



**BARNZ**  
VOICE OF THE AIRLINE INDUSTRY

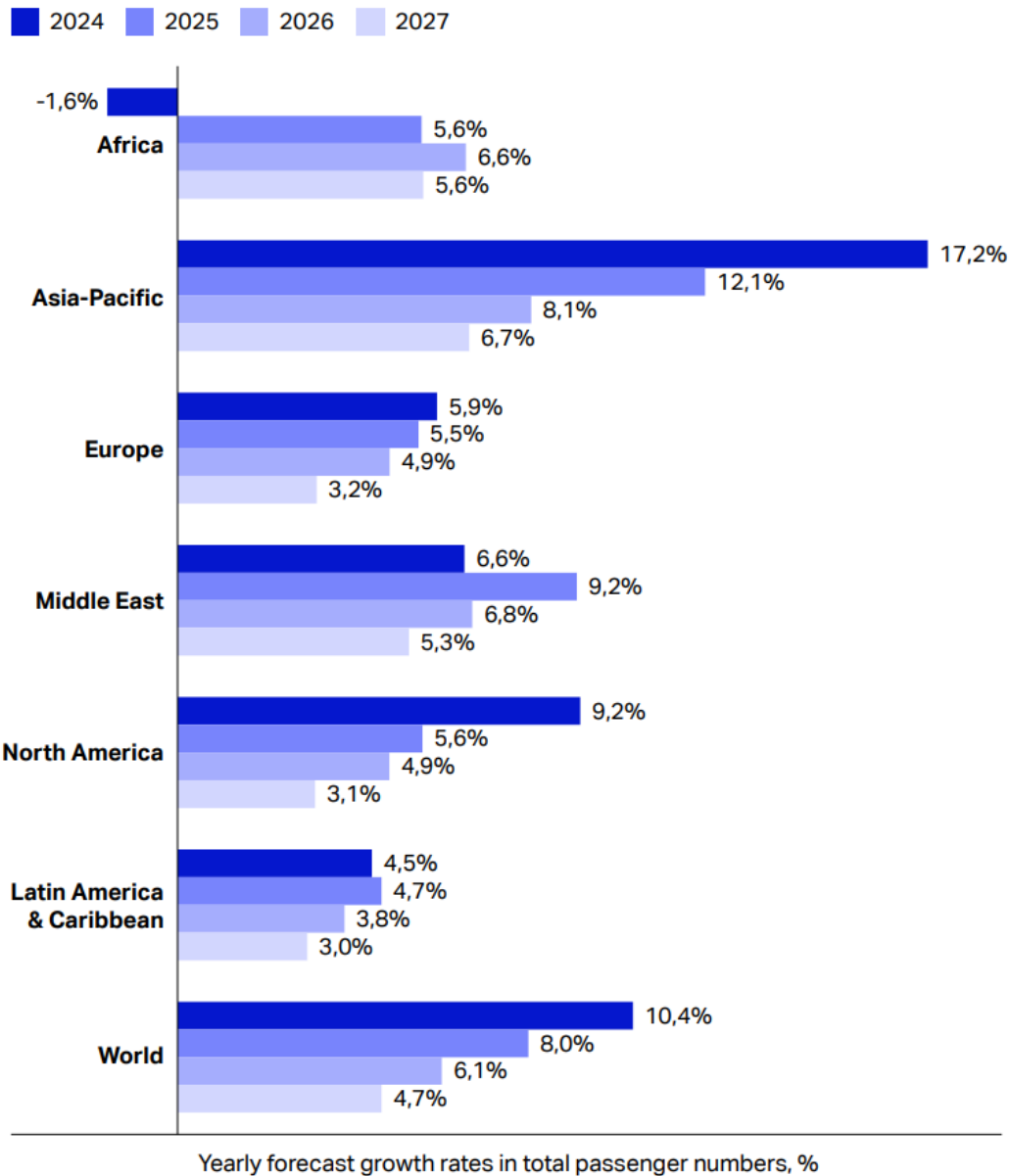
Air and Cruise Travel Correlations: Global and National Context  
August 2024



# Kia ora tatou: Cath O'Brien

- Begin at the beginning
- Connections and connecting
- Air New Zealand
- BARNZ
- Aviation and Cruise at the two modes which keep New Zealanders connected to the world – and allow visitors to experience Aotearoa.

**Chart 11: Regional and global yearly forecast growth rates in total passenger numbers, %**



Source: Air Passenger Forecasts, February 2024 update

## From the global...

*“Asia Pacific showed remarkable revenue growth in 2023 and the region is expected to be responsible for half of the world’s RPK growth this year.*

*This is very much thanks to the gains seen in the domestic markets of China, Japan, and Australia, all recovering at a faster rate than the rest of the world currently.*

*However, international travel in the region remains subdued, especially in China, where it is still below the pre-Covid levels.*

...

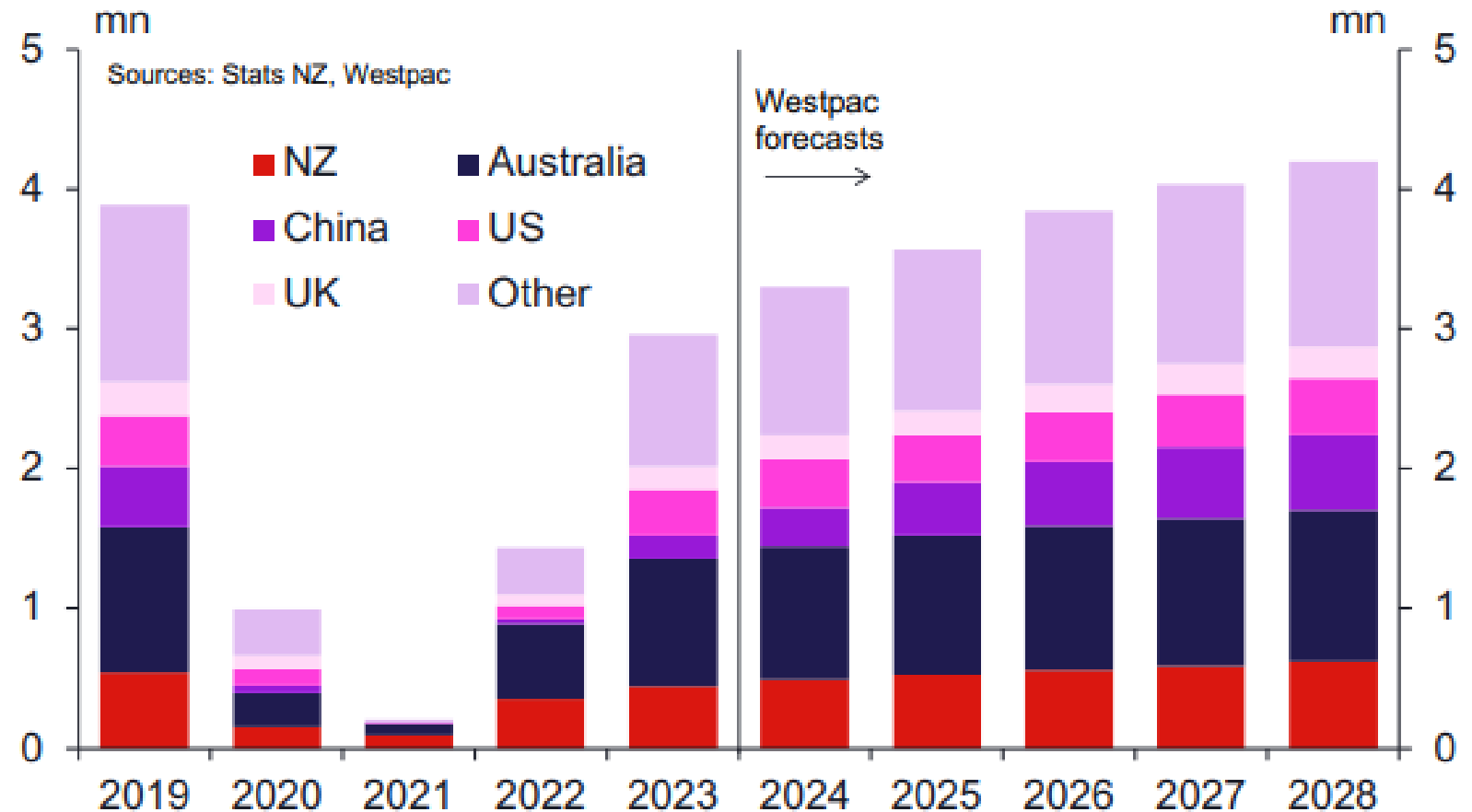
*Full post-Covid recovery is expected in Asia Pacific in 2024.”*

*IATA: Global outlook for Air Transport: June 2024*

# ...to the local

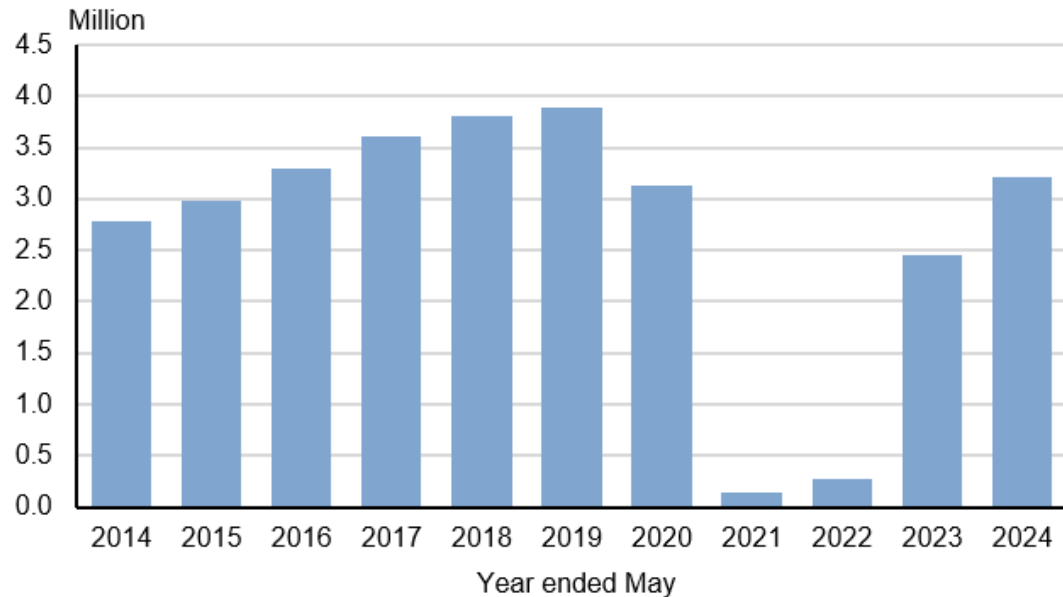
Westpac's economic forecast data suggests New Zealand's tourism recovery will lag behind other markets

## Tourist arrivals by citizenship



# Visitors to New Zealand have recovered quickly – via a changed air network

Annual visitor arrivals



Source: Stats NZ

- Air connectivity to New Zealand has changed – bringing a different visitor mix
- Summer 2023 saw New Zealand receive significant air connectivity from the United States
- Airlines from China have returned, but Chinese travel retains a domestic focus
- Tasman capacity remains limited with VA operating to Queenstown only
- Auckland Airport now receives some 77% of arrivals – prices have risen and will rise further
- Queenstown Airport is receiving more arrivals than pre-pandemic

# To the future of air connectivity

Planned air capacity for New Zealand's summer (NW24) is just 2% higher than planned air capacity at commencement of NW23.

Seasonal carriers may delay their return to New Zealand – citing reduced demand.

Post-pandemic, airlines move assets and schedules quickly. If New Zealand routes cannot maintain a demand profile, expect airlines to react.

## New Zealand's air connection recovery profile is flat - with downside risk.



# Downside risk comes from tourism and aviation policy

NEW ZEALAND / TOURISM

## International visitor levy up for review as minister considers raising fee

1:43 pm on 9 May 2024

Share this



**Government proposes increasing tourist levy to \$100 for visitors to New Zealand**

PREMIUM

**Visa fees for most migrant categories set to increase from October**

3:01 pm on 9 August 2024

Share this



NEW ZEALAND / TRANSPORT

## Warning out-of-date law could penalise regional airports' ambitions

9:00 am today

Share this



Rachel Helyer Donaldson, Journalist  
rachel.helyerdonaldson@rnz.co.nz

## NZCA warns of \$2m cruise hit if passenger levy nearly doubles

18th July 2024 By Natasha Jojoa Burling | natasha@tourismticker.com | @tourismticker

**Cruise companies could be hit with an unbudgeted \$2m expense if the New Zealand Customs Service pushes through with a big increase in the border levy, says the New Zealand Cruise Association.**



Looking at the settings...  
what is the opportunity?



# Remind New Zealanders of the value of tourism – and being ‘on the map’



The *Erdapfel* (Earth Apple) – the oldest terrestrial globe from Martin Behaim in 1492

New Zealand has since found its place on the map, and in the minds of the world. We have grown our profile, our brand, showcased trade.

In the year to March 2023:

- International Visitors spent \$10.8 billion NZD here, with **GST contribution of \$3.5 billion NZD**
- Tourism generated a direct and indirect contribution to GDP of \$22 billion NZD, or **6.2 percent of New Zealand’s GDP** (Source: Tourism Satellite Account)

New Zealand cannot afford to lose our place on the map. With cruise and air connectivity comes tourism – with tourism comes trade. Tourism and trade deliver economic wellbeing.

Behaim-Globe, Germanisches Nationalmuseum, Nuremberg,