

Melbourne, 23 October 2009



Like 0

Jetstar rejects operating in 'loophole' claim

Low fares leader Jetstar has strongly refuted it is operating in a trans Tasman regulatory 'loophole' in voicing its concerns to proposed New Zealand Civil Aviation Authority (CAA) levies.

Jetstar successfully launched highly competitive domestic services in New Zealand in June 2009, now numbering 84 weekly return flights, using its Australian Air Operator Certificate (AOC) under CASA supervision leveraging Australia New Zealand Aviation (ANZA) privileges.

Jetstar Chief Executive Officer Bruce Buchanan said Jetstar was advised in writing by the New Zealand Ministry of Transport in April 2009 that in relation to aviation security charges: "Under the ANZA Mutual Recognition arrangement, the Australian Civil Aviation Safety Authority (CASA) will be responsible for safety oversight for Jetstar and for recovering the cost for that oversight".

"CASA is the regulator responsible for providing the oversight function for Jetstar's operations in New Zealand," Mr Buchanan said.

"This oversight function involves CASA undertaking a range of key duties including audits, inspections, certifications, assessments and approvals of Jetstar's operations in New Zealand.

"The costs associated with these functions are already levied by CASA directly on Jetstar.

"However the additional levies proposed by the New Zealand CAA, which amounts to 83 per cent of what other carriers pay in New Zealand, clearly is not related to any direct services provided to Jetstar.

"We believe a more equitable path forward would be for each regulator to recover costs from each other for any services they provide to each other.

"This would remove duplication and ensure we maintain an alignment between the charges and the regulator with responsibility for an airline.

"We acknowledge the CAA's concerns regarding changing airline dynamics in the domestic New Zealand market that has contributed to their challenging budget constraints.

"However penalising Jetstar financially to compensate for structural changes in the marketplace is not the solution.

"Instead we would encourage the CAA to exercise appropriate financial discipline to right size their business for the services they now need to provide as would any other commercial organisation.

"This would ensure no detrimental impact to the continued growth and development of air services within New Zealand.

"Jetstar has and remains a strident advocate for a greater opening up of the Australia and New Zealand travel markets with our advocacy for a more simplified common border arrangement."

Mr Buchanan said he called on the CAA to more effectively consult to reach a reasonable outcome on this matter.

Newsroom

Share this release

Jetstar rejects operating in 'loophole' claim



Social media



Latest news

08 Dec 2025 - [Jetstar to launch Australia's only low-cost direct flights to Sri Lanka, with fares from just \\$315*](#)



About Jetstar

About Jetstar Group

Jetstar first took to the skies in 2004 and has since flown more than 350 million customers across an extensive international and domestic network. The Jetstar Group is made up of Jetstar Airways (subsidiary of the Qantas Group) in Australia and New Zealand, Jetstar Asia in Singapore, and Jetstar Japan in Japan. A leading low-fares airline, Jetstar is committed to offering everyday low fares to enable more people to fly to more places, more often. As one of Asia Pacific's fastest-growing airline brands, Jetstar was voted Best Low-Cost Airline in Asia Pacific in 2021 and was recognized for its excellent flight safety records and services when listed on the "2022 World's Top 10 LCC" released by Airline Ratings.

Get the Jetstar app



Follow us

