

No. 23.

PUBLIC ACCOUNTS for the QUARTER ended 30th JUNE, 1900, compared with the Quarter ended 30th June, 1899.

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JAS. B. HEYWOOD, Secretary to the Treasury.

ROBERT J. COLLINS, Accountant to the Treasury.

The foregoing accounts have been examined and found correct, subject to the following remarks. " (3.) The stamps in the hands of the Deputy Commissioner of Stamps, Wellington, on Saturday, the 30th June, were not counted as required by the regulations made under the Stamp Act by the Governor in Council, the officer appointed by the Audit Office to perform the duty having, by the Deputy Commissioner, been refused recognition in the matter. —J. K. WARBURTON, Controller and Auditor-General."

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As regards the remarks in paragraph No. 3, the following explanation, given by the Secretary for Stamps, speaks for itself: "The stamps in the hands of the Deputy Commissioner were counted and examined last month precisely in the same way as during the last thirty years. On the last Saturday in June, however, the Auditor-General sent his officer to count the stamps after office-hours, but the Deputy Commissioner very naturally objected to remain for such a purpose after the office was closed. The Controller and Auditor could have ordered an examination at any time during office-hours, and every assistance would have been rendered to him and his officer; but his failure to do so can in no wise be attributed to the Stamp officials." Being a matter not connected with the accounts now under review by the Audit Office, it would have been better, if the Audit Office had a grievance against this particular department, to have addressed the Commissioner of Stamps on the subject. It may, however, be mentioned that the Deputy Commissioner in Wellington had his stamps duly counted last month, by the officer appointed for that purpose, in a similar manner to that adopted in respect to the audit of stamps in other parts of the colony.

R. J. SEDDON,

Colonial Treasurer.

The Treasury, 25th July, 1900.

No. 24.

The Hon. the Colonial Treasurer.

Audit Office, 4th August, 1900.

Audit of Stamps in the Hands of the Deputy Commissioner of Stamps, Wellington.—The Controller and Auditor-General ventures respectfully to submit for consideration the objections to which it appears to him that the comments are open which the Hon. the Colonial Treasurer has made and appended to the abstract of the Public Accounts of last quarter, respecting paragraph 3 of the Audit Office remarks with which those accounts have been certified. The objections are offered in the form of answers to the propositions contained in the explanation quoted by the Colonial Treasurer, and in his own observations.

Proposition No. 1.—The stamps in the hands of the Deputy Commissioner were counted and examined last month precisely in the same way as during the last thirty years. *Answer.*—The stamps were not counted by an officer of or on the part of the Audit Office, as they had been counted on and up to the last Saturday in May. They were thus not counted, as the proposition asserts; and the Deputy Commissioner failed to perform his duty of making to the Audit Office the return required by law.

Proposition No. 2.—On the last Saturday in June the Auditor-General sent his officer to count the stamps after office-hours. *Answer.*—The stamps had for many years up to June last been counted for the purposes of the return after office-hours on the Saturday, and the Audit officer saw the Deputy Commissioner some time before the close of business on that day, "with a view of arranging a time for the examination." The Deputy-Commissioner, however, notwithstanding that his duty of making the return required him to arrange for or procure the services of the Audit officer, refused to recognise him in the matter.

Proposition No. 3.—The Deputy Commissioner very naturally objected to remain for such a purpose after the office was closed. *Answer.*—From the copy, which is appended, of the voucher for the payment to Mr. Harry Young of £1 1s. for the service of counting the stamps on Saturday, the 30th June, it will be seen that the certificate to the voucher is, "I certify that, to the best of my knowledge and belief, the foregoing account is true and correct in every particular; that the charge is reasonable; and that the service was performed after office-hours on the day named.—C. A. HICKSON."

Proposition No. 4.—The Controller and Auditor could have ordered an examination at any time during office-hours, and every assistance would have been rendered to him and his officers, but his failure to do so can in no wise be attributed to the Stamp officials. *Answer.*—The counting on the last Saturday is the counting for the purpose of the regulations under the Stamp Act in respect "of the audit of stamps"; and the Deputy Commissioner, being charged by those regulations with the duty of making to the Audit Office the return certified by the Audit officer, ought himself to have arranged to obtain the services of such officer, and performed the duty. The regulations do not provide for or contemplate the Audit Office ordering the examination. The Audit officer, however, saw the Deputy Commissioner before the close of business, and did all that was reasonable, in the circumstances, to save the Deputy Commissioner from failing in his duty to comply with the regulations. But the only result was that the Deputy Commissioner refused to recognise him, and that the stamps, though they were counted after office-hours at the time when it was usual for the Audit officer to count them, were counted by Mr. Harry Young instead of by such Audit officer.