

## AIR SERVICES.

15. During last year attention was directed to the possibility of establishing regular air services in New Zealand. No doubt the Centenary Air Race to Melbourne did much to turn the minds of the public towards air travel and to cause them to realize its advantage as regards speed over all other forms of transport. Early in the year an attempt was made to promote a company to commence a comprehensive air service through New Zealand, but the project was not successful, and it was realized that some protection was necessary for such a service and the precedent of the Transport Licensing Act was followed in preparing an Act to regulate air travel on similar lines. Due regard was paid to the pioneer work done by the aero clubs, and they were placed by the Act in an advantageous position.

16. As a result of the experience gained by the licensing of road services, and with the approval of the aero clubs and others interested in flying, the Transport Licensing (Commercial Air Services) Act, 1934, was passed by Parliament and became law on the 31st October, 1934. Under this Act the duty of licensing air services was allotted to the Transport Co-ordination Board.

17. Since the Act came into operation the Board has dealt with numerous applications for licenses and the following table shows the result:—

TABLE II.—SUMMARIZED DETAILS REGARDING APPLICATIONS FOR AIRCRAFT-SERVICE LICENSES.

Kind of License applied for.	Number of Applications.	Decisions.		
		Granted.	Refused.	Adjourned.
Continuous .. .. .	15*	6	1	6
Special (Aero Clubs) .. .. .	11	11	..	..
Temporary .. .. .	..	..	..	..
Total .. .. .	26	17	1	6

\* Two applications were considered as one; one application was withdrawn.

Cases where the application was adjourned are mainly those in which the applicant was not ready to proceed. The licenses granted include eleven licenses granted to aero clubs under section 21 of the Act.

18. The most important applications made to the Board were those for what has been termed a trunk service—namely, a service linking the chief towns in the Dominion on an air route between north and south. Three such applications were made, coming from companies either formed or in process of formation, and known now as Union Airways of N.Z., Ltd., Great Pacific Airways (N.Z.), Ltd. (to be incorporated), and N.Z. Airways, Ltd. These applications were heard by the Board in February and March, 1935, and aroused considerable public interest. The decision of the Board was finally announced on the 11th April, and therefore also does not properly belong to the period under review, but as the hearing was completed in March we venture to include the decision also in this report and to add an appendix (Appendix III) containing it. The result of the decision was to provide for the issue of a license to Great Pacific Airways (N.Z.), Ltd., subject to compliance with certain conditions, over the major route, and a license to Union Airways of N.Z., Ltd., also over a shorter distance. The principles guiding the Board are fully set out in the decision, and we think we need not refer to them further.

19. Other decisions given by us under the Act need no special comment. We think this sphere of the Board's activities is likely to be of growing importance in the future.

## ROUTINE BUSINESS.

20. Besides the work which specifically devolves on the Board by statute, the Board may of its own initiative hold inquiries and investigations under section 11 of the Transport Law Amendment Act, 1933. No formal inquiry or investigation within the strict meaning of the section has been held, but the Board has carried out numerous minor inquiries of a routine nature into various matters connected with its work, or affecting the transport industry, for the purpose of collecting information and making a closer study of the