

Our Skies

Contents

	Page
Summary	3
1. Getting the Best Out of Air Travel	5
1.1 Economic Benefits	5
1.2 The Liberal Democrat Approach	5
2. Promoting Safety and Competition	7
2.1 Open Skies	7
2.2 Improving Safety	7
2.3 Air Traffic Management	8
2.4 Reform of the CAA	8
2.5 BAA	9
3. Air Travel and Regional Development	10
3.1 Regional Airports	10
3.2 Air Freight	11
4. Building An Integrated UK Transport System	12
4.1 Switching Transport from Air to Rail	12
4.2 Boosting Public Transport	12
5. Reducing Aircraft and Airport Pollution	14
5.1 Encouraging Fuel Efficiency	14
5.2 Tackling Noise Pollution	14
5.3 CAA and the Licensing System	15
5.4 Reducing Traffic Around Airports	15
5.5 Shopping at Airports	16
Appendix 1 - Heathrow Terminal 5	17
Appendix 2 - Glossary of Terms	18

Summary

Liberal Democrats aim to create an integrated transport system that is competitive, sustainable and safe. Within this strategy, we want aviation to offer the greatest benefits with the lowest environmental cost.

Liberal Democrats aim to create and maintain a balance between the need to travel and the need to conserve the environment.

Promoting Safe Air Travel

Liberal Democrats believe that all people should have the freedom to travel safely and affordably. We seek to promote competition, to give power to the consumer, to deliver more choice and a better quality of service, with the continued pursuit of the highest standards of safety. We would:

- Establish a new branch of the CAA - the Environmental Regulatory Group - to set and monitor minimum environmental requirements.
- Oppose privatisation of the National Air Traffic Service (NATS).
- Promote a single regulatory air safety authority for Europe.
- Press for the modernisation of European Air Traffic Services and the earliest introduction of Future Air Navigation Systems.
- Support the 'Open Skies' policy, and press for revision of the system for allocating runway slots.
- Encourage EU countries to stop providing state subsidies to national airlines.
- Require the Monopoly and Mergers Commission to reconsider the potential public interest benefits of splitting up BAA.

Develop Regional Air Travel

Access to an international airport has important benefits for regional economies. Many regional airports provide a wide range of domestic and international services. We would:

- Work towards multilateral agreements between the EU and US to open up the transatlantic market for regional airports.
- Deregulate landing charges to allow regional airports to become more competitive and help to encourage international flights.

Liberal Democrats consider that the proposed terminal five extension to London Heathrow Airport should not be brought into operation until all other options have been exhausted, and the concerns about capacity, noise, pollution and surface access have been addressed.

Building An Integrated UK Transport System

Short-haul flights are bigger polluters than long haul. Liberal Democrats seek to shift very short journeys from air to rail, wherever possible. We would:

- Introduce varied levels of airport departure tax. Higher rates would be charged on domestic and European routes where an alternative, reasonable and convenient mode of mass transport is available.
- Extend franchises to include, if necessary, the provision of rail and/or light railway links to airports.
- Encourage the co-operation between airlines, tour operators and rail operators to develop a system of baggage check-in facilities at key rail stations.

Reducing Aircraft and Airport Pollution

Air transport policies must be designed for the long term - for an economically and environmentally sustainable future. The cost to the environment should be minimised as far as possible, with the polluter paying for the burden they create. We would:

- Continue to work with the UK's international partners to introduce a fuel tax. If this is not possible, we will seek to introduce a tax at European level.
- Give local authorities more power to monitor noise levels around airports, and a role in setting caps on noise levels and night flights.
- Penalise operators where they exceed prescribed noise thresholds.
- Require all airports to undergo an environmental audit.
- Set targets for a reduction in the number of private motor vehicles used to transport people to airports, penalising airports which do not meet these targets.
- Ensure that the expansion of retailing within an airport is subject to the same strict planning rules that apply to other projects.
- Support the existing EU commitment to end duty-free on all European Union travel and seek to extend that internationally.

Getting the Best Out of Air Travel

1.0.1 The Liberal Democrat approach to air transport rests on the same basic principles as the rest of our policies: freedom of choice for the individual and in social justice, decentralisation of power, and the need to take a long term view in creating the conditions necessary for putting those principles into practice. Most importantly, it includes the need for concerted action to tackle the threats to the global, national and local environment. There is a balance to be achieved between expanding travel and conserving the environment.

1.0.2 The commercial, cultural and leisure benefits of air transport are great. Air transport is essential in an increasingly global community and marketplace. It facilitates the rapid movement of millions of people and billions of pounds worth of goods to markets around the world. In addition, there are equally significant benefits such as the strengthening of ethnic and cultural links between continents. The world has become a smaller place.

1.1 Economic Benefits

1.1.1 Air transport has come to dominate long-distance overseas travel. Cities around the world have become increasingly dependent upon the international flow of commerce. Within this context, airports have taken on an important international role. Employment, trade and tourism are all

dependent, to some degree, on good communications. Unemployment and the balance of payments would worsen without an effective transport system which enables British commerce and industry to be efficient and competitive.

1.1.2 Aviation is at the heart of the travel and tourism sector, now the world's largest industry. In total, 23.7 million foreign leisure visitors came to the UK in 1995. They spent over £12 billion, making tourism one of the country's largest earners of foreign exchange. Forecasts of future air travel indicate strong growth in demand. Last year, 136 million people used UK airports and this figure is set to rise steadily.

1.2 The Liberal Democrat Approach

1.2.1 Air transport policies must be designed for the long term - for an economically and environmentally sustainable future. Sustainable development requires a long term adjustment in both public planning and personal lifestyles in order to contain the need for transport. Liberal Democrats aim to build a society designed around the principle of accessibility, rather than mobility. The ability of individuals to reach work, friends, vital services and so on, rather than the right of people to travel regardless of the social and environmental costs involved.

1.2.2 There is increasing public awareness of the environmental effects of air travel. Air transport already accounts for almost one sixth of the energy used in the transport sector and is the most rapidly growing source of greenhouse gases. Nitrogen oxides from high flying aircraft contribute significantly to the destruction of the stratospheric ozone layer, helping to expose the earth's surface to harmful ultraviolet radiation. The increased production of ozone in the lower atmosphere by other aircraft emissions is an additional effect, the order of which is not fully understood. There are three key environmental concerns:

- The effect on the world's climate. (See section 5.1)
- The local effect of aircraft, their emissions and noise on the community environment. (See Chapter 5)
- The effect of an airport on the surrounding environment. (See Chapter 5)

1.2.3 The aviation industry is run on the same 'predict and provide' basis as the roads programme, with no thought of any constraint on growth. Like road transport, it receives large public subsidies - duty-free sales, no tax or VAT on fuel, public funding for airport surface access - and has large environmental impacts.

1.2.4 Liberal Democrats would include air transport in the development of an integrated transport system. The Government has a vital role in planning, providing, regulating and integrating transport systems. Transport has major direct and indirect effects on the environment. As much as possible, we want to reduce its contribution to climate change

and other causes of environmental degradation.

1.2.5 Within this framework market forces have a key role in allocating resources in accordance with the demands of users and of securing efficiency. Market forces, however, require an effective regulatory framework to ensure that they serve the wider public. It is also necessary that prices reflect environmental and social costs.

1.2.6 Liberal Democrats would set tough targets for cutting pollution and other annoyances (for example; noise and traffic congestion) caused by aircraft and airports. Such targets should be set in the UK - but some action will require EU or even global agreements. These targets would be set and regularly reviewed in a co-ordinated manner between industry, the regulatory body and general public. Targets would be monitored and enforced. They would be tightened over time in order to achieve improvements.

1.2.7 We believe that legislation must balance the economic and environmental costs and benefits. The co-ordination and development of air transport cannot be left solely to market forces. A strategic overview is required which takes into account:

- The effects of transport on the location of people and activities.
- The impact on the environment.
- The influence on society, commerce and industry.

Our transport policies all aim to discourage polluting forms of transport and encourage 'cleaner' alternatives.

Promoting Safety and Competition

2.0.1 Liberal Democrats believe that all people should have the freedom to travel safely and affordably, while recognising that the price of air travel must reflect the cost of the damage it causes the environment. We seek to promote competition, to give power to the consumer and to deliver more choice and a better quality of service, in tandem with the continued pursuit of the highest standards of safety.

2.1 Open Skies

2.1.1 In 1989, the EC Council of Transport Ministers declared that liberalisation of air services, harmonisation of standards and a common policy on external aviation relations must be regarded as an integral part of a common air transport policy - Open Skies. It is envisaged that Open Skies will create a single market in aviation so that airlines from different countries may compete with each other on an equal basis.

2.1.2 Liberal Democrats support the 'Open Skies' policy. This should not be at the expense of environmental and safety standards. Where there are efforts to harmonise standards, these efforts should result in maintenance of the highest possible standards.

2.1.3 For the full benefits of air transport liberalisation to be realised, the system of allocating airport runway slots at EC airports also needs to be revised. We

welcome the review, by the Council of Transport Ministers, of the regulations concerning slot allocation.

2.1.4 Liberal Democrats support measures to enable new airlines to enter into the market; for instance, creating a pool of slots, half of which are allocated to new entrants. The pool would consist of newly created slots, those surrendered by airlines and by virtue of the 'use it or lose it principle' (rate of capacity utilisation is less than 80%). We believe that the 'grandfather' rights of airlines should be phased out to allow competition between airlines and more choice for consumers. However, we would not wish to see slots for sale, as this would undoubtedly work against smaller, less established airlines.

2.1.5 State aid to airlines distorts the air transport industry around the world. Liberal Democrats welcome the current moves by EU countries to stop state subsidies being provided to national airlines and wish to see such subsidies eliminated altogether in Europe.

2.2 Improving Safety

2.2.1 Liberal Democrats support the safety regulators' endeavours to maintain high levels of air safety. In the next 24 hours, over 5,000 aircraft will fly through the United Kingdom airspace. The projected growth in air traffic presents safety regulators with a great challenge. With more aircraft in UK skies, there is a greater risk

that the number of accidents will increase. Clearly this is unacceptable.

2.2.2 The EU is increasingly involved in air safety matters. It is envisaged that in future, common safety standards will apply throughout Europe. Therefore, Liberal Democrats believe that a single regulatory air safety authority for Europe is needed. The authority would maintain high safety standards for the whole of Europe and would phase out distortions caused by different standards and rules. It could be based upon work done by the existing Joint Aviation Authorities (JAA). However, such harmonisation must always be applied to lift standards. The new organisation would need to develop a comprehensive aviation safety regulatory system. We would press for a target to reduce the number of accidents over the next ten years.

2.2.3 Liberal Democrats would ensure that the Air Accident Investigation Branch, which is responsible for the investigation of accidents and serious incidents, remains independent from both airline operators and the CAA. We seek to ensure complete freedom from any undue influence.

2.2.4 Air transport is a high technology growth industry which requires a highly trained workforce. Safeguards are needed to limit significant reallocations and 'flags of convenience'. We support harmonised improvements in working conditions for flight crews and maintenance staff, oriented towards safety requirements.

2.3 Air Traffic Management

2.3.1 The problems of bottlenecks and excess 'holding' by aircraft will increase as

the number of aircraft increases. The machinery for change is cumbersome and involves national, regional and international organisations, and both government and aviation bodies. Liberal Democrats will press for investment in the modernisation of European Air Traffic Services. We recognise the efforts made by European ATCs, through EUROCONTROL, to start the process of standardisation of ATC throughout Europe, and wish to see greater priority placed on implementation.

2.3.2 The Future Air Navigation Systems (FANS) concept was endorsed by the International Civil Aviation Organisation (ICAO) in 1991. It consists of upgrading communication and navigation systems, and surveillance in order to allow the introduction of efficient Air Traffic Management which will reduce flight delays and improve efficiency of operations. Liberal Democrats wish to see the rapid implementation of these systems.

2.3.3 We would seek to encourage an international exchange of best practice, to ensure that mistakes made in the development of one airport, are not repeated in another.

2.4 Reform of the CAA

2.4.1 The Civil Aviation Authority is the regulator of the airline industry in the UK and is responsible for promoting high standards of safety and service in civil aviation. At present, its work is divided into three different sections - the Economic Regulatory Group, the Safety Regulatory Group, and National Air Traffic Services (NATS).

2.4.2 Liberal Democrats believe that some reforms are needed within the CAA

structure, so that it can continue its regulatory role into the next century as the number of aircraft continues to rise.

Liberal Democrats propose to:

- Revise the CAA's remit to include representation of public interest. At present the CAA is solely concerned with airport users.
- Establish a new branch of the CAA - the Environmental Regulatory Group (EvRG). The EvRG would set and monitor minimum environmental requirements. (Further details are set out in sections 4.1 and 5.2)

2.4.3 Liberal Democrats remain opposed to the privatisation of NATS. Following the experience with rail, there are concerns that safety standards could be placed at risk. Further, the unified control of civil and military flights could be complicated. The main argument for privatisation focuses on the need to upgrade the Future Air Navigation Systems (FANS) technology. This will cost some £100 million and is not seen as a suitable candidate for the Private Finance Initiative (PFI). Supporters of privatisation argue that selling NATS will provide access to the capital required. Liberal Democrats reject these claims. If such an investment is worth undertaking, in terms of the returns it will yield, it is better and cheaper to raise the money in the public sector. (For further details on our proposals to reform public investment, see Policy Paper 16, *Investment, Partnership, Sustainability* (1995).)

2.4.4 The CAA is financed by charges placed on airlines for the services it provides, and by government loans. It is not permitted to make a profit. Any excess or shortfall in the amount paid by airlines in one year is corrected by adjusting the charges in subsequent years. Airlines would bear the full cost of our proposed additional branch of the CAA, the EvRG.

2.5 BAA

2.5.1 BAA plc is a privatised utility that owns, amongst others, London Heathrow, Gatwick, Stansted, Aberdeen, Glasgow and Edinburgh. A number of problems are expected with the provision of future airport capacity in the UK. The greater part of BAA's business activity, revenue and profits derive from its retail activities, which is out of the CAA's control. The CAA regulates only the landing and terminal fees charged to airlines. The monopoly gives BAA little incentive to develop Stansted, following the abolition of the Traffic Distribution Rules in 1991. Therefore, it can be argued that London Heathrow has been developed to the detriment of other airports under BAA's control.

2.5.2 The privatisation of BAA, as a monopoly, provided little scope for competition. Existing regulatory arrangements are not adequately addressed by a number of subsequent developments. At the next quinquennial review of charges, we will ask the Monopolies and Mergers Commission to reconsider the potential public interest benefits of splitting up BAA.

Air Travel and Regional Development

3.0.1 Liberal Democrats seek to promote regional airports that service their local area. The economic development of the regions of Britain will be assisted by dynamic regional airports, well connected to the rail and bus networks. Many regional airports provide a wide range of services, including significant charter programmes in the summer months. Others, meanwhile, provide vital communication links to the remote regions and islands of the UK. Any air transport policy must recognise that the diverse nature of regional airports requires individual treatment.

3.1 Regional Airports

3.1.1 Access to an international airport has an important impact on the economy of a region. Air transport is of vital importance to local industry, and is a key contributor to local employment and local trade, particularly in the country's more geographically peripheral regions. Airports act as magnets to a wide range of industrial and commercial enterprises. Many industries locate close to airports, specifically to gain easy access to air transport and the ground-based infrastructure created to serve them. Multinational firms will tend to seek sites in cities with good air links. According to *The International Location Decision - A Literature Survey* (1993), air transport ranks third in the list of influences in determining in which country to locate. For example, Canon, Yamaha and Mitsubishi have set up key European offices near Amsterdam-

Schiphol airport. IBM has located a key distribution centre near Frankfurt Airport.

3.1.2 Increasingly, the prevalent structure is for smaller 'feeder' airports to service larger international airports. Services from several 'spoke' airports are timed to connect with ongoing, long-haul flights from the 'hub' airport, which is in effect a distribution centre. 'Air spokes', involving short-haul feeder services, are the worst offenders with regard to atmospheric pollution. (see section 4.1.1) Liberal Democrats will therefore discourage such feeder services by financing and promoting the connection of inter-city rail networks to major international airports and the provision of reliable services.

3.1.3 Many regional airports are growing strongly, in some cases faster than those around London. However, they generally still carry far fewer passengers than the London airports and have fewer flights than many airports serving cities of comparable size in the rest of Europe.

3.1.4 Liberal Democrats support multilateral agreements between the EU and US to open up the transatlantic market. (See section 2.4) It must be recognised, however, that to sustain all year round scheduled services at minimum levels of frequency, a substantial market base is necessary.

3.1.5 Liberal Democrats would deregulate landing charges, currently controlled and regulated by the Economic Regulatory Group at the CAA. This would

allow regional airports to be more competitive and attract international flights.

3.1.6 All airlines will inevitably prefer to use Heathrow, other things being equal. However, if market forces were allowed to operate, charges for using Heathrow would increase significantly as a consequence of the large suppressed demand to use it. This would not mean any reduction in flight numbers - market forces would adjust until all capacity was sold.

3.1.7 Liberal Democrats consider that the proposed Terminal Five extension to London Heathrow Airport should not be brought into operation until all other options have been exhausted, and the concerns about capacity, noise, pollution and surface access have been addressed. (See Appendix 1).

3.2 Air Freight

3.2.1 Air freight now represents an economic value to airlines, airports, forwarders and other related businesses of £330 billion per year - greater than the gross domestic product of some major countries. Present forecasts estimate that the demand for air freight capacity will double in ten years, with over 40% of the world's air freight carried in dedicated freight aircraft.

3.2.2 Currently, about 60% of air freight is carried in the belly hold of passenger aircraft. However, with the predicted increases in passenger numbers, as well as freight, manufacturers and exporters realise

that they can no longer rely on belly hold capacity for their operations. Given the pressure to control passenger slots, the removal or diversion of freight traffic to more suitable regional locations would ease present levels of congestion. There is a need to shift air freight operations away from already overcrowded passenger focused airports, such as London Heathrow and Gatwick.

3.2.3 Some regional airports in the UK recognise this already and are seeking to develop their facilities and market their capabilities. We welcome these moves, particularly at sites where the environmental impact of noise at night is less, and where there are good links with other forms of transport. Liberal Democrats would consider other mechanisms, such as the skewing of landing fees or the provision of special ramps to facilitate this process.

3.2.4 In the interests of developing world trade, and particularly between partners in the enlarged European Union, we support the greater use of technology systems to simplify import and export procedures and documentation.

3.2.5 Liberal Democrats support 'Open Skies' policies which offer the best operating environment for air freight operations. (See section 2.1) These agreements must be considered in their own right, and not confused with the more complex question of passenger agreements.

Building An Integrated UK Transport System

4.0.1 Liberal Democrats seek to decrease the environmental impact of air travel by reducing the volume of travel by air, compared to ground public transport and the amount of harmful greenhouse gases emitted per aircraft-mile.

4.0.2 Traffic to and from airports puts extra pressure on often already heavily overloaded airport access roads. Whilst there is considerable uncertainty surrounding air transport passenger demand, forecasts suggest a growth rate of 3.9% per year to the year 2006. Building new roads to cope with this additional capacity is not always an environmentally acceptable solution. Liberal Democrats aim to encourage those taking shorter journeys to switch from air to rail. To do so, we would boost public transport.

4.0.3 A modern railway system is vital in achieving sustainability and in reducing congestion and pollution. Liberal Democrats are committed to trebling the freight, and doubling the number of passengers, carried on Britain's railways by the year 2010. (See Policy Paper 15, *Transporting People, Tackling Pollution* (1995).)

4.1 Switching Transport from Air to Rail

4.1.1 Around 80 % of all aircraft carbon monoxide and hydrocarbon emissions are produced during taxiing and take off. In addition, short flights are energy intensive due to the high rate of fuel burn required to reach cruising height. In other words, short-

haul flights are bigger polluters than long haul in passenger kilometre terms.

4.1.2 Many passengers will change their mode of transport from air to rail if the alternative is viable. The CAA has estimated that the Channel Tunnel will divert 7 million passengers a year from air travel by 2005.

4.1.3 Liberal Democrats seek to encourage people to transfer very short journeys from air to rail, and other less polluting forms of transport, wherever this can be done. Therefore, we propose to introduce varied levels of airport departure tax and to invest the revenue raised in improved public transport. This would impose the highest rates on domestic and European routes, where alternative, reasonable and convenient modes of mass transport were available. We recognise that special cases, for example, remote communities, would require lower rates.

4.2 Boosting Public Transport

4.2.1 For the passenger, a journey does not begin or end at the airport. The range of alternative transportation modes that can be used to provide access to airports is wide: conventional railways, light rail systems, trams, bus networks and pedestrian facilities can all play a part. An improved network of rail services connected to major international airports would also provide a

more environmentally acceptable alternative to 'feeder' flights.

4.2.2 The Heathrow Express link to Paddington, and the rail spurs to Manchester Airport are desirable, as they encourage passengers to use rail, rather than air travel, by providing access to the national rail network. We also welcome plans to improve rail access to Luton Airport, and to extend the Metrolink to Manchester Airport. Upgrading the West Coast Mainline will improve access to Birmingham Airport and provide an attractive alternative to domestic flights. However, more could be done to improve Inter-city access to airports.

4.2.3 We would work to increase investment in rail by expanding partnerships between the public and private sectors. Our proposal to introduce a National Partnership Initiative, to bring more public money into the financing of public sector projects, is set out in Policy Paper 16, *Investment, Partnership, Sustainability* (1995). We would work with the Franchise Director, using the new National Partnership Initiative, to offer franchises to establish high speed rail and light rail links to airports.

4.2.4 Convenience would be enhanced if, through co-operation between the airlines, tour operators and rail operator, a system of baggage check-in facilities at key rail stations, together with a through-ticket system combining the air and rail fare, could

be developed. The check-in facilities provided at Victoria, for the Gatwick Express passengers, is a welcome example of a system which should be extended to other routes.

4.2.5 Buses and coaches have a higher degree of routing flexibility and lower start-up costs compared to rail. Long distance coaches will continue to play an important role in conveying passengers to airports. Buses are able to offer an extensive network of routes penetrating into residential areas. They will continue to offer an economic and practical alternative to the car. In some cases, an improved level of service could be provided by light rail, provided the high capital costs can be justified. We would work with airports and local public transport providers to ensure that restrictions placed on car access are adequately compensated for by reliable local public transport systems.

4.2.6 Many airport workers are encouraged to travel to work by car because their employers provide parking spaces. Even at airports with heavy road traffic, congestion associated with the airport employees' journeys, to and from work, forms a major proportion of all traffic. We would encourage employers to set up schemes that motivate their employees to use public transport. These could include the provision of bicycle racks or employee mini-buses.

Reducing Aircraft and Airport Pollution

5.0.1 Liberal Democrats believe that air transport policies must be designed for the long term, for an economically and environmentally sustainable future. The cost to the environment should be minimised as far as possible. Liberal Democrats propose to apply the ‘polluter pays’ principle to transport. The environmental costs of a particular product or activity should be reflected in its price. Purchasers and users are thereby given a clear incentive to reduce their consumption and switch to less environmentally damaging behaviour.

5.0.2 Aircraft and airports have a negative impact on the quality of life of people living close to airports, causing increased congestion, inconvenience, noise and pollution. Increasing air travel leads to the upward spiral of increasing demands for more road capacity and car parking space, which becomes difficult to resist.

5.1 Encouraging Fuel Efficiency

5.1.1 Air travel accounts for one sixth of the energy used in the transport sector and is the most rapidly growing source of greenhouse gases. There are two ways to reduce pollution: raising the price of fuel through taxation and improving standards of engine design.

5.1.2 The United Kingdom cannot unilaterally introduce a tax on aircraft fuel without adversely affecting the air transport

industry in this country. Therefore, Liberal Democrats would continue to work with the UK’s international partners to introduce such a tax. This would encourage airlines to save fuel by buying more fuel-efficient, modern aircraft and, by making passengers pay a more realistic price, encourage them to reconsider their mode of travel. If this is not possible, we would seek to introduce a tax at European level.

5.1.3 Liberal Democrats welcome the advances made by aircraft manufacturers in developing quieter and more fuel efficient aircraft. There is potential for continuing technical advances, including, for example, in engine design, which will offer environmental benefits. Airbus Industries has estimated that fuel use could be halved with better aerodynamics and more efficient engines. Technical innovation is likely to be accelerated by governments setting standards for fuel efficiency and other emissions.

5.2 Tackling Noise Pollution

5.2.1 Many people living close to airports are badly disturbed by aircraft noise. Despite technical advances that are leading to quieter aircraft, the increase in the number of flights could undermine the benefits of less noisy aircraft and noise abatement measures.

5.2.2 There is some debate about whether it is the general level of noise that is the problem, or the frequency that the noise is

heard. It is also important to take into account the time of day of any flights, as an aircraft taking off during the rush hour will have less of an impact than one taking off at 11.25pm or landing around 4.00am which arouse great hostility. According to World Health Organisation studies, people suffer from noise at levels lower than that currently recognised by the 57 Leq noise contours. Liberal Democrats would:

- Give local authorities a role in setting caps on noise levels and on night flights.
- Penalise operators where they exceed prescribed noise thresholds. This would fall within the remit of the Environmental Regulatory Group (EvRG) at the CAA.
- Ensure that new studies are begun, and their results taken into account, when setting noise limits.

5.2.3 Liberal Democrats welcome the use of different operating techniques to mitigate noise levels, so long as safety is in no way compromised. We call on international bodies, such as the ICAO, to study new technology to facilitate approaches and landings which reduce noise pollution.

5.3 CAA and the Licensing System

5.3.1 Liberal Democrats believe that airports must be licensed - as they already are for many basic safety and operational reasons - so that noise, pollution and the number of road vehicles are capped as a condition of licensing. This would put a premium on the use of quieter and more fuel efficient aircraft, whilst encouraging the improvement of rail and bus access for travellers and airport workers.

5.3.2 Liberal Democrats would ensure that where ever possible, the growth in aircraft pollution, caused by the increased numbers of takeoffs and landings, is compensated by a decrease in pollution caused by those travelling to the airport, usually in private transport or by other means. (See section 5.4) All airports will be required to undertake an environmental audit every year, which will be monitored by the Environmental Regulatory Group of the CAA.

5.3.3 Any airport not agreeing to the terms set by the EvRG will not get government approval for enlargement until it agrees to the planning framework. Airports would no longer be permitted development rights, which enable them to cram more activity into their sites, than has been agreed at a public inquiry.

5.4 Reducing Traffic Around Airports

5.4.1 In 1995/6, over 60% of all air passengers, or more than 51 million people, travelled to airports in the South East using cars and taxis. In addition to this, a large proportion of airport workers tend to use private means to arrive at work. (See section 4.2) The local impact in terms of pollution and congestion are, therefore, considerable.

5.4.2 Liberal Democrats' policies to discourage the use of private transport include:

- Shifting the tax burden from vehicle ownership to usage.
- Establishing a target of a 10% reduction in road traffic.

- Discouraging the citing of out-of-town developments on green field sites with no access by public transport.

(For further details, see Policy Paper 15, *Transporting People, Tackling Pollution* (1995.))

5.4.3 Liberal Democrats would establish restrictions on access to airports by car. Limits on the number of road vehicles allowed access will become more severe over time, to allow sufficient, but only sufficient, time for investment in public transport access to take effect. We would work to:

- *Reduce the number of private vehicles used to transport people to airports.* Local authorities could set targets for individual airports and penalise those failing to meet the agreed standard.
- *Reform the taxation of private non-residential parking.* Parking spaces should be rated separately for business rate purposes, with higher rates providing revenue for local public transport.
- *Discourage travellers from going to and from the airport by taxi or in a car.* We would increase charges for short-stay car parking, and encourage provision of long stay car parks at railway stations with direct rail services to airport terminals. We would consider, where appropriate, the application of a charge for admission beyond the airport perimeter.

5.5 Airport Shopping

5.5.1 Some opposition to airport development arises from concerns about the amount of space devoted to retailing. There should be a presumption against any retail development at airports - unless it can be shown to serve the genuine needs of airports users or workers.

5.5.2 Plans for the expansion of retailing within an airport should be subject to the same strict planning rules that apply to other applications. Liberal Democrats would amend the planning rules, so that consideration is given to each application's component parts before permission is granted.

5.5.3 BAA derives too much revenue from letting space to retail outlets. A high proportion relies on the sale of duty-free goods. Abolition of duty-free sales would return some normality to retailing at airports, and make operators more reliant on genuine airport related activities for revenue.

5.5.4 We support the existing EU commitment to end duty-free on all European Union travel, and would seek to extend that internationally. As an interim safety measure, we would allow passengers to purchase duty-free goods only at the end of their journey. This occurs in both Australia and Singapore.

Appendix 1

Heathrow Terminal 5

In 1994 (*latest figures*), 42% of all air passengers in the UK used Heathrow Airport. This demand is forecast to increase, despite the fact that there is unused capacity at Stansted and at other UK airports. Heathrow, by contrast, is already almost at the limit of the capacity of its two runways under current operating procedures.

What is proposed at Heathrow is a complex of buildings taking up more space than terminals 1, 2, 3 and 4 combined. The predicted increase in passengers would be from the existing 55 million passengers per annum, to approximately 80 million passengers per annum.

We believe that as presently proposed, the development of a fifth terminal and its surrounding complex at Heathrow would:

- Increase the number of flights, in spite of the fact that some of the extra passengers predicted would undoubtedly be accommodated on larger planes, and by greater occupancy rates of seats per flight.
- Reverse the improvements in the noise climate that might reasonably be expected in some areas around the airport, and add to the noise suffered on approach over west, and even central London; noise that would decrease without T5.
- Place intolerable pressure on the road network in the immediate and neighbouring areas, even with the planned public transport improvements.
- Add to development pressures on Green Belt outside the perimeter; further distorting the east-west economic balance of the capital.
- Only be a short term solution to the problem of increased numbers of air passengers and the question of extra runway capacity in the South East.

Liberal Democrats do not consider that the proposed extension to London Heathrow Airport should be brought into operation until all other options have been exhausted, and the concerns about noise, pollution and surface access have been addressed to the extent that present conditions will be improved, rather than worsened.

Appendix 2

Glossary of Terms

BAA	BAA plc. Formerly known as the British Airports Authority. Owner of amongst others, Heathrow, Gatwick, Stansted, Aberdeen, Glasgow and Edinburgh Airports.
CAA	The Civil Aviation Authority, the regulatory group of the airline industry in the UK.
EUROCONTROL	European Organisation for the control of air navigation.
ICAO	International Civil Aviation Organisation, established by the Chicago Convention on International Civil Aviation in 1944. 162 contracting states as of October 1990. The convention provides for the adoption of international standards and recommended practices. Headquarters in Montreal.
Slot	An airport slot is a planned timing for landing or takeoff, together with the necessary apron and terminal facilities to enable the aircraft and passengers to be handled.

This Paper has been approved for debate by the Federal Conference by the Federal Policy Committee under the terms of Article 5.4 of the Federal Constitution. Within the policy-making procedure of the Liberal Democrats, the Federal Party determines the policy of the Party in those areas which might reasonably be expected to fall within the remit of the federal institutions in the context of a federal United Kingdom. The Party in England, the Scottish Liberal Democrats and the Welsh Liberal Democrats determine the policy of the Party on all other issues, except that any or all of them may confer this power upon the Federal Party in any specified area or areas. If approved by Conference, this paper will form the policy of the Federal Party.

Many of the policy papers published by the Liberal Democrats imply modifications to existing government public expenditure priorities. We recognise that it may not be possible to achieve all these proposals in the lifetime of one Parliament. We intend to publish a costings programme, setting out our priorities across all policy areas, closer to the next general election.

Working Group on Air Transport and Airports

John Vincent (Chair)	Adrian Graves
Ian Beardsmore	John James
Tony Brooks	Laurie Price
Paul Burrall	Graham Salt
Mark Clayton	Adrian Slade
David Chidgey MP	Lady Susan Thomas
Alan Dean	<i>Staff:</i>
George Dunk	Emma Leeds
David Fenton	Giles Edwards
Katie Gent	Richard Hadwin

Note: Membership of the Working Group should not be taken to indicate that every member necessarily agrees with every section or every proposal in this Paper.

Comments on the paper are welcome and should be addressed to:
John Vincent c/o Policy Unit, Liberal Democrats, 4 Cowley Street, London SW1P 3NB.

Policy Paper No 27

ISBN No: 185187 336 8

© August 1997

Further copies of this booklet may be obtained, price £3.00, from Liberal Democrat Publications Limited, 8 Fordington Green, Dorchester, Dorset, DT1 1GB. Please add 20% for postage and packing. Telephone orders are welcome from ACCESS and VISA cardholders: tel. (01305) 264646.

Published on behalf of the Liberal Democrats, 4 Cowley Street, London, SW1P 3NB, by Liberal Democrat Publications Limited.

Layout and design by Mike Cooper, 25 Orchard Road, Sutton, SM1 2QA. (Tel: 0181 643 2964.)

Printed by Soloprint Limited, The Maltings, 105 Great North Road, Eaton Socon, St Neots, Cambridgeshire PE19 3EL, Telephone (01480) 213555.