1906.

NEW ZEALAND.

THE PUBLIC REVENUES ACTS AMENDMENT ACT, 1900."

(CORRESPONDENCE RELATIVE TO PAYMENTS OUT OF IMPREST ACCOUNT BY OFFICERS OF RAILWAY DEPARTMENT.)

Presented to both Houses of the General Assembly pursuant to Act.

The Controller and Auditor-General to the Hon. the Speaker of the House of Representatives.

Audit Office, 27th June, 1906.

The Hon. the Speaker of the House of Representatives

The Controller and Auditor-General, in the circumstances which appear in the correspondence, of which a copy is hereto appended, has the honour most respectfully to inform the House of Representatives that the officers of the Railway Department to whom moneys are issued by way of imprest have paid out of such moneys, for services after the 31st March, 1906, the extra pay voted under section 3 of "The Public Revenues Acts Amendment Act, 1900," for the services of the financial year which ended on that date, with the result that the amounts paid under the authority of the items so voted have, contrary to the provisions of the section, exceeded the total sums of such items.

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

No. 1.

The Hon. the Minister of Railways.

Audit Office, 14th June, 1906.

Moneys Expended under Section 3 of "The Public Revenues Acts Amendment Act, 1900."

The officers of the Railway Department to whom moneys have been issued by way of imprest have continued to pay out of such moneys, for the current quarter, the extra pay voted under section 3 of the Public Revenues Act of 1900 for the services of last financial year, with the result that the amounts paid under the authority of the items so voted have exceeded the total sums of such items, notwithstanding the express provision of the section that "in no case shall the amount so paid exceed the total sum of the item voted."

As the case is virtually one of public moneys expended without appropriation of Parliament, and the Audit Office would hardly be justified in passing the issue by way of imprest of more money if the imprestees are to make out of it payments which cannot lawfully be made, the Minister will oblige by causing the Audit Office to be furnished with an explanation of the irregularity, and with any papers on the subject.

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

No. 2.

New Zealand Government Railways, Head Office, Wellington, 16th June, 1906. The Controller and Auditor-General, Wellington.

In reference to your minute of the 14th instant I find on inquiry that the amount of the items voted has been inadvertently exceeded, the legal difficulty now raised by you not having been known to the imprestees and not having been fully appreciated by the Government when authorising the payments.

In the circumstances the Government cannot impute blame to the imprestees, and therefore itself accepts the responsibility and will ask Parliament to validate what has been done.

In the meantime no further payments will be made, and I would suggest that matters stand as they are, you reporting the circumstances, if you think necessary, to the Speakers, under section 32 of "The Public Revenues Act, 1891."

ALBERT PITT, Acting Minister of Railways.

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