

Action on aviation front

By Tim Cossar, Chief Executive, TIA

New Zealand's tourism industry has had lots of news on the aviation front in recent months, with extra-capacity out of Asian markets set to bring more than 300,000 extra passengers to our shores each year.

As a remote island destination, airlines are our pipeline to the world. There also appears to be a direct correlation in world tourism between air capacity and growth. In recent times, New Zealand airports have been actively pursuing new business in order to boost our connectedness. Their efforts are bearing fruit.

Christchurch International Airport's deal with fast-growing low-cost airline Air Asia X will bring long haul flights direct from Kuala Lumpur to the city and an expected 70,000 additional visitors annually to the region and beyond.

Hot on the heels of the Air Asia X announcement came news last month that China Airlines will start flying three times a week from Taipei to Auckland via Brisbane, and Air Malaysia will boost weekly flights from KL to Auckland.

Other airlines have also announced plans this year to introduce new routes or add extra flights into New Zealand, including Continental Airlines' non-stop flights from Houston to Auckland and no-frills airline Jetstar's direct flights Singapore to Auckland and the Gold Coast to Queenstown. TIA has received positive comments from members about these aviation developments.

What is particularly noticeable is that much of the new activity is based out of Asia, from airlines that have excellent connections into that region, making it easier for consumers from markets such as India to fly here. Asia is emerging as the world's economic powerhouse and demand for travel to New Zealand from these markets is surging.

Given around 40% of all non-Australian visitors to New Zealand are making dual destination trips, our holiday market should also benefit from the increased air capacity into that market, including the arrival of US-based Delta, one of the world's largest airlines, and V Australia.

It's not all good news in the skies, however. One dark cloud are the so called 'green taxes' on air passengers out of UK and Germany. TIA is lobbying against those taxes – there is no evidence the money is being used for environmental purposes, they put long-haul destinations like New Zealand at a competitive disadvantage, and we are already seeing signs the tax is contagious and will spread to other visitor markets with the Austrian government announcing it plans to go down a similar route. TIA will continue to work with other industry leaders to keep up the pressure on the UK and German governments to abolish these taxes.