

The drainage scheme initiated last year has now been completed within the most important part of the town, but is incomplete until the erection of the necessary plant for pumping (and lighting the town) is effected. Tenders were invited for this service, but were considered too high for acceptance. The source of the power is a waterfall on the Taheke River, forming the outlet to Lakes Rotorua and Rotoiti. Mr. R. Hay, C.E., has had charge of these works.

During the year twenty-nine town and suburban sections were selected at Rotorua, making 215 in all. These lands are held under lease by virtue of "The Thermal-springs Districts Act, 1881." There are 5,614 acres now held under this Act in the district, which amount is let at an annual rental of £1,452.

With the aid of the nursery now established at Rotorua, the planting of the public reserves should be extended considerably. Trees are found to do well in the district, and will eventually pay a good interest on the money sunk in planting.

It is to be regretted that some of the tourists who visit the district still continue to take away "specimens" of the deposits from the thermal springs, thereby decreasing the attraction for those who come after them. The officers in charge have strict instructions to prevent this, and, so far as lies in their power, do so.

At Hanmer, in northern Canterbury, the thermal-springs establishment has been well kept up under the care of Mr. J. Rogers, but it is found that the bath-accommodation is still deficient for the number of visitors. This place increases in attractiveness from year to year—a fact which is proved by the increase of accommodation which has been supplied, due to private enterprise. At the Government Sanatorium many applicants for accommodation have been refused for want of room.

Arrangements have been in progress for utilising the natural gas found there for lighting purposes, but are not yet completed.

In the Appendix hereto will be found Mr. Rogers's report, giving details as to the establishment.

The following table will supply information as to the progress of the two principal Government establishments at Rotorua and Hanmer :—

Place.	1895.		1896.		1897.		1898.		1899.	
	Number of Baths.	Fees.	Number of Baths.	Fees.	Number of Baths.	Fees.	Number of Baths.	Fees.	Number of Baths.	Fees.
Rotorua	23,196	£ s. d. 483 11 3	28,906	£ s. d. 502 17 0	33,158	£ s. d. 631 0 6	46,668	£ s. d. 747 0 0	48,868	£ s. d. 711 0 0
Hanmer	6,306	202 17 6	7,781	240 4 8	9,627	290 4 9	11,436	354 4 7	14,540	413 1 2

The Hermitage at Mount Cook is under the management of Mr. and Mrs. Ross, and indirectly under that of the Commissioner of Crown Lands at Christchurch. The number of visitors was about the same as last year, but many of them stayed for longer average periods, advantage being taken of the huts erected near the glaciers for visiting the mountains and glaciers. A guide has been employed during the tourist season, and his services have been much in requisition by visitors. Various improvements have been made about the Hermitage itself, by the planting of trees, making seats, &c.

As population increases in Australasia, this place must become more and more a place of recreation and a "play-ground," for the scenery is acknowledged on all hands to surpass anything of its kind in Australasia, while the attraction it offers to alpine climbers is equal to many well-known mountain-ranges of Europe and America. The accommodation to be obtained at the Hermitage is very good, and the prices are reasonable.

A report giving detail of this establishment will be found in the Appendix.

Te Aroha Hot Springs are under the management of the Te Aroha Domain Board. The secretary of the Board has furnished an excellent report on this popular place of resort, which will be found in the Appendix. The principal event of the year was the opening of the new bath-house, which was built from funds contributed by the Government, under the supervision of Mr. C. R. Vickerman, of the Public Works Department. A description of the building, with a picture of it, was given in last year's report of this department. Reference must be made to the report referred to for detailed information concerning the springs, from which it will be seen that a great deal has been done to increase the efficiency and attractiveness of this place, which, from its easy access by railway both from Auckland and the Thames, is always a favourite resort of those who can spare a little time for recreation.

The thermal springs at Nuhaka, Hawke's Bay, are attracting more attention now that accommodation can be obtained on the spot, and, surrounded as they are by attractive sylvan scenery, the number of visitors must continue to increase, especially after the coach-road from Gisborne is open. At present the establishment is in its earliest stages, and visitors cannot expect the same comforts as are to be found at older establishments, but this will gradually mend. The accommodation-house is under private management.

In the near future another thermal-spring district will be opened to the public at Waipiro, on the coast northwards from Gisborne. Here a township has been laid out under the Native Townships Act, which will very shortly be submitted to the public. The springs here are several in number, and have proved very efficacious in cases of rheumatism. There is a fine supply of hot water. When the carriage-road is open from the coast the place is likely to attract a considerable number of visitors.