North America.—The Department is at present without direct representation in North America, but has received a large measure of assistance from the established offices of the Government in Canada and the United States. Business activities in the tourist field are conducted chiefly through the recognized American and Canadian Travel Agencies, but direct bookings emanating at present from this continent are small. Absence of regular steamship passenger services is the principal factor restricting traffic from North America, and during the past year actual booking business in the United States has been discouraged by the imposition of a Federal tax of 15 per cent. on tourist tickets issued to overseas destinations. This is a wartime tax which is expected to expire shortly.

(b) The Domestic Field

For reasons that are apparent, most of the Department's business activities have been confined to the development of resorts and tourist facilities within New Zealand and the stimulation of internal tourist traffic. It is considered that in doing so the Department has made a substantial contribution to an improved economy. Brief reflection will show that travel promotion within the country has an effect of utilizing floating funds in the hands of the travelling public, and thus expenditure by the community on travel and touring would tend to retard inflation.

All Government Tourist Bureaux and the twenty-one Booking-agencies

share in the increased turnover mentioned elsewhere in this report.

New Booking-agencies were established at Picton and Oamaru.

Auckland.—Passenger-booking sales at this Bureau are more than 40 per cent. greater than for 1945–46, and are about £40,000 in excess of the last comparable pre-war year. Approximately 10,000 tours were sold, and a total of 25,000 persons was booked through this office. During the year a large number of conducted party and group tours was operated in both Islands.

The Bureau now acts as a central booking-office for internal and external

airways.

Various improvements, including the redecoration of the interior, were effected to the Bureau premises at Auckland.

Rotorua.—This Bureau established a record turnover for the year, an increase of 25 per cent. over the previous period. A large proportion of bookings for other offices in connection with accommodation is carried out by the Rotorua office in addition to the normal duties of a Tourist Bureau.

Te Aroha.—This Bureau is merely an adjunct to other activities, but a useful service is extended to local and country residents. The volume of business is not large.

Wellington.—In common with other Bureaux, this office showed a heavy increase in business, sales turnover having advanced over £20,000, compared with 1937–38—approximately £110,000 for the year just ended.

Conducted party tours and group tours were a feature of operations. In addition, many week-end excursions and several special car tours were arranged during the poried

during the period.

A limited number of overseas tourist visitors was dealt with.

Christchurch.—This Bureau achieved good results notwithstanding very great difficulties. The original premises had outgrown their usefulness, and for some time efforts had been made to rehouse the Bureau in more satisfactory offices. A transfer to new and more up-to-date offices in the Post Office building is to take place during the coming year, with the result that a good service will now be available to the public. Passenger-booking business improved by approximately £12,000 during the year.