



Introduction

Niftti is an initiative formed in July 2012 by Travel Industry Professionals with over 130 years industry experience working in Northern Ireland. It is a non-profit organisation with the following mission:

“To present a representative, experienced and informed travel and tourism voice to Government and to work alongside interested bodies to ensure economic growth, increasing sustainable international connectivity for Northern Ireland”.

Niftti believes that Tourism is vital to the economic growth and prosperity for Northern Ireland and international connectivity plays a unique and important role that Northern Ireland as an island nation fundamentally needs.

We believe the Government has a duty to ensure Northern Ireland is well connected to the rest of the world by working closely with airports, airlines, tourism bodies and industries. To actively promote new international routes, services and sustainable infrastructure and maximise opportunities for tourism and local businesses.

Questions inviting views and conclusions in respect of the three short-listed options.

Q1 What conclusions, if any, do you draw in respect of the three short-listed options?

We believe increasing the UK's hub capacity is essential to maintaining the UK's competitive position and from a Northern Ireland perspective we believe Heathrow provides us with the best option because:

With the potential for new devolved corporation tax making it one of the most attractive places in Europe to do business and a potential influx of tourism to the Titanic Experience and those on the trail of Game of Thrones locations, Northern Ireland is on the brink of economic transformation. All that is missing is global connectivity to make NI accessible to tourists and business from across the established and emerging economic centres of the globe.

Heathrow expansion provides that connectivity, securing the link between Belfast and the UK's hub and creating capacity for new long haul routes that can be fed into UK domestic feeds. Gatwick is a great airport, but it does not perform the same role that Heathrow does. Expanding Gatwick will mean more connections to short haul destinations in Europe, not access to tourism and foreign direct investment flows that are increasingly located in Asia and the Americas. Heathrow is a solution to connect all of the UK to global growth; Gatwick is a solution better positioned to develop short haul European connectivity.

The prize for Northern Ireland is a more secure and frequent connection to an expanded and better connected Heathrow, plugging NI businesses and exporters into global opportunities. Expansion at Heathrow is our chance to reverse the trend of airlines consolidating their domestic operations in favour of more profitable long haul routes. We trust it may also provide opportunities for additional frequencies and new airlines to compete on future Heathrow links.

The firms that are currently investing in Northern Ireland – Citi, PwC, EY and Randox to name but a few – are global firms operating across the world. These firms are not only looking for a competitive tax environment and a skilled workforce, they are also looking for global connectivity to reach colleagues and clients in cities in every single continent

Heathrow is a hub airport, serving airlines with a network of destinations with flights to all parts of the globe – 75 of those destinations are not served by any other UK airport. Gatwick, like other airports in the UK, is a ‘point to point’ airport, predominantly serving low cost airlines with European destinations. Heathrow caters for all types of passengers: business passengers (more than 30% of all passengers), inbound foreign leisure (42%) and outbound UK leisure passengers (27%). By contrast, Gatwick predominantly caters for UK outbound leisure passengers (64% of all passengers).

Purpose	Origin	Main Purpose	Heathrow	Gatwick
Business	Foreign	Business	12,896,127	2,120,027
UK	Business	9,135,687		2,998,088
Business Total		22,031,814	5,118,115	
Leisure	Foreign	Holiday	13,224,648	3,498,651
Other		1,866,285	441,774	
VFR1		15,602,825	4,463,588	
Foreign Leisure Total		30,693,758	8,404,013	
Leisure	UK	Holiday	8,430,828	17,397,249
Other		1,149,985	541,484	
VFR		10,492,633	6,132,131	
UK Leisure Total		20,073,446	24,070,864	
Leisure Total		50,767,205	32,474,877	
Total Passengers		72,799,019	37,592,991	

Table 1: Passenger origin and journey purpose breakdown between Heathrow and Gatwick, *Source: CAA data, Dec 2014 – Dec 2015.*

A connection to Heathrow means access to three times as many foreign tourists as Gatwick and four times as many business passengers. Access to these passengers is vital to driving tourism revenues and inward investment to Northern Ireland

	Heathrow	Gatwick
1	Lagos, Nigeria	Orlando, USA
2	Sao Paolo, Brazil	Las Vegas, USA
3	Nairobi, Kenya	Barbados
4	Los Angeles, USA	Corfu, Greece
5	Kuala Lumpur, Malaysia	Cancun, Mexico

Table 2: Top destinations for NI passengers connecting at Heathrow and Gatwick, *Source: CAA passenger survey 2013.*

When Northern Ireland passengers travel to Heathrow, one in every five will travel on to another destination around the world. The top connecting destinations for Northern Ireland passengers are to cities that are forecast to experience significant economic growth over the next decade but none of which are currently served by any NI airport or even Dublin Airport. By contrast, 12% of passengers that travel to Gatwick will connect to another flight. The top destinations that passengers connected to in 2013 were routes that support outbound UK tourism rather than inward business investment and inbound foreign tourism. Being plugged into an expanded London Heathrow means Belfast has higher global visibility as an easily accessible destination.

The Northern Ireland Executive wants to double tourism revenues by 2020 and presumably by an even greater multiple in the decades that follow, so our economy will become increasingly reliant on global connectivity to support inward investment and drive inbound tourism, so expansion at Heathrow can connect Northern Ireland conveniently to growing cities in every continent of the globe

Export growth is key to Northern Ireland's economic strategy and we have already an established agri-food industry as well as burgeoning pharmaceutical and nanotechnology sectors – air cargo via Heathrow is already a vital link in the supply chain between NI businesses and their clients.

Each airport performs a different role and expansion at each will have very different outcomes for Northern Ireland. The analysis from the independent Airports Commission shows that the difference in newly created jobs, trade and growth between the proposals is stark, particularly outside of London & South East.

Metric	Heathrow	Gatwick
Total Economic Benefits	Up to £211bn ²	Up to £127bn ³
Economic benefits <i>outside</i> London/SE	£59.7bn - £113.5bn ⁴	£18bn - £60bn ⁵
Economic benefits in Scotland, Wales & NI	£16.9bn - £36.0bn ⁶	£7.4bn - £28.0bn ⁷
New jobs created (2050)	179,600 ⁸	49,000 ⁹
New jobs created <i>outside</i> of London & South East (2049)	76,900 ¹⁰	24,500 ¹¹
New jobs created in Scotland, Wales & NI (multiple dates)	10,500 (2040), 12,300 (2049) ¹²	1,400 (2040), 3,000 (2049) ¹³
New jobs created in Manufacturing sector (multiple dates)	58,500 (2040), 94,900 (2050) ¹⁴	14,300 (2040), 24,300 (2050) ¹⁵

The Heathrow proposal delivers the greatest amount of economic benefit and additional jobs under every single scenario and for every part of the Great Britain and Northern Ireland than the Gatwick proposal

As we are the only UK region to have a land border with another European State this provides us with an additional choice of travelling ex Dublin. The number of routes from Dublin has been steadily increasing and the ease of travelling to the airport with the new road

infrastructure has impacted in a rise in number of N.I. residents travelling from this airport, 560,000 according to DAA statistics for 2014.

If this situation is allowed to continue, it will result in a loss of local jobs and revenue to the economy of the UK. We believe there is a need to strike a balance of retaining business within UK.

Q2 Do you have any suggestions for how the short-listed options could be improved, i.e. their benefits enhanced or negative impacts mitigated? The options and their impacts are summarised in section three.

Whilst we believe good surface transport to and from airports is an integral part of the sustainable growth of any airport, it does not have much impact on regional connecting passengers.

However a percentage of these passengers choose to overnight prior to an early morning departure, or a late evening arrival that is unable to connect regionally, so it is important that the ease of journey to and from the airport to where the hotels are situated is a seamless journey.

If the Commission recommends Heathrow for an additional runway, we believe the proposed new High Speed 2 train should be routed via Heathrow, not around it, if it is to become the first choice of airport bound travellers.

Q3 Do you have any comments on how the Commission has carried out its appraisal? The appraisal process is summarised in section two.

We feel the Commission's approach has been all embracing and well documented, albeit over a long period of time, for an issue that has required urgent and immediate solutions, but do appreciate that a timeframe of delivery is outside the remit of the Commission.

Q4 In your view, are there any relevant factors that have not been fully addressed by the Commission to date?

We feel regional connectivity should have been included in the Commission's objectives from the outset, however understand the National Connectivity Task Force is undertaking an independent assessment of the current and future requirements for enhanced connectivity between London and the major airports serving London and the South East Region and the Nations, Regions and Crown Dependencies of the United Kingdom.

It is vitally important that every part of the United Kingdom is connected to its Hub Airport and that airport can provide access to a world wide network of countries.

Q5 Do you have any comments on how the Commission has carried out its appraisal of specific topics (as defined by the Commission's 16 appraisal modules), including methodology and results?

We believe the approach taken by Gatwick and Heathrow to mitigate noise and reduce impact on neighbouring communities has been balanced and appropriate and will hopefully be acceptable and not deter speedy implementation of the development.

Q8 Do you have any other comments?

Every part of the UK needs access to global markets. Because Heathrow has been full, domestic routes have been squeezed out. An expanded Heathrow will have the capacity to add new international routes and meet domestic demand, resulting in greater frequencies and new routes.

This means Northern Ireland passengers will have more frequent and more convenient connections to destinations around the world that cannot be served directly by Northern Ireland airports.

By contrast, Gatwick is not full – an airline could add a new connection to Northern Ireland tomorrow if it was commercially viable. By not expanding Heathrow, airlines will continue to prioritise more lucrative long haul routes over domestic ones, meaning Northern Ireland's link to the UK's hub airport will remain under threat.

International Consolidated Airlines Group SA's (IAG) proposal to make an offer for Aer Lingus Group plc, announced on 27 January, 2015, highlighted the importance of direct air services and connectivity for investment and tourism in Ireland. To secure the support of the Irish Government, IAG is proposing to offer legally binding commitments that go well beyond the protections currently available to the Government and would give it an important role in securing the future of Aer Lingus.

The proposed commitments would ensure that, unless there is explicit Irish Government agreement:

- Aer Lingus' 23 slot pairs at London Heathrow ("Heathrow Slots"), cannot be sold, including to other IAG airlines;
- In addition, IAG is prepared to offer a further commitment to operate the slots on Irish routes for five years. This is protection that the Irish Government does not have today.

If this proposal is accepted, it could leave Northern Ireland's link to Heathrow open to threat of reduction of number of flights or frequencies. We trust our local devolved Administration is currently undertaking similar negotiations, however this we believe highlights the need to have some form of protection in place for regional connectivity into the UK Hub Airport.

An important factor in regional connectivity is frequency and timings, a flight arrival time into Heathrow that misses vital connections to important world markets is a missed opportunity and undermines the need for connectivity. For example the new sponsored route from Belfast to Amsterdam has been timed to connect with services to USA destinations, this directly undermines and opens competition against the one direct transatlantic flight that N.I. has retained and could put this service under threat. The missed opportunity is to schedule times of the services to allow connections from Amsterdam to Asia, Middle East, Africa and Latin America which would permit N.I. additional network connections, beyond what it has currently.

This anomaly could be easily addressed with more communication between Government, airlines and travel industry experts.

Finally with heightened security measures in recent times, the passenger experience transiting airports has not been at its best, whilst Gatwick and Heathrow have both invested heavily in improving their services, it is essential that the airports continue to maintain and improve their passengers services and any disruption during construction of a new runway and associated terminals is minimised.

Thank you for taking our comments into consideration, if you wish to contact us further our details are:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]