

Record increase for Europe's airlines

A number of European air carriers experienced record increases in passenger traffic last year, despite rising fuel costs and increasing competition between airlines.

Scandinavian airline SAS, which is half owned by the governments of Sweden, Denmark and Norway, saw passenger traffic rise by 15.5 per cent in December last year and said that the year as a whole was a record in terms of passenger numbers and load factor. The Franco-Dutch carrier, Air France KLM, also saw passenger traffic increase by 11.9 per cent in December, while European budget airline, Easyjet, experi-

enced increases of 11.1 per cent in passenger numbers in the same month. Easyjet also posted a nine per cent rise in pre-tax profits to £68 million (US\$120 million) for the year until September. Chief Executive, Ray Webster, said, "We've made sound progress with good growth in passenger numbers and revenue. I'm also pleased with the expansion of our network. With 72 new routes added, we are in good shape for the future."

Other airlines to experience an increase in business in 2005 were Finnish national carrier Finnair, which saw passenger numbers increase by 4.5 per cent to 8.5 million, and Central European budget carrier Wizz, which experienced growth of 233 per cent to 1.89 million passengers. Wizz added that it planned to raise passenger numbers to three million in 2006.

Meanwhile, the UK's National Air Traffic Services (NATS) announced that UK air traffic increased by 5.7 per cent in 2005, posting its biggest rise since 1999. A total of 2.3 million flights were handled through British airspace during the year. "An upsurge of flights by low-cost carriers to eastern Europe contributed to the record breaking year with flights to the region growing by 36.5 per cent," said a spokesperson for NATS. ●

Budget Hong Kong airline takes off

A new budget airline that will fly exclusively on long-haul routes is due to start operating out of Hong Kong later this year. Oasis Hong Kong Airlines has been granted an operating licence by Hong Kong's Air Transport Licensing Authority to fly scheduled flights to London, Milan, Cologne, Berlin, Oakland and Chicago.

"Our tickets will be priced on average 40-to-50 per cent below full service airline tickets," said Stephen Miller, Chief

Executive of Oasis. "We are aiming to attract a new market of long-haul passengers."

The airline's maiden flight is scheduled to take place in June from Hong Kong to London Gatwick and Oasis will be the first low-cost carrier to service this route. The airline plans to keep expenses low by flying long distances and maximising the flying hours of big aircraft with low per passenger costs and eventually hopes to fly to 12-to-15 destinations. ●

Low-cost UK-US flight on the horizon

UK no-frills carrier, Flyglobespan, has announced plans to launch daily flights from Glasgow in Scotland to Florida in the USA from this summer. The move marks the launch of the first no-frills flights between the UK and USA.

The airline plans to start operating the new route in June with one-way prices starting at £99 (US\$175) plus taxes of £54.50 (US\$96). The carrier will also offer two upgraded cabins on their transatlantic route – a Premium economy and a Business Class. While the company only plans to operate a single Boeing 767 on the route, Tom Dalrymple, Chairperson of parent company Globespan, said that a number of aircraft were on order for use from different destinations. Routes from London to Florida, for example, could appeal to the wider European market if launched.

There will be no free food and drink offered to passengers on the flights but customers will be able to buy a mix of snacks and possibly hot meals, according to Dalrymple. "Florida is now such a significant part of the UK holiday market that we had to make it a destination," he said. "A daily service is ambitious but it does give us the flexibility which travellers want." ●

Travel Update

- **Brighton** in the UK has been the subject of a multi-million pound investment campaign designed to make it a more attractive destination for visitors. The creation of the New England Urban Village in 20 acres of central Brighton is due to be completed in 2006 and will include contemporary homes and shops, a college, community centre and public square. Europe's first surfing museum will also open in the city in 2006 documenting the history of the sport from the 1770s to the present day.

- US air carrier **Independence Air** ceased operations earlier this year after 18 months of trading as a low-cost air carrier. The airline blamed low-cost competition and record high fuel prices for its financial problems.

- **Eurostar**, the high speed train service that links the UK with France and Belgium, is to spearhead a campaign to boost tourism to London, Paris and Edinburgh on the back of the film release of *The Da Vinci Code* this spring. The train company will work with Visit London, VisitBritain, Visit Scotland and Maison de la France to encourage tourists to take their own Da Vinci Code trail and visit the sites mentioned in the book and film.

- **Vietnam** has announced plans to build a US\$158 million international airport on its southernmost island in order to boost tourism. The airport would be capable of handling 2.5 million visitors annually and is planned to be operational by 2008. According to government statistics, tourist arrivals in Vietnam increased by 18.4 per cent last year to 3.47 million.

- Australian budget airline, **Virgin Blue**, has revealed that passenger traffic in November 2005 increased by 8.6 per cent on figures for the previous year. The airline, which competes with Qantas and Jetstar on domestic routes in Australia, carried 1.19 million passengers in November.

- **Japan Airlines** has applied to become a member of the Oneworld alliance. The Japanese carrier is currently the only one of the world's top 20 carriers not to be in an airline grouping and its inclusion would add 68 destinations to the Oneworld alliance. The airline is expected to be admitted to the group in 2007.

- **Morocco** has initiated an open sky pact with the 25 countries that make up the European Union in an attempt to open up its market to European airlines and increase tourist arrivals by one million each year. The pact also offers airlines the opportunity to carry passengers from airports in Morocco to other non-EU countries, while Moroccan airlines will be able to fly from one European city to another.

- **Luton Airport** in the UK is planning to build a second terminal and replacement runway in time for the 2012 Olympic Games. Draft plans, which will allow the airport to handle traffic from long-haul carriers, also include expanding the existing terminal and car parking space.