

panying them. The occasion was taken advantage of by the Government to invite all the Natives in the colony to assemble there to meet Their Royal Highnesses. The result was most successful, and the vast assemblage of Natives carried out their entertaining and interesting programme in such a manner as to leave a proud and pleasing memory in the minds of all who were privileged to be present.

That the Royal party carried back to England pleasant thoughts of their visit to Rotorua is shown by letters written to this Department by various members of Their Royal Highnesses' suite.

The Imperial Representative Corps also visited Rotorua. The Government baths were thrown open to them, and were greatly appreciated.

The following table, supplied by the General Manager of Railways, shows the number of passengers carried by railway to Rotorua during the two years ending 31st March, 1901 and 1902, respectively.

Return of the Number of Passengers booked to Rotorua for Years ending 31st March, 1901, and 31st March, 1902, respectively, exclusive of Bookings from Flag-stations.

Year ending	Ordinary.				Holiday Excursion.		Special Excursion.		Round Trip.		Total.
	Single.		Return.								
	First.	Second.	First.	Second.	First.	Second.	First.	Second.	First.	Second.	
1901. March 31 ...	666	1,458	551	718	395	1,236	175	157	144	106	5,606
1902. March 31 ...	1,080	2,161	923	1,877	884	4,806	...	...	199	192	12,122
Grand total	1,746	3,619	1,474	2,595	1,279	6,042	175	157	343	298	17,728

The above figures are exclusive of the passengers carried by the Royal visit and the Imperial Representative Corps special trains. There was also an increase of 30 per cent. in the number of visitors to Rotorua *via* Wanganui River and Taupo, exclusive of Natives attending the Royal visit demonstrations.

Notwithstanding that there are four hotels and fifteen boardinghouses in Rotorua and Whakarewarewa, the accommodation was not nearly sufficient to fulfil requirements during last Easter, and the Department had to issue warnings to intending visitors not to go there unless accommodation had been secured in advance. As it was, between two and three hundred persons arrived by rail late at night who could not get lodgings, and they had to sleep in railway-carriages, sheds, &c., and return to Auckland the next morning. An additional two hundred had perforce to put up with improvised accommodation, in some cases of the roughest description. If private enterprise does not soon provide the necessary accommodation, it will be incumbent on the Government to consider whether it shall not step in and do so, as has been done at Hanmer Hot Springs.

On the representation of this Department the Postal Department has decided that a trial will be made by the Auckland Post-office of making up for despatch by the steamer for Sydney, at 5.30 p.m., a supplementary mail containing the correspondence for Australia received from Rotorua by train due at Auckland at 5 p.m. on Mondays.

Sanatorium.

The Sanatorium has accommodation for twelve male and twelve female patients. Formerly four free beds for indigent persons were included, but owing to the number of demands for free beds, during the winter months, two additional beds were provided, making a total of six free beds. Even this number is quite inadequate to meet requirements, and, allowing the maximum residence for each free patient—namely, three months—all free beds have been booked in order of application up to February next. Also, numerous applications from paying patients for accommodation in the Sanatorium had to be refused during the summer months. When it becomes known that the services of an eminent balneologist have been secured, I am convinced that the applications for admission to the Sanatorium will be much larger than hitherto. This condition of affairs points to the urgent need of increased accommodation. In my opinion, it is desirable that a new accommodation building should be erected exclusively for paying patients on a site in the Sanatorium grounds near Lake Rotorua. An excellent position is available. Such new Sanatorium should be furnished and conducted on a scale superior to the existing one, and the latter should be used for indigents. Provision in this connection has been deferred to enable the Department to get the benefit of Dr. Wohlmann's experience and special knowledge, but proposals will be placed before the Government as soon as possible after his arrival.

During the past year the Sanatorium has been partly refurnished and otherwise improved, and made much more comfortable for the patients.

The number of patients received into the institution during the year 1901–2 was 116, and the revenue collected for accommodation and doctor's out-patient fees was £1,294 1s., as against £1,088 6s. 6d. for the previous year, thus showing an increase of £205 14s. 6d. Revenue on this account would have been much greater had more accommodation been available for patients.

The Doctor's and Matron's duties having largely increased, it has been found necessary to augment the staff of the Sanatorium by the appointment of a clerk and a nurse.