REPORT.

1. INTRODUCTORY.

The principal activities of the Department during the year have comprised the various actions associated with the administration of the Transport Licensing Act, 1931, which provides an annual licensing system for commercial passenger and freight services carried on by motor-vehicles; the administration of the Motor-vehicles Act, 1924; and the Heavy Motor-vehicle Regulations, which deal with the control of motor traffic generally and the use of roads by the heavier classes of motor-vehicles.

Approximately 750 passenger-service and 2,000 goods-service licenses were renewed during the year. The actual decisions regarding each license are made by the various District Licensing Authorities, but now that the licensing-system is settling down the Department is taking active steps to ensure that the licensed services have reasonable fares and charges and provide a satisfactory standard of service. Properly qualified officers call on the operators and go into their systems of accounting and records, and a full report on each case is then placed before the appropriate Licensing Authority.

The problem of the control of motor traffic in the interests of public safety assumes larger proportions each year. On the one hand the number of convictions for breaches of traffic laws now represents approximately 30 per cent. of the total convictions in the Magistrate's Courts, while on the other hand motor accidents continue to take a growing toll of human life and property. The Department has this matter under constant review, and during the year a special "check-up" was made on brakes and lights, in order to minimize the risk of accidents due to mechanical defects in these parts of the motor-vehicles. The check was made on a Dominion-wide scale, and constituted an important step in directing the attention of the motorist to the necessity for keeping his vehicle up to a satisfactory standard of fitness. Mention of this and other steps taken by the Department would be incomplete without special mention of the splendid co-operation which is always so readily forthcoming from the various local authorities and motor organizations.

Legislation providing a system of licensing, similar in many respects to that in force in connection with motor transport, was promoted during the year in respect of commercial air transport.

A considerable amount of investigational work was carried out during the year. Several statements dealing with the problems of motor-taxation, road finance and transport rates, and competition were placed before the Transport Co-ordination Board. At the request of the Dairy Industry Commission the Department also carried out an inquiry lasting over several months into the problem, of milk and cream collection by motor-trucks in the Dominion.

2. MOTOR-VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT, 1928.

(a) STATISTICS.

For the year ended 31st May, 1934, forty-four insurance concerns gave the prescribed notice to undertake business under the Act, and carried on business accordingly. The net income from premiums for that year, excluding, of course, any relating to the 1934–35 licensing-year, amounted to £221,734, after taking into account adjustments on account of extra premiums due to changes in the classification of the vehicle and the cancellation of registrations, and allowance for the commission of the Post and Telegraph Department.

Claims during the year, including costs, together with the liabilities in respect of outstanding claims at 31st May, 1934, amounted to £198,614, or 89·57 per cent. of the net total of premiums received.

The following table shows the experience of the scheme during the four years ended 31st May, 1934. It should be noted that the figures for claims do not represent the amount paid during each year, but refer to accidents happening during each particular period.

Year ended 31st May,	Revenue from Premiums.	Claims paid and Estimated Liability for Claims outstanding at 31st May.	Claim Ratio.
	£	£	Per Cent.
1930	235,007	202,380	86·12
1931	242,864	186,379	76·74
1932	233,731	161,352	69·03
1933	229,133	151,095	65·94
1934	221,734	198,614	89·57
Totals	1,162,469	899,820	77·41

Comparison between the claim ratios for the third-party-risks insurance and other branches of accident insurance show in most cases higher figures for the former than the latter. This can be