Why Heathrow expansion fails Labour's 4 tests

NO 3RD RUNWAY COALITION

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The Labour Government have set four tests which it says will have to be met in order for the party to provide support. The tests require:

- Growth supported across the country;
- Noise issues to be addressed;
- Air quality to be protected;
- The UK's climate change obligations be met.

Growth

- The Updated Appraisal Report (p.44) that accompanied the Airports National Policy Statement (ANPS) shows that the Net Present Value (NPV - all costs and benefits) ranges from just £3.3bn to minus £2.2bn.
- Research by New Economics Foundation shows that 75% of the capacity of a third runway will be taken up by international to international transfer passengers.
- The DfT's own guidance suggests that the economic benefits of such passengers do not contribute to the welfare of the UK and should not be counted. Excluding these passengers from the DfT's most recent assessment – something the DfT itself recommends - could reduce the NPV by a further £5.5bn.
- The carbon abatement cost of Heathrow expansion has now doubled to £100bn, further eradicating any purported economic benefits.

Expansion hurts the regions

- DfT forecasts that growth at non-London airports between 2016 and 2030 will be 24% less due to a third runway at Heathrow and 17% less at between 2016 and 2050.
- The Transport Select Committee concluded that there will be 170,000 fewer flights from non-London airports compared to a no expansion scenario.
- The Airports National Policy Statement shows that regional airports will be adversely affected by Heathrow R3 without direct Government intervention.
    - Manchester - 5m passengers per annum (ppa) of growth lost
    - Birmingham – 2m ppa of growth lost
    - Smaller regional airports lose 10m ppa of growth in total and some may not survive

Minimal return on investment

- The Head of the OBR recently told the Treasury select committee because the UK is already a highly connected economy, further investment in infrastructure like expanding airport capacity will not deliver high economic returns.[1]

[1] https://committees.parliament.uk/oralevidence/14963/pdf/ answers to q.29 and q.33

- NEF have concluded that the economic assumptions that underpin the Government position favouring growth are outdated and have not been reviewed for some years.[2]

Weak business passenger market

- Contrary to expectations, growth in business passenger numbers has effectively ceased and new passengers now derive exclusively from the leisure market.
- As net business air passenger growth has effectively ceased, the macroeconomic benefits of British air capacity growth appear to have diminished.[3]

Tourism deficit

- NEF also asserted that the current dynamics of the UK's net cross-border travel results in spending deficit of £43bn with twice as many people flying out of the UK than fly in, thus exporting cash outside of the economy.
- An assessment of the impacts of Inbound and outbound tourism flows is currently missing from the economic analysis of aviation's contribution to the economy.

Fewer jobs

- There are fewer jobs in air transport in 2019 (and today), than there were in 2007 (despite +50m passengers) so that any growth simply helps preserve, not create, jobs in air transport. They also highlight that in 2015 air transport ranked 108th out of 129 sectors for job creation per £million turnover.[4]

Climate Change

- Heathrow is already the biggest single source of carbon emissions in the UK and expansion will add an extra 8-9 megatonnes of CO2 per year.
- The Government has accepted the Climate Change Committee's advice to include international aviation emissions in the 6th Carbon Budget. Heathrow's expansion plans were based on the exclusion of those emission in order to be compliant with UK climate law.
- The CCC balanced pathway to Net Zero anticipates that aviation will still be emitting 23 megatonnes of CO2 by 2050. A third runway at Heathrow would increase the airport's emissions to 20 megatonnes of CO2.
- Consequently, growth would need to be curbed at all other UK airports if a third runway is built in order for the UK not to breach its carbon targets.
- The CCC has said that allowing aviation emissions to overshoot the limit (as would be inevitable with a new runway) would imply other sectors making cuts beyond the limit of what is feasible.[5]

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[2] New Economics Foundation (2023) Losing Altitude: The Economics of Air Transport in Great Britain. https://neweconomics.org/uploads/files/NEF_Losing-altitude.pdf

[3] Ibid, p.3

[4] NEF (2023), p.12

[5] https://www.theccc.org.uk/wp-content/uploads/2013/07/CCC_letter_aviation_commission.pdf

- The NPS also makes no recognition of the wider climate impacts from aircraft and NOx emission at altitude. This can only put downward pressure on the amount of aviation CO2 emissions that can be accommodated under the Climate Change Act.
- A 3rd runway alone would be mean that aviation would constitute 25% of the UK's carbon emissions in 2050. Solutions proposed like Sustainable Aviation Fuel are simply not being manufactured at the pace or scale required.

Sustainable Aviation Fuel

- The Government's SAF mandate and target of 10% of aircraft using SAF by 2040 is not sufficient to allow unconstrained expansion.
- SAFs may only provide a tiny and expensive solution without significant government investment and intervention the market.
- There are unresolved issues around the definition of 'sustainable' for Sustainable Aviation Fuels (SAF) as there is not a single internationally agreed definition of SAF, nor is it clear how emissions in production are accounted for.
- In 2010, the aviation industry pledged to source 10% of fuels from sustainable sources by 2020. Yet by 2018, the industry had managed to source just 0.002%.
- The current global targets for approximately 50% alternative jet fuel use in 2050 would require three new bio-jet fuel refineries to be built every month for the next 30 years. Today there are just two facilities – the market is not delivering at the pace required.
- The Climate Change Committee (CCC) advises that we shouldn't plan for aviation biofuel to exceed 10% of total aviation fuel use by 2050.[6] The International Energy Association (IEA) Sustainable Development Scenario (SDS), anticipates biofuels reaching around 10% of aviation fuel demand by 2030, and close to 20% by 2040.[7]

Noise

- Up to **2.2. million people** would suffer from an increase in noise pollution by 2050.[8]
- **653,900 people** will fall within the DfT's 'significantly affected' 54 decibel noise contour.
- About half of these, **323,684 people** will fall into this category for the first time (although will not know it yet).
- A further **419,803 people** already significantly affected by noise will receive a doubling of flights overhead (they also won't know this.
- The Government has not set or defined an acceptable level of noise pollution – ignoring a request by the Transport Select Committee.

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[6] https://www.theccc.org.uk/wp-content/uploads/2013/04/Aviation-factsheet.pdf
[7] https://www.iea.org/commentaries/are-aviation-biofuels-ready-for-take-off
[8] This figure was unearthed following an FOI by campaigners in February 2018. See https://www.whatdotheyknow.com/request/aviation_policy_framework_metric_2#incoming-1104762 (Attachment 5)

- The guidance in the Survey of Noise Attitudes (2014) shows sensitivity to noise has increased.
- More and more studies over the past decade have demonstrated that noise has negative health impacts at lower levels than previously understood.
- Hundreds of thousands of school children across London and the South East are already exposed to aircraft noise above 54 decibels, the sound level threshold that has a negative effect on their behaviour, memory and cognitive development.
- The Airports Commission recommended that an independent noise authority should be operational and making a judgement about expansion proposals.
- Approving expansion at Heathrow without such an assessment risks exposing millions of people to noise pollution that damages their physical and mental health, without knowing who will be impacted, for how long and what level of noise they will be exposed to.

Air Pollution

- The Government accepts Heathrow expansion would have a "significant negative" effect on Air Pollution.
- Government has provided no evidence to show how Heathrow can expand and comply with legal limits.
- There is currently no enforcement methods should Heathrow not meet legal requirements.
- The area around Heathrow is the second major hot spot for nitrogen dioxide (NO2) pollution in London, with breaches of legal limits recorded close to the airport for many years.
- TfL estimates that if the NPS mode share targets are met, there will be 40,000-60,000 additional cars on the roads every day as a result of an expanded Heathrow.
- Expansion would result in a total of 175,000 additional daily trips on local transport networks.
- The revised sustainability appraisal published alongside the NPS concluded that even after taking account of possible mitigation measures, Heathrow expansion would have "significant negative" effects on Air Quality.[9]

[9] DfT *Appraisal of Sustainability: Airports National Policy Statement*, June 2018, Table 7.3)