H.—19.

Although no Army co-operation work took place during the year, two instructive exercises were carried out with the Navy in December and March. Between the 2nd and 5th December the Fairey IIIF seaplane from Hobsonville Air Base co-operated with H.M.S. "Dunedin" during annual practice in the Hauraki Gulf. The seaplane rendered valuable assistance in the spectting of torpedoes and observation of fire, and also provided the drogue for anti-aircraft practices. In March a Moth seaplane was used for the spotting of torpedoes and observation of fire during exercises with H.M.S. "Diomede."

The aerial survey of some 300 square miles in the Maniototo district (South Island) is nearing completion. Delays occasioned in finishing this survey have been due partly to lack of suitable equipment and partly to climatological difficulties.

During the disastrous earthquake in the Hawke's Bay District in February all the available pilots and machines of the Permanent Air Force were employed in relief measures, a brief account of which is given under subhead (c).

(b) N.Z. AIR FORCE (TERRITORIAL).

Since August the N.Z. Air Force (Territorial) has been organized as a wing, consisting of four squadrons, of which two are Army co-operation squadrons and two are bomber squadrons. To each of these units an officer of the N.Z. Permanent Air Force has been appointed as Adjutant. This organization, although somewhat premature in view of the limited equipment available, facilitates both administration and training, and develops esprit de corps within the units.

The strength of the N.Z. Air Force is sixty-six officers, including six Aero Club trained pilots

who have been recently granted commissions.

The scheme whereby young Aero Club pilots are granted commissions in the Air Force by selection and examination is most promising, and from this source the bulk of the pilot officers for the Air Force will be drawn in the future.

Owing to the necessity for further economy, the usual refresher courses were restricted to two short courses for junior officers, held at Wigram Aerodrome in March and April. These courses were attended by twenty-six officers, who carried out 270 hours' flying in addition to ground training.

In order to maintain flying efficiency during the year, squadrons have carried out cross-country formation flights using Air Force machines supplemented by Government Moth aeroplanes from the Aero Clubs. The total flying-time for these flights was 210 hours.

(c) HAWKE'S BAY EARTHQUAKE.

During the earthquake period in the Hawke's Bay District valuable services were performed by Air Force and civilian pilots engaged in relief operations. Between the 4th and 15th February twenty-two light aeroplanes flew approximately 45,000 miles, carrying mails, urgent stores, and passengers to and from the devastated area. On the 4th February a complete chlorinating plant was sent from Auckland to Hastings by air. Between the 6th and 15th February a mail and urgent stores service was operating from Hastings to Wellington and Auckland, two 'planes flying daily from each centre. On this service approximately 200 mail-bags and parcels of telegrams and quantities of medical stores, in addition to passengers, were carried.

(d) AIRCRAFT AND EQUIPMENT.

The total number of aircraft on charge at Wigram Aerodrome is sixteen machines, which comprise:---

- (i) Service types.—Three Gloster Grebe single-seater Fighters and five Bristol Fighters, the latter being Army co-operation machines.
- (ii) Training Types.—Four Hawker Tomtits and three D.H. Moths.

(iii) Passenger Machine.—One D.H. 50 four-seater.

Both the Grebes and the Bristol Fighters are obsolescent. There is now only one squadron of the latter in the British Empire, and this squadron is being re-equipped this year. The four Avro 504K machines, being of no further use for training purposes, were sold by public tender in May.

At Hobsonville the serviceable aircraft consist of one Fairey IIIF (with seaplane and land undercarriage), one Saunders Roe "Cutty Sark" flying-boat, and three D.H. Moths (including one seaplane). In October a Fairey IIIF seaplane was extensively damaged while undergoing speed trials over water. This machine has been returned to the makers for reconditioning or exchange.

(e) N.Z. AIR FORCE AERODROMES.

All work, with the exception of a few minor contracts, ceased at the Hobsonville Seaplane Base at the end of August. The base is complete, with the exception of a few minor buildings, such as wireless and photographic rooms and single men's quarters; and the hangar blocks workshops and stores buildings still require interior fittings.

At Wigram Aerodrome, Christchurch, a hangar and up-to-date workshops are required.

(f) Civil Aviation.

(1) Commercial Aviation.

During the past year practically no progress has been made in the development of commercial air activities. Of the two major companies formed in 1929, the National Airways (N.Z.), Ltd., has not committed itself to any active operations, and the Dominion Air Lines, Ltd., which obtained a four-passenger "Windhover" flying-boat last December, has since been forced into liquidation. Eight minor companies are engaged in intermittent air-taxi work, using light 2-3-seater 'planes. The Gisborne Airways, Ltd., has been operating for the past three months a daily service with light 'planes between Gisborne and Hastings.