



NEW ZEALAND AIR LINE PILOTS' ASSOCIATION

19 April 2023

New Zealand Productivity Commission

By email

Inquiry: Improving Economic Resilience – NZALPA Submission

1. NZALPA is a professional association and independent union. Established in 1945, NZALPA represents over 2600 pilots, air traffic controllers and flight service operators and is the Voice of Aviation in New Zealand. We are a founding member of the International Federation of Air Line Pilots Associations (IFALPA) in 1945, and the Global Air Traffic Controllers Alliance (GATCA) in 2018, and we are actively involved with IFALPA, GATCA and the International Federation of Air Traffic Controllers' Associations (IFATCA).
2. Our primary interest in the Improving Economic Resilience Inquiry (the Inquiry) arises from the fact that airfreight alone contributes approximately 16% of exports and 22% of imports by dollar value. Tourism, meanwhile, contributes approximately 5% of GDP or approximately \$16.6 billion in the year to March 2022. Prior to COVID-19 that number was higher.

The Aviation Task - Introduction

3. In NZALPA's view, the role of the aviation sector in the supply chain has historically been overlooked and not well understood. There is potential for the aviation sector – particularly through airfreight – to explore new roles in neighbourhood, domestic and international connectivity.
4. The Commission may already be aware of the neighbourhood level connectivity benefits of technology such as unmanned aerial vehicles. Such technology needs to be carefully managed and regulated. This is a task that is currently being explored by Ministry of Transport and as such we will not reiterate our views on that in this forum.
5. At a domestic level, there is more potential for understanding the role played by regional aerodromes in supporting regional connectivity for both passenger and freight services. New Zealand's road and rail links can be vulnerable to weather events. Having a minimum operating network of air transport and air navigation facilities can enable resilient connectivity in times of crisis. However, air freight can also assist in enabling time-sensitive transport of high value items. As a primarily agricultural economy, it is possible that in future high value industries will evolve at substantial road/rail distance from supply hubs to the extent that domestic air freight becomes more attractive. A key part of enabling the retention of such connectivity will be ensuring that regional airports are fully serviced to provide for higher volumes of traffic than their current or historical usage trends.

6. At an international level, New Zealand has fallen short for some time in the area of infrastructure planning. As the Commission will no doubt be aware, Auckland Airport has only recently begun the work of physically joining its domestic and international terminals. Another key area of concern is the high level of dependence on Auckland International Airport.
7. Behind these three levels lies the need for New Zealand to be resilient in terms of skills and workforce development. The process of training both pilots, air traffic controllers and other aviation professionals is less resilient than it could be. For example, pilot training is highly dependent on a number of small and medium enterprise (or even private club) flight schools to generate pilot trainees (with a key exception being Massey University School of Aviation).

Specific Issues

International Aviation: Alternate Aerodromes.

8. An area of particular concern for our members is the absence of a suitable alternate aerodrome for international flights into Auckland. An alternate aerodrome is an aerodrome to which an aircraft may proceed when it becomes either impossible or inadvisable to proceed to or to land at the aerodrome of intended landing where the necessary services and facilities are available, where aircraft performance requirements can be met and which is operational at the expected time of use.
9. The suitability of an aerodrome as an alternate is dependent on a number of variables including the size of the aircraft considered. Another relevant factor to take into account when planning alternates is the flight and duty time limits that will apply to air crew in charge of the relevant flight. These requirements will mean that if the intended aerodrome is unavailable for more than a few hours the crew are more than likely to be prohibited on without taking an overnight rest in the alternate aerodrome. This necessarily means the passengers will be required to overnight there too.
10. With most international long distance flights, the only viable alternates for Auckland are Ohakea and occasionally Christchurch. Ohakea does not have appropriate facilities to cater for tourists or international guests. Facilities for processing and transporting passengers from Ohakea to Auckland at short notice are not readily available. It goes without saying that the location of Christchurch (on the South Island) is less than desirable as an alternate to Auckland if Auckland airport were out of action for more than a few hours.
11. During Cyclone Gabrielle, we are aware of at least one flight (a LATAM flight from Santiago) that was required to overnight in Christchurch as a result of a shut-down at Auckland Airport. There were a number of associated flight cancellations.
12. NZALPA would like to see a more focused study of the costs and benefits of investing in Whenuapai Airbase as an alternative for flights into Auckland. We understand there are various concerns around runway durability and also potentially around obligations to neighbouring residential land-owners but we are not aware of clear evidence setting out the cost of addressing such concerns (if they are substantiated).

International Aviation: Auckland Airport Vulnerabilities

13. New Zealand has yet to adopt the ICAO Global Reporting Format for Runway Surface Conditions. This system is designed to mitigate the risk of runway excursions by enabling a harmonized assessment and reporting of runway surface conditions and an improved flight crew assessment of take-off and landing performance.

14. A runway excursion occurs when an aircraft makes an inappropriate exit from a runway. The Infrastructure Commission's report into the 2023 Auckland Anniversary weekend storm identifies that during that event the airport was flooded and forced to close. What that report does not adequately capture is that during that event the runway itself was flooded and these weather conditions (in our submission) contributed to an incident which is the subject of a current TAIC investigation.¹
15. The absence of a harmonized assessment and reporting system for runway surface conditions may have contributed to this incident (which, were it not for the quick thinking of one of our members, might have been catastrophic). Some guidance on the implementation of such a system has been produced by the Civil Aviation Authority of Fiji (who have implemented it).²
16. Te Waihangā's report does set out the vulnerability of Auckland International Airport's terminal infrastructure is less than resilient to flooding. This contributed to disruption for both passenger and freight services. There would be benefit to having better unforeseen event planning from Auckland International Airport. If there are other areas in which the Airport is vulnerable to unforeseen events (such as, perhaps, a security incident) we would advocate for greater Government investment in addressing the likelihood of such risks. Additionally, measures should be put in place to appropriately handle such risks when they do occur (despite measures intended to reduce their likelihood).
17. We also look forward to seeing the conclusion of a commuter rail connection to Auckland Airport. This should reduce travel times between the airport and passenger destinations and reduce reliance on the road network.

Domestic Aviation: Availability of Regional Airspace (and Air Traffic Control)

18. The Ministry of Transport is currently conducting a review of the Air Navigation System. NZALPA anticipates this review will generate a better understanding of New Zealand's minimum requirements in terms of air traffic management. Our view is that there needs to be an identified minimum operating network that includes minimum standards of air traffic services. We are sharing those views with Ministry of Transport and as such we will not reiterate further here. We are happy to share our submissions to that review with the Commission if it would be helpful.

Skills and Workforce: Pilot Training

19. NZALPA is concerned that insufficient thought has been put into developing a resilient pilot workforce. Much initial pilot training in New Zealand is conducted by private flight schools. Frequently these are small businesses or attached to local flying clubs. These institutions frequently lack the resources to be resilient in times of economic crisis (such as COVID-19).
20. In our view, there is benefit to building better institutional connections between flight schools and other educational institutions. We are concerned that the number of prospective sector entrants are being failed at the interview stage of recruitment into airlines. There may, therefore, be value to increasing the connections between students and instructors working at flight schools and employers further up the pipeline (airlines). There may also be benefit to more detailed study of the potential for integrating airline training with entry level flight instructors using a "tag and release" model.

Conclusion

¹ www.taic.org.nz/news/taic-investigating-boeing-777-loss-control-ground-auckland-airport

² <https://caaf.org.fj/sites/default/files/2021-06/Guidance%20Material%20-%20GRF%20for%20Aerodrome%20Operators.pdf>

21. NZALPA has identified a number of resilience challenges in the aviation industry. We hope that these may usefully inform your study. Please do not hesitate to contact us for further information including copies of other submissions referred to above.

Yours sincerely

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