

2 July 2021

Ross Copland,
Chief Executive
New Zealand Infrastructure Commission

Dear Mr Copland,

Thank you for the opportunity to make a submission on the *He Tūāpapa ki te Ora - Infrastructure for a Better Future* consultation document.

NZ Airports is the industry association for New Zealand's airports and related businesses. Our members¹ operate 42 airports across the country including the international gateways to New Zealand. This infrastructure network is essential to a well-functioning economy, and enables critical transport and freight links between each region of New Zealand and between New Zealand and the world.

The necessity and value of airport infrastructure to New Zealand's economy and to New Zealanders cannot be over-stated. Aviation cannot take place without properly designed and built airports.

New Zealand is the most geographically isolated developed nation on Earth. The shortest distance from any New Zealand airport to any other developed nation's airport is 1,830km between Dunedin and Hobart, Tasmania. The minimum distance between New Zealand and an equivalent sized population is 2,450km (Auckland Airport to Sydney Airport). Looking further beyond Trans-Tasman flights, journeys by air to the world's major population and economic centres are several hours long and many thousands of kilometres. Sea transport requires very long transportation timeframes. For timely international travel and freight, aviation is the only realistic option.

Due to its geographic isolation, small population size, and open economy, New Zealand is the OECD member most heavily dependent on international aviation and hence having efficient airport infrastructure with sufficient capacity. Without the gateway airports' well-developed infrastructure, New Zealand would be a much more isolated and much poorer nation.

Domestic aviation is of equal importance to New Zealanders for similar reasons. New Zealand has difficult geography for building land transport infrastructure, low population density, and lacks economically viable alternative modes of rapid transport outside of the Auckland-Hamilton region. New Zealand's two elongated islands, each with substantial mountain ranges running the length

¹ Our member airports: Ardmore Airport, Ashburton Airport, Auckland Airport, Bay of Islands Airport, Chatham Islands Airport, Christchurch Airport, Dunedin Airport, Gisborne Airport, Hamilton Airport, Hawkes Bay Airport, Hokitika Airport, Invercargill Airport, Kaikohe Airport, Kaitia Airport, Kapiti Coast Airport, Marlborough Airport, Masterton Airport, Matamata Aerodrome, Motueka Airport, Nelson Airport, New Plymouth Airport, North Shore Airport, Oamaru Airport, Palmerston North Airport, Queenstown Airport, Rangiora Airfield, Rotorua Airport, Takaka Airport, Taupo Airport, Tauranga Airport, Timaru Airport, Wairoa Airport, Wanaka Airport, Wellington Airport, West Auckland Airport, Westport Airport, Whakatane Airport, Whanganui Airport, Whangarei Airport.

of the centre, make cross-island or lengthways land transport expensive and time-consuming. In contrast, every region is well served by a professionally managed and safe airport.

Low population density and difficult terrain has led to rapid road and rail transport links being largely underdeveloped, particularly for passenger transport. For example, driving a vehicle from the two extremes of Cape Reinga and Bluff takes 29 hours, including an often-delayed sea ferry trip. Car travel between the main population centre Auckland to the capital Wellington is eight hours. Ground transport between Wellington and Christchurch is by sea ferry and road, taking over 8¹/₂ hours. We note that, in common with road transport, the distributed network of airports enables aviation to reach every region of New Zealand. Rail journeys take similarly long lengths of time and not all parts of New Zealand are reachable by the rail network. Coastal shipping and ferries take far longer than other transport modes. In summary, for longer journeys aviation is the only time-efficient transport mode.

Every regional airport in New Zealand is essential transport infrastructure in their locality, enabling air transport to be a competing mode of passenger and freight transport to and from that locality. Air transport successfully competes against other transport modes because of its rapidity. This capacity for rapid transport, which is enabled by private sector commercial aircraft operating from airports' infrastructure, is of immense value to individuals, businesses, and the New Zealand economy overall. Airports also provide transport resilience and enable quick responses when the fragile land transport routes are affected by natural disasters.

Rapid transportation by aircraft between regions and internationally enables New Zealanders to maximise their social connectivity and economic potential. The time saved by using air transport is a great productivity multiplier and cost saving.

The great majority of airports do not share ownership with any other airport, and each is managed independently, but the individual airports together with air operators (such as Air New Zealand, Jetstar, and regional airlines) and the national air navigation service provider (Airways NZ) form a seamless nationwide network offering rapid passenger and freight transport between all parts of New Zealand.

Aviation is a highly regulated sector. Rules and regulations created by the Minister of Transport and overseen by the New Zealand Civil Aviation Authority provide confidence that certificated airports meet CAA standards and are safe to land at and operate from.

Also, the great majority of New Zealand's certificated airports with regularly scheduled flights lie outside of private or central government ownership, being owned and/or operated by local authorities that regard their airport as a strategic asset. The Government is a joint (50/50) owner of five small airports, owns Milford Sounds Airport outright, and is a minority shareholder in Dunedin, Christchurch, and Hawkes Bay Airports. Those airports that have a majority private ownership (Auckland International Airport and Wellington International Airport) retain substantial shareholdings by the relevant local authority.

The certificated airports that serve commercial airline and freight flights are supplemented by many smaller aerodromes that support general aviation users such as private aircraft, emergency and air ambulance services, and small commercial aviation businesses. NZ Airports notes that the aviation sector's infrastructure, and hence the benefits provided by that infrastructure, extends beyond the certificated airports to also include more than 100 uncertificated aerodromes.

NZ Airports supports the development of an Infrastructure Strategy for Aotearoa New Zealand that sets national priorities and frameworks for building the right infrastructure at the right time. We also support the proposal that infrastructure investment decisions be guided by the outcomes of being efficient, equitable, and affordable. It would be of great benefit to New Zealand if the national infrastructure strategy also led to new housing development automatically taking place in

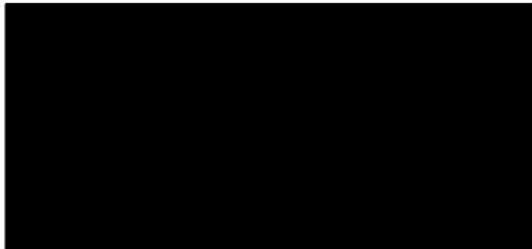
locations that reflected regional and national priorities such as protecting the future ability to operate of critical infrastructure.

NZ Airports would like the final Infrastructure Strategy to give much greater protection to essential transport infrastructure such as airports. For example, airports have a constant struggle within local authorities' planning processes to curtail housing developments and other incompatible activities within each airport's noise boundaries. Housing within noise boundaries creates a reverse sensitivity threat to the airport's future operation due to the adverse health and amenity impacts from aircraft noise. To be blunt, airports cannot be shifted and must retain the ability to expand in the future to respond to growth and new technologies, but new housing developments have a wide range of options well away from airports. The Infrastructure Strategy should reflect this.

NZ Airports also supports efforts to create a New Zealand freight supply chain strategy that maximises economic outcomes and increases national productivity. We note that airports would play a valuable part in any optimised freight supply chain because, by their very nature, each airport is automatically a freight hub in their region, and a node between air and land transport.

In addition, NZ Airports believes the New Zealand Infrastructure Commission should recognise the essential role of air navigation systems (ANS) to New Zealand and include ANS within what is considered as being infrastructure. It is not overstating the case to describe ANS as being more than just valuable and it is in fact essential to the air transport sector. ANS enables safe, reliable, and efficient utilisation of air transport and much greater productivity from all aviation assets - just as motorways enable greater productivity of the heavy vehicle fleet for freight.

Yours sincerely,

A large black rectangular redaction box covering the signature area.

Chief Executive