

No. 12.

The Treasury.

It would appear that, in view of section 29 of "The Public Trust Office Consolidation Act, 1894," the Public Trustee is without authority to pay to the Treasury "the interest on the proceeds of the bank shares." The interest on the Public Trustee's investment of the proceeds of the bank shares belongs neither to his trust under section 8 of "The Bank of New Zealand and Banking Act, 1895," nor to any particular estate in the Public Trust Office; and if the Public Trustee is authorised to pay to the Public Account now any money in respect of the trust, it is only the income of the trust. But the income of the trust is not the interest which the Public Trustee has paid to the Public Account and which the Treasury proposes to credit to Miscellaneous Revenue.

2nd August, 1901.

J. K. WARBURTON,
Controller and Auditor-General.

No. 13.

The Audit Office.

I WOULD suggest that, as the matter appears to relate to the administration of the Public Trust Office, you should address the Public Trustee on the subject. He will, I am sure, be able to give a satisfactory reply.

2nd August, 1901.

JAS. B. HEYWOOD.

No. 14.

The Treasury.

Audit Office, 5th August, 1901.

Revenue Account, No. 57 of 6th July, 1901.

It is upon the proposal of this Revenue Account that the present question has been raised—the proposal to credit revenue with the amount received from the Public Trustee of a payment which he is known to have no statutory authority to make. The question which the Audit Office may have to raise with the Public Trustee will be raised on the Public Trust Office Accounts, for the purpose of ascertaining the reason of his own transaction in making the payment to the Public Account. Meantime, the Audit Office will be unable to pass the amount to the credit of the revenue.

J. K. WARBURTON,
Controller and Auditor-General.

No. 15.

The Hon. the Colonial Treasurer.

THERE seems no other course open to the Treasury than to apply to the Solicitor-General for his opinion, under which, if he concurs with the action of the Treasury, a Warrant of His Excellency the Governor may be asked for.

5th August, 1901.

JAS. B. HEYWOOD.

No. 16.

THE Public Trustee is very confident he is within his powers in paying over. If the contingency arises later on, a Warrant under the hand of His Excellency can then be obtained.—R. J. S. 5/8/01.

No. 17.

PREPARE the necessary Warrant, if the Solicitor-General so advises.—R. J. S. 6/8/01.

REFERRED to Solicitor-General for his opinion.

6th August, 1901.

JAMES B. HEYWOOD.

No. 18.

Audit Office, 22nd August, 1901.

Revenue Account No. 57 of 6th July, 1901.

ADVERTING to the Audit Office minute of the 5th instant, on the question whether the Public Trustee had any authority of law for making the payment to the Public Account of £8,745 1s. 10d., which the Treasury proposes to place to the credit of revenue, that question has since been raised on the transaction in the Public Trust Office Accounts; and in submitting a copy of the Audit Office correspondence with the Public Trustee on the subject, the Controller and Auditor-General begs to express his regret that he is unable, for the reasons which are given in his memorandum to the Public Trustee of the 19th instant, to pass the amount to the credit of the revenue. The amount should therefore be struck out of the Revenue Account in question.

J. K. WARBURTON,
Controller and Auditor-General.

The Hon. the Colonial Treasurer.

No. 19.

Wellington, 13th August, 1901.

ON the 2nd July last a payment of £8,745 1s. 10d. was made to the Treasury, being a refund of interest (less cost of cable) on the investment of £500,000, under the Aid to Public Works and Land Settlement Acts. Would you kindly state under what authority this payment was made.

The Public Trustee, Wellington.

W. H. CARLYLE,
Audit Inspector.