



22 June 2012

Graeme Harris  
Director of Civil Aviation  
PO Box 3555  
Wellington 6140

Attention Peter Davey

Dear Graeme

## **ZK Operations Overseas**

Thank you for meeting with Industry representatives 18 June and the constructive manner in which the meeting took place.

To confirm the following is our understanding:

- The industry, with support from CAA, will lobby for 83 Biz to be introduced into the New Zealand rules. We recognise that 83 Biz is not the optimal solution but it is a solution, assuming the legislative changes are made and the necessary bilateral treaty arrangements entered into will provide a permanent solution to the issue of ZK Operations Overseas for prolonged periods.
- In the interim the policy proposals contained in your document of December 11 will form the basis of a policy document. The Industry supports in full the bullet points outlined in slides 8 and 9 of the slide presentation relating to NZAOC holders. It is noted that the CAA may impose a time limit for review of operations. We would submit that under normal circumstances such time limits should relate to the AOC unless there are some exceptional circumstance which arise which means the CAA would be obligated to undertake a form of review.
- In respect of the slides on page 10/11 we consider the conditions reasonable except in respect of the six month requirement. We understand that will be removed. The six month requirement creates uncertainty as there is no guarantee the foreign jurisdiction can undertake the necessary work to accept registration on their registry. This was most certainly the case recently where it was going to take a foreign jurisdiction well over 18 months to achieve the



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change and at considerable cost to both the operator and foreign jurisdiction.

- We would wish to understand what power the CAA has to remove an aircraft from the New Zealand registry. Furthermore such action would appear contrary to the growth agenda the industry is promoting.

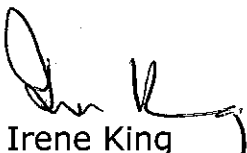
We were particularly heartened by the comments of the Director in the most recent publication of Vector magazine in which he states that while wanting to improve safety he wants "that done in a way that maximizes aviation's economic contribution to the economy".

The Industry is seeking out a series of opportunities to grow our industry for New Zealand's well being. We appreciate that some may view a number of our initiatives as seeking to use New Zealand's civil aviation system as a flag of convenience. This quite frankly is not so. What we seek to do is create wealth for New Zealand industry, wealth for the New Zealand economy and jobs for New Zealanders by taking advantage of the many commercial opportunities that present themselves, often at short notice.

We think the economic contribution of ZK operations overseas for prolonged periods is well over \$70m and we would seek CAA's support in growing and expanding this contribution. At the present time, noting that CAA has the absolute right and a legal requirement to determine the level and frequency of monitoring, we have some reservations over the efficiency with which these operations are monitored by the CAA and there may be grounds for further discussion once the terms and conditions of overseas deployments are made transparent.

We look forward to working further with the CAA as the growth agenda emerges and develops.

Yours sincerely

  
Irene King  
Chief Executive.



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