

From: Aaron Conlin [REDACTED]
Sent: 29 October 2021 12:18
To: economicregulation <economicregulation@caa.co.uk>
Subject: H7 Initial Proposals - consultation feedback

Hello,

I am writing to provide feedback on the H7 initial proposals for increases in costs to consumers at Heathrow airport. I object to the increases that Heathrow are proposing based upon the following:

- I am a consumer and I do not want to pay 60% more for the same service that Heathrow provided previously.
- The amount that are proposing are not small sums. For a family going away on holiday it can add significant costs. This 'tax' is regressive and affects the poorest in society.
- Heathrow already enjoys a monopolistic position on airport capacity in the Southeast. I believe they are using this to their advantage. There are no realistic competitors.
- The airport received significant support from the government during COVID. Trying to recoup losses from UK consumers after the tax payer has already supported their business is extremely objectionable and morally repugnant. All business suffered losses. They should take it on the chin, scale back their expansion plans and look for efficiencies.
- Heathrow is a strategically important trade route and provides significant economic benefits to the UK and London as a whole. The UK already has the world's highest air passenger duty tax. Increasing further passenger costs by 60% would discourage trade and reduce the number of visitors to our country. Thus it could have an economic impact on the UK when it is trying to recover from COVID.
- Thousands of jobs are supported indirectly via airlines and travel and tourism. Anything that will negatively impact passenger numbers coming to and from Heathrow has a far wider impact on the economy as a whole. Which is why I think the CAA should be extremely cautious when allowing this higher passenger charge.
- Heathrow enjoys a similar status amongst banks as a utility service. Thus it can obtain favourable financing of their debt in the city of London. I believe the risks that Heathrow claim to financing their debt is overblown.
- Heathrow should look for efficiencies in their business as a primary way of mitigating the impact of COVID. This is exactly what every other business in the country is doing. They should not look to take advantage of their monopoly to increase costs to consumers.
- Airlines and travel management companies need to see a return to travel for their business to continue. Increasing costs on tickets have a very serious impact on the recovery at precisely the time when we need 'volume' and a big return of passengers. Now is not the time to increase costs to consumers. Increasing costs to them has a cooling affect on their decision to return to travel.
- Maintaining a lower cost will encourage more passengers to use Heathrow and would thus increase the number of people paying Heathrows passenger charges. The laffer curve, used as an example in taxation, would also apply to Heathrow. There becomes a point where costs are to high that it discourages people to fly. I believe Heathrows proposals would meet that limit.

I object to any increase in cost. If the CAA absolutely has to increase costs, it should do it at the smallest amount possible.

Kind Regards

AARON CONLIN | PRODUCT & PROCESS MANAGER
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