

The following table shows the improved passenger loading per trip, and the profit per mile, as compared with previous years :—

—	1936.	1935.	1934.	1933.
Passengers per journey—				
North Island	10·9	9·4	8·9	9·2
South Island	..	8·3	8·2	7·9
New Zealand	..	9·2	8·8	8·9
Revenue per vehicle-mile—	d.	d.	d.	d.
North Island	9·95	9·58	9·14	9·26
South Island	..	10·03	9·65	9·31
New Zealand	..	9·72	9·29	9·27
Operating expenses per vehicle-mile—				
North Island	9·04	8·99	8·85	9·21
South Island	..	8·98	8·93	9·24
New Zealand	..	8·99	8·87	9·22
Profit per vehicle-mile—				
North Island	0·91	0·59	0·29	0·05
South Island	..	1·05	0·72	0·07
New Zealand	..	0·73	0·42	0·05

(ii) *Assets and Liabilities.*

Table No. 11 of the Appendix sets out the assets and liabilities of the industry, as far as they are available, for the four years ended 31st March, 1936. These figures must be interpreted with caution, as during the last two years greater care has been taken to exclude items not connected with the services, while some of the assets may have been depreciated below their real value. The figures, however, are considered to be sufficiently accurate to furnish a basis for comparison between the various years. They indicate a substantial scaling-down of the overcapitalization that previously existed in the industry. If the South Island figures are assessed at the same rate of reduction as for the North Island, the New Zealand total of capital employed is now approximately £727,000, representing just under 54 per cent. of the figure for 1932-33, or 48 per cent. of that estimated for the year immediately prior to the licensing system coming into operation. The following table sets out the relative proportions of capital plus reserves, and “outside” liabilities to the total assets employed :—

—	1936.	1935.	1934.	1933.
Capital and reserves—	Per Cent.	Per Cent.	Per Cent.	Per Cent.
North Island	65·6	67·6	67·2	68·5
South Island	..	66·5	73·3	65·6
New Zealand	..	67·2	69·3	67·6
Other liabilities—				
North Island	34·4	32·4	32·8	31·5
South Island	..	33·5	26·7	34·4
New Zealand	..	32·8	30·7	32·4

(iii) *Fare-schedules.*

The licensing law requires the Licensing Authorities to consider, *inter alia*, the fares charged by operators. The fares are reviewed each year, and it is open to interested parties to make representations in this connection. Last year qualified officers of the Department examined the accounts and records of licensees to ensure that their requirements as to keeping proper accounts and records were being complied with. A similar examination is proceeding this year. By this means the authorities are able to ensure that an equitable portion of the benefits of the licensing system are passed on to the users of the services in the form of reduced fares.

(e) **NEW TRANSPORT DISTRICTS.**

Two maps in the Appendix to this report show the boundaries of the new transport districts.

(f) **PASSENGER-SERVICE VEHICLE INSPECTION.**

The number of applications for certificates of fitness or temporary permits received during the period 1st March, 1935, to 29th February, 1936, totals 1,998. Thirty-eight vehicles were condemned as unfit for service, while 104 were voluntarily withdrawn.

Whereas prior to 1935 a certificate of fitness had a currency of one year, it now, under the provisions of the Transport Licensing Amendment Act, 1935, continues until revoked.