

1893.
NEW ZEALAND.

PUBLIC ACCOUNTS COMMITTEE.

(REPORT ON FURTHER CORRESPONDENCE BETWEEN THE CONTROLLER AND AUDITOR-GENERAL AND THE HON. THE MINISTER OF LANDS RELATING TO THE AUDITING OF ACCOUNTS OF THE LANDS AND SURVEY DEPARTMENT.)

[In Continuation of I.-7D, 1892.]

Brought up 15th August, 1893, and ordered to be printed.

REPORT.

THE Public Accounts Committee has the honour to present to this honourable House further correspondence (in continuation of I.-7D, 1892) from the Controller and Auditor-General and the Hon. the Minister of Lands in reference to the removal of the Lands and Survey Department accounts from the control of the Audit Department.

15th August, 1893.

J. M. SHERA,
Chairman.

CORRESPONDENCE.

No. 1.

THE CONTROLLER AND AUDITOR-GENERAL to the CHAIRMAN, Public Accounts Committee.

SIR,—

Audit Office, 22nd June, 1893.

As the Hon. the Minister of Lands has stated, in his letter to you of the 4th October, 1892, that several of the statements in my letter of the 3rd October were contrary to fact, it is due to the Committee and to myself that I should reply to such a charge. I regret that, not having seen the Minister's letter until some weeks after it was written, and Parliament having been prorogued, I have been unable to do so at an earlier period.

I respectfully ask permission to reply to these charges in order.

1. That I misrepresented the Minister to have said that no accounts were kept in his department.

I said in my letter of the 3rd October that "I understood him," in his evidence before the Committee, to assign that as one reason for transferring the audit of the land revenue to his own department. I did understand him to say so. But, by "accounts kept in the department," I meant, of course, as would generally be understood, *accounts kept at the Head Office*—accounts of the department as a whole. And no such accounts ever were kept in the Land Department. As to accounts kept by the Receivers of Land Revenue, of which the Minister is so good as to inform me, considering that they have always been audited, as are the accounts of all Receivers of public money, it may be presumed that I have been perfectly acquainted with them. My statement, therefore, that "no accounts were kept in the department," instead of being, as the Minister says, "contrary to fact," was strictly true.

2. In opposition to a statement in my letter, the Minister says that the Receivers of Land Revenue "are not and never have been deemed to be independent of the Commissioners of Crown Lands." Perhaps, as I have taken a part, during nearly forty years, as a member of the General Assembly, as the Superintendent of a Province, and as Auditor-General, in dealing with the Crown lands, I may be allowed to correct the Minister's information on the subject. At first, the lands in the Auckland district alone were administered by the Government: those in other parts of the colony were in the hands of the New Zealand and other companies. Shortly after the Constitution Act came into force the lands were handed over to the provinces, by whom Commissioners of Crown Lands were appointed and paid. Receivers of Land Revenue were first appointed by the Governor,