13 H.—2.

A tea-kiosk similar to those which have proved so popular at Rotorua and Hanmer is being erected in the grounds.

It is to be regretted that during the very dry weather in the early portion of March a grassfire, which started in a paddock at the north end of the township, destroyed a large portion of the beautiful native bush and vegetation on the north side of Bald Spur, on Mount Aroha, forming part of the park.

Waitomo and Ruakuri Caves.

There has been a very large increase in the number of visitors to these caves this year, the numbers having more than doubled last year's figures. The number of visitors for 1907-8 was 1,227, as against 572 for 1906-7, and the revenue £584 5s. 10d., as against £182 9s. 10d. The limited accommodation has so far been a great drawback to visitors, and last Christmas week it was found necessary to erect three house-tents for sleeping purposes and a marquee-tent for use as a temporary dining-room. Plans have been drawn up for a new accommodation-house.

The Waitomo Caves are in very good order, and considerable improvements have been effected

in the access to Ruakuri Caves.

Rotorua.

The traffic to Rotorua for the year under review shows a considerable increase over last year, the bookings by rail being 20,113, as against 18,243, an increase of 1,870.

The appended table showing bookings by rail from all officered stations to this resort for the past eight years illustrates its increasing popularity:—

Return of Number of Passengers booked to Rotorua for Years ending 31st March, 1901, 1902, 1903, 1904, 1905, 1906, 1907, and 1908, respectively exclusive of Bookings from Flag-stations.

	i	Ordinary.				Holiday Excursion.		Special Excursion.		Round Trip.		Total.
Year ending 31st March.		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	2,389	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
1908	••	3,845	6,613	1,712	3,177	707	1,999	175	751	460	674	20,113

The total revenue from this resort amounted to £9,647 4s. 6d., which, compared with the previous year, £9,269 7s. 10d., shows an increase of £377 16s. 8d. Increases are shown in the receipts from Sanatorium patients' fees, electric-light charges, tennis and other games, round trip, and tea-house, whilst decreases are shown in the out-patient fees, sale of bath-tickets and towel-hire, dry massage and electrical treatment, water fees, sale of mineral water, launch licenses and wharfage charges, and miscellaneous receipts.

The new bath buildings are now practically completed, and will be opened to the public in the course of a few months. With the increased facilities offered by these baths, it is expected that the receipts in this connection will be considerably increased.

Sanatorium and Hospital Buildings.—An additional male-ward containing all modern conveniences is being added to these buildings, and should prove of considerable service. Arrangements are also being made to supply the bathrooms with hot Rachel water, thus enabling patients to take mineral baths on the premises.

The gardens, bowling, tennis, and croquet lawns have been kept in good condition throughout the year.

Tea-house.—The receipts at the tea-house for the year amounted to £659 ls., being an increase of £265 ls. 9d. over the takings of last year.

During the greater part of the summer an orchestra provided music on the tea-house verandahs, and this no doubt added greatly to the popularity of the tea-house.

Waimangu Round Trip.—This trip is still as popular as ever, the receipts for the year being £1,831 2s. 6d., an increase over last year's figures of £53 1s. 3d. It was found necessary to place a larger launch on Lake Tarawera to cope with the passenger traffic, and the launch formerly in use was transferred to Lake Okataina.

The receipts at the Waimangu Accommodation-house amounted to £150 5s. 6d., being a decrease of £1 2s. 3d. on the returns of the previous year.

Whakarewarewa Reserve.—This popular reserve still continues to be one of the chief attractions of the district. Waikite Geyser, which has not played for about fourteen years, was brought into action by the Department during the year. The other geysers, Papakura, Pohutu, Waikorohihi, Prince of Wales's Feather, and Kereru, have also been unusually active.

The old Spout Baths at Whakarewarewa are now entirely beyond repair, and plans are in hand for a modern bath building to replace them and give accommodation suitable for requirements.

A cottage has been erected for the Caretaker in a position overlooking the Geyser Reserve, to enable him to continually observe what is taking place, and assist in the preservation of its attractions.