3 H.—4.

The purchase of stores under period contracts covering the requirements of all Departments has proved both convenient and economical. Whilst the system of purchase under general contracts has been extended in a small degree during the year, the Board is fully cognizant of the advantages to be gained from bulk buying and action is being taken to extend the contract system in the near future.

STANDARDIZATION.

The development of New Zealand standards by the New Zealand Standards Institute is a matter of distinct importance in the purchase of Government stores requirements. The value of standards is fully recognized by the Board, as by the use of standard specifications materials are described in terms intelligible to both the supplier and the purchasing officer. The supplier can therefore gauge the type and quality of the material required, whilst the work of the purchasing officer in reviewing tenders received is greatly facilitated, as tenders are submitted on a basis which renders them readily capable of comparison.

The Board has a representative on the Council of the New Zealand Standards Institute, and by this means close co-operation with the Institute is maintained. Full use will be made of the Institute's organization in the pronulgation of standard purchase specifications when the contract system of purchase is extended.

INCREASED ACTIVITIES.

The increased activities of Government Departments are reflected in the total amount expended on stores, as indicated above. Extra work has been undertaken by the Board during the year in the purchase of sawmill machinery for the State Forest Service, reserve stocks of essential items for the armed Services, and additional items required as a result of the expansion of the Royal New Zealand Air Force.

PURCHASE OF SEEDS.

The Department of Agriculture acts as the Board's Purchasing Department for seeds for all Government Departments, and purchases are arranged by the Department's Seed-testing Station at Palmerston North. The extent of the Department's purchasing activities can be gauged by the amount of £84,265 which was expended in the purchase of seeds during the year.

PREFERENCE TO GOODS OF LOCAL AND BRITISH MANUFACTURE.

The policy of preference to goods of New Zealand and British manufacture in the purchase of Government stores requirements has been maintained throughout the year.

It is the settled policy of the Board to give preference to goods of local manufacture provided both quality and price are satisfactory. Considerable progress has been made in the range and variety of goods now being manufactured locally and during the past year items of stores not previously made in the Dominion have been obtained from New Zealand manufacturers.

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