

A drive to restore confidence was made by a lecture and film tour throughout the country by the Public Relations Officer and a senior Captain (Pilot), which had very good and noticeable results. Teletype circuits were introduced as soon as available to facilitate bookings, ensure prompt attention to passenger requirements, and to ensure the fullest possible utilization of seating capacity provided.

Development towards increasing the freight potential was given attention, and has resulted in increased loads, which ultimately will necessitate a special freighter schedule.

Other important matters are at present under review and rearrangements being made that will further improve the financial position of the Corporation.

Operating expenditure includes provision for the amortization of the Lodestar aircraft and related equipment by 31st March, 1952, and of the Douglas aircraft and related equipment by 31st March, 1953, but it is now expected that the serviceable life of the latter will be extended by two or even three years. The annual charge for depreciation thereon will be reviewed accordingly, and probably reduced in the light of developments in the next year.

By reason of membership of the International Air Transport Association (IATA), the Corporation enjoys the privilege of being agent for member airlines throughout the world and of being able to arrange and sell air transport on a world-wide basis. It has also been appointed General Agent for British Commonwealth Pacific Airlines, Trans-Canada Air Lines, and Trans-Australia Airlines, with other general agencies pending.

This process of consolidation is still in progress, and the field of potential economy has not yet been fully covered. Notwithstanding the fact that the Corporation is operating comprehensive air services throughout the Dominion, including a number operated at considerable loss, and despite the impediments placed upon activities by the use of remote airfields at Paraparaumu and Whenuapai, the budgetary position indicates that operating losses, which reached £328,675 last year, will be substantially reduced for the current year and probably to a figure little in excess of £100,000, after meeting all charges including interest on capital.

In its task the Board has received the whole-hearted support of the management, executives, and staff of every branch, and it is noteworthy that not one man-hour has been lost on account of industrial problems on the internal services. The Board has enjoyed the most harmonious relations with its personnel, and would like to acknowledge the high standard of service and co-operation which has been given by all members of the staff and which has contributed so largely to the development of an airline organization that is comparable in all respects with airlines in other countries.

LEONARD ISITT, Chairman.
J. S. HUNTER, Deputy Chairman.
F. W. MOTHEs, Director.
W. W. HYNES, Director.
H. WORRALL, Director.