

Statement to Parliament: Update on Monarch Airlines: 9 October 2017

Mr Speaker, with permission I would like to make a statement about the steps the government has been taking to support those affected by the collapse of Monarch Airlines, in particular the 110,000 passengers this left abroad without a flight back to the UK and the almost 2,000 people who have lost their jobs.

Mr Speaker, this situation is deeply regrettable and all parties considered options to avoid the collapse of the company. Ultimately, however, Monarch's board took the decision to place it into administration and it [ceased trading at around 4am on Monday 2nd October \(2017\)](#). The engineering arm of the group remains a viable business and continues to trade.

Ahead of the collapse my department had been working closely with the [Civil Aviation Authority \(CAA\)](#) and several departments across Whitehall to prepare contingency plans, and the response has been swift and substantial.

To put this into some context, this is the largest operation of its kind ever undertaken and has meant the CAA has essentially set up one of the UK's largest airlines in order to conduct this operation.

To give members a sense of the scale:

- we have put arrangements in place to bring back 110,000 people to the UK
- this requires 700 flights over a 2 week period
- a maximum of 35 aircraft in operation at one time
- the CAA are working with 27 different airlines, more than 200 CAA staff working on the project with thousands more in partner organisations
- there are over 40 airports involved – in the UK, around the Mediterranean and beyond
- it has required 267 coaches carrying over 13,000 passengers
- so far there have been over 39,000 calls to our customer service centres, all swiftly answered by more than 250 call centre staff
- there have been over 1,000,000 unique visitors to a dedicated website monarch.caa.co.uk – and 7,000,000 page views
- furthermore more than a million people have been reached through our Facebook promotion
- and there have been 10 government departments and agencies involved, including the FC0 in London and our extensive diplomatic and consular network in the affected countries

I have seen first-hand the work being done across government and the CAA to make this operation a success and spoken to some of the passengers who have returned to the UK on government flights. I have been hugely impressed by what I have seen and the response from passengers has been overwhelmingly positive – with many praising the CAA and government themselves for a well-organised and professional response.

Normally, the CAA's responsibility for bringing passengers back would extend only to customers whose [trips are covered by ATOL](#). However this is the largest airline failure in UK history and there would have been insufficient capacity in the commercial aviation market to enable passengers to get home on other airlines. With tens of thousands of passengers abroad and with no easy means of returning to the UK, I therefore instructed the CAA to ensure all those currently abroad were offered an alternative flight home.

As of last night, around 80,000 passengers have returned to the UK – almost three quarters of the total number who were abroad at the time of the collapse. We have also deployed teams of government officials to overseas airports to provide advice and assistance to passengers.

Mr Speaker, despite robust plans and their success so far, this is a hugely distressing situation for all concerned. One of my top priorities has been to help those passengers abroad get safely back to the UK.

Employees

But in addition to supporting passengers, we have also been working across government to ensure the almost 2,000 former Monarch employees receive the support they need.

I am pleased to report that airlines have already been directly appealing to Monarch's former employees. For instance, Virgin Atlantic are offering a fast track recruitment process for cabin crew and pilots, and easyJet have invited applications for 500 cabin crew vacancies. EasyJet are also calling for direct-entry Captains or First Officers who meet Captain qualifications.

All former Monarch employees will have received information from [Jobcentre Plus](#) outlining the support available to them. In total, Jobcentre Plus has pulled together a list of more than 6,300 vacancies across the major UK based airlines – around 3 times the number of people made redundant – which will help former Monarch employees remain in the airline industry.

Both I and the Aviation Minister have been in contact with those members whose constituencies will have been hardest hit by these job losses, and given assurances that we will work with the industry to offer what support we can.

Taxpayer

However, I am also aware of the duty this government has to the taxpayer, and while affected passengers have been told they will not have to pay to be flown back to the UK, we have entered into discussions with several third parties with a view to recovering some of the costs of this operation.

The ATOL scheme will of course provide the financial cover for those with ATOL protection. We are currently engaged in constructive discussions with the relevant credit and debit card providers in order that we might recoup from them some of the cost to taxpayers of these repatriation flights. We are also having similar discussions with other travel providers through which passengers may have booked a Monarch holiday and I would like to thank them

for their constructive behaviour and approach.

Mr Speaker, the initial response to this unprecedented situation would not have been as successful were it not for the support and cooperation of many players.

The loss of a major British brand, which was close to celebrating its half-century, is undoubtedly a sad moment. However this should not be seen as a reflection on the general health of the UK aviation industry, which continues to thrive.

We have never had the collapse of an airline or holiday company on this scale before. We have responded swiftly and decisively. Right now our efforts are rightly focused on getting employees into new jobs, and passengers home. But then our efforts will turn to working through the reforms necessary to ensure passengers do not find themselves in this position again. We need to look at all the options, not just ATOL, but also whether it is possible for airlines to be able to wind down in an orderly manner and look after their customers themselves without the need for government to step in. This is where we will focus our efforts in the weeks and months ahead.

This has been an unprecedented response to an unprecedented situation, and I am grateful to all parties who have stepped in to support those affected.