

## **STATEMENT BY THE GSLP/LIBERAL OPPOSITION**

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The news that Iberia intends to end its existing flights between Gibraltar and Madrid this week will take nobody by surprise. This has been on the cards for a long time given that the load factors on the route have been comparatively low and aircraft have been flying half-empty.

As we have said before, it is doubtful whether any proper market research was done beforehand to determine whether the demand for a Gibraltar-Madrid route actually existed. In addition to this, the expense to the taxpayer of the underutilised bus service to La Linea and the expense of the Iberia terminal building already stood at over £700,000 before the summer.

Iberia have operated this route from December 2006 until September 2008. The then GB Airways operated the same route from May to September 2007. Despite the considerable amount of publicity that the route obtained when it was launched, given the political dimension, neither Iberia nor GB Airways have been able to make it a commercial success. The fourteen flights week became seven when GB Airways pulled out last year and the seven became only two when

the Iberia operation contracted following that same summer season.

It is significant to note that GB Airways hinted when they terminated the route last year that the reason for its establishment was more political than economic. They said at the time that they were “keen to do all we could to support the efforts of our politicians and the Cordoba process”. It is not known whether Iberia have had the same motivation.

Shadow Minister responsible for tourism and civil aviation Dr Joseph Garcia said:

“The withdrawal of Iberia calls further into question the decision taken by the Government to construct a new air terminal building at a cost of some £50 million. The policy of the Opposition to expand the existing terminal instead is far more prudent and responsible in the circumstances.”

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