

OC250324

26 May 2025

I refer to your email dated 9 April 2025, requesting the following under the Official Information Act 1982 (the Act):

- "OC250076 Meeting at Queenstown Airport with General Manager Strategy and Chief Operating Officer
- OC250088 Introductory Meeting with Dunedin Airport 17/02/2025
- OC250122 Civil Aviation Act 2023 Implementation Provision of aviation services 26/02/2025
- Briefing for Incoming Associate Minister of Transport
- OC250124 Progress towards a National Aviation Policy Statement 26/02/2025
- Associate Transport Portfolio Weekly Report Week Commencing 24 February 2025
- OC250149 Meeting with Port Company CEO
- OC250230 REQ-0008566 Regional Infrastructure Fund supporting Regional Air Connectivity
- OC250150 Aviation Industry Association New Zealand Parliamentary function March 2025
- OC250217 Meeting with Invercargill Airport
- OC250242 Visit with South Port
- Transport Weekly Report to the Associate Minister of Transport as at Wednesday 17 March 2025"

On 5 May 2025, we advised you of an extension to the time period for responding to your request. The extension was due to consultations necessary to make a decision on your request being such that a proper response could not reasonably be made within the original time limit. We have now completed the necessary consultations.

Of the twelve documents requested, nine are released with some information withheld and three are refused. The document schedule attached as Annex 1 outlines how the documents you requested have been treated under the Act.

Certain information is withheld under the following sections of the Act:

- 6(b) to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by the Government of any other country or any agency of such a Government; or any international organisation
- 9(2)(a) to protect the privacy of natural persons

9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
9(2)(ba)(ii)	protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
18(d)	the information requested is or will soon be publicly available

With regard to the information that has been withheld under section 9 of the Act, I am satisfied that the reasons for withholding the information at this time are not outweighed by public interest considerations that would make it desirable to make the information available.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website www.ombudsman.parliament.nz

The Ministry publishes our Official Information Act responses, and the information contained in our reply to you may be published on the Ministry's website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā

Hilary Penman

HASE -

Manager, Ministerial and Executive Services

Annex 1: Document Schedule

Doc#	Reference number	Date	Title of Document	Proposed decision on request
1	OC250076	5/02/2025	Meeting at Queenstown Airport with General Manager Strategy and Chief Operating Officer	Released with some information withheld under section 9(2)(a).
2	OC250088	17/02/2025	Introductory Meeting with Dunedin Airport	Released with some information withheld under sections 9(2)(a) and 9(2)(g)(i).
3	OC250122	24/02/2025	Civil Aviation Act 2023 Implementation - Provision of Aviation Services	Released with some information withheld under sections 9(2)(a) and 9(2)(f)(iv).
				The appendices are refused under section 18(d) as they are publicly available here:
				Appendix 1 - https://gazette.govt.nz/notice/id/2025-au1274
				Appendix 2 - https://gazette.govt.nz/notice/id/2025- au1272
4	N/A	12/02/2025	Briefing for Incoming Associate Minister of Transport	Refused under section 18(d).
			Willister of Transport	The briefing is available here:
				https://www.transport.govt.nz/assets/Uploads/Briefing-to-the-Incoming-
				Associate-Minister-Jan-2025-24-Jan- 2025- Redacted-with-watermark.pdf
5	OC250124	26/02/2025	Progress Towards a National Aviation	Refused under section 18(d).
			Policy Statement	The briefing is available here (refer to page 24):
				https://www.transport.govt.nz/assets/Uploads/OC250308-Redacted.pdf
6	N/A	27/02/2025	Associate Transport Portfolio Weekly Report Week Commencing 24 February 2025	Released with some information withheld under sections 6(b), 9(2)(a), 9(2)(ba)(ii), 9(2)(f)(iv), 9(2)(g)(i) and 9(2)(h).
7	OC250149	28/02/2025	Meeting with Port Company CEO	Refused under section 18(d).
				The briefing is available here (refer to page 15):
				https://www.transport.govt.nz/assets/Uploads/OC250308-Redacted.pdf
8	OC250230 REQ- 0008566	12/03/2025	Regional Infrastructure Fund - Supporting Regional Air Connectivity	Released with some information withheld under sections 9(2)(a), 9(2)(b)(ii) and 9(2)(f)(iv).

Doc#	Reference number	Date	Title of Document	Proposed decision on request
9	OC250150	5/03/2025	Aviation Industry Association New Zealand Parliamentary Function - March 2025	Released with some information withheld under section 9(2)(a).
10	OC250217	18/03/2025	Meeting with Invercargill Airport	Released with some information withheld under sections 9(2)(a), 9(2)(b)(ii), 9(2)(f)(iv) and 9(2)(g)(i).
11	OC250242	20/03/2025	Visit with South Port	Released with some information withheld under section 9(2)(a).
12	N/A	20/03/2025	Associate Transport Portfolio Weekly Report Week Commencing 17 March 2025	Released with some information withheld under sections 9(2)(a), 9(2)(b)(ii), 9(2)(f)(iv) and 9(2)(h).



4 February 2025 OC250076

Hon James Meager Associate Minister of Transport

MEETING AT QUEENSTOWN AIRPORT WITH GENERAL MANAGER STRATEGY AND CHIEF OPERATING OFFICER

Snapshot

You are having a 'meet and greet' meeting with Melissa Brook, General Manager Strategy, and Todd Grace, Chief Operating Officer at Queenstown Airport. This briefing provides a brief overview of topical issues for the Airport and provides some talking points.

Time and date	3.30pm – 4.00pm, 5 February 2025
Venue	Queenstown Airport
Attendees	Melissa Brook, General Manager Strategy Todd Grace, Chief Operating Officer
Officials attending	N/A
Agenda	Meet and greet
Talking points	N/A

Contacts

Name	Telephone	First contact
Siobhan Routledge, Director, Aviation	s 9(2)(a)	1
Tom Forster, Manager, Aviation		
Isabel Avery, Advisor, Aviation		

MEETING AT QUEENSTOWN AIRPORT WITH GENERAL MANAGER STRATEGY AND CHIEF OPERATING OFFICER

Key points

- Queenstown Airport Corporation (the Airport) is owned by Queenstown Lakes District Council (75.01 percent) and Auckland International Airport Limited (24.99 percent).
- The Airport is the direct domestic and international entry point to the lower South Island, providing access to some of New Zealand's iconic destinations such as Queenstown, Wanaka, Fiordland, and Central Otago.
- The Airport is New Zealand's fourth biggest by passenger traffic with four commercial airlines, Air New Zealand and Jetstar (serving internationally and domestically), and Qantas and Virgin Australia (serving internationally), operating at the Airport.
- The Airport manages Wanaka Airport under a Management Services Agreement with Queenstown Lakes District Council.

The Airport is experiencing capacity constraints due to its location and the surrounding built-up environment

- The Airport has experienced significant growth since its inception in 1935. However, its expansion is limited by constraints affecting its ability to handle more passengers and flights.
- To address constraints, the Airport has undertaken master planning and plans to build a parallel taxiway, additional aircraft parking stands, and to expand its apron¹. This is expected to enhance operational efficiency, capacity, safety, and sustainability by reducing holding patterns for landing aircraft, minimising delays on the ground, and providing an additional runway for light aircraft during emergencies.
- Based on analysis of the forecast aircraft schedule they believe one additional parking stand will be required by 2032. The eight scheduled aircraft stands at the Airport are sufficient for current aircraft numbers. A maintenance stand is also proposed to accommodate aircraft repairs or maintenance. Space has been reserved for 12 stands if needed beyond 2032.
- The Airport also faces noise concerns due to its proximity to residential areas. The Airport strictly enforces its operating hours of 6am to 10pm. It has chosen not to allow scheduled flights before 7am to reduce the disturbance of residents and to actively manage their noise footprint. It is also collaborating with airlines to deploy newer and quieter aircraft.
- To further address noise concerns, the Airport has committed to not exceeding current noise boundaries before 2032. Noise boundaries set a limit on the total noise aircraft can make, with land-use restrictions for properties within these boundaries. These boundaries will ultimately cap aviation growth within the district.

¹ An airport apron is the area where aircraft are parked, loaded, unloaded, refuelled, and maintained.

Air traffic management remains an issue for Queenstown Airport

- The Airport is also experiencing peak hour air traffic challenges between the general aviation operators (those flying the Queenstown Milford Sound route) and scheduled traffic from the commercial carriers (domestic and international).
- Airways is also facing staffing issues in its air traffic control (ATC) tower, raising concerns about reduced ATC services and operational disruptions. There exists very little leeway for any error in the system at present. Airways is committed to resolving staffing issues and is working with stakeholders on solutions.

Plans for other airports in the area to alleviate capacity constraints have been paused

- 8 In 2021, the Airport proposed a dual airport solution and secured a 100-year lease to manage and develop Wanaka Airport. However, growing opposition from the Wanaka community has stalled these plans.
- 9 Christchurch Airport's proposal to build an international airport in Tarras, Central Otago, about 90 kilometres from Queenstown, is on hold.

Other issues

Alternative delivery arrangements for aviation security services

- The Ministry late last year consulted on alternative delivery arrangements for aviation security services. The driver of this consultation is to ensure efficient and effective aviation security services for the travelling public, while maintaining high levels of safety and security.
- The Airport's submission was for an arrangement that involved subcontracting to allow airports to provide most aviation security service tasks, including transitioning technology and capital assets. The Airport submitted that regulatory and operational expertise be retained by the Civil Aviation Authority to provide oversight and advice.

Road congestion around the airport

State Highway 6/6A which provides access to and from the Airport (Frankton/BP Roundabout) is at capacity and is congested around peak travel times. The New Zealand Transport Agency has prioritised the works in Frankton which include installing traffic signals at the SH6 and SH6A intersection.

Runway Safety

- The Airport is leading the way in runway safety, becoming the first airport in Australasia to install an engineered materials arresting system (EMAS) at both ends of the runway. Like a gravel trap on a motorway, EMAS uses energy-absorbing blocks designed to crush under the weight of an aircraft, bringing it to a safe stop in case of an overrun.
- Following the completion of groundwork last month, the first EMA blocks have now been installed at the Shotover River end of the runway. Next up is the Frankton end, with the project tracking ahead of schedule for completion by late February.

Key figures

The table outlines the key figures taken from Queenstown Airport Corporation's annual report year ending 30 June 2024

	Numbers
Total Revenue	\$64.74 million
Profit	\$23.2 million
Total Passenger Movements	2,487,610
Total Aircraft Movements (all types)	60,726
	OUNDERDARO

Biographies



Melissa Brook, General Manager Strategy, Queenstown Airport Corporation

Melissa oversees local, regional, and central government planning activities and the delivery of key projects to bring the airport's 10-year Strategic Plan to life. Melissa has a background in strategic planning and policy development, with extensive experience in the local government sector. She grew up in Wānaka, and now lives in Pisa Moorings.



Todd Grace, Chief Operating Officer, Queenstown Airport Corporation

Todd oversees all operational and safety accountabilities, as well as and, including ageneral Manage commercial and infrastructure delivery and asset management activities. Todd joined Queenstown Airport Corporation in 2022. Prior to joining QAC, he held various senior roles at Air New Zealand, including Airports Strategy Manager, Head of Regional Airports, and General Manager Offshore Airports.

MEETING AT QUEENSTOWN AIRPORT WITH GENERAL MANAGER STRATEGY AND CHIEF OPERATING OFFICER

- Could you provide an update on the current challenges you're facing and how they're impacting your operations?
- Congratulations on becoming first airport in Australasia to install an engineered materials arresting system. This is a significant investment in safety. I'd like to hear more about your other plans for the airport both short and long-term.
- Thank you for your submission on the delivery of aviation security services. The Ministry will be briefing me in due course.
- address cong Less to the airpoi I understand there are major road works underway to address congestion issues in Queenstown.



Document 2

17 February 2025 OC250088

Hon James Meager Associate Minister of Transport

INTRODUCTORY MEETING WITH DUNEDIN AIRPORT

Snapshot

You are meeting with Dunedin International Airport Limited in your capacity as Minister for the South Island. This briefing provides a brief overview of topical issues that may be raised at this meeting, related to your role as Associate Minister of Transport.

4.30pm, 18 February 2025
Dunedin Airport
Daniel De Bono – Chief Executive, Dunedin International Airport Limited
n/a
Meet and greet
Attached

Contacts

Name	Telephone	First contact
Siobhan Routledge, Director Aviation	s 9(2)(a)	1
Natsha Rave, Manager – Resilience and Security		

INTRODUCTORY MEETING WITH DUNEDIN AIRPORT

Key points

- Dunedin International Airport Limited (Dunedin Airport) operates Dunedin's airport. It is a
 council-controlled trading organisation, owned 50 percent by the Crown and 50 percent by
 Dunedin City Holdings Ltd, a subsidiary of the Dunedin City Council. The Minister for State Owned
 Enterprises, supported by the Treasury, is responsible for the Crown's share in Dunedin Airport
 and issues an annual letter of expectation.¹
- In 2024, 903,396 passengers used regular scheduled services to and from Dunedin Airport, down
 1.8 percent from 2023. s 9(2)(g)(i)
- Dunedin Airport has not had scheduled international passenger services since March 2020, when Covid-19 closed global borders. In September 2024, Dunedin Airport and Jetstar announced the return of scheduled international passenger services between Dunedin and the Gold Coast. They detailed three departures and three arrivals per week starting on 24 June 2025. Dunedin Airport have not yet communicated to agencies the expected public and economic benefit of this service to Dunedin and the wider region.
- When an airport starts scheduled international services, there are a range of government border services that must be established. These come at a cost (e.g., purchasing equipment and recruitment). Cabinet agreed to establish regulations under the Airports (Cost Recovery for Processing of International Travellers) Act 2014 (the Airports Cost Recovery Act) to enable the recovery of Biosecurity New Zealand (Biosecurity NZ) and New Zealand Customs Service (Customs) actual and reasonable establishment costs, with current estimates of approximately one million dollars.
- Dunedin Airport has written to the Minister of Finance on the implications of the proposed regulations under the Airports Act. This letter has been transferred to the Minister for Biosecurity for response. In this letter, Dunedin Airport note that they wish to apply to Kānoa for funding through the Regional Infrastructure Fund. Border agencies support Dunedin Airport applying to this fund and will provide technical advice to Kānoa and Dunedin Airport where required. However, there are competing applications from other airports and any application from Dunedin Airport would have to be considered on its own merits.

Cost recovery regulations will apply to Dunedin Airport

- The Ministry for Primary Industries (MPI) administers the Airports Cost Recovery Act on behalf of the Minister for Biosecurity. Regulations can be made under the Airports Cost Recovery Act that enable MPI, the Customs, and the Aviation Security Service (AvSec), to recover costs for establishing their services at new or restarting international airports.
- 2 Cabinet authorised the Minister for Biosecurity to issue drafting instructions to the Parliamentary Counsel Office (PCO) to establish regulations under the Airports Cost Recovery

¹ Minister for State Owned Enterprises. (2024). *Shareholding Ministers' Expectations for Dunedin International Airport Limited*. Retrieved from: https://www.treasury.govt.nz/sites/default/files/2024-06/loe-dial-apr24.pdf

Act to recover the establishment costs for biosecurity and customs services at new and restarting international airports [CAB-24-MIN-0494]. The ongoing passenger processing costs for these agencies will be recovered through existing passenger levies.

The Civil Aviation Authority will recover their costs through existing levies

- The Civil Aviation Authority (CAA) has opted to recover the costs for establishing aviation security passenger processing services through their existing levies. To enable this, a minor technical amendment is required to the Civil Aviation (Safety and Security) Levies Order 2002 (the Levies Order). Cabinet authorised the Minister of Transport to issue drafting instructions to PCO to amend the Levies Order so that AvSec can collect the existing levy at new or restarting international airports [CAB-24-MIN-0494].
- MPI and the Ministry of Transport (the Ministry) have prepared a draft Cabinet paper for you and the Minister for Biosecurity to take to the Cabinet Legislation Committee regarding the regulations and Levies Order Amendment. The Ministry has provided an aide memoire with more context [OC250084].

Dunedin Airport submitted against cost recovery regulations

The New Zealand Airports Association and Dunedin Airport have opposed the proposed costrecovery regulations, as they may adversely impact the commercial viability of restarting international services. They consider that costs should be recovered through agencies existing levies.



Border agencies are working with Dunedin International Airport Limited

- 7 s 9(2)(g)(i)
- However, moving forward, agencies are working closely with Dunedin Airport to ensure necessary services are in place before they restart scheduled international services. MPI and Customs are working with Dunedin Airport on the costs for establishing services at Dunedin Airport. Dunedin Airport's international terminal requires refurbishment before it can reopen. The refurbishment is required to accommodate border agencies' new passenger processing standards and technology. Border agencies are working with Dunedin Airport to finalise the design requirements, to ensure an efficient and cost-effective design.
- AvSec have advised that necessary screening equipment is already in place and remains fit for purpose to service international flights. AvSec will require a minor increase in staff to accommodate the new flights and their staff will need specific training to meet international aviation security requirements.

New requirements under Civil Aviation Act 2023

The Civil Aviation Act 2023 (the Act) comes into force on 5 April 2025. The Act introduces changes, including new requirements, for some airport operators - most notably a new airport registration regime and a requirement for airports that provide space to government agencies to document this in a Regulatory Airport Spatial Undertaking (RASU).

Regulatory Airport Spatial Undertaking requirements

- The purpose of the RASU is to ensure airport operators can show how they will meet their regulatory obligations to provide space for agencies under civil aviation and border legislation, and to improve coordination in the planning and providing of space requirements RASUs promote ongoing cooperation between Government and airports, to ensure government outcomes are given appropriate weight when considered alongside airports' commercial and planning needs.
- 12 RASUs will give Government agencies with space requirements at airports assurance that their current and future infrastructure needs can be accommodated. They will give airports confidence to plan for and price future infrastructure requirements and changes in a more coordinated, efficient and transparent way.

Airport Registration requirements

- Airport registration grants airport operators' certain powers and obligations. The powers include, but are not limited to, land acquisition, consultation on charges, price setting, information disclosure, leasing, and making bylaws. The obligations include consulting with airport stakeholders on capital expenditure plans, spatial plans, and having a RASU.
- Dunedin Airport needs to apply for registration as an airport operator, and a RASU for approval by the Secretary for Transport by 1 October 2025. The airport is familiar with these requirements and was given an opportunity to provide feedback on the airport registration and RASU requirements while the Ministry developed and consulted on these during 2024.

Consultation on alternate provision of aviation security services

Dunedin Airport were engaged as part of the targeted consultation on the alternate provision of aviation security services, however, they did not make a submission.

Biographies



Daniel De Bono, Chief Executive, Dunedin International Airport Limited

CEO Daniel De Bono is an experienced aviation professional, having held several leadership positions across Wellington, Queenstown and Wanaka airports. Originally joining the Dunedin Airport team in 2015, after some time away, Daniel re-joined the team in 2021, coming from the Southern District Health Board where he led the Oncology Services for Otago and Southland. Originally from Dunedin, Daniel is a trained pilot and a graduate of Massey University having completed a Bachelor of Aviation Management in 2005

INTRODUCTORY MEETING WITH DUNEDIN AIRPORT

Return of scheduled international passenger services at Dunedin Internation Airport Limited.

- I am pleased by the announcement that scheduled international passenger services will resume at Dunedin International Airport Limited with Jetstar this year.
- This is great news for the community and region who have been campaigning strongly for this since 2020.
- What benefits do you expect to see for the airport and region as a result of the new international services?

Cabinet agreed to make regulations to enable the recovery of passenger processing costs for biosecurity and customs services at new and restarting international airports.

- Cabinet has agreed to make regulations under the Airports Cost Recovery Act to enable the recovery of establishment costs for biosecurity and customs services at new and restarting international airports.
- Officials will work with airports in good faith and within the parameters of the regulations to identify the exact "actual and reasonable" establishment costs for each specific airport.



Document 3

24 February 2025 OC250122

Hon James Meager Action required by:

Acting Minister of Transport

Monday, 3 March 2025

CIVIL AVIATION ACT 2023 IMPLEMENTATION – PROVISION OF AVIATION SERVICES

Purpose

This paper seeks, as part of the Civil Aviation Act 2023 (the 2023 Act) Implementation Programme, agreement to continue the existing settings for the provision of:

- aviation security services by the Aviation Security Service (AvSec) and
- select aviation services by Airways Corporation of New Zealand limited (Airways).

Key points

- The 2023 Act implementation programme (the programme) has focused on delivering statutory requirements and work necessary for a smooth transition to the new regime.
- AvSec was declared the exclusive provider of aviation security services via Gazette notice in 1997. Airways was declared the exclusive provider of select aviation services (including area control, approach control, and flight information services) via primary legislation in 1990.
- These settings have been maintained by successive Governments and will expire when the 2023 Act comes into force on 5 April 2025. To maintain continuity through the transition to the 2023 Act, we recommend Gazette notices be published that maintain these settings.
- Maintaining the current settings, for now, will provide the Crown and other aviation stakeholders with certainty about the policy settings and their implications when the 2023 Act comes into force.
- This action does not prevent future changes to these settings. The Gazette notices can be amended, revoked, or replaced through the same process undertaken in establishing them.
- The previous Minister of Transport had been briefed on this and had not made a decision
 while he considered the next steps for the delivery of aviation security services. However,
 with the passage of time, this matter has now become more pressing to resolve.

Recommendations

We recommend you:

1	sign the Gazette notice in Append security services by the Aviation S		usive provision of aviation	Yes / No
2	sign the Gazette notice in Append services (including area control, a Airways Corporation of New Zeala	pproach control, and flig		Yes / No
3	note that continuing these setting does not prevent future changes t	A STATE OF THE SECOND S	ne transition to the 2023 Act,	366
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	han Routledge ctor Aviation		n James Meager ting Minister of Transport	
	/ <u>02.</u> /2025	W.	//	
Min	ster's office to complete:	□ Approved	☐ Declined	
	. 5	□ Seen by Minister □ Overtaken by events	☐ Not seen by Minister	
Com	ments	MF		
Cont			T-lb	
Mai	ne		Telephone First conta	CT

Name	Telephone	First contact
Siobhan Routledge - Director, Aviation	s 9(2)(a)	1
Erin Wynne- Manager, Regulatory Operations		

CIVIL AVIATION ACT 2023 IMPLEMENTATION – PROVISION OF AVIATION SERVICES

Background and Context

- The Civil Aviation Act Implementation Programme is working to ensure safety and business continuity when the Civil Aviation Act 2023 (the 2023 Act) comes into force on 5 April 2025.
- The Ministry of Transport (the Ministry) and the Civil Aviation Authority (CAA) are jointly responsible for implementing the 2023 Act. The programme of work is focussed on delivering statutory requirements and work necessary to transition to the new regime.

Maintaining current settings provides the Crown and aviation stakeholders with certainty from 5 April 2025

- In 1997, in accordance with <u>section 79A</u> of the Civil Aviation Act 1990 (the 1990 Act), the Aviation Security Service (AvSec) was declared the exclusive provider of aviation security services via Gazette notice.
- In 1990, under <u>section 99</u> of the 1990 Act, the Airways Corporation of New Zealand Limited (Airways) was declared the exclusive provider of select aviation services (including area control, approach control, and flight information services) via primary legislation¹.
- These settings for AvSec and Airways will expire on 5 April 2025, when the new Act comes into force. The Ministry recommends continuing these settings to provide certainty to aviation stakeholders². This would ensure that the status quo will continue without unexpected consequences
- Maintaining the current settings through the transition period does not prevent you from subsequently amending, removing, or replacing the Gazette notices to facilitate future changes, for example, \$9(2)(f)(iv)

To maintain the current settings, you must issue Gazette notices under the 2023 Act

- 7 To continue the current settings from 5 April 2025, the Minister of Transport must issue a Gazette notice under:
 - 7.1 section 137 of the 2023 Act for aviation security services; and

¹ If current settings for Airways were discontinued, the decision for the Director to grant a certificate for another air traffic service organisation would remain subject to relevant Civil Aviation Rules (CAR). <u>CAR</u> <u>172.13(a)</u> states that a certificate for an Air Traffic Service Organisation can only be granted or renewed for a period of up to five years. <u>CAR 172.9(b)</u> states that the Director shall ensure, in the interests of aviation safety, that only one certificate for the same air traffic service is current at any time. The combined effect of these rules means that if the settings changed, the services currently undertaken by Airways could not be contested until their current certificate expires

² Including, but not limited to, the Crown (as a beneficiary, funder, provider, and regulator of aviation services), foreign States, aerodrome operators, airline operators, aviation security service provider(s), air traffic service provider(s), and consumers.

- 7.2 <u>section 35</u> of the 2023 Act for the Airways services.
- While the Gazette notices are not Orders in Council subject to the 28-day rule, we recommend that they are published at least 28 days before the date they are intended to come into force. Therefore, for these notices to come into effect on 5 April 2025, they should be published before 6 March 2025.
- 9 Before issuing a notice under sections 35 or 137 of the 2023 Act to establish, amend, revoke, or replace the notice for the exclusive provision of services³, you:
 - 9.1 must have regard to the main and additional purposes of the 2023 Act, and
 - 9.2 must consult with any person who already holds an aviation document entitling the person to provide services to which the notice will apply.
- The CAA, including AvSec, has been consulted on the draft notice (see Appendix 1). Airways has been consulted on the draft notice (see Appendix 2).

The Ministry considers the current settings best meet the purposes of the 2023 Act for the transition

- 11 Section 3 of the 2023 Act sets out its main purpose as a safe and secure civil aviation system.
- 12 <u>Section 4</u> of the 2023 Act sets out its additional purposes as:
 - 12.1 to maintain, enhance, and promote a transport system that contributes to environmental sustainability, economic prosperity, inclusive access, healthy and safe people, and resilience and security:
 - 12.2 to promote innovation, effectiveness, and efficiency in civil aviation:
 - 12.3 to ensure that New Zealand's obligations under international civil aviation conventions agreements, and understandings are implemented:
 - 12.4 to preserve New Zealand's national security and national interests:
 - 12.5 to take into account the adverse effects of civil aviation on the interests of people, property, and the environment.
- The Ministry considers continuing the current settings best meets the main and additional purposes of the 2023 Act at the point of transition. This is because the current settings are well established and understood by aviation stakeholders, and because alternate settings have not yet been fully considered or agreed.

Implications of the current settings not being continued.

14 If the notices are not issued, then Airways and AvSec will no longer be the exclusive providers of their respective services.

³ The 2023 Act only describes how to establish the settings for exclusive provision, however <u>section 48</u> of the Legislation Act 2019 clarifies that the power to make secondary legislation includes the power to amend, revoke, or replace it, subject to the same requirements under which it was made.

- Without these notices, other eligible parties could apply to the Director of Civil Aviation (the Director) for an aviation document allowing them to provide these aviation services in addition to, or instead of, AvSec and Airways. Section 75 of the 2023 Act sets out that the Director must, as soon as practicable, grant an application if they are satisfied that the considerations set out in that section are met.
- 16 Current settings for AvSec and Airways have been in place since 1997 and 1990 respectively and related policy settings (e.g., funding) have evolved around this without allowance for alternative or multiple providers. A change from the current settings would have implications on the related policy settings, which have not yet been fully considered by the Ministry or by Ministers.
- There would also be reputational and relational implications if the current settings are not maintained at this time. AvSec and Airways have both been consulted on the premise that these settings would be continued, and the aviation sector is of the understanding that these settings would be continued at this time.

The appendices are refused under section 18(d) as they are publicly available here:

Appendix 1 - https://gazette.govt.nz/notice/id/2025-au1274
Appendix 2 - https://gazette.govt.nz/notice/id/2025-au1272

Associate Transport Portfolio Weekly Report

Week commencing 24 Februar	ry 2025
Recipient:	, & D
Hon James Meager Associate Minister of Transport	K, 7,
SV 2W	
Minister's comments:	
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THE OFFICE	

1 Portfolio priorities – aviation

Civil Aviation Act 2023 implementation

Civil Aviation (Offences) Regulations 2025

The current suite of civil aviation rules, and the offences regulations that support them, will be revoked when the 2023 Act comes into force. The 2025 Regulations are new secondary legislation required to support enforcement of the remade rules and replicate the 2006 Regulations, with necessary changes to reflect the 2023 Act and remade rules.

Cabinet Paper: Civil Aviation (Offences) Regulations 2025

This paper seeks authorisation to submit the Civil Aviation (Offences) Regulations 2025 to the Executive Council.

Progress Update:

The LEG paper was considered by CBC on 24
February. It will be considered by Cabinet and the
Executive Council on 3 March. Following Executive
Council, the regulations will be gazetted by 6
March.

To Cabinet and Executive Council: 3 March Lodge with NZ Gazette: by 6 March

Independent Review Function - regulations 2025

The Act introduces a new Independent Review Function (IRF) to enable applicants to seek expert independent reviews of certain decisions made by (or on behalf of) the Director of Civil Aviation.

Regulations are needed to set out the scope of decisions that are reviewable under the function and fees to apply for a review.

Cabinet Paper: Civil Aviation (Independent Review Function) Regulations 2025

This paper seeks authorisation to submit the Civil Aviation (Independent Review Function)
Regulations 2025 to the Executive Council.

Progress Update:

Departmental and Ministerial consultation is in progress on the draft LEG Cabinet paper and regulations.

To Minister: 5 March
To lodge: 6 March
To LEG: 13 March

Independent Review Function – appointment of independent reviewers

Independent reviewers need to be appointed to conduct the IRF reviews, once the function is in place from April. The Reviewers are appointed by you as part of your responsibilities regarding aviation.

Cabinet paper: Independent Reviewer- Civil Aviation Act 2023 Appointments and Honours Committee paper

Progress update:

As requested by your office, officials provided further advice on 25 February to inform your consultation with the Minister for the Public Service on the proposed fee exemption for the Independent Reviewers

Statutory consultation on the recommended candidates will be completed within a week.

To Minister: 6 March

Ministerial Consultation: Week beginning 10

March

To lodge: 20 March To APH: 25 March

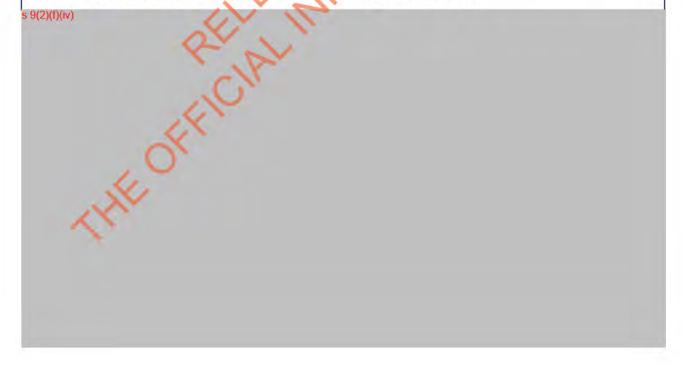
To Cabinet: 31 March

CAA pricing review implementation

Implementation of 2024 CAA pricing review recommendations

In December 2024, Cabinet agreed new rates for CAA's levies, fees, and charges which will come into effect on 1 July. The Ministry is working with CAA to implement the recommendations agreed by Cabinet in December, specifically:

 drafting regulations to set levy, fee, and charge rates at a maximum level, and allow flexibility to further reduce rates in the future as CAA identifies efficiencies, and



s 9(2)(f)(iv)

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Delivery of aviation security services

Aviation security service reform work

To deliver a more efficient and effective aviation security service model, we are developing alternative delivery arrangements for aviation security services. In August to October 2024 the Ministry consulted a targeted group of stakeholders on options to increase flexibility in the delivery of aviation security services, including options for outsourcing aviation security services to airlines and airports. We would like to brief you further on the work so far, and stakeholders' views.

Briefing: Overview of the aviation security system and options for reform

This briefing provides an overview of the aviation security system and seeks direction on next steps for the aviation security service reform work.

Date: With the Minister for discussion on 5 March

National Aviation Policy Statement (NAPS)

National Aviation Policy Statement (NAPS)

In February 2021, an independent panel was commissioned to undertake a high-level, first principles review of the air navigation system. The panel recommended that system leadership should be the priority, initially driven by an interim Aviation Council and later by a permanent one.

The Interim Aviation Council (IAC), made up of senior representatives of the sector and government, provides system leadership for the sector and is developing a National Aviation Policy Statement (NAPS). The NAPS, to be completed by June 2025, will support a future-focused aviation sector by outlining the purpose and goals for the sector. It will define actions for both the sector and the government.

Briefing: National Aviation Policy Statement (NAPS)

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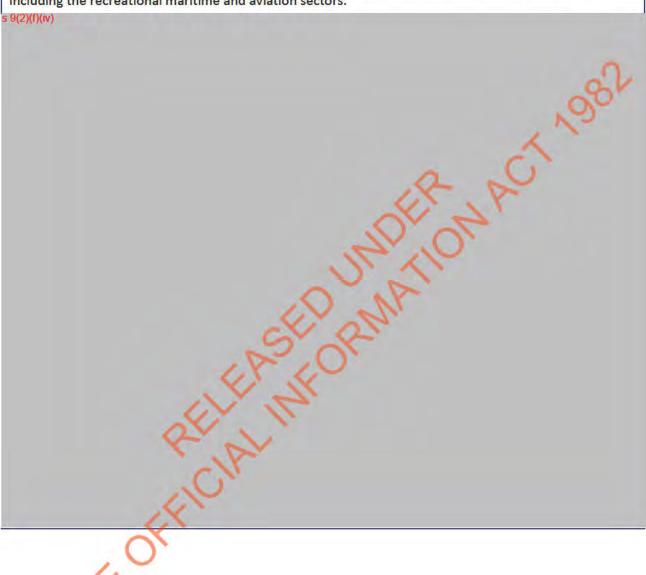
This briefing will outline the work underway on the NAPS including a draft outline of the NAPS for your feedback.

Date: 26 February

Triennial Review of Section 9(1) funding: Funding to support recreational aviation safety and safety awareness activities that benefit recreational aviation

Triennial Review of Section 9(1) funding: Funding to support recreational aviation safety and safety awareness activities that benefit recreational aviation

Section 9(1) of the Land Transport Management Act 2003 (the Act) provides the Crown with authority to fund search and rescue (SAR) activities – acknowledging the fuel excise duty (FED) paid by off-road users, including the recreational maritime and aviation sectors.



Review of maritime legislation

Review of maritime legislation

We have prepared advice on what a full review of this legislation would look like, \$9(2)(1)(iv)

. Next steps are dependent on your decisions on a

targeted or full review.

Briefing: Review of Maritime Legislation – advice

on a wider review

Date: 26 February

Board Appointments

Maritime New Zealand Board Appointments

Ministerial consultation is underway on Maritime New Zealand appointments, with feedback due by 5pm 7 March.

Assuming no issues are raised, the paper will be ready for lodgement and consideration by Cabinet's Appointments and Honours Committee.

Cabinet Paper: Maritime New Zealand - Appointments

This paper will ask Cabinet to note the Minister's intentions to make three reappointments and two new appointments to the Maritime New Zealand Board.

Status: Ministerial consultation commenced 21 February. Feedback requested by 5pm, 7 March

To lodge: 20 March
To APH: 25 March

2 Updates on other matters

Regulatory Systems (Transport) Amendment Bill

You recently agreed to a number of aviation and maritime proposals to be progressed through the Regulatory Systems (Transport) Amendment Bill (the Bill) [OC250101 refers].

Minister Bishop has agreed that you will lead the entire Bill. We are working with your office on what is needed to enable ministerial and departmental consultation on the draft Cabinet paper seeking approval to issue drafting instructions to the Parliamentary Counsel Office.

Turkish Airlines

Turkish Airlines, which operates the most extensive international network of any airline, has expressed interest in starting services to New Zealand. Although no date has been announced, the airline might opt to start services later this year. Last year, Turkish Airlines commenced services to Australia.

Due to the flight distance, Turkish Airlines would need to stop at an intermediate point en route to New Zealand. The location of the intermediate stop must be mutually agreed between New Zealand and Türkiye. This would be an enhancement of air services arrangements already in place between New Zealand and Türkiye, and which are used by Air New Zealand and Turkish Airlines for code-share services. The air services arrangements permit the airlines of each side to operate up to 14 passenger services per week with their own aircraft. We will seek your agreement, in consultation with the Minister of Foreign Affairs, to engage with Türkiye on this matter. We expect to provide you with the necessary briefing in March.

2+2 Climate and Finance Dialogues

We are working with our Australian counterparts to progress the following two actions from the 2+2 Climate and Finance dialogues that involve aviation:

- investigate the conditions required to develop a regional sustainable aviation fuel (SAF) industry and exploration of opportunities for the regional production of SAF, and
- Invite New Zealand aviation companies and representatives to join the Jet Zero Council, established by Minister Catherine King, to strengthen trans-Tasman expert advice on decarbonising aviation.

s 9(2)(ba)(ii), s 9(2)(g)(i)

We will keep you updated with progress on this work via the Weekly Report.

New Zealand Infrastructure Investment Summit - Advanced Aviation

The Infrastructure Investment Summit will be held on 13-14 March in Auckland. High-profile investors, business leaders, and construction companies are expected to attend. We are working with MBIE to prepare material for NZTE on advanced transport, including advanced aviation. Space and Advanced aviation are accelerated growth sectors for New Zealand. The Minister for Space will be speaking for 10 minutes at the summit focusing on growth and promoting opportunities for space and advanced aviation. We have contributed to the talking points.

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Other briefings and aide memoires due to the Associate Minister of Transport

Due to Office:	Title
26 February	s 9(2)(h)
5 March	International Maritime Organisation (IMO): Approach to Upcoming Decarbonisation Negotiations This briefing seeks your direction for the upcoming negotiations at the IMO in March and April. This briefing was delayed a week, following approval from your office, to provide more up to date advice.
5 March	s 9(2)(f)(iv)
Week ending 7 March	TAIC Half-year performance report This briefing will provide you with information on TAIC'S performance for the first 6 months of 2024/25.
Week ending 7 March	Regional Infrastructure Fund – Regional Air Connectivity support package This joint briefing to you and the Minister for Regional Development with options to establish a Regional Air Connectivity support package as part of the Regional Infrastructure Fund.
Week ending 7 March	Airline on time performance We will publish the next aviation on-time performance report, updated to contain January data, on our public facing website.
12 March	Joint Venture Airports An overview of the joint venture airports and the current issues.
12 March	MetService Contract and Rain Radar Upgrades An overview of the Ministry's involvement in the MetService Contract and Rain Radar Upgrade projects.

Due to Office:	Title			
Week ending 14 March	Maritime New Zealand Q2 Performance Report This briefing will provide you with information on Maritime New Zealand's performance for the second quarter of 2024/25.			
TBC – Mid-March	Security Designation of Waikato Regional Airport Limited This briefing seeks your approval to designate Waikato Regional Airport Limited (WRAL) a security designated airport. Security designation provides the Aviation Security Service and the New Zealand Police with the powers and authority needed for them to be able to meet international aviation security screening requirements. Security designation is required for WRAL to commence international services from June.			
21 March	Air New Zealand: Kiwi Shareholder This briefing will recommend that you seek the Prime Minister's approval to accede to the role of Kiwi Shareholder in place of the former Minister of Transport, Hon Simeon Brown.			
21 March	Nelson Airport Limited: Kiwi Shareholder This briefing will recommend that you seek the Prime Minister's approval to accede to the role of Kiwi Shareholder in place of the former Minister of Transport, Hon Simeon Brown			
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4 Ministerial correspondence and OIAs

Ministerial correspondence:

# of Ministerials	Topic	Key themes Concerns with the commercial aviation sector	
1	Aviation		
1 South Island		Travel connectivity in the South	

Ministerial OIA requests:

Due date to Minister's Office	Due date to requester	Requester	Summary of request
19/02/2025	26/02/2025	s 9(2)(a)	Requesting copies of BIM's and advice received before 28 January

Written Parliamentary Questions:

24/02/2025 6116 (2025) Wh rep Mi (2025)		Topics	4/03/2025 0:00	
		What aides-memoire, briefings, memos, notes, reports, or any other advice, if any, has the Minister or their Office received during the week beginning 17 February 2025, listed by agency, title and date received?		
24/02/2025	What consultations did the Minister's departments, if any, open for the period Monday 10th February to Sunday 23rd February, with employees around any changes to employment roles, employment numbers and any other employment conditions and what date are any such consultations expected to close?		4/03/2025 0:00 4/03/2025 0:00	
24/02/2025 6119 (2025)		What consultations did the Minister's departments, if any, open for the period Monday 10th February to Sunday 23rd February 2025, with employees around any changes to employment roles, employment numbers and any other employment conditions, and how many roles were affected?		

4.1 Departmental Official Information Act requests

Due Date to Requester	Requester	Summary of request		
28/02/2025	s 9(2)(a)	Copies of material prepared for the Minister and Ministry officials for transport annual review hearings at select committee in December 2024		
3/03/2025		The Clifford Bay Investigation report 2013, proposed plans or maps, and correspondence between Minister Jerry Brownlee and Cabinet about the report		
3/03/2025		000		
Extended 10/03/2025		Advice and emails relating to the government agreeing to fund half of CRL		
10/03/2025		Seeking Assented Versions of the 'Land Transport Act 1998' and the 'Transport Vehicle and Driver Registration and Licensing Act 1986'		
14/03/2025		Seeking information on the Whanganui Airport Parallel Taxiway Project		
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11.				

Transport Portfolio Agency Reports No te rere moana Aotearoa NEW ZEALAND Aviation Security Service





1 Key Updates

CAA involvement in All of Government response to PLA warships in Tasman Sea

CAA became aware of suspected live firing activity of the PLA warships in the Tasman Sea on Friday afternoon and has been closely involved with the AOG response throughout the weekend.

After attending a Watch Group on Friday and being briefed, CAA priorities were to:

- maintain situational awareness
- ensure aviation safety
- maintain effective and appropriate communication with Airways, airlines and govt agencies

The alignment between agencies worked well. Based on updates received from other Government agencies CAA was able to share relevant information to airlines, in line with ICAO protocols, so that airlines could make their own risk assessments. The incident was taking place within the Australian Flight Information Region (FIR) in international airspace, which meant that airspace cannot be closed.

We continue to be involved with the AOG response and will keep airlines updated. We have a plan in place should the warships enter New Zealand's FIR.

s 6(b)

Air New Zealand - renewal of Air Operator Certificate

Air New Zealand's Air Operator Certificate is coming up for its 5-year renewal. This renewal is a major undertaking for both Air New Zealand and the Authority.

The initial meeting between the Authority and Air New Zealand, to commence the renewal process, has been postponed at the request of Air New Zealand. At this stage, the Authority remains confident that the renewal will be achieved in a reasonable time period.

Kea Aerospace

Kea Aerospace recently flew its Atmos Mk1b solar-powered, remotely piloted aircraft to an altitude of 56,284 feet, which is well into the stratosphere. The flight partially occurred outside the 12 nautical mile (nm) territorial limit of New Zealand, also known as the 'high seas'.

Flight beyond the 12nm limit is not yet routine for remotely piloted aircraft. The expectations laid out in the Chicago Convention on International Aviation for flight over the high seas were conceptualised in 1944 when civilian remotely piloted aircraft were still in their infancy and the only aircraft flying that far out to sea were early passenger and freight aircraft. As a result, the rules around flight beyond 12nm have remained based on passenger safety and the characteristics of traditional aircraft.

The Authority has created a pathway for highly capable, remotely piloted aircraft to operate over the high seas for select research and development purposes. Forging this pathway was a cross-organisational effort with the New Zealand Defence Force to create a workable solution that also ensured the continuing safety of the aviation system. As the capabilities of remotely piloted aircraft continue to improve, we expect to see increasing use of this pathway.

This item has also been sent to the Minister for Space.

Tāwhaki National Aerospace Centre - Special Use Airspace Application

On 21 February, the Authority received a Special Use Airspace Application from Tāwhaki National Aerospace Centre staff, to allocate airspace specifically for research and development and test and evaluation. Tāwhaki has consulted widely with all affected airspace stakeholders about this submission, as well as working closely with the Authority to ensure that its submission meets the required standard in relevant Civil Aviation Rules.

The change would allow Tāwhaki to administrate, allocate and manage airspace use. This differs from the current process which requires that individual airspace users submit separate applications, each requiring 90 days or more to process.

This item has also been sent to the Minister for Space.

Aviation Security Screening

The principal purpose and focus of aviation security is to ensure that passengers, and any baggage which is stowed in the holds of aircraft, do not carry items that create risks to the safe operation of aircraft (e.g., dangerous goods such a lithium-ion batteries or firearms or explosives). Equally, passenger facilitation (the time taken to go through a security screening point) is a primary consideration, as is striking a balance between ensuring security outcomes are met without unnecessary impositions on passengers. The information below provides updates relating to passenger facilitation against the operational targets set out in the Statement of Performance Expectations for 2024/25 (specifically output classes 5.1.1 and 5.1.2).

Longer-than-expected screening queues have been recorded in the past week:

Date	Time	Location	Number affected	Queue Time (Mins)	Cause	Mitigation
23/02/25	12:30	Auckland International	300	12 Minutes	Passengers arriving early for the afternoon peak	Queue management undertaken and a further lane was opened

22/02/25 13:00 Christchurch International	150	9 Minutes delay in ponding area	Higher passenger volume over peak period caused by increase in scheduled flight volume	All available lanes opened and operating at full capacity
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NOTES:

- Flight loading data has been delayed due to staff reassignment. We are in the process of clearing the backlog and getting it back up to date.
- Ongoing preventative maintenance of lane equipment is not expected to affect queueing times.

Reporting data for Wellington Southern Domestic screening point

Queues for the Wellington Southern Domestic screening point² in the past week – which are constantly monitored using LiDAR technology – showed:

	12-month Avg ¹	Last Month Avg	Last Week 17/02–23/02
Passengers processed in less than 5 minutes	90.4%	98.8%	98.0%
Passengers processed in less than 10 minutes	97.3%	99.9%	100%

¹ This omits the period from 15/6/24 to 3/7/24 where upgrades to the screening point affected the recording of LiDAR data.

Queues for the Wellington Southern Domestic screening point since 13 January show the following:

	13/01-19/01	20/01-26/01	27/01-02/02	03/02-09/02	10/02-16/02
Passengers processed in less than 5 minutes	96.8%	91.1%	98.7%	98.4%	95.7%
Passengers processed in less than 10 minutes	100%	99.9%	100%	100%	99.6%

Reporting data for Dunedin International Airport

Queues for the Dunedin Domestic screening point – which are monitored at all times using CCTV technology - showed:

	27/1-02/02	03/02-09/02	10/02-16/02	17/02-23/02
Passengers processed in less than 5 minutes	92.6%	96.5%	90.7%	91.6%
Passengers processed in less than 10 minutes	99.3%	99.2%	95.3%	100%

See Appendix 1 for data on where queues are predicted during the coming week.

² LiDAR data for other airports is not yet available.

2. Ministerial briefings received by the Minister's Office

NB: This covers the period Tuesday 18 February - Monday 24 February.

Date	Title	
24 February	Briefing for Incoming Associate Minister of Transport	

3 Communications and External Engagement

Media plan / anticipated media

This covers the 7-day period from Monday 3 March.

Date (planned)	Item	Description	Targeted media
	Nil		

Media enquiries

This covers the 7-day period to Tuesday 25 February.

Date	Activity
25 February	Media enquiry about DMAPS Judicial Review Plane Sense has issued a media release about the ongoing Judicial Review of Wellington Airport's Divergent Missed Approach System (refer to briefing on 7 May 2024, attached as Appendix 2). We have provided comment as follows: The CAA acknowledges the point of view of the Plane Sense group. They have exercised their rights to seek a Judicial Review, and a hearing is currently scheduled for May. This is the appropriate avenue to discuss these issues, their complexity, the process, and the role of each organisation. It is important to state that the CAA takes any allegation of unsafe or non-compliant conduct seriously and as it advised the Plane Sense group last year, it has carefully considered the claims that the group has made. The CAA does not have safety concerns regarding the Wellington DMAPS. Out of respect for the court process it isn't appropriate for CAA to comment further at this time. Plane Sense has been active in engaging with media in the past. We anticipate further attention on this issue, ahead of the Judicial Review hearing in May.

Media mentions

This covers the 7-day period to Monday 24 February.

Date	Activity	Channel
21 February	China conducts military drills in Tasman Sea, flights diverted CAA mentioned in widespread media coverage of Chinese warships in the Tasman Sea. Statement was provided as follows: The Civil Aviation Authority of New Zealand is aware of the advice issued by Airservices Australia. If there is a known issue in the New Zealand Flight Information Region (FIR), advice would likely be issued via NOTAM.	RNZ, NZ Herald, Otago Daily Times, 1 News, Stuff, Chris Lynch media, Three News, various international media
21 February	Emergency helipad reclassification leaves chopper landings up in the air The Waiheke Local Board is looking at options to meet Civil Aviation Authority regulations after the Onetangi Sports Park helipad's reclassification as a heliport.	Gulf News

Upcoming education publications and products

Planned release/publish	What	Туре	Why
March	Vector magazine (Autumn issue)	Aviation safety education magazine	To educate the aviation community on various aviation safety topics.
April	Civil Aviation Rules and Advisory Circulars poster	Safety education product	Update of previously produced poster to coincide with the implementation of the new Civil Aviation Act.
April	Helicopter performance	Good Aviation Practice (GAP) booklet (update)	BAU revision
April	Navigating the rules	GAP booklet (update)	BAU revision (to update to align with the new Civil Aviation Act)
TBC	Medical matters	GAP booklet (update)	BAU revision (to update to align with the new Civil Aviation Act)
ТВС	How to be an aerodrome manager	GAP booklet (new)	As part of the Work Together, Stay Apart (WTSA) campaign, new guidance material for aerodrome managers is being produced, in the GAP booklet format.

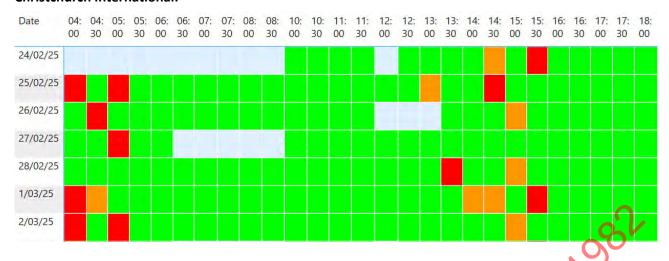
Appendix 1— Predicted queues during the coming week

During the coming week, screening queues are predicted at the existing known busy periods (indicated below), using the following colour code:

- Light blue: No passenger volume forecast
- Green: Passenger volume forecast to be less than 80% of available capacity
- Orange: Passenger volume forecast to be between 80% and 90% of available capacity
- **Red**: Passenger volume forecast to exceed 90% of available capacity

Auckland International: 24/02/25 25/02/25 26/02/25 27/02/25 28/02/25 1/03/25 2/03/25 **Wellington International:** 04: 04: 05: 05: 06: 06: 07: Date 13: 14: 14: 15: 15: ELEASINE 30 00 30 00 30 00 30 00 30 00 30 00 30 00 24/02/25 25/02/25 26/02/25 27/02/25 28/02/25 1/03/25 2/03/25

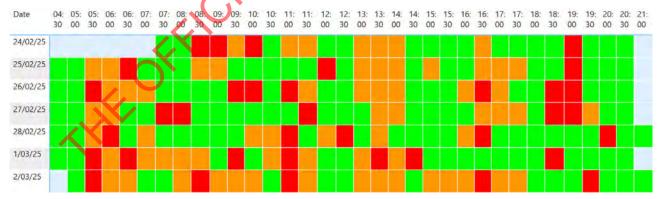
Christchurch International:



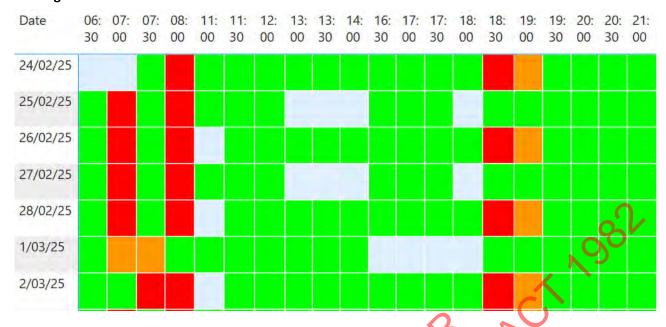
Queenstown International:



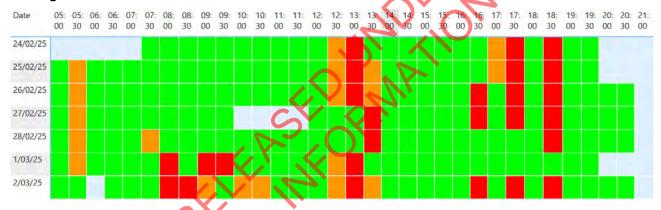
Auckland Domestic:



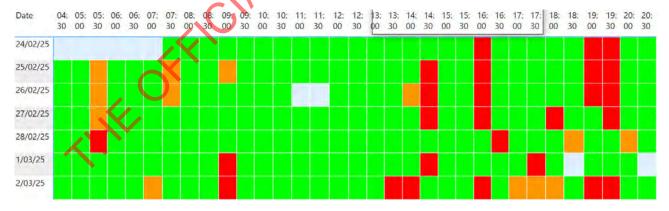
Wellington Northern Domestic:



Wellington Southern Domestic:



Christchurch Domestic:



Queenstown Domestic:



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Appendix 2— Briefing to Hon Simeon Brown re Divergent Missed Approach System (DMAPS), 7 May 2024

To:

Hon. Simeon Brown

Subject: Civil Aviation Authority – Divergent Missed Approach System (DMAPS)

Implementation in Wellington

Contact: Name Position Telephone

Keith Manch Chief Executive/ Mobile: \$9(2)(a)

Director of Civil Aviation

Date: 07 May 2024

Purpose

1. This briefing is to inform you on Divergent Missed Approach Protection System (DMAPS) and the roles of the Civil Aviation Authority (the Authority) and Airways in its implementation in Wellington.

Background and Context

What is DMAPS?

- 2. DMAPS was implemented at Christchurch Airport in 2020 and at Wellington Airport in 2022 with the intent of improving safety and the efficiency of operations.
- 3. DMAPS is a system used to protect departing aircraft from colliding with aircraft that are returning to land after a missed approach. A missed approach (also known as a "go around") occurs when an aircraft is unable to land for safety reasons, or for operational reasons due to weather. In technical terms, DMAPS uses divergent instrument flight procedure in conjunction with existing separation between departures and provides predictable missed approach protection.
- 4. Airways advises that DMAPS achieves earlier separation between departures and missed approaches, which reduces gaps between arrivals while still allowing aircraft to depart safely between arrivals. Previously, to maintain aerodrome capacity, aircraft needed to fly complicated manoeuvres that were typically only available in good weather.
- 5. Following the introduction of DMAPS, airborne delays reduced by an average of three per cent per flight despite a three per cent increase in traffic volume at Wellington Airport between 2022 and 2023. At the same time, ground delays reduced by an average of 78 per cent per flight.

How does DMAPS affect flight paths?

- 6. Airways advises that, previously, in the event of a missed approach the pilot of an arriving aircraft would have to:
 - a. use the same flight path as a departing aircraft; or
 - b. fly a manual circuit around Wellington Harbour using visual cues to avoid obstacles and stay within controlled airspace before landing at Wellington or diverting to another airport.
- 7. Under DMAPS, aircraft departing north and aircraft that miss their approach now fly on separate paths that diverge at least 30 degrees from one another. Departing jet aircraft now climb on a flight path that turns slightly to the west, turboprop aircraft flight paths are virtually the same, while aircraft that miss their approach now turn slightly to the east.

- 8. As a result, most jet aircraft departing north that flew over Newlands, parts of Johnsonville and Churton Park now fly more frequently over Khandallah, Broadmeadows and other parts of Johnsonville since DMAPS was implemented in 2022.
- 9. Some residents in these areas complained that the flight noise is excessive, noting particular disruption from early flights. Plane Sense, a community group established in 2023 to change the flight path in response to aircraft noise discussion on Facebook, has also complained over the lack of consultation on the DMAPS changes prior to its implementation.
- 10. The Authority understands that Wellington Airport conducted noise monitoring in the northern suburbs from October 2022 to February 2023 and assessed that the increase in noise from north-bound planes was minimal. Plane Sense disputes the analysis of this data.

Wellington DMAPS implementation

- 11. Airways implemented DMAPS at Wellington Airport in December 2022 following a two-year design process and the successful introduction at Christchurch Airport in 2020.
- 12. As you are aware, the Authority is responsible for ensuring that civil aviation in New Zealand is carried out in a safe and secure way. We do this by ensuring compliance with the legislation and the rules and standards set by the Minister.
- 13. The Authority does not have a role in designing instrument flight procedures and flight paths (such as DMAPS). They are designed by an organisation certified under Part 173 of the Civil Aviation Rules (CAR), which in this case is Airways.
- 14. The Authority's role under Part 173 is to certify Airways' organisational processes and monitor their safety. If Airways meets all the criteria in Part 173, the Authority can continue to certify it as a Part 173 organisation.
- 15. As part of regulatory oversight over the amendments to navigation registers (such as the New Zealand Air Navigation Register) to support DMAPS, the Authority's Aeronautical Services Unit began to engage with Airways while it was designing DMAPS. The Authority had and still has no safety concerns about the DMAPS flight paths travelling over the Northern suburbs.
- 16. The Authority has very limited oversight of aircraft noise. CAR Part 93 does set out a noise abatement area around Wellington. In the noise abatement area around Wellington, aircraft must take certain steps to reduce noise like flying at an altitude of over 1000 feet. The Authority has no evidence that the flight paths do not comply with this rule or that any aircraft have breached the noise abatement rules.
- 17. The Director requested various documents from Airways to show that Airways was meeting its Safety Management System requirements in 2022. When this was provided in October 2022, the Director raised safety concerns relating to operational procedures and surveillance separation standards. This issue was resolved to the Authority's satisfaction.
- 18. Since then, Airways and the Authority have worked together to address on-going challenges to DMAPS implementation. One example was April 2023, when an Airbus was landing at Wellington Airport after a missed approach at the same time another Airbus was departing from runway 16 in strong winds. The Air Traffic Controllers noticed the two aircraft moving close to each other and applied appropriate action to ensure that separation was maintained.
- 19. The investigation of the incident found deviations in the application procedures unrelated to DMAPS. Airways implemented several safety actions to address the issues identified and the Authority is satisfied that these actions appropriately mitigate the risk.
- 20. The Director of the Civil Aviation Authority does have a role in registering instrument flight procedures under Part 95 of the CARs. This was achieved in this case by entering the procedure in the New Zealand Air Navigation Register. However, due to an administrative error, there was a delay in notifying instrument flight procedures, including DMAPS, in the NZ Gazette. This was rectified and the Authority does not consider there was any practical consequence to that delay.

21. The Director retains a discretionary power under CAR 95.57 to withdraw an instrument flight procedure. However, this is a safety focused discretion and does not apply to DMAPS.

What consultation did Airways or the Authority do?

- 22. As you are aware, Airways is a State-Owned Enterprise, and its shareholding Ministers are the Minister of Finance and the Minister for State-Owned Enterprises. Wellington Airport contracts Airways to provide air traffic services and Aeropath (an Airways subsidiary) designs instrument flight procedures. The Authority is not responsible for public consultation on DMAPS.
- 23. If you require further information about Airways' consultation obligations, Airways has advised it can provide a separate, legally privileged paper on request.
- 24. Wellington Airport addressed public consultation before the implementation of DMAPS in its press release mentioned below:
 - Wellington Airport is required to manage noise within its air noise boundaries which only extend to surrounding neighbourhoods not the northern suburbs. It was determined that DMAPs would have no impact on these, which is technically the end of Wellington Airport's responsibilities.
 - However, the airport went above and beyond their requirements by installing a noise monitor and commissioning experts to carry out a preliminary <u>noise assessment</u>. This found that while the change would be noticeable to some residents, it would be within reasonable limits.
 - It was also determined that aircraft would not be flying in areas they hadn't previously i.e. planes have always overflown the northern suburbs to an extent.
 - Based on this information and responsibilities, public consultation wasn't considered necessary.
- 25. The Authority did carry out consultation for an airspace petition submitted by Airways for changes to the controlled airspace surrounding Wellington from February to the end of March 2022. This is part of the Authority's role in CAR 71.9. The consultation did not cover the design and implementation of an instrument flight procedure as it is outside the scope of CAR 71.9.
- 26. The Authority sent the consultation document to a number of aviation industry participants including aerodrome operators, aviation organisations, airlines, and published it on the Authority website for the public.
- 27. Wellington Airport (with technical input from Airways) decided to consult with the public to devise an alternate route based on public feedback from Plane Sense. This consultation is ongoing, and the press release can be found in the link below:

Wellington Airport asks Airways to develop alternative options for northern flight paths

Has the Authority and/or Airways engaged with Plane Sense?

- 28. The Authority has had extensive correspondence with Plane Sense's legal representative and has met with Plane Sense representatives. The Authority has explained to Plane Sense the role of the Director and that the Director is open to review the regulatory settings under which DMAPS were certified and/or investigating any instances of non-compliance. However, there is no basis for the Director to exercise his discretion under CAR 95.57 to withdraw DMAPS.
- 29. The Authority also understands that Airways and Wellington Airport has also met with Plane Sense on several occasions.
- 30. Plane Sense is still yet to pursue these avenues, but the Authority is aware it has voted to file a Judicial Review in the High Court.

Recommendations

It is recommended that you:

1. **note** the contents of this briefing.

Yes/No

Keith Manch

Director of Civil Aviation

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1 Portfolio work programme update

Maritime NZ

Project: Review of Maritime Legislation

Maritime New Zealand and the Ministry are undertaking a joint review of high priority issues with the Maritime Transport Act 1994 and Maritime Security Act 2004. We have provided you a joint briefing outlining the review, and the key policy issues we are considering [MNZ 25-001/OC250095 refers]. At your request, we have also provided advice on what a fulsome review of this legislation would look like, including combining the Maritime Transport and Maritime Security Acts.

Project: Recreational Boating Regulation

We have paused our work on reform of recreational boating regulation to manage short term constraints and medium-term uncertainties in resourcing for rules reform. This allows us to ensure that other key priorities in the regulatory reform work programme can continue.

Project: Maritime Workforce

From 10–14 February, Maritime New Zealand officials attended the International Maritime Organisation sub-committee on Human Element, Training and Watchkeeping (HTW). A key focus of this session was on the first phase of review of the Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW).

This review is a key focus for New Zealand and the sustainability of the maritime workforce, as STCW sets the global standards that determine how seafarers can enter and progress in the sector. In particular, New Zealand has focused on making it easier for seafarers to move from fishing to non-fishing roles (increasing flexibility for seafarers and employers) and streamlining the assurance mechanisms via which implementation is overseen (which will also streamline the way in which countries can accept seafarers from other countries into their workforce).

Progress was made on both of these key priorities at the meeting. A more fulsome report will be included in next week's Weekly Report.

Together with the Ministry of Business, Innovation and Employment, we have provided you and Minister van Velden with a briefing seeking approval of the New Zealand positions on amendments to the Maritime Labour Convention (MLC) Code; as well as a negotiating mandate for the upcoming meeting of the Special Tripartite Committee that will discuss these amendments, which will take place on 7–11 April.

Project: Maritime Rules Reform

Maritime NZ continues to refine the Design, Construction, and Equipment (DCE) maritime rules in preparation for Package 2 consultation. Feedback from the constructive discussions with the New Zealand Marine Transport Association and the Federation of Commercial Fishermen is being considered and incorporated into the proposed rules as appropriate. We will provide a fuller update on stakeholder feedback in April.

Following consultation on a package of rules amendments under the 2024 Regulatory Amendments Project, final rules will be put to you for consideration and decision on Thursday 27 February.

Briefing: Seafarer Certification and Recreational use of Commercial Vessels

This briefing will seek your agreement to changes in rules following consultation on seafarer certification and recreational use of commercial vessels.

Date: Week ending 7 March

s 9(2)(f)(iv)

Briefing: Package 2 consultation on proposed changes to the Design, Construction and Equipment Rules

This briefing will provide an update on sector views following Package 1 consultation on proposed new Design, Construction and Equipment Rules and seek agreement to begin consulting on the second package of proposed reforms.

Date: TBC April

s 9(2)(f)(iv)

2 Other briefings to Associate Minister of Transport

Nil this week.

Key updates 3

Nil this week.

anister of No. 22 No. 2 4

Nil this week.

5

Nil this week.

5.1 Other portfolio Cabinet papers with transport implications





New inquiries / International assistance

MO-2025-201 opened by the Commission 21 February.

Maritime New Zealand notified the Commission of a near fatal incident that occurred onboard the Australian-registered Fishing Vessel Antarctic Discovery earlier today at the Port of Lyttelton.

The circumstances reported to date are that two crew members and two other workers suffered hydrogen sulphide poisoning within an enclosed space. Upon discovery, the two crew members were reportedly unconscious and non-responsive. All four individuals were transported to hospital for treatment. Their current conditions are unknown, but no fatalities have been reported.

The Chief Investigator has opened an inquiry under Section 13(1)b of the Transport Accident Investigation Commission Act and appointed Jeremy Dann as investigator-in-charge. Jeremy will be assisted by Tim Burfoot.

ort	Planned Publication Date/Time
2	





JOINT BRIEFING

Regional Infrastructure Fund – supporting Regional Air Connectivity

Date:	12 March 2025	Priority:	Medium	
Security classification:	In Confidence	Tracking number:	REQ-0008566	

Action sought		
	Action sought	Deadline
Hon Shane Jones Minister for Regional Development	s 9(2)(f)(iv)	26 March 2025
Hon James Meager Acting Minister of Transport		BARC,
	CO NA	

Contact for telephone discussion (if required)				
Name	Position	Telephone	1st contact	
Robert Pigou	Deputy Chief Executive Kanoa – Regional Development & Commercial Services (Kanoa)	s 9(2)(a)	V .	
Siobhan Routledge	Acting Deputy Chief Executive, Policy, Ministry of Transport			
Karl Woodhead	General Manager, Strategy, Planning and Performance, Kānoa			

The following departments/age Department of Internal Affairs	encies have been consulted: Ti	ne Treasury, Te Puni Kōkiri, The
Minister's office to complete:	☐ Approved	☐ Declined
	□ Noted	☐ Needs change
	Seen	Overtaken by Events
	See Minister's Notes	Withdrawn

Comments





JOINT BRIEFING

Regional Infrastructure Fund – supporting Regional Air Connectivity

Date:	12 March 2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	REQ-0008566

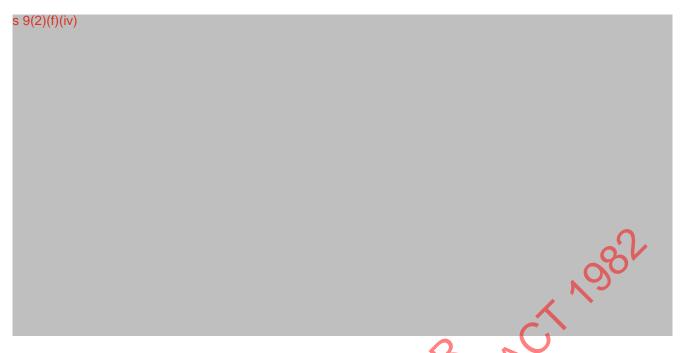
Purpose

To seek your:

s 9(2)(f)(iv)

Executive Summary

Air connectivity is important to the prosperity of regional New Zealand, enabling regional communities to access critical services (such as healthcare, and in respons and supporting regional economies through tourism and economic activity.



Recommended action

The Ministry of Business, Innovation and Employment (MBIE) and the Ministry of Transport (MoT) recommend Ministers:





Robert Pigou

Deputy Chief Executive Kānoa -Regional Development & Commercial **Services**

Ministry of Business, Innovation and **Employment**

11 / 03 / 2025

Scatnolgi

Siobhan Routledge **Acting Deputy Chief Executive, Policy** Ministry of Transport

11 / 03 / 2025

Hon Shane Jones **Minister for Regional Development**

..... / / 2025

Hon James Meager **Acting Minister of Transport**

..... / / 2025

Background

- 1. Kānoa Regional Development & Commercial Services (Kānoa) provided advice on regional air connectivity to the Regional Development Ministerial Group (RDMG) in September 2024, s 9(2)(f)(iv)
- 2. That paper highlighted a number of challenges facing regional connectivity in New Zealand despite most of the country being less than 80km from an airport. The paper noted the increasing costs experienced by regional airports, and a series of challenges for airlines such as workforce issues, increasing fees, levies, and fuel costs. We have attached this paper as **Annex Four**.

_	s 9(2)(f)(iv)	
3.	5 5(2)(I)(IV)	

Context on New Zealand's domestic aviation network

Regional air connectivity supports regional prosperity, and the domestic aviation market is generally well-served

- 4. In large urban settings, the transportation of people, goods and services is mostly done via land transport, with air transport providing faster connections for higher-value travel and goods. However, air travel is a lifeline for extremely remote communities where there is no real alternative. Regional air connectivity enables economic development (including facilitating tourism, business travel and trade), social equity (such as access to advanced healthcare services) and supports transport network resilience, for example when roading is affected by adverse events.
- 5. Given New Zealand's size and footprint of airports, most communities have choices, as few people live beyond two-and-a-half hours from one or two airports that provide regular services. Given small population bases, low demand, and higher costs of air services, few routes have more than one or two providers resulting in limited competition.
- 6. Overall, New Zealand's domestic aviation network is well served. Our previous advice highlighted a range of challenges and opportunities facing New Zealand's regional air network, including for example:
 - a. regional airlines have indicated they are struggling at present. They face challenging trading conditions as they often lack negotiating power for key capital assets like engines and are highly vulnerable to workforce shortages and cost fluctuations in essential inputs such as fuel. Additionally, operating an airline is capital-intensive, and these airlines typically serve smaller communities where seat demand can be unpredictable. These pressures have persisted for several years following the pandemic. Despite the challenges, and some operators ceasing or reducing services, most communities still maintain access. We have seen the market adjusting well to ensure service to most parts of the country remains unaffected for extended durations. It is unclear to what extent these pressures will continue over the medium term.
 - b. **regional airports** are facing increasing infrastructure costs and ongoing funding constraints. These factors are limiting the opportunity for medium-sized airports to expand to take advantage of regional economic opportunities. Smaller regional airports

are even more vulnerable as they are typically reliant on funding from small ratepayer bases during a time where the cost of living is increasing pressure on households.

7. Workforce shortages, both for pilots and skilled engineering staff, are under active consideration by the Ministry of Education. We also note Air New Zealand has launched a pilot training programme in 2024 for 30 cadets. A strategic framework for the aviation system is currently being developed through a National Aviation Policy Statement (NAPS). The NAPS, which is being jointly developed by government and the aviation sector, includes a focus on addressing current and future workforce matters.

We consider the problems faced by the sector are likely short- to medium-term

- 8. This is particularly as the sector continues to adjust to the post-COVID environment and adapts to take advantage of technological changes. The rise of electric vertical take-off and landing (eVTOL) aircraft may, in time, revolutionise urban transportation, making short-distance travel faster and more accessible, although this is likely to be several years available.
- In ensu, senders w. se 9. Enabling an efficient, thriving aviation sector requires a focus on ensuring that settings foster competition. Competition encourages airlines to provide passengers with lower prices, quality and reliable services, more travel options and connectivity.

Annex One - RIF applications received which could support regional connectivity as at 11 March 2025

Project	Description	Total value (million)	RIF funding sought (million)	Status
	Medium sized and vulnerable airport infrast	ructure applica	itions	
Hokitika Airport Redevelopment	To complete an extensive upgrade at Hokitika Airport This proposal could be funded from the proposed \$30 million ring-fenced infrastructure fund.	\$16.400	\$9.800	Approved as at 27 February 2025 (REQ-0009135)
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Category	Characteristics	Potential focus of RIF funding
Large airports (>2 million passengers per year) Auckland, Wellington, Christchurch, Queenstown	Well capitalised, with commercial governance structures. Able to access external financing on commercial terms. Served by multiple airlines and hold significant bargaining power when setting prices.	s 9(2)(f)(iv)
Medium-sized airports (>100,000 passengers per year) E.g. Nelson, Dunedin, New Plymouth, Hamilton, Palmerston North, Napier	 Typically owned by local or regional authorities Generate enough revenue to cover costs, but may face difficulties accessing capital to grow. Typically served only by Air NZ and have low bargaining power when setting prices Often attractive for non-aeronautical business opportunities (e.g. business parks). 	OFFON ACT NOSE
Vulnerable airports (<100,000 passengers per year) that typically serve critical/ vulnerable routes E.g. Westport, Kaitaia, Chatham Islands	 Typically owned by local or regional authorities, often with basic management and governance structures. Do not generate enough revenue to cover costs – typically dependent on Council subsidies. Very limited negotiating power – unable to increase landing fees without putting services at risk. Typically located on low-value land which is not attractive for other commercial activities. 	



Annex Four – Regional air connectivity issues and opportunities (REQ-0005152)

(Attached separately).





BRIEFING

Regional air connectivity issues and opportunities

Date:	25 November 2024	Priority:	Medium
Security classification:	In Confidence	Tracking number:	REQ-0005152

Action sought			
	Action sought	Deadline	
Hon Nicola Willis Minister of Finance	-s 9(2)(f)(iv)	5 December 2024	
Hon Chris Bishop Minister for Infrastructure	18-	bo.	
Hon Simeon Brown Minister of Local Government	10KG		
Hon Tama Potaka Minister for Māori Development	JETIC		
Hon Shane Jones Minister for Regional Development	SEORMA		

Contact for telephone discussion (if required)				
Name	Position	Telephone	1st contact	
Robert Pigou	Deputy Chief Executive and Head of Kānoa – Regional Economic Development & Investment Unit (Kānoa – RD)	s 9(2)(a)	√	
Isabel Poulson	General Manager – Strategy, Planning and Performance, Regional Economic Development & Investment Unit (Kānoa – RD)			
Hoa Dao	Senior Policy Advisor - Strategy, Planning and Performance, Regional Economic Development & Investment Unit (Kānoa – RD)			

The following departments/agencies have been consulted				
Ministry of Transport has worked alongside Kānoa – RD on the development of this paper.				
Minister's office to complete: Approved Declined				

□ Noted	☐ Needs change	Seen	
Overtaken by Events	☐ See Minister's Notes	☐ Withdrawn	
Comments			

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BRIEFING

Regional air connectivity issues and opportunities

Date:	25 November 2024	Priority:	Medium
Security classification:	In Confidence	Tracking number:	REQ-0005152

Purpose

To provide Ministers with a cross-government view of:

- the challenges being faced by, and opportunities from, the regional air sector
- the potential for government intervention, includings 9(2)(f)(iv)

and to seek direction on Ministers' preferred approach to responding to the issues raised.

Executive summary

Air connectivity is important to the economic and social prosperity of regional New Zealand, enabling regional communities to access critical services (such as healthcare, and in response to natural disasters) and in supporting regional economies through tourism and economic activity.

New Zealand's regional air network is struggling to maintain viability. For the smaller regional airports, increasing costs and funding constraints, combined with lack of scale, and the profile of the national aircraft fleet, are impacting smaller their financial vulnerability.

For airlines, the concentrated nature of the network, and a series of wider challenges, are creating some risk to regional air connectivity. Airport-related issues, supply chain challenges, increasing fees, levies, and airport charges, and workforce shortages, are adversely affecting New Zealand's airline resilience. Air New Zealand is obligated to be commercial in its decision-making which has consequences for the health of the regional air sector, given the domestic airline sector is essentially a monopoly and Air New Zealand has recently announced plans to withdraw, or reduce service frequency, from some smaller airports.

s 9(2)(f)(iv)

Evidence suggests that the sector will continue to face challenges in the short- to medium-term. Several existing regional routes are at risk of further reductions or closure, risking the productivity and resilience of regional communities and businesses, and there is limited evidence that the sector and the market can make the necessary short- to medium-term investments or shifts by itself.

s 9(2)(f)(iv)



The Ministry of Business, Innovation and Employment (the Ministry) recommends that Ministers:



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Robert Pigou	Hon Nicola Willis
Deputy Chief Executive and Head of Kānoa – Regional Economic Development & Investment Unit	Minister of Finance
Ministry of Business, Innovation and Employment	/ / 2024
/ / 2024	DINALION
Hon Chris Bishop Minister for Infrastructure	Hon Simeon Brown Minister of Local Government
/ / 2024	/ / 2024
Hon Tama Potaka Minister for Māori Development	Hon Shane Jones Minister for Regional Development
/ / 2024	/ / 2024

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Background

- On 3 October 2024, Regional Development Ministerial Group (RDMG) Ministers directed the Ministry of Transport (MoT), in conjunction with Kānoa – Regional Economic Development & Investment Unit (Kānoa – RD), to provide advice by the end of 2024 on the current state of regional air connectivity \$9(2)(f)(iv)
- This paper has been developed alongside MoT (with input from New Zealand Airports Association). It provides RDMG with an overview of the regional air sector from a regional development perspective and:
 - a. sets out the sector's contribution to the regional (and national) economy
 - b. analyses the health of the regional air sector
 - c. highlights key issues and opportunities
 - d. s 9(2)(f)(iv)

Regional air connectivity is important for New Zealand's prosperity

Airports and air services are important to a region's transport system and economy, providing connectivity and access to services

- Access to reliable air services is important for many regionally-based people and businesses.
 Many communities rely on regular air services to transport people and goods, and ensure
 timely access to healthcare, education and business opportunities. Regional air services are
 also increasingly important for international and domestic tourism.
- 4. The economic impact of successful regional airports can extend beyond their immediate aviation activities. Significant commercial activities operate within many airports' campuses, including businesses owned by the airport, as well as complementary businesses that function because of the airport's infrastructure, for example airlines, car rental companies, general aviation businesses and retail outlets. Business and commercial networks have formed in some airport precincts as newly built office space and warehousing have created commercial hubs. The growth of nearby airport infrastructure boosts the construction and real estate sectors, leading to more construction jobs. However, not all regional airports are as successful and as discussed further, some struggle to retain viability and their economic impacts is limited.
- 5. Regional New Zealand also depends on airfields in natural disasters. Some smaller airports are designated lifeline utility airports under the Civil Defence and Emergency Management Act 2002. As illustrated in the 2016 Kaikōura earthquake and Cyclone Gabrielle in 2023, air links are essential when roads or rail links are compromised.

Well-connected regions are beneficial to New Zealand

- Benefits to the country from good regional air connectivity include:
 - economic benefits from having thriving regions

- b. economic network effects, including economies of scale and scope due to more connections between consumers and producers
- increased efficiency, as it can be cheaper and more efficient for people to travel for services (such as specialised or complex medical services) than to replicate services locally
- d. increased connectivity and opportunities for domestic travel and trade
- e. resilience to emergencies and disasters
- f. a viable general aviation sector (private and small commercial operators, including tourism and agricultural services).

New Zealand's regional air sector is struggling to maintain viability

- 7. Most of the country is within 80km of an airport (though actual access depends on local roads and geography). While the proximity of some airports to one another might suggest over-supply, direct connectivity for any individual location can be a significant contributor to local economic growth.
- 8. However, several recent developments have highlighted the current fragility of New Zealand's regional air network. The recently announced reduction in services by Air New Zealand (reducing frequency on some services and ceasing the Wellington-Invercargill route) and Sounds Air Ltd (exiting Westport and Taupo routes) illustrate the challenging environment being faced by New Zealand's airlines on top of the ongoing challenges faced by many regional airports.
- 9. On 8 October 2024, regional airlines and a rports met to discuss challenges and opportunities facing the sector. A summary of the discussion is included as **Annex One**.

<u>Airports:</u> Costs, and the profile of the national aircraft fleet, are impacting smaller regional airports

Increasing costs and funding constraints, combined with lack of scale, are making it challenging for some airports to remain viable

- 10. Airports have high costs especially infrastructure costs including large periodic bills for runway reseals and terminal upgrades. Small regional airports, where fees, charges, and small ratepayer bases are much lower than experienced by larger airports, are generally run at a loss.
- 11. In these cases, the deficit is often met by either associated companies and/or ratepayers, and sometimes the Crown (in the case of the five Joint Venture airports¹). Constraints on local government funding and government investment are increasing pressures. In some cases, critical maintenance expenditure is being deferred and facilities are deteriorating. Technology changes and regulatory requirements can also add to costs over time, for example charging infrastructure for electric plans, and changes to the Runway End Safety Area requirements (see paragraph 54).

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₁ Whanganui, Whangārei, Taupō, Westport and Whakatāne airports, joint owned with local authorities

12.

The types of aircraft currently available for the domestic market are imminently impacting airport viability and investment decisions

- 13. The aeroplanes operated by New Zealand's airlines affect the viability of some regional air connections (e.g. Air New Zealand's smallest aeroplane is the 50-seater Dash Q300, which is too large for passenger demand at some regional locations and some routes). Smaller aircraft, such as those operated by the smaller airlines, have higher operating costs and higher cost per seat. Most of the aircraft operated by New Zealand's other airlines are smaller than 20 seats.
- 14. Battery electric and hydrogen aircraft options are still in early development, and no aircraft manufacturer is currently prioritising the development of conventional aircraft (such as the Q300).
- 15. Therefore, some regional airports are working on the basis that they may need to prepare their runways, aprons and terminals to service larger aircraft (such as 75-seater ATRs) to maintain their regional connectivity. For some regional airports, there is unlikely to be the necessary demand to make services using these larger aircraft viable.

<u>Airlines:</u> the concentrated nature of New Zealand's regional air network and the challenges facing airlines have exacerbated risks to the regional air network

Airport-related issues, supply chain challenges, increasing fees, levies, and airport charges, and workforce shortages, are affecting the resilience of airlines

- 16. Airport-related issues have affected the resilience and performance of New Zealand's regional air connectivity for many years². The major change since COVID-19 has been the significant increases in costs and other challenges facing airlines. This is a worldwide issue, but its impacts have been amplified in New Zealand by the structure of the domestic airline industry and the types of aircraft in the airlines' fleets.
- 17. Parts for many of the aging aircraft currently used on the New Zealand regional domestic network are becoming difficult and more expensive to source, resulting in higher numbers of aircraft being out of service at any one time, increasing fares and reducing confidence and loyalty amongst customers, affecting both Air New Zealand and the Tier 2 airlines.
- 18. In addition, there are workforce shortages, both for pilots and skilled engineering staff. Airlines have reported cost increases of 150% and the requirement to keep more aircraft grounded to utilise parts from existing fleets.
- 19. The cost of capital is also a major issue for the smaller 'Tier 2' airlines, something that some have raised and sought assistance for from central government.
- 20. Some regional airlines have remained viable (although some only marginally) such as 9(2)(f)

 Other airlines struggle to maintain viability due to the inherently lower (iv)

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² https://nzairports.co.nz/resources/linking-the-long-white-cloud/

- potential demand in isolated regions, especially with the lack of interlining agreements (eg baggage transfer, ticketing and customer service between regional and domestic service operators) with national carriers and international connections.
- 21. The cost of flying domestically is becoming prohibitive for some people, leading to a reduction in demand, reduced numbers of scheduled flights, more delays and cancellations, and putting some critical regional connections at serious risk. While some consolidation in the industry is expected, abrupt discontinuation of service on a regional route can result in adverse economic and social impacts.

Air New Zealand is obligated to be commercial in its decision-making which has consequences for the health of the regional air sector

- 22. New Zealand's domestic airline sector is essentially a monopoly. Air New Zealand has 86% market share³ of domestic passenger numbers (the figure for the non-trunk regional network is higher than this).
- 23. In the last decade, Air New Zealand has withdrawn from, or decreased the frequency of services to, some smaller airports due to low yields and fleet changes to using larger aircraft.
- 24. Previously (notably in 2015-17 when Air New Zealand pulled out of several routes), some of the airports affected by route reductions or closures were able to replace some air services through independent regional airlines. However, it is unreasonable to expect that this will continue to happen in all cases given the challenges Tier 2 airlines are facing and the relative lack of capacity in the airline sector.
- 25. For example, the recent announcement by Air New Zealand of the closure of the Wellington-Invercargill service and reductions to several other regional services amount to a reduction of 12,000 seats a figure which is larger than the total existing capacity of all the Tier 2 airlines combined.
- 26. The challenges of maintaining Air New Zealand's aging Q300 fleet for forthcoming years against a backdrop of increasing engineering and parts challenges, is likely to continue to place pressure on its ability to continue serving the regional market.
- 27. It is worth noting that any withdrawal Air New Zealand makes from regional routes creates potential opportunity for other airlines. However, it is unclear how viable it would be for (particularly Tier 2) airlines to establish routes at short notice or for a sustaining period of time in a minimally disruptive manner, particularly given the enduring challenges raised in this briefing.

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³ https://www.consumer.org.nz/articles/how-do-we-fix-our-domestic-aviation-market

Technological developments, and emerging commercial opportunities could support some longer-term improvements lead by the sector itself...

- 28. The prevailing view from industry is that regional air connectivity, and the economic activity it enables, is well-positioned to grow in the 2030s if appropriate steps can be taken to prepare airport infrastructure and maintain a healthy domestic aviation market in the interim.
- 29. New Zealand's geography, route lengths, and dependence on aviation should make it an attractive location for aviation innovators and established firms⁴ to test zero-carbon aviation options such as battery electric/hybrid aircraft and hydrogen aircraft. Industry expects but ery electric and hydrogen aircraft to provide attractive opportunities for regional and rural connectivity as the flight range of these aircraft will lend themselves to short and medium routes. Industry data indicates that New Zealand has sufficient demand for up to 60 routes that could be flown with smaller aircraft of less than 50 seats when electric/hybrid options are available.
- 30. While upfront costs for electric charging and hydrogen infrastructure will likely be significant, the ongoing operating costs for these new types of aircraft are expected to be low when compared to conventional aircraft, raising the prospect of smaller aircraft taking more frequent and shorter flights in the regions and so creating attractive opportunities for people to live and do business regionally, as well as improving resilience in remote areas through electric vertical take-off aircraft (eVTQLs).
- 31. The aviation system is well placed to contribute to New Zealand's renewable energy transition. Regional airports are natural convening points for transport, industrial and commercial investment, most with land available for development for the benefit of the local community and wider region
- 32. For example, we are aware of some airports that are exploring the potential opportunity to invest and develop co-located ventures, such as solar farms or economic precincts, in order to broaden the commercial potential of their sites.



34. Further reduction in route services may put at risk the productivity and resilience of some regional communities and businesses.

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⁴ Such as Airbus, currently engaged in New Zealand as part of the New Zealand Aviation Hydrogen Consortium.

- 35. In November 2024, Sounds Air announced it would stop servicing its Wellington to Taupō route. s 9(2)(b)(ii)
- Several existing regional routes could be at risk of further reductions or closure in the shortto medium-term. There are several regional communities where there may be arguments for ensuring essential routes are maintained, that are already or increasingly becoming commercially unviable for airlines to serve.
- s 9(2)(b)(ii), s 9(2)(f)(iv) 37
- 38. The New Zealand Airports Association recently convened a forum of regional airlines and airports along with other sector stakeholders to discuss the sector's resilience and barriers to growth⁵. This demonstrates the sector's willingness to work collaboratively – more so than has happened in the past - to tackle the challenges and do what it can do. Through this forum, the sector expressed a need for more support.



⁵ This forum was attended by: Sounds Air, Air Chathams, Field Air, Barrier Air, Origin Air, Far North Holdings (Kerikeri and Kaitaia Airports), Eastland Group (Gisborne Airport), Taupo Airport, Hokitika Airport, and Palmerson North Airport. Sun Air was unable to attend.

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- At this stage it may not be necessary to go any further other than reiterating to the sector that 46. proposals from airports are strongly encouraged, and noting the risks of any ongoing financial burdens that may be imposed on airport owners and operators.
- 47. Prospective investments should also allow airports to continue to adapt to changing community needs and new aviation technology. For example, upgrades to terminals or runways that enable airports to maintain or expand their services.

Options for securing critical, at-risk regional routes



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56. Kānoa – RD and MoT will provide RDMG with detailed advice in early 2025, and Kānoa – RD will continue to progress and assess relevant RIF proposals.

Annexes



Annex Three – RIF proposals from regional airports and airlines as at 20 November 2024

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Annex Three – RIF proposals from regional airports and airlines as at 20 November 2024

Project	Description	Total Value	RIF Funding sought	Status
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			, C	36%
			~	
		LP 1	* O	
Hokitika Airport	To complete an extensive upgrade at Ho	okitika 16,400,00	9,800,000	Briefing for
Redevelopment Westland District Council	Airport specifically the lengthening and resurfacing of the current runway, and the upgrading of the runway lighting and underground infrastructure.	0		RDMG decision - December
2)(b)(ii)	SOR			
	TEN TO			
	PELALIA			
(f)(iv), s 9(2)(b)(ii)	KY,			
4	SKKIO.			
N.				
Airports with poto 9(2)(b)(ii), s 9(2)(f)(iv)	ential infrastructure issues identifie	d		

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EVENT BRIEFING

5 March 2025 OC250150

Hon James Meager Acting Minister of Transport

AVIATION INDUSTRY ASSOCIATION NEW ZEALAND PARLIAMENTARY FUNCTION - MARCH 2025

Snapshot

You are attending the Aviation Industry Association New Zealand (AIANZ) Parliamentary function. The event is an opportunity for AIANZ members to meet with you and other invited Ministers, officials, and aviation stakeholders.

You have agreed to provide a 10-minute speech at the function highlighting key issues and work on aviation. Following your speech there will be a 10-minute Q&A session and light refreshments. This briefing provides background information on aviation issues to support your attendance and speech.

Time and date	6:00pm, Wednesday 12 March 2025	
Venue	Legislative Council Chamber (LCC), Parliament Buildings, Wellington	
Attendees include aviation stakeholders, Government Minister sector officials (including officials from the Ministry of Transport Crown entities. Biographies for Ashok Poduval, President and Simon Wallace, Executive of AIANZ are attached (Annex 1)		
Run sheet	Will be provided nearer to the event	
Media 🗸	Media have been invited	
Talking points	Talking points are attached (Annex 2)	

Contacts

Name	Telephone	First contact
Ruth Fairhall, Deputy Chief Executive Policy	s 9(2)(a)	
Tom Forster, Manager, Aviation		1
Shereen Faraj, Policy Advisor, Aviation		

AVIATION INDUSTRY ASSOCIATION NEW ZEALAND PARLIAMENTARY FUNCTION - MARCH 2025

The Aviation Industry Association New Zealand (AIANZ) serves as the representative body for the commercial aviation sector

- Formed in 1950, AIANZ has 300 members, ranging from large operators such as Air New Zealand to smaller owner-operated businesses.
- Membership of the AIANZ largely falls under six divisions that include the NZ Agricultural Association, the NZ Helicopter Association, the Aircraft Engineering Association of NZ (includes engineers and suppliers to the industry), Training and Development, Uncrewed Aerial Vehicles New Zealand (UAVNZ) and the Operational Division. There are also several individual members, including pilots.

Matters likely to be of interest to AIANZ

A first principles funding review will begin in 2025 with the aim of right-sizing the Civil Aviation Authority to deliver its functions effectively and efficiently

- In December 2024, following a period of extensive consultation in which the AIANZ made submissions, Cabinet agreed new rates for the Civil Aviation Authority (CAA) levies, fees, and charges which will come into effect on 1 July 2025.
- The AIANZ expressed concerns about the proposed increases and the need for CAA to find efficiencies and reduce costs. AIANZ and other submitters' concerns were taken into consideration and the new rates resulted in an increase in passenger safety levies to cover most increased costs, with a 10 percent increase to other levies, fees, and charges compared to the 43 percent that was initially proposed.
- The CAA has started work on a first principles funding review to ensure the CAA can meet its core regulatory duties, adapt to industry shifts, and provide better value for money to fee and levy payers on an ongoing basis.
- The review is an opportunity to align the CAA's financial, operating, and regulatory model with modern demands, especially as Government pushes for growth in emerging technologies, to drive economic growth. The AIANZ will be interested in this and will likely put in a submission.

The Civil Aviation Act 2023 will introduce new functions

7 The Civil Aviation Act 2023 (the Act), comes into force on 5 April 2025 and introduces some new functions that are of interest to AIANZ.

Drug and Alcohol Management Plans (DAMP)

The Act introduces DAMPs for some aviation sector participants and sets up a transition period for these to be in place by 5 April 2027.

- 9 The Act sets up a consistent system for testing drug and alcohol use in the aviation sector.
 This includes:
 - Introducing DAMPs which involve random testing for workers doing safety-sensitive activities.
 - Setting requirements for DAMP operators around what should be in their DAMPs, random testing, and reporting to CAA.
 - Requiring new aviation rules to clarify who will be DAMP operators.
 - Requirements if a test is not negative, tampering is suspected, or a worker refuses to be tested.
 - Giving the CAA the authority to carry out unannounced testing ('Director testing')
- The CAA has been conscious of the ability of small organisations, such as the members of AIANZ, to develop DAMPs and undertake random testing. To assist, the CAA has an advisory circular which includes a template and provides advice on random testing for a range of organisation sizes.

The Independent Review Function (IRF)

- The Act creates a new function that will enable individuals and organisations to seek independent reviews of specified decisions made by the Director of Civil Aviation.
- The IRF was created in response to sector concerns about going through the courts. It will provide a faster and more accessible option to contest these decisions, enhance the rights of sector participants, and help to promote transparency, timeliness and accountability in the regulatory system.
- 13 The scope of reviewable decisions will be made through Regulations.
- In their submission on the scope of the IRF, AIANZ wanted the scope of decisions to include all decisions made by the Director which would mean around 100,000 day-to-day regulatory decisions would be captured. Such a wide option risks overloading the IRF with reviews of trivial decisions, which would limit the IRF's capacity to effectively carry out reviews of the most significant decisions.
- In view of this risk, Cabinet agreed that the scope of decisions that are reviewable by the IRF should include those that are appealable to the District Court, together with decisions for granting of individual exemptions from the Civil Aviation Rules. This is not yet public knowledge as the Regulations are yet to be approved by Cabinet's Legislation Committee.
- 16 The Cabinet Legislation Committee is due to consider the Regulations on Thursday 13 March 2025.
- You are also in the process of appointing three independent reviewers for the IRF. Statutory consultation is currently underway. You are due to take a paper for Cabinet's approval of the reviewers at Cabinet's Appointments and Honours Committee meeting on 25 March 2025.

Advanced aviation has the potential to revolutionise urban transportation

- Drones and uncrewed aircraft deliver significant benefits to economic growth, including improved connectivity, cost savings, and productivity in sectors such as forestry, agriculture, and dairy. The rise of emerging technologies, such as uncrewed electric vertical take-off and landing aircraft, may, in time, revolutionise urban transportation, making short-distance travel faster and more accessible, although this is likely to be some years away. Drones and uncrewed aircraft will increasingly share airspace with conventional aircraft.
- 19 UAVNZ, a division of AIANZ, represents individuals and organisations that conduct commercial uncrewed aerial vehicle (UAV) operations. We understand that AIANZ and UAVNZ are scheduled to meet with the Minister of Space, Hon Minister Collins KC on 26 March 2025 to discuss advanced aviation.
- In September 2024, Cabinet agreed to a suite of actions, including Civil Aviation Rule changes, to support advanced aviation. The actions ensure that by the end of 2025, New Zealand has a world class regulatory environment that allows rapid iteration and testing of advanced aviation vehicles and technology, while maintaining current levels of safety.
- We understand that UAVNZ supports the work underway on advanced aviation but have expressed concern they are not involved in shaping the Rule changes. However, they will be. The CAA will consult stakeholders, including AIANZ, and the public in May as part of the rulemaking process. We also plan to engage the wider sector on the advanced aviation implementation work via a range of aviation related fora.

The National Aviation Policy Statement (NAPS) is intended to support a future-focused aviation sector by setting out a shared ambition for aviation

- In February 2021, an independent panel was commissioned to undertake a high-level, first principles review of the air navigation system.
- The Panel made nine recommendations which aimed to strengthen the system to seize future opportunities and challenges. The Panel proposed that focusing on system leadership should be the first priority.
- In response, in March 2024, the Ministry convened the Interim Aviation Council (the Council) to provide a whole-of-system perspective on the current and future direction of aviation, focusing on system-level strategy, performance, change management and thought leadership. The Council is made up of senior leaders from the public and private sectors including AIANZ's Simon Wallace.
- The Council's top priority is to develop a NAPS to set out a shared vision that will act as an enduring direction for the aviation system. The Council is leveraging the wide-ranging aviation-related interests of its members and networks to develop the forward-looking NAPS. The NAPS will describe where the sector and government want to get to by 2035 and set out pathways and actions to achieve this ambition.
- We briefed you (OC250124 refers) that the Council would welcome your attendance at one of its upcoming meetings (26 March or 26 June).

- One of the areas of discussion in the NAPS, and which AIANZ has played a significant role in developing, is the workforce section. This section describes the workforce challenges the sector is facing. Drawing on a workforce insights report¹ released last year, Council members (and the AIANZ has been very vocal about this) are particularly concerned about shortages of pilots and maintenance engineers.
- AIANZ has long been advocating for the reduction of barriers to pilot training for New Zealanders, primarily around the student loan funding cap. The annual student loan cap of \$35,000 was put in place to limit the size of loans to aviation students. AIANZ is concerned that this restriction has resulted in a critical decline in the supply of commercial pilots in New Zealand and made aviation training less accessible and less affordable to certain demographic groups.
- 29 The Ministry of Education is involved in this priority area because of links to tertiary education settings, and is continuing to work with the sector to understand and work towards resolving issues related to training in the aviation sector and how they contribute to workforce challenges in civil aviation. Two workshops have been held with the sector, and Ministry of Education officials will be briefing the Minister of Tertiary Education on next steps.

Work is ongoing on providing you with advice on alternative delivery models for aviation security

- In early 2024, the previous Minister of Transport raised concerns about the performance of the Aviation Security Service (Avsec) and, at that time, the simultaneous proposal to increase the security levies. The work since then has been driven by a desire for greater efficiency and effectiveness.
- In August 2024, the Ministry carried out targeted consultation to test alternative delivery models for aviation security services. Seventeen submissions were received including one from AIANZ.
- AIANZ submitted that Avsec should be separated out from the CAA as this would allow the CAA to focus on regulatory functions and AvSec to focus on security.
- While AIANZ did not have a strong view on whether aviation security services should be outsourced, they did acknowledge that if this were to occur, Government oversight and assurance mechanisms would be critical to ensure the service was meeting the required standards.
- We have provided you with an overview of the aviation security system and seek direction on next steps for the aviation security service reform work (OC250014 refers).

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¹ https://aianz.org.nz/aviation-workforce-insights/

Annex 1: Biographies



Ashok Poduval, President of Aviation Industry Association New Zealand.

Ashok is also the Chief Executive of Massey University School of Aviation Based in Palmerston North. Ashok has over 12,000 hours of airline jet flying experience and has held senior management roles at Gulf Air and as the Director of Flight Operations and Safety Services at IATA.



Simon Wallace, Chief Executive of Aviation Industry Association

New Zealand

Simon Wallace joined Aviation New Zealand as Chief Executive in August 2023. His responsibilities include leading strategic development and implementation in accordance with the directives of the Aviation New Zealand Council.

Previously, Simon was Chief Executive Officer at the New Zealand Aged Care Association (NZACA). He has also held leadership positions at Tourism Industry Association of New Zealand (now Tourism Industry Aotearoa).

AVIATION INDUSTRY ASSOCIATION NEW ZEALAND PARLIAMENTARY FUNCTION

Annex 2: Talking points – Aviation Industry Association New Zealand Parliamentary Function – 12 March 2025

Civil Aviation Authority (CAA) Pricing Review

- In December 2024, Cabinet agreed new rates for CAA's levies, fees, and charges which will come
 into effect on 1 July 2025.
- The feedback you provided was carefully considered and has influenced the final rates.
- A first principles funding review will shortly be underway and there will be opportunities for you to provide input and feedback.
- The review is an opportunity to align the CAA's financial, operating, and regulatory model with modern demands to drive economic growth. This Government is serious that government entities are all operating efficiently.

Civil Aviation Act 2023 implementation

- The Act changes are necessary to keep pace with a rapidly changing aviation environment, and our primary goal remains ensuring that New Zealand maintains a safe and secure civil aviation system.
- I know you are interested in some of the new functions in the Act which take effect on 5 April 2025. The CAA has developed guidance and templates that would assist your members comply with the changes in the Act. These are available on their website.
- With regard to the Independent Review Function, Cabinet will shortly decide on the scope of that function as well as who the independent reviewers are.

Advanced aviation

- One of your Divisions, UAVNZ, is doing a good job providing training for those operating drones.
 This is to be commended.
- Our immediate focus for improving the regulatory settings for UAVs and drones is implementing
 the suite of actions in the Supporting Advanced Aviation package announced last year by the
 Minister for Space. This is just the start.
- Once this work is completed, we will continue our work on the regulatory settings which will support the seamless integration of drones into the aviation system.
- I look forward to hearing your ideas for improving our regulatory settings and what is important for the sector.

Interim Aviation Council and the National Aviation Policy Statement (NAPS)

- I must commend Simon for the work he is doing representing your sector in the Interim Aviation Council.
- The Council has been set up to drive system leadership, direction and performance across the aviation sector.
- The Council's top priority is to develop a NAPS to set out a shared vision that will act as an enduring direction for the aviation system.
- The NAPS will look at workforce issues, such as pilot and engineer shortages, which your organisation has been championing for a while now. This is a complex challenge, and I am encouraged that the sector is working together on it through the Interim Aviation Council.

Aviation security

- In early 2024, the previous Minister of Transport raised some concerns about AvSec and consulted on options for alternative delivery of aviation security services.
- We wanted to understand the industry's appetite for delivering aviation security services.
- on. I am now I want to thank the AIANZ for your submission. I am now considering advice on options and next



18 March 2025 OC250217

Hon James Meager Acting Minister of Transport

MEETING WITH INVERCARGILL AIRPORT

Snapshot

You are meeting with Stuart Harris, Chief Executive at Invercargill Airport Limited (IAL). This briefing provides a brief overview of topical issues that may be raised at this meeting.

Time and date	8:10-8:40am, Friday 21 March 2025
Venue	Invercargill Airport
Agenda	Meet and greet
Talking points	Talking points are attached (Annex 1)

Contacts

Name	Telephone	First contact
Tom Forster, Manager, Aviation	s 9(2)(a)	1
Shereen Faraj, Policy Advisor, Aviation		
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1.		

MEETING WITH INVERCARGILL AIRPORT

Key points

- Invercargill Airport (IAL) is primarily owned by Invercargill City Holdings Ltd (97.47 percent) a
 company owned by the Invercargill City Council, with smaller shares held by Hokonui Research
 and Development Ltd, Oraka-Aparima Runanga Incorporated Society, Te Runaka o Awarua
 Charitable Trust, and Waihopai Runaka Holdings Ltd.
- In the 2024 financial year 366,000 passengers travelled in and out of IAL compared to 398,000 in the previous year, a decrease of approximately 8 percent. IAL's total revenue in the 2024 financial year was \$8.2 million with a net profit after tax of \$428,000.
- There are no international flights to and from IAL, but it is a security designated airport because
 it has a jet service to/from Auckland four times a week.
- In August 2023, the Ministry of Transport (the Ministry) contracted IAL to manage the Ministryowned Milford Sound Piopiotahi Aerodrome.

There has been a reduction in some regional services across New Zealand

- 1 New Zealand is well served by the domestic aviation network. Air New Zealand (Air NZ) is the main domestic carrier, with a few smaller regional carriers serving regions that Air NZ does not fly to.
- Airlines providing regional air services to smaller regional airports are facing a range of pressures in the post-pandemic environment. Early this year, Air New Zealand ceased direct flights between Wellington and Invercargill due to a drop in demand, requiring customers to fly from Invercargill to Wellington via Christchurch.
- These withdrawals, though, have created commercial opportunities for other airlines. For example, Origin Air recently stepped in to replace Sounds Air on the Westport-Wellington and Taupō-Wellington routes.
- We consider it appropriate that the market-led responses of the regional air network continue.
- However, the Regional Infrastructure Fund (RIF), with a total funding of \$1.2 billion over the current Parliamentary term, offers a potential source of support to help promote regional air connectivity over the medium-term.

6	s 9(2)(f)(iv)

IAL responded positively to the consultation on alternative delivery models for aviation security

In late 2024, the Ministry carried out targeted consultation to test alternative delivery models for aviation security services.



Airports want more transparency in reporting

- Airports, through the New Zealand Airports Association (NZ Airports), have stated publicly that the greatest growth constraint on domestic connectivity is the domination of Air New Zealand, with 86 percent of the market Although smaller airlines operate on niche routes, NZ Airports has commented that the commercial practices and sheer scale of Air New Zealand makes it difficult for them to grow beyond these.
- As a result, airports have called for domestic airfares and airline performance to be disclosed, to provide greater transparency for consumers, amid record-high domestic fares.
- The Ministry started reporting airlines' on-time performance (OTP) in September 2024. The monthly report provides information on on-time arrivals, departures and cancellations focusing on jet services between the largest domestic airports (Auckland, Christchurch, Wellington, Queenstown, and Dunedin) and trans-Tasman routes, where more than one airline operates. The airlines provide the data for the report.
- 14 s 9(2)(g)(i)
- We have written to Air NZ and the regional airlines to provide us with OTP data. We will keep you updated on progress to include regional routes in the Ministry's OTP reports.
- We have also started investigating airfare reporting, but this is extremely complex. We will also keep you updated on progress made on this.

IAL will need to meet two new requirements under the Civil Aviation Act 2023

As part of the implementation of the Civil Aviation Act 2023, and as a security designated aerodrome, IAL would need to submit a Regulatory Airport Spatial Undertaking (RASU) to the Secretary for Transport for approval.

- The purpose of the RASU, in IAL's case, is to ensure the airport can show how it will meet its regulatory obligations to provide space for the aviation security service under the Act and to improve coordination in the planning and providing of the space requirement with the aviation security service.
- 19 IAL must also register as an airport operator. Airport registration grants airport operators certain powers and obligations.
- IAL must apply for registration as an airport operator, and for RASU approval, by the Secretary for Transport by 1 October 2025. IAL is familiar with these requirements and was given an opportunity to provide feedback on the airport registration and RASU requirements while the Ministry developed and consulted on these during 2024.

IAL manages Milford Sound Piopiotahi Aerodrome on behalf of the Ministry

- The Ministry owns Milford Sound Piopiotahi Aerodrome (the aerodrome) on behalf of the Crown. It is the only fully Crown-owned aerodrome in New Zealand. The aerodrome is situated in Fiordland National Park at the head of Milford Sound.
- The Director of the Civil Aviation Authority (the CAA) determined in 2021 that, by 1 July 2023, the aerodrome should become a "qualifying aerodrome" under Part 139 of the Civil Aviation Rules, to properly manage the level of risk to aviation safety. This rule part sets standards for aerodrome design and operation, including requiring that "senior persons" involved in aerodrome management can demonstrate appropriate competencies and experience.
- Since 1 August 2023, a consortium led by IAL and including QAOSH Aviation Services Limited, an aviation consultancy, have managed the aerodrome under contract from the Ministry. IAL/QAOSH bring specific aerodrome management skills and experience that the Ministry does not have.
- 24 IAL/QAOSH are performing well, and stakeholders are generally positive about the work they are doing.

Biographies



Stuart Harris, Chief Executive Officer

Stuart joined IAL as Chief Executive in November 2022. With over 20 years in the building industry, he specialises in airport development, having over 10 years of experience in designing terminals and commercial buildings. Stuart holds a Bachelor and a Masters degree from University of Canterbury, an MBA

Annex 1: Talking Points

MEETING WITH INVERCARGILL AIRPORT

Regional connectivity

- I know that air connectivity is vital to the prosperity of regional New Zealand. I recognise that things are challenging in the post-pandemic environment. Airlines are facing significant cost pressures, as are regional airports such as Invercargill.
- Regional air connectivity is important for regional economic growth. This is one of my priorities
 as Minister responsible for aviation.
- How have you been affected by the lack of direct flights between Wellington and Invercargill?
- What steps have you taken to ensure that direct flights are back at the earliest opportunity?

Aviation Security

- Thank you for your submission on our AvSec consultation. I'm still working on the advice on options and next steps and it's really helpful to have the views of all the other airports.
- I know AvSec and the CAA have made operational improvements which have had a positive impact on queue times. I am keen to get your views on how this work is going.

On Time Performance

- Regional reporting on on-time performance (OTP) has not yet been extended to cover regional routes, but the Ministry is discussing this with airlines.
- Whilst Invercargill is not yet covered, I know airports keep track of on-time performance. What is Invercargill's experience with OTP?
- Have you experienced delays or cancellations? What have been the reasons for this?
- The Ministry is looking at the feasibility of providing pricing information on airfares. Would you see benefits in this to consumers?

2023 Civil Aviation Act Implementation

How is your planning going as you have some new requirements under the new Act?

Milford Sound Piopiotahi Aerodrome

- It is great to see airports diversify their income stream such as you taking on the management of the Milford aerodrome.
- I understand that you are doing a great job and have made many safety improvements at the aerodrome as well as building great relationships with the various stakeholders.
- How have you found the experience?



Document 11

20 March 2025 OC250242

Hon James Meager Associate Minister of Transport

VISIT WITH SOUTH PORT

Snapshot

You are visiting South Port New Zealand Limited (South Port). This is an opportunity to meet a maritime sector stakeholder and learn about their operations, challenges and priorities.

Time and date	11:45-12:45, 21 March 2025
Venue	South Port, Island Harbour, 251 Foreshore Road, Bluff
Attendees	Nigel Gear, South Port CEO
Agenda	No set agenda. A light lunch will be provided.

Contacts

Name	Telephone	First contact
Marian Willberg, Manager Marîtime & Freight	s 9(2)(a)	1
Matt Mintrom, Senior Adviser Maritime & Freight		
Water William, Serior Adviser Martine & Treight		
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VISIT WITH SOUTH PORT

Key points

- The purpose of your visit is to understand South Port's operations, key challenges, and opportunities. No agenda has been provided. To support your visit, this briefing includes background information and topical issues that may be raised, and input from Maritime NZ
- South Port is a critical part of Southland's economy, particularly in agriculture and forestry. It is 66% owned by Environment Southland, with the remainder held by institutional and retail investors.
- Nigel Gear has been the CEO since 2017. He attended your meeting with the Port CEO's Group on 4 March 2025 (briefing OC250149 refers).
- In South Port's interim results published in February 2025, the company had a strong H1 FY25, driven by timber, dairy, and operational efficiencies.
- Despite global uncertainties, the outlook for South Port in 2025 is promising. There are continued
 infrastructure investments to increase capacity, recovery in forestry and export markets, and a
 significant increase in the farm gate milk price. It was also buoyed by the NZ Aluminium Smelter
 (NZAS) entering a 20-year electricity deal in 2024 securing future cargo volumes.
- South Port may wish to raise the rejection on 18 March 2025 of Contact Energy's fast-track proposal for the \$1 billion Slopedown wind farm. South Port recently invested in additional infrastructure for storing wind farm equipment and the Slopedown project was seen as an opportunity to further utilise this space.

Overview of South Port

- 1. South Port is the southernmost commercial port in New Zealand, and the only Southland-based company listed on the NZX, with a market capitalisation of \$147 million as of 30 June 2024. The company employs 132 permanent staff and utilises fixed-term and casual staff to support marine activities and seasonal operations. It handles more than 3.2 million tonnes of cargo in a typical trading year. An aerial photograph of South Port, provided by Maritime NZ, is attached at Appendix One.
- 2. An all-weather, 24-hour port, South Port provides a full range of marine services, cargo and container handling and shipping, as well as on-site warehousing (including cold storage) for domestic and international customers. South Port's main import cargoes are alumina, petroleum products, fertiliser, acid, stock food, and cement, and for export, aluminium, timber, logs, dairy, meat by-products, fish, and woodchips. To support the tourism industry and local economies, South Port provides pilotage services at Fiordland and Stewart Island, in addition to the allocation of berth space for cruise vessels. South Port received 14 cruise ships in the 24/25 season and operates a good system to receive cruise passengers.

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- 3. In the first half of FY25 (1 July 2024 31 December 2024), South Port reported a net profit after tax of \$5.7 million, a significant increase from \$3.0 million in the first half of FY24. This growth was driven by increased volumes across key commodities. Total cargo activity rose by 13.6% to 1,691,000 metric tonnes, with notable increases in logging, fertiliser, woodchips, and stock food.
- 4. The temporary reduction in electricity usage at the NZ Aluminium Smelter (NZAS) affected imports and exports, but full production is expected to resume by April 2025. In 2024, South Port welcomed a 20-year electricity agreement for supply to NZAS, providing stability for the Port's trades related to production at the Tiwai Point Smelter. NZAS import and export activity accounts for 30% of South Port's cargo volumes.
- 5. Between June and September 2024, South Port conducted dredging work on the Bluff Harbour channel. The declared 10.7m high tide draft has already improved cargo loading efficiencies, reduced vessel calls, and enhanced supply chain and berth utilization, allowing more and heavier vessels to move on both high and low tides.
- 6. Looking ahead, South Port is investing in infrastructure to service new cargo opportunities, such as wind farms and aquaculture projects. The western tip of Island Harbour, where South Port is based, has recently been upgraded to seal a 2-hectare area for storage, primarily for wind farm equipment expected to arrive in Bluff (Stage two of Mercury Energy's Kaiwera Down wind farm), and as an overflow option for other cargo.
- 7. Positive indicators for South Port's future performance include signs of recovery in the forestry and export markets, and a significant increase in the farm gate milk price to a record \$9.50 to \$10.50 per kg of milk solids.

Things the CE might raise

Slopedown Wind Farm

8. South Port may wish to raise the rejection on 18 March 2025 of Contact Energy's fast-track proposal for the \$1.b llion Slopedown wind farm, lodged under the COVID-19 Recovery Act. South Port recently invested in additional infrastructure for storing wind farm equipment and the Slopedown project was seen as an opportunity to further utilise this space. An independent panel rejected the consent on the basis that the environmental effects would not promote the sustainable management of natural and physical resources – Contact Energy may appeal the decision within 15 working days.

Global Uncertainty

9. Ports are exposed to supply chain disruptions, which have led to increased freight rates and uncertainties, impacting port operations. Additionally, economic volatility and fluctuations in global trade can affect cargo volumes, influencing revenue stability.

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Health and Safety

- 10. Ports are complex, dynamic, and high-risk environments where the drivers of risk and harm are multi-faceted and system wide. Critical risks are a key priority for South Port, one of the 13 commercial ports covered by Maritime NZ's Health and Safety at Work Act (HSWA) designation, which was extended from ships to the land-side of ports on 1 July 2024. Engagement work to support the designation change, as well as other new initiatives such as the Approved Code of Practice for the Loading and Unloading of Cargo, is continuing including with the South Port team through Maritime NZ's HSWA team, Inspections team and Maritime Officers. South Port was highly engaged through the process to extend Maritime NZ's HSWA designation and is supportive of many of the Port Health and Safety Leadership Group's (PHSLG) initiatives, such as implementation of fatigue risk management guidelines and work to improve the workforce's sustainability and skills development.
- 11. Appendix Two provides you with further information about how Maritime NZ is working with ports, including South Port, on a range of port health and safety initiatives led by the PHSLG which Maritime NZ chairs.

Maritime Security

- 12. South Port, like all ports, must remain vigilant against evolving security threats to safeguard both operations and personnel. South Port recently undertook its annual security exercise and performed well.
- 13. Maritime NZ is the designated regulator for port security under the Maritime Security Act (the MSA). One of the issues raised with Maritime NZ by ports is that the MSA provides limited enforcement powers for port staff or the regulator; for example, staff cannot undertake searching and screening or make someone leave a port security area. Similarly, there are limited tools in place, and initiatives like a national system of port access cards and associated security clearances may offer benefits to prevent harm, as you heard when you met with the Port CEO's group recently. The MSA is also limited in dealing with changing threats to maritime security, including transnational organised crime and cyber security threats. The Ministry of Transport and Maritime NZ have recently received your support to progress work to consider changes to Maritime legislation in these areas.

Sustainability

14. As a Climate Reporting Entity under the New Zealand Climate Standards, South Port is required to make climate reporting disclosures in its annual accounts. On 15 November 2024 the External Reporting Board (XRB) announced an extension for Scope 3 greenhouse gas (ghg) emissions disclosures. (Scope 3 ghg emissions refer to those that occur in a company's value chain, both upstream and downstream - this could involve extensive data collection and stakeholder engagement). This extension allows South Port to exclude Scope 3 emissions in its 30 June 2025 annual report.

Biography



Nigel Gear, Chief Executive, South Port

Nigel was appointed to the role of Chief Executive on 1 October 2017. He has 25 years' experience in the port industry and has held positions in commercial, operations and finance at South Port. Nigel is currently an appointed board

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Appendix One: South Port



Appendix Two: How Maritime NZ works with ports on Health and Safety

Maritime NZ is New Zealand's health and safety regulator for ships and ships as workplaces. Through the **Ports and Harbours Harm Prevention Programme**, Maritime NZ leads the Port Health and Safety Leadership Group (PHSLG), made up of representatives of port and stevedoring company Chief Executives, union representatives, the Port Industry Association, and Maritime NZ. The PHSLG produced the *Port Sector Insights Picture and Action Plan* (the Action Plan) in March 2023 to give an overarching picture of where harm is occurring on ports. Through delivery of the Action Plan by the PHSLG and working with the sector Maritime NZ has:

- delivered, and begun implementing, an Approved Code of Practice for loading and unloading cargo at ports and on ships, providing base level safety standards on ports, while still enabling innovation
- introduced and is supporting the implementation of Fatigue Risk Management Systems good practice guidance, reflecting that fatigue has been identified as a key driver behind harm on ports
- seen its designation under the Health and Safety at Work Act 2015 (HSWA) extended from ships as workplaces, to include New Zealand's 13 ports from 1 July 2024. This resulted in establishing a HSWA specialist team which is working closely with the 13 ports
- worked with the sector and training providers to address workforce challenges, including being
 part of a cross-sector working group (under the leadership of the PHSLG) to support the progress
 of key work underway, and identify any other work needed to address workforce sustainability
 issues
- worked with the sector and Callaghan Innovation to develop a platform for new and emerging safety technologies, and reviewed good practices in the port sector and other high-risk industries that improve health and safety outcomes
- launched a new online event notification form and triage system and a new team to manage
 initial triage and respond to low level notifications; introduced a triage policy focused on the
 level of risk or harm that has occurred, or was likely to have occurred, and a clear service level
 agreements for response; strengthened our after-hours support so people who need Maritime
 NZ to respond urgently can speak directly to experienced frontline staff.

As well as working through the PHSLG, Maritime NZ works collaboratively right across the ports sector including through: the Port CEO's Forum; Marine Managers; Harbourmasters; the Port and Marine Safety Code Steering Group and Working Group; port users health and safety forums and port industry security officers and managers.

Port and Harbour Marine Safety Code (the Code)

Established in 2004 by Maritime NZ, the objective of the Code is to ensure the safe management of ships navigating in New Zealand ports and harbours, including the prevention of injury to people, loss of life and damage to the marine environment (including property). The Code is a voluntary tripartite agreement between port companies, regional/unitary councils and Maritime NZ, with the purpose of improving maritime safety consistently across New Zealand. A range of activities are undertaken associated with the Code including the development of good practice guidance, risks assessments and safety management system reviews (undertaken of members, by members).

Associate Transport Portfolio Weekly Report

	-0 .
Week commencing 17 March 2025	38r
Recipient:	
Hon James Meager Associate Minister of Transport	
Minister's comments:	
OFFICE	

Actions from transport officials meeting

Officials meeting date	Action	Due date
	Maritime Legislation Provide streamlined timeline for targeted review (as per MNZ 025-001/OC250095)	5pm Wednesday 19 March
5 March	Maritime s198 Provide comparison in costs and requirements between international and domestic ships, and other aspects of the regulatory regime that are relevant	Week commencing 1 March
	Cruise Ships Provide a Weekly Report entry on potential for longer authorisation time periods.	Completed
	Aviation Security Provide costings for option 3	WR – week commencing 24 Marc
12 March	On Time Performance Ministry to write to regional airlines about participation in On Time Performance reporting	Week commencing 1

Decisions required

Decisions required	Funding Confirmed
s 9(2)(f)(iv)	Yes / No
	NO802
	OFF A POI

1 Portfolio priorities – aviation

Civil Aviation Act 2023 implementation

Independent Review Function - regulations 2025

The Act introduces a new Independent Review Function (IRF) to enable applicants to seek expert independent reviews of certain decisions made by (or on behalf of) the Director of Civil Aviation.

The LEG paper and draft regulations were agreed by LEG on 13 March and confirmed by Cabinet on 17 March. The regulations will be gazetted on 20 March.

A draft press release on the IRF Regulations has been sent to your Office for your consideration.

Independent Review Function – appointment of independent reviewers

Independent reviewers need to be appointed to conduct the IRF reviews, once the function is in place from April. The Reviewers are appointed by you as part of your responsibilities regarding aviation.

s 9(2)(f)(iv)

Civil Aviation Searching Direction

You signed a Civil Aviation (Direction to Require Searching for Inorganic Powders, Liquids, Aerosols, and Gels) Notice 2025, on 3 March. We will be providing you with a briefing asking you to sign a notice amending that notice to correct a cross-reference error that has been identified.

To Minister: 21 March

Civil Aviation Authority pricing review implementation

Implementation of 2024 Civil Aviation Authority pricing review recommendations

In December 2024, Cabinet agreed new rates for CAA's levies, fees, and charges which will come into effect on 1 July. We are working with CAA to implement the recommendation agreed by Cabinet in December to draft regulations to set levy, fee, and charge rates at a maximum level, and allow flexibility to further reduce rates in the future as CAA identifies efficiencies.

Cabinet Paper: Civil Aviation Authority pricing review – Regulatory amendments to implement new levy, fee and charge rates

Progress update:

Cabinet agreed to amend regulations to set levy, fee, and charge rates at a maximum level, and allow flexibility to further reduce rates in the future as CAA identifies efficiencies. If the reserves can be restored through repurposing uncommitted funding, there is an opportunity to provide levy reductions in due course (exact timing TBC).

To Minister: 17 April

To lodge: 15 May

To LEG: 22 May

To Cabinet and Executive Council: 26 May

Lodge with NZ Gazette: 29 May

Civil Aviation Authority Funding Review

Civil Aviation Authority Funding Review

Briefing: Civil Aviation Authority Funding Review

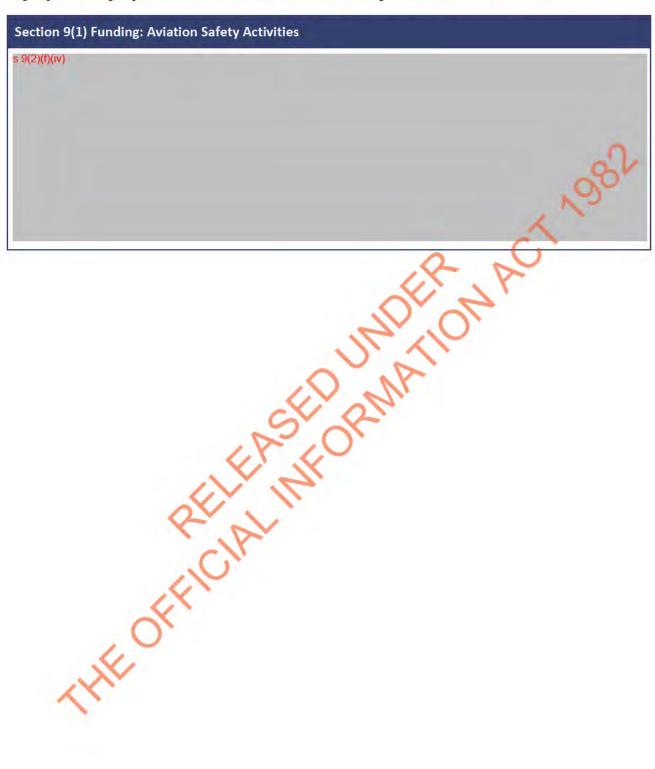
Progress update:

In December 2024, the previous Minister of Transport announced that the Government would initiate a first principles review of CAA "to ensure that the levies, fees, and charges paid by flight passengers and the aviation sector are focussed towards essential functions."

We will seek your agreement to a Terms of Reference, including objectives and scope.

To Minister: 26 March

Triennial Review of Section 9(1) funding: Funding to support recreational aviation safety and safety awareness activities that benefit recreational aviation



1.1 Portfolio priorities – maritime

Review of maritime legislation

Review of maritime legislation

We have developed a timeline that considers passage of amended legislation in this Parliamentary term, as requested. We continue to progress work to refine policy options in anticipation of consultation.

Briefing: Maritime Legislation Review timeline

This paper provides a timeline that considers passage of amended legislation in this Parliamentary term

To Minister: 19 March

Cruise ships and s198 authorisations

You asked about the potential for longer s198 authorisation time periods for cruise ships. Authorisations under s198 of the Maritime Transport Act are for a specific cargo on a specific ship on a specific route over a specific period. Cruise operators apply for a cruise-season (generally late November to March) using one application for all the ships and voyages intended within that season. There is nothing stopping cruise operators applying for more than one season, but it is likely that they want to retain the flexibility to make changes to ships and routes between seasons.

1.2 Portfolio priorities – Crown entities

Board Appointments

Maritime New Zealand Board Appointments

Ministerial consultation on Maritime New Zealand appointments has been completed, with no substantive feedback provided.

The final paper has been provided to your Office on 18 March ready for lodgement.

Cabinet Paper: Maritime New Zealand - Appointments

This paper will ask Cabinet to note the Minister's intentions to make three reappointments and two new appointments to the Maritime New Zealand Board.

Status: Ministerial consultation was completed on

7 March

To lodge: 20 March

To APH: 25 March

Crown Entity Monitoring

The Civil Aviation Authority's Quarter Two Performance Report

On 10 March, we were advised that the Civil Aviation Authority's Quarter Two performance report will be late. This follows us identifying several errors and inconsistencies against the previous report, which require review and correction by the Authority. An amended report will need to be considered by the Authority's Board.

A timeframe is yet to be provided by the Authority. You typically receive these reports within six to eight weeks following the conclusion of the previous quarter.

2 Updates on other matters

Regulatory Systems (Transport) Amendment Bill

Departmental and ministerial consultation is complete, and no substantive concerns were raised.

You have received an updated Cabinet paper and advice outlining key feedback and changes to the paper (refer OC250209). We recommend you lodge the paper on 20 March for consideration at ECO on 26 March. ECO consideration on 26 March will allow the Bill to be enacted this year.

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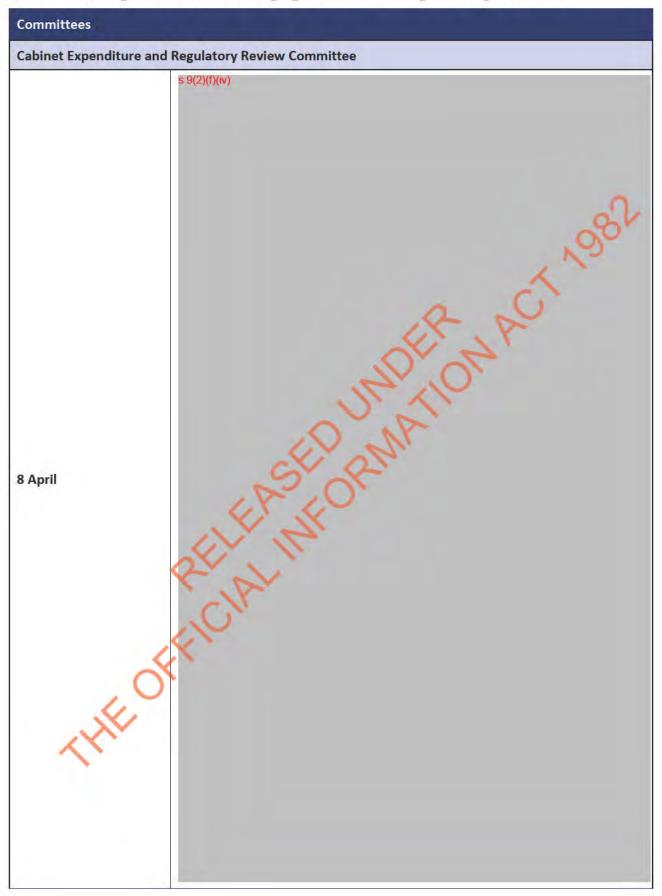
3 Upcoming Associate Minister of Transport meetings

Meeting Date	Meeting	Details
21 March 8.10-8.40am	Visit to Invercargill Airport	Briefing Due: 18 March Officials Attending: N/A
21 March 11.45am-2.45pm	Visit to South Port NZ	Briefing Due: 12pm 20 March Officials Attending: N/A
25 March 4:30-5pm	APM Terminals	Briefing Due: 4pm 24 March Officials Attending: N/A
27 March 5-5:45pm	Chatham Islands Mayor and CE	Briefing Due: 4pm 25 March Officials Attending: N/A
28 March 1:35-1:55pm	AA Conference	Briefing Due: 24 March Officials Attending: N/A

Other briefings and aides memoire due to the Associate Minister of Transport

Due to Office:	Title
19 March	Civil Aviation Authority – supporting advice for funding arrangements This briefing will provide advice on what, if any, conditions should apply to the funding of the CAA reserves restoration.
20 March	Chatham Islands Replacement Shipping Solution – Launching a Request for Proposal The purpose of this paper is to seek your feedback on the Request for Proposal for replacement shipping services to the Chatham Islands which will be launched in the week commencing 24 March, and highlight upcoming funding decisions that will be required to secure a supplier.
19 March	Maritime New Zealand Q2 Performance Report This briefing will provide you with information on Maritime New Zealand's performance for the second quarter of 2024/25.
19 March	British Airways and Qatar Airways joint business agreement reauthorisation This briefing will provide you with the necessary information to enable you to decide whether or not to reauthorise the joint business agreement between British Airways and Qatar Airways, and Iberia Airlines as an added party.
Week ending 28 March	Briefing to the Incoming Ministers – Emergency Management This briefing provides an overview of the Ministry of Transport's role in emergency management across the transport sector and other systems.
Week ending 28 March	Land Transport Rule: Vehicle Exhaust Emissions Amendment 2025 This briefing will recommend you make the Land Transport Rule: Vehicle Exhaust Emissions Amendment 2025. The Rule makes two technical amendments to complete the phase-in of the Euro 6 exhaust emissions standard. It also corrects several minor technical errors and typos.
Week ending 28 March	Use of Artificial Intelligence by CAA, TAIC, MNZ and the Ministry This briefing will provide you with a summary of how the above entities are using AI, protective measures around its use, and how its benefits are evaluated.
Week ending 2 May	Briefing to Incoming Minister – Aviation and Maritime Decarbonisation This briefing provides an update on the aviation and maritime decarbonisation work programme. The timing of the briefing is designed to incorporate \$\frac{s \ 9(2)(f)(iv)}{s \ 9(2)(f)(iv)}\$

4.1 Other portfolio Cabinet papers with transport implications



5 Ministerial correspondence and OIAs

Ministerial correspondence:

# of Ministerials	isterials Topic Key themes	
2	Aviation	Congratulations on your appointment Aviation priorities Reinstatement of international flights
1	Coastal Shipping	Coastal Shipping Resilience Fund announcement

Ministerial OIA requests:

There are no active Ministerial transport OIAs from your Office.

5.1 Departmental Official Information Act requests

Due Date to Requester	Requester	Summary of request
28/03/2025	s 9(2)(a)	Seeking a copy of the final report or draft for the following document "Evaluating potential for shared mobility in housing developments"
1/04/2025	W.	Seeking a list of briefings provided to Ministers between December 2024 and February 2025
	OFFICIA	
THE		

Transport Portfolio Agency Reports







1 Key Updates

Volume of liquids, aerosols and gels allowed for carriage by aircrew

ICAO's standards permit liquids, aerosols and gels (LAGs) to be carried by aircrew in different volumes to those permitted by passengers. The decision as to whether to exercise the discretion permitted within ICAO's standards sits with each country based on its assessment of the threat and risk environment.

The Airline Pilots Association (ALPA) has approached the Ministry of Transport, seeking relief from the current requirements for LAGs as they apply to flight crew. Accordingly, CAA has started a risk assessment to determine if any changes could be made to the current requirements. This will include:

- Reviewing the current standards recommended by ICAO;
- Assessing the current and changing threat and risk environment in New Zealand, particularly for 'insider threats';
- Considering the approach adopted by like-minded countries that have adopted the ICAO standards (e.g., Australia and the United States) and any mitigations they have in place to address related security concerns.

CAA anticipates that the risk assessment will be completed by the end of April. If the assessment concludes that New Zealand can safely adopt a different standard, we anticipate that a revised Notice under sections 152 through 155 of the 2023 Act (as appropriate) would be published shortly after.

Meanwhile, CAA will continue to work with ALPA to progress this matter.

Part 119 Air Operator Certificate renewal for Air New Zealand

Part 119 stipulates the requirements for operators to become certificated in air transport operations and commercial transport operations. It also lays out what operators need to do to maintain that certification.

Air New Zealand's current Part 119 Air Operator Certificate expires on 26 May.

CAA and Air New Zealand met on 11 March to commence discussions about the audit for renewal of Air New Zealand's Air Operator Certification under Part 119. No substantive issues were raised at the meeting, and the audit work associated with the renewal is continuing. The target date for completion is 17 April.

Aviation Security Screening

The principal purpose and focus of aviation security is to ensure that passengers, and any baggage which is stowed in the holds of aircraft, do not carry items that create risks to the safe operation of aircraft (e.g., dangerous goods such a lithium-ion batteries or firearms or explosives). Equally, passenger facilitation (the time taken to go through a security screening point) is a primary consideration, as is striking a balance between ensuring security outcomes are met without unnecessary impositions on passengers. The information below provides updates relating to passenger facilitation against the operational targets set out in the Statement of Performance Expectations for 2024/25 (specifically output classes 5.1.1 and 5.1.2).

One longer-than-expected screening queue has been recorded in the past week:

Date	Time	Location	Passengers affected	Queue Time (Mins)*	Cause	Mitigation
16/03/25	11:30	Auckland International Airport	300+	21	Large influx of cruise ship passengers	Additional lanes opened

^{*} The queueing times refer to the time spent in the screening area. Time spent in queues extending outside the screening point cannot be measured at this location with currently available data

Reporting data for Wellington Southern Domestic screening point

Queueing data for the Wellington Southern Domestic screening point² – which is monitored using LiDAR technology – showed the following averages:

Wgtn South	Target 5.1.2	12-month Avg ¹	Last Month Avg	Last Week Avg
Passengers processed in less than 5 minutes*	KO	90.7%	97.6%	96.0%
Passengers processed in less than 10 minutes**	>95%	97.4%	99.9%	99.4%

 $^{^{1}}$ This omits the period from 15/6/24 to 3/7/24 where upgrades to the screening point affected the recording of LiDAR data.

Weekly queueing data for the Wellington Southern Domestic screening point since 3 February showed the following:

Wgtn South	Target 5.1.2	03/02 - 09/02	10/02 – 16/02	17/2 – 23/2	24/2 – 02/3	03/03 – 09/03	10/03 – 16/03
Passengers processed in less than 5 minutes*		98.4%	95.7%	98.0%	96.6%	98.6%	96.0%
Passengers processed in less than 10 minutes**	>95%	100%	99.6%	100%	100%	100%	99.4%

² LiDAR data for other airports is not yet available.

^{*} This metric is calculated as the percentage of passengers processed in time periods where the average wait time did not exceed 5 minutes

^{**} This metric is calculated as the percentage of passengers processed in time periods where the average wait time did not exceed 10 minutes

- * This metric is calculated as the percentage of passengers processed in time periods where the average wait time did not exceed 5 minutes
- ** This metric is calculated as the percentage of passengers processed in time periods where the average wait time did not exceed 10 minutes

Reporting data for Dunedin Domestic screening point

Queues for the Dunedin Domestic screening point – which is monitored using CCTV technology – showed the following averages:

Dunedin Domestic	Target 5.1.2	12-month Avg ¹	Last month Avg	Last Week Avg
Passengers processed in less than 5 minutes*	-	90.7%	90.7%	88.1%
Passengers processed in less than 10 minutes**	>95%	97.8%	97.8%	97.4%

¹ Commencing 27 January

Weekly queueing data for the Dunedin Domestic screening point since 3 February showed the following:

Dunedin Domestic	Target 5.1.2	03/02 - 09/02	10/02 - 16/02	17/02 – 23/02	24/02 – 02/03¹	03/03 - 09/03	10/03- 16/03
Passengers processed in less than 5 minutes*	4.P	96.5%	90.7	91.6%	N/A	88.1%	88.1%
Passengers processed in less than 10 minutes**	>95%	99.2%	95.3	100%	N/A	98.4%	97.4%

¹ Data unavailable for week of 24 February

See Appendix 1 for data on where queues are predicted during the coming week.

2 Ministerial briefings received by the Minister's Office

NB: This covers the period 11 March - 17 March

Date	Title
	Nil.

^{*} This metric is calculated as the percentage of passengers processed in time periods where the average wait time did not exceed 5 minutes

^{**} This metric is calculated as the percentage of passengers processed in time periods where the average wait time did not exceed 10 minutes

^{*} This metric is calculated as the percentage of passengers processed in time period10where the average wait time did not exceed 5 minutes

^{**} This metric is calculated as the percentage of passengers processed in time periods where the average wait time did not exceed 10 minutes

3 Communications and External Engagement

Media plan / anticipated media

This covers the 7-day period from 24 March.

Date (planned)	Item	Description	Targeted media
	Nil		

Media mentions

This covers the 7-day period to 17 March.

Date	Activity	Channel
10 March	Regional Airport security called into question Following a security incident in Australia at Avalon Airport in which a person was able to board a plan carrying a firearm, a radio interview raised the question of whether we should have aviation security at our regional airports.	Newstalk ZB
11 March	Body cams commonplace AvSec mentioned in radio commentary about body cameras. The claim made is incorrect.	Newstalk ZB
11 March	Concern over airport hangars delay The NZ Airline Academy at Oamaru airport have expressed frustration at the local council about the consent process for new hangars to house their aircraft.	Otago Daily Times, Oamaru mail
12 March	Homemade hot air balloon CAA mentioned in an article about a recently built and registered balloon.	The Post
13 March	Mike Hosking breakfast Brief mention of reported queues at AvSec at Auckland Airport early in the morning. The presenter remarks that "I haven't had an 'Auckland Airport's buggered' text for ages"	Newstalk ZB
13 March	Singapore Airlines to ban passengers from using power banks CAA mentioned in quote from Air New Zealand regarding policies about power banks on board.	Stuff

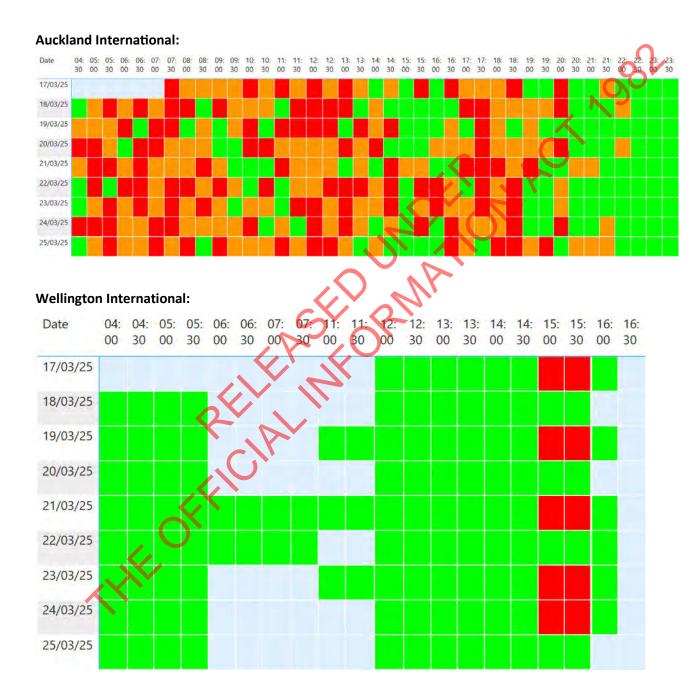
Upcoming education publications and products

Planned release/publish	What	Туре	Why
March	Vector magazine (Autumn issue)	Aviation safety education magazine	To educate the aviation community on various aviation safety topics.
April	Civil Aviation Rules and Advisory Circulars poster	Safety education product	Update of previously-produced poster to coincide with the implementation of the new Civil Aviation Act.
April	Helicopter performance	GAP booklet (update)	BAU revision
April	Navigating the rules	GAP booklet (update)	BAU revision (to update to align with the new Civil Aviation Act)
TBC	Medical matters	GAP booklet (update)	BAU revision (to update to align with the new Civil Aviation Act)
ТВС	How to be an aerodrome manager	GAP booklet (new)	As part of the WTSA campaign, new guidance material for aerodrome managers is being produced, in the GAP booklet format.

Appendix 1— Predicted queues during the coming week

During the coming week, screening queues are predicted at the existing known busy periods (indicated below), using the following colour code:

- Light blue: No passenger volume forecast
- Green: Passenger volume forecast to be less than 80% of available capacity
- Orange: Passenger volume forecast to be between 80% and 90% of available capacity
- Red: Passenger volume forecast to exceed 90% of available capacity



Christchurch International:



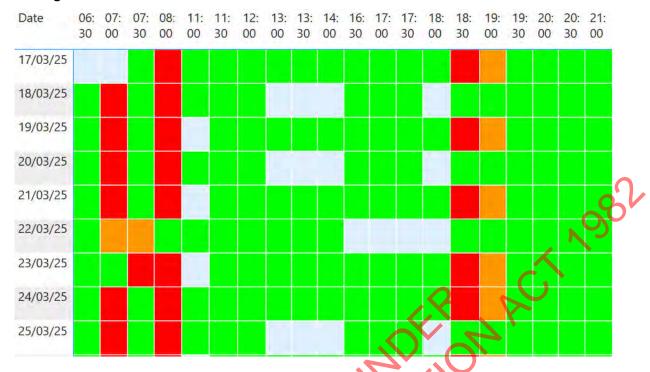
Queenstown International:



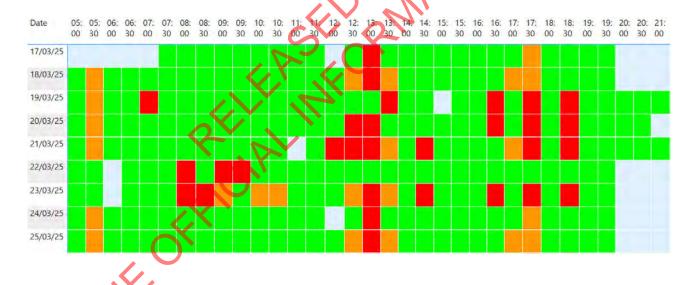
Auckland Domestic:



Wellington Northern Domestic:



Wellington Southern Domestic:



Christchurch Domestic:







1 Portfolio work programme update

Maritime NZ

Project: Review of Maritime Legislation

Maritime NZ and the Ministry of Transport (the Ministry) have provided you with advice on a timeline that would enable passage of amended legislation in this Parliamentary term. We continue to progress work to refine policy options in anticipation of consultation and have begun high level discussions with key stakeholders, starting with the New Zealand Shipping Federation and the New Zealand Council of Cargo Owners.

Project: Maritime Workforce

Maritime NZ met with representatives of maritime operators on 20 March for our regular meeting to discuss workforce and training issues. The discussion focused on the key questions we might address in any fundamental reform of seafarer certification rules; priorities that the sector would like to express in immigration settings; and how to improve sector attractiveness.

The Port and Crane Academy of New Zealand are exploring what Unit Standards and programmes they can deliver following a recent decision from the Tertiary Education Commission to decline funding. They have informed Maritime NZ and their workforce that they remain committed to promoting national consistency to training, that they still hold New Zealand Qualifications Authority approval for delivering training, and are currently working through a revised structure and pricing for 2025.

On 13 March, the Port Health and Safety Leadership Group met to discuss their strategic priorities for the year ahead. The Group confirmed they remain committed to developing their workforce's skills and sustainability, and exploring what could be done in partnership with Maritime NZ to support consistent uptake of training in the sector.



Project: Maritime Rules Reform

We have provided you with a joint briefing [MNZ 25-004/OC250181 refers] seeking your approval and (if you agree) signature to a package of Maritime rule changes covering changes to seafarer certification, recreational use of commercial vessels and a number of minor and technical issues.

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Briefing: Package 2 consultation on proposed changes to the Design, Construction and **Equipment Rules**

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2 Other briefings to Associate Minister of Transport

Due	Title
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21 May	NZ Marine Transport Associate Conference
	Speech and associated briefing for your attendance at this conference on 11 June.

conference on 114

Conference on

3 Key updates

Secretary General of the International Maritime Organization (IMO) visit - August

The IMO has made contact with New Zealand officials regarding a proposed visit by the Secretary General (SG) to New Zealand in August, as part of a wider trip to meet key Pacific Member States. At this time the SG is expected to be travelling in our region from 2 – 16 August, visiting Australia, Fiji, New Zealand, Cook Islands and the Marshall Islands. Tentatively he will be in New Zealand from 9-12 August.

The IMO SG is Arsenio Dominguez (Panama), and New Zealand has had a long and productive association with him, as both a representative and member of the IMO Secretariat prior to his appointment to the SG role in January 2024. Since taking on the Secretary General role we have been pleased to see significant action to improve the focus and effectiveness of the IMO, including a commitment to improve inclusivity of all member states. The establishment of a Regional Presence Office in Fiji, which we expect the SG to officially open during his visit, will be a significant boost to supporting the Pacific to deliver to its maritime needs and obligations.

Given the significant status of the SG in the United Nations system, we will work with your Office, the Ministry of Foreign Affairs and Trade, the Ministry and other interested agencies to develop a suitable visit programme, including meeting with yourself, the Director of Maritime NZ and the Secretary of Transport. This will give New Zealand an opportunity to impress on the SG the importance of well-functioning global governance to secure maritime supply chains for both essential connectivity across our region and trade with the rest of the world.

Stakeholder Meetings: NZ Shipping Federation and NZ Council of Cargo Owners

In the week ending 14 March, Maritime NZ and Ministry officials met with members of the New Zealand Shipping Federation (NZSF), which represents coastal shipping operators. Maritime NZ and Ministry officials also attended a meeting of members of the NZ Council of Cargo Owners (NZCCO), which represents the shipping supply chain interests of major exporters.

At both meetings we gave a brief overview of the sort of topics that might be included in Maritime legislative reform, in line with our briefings to you. Given previous discussions, neither audience expressed surprise at the topics to be covered.



Search and rescue response and prevention

Our national search and rescue (SAR) coordination role continues to experience record pressure with February seeing the highest rate of deployment of search and rescue aviation on record (outside of Cyclone Gabrielle). This underlines why the investment in 5th watch (another team of Rescue coordinators) was necessary. Recruitment for this capability has successfully concluded and will enable Maritime NZ to train and generate the additional SAR coordination capacity this investment affords in time for the 25/26 peak summer season.

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Upcoming briefings copied to Associate Minister of 4 **Transport**

Nil this week.

Upcoming Cabinet papers 5

Nil this week.

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Nil this week.



No update this week.

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