a point of catering for the comfort of New Zealand visitors to this State, and the laudatory expressions of opinion that find a place in the 'visitors' book' amply demonstrate the usefulness and popularity of the agency.

'The monthly attendance of visitors, made up from a daily tally kept since the establishment of the office, shows that no less than 13,131 people visited the agency in search of information.

"There is no direct method by which the value and volume of the tourist traffic can be accurately gauged, but I have compiled a return showing the total number of saloon and steerage passengers carried from the Port of Sydney to either Wellington or Auckland, commencing from the month of July, 1906, and ending on the 31st March, 1907. Of this number a fair proportion no doubt made the International Exhibition at Christchurch their objective point, whilst a great many others contented themselves with a tour of the North Island, embracing the Hot Lakes and the Wanganui River. There can be no doubt that the exodus of Australian visitors would have assumed even larger proportions if the customary hot summer had been experienced, but the comparatively cool weather here had the effect of restraining many from seeking a more temperate climate. Cheaper steamer fare would also have been more conducive to travel. An analysis made of the inquiries at this office prove conclusively that the sport offering in New Zealand, both with rod and gun, is no mean factor in diverting tourists to our colony.

'The total number of saloon and steerage passengers carried to New Zealand from Sydney by the shipping companies for the period named amount to 5,196 saloon and 6,166 steerage, or a

grand total of 11,362.
"During the year just ended good results have been attained by the judicious loan of lanternslides to those who, having completed a tour of New Zealand, sought the first opportunity of introducing their friends to the scenic attractions that won their admiration. I have also delivered a number of illustrated lectures in various parts of Sydney, and am hopeful of good results.

'Whilst the agency has been but a little time established, it must be borne in mind that all the uphill work incidental to breaking new ground is now a thing of the past, and the future prospects must be considered encouraging. Our sphere of usefulness is generally being enlarged, and must count for the promotion of oversea traffic.'

ADVERTISING.

The advertising policy carried on during the year has been as vigorous as funds will permit. In the way of magazine and newspaper advertising the efforts of the Department have been chiefly directed towards North America. In other countries, such as Great Britain, Australia, and India, the greater part of the advertising done has been in the form of pamphlet-distribution, and this form, I am convinced, is more profitable than the ordinary newspaper advertisement, unless such advertisement can be preceded or followed by articles, with or without illustrations, descriptive of the country. The American advertisements were for the most part supported in this manner, and resulted in many thousands of inquiries being received. The great majority of the writers seem to be men of a desirable class-for the most part farmers with capital.

Much more work has been done in pamphlet-production during the past year than formerly. Some 103,800 books and pamphlets have been printed, chiefly made up as follows: Itinerary of Travel; Mineral Waters; Round Trip; Golden Coast (Westland); Facts about New Zealand; New Zealand in a Nutshell; Southern Lakes Guide; Excerpts from Year-book. Other pamphlets are now in the press. Large numbers of those issued have been distributed abroad, and in addition thereto some 13,900 weekly newspapers and Christmas numbers have been distributed. The total pamphlets and newspapers distributed numbered upwards of 190,000. The demand for the Department's "Itinerary of Travel" is still on the increase, the issue for the past year being 5,000 more than the previous year. In addition to the pamphlets issued by this Department, a large number of books and leaflets issued by the Lands, Agricultural, and Labour Departments have also

Some 14,500 photographs have been issued for exhibition in shipping-offices, steamer-saloons, public buildings, &c., and for illustrating articles in magazines and newspapers. Two thousand two hundred lantern-slides have been issued for the purpose of illustrating lectures on New Zealand in Great Britain, Canada, the United States, Africa, and Australia. Much good work is being done in this direction at very small cost.

NEW ZEALAND INTERNATIONAL EXHIBITION, CHRISTCHURCH.

At this Exhibition the Department secured 3,000 ft. of space in a prominent position in the main building, where an inquiry agency was established and a very comprehensive display made of the country's scenic attractions by means of oil paintings, water-colours, enlarged photographs, &c. Sport was represented by a very fine exhibit of deer-heads, specimens of feathered game, and large trout. Many thousands of people made use of the inquiry bureaux for information regarding both the Exhibition and travel-routes throughout the country.

In addition to the Court in the Exhibition building, the Department also established a model geyser and examples of hot pools, mud volcanoes, ngawhas, &c., in the grounds. The "geyser" was made to play in a very realistic manner. These proved very attractive features of the Exhibition, frequently commanding more than two thousand visitors in one day.

The Awards received by the Department were as follows: For collective display, gold medal and special award; display red-deer heads, gold medal; display fallow-deer heads, gold medal; display fallow-deer heads, gold medal; display kauri-gum, gold medal; collection of pictures of New Zealand, gold medal; collective exhibit of photographs, gold medal.