It will be necessary for the Department to go much further in this direction. Shortly a proposal will be placed before you for the purchase of a small aerated-water plant, to enable the Department to bottle and place on sale in a more palatable and attractive form some of the most valuable mineral waters of the colony.

Baths.

The popularity of the baths continues to grow rapidly. For the year 1903-4 the number of baths taken was 102,259, yielding a revenue of £2,415 2s. 10d., as against 94,846 baths and a revenue of £1,874 5s. 7d. for the previous year. The receipts from this source have more than doubled during the last three years. Owing to the rapidly decaying state of the old buildings the cost of maintenance becomes greater year by year, and the erection of more adequate buildings to meet growing demands is most urgent. Considerable improvements have been effected in the Aix-massage buildings in order to meet demands. The additional work in this department has necessitated the employment of two additional operators.

New Bath Buildings.

The plans and specifications for the new bath buildings are now well forward, and it is hoped that all preparations for the calling of tenders will be completed at an early date.

Tea-house.

The new tea-house to take the place of the temporary tent was opened on the 12th December. The establishment of these commodious rooms so picturesquely situated in the Government grounds is much appreciated by visitors, and undoubtedly adds to the attractions of the place. The receipts for the year amounted to £295 14s. 3d. for eight months, the tent having been closed in mid-winter. It is expected that the increasing popularity of a winter season at Rotorua will warrant the new house being kept open throughout the year. It is a popular resort in the evening when bands are playing in the grounds, or open-air concerts are in progress.

Buildings.

Considerable improvements and additions to buildings were effected during the year, principally in connection with the Aix baths, to which four new dressing-rooms and a dry massageroom were added, necessitated by the great demand for massage treatment. The heating of the rooms with pipes carrying hot Rachel water was also carried out, the electric light was installed throughout the building, and needle bath and medical appliances supplied. It was also found necessary to increase the water-supply to this building, and a new water-main, in part 8 in. and part 6 in., was laid from Fenton Street, a distance of 1,125 ft.

The new Tourist Office in Fenton Street was completed, and is now occupied by the Agent and his staff. The electric light was installed, and the enclosure fenced and laid out in path and lawn. Several minor improvements were made to the Sanatorium buildings, and some necessary

repairs were carried out at the Postmaster Bath attendant's and the gardener's cottages.

A more efficient and up-to-date fire plant for the protection of Government buildings is about to be ordered.

Gardens.

The high standard of excellence for which these grounds are noted has been well maintained during the year, although comparatively little has been done in further extensions.

The trees and plants put down in forming the Queen's Drive last year have made good pro-

Much care and attention has been bestowed upon the playing-greens, the surface of which, owing to the nature of the soil, quickly crumbles and wears. A difficulty is experienced in obtaining locally suitable top-dressing, and this adds considerably to the cost of maintenance. The amount taken in players' fees was £56 18s. 9d., compared with £47 7s. for last year.

During the year a new kitchen-garden was laid out and fenced for the purpose of growing fruit and vegetable supplies for the Sanatorium, tea-house, and Waimangu House. The result of the first season's work has been most satisfactory, full supplies of every kind of vegetable for these places having been successfully grown. The fruit-trees have shown splendid growth, and fair returns are expected next season. This branch of the gardens will prove most profitable and useful to the Department.

A terrace was constructed round the newly erected tea-house, and an ornamental lakelet was

formed facing the building.

The Pukeroa, Hamurana, and Kuirau Reserves and the grounds round the different Government buildings were kept in the usual manner.

An asphalt tennis-court and golf-links are very much required at Rotorua to provide winter amusements for visitors.

${\it Electrical\ Works.}$

As pointed out in last year's report the present generator plant is now fully loaded, and the question of additional plant is receiving careful consideration. An electrical engineer is about to visit the works and furnish a report as to the best means of meeting the demand for increased

Fifty-three new connections were made during the year, and in February an all-night service The receipts amounted to £1,032 19s. 10d., compared with £544 19s. for the

previous year.

It was found necessary to effect a change in the staff. Mr. R. C. White has been transferred from Okere to Rotorua, in order to better control the whole of the working, his place being taken by Mr. E. Beal, formerly town electrician at Rotorua.