

SECTION II.—COMMERCIAL FLYING.

Apart from several experimental ventures, little was accomplished towards the establishment of scheduled services until 1934, when the Transport Licensing (Commercial Aircraft Services) Act was passed and the Transport Co-ordination Board set up to consider applications for the institution of services and the issue of licences for defined routes.

The first company to operate under this Act was Air Travel (N.Z.), Ltd., which commenced a service in Westland in December, 1934. This was followed by the commencement of services between Napier and Gisborne by East Coast Airways in April, 1935, and in December of that year between Wellington, Blenheim, and Nelson by Cook Strait Airways. In January, 1936, Union Airways of New Zealand, Ltd., inaugurated the first trunk service between Palmerston North and Dunedin, and in June, 1937, commenced an Auckland-Wellington service.

SERVICES IN OPERATION.

On the 31st March, 1939, the following services were in operation :

Auckland-Wellington.
Auckland-Gisborne.
Gisborne-Palmerston North.
Palmerston North-Christchurch.
Wellington-Dunedin.
Wellington-Blenheim-Nelson.
Nelson-Greymouth.
Hokitika-Jackson's Bay.
Inchbonnie-Wehaka.

The total route mileage operated on these services is 2,016, as compared with 1,673 on the 31st March, 1938, and the total aircraft engaged nineteen, compared with fifteen on the corresponding date last year.

INTERNAL SERVICES.

1. *Air Travel (N.Z.), Ltd.*

Air Travel (N.Z.), Ltd., was formed in 1934, and commenced operations in December of that year with one D.H. Fox Moth aircraft on the route from Inchbonnie to Hokitika and Franz Josef Glacier. When traffic warranted, a further service from Hokitika to Haast and Okuru was run in addition. So popular has this service become that the fleet has been increased from the original single aircraft to three Fox Moths and two D.H. Dragonflies. Details of the operation of this company since the inception of the service will be found in Section VII.

2. *East Coast Airways.*

The East Coast Airways commenced operations in April, 1935, on the Gisborne-Napier service, using two D.H. 84 aircraft.

The saving in time over road transport was responsible for the first success of this company, but it received a setback through the temporary closing for reconstruction of Gisborne Aerodrome, its northern terminal, for a period of over six months between March and December, 1936.

When the service was resumed in December, 1936, it was found that the carriage of mail under contract to the Post and Telegraph Department and the extra passenger traffic offering were together more than sufficient for the existing equipment. Negotiations were entered into with Union Airways during 1938, and the company was taken over on the 1st July, 1938.

In October, 1937, the service had been extended southwards to Palmerston North, where it linked up with the existing services operated by Union Airways of New Zealand, Ltd. During the period of its existence, East Coast Airways completed 4,194 hours flying on scheduled services and carried a total of 14,447 passengers.

3. *Cook Strait Airways.*

Cook Strait Airways commenced operations on the 30th December, 1935, on the Wellington-Nelson-Blenheim route with three D.H. Dragon Rapide aircraft. This service, by providing a speedy crossing of Cook Strait, has become very popular. In February, 1937, the service was extended to the West Coast of the South Island as far as Hokitika, with an intermediate call at Greymouth.

Early in 1938 the southern terminal (Hokitika) of this service was, through development work, rendered unsafe for use by the company's aircraft, and the service terminated at Greymouth. As from 15th March, 1939, Westport was included in the itinerary. The company has obtained a licence to operate a service between Nelson and Takaka, and this will be brought into operation immediately the Takaka aerodrome is opened.

4. *Union Airways of New Zealand, Ltd.*

Union Airways of New Zealand, Ltd., commenced their first service between Palmerston North and Dunedin, with intermediate stops at Blenheim and Christchurch, on the 16th January, 1936, using three D.H. 86 aircraft. In June, 1937, the company extended its operations by the addition of a daily service between Auckland and Wellington, using three Lockheed Electra aircraft. This service was increased on 30th October, 1937, to twice daily in each direction.

The company absorbed East Coast Airways, Ltd., on 1st July, 1938, and took over the Palmerston North-Napier-Gisborne service.

A licence was also obtained to operate services over the Gisborne-Opotiki-Tauranga-Auckland, Auckland-Rotorua, and Dunedin-Invercargill routes. The first of these was commenced on the 20th March, 1939, and the others will be introduced immediately the aerodromes at Rotorua and Invercargill have been extended sufficiently to cope with the larger machines.

Reorganization of the services was effected on 22nd October, 1938, to provide for a service between Wellington and Dunedin, with one stop at Christchurch, and for the original Palmerston North-Dunedin service to terminate at Christchurch.

During the period under review this company was allotted a grant of £12,500 to assist in meeting losses sustained on the routes referred to.