

The number of passports issued is the highest total on record, and is considerably in excess of the total for last year, which covered the coronation period, when so many persons from New Zealand visited England for the celebrations. As an indication of first the decline and then the rise of overseas passenger traffic it may be of interest to quote below the number of passports issued during the last ten years:—

1930	..	..	4,909	1935	..	..	3,382
1931	..	..	4,120	1936	..	..	3,640
1932	..	..	3,412	1937	..	..	4,457
1933	..	..	2,882	1938	..	..	4,765
1934	..	..	2,455	1939	..	..	5,010

In my last annual report, in commenting on what was then a heavy increase of passport work, the conclusion drawn was that the coronation celebrations and improved financial conditions were the cause. It may now be inferred that this year's record figures can be attributed to the continued internal prosperity of the country.

It was decided by the Government to reimpose the requirement of passport *visas* for German nationals entering New Zealand. This decision was in line with the policy of the British Government, which reintroduced such requirement with effect from 1st April, 1938.

A similar decision was given in respect of holders of Czechoslovak passports as from 1st April, 1939.

It was found necessary in one case to impound the passport of a person landing in New Zealand holding a passport issued on false statements made to another passport-issuing authority overseas.

XXI. FOREIGN CONSULS.

There are thirty foreign countries having consular representation in New Zealand at present. During the year the Netherlands Government appointed a vice-consul *de carrière* with headquarters in Wellington.

Gazette notices were published notifying the issue of His Majesty's Exequatur in favour of eleven consuls. Notifications were also gazetted in twelve cases of new appointments and temporary appointments.

One consul died and one resigned his office.

The Consul-General of Czechoslovakia in Sydney reported the closing of the three consulates of that country in New Zealand.

XXII. NATURALIZATION.

During the year three hundred and eighty (380) certificates of naturalization were granted. Four of these certificates were issued to persons who had previously acquired a British status in New Zealand only, but who now desired to obtain the complete status of a British subject. Two certificates were issued in Western Samoa. The number of certificates issued exceeded the total for last year (233), the increase being due to the large number of aliens who wished to exercise a vote at the general election.

An order of revocation of naturalization was made by the Supreme Court in the case of a person who, since the date of his naturalization, had been long resident in his country of origin and had failed to maintain substantial action with His Majesty's dominions. Other cases are under review, but difficulty is being experienced in adducing the necessary evidence.

Five British-born women who had married aliens were readmitted to the status of British nationals by becoming naturalized. The British Nationality and Status of Aliens (in New Zealand) Amendment Act, 1934-35, allows a woman who was a British subject prior to marrying an alien and who had acquired the husband's nationality by reason of marriage to make a declaration of desire to retain while in New Zealand the rights of a British subject. Twenty-one women made such a declaration. Under these provisions these married women can acquire the rights in New Zealand only, but not the status of a British subject. The Act also allows the wife of an alien becoming naturalized after the year 1934 to choose whether she desires British nationality. Previously the wife automatically acquired British nationality if the husband was naturalized. One hundred and thirty-two (132) wives of naturalized aliens exercised their option of making declarations of desire to acquire British nationality.

XXIII. RACING.

The Department had a representative at all totalizator race meetings to ensure that the law regarding the operation of the totalizator was complied with. Totalizator investments continue to increase, and it is evident that numbers of clubs are faced with the position of providing increased totalizator accommodation and facilities for their patrons.

The following statistics relative to the racing year ended 31st July, 1938, are of interest (figures for the racing year 1937 in parentheses): Number of racing days, 320 (320); number of races, 2,506 (2,497); amount of stakes, £527,545 (£443,538); totalizator investments £7,201,820 (£6,220,520); amount paid in dividends, £5,945,365 (£5,136,248); Government taxes, £608,340 (£525,314).

For the eight months ended 31st March, 1939, of the current racing year totalizator investments have increased by £1,362,322.