

*(b) FINANCES AND STATISTICS.*

The figures in Table No. 13, which set out the principal operating statistics for the goods-transport industry, have been estimated on the basis of the proportion of vehicle authorities for which reasonably reliable financial and statistical returns were received. The figures shown, though not strictly comparable, afford a reasonably accurate statement of the position.

The chief features shown by the table are—

- (i) A substantial increase in the profits earned by the industry from £176,000 for 1933-34 to £371,000 for 1936-37. Viewing these figures on a profit-per-vehicle-mile basis the net return per mile has increased from 1.14d. to 1.57d.
- (ii) An increase in operating expenditure by 11.6 per cent., from 8.76d. per mile to 9.78d. These figures do not reflect the full effects of the transport legislation covering driving-hours and the observance of award rates of pay, as these measures did not come into force until October, 1936.
- (iii) Revenue has increased by 13 per cent., from 10.04d. per mile to 11.35d.

*(c) ASSETS AND LIABILITIES.*

The balance-sheet of the industry for the Dominion shows a healthy position. Of the total assets employed (£2,532,000), £1,771,000, or 70 per cent., represents operators' capital and £761,000 other liabilities. There has been an increase in the total value of assets employed in each business, the average figure increasing from £960 to £1,199.

*(d) CO-ORDINATION.*

Investigations carried out during the year showed that there is room for a considerable measure of co-ordination between the long-distance road-and-rail freight services. Owing, however, to the difficulties of securing co-ordination while the road services are operated in small units, a policy of single ownership whereby certain road services would be taken over by the State and operated by the Railways Department was adopted.

To bring this policy into effect two purchase officers, with an investigating accountant and three officers experienced in the operation of motor-vehicles to assist them, have been appointed to negotiate with the road operators for the taking over of their services. These officers will report the results of their negotiations to a special tribunal appointed under section 11 of the Transport Licensing Amendment Act, 1936.

In cases where agreement has been reached between the purchasing officers and the operators the tribunal will consider their report and submit its recommendations to Cabinet through the Minister of Transport. In cases where agreement is not reached the tribunal will hear both parties at public sittings and report its findings to the Minister.

Negotiations are at present in train with fifty-four operators—nine in the No. 1 District, twenty-nine in the No. 2, seven in the No. 3, and nine in the No. 4 District. Nearly all these carriers are operating over routes in excess of fifty miles in direct competition with the railways and hold between them 197 vehicle authorities.

## C. APPEALS.

The present Licensing Authorities took office on the 21st July, 1936. At that time there were on hand twenty undetermined appeals against decisions given by former Licensing Authorities. These have been disposed of, and in respect of appeals lodged up to and including 31st March, 1937, against decisions of the present authorities, the following details are given:—

*(a) GOODS SERVICES.*

District.	Number of Appeals.	Licensing Authority's Decision upheld.	Decision modified.	Decision reversed.	Under Action.
No. 1 .. .. .	8	1	4	1	2
No. 2 .. .. .	6	4	2	..	..
No. 3 .. .. .	11	2	3	..	6
No. 4 .. .. .	19	2	2	..	15
Totals .. .. .	44	9	11	1	23

*(b) PASSENGER SERVICES.*

Two appeals were lodged in respect of a service in the No. 1 Transport Licensing District, the authority's decision being upheld.

## 12. COMMERCIAL AIR TRANSPORT.

Since April, 1936, when the Minister of Transport became the Licensing Authority for commercial air services, there have been granted one commercial aircraft route license, one air taxi license, and one temporary license. The licenses in force at the 31st March, 1937, were—

- Five commercial route licenses.
- Eight air taxi licenses.
- Eleven aero club licenses.