

am fully aware of the difficulties which the Labour Department is experiencing in the administration of the employment-promotion legislation, and I recognize that in some cases reasonable excuse exists for error. The Audit Office has no alternative under existing legislation but to impose surcharges despite the circumstances, but no surcharge may be imposed without the right of recourse to the Minister of Finance by way of appeal.

An officer of the Post and Telegraph Department was surcharged with a loss amounting to £16 10s. following upon an irregular withdrawal from the Post Office Savings-bank. The Minister of Finance relieved the officer concerned to the extent of £15 10s. and partially confirmed the surcharge by imposing a nominal penalty of £1.

Certain surcharges were mentioned last year as being unsatisfied, and I have to report that the following action has been taken with regard to them :—

Of the surcharges amounting to £233 8s. 3d. against officers of the Labour Department, £9 1s. 11d. was recovered on account of the over-payments, £223 6s. 4d. was remitted as a result of appeals to the Minister of Finance, and £1 was confirmed by way of penalty.

The loss sustained by the Pensions Department is being liquidated by instalments, and action in connection with the surcharge is meantime being withheld by the Minister.

The surcharges imposed upon officers of the Government Life Insurance Department and the Public Works Department have been remitted by the Minister.

STATEMENT OF IRREGULARITIES IN CONNECTION WITH PUBLIC MONEYS AND STORES.

Nature of Irregularity.	Amount involved.	Action taken, and Result.
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Defence Department.

IRREGULARITY BY PERSON NOT A DEPARTMENTAL OFFICER.

	£	s.	d.	
Theft of stores	12	16	0	Police investigation unsuccessful.

Labour Department.

IRREGULARITY BY PERSON NOT A DEPARTMENTAL OFFICER.

Theft of official stamps	4	0	0	Inquiries unsuccessful.
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Labour Department : Employment Promotion Fund.

IRREGULARITIES BY PERSONS NOT DEPARTMENTAL OFFICERS.

One thousand nine hundred and sixty-one cases in which relief workers obtained moneys in excess of scale rates by making false statements to the Labour Department or by failing to disclose material particulars of their circumstances	11,267	5	4	Recovery being made in 1,539 cases involving the sum of £5,407 10s. 1d. In cases where the Department prosecuted, fines totalling £1,779 0s. 3d. inflicted, costs amounting to £166 0s. 5d. ordered to be paid, and restitution of £1,539 11s. 10d. ordered by the Court.
Theft of cash by bureau-worker	3	5	0	Convicted, placed on probation for twelve months, and ordered to make restitution.
Theft of cash by bureau-worker	0	14	2	Refund obtained.
Theft of stores	6	1	0	Police inquiries unsuccessful.

Land and Deeds Department.

IRREGULARITY BY PERSON NOT A DEPARTMENTAL OFFICER.

Theft of money by burglar	26	10	0	Police investigation unsuccessful.
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Lands and Survey Department.

IRREGULARITIES BY DEPARTMENTAL OFFICERS.

Misappropriation of employment-tax moneys ..	6	19	6	Offender admitted to probation for a period of twelve months and ordered to make restitution.
Irregularities in dealing with stock	Not stated			Officer dismissed the Service.

Mental Hospitals Department.

IRREGULARITY BY DEPARTMENTAL OFFICER.

Theft of stores	2	14	11	Offender admitted to probation for a period of two years and ordered to make restitution.
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