Candidates sitting for Imperial certificates were 18 under the old system, of which 10 were successful and 8 unsuccessful, and 9 under the new system, of which 4 were successful, 2 partly successful, and 3 unsuccessful. Of the 19 candidates under the old system for Second-class, 11 were successful and 8 unsuccessful. Of the remaining 9 under the new system, 1 was successful, 5 partly successful, and 3 were unsuccessful in the examination:

Candidates for Certificates of New Zealand validity: 39 candidates were examined for Third-class, 33 being successful and 6 unsuccessful. Of the 14 candidates for Second-class Coastal Motor, all were successful at the first attempt. Of the 4 candidates for First-class Coastal Motor Examination, all were successful at the first attempt.

Attempts for First-class Certificates of Imperial validity: The above particulars under both systems are comprised of 6 candidates for Steam Certificate, of whom 3 were successful; 10 candidates for Motor Certificates, of whom 6 were successful; 6 candidates for Motor Endorsement, of whom 5 were successful; and 5 candidates partly passed the examination.

Attempts for Second-class Certificate of Imperial validity: The foregoing return for both systems comprised 12 candidates for Steam Certificates, of whom 9 were successful; 8 candidates for Motor Certificates, of whom 3 were successful, 5 candidates partly passed in the examination; and 1 Steam Endorsement failed.

The summary for First-, Second-, and Third-class Examination: 57 per cent. passed for certificates; 43 per cent. partly passed or failed.

The remaining 57 candidates were examined for River Engineer and Restricted-limits P.V.O.S. Certificates of Competency; of these 2 were successful for steam-driven vessels plying within restricted limits, and of the 55, 54 were successful for service in vessels plying within restricted limits propelled by some motive power other than steam.

In order that the new system of examination could be brought into operation with a minimum amount of interference with the arrangements of candidates and of the schools, the old system of examination was continued together with the new system as from October, 1939. Since then, however, there has been an increasing number of candidates under the new system, with a corresponding decrease of candidates under the old system.

The Marine Department have decided that on and from 1st April, 1941, these examinations shall be conducted under the new system only. Examination under the old system therefore ceased at the end of the financial year, 31st March, 1941.

Specimen papers of the new Examination for Imperial Validity Certificates, also specimen papers for First-class and Second-class Coastal Motor and Third-class Marine Examination, have been printed for candidates who desire them, and may be obtained from the Marine Department for 4d. per copy.

Examination for First-, Second-, and Third-class Certificates are held at the four main centres only. Examination for Certificates of Competency, Restricted Limits, P.V.O.S., River Engineer, and Marine-engine Driver are held at the fifteen centres throughout the Dominion.

PROSECUTIONS.

Prosecutions instituted under the various statutes by the Department during the year amounted to 57 cases. Those instituted under the Fisheries Act comprised 46 cases, under the Inspection of Machinery Act, 6 cases, and under the Shipping and Seamen Act, 5 cases.

FISHERIES.

The working of the Fisheries Branch of the Department is included in the separate report from the Chief Inspector of Fisheries and Director of Fishery Research.

STAFF.

The work of the Department has been facilitated to a marked degree by the transfer to the present accommodation in the T. and G. Buildings.

Normal business of the Department, augmented by much war emergency work, has required an additional effort on the part of the staff, who have responded meritoriously both at Head Office and the district branches. Their efforts and support during the year are appreciated.

I have, &c.,

L. B. CAMPBELL, Secretary.

ANNUAL REPORT ON FISHERIES FOR THE YEAR ENDED 31st MARCH, 1941.

The Dominion fishing industry may now be regarded as more or less settled down under the regime introduced by the Industrial Efficiency Regulations of 28th September, 1939, which came into force on 1st January, 1940. Under these regulations every fisherman is obliged to take out a license, issued by the Bureau of Industry, Department of Industries and Commerce. The granting of a license is subject to conditions which limit the licensee to certain methods of fishing and may also place restrictions on the locality of operations and the port of landing. Other aspects of Bureau of Industry control in connection with licenses for the retail, wholesale, canning, and export trades in fish are outside the field of this Department's administrative responsibilities (which are laid down by the Fisheries Act, 1908, and Amendments thereto) and are only of indirect