

BRITISH AIRWAYS BOSS THREATENS TO SHIFT BUSINESS ABROAD

News / Airlines, Personalities



The boss of British Airways' parent group earlier this week **threatened to develop the business abroad** rather than in Britain after the government further delayed a decision on expanding airport capacity.

Prime Minister David Cameron had promised a decision on where to expand airport capacity in southeast England by the end of the year, but last week said no decision would be taken until at least the middle of next year.

The government said it needed to assess environmental impact, but business leaders who have lobbied hard for a third runway at London's Heathrow, Europe's busiest airport, condemned the delay as "gutless".

"If the government continues to dither over a new runway, then I'll move my business elsewhere," Willie Walsh, head of International Airlines Group (IAG), wrote in Britain's Daily Mail newspaper.

"We now have airlines in Dublin and Madrid, and can expand our business there, supporting the

strengthening Irish and Spanish economies.”

Irish carrier Aer Lingus and Spain’s Iberia are also part of IAG.

Walsh accused the government of choosing short-term political gain over a long-term boost for British business.

While in opposition in 2009, Cameron had opposed adding a third runway to Heathrow, “no ifs, no buts”.

However, a commission on boosting British air capacity later recommended he do so.

A U-turn would be embarrassing for his government, and also poses further risks given a prominent member of his party has threatened to resign should a third runway be built.

Referendum

Zac Goldsmith, who represents a constituency near Heathrow, is running for London mayor in elections next year, and his resignation would trigger a by-election that could turn into a referendum on Heathrow’s expansion.

“Politicians have no accountability. They’re not interested in making decisions that will benefit the country if it’s likely they’ll lose votes over it,” Walsh said.

Heathrow lost its crown as the world’s busiest airport for international passenger traffic to Dubai last year, while Turkey is planning massive airport capacity expansion in Istanbul.

Environmentalists and those living near Heathrow are fiercely opposed to its expansion given hundreds of homes would have to be demolished and the extra traffic could mean Britain misses emissions targets.

Walsh said he did not necessarily advocate expanding Heathrow because under current plans the projected costs are too high and the bill would have to borne by passengers.

“This is not just fighting talk — we have the practical ability to expand elsewhere,” he concluded.

“This means Spain and Ireland will get the economic benefits and new jobs from our expansion plans, while the UK government twiddles its thumbs and watches as the world progresses around it.

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