

SESS. II.—1891.
NEW ZEALAND.

PUBLIC ACCOUNTS COMMITTEE

(INTERIM REPORT OF THE) ON THE UNAUTHORISED EXPENDITURE ACCOUNT.

Brought up 11th September, 1891, and ordered to be printed.

THE Unauthorised Expenditure Account (Paper No. 15) having been referred to the Public Accounts Committee, the Committee have the honour to report as follows:—

In reviewing the unauthorised expenditure for the financial year ending 31st March, 1891, amounting to £99,082 3s. 5d., the Committee consider that there are four items which call for special notice.

1. The amount of £306 8s. 11d. paid to the Hon. E. Mitchelson, Minister of Native Affairs, by way of salary and house-allowance from 4th October, 1890, to 24th January, 1891.

2. Payment to the Rev. H. C. M. Watson, as a contribution towards expenses incurred in lecturing on New Zealand in England, £150.

3. £52 1s. 8d., part salary of Mr. Commissioner Edwards, from 1st November, 1890, to 31st March, 1891.

4. Passage of A. Bailey, Esq., to London on his appointment to H.M. Middlesex Regiment.

The Committee have taken the evidence of the Controller and Auditor-General, and have ascertained the following facts as regards the above four items:—

1. *Salary and House-allowance paid to Hon. E. Mitchelson from 4th October, 1890, to 24th January, 1891.*—By “The Ministers’ Salaries and Allowances Act, 1887,” provision was made for the salaries of six members of the Executive Council, in addition to the Prime Minister. Section 4: “Provided, that whenever the number of members of the House of Representatives shall be reduced by an Act of the General Assembly below the number now comprising that House, the number of Ministers (other than the Prime Minister) to whom salaries are appropriated under this Act shall be reduced to five.”

The General Assembly was dissolved by Proclamation on the 3rd October, 1890; consequently the number of members of the Executive whose salaries are provided for as above was reduced to “five.” The number of members of the Executive Council, who may be appointed from members of the General Assembly, is limited to ten (eight, exclusive of two Maoris) by “The Disqualification Act, 1878”; otherwise there is no limit.

There is nothing in the Act of 1887 forbidding the payment of more than five members, but the Act only authorises the payment of that number. There is nothing directly forbidding the payment of an extra Minister. It seems to stand on the same footing as every other service for which no provision is made, and which is paid out of the provision for unauthorised expenditure, on the personal responsibility of Ministers.

2. *Payment to the Rev. H. C. M. Watson, £150.*—The amount was placed on the main estimates sent down to the House. The item was struck out on 30th July, 1890, on the motion of Mr. Goldie, and a very strong opinion was expressed by the Committee against such payment. It was placed on the supplementary estimates, but was not put to the Committee by the Chairman.

As a matter of fact, the money had been paid by the Agent-General to Mr. Watson before the item was discussed in Committee of the House on the 30th July. Payment was made on the following dates: 27th March, 1890, £100; 20th June, 1890, £50. The former was passed by the Audit Office as a charge upon unauthorised expenditure on the 13th November, and the latter on 21st October.