H.-2.

Although the receipts have risen, the total number of baths taken has somewhat decreased, the decrease being in the lower-priced baths. By means of an improved system of tickets we are now able to more accurately gauge the number of free baths given, formerly a matter of estimation only. This number has greatly increased during the year, and large numbers of invalids have been enabled to obtain massage and electrical treatment which were necessary for their recovery, and which they could not possibly have afforded otherwise. Total number of baths paid for—1904, 89,731: 1905, 84,710. Total number of baths free—1904, no definite figures available; 1905, 9,737.

Certain minor alterations and additions have been made so as to increase the accommodation, especially at the Aix-massage baths, and greater efficiency has been secured by strengthening the staff

. The necessity for head attendants has long been recognised, and the appointment of Mr. and Mrs. Yates, of the Harrogate Baths, to the post has done much to promote the efficiency, cleanliness, and order of the bathing establishment.

The appointment of an additional masseuse has made the female side of the staff as complete as the male, so that women can now obtain that massage and electrical treatment which was formerly only available for men. This has been an especial boon to the Sanatorium patients, who are entirely dependant on the baths staff for treatment.

The supply of mineral water from the old sources is beginning to show signs of not being equal to the demand, and if the latter continues to increase at the present rate it will certainly be necessary before long to supplement the supply of Rachel water. A practically inexhaustible supply could be obtained from the spring supplying the Spout Baths at Whakarewarewa, and conveyed by gravitation in fluming to Rotorua. This would serve to feed the swimming-baths and the douches, and would also suffice for warming all the buildings, thus leaving the Rachel water free for more strictly medicinal purposes.

It will probably also be found desirable to conduct in by fluming some of the Postmaster water, so that this extremely valuable water can be used as baths without the unpleasant concomittant of dangerous fumes.

Whakarewarewa.—The Spout Baths are in a state of hopeless decay, and are quite beyond the possibility of repair; while the system in use here is anomalous and unsatisfactory. The whole question of baths at Whakarewarewa needs careful reconsideration.

The Sanatorium

is in excellent working-order, but is proving totally inadequate to cope with the ever-increasing number of applicants for admission. Scarcely a day passes on which some would-be patient is not turned away, and a considerable addition will have to be made to the number of beds on the male side if the Sanatorium is to meet anything like present requirements. On the women's side the accommodation is at present sufficient.

There are three classes of patients for whom we have to specially cater, and any one class would keep the male-ward full—(1) the free patient, (2) the friendly-society patient, (3) the patient paying at the ordinary Sanatorium rate of £1 10s. a week. (1.) Though the number of free beds has been increased from four to six, I am afraid this will be found wholly insufficient to meet the demands of deserving cases. (2.) The number of friendly-society applicants is steadily increasing; a ward of twenty beds could be kept filled with these cases alone. (3.) There are always a number of this class waiting for admission.

The need that exists for a private sanatorium for the benefit of those who are too ill to stay in a boardinghouse, who require nursing and dieting, and are able and willing to pay for private accommodation, I have already pointed out in previous reports, and that need is certainly not diminishing.

During the past year the principal improvement has been the addition of a small wing containing an accident ward, as urged in my last annual report.

In February Dr. Craig resigned the post of House Surgeon, which he had held for more than two years, and his place was filled by the appointment of Dr. Levis. One essential function of a house surgeon is to live on the spot, so as to be available in the case of any emergency, and I would strongly recommend that the house surgeon should be provided with board and lodging in the Sanatorium.

Under the able management of the Matron the nursing and domestic arrangements have worked with great smoothness and economy. The work has been exceptionally heavy, as not only has every bed been kept full, but it has been the rule rather than the exception to have extra beds and stretchers in use. Total number of patients admitted during the year, 158; total collective days' stay, 6,980; individual average days' stay, 44.24; number of baths given, 9,493; total value of baths given, £796 5s.; free patients treated at the Sanatorium, 27; total collective days' stay of free patients, 1,674; total cost of maintenance of free patients, £358 14s. 4d.; total value of baths given to free patients, £196 3s. 3d.

Consultation Fees.—The fees I have received and paid into the Government for giving medical advice in regard to the baths have risen from £817 17s. to £871 6s.

Amusements and Recreations.—In a resort which caters for so many visitors, healthy as well as invalid, this is an item of the greatest importance.

The provision of a band during the daytime has immensely brightened up the Government Gardens, and the very greatly increased receipts from players' fees show how appreciated are the bowling, tennis, and croquet lawns. Here again the great influx of players will necessitate considerably increased accommodation, especially in regard to the bowling-green.

The collection of native and other birds and animals has been a source of great interest to many visitors, but its value from a spectacular point of view is considerably depreciated by inadequate and unsuitable housing.