

**STATEMENT BY THE GSLP/LIBERAL OPPOSITION
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The Government has confirmed through information supplied in Parliament that the scale of the new air terminal building is disproportionate to the use that is going to be made of it. This is further evidence that the decision to spend millions of pounds in constructing a new air terminal and relocating it next to the frontier fence was based on political and not economic considerations.

In answer to questions from Shadow Minister for Civil Aviation Dr Joseph Garcia, the Chief Minister told Parliament that the new air terminal is designed to accommodate a design peak hour capacity of four aircraft movements per hour which translates into approximately 500 passengers per hour on the basis of three flights out and one flight in (or vice versa). The number of passengers per year amounted to 980,000. He added that operating for 12 hours a day, the number of daily movements would be 24 corresponding with 2688 passengers per day.

The latest figures supplied by the Government as to the capacity of the new air terminal building serves to further expose a completely misguided policy on the matter. The new air terminal has been designed to cater for nearly one million passengers per year, when the latest figures show that Gibraltar only received 160,000 in 2009. Indeed, this in itself represented a decline in air arrivals of 2.6% when compared to the previous year 2008. The latest figures available to the Opposition for January and February 2010 show a further drop in 4000 passengers when compared to the same period in 2009.

It is clear that for the terminal to operate at design capacity it would require a growth of about 516% in the number of passengers that arrive at Gibraltar by air. It is naïve to argue that the construction of a new air terminal is in itself going to attract new airlines and open new air routes. This is an argument that the Government have put forward relatively recently, when it became clear that their airport deal would not lead to the boom in flights and in the aviation industry that had been so confidently predicted.

The plain fact is that the main motivation driving airlines to open new routes is if the route is going to be profitable and if there is demand to maintain load factors on its aircraft. The size, condition or location of the air terminal building is itself a secondary consideration.

The problem with overcrowding at peak times in the present air terminal has got more to do with the slots that have been allocated to the airlines than with the actual size of the building. It is well known that there are days when all three planes arriving at Gibraltar from London do so within an hour, and two of them are even scheduled to arrive at exactly the same time. This is what causes the congestion in the present air terminal, which then remains empty for most of the day before and after that peak time.

Commenting on the matter, Shadow Civil Aviation Minister Dr Joseph Garcia said:

“The Government’s suggestion that the new air terminal would somehow pay for itself on the back of increased usage is nothing more than a dream on the present showing. Their claim that civil aviation would become an industry to rival offshore gaming is also nothing more than a dream. The problem is that for the taxpayers of Gibraltar, who are the people who have to pay for it, this project has fast become a very real and a very expensive nightmare. The new air terminal is not about planning for the future nor is it based on economic considerations. It has been built and located next to the frontier at huge public expense as a sop to Spain for political reasons.”