



The head of the airline industry's global body has singled out the British government for a stinging attack, accusing it of lacking the understanding and political will to come up with answers on Heathrow while imposing the highest air taxes in the world.

Tony Tyler, the director general of IATA, the International Air Transport Association, said: "What the industry has been asking for, and waiting for, for a long time is a clear policy that recognises the contribution aviation makes to the British economy. Adding a new runway at Heathrow would be a sensible thing to do.

"There are always good reasons for doing nothing, we need a little bit of political effort to get the right decision made. All the evidence is they don't seem to get it."

Claiming that 1.4m British jobs and 3.6% of GDP depended on aviation, Tyler said you could "pick your own metaphor" to describe the procrastination imposed on the Davies Commission on aviation capacity.

"To be told not to report before the next election shows a lack of political will to do something about an industry which should be seen as strategically critical for the UK as a trading nation and financial centre."

Tyler said Britain's air passenger duty – which collects £2.9bn every year – was "the bete noire of the industry" and "without doubt the biggest tax on aviation in the world".

The IATA boss pointed to instability and splits in the coalition for the lack of action. "Already, there have been three different secretaries of state in my [18 months] at IATA. It can't help having all this chopping and changing at the top," he said. "It's a shame that such divisions exist on such an important issue and they don't seem to be able to come up with a sensible answer."

Tyler warned that European airlines would struggle to break even this year, despite a more optimistic forecast for airlines worldwide, with passenger numbers set to top 3bn for the first time in 2013.

It predicts global profits will improve to \$8.4bn (£5.2bn) next year on the back of higher global growth and a falling oil price, and revised its final estimate for 2012 up to \$6.7bn profit (£4.15bn), driven largely by American and Asian carriers.

Tyler said this represented only a 1.3% margin, adding: "The industry is keeping its head above water. But only just."

High fuel prices "have become a fact of life for the business", he said, but airline restructuring and consolidating was starting to have a positive impact.

Brian Pearce, IATA's chief economist, said: "For the last couple of years we've seen the industry squeezed by sluggish world trade growth and high oil prices. But for the next couple of years we see better growth and a slight decline in oil price that should ease that squeeze."

He said growing business confidence was driving higher passenger numbers, but the air transport of goods was slipping. It was "very tough" for planes reliant on freight as well as passengers: "Essentially [cargo] planes are flying around half-empty."

European airlines problems were mainly a result of the eurozone crisis but also high regulatory and tax costs, Pearce said.

Meanwhile, IATA said flying had become safer than ever, with a record low accident rate in 2012 – there has not been a single crash on a modern western aircraft for any of its members, which comprise the world's 240 leading airlines.