H.--43.

$R \to P \cap R T$.

Constitution.

Appointment of Board.

AFTER preliminary negotiations with the Hon. the Acting Prime Minister, Messrs. William Ferguson, Wellington, J. H. Gunson, Auckland, J. A. Frostick, Christchurch, and W. D. Hunt, Invercargill, met in Wellington on the 2nd February, 1917, and were received by the Hon. Sir James Allen, who expressed the thanks of the Government for their acceptance of office without remuneration. Sir James briefly outlined the intentions of the Government in setting up the Board, and placed before the Board for its immediate consideration suggestions for the organization of industries, and generally to provide for industrial efficiency and research work during the war and afterwards.

Chairman.—Mr. Ferguson was selected as Chairman of the Board.

BOARD'S ORGANIZATION. Preliminary Report.

The Board gave consideration to the suggestions received from the Acting Prime Minister, and submitted its report with a suitable recommendation with a view of establishing upon a workable basis an effective organization to protect and advance the industries of the Dominion.

Powers.

Amongst the early recommendations of the Board of which the Government approved were the following:

That the Board be appointed as a Royal Commission for the period of the war and twelve months thereafter, with such powers as are generally given to such Commissions, or with such extended powers as might be necessary for the individual members of the Board as well as to enable the Board as a whole to carry out the duties devolving upon it, including powers to obtain evidence and to conduct inquiries.

That whilst the members of the Board give their services voluntarily they should be recouped for out-of-pocket expenses in the form of a travelling-allowance for each day they are away from their home town, together with all expenses of locomotion. That as General Secretary of the Board there should be selected a Civil servant of con-

siderable experience with a thorough knowledge of departmental routine.

That it should be left to each member of the Board to arrange for his private secretary, and also for the services of such clerical assistance as might be found to be necessary from time to time, and to make necessary arrangements for adequate office accommodation in his district.

Fifth Commissioner.

It having been determined that each Commissioner should organize and handle the inquiries within his own military district, and should keep all his colleagues in touch with the results obtained by a system of circular memoranda as well as by personal letters, it became evident that the Chairman would be so occupied as the central pivot of the system that he would be unable to personally travel through and organize the Wellington Military District. It was therefore represented to the Government that a fifth Commissioner should be appointed to have charge of the Wellington Military District. This was agreed to, and Mr. Thomas Moss, of Eketahuna, was added to the Board, taking office from the 1st March.

Order in Council, 5th March, 1917 .- Subjects of Inquiries.

Not only has the Board full powers as a Royal Commission, confererd upon it in an Order in Council appointing the Board which was duly gazetted on the 5th March, 1917 (Appendix I), but each Commissioner has had granted to him individual powers under the Commissions of Inquiry Act, 1908, to summon any person to give sworn evidence before him, and to require any papers upon any subject of inquiry to be produced. This power has been found to be of great value, and to have added materially to the efficient working of the Board.

Districts.

For the purpose of the Board's work the Dominion is divided into four districts, the same being coterminous with the military districts. Suitable offices were selected by the Government in Wellington for the Chairman, Mr. William Ferguson; General Secretary, Mr. J. T. Watkins; and clerical staff. The Wellington District Commissioner, Mr. Thomas Moss, has his office and staff in the same building, at 38 The Terrace. The other District Commissioners are stationed at follows: Auckland District Commissioner, Mr. J. H. Gunson, by the courtesy of the Auckland City Council, at the Town Hall, Auckland; Canterbury District Commissioner, Mr. J. A. Frostick, at the National Mutual Buildings, Hereford Street, Christchurch; Otago District Commissioner, Mr. W. D. Hunt, at the New Zealand Express Company's Buildings, Dunedin.