

1941.
NEW ZEALAND.

DEPARTMENT OF TOURIST AND HEALTH RESORTS AND PUBLICITY

(ANNUAL REPORT OF THE).

Presented to both Houses of the General Assembly by Command of His Excellency.

THE HON. THE MINISTER IN CHARGE OF THE DEPARTMENT OF TOURIST AND HEALTH RESORTS AND
PUBLICITY TO HIS EXCELLENCY THE GOVERNOR-GENERAL.

Wellington, 20th May, 1941.

I HAVE the honour to submit to Your Excellency the report of the Department of Tourist and Health
Resorts and Publicity for the year ended 31st March, 1941.

FRANK LANGSTONE,
Minister of Tourist and Health Resorts and Publicity.

His Excellency the Governor-General of New Zealand.

ANNUAL REPORT OF THE GENERAL MANAGER OF THE DEPARTMENT OF TOURIST
AND HEALTH RESORTS AND PUBLICITY.

Wellington, 15th May, 1941.

SIR,—

I have the honour to submit the following report on the organization and work of the
Department of Tourist and Health Resorts, with which is now incorporated the Publicity Department,
for the year ended 31st March, 1941.

I have, &c.,
L. J. SCHMITT, General Manager.

The Hon. Frank Langstone, Minister of Tourist and Health Resorts and Publicity.

ANNUAL REPORT.

Following the peak period of the Dominion's tourist traffic, reached in the 1939 season, when 21,762 overseas tourists visited New Zealand, leaving the record amount of approximately £1,500,000 in extra revenue, came the outbreak of hostilities in Europe, causing a serious curtailment in the flow of visitors from the United Kingdom, with a corresponding falling-off in arrivals from other parts of the world. The following figures have been supplied by the Government Statistician regarding the numbers and country of origin of tourists over the past three seasons:

	1938-39.	1939-40.	1940-41.
Australia	16,692	3,951	1,781
United Kingdom	2,105	795	210
Other British countries	1,705	1,439	1,305
United States of America	783	380	215
Foreign	477	326	289
	21,762	6,891	3,800

One result of the war has been to turn the attention of residents in India, China, and the Malay States to the fact that this Dominion offers attractive possibilities for those going on furlough and who are at present debarred from making the usual trip to the United Kingdom. Thus the Government Statistician is able to record the arrival this season of 451 visitors from the Straits Settlements, 77 from Hong Kong, and 322 from Fiji. These numbers are, of course, included in the totals given above under the heading "Other British countries." This southward movement has been encouraged through the distribution of special literature prepared by the Department in anticipation of this happening. Without exception, these visitors from the East have expressed themselves in gratifying terms of the treatment accorded them during their stay, and have announced their decision of returning as soon as opportunity permits.

A satisfactory feature of the travel business locally is that New-Zealanders have been visiting the main resorts in increasing numbers, and this has helped to balance to a certain degree the falling-off in overseas traffic.

The Centennial Exhibition, which concluded in May, 1940, proved a valuable means of bringing the Department's travel service and the wonderful attractions of the Dominion to public attention. The Department's court and general display was the centre of considerable interest during the duration of the exhibition, and resulted in a great deal of extra booking to the various resorts.

Overseas offices of the Department are all having their returns of tourist business considerably affected by present world conditions. In America the general trend is to confine travel to the United States, Canada, Mexico, and South American countries, so that only a comparatively small percentage now undertakes the journey to Australia and New Zealand, in contrast to the steadily growing figures of the past few years.

The New Zealand Tourist and Trade Commissioners in the United States and Canada are continuing their policy of spreading a wider knowledge of this Dominion, and are making use of a necessarily limited amount of advertising apart from lectures, film displays, and the distribution of suitable literature, &c. This is most important in order not to lose the ground already gained through several years of sustained effort.

The result of the Department's participation in the New York World's Fair was to introduce the Dominion in a big way to millions of visitors from all parts of the eastern States and from abroad, and the effect of this is certain to bear good fruit in the future.

PUBLICITY.

The main feature with regard to publicity during the past year was the display made in connection with the Centennial Exhibition held at Wellington, and ending in May, 1940. All manner of modern media was employed for this, and the Department's exhibit came in for most favourable comment on all sides. There is no doubt that the publicity gained from the display resulted in New-Zealanders gaining a much wider knowledge of what the Dominion has to offer in the way of unrivalled scenic attractions, and also made known the value of the excellent booking system and other travel arrangements provided by the Department's Bureaux and Agency offices.

The judicious distribution of suitable literature and advertising material, including lantern-slides, films, &c., has been continued on a necessarily much reduced scale during the year. In India, China, and the East generally, a growing demand has been experienced for information of this nature, and many people who in happier circumstances would have spent their usual furloughs in the United Kingdom have visited this Dominion instead. The effect of this on future traffic to the Dominion should be of the greatest value, and it is already learned that arrangements have been made in some cases by British parents to send their children to New Zealand for educational purposes.

In Australia, contact is being retained with all travel groups and companies, and the distribution of literature and publicity materials is being maintained on a reduced scale in order to keep in touch with the tourist business generally.

In New Zealand, where interest in travel to our resorts is steadily increasing, publicity activities are being continued with good results.

With the establishment of a New Zealand representative at New Delhi, India, the opportunity is being taken to widen the publicity campaign in that country. Supplies of literature, especially that prepared for Eastern countries, have been despatched, and will be followed by regular consignments at frequent intervals.

Stocks of publicity literature are being carefully conserved at the present time, and supplies for overseas offices have been reduced to a minimum, being only despatched to points from which business may be reasonably expected.

INTERNAL TRAVEL.

In the matter of internal travel, all of the departmental Bureaux report increased business. A large number of excursions were organized, most of these being to hotels and resorts managed by the Department. South Island Bureaux arranged a number of tours of North Island resorts, and many parties were arranged for the South Island by the Auckland and Wellington offices. During the Christmas and January periods, travel was so brisk that it was difficult to secure sufficient accommodation unless bookings were made well in advance. Many letters of appreciation were received by the managers of the Bureaux from satisfied clients.

FINANCIAL.

The revenue collected from the various activities controlled by the Department, and the expenditure from the Consolidated and Public Works Funds, for the past six years was as follows:—

<i>Return of Receipts, 1935-40.</i>						
	1935-36.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
	£	£	£	£	£	£
Receipts	84,564	100,678	115,973	124,134	113,482	109,940

<i>Return of Expenditure, 1935-40.</i>						
	1935-36.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
	£	£	£	£	£	£
Consolidated Fund..	124,151*	148,389*	175,120*	203,200*	184,908*	161,734
Public Works Fund	13,683	16,789	23,159	24,551	24,892	21,575

* Includes expenditure on overseas publicity.

Tickets sales at the Government Tourist Bureaux for the past six years were as follows:—

	£		£
1935-36	402,148	1938-39	564,787
1936-37	480,789	1939-40	544,517
1937-38	533,847	1940-41	523,141

DEPARTMENT'S FILM AND ADVERTISING STUDIOS.

The Studio-manager reports that in spite of difficulties caused by a shortage of staff through enlistment and other causes during the year a large volume of important work was carried out. The completion of the New Zealand Centennial Film, a 5,000 ft. feature picture covering the story of our early history from the time of the first organized settlement and the signing of the Treaty of Waitangi to the present day, formed one of the major undertakings in connection with the Centennial period. This picture, considered by those in the film business in the Dominion to have attained a high standard of production, was officially handed over to the Patriotic Society by the Prime Minister for general release purposes.

Other outstanding pictures completed during the period under review were—

- (1) "Growing Malting Barley," a major two-reel picture produced for the Agriculture Department:
- (2) "Royal Mail," a picture depicting the work of the Postal Service, produced for the Post and Telegraph Department:
- (3) "Fishermen's Paradise." This picture was a record of the visit of Mr. M. Lerner, from the Museum of Natural History, New York:
- (4) "Spinning Wheels." This was a special picture made for the Transport Department's campaign on road safety:
- (5) Another outstanding production was the film entitled "Wings over New Zealand." This picture was made on the authority of the Director of Publicity, Prime Minister's Department. As its title implies, it portrays the fine work being performed by our young airmen in preparation for the sterner tasks of war.

Some fourteen poster films covering a wide range of subjects were also produced throughout the year on behalf of the Prime Minister's Department, and a complete coverage was also obtained of the various parades and departures of New Zealand troops.

In addition to all these activities, the Studios also covered several major assignments on behalf of news-reel companies, such as the arrival of H.M.S. "Achilles" (this obtained a world release) and the late Prime Minister's funeral (which also obtained a world release). At the close of the year two major pictures were in production—namely, "Farewell New Zealand," a picture compiled from negatives of the various echelon departures made throughout the year and to be released shortly, and "Arms for New Zealand," a major two-reel subject depicting the growth of munition-making in New Zealand. Both these productions are being made for the Director of Publicity, Prime Minister's Department.

In addition to the above, the Studios were busily engaged during the year preparing a number of copies of films forwarded by the Ministry of Information, London, through the High Commissioner for Great Britain. These films, which played a large part in connection with the Old Country's war effort, were circulated for showing throughout the Dominion. Further films prepared by the Studios for the Prime Minister's Department dealt with petrol-conservation, the saving of non-ferrous metals, and the salvage of other materials.

Art Department.—The Art Department has continued to function with a greatly reduced staff to carry out much valuable work in the way of displays for the various Tourist Bureaux in the Dominion and overseas, together with the preparation of thousands of posters, display cards, &c.

Still Department.—The still department has continued to function at high pressure, and has turned out over thirty thousand prints, lantern-slides, and enlargements of various sizes. In addition, over one thousand coloured lantern-slides have been prepared and circulated in every theatre in the Dominion on behalf of the Treasury Department's campaign in connection with national savings. These were prepared at the instigation of the Prime Minister's Department. This branch also continued to serve the photographic needs of practically every Department of State, including the Agriculture Department, Marine Department, Public Works Department, Housing Department, Forestry Department, Scientific and Industrial Research Department, Combined Intelligence Department, Naval Control Service, Army and Air Force Departments, Post and Telegraph Department, Health Department, and Treasury, &c.

Advertising.—The advertising campaign handled by the Department has been carried on at a reduced tempo, in line with the changed conditions affecting the travel business.

APPENDICES.

APPENDIX A.

(EXTRACTS FROM REPORTS OF CONTROLLING OFFICERS.)

THE TRADE AND TOURIST COMMISSIONER IN CANADA AND THE EASTERN UNITED STATES.

The Trade and Tourist Commissioner reports a drastic decline in general American overseas travel business which, forecasted about a year ago, resulted early in 1940 in practically a complete cessation of travel from the United States of America. With the exception of cruise business to the West Indies and to South American countries, sea-borne pleasure traffic dwindled to a very low total. To meet the demands of travellers and with a view to increasing internal vacation travel, the United States proclaimed 1940 as "Travel in America Year," and this resulted in United States resorts and Canada and Mexico receiving very encouraging patronage.

The stricter control of shipping and other wartime factors have adversely affected hopes for sustaining United States to New Zealand travel business in the meantime. Furthermore, quickly changing conditions necessitated that the staff should concentrate on more urgent wartime activities, particularly in the direction of supply procurement.

Except for the continuance of participation at the New York World's Fair and the inclusion of a New Zealand exhibit at the Cleveland Exposition in January, 1941, no sustained programme of tourist publicity has been followed. Those travel inquiries which were received were given attention, and most requests for the loan of films and slides were fulfilled. Travel lecturing to small groups requesting information regarding New Zealand was undertaken, but in these instances the interest was more in New Zealand's industrial development and wartime effort than in the scenic and sporting facilities of the country.

New York World's Fair, 1940.—The decision of the New Zealand Government to re-enter the New York World's Fair in 1940 was received with satisfaction by the United States Government and the New York City authorities. As evidence of the united effort of the United Kingdom and the dominions, our participation was well advised. The New Zealand pavilion required very little alteration, particularly as the plan which had been in operation in 1939 was closely followed. This work was effected without delay, and the New Zealand pavilion was ready to receive visitors on the official opening-day. The exhibit was improved by the addition of some new features, particularly the Michael Lerner - American Museum of Natural History exhibit of deep-sea fish. The Department is greatly indebted to Mr. Lerner and to the American Museum of Natural History for providing these excellent trophies, and for the co-operation of the museum authorities in the erection and dismantling of this particular exhibit. Despite the fact that other exhibitors were inclined to use novel equipment to attract attention to their displays, it was preferred to maintain in the New Zealand pavilion an atmosphere of peaceful New Zealand life, and, probably because of the unsettled conditions overseas reflected in many of the pavilions of nations exhibiting, this quiet appeal was commented upon by many visitors. Purposely the wartime atmosphere was not introduced into the scheme of the New Zealand pavilion, which by nature of its original character planned in 1939 did not lend itself to such type of treatment. The war effort of the Dominion was not overlooked, however, but was stressed in the combined Empire war-effort display which was housed in the British pavilion. Here, a large hall was devoted to an exhibition of photographs and war exhibits, the theme being the unity of purpose of the countries of the British Commonwealth. This particular display attracted literally millions of visitors in the second half of the Fair period.

On several occasions the facilities of our New Zealand pavilion were made available to the Anzac War Relief Committee by arrangements with the New York World's Fair Corporation, and the opportunity was taken by the Committee on special days when there were large attendances to receive material support, which was so promptly forthcoming from American visitors. Letters of appreciation have been received from the President of the Anzac War Relief Committee in acknowledgment of this co-operation.

Our participation at the New York World's Fair was carried through 1940 with a reduction in staff and a definite reduction in cost of operation. Actually it will be found that participation in 1940 cost approximately one-half of the original amount voted for the purpose. The number of visitors estimated to have viewed the display equalled the total of 1939, when over four million persons visited the pavilion. On 26th September, Dominion Day was celebrated by the New York World's Fair Corporation, and New Zealand was honoured to have as its official representative on that occasion the late Marquis Lothian, His Majesty's Ambassador.

His Excellency was guest of honour at the ceremonies of celebration—namely, the luncheon tendered to New Zealand by the World's Fair Corporation, and the reception in honour of New Zealand held by the United States Commissioner-General. As the principal speaker at the New Zealand pavilion celebration, Lord Lothian delivered an address of timely interest in which he referred to the history and achievements of New Zealand. His speech was telegraphed to newspapers in many countries of the world, and the Ambassador was very appreciative of a special message received by him from New Zealand's Prime Minister.

The Cleveland Exposition, held in January, was of two weeks' duration. It contained several displays from the New York World's Fair, and again a common Empire front was evident with the inclusion of exhibits from the United Kingdom and the dominions. The New Zealand display at Cleveland was of a general nature, small in size, but definitely of interest, and, although no immediate benefit might result, justified its inclusion and resulted in many interested inquiries being received.

THE TOURIST AND PUBLICITY REPRESENTATIVE IN WESTERN AMERICA.

Under present world conditions, tourist traffic as far as New Zealand is concerned has fallen off to such an extent as to be practically negligible, reports the New Zealand Representative in Western America.

Despite the apparent difficulties, it was hoped to promote at least some tourist traffic during the summer vacation months of June, July, and August. Efforts were concentrated first on a tour party promotion by the American Express Co., in San Francisco, and in this connection a small appropriation was made available for local newspaper advertising. In addition, a special folder was printed, and received wide distribution throughout the territory. Every indication was that the tour party would be well supported, but owing to war conditions the actual number finally making the trip was seven.

The second major promotion was that undertaken by Mr. Deane Dickason, who has conducted annually a "Far Harbour" tour. This particular tour party was *de luxe* promotion, providing for premium accommodation throughout and travel by private automobile in New Zealand. Both the Matson Navigation Co. and this office co-operated to the fullest extent, and every possible assistance was afforded Mr. Dickason. Prior to sailing there were actually twelve deposits on hand, but adverse publicity regarding war conditions caused eight cancellations. Mr. Dickason finally sent the party of four merely as an independent group.

Another agency in Southern California was instrumental in organizing a party of twelve to take the Matson escorted cruise to Australia and New Zealand. Although this meant that the party would be in New Zealand only for the day the ship was in port, they were able to undertake Auckland sightseeing and the day trip to Rotorua.

During the year under review, seventeen itineraries were requested by travel agents and individuals covering a total of approximately thirty-five people. The total value of these itineraries amounted to \$6,520.00. During the year the gross tour sales made amounted to \$3,939.50. This is a decrease of approximately \$500.00 as compared with last year's effort, but the difficulties of travel promotion have been immeasurably more acute than at any time in the past.

In addition to actual cash sales, a number of tourists left for New Zealand without making any advance arrangements, there being nineteen definite bookings, and in addition twenty-four people definitely sailed for New Zealand with the intention of making their travel arrangements on arrival. All of these people were contacted by the Auckland Bureau, and in almost every case travel sales resulted.

To add to the difficulties of tourist promotion, many of the smaller travel agents have been forced to abandon their activities at least for the duration of the war. The Matson Navigation Co. it still continuing its national advertising campaign, and although Honolulu is being featured, New Zealand is always mentioned. Similarly, the Canadian Australasian Line is still advertising travel to New Zealand.

Publicity.—As was the case in the previous year, no national magazine advertising campaign was undertaken during the year under review. During the year a total of 440 requests for information were received. Although the majority of requests originated in the United States, inquiries were received from Canada, Puerto Rico, Brazil, Philippine Islands, and China. It is interesting to note that all of the foreign requests resulted from previous advertisements in the *National Geographic* magazine.

With the inauguration of the Pan American Airways clipper service to New Zealand, an excellent opportunity was afforded to further publicize this Dominion. Great interest was evinced by the press generally and some very fine descriptive stories were printed. In addition, an inaugural banquet was held in Los Angeles, and on this occasion special New Zealand toheroa soup supplied by the New Zealand Representative was a feature of the dinner.

In July last at the Los Angeles County Fair held at Pomona, California, the Department was offered and accepted free space in a travel exhibit operated by a local travel agency. Many favourable comments were received regarding the attractiveness of the exhibit and also that the Department was able to participate in view of existing conditions.

During the year one or two travel agents in the San Francisco area have organized travel lectures, and on several occasions New Zealand publicity films have been loaned to them for special showings.

Films.—In accordance with the Department's general policy, 16 mm. publicity films have been made available without charge to various groups and individuals. During the year a total of eighty-one films have been loaned for this purpose. Fine publicity is being achieved by Messrs. Akin and Bagshaw, who operate a film exchange covering the Rocky Mountain States. The New Zealand films held by this firm receive very wide circulation. Sets of coloured slides have also been loaned to various New Zealanders temporarily residing in educational institutions, &c., in the United States. In addition to the above, many requests are received for members of the staff to provide films and lecture programmes. Actually some twenty-eight publicity lectures covering the whole of Southern California have been given by the staff.

New York World's Fair.—With the dismantling of the New Zealand exhibit at the Golden Gate International Exposition, San Francisco, several of the exhibits were forwarded to New York to augment the New Zealand display at the World's Fair in that city. To aid in the administration of the exhibit the Los Angeles Representative journeyed east and spent approximately three months as Acting Commissioner-General at the New York Fair.

THE TRADE AND TOURIST COMMISSIONER IN AUSTRALIA.

The Trade and Tourist Commissioner for New Zealand in Australia reports that the restrictive effects which war conditions imposed upon travel between New Zealand and Australia in 1939 were intensified during 1940, and under existing conditions it is logical to expect that the majority of the Australian public should satisfy their recreational requirements through the media of local and inter-State holiday resorts, which are experiencing more than normal patronage.

Furthermore, the demands upon individual and family budgets arising out of patriotic appeals, service with overseas and home-defence organizations, and increased taxation towards the war effort have had a seriously restrictive effect upon recreational travel both in and beyond the Commonwealth. Nevertheless, there have been several significant developments in favour of New Zealand travel during the year, as, for example, the establishment upon a firm basis of a regular air service, in relation to which the continuous demand for seats has been far in excess of carrying capacity. Also the decision by British and Colonial Administrations and business houses in Asia and the Pacific, whereby it is incumbent that furlough is to be spent in the Southern Hemisphere, is bringing to New Zealand a steady flow of visitors whose individual spending capacity is above the average.

Results in the Commonwealth.—During the three years prior to the outbreak of the war the New Zealand Government Tourist Bureaux in the Commonwealth averaged £95,000 in "over the counter" receipts for travel purposes alone. The comparative figures for the year ended March, 1940, fell to £33,000, and for the year immediately closed receded still further to £13,000.

In the light of the many adverse circumstances with which all travel organizations must now necessarily contend, results for the past year are gratifying, and demonstrate that the confidence which the Australian public has for many years extended to New Zealand Government Bureau services is still maintained and can be turned to good purpose when normal conditions are re-established.

Publicity.—At present it is obvious that publicity efforts must be brought into line with local conditions, a policy of consolidation being adopted meantime, as opposed to the previous policy of aggressive salesmanship. With this end in view the travel staff in the Bureaux has been maintained on a basis sufficient only for essential services to agents throughout the Commonwealth and the "over the counter" public in Sydney and Melbourne; and with a view to keeping that service before the public a moderate press campaign restricted to the leading metropolitan journals in all States has been maintained.

The policy of the New Zealand Government in the Commonwealth to co-ordinate all phases of representational duties under one control in matters of policy and principle has proved of immense value, in that the versatility of the officers employed upon travel duties prior to the war enabled them to be utilized immediately for defence and supply liaison duties as necessity arose. Consequently, the process of staff adjustment was effected with the maximum economy to the travel organization and immediate efficiency to the Ministry of Supply, the requirements of which have meantime absorbed all marginal resources in accommodation, staff, and equipment.

In brief compass the period under review has been one of marking time but ensuring the reinstatement of the tourist flow as soon as normal conditions again prevail. When this time arrives, Australia should constitute an excellent reservoir from which the Dominion can draw. For many years the Commonwealth supplied 60 per cent. of the Dominion's overseas visitors, and it is reasonable to assume that when hostilities cease the good will and spending capacity of Australian citizens for recreational purposes will be much higher than in the older Continents and that air transport will have placed the time factor on a basis comparable with inter-State travel.

QUEENSTOWN.

The tourist season for the year was a busy one in spite of the generally unsettled conditions prevailing. Bookings were heavy throughout the season, and it was pleasing to note the presence of visitors from the Dutch East Indies, Malay, and Hong Kong. Some visitors from the United States also visited Queenstown.

During the year the Department's gardens at Queenstown and the tracks and huts in and around Lake Wakatipu were kept in good order. Expenditure in general was kept to a minimum.

THE ANAU HOTEL.

The Manager reports that, in spite of restrictions on travel caused by war conditions generally, accommodation receipts have been well maintained during the season. This has been helped considerably by the excursions organized by the Dunedin Bureau during Labour week-end, King's Birthday, and the Easter period, and also by parties arranged by the Wellington Bureau for the Milford route. During the winter months improvements were made to the gardens and lawns and to the lake frontage of the hotel. The period September to March shows an increase on the previous season's returns.

TOURIST AGENT, TE AROHA.

The Government Tourist Agent reports an increase in gross receipts over the year's working, a very satisfactory conclusion in view of present circumstances. Maintenance work was carried out throughout the spa, all bath buildings, springs, and playing-areas being thoroughly overhauled and kept in first-class repair. Apart from tennis, which has been considerably affected through the departure of many of the younger men, other games such as croquet and bowls maintained their popularity.

Some necessary improvements were made to buildings and plant, and a certain amount of judicious advertising was indulged in with beneficial results. An inspection was made during the year of the site suggested for the construction of an outdoor swimming-bath.

Territorials encamped just outside Te Aroha made use of bathing facilities at the spa during five days of the week covering the duration of their stay.

The X-ray treatments were taken advantage of to a greater extent than previously, with a corresponding increase in revenue from this source. The figures for the year disclose an encouraging increase in popularity of all baths at the spa.

DISTRICT MANAGER, ROTORUA.

The comparison of revenue from all sources with that of the previous year shows an increase of £2,798, the total revenue of £72,090 being a record. The increase recorded over all sections, as a whole, is certainly very pleasing.

As in previous years, the electric section has shown an increase, the greater portion of which is no doubt due to the revenue now being received from the Ngakuru extension, which was completed during the year.

A surprising increase is that shown by the passenger-booking section. It was anticipated, owing to present conditions, that, as was the case last year, a further reduction in revenue might be expected. The Rotorua Bureau ticket sales are always increased by rearranging itineraries and refunding on other Bureaux' tickets. It is pleasing to note this year that, despite the fact that refunds were £329 less than the previous year, the sales were increased by £424.

Water, Drainage, and Electricity.—A total of eighty-seven new connections were made to the water system, and the drainage system was also extended. The plumbing-work performed during the year included a considerable amount at the baths and some work at Te Wairoa. The Round Trip service was curtailed to four days per week during the winter; and launches, buildings, &c., received attention and overhaul. All the Sanatorium buildings, the Bureau, and various playing pavilions were painted.

Further progress has been made with the supply of electrical energy from the Department's system at Rotorua, the main development taking place west of Ngongotaha, where extensions entailed the construction of new 6,000 volt lines of a total mileage of 5 miles 60 chains. Street lighting involved the servicing of lights throughout the town area and the gardens.

Gardens.—Much favourable comment has, as heretofore, been passed regarding the very fine display of blooms maintained throughout the year. A quantity of native plants have been propagated and are now ready for transplanting. Cut flowers have been supplied throughout the year to the Sanatorium, bath buildings, and the Bureau, also to the Chateau and Waikaremoana as required. Plants have also been forwarded to other centres. All the playing-areas at the Sanatorium have been maintained in excellent condition.

BALNEOLOGIST, ROTORUA.

The Balneologist reports that the financial returns are very satisfactory, particularly in relation to the therapeutic side of the establishment. A marked increase in Sanatorium fees and a considerable increase in the returns from the massage department is recorded. Out-patients' consultation fees also show a substantial rise. The decrease in returns from the Blue Bath is mainly due to an entire absence of Easter periods, at which time a considerable patronage by the visiting public is expected.

The Sanatorium.—The daily number of patients in this institution has been 47-89, an average rise of an extra patient per day on last year's figures. The position regarding admissions to the Sanatorium becomes increasingly difficult, and, by force of circumstances, many of the more chronic types of cases have had to be excluded, giving preferential consideration to the younger and more curable patients. This is essential from an economic point of view. At the present time there are 129 patients awaiting admission.

Approximately ten thousand baths and fourteen thousand special treatments were given to patients in the Sanatorium during the past year. Many cures were effected, and the majority of patients received a great deal of benefit.

The Main Bathhouse accommodation and services have been taxed almost beyond capacity, and if the work increases it will not be possible to carry on the requisite treatments without extending the buildings.

Massage and Physiotherapy.—This department has carried through a very strenuous year, and the massage staff have, all told, given over twenty-five thousand special treatments. Despite the hard work, often under trying conditions, they have done fine work with unflinching service.

During the year the most modern types of ultra-short-wave diathermy have been installed in both the Chief Masseuse's and Chief Masseur's departments, and have been found of great assistance in many phases of the work.

Buildings. The usual work of maintenance has been carried out, and the painting of the outside of the Main Bathhouse is now in progress. The Postmaster Bathhouse has been rebuilt, and now provides comfortable service for patients taking those baths.

Summary.—The past year has been a hard one from the working point of view because of inadequate accommodation and inconvenience in these old and obsolete buildings. It is to be hoped that the new Sanatorium will be built with the least possible delay and that the work of providing a new and up-to-date treatment-house will also receive urgent consideration.

MANAGER, WAITOMO CAVES AND HOTEL.

The Manager reports that, as was to be expected, there was a considerable falling-off in traffic owing to the war and petrol restrictions. The reduction in traffic is probably more marked in this place than in most other resorts, as the majority of the people stay only for one day. Also, the cutting-off of practically all overseas traffic has probably had a greater effect on this place than in most other resorts, where they have their regular visitors staying each year for a week or more.

Approximately 9,280 people visited the caves and 4,265 stayed in the hotel. There were four Sunday railway excursions from Auckland, bringing a total of 1,083 people to the caves. These excursions have been very popular this year, and all seats were sold a few days after the booking opened. Week-end excursions were run from Auckland on Labour Day and King's Birthday, and in both cases were well booked.

Improvements, Buildings, &c.—No major works have been done during the year, and all maintenance and repair work has been carried out by our own staff.

Reserves and Farm. As in previous years, any spare time of the guides has been taken up in repairs and improvements. The farm is gradually being cleared and fenced, with the result that the outlook from the hotel is much improved. Moreover, the property is able to carry more stock, and fifty sheep are at present being grazed in addition to the milking-herd and dry stock.

Patriotic Activities. The hotel has been the centre for all patriotic activities in the district, and the dining-room in the old building has been used for the Lady Galway Sewing Guild, packing parcels, &c. During the year approximately £150 was collected for the central committee as a result of weekly euchre parties and other functions. In November a garden party was held in the grounds of the hotel and £50 was cleared. The hall has been used for send-off parties and Home Guard parades.

MANAGER, LAKE HOUSE, WAIKAREMOANA.

The Manager reports that during the year the resort has been well patronized despite the petrol restrictions and adverse war conditions, lack of accommodation occurring at peak periods.

New laundry equipment has been installed, and it has been necessary to have the house rewired electrically during the latter part of the season.

Returns from the camping-ground show that the huts have been well occupied over holiday periods, and good business has been done with hiring of boats and outboards. The trips to Waikare-iti and on the lake itself have been as popular as ever.

Tracks and grounds generally have been maintained in good order and condition.

THE CARETAKER, MORERE HOT SPRINGS.

Although a large number of visitors arrived at Morere during the season in order to take the baths, a reduced revenue was recorded over that of the previous year. The grounds were kept in good order, and all paths and tracks maintained.

THE CARETAKER, LITTLE BARRIER BIRD SANCTUARY.

The Caretaker advises that the past year has been a favourable one for forest growth, the young kauri trees having come on well owing to the fairly evenly distributed rainfall. The native birds have generally been more numerous in the vicinity of the homestead, particularly tuis and bellbirds, while kiwis appear to be increasing in numbers, being constantly seen and heard at night close to the house. Very large numbers of "Mackerel" gull have been present on the shores of the island.

The house and surroundings have been well cared for, and fences have been kept in a good state of repair. The war against vermin continues, and a number of cats and many rats have been trapped during the year.

THE MANAGER, MILFORD TRACK AND HOTEL.

The Manager reports that the resort has been well patronized during the past twelve months.

Homer Tunnel.—Access became available in April, 1940. Since that date visitors have been arriving each week. This access should bring quite a number of tourists when the Milford Track is closed. Arrangements have been made with the Public Works Department to allow tourists through the tunnel on Sundays between the hours of 9 a.m. and 5 p.m. Arrangements can also be made for tourists staying at Milford to return through the tunnel when the men are not working.

Milford Track. The Milford Track has also been well patronized during the past season; quite a number of tourists have made the round trip this year, returning through the tunnel. This has enabled them to spend extra time at Milford Hotel, which has been much appreciated by all. In past seasons the complaint was that the walk both ways did not give tourists long enough time at Milford Sound. There were two organized parties from Wellington during the season; both were well patronized.

Heavy floods caused delay to several parties this season. Much damage was done to the track on the Milford side of McKinnon Pass. The Arthur River broke its bank in several places, and the track suffered in consequence.

A new outboard boat was placed in commission on Lake Ada this season.

Hotel Milford: Winter Months.—Hotel Milford is open to receive tourists during the winter months, weather conditions permitting, access being through the Eglinton Road and Homer Tunnel. Winter conditions at Milford Sound are usually very good—moderate temperatures and more settled weather conditions than those experienced in the summer months being the usual occurrence.

THE MANAGER, THE CHATEAU TONGARIRO.

The Manager reports that, despite the generally unsettled conditions prevailing and the almost total absence of overseas tourists, there has been no falling-off in revenue, the total amount received being £34,286 7s. 1d., as against £34,094 6s. 9d. received in the previous year. The year under review had no Easter holiday period, whereas the previous year had two such periods. This would make a difference of close on £2,000.

The revenue received from the hire of equipment reached a new record of £2,610, so that this particular branch is an excellent source of revenue.

Buildings and Plant.—General maintenance work on all buildings and plant has been carried out over the year. A start has been made with the erection of a reservoir to enable the hotel to be supplied with water at all periods of the year.

Roads, Tracks, Mountain Huts, &c.—The mountain road has been completed during the year, and last winter, which was a poor snow year, the necessity and value of this work was proved.

The additions to the Salt Hut and ski-room on Ruapehu were completed early in the year and extra accommodation provided, while a big improvement was hardly adequate to deal with the record number of guests handled during the last ski-ing season.

The Ohakune, Waihohonu, and Mangatepopo Huts have been inspected during the year, and they are in reasonably good repair.

Golf-course.—The golf-course maintains its popularity and comes in for much favourable comment and is definitely a main factor in keeping visitors at the Chateau during the summer season. The usual annual tournament was held at Easter, and was won by Miss Shortt, of the Remuera Club, and Mr. Coggin, of the Feilding Club, the latter winning for the second year in succession.

Ski-ing.—Last winter proved to be the most popular one the Chateau has ever had, the revenue for the three months of July, August, and September being £17,326, as against the previous year's £15,669.

The usual racing was held in July and August, and in September a new race was inaugurated from the top of the mountain down to Ski Club Hut. Twenty-four runners started off the mark, and at some stages a record speed of a mile a minute was attained. The race proved very popular, and in normal times will prove to be one of the biggest events in the ski-ing world in this country, and the cup one of the most coveted prizes to be gained.

The winter was a poor one for snow, but the completed road up the mountain proved a boon, and the usual complaints about having to walk so far to the ski-ing fields were obviated.

The usual climbs of all three mountains have been undertaken and a satisfactory guiding service has been maintained. All guides, with the exception of one, have now joined the Army, and difficulty has been experienced in maintaining the usual satisfactory service through the winter.

Postal Branch.—This branch has had a busy year handling, as it does, all postal, banking, and licensing facilities similar to those of a city office, and full satisfaction has been given.

APPENDIX B.

LIST OF HIGH ASCENTS AT FRANZ JOSEF GLACIER, SEASON 1940-41.

Date.	Party and Guide.	Name of Peak.	Height.	Route and Remarks.
1940.			Ft.	
May 1	Mrs. C. Ayers, G. Graham, and H. Ayers	Lendenfeldt ..	10,503	Ascent and descent by north-east arête from Pioneer Bivouac.
Dec. 29	P. McMahon, J. O'Kane, and D. J. McKenzie; Guide, H. Ayers	Mount Drummond	8,200	Ascent from Almer Hut to Franz Josef Glacier snowfields, and thence by west face to top. Descent same way.
Dec. 31	P. McMahon and D. J. McKenzie; Guide, H. Ayers	{ Minarets Peaks De la Beche ..	{ 10,022 9,817	{ From Almer Hut to Graham's Saddle, and thence by south-west ridge to top of De la Beche, descending to south col, and thence by south face to both peaks of the Minarets.
Jan. 17	Miss M. Scott; Guide, G. Somerville	De la Beche ..	9,817	Ascent from the Almer Hut to Graham's Saddle, and thence by south ridge to summit. Descent same way.
Jan. 25	Mr. and Mrs. Townend, Mr. and Mrs. Cromwell, J. Crichton, M. Seddon, Keith Graham, and S. Graham; Guide, H. Ayers	Mount Drummond	8,200	Ascent from Almer Hut to snowfield of Franz Josef Glacier, and thence by the west face to the top. Descent same way.
Feb. 7	J. Crichton; Guide, H. Ayers	Mount Cook ..	12,349	Ascent and descent from the Haast Hut by Linda route.

LIST OF HIGH ASCENTS FROM THE HERMITAGE, SEASON 1940-41.

Date.	Party and Guide.	Name of Peak.	Height.	Route and Remarks.
..	Mr. Crichton (Guides, G. Cook and H. Ayers); Messrs. Esquilant and Craigie; Messrs. Stevenson and Dick; Dr. Gallas and Mr. C. Johnson	Mount Cook ..	Ft. 12,349	..
..	Messrs. A. Jackson and Whitehead; Dr. Gallas and Mr. C. Johnson	Mount Cook (low peak)
..	R. Wilson and party; N. Hamilton and party	Malte Brun ..	10,421	..
..	Mr. Coulson and Miss Orford (Guides, G. Cook and A. Manson); Mr. and Mrs. Latham and Mr. Sim	Minarets ..	10,058	..
..	Miss Newton; Mr. Meikleham (Guide, G. Cook)	Hamilton ..	9,915	..
..	Miss Newton, Mr. Newton, and Mr. R. Wilson (Guide, G. Cook)	Anzacs

Approximate Cost of Paper.—Preparation, not given; printing (645 copies), £16.

By Authority: E. V. PAUL, Government Printer, Wellington.—1941.

Price 6d.]

