

cost of procuring stores and supplies. The following summary will indicate the steps already taken to deal with this very important unit of the Service :—

*Stores Regulations.*—The regulations gazetted on the 18th April, 1913, have been found suitable in the case of practically every Department, but minor amendments are under consideration. Special rules have been prepared for the guidance of every one employed in connection with the management and control of stores. In some cases these are in force, and in others under consideration. In addition, suggestions have been made affecting the books to be kept and returns to be rendered, &c.

*Stores Tender Board.*—This Board, consisting of six departmental officers, was constituted on the 12th June, 1913, for the purpose of securing uniformity in the conditions and specifications of all contracts for stores, and seeing that the conditions imposed meet the requirements of the Departments concerned. The first annual report of the Board has been made, and appears in Appendix A hereto.

The results of the work to date are very gratifying, and it will be seen from a perusal of the report that the existence of the Board has been more than justified. Briefly, 84 tenders for stores of a total value of £113,524, and 134 contracts of an estimated annual value of £77,735, were dealt with; while under the regulation for purchase of stores in case of extreme necessity 21 items were authorized, value £4,492.

It is early yet to say what will be the saving consequent upon the initiation of this reform, but the following are some of the advantages which will accrue from the setting-up of the Tender Board :—

- (a.) Schedules and conditions of contract will be made reasonably uniform.
- (b.) The number of contracts will be reduced by one-half.
- (c.) Less work will be involved in arranging contracts.
- (d.) The cost of advertising and printing will be reduced.
- (e.) Better prices will be obtained and more satisfactory supplies procured.

*Departmental Property.*—It was found that the records of departmental property, representing thousands of pounds, were in a very unsatisfactory state, that in several Departments no attempt had been made to keep proper records, and that, where they were kept, no proper scrutiny existed. Steps have been taken for the establishment of simple records, whereby property of this nature will be systematically accounted for. Regulations were drafted and submitted to a conference of Permanent Heads, who in turn appointed a committee of their number to give consideration to the matter. It is anticipated that a final review will shortly be made, when the regulations will be gazetted and brought into force.

*Inspection of Stores.*—As has already been stated, the inspection and audit have not in the past been of utility; but due prominence having been given to these matters in the Stores Regulations, there is now some degree of uniformity. Reports covering audit, inspection, and stocktaking have been received from the Permanent Heads of Departments, who are required to deal with the subject at least once yearly. It is hoped in this way to properly control the purchase, receipt, inspection, custody, issue, and disposal of stores, and to prevent wasteful, improper, and extravagant practices, and overstocking. A periodical inspection by an expert will probably be arranged for, apart altogether from departmental supervision.

*Control of Stationery, and Requisitioning for Supplies.*—The subject of the supply of stationery and office requisites has recently been under consideration, and it has been decided—

- (a.) That wherever practicable all stationery-depots which may have become established by Departments shall be closed, and that supplies shall be obtained to meet current requirements from the Government Stationery Office, thus avoiding the keeping of stocks by Departments:
- (b.) That Departments shall, except in case of emergency, arrange to obtain supplies from the Government Stationery Office, the Manager of the Stationery Office making the necessary arrangements for purchasing any supplies not stocked by him: