



HOUSE OF COMMONS

LONDON SW1A 0AA

15th June 2020

Dear Consultant,

RE: CORONAVIRUS - SUPPORT FOR AIRLINES

Thank you for contacting me recently about support for airlines during the Coronavirus emergency; your comments upon which I have read with great interest.

Coronavirus is the biggest challenge the UK has faced in decades – and we are not alone. All over the world we are seeing the devastating impact of this disease. It threatens to take both our way of life and our loved ones from us. This is especially apparent for the aviation sector, as in keeping with the Government's guidance on how to slow the spread of the disease, routine flying is no longer an option, and may not be for the foreseeable future.

However, the aviation sector remains essential to the UK, both in strategic and economic terms, and the Government is committed to supporting it in any way it can through this emergency period.

The Government has already made available an unprecedented package of economic support for the sector to protect them against the current economic emergency. This includes the Coronavirus Job Retention Scheme – where small and large employers can currently apply for a Government grant worth 80 percent of workers' salaries, up to £2,500 a month - a deferral of the next quarter of VAT payments for firms until the end of June, representing a £30 billion injection into the economy, and £330 billion worth of government-backed and guaranteed loans to support businesses.

In addition, the Government has taken swift action to defer the payment of air navigation charges for up to 14 months, saving UK airlines tens of millions of pounds to help them during this emergency.

However, if airlines do find themselves in trouble as a result of Coronavirus and have exhausted these measures already available to them, the Transport Secretary has made clear that the Government will be prepared to enter into discussions with individual companies seeking bespoke support as a last resort, having exhausted all other options. However, it is vital that any intervention would need to represent value for money for taxpayers.

This is a very difficult time for airlines, but through the unprecedented package of support measures the Government is making available to help firms through this period, I am confident this vital sector will get the support it needs.



I also know that the Transport Secretary and the Aviation Minister are meeting regularly with the aviation sector, unions and other bodies, and will continue to do so throughout the crisis and as we begin to recover. I have actively raised your concerns about this with my ministerial colleagues directly and will continue to follow this closely.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

With best wishes,

A handwritten signature in blue ink, appearing to read 'Tom'.

**TOM PURSGLOVE MP
MEMBER OF PARLIAMENT
CORBY & EAST NORTHAMPTONSHIRE**