

File

From: Alan Walters

CONFIDENTIAL

To: Prime Minister ⁽²⁾

Further support for the development
of Heathrow AT 4/1

London's Airports

I was a member of the Roskill Commission and, although I have not been involved in the recent enquiry, I thought it might be of some use to hear my views.

First it was clear in Roskill and in subsequent work by the CAA and me (see my Noise and Prices published by Oxford U.P. 1976) that the best option was to expand Heathrow. (In Roskill our TOR precluded that option and we had to seek a TLA site.) This would capitalise on Heathrow's role as the hub in the hub-and-spoke system for Europe, with great advantages to BA, in the 1990s and twenty-first century. The main objections to expanding Heathrow are environmental. The movement of the sewage works has, I understand, been solved by the Travers Morgan Study and cannot constitute an overriding objection. The additional noise inflicted on the large population on the Heathrow flight-paths used to be an important cost of increased utilization. But in the 1990s and twenty-first century, aircraft will be very much quieter--indeed it is unlikely that they will be heard beyond the airport perimeter. (Note that the engineers have more than delivered on their past promises of quieter engines.) In any case, it is better to concentrate and have continuous noise than to disperse it over a wide area. The other general rag-bag of

environmental objections (traffic on M4, housing, etc.) do not measure up.

Apart from the hub-and-spoke case, the great argument for Heathrow is accessibility, particularly to the corridor from London northwest to the west Midlands and Lancashire. The reality of this accessibility is reflected in the high landing fees combined with virtual capacity working and the obvious desires of passengers.

Similarly its lack of accessibility, even after substantial investment, is the main argument against major developments at Stansted. The Roskill view, reinforced by subsequent research by the CAA and others, was that Stansted was markedly inferior to options which are located nearer to the great population corridor (such as Cublinton). One of the main arguments deployed by BAA for the Stansted development was that it was the only way in which they could get the capacity in time. I heard a BAA presentation of their case in 1983 and I found it as unconvincing as the other occasions on which it had been deployed (in the late 60s). The truth is that BAA like all such authorities is always wanting to extend its concrete turf.

(See pages 148-9 of my "Airports - An Economic Survey" for this general propensity)

With Stansted, the best plan is to make the best use of the existing investment, and of the existing 12,000 foot runway, by removing or at least raising the ceiling on movements. Some additional spending on terminals will be needed to accommodate the larger flow of passengers. But no additional runways should be planned, although the reservation of the land might remain with little harm done. Broadly this would mean that Stansted

would have about as many movements as Luton (but more passengers because of the larger aircraft size). The environmental objections to such a modest development are of little import.

In sum, this concentrate-on-Heathrow plan would give the greatest returns to both the private and public sectors. It would also maintain a flexibility which a Stansted two-runway option would preclude. The danger of investing in large airports in relatively inaccessible places is adequately documented by Dulles in Washington. After 22 years, this airport is still regarded as a pariah and is well below its capacity. What a massive waste of federal money! *And what a lesson!*

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