

(b) CASES IN WHICH THE PROVISIONS OF THE LAW HAVE NOT BEEN CARRIED OUT

The Audit Office is required to satisfy itself that all financial transactions of the State are supported by proper authority, and that they contravene no provisions of the law. Circumstances arise, however, which require or render desirable that public moneys shall be expended for purposes for which no specific authority exists, and for which the statutory provisions governing "unauthorized expenditure" or "emergency expenditure" are not available, or not available to a sufficient amount. There are cases also in which it is in the interest of public business that legislative restrictions shall not be applied.

Several cases covered by the foregoing explanation arose during the year, and the Audit Office, following past practice, agreed to pass relative transactions on being informed by the Government that it would introduce validating or amending legislation, or otherwise provide the authority required.

The necessary legislation or authority in the following cases was obtained during the year covered by the report :—

(1) Section 29 of the Finance Act, 1948, validated payments made to members of the General Assembly for expenses incurred by them in attending the conference of the Empire Parliamentary Association held at London in 1948. It also contained the balance of the authority required to validate payments made to two members of Parliament mentioned in my report last year as having become disqualified by reason of becoming contractors within the meaning of the Electoral Act, 1927.

(2) Section 6 of the Finance Act, 1948, which was passed on 12th November, 1948, provided for the abolition of overseas passenger-duty from 30th September, 1948.

Reference was made last year to cases in which validating legislation or other authority had not been provided at the date of the report. Legislation has since been provided as follows :—

(1) Section 4 of the Finance Act, 1948, authorized the Marine Department to operate cargo and passenger ships and to insure cargo carried in those ships.

(2) Section 10 of the Superannuation Amendment Act, 1948, validated payment of increased annuities to widows who were in receipt of or entitled to annuities at the date of coming into operation of the Superannuation Act, 1947, but to whom section 39 (a) (i) of that Act did not apply as was intended.

(3) Section 5 of the Finance Act, 1948, validated unauthorized expenditure in excess of the limit fixed by section 7 of the Finance Act, 1947.

Validating or other authority is awaited in respect of the following :—

(1) For the payment of an allowance of £26 a year in addition to any age-benefit granted to a beneficiary who is a parent of a deceased member of His Majesty's Forces other than the New Zealand Forces or to the parent of a deceased member of the Mercantile Marine.

(2) For the payment during the financial year 1948-49 of £229,772 5s. 5d. in excess of the amount of £2,592,538 5s. 2d. assessed in terms of section 7 of the Finance Act, 1947, as the limit of unauthorized for all services in that year.