

Massage-rooms were fitted up and operators installed early in the season, but the result has been anything but satisfactory, very few patients having availed themselves of this class of treatment.

The question of providing an emergency-hospital ward has been under consideration, and a suitable site has been secured. The report of the resident medical officer will be found in the appendices to this report.

WAITOMO AND RUAKURI CAVES.

There has been a fairly large increase in traffic at the caves during the year. The number of visitors is, however, nothing like as large as one might expect in view of the size and attractive nature of these caves. The want of better accommodation is perhaps in a measure responsible for lack of patronage. It is very necessary that a larger and more comfortable house should be erected at an early date. It is also desirable that the caves should be lighted with electricity to show them to advantage and to prevent destruction of colouring, which is likely to follow the use of magnesium-wire lights and others of such a nature. Estimates of the cost of lighting by electricity are now being prepared. The number of visitors for 1906-7 was 572, as against 296 for 1905-6, and the revenue £182 9s. 10d., as against £146 14s. 4d. Up to the present the fees for viewing caves and guiding have been paid to private individuals. The proprietary rights in the Ruakuri and the Waitomo Caves have now been secured by the Department, and the fees from this source will in future be paid into the Public Account.

ROTORUA.

The traffic to this resort for the past year shows but a small increase over the previous year. There has, however, been a very much larger number of oversea visitors, and an equivalent decrease in New-Zealanders. The absence of our own people is no doubt due to the Exhibition having attracted them south.

The following table shows the bookings by rail to Rotorua from all officered stations (flag-stations are not included) for the past seven years:—

Return of Number of Passengers booked to Rotorua for Years ending 31st March, 1901, 1902, 1903, 1904, 1905, 1906, and 1907, respectively, exclusive of Bookings from Flag-stations.

Year ending 31st March.	Ordinary.				Holiday Excursion.		Special Excursion.		Round Trip.		Total.
	Single.		Return.								
	First.	Second.	First.	Second.	First.	Second.	First.	Second.	First.	Second.	
1901 ..	666	1,458	551	718	395	1,236	175	157	144	106	5,606
1902 ..	1,080	2,161	923	1,877	884	4,806	..	..	199	192	12,122
1903 ..	1,530	3,659	1,081	2,099	370	1,039	106	421	200	386	10,891
1904 ..	2,080	5,058	1,176	2,886	671	2,339	132	1,694	309	640	16,956
1905 ..	2,574	5,288	1,317	3,392	423	1,687	..	..	354	793	15,828
1906 ..	2,953	5,546	1,249	3,172	707	2,783	..	484	381	680	17,955
1907 ..	3,114	5,739	1,194	2,655	935	3,010	..	454	478	665	18,243

The township continues to grow rapidly; some very substantial brick business premises have been recently erected, and further houses of good type have been built for the accommodation of visitors.

The total receipts at this resort from all sources amounted to £9,269 7s. 10d., as against £8,734 16s. for the previous year, showing an increase of £534 11s. 10d. This sum was chiefly made up from increases in out-patient, bath, water, and electric-current fees. There was a decrease in Sanatorium patients' fees and round-trip fares. With the exception of the cost of medicines, the whole cost of free medical treatment of Maoris is still being borne by this Department. The mineral drinking-waters continue to increase in popularity. Sales at 2d. realised £216 16s. for the past year, as against £181 18s. 4d. for previous year. The round-trip receipts have fallen slightly, due to the abnormal amount of wet weather experienced during the season. Some very important works have been in progress at Rotorua during the past year. The drainage-mains have been completed, and the new water-supply system is well in hand. In both cases there are practically only the private connections to be made to place the systems in complete working-order. When this has been done the town will have a most up-to-date sanitary system, and a water-supply second to none in the colony. Another work of magnitude with which good progress has been made is the erection of the new bath buildings. It is expected these will be completed by September next. The work of the baths generally has been carried on at considerable disadvantage, owing to the want of proper equipment; but it is considered inadvisable to instal expensive material in the old buildings under existing conditions. Suitable up-to-date equipment has now been ordered from England, and should arrive in the colony in time to be placed in the new bath-buildings before the commencement of next season. Further Sanatorium accommodation for paying patients and indigents is very much required, and proposals in this connection are now being formulated.

As pointed out in my previous report, the electric-light system has for some time failed to meet demands, and an extension of the plant is therefore a matter of urgency. Plans and estimates are now being prepared, and it is hoped that the work will be undertaken at an early date. With this done, all the present requirements of Rotorua, which necessitates a large expenditure of money,