

CASES IN WHICH THE PROVISIONS OF THE LAW HAVE NOT BEEN CARRIED OUT.

Section 89 (2) (b), Public Revenues Act, 1926.

Repayment of the Public Debt Act, 1925.—Section 8 (1) (b) of the Repayment of the Public Debt Act, 1925, as amended by section 21 of the Finance Act, 1927 (No. 2), declares certain moneys transferred by way of loan from the Consolidated Fund to the Discharged Soldiers Settlement Account, “less any amounts lawfully written off (whether before or after the commencement of this Act) by virtue of the operation of the Discharged Soldiers Settlement Acts,” to be capital moneys of the Public Debt Redemption Fund. The amount so transferred by way of loan was £13,500,000 in all, and the Treasury has deducted therefrom £1,600,000 as from the 31st March, 1928, and £1,050,000 as from the 31st March, 1929, being £2,650,000 in all, as representing the amounts lawfully written off. This deduction is not in accordance with the provisions quoted above, as it represents a portion only of the losses lawfully written off under the Discharged Soldiers Settlement Acts, and such losses were in some cases lawfully written off under the Acts named at an earlier date than the dates at which the deductions were actually made.

■ The Treasury is desirous that the deductions of £2,650,000 should stand, as corresponding amounts were written off the capital liability in the Discharged Soldiers Settlement Account, and has accordingly undertaken to obtain retrospective legislation covering what has been done.

Public Revenues Act, 1926.—Section 55 of the Public Revenues Act, 1926, provides the machinery for the issue of moneys out of the Public Account—namely, by a requisition prepared by the Paymaster-General covering the vouchers proposed to be paid, together with a bank order “directing the bank to honour the *cheques of the Paymaster-General on the Public Account* for the several amounts and at the several branches of the bank specified in the order, not exceeding in the whole the sum named in the requisition.” No such bank-order may be issued until countersigned by the Controller and Auditor-General, who is by subsection (3) required to satisfy himself that there is sufficient balance under authority of the Governor-General’s Warrant, and in the relative fund or account and vote, before countersigning the requisition and bank-order. By subsection (4) the bank-order, when so countersigned by the Controller and Auditor-General, shall be sufficient authority to the bank to pay the cheques of the Paymaster-General for the several amounts specified in the order. Instead of the Paymaster-General’s cheques being drawn on the Public Account, as required by the Act, they are drawn on a Suspense Account known as the “Public Account Disbursement Account” into which the totals of the various bank-orders are transferred by the bank. There is no statutory authority for such account, which has been in use for many years, and it would seem advisable, when any further amendments of the Public Revenues Act are contemplated, to provide authority for the continuance of the Public Account Disbursement Account if it is not desired to revert to the exact procedure now set forth in the Act, at the same time providing the necessary safeguards to ensure that cheques are issued and paid only for such amounts as have been included in bank orders countersigned by the Audit Office.

Public Revenues Act, 1926.—Section 85 : This section provides for the preparation and audit of an Abstract of the Revenue and Expenditure of the Public Account after the end of each quarter, and also after the end of each financial year. Subsection (2) enacts that every such abstract shall be certified by the Audit Office and returned to the Treasury within fourteen days after the receipt thereof from the Treasury, and that the Treasury shall forthwith publish the same in the *Gazette*, and lay the same before Parliament if sitting, or if not sitting, then within ten days after the commencement of the next ensuing session thereof. The abstract for the financial year has been in each case laid before Parliament pursuant to this section, but it has not been customary to lay before Parliament the abstracts for each quarterly period as directed by the section, though such quarterly abstracts have been gazetted. It seems desirable that either the express directions of the statute should be carried out, or the statute amended when opportunity offers so as to make it unnecessary to lay before Parliament the quarterly abstracts.

Public Revenues Act, 1926.—Section 98 : In examining the Appropriation Account for the year it was found that the vote for Public Service Superannuation Fund Office (Vote No. 83) had been overexpended by the amount of £246 13s. 8d. As the Public Service Superannuation Fund Office does not come within the provisions of Part X of the Public Revenues Act, 1926, the authority in section 98 of the Public Revenues Act to make issues in excess of the vote as a charge against the Unauthorized Expenditure Account did not apply, and there seemed to be no lawful authority covering the overexpenditure which had occurred. The attention of the Treasury was drawn to the position, and it has been arranged that the Public Service Superannuation Fund Office will be brought within the provisions of Part X of the Public Revenues Act by means of an Order in Council pursuant to section 92, which will provide the necessary authority for the future.

Land Laws Amendment Act, 1927.—Section 17 (5) of the Land Laws Amendment Act, 1927, provides that certain charges on lands are abolished. These charges were made against the lands for the repayment of amounts expended from loan-moneys on opening up such lands, pursuant to section 47 of the Land for Settlements Act, 1925, and the corresponding provisions of former Acts. The procedure apparently being followed is not to abolish such charges, but to divert the amounts arising from such charges, so that they will now be treated as ordinary receipts from the land and credited to the accounts owning the land. This procedure does not appear to be consistent with the wording of the Act, which requires that the charges shall be abolished. A further result of the procedure followed is that the receipts arising from certain similar charges under sections 75 and 76 of the Local Bodies’ Loans Act, 1908, which up to the 31st March, 1928, were credited to the Ordinary Revenue Account under the heading “Ordinary Revenue—Local Bodies’ Loans Act, 1908, Section 76,” do not now appear in the accounts. A portion of these receipts is now credited to the Ordinary Revenue Account as territorial revenue, but a portion has apparently been diverted to other accounts,