



# Business, Energy and Industrial Strategy Committee

House of Commons, London SW1A 0AA

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Alok Sharma MP  
Secretary of State for Business, Energy and Industrial Strategy  
Department for Business, Energy and Industrial Strategy  
1 Victoria Street  
London  
SW1H 0ET

31 July 2020

Dear Alok

## **British Airways and Landing Slots**

I am writing to you on behalf the BEIS Committee in relation to British Airways and its landing slots at airports across the UK.

This issue has been raised by Members of Parliament and also the Transport Select Committee - *The impact of the coronavirus pandemic on the aviation sector*, (HC 268, 13 June 2020). We also took evidence from several trade unions, such as Unite, as part of our inquiry on the impact of coronavirus on businesses and workers, who described British Airways as an example of a “bad employer” in terms of how it had treated its employees. This related to British Airways’ “restructuring and redundancy programme” which includes plans to cut 12,000 jobs and to rehire thousands of other staff on reduced terms and conditions, whilst taking advantage of the Coronavirus Job Retention Scheme.

The Transport Committee questioned whether British Airways should continue to hold the most lucrative slots at UK airports, especially Heathrow Airport. It currently holds more than half of the slots at Heathrow Airport. It concluded that British Airways only had these slots because of “legacy reasons”. However, it found that “because of considerable structural and market change within the aviation industry as a result of the pandemic, including the consolidation of airlines at specific airports”, there was now a rationale for investigating whether these airport slots should be revisited to ensure they were not having a negative impact on consumer choice. For example, in March 2020, British Airways picked up a further 12 slots at Heathrow Airport, when Flybe went into administration, so further increasing its dominance there.

The Competition and Market Authority is the main body with the power to investigate the allocation of airport slots with the potential to order the sale of slots. As Secretary of State for Business, Energy and Industrial Strategy you have the power to intervene in markets that raise public interest issues and make a market investigation reference. You also have a reserve power to make ordinary and cross-market references under the Enterprise Act 2002.

Have you considered asking the Competition and Markets Authority to initiate a market study or market investigation of the allocation of airport slots with the potential to remedy, prevent or mitigate any adverse competition affect from the current allocation of such slots?

I would appreciate a response to this letter by the 1<sup>st</sup> September.

A handwritten signature in black ink that reads "Darren Jones". The signature is written in a cursive, flowing style.

**DARREN JONES MP**  
**CHAIR, BUSINESS, ENERGY AND INDUSTRIAL STRATEGY COMMITTEE**