

1916.
NEW ZEALAND.

OATS

PURCHASED BY MUNITIONS DEPARTMENT (RETURN RELATIVE TO).

Return to an Order of the House of Representatives dated the 21st July, 1916.

Ordered, "That there be laid before this House a return showing—(1) The quantity of oats bought through the Munitions Department; (2) the prices paid; (3) the rate of remuneration to the agents; (4) the extent of the rise in prices during the period the operations were in progress; and (5) whether or not the method of operating caused the Department to bear the expense of two brokerages."—(Mr. THOMSON.)

RETURN SHOWING—(1) THE QUANTITY OF OATS BOUGHT THROUGH THE MUNITIONS DEPARTMENT; (2) THE PRICES PAID; (3) THE RATE OF REMUNERATION TO THE AGENTS; (4) THE EXTENT OF THE RISE IN PRICES DURING THE PERIOD THE OPERATIONS WERE IN PROGRESS; AND (5) WHETHER OR NOT THE METHOD OF OPERATING CAUSED THE DEPARTMENT TO BEAR THE EXPENSE OF TWO BROKERAGES.

(1.) APPROXIMATELY 125,000 sacks of oats were purchased, representing approximately 530,000 bushels.

(2.) Of the above-mentioned 125,000 sacks, 80,000 averaged a cost of approximately 2s. 7d. per bushel f.o.b.s.i., while the remaining 45,000 sacks averaged a cost of approximately 2s. 10½d. per bushel f.o.b.s.i., thus giving an average over all of 2s. 8d. to 2s. 8½d. per bushel f.o.b.s.i.

(3.) The rate of remuneration paid to agents was 1½ per cent.

(4.) Little, if any, rise in the market took place during the period of operations whereby the first 80,000 sacks were secured, but when certain shipments of oats were made by two troopships from Dunedin it became publicly known that the Government was operating to secure oats for shipment abroad. From this point onwards the market rose about 6d. per bushel from what it was when operations were first instituted.

(5.) The Department had only to bear the expense of one brokerage.

NOTE.—In regard to the question generally, it might be stated that the results of operations fully justify the method adopted, and that it is estimated that fully 6d. per bushel was saved by the Government on the whole order. It might also be pointed out that the grading of the total quantity purchased stands approximately as follows: "A" grade, 61 per cent.; "B" grade, 32 per cent.; and "Good feed," 7 per cent.

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