

## **Draft minutes of the Cross-Party Group on Aviation**

**Date:** 17 March 2021

**Time:** 13:00 – 14:30

**Venue:** Virtual Meeting – MS Teams / Join by phone

### **MSPs attendees:**

John Scott MSP – Co-Convener

David Stewart – Co-convener

Graham Simpson

Maurice Corry

### **Non-MSPs attendees:**

Phill Rawlins – Marty Fiddler Aviation

David McColm – Global Trek Aviation

Henk van Klaveren – AOA

Janice Hogarth – SPAA

Greg Maxwell – Edinburgh Airport

Roddie MacPhee – Barrhead Travel

Lindsay Ashton – Wincanton

Luke Petherbridge – ABTA

Gordon Bingham – Global Trek Aviation

Gavin Davey - Royal Air Force Benevolent Fund

Michael Brown – Skylands Aviation

William Martin – Martin Precision

Angus MacLeod – The Scottish Government

Tim Alderslade – Airlines UK

Keith Grandison – ADS Scotland

Craig Hattersley – Frazer-Nash Consultancy

Angela Mathis – ThinkTank Maths

Mark Ramsden - easyJet

Zoe Kilpatrick – Glasgow Prestwick Airport

Warrick Malcolm – ADS Scotland

Graeme Bell - HIAL

Allan Colquhoun – Leonardo

Ian Clarke – NATS

Alan Campbell - IAG

Grant Campbell – Brodies

Samuel Sears – ADS

Jonathan Hawkings – ADS

Sheena MacKenzie – University of Strathclyde

Scott Hammond – Shetland Space Centre

Karen Musgrave – Barrhead Travel

Claire Thomson – Thales UK

Gary Cox – The Scottish Government

Scott McClelland – The Scottish Government

Gordon Dewar – Edinburgh Airport

John Harden – The Scottish Government

Andy Evans – Aerossurance

Daniel Smith – AstroAgency

Athena Wu – Spirit AeroSystems

Julie Cromarty – HITRANS  
Nick Bloomfield – Spire Global UK  
David Godefroy – Wincanton  
Konrad Zadecki – ADS Scotland

### **Agenda Item 1 – Welcome and apologies**

John Scott MSP welcomed everybody to the virtual Cross-Party Group on Aviation. The session has also been joined by David Stewart MSP, Graham Simpson MSP, Maurice Corry MSP, and apologies from Stewart Stevenson MSP

### **Agenda Item 2 – Approval of minutes from previous meeting and matters arising**

Minutes from the previous meeting were approved with no changes

Graham Simpson MSP – Transport spokesman on the Conservative Party asked a question re: meeting held on the Scottish Government Working Group with industry representatives along with members of the Government – keen to learn the outcome of the session

A: Tim Alderslade (Airlines UK)

- useful discussion, in particular to hear from medical establishment around sense of timings around restart and what may need to happen in terms of development around travellers of the virus and concerns about variants – data gathering
- main message from the industry: no particular reason why Scottish Government is more pessimistic around restart and date.

A: Gary Cox (Scottish Government representative): useful session with good representation, clear understanding of everyone's perspective and scheduling another 3 meetings to get clarity on restrictions and order it may be removed with data to form decisions

David Stewart MSP raised a question re: internationally recognised Covid travel passport.

A: Henk van Klavern (AOA): There is a clear sense that other international countries will expect some form of certification to enable travel. Within England they are looking at it but there are apparently great challenges to turning data that's currently held on vaccine status, testing and whether European version would include if you had Covid or not and have natural resistance. Still quite a lot of work that needs to be done.

A: John Harden (Scottish Government representative): Passport is something that we are working on, looking on the passport options; key thing is: passport tells you were vaccinated not anything about immunity and that's always been an issue. It has to be done globally with worldwide recognised approach. It's a work in progress.

### **Agenda Item 3 – COVID19 impact on and future prospects for tourism, aviation and aerospace sectors**

**Luke Petherbridge, Director of Public Affairs, ABTA**

Reminder of value of travel to Scotland in ordinary times:

- 30k jobs
- Economic contribution of around £2bn
- Very significant contribution made across the wider economy from travellers spending money in retail, hospitality, and other associated sectors

ONS Travel Trends 2019

- Leisure sector make up 90% of all outbound traffic from Scotland in ordinary years
- Restarting not only about travel but reconnecting people with loved ones overseas
- Important economic impact of business travel (lower in volume but high in value)

Impact of Covid 19

- The economic output of travel agents and tour operators fell by 89% in January 2021 compared to February 2020 (ONS)
- 9/10 bookings with departures in July and August 2020 were cancelled or postponed (ABTA Member Survey)
- By October 2020, it was estimated that 8,770 jobs had already been lost or placed at risk across the Scottish travel sector and its supply chain since the beginning of the crisis (ABTA Member Survey)
- A third of travel businesses are yet to resume active operations, particularly those operating in sectors such as school travel, which are closed by Government guidance

What the industry needs - a plan for restart and recovery

- Twin-track approach of supporting businesses through to recovery and continues financial support is going to be vital
- We do recognise that the Scottish Government has led the way in terms of comparable support across the UK but it is important that that support is continued
- Engagement between Government, industry, and public health bodies, on a roadmap for the safe return of international travel
- A risk-based approach to restart – using existing mitigations and building on the success of the vaccine rollout across Scotland
- Work with the UK Government and other Devolved Administrations to develop a coordinated approach, where possible

Important point around consumer protection – all package holidays do have complete insolvency protection.

**Tim Alderslade, CEO, Airlines UK**

Priorities for a safe restart to air travel

- The Scottish Government has set out plans for a phased but major re-opening of the domestic economy out of lockdown. We believe international travel should also reopen, using a risk-based framework.
- Discussions on reopening travel are happening against a backdrop of Scotland's highly successful vaccine rollout. Deaths and hospitalisations are falling rapidly.
- Under a tiered system, we believe international travel can meaningfully restart and build up, with minimal restrictions on a country-by-country basis. Nonetheless, subject to the developing health situation and variants of concern, it is recognised that universal, restriction-free international travel as was in place before Covid may not be possible immediately.
- The Scottish Govt Aviation WG should align as much as possible with the UK Govt Global Travel Taskforce, with respect to reopening dates & framework for enabling travel.
- Scottish air connectivity at risk; airlines already starting to reduce capacity at Scottish airports.
- We will shortly publish new research that highlights how hundreds of thousands of jobs and tens of billions of pounds worth of trade are at immediate risk, if UK aviation is unable to meaningfully restart by the summer. Without reopening this summer, a substantial sectoral support package for aviation will be required

#### A risk-based framework for restart

A risk-based approach to reopening travel safely is possible as vaccination levels increase in the UK, to enable a meaningful summer season.

This would involve removing the layers of restrictions on a tiered basis.

A general principle, subject to the need to address specific risks, should be that vaccinated passengers should not be subject to travel restrictions.

Quarantine, testing, and travel bans would be used only as required where there is travel from high-risk zones.

Best use made of latest technologies – i.e. rapid, affordable testing and, whilst not a precondition for restart, the integration of digital solutions/Apps for exchange/verifying of travellers' data.

#### **Henk Van Klaveren, Head of Public Affairs and PR, AOA**

- The COVID-19 pandemic has had an unprecedented impact on the UK aviation industry.
- UK passenger traffic levels have collapsed to 1980s levels.

A full recovery is unlikely until the second half of this decade

- Even if the global vaccine roll-out goes well, 2025 is the earliest UK would see 2019 levels of passengers again. The renewed lockdown and additional travel restrictions, hotel quarantine and extra tests are not included in these forecasts
- 2021 now has a significantly more pessimistic outlook and recovery will take until late 2020s

Consequence:

- Airport revenues will recover more slowly than passenger numbers, as UK airports will compete fiercely with international competitors for routes
- High-yield short-haul routes to popular destinations will recover more quickly, while long-haul routes to support global Britain will take longer to return

- Airports in devolved nations and English regions outside London & SE will see slower connectivity
  - This will be worse the longer all international arrivals to Scotland have to quarantine in hotels
- Aviation Recovery Package needed to kickstart connectivity recovery and bring back priority routes and regional connectivity more quickly

An Aviation Recovery Plan must be published with help of industry to ensure it recovers fully

The Recovery Plan must do the following:

- Support airports through aviation shutdown
- Restart aviation, e.g. through a comprehensive testing framework with no quarantine
- Boost the aviation recovery, including a twelve-month Air Passenger Duty holiday and route support funds
- Ensure UK airports remain competitive and world-leading
- Ensure a sustainable aviation recovery, including funding development in Sustainable Aviation Fuels and Airspace Modernisation

#### **Jonathan Hawking, Director Policy, ADS Group**

- Impact on aerospace has been very acute, falling demand from aviation had an impact on two main areas of activity from our members: production of new aircraft and MRO
- Difficult decisions in the course of last year: workforce and future investments
- Looking forward: 3 scenarios:

Scenario 1: Aerospace to maintain a constant share of manufacturing output

Under this scenario, activity for the sector needs to return as soon as Q2 2020 and Cebr projects aerospace recovery to return to pre-pandemic output by Q1 2023.

Scenario 2: Faster recovery

A faster recovery sees intervention taking place to allow for aerospace manufacturing recovery to start as soon as possible, under this scenario, Cebr projects aerospace recovery to return to pre-pandemic output by Q3 2022.

Scenario 3: Subdued recovery

The subdued recovery forecasts activity returning for the aerospace sector around Q3 2021, but not returning to pre-pandemic levels until beyond 2025.

Key ask from Aerospace Industry perspective is how can we collectively support the Aerospace supply chain as demand returns. To help the recovery in aerospace is a restart of international travel in a way that reflects the on-going health challenges but has resilience measures which are focused and predictable. We don't expect to start all at once, we need a plan which is aligned for both Scotland and the rest of UK.

#### **Agenda Item 4 – Scottish Government response:**

##### **Gary Cox, Transport Scotland**

Summary: Work very closely with Airports and partners on route development. Focus shifted more to recovery and also looking how can we be more flexible – German market for inbound tourism, Netherlands, United States, Middle East and European hubs.

While we are focussing on the routes, we had in 2019 we are also looking at more aspirational routes – Beijing, Shanghai, LAX, San Francisco, Atlanta, Dallas  
Environmental aspect very much alive – sustainable way  
Individual support for companies – bi-lateral discussion with companies on-going

**Angus MacLeod, Community Surveillance Division**

Policy around international travel restrictions:

- quarantine rules are there for a reason – preventing new variant entering the country and underlining the rollout of the vaccination programme
- Ministers very keen to adopt 4 Nations approach to international travel restrictions
- Cautions re: international travel approach and message.

**John Harden, Dep National Clinical Director**

Scientific and clinical background:

- quite robust evidence re: role of importation of virus into the country. First wave was brought predominantly into the country by travellers from Europe and further afield and the first part of the second wave was most likely linked to importation of virus from Spain and Southern Europe.
  - that shows the propensity of various in general to mutate and factors of importation is the ease of the transmission, prevalence; vaccination of the rollout – advocacy of that vaccine against the disease that we currently have and also future variance and advocacy of the vaccine against those.
- Summary: Key things we track over time is what's the prevalence, what variants are out there and what developing direction of travel are there and looking what is the impact of that variants going forwards to the vaccine and immunity of the levels withing the population  
Restrictions help to reduce the prevalence in this country, travel restrictions reduced the importation of any new virus.

Answering the questions re: role of new variants and new strains as they emerge: this is something that we do take under consideration and part of the process that currently being looked at.

**Scott McClelland, Space and Aerospace Division**

Overview of the work of the Aerospace Response Group and activities. The Group has evolved with 3 high level themes raising the ambitions of the aerospace sector

Continues engagement with UK Government at the ministerial level, maintaining engagement at the 4 Nations level, looking what we can and consistency. Put in place number of industry champions

- Sustainable Aviation – (Athena Wu, Spirit AeroSystems)
- Diversification Defence & Space (Sean McGovern, Newton Aerospace)
- Decommissioning (Michael Brown, Skylands Aviation and David Butler, NMIS)

Work around skills activity – Scottish Enterprise delivering 8 projects combined investment of £1.2m to support re-skilling and up-skilling of employees in aerospace companies and wider package support on the way through NMIS.

Virtual Conference Programme designed to engage Scottish sector with major OEM's and Tier 1 suppliers: Team Tempest, Airbus, Boeing, Spirit AeroSystems, ATI and Rolls-Royce. Very well

attended and opportunity for the Scottish supplier base to interact with opportunities within these organisations

### **Agenda Item 5 - Questions**

Q: Angela Mathis: Efficiency of vaccine to stop infection spread and data?

Q: Karen Musgrave from Barrhead Travel – the travel industry is waiting in limbo to recover and trying to make plans for recovery and financial planning until international travel resumes. Can Scot Gov share the framework/thresholds they are working towards with regards to the data from abroad? What level of prevalence does the virus have to be for Scottish Government to determine it is safe to relax restrictions to/from a particular country? Can they indicate what this may look like? And will rapid, affordable airport testing play a role in recovery?

A: John Harden: Early data from people who were vaccinated early in the programme, mainly social care and health workers and over 80's and it's been recently published that there is evidence that the vaccine has some effect against transmission and more data will be required, already know that vaccine has significant impact on severity of disease and hospitalisation rate and against other variants still early studies.

In terms of level of prevalence, it does depend a lot of the advocacy of the vaccine against viruses.

Q: Julie Cromarty: In terms of airport - any thoughts on when we moving on the roadmap to less stringent, timeframe?

A: Angus MacLeod: Strategic framework sets out some details primarily around domestic travel over the next few months. In terms of international travel, we are clear both in the UK and Scottish level no relaxation before 17 May earliest.

Q: Greg Maxwell: inconsistency in approach. Roadmap is something we would like to see and we don't have it at the moment. We were told that the policy decisions will be taken against the impact assessment

A: Angus MacLeod: In terms of evidence, evidence that we seek is advocacy of the vaccine against new variants and importation is a key here. Impact assessment – policy implemented at speed. Impact assessment has been drafted and will be published very, very soon.

Q: Janice Hogarth: Trying to forecast what we can say to members about booking forwards?

A: Gary Cox: This is part of the remit of the Working Group, point of the message is well understood and we will be picking up on the next discussion next week

John Scott MSP thanked everybody for taking part and immensely grateful to all of speakers today: Luke, Tim, Henk, Jonathan, Gary, Angus, John and Scott appreciating taking the time and form this Cross-Party Group

### **Agenda Item 6 - Dissolution of the Cross-Party Group**

The parliament will be dissolved the week today on the 24 March the Cross-Party Group will also be dissolved at that time. There will be an opportunity following the election for a new Cross-Party Group to be established depending on finding Conveners. John Scott MSP took the opportunity to thank Co-Conveners – David Stewart MSP, Stewart Stevenson MSP and before Tavish Scott who has now left the Parliament. John Scott MSP expressed thanks to Warrick and Konrad from ADS for providing the Secretariat to this Group as well as Gillian Gillies – assistant to John Scott MSP

The meeting ends.