

Government Department they are valued by a competent independent officer and reserves fixed accordingly. By arrangement the Treasury and the Audit Offices are advised of all sales authorized, and a strict check is thus maintained, ensuring that all moneys received for the disposal of surplus stores are accounted for.

A conference of the Board's purchasing officers was held at Wellington in November, 1923, at which date the new system had been in operation a little more than one year. The object of the conference was to attain uniformity of methods and to consider suggestions for improvement in the light of the experience gained during the period of the Board's operations. Although a large number of remits were submitted for consideration by the various Supplies and Tenders Committees, none of them were of a very far-reaching nature. It is clear, therefore, that the system is found to work satisfactorily by the officers whose duty it is to administer it, and very few complaints, none of them of a serious nature, have been received from Departments.

Applications for exemption from the regulations have been few, and such as were received related to items of a very specialized nature. This tends to show that the Board's purchasing system is working smoothly.

His Majesty's ship "Dunedin," which has recently replaced the "Chatham," is an oil-burner, and consequently it has become necessary for the Board to purchase fuel oil. Although this is an entirely new line, the first contract has been completed on terms that will compare favourably with those obtained by the British Admiralty.

On the occasion of the visit of the Imperial Fleet the purchase of all foodstuffs required was undertaken by the Board. Both the Imperial and the Australian Admiralty Departments have expressed their thanks for the complete and satisfactory manner in which the arrangements were made.

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