

**Staff.**

I would like to place on record my appreciation of the able and willing manner in which the officers of the Audit Department have met their responsibilities during the past year. Whilst all officers have discharged their onerous duties to my complete satisfaction, I should like to make special reference to the loyal support and assistance I have received from my Deputy and the senior officers of the Department. Although the volume and complexity of Government expenditure shows a steady upward trend, the staff of the Audit Department has not been materially increased since my last report. The loss of experienced officers by resignation, retirement, transfer, and death has been barely counter-balanced numerically by the recruitment of junior officers, and in these circumstances the desirability of increasing the Department's present strength of trained officers will require serious consideration in the future. I have considered it sound policy that as far as possible additional staff should be recruited as juniors who would receive early training in the specialized requirements of the Department, and I am confident that a continuance of this policy will be in the best interests of the Audit Office.

One pleasing manifestation of the zeal of the younger officers is the yearly increase in the number of those who have qualified themselves by examination for recognition as accountants, while many officers have continued their studies to include a University degree. I have been happy to encourage officers to improve their opportunities and at the same time to enhance their value as servants of the State.

I referred in my last report to the success of the conference of Audit Inspectors, and during the past year I was able to arrange a conference of officers who are examining Government accounts in the larger centres, and I am satisfied that the efficiency of these officers will be considerably increased as a result of the interchange of ideas and of the instruction received at the conference.

I wish, finally, to acknowledge the valuable assistance rendered to the Audit Office by the Law Officers of the Crown and to state that the Permanent Heads of Government Departments have consistently met Audit representations with every courtesy.

J. H. FOWLER,  
Controller and Auditor-General.

Audit Office, Wellington, 8th August, 1939.

---