

ANNUAL REPORT.

THE rapid development of the tourist industry in recent times has been largely due to the progressive improvement in various forms of transport, notably the facilities provided by steamship and railway companies for comfortable travel, the development of air and motor services, and the vast improvement which has taken place in road-construction in many lands.

The past twenty years have seen the inauguration of passenger air services, the development of motor transport on a large scale, and the start of the modern cruise trend, all of which have done much to popularize travel throughout the world.

Another factor that has had a definite influence on the travel movement is that of special publicity by almost all countries concerned in encouraging foreigners to visit their shores. The promotion of local travel has also been intensified.

The tourist industry is now recognized by all nations to be a most lucrative one, the benefits of which are widely and readily distributed amongst the various communities; in fact, so important has the industry become to some countries that the expenditure of tourists from foreign lands has become an important factor in the balance of international payments.

In this connection it has been reported that one European Government proposes to spend next year at least £200,000 exclusively in tourist advertising, that the Government of South Africa appropriated last year the sum of £75,000 for a similar purpose, which amount was supplemented by £25,000 raised by the South African Travel Association, and that the various States in the United States of America spend very large sums annually in internal travel promotion.

During the year 1937–38 three new advertisers commenced operations in the North American territory—viz., the French Government Tourist Bureau, the Hungarian State Tourist Department, and the Egyptian State Tourist Department.

In New Zealand the general improvement in travel facilities to, and within the Dominion, together with a progressive publicity policy during recent years, has had an appreciable effect in developing the industry, and it is significant that the number of tourists visiting this country during the year ending the 31st March last exceeds the number for the year 1924 by 163 per cent.

The year covered by this report has been a record one for travel to, and within, the Dominion, the number of tourists from overseas being 19,532, an increase of 13 per cent. over the previous year.

The Government Statistician has supplied the following figures regarding the number of tourists visiting New Zealand from abroad:—

	1935–36.	1936–37.	1937–38.
Australia	10,083	12,802	14,502
United Kingdom	1,830	2,138	2,175
Canada	175	165	201
Other British colonies	1,163	1,138	1,488
United States of America	647	683	724
Foreign	386	371	442
	<u>14,284</u>	<u>17,297</u>	<u>19,532</u>

The numbers stated do not include persons visiting New Zealand on business or persons with theatrical or sporting engagements. Some countries include such visitors in their tourist statistics, and if this were done in the case of New Zealand the above figures for 1937–38 would be increased by 2,831, making the total arrivals for the year 22,363.

The tourists arriving in this Dominion come from a number of countries, but, as might be expected, Australia is by far the largest contributor owing to its geographical location, trade relationship, and to the fact that the peoples of both countries have similar tastes and customs. Furthermore, travel-promotion work in Australia has been carried out over a long period of years, whereas the Department's activities in other countries have been somewhat curtailed owing to lack of representation and funds for publicity work, but during recent years this defect has been largely remedied, and it is anticipated that considerable benefits will accrue from these efforts in the near future.

During the past eight years the Department has established offices in Canada, the United States of America, and Belgium, under the control of permanent officers of the Department, and the contacts they have already made with overseas travel interests have proved invaluable in educating travel agencies regarding the scenic and sporting attractions of New Zealand, in arranging the orderly distribution of literature, in directing general publicity work, and in laying the foundation for future tourist-promotion work.

At the present time no attempt is made to compile tourist statistics in order to determine the economic benefits derived by New Zealand from tourism. Statistics of this nature would be very difficult to obtain and would only be approximate because tourists spend money in so many different ways. Any information of this nature would have to be obtained through questionnaires issued to the travellers themselves, and this might not be appreciated by visitors from overseas.

Owing to the volume of passenger-booking business done by the Department it has been possible to form a fairly reliable estimate of the average expenditure of tourists from different countries touring New Zealand. Taking these figures and adding an amount to cover private expenditure, it is considered that a reasonable conservative estimate of the total value of the overseas tourist traffic to New Zealand would be £1,200,000 for the year ended March, 1938.