

The appointment of the Chairman of Directors in May, 1946, followed the introduction of the New Zealand National Airways Act, 1945, and this enabled certain preliminary phases of the administration to be undertaken. It was not until August, 1946, however, consequent upon the appointment of the Board of Directors, that full expression could be given to the purposes of the Act.

One of the initial actions of the Board was to acquire the interests of Union Airways of New Zealand, Limited, as the principal commercial airline operator within the Dominion. It was not desirable for the Corporation, as such, to operate services under the New Zealand National Airways Act, 1945, until its regulations and by-laws were actually gazetted. These were gazetted in March, 1947, and the Corporation first commenced to operate under its own licences on 1st April, 1947. Union Airways of New Zealand, Limited, were, for legal requirements, placed in voluntary liquidation on 31st March, 1947. It will be seen, therefore, that of the twelve months under review the Board of Directors administered during the latter seven months only.

It is not considered necessary or advisable to apportion the year's accounts on the basis of the two periods in question, and presentation is therefore made in regard to the year's operations as a whole.

During the period that the Board directed the actual operation of services close attention was given to planning for the expansion of air services consonant with the existing air fields, with the availability and training of technical and flying staff, and with the adaptation and production of buildings. Much of this planning has come to fruition and is reflected in the increased frequencies and expansion of services already enjoyed by the public. There will be further progressive development during the remainder of 1947. This development has taxed, and is taxing, the capacity of air fields, of buildings, and of maintenance staff to the extreme, and the Directors must be concerned to see that none of these factors is overburdened in order that the very fine record of operational efficiency in commercial air transport within New Zealand is maintained.

The Corporation has been fortunate in acquiring sufficient aircraft to meet the immediate planned development, having regard to the difficulties previously mentioned. These aircraft are in various stages of conversion to modern comfortable passenger standards. It is the aim of the Directors to re-equip with modern British aircraft and it is expected the next few years will see considerable progress in that connection. In view of the geographical situation of this country in relation to the British aircraft production factories, and considering the recurring initial troubles on most new aircraft types, it would be most imprudent of the Corporation to decide upon any particular types until they have been fully proved in commercial service.

The following facts and figures are considered illustrative of the progress made during the year ended 31st March, 1947 :—

Passengers carried increased by 60·65 per cent. for the seven months ended 31st March, 1947 (Corporation control), compared with the seven months ended 31st March, 1946.

Daily scheduled miles increased from 2,932 at 31st March, 1946, to 7,044 at 31st March, 1947, or 240·25 per cent.

Route-miles increased from 1,544 to 2,675 over the same period.

The new routes introduced were—

Auckland–Wellington Direct Service.

Wellington–Gisborne.

Wellington–Auckland via New Plymouth.

Gisborne–Tauranga–Auckland.

Auckland–Whangarei–Kaikohe–Kaitia.