

ANNUAL REPORT.

The overseas tourist trade during the last six months of the year has been reduced to a minimum; indeed, the decrease started to be noticeable some little time before war broke out, particularly from the United Kingdom.

Immediately on the outbreak of war pleasure travel from the United Kingdom ceased entirely. The Department ceased its representation in the High Commissioner's Office. American and Australian travel also fell away practically to nothing. However, with the decision by the United States Government that their ships might visit belligerent countries in the Pacific and the fact that that ocean has been kept free from enemy raiders, a small but fairly steady trickle of visitors has resumed.

The imposing by the Australian Government of certain restrictions on currency, coupled with a fairly heavy increase in steamer fares, has caused visitors from the Commonwealth to be confined to business men, though a few New-Zealanders have returned to participate in Centennial celebrations and to visit the Exhibition.

But war, by a curious paradox, has greatly developed the possibilities of tourist traffic from a quarter whence, previously, comparatively few visitors have come. The impossibility of Europeans proceeding home on leave from the Netherlands East Indies, Malay Peninsula, and other parts of the East, together with the insistence by employers that leave outside the tropics must still be taken, led to a small spate of inquiries from those countries. Immediately an advertising campaign was instituted by the Department, a full supply of booklets, itineraries, and other publicity media was sent to our various agents, and every step was taken to ensure that full information regarding our attractions and travel facilities was made available, including a booklet specially prepared for Eastern distribution. Inquiries were received from as far afield as India and Japan, while others came from French Indo-China and Siam, and to these countries, too, full information has been sent.

Skeleton advertising campaigns are still being maintained in the United States and Australia to keep the name of the Dominion before the public so that our share of overseas travel may be secured without interruption when the final victory has been won.

The Department was represented at both the New York World's Fair and the San Francisco Golden Gate Exposition, and keen interest in our exhibits is reported by the officers in charge. All material for the exhibits was prepared by the Department's Studios.

Figures supplied by the Government Statistician show that for the past three years the country of origin and numbers of tourists visiting New Zealand have been:—

	1937-38.	1938-39.	1939-40.
Australia	14,502	16,692	3,951
United Kingdom	2,175	2,105	795
Other British countries	1,689	1,705	1,439
United States of America	724	783	380
Foreign	442	477	326
	19,532	21,762	6,891

INTERNAL TRAVEL.

Internally the year has made history as regards the volume of travel, particularly, of course, by rail. The Centennial Exhibition at Wellington has been a mecca, while local celebrations in other places have drawn back old identities to the scenes of their birth. The relaxing of petrol-restrictions during the Christmas season sent travel figures up with a rush, while reduced rail and service-car fares for Exhibition visitors also added to the numbers travelling.

A further factor was that New-Zealanders accustomed to make overseas trips remained in the Dominion, thus both adding to the volume of travel and helping to conserve sterling funds.

During the winter months, prior to the outbreak of war, "snow trains" were run successfully to the Chateau Tongariro, while excursions and conducted trips to the Glaciers, Southern Lakes, and other beauty spots were undertaken. These activities, as far as circumstances permit, will be continued.

The Department participated whole-heartedly in the "group travel movement" inaugurated by the Hon. the Minister of Internal Affairs.

No cruise ships arrived from Australia during the year.

DEPARTMENT'S PARTICIPATION IN CENTENNIAL EXHIBITION.

The Department, of course, was responsible for a pavilion in the Government Court at the Exhibition, the studios undertaking (as described below) a very considerable quantity of production work for other Departments.

From the report of the officer in charge of the Pavilion the public was much impressed both with the display made and also with the information it conveyed concerning the world-wide ramifications of the Department's work. The whole of the work was completed by the staff of the Department's Studios.