Attention is directed to the fact that the financial and traffic data covers approximately 75 per cent. of the motor-truck business subject to the licensing provisions. This fact should be carefully borne in mind where the figures are being used. The number of operators and the number and capacity of vehicle authorities are, of course, actual figures.

(i) *Traffic (Table No. 31).*

The number of licensees actually operating during the year was 1,904, holding amongst them 2,906 vehicle authorities, or an average of 1·5 vehicle authorities per operator. This average points to the fact that the owner-driver is a predominant figure in the industry.

The average load authorized to be carried per vehicle authority was 2 tons 14 cwt.—a fact which confirms the conclusion drawn in a previous paragraph that the truck of approximately 2 to 4 tons capacity is the type most in favour in the phase of the goods-transport industry which is covered by the legislation.

According to the traffic returns rendered by operators, a total vehicle-mileage of 32,000,000 miles was recorded during the year, the average vehicle-mileage per truck for the Dominion being 14,400 miles.

Unfortunately, very few operators were in a position to supply particulars as to the tonnage of freight carried during the year. A most informative avenue of investigation of transport costs is thus temporarily closed, but every endeavour will be made to secure this information in respect of the current year.

(ii) *Liabilities and Assets (Table No. 29).*

The data under this heading are sufficiently complete to enable the conclusion to be drawn that the goods transport industry is, as a whole, in a relatively satisfactory financial position. Total assets amount to £1,700,000, as against liabilities other than capital and reserves of £600,000, the remaining £1,100,000 representing capital and reserves invested by the operators themselves.

(iii) *Revenue (Table No. 28).*

The total revenue for the industry amounted to £1,342,000, of which £1,256,000 (or 93½ per cent.) was derived from the carriage of goods, £20,000 (1½ per cent.) from mail contracts, and £66,000 (5 per cent.) from other sources.

(iv) *Expenditure (Table No. 28).*

The principal items of expenditure were those coming under the heading of "vehicle-running costs," which includes petrol, lubricants, tires, repairs, maintenance, and depreciation, the expenditure under this heading being £650,000, or 55 per cent. of the total. Vehicle standing charges (licenses, plates, heavy-traffic fees, wages, &c.) absorbed £423,000 (36 per cent.), while overhead charges (mainly management and office expenses, interest, advertising, &c.) accounted for the remaining £124,000 (10 per cent.). The total expenditure was £1,198,000.

A feature of the operating-costs of the industry is the relatively low percentage (10 per cent.) of overhead charges to total costs. This figure shows considerable fluctuations over the various districts in its proportion to total costs.

(v) *Profit.*

Revenue exceeded expenditure by the substantial margin of £144,000, this representing the net profit earned by the industry. In addition to this net profit, operators drew the sum of £160,000 in lieu of wages. The profit of £144,000 represents a return of 12 per cent. on capital invested by operators and 11 per cent. on the total revenue. The magnitude of the profit is mainly due to the fact that inadequate provision has in general been made for depreciation of trucks. A detailed analysis of this profit revealed the following interesting facts: Of all the operators who submitted returns, 70 per cent. showed a profit, 17 per cent. showed neither profit not loss, 13 per cent. sustained losses.

Those showing a profit were divided into various classes according to amount of profit received, and it was found that 33 per cent. of the whole number of operators under review were in the class receiving profits of less than £100; a further 17 per cent. received £100 and under £200; and 10 per cent. received £200 and under £300; making a total of 60 per cent. of the total number under the £300 mark. Thus only 10 per cent. were in receipt of profits of £300 and over.

The 17 per cent. who showed neither profit nor loss arrived at this position by drawing all surpluses of revenue over expenditure, and they participated, of course, in the £160,000 drawn in lieu of wages as shown above.

Those operators who sustained losses are in relatively small numbers, representing 13 per cent. of the total. The majority of them have, of course, drawn wages from their respective businesses. Approximately one-third of them sustained losses of under £25, while one-half lost less than £50.

It is apparent that the majority of operators were able to show a profit and that the total profit for the industry was fairly substantial. Nevertheless, individual undertakings have, on the whole, received a moderate rate of profit owing to the fact that the total net profit was widely distributed amongst a large class of small operators.

(vi) *General.*

The truck industry has been subject to regulatory control for one year only. The problems associated with its control are considerably more complex than was the case in respect of passenger-services, owing to fundamental differences between the two phases of transport.