

country, and it was upon the express order of the House of Representatives that the whole of the evidence taken at the inquiry has been published to the world.

#### THE AUDIT CONTROL TO BE REMOVED.

The Auditor-General admits that the work of the Audit is not all that could be desired, but objects strongly to the recommendation of the Commissioners that the Public Trust Office should be removed from the control of the Audit Department.

Has the Auditor-General forgotten that almost the same arguments were used by him to retain the control and audit of the Customs and Railway Departments? These departments discovered the work of the Audit Department in connection with their affairs to be not only ineffective but a positive deterrent to business, and their representations were of such an unanswerable character that the Audit Department was swept out of their path. Has any injury arisen to the public service from the change? Has the Railway Department, or the Customs Department, failed to take the proper precautions to safeguard the interests of the public in connection with their receipts and expenditure? Has the colony been startled by the account of great defalcations in these departments, or even of "grave irregularities"? No. These departments have controlled their finance with the greatest care, and their system of check will stand the most searching inquiry. Can the Auditor-General say the same of the departments over which he exercises the duty of control and audit? Has he not had some painful experiences recently in connection with the funds of at least one Harbour Board in the colony?

The Auditor-General may not be aware of the fact, but there is not a department of the public service of the colony that is not convinced that the system of control and audit as pursued by him is ineffective, irritating, and comparatively valueless. There is not a Minister of the Crown who has had any lengthened experience of public administration who has not made up his mind that the Audit Department fails in many of its most important functions. And yet the Auditor-General is surprised, even amazed, at a Royal Commission, aware of all this, and who, in addition, have had brought before them in the clearest possible manner the utter want of value of his department in connection with the Public Trust Office, recommending that the latter should be disassociated from the Audit Department for the future.

We are not concerned in discussing with Mr. FitzGerald the value or otherwise of our recommendations as to the future management of the Public Trust Office. He has no right to obtrude his opinion upon Parliament in that connection unless it is sought by Parliament itself; and in so doing he has, as one of the chief officers in the Civil Service of the colony, been guilty of a grave impropriety—an impropriety which, if allowed to pass without comment, would prove most injurious to the whole *morale* of the Civil Service.

W. J. M. LARNACH, Chairman.

A. LOUGHREY.

T. KENNEDY MACDONALD.

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