

for increases. A very small proportion of the District Staff is occupied with training. The majority of the officers are administrative officers employed in connection with the administration of the Military Service Act, returned soldiers, and the Defence Act. At the annual conference at General Headquarters with Officers Commanding Districts the question of a reduction of staff was considered.

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48. *Names of successful tenderers, with prices and conditions of supply, should be published.*

As regards the question of publishing the names of tenderers, &c., the Minister in Charge of the Munitions and Supplies Department made an announcement to Parliament in his report dated the 16th June, 1917, as follows:—

“During the currency of the business under review I have frequently been requested to give information to unsuccessful tenderers; and in this connection I have to report that my advisers, at my request, went fully into this matter, with the result that I decided—(a) To give the price only, quoted by successful tenderers, to any unsuccessful tenderers for the same supply; (b) not to disclose the price quoted by an unsuccessful tenderer; (c) not to disclose the name of any successful tenderer without his consent.

“The reason for acting as indicated in (a) above is to satisfy unsuccessful tenderers that their quotations were not the lowest. It has apparently been the practice of Government Departments for some years past to give this information, although it is not the practice of mercantile houses to do so.

“The reason for (b) above—namely, not giving the prices quoted by unsuccessful tenderers—is that such information would possibly reveal to successful tenderers opportunities for quoting higher prices the next time they were invited to tender for similar supplies.

“The reason for (c) is that direct importers who for business and patriotic reasons desire to quote for military supplies hesitate to do so in competition with the wholesale customers, and consequently in such cases heavy loss can be sustained by the Government unless the most economical purchase is made by the Department. Then, again, a successful tenderer is oftentimes in a better position to conduct his buying operations if his rivals in trade are not aware of the fact that he is a successful tenderer for military supplies. This protection to tenderers has had the effect of encouraging business houses to tender more freely, and has been much appreciated by contractors.

“In cases where quotations are made on samples submitted or direct purchases effected by the Department, the office system inaugurated enables me to at any time look into particular cases with a view to justifying the action taken before orders are confirmed by me.”

In considering the method of dealing with the business as has been suggested by the Commission, the Board has advised the Minister that they see no reason for departing from the principles on which they have conducted their business in this respect; as a matter of fact, their experience during the last twelve months in particular confirms the Board in its opinion, in which the Minister in charge concurs, and therefore it is not proposed to make any adjustment.

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49. *Business man representative of Supplies Board acting with each of the four District Headquarters.*

Action has been taken to appoint local representatives of the Minister in Charge of the Munitions and Supplies Department at Dunedin, Christchurch, and Auckland. The gentlemen appointed are as follows:—

C. J. Miller, Esq., commercial broker, Auckland.

W. R. Gordon, Esq., care of Messrs. Neill and Co., Dunedin.

J. L. Royds, Esq., care of Messrs. Royds Bros. and Kirk, Christchurch.

They, as occasion arises, confer with District Headquarters, particularly with the Assistant Director of Supplies and Transports.

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50. *2314 rifles deficient in districts to be written off.*

Steps have been taken to write these rifles off.

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51. *Title of “Director of Equipment and Ordnance Stores” changed to “Director of Army Stores,” and his functions should be extended to include Engineers, Army Service Corps, and Medical Stores.*

Vide 143. Page 64.

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52. *The Director of Equipment and Ordnance Stores has no say in the appointment of his men, which is at the root of his store troubles at Headquarters and in the districts.*

Vide 12. Page 9.

This is a misconception of the facts. The Director of Equipment and Ordnance Stores, as head of the New Zealand Ordnance Corps, is solely responsible, under the General Officer Commanding, for the selection and appointment of all Ordnance Corps officers, N.C.O.s, and men employed in the Ordnance Offices and Stores, both at General Headquarters and in the districts. The Commission have apparently confused the Director of Equipment and Ordnance Stores' evidence in regard to the appointment of unit quartermaster-sergeants (vide 54. Page 33).