

## **Airport Expansion Project: The Case of Airport Authority Hong Kong**



Source: Pexels (2019)

### **Background**

Established in 1995, the Airport Authority Hong Kong (AAHK) is statutory body under the Hong Kong Government responsible for the operation and development of Hong Kong International Airport (HKIA) (AAHK, n.d.). Echoing the Outline Development Plan for Greater Bay Area, AAHK aims to transform HKIA to a much bigger entity from a city airport to an Airport City, capable of serving the region's growing demand for air transport and support the long-term economic development of Hong Kong (AAHK, 2020).

To reinforce Hong Kong's position as a major international aviation hub, AAHK launched the Three-Runway System (3RS) expansion project—one of the most ambitious airport infrastructure developments in Asia. The new third runway, designated 07L/25R, was completed and became operational on July 8, 2022, with Cathay Pacific Cargo flight CX3251 marking its first commercial landing. Following this, HKIA continued to operate two runways while reconfiguring the original north runway.

The full Three-Runway System, involving the operation of all three runways and supporting infrastructure, was officially commissioned on November 28, 2024. This major milestone increased HKIA's capacity to 120 million passengers and 10 million tonnes of cargo annually, ensuring its competitiveness on the global aviation stage (HKIA, 2024).

As part of its broader transformation strategy, AAHK is also spearheading the SKYCITY development project—a 25-hectare commercial complex located north of the airport island. Designed to be a world-class destination, SKYCITY features a dynamic mix of retail, dining, entertainment, hotels, and office space. The goal is to turn HKIA into a vibrant Airport City that caters not only to international travellers but also to local residents seeking lifestyle and leisure experiences (HKIA, n.d.).

## **Challenges**

Despite the successful commissioning of the 3RS, the aviation industry continues to face significant manpower challenges. Many skilled workers laid off during the COVID-19 pandemic have not returned to the sector (Klisauskaite, 2023). According to industry estimates, the aviation sector faces a 40% labour shortage, and approximately 100,000 additional workers are needed to meet the full operational needs of the expanded airport (rthk.hk, 2023). Without addressing this issue, the full benefits of the 3RS may not be realized. AAHK and the Hong Kong government must urgently develop and implement strategies to attract and retain aviation talent.

## **Discussion Questions**

1. How might the SKYCITY project enhance the experience for both local residents and international visitors?
2. What recruitment and retention strategies could AAHK and the government implement to address the aviation workforce shortage?
3. What challenges do you foresee for airlines as they adapt to the new infrastructure and operational capabilities provided by the 3RS and SKYCITY?
4. How can AAHK ensure that the development of the Airport City is sustainable and environmentally friendly?

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### **Keywords**

- Airport management
- Labour shortage
- Airport operation
- Airport city
- International visitors
- Local residents

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