need, in his own interests, to prepare and keep up to date an Operations Manual and a Maintenance and Overhaul Manual, but neither of these should need approval by the Directorate of Civil Aviation. There should instead be the closest collaboration between the national operators and the Director of Civil Aviation. The latter, as the authority responsible for the supervision of airworthiness of aircraft and the administration of other statutory regulations, is in an undisputed position to give good advice on features of the operator's organisation, bearing on compliance with the regulations; and it may be observed that the requirements for an Air Service Certificate Rating set out in New Zealand Civil Airworthiness Requirements Leaflet P. 22/3 constitute an admirable statement of the factors on which any operator should base the engineering branch of his organisation.

131. So far as the operation of any form of public air transport, including the operations of flying clubs, by operators other than national corporations or companies may continue to be permitted, the supervision of the standard of their organisation, operational as well as engineering, by the Director of Civil Aviation is justifiable, but should be carefully adjusted to the nature of the organisation and the operation. Broadly speaking, compliance with the statutory requirements of the Air Navigation Regulations relating to personnel licensing, certification of the airworthiness of aircraft, workshop rating, use of aerodromes, &c., is adequate to ensure safety. Only in the case of an operator who is licensed to operate a scheduled air service (however minor) does the necessity of ensuring the regularity and continuity of the service justify a further degree of supervision of the organisation, on which these depend. The Air Service Certificate system is a good means of securing this end, and the Director of Civil Aviation is the proper authority for the purpose. Care should, however, be exercised that the State does not thereby take over the burden and responsibility of management of the service. The exercise of judgment as to how far Government regulation should be carried is in our opinion the key to a successful system. The conditions to be fulfilled for the grant of an Air Service Certificate should be defined in the Regulations.

132. In the case of non-scheduled air transport operations, including "taxi" flying, joy riding, and flying club operations, the element of regularity and continuity is not present and we do not think that the Air Service Certificate system is necessary. All that is necessary can be achieved by advice from the Director of Civil Aviation. In our experience such advice is never unheeded, and there are ample powers in the Civil Aviation Act and regulations to suspend any operation which appears likely to constitute a danger to the public.