

APPENDIX TO THE FOURTH REPORT OF THE PUBLIC SERVICE COMMISSIONER.

APPENDIX A.

REPORT OF THE STORES TENDER BOARD FOR YEAR ENDED 31st MARCH, 1916.

THE Board met on twenty occasions during the year, there being no change in its personnel since the last report.

Mr. J. Mackay, Government Printer, again filled the position of Chairman.

One hundred and nine tenders were accepted by the Board, of a total value of £132,889 14s. 1d.

Mainly on account of excessive increased cost due to war conditions, the Board declined tenders for twenty-two items, the lowest tenders for which aggregated £45,525 17s. 3d.

The purchase of sixty-six items, valued at £32,841 0s. 7d., was approved under the regulations without tenders being invited; one contract for the supply of clothing and equipment, and two contracts for the supply of bicycle and motor-cycle covers and tubes, were arranged.

The contracts for the supply of miscellaneous ironmongery and general stores required by Government Departments, referred to in the previous report, were entered into as far as practicable from the 1st July last, and, although tendering was restricted, particularly in hardware, satisfactory contracts for many items were arranged. Schedules of accepted tenders were printed and distributed for departmental use. The cost of letting and printing the contracts was £53 8s. 9d. for advertising, £130 for printing, and £35 for extra clerical assistance.

The Board has no means of knowing the value of purchases made under the contracts, but, as there have been general increases in the costs of all raw materials and manufactured goods since the date they were let, there is no doubt that the contracts have enabled Departments to purchase to advantage those items for which contracts were successfully arranged. While many advantages are to be gained from the contracts in their present form and as at present arranged, the full benefit of the contracts can be derived only by the Board being in the position to give tenderers an approximate idea of the quantities of each item likely to be drawn annually under the contracts. The demand for this information is made by all tenderers, and the information could be readily given with very little additional work being placed on Departments. It would also result in the schedules being cleansed of items for which there is practically no demand, and in much more satisfactory prices being obtained.

No contracts for food-supplies and forage have been let during the year, but Departments have been given permission to continue in the meantime to purchase their supplies in the open market to the best advantage. This course has been continued, as it was judged impossible to make satisfactory contracts while the prices of produce were fluctuating, it being considered that if contracts for long periods were looked for contractors would naturally have to protect themselves by tendering at maximum prices. So far as can be seen at present, this practice will have to continue for some time to come.

Statements* showing the number and value of tenders dealt with and of purchases authorized under the regulations are attached, and, while the statements show that during the past year one Department availed itself more of the Board's services, there are still other Departments of the Public Service which continue to invite tenders and make their purchases apart from the Tender Board. It is again deemed necessary and desirable to bring under notice the suggestion made in the last report, that one principle of obtaining stores through the Public Service Stores Tender Board should prevail throughout all the Government Departments, and, further, that where stores of a kind are commonly used by more than one Department, such Departments should confer with each other with a view to amalgamating their orders, and by so doing procuring stores at the best price.

The Board is further of opinion that it is undesirable there should be two separate Boards—the Public Works Tender Board and the Public Service Stores Tender Board. In the interests of economy and efficiency it is suggested that one Board be appointed to deal with all tenders connected with the Public Service, and that every Department of the Service should obtain its supplies through that Board.

A statement* is also attached for your information giving prices at which purchases of stores were made by the Board prior to the war and during the course of the war. From this it will readily be seen that it is incumbent on all Departments to exercise the strictest economy in the use of stores.

J. MACKAY, Chairman.

* Not printed.

Approximate Cost of Paper.—Preparation, not given; printing (1,300 copies), £45.

By Authority: MARCUS F. MARKS, Government Printer, Wellington.—1916.

Price 1s.]