

"chivvy" the individual who was fool enough to lend his name on behalf of a company? Last year the Government ordered the destruction of my vineyard, a property worth over £1,000; now, apparently, they wish to "chivvy" me for a sum for which I am not morally if legally liable. Kindly let me know if this claim is to be persisted in, because, as a last resort, I will lay the case before Parliament.

I have, &c.,

The Clerk of the Warden's Court, Whangarei.

G. E. ALDERTON.

SIR,—

Audit Office, 6th August, 1898.

Utlander Special Claim, Puhipuhi, 100 acres, granted to G. E. Alderton—Annual rental, £50, from 23rd December, 1896.—Mr. G. E. Alderton's letter, of which a copy is appended, appears, though addressed to you, to have been forwarded to me without any communication from you or from any one else. The letter details the circumstances of his possession of the special claim, protests against being called upon to pay the rent, and threatens that if the demand for the rent is pressed he will lay the case before Parliament. All this, however, is nothing to the point. If the rent is legally payable and you fail in your duty to collect it, or to take action to enforce payment of it, the Audit Office must surcharge you with the amount. It is a debt due to the Crown, and neither the Government nor the local body to whom the rents go has power to authorise the remission of the debt.

The first half-year's rent of the claim was paid on the 13th February, 1897, and Mr. Alderton will not be entitled to surrender of the title unless he should pay—to 22nd December, 1897, £12 10s.; to 22nd June, 1898, £25; to 22nd December, 1898, £25: total, £62 10s.

I am, &c.,

The Receiver of Gold Revenue, Whangarei.

J. K. WARBURTON,
Controller and Auditor-General.

EXHIBIT G.

THE reference which the Audit Office certificate to the Public Accounts makes to the failure of the Mines Department—namely, "But as regards the receipts of gold revenue, the Audit Office is unable satisfactorily to verify them, through the failure of the Mines Department to comply with a requisition for a certified statement of the amounts collectible as such revenue."

THE question is one of the failure of the Mines Department to comply with an Audit requirement, and is not a dispute between the Audit Office and a Warden. The Audit Office is unable to obtain from the Mines Department itself a complete compliance with the requirement.

A Warden, being a district officer of the Mines Department, does not see his way to do as the head of his department would appear to expect, according to the circular instructions issued with a view to a compliance by the department with the Audit Office requirement; and, so far as the Audit Office has the means of judging, the Mines Department does not itself settle the difficulty with its officer, by either adopting the officer's objection or meeting it, but strives to have this internal departmental difficulty treated as a dispute or controversy of the officer with the Audit Office.

Dealing, however, with the question as the inability of the Audit Office to obtain from the Mines Department a compliance with the Audit requirement—that is to say, with the difficulty raised by the officer as the difficulty raised by the head of his department—I will explain what the requirement of the Audit Office on the Mines Department was, and by what circumstances and considerations the Audit Office was influenced in suggesting that the requirement should be effected by a signature to the statutory abstract.

The four circulars, of which copies are supplied, have been issued by the Mines Department. The first three were issued before I became Controller and Auditor-General; and it will be observed that those three circulars instructed the Wardens and Mining Registrars to furnish the monthly abstracts as required by section 76 of the Mining Act, and supplied a form for the purpose, and that in the circular of the 30th March, 1895, the abstracts were impliedly acknowledged to be in use for the work of auditing the accounts of the Receivers of Gold Revenue.

Then, I found that the three offices of Receiver of Gold Revenue, Mining Registrar, and Clerk to the Warden's Court were in every case, with hardly an exception, filled by one and the same person; that the abstracts were prepared by and generally signed by this person; and that consequently the Audit Office was treating as a check on the Receiver of Gold Revenue what practically was no more than a comparison of the Receiver's account of collections with his own statement of what he had to collect. This was clearly idle. In the judgment of the Audit Office it was, under all the circumstances, necessary to any effectual check on the Receiver that his collections should be verified by an independent statement of the titles under which the collections were made—that is, by a statement certified by the officer who issued them. The Mining Department accordingly was required to arrange that such a statement should be furnished.

In view of the fact that the abstract, which it is the duty of the Warden in compliance with section 76 to cause to be furnished to the Minister, had been used without objection for the work of auditing the accounts, and of the fact that by using these abstracts the work of preparing any additional statement might be avoided, the Audit Office requirement was made in the form of the suggestion that such abstracts should be signed by the Wardens. This suggestion was that which was conveyed in my memorandum adopted by the circular of the 24th September, 1896, from the Mines Department to Wardens. All but one of these officers have acted as the circular is understood to have expected of them. It would appear that the objecting officer takes exception not to any of the four circulars from the head of his department, but the last. He objects that there is no