

20. Could you give it now?—Yes. In the first year there was very little, because it was only in force from the 2nd February until the yearly balance on the 31st March. That is not two months. The total shown was £636 3s. 3d., which was a nominal amount. We had, of course, to get printing done. In 1910—it is shown on page 9 of the balance-sheet—the management-expenses account was £1,205 4s. 4d.; 1911–12, £3,193 2s. for the year ending 31st March, 1912; certificate fees, £71 18s. 6d.; postages and telegrams, £149 8s.; printing and stationery, £100; and salaries, £371. The salaries are allocated. Taking into consideration the large sums of money dealt with, of course the actual administration-expenses are very small. The loss, of course, occurs with the loss of interest.

21. Do you know what the percentage of expenses is in connection with the actual administration?—No, I do not, but I will get it.

22. Now, there is a statement in the Press regarding a discussion in the House, as follows: “Mr. Allen: The Borough of Onehunga, £49,950; the Borough of Newmarket, £35,935. Mr. Hine: Where’s that? Mr. Allen: I don’t know. Ask Sir John Findlay.” Now, I want to ask you to inform the Committee whether Sir John Findlay made any application for a loan to be granted to any public body in the district of Parnell or wherever he was standing for?—The only thing I have found is a telegram from Sir John Findlay about the Remuera loan. He sent a telegram to you on the 2nd November, 1911, and that was sent on to me by you. This is his telegram to you: “A deputation interviewed me this morning in connection with the application of the Remuera Road Board for a loan totalling £84,000. I understand that the Department has raised some objection with regard to the security, which I think has been answered by the Remuera Board. If the whole loan cannot be authorized at present, £10,000 is urgently needed to carry on the work in hand and that immediately contemplated. The position is aggravated by the fact that the men engaged in the work have recently been on strike, and the strike having now been settled, they desire to return to work. The Board meets them by explaining that they have not the means to carry on because the Government will not advance the money to enable them to pay for the work and other outgoings. I hope you will be able to have at least £10,000 advanced to relieve the tension of the present position. The deputation consisted of the strike leaders and the members of the Remuera Road Board. Kindly let me have a reply as early as you can, which I may use.—J. G. FINDLAY.” That was minuted on to me for remarks, and I said, “Reply for signature attached.” The reply went back as follows: “As special rate struck for water-supply loan is only sufficient security for £42,000, instead of £44,000 applied for on present valuation, this amount will be available for expenditure after being finally approved on Monday next. Debentures will be posted on Monday. Plan of district required, in case of drainage loan of £40,000, not yet forwarded by Road Board. Was wired for yesterday. Cannot advance £10,000, but as debentures for amount of loan authorized will be forwarded on Monday, that should be quite satisfactory.” There were two loans for Remuera, one of £40,000 and another of £44,000. They had been approved provisionally, and the question was about the payment-over of the money. Sir John Findlay mentioned £84,000, but there were really two loans. In one case they had not sent the plan down, and the other was completed except that the debentures were wrongly filled up in regard to the amount. The procedure is that when everything is in order those debentures, which are printed by the Office, are sent to the local body. When they are filled up in accordance with the regulations they are sent back, then the money is forwarded, so that if the fault was not the fault of the Office, as Sir John Findlay assumed on the representations by the deputation, it was the fault of the Road Board, because they had not completed the debentures or had filled them up wrongly. The amount of rates was not sufficient to give the loan. The fault was not the fault of the Office, but the fault of the local body through not having their papers in order. I might say that the day previous to that I had a telegram from the Clerk to the Remuera Road Board in the same strain, complaining about the men out of work. They must have gone to Sir John Findlay and complained about our not giving them the full amount. The telegram to me was as follows: “Since last valuation buildings to value of £80,000 have been erected in Remuera district, and will be assessed long before interest is payable on loans. Our public works are hung up and 120 men out of employment pending receipt of money. If loan cannot be made in entirety, please make all possible advances. Wish, however, point out advances are for a period of years.—CHAS. S. WILSON, Clerk, Remuera Road Board.” That was on the 1st November. They must have waited on Sir John Findlay and urged him to hasten the payment of the money, and he wired you and you sent the wire on to me.

23. I sent it on to you with what comment?—Only for report; and I sent it back, “Reply for signature attached.”

24. What was the date of the application to the State-guaranteed Advances Board that these communications are referring to?—Both applications were in May. I have only given in the returns to the Committee the full particulars of all loans provisionally approved, finally granted, and amounts paid over between the 1st November and 15th December—during what you may call the election months. I may point out that owing to delays this actual amount was not paid over till after the election. It was not paid over till the 16th December.

25. Was that after the second ballot?—Yes, the second ballot was on the 14th December.

26. The first and second ballots were over before that payment was made?—Yes, it was not paid till the 16th December.

27. And the application for these loans, I understand you to say, were made in May?—On the 22nd May, 1911.

28. That is nearly seven months from the time of the application before the payment was made?—It is not all paid yet: there is about £15,000 to £20,000 yet unpaid.

29. That is portion of the loan that was applied for?—Yes, but none of it was paid over till after the election.