

Knowledge and experience proves that in certain countries we may find it most difficult to obtain a market for our staple products, with the possible exception of wool, and that in many cases we shall not enjoy even parity of trade, and that the visible balance of trade may never be in our favour. Especially is this the case with our larger Pacific neighbours.

The external tourist traffic provides the means for us to balance up our trade with some countries and to improve the position in respect of those which are our best customers.

The Department feels that the tourist traffic from overseas countries constitutes markets capable of extensive exploration, and that it is our duty to explore those markets fully. The work of doing so has been receiving progressive attention in the past, and since the cessation of hostilities is being accelerated, the principal objective being to ensure that proper value is given for New Zealand's legitimate portion of the world's tourist traffic when the resumption of regular passenger services brings visitors in volume.

Tourist traffic is an invisible export—the export of scenery and attractions—and if this export trade is managed wisely it will mean a *minimum* annual income of £2,000,000 to New Zealand (it might even reach £5,000,000 or £10,000,000 during the next decade), and it is capable of almost indefinite expansion in terms of our capacity, nationally and individually, to service that traffic. Maintenance and development of this invisible export trade is limited only by the machinery of service—that machinery is the official tourist organization, the redeveloping tourist industry (accommodation, transport, and sundry services) associated with it, and, in degree, *every* member of the community.

All of us must be prepared to make it a personal duty to ensure that tourists receive the fullest value for their money. Just as in other normal business relations the satisfied client repeats and sustains his patronage, so in the tourist business they tell their friends, and they, in turn, become our business clients. Good service and good value create good-will which is essential to the fostering of the tourist traffic, and which, moreover, contributes largely to the establishment of friendly international relations.

Much has been said and written with regard to the economic significance of the tourist traffic and the tourist industry, but a most important point to remember is the fact that a healthy tourist industry, by promoting this invisible and perpetual export, will do much to offset unfavourable trade balances and thus build up our overseas financial resources. Not only are the proceeds “new money,” they are also “ready cash” acquired without the physical removal of the main commodity. Nearly every other export from New Zealand involves complete physical removal. The gross return of all staple exports is charged with items that reduce the net return. The invisible export of “inwards tourist traffic” represents a gross return reducible only by a proportion of tourist administrative expenditure, advertising, and the relatively small value of consumable stores used by, and services rendered to, the tourist.

No other export item can make such a spectacular contribution to New Zealand's economic welfare, nor can any other item secure such proportionately remunerative results for such relatively small expenditure. Conversely, however, few other items of our export trade are so dependent on unvarying high-quality service for sustained sales volume. This high quality relates not only to the inherent excellence of the attractions we have, but also to our capacity to give good value and service for the money spent here. The good will we have so long enjoyed will thus be maintained into the future, but in this business, as in any other, we must jealously safeguard our reputation for “fair trading.”