



Media release
1 September 2025

Aviation industry welcomes Government support

The Government's move to back at-risk regional air routes with concessionary loans and funding to support digital 'interlining' are welcome steps towards long-term regional connectivity, says the Aviation Industry Association.

Simon Wallace, Chief Executive of the Association says access to \$30 million loans through the Regional Infrastructure Fund is a critical lifeline for small passenger airlines at a time when crippling costs are forcing many to cut vital regional air routes.

"We've lost several regional routes in the last year in the face of unsustainable cost structures. So, we are very pleased that Government has listened and has responded with access to these loans, a welcome short-term intervention to try to help save our remaining regional air routes.

"However, we still need the Government to retain a focus on the escalation of fees and levies regional carriers are facing that are making regional routes increasingly less viable."

Mr Wallace says the industry also welcomes the Government's announcement of funding for digital upgrades that integrate regional transport booking with the platforms of major providers.

"This has significant potential to turnaround the industry, removing barriers to air travel from smaller centres through streamlining bookings and baggage-handling between our smaller carriers and the bigger players.

"For example, this should make it possible for someone to fly from Whakatane or the Kapiti Coast to London on a single boarding pass and check their luggage all the way to the final destination. That's great for passengers and great for our smaller carriers.

"While the details are yet to be clarified, we want to be part of working with the Government on this innovation and wider changes to support the long-term sustainability of regional connectivity in New Zealand."

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