"The Te Anau Downs Station homestead is passed at the 18-mile peg, and the road then leaves the lake to pass through poor fern and scrub country for two miles, when the Retford Valley is reached. The road then enters the Eglinton Valley, but continues through rather uninteresting country until the 29-mile peg is reached and the beech forest is entered. From this point northward the route is a most interesting one from a tourist point of view.

The road passes alternately through forest, open land, and along the river-bank, with precipitous mountains on either side rising to an altitude of 5,000-6,000 ft. until Lake Gunn is reached at the 48-mile peg. Lake Gunn is skirted to the east for  $2\frac{1}{2}$  miles, when the road crosses to the western side of the valley to pass Lake Fergus. A small tarn (Lake Lockie) is next seen on the east, and then the divide between the Eglinton and Hollyford Valleys is reached at a point  $53\frac{1}{4}$  miles from Te Anau.

"For approximately  $7\frac{1}{2}$  miles from the divide the road continues in beech forest, passing through magnificent scenery far surpassing anything to be seen in the Eglinton Valley. The forest ends at Monkey Creek, approximately 60 miles from Te Anau, and open or semi-open land is traversed from this point to the extreme head of the Hollyford, the foot of Gertrude

Saddle, and the probable portal of the proposed tunnel.

"Throughout the last 7 miles in the Upper Hollyford the scenery must be classed as amongst the finest in New Zealand. The floor of the valley is narrow, and in parts subject to avalanches. The mountains rise perpendicularly in many cases for over 2,000 ft. to a maximum altitude of 6,000-8,000 ft. Most of the tops carry extensive ice and snowfields, and from these falls of ice and snow to the valley below are of frequent occurrence.

"From the portal of the proposed tunnel, a comparatively easy climb of 1,700 ft. gives access to the top of Gertrude Saddle (4,700 ft.) and within sight of Milford Sound. There is, however, at present no safe and easy way of reaching the Sound from the Upper Hollyford. While the distance from the top of the Saddle to the Sound is only 10 miles, the way is barred by a sheer drop of roughly 2,000 ft. from the top of the Saddle to the Gulliver Valley. An alternative route is to cross the Homer Saddle and Grave Talbot Pass a few miles to the south; but this is only safe for experienced mountaineers for a few months each year, and could never possibly be made safe for ordinary pedestrian traffic. The other alternative is to return to Te Anau and proceed by boat and the Milford Track, a distance of approximately 140 miles.

Extracts from the annual reports of the Tongariro, Egmont, and Arthur Pass National Park Boards are appended hereto. The Boards have again been seriously handicapped by lack of funds, and it is apparent that no great progress can be made until a satisfactory method of providing finance for National Park administration is evolved. The Department has always held the view that our National Parks are primarily the responsibility of the State; but, unfortunately, this view is not yet generally

Bound up to a considerable extent with the question of finance is the problem of the protection of the National Park forests from the depredations of deer and other browsing animals. damage has been done in Fiordland by the red deer, and on Egmont goats have for long been a source of grave concern. However, it is pleasing to record that the Internal Affairs Department last season arranged to place departmental parties on deer destruction in Fiordland, and that a full investigation is to be made into the best means of combating the goat menace in the Egmont National Park area.

The Lands Department is prepared to give all the support it can to properly controlled measures for the destruction of deer and other browsing animals. No difficulty has been found in making a comparison between the value to the Dominion of our National Park forests and the value of the sport of deer-stalking, and it is considered that the deer should be recognized and dealt with purely as a menace to the forests and not as an animal which may provide a certain amount of sport. The welfare of the

forests must be the first consideration at all times.

That portion of the Sounds National Park within the Preservation Survey District, and comprising some 31,400 acres, was brought within the operation of the Mining Act, 1926, during the year. The major portion of this area is auriferous, and has been worked for both reef and alluvial gold in The condition has been made that no mining privilege shall be granted in respect of any portion of the land except with the consent of the Minister of Mines, and subject to such conditions as he may impose. This will ensure complete control being retained by the Government over the granting of any mining privileges within the area, and every care will be taken to prevent any unnecessary damage being done to the natural features of the locality.