

# The case for devolving Air Passenger Duty



The SNP welcomed a joint submission by Scotland's three main airports to the Smith Commission, calling for Air Passenger Duty (APD) to be devolved to the Scottish Parliament ahead of next year's General Election.

The submission 'A Case for APD' – signed by Amanda McMillan, Managing Director at Glasgow Airport, Gordon Dewar Chief Executive at Edinburgh Airport and Carol Benzie, Managing Director, Aberdeen International Airport – backs the Scottish Government position.

The airports also say they “simply do not understand the foundation” of Labour's opposition to the devolution of APD.

Their submission states: “Reducing APD will incentivise more direct travel from Scotland, and will likely reduce the need to transfer through European airports to avoid paying APD. We simply do not understand the foundation of the Scottish Labour Party's concerns here.”

“Unless APD is devolved, people travelling to and from Scotland – who in most cases fly due to the lack of feasible alternatives – will continue to face some of the highest levels of taxation in Europe, which is clearly a disincentive to travel.”

Colin Keir, the MSP for Edinburgh Airport, said:

“This submission to the Smith Commission by Scotland's three leading airports is very welcome indeed – it backs up our position and dismantles Labour's weak proposals.

“The case for the devolution of APD has been made – today’s submission from the airports has demolished any remains of Labour’s threadbare argument against it. Labour in Scotland could start to show that it is Scotland, not Westminster, in control by dropping its opposition and supporting the devolution of APD.

“Assuming this common sense submission is taken forward by the Smith Commission in its proposals – the pressure will be on David Cameron and the Westminster system to act immediately and devolve the powers over APD at once.”

Transport Minister Keith Brown said: “I warmly welcome this submission from Edinburgh, Glasgow and Aberdeen airports, calling for powers over Air Passenger Duty (APD) to be devolved to Scotland.

“This is something we have long called for and a move that has widespread support within the aviation and tourism industry. This submission from the airports only strengthens that argument.

“There is no doubt the current APD regime in the UK holds Scotland back. It’s repeatedly cited by both airports and airlines as one of the biggest obstacles when it comes to securing new direct international services and maintaining existing ones.

“That means Scotland is at a disadvantage when it comes to attracting visitors and business from overseas, as well as making it more difficult for Scottish firms to access international markets.

“Despite this, Scotland remains an attractive destination – we need only look at the new direct routes to Philadelphia, Chicago and Doha which started this year to see that – but our international connectivity will continue to be limited unless the situation changes.

“By devolving APD to Scotland we could unlock the country’s full potential, bringing significant opportunities for airlines, Scotland’s airports and passengers. We would then be able to re-invest the benefits from growth in economic activity that could be expected to flow from a more competitive APD regime in Scotland.

“UK APD is the most expensive tax of its kind in Europe and its impact on Scotland cannot continue to be ignored. It is time Westminster listened to the voice of the industry and took action.”