Island in their itineraries. I have pointed out to various organizations in the South that our agencies vie with each other in showing the largest return of tickets issued, and that obviously the Tourist Agent in Auckland would get little credit for booking a visitor to Rotorua and Taupo at a small cost, when by inducing him to visit Mount Cook, the West Coast, or Milford his figures would be much enhanced. As a matter of fact, I am safe in saying that 65 or 70 per cent. of the Department's booking business is with South Island firms. To test this I have recently taken out the figures for the year of bookings with the five leading South Island firms, as against the five leading North Island firms. The South Island business amounted to £15,978, and the North to £9,429.

The main improvements effected at the Department's resorts are referred to in the detailed statement regarding each place. Briefly, they are the completion of the extensions and additions to Lake House at Waikaremoana; the lighting of the Waitomo Caves by electricity, and the practical completion of the excavations for a new building there; the completion of the additions to the hotel at

Lake Te Anau, and also to Glade House, at the head of the same lake.

During the year I have visited as many of our resorts as possible, and found them all well conducted. Recently I got as far south on the West Coast as Scotts River, beyond the Fox Glacier, and was greatly impressed with the scenery beyond the Waiho, south of which I had not previously been in that locality. With the completion of the bridge over the Waiho there will, I am sure, be a great rush of tourists to South Westland, and it will be necessary to have an accommodation-house somewhere in the vicinity of the Fox Glacier, with huts, as there are at present on the Franz Josef Glacier. This is certainly one of the finest districts, from a tourist point of view, in the whole of New Zealand.

All the booking bureaux of the Department have been exceptionally busy throughout the year, and a very large increase in business is shown: this will be referred to later. There have been no less than 40,160 tours actually issued, at a cost of £154,879, an increase of £68,722 over the previous year; and this, of course, takes no cognizance of the vast amount of valuable information supplied to

visitors and inquirers who do not eventually book with the Department.

One item of interest to which I desire to draw your attention is the success which has attended the inauguration of the system of issuing coupons to travellers for their hotel accommodation. Some £11,000 worth of coupons have been issued, and these return a percentage of 10 per cent. to the Department. The scheme has worked very satisfactorily to the tourist and to the hotel accommodation-house proprietor. Another innovation was the establishment of an arrangement whereby all officers travelling on public service accounted for their tickets through the Tourist Department, thus ensuring that the most reasonable fares were paid, and tending to co-ordination in Government business. The number of tourists who visited New Zealand this year was 9,195, as against 7,365 for the previous year, an increase of 2,830.

STATEMENT SHOWING FINANCIAL POSITION AT MAIN RESORTS.

	Year 1925-26.				Year 1924-25.			
Resort.	Receipts.	Expenditure.	Excess of Ex- penditure over Receipts.	Excess of Receipts over Expenditure.	Receipts.	Expenditure.	Excess of Expenditure over Receipts.	Excess of Receipts o ver Expenditure.
	£	£	£	£	£	£	£	£
Te Aroha	1,449	3,012	1,563		1,451	3,522	2,071	
Rotorua	27,516	32,332	4,816		26,911	32,795	5,884	
Rotorua Acclimatization District	2,169	1,257		912	1,945	776		1,169
Waitomo Caves	8,646	3,993		4,653	7,100	4,125		2,975
Lake House, Waikaremoana	1,446	1,525	79		1,305	1,500	195	
Queenstown	259	869	610		207	672	465	
Glade House and Te Anau-Milford Track	4,251	6,091	1,840	••	2,503	3,418	915	••
Morere Hot Springs	444	269		175	310	294		16
Passenger-booking Bureaux	7,068	7,794	726		4,528	6,468	1,940	l

Return of Receipts.

The following table shows the receipts of the Department from all sources from 1919 to 1926:—

	1919–20.	1920-21.	1921–22.	1922-23.	1923–24.	1924-25.	1925–26.
Pagainta		£ 51 020					
$\operatorname{Receipts}$	 44,410	51,038	50,822	40,246	45,704	47,263	55.391

Return of Expenditure.

The following is a comparison of the expenditure for the past six years:-

	1920 –2 1. ₤	1921 –22. ₤	1922–23. £	1923–24. £	1924 –2 5. £	1925–26. €
Consolidated Fund	 93,720	86,944	59,647	60,445	66,294	70,794
Public Works Fund	 19,041	17,996	5,435	27,264	12,343	45,096