

Sixth, I may state for the Committee's information that, since Mr. Smith's appointment to my department, an entirely new system of cash-books and ledgers has been adopted, and the accounts of the department have been placed on a more uniform and satisfactory footing; and I feel sure that the defects of the system in the past will be removed. In saying this I may point out that considerable leakages have been found out in the mode of collecting revenue, and it has been discovered that no less a sum than £994 15s. 8d. has been lost though previous lax and inefficient audit.

I do not think it necessary to make any further comments on the Controller's letter, or on the history of the audit of the Lands Department. All I ask is that the facts I have stated should be kept in mind by the Committee in reading the Controller's letter in exculpation of himself and his department.

I have, &c.,

JOHN MCKENZIE,
Minister of Lands.

The Chairman, Public Accounts Committee.

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