

the association settlers are more backward than the generality, the causes of which have been pointed out in previous reports. No doubt the impossibility of providing access by roads within a short time to blocks selected beyond the limits of settlement has something to do with this; but the principal factor is the want of capital, either in experience or money, in those who formed the associations originally, and the speculative ideas of some of the members. The department now employs seventeen Rangers in the work of inspection, who have made during the year a great number of inspections, besides performing other duties, such as special reports on applications, on fires, timber, &c. In dealing with the estates acquired under the Lands for Settlements Acts, the inspection has to be more minute and careful, as the interests involved are much greater than in ordinary Crown lands.

The following figures, as supplied by the Commissioners, give some idea of the result of inspections:—

No. inspected.	Area inspected.	Improvements required by law.	Improvements actually made.	Settlers in default.
4,911	871,090 acres.	£198,478	£537,921	806

THERMAL SPRINGS, SANATORIA, ETC.

At Rotorua, Mr. R. H. Reaney has continued to supervise the Government works in and around that town in connection with the Sanatorium, &c. At the Sanatorium itself, the grounds have been kept in repair and improved, and a considerable length of paths and drives re-formed, the tennis green improved, new seats, &c., provided, whilst the bath-houses have been repaired and new waiting-rooms built in connection with the Postmaster's Bath. The water-supply of the town has been overhauled and extended, but the growing needs of the township will shortly make a further extension necessary.

A wharf is in process of building, to allow of easy landing from the lake, 396 ft. having been completed, leaving 118 ft. more, of which part is finished. This wharf will be used for steam launches and the landing of timber, &c., for the use of the town. An office has also been built for the Road Surveyor and other officers of the department.

At Whakarewarewa, on the land acquired by the Government, nearly two miles of paths have been maintained in order, and a caretaker's cottage erected for the use of the custodian of the hot springs and geysers.

There has been less water in the Rotorua Lake this last season than previously observed since the Sanatorium was established; and this has affected the hot springs, as low water always does, by lowering the temperatures. But this is only a temporary matter, and will right itself when the water rises again.

Buildings continue to be erected in the township, which, now that railway communication with Auckland is open, attracts a good many visitors besides those who go there merely for the benefit of the healing waters.

During the year a contract was entered into with Mr. J. Saunders to supply a system of drainage for the town, the plans and specifications having been drawn out by Mr. R. Hay, C.E., who has the supervision of the work. The scheme will provide a system of drainage for all parts of the town already built on, with facilities for extension when required. The sewage matter will be elevated, and conveyed to filter-beds a mile away, and there be utilised. The motive-power is to be electricity, derived from the Taheke Falls, distant about thirteen miles from the town. The contract price—which does not include the filter-beds nor electric pumping-plant—was £6,826 16s., and about two-thirds of the work had been completed on the 31st March. Messrs. Hay and Reaney's reports will be found in the Appendix.

During the year seventeen fresh selectors took up 544 acres under the Thermal-Springs Act, the total number now being 183 tenants, holding 5,273 acres.

At Hanmer Plains, Canterbury, is situated the other Thermal establishment under Government control. There has been a considerable increase in the number of visitors, and the place is attracting attention from all parts of the colony as a health resort and pleasant place of recreation, so much so, that the accommodation at the baths has become too limited for the requirements.

During the year under review a Sanatorium building has been erected close to the baths for the accommodation of those using them for healing purposes. It has accommodation for sixteen or eighteen persons, of two classes, at 43s., 40s., and 20s. a week, and conveniences are supplied for conveying invalids from this building to the baths. The place has generally been full ever since it was opened. Mr. and Mrs. McDonald, who are in charge, keep the establishment in good order, and give satisfaction to the visitors.

Private enterprise has also erected a comfortable building close to the baths, where as many as forty guests can be accommodated at moderate charges. There are two other establishments within a short distance of the springs, where good accommodation can also be obtained. Between them, these three establishments can accommodate about one hundred and twenty guests.

The Sanatorium at Hanmer is now a very pretty place, with its plantations, walks, flower gardens, bowling green, tennis green, and the fine mountain scenery to be observed in the neighbourhood. Some additional planting is done each year, and this last season over three thousand trees and shrubs were set.

A doctor is subsidised by the Government to make periodical visits to the establishment; whilst Miss Edith Cook conducts the operation of massage on any one who may wish it, for reasonable fees. A report on Hanmer, by Mr. J. Rogers, will be found in the Appendix on Thermal Springs.