

CBI response to Night Flight restrictions consultation – September 2021

The Confederation of British Industry (CBI) welcomes the opportunity to respond to the Department for Transport's consultation on the restriction of night flights and national night flight policy. The CBI is the UK's leading business organisation, speaking for some 190,000 businesses that together employ around a third of the private sector workforce. With offices across the UK as well as world representation in Brussels, Washington D.C., Beijing, and Delhi, the CBI communicates the British business voice around the world.

Drawing on our broad cross-sector membership base, the CBI is pleased to offer some observations about the value of night flights to the UK economy, and to the myriad of businesses that depend on fast, effective deliveries to maintain their productivity and support them to trade internationally.

Night flights have underpinned critical supply chains throughout the COVID-19 pandemic.

This past year has shone a light on the economic value that night flights bring to global supply chains and the UK economy. Business believes it would therefore be a mistake to seek to curtail them past existing limits.

Throughout the COVID-19 pandemic, night flights have been a crucial part of keeping the UK's supply chains operating, including making a significant contribution to ensuring the successful distribution of both PPE and vaccines to protect public health. By providing fast, efficient services, night flights have also ensured that businesses are able to get the goods they need to service their customers and keep manufacturing lines moving.

It is important to note that even pre-Covid, the movement of express shipments such as medical products and replacement parts was a time-sensitive endeavour, reliant on night flights. For express operators therefore, flying at night is not just a choice, it is an operational requirement.

CBI members from a variety of sectors recognise the value of night flights to the UK economy.

Air cargo is often used to move high value goods, many of which are valued to a significant extent by their speed and certainty of delivery. These goods include essential medical or pharmaceutical products, financial, legal or business documents, critical manufacturing components or spares, perishable produce or other high value consumer goods. Night flying therefore represents a vital component for business operating across vast swathes of the UK economy.

New research from York Aviation has underlined the importance and economic benefits of night flights. The CBI encourages the Department for Transport to take this research into account when considering the economic value of night flights.¹

- In light of the struggles facing the wider aviation sector, which is suffering from low passenger numbers due to the Covid-19 pandemic, it is vitally important that the jobs supported by night flying are protected.
- In 2019, the direct impact of night flying was estimated to be around £1.4 billion in GVA and 24,200 jobs.
- When wider impacts are included, night flying was estimated to generate a total of £16.5 billion GVA and approximately 213,200 jobs. The report concludes the wider, catalytic impacts of night flying are the real driver of economic value. The CBI believes these wider impacts should be taken into account when considering the Balanced Approach.

¹ York Aviation, *The Economic Impact of Night Flying in the UK*, <https://airlinesuk.org/wp-content/uploads/2021/08/The-Economic-Impact-of-Night-Flying-in-the-UK-2.pdf> (2021).

- This impact is spread across the UK's airports, including the three largest London airports (Heathrow, Gatwick and Stansted) as well as regional airports with significant freight operations, such as East Midlands Airport.
- The night period is vitally important for the carriage of air freight by express freight operators – in 2019, nearly 50% of all cargo flown on express freight aircraft was flown at night.

Curtailing night flights would be damaging to the UK economy and future UK competitiveness.

CBI members are very concerned about the impact of reducing the number of night flights. This would be especially damaging to the UK economy and future UK competitiveness and would particularly damage businesses that rely on night flights for their operations to be profitable.

- Even a 50% reduction of aircraft movements throughout the night period could result in an economic impact of £300m in direct GVA foregone and 4,000 jobs put at risk.
- Night flying is particularly driven by consumer demand and preferences – leisure passengers want to maximise time at their destinations; business passengers want to minimise overnight stays and access key connections at hub airports with ease; and airlines, both passenger and cargo, need to maximise the length of the day available for flying in order to utilise their assets effectively.
- A reduction in night flights would have a significant impact on freight providers offering express freight services, sharply reducing their ability to offer time definite, next-day delivery services. This could have serious implications for express freight operators' business models.
- A reduction in night flights would also significantly affect daytime operations, impacting aircraft utilisation by short haul airlines, and thereby impacting fares and general connectivity.
- Moreover, for airports that are at or close to maximum capacity, like Heathrow and Stansted, the competition for slots is already fierce. A reduction in night flying, pushing flights into daytime hours, will exacerbate this problem.
- CBI members have also expressed concern that a specific ban on QC2 aircraft would have a significant impact on their operations, because presently there is no adequate aircraft available on the market to replace the capacity of QC2-rated aircraft. The impact of a ban on QC2s would be more flights needed to replace their capacity, ultimately leading to increased CO2 emissions and increased, rather than decreased, aircraft noise.
- A number of CBI members have invested significantly in new aircraft, including modern Boeing 777Fs. The benefits of this investment will not be fully realised if a ban on QC2-rated aircraft is introduced.
- CBI members recognise the importance of minimising aircraft noise for residents who live near airports. Many airports and carriers have already adopted aircraft noise amelioration measures, including surcharges for excessive noise.
- As aviation technology develops, particularly in terms of electric and hydrogen, aircraft producing little noise will become more widely available and embraced by the freight sector. However, while these technologies remain in their infancy, and do not have sufficient capacity to meet the needs of freight operators, it is vital to provide a sufficiently prosperous market to allow freight companies to meet the needs of their customers. Cutting night flight capacity will damage the business model of many operating in this sector, and by extension, damage their future ability to invest in better, low-noise technologies.
- Night flights should not be considered in isolation. To ensure the whole of the UK can be serviced from next day delivery night flights must be considered as an enabler of international trade and must be considered in conjunction with economic and infrastructure policy. Aviation and night flights should be considered as part of the Department's future of freight strategy.