

INTERNAL SERVICES.

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

At the commencement of the year this company operated services (1) to (5), having a total route mileage of 1,440 miles and using four Lockheed Electra aircraft, three De Havilland Air Expresses, and two De Havilland Dragons. Between 17th September and 25th October, 1939, the five aircraft of the two last-mentioned types were taken over by the Royal New Zealand Air Force, and as a result the services were reduced by the cancellation of those operating between Palmerston-Christchurch, Palmerston-Gisborne, and Gisborne-Auckland, and the reduction of the trips on the Auckland-Wellington and Wellington-Dunedin routes from once daily to thrice weekly in each direction. In addition to its own services, this company also operated the services over route (6) under charter to Cook Strait Airways, Ltd. Details of the company's operations in statistical form are shown in the appendices to this report.

2. *Cook Strait Airways.*

Prior to 9th November, 1939, Cook Strait Airways operated services over routes (6) and (7) with five De Havilland Rapide twin-engined aircraft. On the latter service an intermediate call was made at Westport, and daily schedules were maintained. On the cross-Strait services, a total of seventeen trips daily was scheduled. With the taking-over of the company's aircraft by the Royal New Zealand Air Force, arrangements were made with Union Airways of New Zealand, Ltd., and Air Travel (N.Z.), Ltd., to continue the services under charter. The original schedule of the Nelson - West Coast service is maintained by the latter organization with two De Havilland Dragonfly aircraft, while Union Airways operate the cross-Strait service on a basis of seven trips daily with Lockheed Electra aircraft.

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

Air Travel (N.Z.), Ltd., continued to operate the services on routes (8) and (9), using two twin-engined De Havilland Dragonfly aircraft and three De Havilland Fox Moths. This company's services have proved very useful to settlers in the southern portion of Westland, where there are as yet no formed roads.

As stated in (2), the company commenced operations on Cook Strait Airways' Nelson-Greymouth service on the 10th November, 1939, and extended this to Hokitika so as to connect with their own normal services. Where the traffic so requires, Air Travel also operates in conjunction with Union Airways in the cross-Strait service.

Operational figures are quoted in the appendix.

INTERNATIONAL SERVICES.

1. *Tasman Empire Airways.*

This company is expected to be registered at an early date, and regular services on a twice-weekly basis will commence almost immediately thereafter.* It was originally intended to utilize three flying-boats of the Short Empire S. 30 class on the service, but owing to an accident to one of these while employed by Imperial Airways on the European route only two—the "Aotearoa" and the "Awarua"—will be available for the Tasman service. With the restricted service to be operated during the war period it is anticipated that these will be sufficient. A number of survey flights have been made during the past few months by the "Aotearoa" and a large amount of information has been collected which will be used in the regular operation of the service.

2. *Pan-American Airways.*

This company will provide a service from San Francisco to Auckland, passengers travelling to Honolulu by the Eastbound aircraft, and transferring at that point to the machines to be used on the New Zealand service. Only one return flight has been made during the year for purely survey purposes, using the new Boeing type flying-boat with which it is intended to operate the service. The date of commencement has not yet been decided.

NON-SCHEDULED COMMERCIAL FLYING.

In addition to the three companies operating scheduled services, the following organizations catered for commercial work of a general nature, the aircraft used being indicated in parentheses:—

Waikato Aviation Co., Ltd., Rotorua (one Desoutter).

New Zealand Aerial Mapping, Ltd., Hastings (one Monospar S.T. 25).

Southland Airways, Ltd., Invercargill (two D.H. Puss Moths).

Queenstown - Mount Cook Airways, Ltd., Timaru (one Waco Q.D.C.).

During the year ended 31st March, 1940, a total of 2,530 hours was flown on these services, the distance covered being 268,793 miles and the passengers carried 8,133. The corresponding figures for the previous year were 2,456, 252,187, and 10,342 respectively. Further figures relating to these services appear in the Appendix.

AIR PHOTOGRAPHY.

New Zealand Aerial Mapping, Ltd., using one Monospar S.T. 25 aircraft, continued its operations in aerial survey and photographic work, most of which continues to be for local bodies. The total area photographed was 937 square miles, and the flying-time involved 97 hours.

* The service commenced on 30th April 1940.