

9-10 GEORGE V, A. 1919

Q. You have a purchasing branch? A Bill is going through the House to organize a purchasing commission?—A. If our relations with the new Purchasing Commission are what they were with the old War Purchasing Commission, everything will be quite satisfactory.

Q. How will it affect your staff in the matter of purchasing?—A. It won't reduce our staff or purchasing cost at all, because we believe, and the War Purchasing Commission have never told us otherwise, that we are purchasing to the best advantage at the present time. We have always worked under the War Purchasing Commission ever since it was an organization.

Q. Do you make your own purchases?—A. No.

Q. What is your method?—A. A great proportion of the material we require is of a technical nature, machinery for the equipment of hospitals where men are being treated, medical equipment, surgical equipment, special varieties of plumbing in connection with the equipment of hospitals and so on. We also purchase very large quantities of food supplies. The arrangement that we made with the War Purchasing Commission was that we would call for tenders. We would send them copies of our request that we send out asking for tenders. They would indicate to us any firms that we should add to our list, or if any firms we were asking to tender were not responsible, they would let us know. I do not think they ever proposed to cut anything. The tenders were received in a sealed envelope and were opened in the presence of a representative of the War Purchasing Commission and scheduled. Then our Chief Purchasing Agent together with the head of the administrative branch who required the technical material outside would then consider what was the best value. The recommendation was then sent over to the War Purchasing Commission so that they might wise it and question the judgment if they saw fit. They have questioned some, but usually the original judgment of our business has been upheld.

*By Mr. Boys:*

Q. Is that right of vise a courtesy or a regulation?—A. A regulation.

*By the Chairman:*

Q. Why should you keep up a purchasing staff when a purchasing staff already exists?—A. The clerical work that must be done in connection with the purchasing has to be done somewhere and it is just as economical to do it in our office as to do it across the street in the office of the War Purchasing Commission. The possibility of purchasing everything, and eliminating through one central office, the actual placing of the orders there, and carrying on the whole machinery of purchasing in one office for all Government departments seems to me an unwieldy and impossible proposition. What I say is this though; the War Purchasing Commission has been of great assistance to us when we have been placing large contracts, because they would combine our requirements of staple articles with the requirements of staple articles of other departments and buy in large quantities. And then having made a contract for all Government departments, our purchasing department can draw on that contract just as they require the goods. But the advantage has accrued to the Government in that the whole requirements of the Government are lumped into one contract, and therefore a lower price was probably secured, but the placing of the individual requirements of the various departments must be done by the various departments, because they do not know when they are going to require these articles. A contract might be made up, and you might require a certain quantity of flour. I cannot tell how many patients we are going to have in a hospital a month or six months before the goods are needed.

*By Mr. Boys:*

Q. If there was a central purchasing commission, you could requisition that commission for what you want?—A. Quite so, but somebody would have to requisition.

[Mr. F. G. Robinson.]