

Information

07 May 2009

AIRLINES WELCOME SUMMER 'SLOTS' DECISION

The Association of European Airlines, representing Europe's most important network carriers, has applauded the EU's decision to waive the 'use it or lose it' slot rule for the Summer season. The economic downturn, explains AEA, has created a temporary excess in capacity over demand which the airlines are constrained from addressing by rules designed for a growth market.

"It goes without saying that airlines need to take for granted, in their forward planning, that they will be able to have access to the airports they want and need to serve" said AEA Secretary General Ulrich Schulte-Strathaus. *"From this springs the notion of 'historical precedence' – an airline which has slots for one season can rely on being able to obtain them in the following year"*. The current debate concerns the rule that a slot has to be used 80% of the time for the airline to be able to rely on keeping that slot.

Clearly, with passenger traffic substantially down on last year's levels, there are some operations, on some routes, which are running far below economic occupancy levels. Yet if the operators temporarily suspend these services, they permanently give up their slot entitlement under the 80:20 rule. *"Having to permanently give up a slot is an extreme option which the airlines will avoid if they can, but flying nearly empty to protect slots is neither economically nor environmentally responsible"*, said Mr Schulte-Strathaus.

Airlines, struggling to contain costs in the face of free-falling revenues, will welcome the opportunity to align more closely their production with the reduced demand. *"Right now, we cannot predict how long this current downturn will continue"*, said Ulrich Schulte-Strathaus; *"we have nothing to benchmark it against – it has already exceeded in severity any past economic upheavals in our industry. The one thing of which we can be certain is that all airlines, whether EU or non-EU, require flexibility to adapt their flights to the rapidly changing demand; by temporarily suspending a rigid provision, and by not discriminating for or against certain airlines, the EU has provided such additional flexibility."*

For further information, please contact:

David Henderson
Manager Information
Phone : +32(0) 2 639 89 72
Email: david.henderson@aea.be
www.aea.be