

1925.
NEW ZEALAND.

PUBLIC ACCOUNTS COMMITTEE

(REPORTS OF THE).

(MR. J. A. 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 16TH DAY OF JULY, 1925.

Ordered, "That Standing Order No. 219 be suspended, and that a Committee be appointed, consisting of twelve 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 the Hon. Mr. Coates, the Hon. Mr. Hanan, Mr. Hudson, Mr. Isitt, Mr. McCombs, Mr. Macmillan, Mr. Nash, Mr. Poland, Mr. F. J. Rolleston, Mr. Sidey, Mr. Wright, and the mover."—(Hon. Mr. NOSWORTHY.)

WEDNESDAY, THE 22ND DAY OF JULY, 1925.

Ordered, "That the Repayment of the Public Debt Bill be referred to the Public Accounts Committee."—(Hon. Mr. NOSWORTHY.)

WEDNESDAY, THE 19TH DAY OF AUGUST, 1925.

Ordered, "That the petition of the trustees of the New Zealand Sheepowners' Acknowledgment of Debt to British Seamen Fund be referred to the Public Accounts Committee."—(MR. LINKLATER.)

TUESDAY, THE 1ST DAY OF SEPTEMBER, 1925.

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

WEDNESDAY, THE 8TH DAY OF SEPTEMBER, 1925.

Ordered, "That the Land and Income Tax (Annual) Bill be referred to the Public Accounts Committee."—(Hon. Mr. NOSWORTHY.)

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REPORTS.

LAND AND INCOME TAX AMENDMENT BILL.

THE Public Accounts Committee, to which was referred the above-mentioned Bill, has the honour to report that the said Bill has been carefully considered, and the Committee recommends that it be allowed to proceed, with the amendment as shown on a copy of the Bill attached.

2nd September, 1925.

LAND AND INCOME TAX (ANNUAL) BILL.

THE Public Accounts Committee, to which was referred the above-mentioned Bill, has the honour to report that the said Bill has been carefully considered, and the Committee recommends that it be allowed to proceed without amendment.

9th September, 1925.

REPAYMENT OF PUBLIC DEBT BILL.

THE Public Accounts Committee, to which was referred the above-mentioned Bill, has the honour to report that the said Bill has been carefully considered, and the Committee recommends that it be allowed to proceed without amendment.

9th September, 1925.

No. 175.—Petition of THE TRUSTEES OF THE NEW ZEALAND SHEEPOWNERS' ACKNOWLEDGMENT OF DEBT TO BRITISH SEAMEN FUND.

PRAYING for the remission of the sum of £34,998 6s. 7d., being the amount of taxation levied by the Government on the moneys payable to the trust fund from the distribution of surplus wool profits, and for the amendment of the Land and Income Tax Act, 1923, so that the fund and properties administered by the trustees should be exempted from taxation.

I am directed to report that the Committee has no recommendation to make.

17th September, 1925.

SPECIAL REPORT.

I HAVE the honour to report that the Public Accounts Committee desires to express its appreciation of Mr. G. C. C. Black's services as Clerk of the Committee. He has performed his duties in a faultless manner, and the Committee recommends that he be permanently appointed Clerk to the Public Accounts Committee.

30th September, 1925.

FINAL REPORT.

I HAVE the honour to report that the Public Accounts Committee, consisting of twelve members, has during the present session held fourteen meetings, with an average attendance of nine members at each meeting.

Three Bills—namely, the Repayment of the Public Debt Bill, the Land and Income Tax Amendment Bill, and the Land and Income Tax (Annual) Bill—were referred to the Committee, and the same were carefully considered by the Committee and reported upon to the House.

One petition was referred to the Committee, and the same was reported upon to the House.

Consideration of the Estimates of Expenditure for the Year ending 31st March, 1926.

The estimates of expenditure for the year ending 31st March, 1926, were brought up in Committee by the Minister of Finance (the Hon. W. Nosworthy), and the classes were carefully considered seriatim by your Committee. The procedure adopted in the consideration of the estimates was to summon the head of each Department of State, together with the departmental Accountant, before your Committee, and to examine such officers on the several items and votes of the classes of their Department or Departments. The Secretary to the Treasury (Mr. R. E. Hayes) and the Assistant Secretary (Mr. A. D. Park) were also requested to attend during the examination of the above-mentioned officers, and materially assisted the Committee in their investigations. In all sixty-eight officers of the several Departments of State were summoned before and examined by your Committee on the estimates.

Working Railways Department.—Your Committee investigated the system of accounting and of stores control which has been recently adopted in this Department, and also the activities of the Architectural Branch of the Department in connection with the erection of houses. Your Committee is of the opinion that the newly adopted system will enable the Department to be administered on true commercial principles.

Travelling Allowances and Expenses.—Where items under the heading of “Travelling allowances and expenses” were expressed in lump sums your Committee requested from the Departments concerned a further explanation. Your Committee is of the opinion that in future estimates the item “Travelling allowances and expenses” should be elaborated and explained by either marginal or foot notes.

Departmental Balance-sheets.—Owing to the constant and repeated demands of the Public Accounts Committee for several sessions past, and of your Committee, it is pleasing to note that the majority of departmental balance-sheets are available at a much earlier date than formerly, but to afford a proper consideration of the public accounts by Parliament greater expedition is still required.

High Commissioner's Office (London).—Colonel G. F. C. Campbell, C.M.G., attended before your Committee and addressed members on the functioning of the High Commissioner's Office in London, and with great detail explained the position concerning the salaries of the staff thereof. It will be remembered that Colonel Campbell made a thorough investigation into the working of the office, on behalf of the Government, while he was in London in 1920.

Stationery, Paper, &c., and Office Requisites.—Concerning this item as shown in the estimates of expenditure at page 169 (Printing and Stationery Department) at £52,000, your Committee made inquiry as to how the sum is to be expended. For the information of Parliament, your Committee considers that this item should in future estimates be explained by either marginal or foot notes, and is further of the opinion that the amounts to be expended in local purchases and in London by indent should be also set out.

Stores Control.—Besides investigating the system of stores control which obtains in the Working Railways Department, your Committee also summoned the Secretary of the Stores Control Board (Mr. F. J. Brooker) before it to explain the system of control which has been brought into operation by the setting-up of the Stores Control Board. Mr. Brooker also attended subsequent meetings and assisted in your Committee furthering its investigations concerning the control of stores by the Departments. The system of control has resulted in economy, because of the very favourable contracts which the Stores Control Board have been fortunate in securing, and also by its “tightening-up” of the issue of stores, &c., by departmental officers.

Departmental Motor-vehicles.—All witnesses appearing before your Committee were closely examined on the use of departmental motor-cars for purposes other than official work. Your Committee is of the opinion that all motor-vehicles owned by the Government Departments should have a distinctive designation, so that such motor-vehicles will not be put to private use.

Trading Departments.—Your Committee is of the opinion that where an item in the estimates is to be expended in trading, the fact as to whether the previous year's undertakings produced a balance or a deficit should be shown by either marginal or foot notes.

During its consideration of the estimates thirty-three resolutions were agreed to by your Committee, and copies of the same have been forwarded to the Prime Minister (the Hon. J. G. Coates, M.C.) and the Minister of Finance (the Hon. W. Nosworthy). Twelve of such resolutions requisitioned for returns, which were duly furnished for the information and consideration of members of the Committee.

In conclusion, your Committee desires to record its appreciation of the fact that, because of the representations which have been made by the Public Accounts Committee during the present Parliament, the estimates of expenditure are now set out in a more elaborate and lucid way than formerly, and also that the matter of departmental balance-sheets is now receiving more attention than previously.

30th September, 1925.

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