is derived from the reserves which are maintained for general tourist-developmental reasons, and in other cases the revenue return is of a more or less incidental character.

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The development of these various tourist assets necessarily requires the expenditure from year to year of money for capital improvements, a matter which is financially distinct from the expenditure

on ordinary maintenance and upkeep.

This year has seen the final completion of all work in connection with the new Ward and Blue Baths at Rotorua. The new golf-links in the Sanatorium grounds, Rotorua, and at the Chateau were Funds have been arranged for a new reservoir for the improved and are now in excellent condition. water-supply at Rotorua, and arrangements are also being put in hand to change over the electric-supply voltage from 110 volts to the natural standard voltage of 230.

Tenders will be called during the coming year for additions to the Te Anau Hotel, and a new launch for Milford Sound to replace an old and out-of-date vessel and to cope with the traffic that is anticipated

when the road now under construction is completed to the Sound.

Improvements to staff quarters at Waikaremoana and the Chateau will also be undertaken, and a

new bowling-green at Queenstown is being arranged for.

The programme of new works has, for financial reasons, been reduced during the past year or two, but developments and replacements must be provided for, and additional construction work and expenditure at Rotorua and Milford must be undertaken in the near future. Negotiations are in hand with a view to handing over to the Te Aroha Borough Council the control of the Te Aroha Domain and Gardens with an annual subsidy for maintenance from State funds.

PUBLICITY.

The year has proved a particularly busy one from a publicity standpoint. The demand for all kinds of materials for show purposes, as well as for supplies of literature, has steadily increased, leading to larger editions of booklets and folders being printed.

The visit of a number of cruise ships during the season led to a big increase in the distribution of the Department's special publications, these being presented to the passengers prior to the ships leaving New Zealand on their homeward voyages. There is no doubt that this distribution will prove of con-

siderable value in attracting further visitors to our shores during the coming summer.

The publicity campaign being carried out in the United States and Canada by large travel and tourist interests has been considerably assisted by the Department's literature and display material. Our literature is, in consequence, finding its way into the hands of many thousands of prospective travellers, who have already been attracted to New Zealand's charms through the work of their own local agents.

A new high-quality booklet issued during the year represents a departure to some extent from the customary advertising of the purely scenic side of the Dominion's attractions in that it deals also with various forms of human activity, as demonstrated by the growth of our main cities, means of transport, and similar subjects. Printed in sepia tones, the whole of the work being performed by the Government Printing Office, this book has already proved very popular, and large supplies have been despatched to the leading overseas agencies in readiness for the coming season.

Following the production of a small folder prepared for special distribution in India and the East, and on receipt of many indications that something of a more extensive character was needed, it was decided to prepare a substantial folder to include attractive photographic material and a great deal of informative matter of interest both to travellers and home-seekers. This publication has been

completed and will be widely distributed by mail in the most useful quarters.

Owing to the big demand for copies of the small booklet "Facts and Figures," which contains, in addition to the principal statistics of the "New Zealand Year-Book" a large amount of useful general information, this publication had to be produced in considerably larger numbers during the period under review. As in the past, it has proved one of the most popular of the Department's publications.

The "general folder," which deals with all the main attractions of the Dominion, was reprinted

and widely distributed among the various travel agencies overseas.
This provides a very comprehensive review of New Zealand, particularly from the point of view of the tourist, and is proving most useful

as an introduction to the country.

New posters prepared at the beginning of the season have been very favourably commented upon to the printed posters distributed by the Department, a series of striking original designs for windowdisplay and for use in overseas offices, particularly in Australia, was prepared and despatched and have proved very attractive and of distinct value in advertising the Dominion. Several new posters are now in course of preparation.

Film-production has again played a very important rôle in the publicity field overseas. The special film, "Romantic New Zealand," produced during the year, met with a most favourable reception from the public both in the Dominion and in Australia, where it is still on circuit. Its release throughout the Commonwealth should prove a very big factor in bringing New Zealand directly before many thousands who are likely to be interested in a tour of this country. Arrangements are at present in hand for the showing of this film farther afield, particularly in the United Kingdom.

Short sound-film subjects are still being prepared and released through regular film-distribution

channels and are keeping New Zealand interests well to the fore.

Silent films still continue to perform useful service in the lecture world and for all manner of private screenings still unaffected by the advent of the sound-film. The 16 mm. films prepared by reduction from the full-sized negatives are very much in demand by travellers, lecturers, and others, and in this field alone there has been considerable expansion during the year.