

has had to plan on a scale sufficient to meet adequately the whole of the Dominion's commercial air-service requirements for many years to come. It has already been mentioned that progressive development must go hand in hand with improvement of aerodromes and other facilities, while long-range policy to meet full requirements must involve major works, such as the complete layout and construction of modern workshops fully equipped to ensure prompt maintenance of the highest possible standard. It is only the fulfilment of this objective that will permit the maximum utilization of aircraft, with consequent economy of operation and complete service to the public.

Obviously such a programme is dependent upon the other essential demands on the country's resources.

Care is being taken to endeavour to keep the growth of services on a sound financial basis from year to year. There is, however, a marked difference between a policy based upon the growth of services relating to existing demands and the task imposed upon the Corporation of planning on a much wider scale. The Corporation, in order to discharge its charter under the policy laid down by the Government, must be prepared, as aircraft and related facilities permit, to establish progressively services to areas which financially may not be immediately or ever completely self-supporting but which will be an integral part of "full and adequate" services for the Dominion as a whole.

The more profitable trunk routes, whilst being partly dependent on the feeder services, must in turn help to bear the deficits which may be associated with their operation. Any system which might prevent this internal balance could hardly be considered consistent with the functions and aims of the Corporation. Confidence and ability to plan on this scale is vital.

Notwithstanding the substantial increase of passenger capacity provided over the period under review, the public demand for air travel continues to tax the resources of the Corporation. My Board feels that night flying and Sunday services should be introduced as soon as circumstances and facilities permit, and thus provide a utility which is freely availed of in other countries.

Throughout the year the Corporation has maintained a service of freighters across Cook Strait under charter to the New Zealand Railways Department. The Corporation's own freighter services are about to be introduced on the trunk route, and will be extended progressively throughout the country as aerodromes and suitable aircraft become available.

A Public Relations Branch has been established during the year and is serving a useful purpose in publicizing the facilities and advantages of air travel. In this connection, offices have been opened at Auckland, Gisborne, Palmerston North, Wellington, Dunedin, and Suva, and others are planned. Airport hostesses have been appointed to the principal airports to assist women and children travelling, and cafeteria facilities and improved passenger-reception buildings at airports have been introduced at Auckland, Wellington, Christchurch, Dunedin, Blenheim, Nelson, and Westport. This work will continue at other points and in other directions.

The Corporation is a member of the International Air Transport Association, usually known as IATA.

In addition to the most efficient ground organization, the selection of aircraft to meet the peculiar requirements of the Dominion is a matter of paramount importance. The Corporation is now faced with the extremely important task of selecting standardized aircraft of proven types to enable it to meet modern demands. With this end in view I am proceeding to Great Britain forthwith to make a special study of British aircraft-production to ascertain what is likely to become available over the next few years. Apart from my long and intimate association with aviation in general, I will be supported with data especially prepared by the Corporation's technical and operational staff concerning operating conditions and traffic requirements in this country. I will also be