No. 17.

MEMORANDUM No. 1.

Treasury, Wellington, 5th February, 1874.

Having recently had under consideration "The Bridges, Roads, and other Works Appropriation Act," passed by the Provincial Council of this Province, authorizing the construction of certain bridges, roads, and other public works, and perceiving that the peculiar construction of that Act, and other circumstances connected with it, would probably necessitate an unusual degree of care in any action required to be taken by the Provincial Auditor, I have taken occasion, as the Permanent Head of the Department to which he is responsible, to confer with that officer, with the object of ascertaining his views on the general question of Provincial overdrafts, and of the course which he would consider it his duty to adopt in the case of an overdraft in excess of the proportion sanctioned by the Provincial Audit Act of 1869.

I found that Mr. Dorset's views on these questions were altogether vague and unsatisfactory, for, while he assented to the proposition that it was his duty, before affixing his certificate to the warrant of the Superintendent, to see that funds sufficient to meet the required issue were not only at credit of the Provincial Account but were "legally available" for issue, in terms of the Provincial Audit Act and its amendments, he informed me that in practice he did not take steps to inform himself on either of those points, or, indeed, to ascertain at any time

the amount at credit of the Provincial Account at the bank.

On inquiry whether, in the event of a warrant directing the issue of moneys under the Bridges Roads &c. Act being laid before him for signature, he would consider it necessary to ascertain that the moneys required to be issued were legally available for the purpose, the Auditor informed me that he had already (on the 27th ultimo) certified the warrant of the Superintendent for the whole sum contained in Schedule II. to the Act in question; that he had done so not only without consideration of the question of the ways and means out of which the issues were to be made, but without having read the Act.

In reporting this matter for the consideration of the Hon. the Colonial Treasurer, I regret to state that, as the general result of the interview I have had with Mr. Dorset, I am of opinion that that gentleman has no real perception of the important functions attaching to the office of Provincial Auditor, and that the duty of controlling the expenditure of the Provincial Government is one which, except in its most restricted sense, he has not only neglected to

perform, but has even failed to recognize.

C. T. BATKIN, Secretary to Treasury.

The Hon. the Colonial Treasurer.

MINUTE ON MEMORANDUM No. 1.

CLEARLY this officer is inefficient. I incline to think he has rendered himself liable to legal penalties, but this cannot be ascertained until it is known if the money was available legally for which he signed the warrant. If he has made himself legally liable to penalties, I direct that he be proceeded against for them.

In any case, he is not an efficient officer, and a letter had better be written to him that the Governor will be advised to remove him for inefficiency, and asking him if he desires a formal inquiry such as the Civil Service Acts give him the right to request. I believe the inquiry can be either by persons appointed for the purpose or by a Board already constituted; the option, I believe, rests with the Governor. Do you advise his suspension in the meanwhile?

To the Secretary to the Treasury.

J. VOGEL

REPLY to MINUTE of Hon. J. Vogel on Memorandum No. 1.

The decision of the Government on this matter appears to me to require that, as regards the conduct of the Provincial Auditor's office, it should have immediate effect. I recommend, therefore, that, pending the decision of His Excellency the Governor, the Provincial Auditor be forthwith suspended, and that the Deputy Auditor be informed to that effect.

7th February, 1874.

C. T. BATKIN.

Accordingly take the necessary steps .- J. Vogel.

7th February, 1874.

No. 18.

The SECRETARY to the TREASURY to the PROVINCIAL AUDITOR.

Treasury, Wellington, 9th February, 1874.

The attention of the Government has been called to the manner in which the duties of Provincial Auditor have been performed by you, and inquiries made in the matter have shown that you have failed to perform those duties with the care which the efficient execution of so important an office requires.

I am accordingly directed by the Hon. the Colonial Treasurer to inform you that His Excellency the Governor will be advised to remove you from that office, and that, until the

decision of His Excellency be known, you are suspended from further duty.

2-A. 4.