill MP
Gavin Newlands MP
Jim Shannon MP
Angus MacNeil MP
Ian Blackford MP
Drew Hendry MP
Alan Brown MP
Lord Blunkett
Kirsten Oswald MP
Gavin Robinson MP
Crispin Blunt MP
Seema Malhotra MP
Mary Glendon MP
Stephen Kinnock MP
Steve Brine MP
Sarah Champion MP

Cc:

- Rt. Hon Boris Johnson MP, Prime Minister
- Rt. Hon Grant Shapps MP, Secretary of State for Transport