

1927.
NEW ZEALAND.

PUBLIC ACCOUNTS COMMITTEE
(REPORTS OF THE).

(MR. NASH, CHAIRMAN.)

Presented to the House of Representatives, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

THURSDAY, THE 14TH DAY OF JULY, 1927.

Ordered, "That a Select Committee be appointed, consisting of ten members, to examine into and report upon such questions relating to the Public Accounts as it may think desirable or that may be referred to it by the House or the Government, and also into all matters relating to the finances of the Dominion which the Government may refer to it, to have power to call for persons and papers; three to be a quorum: the Committee to consist of Mr. A. Hamilton, Mr. Howard, Mr. D. Jones, Sir John Luke, Mr. Nash, Mr. Sidey, Mr. Sullivan, Mr. Tapley, the Right Hon. Sir Joseph Ward, and the mover."—(Hon. Mr. DOWNIE STEWART.)

WEDNESDAY, THE 26TH DAY OF OCTOBER, 1927.

Ordered, "That the Post and Telegraph Amendment Bill be referred to the Public Accounts Committee."—(Hon. Mr. NOSWORTHY.)

REPORTS.

POST AND TELEGRAPH AMENDMENT BILL.

THE Public Accounts Committee, to which was referred the above-mentioned Bill, has the honour to report that it has heard evidence on and carefully considered the provisions of the said Bill. The Committee recommends that the Bill be allowed to proceed without amendment. Minutes of evidence are attached hereto.

4th November, 1927.

MINUTES OF EVIDENCE.

FRIDAY, 4TH NOVEMBER, 1927.

Mr. G. McNAMARA, Secretary, Post and Telegraph Department, examined.

The Chairman.] Will you make a statement to the Committee, Mr. McNamara?—Yes, sir. The Bill, although containing very many clauses in Part I, is really simple in effect. The number of the clauses is only occasioned by the fact that our accounts are touched upon in many Acts, and they are all machinery amendments. Briefly, the reason for the amendment is this: For many years the Post and Telegraph Department has been working under a system of imprest accounts. That means that we are supposed to hand the whole of our revenue to the Treasury, and to receive back from them the amount of money that we pay out. The total amounts to about £6,000,000. Now, I think it will be realized that that is quite impossible in these days, when the volume of business is so large; and we are now proposing to do what we really are doing in practice, and that is to make adjustments when necessary with the Treasury. But the real object behind this Bill is to retain in the Post Office our depreciation. It has been suggested that we are altering our accounts; but I wish to point out that our accounts were instituted some fifty or sixty years ago. They were established by a very esteemed gentleman, Mr. Warburton; and I would like to say at this stage that we do not propose to alter those accounts in

the slightest manner. We are only providing that all amounts that we receive shall remain in the Post Office, and that when we pay out wages and other expenses we will pay them out of the Post Office. That will naturally leave with the Post Office the surplus, if any. There will then be the amount that we have to set aside for interest, and we will pay that to the Treasury; and there will be the amount that we will have to set aside for depreciation, which we will not pay to the Treasury. In the past the amount set aside for depreciation went to the Treasury for the simple reason that we paid over all receipts to them, and only got back our outgoings. Now, with this altered system, we will pay in all the money that we receive, and pay out from our own banking account all that we have to pay out. It follows naturally that the Depreciation Account will stay in the Post Office. Our object is to set aside regularly a Depreciation Account. It has never been set aside up to date, except on paper. Now, the whole object of the Bill is only that—to provide that we will keep our own Depreciation Account, and enable us to use it in renewing our buildings and plant. I have had graphs taken out which will largely explain the position [graphs shown to the Committee]. Owing to the rapid growth of telephony our expenditure has reached a huge amount, and, as everybody knows, the life of a telephone-line is only approximately fifteen years. By that time the poles rot, and the lines have to be rebuilt. That means that up to about fifteen years the cost of renewals is going to be small, but after that period the cost for renewals is going to be huge. We must therefore set aside a percentage for depreciation. We must set aside a proper Depreciation Account, such as any business firm would do, and get ready for these big renewals.

What you propose is to set aside a sufficient amount for fifteen years to provide for those renewals?—Yes. It is proposed to set aside a proper amount for depreciation. That is the whole object of the Bill—to make us secure for the future. Whereas to-day, in 1927, our depreciation charges only amount to about £129,000, in 1940 they will be about £1,960,000 owing to the huge increase in business. Owing to the system in operation to-day the Depreciation Account stays in the Treasury, whereas it should stay in our own accounts. A simple illustration could be given in this way: This year I had to borrow from the Public Works Department £750,000 for telegraph extensions. Now, most of that is used up in renewals of plant built fifteen years ago. Had I had my Depreciation Account in the bank, which roughly runs to about £400,000, we would have had to borrow only £350,000. You will see the point when I tell you that we have to pay interest on the £750,000—and I am sorry to say that the Treasury has not been giving us interest on the £400,000.

Mr. D. Jones.] There is nothing like having a good Treasury?—I am not complaining about the Treasury. The Treasury has treated us handsomely in this matter. It is just the old system of imprest accounts which has been retained, and that was of no importance up to the past few years. But owing to the huge growth in our telephone business it is essential that we should set aside a proper Depreciation Account; and not merely to set it aside on paper, but to have it, so as to get rid of depreciated plant.

Mr. Sullivan.] You will have to make an adjustment with the Treasury?—Yes.

Right Hon. Sir Joseph Ward.] It will be a very interesting adjustment when it comes about?—Yes, but we are quite ready for it. I would like to make it quite clear to the Committee that I am not complaining about the Treasury at all. This is something that has only developed because of the expansion of our telephone work. You will see the huge expansion that has taken place by these diagrams [diagrams shown to Committee and explained]. Our expenditure in 1907 was £91,000, and our expenditure in 1926 was £1,025,000. It is running up so rapidly. I have also prepared a graph showing our present renewals compared with what they will be in 1940 [graph shown to Committee and explained]. The renewals in 1940 will be that huge amount [indicating].

Do you get interest upon the accumulated amount for depreciation that you have already?—Not so far.

You are supposed to get it under this Bill?—By this Bill we will retain the money, and, of course, we can then place it at interest. I think the interest on that amount to-day, if we were drawing interest upon it, would amount to something like £60,000 a year.

Mr. A. Hamilton (referring to diagram.)] Your costs will have increased considerably during the last twenty years?—Yes. The telephone-lines run to probably 200 per cent. increased cost for copper wire, and labour has increased from 9s. to 15s. per day—roughly, 50 per cent.

There has been a great expansion in that business?—Yes. Fifteen years ago a farmer had no telephone; now every farmer wants a telephone, and every business man wants a telephone. We put in more telephones last year than we did in the previous three years combined. I may say that there has been a huge loss on the telegraphs.

Has there been a loss on the rural telephones?—Yes. None of the rural telephones are paying their way.

Was the increase cost of 200 per cent. you referred to only on the copper wire?—Yes.

What would be the increased cost on the whole lot combined?—It would be hard to say.

Would it be 100 per cent.?—More than 100 per cent.

Mr. D. Jones.] Copper has not been cheap for a very long time, and poles are increasing in price?—Poles will always increase in price. There has been such a huge demand for poles, not only for posts and telegraphs and telephones, but also for Power Boards.

Have you tried concrete poles?—Yes; we would not use them again.

Right Hon. Sir Joseph Ward.] Have you had any experiments with steel poles?—Yes, but steel poles are too expensive, and they require a tremendous amount of painting, otherwise they go at the ground-line. Wooden poles are the best of the lot. We have a lot of concrete poles in stock; we would like to sell them.

Mr. D. Jones.] What is the objection?—They are too expensive, and they will not bear any strain at all. They snap when the snow comes.

Right Hon. Sir Joseph Ward.] You have not submitted your commercial balance-sheet yet?—We publish a commercial balance-sheet.

But you have not submitted it to the House yet?—No. Last year's was published. This year's balance-sheet will be published shortly.

Which do you consider to be the better system—the commercial balance-sheet system or the old system?—The commercial balance-sheet system—right on the same basis as any commercial firm in New Zealand. The only weakness in the past has been this matter of depreciation.

You are satisfied that the commercial balance-sheet system places before the public the whole financial position of the Post and Telegraph Department?—Yes; just as if we were the Bank of New Zealand.

What depreciation percentage do you provide for?—It varies according to the article. For instance, poles will only last about fifteen years, but copper wire will last from twenty to twenty-five years.

Mr. Sullivan.] Do not your buildings increase in value?—We have never taken note of that increased value, for the simple reason that we never sell them. Take the Wellington Post Office, for instance: I think we paid £30,000 for the now-existing frontage: it is worth £80,000 to-day. It is not possible to take in the increased valuation, because we will be there for all time. I presume it will never be sold.

The Chairman.] If you leased any portion of your buildings you would get the advantage of the increased values?—Yes, we would get an increased rental, of course; but we have never been in the fortunate position of having enough accommodation.

Will you now explain the position with regard to clause 20 of Part II of the Bill?—Yes, sir. At the present time there are four administrative officers of the service, who are appointed by the Governor-General in Council. All the other officers have been appointed by the Promotion Board, and they have the right of appeal to an Appeal Board if they are dissatisfied. I am appointed by the Governor-General, and the Chief Engineer, my First Assistant Secretary, and my Second Assistant Secretary are appointed by the Governor-General. It is now proposed that seven more senior positions should be similarly appointed by the Governor-General. The Chief Inspector is one. Then there is the Controller of Accounts, who is responsible for all our accounting system, the Inspecting Engineer, and so on. It is proposed that the Governor-General should appoint those seven, making a total of eleven. One reason for the change suggested is that if a man was selected by the Promotion Board simply because he was skilled in a particular line, he might not work in accord with other senior members of the service. All would not be pulling together; and in a huge service it is necessary that they should be pulling together. Then there is another reason: There is a desire to have uniformity in the Public Service. In the Railways every man whose salary is over £615 is appointed by the Governor-General, and there is no right of appeal against that appointment. It is desired to have uniformity in the Public Service, and it is intended by legislation, I understand, to lift that barrier from £615 to £765. That is, in fact, a concession to the officers. On the other hand, it is intended to bring down our seven appointments to the same level of £765.

Right Hon. Sir Joseph Ward.] What it would mean in practice, I presume, is that the seven men, on promotion, would not be subject to appeal of any kind?—No, there would be no appeal at all. They would be in the same position as the other four.

There could be no appeal from the rank and file of the Service?—That is so. I may say that the matter is not of great importance to the officers in general, because we have never had an appeal from officers so senior. We have never had an appeal in connection with those senior officers in the Post and Telegraph Department.

Mr. Sullivan.] What is the point about the breach of agreement?—I had not read the agreement before it came up in the House, but on going back to the office I read it, and it is in these terms: "That before any change is made in the salary or emoluments of any officer or group of officers the Head of the Department will confer with the association." I cannot see that there is any breach of that agreement in a clause such as this.

Right Hon. Sir Joseph Ward.] Is their grievance against you or the Minister?—I do not know. But I would be the one responsible, because it states that the Head of the Department would confer with the association.

Has that been done?—It has since been done. It was not done before the Bill was brought forward, because it does not affect their salary or emoluments.

Mr. Sullivan.] There has been a conference?—Yes, since then, on the general question.

Right Hon. Sir Joseph Ward.] Indirectly the Officers' Association would have the right to make representations or complaints if they wanted to do so, under the present system: does the effect of these clauses eliminate that in the future?—They could not appeal.

Is that the only point in it?—Yes, that is the only point I know of that they disagree with.

That is really what they call the breach of agreement?—No. The breach of agreement was that I had not conferred with them.

There is another question I would like to ask you in connection with Part I of the Bill. I understand that when these changes are carried out you will keep the whole of your finance in a separate bank account. At present do you transfer the whole of the money you receive to the Treasury?—Not really.

You are supposed to do so, but in practice you cannot?—We cannot in practice.

Then the new proposals are that, subject to the reservations contained in the Bill, your bank account will be kept by the Post and Telegraph Department, and not by the Treasury?—Yes, sir. I think that in actual practice there will be no difficulty. We have always kept our accounts separate.

What is the position in regard to the Post Office Savings-bank ?—The Post Office Savings-bank is controlled absolutely by the Treasury.

There is no change being made with regard to the Post Office Savings-bank ?—No change at all.

Neither in connection with the investments nor anything else ?—None at all. There is no change at all.

Mr. J. T. CARR examined.

The Chairman.] What is your full name, Mr. Carr ?—J. T. Carr.

And you are representing ?—The Post and Telegraph Employees' Association.

You wish to discuss clause 20 of the Bill ?—Yes, sir. My organization wishes to place its views before this Committee. This is the only opportunity we will have of bringing our objections to clause 20 before the House—before members of Parliament. The effect of clause 20 would be as follows : At the present time the Governor-General in Council appoints the Secretary of the Department and his three administrative officers—the First Assistant Secretary, the Second Assistant Secretary, and the Chief Telegraph Engineer. The effect of this clause will be to increase the number of appointments from four to eleven ; and if certain other positions are regraded it is not at all improbable that at some future date other positions may be automatically brought under this clause. At the present time promotions other than Administration Division promotions in the Service are made in the first instance by a Promotion Board, on which the employees are represented by an elected representative. We are jealous of our representation on the Promotion Board, and as a matter of principle we are opposed to any removing of positions from the control of that Board. Furthermore, the findings of the Promotion Board are subject to review before the Appeal Board. The Appeal Board also is a representative Board, on which we have our representative, and we are equally jealous of our rights of appeal. If an appointment is made by the Governor in Council there is then no right of appeal ; so that under the operation of clause 20 of the Bill the right of appeal is destroyed in the case of the seven existing positions, and possibly in the future an indefinite number of other positions, which may be regraded at a later date, will come under that clause, and the right of appeal in regard to them will also be destroyed. These, I think, are the main reasons why we are opposed to clause 20 : First of all, it ignores the Promotion Board ; and, secondly, the right of appeal is destroyed for the unsuccessful candidate. It may possibly mean this : that the Secretary of the Department may select for one of those positions an officer of a comparatively junior status in the Service, and recommend to the Governor-General in Council that that individual be appointed. That would be quite conceivable ; and the other controlling officers of the Service would be passed over, and no right of appeal whatever would exist. I am just putting this suggestion to you, so that you will appreciate the operation of that clause. You will recollect that when the Bill was tabled in the House at first we were in the unfortunate position of not having had an opportunity to peruse the Bill and register any objections we had before the departmental and Ministerial heads. That position was inevitable at the time, but we have been given an opportunity since of conferring with the departmental head, and we now have his point of view on the Bill. And, while we quite appreciate his point of view, we regret we are unable to accept his views on the matter.

Mr. Sullivan.] Your objection is to the Department's viewpoint, and more or less to the Department's attitude ?—Yes. The Department's attitude is apparently dictated by the desire to select the most suitable and efficient officers to fill these positions according to the opinion of the Head of the Department. We consider that the most suitable officers for those positions should be appointed under the provisions of the present existing Post and Telegraph Act of 1918. We consider that the provisions of that Act should be given effect to. The Promotion Board has to appoint persons who are best entitled to hold any given position. Now, the Governor-General in Council can do no more. Of course, as I said, the decision of the Promotion Board at the present time is subject to the right of appeal, and that right is taken away from these specific positions under clause 20 of the Bill. Merit is the basis of the appointment now, and according to the terms of the Act the Board must appoint persons by merit.

The Chairman.] Then it is not so much the appointment of the seven that you are afraid of, but the fear that there might be others ?—We are opposed to the appointment of the seven and of the future possibilities that exist.

There is fear of the future ?—I think so.

Right Hon. Sir Joseph Ward.] The point that the Committee is considering on this matter is that the chief executive officer of the Post Office, who is held responsible for the control and administration of it, subject to the requirements of the Act—the point is that unless the officers, counting the seven, are men who meet with the requirements of the additional responsibilities consequent on the expansion of the business of the Department, that they might, with the best intentions, be unsuitable men put in for the Government and the Department. The point is whether the chief executive officers, who are to be the controllers of the Department as a whole—should they or should they not be selected from the rank and file, as you say. By accident a wrong man might be appointed. That is the real point ?—I think it is a serious encroachment on our present rights in the matter of appointment by the Promotions Board, and of the right to appeal.

Was there any exception taken to the selection by the Governor-General in Council of the three (four) administrative officers—was there ever any representation made against the selection being made ? It is for the administrative government of the whole Service, including all the staff ?—We have never raised any objection to the appointment of the four administrative officers by the Governor-General in Council ; we have recognized that the Government must appoint its own executive officers, its responsible officers, to control the Department ; but the extension of the power of appointment further down into the Service will be a matter of very serious concern to us.

Right Hon. Sir Joseph Ward : We have it before us for the first time to-day that in 1940, with the natural expansion and the expenditure for the extension of telephones and for the replacement of telephones, the cost will be considerably over a million a year.

The Chairman : From £129,000 to £1,960,000.

The Right Hon. Sir Joseph Ward.] While it is admitted that the rights of the rank and file of the Service should be preserved, there is a feeling that enormous responsibility, outside of the rank and file, is to devolve upon the new executive of eleven. There should be no room for an expenditure being put through which did not meet with the full approval of the chief executive officers?—The answer to that is that the Chief Executive Officer is just as likely to err as the Promotions Board; but the Chief Executive Officer having made his decision, it must stand—there is no appeal; whereas the Promotion Board, in the event of it committing an error, is in the position of having its finding altered by the Board of Appeal—not necessarily in every case, but in a case where an officer feels aggrieved.

We want to get to the value of the representations made, as to whether an injustice is being done. There is no increase of salary to any of these seven men?—No.

They all go in at the same salary. They do not bar a man who is not selected from anything in the way of increased salary?—I presume the officers already in the positions will be confirmed. It is the future that we are more concerned about, and it is probable that appointments to these positions may be made within a short time, and then will be the occasion when the Head of the Department will recommend to the Governor-General in Council certain individuals who shall be appointed to these positions. I would like to point out, too, that the whole of these positions are not administrative controlling positions as you probably understand them. For instance, the position of Chief Postmaster at Auckland, and also the District Telegraph Engineer at Auckland and Wellington, are included in this category of salary of £765 per annum. I would like to put my opinion to you that these officers in no sense of the word are departmental administrative officers in the same sense with the Secretary, or Assistant Secretary, or Chief Telegraph Engineer. Those officers automatically come under the operation of clause 20 from the fact that their salary is above that mentioned in the clause. And I advance the opinion that if they should be appointed by Governor-General in Council they are District Controlling Officers—no more and no less. It may be that by the growth of business others may pass over that salary bar in the next few years. The point is if that does come about, when it does those positions will be filled by the Governor-General on the recommendation of the permanent head of the Department, with consequent loss of appeal rights.

Right Hon. Sir Joseph Ward.] I want to ask the witness if it is in practice not a fact that district officers—the Chief Postmaster and Engineer in Auckland—they have nothing to do in the matter of settling differences regarding appointments which have been conducted by the heads?—No, they would not come into it in any way.

You are not complaining of any possible interference with those officers?—No, sir, there is no complaint on that score.

What is this alleged statement that there has been a breach of agreement between the officers and the Service?—I would like to be clear on that point, and would say that a breach of agreement did occur, but it has been satisfactorily settled since the Bill was first introduced. The agreement was entered into in 1921, when Mr. Coates was Postmaster-General, and an undertaking was given by the Minister that matters particularly affecting the salary rights of officers, or any group of officers, would be referred to the association. That agreement has been adhered to by the Department, and in no case have the regulations been altered affecting the staff particularly without reference to my organization. On this particular occasion, however, this clause was not submitted to us, and I have accepted the Secretary's assurance that he did not think that we would be sufficiently interested in it to want to have it placed before us. We came to an agreement in the end on that point, but we did not surrender our right to object to the clause.

The Chairman.] It has been settled to your satisfaction?—Yes, the question of breach of agreement has been settled.

Mr. D. Jones.] You agree that the four officers should be appointed by the Governor-General?—We have never objected to that.

How many years has that been in operation?—Since 1918.

You would agree, Mr. Carr, that as the Post Office business develops it may be required that these numbers should be increased?—Well, it is a difficult question. I would like to point out that the intention at present is not to raise these officers into the Administrative Division. If that was done perhaps I would be able to put forward a different answer; but it is not the case—they are not being raised to that small division including the Secretary, his two Assistants, and the Chief Telegraph Engineer.

Your business is increasing rapidly—developing rapidly. Would you say definitely, for your organization, that that four should not be increased at any time?—I would not say that. I have personally held the opinion that the Chief Accountant should be a member of the Administrative Division as its financial adviser. That, of course, is a matter that has not been discussed by my organization, and when I say that I am speaking as an individual.

That is a vital point—as to whether, if your business develops, that four should remain or increase. You yourself say it should be increased by one?—I cannot see any reason why it should be increased beyond that stage of one. As a matter of fact, logically there is only one Administrator of our Department responsible to the Government.

But you agree to four?—We have never objected to four at all.

Who do you think should be the fourth—should there be four, or five, or six, or eleven?—Well, of course there is only one officer that the Government would listen to—the Administrative Head of the Department.

Mr. D. Jones.] Do you agree that the Secretary of the Post and Telegraph Department is the person most competent to judge as to the number of officers required in the Administrative Division?—I agree that the Secretary is the only one who can say how many should be in the Administrative Division.

Mr. Sullivan.] We gather that what you object to is the financial basis—the naming of a certain sum. Supposing it appears in a form providing that certain administrative officers whose positions were named should be the subject of appeal: what would be the attitude of your association?—Our association in that case would still be opposed to the principle, but would consider your alternative as less dangerous and offensive to us than the present clause. It would be a case where we would have to choose the lesser of two evils, in the sense that we would still be in opposition to the proposal.

Apparently from the statement you have made promotion is made on the basis of merit?—That is so.

Can this clause have the effect of giving the Government the right to appoint some person of lesser merit for reasons of its own?—So far as I can see under this clause the Governor-General in Council would have power to appoint any individual he saw fit without giving reasons. The result might be the appointment of persons of lesser merit.

Could the clause give the right to appoint some person of lesser merit? If the Government acted in the same way as the Promotion Board and decided to appoint a person best entitled by merit, it would appear that the same individual would get the appointment?—I presume that is what would happen. The only point is that if in the first instance the Promotion Board made an error, that error would be subject to review by the Appeal Board.

On the basis of merit?—Yes, pure and simple. If the Governor-General in Council made an error there would be no review possible.

Mr. A. Hamilton.] The appointment is made to-day by the Board in the first instance?—Yes, that is so.

And I presume under this clause it will be made the same way?—No, they will have nothing to do with it; the Promotion Board will not come into it in any way.

They will recommend some one?—No, they will have nothing to do with it. It will be on the Secretary's personal recommendation to Cabinet.

The Chairman. I think that is quite clear.

Mr. A. Hamilton.! Your only objection is the right of appeal against the appointment?—The right of appointment in the first instance. The right of representation on the Promotion Board gives us a certain say in the actual appointment itself; furthermore, the right of appeal is a safeguard of which we are very jealous.

You think there is no danger under the present system of any new appointment being made that would cause difficulty in the control?—I see no reason why there should be provided the statutory requirements under which the Promotion Board operates are adhered to.

Supposing there was an appointment made to-day and the Appeal Board upset it and put some one else in and that some one else might not accept—is there any danger of that?—Such things do happen, of course; human nature is the same all the world over; and whether it is the Appeal Board or the Head of the Department there is a possibility of error, but we do contend that through the operations of the Promotion Board the possibility of error is narrowed down very considerably; and I say that the operations of the two tribunals are likely to result in the appointment of the right men—more so than a decision of an individual, the decision of the Secretary of the Department. The Secretary is liable to err, so we all are; but the machinery of the two Boards referred to would reduce the liability of error to a minimum.

If the Government makes a bad appointment they would soon get to hear of it?—They would in general terms, but I cannot see that that would operate as expeditiously and efficiently as the machinery at present in operation. There would merely be a growl from the long-suffering public, which would not be able to lay its finger on the cause.

Right Hon. Sir Joseph Ward. That is one of the privileges they possess.

Mr. McNamara.] You have said that the Promotion Board may err in making senior appointments, and the Appeal Board would have the right to correct that error. Have you considered which body is the more competent to select an officer—say, Chief Inspector—the Promotion Board or the Appeal Board? Who would be the most competent to select that senior officer?—On the face of it, sir, it would appear that the Board of administrative officers should be the most competent. Experience has shown, however, that the right of appeal has been availed of in these senior positions and the possibility of error fully explored; and while probably the decisions of the Promotion Board have not been upset, we have at least the satisfaction of traversing the decisions of that Board and perhaps confirming the Promotion Board in its appointments. If you are going to take away that safeguard, that is what we protest against.

You do admit that the Promotion Board, by virtue of its training, must be more competent to select a Chief Inspector than an Appeal Board?—It should be, sir, but it may make an error, and a more or less judicial tribunal is there under present conditions to correct that error.

But the Appeal Board may make an error, too?—Well, we all make errors.

The Chairman. I think we have carefully noted your objections, and we thank you for coming before the Committee and explaining your views. We will give them due consideration.

Mr. Carr. Thank you very much on behalf of my association. The patient hearing you have given us has been very gratifying, and I shall not fail to convey to the members of my association that we have received a very courteous and considerate hearing. I thank you.

SPECIAL REPORT.

I HAVE the honour to report that the members of the Public Accounts Committee desire to place on record their cordial appreciation of the ability, tact, and unfailing courtesy which with Mr. J. A. Nash has, as Chairman, conducted the business of the Committee. And the members of the Committee further desire that this resolution be recorded on the minutes of the Committee, and also that it be reported to the House.

November, 1927.

JOSEPH G. WARD,
Member of the Committee.

SPECIAL REPORT.

I HAVE the honour to report that at a meeting of the Public Accounts Committee held on Tuesday, the 29th November, 1927, the following resolution was unanimously agreed to, namely: That this meeting of the Public Accounts Committee desires to compliment Mr. George C. Black on the manner in which he has this session again carried out the duties of Clerk to the Committee; and that this resolution be recorded on the minutes of the Committee, and also that it be reported to the House.

29th November, 1927.

FINAL REPORT.

I HAVE the honour to report that the Public Accounts Committee, consisting of ten members, has during the session held ten meetings, with an average attendance at each meeting of five members. The estimates of expenditure for the financial year ending 31st March, 1928, were referred to the Committee by the Minister of Finance, the Hon. W. Downie Stewart. In all sixty-five officers of the Departments of State were summoned before and examined by the Committee on the several classes of estimates, which were carefully considered seriatim. One Bill—the Post and Telegraph Amendment Bill—was referred to the Committee, and the same was carefully considered and reported upon to the House.

J. A. NASH, Chairman.

29th November, 1927.

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SECRET

I have the honor to report that the members of the Public Accounts Committee have to place on record their cordial appreciation of the assistance and information which Mr. J. A. ... as Chairman, conducted the business of the Committee. And the members of the Committee further desire that this appreciation be recorded in the minutes of the Committee, and also that it be reported to the House.

Yours faithfully,
Joseph G. Walsh

November 1917

SECRET

I have the honor to report that at a meeting of the Public Accounts Committee held on 17th October 1917, the following resolution was unanimously agreed to: That the members of the Public Accounts Committee desire to compliment Mr. Joseph G. Walsh on the manner in which he has conducted the business of the Committee, and that this appreciation be recorded in the minutes of the Committee, and also that it be reported to the House.

I have the honor to report that the Public Accounts Committee have to place on record their cordial appreciation of the assistance and information which Mr. J. A. ... as Chairman, conducted the business of the Committee. And the members of the Committee further desire that this appreciation be recorded in the minutes of the Committee, and also that it be reported to the House.

With respect, 1917

(The names of the members of the Committee are given in the margin)