

The Audit Office, it is submitted, would not be justified in passing the proposed transfer without a full and satisfactory explanation, which, however, as the matter appears to stand, it seems difficult to believe can be supplied.

J. C. GAVIN,
Assistant Controller and Auditor.

MINUTES ON TRANSFER VOUCHER NO. 69381.

THE certificates supporting this transfer are that the material has actually been delivered from the Working Railways Branch for additions to open lines; but there appears to be wanting a certificate that the material has been received for the purpose.

1st March, 1898.

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

THE W.R. and A.O.L. stores are both under my control; one certificate, therefore, covers both receipt and delivery.

1st March, 1898.

GEORGE FELTON,
Stores Manager.

Mr. Gavin.

IT does not appear to me that the Audit Office can inquire whether the exigencies of additions to open lines are at this moment such as to require that one large transfer of material for the purpose should take place to the value of one large round sum of £15,000. This question lies with the Administration. If you concur you should pass the transfer.

1st March, 1898.

J. K. WARBURTON.

I CONCUR. Transfer passed.—J. C. GAVIN, Assistant Controller and Auditor, 2nd March, 1898.

The Treasury.

Audit Office, 16th July, 1898.

Transfer of £14,589 ls. from Consolidated Fund to Public Works Fund.

IN requesting that an explanation may be furnished to the Audit Office from the department responsible for this proposal now to transfer back from Public Works to Working Railways the property which was transferred from Working Railways to Public Works just before the close of last financial year, and of which the purchase-money went, and was used, as an additional appropriation for the expenditure on working railways during that year, I may remark that, whatever may be the explanation, the effect of the present proposal must virtually be to make the expenditure on working railways during last financial year a charge, to the amount of the projected transfer, against the vote for the present year, and thus correspondingly to make the expenditure out of the Public Works Fund during last year an additional appropriation for public works during this year. This is an effect which surely can never have been contemplated by the Public Revenues Act, an effect only possible consistently with a power in any department having property to convert it into an additional appropriation for services, and to redeem and reconvert as the exigencies of finance may dictate.

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

Hon. Colonial Treasurer.

THIS matter is clearly one of administration. However, the Audit Office has large powers to ask for such explanation as it considers necessary.

18th July, 1898.

JAS. B. HEYWOOD.

THIS matter is clearly one of administration, and in matters of administration the responsibility is with the Government and not with the Audit Department.—R. J. S., 19th September, 1898.

For the Audit Office.—JAS. B. HEYWOOD, 21st July, 1898.

The Treasury.

Audit Office, 22nd July, 1898.

IT is respectfully submitted that the Audit Office must, before it passes the voucher into which this transfer has been put, be satisfied that the expenditure is charged upon the voucher to the proper vote and fund provided by Parliament for the same. The passing of the voucher by the Audit Office being necessary to the transfer, the matter is as clearly one of Audit Office judgment as of administration responsibility. The Audit Office has to be satisfied that Parliament has provided a vote and fund to which expenditure can be charged of the nature of the expenditure involved by the two transfers—one of £15,000 from Public Works, passed on the 2nd March, 1898, and the other of £14,589 ls. back to Public Works now.

The transfer of £15,000 out of last year's appropriation for public works to the credit of last year's appropriation for working railways, and the transfer back of £14,589 ls. out of this year's appropriation for working railways to the credit of this year's appropriation for public works, would make the transaction tantamount to one of an advance during last financial year from loan account for the working-expenses of the railways, and of the repayment of such advance during the present year, with the result which I have already pointed out of making "the expenditure on working railways during last financial year a charge, to the amount of the projected transfer, against the vote for the present year, and thus correspondingly to make the expenditure out of the Public Works Fund during last year an additional appropriation for public works during this year."