

## No. 9.

Mr. Glasgow.

PLEASE see opinion of the Solicitor-General upon the matter. I cannot understand the position taken up by the Auditor-General, especially as the work to be done comes within the ordinary working-expenses for the year.

W. H.-J.—18/12/1900.

## No. 10.

The Controller and Auditor-General.

PLEASE see the opinion of the Solicitor-General herewith. I hope that you will now see your way to pass this imprest requisition. The departure of the "Tutanekai" is fixed for the 20th instant.

18th December, 1900.

W. T. GLASGOW.

## No. 11.

Audit Office, 19th December, 1900.

*Application for Advance on Account of Expenses of despatching s.s. "Tutanekai" to Sydney.*

THE point of the question raised by the Audit Office on the Marine Department's application for money to pay the expenses of employing the s.s. "Tutanekai" to take the contingent of Volunteers to Sydney appears to have been misapprehended by the Solicitor-General. The question raised was not as to the merits or public nature of that service, but as to the vote on account of which the service is to be performed, and out of which the expense of such performance can be recovered, by the department. The Public Revenues Act requires the Audit Office to be satisfied, as regards every claim to payment of public money, "that the expenditure is charged upon the voucher against the proper vote and fund provided by Parliament for the same."

The service payments necessary to this special employment of the steamer are either voted or not voted; and by the term "voted" the Audit Office means "included in the estimates as passed by the House of Representatives." If the service payments are not so included they clearly differ from the payments which are—that is, from the payments for the passage-money of co-operative labourers, or for the carriage of material on account of departments authorised to pay for such carriage; and the Audit Office would ask where, on the estimates, is there any such authority to pay for the steamer's service in question as the authority to pay for her services in providing such passages and freight? The Audit Office denies not the right of the Marine Department to employ the Government steamers on any public service for which the Government requires them, but the right to charge to the Marine service payments included in the estimates under Vote 42 a public service for which the Audit Office does not know, and the Marine Department does not indicate, any provision but that vote—any provision out of which the payments charged to that vote could be recovered. If there is no such provision, and the public service in question is to be an unauthorised charge, the expenditure involved by the employment of the steamer in the service would be an unauthorised charge, and should be performed as such. This is obviously an important point in a large and expensive service of the steamer—a point which it may not have been considered expedient to raise in respect of general services of no great charge.

The value of the steamer's services is, in effect, advanced or not advanced by the department to which she belongs. If the value is advanced, there would be recovery from the provision in respect of which the advance is made; and the principle of advances under the Public Revenues Act is that they shall be charged to the vote for the service for which they are made. If the value is not advanced, it is, in this case, not chargeable to Vote 42 on the estimates.

The Audit Office has said nothing about any business of the Marine Department, but the business of charging the relative expenditure in accordance with the Statutory Authority for it.

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

## No. 12.

The Solicitor-General.

PLEASE see remark of the Controller and Auditor-General. Kindly advise as to the course to be taken.

W. H.-J.—21/12/1900.

Hon. Minister.—Opinion answered. F. F.—21/12/1900.

## No. 13.

Hon. the Minister.

THE Controller's minute of 19th instant does not seem to me to alter the position. If I understand him aright, he says in effect that where the steamer is employed on a service other than that of the Marine Department, her working-expenses cannot lawfully be charged to Vote No. 42 unless the service is provided for by a vote on the estimates, so that the expenses may be recovered from that vote. A sufficient answer to this is that, even where there is a vote for the service, the expenses are not recovered from it. Take, for example, the carriage of railway material for the Railway Department: That department is not concerned with the steamer's expenses, but merely pays a freight, which has no relation to these expenses, but which, when received by the Marine Department, is credited by it to Vote No. 42 as a recovery. So also in the case of co-operative labourers carried for the Public Works Department. That department merely pays passage-money, which the Marine Department credits to the vote as a recovery. But in every case the steamer must be kept in commission by the Marine Department out of Vote No. 42, and any other department using her is in no way concerned with her working-expenses.