

could be earned with new baths, clean and inviting, and fitted with all the most up-to-date accessories.

Out of the 89,731 baths paid for, a very large proportion were given at exceedingly cheap rates, some even as low at 1d., but an increasing proportion have been higher-priced baths, and this proportion is steadily rising. With the increased accommodation afforded by the alterations at the Aix-massage Baths, and the provision of a room for dry-massage and electrical treatment, I confidently anticipate a greatly increased revenue from this source during the coming year.

One very noteworthy feature has been the steady lengthening of the "season." At no period of the year is the place absolutely dead, while the busy summer season is prolonged well into the early winter. Were the houses at Rotorua more substantially built and the bath buildings less damp and draughty, I am quite sure that the winter season would be very much busier than it is.

*Te Aroha Water.*—The provision of a potable mineral water has been much appreciated by the bathing public. The revenue from its sale has been £48 17s. 10d.: the cost I have not the means of estimating with any exactness. During the coming year the increase of the price per glass to 2d. and more perfect arrangements for carriage should almost double the revenue from this source, without increasing the expenditure. Revenue, however, is not the main point that should be looked for in this connection.

I would strongly advise that the other valuable potable waters of the country, such as the iodine, the chalybeate, and the purgative waters, should be sold at the baths.

An aerating plant should be set up at Rotorua and the waters bottled. By this means they would be rendered more palatable, and would keep better. Table-waters bottled by the same plant could supply the Government accommodation-houses and the railway dining-cars, and there is no reason why they should not be exported.

*The Sanatorium.*—The past year has been a very busy one for the Sanatorium. By carefully filling each bed as soon as possible after it has been vacated we have been enabled to put through a much larger number of patients than last year, so that the total number of days the twenty-two beds have been occupied has risen from 5,837 in 1902-3 to 6,427 in 1903-4. This has resulted both in an increased revenue and an increased expenditure, but I am pleased to report that the revenue has increased more rapidly than the expenditure, so that the total expenditure, which last year was (omitting each year's accounts due to the Works Department) £1,792 6s. 2d., has actually decreased this year by £60. Part of this decrease, however, is fallacious, owing to different salaries of medical officers being included; but omitting this source of confusion, there has been a total increase of expenditure of only £90, although so many more patients have been treated. Thus it will be seen that the cost per day per patient has fallen from 4s. 5d. last year to 4s. 3½d. this year. The decrease would have been even greater had there not been an extraordinary number of changes of staff. With the decrease in cost there has been an increase in the efficiency of treatment, owing to the increased facilities for treatment afforded by the recent additions to the bathing establishment.

*Sanatorium and Laundry Staff.*—The domestic arrangements have not been working as smoothly as could be desired. Owing to the frequent changes of staff among the nurses, the domestic servants, and the laundry-maids, advertising and travelling expenses have materially increased.

The laundry has been found to be quite unfit, structurally, to cope with the additional washing from Waimangu and the tea-house. In a separate report I am showing the alterations that will be required if these institutions are to be catered for.

*Private Patients.*—The number of patients seen by myself has greatly increased, and the fees paid into the Government from this source have risen at even greater ratio than the baths' receipts, without any corresponding increase of expenditure: 1902-3, £589 10s.; 1903-4, £817 17s. I think that a steady increase of receipts from this source may confidently be expected, while the improved appliances which we are gradually obtaining enable more thorough and scientific treatment to be carried out.

*Maori Out-patients.*—The work in this Department has also been heavy, and Dr. Craig has been fully employed. I have to thank him for most valuable and ungrudging assistance.

*Hospital.*—Every year the need of a hospital with a few beds for surgical and medical cases becomes more apparent. It has never been more urgently required than during the last few months. Cases of accident of a severe nature have frequently occurred, and there is no provision in Rotorua for their treatment. It is often positively cruel to send such cases all the way to the Hamilton Hospital. Sufferers from an accident have, perhaps, endured the jolting of eight or ten hours on the journey from the back country into Rotorua, have arrived after the departure of the train, and had to wait for the next day's train to Hamilton. It is not easy for such a one to obtain a night's shelter. Boardinghouses do not, as a rule, care about taking in a man with a crushed limb or a bullet in his chest, with the chance of a major operation, chloroform, and all the sights, sounds, and smells inseparable from these things, and necessarily disturbing to their other guests. At the best, there is another day of unnecessary suffering, and twenty-four hours of most valuable time lost. I believe there is every disposition on the part of the inhabitants of Rotorua to co-operate in providing funds for a hospital.

*Hydro.*—Since I made recommendations last year *re* this subject, a certain amount of provision has been made for invalids by private enterprise. But it is only on a small scale, and in tentative fashion. There is still a great want of better accommodation for real invalids.

*Bath-chairs.*—In wet weather many invalids experience more harm in going to and from the baths in the rain than they receive benefit from their treatment. At the same time, the bath receipts fall in a quite unnecessary manner in bad weather from invalids' natural unwillingness to face the wet walk to the baths. I have endeavoured to stimulate private enterprise in this matter but without success, and it would almost repay the Government in increased bath fees to provide covered-in bath-chairs, quite apart from the direct fees obtained for their use.