Doncaster Sheffield Airport in the UK set to close with 800 job losses

Simon Whelan 5 October 2022

Doncaster Sheffield Airport (DSA) in South Yorkshire, England is set to close by November this year with the loss of 800 jobs.

The decision to close DSA permanently was blamed by owners, the Peel Group, on "the high fixed costs associated with running a safe, regulated airport, together with recent events materially reducing prospective future aviation income streams."

The Peel Group said it had been "actively engaging" with local authorities and the Department for Transport (DfT) as well as numerous airlines but "None of these discussions has delivered any tangible results that have changed the board of DSA or Peel's clear view that the airport is and will remain unviable."

Along with job losses for 800 workers employed directly at DSA, another 2,500 jobs are threatened. These are linked to ancillary services for the airport in nearby South Yorkshire, Lincolnshire and north Nottinghamshire.

Following the ending of scheduled services from nearby Sheffield City Airport in 2008, the former RAF Finningley site was reopened as Robin Hood Airport Doncaster Sheffield (DSA) in April 2005. DSA is used by holiday providers such as Tui, with flights to destinations including the Canary Islands, Balearics, Greece, Turkey, Poland and the Baltics.

The Peel Group, owned by billionaire John Whittaker, is a British infrastructure and property investment corporation based in Manchester. It is one of the biggest infrastructure, transport and real estate investors in the UK, with collective investments owned and under management in excess of £5 billion. The company reported profits of more than £30 million in 2021 from its operations at Mersey Docks and Harbour Company.

The DSA is worth £100 million a year to the region's

economy. In negotiations, Peel referred to the potential value of the DSA site for alternative employment, with speculation it will be used for warehousing and light industry. The region has been transformed into a hub for low wage online retailers such as Amazon.

On September 23, the South Yorkshire Mayoral Combined Authority (SYMCA) made a last-minute attempt to keep the DSA open, even offering to compensate Peel Group from public funds for financial losses for another year while a new owner for the site was found.

The offer was declined with Peel Group chief executive Steven Underwood declaring, "We will not accept any public sector grant to cover the costs of an airport that is not viable due to its lack of adequate forward revenues and high operating costs."

The corporation stated, "Accepting funds from SYMCA may postpone the inevitable for another 13 months, but it will divert funds away from services on which communities throughout South Yorkshire rely." Yet it wasn't troubled when accepting millions from the public purse over the lifetime of the DSA.

South Yorkshire's Labour Party mayor Oliver Coppard responded, "For years, we have been investing public money in and around DSA to support the airport, including providing emergency funding [during] the pandemic. Since the announcement by Peel that they were entering into a review of DSA, we have done everything we could to constructively and proactively find a path forward."

Coppard continued "We have identified market interest, brought potential investors to the table, and last week we offered them a deal to protect the jobs and livelihoods of DSA staff, and to give Peel the time and space to negotiate with new investors. The fact that they chose to turn our offer down simply confirms what

many of us suspected: that Peel was never serious about finding an alternative and safeguarding the future of DSA".

With his pathetic pleas Coppard only demonstrates the utter prostration of Labour-run local authorities. He begged, "It is still not too late for them to do the right thing; for them to reconsider their decision for the sake of those employees, businesses and communities directly impacted by this appalling decision."

The DSA is set for closure, only two weeks after Conservative Prime Minister Liz Truss publicly pledged to "protect it". Asked by Don Valley Tory MP Nick Fletcher about the DSA's future during her first Prime Minister's Questions on September 7, Truss said, "We will protect this airport and this infrastructure".

Truss told the Commons she had already instructed her new transport secretary to begin talks with DSA "stakeholders". Truss claimed she would be "absolutely focusing on levelling up and making sure we're attracting investment and growth into this country [to regions] that have been left behind so they have their share."

Regardless of Truss's empty words, Peel Group's parasitic investors have concluded the DSA is simply not profitable enough, with or without public subsidies. Since opening in 2005, the DSA has never turned a profit. The COVID-19 pandemic was the final straw, with flight numbers falling by more than half.

DSA's closure exposes the ongoing decline in the north of England. South Yorkshire, Lincolnshire and North Nottinghamshire cannot provide the volume of passengers able to afford regular package holidays. Tour company Tui operates near the bottom of the package holiday market, selling mostly to working class families. The decline in the volume of flights from DAS speaks to the social crisis gripping poorly paid workers who are struggling to survive.

The airport's closure is a blow to the region and will impact thousands of workers in the run-up to Christmas. The Peel Group said it would be "engaging closely" with the airport's staff "over the next few weeks", with the local Labour authority and trade unions working to facilitate an orderly closure.

The Manchester Airports Group (MAG) offered guaranteed interviews for DSA employees for an unspecified number of "vacancies" across their three airports—East Midlands, London Stansted and

Manchester. These are all located many miles from Doncaster.

Last week, South Yorkshire Mayor Oliver Coppard and Doncaster Mayor Ros Jones, also Labour, confirmed they were in talks with a "serious" takeover consortium. Rumours that billionaire Virgin Atlantic owner Sir Richard Branson was involved were quickly denied.

The GMB union's senior organiser Les Dobbs said he was "devastated and amazed" by news of the closure. But the union has issued no call to rally its members across the transport industry to fight DSA's closure. Peel's own Mersey Docks and Harbour Company (MDHC) is currently in dispute with hundreds of dockers on strike over wages at the Port of Liverpool.

A GMB rally attended by 200 people protested the closure but provided a platform for Labour Party politicians to issue bankrupt pleas for Peel to accept more public cash and remain open. The GMB made no call for industrial action, with GMB regional organiser Sarah Barnes calling on the Tory government to "step in quickly and commit money" to save DSA.

With closure imminent, Dobbs announced last week that the GMB would "continue to fight and campaign to the bitter end"—empty words that amount to a kiss of death. The closure of DAS speaks to the destructive consequences of subordinating basic infrastructure to private profit. The airline industry must be nationalised under workers' control, along with the transport and energy corporations, as part of the fight for a democratically planned world socialist economy to meet human needs not private profit.



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