On 25 October in a major boost for the UK economy the government announced its support for a new runway at Heathrow – the first full length runway in the south-east of the country since the Second World War.

The scheme will now be taken forward in the form of a draft National Policy Statement (NPS) for consultation, it is understood.

The government’s decision on its preferred location, which will be consulted on in the New Year, underlines its commitment to keeping the UK open for business now and in the future and as a hub for tourism and trade.

This is just one of a series of major infrastructure investments that will create jobs and opportunities and was reported in a government communiqué issued on the day of the Minster’s statement in the House of Commons (Lower House).

A new runway at Heathrow will bring, it is claimed, economic benefits to passengers and the wider economy worth up to £61 billion. Up to 77,000 additional local jobs are expected to be created over the next 14 years and the airport has committed to create 5,000 new apprenticeships over the same period.

Transport Secretary Chris Grayling said: ‘The step that government is taking today is truly momentous. I am proud that after years of discussion and delay this government is taking decisive action to secure the UK’s place in the global aviation market – securing jobs and business opportunities for the next decade and beyond.

‘A new runway at Heathrow will improve connectivity in the UK itself and crucially boost our connections with the rest of the world, supporting exports, trade and job opportunities. This is not just a great deal for business, it is a great deal for passengers who will also benefit from access to more airlines, destinations and flights.

‘This is an important issue for the whole country. That is why the government’s preferred scheme will be subject to full and fair public consultation. Of course it is also hugely important for those living near the airport. That is why we have made clear that expansion will only be allowed to proceed on the basis of a world class package of compensation and mitigation worth up to £2.6 billion, including community support, insulation, and respite from noise – balancing the benefits and the impacts of expansion.’
Expansion at the airport will better connect the UK to long haul destinations across the globe and to growing world markets such as those in Asia and South America, bringing a significant boost to trade.

Heathrow already handles more freight by value than all other UK airports combined, accounting for 31% of the UK’s non-EU trade, and its expansion will create even more opportunities for UK business to get their goods to new markets.

While there are clear gains for business, passengers will also benefit from a greater choice of airlines, destinations and flight times. The Airports Commission, chaired by Sir Howard Davies, anticipated that a new runway would bring in new capacity to meet demand and allow greater levels of competition, lowering fares even after taking into account the costs of construction.

Furthermore, the government news service informed that expansion costs will be paid for by the private sector, not by the taxpayer. It will be for the Civil Aviation Authority (CAA), as the independent industry regulator, to work with Heathrow Airport Ltd and airlines operating at the airport, on the detailed design and costs to ensure the scheme remains affordable.

The government expects the industry to work together to drive down costs to benefit passengers. Finally, it was stated that the aim should be to deliver a plan for expansion that keeps landing charges close to current levels.