

The vessel was held up in Sydney for over three months, and this contributed considerably to the financial loss on voyage nine.

"Pamir" was made available as the flag-ship for the 111th Anniversary Regatta on Sydney Harbour on 27th January, 1947, at a cost of £178 4s. 6d. The Hon. the Minister of Marine approved that this sum be included in the ordinary working expenses of the ship.

The tenth voyage account, Wellington to United Kingdom and Continent, with a cargo of wool and tallow, opened on 10th September, 1947, and "Pamir" returned this month with a load of cement and basic slag. Accounts for this voyage have yet to be prepared.

In view of the high rates of insurance applicable to sailing-ships compared with those prevailing for steamships, Treasury agreed that insurance on the freight carried on the tenth voyage would be the risk of the Government. Audit pointed out, however, that this arrangement appeared to lack statutory authority, and also asked whether there was authority for the Department to operate commercially vessels such as the "Pamir." It is understood that relative empowering clauses will be included in the next Finance Act.

Ministry of Supply

The activities of the Ministry of Supply continued on a reduced scale, the expenditure for the year on material purchased for disposal being £1,657,000, principally in connection with tinplate, tin, and wire. Receipts amounted to £1,870,000.

The Ministry has been clearing somewhat slowly, miscellaneous old debts in dispute, and has reduced the total to some £38,000, of which £25,000 relate to the supply of jute to one company in 1943. With regard to this debt, there appears to have been some lack of understanding between the Treasury and the Ministry, and the position has not been settled at date of writing this report.

The audit of the accounts and stores records of the various Sections is reasonably up to date, but the stores records of the Textile Section (now closed) and the plant and machinery records of the Munitions Section (in process of being closed) leave much to be desired.

Textile Section.—Stocktaking during April, 1945, disclosed such an unsatisfactory position that new stock-cards were prepared with opening balances based on the physical stocktaking then made. Notwithstanding these adjustments, the final audit disclosed further shortages totalling £7,634, and surpluses not related to the shortages exceeding £12,000.

Munitions Section.—Plant and machinery owned by the Government and used during the war by contractors for the manufacture of munitions have been so inadequately recorded that satisfactory verification of its final disposal is extremely difficult.

Factories where the machinery was owned partly by the Government and partly by a contracting company were closed on the cessation of hostilities.