

Heathrow 'on the cusp of a recovery' with first full quarter of passenger growth since 2019

Heathrow "on the cusp of a recovery" its chief executive has said after the airport posted its first full quarter of passenger growth since 2019.

Britain's busiest airport benefitted from strong pent-up demand for travel as pandemic-related restrictions continue to ease around the world.

Passenger numbers in the third financial quarter recovered to 28% and cargo to 90% of pre-pandemic levels but are not expected to fully recover until at least 2026, the airport's bosses said.

The airport has suffered £3.4bn in total losses since the pandemic began in March last year, going on to shred the travel and tourism sectors.

But, with £4.1bn available in cash, Heathrow's executives said they have the "financial strength...to be able to come through until the market recovers".

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Heathrow chief executive John Holland-Kaye said: "We are on the cusp of a recovery which will unleash pent-up demand, create new quality jobs and see Britain's trade roar back to life – but it risks a hard landing unless secured for the long-haul."

"To do that, we need continued focus on the global vaccination programme so that borders can reopen without testing; we need

a fair financial settlement from the CAA to sustain service and resilience after 15 years of negative real returns for investors; and we need a progressively increasing global mandate for sustainable aviation fuels so that we can protect the benefits of aviation in a world without carbon.”

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Speaking to Sky News, Mr Holland-Kaye said the airport wanted government help to “make sure we can fly without guilt”, adding that “good steps” had been made in this direction.

“Last week the government and (Microsoft founder) Bill Gates [announced £400m funding for sustainable aviation fuel plants](#) in the UK plus an ambition for 10% use of sustainable aviation fuels instead of fossil fuels by 2030.

“We’d like to see that turned into a legal mandate, so the investors have the confidence they can get in and start increasing production.

“And we’d like to see a price stability mechanism, similar to what has been used on solar and wind power, to really stimulate the market and start to get costs down for consumers.”

Heathrow last year lost its crown as Europe’s busiest hub to Paris and announced earlier this month that passengers [could see airport charges rise by more than 50% next year](#) as it tries to recover.

Last week, the UK aviation regulator said the airport would not be allowed to raise passenger charges by as much as suggested but Heathrow responded that the Civil Aviation Authority’s proposals “do not go far enough to ensure that investors can achieve a fair return”.

Heathrow is owned by Spain’s Ferrovial, the Qatar Investment Authority, and China Investment Corp among others, and said shareholders have had negative returns in real-term values over the last 15 years.