11. That at the office of the High Commissioner, London, and at such other places outside of New Zealand as may be found desirable, there be provided an expert buying staff capable of purchasing to the best advantage at the sources of production.

12. That the term "stores" as defined in clause 2 of the Public Service Commissioner's Stores Regulations be construed to include office furniture, fittings, and mechanical office appliances of every description, and that the Central Stores organization control the custody and disposal thereof.

13. That central garages and workshops be established under the control of the Central Stores organization to cover the requirements of all Departments. (NOTE.—It is estimated that a considerable saving—amounting to several thousand pounds annually—would be effected on account of maintenance and upkeep of mechanical transport vehicles with the adoption of this proposal.)

14. Our answers to questions on agenda which are not covered specifically by the foregoing recommendations are as follows:—

Qn. (6) (*d*). There is considerable duplication of medical stores and supplies. By whom should their purchase and issue be controlled?—*Ans.* The purchase of these stores would be controlled by the Central Stores organization.

Qn. (7). The possible economy to be effected by purchasing, as far as possible, at the source of production.—*Ans.* Based on the expenditure for the year ended 31st March, 1919 (*vide* return of stores purchased by the Government Departments covered by Public Service Act, 1912—Appendix A), the committee is of opinion that of the stores purchased from middlemen at least 50 per cent. could have been purchased at the source of production, and that the saving effected thereby would amount on a conservative basis to £50,000.

Qn. (9). Are contracts made by Departments reviewed by experts, and is any attention paid to the rates of profit made by contractors?—*Ans.* Contracts are not in all cases reviewed by experts, and no attention is paid to the rates of profit made by contractors.

Qn. (10). Is financial control satisfactory as regards the examination and payment of accounts, and is sufficient attention paid to proposed schemes of expenditure from the point of economy?—*Ans.* It is considered that better control, and therefore more satisfactory results, would be obtained under a central organization. (A return supplied by the Treasury—Appendix B—shows discrepancies in prices for the same articles purchased by different Departments.)

Qn. (11). The possible improvement of the systems of stores accounts with the object of ensuring prompt and accurate payment and checking waste and pilfering.—*Ans.* The Central Stores organization would provide a system to ensure prompt and accurate payment and also check waste and pilfering.

Qn. (12). Regulating the sale of stores, &c., to the public or members of the Public Service. —*Ans.* Generally, sales of stores to the public or members of the Public Service should not be made, but exceptions to meet special cases, such as sales of stores on construction-works, &c. (to be defined by the Central Stores organization), be made where necessary.

Qn. (13). Conditions under which obsolete stores and material should be disposed of.—*Ans.* All obsolete stores and material should be disposed of under the direction of the Central Stores organization.

Qn. (14). Recording receipt and issue of stores.—*Ans.* The Central Stores organization system of accounts would provide for this.

Qn. (15). Control of the stores after issue.—*Ans.* This would be provided for by inspection (*vide* paragraph 2 (*c*)).

Qn. (16). Writing off lost or destroyed stores.—*Ans.* This would also be controlled by the Central Stores organization.

Qns. (18), (19), (20). Typewriters, accessories and repairs, photographic apparatus and material, office requisites, and Government stationery.—*Ans.* These articles would come within the definition of the term "stores," and be dealt with accordingly by the Central Stores organization.

Qn. (21). Cost accounts and statistical returns.—*Ans.* It is considered essential that proper cost accounts should be kept, and also statistical returns, of all stores transactions.

Qn. (25) (*a*). Estimated cost of proposals.—*Ans.* It is considered that the capital outlay for the purchase of sites and the providing of warehouses at the four centres—viz., Wellington, Auckland, Christchurch, and Dunedin—would be £100,000; interest and depreciation on which would be £10,000; estimated cost of providing administrative and warehouse staff, £35,000: total, £45,000.

	£
Qn. (25) (*b*). The saving to be effected.—*Ans.* Estimated saving in purchasing from source of supply (see answer to Qn. 7) ..	50,000
Estimated further saving generally due to central organization ..	50,000
Estimated annual gross saving	100,000
Estimated annual cost of organization as shown above	45,000
Estimated annual net saving	£55,000

(NOTE.—In addition to the above estimated annual saving of £55,000, a further annual saving of several thousand pounds would be made by the establishment of central garages and workshops. *Vide* paragraph 13.)