

The following is a list of Departments with which Audit has taken up the question of stores accountancy, showing the position in which the improved system at present stands in each case:—

Department.	Remarks.
Agriculture	Rules not completed, but under revision.
Defence—	
Naval	Good system in operation.
Military	Good system in operation.
Education	Rules approved by Treasury in September, 1924, but not yet brought into operation by Department.
Health	New system in operation.
Internal Affairs	Rules submitted to Treasury for approval.
Justice	Rules in course of preparation.
Lands and Survey	Apparently no attempt yet made to comply.
Legislative	New system being inaugurated.
Marine	New system in operation.
Mental Hospitals	Rules in course of preparation.
Mines	New system in operation.
Police	Rules under revision.
Post and Telegraph	Rules under revision.
Printing and Stationery	New system in operation, but rules not yet compiled.
Prisons	Rules under revision.
Public Works	Some delay in drafting of rules to meet present requirements.
Public Trust	Good system in operation.
Railways	Rules being drafted.
Tourist and Health Resorts	New system in operation.
State Forests	New system being brought into operation.

LOSSES WRITTEN OFF.

If reference is made to the list of sums irrecoverable by the Crown and stores which require to be written off charge, attached to this report, it will be seen that the losses recorded against several of the larger Departments are small as compared with those recorded against other Departments. The explanation of this is that some Departments have not complied with the requirements of the Public Revenues Act and have not been in the habit of reporting their losses. It is necessary to bear this in mind in order that unfair comparisons may not be made between those Departments which have scrupulously complied with the law and those which have not.

There would appear to be need in some Departments for closer scrutiny of the conditions attaching to payments made by way of loan for special purposes, as there is evidence that in some cases, had stricter measures been adopted to secure repayment, the loss to the Crown would have been materially less. An instance is that in which a sum approximating £1,000 requires to be written off through default, the local body concerned stating that owing to the absence of requests for repayment and the length of time which had elapsed—over ten years—it was assumed that the loan had been treated by the Government as a grant. The debt to the Government had not been disclosed in the balance-sheets annually submitted to the Audit Office, otherwise an early adjustment would have been insisted on.

DEPARTMENTAL MOTOR-CARS.

Audit officers frequently report the improper use of Government motor-cars. In some instances it has been ascertained that officers had been in the habit of utilizing departmental cars for daily conveyance to and from office, when it is well known that every public officer is expected to provide the means of transport between his home and his office at his own expense and not at the expense of the public.

An officer of a Government Department in four months used the departmental car for his own personal convenience 395 miles out of 617 run in the time. In this case the necessity for the car for the sole use of the Department was not apparent, as cars can be obtained on requisition from the Government garage as required.

It has also been found necessary to draw the attention of officers to the frequent use of motor-cars on public service when trains and trams adequately served the needs of the Departments at less cost.

The improper use of motor-cars is not by any means confined to Government officers, as similar complaints are frequently made by local bodies and others; but nevertheless the practice of using Government cars for private purposes should be better supervised than it is. Audit is strongly of opinion that in the interests of economy more use should be made of the central garages for Government cars which have been established in the chief centres of the Dominion. There is a tendency amongst Departments to retain possession of and to control their cars instead of placing them in the Government garage and requisitioning them as required. Scrutiny by Audit is thus avoided, and no check on the use of the cars can be established.