

1880.

NEW ZEALAND.

TRANSACTIONS OF MESSRS. YOUNG AND WARBRICK

(PAPERS RELATIVE TO) AS OFFICERS OF THE LAND PURCHASE DEPARTMENT.

Presented to both Houses of the General Assembly by Command of His Excellency.

The CONTROLLER and AUDITOR-GENERAL to the Hon. the MINISTER for NATIVE AFFAIRS.

SIR,—

Audit Office, 10th June, 1880.

I have the honor to forward the report of the Assistant Controller and Auditor upon the transactions of Messrs. Young and Warbrick at Tauranga, which resulted in the prosecution of the former, and I cannot but agree with Mr. Batkin that it is much to be regretted that so great a failure of justice should have occurred, and that the fraudulent proceedings of Mr. Young, in dealing with public moneys, should have escaped punishment.

It will now be the duty of the Audit Office, after a full investigation of every item in Mr. Young's accounts, to determine for what payments he can be allowed credit, and to recover the balance of the imposts intrusted to him, according to law.

I feel sure you will agree with me in thinking that the greatest credit is due to Mr. Batkin for the complete and exhaustive manner in which he has unravelled the intricacies of an account which has been apparently clothed in a complexity suggestive of improper dealing, because not only unnecessary, but in violation of all rules and instructions for the expenditure of public moneys.

It is right to add that, up to the time when an investigation took place on the spot, there was nothing whatever in Mr. Young's accounts, as presented to the Audit Office, to awaken any suspicion as to their correctness. The Audit Office has relied upon the honesty of the witness to the payment made to the Natives, and to the signature of the latter, a security which, in the present case, has proved worthless.

I have, &c.,

JAMES EDWARD FITZGERALD,

Controller and Auditor-General.

The Hon. the Minister for Native Affairs.

Mr. BATKIN to the CONTROLLER and AUDITOR-GENERAL.

SIR,—

Wellington, 31st May, 1880.

I have the honor to report the result of my investigation of the transactions of Mr. J. C. Young, Land Purchase Officer at Tauranga.

Mr. Young was appointed on the 2nd April, 1878, under a verbal arrangement by the Hon. Mr. Sheehan. He received no formal appointment, but his duties, as set forth in a telegram by the Hon. Mr. Sheehan dated 21st May, 1878, were, to "attend Court Maketu and assist Mitchell," and his pay was fixed at £2 2s. a day. He appears subsequently to have taken the position of Land Purchase Officer for the Bay of Plenty District, but by what authority there is no evidence to show.

His pay was commuted on the 1st September, 1879, to a fixed salary of £500 per annum, and his services were dispensed with on the 31st January, 1880.

He was assisted in his duties by Mr. A. Warbrick, who was appointed as his clerk on the 1st of August, 1878, with pay at the rate of £1 10s. per day, commuted to a fixed salary of £350 a year from the 1st of September, 1879, and his services were dispensed with on the 31st of January 1880.

Between August, 1878, and January, 1880, a period of eighteen months, various sums of money amounting in all to £11,100, were advanced to Mr. Young for land-purchase purposes, to be expended under the instructions of the Land Purchase Department, and to be accounted for to the Treasury in the form and manner prescribed by regulations.

Mr. Young's accounts, with one or two trifling exceptions, were rendered with punctuality and in the prescribed form. They were supported by bank certificates for cash in hand, and his expenditure was vouched for by apparently proper receipts, duly attested, for all moneys paid.

In the month of January last the Hon. the Minister for Native Affairs, in consequence of some irregularities, discovered by the Secretary of the Land Purchase Department while inspecting Mr. Young's office at Tauranga, requested the Audit Department to make examination into Mr. Young's transactions on the spot; and on the 30th of that month I proceeded to Tauranga *via* Auckland to undertake the duty.

Messrs. Young and Warbrick having both been dismissed on the 31st of January, I found the office in charge of Mr. Mitchell, Land Purchase Officer for the Taupo District, from whom I received every assistance in my inquiry. I was also most ably assisted by Mr. W. Matravars, Clerk to the Bench at Maketu, whose services were placed at my disposal in the capacity of interpreter.