

IMPERIAL GOVERNMENT SUPPLIES DEPARTMENT.

As is well known, the operations of this Department have been continued by desire of the Imperial Government, and the conditions pertaining to audit are the same as existed last year. The sums involved have been so often published in various directions as to require no repetition by me.

RESERVE FUND SECURITIES.

Owing to emergency conditions resulting from excessive commitments for land in relation to the Discharged Soldiers Settlement Act, the Audit Office was consulted by Government as to making financial provision till Parliament met, and I was able to suggest certain statutory means of coping with the situation, one of such means being the utilization of £800,000 of Reserve Fund securities created for such or similar purposes, refund, of course, to be made at the first opportunity, so that the same emergency safeguard shall be maintained. The necessary statutory authority to make good the amount has now been obtained.

LOCAL AUTHORITIES.

The comparatively recent amendments in local-body legislation more clearly defining responsibilities, rights, and limitations of local bodies have had a marked effect in improved practice, and also in better understanding with the Audit Office.

There is, however, yet large scope for improvement, and with the object of aiding in realizing this I called together the Audit Inspectors of the Dominion for a conference in March last. At this conference various problems of local-body administration and audit were discussed, and suggestions made for solving them, and also for removing sundry anomalies from the respective statutes. The recommendations of the conference were duly placed before the Minister of Internal Affairs (Hon. G. W. Russell), whose general approval they received, he further promising to provide powers to have them put into practice.

STORES AUDIT.

Now that the war strain has been eased I am collecting data to enable me to form some definite idea of what staff and corresponding provision will be requisite to enable the audit of Stores Accounts to be effectively dealt with, and I am arranging for a conference of responsible stores officers with myself at an early date, which will, I hope, put me in the position of being able in my next report to Parliament to state that the system is in full working-order.

DEPARTMENTAL ACCOUNTS.

Every effort is now being made to bring the audit of these accounts well in hand, and, as the rapid process of demobilization is setting free from military service a considerable number of experienced members of my staff, I have reason to believe the next report may declare all audits well up to date.

STAFF.

My comments of last year on the cheerful and valuable aid given to me by my staff under the abnormal conditions which existed until comparatively recently also hold good for the year now under review, and I take this opportunity of again publicly expressing my thanks to the officers who have so effectively and consistently assisted me through another arduous year.

ROBERT J. COLLINS,
Controller and Auditor-General.

Audit Office, Wellington, 3rd September, 1919.