

During the year, with a view of decreasing the annual deficiency in the working of the Department, all charges for accommodation at the hostels—baths and medical fees, games, fees, &c., were closely investigated, and many changes made. It is too early yet to thoroughly estimate the result of these changes.

During the year the work of Dr. Herbert on the “Mineral Springs of New Zealand” was published in England and received here. The work has been fully and favourably reviewed in the Press in the United Kingdom and New Zealand. It is a most valuable and complete production, and should do much to draw the attention of the medical world to the efficacy of the waters and treatment afforded by the New Zealand hot springs. The book is being widely distributed amongst the medical profession.

The net expenditure for the year was £86,943, against £93,720 for the previous year, a decrease of £6,777. This decrease was mainly due to the very strictest economy being practised in all resorts, and the loyal co-operation of the officers in charge of them.

#### SCHEDULE SHOWING FINANCIAL POSITION AT MAIN RESORTS.

Resort.	Year 1921-22.				Year 1920-21.			
	Receipts.	Expenditure.	Excess of Expenditure over Receipts.	Excess of Receipts over Expenditure.	Receipts.	Expenditure.	Excess of Expenditure over Receipts.	Excess of Receipts over Expenditure.
	£	£	£	£	£	£	£	£
Te Aroha .. .. .	1,947	4,354	2,407	..	2,029	4,230	2,201	..
Rotorua .. .. .	25,746	37,420	11,674	..	21,831	41,269	19,438	..
Rotorua Acclimatization District ..	1,307	1,177	..	130	1,145	1,605	460	..
Waitomo Caves .. .. .	6,909	4,929	..	1,980	7,528	5,237	..	2,291
Lake House, Waikaremoana .. .. .	936	2,275	1,339	..	1,491	1,559	68	..
Hanmer Springs .. .. .	1,808	4,571	2,763	..	2,533	5,364	2,831	..
Hermitage, Mount Cook .. .. .	5,458	7,438	1,980	..	6,596	8,010	1,414	..
Te Anau and Manapouri steamers, Glade House, and Milford Track ..	2,718	4,420	1,702	..	3,926	5,384	1,458	..
Queenstown .. .. .	257	821	564	..	251	1,009	758	..

NOTE.—No allowance is made in these figures for interest on capital expenditure or for depreciation of plant or buildings.

#### Return of Receipts.

The following table shows the receipts of the Department from all sources from 1915-16 :—

	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£	£	£
Receipts .. .. .	31,067	33,137	32,935	33,689	42,218	51,038	50,822

The amount received for passenger bookings amounted to £68,682, compared with £69,438 for the previous year, a decrease of £756; while the commission earned amounted to £3,469, an increase of £60 over last year.

#### Return of Expenditure.

The following is a comparison of the expenditure for the past six years :—

	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£	£
Consolidated Fund .. .. .	45,785	48,732	53,656	68,858	93,720	86,944
Public Works Fund .. .. .	1,094	967	1,620	6,194	19,041	17,996

The following is a summary of the work of the Department at the different resorts under its control :—

#### ROTORUA.

*Tourist Season.*—The revenue from the passenger-booking and “Round trip” taken together shows an increase on the figures of the previous year. The revenue from the round trip shows a decrease of about £100, but this is more than accounted for by the fact that during the Christmas and New Year week, when we should have been doing our maximum business, it rained incessantly during the entire holiday, and completely stopped all traffic. The passenger-booking returns, however, show a very appreciable increase.

*Buildings.*—Apart from the usual maintenance-work, the outstanding features in connection with our building-work have been—(1) the enlargement of the head gardener's cottage, whereby additional space was given to two bedrooms, the construction of a new kitchen and bathroom, and the enlargement of the dining-room; the spouting of the building was renewed, and the whole of the exterior of the building repainted; (2) the construction of a new residence for a bath-attendant, to replace one destroyed by fire; (3) some of the plaster ceilings in the Aix and Russian rooms in the main baths had to be removed on account of the moist atmosphere having softened the plaster, causing it to fall in large pieces, thus endangering the safety of patients using the rooms. A portion of the higher parts of some of the walls have had to be treated similarly. The plaster thus removed has been replaced with P. T. and G. kauri lining. The iron chimney at the Waimangu tea-house has been replaced with a brick one. No. 3 bowling-green was rekerbed with heavy 9 in. by 3 in. totara planks. All this work was carried out by the departmental staff.

In addition to these departmental works, a large ferro-concrete depot has been constructed for the storage of benzine and dangerous goods. The building contains fifty compartments, twenty-five with