The dry summer experienced resulted in the lake-level falling at the rate of 1 ft. a month. Subsequent rains were sufficient to give only a temporary check to the continued fall. At times it was necessary to bring drinking-water from unpolluted streams some miles away.

Fishing during the season was fair on the lake, but somewhat disappointing in the rivers, particularly towards the end of the season. The Tongariro River was discoloured for most of the season by volcanic ash from Ruapehu. There was a consequent falling-off in the numbers of guests at the hotel, but it is gratifying to record a reasonably good increase in revenue.

The Hermitage, Mount Cook.—A substantial increase in revenue has been shown at this resort during the year, and there is considerable business in prospect. An impetus will undoubtedly be given to the sport of ski-ing owing to the early onset of winter and the fact that the New Zealand Ski Championships are to be held at the Hermitage after postponement during the war years.

A very considerable amount of maintenance, repair, renovation, and improvement work has been carried out as indicated in the report for the previous year—central heating throughout the buildings has now been installed, and all bedrooms have been provided with hot and cold water; a new lounge has been provided, and a lounge bar replaces the previous unsatisfactory facilities; staff quarters have been extensively improved, and various items of furniture and fittings have been renewed, replaced, or augmented. The kitchen has been replanned and up-to-date equipment is being installed. This work is not yet completed, and therefore service has been given under difficulties during the year.

Te Anau.—This hotel has shown a substantial increase in revenue over the preceding year.

The usual maintenance work was carried out, and during the summer the old buildings attached to the annexe were dismantled. Owing to the prevailing shortage of materials, no expenditure has been incurred on improvements.

A twelve-seater bus was stationed at Te Anau by the New Zealand Railways Road Services during the season and operated excursions to Eglinton Valley. These proved popular, and many guests availed themselves of the trips; 163 bookings were taken from the hotel during February and March. Increased sightseeing facilities inaugurated were the placing on Lake Te Anau of a 36 ft. launch licensed to carry twenty-six passengers. Trips were freely availed of by visitors. During February and March 410 guests from the hotel made launch excursions.

Glade House, Milford Hotel, and Milford Track.—The Milford Track continued closed to traffic, but preparations will be made to recondition the Department's installations as soon as possible.

The track to Lake Ada from Milford was cleared, and a track opened to View Peak at the rear of Milford Hotel.

The Milford Hotel has remained open during the difficult war period and has been reasonably well patronized throughout the past year. Visitors for the most part have consisted of trampers and others who have essayed the whole or portion of the journey from the Homer Tunnel to Milford Sound substantially by foot. Most visitors have arrived via Te Anau and the Eglinton Valley Road, but increasing numbers have walked from Lake Wakatipu via Elfin Bay and the Greenstone Valley, or from the Routeburn via Harris Saddle. A week-end party of forty-four arrived from Invercargill during January.