

1927.  
NEW ZEALAND.

# STORES CONTROL BOARD

(ANNUAL REPORT OF)

*Presented to both Houses of the General Assembly by Leave.*

SIR,—

Stores Control Board, Wellington, 30th June, 1927.

I have the honour to submit herewith the annual report of the Stores Control Board for the period ended 31st March, 1927.

I have, &c.,

F. J. BROOKER, Secretary.

The Hon. K. S. Williams, Chairman, Stores Control Board.

## REPORT.

### PURCHASES.

During the year ended the 31st March, 1927, the total expenditure on stores amounted to the sum of £3,877,275 4s. 7d. With the exception of a few instances, in which the circumstances were too urgent to allow of the usual procedure being followed, tenders or quotations were invited for the whole of the stores required. For the requisitioning Departments 10,470 requisitions were dealt with, and 381 contracts were arranged for daily supplies, mostly perishable foodstuffs, &c. These figures do not include the requisitions and contracts dealt with by the three purchasing Departments (Railways, Public Works, Post and Telegraph) on account of their own Departments. General contracts covering the requirements of all Departments were arranged on favourable terms for the supply of cement, typewriters, motor-spirit, motor lubricating-oils, motor-tires, kerosene, Ford spare parts, Overland spare parts, disinfectants, soaps, candles, bricks, earthenware drainpipes, brushware, cleaning-materials, and glue and size. Contracts for the supply of coal and firewood have also been arranged at Auckland, Christchurch, Dunedin, Invercargill, New Plymouth, and Blenheim.

### STANDARDIZATION.

The Board's schedules of standardized stores have been printed, and tenders invited for periods varying from one to three years. Six of the thirty-five schedules, covering stores which are manufactured within the Dominion, have been dealt with and contracts arranged. Generally speaking the competition was keen, and, apart from the convenience of the system, it is estimated that a saving of approximately 10 per cent. will be effected. The total number of items included in these six schedules is 345; and, as delivery is required at several centres, nearly four thousand separate prices had to be considered. The estimated expenditure is in round figures £20,000, the whole of which, with the exception of less than £100, will go to New Zealand manufacturers. Prior to printing the schedules the various chambers of commerce and similar business organizations were given an opportunity of perusing the proofs and submitting suggestions that would enable firms to tender to the best advantage. The proofs met with very general approval. As a result of the representations made one specification was amended, and in a few instances the size of packages or containers was varied to comply with the usual trade practices.

### TESTING STORES.

Before contracts are arranged, tests of the various stores offered are carried out. For instance, paints, motor-spirits, lubricating-oils, &c., are analysed to determine their physical properties, and tested under working-conditions for service. The data thus obtained is of great value not only to the Board but also to New Zealand manufacturers. When stores manufactured locally fail to reach the standard specified the deficiencies are on record and available to the manufacturer if he inquires. There is no doubt that some manufacturers by availing themselves of the information thus obtained have improved the quality of the goods they are producing, with benefit to themselves and consumers alike. In addition to ensuring that the Government purchases only stores of good quality, it is hoped that this policy will result in higher-grade goods being stocked by distributors for sale to the general public.

## MOTOR-VEHICLES.

The details of the standardized system of recording the running and maintenance costs of motor-vehicles have been agreed upon, and the system is now in operation. The relative instructions have been printed and circulated. The new system will ensure that the motor-vehicle costing of all Departments will be kept on a comparable basis, and enable excessive or extravagant expenditure to be more readily detected.

## LOCAL INDUSTRIES.

It is the policy of the Board to keep as closely as possible in touch with the commercial development of the Dominion's manufactures. With this object in view conferences are held from time to time with organizations such as the Industrial (Manufacturers') Corporations of New Zealand, chambers of commerce, &c. There is no doubt that these conferences have been of value both to the Board and to manufacturers. During the year the Board's advisory committee (by request) visited the New Zealand and South Seas Exhibition held at Dunedin, and made a careful examination of the very varied and large display of stores. Special attention was paid to the products of New Zealand factories. During this inspection the officers of the Board were accompanied by the president of the Manufacturers' Association (James Hogg, Esq.), and had the benefit of his wide knowledge of manufacturing methods. Subsequently a conference was held with the Exhibition directors. The constitution, policy, and objects of the Board were fully explained to the directors, also the principles upon which the methods of buying are based. The following extract is taken from the speech of the president of the Manufacturers' Association as reported in the press:—

“In the past the public had always been ready to criticize the Government for inefficiency in buying, but the successful advent of the Board had made for a great increase in efficiency. He did not want to pay a tribute to the members of the committee because they were guests, but he knew for a fact that the Government was now buying more wisely, economically, and in more advantageous markets than in the old slipshod days. Far lower prices were being paid to-day, and credit was due to all Government officers who handled the buying.”

At a later date representatives of the Board attended a conference of the Industrial (Manufacturers') Corporation of New Zealand, held at Christchurch. The discussion was somewhat similar to that which took place at Dunedin, but, at the request of the conference, special attention was given to the Board's methods of dealing with tenders. The value of these conferences is undoubted. They result in the removal of many misunderstandings, and the confidence of manufacturers and other suppliers in the Board is increased. At the conclusion of this conference a prominent member remarked, “We have a new vision of the Board's attitude to local industry.”

## SCIENTIFIC AND INDUSTRIAL RESEARCH.

During the year a new Department, that of Scientific and Industrial Research, has been established. The Department is interested in the preparation of standard specifications, and has already conferred with the Board in respect thereto. The technical and scientific knowledge which the Department is able to command will be of undoubted benefit to the Board. There is scope for co-operation between the Board and the Department, and one result that may be confidently anticipated is a steady improvement in the Board's specifications. The Dominion Laboratory is now attached to the Department, and the services of the Dominion Analyst are largely availed of by the Board. The information disclosed by his analyses is of the highest value, and, in conjunction with practical tests, enables the Board to determine the relative values of many classes of stores with full confidence.

## SHIPPING DOCUMENTS.

In the past, Departments, in common with the commercial houses, have experienced inconvenience and delay through the arrival of stores in the Dominion prior to the receipt of the relative shipping documents. Negotiations were opened by the High Commissioner with the interested shipping companies, and arrangements completed which ensure the despatch of shipping documents by the steamer which carries the stores.

## SERVICE BY CONTRACTORS AND SUPPLIERS.

Next to the quality of stores supplied ranks the service which tenderers are able to offer. This applies with particular force to contracts extending over a period, and is often the determining factor in deciding which tender shall be accepted.

The number of service depots, supply of spare parts, facilities for repairs, and the qualifications of the contractor's technical experts are important, and receive careful consideration prior to the acceptance of any tender. As a result the Board has reason to be satisfied with the service rendered by contractors, and it is gratifying to record that in the rare instances where mistakes have occurred adjustments have been readily made by those responsible. In a period of nearly five years only two or three cases have occurred in which it has been necessary to take drastic action and cancel the contract.

*Approximate Cost of Paper.*—Preparation, not given; printing (600 copies), £2 15s.