

operation regulations providing for a more effective method of dealing with the purchase and control of stores.

The question of stores has always been regarded by this Office as having an important bearing on the problem of economical administration, and as far back as the Commissioner's first annual report in 1913 the following comment was made:—

Stores for all practical purposes may be divided under the headings of "consumable" and "non-consumable." It is of the greatest importance that they shall be purchased under the best and most favourable conditions, that when received they shall be economically dealt with, and that if not immediately required they shall be properly cared for, so that custody and disposal shall be beyond question. All these points have been provided for in the regulations, and nothing now remains but that Permanent Heads shall see that the regulations are observed.

It cannot be too strongly emphasized and borne in mind that stores represent cash. It takes cash to replace them if by any means unfortunate conditions arise by which they are lost, or become depreciated, or are not turned to the best account, consequently they should be treated from the standpoint of the value they represent.

In the records which have been maintained too great an elaboration of detail has prevailed, possessing in some cases little or no relation to the issues involved. Moreover, the inspection and audit has not always been of utility.

In every subsequent report the question of stores and the necessity for a proper system of control has been referred to at considerable length, and insistent efforts have been made to ensure that Treasury and Audit should exercise their proper function in relation to this important matter. In the third report of the Commissioner reference was made to the necessity of placing the audit of stores on a satisfactory basis. Direct representations were made to Government, and as a result regulations outlining the procedure for the audit of stores, which had been drafted by the Commissioner, were approved by Government and gazetted on the 10th June, 1915. In 1919 a special branch in the Audit Office was established for this work. In 1922 a Stores Control Board was established, and in that year regulations were gazetted under the Public Revenues Act, vesting in that Board the authority for the purchase and control of stores. In March, 1924, a regulation under the Public Revenues Act was brought into operation, in which reference was made to the disposal of stores in accordance with departmental regulations which had been approved by Treasury and Audit. Prior to this regulation all departmental rules had been subject to the provisions of section 34 of the Public Service Act. There thus began an overlapping in the manner of control between Treasury, Audit, and the Public Service Commissioner. After conferring with the Treasury and the Audit Office on the matter, it was agreed that it would be more satisfactory if the regulations relating to stores were consolidated and vested in one authority. Representations made to Government in the matter suggested the Treasury as the proper central authority. The suggestion was approved, and the necessary regulations prepared and gazetted. Provision has been made in the amended regulations that departmental rules previously approved by the Public Service Commissioner in pursuance of Regulation 18 of the Public Service Stores Regulations, where not inconsistent with the Public Revenues Act and Treasury Regulations, would be deemed to remain in force for the time being.

APPEAL BOARD.

The Public Service Appeal Board commenced hearing appeals against the recent regradings towards the end of January last, and completed its sittings on the 19th August. Most of the time was devoted to the hearing of classification appeals, although, when the Board was visiting centres outside Wellington, opportunity was taken to hear certain promotion appeals, and thereby save the expense of bringing the appellants to Wellington.

The following is a summary of the cases dealt with by the Board: Number of classification appeals heard, 863. Allowed, 119; disallowed, 505; allowed by consent, 52; withdrawn, 172; did not lie, 15.

The Board resumed sittings during September for the purpose of concluding the hearing of promotion appeals. In all, 120 promotion appeals were considered, three of which were allowed by the Board and one allowed by the Commissioner by consent.