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## Kapiti Coast Airport "Ask Us Anything" Electra Business Breakfast - Nov 21

Good morning everyone. For those that don't know me, you may be surprised to learn I'm an advocate for small airports and general aviation. I also run my own airport and I'm a pilot... So I am acutely aware of the value... and cost... of airports. A large part of my work involves data collection and statistical analysis of airport data.

So, I'm going to dive straight in and contradict an assertion made by The Kapiti Air Urban group at the last business breakfast, and on their website.

They said "2021 airport movements have increased by 28% over pre-covid levels". They went onto explain this shows airport usage is growing and tracking towards cost neutrality.

That's not right... The opposite is true. If you look closer you'll find their figure is based this what is called a "Linear extrapolation of non-linear data". It's an incorrect assumption based on flawed mathematics.

Using the empirical data, the accurate statistic is this: 2021 movements have decreased 32% below pre-covid levels and "chargeable movements" are down 36%.

There are lots of opinions being offered about Kapiti Airport and its potential... And then there are the numbers, and they tell a story too.

Based on the numbers, Kapiti Airport is going backwards. This decline clearly predates the current owners, so it's wrong to lay the blame with them. The constant in this isn't the airport owners, they keep changing, it is the declining use by locals.

For the last decade GA activity has been in gradual decline, it's had ups and downs, but the overall trend has been down. From over 50,000 movements, to under 20,000. That's not an opinion.

In the same decade, we've seen the hope bought by Air New Zealand and encouraging growth for several years up to a peak of 75k passengers per year.

Followed by the reversal of that growth, leading us all the way back down to just one return flight a day that's usually well below capacity.

Passenger numbers have consistently declined every year since 2016.

Pre-Covid passenger numbers were already under 30,000. Covid certainly hasn't helped, but its' not to blame.

30,000 passengers may sound like a reasonable number to you.

For reference: Timaru Airport has a population catchment of 50,000 people, Kapiti has a population catchment of 80,000. Timaru Aiport moves 55,000 passenger per year. They outperform Kapiti, with just two thirds of the population catchment... and they still receive an annual subsidy from council.

Who was supposed to buy all the plane tickets? It's hard to blame that on airport management when we have all the facilities and capability sitting right here and not being used.

The numbers show plainly that 3/4s of the travelling population are choosing to use another airport. We know they're still travelling, just not here. They're using Wellington or Palmerston North.

For what it's worth, we'd need to move 400,000 passengers to have a shot at economical sustainability from airport operations – We're currently moving less than 20,000. Again, that's the numbers talking, not opinions.

But instead of discussing why they can't fill a 36 seat aircraft each day, Air Chathams wants to debate the theoretical technicalities, rather than the actual viability, of bringing in an aircraft twice the size.

So, I'll acknowledge their statements too. Sure it wouldn't make any economic sense, and it's below the manufacturer's recommendations, and you'd be limited on passengers and cargo to compensate. but you could technically operate an ATR72 at Kapiti.

How about the future?

Well, if the demand suddenly returned, and our passenger numbers grew to look promising. We'd still have the other set of problems.

The airport is hamstrung by the lack of space to the North & South and the location is evolving around us.

To ensure we remain safe on an ongoing basis, the Airport's capacity and capability are slowly diminished to accommodate our geographical and environmental constraints. Again, this has been going on for years.

What does that mean? Well, there are several major issues, but at the root, the cause is that we're in a suburban area.

First: Our approach paths are being eroded by trees and other obstacles. Each time we survey our runway approach clearances, it's a bit worse.

Second: Compliance requirements for airports are slowly changing. Our runway overrun areas meet only the legal minimum requirements, and we had to make a special application to get even that concession. Next time this is recertified, we're unlikely to pass again while we have less than half the recommended run off area.

Currently the result of these two factors is, although we have a 1450m runway – which is easily long enough for most operations – we can't use it all, and we lose 408m of useable runway when landing from the North, and 263m from the South.

The next time either of these factors is recalculated, it will result in further reduction of the available runway.

Third issue: We're in a suburban area. The neighbours are, mostly, very accommodating and Kapiti Council's Airport Noise Management Plan is basically irrelevant at current activity levels.

But, if we were 10 or 20 times more busy – It is unlikely to result in satisfactory noise levels for our neighbours and remaining compliant with the district plan would be difficult, resulting in further compromises to airport capability.

Now if the airport was pulling its own weight – Not just economically, but in usage and tangible benefits to the region. It would be worth trying to buy some time and resolve any issues we can. But that would come at a substantial cost for the neighbours and ratepayers, as well as the owners. It simply is not worth doing based on the actual or potential usage.

In Summary,

The runways cannot be extended to accommodate larger regional transport aircraft, and there is no demand for a larger plane on the route anyway.

The number aren't just below economic levels, they're so low they indicate the services are just not wanted or appreciated by enough people to justify the amount of resource tied up.

These aren't new problems. Many locals and airport users have heard a version of this story for so long now, they've clearly just stopped believing it.

But, the numbers will still tell their story, whether you believe it, or not.

Thanks for listening. I'll hand you over to Ross.