

29 June 2021

New Zealand Infrastructure Commission
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Dear Sir/Madam

Introduction and summary

1. Thank you for the opportunity for Christchurch International Airport Limited ("CIAL") to respond to the New Zealand Infrastructure Commission's consultation document "Infrastructure for a Better Future" (May 2021)" (the New Zealand Infrastructure Strategy).
2. NZ Airports Association is providing a fulsome response to the Consultation Paper. CIAL has been involved in the preparation of the NZ Airports submission and supports it. In this letter we highlight the issues of central concern to CIAL.
3. In summary, CIAL supports the conclusions developed within the New Zealand Infrastructure Strategy and welcomes the opportunity to further discuss:
 - a. A New Zealand freight supply chain strategy as outlined in C5.2 on page 90, and;
 - b. The integration of airports, industrial and housing developments. All are components of a successful city but may cause reverse sensitivity if not correctly considered and integrated in spatial planning processes.

General Feedback on Consultation Document

Aviation and Airports in New Zealand

4. Aviation overall is a force for good – it underpins the global economy, broadens the mind, and connects people, cities and regions. Aviation is often described as solely the movement of passengers, but critically it also enables 13% of the value of New Zealand's total freight. As an example, a daily 787 long-haul passenger flight to Christchurch, over the course of a year, contributes \$157 million of tourist spend and \$509 million of freight value.
5. Airports are critical infrastructure components in New Zealand aviation, logistics and tourism industries. New Zealand Airports enable social and economic connectivity to the

world for both passengers and freight. New Zealand's airports are part of our country's core infrastructure, delivering connectivity that our regions need to succeed. Airports are defined as 'strategic assets' under the Local Government Act 2002. Also, 21 airports are identified as 'lifeline utilities' under the Civil Defence Emergency Management Act 2002 and provide important resilience capability.

Value of aviation to New Zealand

6. The necessity and value of aviation to New Zealand's economy and to New Zealanders cannot be over-stated. Due to its geographic isolation, small population size, and open economy, New Zealand is the OECD member most heavily dependent on international aviation services, and that those air connections remain high frequency, efficiently run and affordably priced. 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 to Sydney). 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.
7. The sharp reduction to air freight capacity caused by COVID-19 is a very good illustration of the economic necessity to New Zealand of having sufficient air freight to allow rapid export and import of high value and/or perishable goods. The New Zealand Government has to date committed \$542m subsidising air freight services through the International Airfreight Capacity and Maintaining International Air Connectivity schemes to make sure those goods (including essential medical supplies) were rapidly available to New Zealanders and enabled generating export income from perishable foods.
8. 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 of the centre, make cross-island or lengthways land transport expensive and time-consuming.
9. It is therefore, vital for New Zealand's social and economic development that international and domestic air and land transport networks are optimised.

Christchurch Airport

10. Christchurch International Airport (the Airport) is the largest airport in the South Island and the second-largest in the country. It connects Canterbury and the wider South Island to destinations in New Zealand, Australia, Asia and the Pacific.
11. Just under 7 million travelling passengers per year (pre-COVID) and their associated 'meeters and greeters' pass through the Airport. Combined Airport activities see between 25,000 and 30,000 people visiting the Airport every day.
12. The Airport is home to several international Antarctic science programmes and their associated facilities.

13. The Airport is also the primary air freight hub for the South Island, playing a strategic role in New Zealand's international trade as well as the movement of goods domestically. On that basis, the Airport is a significant physical and economic resource in national, regional and local terms.
14. The Airport is a key strategic infrastructure asset, as recognised in the Canterbury Regional Policy Statement (CRPS).
15. The activities at Christchurch International Airport make a significant contribution to the social and economic wellbeing to the communities and economies of Christchurch, Canterbury, the South Island and New Zealand. Independent estimates indicate that for every \$1 Christchurch Airport earns, the wider South Island economy earns \$50. In 2017 the Airport was estimated to contribute \$2.6 billion to the GDP of the Canterbury region.
16. CIAL accept the role carbon dioxide and other greenhouse gases play in climate change. We believe in the science behind climate change. We support the global target, as established by the United Nations Framework Convention on Climate Change (UNFCCC) in the Paris Agreement 2015, to keep global temperature rise within 1.5 degrees.
17. CIAL were advocates for the New Zealand Zero Carbon Act, the establishment of an independent Climate Change Commission, and having national emissions reduction targets enshrined in law.
18. Our commitment to carbon reduction is reflected in our memberships of the Climate Leaders Coalition and the Sustainable Business Council. We're proud to be an early signatory of the Climate Leaders' High Ambition Pledge to reduce emissions.
19. CIAL have been measuring our emissions since 2007 and were the first airport in the world to do so with independent scrutiny. We have mapped out our own emissions reduction plan, with science-based targets and absolute reduction goals, in line with limiting temperature rise to 1.5 degrees. This includes an 84% reduction in Scope 1 and 2 emissions against 2015 levels by 2035, and a goal of absolute zero Scope 1 and 2 emissions by 2050.
20. CIAL was recently recognised as the first airport in the world to reach the highest level of Airport Carbon Accreditation. As an airport we should be doing all we can to transition now, as one of the few component parts of the aviation sector that currently have the available technology to do so.

New Zealand Infrastructure Commission's Infrastructure Strategy

21. CIAL congratulates the New Zealand Infrastructure Commission on the number of stakeholder engagement sessions held in the lead up to the New Zealand Infrastructure Strategy document for consultation.
22. CIAL agrees with the New Zealand Infrastructure Commission's conclusion, on page 87, that "Air transportation presents opportunities for economic growth by providing a route to offshore markets for high-value and/or time critical goods. Airports also enable New Zealand to attract business investment and skilled people, as well as spur tourism".

23. CIAL are supportive of a freight supply chain strategy, as suggested by the New Zealand Infrastructure Commission to:

- a. improve international connectivity;
- b. have freight supply chains operating with a seamless customer experience; and;
- c. to improve or enable infrastructure that enables regions to play to their strengths such as tourism or high-value exports and to improve productivity and access to markets.

24. It is noted that typically freight supply chain studies and strategies concentrate on how to manage bulky freight items on a congested inland transport network, particularly where freight needs and passenger transport needs conflict. CIAL believes that the freight supply chain strategy needs to have a focus on optimisation of all freight types, including high value fast moving freight.

25. CIAL also notes that the freight supply chain strategy, and any infrastructure strategy at a national level, needs to be for both built infrastructure (i.e. airports and connecting roads and rail) as well as the enabling infrastructure (such as navigational aids). The freight supply chain strategy also needs to be aspirational, open to new infrastructure and not grounded in territorial boundaries or existing infrastructure limitations.

26. CIAL supports the needs under each of the Action Areas:

- a. Building a better future - Delivering infrastructure that is resilient to stresses and shocks and ready for change.
- b. Enabling Competitive Cities and Regions - Ensuring that our infrastructure systems support the needs of people living in cities and regions and improve our connections both within New Zealand and with our markets overseas.
- c. Creating a better system - A step change in how we plan, design, fund and deliver infrastructure.

27. CIAL also supports the proposed priorities outlined:

- a. Institutional and governance reform
- b. Getting the price right
- c. Supporting housing supply
- d. Supporting a zero-carbon economy and preparing for climate change
- e. A digital future

28. However, integrated analysis and planning is required to make sure reverse sensitivities do not impact upon the long-term viability of nationally significant infrastructure operations. For example, if New Zealand's spatial planning processes

were to solely prioritise the creation of land and infrastructure for housing and the airport noise contours were discounted, there would be significant and long-lasting impacts on aviation, airports, tourism and the connectivity of people and freight to world markets.

29. CIAL would like the opportunity to continue to work with the New Zealand Infrastructure Commission in the following areas:

- a. The integration of airports, industrial and housing developments. All are components of a successful city but may cause reverse sensitivity if not correctly considered and integrated in spatial planning processes.
- b. Optimised transport networks and the freight supply chain strategy

We thank you again for the opportunity to provide feedback on the New Zealand Infrastructure Strategy and look forward to working further with the Infrastructure Commission.

If you have any questions, please do not hesitate to contact me.

Kind regards



General Manager – Planning and Sustainability

