

*Right Hon. Sir J. G. Ward:* I wish to record my protest against the minutes being still inaccurate, Mr. Chairman.

(The minutes were then read and confirmed, Sir J. G. Ward dissenting.)

*The Chairman:* As directed by the Committee, I reported Sir Joseph Ward's statement to the Chairman or challenge to the Chairman last Friday, and after discussion the House decided that the matter should be referred back to the Committee for reconsideration.

*Right Hon. Sir J. G. Ward:* Is it usual when deliberating to have strangers present?

*Hon. Mr. Allen:* Not when deliberating.

*Right Hon. Sir J. G. Ward:* If the Committee had not, I have no objection.

*The Chairman:* I will read the order:—

*Ordered,* "That the Public Accounts Committee be directed to inquire fully into all loans paid or applied for or provisionally or finally approved for local authorities under the New Zealand State-guaranteed Advances Act since its inception. The Committee to report on the losses made, if any, since the Act came into operation, the commitments, and the available means and unexhausted loan authorities as at the 31st March, 1912, and the 16th September, 1912. The Committee to be open to the Press. Also that the letter of the Superintendent of the New Zealand State-guaranteed Advances Department of the 30th September, 1912, to the Minister of Finance be referred to the said Committee. The Committee to report within ten days."

Well, gentlemen, that places the position, to my mind, in this way: that the Committee has the opportunity of considering its decision, but previous to any discussion taking place for the reconsideration of the matter I think it is my duty, in the face of what the Speaker has said, that the words used were unparliamentary, to ask Sir Joseph Ward to withdraw the statement "It is a downright piece of impertinence," and I do so.

*Mr. Craigie:* Mr. Chairman—

*The Chairman:* There is no comment on this. I ask Sir Joseph Ward to withdraw the statement.

*Right Hon. Sir J. G. Ward:* I thought the report was before us for consideration. I rise in protest to say—

*The Chairman:* I cannot allow any comment, Sir Joseph.

*Hon. Mr. Allen:* He may wish to speak—

*The Chairman:* Sir Joseph Ward and all the members of the Committee know that when the Speaker is called upon to decide a point in the House there is no comment allowed and no explanation allowed. The member who has transgressed is called upon to withdraw the words stated, and I consider, in my position as Chairman, putting aside all personal element—

*Right Hon. Sir J. G. Ward:* I rise to a point of order. Is the report of the House before the Committee?

*The Chairman:* I rule you cannot raise a point of order. I am in the same position as the Speaker, and I want those words withdrawn.

*Right Hon. Sir J. G. Ward:* I want to know whether the report of the House is before the Committee for reconsideration.

*The Chairman:* I have already ruled, but in deference to you I say that the report of the House is not before us—only that the words are to be withdrawn.

*Right Hon. Sir J. G. Ward:* So that the report of the House not being before us is of no consequence to us.

*The Chairman:* Not in comparison with a misdemeanour of a member of the House in Committee.

*Right Hon. Sir J. G. Ward:* I want to say at once that I refuse to withdraw the words. This matter has been sent here for consideration. I should only consider the withdrawal of them provided the Chairman withdrew the offensive remark he made to me, which was uncalled-for and contrary to fact.

*The Chairman:* I regret very much that Sir Joseph Ward has seen fit to still persist in refusing to withdraw the words. I now place the matter before the Committee for reconsideration of the position as laid down and as referred to the House. I will read the report again: "I have been directed to report that at a meeting of the Public Accounts Committee the Right Hon. Sir Joseph Ward on being asked by the Chairman to answer a question used the words 'that it was a downright piece of impertinence.'" On being asked to withdraw the words Sir Joseph Ward refused to do so, and the words were ordered to be taken down, and to be reported to the House. The matter is now before the Committee for further consideration.

*Right Hon. Sir J. G. Ward:* I wish to call the attention of the Committee to the fact that the Speaker in the House, in reply to a question from me, ruled that this matter could not come up before this Committee after it was reported from the House. The report has come before the Committee, and the Chairman has refused to allow that to be considered before giving me the opportunity to withdraw.

*The Chairman:* I ask you to conform to the rules of the House. If my rulings are wrong you have your remedy by referring the point to the Speaker of the House. The matter before the Committee now is that the previous report be now considered, and I ask for a resolution.

*Hon. Mr. Allen:* Mr. Chairman, I am very sorry indeed that this matter has got to this stage in which it is now, and I think Sir Joseph Ward, when he calmly considers it, will see that in the interests of good government and in the interests of the Committee as well as the House, that the really right course for him to pursue, and the most dignified course, whatever may have been the irritation that caused him to use the words, is to generously withdraw them. I am very sorry he has not done so. Of course, the rule of the chair must be obeyed. If the Chairman has committed any indiscretion, there is a straight course to pursue: his rulings can be ques-