The expenditure last year was reduced by the sum of £1,857, and I am glad to report that by the strictest attention to detail by the whole of the staff I can this year report a further diminution of £2,181, the expenditure for 1917 being £45,785, as against £47,966 for the previous year.

Following is a brief summary of the work carried out at each resort during the year, viz. :-

ROTORUA.

Despite the continuance of the war the number of visitors to Rotorua during the year has been well over the average. For obvious reasons the number of oversea visitors has greatly lessened, but this deficiency has been made good by the increased number of visitors from The absence of the wealthier class, and the consequently reduced spendingwithin New Zealand. power of those who came, is evidenced by the fact that the revenue from the various trips shows no material increase. A factor in the numerical increase of visitors was doubtless the fact that there are in Rotorua a large number of soldiers in the local military hospitals whose relatives have been visiting them.

The booking of tours at the local office shows a satisfactory increase, the amount rising from

£1,374 to £1,679.

Buildings, Reserves, &c.—The various buildings and reserves have had the usual attention as regards maintenance. Work in the gardens has been somewhat curtailed owing to scarcity of labour and a desire to confine work to bare requirements.

Water-supply.—Nineteen new consumers were connected to the system during the year. 2,000 ft. of 16 in. steel spiral pipe was laid in Fenton Street, extending from the intersection of Hinemon Street to within a short distance of Malfroy Street. Eight new connections were made

to the scwage-system during the year.

Electrical Supply.—The service has been maintained during the year with great regularity. The work of rearranging the system of distribution throughout the town is gradually being proceeded with, the chief hindrances being the scarcity of labour and the difficulty in procuring material. The steadily increasing demand for energy is taxing the generating plant considerably, and the margin of reserve power is now quite negligible. Owing to the departure from the town of most of the electricians in private business the Department has had to take up the work of wiring premises when necessary. During the year new consumers called for power to the extent of 66½ kilowatts, and 420,063 units were generated at the power-station.

ACCLIMATIZATION.

Fishing.—The season which closed in May, 1916, was very successful, that at Waitahanui (Taupo) being particularly good. An English angler camped in that neighbourhood secured in two months 1,060 fish, the heaviest of which weighed 11 lb., the average being 4 lb. A stretch of this stream has recently been cleared of snags and debris brought down by various floods, and should thus be more accessible to anglers for some time to come. During the current season (which opened in October in the southern portion of the district) the fishing at Taumarunui was particularly good, some very fine trout in excellent condition being obtained. The fish in Lake Rotorua have not been quite so plentiful, due no doubt to the vigour with which netting operations have been pursued. At Tarawera a good average has been maintained.

Shooting (Game).—The season this year was the statutory close season which occurs every third

year, but owing to the alleged plentifulness of quail and teal a concession of opening for two months was given. Thirty-four brace of quail and five pheasants were liberated in the Tongariro National Park, which should form an ideal sanctuary for game. Twenty-six brace of quail, three

pheasants, and one mallard duck were liberated at Taumarunui.

Deer .- During the 1916 season the Rotoiti herd gave the best results to stalkers, heads with from twelve to seventeen points being secured. Several other good heads were sighted, but owing to heavy bush cover the stalkers were unable to secure the stags. The Galatea herd was in very fine condition, but was not very closely stalked, as the landowners in that locality are inclined to conserve the stock and discourage indiscriminate shooting.

During the year twenty-five deer were received—four from Mr. Chirnside, of Victoria, and

twenty-one from the game farm at Paraparaumu.

A new herd has been started at Mount Edgecumbe. This is one of the best localities in which deer have been liberated; cover, feed, and water are plentiful, and this herd should make rapid progress.

MORERE SPRINGS.

An unfortunate land-slide has been responsible for the demolition of the old bathhouse. Plans have been prepared for a new and inexpensive structure which will be an improvement on that destroyed, and which, it is hoped, will be erected in time for next season.

HANMER SPRINGS.

There is little to report from Hanner Springs so far as this Department is concerned, as the place is now practically used for the restoration of returned invalid soldiers. The revenue from the baths, tea-house, &c., shows a considerable increase, however, having risen from £1,594 to £1,732.

HERMITAGE, MOUNT COOK.

The year just ended has been a very satisfactory one at this resort. The revenue shows a slight decrease, from £4,539 to £4,235, but the previous year was an exceptional one. The buildings though sorely taxed at holiday seasons, have met the requirements of the travelling public fairly