Unite Industrial Sector Fact Sheet **September 2009**
Sector: Civil Aviation
Research Contact: Colin Potter

Industrial Profile

Employment

Aviation is a major UK industry which carried over 189,878,552 passengers on international flights and 24,343,340 passengers on domestic flights together with 2,290,713 tonnes of freight in the UK last year alone. As a result of the recession as both the number of air passengers and volume of freight has declined. Stiff competition from Paris Charles De Gaul, Frankfurt, Amsterdam, Madrid and now Dubai airports and higher than expected fuel charges during late 2007/2008 have exacerbated this situation.

Last year Heathrow carried 1,397,054 tonnes of cargo (up 7% on 2007 = 61% of all UK air cargo) and 61,344,438 passengers (up 2%) followed by Gatwick with 30,431,051 passengers (down 12.1%) and 107,702 tonnes of air cargo (down 37%); Stansted with 19,996,947 passengers (down 11.4%) and 197,738 tonnes of freight (down 3%) and Manchester with 18,119,230 passengers (down 0.2%) and 141,781 tonnes of freight (down 14%).

Due to the high cost of fuel crisis followed by the recession, numerous airlines have either ended operations or merged in order to survive.

The Government's aim has been to develop a long-term framework that will maximise the beneficial aspects of aviation and minimise the negative ones especially now that aviation has been given a European wide emissions trading scheme. Air travel remains crucial to our economy with well over 200,000 jobs directly and some 700,000 jobs indirectly dependent on it. Heathrow alone contributed over £5 billion into the economy last year.

Although a third of the goods exported by value go by air, 96% of cargo by weight are still sent by sea or travel to the UK via the road/rail network.

Trade Unions

Unite has approximately 80,000 members in the sector. Other unions within the sector include GMB and BALPA. The vast majority of engineers, ground handling staff and cabin crew are represented by Unite.

Employers

The employers in this sector include:- Aer Lingus, Air Canada, Air India, Air Malta, Air Mauritius, Air New Zealand, American Air, AMP Swissair & Sabena, Astraeus, Aviance, Belfast City Airport Ltd, Birmingham International Airport, Blackpool Airport, the Britten Norman Group Ltd, Bristol International Airport, Bristow Helicopters Ltd, British Airways, Cardiff International Airport, Cathay Pacific Airways, CHC Scotia Ltd, City Aviation Services, City Flyer Express Easy Jet, East Midlands Airport, Federal Express, Menzies, Virgin,Atlantic etc
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Current Issues and Activities

In March 2009 ABTA announced that over 40 of its member companies had stopped trading as a result of the decline in passenger numbers. Globally the total number flying has declined as the recession has forced may families to stay at home.

Despite this HM Treasury proposes to increase air passenger duty (APD). The trend with the EU is to cut taxation to assist the industry in its recovery and promote tourism has been described as madness. The UK already has the highest level of passenger taxation in Europe. This increase will add around £300 to the cost of a family of fours holiday and as a result actively encourages passengers to fly long haul from rival European airports as opposed to flying direct or via Heathrow, as purchasing a separate ticket from the rival European hub would eradicate the additional cost of APD. The Dutch scheme which lasted just one year aimed to raise aimed at raising €364 million. The resultant loss of an estimated 900,000 tourists lost the countries economy in excess of €1.3 billion. The UK scheme already raises £2 billion per annum, none of which is hypothecated for environmental mitigation measures or investment in improvements in the industries.

The decline has given some of our major airports some breathing room. The major exception to this is Heathrow which has seen a greater percentage of transferring traffic offsetting to some degree the decline in holiday makers. There is still a significant lack of capacity at our major airports which will struggle to cope with the predicted climbs in demand. This additional capacity requires major investment in the expansion of airports to cope with the demand to maintain the hub status currently enjoyed by London. Heathrow is currently running at over 99% of capacity causing a major obstacle in the way of commerce and making other nations more attractive. If this hub status is lost then it is believed that a major resource to the British economy will go with it causing major job losses. Unite is therefore campaigning along with other organisations to promote the expansion of Heathrow capacity and our other major airports if it can be done within environmental limits so that the hub status can be maintained.

As funding for any additional capacity is obtained from within the industry without any tax payers funds being utilised, the recession will inevitably lead to further delays in raising the capital needed for this much needed improvement.

The need to cut expenditure has lead to airlines to pass on the charges levied by airports for second and subsequent pieces of luggage. This will inevitably lead to an increase in the weight of luggage as passengers attempt to put the content of two bags into one. Unite has been campaigning for some time to reduce the maximum allowable bag weights to 23 kg as a result of the number of back injuries suffered by handlers. In a typical shift a single handler will on average manually move of 9 tonnes of luggage. That’s the equivalent of two elephants.

The environmental impact of aviation continues to be a major concern for aviation in general with pressure being brought to bear on aircraft manufacturers to reduce emissions and sound pollution to make aircraft more environmentally friendly. The down turn in the economy has lead however to orders for these newer cleaner aircraft to be cancelled or significantly delayed as airlines tighten their belts. The advent of the lead up to aviations inclusion into the European emissions trading scheme has been thrown into confusion however as the EU has yet to clarify which country provides the allocations for non European based airlines.