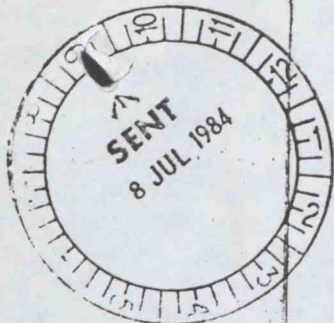


IMMEDIATE
ADVANCE COPY

00 FCO DESKBY 080800Z

GRS 440
CONFIDENTIAL
DESKBY 080800Z
FM WELLINGTON 080051Z JUL 84
TO IMMEDIATE FCO
TELEGRAM NUMBER 211 OF 8 JULY

CIVIL AVIATION SALES

FOLLOWING FOR RESIDENT CLERK

1. MR CORY-WRIGHT, BRITISH AIRCRAFT CO REPRESENTATIVE HERE, SPOKE TO SIR ROBERT MULDOON, THE NEW ZEALAND PRIME MINISTER, FOR FIVE MINUTES YESTERDAY EVENING AT AN ELECTION MEETING, ABOUT THE CHOICE THE NEW ZEALAND GOVERNMENT MUST SHORTLY MAKE WHETHER AIR NEW ZEALAND SHALL BUY THREE BOEING B767S OR THREE AIRBUS A310S. CONTRARY TO WHAT CORY-WRIGHT HAD PREVIOUSLY BELIEVED (MY TELNO 203) THE NZ PRIME MINISTER TOLD HIM THAT HE HOPED TO MAKE THE DECISION IN THE NEXT TWO OR THREE DAYS, WHICH CORY-WRIGHT AND I INTERPRET TO MEAN ON MONDAY, 9 JULY, OR TUESDAY, 10 JULY.
2. APPARENTLY SIR ROBERT MULDOON HAD TOLD AIR NEW ZEALAND THAT IF THEY WISHED TO BUY A310S THE NZ GOVERNMENT WOULD ENDORSE THIS BUT THAT IF THEY WANTED TO BUY B767S HE HAD A NUMBER OF ADDITIONAL QUESTIONS TO ASK. AIR NEW ZEALAND DO WISH TO BUY B767S, AND HAVE NOW ANSWERED THESE QUESTIONS. THE MOST TELLING POINT TO EMERGE IN FAVOUR OF THE B767 IS THAT IT CAN FLY NON-STOP FROM NEW ZEALAND TO HONG KONG, TOKYO OR HONOLULU WITH A REDUCED BUT STILL ECONOMIC PAYLOAD, WHEREAS THE A310 CAN MAKE THOSE JOURNEYS DIRECT BUT ONLY WITH AN UNECONOMIC PAYLOAD. NEVERTHELESS SIR R MULDOON TOLD CORY-WRIGHT THAT HE AND HIS COLLEAGUES HAD ALSO IMPORTANT TRADE CONSIDERATIONS TO TAKE INTO ACCOUNT (THIS REFLECTS THE JOINT DEMARCHE BY THE GERMAN, FRENCH AND BRITISH MISSIONS HERE ON 22 JUNE).
3. SIR R MULDOON DID NOT INDICATE WHICH WAY THE DECISION WAS LIKELY TO GO. CORY-WRIGHT INFERS, HOWEVER (AND I AGREE) THAT THE MATTER IS STILL OPEN. HE AND HIS AIRBUS COLLEAGUE HERE, MR LORENTZ, HAVE PUT IT TO ME THAT A MESSAGE FROM THE BRITISH PRIME MINISTER MIGHT JUST SWING THE DECISION TOWARDS AIRBUS. I HAVE CONSULTED THE GERMAN AMBASSADOR HERE, WHO AGREES, AND I AM CONFIDENT THE FRENCH AMBASSADOR WILL ALSO AGREE WHEN I AM ABLE TO CONTACT HIM. I THEREFORE RECOMMEND THAT THE FOLLOWING MESSAGE BE SUBMITTED TO NO 10 FOR THE PRIME MINISTER'S APPROVAL.

(X7)

SIR C TICKELL
MR O'NEIL

HD MAED

SPD

TRED

MAFF

DTI VICTORIA ST

NO 10 DST.

