



CHAPTER 39

An Act to give effect to certain provisions of an agreement for promoting and co-ordinating the efficiency and development of the external telegraph services of the Commonwealth, and to make provision for certain matters incidental thereto and for extending the system, heretofore embodied in the arrangement made by the Postmaster General with Cable and Wireless, Limited, in pursuance of subsection (4) of section one of the Imperial Telegraphs Act, 1938, for the sharing of revenue derived from telegrams transmitted to or from places outside the United Kingdom.

[31st May 1949]

WHEREAS a conference of representatives of His Majesty's Government in the United Kingdom, His Majesty's Government in Canada, His Majesty's Government in the Commonwealth of Australia, His Majesty's Government in the Dominion of New Zealand, His Majesty's Government in the Union of South Africa, the Governor General of India in Council and the Government of Southern Rhodesia was held in London in July, nineteen hundred and forty-five, for the purpose of considering the future organisation of the external telegraph services of the Commonwealth:

And whereas the Cable and Wireless Act, 1946, carried into effect the recommendation made by the said conference that the shares of Cable and Wireless Limited (hereafter in this Act referred to as "the operating company") held by the African Direct Telegraph Company Limited, the Eastern Telegraph Company Limited, the Eastern Extension, Australasia and

China Telegraph Company Limited, the Eastern and South African Telegraph Company Limited, the Europe and Azores Telegraph Company Limited, Marconi's Wireless Telegraph Company Limited, the West African Telegraph Company Limited, the West Coast of America Telegraph Company Limited and the Western Telegraph Company Limited should be acquired by His Majesty's Government in the United Kingdom:

And whereas for the purpose of giving full effect to the recommendations made by the said conference an agreement (hereafter in this Act referred to as "the Commonwealth telegraphs agreement") was entered into between His Majesty's Government in the United Kingdom, His Majesty's Government in Canada, His Majesty's Government in the Commonwealth of Australia, His Majesty's Government in the Dominion of New Zealand, His Majesty's Government in the Union of South Africa, His Majesty's Government in India and the Government of Southern Rhodesia, and signed in London on their behalf on the eleventh day of May, nineteen hundred and forty-eight:

And whereas the Commonwealth telegraphs agreement provides, by clause 3 thereof, for the establishment of a body to be known as the Commonwealth Telecommunications Board (in the Commonwealth telegraphs agreement and hereafter in this Act referred to as "the Board") having the functions and constitution set out in the Second Schedule to the Commonwealth telegraphs agreement (which Schedule is set out in Part I of the First Schedule to this Act), and, by clause 5 thereof, for the nomination or establishment by each Government for the time being a party to the Commonwealth telegraphs agreement of a department, body or public corporation (in the Commonwealth telegraphs agreement referred to as a "National Body") for the purpose of acquiring assets of the operating company and of operating and maintaining the external telecommunication services of that Government:

And whereas it is intended that, in relation to His Majesty's Government in the United Kingdom, the Post Office should be the National Body for the purposes of the Commonwealth telegraphs agreement:

And whereas by virtue of subsection (4) of section one of the Imperial Telegraphs Act, 1938, the Postmaster General made an arrangement with the operating company for sharing the benefit of certain sums which, under the International Telegraph Regulations, fall to be received and retained by them in respect of telegrams within the European telegraph system:

And whereas it is expedient to give effect to certain provisions of the Commonwealth telegraphs agreement and to make provision for certain matters incidental thereto and for extending

the system, heretofore embodied in the said arrangement, for the sharing of revenue derived from telegrams transmitted to or from places outside the United Kingdom:

Be it, therefore, enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

The Commonwealth Telecommunications Board

1.—(1) The provisions of Part I of the First Schedule to this Act shall have effect with respect to the Board.

Establishment of Commonwealth Telecommunications Board.

(2) The provisions of Part II of that Schedule shall have effect for the purpose of supplementing the provisions of Part I thereof.

2. The Postmaster General shall have power, exercisable by statutory instrument which shall be laid before Parliament after being made, to make regulations amending the provisions of the First Schedule to this Act in such manner as appears to him requisite for giving effect to any modification of the provisions of the Commonwealth telegraphs agreement agreed upon between the Governments for the time being parties thereto.

Power to amend First Schedule to this Act.

3. Any sums payable by the Postmaster General by way of contribution towards the expenses of the Board shall be defrayed out of moneys provided by Parliament.

United Kingdom's contributions towards the Board's expenses.

Provisions relating to Transfer of the Operating Company's Assets to the Postmaster General

4.—(1) If an agreement is entered into between the Postmaster General and the operating company for the purchase, on the first day of April, nineteen hundred and fifty, by the Postmaster General of the estates and interests of the operating company to which this section applies, those estates and interests shall, by virtue of this section and without further assurance, vest in the Postmaster General on that day.

Vesting in the Postmaster General of operating company's interests in land.

(2) The Postmaster General shall cause to be published in the London and Edinburgh Gazettes notice of the making of any such agreement as is mentioned in the foregoing subsection.

(3) The estates and interests to which this section applies are all the estates and interests of the operating company subsisting immediately before the said first day of April in land in Great Britain other than land specified in the Second Schedule to this Act.

Financial
provisions.

5.—(1) The Treasury may issue out of the Consolidated Fund of the United Kingdom or the growing produce thereof (in this section referred to as “the Consolidated Fund”) such sums, not exceeding in the whole the sum of four million pounds, as may be required by the Postmaster General for the purpose of making to the operating company payments in consideration of the transfer to him (whether by virtue of this Act or otherwise) of property owned by the operating company.

(2) For the purpose of providing money for sums issued out of the Consolidated Fund under the foregoing subsection or repaying to the Consolidated Fund all or any part of sums so issued, the Treasury may borrow by means of terminable annuities for a term not exceeding twenty years, and all sums so borrowed shall be paid into the Exchequer.

(3) The said terminable annuities shall be paid out of moneys provided by Parliament for the service of the Post Office, and if those moneys are insufficient shall be charged on and paid out of the Consolidated Fund.

(4) Section five of the Telephone Transfer Act, 1911 (which relates to audit), shall have effect as if this section were included amongst the Acts therein mentioned.

*Pension Rights of, and Compensation to, Employees of the
Operating Company and certain other Persons*

Provisions as
to pensions of
employees of
the operating
company and
certain other
persons.

6.—(1) The Postmaster General shall by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament make, with the consent of the Treasury, such regulations with respect to the payment of pensions to or in respect of—

(a) persons who have pension rights under any of the existing pension schemes; and

(b) persons other than as aforesaid who are or have been in the employment of the operating company;

as appear to him to be requisite or expedient in consequence of the giving of effect to clause 5 of the Commonwealth telegraphs agreement, whether by His Majesty’s Government in the United Kingdom or by any other Government for the time being a party to that agreement.

(2) Without prejudice to the generality of the foregoing subsection, regulations made thereunder may provide—

(a) for the establishment and administration of pension schemes and pension funds in addition to, or in substitution (whether in whole or in part) for, all or any of the existing pension schemes and pension funds held

for the purposes thereof, for the continuance, amendment, repeal or revocation of any of the existing pension schemes and of enactments relating thereto and of trust deeds, rules or other instruments made for the purposes thereof, for the transfer, in whole or in part, or for the extinguishment, of liabilities under any of the existing pension schemes, and for the transfer, in whole or in part, or winding up, of pension funds held for the purposes of any of those schemes;

- (b) for the making by the trustees of, or other the persons administering, any of the existing pension schemes of payments (whether by way of transfer values, return of contributions or otherwise) in cases where persons cease to have pension rights under the scheme, and the making of payments by persons who, on ceasing to have pension rights under any of those schemes, acquire pension rights under another pension scheme;
- (c) for the payment by the Postmaster General, out of moneys provided by Parliament, of sums for making good, in whole or in part, a deficiency arising in a pension fund held for the purposes of a pension scheme established under or by virtue of the regulations or any of the existing pension schemes, or for or towards preventing a deficiency from so arising;
- (d) in the case of any such persons as are mentioned in subsection (1) of this section who enter the Civil Service of the State or any class of such persons,—
 - (i) for securing that they become entitled to benefits under the Superannuation Acts, 1834 to 1946, notwithstanding that, although their appointments are not held directly from the Crown, they are admitted without certificates of the Civil Service Commissioners;
 - (ii) for the reckoning of all or any part of service of theirs which may be reckoned for the purposes of any of the existing pension schemes or, as the case may be, all or any part of service of theirs in the employment of the operating company, as service for all or any of the purposes of those Acts and, in such cases as may be specified in the regulations, for treating, for all or any of the purposes of those Acts, the length of any service that is to be reckoned as service for all or any of the purposes thereof as being so much more or less than its actual length as may be so specified;
 - (iii) for the exclusion in whole or in part of the operation of those Acts in cases where they are

entitled to pensions by virtue of a pension scheme established under or by virtue of the regulations or any of the existing pension schemes;

(iv) for the payment by the Postmaster General, out of moneys provided by Parliament, of the whole or specified proportions of any contributions payable in respect of them under any such pension scheme as aforesaid;

(v) for empowering the Postmaster General, in such cases as may be specified in the regulations, to make, out of moneys provided by Parliament, for the purpose of supplementing pensions payable to or in respect of them by virtue of any such pension scheme as aforesaid, grants of such amounts as may be determined by or under regulations; and

(vi) for empowering the Postmaster General, in cases where it appears to him appropriate so to do, to make, out of moneys provided by Parliament, payments to or in respect of any of them who, though not entitled as aforesaid, had expectations of the accruer of pensions to or in respect of them in accordance with customary practices of their previous employers;

(e) for the manner in which questions arising under the regulations are to be determined; and

(f) for any supplemental or consequential matters for which it appears to the Postmaster General to be requisite or expedient to provide.

(3) Where provision is made by regulations under this section for the amendment, repeal or revocation of any of the existing pension schemes or of any enactment relating thereto or any trust deed, rules or other instrument made for the purposes thereof or for the transfer or extinguishment of any liability under any of those schemes or for the transfer or winding up of a pension fund held for the purposes of any of those schemes, the regulations shall be so framed as to secure that persons having pension rights under the scheme are not placed in a worse position by reason of the amendment, repeal, revocation, transfer, extinguishment or winding up.

(4) Regulations made under this section shall not be invalid by reason that in fact they do not secure that persons having pension rights are not placed in a worse position by reason of any such amendment, repeal, revocation, transfer, extinguishment or winding up as is mentioned in the last foregoing subsection, but if the Postmaster General is satisfied or it is determined as hereinafter mentioned that any such regulations have failed to secure that result, the Postmaster General shall as soon as possible make the necessary amending regulations.

Any dispute whether or not the said result has been secured by any regulations made under this section shall be referred to and determined by a referee or board of referees appointed by the Minister of Labour and National Service after consultation—

- (a) where the proceedings are to be held in England, with the Lord Chancellor;
- (b) where the proceedings are to be held in Scotland, with the Lord President of the Court of Session; and
- (c) where the proceedings are to be held in Northern Ireland, with the Secretary of State;

and the decision of that referee or board shall be final.

(5) Nothing in paragraph (a) of subsection (2) of this section shall be construed as authorising the diversion of a pension fund held for the purposes of any of the existing pension schemes (apart from any surplus remaining upon a winding up thereof) to purposes other than the payment of pensions to or in respect of such persons as are mentioned in subsection (1) of this section, or the application of any such surplus otherwise than in accordance with the provisions of that scheme.

(6) Nothing in this section, and in particular nothing in subsection (3) thereof, shall be taken to derogate from the power conferred by subsection (4) of section sixty-nine of the National Insurance Act, 1946, to make regulations providing for the modifying or winding up of pension schemes in connection with the passing of that Act.

(7) Regulations made under this section may be made so as to have effect from a date earlier than that on which they are made, not being earlier than the first day of January, nineteen hundred and forty-seven, so however that so much of any regulations as provides that any provision thereof is to have effect from a date prior to the making thereof shall not place any person in a worse position than he would have been in if the regulations had been made to have effect only as from the date of the making thereof.

(8) In this section the following expressions have the meanings hereby respectively assigned to them, that is to say,—

“ the existing pension schemes ” means—

(a) the scheme for the payment of pensions out of the fund registered under the Superannuation and other Trust Funds (Validation) Act, 1927, by the name of the Eastern and Associated Telegraph Companies' Pension Fund ;

(b) the scheme for the payment of pensions out of the fund registered under that Act by the name of the Cable and Wireless Widows Fund;

(c) any scheme for the payment of pensions out of a fund to which section three of the Pacific Cable Board (Pension and Provident Funds) Act, 1929, applies;

(d) the scheme for the payment of pensions commonly known as the Eastern and Associated Telegraph Companies' Superannuation Fund, being a scheme subsisting by virtue of deeds whereof the principal one is a deed dated the thirtieth day of June, eighteen hundred and ninety-three, whereto the parties were the Eastern Telegraph Company Limited, the Eastern Extension, Australasia and China Telegraph Company Limited, the Eastern and South African Telegraph Company Limited, the Brazilian Submarine Telegraph Company Limited, Sir John Pender, John Denison-Pender and Lord Sackville Arthur Cecil;

(e) the scheme for the payment of pensions commonly known as the Post Office Transferees Pension Fund, being a scheme subsisting by virtue of a deed dated the first day of July, nineteen hundred and thirty-two, whereto the parties were the operating company (therein called by its then name of Imperial and International Communications Limited), Cable and Wireless (Holding) Limited (therein called by its then name of Cables and Wireless Limited), John Cuthbert Denison-Pender, Henry William Grant, C.B., Francis Alexander Johnston, Edward Wilshaw, Frederick William Atkins Frost, John Jocelyn Denison-Pender and Cables and Wireless Pension Fund Trustee;

(f) the scheme commonly known as the Communications Superannuation Fund, being a scheme for the payment of pensions out of the fund maintained for the purposes of a deed dated the fourteenth day of December, nineteen hundred and thirty-two, whereto the parties were those mentioned in the last foregoing paragraph;

(g) the scheme for the payment of pensions commonly known as the Indo-European Retirement Fund, being a scheme subsisting by virtue of a deed dated the tenth day of June, nineteen hundred and thirty-six, whereto the parties were the Indo-European Telegraph Company Limited, Sir Alan Rae Smith, the operating company, Harold Fitch Kemp, Thomas Oswald Stevens Perry, John Cuthbert Denison-Pender, Henry William Grant, C.B., Francis Alexander

Johnston, Edward Wilshaw, John Jocelyn Denison-Pender, Frederick William Atkins Frost, John Emilius Payton, Richard Edmund Relfe Luff and Cables and Wireless Pension Fund Trustee; and

(h) the two schemes together commonly known as the Marconi Companies' Staff Superannuation Fund, being schemes for the payment of pensions each of which subsists by virtue of a deed dated the first day of April, nineteen hundred and fourteen, to the one of which the parties were Marconi's Wireless Telegraph Company Limited and the North British and Mercantile Insurance Company and to the other of which the parties were the Marconi International Marine Communication Company Limited and the North British and Mercantile Insurance Company;

“pension”, in relation to any person, means a pension, whether contributory or not, of any kind whatsoever payable to or in respect of him, and includes a gratuity so payable and a return of contributions to a pension fund with or without interest thereon or any other addition thereto;

“pension fund” means a fund established for the purpose of paying pensions;

“pension rights” includes, in relation to any person, all forms of right to or eligibility for the present or future payment of a pension to or in respect of him, and any expectation of the accruer of a pension to or in respect of him under a customary practice, and includes a right of allocation in respect of a present or future payment of pension;

“pension scheme” includes any form of arrangements for the payment of pensions, whether subsisting by virtue of trust, contract or otherwise.

7.—(1) The Postmaster General shall have power, exercisable by statutory instrument, to make, with the consent of the Treasury, regulations providing for the payment by him out of moneys provided by Parliament, in such cases and to such extent as may be specified in the regulations, of compensation to persons who, on such date before the passing of this Act as may be specified in the regulations, were employed whole-time as officers or servants of the operating company, being—

(a) persons who suffer loss of employment in consequence of the giving of effect to clause 5 of the Commonwealth telegraphs agreement by His Majesty's Government in the United Kingdom; or

- (b) persons who suffer diminution of emoluments or pension rights in consequence of their entering the Civil Service of the State as a result of effect's being given as aforesaid to that clause;

and any such regulations may make different provision (including the specification of a different date) in relation to different classes of persons.

(2) Regulations made under this section—

- (a) shall prescribe the procedure to be followed in making claims for compensation and the manner in which and the person by whom the question whether any or what compensation is payable is to be determined; and
- (b) shall in particular contain provisions enabling appeals from determinations of any such questions as aforesaid to be brought, in such cases and subject to such conditions as may be prescribed by the regulations, before a referee or board of referees appointed by the Minister of Labour and National Service after consultation—
- (i) where the proceedings are to be held in England, with the Lord Chancellor;
- (ii) where the proceedings are to be held in Scotland, with the Lord President of the Court of Session; and
- (iii) where the proceedings are to be held in Northern Ireland, with the Secretary of State;

and, upon a reference under a provision of regulations having effect by virtue of paragraph (b) of this subsection, the decision of the referee or board of referees shall be final.

(3) No regulations shall be made under this section unless a draft thereof has been laid before Parliament and has been approved by resolution of each House of Parliament.

(4) In this section,—

- (a) the expression “ emoluments ” includes any allowances, privileges or benefits, whether obtaining legally or by customary practice;
- (b) the expression “ officers or servants ” does not include directors; and
- (c) the expression “ pension rights ” has the same meaning as in the last foregoing section.

Provisions as to referees appointed by the Minister of Labour and National Service.

8.—(1) The Minister of Labour and National Service may, with the approval of the Treasury, pay out of moneys provided by Parliament—

- (a) to any referee or to the members of any board of referees appointed by him under this Act, such fees and allowances as he may, with the consent of the Treasury, determine; and

- (b) to persons giving evidence before any such referee or board, such allowances as he may, with the consent of the Treasury, determine.

(2) Nothing in the Arbitration Acts, 1889 to 1934, or the Arbitration Act (Northern Ireland), 1937, shall be construed as applying to any proceedings before a referee or board of referees appointed under this Act by the Minister of Labour and National Service.

Extension of System of pooling Telegraph Revenue

9.—(1) The arrangement made, by virtue of subsection (4) of section one of the Imperial Telegraphs Act, 1938, by the Postmaster General with the operating company may be wound up on such date as may be agreed between the Postmaster General and the operating company, and the Postmaster General may from time to time make with the operating company, or with the operating company and its subsidiaries or any of them, arrangements whereby—

Extension of power of Postmaster General to make pooling arrangements.

- (a) an account is from time to time prepared of sums received and paid by the parties to the arrangements in respect of telegrams transmitted to or from places outside the United Kingdom or any class of such telegrams; and
- (b) such payments are from time to time made by those parties as are necessary to secure that the excess of the aggregate of the sums received by them in respect of such telegrams as aforesaid or that class thereof, as the case may be, over the aggregate of the sums paid by them in respect thereof is shared between them in such proportions as may be specified by or under the arrangements.

(2) Payments made by virtue of the foregoing subsection by the Postmaster General shall be treated as payments which may be deducted from the gross revenue of the Post Office before that revenue is paid into the Exchequer.

(3) In this section the expression “ subsidiaries ”, in relation to the operating company, means bodies corporate which are subsidiaries thereof within the meaning of section one hundred and fifty-four of the Companies Act, 1948, and the expression “ telegram ” has the same meaning as in the Telegraph Act, 1869.

Short Title

10. This Act may be cited as the Commonwealth Telegraphs Short title Act, 1949.

SCHEDULES

Sections 1, 2.

FIRST SCHEDULE

THE COMMONWEALTH TELECOMMUNICATIONS BOARD

PART I

THE PROVISIONS OF THE SECOND SCHEDULE TO THE COMMONWEALTH
TELEGRAPHS AGREEMENT WITH RESPECT TO THE COMMONWEALTH
TELECOMMUNICATIONS BOARD*Constitution*

1. There shall be established a body to be known as the Commonwealth Telecommunications Board.
2. The Board shall consist of members to be appointed as follows:—
 - (a) As to one (who shall be the Chairman of the Board), jointly by the Partner Governments
 - (b) As to one, by each of the Partner Governments separately
 - (c) As to one, by His Majesty's Government in the United Kingdom to represent British Commonwealth and Empire territories not directly represented by other members
3. The Commonwealth Telecommunications Board shall be a body corporate by that name, with perpetual succession and a common seal, and with power to purchase take hold and dispose of lands and other property

Functions

4. The functions of the Board shall be
 - (1) To make recommendations to the Partner Governments and to National Bodies on the following matters relating to their external telecommunication systems:—
 - (a) The formulation and execution of the joint telecommunication policy of the Partner Governments, including the fixing of rates (terminal transit and parcours proportions)
 - (b) Co-ordination of the development of the cable and wireless systems of the British Commonwealth and Empire
 - (c) Extensions to and alterations of the telecommunication systems of the British Commonwealth and Empire
 - (d) The provision and, where appropriate, the apportionment among National Bodies, of capital expenditure on projects
 - (e) Co-ordination with the appropriate authorities on telecommunication matters affecting the defence of the British Commonwealth and Empire or any part thereof
 - (f) Co-ordination of research in telecommunication matters conducted by National Bodies
 - (g) The exchange of personnel between the Board and National Bodies

- (h) Any other telecommunication matter which may be referred to the Board by any of the Partner Governments or by any National Body
- (2) At the request of the Partner Governments or National Bodies to conduct negotiations with foreign telecommunication interests on their behalf
- (3) To promote and conduct research in telecommunication matters
- (4) To purchase or otherwise acquire and turn to account in any manner that may be thought fit any Letters Patent or patent rights or any interest in any Letters Patent or patent rights brevets d'invention, licences concessions and the like conferring an exclusive or non-exclusive or limited right to use any secret or other information as to any invention in relation to any device or machine serving or calculated to serve any useful purpose in connection with any of the functions of the Board or with the business of any National Body
- (5) To set up and administer a Central Fund for the receipt of the net revenues of the National Bodies
- (6) To establish and support or aid in the establishment and support of associations institutions funds trusts and conveniences calculated to benefit employees or ex-employees of the Board or the dependants or connections of such persons and to grant pensions and allowances and to make payments towards insurances and to subscribe or guarantee money for charitable or benevolent or educational objects or for any exhibition or for any public general or useful object
- (7) To borrow money temporarily in anticipation of revenue
- (8) To sell improve manage exchange lease mortgage enfranchise dispose of turn to account or otherwise deal with all or any part of the property and rights of the Board
- (9) To enter into make and perform contracts of guarantee and indemnity of whatsoever kind which may be necessary or convenient for the purpose of the Board's functions
- (10) To do all or any of the above things in any part of the world and either as principals agents trustees contractors or otherwise and either alone or in conjunction with others and either by or through agents sub-contractors trustees or otherwise
- (11) To do all such other things as the Board may deem incidental or conducive to the discharge of any of their functions

Organisation

5.—(1) The Chairman of the Board shall be entitled to preside at the meetings thereof

(2) There shall be a Vice-Chairman of the Board who shall be appointed by the Board and shall be entitled to preside at meetings of the Board in the absence of the Chairman

(3) The Chairman or other officers authorised by him shall subject to such regulations as may be made by the Board as hereinafter provided summon all meetings of the Board for the despatch of business

6.—(1) The Board shall meet for the despatch of business and shall from time to time make such regulations with respect to the summoning notice place quorum management and adjournment of such

1ST SCH.
—cont.

meetings and generally with respect to the transaction and management of their business as they may think fit subject to the following conditions:—

- (a) Meetings shall normally be held in London in the United Kingdom but from time to time as may be found convenient meetings shall also be held in the territories of the other Partner Governments or elsewhere as the Board may determine
- (b) A quorum for a meeting of the Board shall be not less than two-thirds of the members for the time being
- (c) Every question shall be decided by a majority of votes of the members present and voting on that question and in case of an equality of votes at any meeting the person presiding at such meeting shall have a second or casting vote Provided that if the question to be decided is claimed by a member either before or at the meeting to be one of Governmental policy and unanimity cannot be obtained the Chairman shall refer the question to the Partner Governments together with his report and recommendations respecting the same and a decision on the question shall be suspended until the views of the Partner Governments have been ascertained

(2) Where a member through illness or absence from the country in which the meeting is to be held is unable to attend a meeting the Partner Government by whom that member was appointed shall have the right to nominate a person to act as alternate member in his place for the purposes of that meeting and on such nomination being made the alternate member shall (except in regard to remuneration) be subject in all respects to the terms and conditions existing with reference to the other members and whilst acting as an alternate member shall exercise and discharge all the functions powers and duties of the member whom he represents

7. The Board may at any time appoint a Committee or Committees of their own members for such purpose and on such conditions as the Board may decide but the conclusions of any such Committee shall be subject to ratification by the Board

8.—(1) The Board shall appoint a chief executive officer who shall be called the Director General

(2) The Board shall appoint such other officers and staff as they may think necessary for the efficient transaction of their business and shall fix such rates of remuneration including that of the Director-General as they shall think proper Subject to the provisions of any contract between the Board and any officer the Board may remove any officer (other than a member) however appointed

(3) No member shall be appointed to any executive office of the Board

Power to Appoint Advisory Committees

9. The Board may appoint persons or Committees to advise them with regard to all or any matters connected with telecommunication services and the business operations and affairs of the Board Committees shall have power to appoint Advisory Sub-Committees

Committees shall be appointed for such purposes and on such conditions as the Board may decide. The Board may from time to time make regulations with regard to the meetings and proceedings of any such Committees or Sub-Committees. The Board may pay the expenses of any such Committees or Sub-Committees including the expenses of the members in attending them.

Members

10.—(1) Members of the Board shall subject to the provisions as to disqualification hereinafter contained be entitled to remain in office for such period as may be fixed at the time of their appointment which shall not exceed a period of five years

(2) A retiring member shall be eligible for reappointment

11. A member shall *ipso facto* cease to be a member

- (a) in the case of the Chairman if his appointment be terminated at the joint request of the Partner Governments or
- (b) in the case of any other member if his appointment be terminated by that one of the Partner Governments which appointed him or
- (c) if he becomes of unsound mind or bankrupt or compounds with his creditors or
- (d) if he sends in a written resignation of his office to the Board or
- (e) if the Government which appointed him ceases to be a Partner Government

12.—(1) The members shall receive by way of remuneration for their services as Chairman Vice-Chairman or members as the case may be the sums following (to be deemed to accrue from day to day) that is to say:—

	<i>Per annum</i> £
The Chairman	3,500
The Vice-Chairman	1,500
Each of the other members	1,000

In addition members appointed by Partner Governments (other than the United Kingdom) may be paid such subsistence allowance (not exceeding £500 per annum) as the Board consider reasonable

Members may also be reimbursed for expenses properly incurred by them in the due performance of their office

(2) Except as in this clause expressly provided no moneys of the Board derived from any source shall in any event be divided by way of profit or otherwise amongst the members

Financial

13.—(1) Prior to the beginning of each financial year the Board shall prepare and approve a budget setting forth the estimates of their expenditure for that year. Estimates of current expenses (which may include a reasonable sum in order to provide a working balance for the year) and capital expenditure shall be shown separately in the budget and shall be sub-divided under appropriate headings

1ST SCH.
—cont.

(2) The Board shall forward a copy of the budget so prepared and approved to each of the National Bodies and the Partner Governments

(3) The current expenses of the Board shall be defrayed out of the Central Fund in accordance with the budget

(4) The adoption of the budget in so far as it provides for capital expenditure shall be subject to the approval of the Partner Governments. On giving their approval the Partner Governments shall make provision of the requisite funds through the National Bodies

Annual Report and Statement of Accounts

14.—(1) The accounts of the Board shall be audited annually by an auditor or auditors who shall be appointed by the Board after obtaining the approval of the Partner Governments

(2) The Board shall as soon as may be after the end of every year prepare a General Report of their proceedings for that year and attach thereto a Statement of Accounts

(3) The Chairman shall on the completion of every such annual General Report and Statement of Accounts and the Auditors' Report thereon forthwith submit the same to the Partner Governments and arrange for the same to be published in the territories of the Partner Governments

General

15. The Board shall at all times observe the provisions of any International Conventions relating to telecommunications to which the Partner Governments have subscribed

16. The Board shall treat persons domiciled in any of the territories of the Partner Governments as equally eligible for appointment to the Board's staff

17.—(1) No act or proceeding of the Board or of any Committee established by the Board shall be questioned on account of any vacancy or vacancies in the Board or any such Committees

(2) No defect in the appointment of any person acting as Chairman, Vice-Chairman or member or as a member of any Committee established by the Board shall be deemed to vitiate any proceedings of the Board or of such Committee in which he has taken part in cases where the other parties to such proceedings form the necessary quorum and are duly entitled to act

(3) Any instrument which if made by a private person would be required to be under seal shall be under the seal of the Board and signed by one or more members authorised for that purpose by a resolution of the Board and counter-signed by the proper officer. Any notice, appointment, contract, order or other document made by or proceeding from the Board which is not required to be under seal shall be signed by such members or officers as the Board may direct

(4) The proper officer of the Board shall be the Director-General or any other officer duly authorised by the Board

PART II

1ST SCH.
—cont.

PROVISIONS SUPPLEMENTARY TO PART I OF THIS SCHEDULE

In Part I of this Schedule—

- (a) the expression “Partner Government” means the Government of a part of the Commonwealth which is for the time being a party to the Commonwealth telegraphs agreement;
- (b) the expression “National Body” means a department, body or corporation nominated or established by such a Government as aforesaid in pursuance of clause 5 of the Commonwealth telegraphs agreement;
- (c) the expression “territory”—
 - (i) in relation to His Majesty’s Government in the United Kingdom, includes every territory (other than the territory of another Government which is for the time being a party to the Commonwealth telegraphs agreement) whose foreign relations are conducted by His Majesty’s Government in the United Kingdom; and
 - (ii) in relation to another such Government as aforesaid, includes every territory whose foreign relations are conducted by that Government.

SECOND SCHEDULE

Section 4.

LAND WHEREIN ESTATES AND INTERESTS OF THE OPERATING COMPANY
ARE EXCEPTED FROM VESTING

1. Land in the parish of St. Levan in the county of Cornwall.
2. Land in the City of Plymouth.
3. Premises known as “Meadowbank”, being premises situate in the parish of Twickenham in the county of Middlesex and described in the schedule to a conveyance dated the thirtieth day of July, nineteen hundred and thirty, whereto the parties were the Eastern Telegraph Company Limited of the one part and the operating company (therein called by its then name of Imperial and International Communications Limited) of the other part, being a conveyance whereof a memorial was registered on the thirteenth day of August in that year in the Middlesex Deeds Department of His Majesty’s Land Registry and there numbered eight hundred and twenty in book number thirty-six.

Table of Statutes referred to in this Act.

Short Title	Session and Chapter
Telegraph Act, 1869	32 & 33 Vict. c. 73.
Telephone Transfer Act, 1911	1 & 2 Geo. 5. c. 26.
Superannuation and Other Trust Funds (Validation) Act, 1927	17 & 18 Geo. 5. c. 41.
Pacific Cable Board (Pension and Provident Funds) Act, 1929	19 & 20 Geo. 5. c. xxxviii.
Imperial Telegraphs Act, 1938	1 & 2 Geo. 6. c. 57.
National Insurance Act, 1946	9 & 10 Geo. 6. c. 67.
Cable and Wireless Act, 1946	9 & 10 Geo. 6. c. 82.
Companies Act, 1948	11 & 12 Geo. 6. c. 38.

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