

Marketing Department. Incidentally, this hostel was built at the cost of War Expenses Account, but no adjustment to realize this surplus war asset has been passed, though the account received £220,000 from Ordinary Revenue Account in respect of a group of hostels and camps taken over by the Labour and Employment Department.

Not all hostels controlled by Government Departments are directly for the benefit of employees. "Pendennis House," in Wellington, was purchased out of the Maori Hostels Fund established in terms of section 7 of the Maori Purposes Act, 1946, and it is administered by the Maori Trustee. Accounts up to 31st July, 1948, have been prepared for the Fund, but there is no requirement to publish them. The Maori Trustee also furnishes temporary accommodation in other centres, but separate accounts are not required in respect of this. Three hostels in Auckland are leased to the United Maori Mission.

Ministry of Supply (now Industries and Commerce Department)

The trading activities undertaken by this Department have either ceased or been transferred to other Departments such as the Marketing Department. Stocks purchased under wartime conditions have been sold, declared to the War Assets Realization Board for sale, or been handed over to the Marketing Department. One sale by the Ministry, in which an instruction to require the receipt of cash from the particular purchaser before delivery of goods was not followed, resulted in a loss of £970. The Audit Office was not able to surcharge in respect of this loss as responsibility could not be fixed definitely on any particular officer.

Munitions Section.—The difficulty experienced in verifying from inadequate records disposals of plant and machinery, engines and spare parts, still exists. Some work has been done in the matter, but the position is much the same as it was.

In particular the financial settlement in respect of one contractor, which depends partly on the establishment of ownership of certain plant and machinery, is still held up until this can be done.

Departmental Motor-vehicles

The Audit Office occasionally drew the attention of Departments to possible economy in motor transport. One inquiry concerned an account of £450 for a month's use of Post Office cars and vans in and about Christchurch by the Department of Agriculture. It appeared that cars were sometimes hired for a whole day, although the mileage run on that day was very small. The Audit Office also inquired in a few cases why Government cars were garaged at private houses or left standing in streets overnight or at week-ends. None of these inquiries revealed an unauthorized use of the vehicle in question. The Treasury consulted the Post Office with a view to achieving better control by Departments, and recently a Departmental Motor-vehicles Committee was appointed consisting of a Transport sub-committee of Cabinet and of representatives of the Transport, the Post and Telegraph, and the Treasury Departments. The duties of this Committee will relate to the economical provision and use of departmental vehicles.