

## HENRY SMITH MP



## HOUSE OF COMMONS

LONDON SW1A 0AA

Rt Hon Rishi Sunak MP  
Chancellor of the Exchequer  
HM Treasury  
1 Horse Guards Road  
London SW1A 2HQ

29<sup>th</sup> June 2020

Dear Chancellor

We write in advance of your anticipated announcement of measures to help Britain's economy recover from the impacts of COVID-19 and to urge you to include a temporary suspension of Air Passenger Duty (APD) in these measures in order to allow our aviation sector to rebuild and play their full role in the economic and national recovery.

As you know, aviation is one of the sectors worst affected by the COVID-19 pandemic, with IATA reporting that industry passenger numbers are set to fall by over half and estimates from Oxford Economics projecting that it will take until 2023 for the sector to fully recover. This demonstrates the devastating impact that this virus has had not only on our world class airlines and airports, but on our manufacturing sector, our local economies, our tourism industry and the considerable employment that the UK's aviation sector provides.

We are aware that you face considerable challenges in putting together a package of measures that will help our economy recover but would highlight that aviation is an economic enabler that remains the best way to connect the UK to existing and emerging markets across the world. For example, before the virus, 40% of the UK's non-EU trade by value travelled by air, predominantly in the hold of passenger aircraft. Within Europe, only the Republic of Ireland ships more of its trade (by value) by air than the UK. The economics of these export channels are directly impacted by APD and the tax features heavily in an airline's consideration as to whether to operate to a UK airport or not.

Our sky-high levels of APD risk restricting the UK's economic recovery and international competitiveness, damage trade and business and risk leaving Global Britain behind our European neighbours. UK APD is twice the level of the equivalent tax in Germany. This has consequences: as independent research commissioned by the European airport trade association ACI EUROPE demonstrates, our direct connectivity fell again last year by 0.8% following on from a report in 2018 that showed that we were the only major European nation to see a decline in direct connectivity that year.

If we maintain our current levels of APD, it will become a 'tax on recovery' as flying is the only viable route for investors and businesspeople to approach and service existing and potential new markets.

*Crawley Constituency: 01293 934554 Westminster Office: 020 7219 7043*  
*[www.henrysmith.info](http://www.henrysmith.info) [henry.smith.mp@parliament.uk](mailto:henry.smith.mp@parliament.uk)*

Our long-term economic recovery depends on having a thriving aviation sector that can provide the global connectivity that makes 'Global Britain' a reality. Therefore, we are asking that you suspend APD until the conclusion of summer season of 2021 to provide much needed support for our aviation sector and the thousands of jobs that it supports. We would also urge you to use this period to conduct a full review of APD to determine whether the policy supports the Government's broader aims including a truly global Britain.

We need urgent action now to safeguard jobs, the UK's international competitiveness as an aviation hub and, crucially, to ensure that our economy recovers from the impacts of COVID-19 as soon as it is safe and possible to do so. A temporary suspension of APD would support this and be a powerful symbol that Britain is open for business.

Yours sincerely



**Henry Smith**  
**Member of Parliament for Crawley**  
**Chair, Future of Aviation Group**

**Gavin Robinson**  
**Member of Parliament for Belfast East**  
**Vice Chair, Future of Aviation Group**

**Sir David Amess, Member of Parliament for Southend West**

**Sir Graham Brady, Member of Parliament for Altrincham & Sale West**

**Steve Brine, Member of Parliament for Winchester**

**Gregory Campbell, Member of Parliament for East Londonderry**

**Rt Hon Sir Jeffrey Donaldson, Member of Parliament for Lagan Valley**

**Allan Dorans, Member of Parliament for Ayr, Carrick & Cumnock**

**Richard Drax, Member of Parliament for South Dorset**

**Rt Hon Sir Roger Gale, Member of Parliament for North Thanet**

**Paul Girvan, Member of Parliament for South Antrim**

**Andrew Gwynne, Member of Parliament for Denton & Reddish**

**Rt Hon Sir George Howarth, Member of Parliament for Knowsley**

**Carla Lockhart, Member of Parliament for Upper Bann**

**Tim Loughton, Member of Parliament for East Worthing & Shoreham**

**Paul Maynard, Member of Parliament for Blackpool North & Cleveleys**

**Mark Menzies, Member of Parliament for Fylde**

**Ian Paisley, Member of Parliament for North Antrim**

**Mark Pritchard, Member of Parliament for The Wrekin**

**Andrew Rosindell, Member of Parliament for Romford**

**Jim Shannon, Member of Parliament for Strangford**

**Virendra Sharma, Member of Parliament for Ealing, Southall**

**Graham Stringer, Member of Parliament for Blackley & Broughton**

**Rt Hon Sammy Wilson, Member of Parliament for East Antrim**