Module 8 aviation trend issue report

Business, Management

Module 8 Aviation Trend/Issue Report

UK's Regional Airports UK's regional airports in the year increased the number of passengers that it handledfrom the previous year with 3. 5%. A forecast by the Department for Transport, reveal that the number will greatly rise by 2030. The increase will cause the airports to their full capacity. Therefore, the government has given incentive investment pledges to assist in boosting the flight passenger capacity, increase connectivity, create new routes and support regional jobs.

The Regional Air Connectivity Fund is one of the UK funding policies that provide funds to airports that server fewer than 5 million passenger in a year (Turner, 2015). The fund is important in covering the financial supports for startup aids. These funds strategy enables the regional airports to face competition from airports that provide low-cost carriers. However, in the year 2014, Center for Aviation, pointed out a number of issues that question the funding policy. Center of Aviation questions the regional category airports, the competition from low-cost carriers and the ability of the airports to remain self-supporting even after support period expires.

Turner (2015) says that even with the criticism from Center of Aviation, Regional Air Development Fund still had its success in benefiting hubs. It prevented some of the airports from terminating some of its services to meet the operation cost. In addition, the regional airports have used the funds in establish new daily routes and in maintaining the existing public service obligation services. Despite the success stories that have been told, there are still regional airports that have remained unprofitable. Therefore, it is important for the Regional airports to proceed with extreme caution.

Reference

Turner, J. (2015, April 27). Ground in reality: can government funding save

the UKs regional airports.