

Aviation Fuel, Motor-spirits, &c.

Negotiations with two oil companies for review of their contracts for the storage, handling, &c., of aviation fuel, reference to which has been made in my last three reports, were brought to a satisfactory conclusion during the year. The Government succeeded in obtaining a substantial reduction in the rate per gallon provided for in the contract, and cash refunds amounting to £269,817 were received.

Agreement was also reached with all oil companies on the prices to be charged them by the Ministry of Supply for benzine and petroleum products received under lend-lease.

As a result of the agreement, which increased debits against the companies by a net amount of approximately £50,000, the Ministry of Supply was able to make final claim of £645,191, and of this amount £564,822 has been collected.

Defence Works Camps

Control of Defence Works Camps has passed from the Public Works Department to the National Employment Service, and the camps have been renamed Industrial Workers' Camps as being more appropriate to the use to which they are now put. The number of men in camp averages 735.

The board rates charged the men accommodated are not sufficient to cover the running costs of the camps.

Contracts

Timber.—Settlement of defence building contracts is now in sight, there being only two contractors who are still disputing the deductions from the contract sum for timber supplied to them. On four contracts special allowances were made because of timber appropriated by the Forces for tent-floors, duck-walks, &c., and because of losses from recutting, and deterioration arising from delay due to changes in plans.

Allowances.—In respect of five contracts, representations were made to the Public Works Department by contractors that special circumstances justified the payment of allowances in respect of their contracts, and these allowances were granted, although there were instances in which the quantity surveyors appeared to retain doubts as to whether they were justified.

Army Stores

Ordnance.—Inspection of the main depot, where by far the greater bulk of Army stores is held, is in progress as this report is being written. An interim report states that, generally speaking, stocks held are in agreement with ledger balances, but the reservation is made that in regard to the important C Group, which comprises all articles of clothing, the stocks held are so large and so much in course of transit to and from laundry as to make stocktaking impracticable.