

Putting the brakes on budget airlines? Critics of no-frills airlines want to take away the tax breaks they enjoy

German politicians who focus on environmental issues have accused the popular no-frills airlines of dumping prices to attract passengers, all to the detriment of the environment. They want ticket prices to go up.

The environmental spokesman for the Green Party, Winfried Hermann, called the rock-bottom prices of the low-cost airlines a “scandal” for the environment, since they have drawn passengers from less polluting modes of transportation to airplanes.

He is in favour of introducing take-off and landing fees as well as “noise control” fees of up to €5 per ticket, saying they would reflect the “economic and ecological costs” associated with no-frills airlines. The parliamentarian also demanded the states and municipalities put an end to the practice of offering subsidies to regional airports which become hubs for low-cost carriers such as Deutsche BA, EasyJet, RyanAir, and Hapag-Lloyd Express, among others.

Hermann has been joined by politicians from the Social Democratic Party (SPD) who say the low-cost airlines, which offer tickets across Germany for as low as €20 (\$22), enjoy an unfair advantage over other forms of transportation, such as rail travel, since they are exempt from VAT and fuel taxes and can charge significantly lower prices.

“This price dumping must come to an end as soon as possible,” Hermann Scheer, member of the SPD party executive, told the *Bild am Sonntag* newspaper. “The goal should be that flights within Germany are at least as expensive as the corresponding train trip.”

A traveller flying from Berlin to the city of Cologne in western Germany can, with some advance planning, get a one-way ticket on Hapag-Lloyd Express, a no-frills airlines for €19.95. The same trip by train would cost approximately €80.40.

ANTI-NO-FRILLS CAMPAIGN

The debate over the benefits and disadvantages of low-cost carriers comes just a week after several environmental groups in Germany introduced a campaign warning of the environmental damage resulting from increasing air traffic.

Hahn airport, hub to many of Germany’s budget carriers, saw a million passengers pass through its gates last year, an 81 percent increase over the year before. Hapag-Lloyd has estimated that between 5 and 6 million passengers fly no-frills every year.

Environmental groups say such air travel is a climate catastrophe in the making, since airplanes emit three times the amount of greenhouse gases that automobiles do. The no-frills travel boom, according to Germany’s green lobby, is the country’s “climate killer #1.”

NO-FRILLS CARRIERS BITE BACK

The low-cost carriers have come out against any new regulations that would force them to raise their prices and reject accusations of price dumping, saying tickets are priced according to the rules of market competition.

“It would be nice if German Rail would do the same,” Matthias Andreesen, spokesperson of the low-cost carrier Deutsche BA, told reporters.

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Herbert Euler of Hapag-Lloyd Express defended the low prices as good for consumers and made possible through the pared-down business model that is the norm among the no-frills airlines.

“If politicians demand society become ever more mobile, then they have to allow this inexpensive form of transport that is good for consumers and good for the economy,” he told the newsmagazine *Der Spiegel*.

While the criticism of the no-frills flyers is coming from SPD and Green politicians, Chancellor Gerhard Schroder’s cabinet has kept quiet on the issue. Government spokesman Bela Anda did insist that there are currently no plans for introducing new taxes on airlines. He said the ticket prices should be set by the laws of supply and demand and not imposed by government fiat.

noise notes

WOLVERHAMPTON

The Wolverhampton Airport Action Group (WAAG) is aiming to collect 100,000 signatures in a protest against £400m plans for the airport. Its owners hope to handle as many as 8m passengers each year by putting on budget holiday flights to other British airports. If the plans are given the go ahead the business airport could see around 250 budget holiday flights a day in and out of the airport. The airstrip would provide the only flights to London from the Midlands and would cut travel time to the city by more than half, as well as providing services to the rest of Europe. The airport director, Graham Silk, said the better links would attract new businesses to the area

BOCA RATON

The Boca Raton Airport Authority is getting more than a million dollars in federal money to step up its effort to track and reduce noise from aircraft using the field – it’s getting \$1.14m from the FAA to purchase a noise monitoring flight tracking system for the local airfield. The system will rank the Boca Raton Airport among the top 10 in the nation in providing noise monitoring and flight tracking. The advantages of the proposed system, are that it is both integrated and permanent. It will provide documentation of noise levels, the identification of aircraft and flight tracking data. It will also record the number of noise complaints over a specific period of time.

JET NOISE SOLUTIONS

In a new research project launched in Britain this month, scientists are examining a number of solutions to the problem of the environmental impact of aircraft noise, from jiggering the approach paths to allow for quieter descents, to designing new jets that will be capable of “silent” takeoffs and landings. The researchers will analyze options such as mounting the engines above the wing or eliminating the tail surfaces, as well as looking at operational changes such as holding off on lowering landing gear till later in the descent and stabilizing the approach at higher altitudes. Experts from British Airways, Rolls Royce, Cambridge University and the Massachusetts Institute of Technology will participate in the study. “We are aiming for a radical change in noise levels — so that beyond the perimeter of the airport, the noise of aircraft flying would imperceptible to the public,” said Prof. Ann Dowling, of the Engineering Department at Cambridge. Meanwhile, in the U.S., the majority of funds spent to reduce noise problems at airports has gone to acquiring nearby land and soundproofing buildings. From 1982 to 1999, the FAA spent at least \$4.3 billion on noise mitigation. In September, the FAA also established a research program with eight universities and 18 industry partners to investigate noise-mitigation solutions.