

c/o British Air Transport Association
Artillery House
11 – 19 Artillery Row
London
SW1P 1RT

Rt Hon Alistair Darling MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

Thursday 9th April 2009

Dear Chancellor,

Budget Statement 2009 and Air Passenger Duty

Like much of the economy, the aviation industry is facing a difficult environment. The recession has led to falling demand for air travel. This is inevitably leading to fewer air services, reducing the choices available to consumers, and placing our own businesses under significant pressure. The proposed changes to Air Passenger Duty (APD) will further damage this industry, and we call for the status quo to be retained.

Unlike many other sectors, the aviation industry is not seeking bail-outs or Government funds. We already pay our way, including our environmental costs, through the various taxes paid for by the industry, including APD which alone raise about £2 billion a year for the Treasury.

Higher taxes are not consistent with encouraging economic growth. Taxing air travel, which facilitates international trade, investment, tourism and other economic activity, is an even more incongruous policy. This lesson has been learnt by the Government of the Netherlands who have decided to abolish their version of APD due to its detrimental effect on their economy.

We expect you to play your role in allowing our members to sustain their businesses in the current economic climate and, therefore, urge you to scrap the proposed increases in APD that are due to take effect on 1st November 2009 and 2010.

We view this as the minimum contribution to any stimulus package. Nearly 15 years after its introduction, APD remains a virtually unique national tax on travel which undermines the competitiveness of aviation companies and the wider UK economy.

If we are to prosper as the global economy recovers, national distortions such as APD must not be allowed to grow.

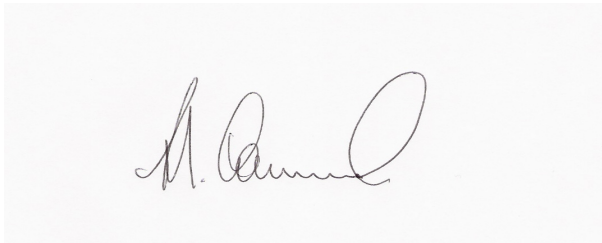
Yours faithfully,



Mark Tanzer
Chief Executive
ABTA



Ed Anderson
Chairman
Airport Operators Association




Mike Carrivick
Chief Executive
Board of Airline Representatives in the UK



Danny Bernstein
Chairman
British Air Transport Association



Ian Ailles
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Sylviane Lust
Director General
International Air Carrier Association