There are eight Stores districts—seven for general stores and one for stationery only—these being located as shown below :—

North Island:-

- 1. Newmarket, for Auckland Store District.
- 2. Petone, for Wellington Store District.
- 3. Stationery Store, Wellington, for whole system.

South Island:

- 4. Addington, for Christchurch Store District.
- 5. Hillside, for Dunedin Store District.
- 6. Invercargill, for Invercargill Store District.
- 7. Greymouth, for Westland Store District.
- 8. Westport, for Westport Section.

A District Storekeeper is in charge of each Store district, and a Stationery Clerk in charge of the Wellington stationery store. These officials are assisted by means of a "Stores Instruction-book," which is issued to all permanent members of the branch, and which describes in considerable detail the procedure to be followed.

Railway Sawmills.

For some considerable time past the Comptroller of Stores has been engaged in organizing railway sawmills, these having been established owing to the difficulty experienced by the Railway Department, particularly in the North Island, in obtaining suitable native timbers for railway-works. This difficulty has been overcome by the purchase and installation of sawmills for native timbers, sawmills now being in operation at Mamaku, near Rotorua, and Frankton Junction. Each sawmill is under the direction of a Sawmill Manager, while each logging-area is in charge of a Bush Manager. There is also a Timber Supervisor engaged in this work, his special duty being to advise and inquire into the questions relating to the use and issue of timber, and the working of bush areas and sawmills under the control of the Railway Department. The staffs employed at these sawmills and in the bush logging-areas are as follows:—

Frankton Junction Sawmill	 • •	 97
Mamaku Sawmill	 	 87
Pokaka and Erua bush logging-areas	 	 57
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Means of obtaining Stores.

The stores purchased in New Zealand are obtained from local manufacturers where material is suitable, or under a system of tender, quotation, or contract from In connection with these purchases the quotations local merchants and local agents. are sent direct to the District Storekeeper, who deals with them so far as his local requirements are concerned. Tenders, however, are forwarded to the General Manager, who appoints two officers to open the tenders and schedule them. are then referred to the Comptroller of Stores for analysis, after which they are been, broadly, to encourage the local merchants in the Store districts to hold stocks for the use of the Department. Stores stocked in hulls are not been through the High Common and the submitted, in conjunction with the opinion of the technical officers concerned, with through the High Commissioner direct from the manufacturers, and in this case Certain items, however, payments are made through the High Commissioner. are ordered through the New Zealand agents of British firms, all the contracts being arranged by the Comptroller subject to the approval of the General Manager. orders of £250 in value and over are submitted to the General Manager for approval. The coal bill is very high. We consider that having regard to the large quantity purchased, viz., 316,383 tons, better contract prices for freight as well as coal should be possible.

Stores Control Board.

In 1922 the New Zealand Government established a Stores Control Board, the function of which Board is to standardize and co-ordinate the whole of the purchases of State Departments in New Zealand. In other words, the Stores Control Board arranges the contracts and the various Departments order their