CAGNE
Communities Against Gatwick Noise and Emissions

The umbrella aviation community and environment group

April 2021

CAGNE response to the Government Domestic Air Passenger Duty consultation – deadline 15th June 2021

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/971943/Aviation_Tax_Reform_Consultation.pdf

The polluter must pay; UK airlines must now face paying green taxes to fly as long as they burn fossil fuel.

Other industries are striving to become greener whilst meeting all tax and duty requirements of this government and yet aviation does not. The government document -

'The UK aviation accounts for around 8%of the UK's total greenhouse gas emissions. International aviation is responsible for the vast majority of this contribution and accounted for 37MtCO2 in 2019, whereas domestic aviation was responsible for 1.4MtCO2. The sector's share of UK emissions is likely to continue to increase as other sectors, such as energy and manufacturing decarbonise more quickly.'

Worldwide we have seen governments offering bailouts for airlines, with no environmental criteria in the pay-back. This is unacceptable.

CAGNE fully endorse a green tax on aviation, in addition to Air Passenger Duty which must be safeguarded as revenue to the Exchequer is more important today than it has ever been in meeting the costs of Covid-19 and the NHS.

It must be noted that flying is not something that everyone does and yet, since the Second World War, aviation has benefited from not having to pay duty or VAT and continues to do so from taxpayers' money eg £55m for modernisation of airspace.

Domestic flights

Questions

1/2/3 CAGNE fully support the connectivity of the north and south of the UK but as Gatwick Airport is not a connective airport unlike Heathrow, we would encourage government to look north to bring freight directly into destinations where required.

Gatwick Airport is a destination airport for low-cost leisure travel as such all flights should carry APD and a green tax to reflect this. It carries very little freight as over 80% are short haul flights and does not have the surface access transportation for freight other than congested roads. It does not assist in global connectivity within the UK.

Air Passenger Duty could be fundamental in investment for cleaner air travel taking the burden away from taxpayer's purse. APD funds should be invested in new technology and greener fuels – currently there can be no excuse, the polluter and flyer must pay for a greener future.

Taxpayer having already invested £1.5m for a competition to support production of sustainable aviation fuel. As well as £15m into FlyZero an industry body to undertake studies on developing zero-emission aircraft that could be unrealistically in service by 2030 as they would have to be in production now as fleet last 25 years. And carbon trading a marketing system created by the international aviation industry (ICAO) which actually does not tackle the real effects of carbon, N0X and vapours produced by flying.

- To remove Air Passenger Duty (APD) on domestic flights would be a retrograde move and one that will not encourage use of greener modes of transport. We see investment in rail as another way APD funds being spent to enable rail to compete with flying as a greener form of transport.

  It is more expensive to travel by train across the UK than it is to fly, this does not reflect the emissions created by flying. Railway franchisees simply cannot compete against airlines cheap flights eg Virgin trains. This does not reflect the pollution created by airlines in comparison to rail and makes rail franchises unsustainable with unfair competition from air travel.

  Some local authorities have been underwriting flight path routes to regions (eg Newquay) due to lack of passenger uptake even with the low cost of the flight – this is unacceptable as airlines are commercial as such they should only be flown if viable and the price of the air ticket must reflect the emissions and cost of the flight.

  The Government's commitment to provide £350 million to fuel the green recovery (not just in aviation) has to be welcomed but taken in perspective, as the HS2 railway is costing £403m per mile [i] and the new road building budget is £27bn [ii]. But we have to ask why this luxury industry should benefit when other industries face demise due to the pandemic?

- 'Regional airports in all nations of the UK play a crucial role in the areas in which they are situated, acting as hubs for growth by serving local businesses and bringing tourism directly to many parts of the country'.

  If we are only referring to internal flights, then this can be achieved with more efficient rail connections for passengers and freight than being reliant upon air. As we have seen at Gatwick Airport, due to COVID and in 2008 recessions, local economics that rely upon an

airport for economic growth are very vulnerable to downturn in consumer demand as such areas must look outside of aviation for economic stability and connectivity especially if aviation has to absorb the cost of air traffic, new fleets, expensive fuel, green taxes, VAT and duty.

- Most emissions are produced by airlines during take-off and landing as such it could be said that internal flights are responsible for considerable, and unnecessary release of greenhouse gases.

  Transport & Environment state that aviation remains the fastest growing source of emissions in Europe, having grown 26% between 2013 and 2018 and now represents 4.2% of European emissions. Aviation's non-CO_2 effects expand the climate impact of the sector even further. [iii]

- HMRC income from Air Passenger Duty is £3.5bn. Any ADP reduction would fly in the face of any green policies; APD would actually need to be 3-4 times its current level to reach tax parity with road users.

  We appreciate that the industry has faced a major downturn in revenue as has HMRC due to the lack of flyers, but this is not the time to reduce ADP in the rouse of increases connectivity of the country as the government also state envisaged growth in this sector – more emissions

  But we must remember that these are commercial organisations that have, over the years, seen vast profits for shareholders who now seem reluctant to support their own industry, seeking government bailouts instead. The Government has just offered £55m to fund the modernisation of airspace to benefit their industry, as well as greater Government investment in alternative fuels, so that they can remain in business without bearing the development costs.

4/5/6/7

CAGNE does not support any new flight paths as it would rather see less noise polluting, mental health issues created by aviation on those below, and greener forms of transport investment.

8 We must make all industries work on a level playing field as the polluter must pay tax according to the emissions they release, and so air fares must reflect this, long haul, short haul and domestic to enable rail (greener forms of transport) able to compete fairly and so encourage fewer people to fly.

9/10/11/12/1314/15

Devolution – All areas of the UK – Scotland, Wales and Ireland must seek to reduce emissions and reliance upon aviation as a form of transport if they are serious about net zero.

We do not see northern and southern Ireland as different to international travel as such they should pay full short haul APD. Both legs of the flight

should carry APD, so we do not support the government suggestion of one-way APD exemption on domestic flights (2.7-2.9).

Until this time, to act as an incentive, flights should still carry APD until environment friendly planes can be operated, departing and arriving. These modes of transport should then carry no ADP as an incentive to operators and passengers to invest now for a brighter greener future.

16/17/18

We should use this opportunity post Brexit to ensure that aviation is brought into line with other industries in paying for a greener future in the government's Build Back Better plans. This must include taxation on fuel, duty and green taxes, in addition to APD.

New APD band for domestic flights - CAGNE accept that outlying islands cannot be accessed by rail. New technology in aviation has a role to play in overcoming; alternatives to flying whilst burning fossil fuel. These areas of UK connectivity attract a small percentage of travellers as such are in perfect locations for new types of greener planes to be operated as the number of passengers is very limited. These types of new aeroplanes should be utilised to gain access to remote locations over water as such they should then receive no or reduced APD tax.

International Distance Bands - If people must fly, then the full price must be paid for that luxury, to curb demand and ensure investment goes into alternative greener modes of transport, such as making rail fares cheaper for all.

19/21/22

Two or multiple bands of APD al should reflect the emissions released during flight, outward and inward with added green tax and frequent flyer levy as the polluter and flyer must pay.

20/25 ADP must remain to reflect the emissions released and harm to the planet by flying. We have to ask what if mitigation does not work as this is the only form of offsetting currently offered by aviation and as the Committee on Climate Change state, *'England is not prepared for 2 degree increase in warming let alone 4 degrees a good plan should include adaptation to 2 degree an consider the risk of 4 degrees'* instead of seeking ways to make flying cheaper – aviation, internationally and domestically, has to be curbed.

25 The UK faces a range of growing climate risks. As such CAGNE would endorse a frequent flyer tax on top of distance bands as aviation is a luxury industry (70% of UK flights are made by a wealthy ABC115% of the population, with 57% not flying abroad at all [iv]). If aviation is to be allowed to grow, sustainable aviation fuels will have to play a critical role in achieving the Government's goal of demonstrating flight across the seas without harming the environment within a generation. Green energy will also be required by other sectors, so we have to question whether it would be better-used to reduce heating costs and remove fossil-fuelled cars from roads, rather than for a luxury industry?

[i] https://www.independent.co.uk/news/uk/home-news/hs2-high-speed-railway-most-expensive-world-403-million-mile-michael-byng-a7843481.html#:~:text=HS2%20%27will%20be%20most%20expensive%20railway%20on%20Earth,expected%20to%20reach%20%C2%A3403m%2C%20according%20to%20Government%20calculations

[ii] https://www.theguardian.com/uk-news/2020/mar/11/chancellor-announces-27bn-for-roadbuilding-in-budget

[iii] Transport and Environment E-Fuel Position Paper

[iv] https://www.bbc.co.uk/news/business-49808258

Est Feb 2014

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