ACTION COPY SENT
TO ENGINE SUPT.

D-05

HAK/SG P 547

17th, May 1962

Magr. Eng. Supt. ✓
A/F Mngr.
Sec. Ch. Eng. A/D
Asst. Sec. Pers. Supt.
Ch. Acct. 23 MAY 1962 Supply Sales
Stores
Asst. Init.

FR 7/25

AUSTRALIAN MISSION
S.N.E.C.M.A
70, bld Kellermann

PARIS 13e
France

COMMONWEALTH AIRCRAFT CORPORATION PTY.LTD.
BOX 779 H P.O.
Elizabeth st.

MELBOURNE
Australia

Attention : the MANAGER.

Subject : Magnesium alloy castings in GA 9 material.

Dear Sir,

With reference to your EH M 265 and further to our P 483 and P 520 under the above headings, it is advised that further discussions have been held with SNECMA, but as Mr. KING will shortly be returning to Melbourne, he will bring back with him for consideration the comments offered by SNECMA.

Yours faithfully,

D.M. CARROLL.

CIRCULATION / COPIES / /6	
E.F. MNGR	FCT. ADM. SUPT.
DSGN. ENGR	MC. SHOP. SUPT.
DEV. ENGR	PRODUCN. SUPT.
SERV. ENGR	ASSMLY. SUPT.
QUAL. ENGR	FOUNDRY SUPT.
PROD. ENGR	METLCAL. SUPT.
MATL. ENGR ✓	PROCESS SUPT.
CH. TL. DSGR	TOOL. PROD. SUPT.
CH. INSP. E. F.	TOOL. ROOM. SUPT.
A/F MANAGER	SUPT. INSPECTION

KH

DMC/SG

17th, May 1962

RECEIVED

23 MAY 1962

AUSTRALIAN MISSION
S.N.E.C.M.A
70, bld Kellermann

PARIS 13e

THE SUPPLY ATTACHE
45, rue Raffet

PARIS 16e

Tooling sub-order N 503/67.

Dear Sir,

The above order relates to SNECMA quotation TRQ 67 submitted under cover of letter 40835, 20th. Dec. 61 and covering the manufacture of a projection unit nº 7453 CK.

The price quoted by SNECMA was 16,199.92 NF representing 736 hrs 36 mn. of manufacturing time and the order was issued on this basis.

However their letter 07840 subsequently advised that, through an oversight, the cost of purchased optical equipment had not been included. The additional cost of this equipment comprising lens, lantern and ventilation system, without which the SNECMA built components would be useless is 3908,16 NF and the correct total 20,108.08 NF.

In this connection I am aware that Mr. FOSTER wrote you and also SNECMA, on 6th, March making reference to a ruling of the Chief Procurement Officer that the reasons advanced for an increase in price were not admissable, but it surely is only reasonable to recognise the present case as a genuine error on SNECMA's part, arising mainly from the fact that the equipment on order included components purchased from an outside source.

While I am appreciative of the need of provisions in the agreement to prevent "jacking up" of firm quotations; it does appear that some consideration should be given to cases of obvious error or genuine oversight.

I should be pleased to have your views on this matter, as I am sure that C.A.C would not willingly be a party to any circumstances involving hardship.

cc. C.A.C.

Yours faithfully,

D.M. CARROLL