

APPENDICES TO THE THIRD REPORT OF THE PUBLIC SERVICE COMMISSIONER.

APPENDIX A.

REPORT OF THE STORES TENDER BOARD FOR YEAR ENDED 31ST MARCH, 1915.

THERE has been no change in the personnel of the Board since the last report.

Twenty-five meetings were held during the year.

One hundred and thirty-five tenders were dealt with, of an aggregate value of £108,774 17s. 7d. The Board also authorized the purchase of forty-three items under clause 17 of the Public Service Stores Regulations, valued at £15,813 16s. 6d., and eighteen contracts for supplies of a minor nature were arranged.

The matter of deposits and securities was fully gone into by the Board during the year, and the Public Service Commissioner was recommended to amend the Stores Regulations in the direction of allowing tenderers to place on fixed deposit in the name of the Chairman of the Board a sum to cover all deposits required to accompany tenders, and also to provide, except in special cases, for a general bond in the sum of £1,000 for the due fulfilment of all contracts entered into with a tenderer. The regulations have been amended in this respect, and tenderers are now taking advantage thereof.

A form of tender for general use has been drawn up making the conditions of contract uniform, and more favourable to tenderers.

Owing to the war many requests reached the Board for variation of the conditions of contract, and it was decided to recommend the Public Service Commissioner to agree to concessions being made to contractors by Government undertaking to pay additional charges by way of freight, war-risk insurance, and exchange, and in certain cases the extra cost of production of goods. The proposals were agreed to, and appear to have given complete satisfaction to contractors.

It was also decided, owing to conditions existing due to the war, not to relet contracts for food, forage, and other supplies, which are at present fluctuating to an extent which would prevent favourable contracts for any length of time being entered into, but to permit Departments requiring such supplies to procure them in the open market to the best advantage.

The contract for miscellaneous ironmongery and general stores required by Government Departments, which has hitherto been arranged by the Public Works Department, is now in course of reletting by the Board. Amended conditions and schedules of supplies have been drawn up, and tenders are being invited for the supplies for a period of one year, with the right of extension for a further period of one or two years subject to the parties mutually agreeing thereto.

During the year it was found necessary to forfeit the deposit security made by a contracting firm, on account of its having furnished misleading information as to the source of manufacture of stores tendered for.

Detailed statements showing the tenders accepted and purchases authorized under clause 17 of the Public Service Stores Regulations are attached.

It will be seen from the statements that some Departments of the Service do not obtain stores through this Board, and that the bulk of the tenders dealt with have been for the Post and Telegraph Department. It may be that the reason for this is that some Departments have not found it necessary to call for stores during this year; and in some other cases Departments are not under the control of the Commissioner, and in consequence are not obliged to avail themselves of the services of the Board. In one other case the Department has a Tender Board of its own, and, except for general stores-supply contracts advertised for once every two or three years, it deals with tenders itself. The purpose of this Board is to secure that stores for the different Departments be procured as economically as possible, and whether individual Departments making purchases apart from the Tender Board can do so more advantageously than through the Board cannot be said without knowledge of the working of those Departments.

In view of the foregoing it is suggested that one principle of obtaining stores through the Public Service Stores Tender Board should prevail throughout the whole of the Government Departments.

J. MACKAY, Chairman.