

Trustworthy natives could be embodied in such force, when it is considered advisable. Such force should be under one permanent non-political officer. He should be under the control of the Government; and we think that the correspondence with him could be conducted in a branch of the Colonial Secretary's Office.

Militia and
Volunteers.

42. The militia and volunteers should be kept in reserve. All correspondence connected with them to come to the Colonial Secretary through the officer above referred to, who should also be Inspector of Militia and Volunteers. Every encouragement to volunteer forces should continue to be given by the Government, and the militia should be periodically drilled under the supervision of a limited staff. All arms, ammunition, and other militia stores to be placed in charge of the Inspector of the militia and volunteers.

Native Depart-
ment.

43. With respect to the Native Department we have come to the conclusion that the conduct of correspondence on Native affairs could in a short time be transferred to a branch in the Colonial Secretary's Office. Correspondence on the subject of Native Reserves, Native Lands, and in connection with the working of the Native Lands Act should go through the office of the Secretary for Crown Lands.

Treasury, Com-
missioner of
Customs, and
Audit Depart-
ments.

44. We have carefully considered the departments of the hon. Colonial Treasurer, of the hon. Commissioner of Customs, and of the Auditor of Public Accounts, and we offer the following observations with a view to the adoption of such measures as may best secure the proper collection of, and accounting for, the Revenue, and at the same time introduce simplicity and economy into the present system.

45. The existing laws for the regulation of the collection, custody, and disbursement of the public funds provide a sufficient control. At present part of the law only is put in execution; the Comptroller's Act of last session not having been brought into operation, the intended system is incomplete.

Sub-Treasurers.

46. The past mode of collection and custody of the revenue occasioned the appointment of many Sub-Treasurers; which offices of trust and check have been generally attached to the local Collector of Customs or other officer, thus neutralizing to some extent the object of the office as one of check. Improved regulations relative to "Public Accounts and the receipt and issue of Public Moneys" have been issued lately, by which, if the Comptroller's Act were in operation, the Treasury would be relieved of the duties of collection and custody of revenue. Our examination into the working of the Sub-Treasuries has decided us to recommend that they should be gradually abolished. The chief duty now required of them is to make payments, and as nearly all the money so paid is for salaries and wages and the contingent expenditure of the local offices of the several Departments of the General Government, we propose that the Colonial Treasurer at Wellington should make advances to Departments for each month's payments (to be accounted for within the month), instead of as at present to the Sub-Treasurers. This abolition we consider to be safe. It would reduce accounting between the local officers, their superiors, the Treasury, and the Audit offices, and bring more closely under central control all officers in matters of finance.

Inspection of
collections and
payments.

47. Instead of the weak and partial control which Sub-Treasurers holding other offices can exercise, we propose to provide an efficient substitute, by inspection of all collecting or paying officers—such inspection to be frequent, and by an officer whose constant knowledge of the condition of all other similar offices gained in the exercise of his office, would enable him to discover and check error, and to bring each office into and maintain it in a state of efficiency. This alteration will also centre in the Treasury at Wellington all the finance of the Colony, and we do not think that the change will materially increase the duty of that office.

Audit and
Treasury.
Auditor.

48. We also propose hereafter to recommend a system which will define clearly the duties to be required separately of the Treasury and Audit Departments.

49. Heretofore the Auditor and his office have been made of the most extended use as cases of emergency arose, and we find the Department now performing duties foreign to its proper functions as defined by law. We think that this office should be limited to its duty of check and control, in order that such duty may always be done as closely up to date as possible, and that its independence as directed by law may be fully maintained. This limitation will enable economy to be effected in this Department.

Book-keeping to
to be in Treasury.

50. We also contemplate relieving the Audit Office of some book-keeping duty by transferring it to the Treasury, as in that office the whole of the books of the Colony should be kept, and be checked by the Auditor upon the vouchers submitted by the Treasury. These alterations, we are satisfied, will reduce the work at present performed.

Customs depart-
ment.

51. The Customs Department has not hitherto been held sufficiently in control from head-quarters. To establish the great requirement of uniformity of practice throughout the Colony, it is needful to place this Department under the control of one head, who, we think, should be under the ministerial control of the Hon. the Colonial Treasurer, as an office chiefly for the collection of Revenue. Inspection is absolutely necessary for this chief branch of the service to secure the full amount of collections, and to ascertain that the several officers constantly perform their duties; that the coast is watched, and that the ports are not overmanned with officers. The Inspector should be an officer thoroughly acquainted with all the duties of the Department; he should know all the officers, and be in possession of the experience of the several ports, so as to be able to apply that knowledge to advantage. In his absence, the Collector at the Seat of Government should perform the secretarial duty of the Department.

Inspection of
Customs neces-
sary.

Audit of Customs
accounts.

52. We propose an arrangement of the system of audit of Customs accounts, so as to render it more rapid in performance and lighter in work in the Audit Office, esteeming concurrent audit, or as nearly so as can be, of great importance. We will give the details of this arrangement in another report.

Registry of deeds.

53. In the offices of Registrars of Deeds much clerical labour would be saved and arrears of work obviated by requiring persons who send in deeds for registry to transmit at the same time copies of such deeds on prescribed forms. These copies could be compared with the originals by the Registrar, and, if correct, be certified, and then bound together. This system has for some years been in force in the Colony of Victoria.