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To Fix Heathrow, extend Crossrail to Stansted

Cover Page trailer "How to Fix Heathrow - It's simple: extend Crossrail to Stansted

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London's business leaders are hoping that one of Gordon Brown's first acts as prime minister will be to fund the long-debated Crossrail scheme, a new railway linking Heathrow, the City and Canary Wharf. Estimated to cost £16bn, Crossrail is not cheap. With 40 railways already into London, one more railway cannot do much to relieve crowding for commuters. So why does business think Crossrail is so important?

Mostly, because it will link Heathrow – London's global gateway – to the City. Heathrow Express runs only to Paddington and, to finish the trip, visitors face a slow Tube or taxi ride. Heathrow may be vital to the London economy but it now compares pretty poorly with European rivals, where passengers arrive in spacious terminals with fast, direct rail links to the city centre and often direct to nearby cities.

Yet Crossrail plans are to operate only slow, all-stations trains from Heathrow to the City. BAA, the airport owner, has refused to integrate Heathrow Express into the scheme, fearing that it would be degraded into a crowded commuter railway. So Crossrail will take only a few minutes off the journey from the City to the airport, compared with using the existing railways. If it is built as planned, the business leaders backing it will probably be disappointed when it opens.

Terminal Five will open next year and BAA plans to rebuild Terminal Two in time for the Olympics. So the in-airport experience may improve a little. But Heathrow has another problem. It has only two runways, compared with three (or more) at Frankfurt, Amsterdam and Paris Charles de Gaulle. Whenever weather causes delays, flights are backed up, connections are missed, fuel is wasted and pollution is increased. BAA's answer is to build a third runway and a sixth terminal. The proposition may stack up financially, at least to BAA, but its chance of getting through the planning process in our lifetime seems remote.

The answer must be to develop Stansted as a true international hub. Already Stansted has flights to more than 200 destinations, although most are with short-haul budget airlines. There is room for a second, third or even a fourth runway and the terminals to match. The planning hurdles are

not trivial, but surmountable. There are two problems, both soluble. First, Stansted is remote and, although there is a rail link to the City, it is unreliable and overcrowded. Stansted needs faster, better links to the West End and west London if it is to attract the premium business and connecting passengers long-haul flights usually need to be profitable. Second, BAA, as owner of Heathrow and Stansted (as well as Gatwick) has little incentive to develop Stansted as a true rival.

Twenty years ago the City of London was bursting at the seams. International banks could not find space and the planning process meant new buildings were constructed at a glacial pace. The answer was to develop Canary Wharf. Enabled by the Docklands Development Corporation, the Canadian developer Paul Reichmann had a vision of a new central business district. He took the lead in creating not only large, high-quality buildings but also the transport infrastructure, in particular the Docklands Light Railway and the Jubilee Line Extension, which was needed if the development was to succeed. Initially the City opposed Canary Wharf, seeing it as a rival that would steal some of a fixed "pie". Yet with Canary Wharf now home to several of the world's largest banks and even its largest law firm, the City and the West End are as healthy as ever.

The London air travel market is similarly large. Current plans are for Crossrail to end in the east at Shenfield and Abbey Wood, both fully developed residential areas. If, instead, it were extended from Canary Wharf to Stansted, it could attract long-haul flights and become a comprehensive alternative to Heathrow. Superlink, a group of senior railway industry executives who played vital roles developing the Jubilee Extension, Channel Tunnel Rail Link and Heathrow Express, has shown that this might be done for about £2bn.

There is no reason to expect BAA, as a monopolist, to expand Heathrow to get ahead of demand or to invest in Stansted if this divides rather than grows its market. Now is the time to open the market, putting Stansted into independent ownership, which would encourage development of the airport and the transport links it needs, in the same way that Mr Reichmann created a second City at Canary Wharf.

[Michael Schabas](#), a director of Superlink, was vice-president for transport at O&Y Canary Wharf Developments 1988-1991

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