

SECOND REPORT

OF

THE COMMISSIONERS UPON THE PUBLIC ACCOUNTS.

MAY IT PLEASE YOUR EXCELLENCY,—

In continuation of our First Report, presented on the 6th October, we have now the honor to lay before your Excellency the conclusions at which we have arrived on the remaining matters submitted to us.

ACCOUNTS OF RECEIVERS.

1. In our former Report we dealt with that part only of the Receipt of Revenue in which some alteration of the existing law might be thought desirable. We proceed now to recommend some alteration in that part of the present system which is established by the Regulations of the Governor in Council.

2. The Regulations of the 12th November 1867, evidently contemplated that one Account only should be periodically returned by each Receiver of Revenue to the Colonial Treasurer, which should be an exact copy of his Cash Book. It has been found, however, in practice, that the form of that Cash Book has not been such as to dispense with the necessity of requiring from the Receiving Officers other returns, especially in the form of Summaries of the Receipts under the various heads of Revenue. We think that such a form of the Receivers' Cash Book may be adopted in each branch of the service, as will at once simplify the labour of the Receiving Officers, diminish the sources of error, and will convey in one return all the information which is required, both by the Treasury and by the Audit Office, in order to establish a complete Account and Audit of the Receipt of Revenue. In the amended Regulations appended in the Schedule to this Report will be found a form of Cash Book which, slightly modified so as to be applicable to each branch of Revenue, would, we think, effect the object in view. The return made to the Treasury should, as at present, be an accurate and declared copy of such Cash Book, accompanied by vouchers supporting the several entries. We believe that by the adoption of these tabular forms, summarized at the foot of each month's account, a great amount of labour may be saved, a large number of supporting documents may be dispensed with, and frequent errors, with all the delay occasioned thereby, may be avoided.

THE DISBURSEMENT OF THE REVENUE.

3. The system at present in force for disbursing the Public Moneys may be described as follows. The authority of the Minister in charge of each Department, and also of the Colonial Treasurer, is required for every payment on account of such Department. The authorities issued by the Colonial Treasurer to the Paymasters are of two kinds, "General" and "Special." "General" authorities are for the payment of all salaries and other fixed and recurring payments. These are supposed to be issued at the commencement of the financial year; but, in practice, their issue is necessarily delayed until the Estimates are passed and reprinted, by which time four months of the year have elapsed. In the meantime the authorities of the previous year are still acted on, and many corrections have to be made in consequence. After the General authorities for the current year are issued, they are acted on by the Paymasters throughout the year without further instructions. For all other, or contingent, expenditure, a Special authority is required for each payment. The claim is made out on the proper form of Abstract, and having been certified by the local head of the Department concerned, is transmitted by him to the Minister. The Minister, having signified his approval of the claim, transmits it to the Treasurer, who forwards it to the Paymaster or Sub-Paymaster of the district or service, and transmits the money for payment. The money is transmitted by draft, by arrangement with the Bank, without charge. The receipt is taken on the Abstract when the payment is made, and is returned to the Treasury in support of the Paymaster's Accounts.

4. In all such cases the Certifying Officer is guided in incurring the expenditure by the amount which has been authorized by the Minister. But there is a class of payments, of no considerable magnitude, in which a discretion is left in the hands of the local Officers as to the amount to be expended. This applies only to Sub-Paymasters who are distant from the office of the Paymaster. In such cases the paying Officer transmits the Abstract, properly receipted, to the Treasury, by whom it is sent to the Minister of the Department for approval, before being recorded in the Treasury.

5. It is the duty of the Under-Secretary of the Department, before passing each abstract from his office, to enter upon its face the vote of Parliament against which the expenditure is to be charged. But payments are sometimes made out of advances, especially upon Military, Native, and Confiscated Land services, in which considerable delay occurs in settling the vote against which the expenditure is to be charged.