

1917.
NEW ZEALAND.

MUNITIONS AND SUPPLIES DEPARTMENT.

MEMORANDUM IN CONTINUATION OF PARLIAMENTARY PAPER H.—24, DATED THE 16TH JUNE, 1916, RELATIVE TO THE BUSINESS NOW CONDUCTED THROUGH THE MUNITIONS AND SUPPLIES DEPARTMENT.

Laid on the Table of the House of Representatives by Leave.

Office of Minister in Charge of Munitions and Supplies,
Wellington, 16th June, 1917.

MUNITIONS.

As indicated in my report to Parliament dated the 16th June, 1916, above referred to, Cabinet decided against the manufacture of munitions of war in New Zealand; and this decision having been adhered to, it follows that my report on this occasion will be relative to matters connected with supplies within the Dominion.

SUPPLIES.

The arrangement effected between my colleague the Hon. the Minister of Defence and myself in regard to buying-operations, referred to in my previous report, whereby the Minister of Defence specifies for military requirements, while I accept full responsibility for the business of buying, has been followed throughout the past year with satisfactory results. The work connected with buying-operations was at first conducted through the medium of the Military Supplies Purchase Office. However, the functions attaching to my portfolio have extended to such a variety of transactions that it was considered advisable to conduct activities under the title of "Munitions and Supplies Department." Accordingly, a Department under this head has been established. The three primary functions of the Department relate, firstly, to the purchase of goods required by the military authorities; secondly, to matters connected with coal-supplies; and, thirdly, to matters connected with priority permits issued in London by the Ministry of Munitions. I therefore propose to deal with these heads seriatim.

MILITARY SUPPLIES PURCHASE BRANCH.

1. The fact that substantial stocks in all important lines were accumulated during the year covered by my first report has largely contributed to facilitating the business of buying which has been done during the year now under review. Economies have also thereby been effected, and the high standard of quality specified for has been fully maintained throughout.

Estimates of New Zealand Military Requirements for Calendar Year 1917.

2. It having been found convenient from a buying point of view to estimate requirements per calendar year rather than over the period of a financial year, instructions were issued in August last requesting the military authorities to as far as possible estimate their requirements for the calendar year 1917. Accordingly, in the month of September following, I was advised that the estimates on being costed gave the following result:—

					£
(a.) Stores	..	..	..	..	727,510
(b.) Supplies	..	..	..	..	568,918
(c.) Drugs	..	..	..	..	17,460
(d.) Contingencies	..	..	..	..	86,112
Total	..	..	..	..	£1,400,000

The first action taken on this position being ascertained was to submit the matter to Cabinet, which resulted in the decision that I was authorized to make provision according to requirements for the full calendar year.