Sess. II.—1891. NEW ZEALAND.

PUBLIC ACCOUNTS COMMITTEE.

(REPORT OF THE, ON THE MEMORANDUM OF THE CONTROLLER-GENERAL RELITAVE TO THE DUTIES OF THE AUDIT DEPARTMENT.)

Brought up 21st August, 1891, and ordered to be printed.

THE Public Accounts Committee, having considered the letters dated the 10th and 18th August, 1891, from the Auditor and Controller-General to the Hon. the Premier, is of opinion that it is impossible to present a report of any value upon the questions raised by the Auditor in his letter without first making an exhaustive inquiry into the scope and administration of the whole Audit Department—an inquiry of such magnitude as to make it impossible for the Committee to report this session.

The Committee, recognising the impropriety of allowing the arrears in the audit of the local bodies to accumulate, are not prepared to incur the responsibility of objecting to the temporary appointment of the additional Inspector, which the head of the department asserts to be necessary.

Copy of the amended estimates, the letters of the 10th and 18th August, and a memorandum by the Auditor-General on the duties of the Department of Audit and Control, attached hereto. ALFRED SAUNDERS, Chairman. 21st August, 1891.

LETTER from the Controller and Auditor-General relative to increasing the Audit Staff. Audit Office, 10th August, 1891. SIR,-

I have again the honour to refer to the Under-Secretary's letter of the 30th May informing me that the Government did not see its way to increase the staff of the Audit Department pending any inquiry which Parliament might direct to be made into the question of audit generally in the colony; and to respectfully request that the Government will be pleased to move Parliament to make such inquiry at its earliest convenience.

It is for Parliament to say what work it requires to be done in the matter of audit, and to determine what staff is necessary to do it. But it is only fair to myself, who am held responsible for the efficient audit of the public accounts, and the issue of the public moneys, and also to the staff at present employed, that Parliament should be informed that the work which the Audit Department is supposed to do is not at present being done as it should be owing to the insufficiency of the staff, and that if its duties are to be thoroughly and efficiently done either the staff must be increased or the range of its duties must be limited.

I have therefore the honour very respectfully to request that you will be pleased to lay this letter before Parliament, with the view of causing such inquiry to be made as Parliament may think Î have, &c., fit in the matter.

The Hon. the Premier.

James Edward FitzGerald.

Audit Office, 18th August, 1891. SIR,-Referring to my late conversations with you on the subject of the Audit Office, I have now the honour to inform you of the arrangements I have made, of which I understood you to approve, and to submit to you the further assistance which I propose to lay before the Public Accounts

Committee, and which is necessary to enable the Audit Office to fulfil its present duties.

1. I have promoted Mr. Ward, who was a cadet at a salary of £70 a year, to undertake the audit of the gold revenues, which was the work of Mr. A. Easton, lately deceased.

2. I have transferred Mr. George Easton, who was assisting Mr. Dodd in the audit of the local bodies' accounts, to assist Mr. Webb in the audit of the Trust and Insurance Offices.

3. I have appointed Mr. Bybles, of the Public Works Department, in the place of Mr. G. Easton at the salary as on the estimates of £170 a year.

4. I have engaged Mr. Arthur Bethune at a salary of 15s. a week as a cadet in the place of Mr. Ward.