

SECOND REPORT

OF

THE NEW ZEALAND CIVIL SERVICE COMMISSION.

PRESENTED TO BOTH HOUSES OF THE GENERAL ASSEMBLY, BY COMMAND OF
HIS EXCELLENCY.

WELLINGTON.

—
1866.

SYNOPSIS OF SECOND REPORT

OF THE

NEW ZEALAND CIVIL SERVICE COMMISSION.

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SECOND REPORT

OF THE

CIVIL SERVICE COMMISSIONERS.

To His Excellency Sir GEORGE GREY, Knight Commander of the Most Honorable Order of the Bath, Governor and Commander-in-Chief of the Colony of New Zealand, and Vice Admiral of the same, &c., &c., &c.

MAY IT PLEASE YOUR EXCELLENCY,—

WE have the honor to submit to your Excellency our Second Report, containing the list, promised in our First Report, of those Officers who, we think, should be constituted Officers of the First Class in the Civil Service Bill proposed by us, and also containing the results of our inquiries into various Departments of the Civil Service of this Colony.

Proposed Schedule A. to Civil Service Bill.

Permanent Law Officer	Registrar-General
District Judges	Assistant Treasurer
Judges of Native Land Courts	Geological Surveyor
Registrar-General of Land	Superintendent of Telegraphs
Secretary for Crown Lands	Auditor of Public Accounts
Under Secretary	Comptroller of Public Accounts
Inspector of Customs	Under Secretary for Colonial Defence.
Secretary Postal Department	Under Secretary for Native Affairs.

We take this opportunity of recommending an additional provision in our Draft Civil Service Bill to the effect that, should any Department in the Provincial Service be transferred to the General Government, the Governor in Council should have power to direct in what class each officer in such Department shall be placed, and thereupon the persons at the time holding office therein shall become subject to the provisions of the Civil Service Act, and also that the time during which they were in the Provincial Service may be counted in respect of superannuation. This latter provision should be made applicable to officers now in the Colonial Service who have been previously employed in the Provincial Service.

We would also recommend that the 12th section of the Bill, providing for compensation for abolition of offices, be so far modified as to show clearly that when an officer has received compensation for the abolition of his office, he shall not be allowed, in the event of his re-employment, to count in respect of superannuation the time during which he was previously employed in the public service, unless he shall first re-pay the amount received by him as such compensation, or such proportion thereof as the Governor in Council may determine.

Referring to the seventh paragraph of our First Report, we now append in a similar tabular form the further information we have been favored with since the date of that Report. These rates confirm our statement that the public Servants are paid less than gentlemen engaged in commercial pursuits:—

REPORT OF THE CIVIL

MERCANTILE FIRMS.

CHIEF MANAGER, NOT BRING A PARTNER. BRANCH MANAGERS, AND ACTING SOMETIMES AS CLERKS.	SALESMAN, SOMETIMES COMBINED WITH OTHER DUTIES.	CORRESPONDING CLERK, SOMETIMES COMBINED WITH OTHER DUTIES.	FIRST-CLASS ACCOUNTANT, GENERALLY COMBINED WITH CASHIER.	CASHIER.	CLERKS AND JUNIORS.
1.	2.	3.	4.	5.	6.
£300 £800	£300 and £150 £250	... .. Conducted by Manager.	£250 £300; to advance £50 in six months £300 £200 £150 (ordinary Accountant)	£250 £350	£50 to £125 £100 to £250
£400 £300 £250	... .. £150	... .. ... .. ... ..	... .. £150 (ordinary Accountant)	... .. ... .. ... ..	£150 to £250 £40, £75, and £150 £52 to £150
... .. £200	£200 ... .. ... ..	... .. ... .. ... ..	... .. £160 ... ..	... .. ... .. ... ..	£120 £120 £50 to £100

BANKS AND INSURANCE COMPANY.

MANAGER.	SECRETARY.	ACCOUNTANT.	TELLER.	LEDGER KEEPER.	JUNIORS.
£1500, and £300 for house £500 to £1000 per annum, with or with- out residence, as the Bank buildings permit £700	... .. ... .. £300	£550 £300 to £500 Chief Clerk, £250	£275 £150 to £275	£225 £200 to £350	£100 to £120 £50 to £125 Nominal for the first six months. Clerks, £150

We proceed to lay before your Excellency a series of Departmental Reports, and we desire to repeat our opinion that, in the adoption of our recommendations sudden and extensive changes should be avoided. Any precipitate abolition or dislocation of existing establishments would not only cause unnecessary distress, but also create confusion in the Public Service and probably in the end entail increased expense. The true method by which economy and efficiency in the Civil Service can be best effected is by its reconstruction on sound principles. A good service will be a cheap service. The diminution of useless offices, the consolidation of departments, and the substitution of a few able officers for a large number of less qualified persons are results which it only requires the cordial co-operation of the Executive and of the Legislature to secure; but the attainment of these results, as of all great objects, must be by a cautious and gradual process. In order, however, to secure them, it is indispensable that the present staff of officials should not be increased, but that advantage should be taken of every opportunity for the purposes of reduction and consolidation, by the effective means which we have previously indicated, namely the abolition of vacant offices, or their combination with others, or the transfer to them of officers whose existing offices could be dispensed with.

As a discrepancy exists between the number (1602) specified in our first Report, of individuals in official capacities under the General Government, and number (1430) which would be computed from the Index to the "Nominal Return of all Officers in the employ of the Government," laid before the House of Representatives, we would observe that this discrepancy is accounted for by the circumstance that the names of numerous boatmen and Native kareres (constables) have, for the sake of convenience, been omitted in the Index, although the officers themselves are included in the Return.

The Returns, supplied by the Superintendents of Provinces, of the Staff of the Provincial Civil Services have been confined (excepting those for Auckland and Nelson, which apparently are complete) to the officers only, excluding the Police Forces, &c. These Returns show a total number of 599 officers and men, employed at a cost of £136,000 per annum as nearly as the Returns will allow of computation, and without adding salaries paid to many Provincial officers who also hold offices under the General Government, or including the value of quarters and some other allowances.

DEPARTMENTAL REPORTS.

LEGISLATIVE COUNCIL.

The Hon. the Speaker is appointed by the Governor, salary £500 per annum.

The Speaker recommends, for appointment by the Governor, all officers of this House, except the Chairman of Committees, who is elected by the House, and whose salary is £200 per annum.

SERVICE COMMISSIONERS.

5 D.—No. 7A.

The Staff consists of—

The Clerk, £350.
Assistant Clerk, £200.
And a Messenger during the Session.

The Clerk attends the House when sitting; is in charge of all the Council Papers, printing, and correspondence; corrects, with the Clerk of Parliaments, all Acts, and Certificates original copies for record; keeps Council Library.

The Assistant Clerk attends Committees, and assists the Clerk. Whilst the Council is not in session, assists in clerical work in the Government offices.

HOUSE OF REPRESENTATIVES.

The Hon. the Speaker is elected by the House, salary £500.

The Speaker recommends the officers of the House for appointment by the Governor, except the Clerk of Committees, who is appointed on the recommendation of the Chairman.

The Chairman of Committees, salary £250, is elected by the House.

The Staff consists of—

The Clerk of Parliaments (who is also Clerk of the House of Representatives and Librarian) £500.
Serjeant-at-Arms, £250.
First Clerk Assistant, £300.
Second Clerk, £250.
Private Bill Clerk, salary not fixed.
Translator, £50.
Messenger £109 10s.
Library Messenger, £100.

The Clerk attends the House when in Session, and arranges its business, examines Bills, records Votes and Orders, superintends printing of all papers during recess, and publication of volumes of Votes and Proceedings, &c. Is Parliamentary Librarian, obtains books from England. Records of the House are kept by the Clerk in his office. Original Acts belonging to Parliament are deposited for security in the Governor's safe. Collects about £200 to £300 per annum of fees on Bills. Is not under bond.

First Clerk Assistant, £300.—Appointed on recommendation of Chairman of Committees; is Clerk to Committee of whole House; assists the Clerk generally.

Second Clerk, £250.—Assists the Clerk; has charge of office, and copies letters and papers.

The Private Bill Clerk attends Committees on Private Bills, and reports thereon to the Clerk.

During Session, the Clerk of the House obtains the assistance of four or five temporary Clerks to attend Committees, &c.

The Library Messenger, £100.—Attends in the Library; and the Messenger (£109 10s.) has ordinary duties, and, whilst Parliament is not in session, acts also as Messenger to the Legislative Council Office.

We think a fire-proof safe should be provided for the custody of the Parliamentary Records.

COLONIAL SECRETARY'S DEPARTMENT.

This Department has control, under the direction of the Minister, of the general business of the Government, and especially of such as is transacted with Provincial Governments in New Zealand, and with Colonial Governments. It is also charged with the preparation of instruments under the Seal of the Colony, with the compilation and publication of the *Government Gazette*, the administration of the Electoral Laws, the arrangement of various public contracts, and the supply of stationery.

In addition to correspondence with the public, and with other Governments, this Department (exclusive of its Judicial Branch to which we shall presently advert) conducts correspondence with other Ministerial Officers, the Officers of the Legislature, the Auditor of Public Accounts, the Registrar-General of Land and Deeds, the Registrar-General of Marriages, &c., the Secretary for Crown Lands, the Agents of the Government in Provinces and in London, the Government Printer, and the different Electoral Officers in the Colony.

The Staff consists of—

An Under Secretary, £600 per annum, and £100 per annum, as Secretary to the Cabinet (in the latter capacity he has charge of Ministerial Minutes addressed by the Prime Minister to His Excellency the Governor).

A Chief Clerk, £350 per annum.

Three Clerks, £230, £170, and £150 per annum respectively.

A Confidential Clerk to the Prime Minister, £180 per annum (this Clerk has lately been attached to this office).

Housekeeper and Chief Messenger, £180, with quarters.

The Under Secretary, as the permanent head of the department, is responsible to the Minister for its proper conduct and administration: he conducts correspondence, prepares business for the Hon. the Colonial Secretary, writes minutes, drafts letters, and gives instructions.

The Chief Clerk superintends the office, writes letters, compiles the *Gazette*, and assists in the general business.

REPORT OF THE CIVIL

The second Clerk is charged with the registry and record of letters received, and with their proper arrangement. The number of letters received during the first five months of the year is 1722.

The third Clerk enters letters in a Letter Book, of which there were, during the same period, 1244.

The fourth Clerk transcribes letters, copies enclosures, enters in a book Commissions of Appointment, Letters Patent, Letters and Patents of Registration, &c.

The additional Clerk is the Confidential Clerk of the Prime Minister, and occasionally assists in the office.

The duties of the Clerks, are interchangeable whenever the pressure of business or any emergency renders it necessary.

The Housekeeper and Chief Messenger has onerous duties. He has the direction of all Office Messengers, and has, as Librarian to the Public Offices, the charge and arrangement of all printed publications belonging to them.

The adoption of the recommendations in our first Report, with respect to Electoral business and to the transfer of the Stationery Store, would relieve this office of considerable labour, and we also suggest, in another part of this Report, that the Patent business, which is now partly transacted in the Audit Office and in the Colonial Secretary's Office, shall be wholly transferred to the Department of the Registrar-General. The business relating to private advertisements in the *Gazette*, and the receipt and accounting for charges for them should be transferred to the Government Printing Office.

The transfer which we have recommended, of some of the correspondence now conducted in the Colonial Defence and Native Offices, would no doubt render additions to this Department necessary, but we think that if the system which we have also recommended—of division into branches, presided over by able officers—were adopted, a great saving in departmental expenditure might gradually be effected, and efficiency of administration increased.

Several improvements may be effected in the details of work in this office to economise manual labour; the mode of dealing with the registry of correspondence can be simplified; copying presses should be introduced, and circulars lithographed, and the use of printed forms for Proclamations, Orders in Council, &c., adopted.

LAW DEPARTMENT.

This Department consists of—

- The Attorney-General, £1000 per annum.
- The Acting Assistant Law Officer, £600 per annum.
- Chief Clerk, £350 per annum.
- Clerk, £200 per annum.
- Messenger, £110 per annum.

The correspondence with judicial offices is conducted in this office as a branch of the Colonial Secretary's Department.

The Chief Clerk is in charge of the correspondence. The number of letters received during the first half of this year is 1493, and the number despatched during the same period is 1030. He keeps a Record Book of Pardons, and a book of Warrants of Appointment.

The second Clerk registers letters received and enters letters sent, and assists generally.

All the printed forms used by Judicial Courts are kept in stock in this office, and are distributed on application.

We think that the Judicial Correspondence should be conducted as recommended in paragraph 39 of our first Report.

We also recommended that a Permanent Law Officer should be appointed. A record of all opinions given by the Law Officer should be kept in this office for reference, with a view of facilitating the consideration of legal questions.

The printed forms should be kept in, and distributed from, the Government Printer's Office, where the labour will cost much less than at present, and unnecessary correspondence be obviated. Requisitions for forms should be made at specified times—say half-yearly—by every Court, to the Government Printer, who should supply the demand forthwith, unless its extent or other circumstances required reference to the Hon. the Colonial Secretary.

LANDS DEPARTMENT.

This Department includes within its functions the business arising out of the offices held by the officer at its head, viz., Secretary for Crown Lands, Commissioner for investigating Land Claims, and Registrar-General of Lands and Deeds.

The Staff consists of—

- The Secretary for Crown Lands, £600 (also Registrar-General, £300, and Land Claims Commissioner, £100)—£1000.
- Four Clerks at £250, £220, £185, and £160.
- Two Draughtsmen at £250 and £145.
- A Messenger, who also serves the Law Office, is paid £27 7s. 6d. per annum as part wages.

The Secretary for Crown Lands conducts the business of the Department.

Clerk, £220.—Records letters received, of which there were 211 during the first five months of this year. Copies letters despatched, 118 for the same period, and copies minutes, records, references, and assists generally.

A Clerk, £250.—Inspects Deeds of Grant, keeps Record Book of receipt and issue of Grants. 731 Grants were passed during the quarter ending on the 31st March, and 3938 during the year 1865.

A Clerk, £185.—Keeps the Land Claims Letter Book (18 letters during the first five months of

this year.) Is in custody of Land Claims Papers. In charge of Gold Mining Leases, which are made out in this office in duplicate.

A Clerk, £160.—Examines Grants relating to Native lands and Native papers connected therewith.

Senior Draughtsman, £250.—Draws plans of land specified on Grants. Makes plans showing position and area of Native lands, and of old claims compiled from documents in the office.

Junior Draughtsman, £145.—Assists the senior.

The business of this office is not strictly divided amongst the officers, but is apportioned amongst them as occasion requires. All Crown Grants for lands sold under Provincial Land Regulations are made out in duplicate, in the Provincial Land Offices—one on parchment being the Grant, and one on paper for record—and are transmitted to this department by the Commissioner of Crown Lands, with a certificate of the Receiver of Land Revenue, showing the locality and area of the lands sold, and the sums paid by the purchaser. This certificate is compared with the Grants, and the Grant with the duplicate, and if found to agree, the Grant is forwarded to the Governor for his signature.

The Seal of the Colony is affixed in this office to Crown Grants; it is kept in the Colonial Secretary's Office, whence it is obtained by the Secretary.

Gold Mining Leases recommended by the Provincial authorities are made out in duplicate in this office.

Grants of Leases, when completed, are forwarded to the Commissioner of Crown Lands for issue, without charge for registration or preparation. We think a charge sufficient to cover the cost of this work should be made.

Grants ordered by the Native Lands Court are made out in this office in duplicate. One copy is sent to the Registrar of Deeds for the Province in which the land granted is situated, for registration and issue to the owners on payment of the fees—another is filed in this office.

If the present system is to continue, we suggest that the checks to prevent the double sale of land, or the double issue of grants, or errors or malversation in dealing with the lands or revenue should be increased. The certificate of the Receiver of Land Revenue should be signed at the end of the list of lots sold—not, as we observed, at the head of the list, which was left open and might have been altered or added to after the certificate had been signed. This document being, with the transmission of the deeds by the Commissioner of Crown Lands (virtually a Provincial officer), authority for the signature of the Governor and the affixing of the Seal of the Colony should be made as exact as possible, and should be countersigned by the officer of the Province responsible for the sale of the land, who should also certify on the Grant as to its accuracy. The relative position and duties of the Commissioners of Crown Lands and the Receivers of Land Revenue (both being technically officers of the General Government) should be defined by regulation so as to fix the responsibility of each in dealing with so serious a matter as the disposal of the Crown Lands and the collection and custody of the Revenue arising therefrom.

We do not, however, think that the present system should be permitted to continue. It is in our opinion unsafe and likely to occasion serious embarrassment.

At present the Secretary for Crown Lands, upon whose recommendation Ministers advise the execution of Crown Grants, has no control over or knowledge of the facts. The survey may have been perfectly made or not, or even not at all; the land may or may not have been sold previously, or reserved; or perhaps should be reserved; or the lot, indefinitely stated in the certified list, may not be the lot described in the Grant; yet the General Government undertakes the whole responsibility of the sale without any means of ascertaining the propriety or safety of so doing.

The sufficiency of the system of survey, or the efficiency of its application is not known to the Government; nor is any system of survey required as a condition upon which the signature of the Governor and Seal of the Colony will be given.

The Commissioner of Crown Lands, although appointed by a Commission of the Governor, is not in reality an Officer of the General Government. His salary is under the control of the Provincial Legislature, and in several Provinces where a Waste Land Commissioner (a Provincial officer) exists, the Governor is compelled by the 4th section of "The Crown Lands Act, 1862," to appoint such officer to be Commissioner of Crown Lands, and the power of removal of that officer is virtually vested by the 5th section in the Superintendent of the Province.

This state of affairs compels the General Government to execute Crown Grants upon the guarantee of an officer whom it only nominally appoints, and over whom it has no control.

The Receiver of Land Revenue, whose certificate of the receipt of the purchase money of the land to be granted is also a necessary preliminary to the execution of the Grant, although absolutely appointed by the Governor, also holds in some cases a Provincial office.

As the correctness of a Crown Grant is a matter of far greater importance than the receipt of the original purchase money, we are of opinion that Commissioners of Crown Lands should be altogether officers of the General Government. They should be appointed by the Governor, independently of any action of a Provincial Government, and their salaries determined by the General Assembly and paid by the General Government.

We notice in the papers laid before the General Assembly in 1865 (C. No. 1, 1865), relative to the appointment of a Receiver of Land Revenue and Commissioner of Crown Lands in the Province of Auckland, that the officer who held both these important offices, received no salary at all for six months in either capacity, the General Government having been under the impression that he would receive as Commissioner of Waste Lands a sufficient salary from the Provincial Government, and the Provincial Council having declined to pass such a vote. The General Government, when it discovered the error, paid that Officer as Receiver of Land Revenue £150 per annum, but no salary was given to him as Commissioner of Crown Lands. This strange anomaly then existed, that an officer who, as Commissioner of Crown Lands and Receiver of Land Revenue, is charged by law with very responsible duties and on whose certificate the General Government was obliged to depend altogether in respect of the receipt of the purchase money, and the correctness of Crown Grants which it was called upon to execute, performed his duties during six months without any salary at all, and afterwards for twelve months

at a salary of £150 per annum. We understand that the only other remuneration which he received was in some inferior clerical capacity under the Auckland Provincial Government.

We learn that there are four independent and disconnected surveys in progress:—1st, Native Reserve Surveys; 2nd, Land Court Surveys; 3rd, Provincial Government Surveys; and 4th, Military Settlers' Surveys. We think this costly and dangerous.

The absence of any uniform system of survey throughout New Zealand increases the liability to error in Crown Grants, and aggravates the evils now felt from the want of regulations for licensing Surveyors and for ascertaining their qualifications by professional examination.

A general system of survey, and the enactment of regulations on this subject would obviate these evils.

We are so impressed with the necessity for the attainment of greater security in the accuracy of Crown Grants, that we recommend that a professional inquiry should be made into the nature and efficiency of the several Provincial, the Native Lands Court, and other surveys, with the view of adopting some uniform and safe system for effectively securing the object in view.

At present the General Government undertakes the preparation of Deeds of Grant ordered by the Native Lands Court. We think that the Provincial authorities should undertake the responsibility and cost of ascertaining the accuracy of the surveys of lands dealt with by this Court, and of preparing the Crown Grants, which should be transmitted to the General Government, as are other similar documents, by the Commissioner of Crown Lands for the Province.

The surveys in each Province should be made under the direction and control of the Central Provincial Office, where the maps and field notes of the surveys should be deposited, and if necessary certified copies should be furnished for record in the Judge's Court, if the Court is one of record; or if not, the original survey might be produced in evidence, and returned to the Central Provincial Office to be filed.

Nothing, in our opinion, can be devised more unsatisfactory than a system which requires the first surveys of a country to be made in such an unconnected manner, and scatters the maps and field notes in several offices. No Crown Grants should, in our opinion, be signed by the Governor unless prepared by the officer who prepares the ordinary grants for Crown Lands.

We may add that the adoption of one efficient system of survey will considerably facilitate the labours of the Geological Survey Department.

RECEIVERS OF LAND REVENUE.

Auckland—No salary; Sub-Treasurer, and also a Provincial Officer.

Taranaki—No salary; Commissioner of Crown Lands, paid from Provincial funds.

Hawke's Bay—£75 per annum; also Resident Magistrate, £250, and Registration Officer, £50.

Wellington—£75 per annum; also Chief Clerk in Provincial Land Office.

Nelson—£150 per annum; Provincial Officer, Clerk to Commissioner Crown Lands, £150.

Marlborough—£100 per annum; also Resident Magistrate, &c.

Canterbury—£200 per annum; also Sub-Treasurer.

Otago—£50 per annum; also Collector of Customs, &c.

Southland—£50 per annum; also Collector of Customs, &c.

These officers are under the control of the Hon. the Colonial Treasurer.

All proceeds of Land sales, or other Land revenue, are paid to them. They pay the same into a Bank to the credit of the "Receiver of Land Revenue" at such times as they think fit. They make refunds, or other repayments authorized by the local Commissioners of Crown Lands, from the revenue received; pay over the proportion due to the General Government to the General Treasury, and the balance to the Provincial Government. Payments are all made by the Receiver's cheque on the Bank.

The Receiver gives a receipt for the amount paid, specifying for what land, and obtains the signature of the purchaser to a copy of the receipt to send with his accounts of receipt and disposal of revenue to the Auditor.

We think the Receiver's receipt should be given upon a document of the proper Provincial Officer, notifying to the Receiver the sum to be received, and for what. At present the check upon the receipt of money is insufficient.

The custody of Land Revenue should be secured by placing it to the credit of the Public Account, like other revenue, and the payments to the Provinces should be made at stated intervals.

Provision should be made for the inspection of the books and accounts of the Receiver by the officers of the Provincial Government, to ascertain that the proper sums had been received, and for the right portions of land, and that no sales were outstanding for which payment had not been made.

We further recommend that no Receiver of Land Revenue should be a Provincial officer. Security by bond should be required to an amount proportioned to the revenue dealt with.

REGISTRATION.

This Department is under the direction of the Honourable the Colonial Secretary.

Wellington.

One officer holds the following offices, with the salaries stated: District Registrar of Land Titles, £150; Registrar of Deeds for the Province, £350; Registrar of Births, Deaths, and Marriages for the District, £100; Registrar of Marriages under Marriage Acts, and Secretary to Registrar-General for Lands and Deeds, no salary; Registrar Joint Stock Companies, no salary, retains fees, which last year amounted to 10s.

There are three clerks attached to this office at £175, £150, and £60.

There is very little business under the Land Titles Registration Act.

The Registration of Deeds and Registration of Births, Deaths, and Marriages are the chief duties of this office. The Registrar examines the registrations and signs them, and grants certificates of

registration of Births, Deaths, and Marriages, and of the documents relating to Marriages under the Marriages Acts of 1854 and 1858. Marriages are sometimes performed by the Registrar. His duty as Secretary to the Registrar-General is at present slight. The Clerk, £175, records Deeds, and indexes, (395 Deeds received during first five months of this year.) The Clerk, £150, records Deeds, and makes a copy of plan on record in the registration book. Third Clerk, £60, copies letters, registers births, &c., and fills in forms of registration for Registrar's signature; 167 letters were received during the first five months of the year, and 75 despatched. During that period there were registered 57 marriages, 191 births, and 61 deaths. All fees received are paid into the public account, as required by the Treasury Regulations. The Registrar is under bond for £500; £250 personal, £250 guarantee society.

We have already recommended that, instead of transcribing Deeds sent for registration, attested copies, upon a prescribed form, should be sent with the Deeds by the persons applying for registration, and upon comparison, if found correct, these copies should be bound into the registers, and a certificate of registration be granted. This will reduce the risk of error, facilitate registration, prevent arrears of work, and, with the adoption of copying presses for letters, afford opportunity for a considerable reduction of the present staff.

For the purpose of establishing a means of check upon the collection of fees in this and similar offices, we suggest that the forms used in registration, upon the issues of which fees are chargeable, should be issued to the Registrars in books having each page numbered progressively with a butt as in a cheque book, upon which should be entered so much of the particulars of the registration as would indicate the fee chargeable. In cases where the fee is fixed its amount should be printed on the form for the information of the person paying so as to be a check upon overcharges.

GEOLOGICAL SURVEY DEPARTMENT.

This Department is under the Ministerial supervision of the Honourable the Colonial Secretary. It consists of—

- The Director, £800.
- A Clerk, £300.
- A Draughtsman, £300.
- A Laboratory Assistant, £300.
- A Messenger and Museum Assistant, £150.

The Director is engaged upon the geological examination of New Zealand, and reporting thereupon, in making collections for the Colonial Museum, of which this Department has the charge, and in analysing and ascertaining the value of the natural productions of the Colony.

The Clerk, £300. Does all clerical work, and keeps the accounts and receipt and catalogue books of Museum. Is acting Curator of the Museum, and is placed in charge when the Director is absent.

The Draughtsman, £300. Is engaged upon mapping, drawing of fossils, &c., and is also Botanical and Fossil Collector.

The Laboratory Assistant, £300. Makes chemical analyses of the productions of the Colony, &c., submitted to the Department or collected, and keeps a record of his labours.

Messenger and Museum Assistant £150. Ordinary duties of Messenger. Attends and assists in the Museum.

There is not any field survey staff attached to this department.

A large collection of manuscript reports ready for issue await publication.

The small room used as a laboratory is quite unfit for that purpose. It does not afford the opportunity for accurately making the investigations the staff is competent to perform, and which should be made if that staff is to be put to its fullest use.

The absence of a continuously progressing field survey greatly hinders the usefulness and value of this Department. Without any increase to the cost of direction and office expenses, the labours of the Director might be assisted by a field staff to a degree quite in excess of the proportionate cost of that staff.

At present whilst the Director is in the field all the work which he must transact in the office or Museum is at a standstill, and when he is in office the exploration of the country is stopped. For this reason the services of the present staff cannot now be as fully utilised as they should be.

We recommend the publication, for general information, of the reports now lying uselessly in manuscript. This need not be costly, as the Government can now use the Printing Office for that purpose.

We recommend that the term of engagement with all the officers employed in this Department should require that all collections made by them, and sketches and drawings in the field should be the property of the Colony.

We suggest that provincial land surveys should be made as useful as possible in the service of the Geological Survey.

We have already recommended the transfer of the superintendence and compilation of the meteorological records of the Colony to this Department as more in consonance with its duties.

ELECTORAL.

In our First Report (clause 54 and following) we dealt with Electoral matters; we now shew the number of officers and their cost, irrespective of salaries paid for other offices held in conjunction with those of Registration and Returning Officer's and Revising Officer's appointments.

REGISTRATION AND RETURNING OFFICERS.

Mongonui, £25.
Bay of Islands, £25.

| City of Nelson, Suburbs, Waimea, £75.
| Picton, Wairau, £25.

REPORT OF THE CIVIL

Marsden, £25.
 Northern Division, City of Auckland (East and West), Parnell, Newton, £100.
 Pensioner Settlements, Town of Onehunga, Franklin, Raglan, £75. Clerk, £32 10s.
 Grey and Bell, Town of New Plymouth, Omata, £50.
 Wanganui, Rangitikei, £25.
 Porirua, City of Wellington, Hutt, £100.
 Wairarapa, £25.
 Napier, Clive, £50
 Collingwood, £25.
 Motueka, £75.

Gladstone, Cheviot, Ashley, (salary not fixed).
 Kaiapoi, Avon, City of Christchurch, Heathcote, Mount Herbert, Town of Lyttelton, £100.
 Akaroa, £25.
 Selwyn, Coleridge, Timaru, Westland, City of Dunedin, Roslyn, Caversham, Port Chalmers, Taieri, Bruce, Clutha (salaries not fixed).
 Hampden, £25.
 Oamaru, Waikouaiti (salary not fixed).
 Manuherikia, Goldfield Towns, Goldfields in the Province of Otago, £50.
 Invercargill, Mataura, £50.
 Riverton, Wallace (salary not fixed).

The Registration and Returning Officer at Wellington receives £100 per annum ; is also Resident Magistrate, at £500, and Sheriff with allowance of fees not exceeding £100 per annum. He receives voting papers, makes out electoral lists alphabetically and has them printed, sends lists to Revising Officer who holds Court, and has revised rolls printed. Receives writ of election, publishes notice thereof, holds elections, and sends accounts of expenses to the Government,—is assisted in these duties by the Clerk to Resident Magistrate.

REVISING OFFICERS.

Province of Auckland, £100.
 Do. Taranaki, £25.
 Do. Wellington, £75.
 Do. Hawke's Bay, £25.

Province of Nelson, £75.
 Do. Marlborough, £25.
 Do. Canterbury, £100.
 Do. Otago and Southland, £150.

PRINTING DEPARTMENT.

This office is under the control of the Honourable the Colonial Secretary. The permanent staff consists of—

The Government Printer, £300.
 An Overseer, £200.

The Government Printer has the general management of the office, receives orders, gives instructions respecting work to the Overseer, prepares estimates of cost of printing (when required), prepares salary abstracts, and all necessary requisitions for stationery, contingencies, &c., enters and values all work done in a book kept for that purpose, supervises the addressing and posting of *Gazettes*, examines and checks all printing accounts. During the last fifteen months overcharges to the amount of £70 10s. 10d. were detected and rectified at the instance of the Government Printer.

The Overseer has charge of the composing and press rooms, overlooks the workmen, sees to the execution of all orders, and to the delivery of the work when done to the department from whence the order was received, and procures a receipt for the same ; checks the overtime account of the men ; reports to the Printer any irregularities that may occur.

At present about nineteen persons—compositors, pressmen, reader, and apprentices—are employed on daily wages.

The hours of work are from 9 a.m. to 5 p.m. (one hour being allowed for dinner on each week day except Saturday, when they are from nine to two continuously.) We think that the ordinary hours of the trade should be required ; but on Saturday a half holiday should be allowed.

All type and printers' materials are obtained by order on the English Agent. We suggest the adoption of the system of public tender, to be published also in the neighbouring Colonies.

There is no printed matter kept in stock. We recommend that all forms for the different branches of the service, and other stock printed matter should be kept in this office, and maintained from time to time in sufficient quantity for supply, on requisition, to the whole service. The new and cheap system of stereotyping should be adopted for such standing matter. A plant for this purpose will cost about £300. The saving to be effected by this means will be at the rate of about 60 per cent. on the present cost of the work to which it can be applied, and will expedite business.

At present the *Gazette* advertising business is done in the Colonial Secretary's office. This duty, we think, should be transferred to the Printer's. It should be a condition of advertising that the charges, on a regulated and advertised scale, should be paid in advance (by remittance or otherwise) to the Government Printer, who should be held responsible for the money value of all advertisements. The sums collected and paid into the revenue by the Printer can then easily be checked in the Auditor's Department against the advertisements by the scale of charges. The terms of subscription to the *Gazette* should also be fixed and advertised. The "free list" of persons to whom the *Gazette* is supplied without charge should be authorized by the Colonial Secretary: the present list seems excessive. The exchanges to be made with other publications should be by direction of the Colonial Secretary.

Payment of wages is made by the Printer out of funds supplied by the Treasury, on the abstract showing the sums due each person, and which has been signed by them. We think this unsafe, and suggest that payment should be made out of an advance to be accounted for by the Printer monthly. The Government Printer should give security.

It would be economical to have the Binding required by the Government done in this office.

We have already suggested the appointment of a Storekeeper for this office, to account for payments for advertisements, subscriptions, and proceeds of sales of *Gazettes*, Acts, Parliamentary and other

publications, all of which should have a price printed upon them. Accounts of all such transactions should be kept. The Storekeeper should supply Stationery at regulated periods, say half-yearly or quarterly, on requisitions approved by Heads of Departments; and issue forms and printed documents of all kinds.

The system of selling publications by means of local agents, to whom they are now supplied on credit, should be discontinued, and publishers and others requiring documents published by the Government should procure them from the Government Printer by cash payment.

We think that the number of free issues of Parliamentary Papers should be limited to Members of Parliament, the Public Reading Rooms, and exchanges with other Colonies, and for Newspapers. We also suggest that the free list of the *Gazette* issue should be restricted to heads of Government Offices for record, to Judicial Courts, Benches of Magistrates, Members of Parliament, Police Stations, and to exchanges with the Provinces, other Colonies, and for Newspapers.

About £2000 worth of paper is used annually for the issues of the *Gazettes*, Parliamentary Papers, Acts, &c. The reduction in the *Gazette* free list, and a limitation of the free issue of Parliamentary Papers, in addition to the operation of the proposed system of sale would reduce this expense by one half.

PUBLIC DOMAINS.

Wellington.

The Overseer, at £200 per annum, is in charge of the Lowry Bay Estate, and the lands around the Government House and buildings and official residences. He also sees to repairs of furniture, drainage, chimneys, and to the planting of trees, &c. If a Clerk of Works be appointed this office will not be necessary.

The following Gardeners and men are also employed:—Gardener at Government House, £90 per annum, with a house; an occasional Gardener, at 7s. per day; and a Labourer, at 6s. At Lowry Bay, a Gardener, at £120, with a house; and an Assistant, at 4s. per day.

Auckland.

A man in charge is employed with his wife as Housekeeper, at £120 and quarters, and a Gardener and Assistant, at £182 12s. together.

SUPREME COURT.

In this branch of the Service the following Officers are employed:—

Clerks to Judges, two at £150, one at £200.	Deputy Sheriff, (fees.)
Auckland—	Canterbury—
Registrar, £500.	Registrar, £500.
Sheriff, £600.	Sheriff, £600.
Deputy Registrar, £225.	Deputy Registrar, £250.
Clerk, £150.	Clerk, £200.
Messenger, £100.	Do., £125.
New Plymouth—	Crier, £125.
Registrar, £100.	Hokitika—
Sheriff (also Resident Magistrate.)	Registrar, £400.
Crier, £5.	Sheriff (fees.)
Napier—	Extra Clerk, (8s. per diem.)
Deputy Registrar, £75.	Otago—
Sheriff, £50.	Registrar, £500.
Wellington—	Sheriff, £200.
Registrar, £500.	Deputy Registrar, £300.
Sheriff, £100.	Clerk, £250.
Deputy Registrar and Clerk, £200.	Do., £200.
Clerk, £150.	Usher, £150.
Crier and Messenger, £120.	Southland—
Nelson—	Deputy Registrar, £50.
Registrar, £100.	Sheriff, (fees.)
Sheriff, (fees.)	Messenger, £20.

Wellington.

The Staff consists of—

- Registrar, £500.
- Two Clerks, £200 and £150.
- Crier and Messenger, £120.

The Registrar attends the Court when sitting, records all proceedings, issues writs, records and seals summonses, taxes costs. Separate books of record are kept for civil and criminal business, and are signed by the presiding Judge.

All fees are accounted for to the Treasury averaging £145 per quarter. Registrar is under bond, himself for £1000, and two others each for £500. Credit is now given to solicitors for fees.

A clerk, £200, is also Deputy Registrar, and, with the other clerk, £150, is engaged in recording and entering. Records show 200 cases of summary procedure, from October 1862, to July, 1866. Clerks keep bankruptcy, writ, bill of sale, liens on wool and stock, and indictment record books, make statistical returns out for transmission to the Colonial Secretary.

Recording is three months in arrear.

Much labour might be saved to this office by providing printed and ruled books for record keeping, which could be supplied from the Printing Office.

The Clerk to the District Court at Wellington we suggest should be transferred to this office. Although that officer is also Inspector in Bankruptcy and Curator of Intestate Estates, as well as Deputy-Sheriff, he is not fully employed. In each of those offices the duty is at present almost nominal. This transfer to the Registrar's office, and the adoption of record and other books, printed and ruled as suggested, would allow of a reduction in that office. We do not think any arrears need accumulate.

DISTRICT COURTS.

Otago.

District Judge, £800, and travelling allowance, £200 per annum.

Wellington, Hawke's Bay, Marlborough, Wanganui.

District Judge, £900 (and travelling allowance).

Clerk, (Wellington) £250.

Clerk, (Hawke's Bay.)

Clerk, (Marlborough) £50.

Clerk, (Wanganui) £50.

We have only had the opportunity of obtaining information as to the Court at Wellington. The District Judge goes circuit from Wellington to Wanganui, Marlborough, and Napier.

Four Courts a year are held at Picton and Blenheim, four at Wanganui, four at Napier, and once a month at Wellington.

This Court has civil jurisdiction only at Wellington, but at the other places has criminal jurisdiction also. The cases heard at Wellington during this year (to the 16th August) numbered 45, and occupied 11 days.

The Court takes debt cases up to the amount of £100. The laws constituting these Courts is now being altered.

The clerk at Wellington, £250, issues all processes; keeps account of moneys received and paid; records proceedings; and attends Court. Pays fees into Colonial Treasury (amount for June last, £16.) Twelve pages of letter book copied since 1st January last. Under the head of Supreme Court, we recommended that the Clerk to the District Court at Wellington should be transferred to the office of the Registrar of the Supreme Court.

All the fees are fixed by law, and are revenue. The clerks are under bond for fidelity.

The Bailiff to this Court is also Bailiff to the Resident Magistrate's Court, in which latter capacity he is paid £150.

RESIDENT MAGISTRATES COURTS AND COURTS OF PETTY SESSIONS.

The following—taken together with the lists of Civil Commissioners and Native Resident Magistrates (see pages 16 and 17)—is a list of the Resident Magistrates, with their respective Staffs, at present employed throughout the Colony:—

Mongonui— Resident Magistrate, £175. Clerk, £150. Interpreter, £100.	Papakura— Resident Magistrate, £250. Clerk, at Drury and Papakura, £75.
Russell— Resident Magistrate, £250.	Coromandel— Resident Magistrate, £400. Clerk, £150. Provincial Interpreter, (15s. per diem when actually employed.)
Wangarei— Resident Magistrate, £150. Clerk, £50.	New Plymouth— Resident Magistrate, £350. Clerk, £150. Bailiff and Clerk Assistant, £182 10s. Office cleaner, £27 7s. 6d.
Auckland— Resident Magistrate, £650. Chief Clerk, £250. Second Ditto, £200. Third Ditto, £150. Bailiff, £150. Assistant Ditto, £120.	Wanganui— Resident Magistrate, £300. Clerk and Interpreter, £200. Bailiff, £80.
Onehunga and Howick— Resident Magistrate, £200. Clerk, Onehunga and Otahuhu, £120. Clerk, at Howick, £75.	Wellington— Resident Magistrate, £500. Clerk and Interpreter, £200. Clerk, £100. Clerk, £100. Bailiff, £150. Office cleaner, £14.
Waiuku— Resident Magistrate, £50. Clerk, £75.	

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Wairarapa— Resident Magistrate, £200.	Dunedin— Resident Magistrate, £700. Chief Clerk, £400. Second Clerk, £300. Third Clerk, £200. Bailiff, £200. Assistant Bailiff, £150.
Napier— Resident Magistrate, £250. Clerk and Interpreter, £225. Bailiff, £120.	Port Chalmers— Resident Magistrate, £500. Clerk, £250. Bailiff, £175.
Cobden— Resident Magistrate, £200. Clerk to the Bench, £100.	Cromwell— Resident Magistrate, £200.
Collingwood— Resident Magistrate, £50.	Teviot— Resident Magistrate, £550.
Nelson— Resident Magistrate, £400. Clerk, £200. Assistant Clerk, £160. Bailiff, £150.	St. Bathans' Gold Fields— Resident Magistrate, £400. Clerk, £300.
Richmond— Clerk, £75.	Hamilton— Resident Magistrate, £550. Clerk, £300.
Blenheim— Resident Magistrate, £250. Clerk, £120. Bailiff, £120.	Arrowtown— Resident Magistrate, £400.
Havelock— Resident Magistrate, £400. Clerk, £150.	Waitahuna, Waipori, and Woolshed— Resident Magistrate, £550. Clerk, £300.
Picton— Resident Magistrate, £300. Clerk, £100.	Queenstown, Gold Fields— Resident Magistrate, £550. Clerk, £300.
Hokitika— Resident Magistrate, £100. Clerk, £100. Bailiff, £180.	Clyde— Resident Magistrate, £550. Clerk (Hamilton) £300. Clerk (Alexandra) £300.
Ross— Resident Magistrate, £180.	Oamaru and Hampden— Resident Magistrate, £250. Clerk, £50. Office Cleaner, £25.
Greymouth— Resident Magistrate, (Salary as Warden).	Hawkesbury— Resident Magistrate, £300. Clerk, £50.
Lyttelton— Resident Magistrate, £300. Clerk, £150. Bailiff, £120.	Molyneux— Resident Magistrate, £350.
Christchurch— Resident Magistrate, £500. Clerk, £300. Clerk, £156. Bailiff, £175. Messenger, £100.	Tokomairiro and Woolshed— Resident Magistrate, £450. Bailiff, £100.
Rangiora and Leithfield— Clerk, £50.	West Taieri— Resident Magistrate, £350.
Kaiapoi— Resident Magistrate, £300. Clerk, £150. Bailiff, £150.	Invercargill— Resident Magistrate, £400. Clerk, £225. Bailiff, £150. Office Cleaner, £10.
Akaroa— Resident Magistrate, £275. Clerk, £75.	Riverton— Resident Magistrate, £50.
Timaru— Resident Magistrate, £150. Clerk, £125.	Campbelltown— Resident Magistrate £300.

We have only had the opportunity of examining the Resident Magistrate and Officers of the Court at Wellington. We append a Return of the business which came before all Resident Magistrate's Courts throughout the Colony during the first quarter of this year, and refer to the 37th and 38th paragraphs of our first Report, for our suggestions on this branch of the service.

REPORT OF THE CIVIL

A RETURN showing NUMBER of CASES TRIED in the various Resident Magistrates' Courts, during the Quarter ending March 31, 1866.

PLACE.	CIVIL CASES.	CRIMINAL CASES.	PLACE.	CIVIL CASES.	CRIMINAL CASES.
Auckland ...	747	561	Havelock ...	11	14
Onehunga ...	88	43	Christchurch ...	672	268
Howick ...	3	3	Lyttelton ...	132	50
Papakura } ...	12	16	Akaroa ...	6	19
Drury } ...			Timaru ...	27	42
Waiuku ...	6	3	Arowhenua ...	9	...
Coromandel ...	15	3	Kaiapoi ...	117	18
Wangarei ...	10	9	Rangiora ...	10	...
Thames ...	...	...	Leithfield ...	6	4
Kaipara ...	1	3	Hokitika ...	563	256
Maungakaramea ...	...	...	Greymouth ...	240	250
Russell ...	10	19	Cobden ...	56	28
Hokianga ...	1	2	Ross ...	74	16
Ngaruroro ...	...	...	Dunedin ...	634	177
Maketu ...	...	...	Port Chalmers ...	51	83
Waimate, &c. ...	9	1	Hawkesbury ...	28	46
Mongonui ...	9	9	Oamaru ...	21	25
Upper Waikato, Alexandra ...	35	6	Hampden ...	23	6
Central Waikato ...	15	35	Tokomairiro ...	61	37
Lower Waikato ...	9	21	Woolshed ...	5	2
Raglan ...	12	7	West Taieri ...	13	17
Tauranga ...	7	11	Clutha (Molyneux) ...	18	5
Rotorua ...	...	...	Lawrence ...	118	51
Taupo ...	...	...	Tuapeka ...	...	...
New Plymouth ...	106	64	Waitahuna ...	34	21
Wellington ...	276	249	Nokomai ...	11	8
Upper Hutt ...	7	14	Nevil ...	17	...
Lower Hutt ...	15	10	Queenstown ...	72	9
Wanganui ...	146	166	Clyde ...	28	15
Porirua ...	1	...	Alexandra ...	17	15
Otaki ...	20	...	Hyde ...	17	...
Manawatu ...	8	...	Hamilton ...	20	8
Upper Wanganui ...	...	...	McRae's ...	29	46
Wairarapa ...	22	14	Mount Ida ...	14	3
Chatham Islands ...	...	...	Mount Bengier ...	22	6
Napier ...	81	96	Dunstan Creek ...	42	21
Waipukurau ...	19	19	Hill Creek ...	15	4
Ngaruroro ...	11	3	Arrowtown ...	19	6
Wairoa ...	30	10	Cromwell ...	...	...
Nelson ...	78	102	Invercargill ...	35	88
Collingwood ...	1	...	Riverton ...	13	14
Blenheim ...	46	6	Campbelltown ...	5	4
Picton ...	163	3			

Wellington.

The Resident Magistrate, £500, (is also Sheriff, with right to fees not exceeding £100 per annum, and Registration and Returning Officer, £100.)

Three clerks, £200, £100, and £100.

Bailiff, £150.

The Chief Clerk is also Secretary to Native Reserves Commissioner, at £25 per annum, and Interpreter to the Provincial Government, at £106 15s. per annum.

The Resident Magistrate presides at the Court at Wellington, and once a week at the Court at the Hutt.

The Chief Clerk, £200, collects all moneys paid into Court, pays them in to his own credit as Clerk to Bench at bank, and periodically pays his collections into Colonial Treasury; can draw on bank account by his signature, attends the Court as clerk, takes evidence, fills up informations, and is in charge of office; is responsible for collection of revenue, and gives a bond for £500 (four persons, £125 each).

A clerk, £100, keeps books of fees and fines, keeps judgment book, fills up summonses, and makes out warrants.

A clerk, £100, assists generally.

Bailiff, £150, is also Bailiff to District Court; makes sales on judgments, and pays proceeds to Clerk of Court; sells through an Auctioneer, and attaches account sales to papers of case, attends Court, has no fees, is paid 8s. per diem for holding possession of property. Keeps record of executions and results thereof. Police chiefly serve summonses and execute distress warrants.

The amount of fees collected during the first five and a-half months of the year was £667 9s. 6d.

The present arrangement of making the Clerk to the Court responsible for the collection of revenue is, we think, right, as that officer receives the money; but we think that the Resident Magistrate should daily check the books, collections, and payments, and that his signature, as well as the clerk's, should be required to any cheque upon the bank. The Resident Magistrate should, on examination of the money collected and of the books, certify if correct daily, and see that errors were at once set right, or report and suspend the officer.

THE SHERIFF.

Wellington.

The Sheriff is entitled to retain fees to the amount of £100 per annum; he is also Resident Magistrate, at £500, and Registration and Returning Officer, at £100. He summons juries, keeps the panel, and submits jury lists for revision by Justices, attends Supreme Court, executes civil judgments by Bailiff. Money received paid into bank to credit of the Sheriff. Pays to attorneys of claimants awards of the Court, less the fees; pays full amount of fees into revenue, and is repaid, as salary, up to £100 per annum.

We think the fees of this office should be checked upon the records of the Courts, and that the office should be remunerated by a fixed salary.

There is also a Deputy Sheriff, without salary.

INSPECTORS OF BANKRUPTCY.

Wellington.

Inspector, £200; is also clerk to District Court, £250; Curator of Intestate Estates, to be paid by commission; and Deputy Sheriff, no salary. Total salary, £450, and commission.

This officer is appointed under "The Debtors and Creditors Amendment Act, 1865," which specifies his duties. He does not collect any fees. The salary is a charge on the funds provided by the Act. Keeps record of Insolvency cases, showing orders of Court, and books showing accounts of receipts and disbursements in each estate.

The Inspector has entered eight pages of letters despatched during this year.

There are six Inspectors of Bankruptcy in the Colony, and the expense of their offices are respectively:—

				<i>Otago.</i>		
Inspector's salary	...	...	...	£600	0	0
Clerical assistance	...	...	...	300	0	0
Office and contingencies	...	...	...	100	0	0
						1,000 0 0
				<i>Wellington.</i>		
Inspector and contingencies	...	...	...			200 0 0
				<i>Nelson.</i>		
Inspector	...	...	...	300	0	0
Clerical aid	...	...	...	120	0	0
Office and contingencies	...	...	...	80	0	0
						500 0 0
				<i>Auckland.</i>		
Inspector (in addition to Pension £325 8s 6d.)	...	...	...	247	0	0
Clerical aid	...	...	...	156	0	0
Office and contingencies	...	...	...	102	0	0
						505 0 0
				<i>Southland.</i>		
Inspector and contingencies	...	...	...			200 0 0
				<i>Canterbury.</i>		
Inspector	...	...	...	500	0	0
Clerical aid	...	...	...	250	0	0
Office and contingencies	...	...	...	60	0	0
						810 0 0
						£3,215 0 0

We believe that the working of the separate department of "Inspectors of Bankruptcy" has not been hitherto satisfactory, and we suggest for the consideration of the Government whether a considerable economy could not be effected, and the objects in view better secured by vesting the Inspectorship of Bankruptcy under the Act in an officer of the Supreme Court.

CURATORS OF INTESTATE ESTATES.

Wellington—	Canterbury—
Curator of Intestate Estates, 2½ per cent.	Curator of Intestate Estates, 2½ per cent.
Nelson—	Hawke's Bay—
Curator of Intestate Estates, 2½ per cent.	Curator of Intestate Estates, 2½ per cent.

REPORT OF THE CIVIL

Wellington.

The Act under which this officer is appointed, "The Intestate Estates Act, 1865," has, as yet, not been put in operation in this district, no estate having fallen under its provisions.

The salary of this officer has not been fixed. He is also Clerk to the District Court, £250; Inspector in Bankruptcy, £200; and Deputy Sheriff, without salary. As Curator, he is entitled to 2½ per cent. commission on each estate; 5 per cent. charge is deducted also from each estate as a payment to the Revenue. Both deductions are to be paid into the public account. The Curator entered seven pages of copies of letters despatched during this year.

NATIVE DEPARTMENT.

This Department is conducted under a Minister of the Crown, and consists of the following officers:—

Under Secretary, £600.
Assistant Secretary, £500.
Translator, £250.
Five Clerks, £250, £175, £156, and two at £150.
Messenger, £100.

It includes under its administration the Native Lands Courts, the Compensation Courts (under the New Zealand Settlements Acts), Native Resident Magistrates' Courts, Civil Commissioners, Medical Officers for Natives, Native Education, and Native Reserves.

Ministerial Office.

The Under Secretary, under the direction of the Minister, conducts correspondence on Native affairs, and has the supervision of the office.

The Assistant Under Secretary deals with Maori letters, in which branch of the business he assists the Under Secretary.

The Interpreter translates Maori letters into English, and replies into Maori. He has also charge of the *Maori Gazette*.

One clerk records letters received, of which there were 1049, from the 1st of January to the 31st of May, 1866, and keeps a record of references; also a record of Native letters, of which there were 232 from the 1st of January to 31st May, 1866; and occasionally copies letters from the Under Secretary's drafts.

A clerk copies letters. There were 764 letters entered from the 1st of January to the 31st of May, 1866.

The Maori Clerk copies Maori letters, of which there were 109 within the same period; assists the Interpreter, and acts as a Messenger.

A clerk keeps a record of authorities for expenditure, and another of incidental expenditure; and also copies drafts of letters.

The clerk who has left the office since our inspection, and whose place has not been filled up, copied enclosures and drafts of papers.

Further consideration has confirmed us in the view, expressed in our first Report, that in a short time the correspondence of this office could be conducted in a branch of the Colonial Secretary's office, and that this change, accompanied by a distribution, to which we shall presently advert, of the business of the Native Department, would effect a large economy, and, in our opinion, tend to the greater efficiency of administration.

We propose that judicial correspondence connected with Courts in Native districts, should go through the Judicial Branch of the Colonial Secretary's office; and all correspondence connected with the action of the Native Lands Court and of the Compensation Courts (the latter are only temporary), and with the Reserves, and with Surveys of Native Lands, should be conducted by the Secretary for Crown Lands, who would receive such general or special instructions as he may require from the Hon. the Colonial Secretary.

We attach much importance to this arrangement of business, and we consider that the present system leads to conflict of authority, uncertainty, confusion, and unnecessary expense.

CIVIL COMMISSIONERS.

Auckland—£600; also Judge Compensation Court.
" Clerk, £200.
" Translator, £150.
" Cadet, £109 10s.
Tauranga—£500; allowed house and firewood.
" Clerk, £150.
Taranaki—£600; Fees as Licensing Officer, allowed £34 10s., Inspector of Native Police; Commissioner of Native Reserves.
Ditto—Clerk, £156 10s.
Nelson and Marlborough—£400.
Total—£2756 10s.

We have already in our first Report recommended that these officers should be substituted by Resident Magistrates.

NATIVE RESIDENT MAGISTRATES.

Mongonui—	Clerk, £150.
Resident Magistrate,	Hokianga—
Waimate—	Resident Magistrate, £350.
Resident Magistrate, £350.	Clerk, £150.

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Russell— Resident Magistrate, £100. Clerk and Interpreter, £150.	Waipu— Resident Magistrate, £350.
Kaipara— Resident Magistrate. Clerk, £150.	Waipukurau— Resident Magistrate, £350.
Waiuku— Resident Magistrate, £350. Interpreter, £150.	Wairoa— Resident Magistrate, £350. Clerk, £150.
Upper Waikato— Resident Magistrate, £350. Clerk, £100. Interpreter, £125.	Wairarapa— Resident Magistrate, £100. Clerk and Interpreter, £150.
Middle Waikato— Resident Magistrate, £350.	Wanganui— Resident Magistrate, £400. Clerk and Interpreter, £200.
Port Waikato— Resident Magistrate, £300. Interpreter, £100.	Upper Wanganui— Resident Magistrate, £350.
Raglan— Acting Resident Magistrate, £400. Clerk, £150.	Waikanae— Resident Magistrate, £400. Clerk and Interpreter, £175.
Maketu and Bay of Plenty— Resident Magistrate, £400. Interpreter, £50. Clerk, £150.	Canterbury— Interpreter, £150.
Taupo— Resident Magistrate, £350.	Otago— Interpreter, £100.
	Southland— Native Officer (also Resident Magistrate) £75.
	Chatham Islands— Resident Magistrate, £200. Clerk, £100.

NATIVE CIRCUIT COURTS.

We are of opinion that Courts of Law, adapted to the trial of Native cases, should be constituted in Native Districts, and that Judicial Officers in those districts should not be charged as at present with executive functions. A due regard to economy and efficiency in the public service, not less than to higher interests, indicates the importance of the resort of Natives for redress to judicial arbitrament rather than to tortuous efforts to enlist in their favour the power of the Executive through its local agents, especially when, as in most cases, these agents are charged with the administration of justice. A Judicial decision is given in the face of day, upon the sworn evidence of both sides, and is subject to the regulation and correction of law; Executive management is the reverse in every respect. If it be the object of the employment of political agents to settle Native disputes, it appears to us that this would be better and more cheaply effected by Courts of Justice. If such agents are intended to fully inform the Government of the state of their districts, we consider that this might be provided for by temporary means suited to the exigency. The establishment in a Native district of an officer whose duties are not defined by law, but who is the *quasi* representative of the power of the Executive, and to gain whose ear cajolery and intimidation are alternately practised, is, we believe, an unnecessary expense, and is likely to lead to liabilities of far greater amount than its actual cost, and to supersede the efficient operation of the law.

Such division of duties will, we think, whilst effecting our object of economy and efficiency in the administration of the country, have the other great advantages always attending upon a complete separation of Judicial from Ministerial functions.

The principle of "The Native Circuit Courts Act, 1858," appears to us an excellent one, and its practical operation will be the cheapest and most effective means of extending the usefulness of existing Courts.

We subjoin a Return of the present number of Native Assessors and others drawing pay from the Government:—

DISTRICT.	NUMBER OF NATIVE OFFICERS.	TOTAL SALARIES PER ANNUM.		
		£	s.	d.
Mongonui	Assessors, 8 at £20	160	0	0
	Wardens, 2 at £20	40	0	0
	Kareres, 6 at £10	60	0	0
	Pensioners, 5 at £20	100	0	0
Waimate	Assessors, 7 at £20	140	0	0
	Warden, 1	20	0	0
	Kareres, 4 at £10	40	0	0
	Pensioners, 2 at £12, 1 at £5	29	0	0
Hokianga	Assessors, 7 at £20	140	0	0
	Warden, 1 at	20	0	0
	Kareres, 4 at £10	40	0	0
	Pensioners, 1 at £75, 1 at £36, 2 at £52, 5 at £12	275	0	0
Kororareka or Russell	Assessors, 1 at £90, 1 at £40, 3 at £20	190	0	0
	Kareres, 4 at £10	40	0	0
	Pensioners, 2 at £100, 1 at £5	205	0	0
Kaipara	Assessors, 2 at £50, 2 at £40, 3 at £25	255	0	0
	Kareres, 5 at £10	50	0	0
	Pensioners, 3 at £50, 1 at £30, 1 at £10, 1 at £12	202	0	0

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DISTRICT.	NUMBER OF NATIVE OFFICERS.	TOTAL SALARIES PER ANNUM.
		£ s. d.
Auckland	Pensioners, 3 at £52...	156 0 0
Hauraki	Assessors, 2 at £20, 4 at £30, 1 at £50, 1 at £40	250 0 0
	Kareres, 1 at £16, 1 at £15, 2 at £12	55 0 0
Waiuku	Assessors, 2 at £50	100 0 0
	Kareres, 1	75 0 0
	Pensioners, 1 at £48, 1 at £25	73 0 0
Lower Waikato	Assessors, 1 at £170, 2 at £20	210 0 0
	Kareres, 3 at £12	36 0 0
Middle Waikato	Assessors, 1 at £150, 1 at £30	180 0 0
	Kareres, 2 at £12	24 0 0
	Pensioners, 12 at £5...	60 0 0
Upper Waikato	Assessors, 1	40 0 0
	Kareres, 1 at £12, 1 at £10	22 0 0
	Pensioners, 1 at £50	50 0 0
Raglan	Assessors, 1 at £50, 4 at £20	130 0 0
	Wardens, 3 at £20	60 0 0
	Kareres, 7 at £10	70 0 0
	Pensioner, 1	18 0 0
Tauranga	Assessors, 4 at £30	120 5 0
	Wardens, 2 at £20	40 0 0
	Kareres, 2 at £18, 2 at £10	56 0 0
	Pensioners, 8 at £12 10s.	100 0 0
Maketu	Assessors, 10 at £30...	300 0 0
	Clerks, 1 at £30, 4 at £20	110 0 0
	Wardens, 1 at £36, 3 at £20	96 0 0
	Kareres, 4 at £18, 11 at £10	182 0 0
	Tidewaiter, 1	5 0 0
	Pensioners, 2 at £30, 9 at £20, 1 at £10	250 0 0
	Pensions for wounds, 2 at £26, 3 at £13, 1 at £10	101 0 0
Taupo	Assessors, 2 at £30	60 0 0
	Wardens, 2 at £20	40 0 0
	Kareres, 7 at £10	70 0 0
Waiapu	Assessors, 2 at £50, 4 at £40	260 0 0
	Wardens, 6 at £24	144 0 0
Waipukurau	Assessors, 2 at £30	60 0 0
	Kareres, 3 at £10	30 0 0
Ngaururoro	Pensioners, 2 at £50...	100 0 0
Wairoa	Assessors, 2 at £50, 1 at £30	130 0 0
	Kareres, 3 at £10	30 0 0
Taranaki	Assessors, 1 at £100, 1 at £60, 2 at £50, 4 at £30	380 0 0
	Sergeant of Police, 1 at	84 0 0
	Police, 3 at £72	216 0 0
Wairarapa	Assessors, 3 at £50	150 0 0
	Kareres, 1 at £20, 1 at £10	30 0 0
Wellington	Assessor, 1	50 0 0
	Karere, 1	12 0 0
	Pensioners, 2 at £50...	100 0 0
Otaki	Assessors, 5 at £30, 1 at £40, 1 at £50	240 0 0
	Kareres, 6 at £20, 3 at £10	150 0 0
	Pensioners, 1 at £100, 1 at £50	150 0 0
Wanganui	Assessors, 1 at £37, 1 at £62, 5 at £50, 1 at £75,	
	1 at £40, 1 at £30	494 0 0
	Kareres, 2 at £10	20 0 0
	Mounted Constable, 1	91 5 0
	Pensioner, 1	50 0 0
	„ for wounds, 1 at £45 12s. 6d., 2 at £26	97 12 6
Upper Wanganui	Assessors, 1 at £40, 1 at £42, 1 at £37, 2 at £35,	
	1 at £30, 1 at 50...	269 0 0
	Kareres, 5 at £12	60 0 0
	Pensions for wounds, 2 at £26, 3 at £13, 2 at £18	
	5s., 2 at £45 12s. 6d., 1 at £27 7s. 6d., 1 at	
	£36 10s.	282 12 6
Chatham Islands	Assessors, 2 at £25	50 0 0
	Kareres, 1	20 0 0
Canterbury	Assessors, 2 at £20, 1 at £40	80 0 0
Otago	Assessors, 3 at £10	30 0 0
Southland	Assessors, 2 at £20, 1 at £50	90 0 0
	Total Salaries to Natives	9,035 15 0

SERVICE COMMISSIONERS.

We propose that the Native Circuit Courts should go circuit as frequently and in as large districts as time and business will permit, and that the work done and distances travelled should be regularly scrutinized in the Ministerial office, so as from time to time to reduce or increase the staff employed as occasion requires. The limitation of the duties we have suggested will enable these alterations to be made without confusion or risk. We append a Return of the business transacted at each of the Resident Magistrates' Courts in the Native Districts during the Quarter ending March 31, 1866:—

PLACE.	CIVIL CASES.	CRIMINAL CASES.	PLACE.	CIVIL CASES.	CRIMINAL CASES.
Waiuku	6	3	Taupo ... ..	...	...
Coromandel	15	3	Wanganui	146	166
Wangarei	10	9	Porirua	1	...
Kaipara	1	3	Otaki	20	...
Russell	10	19	Manawatu	8	...
Hokianga	1	2	Upper Wanganui ... ..	...	...
Maketu ... ..	...	...	Wairarapa	22	14
Mongonui	9	9	Chatham Islands ... ..	...	...
Upper Waikato, Alexandra	35	6	Waipukurau	19	19
Central Waikato	15	35	Ngaruroro	11	3
Lower Waikato	9	21	Wairoa	30	10
Raglan	12	7	Nelson	78	102
Tauranga	7	11	Campbelltown	5	4
Rotorua ... ..	...	...	

Instead of the variable salaries at present paid to Assessors, a scale should be established, according to which they should be paid only for services performed, on the certificate of the Resident Magistrate or Judge of the Circuit Court.

Payments to Natives as Assessors should be carefully separated from payments to Natives as pensioners or as a recognition of loyal services, or for the sake of securing the active co-operation of influential Chiefs.

NATIVE POLICE.

There are at present 120 Native Constables or Kareres paid by the General Government, under the titles of Kareres and Wardens. The total payment made to them is £1963 per annum. At present these men are totally undisciplined and of little practical use. If their services are retained they should be incorporated in the Constabulary Force which we have already recommended the formation of, but when employed in a civil capacity they need not be armed.

NATIVE LANDS COURTS.

The Staff consists of—

The Chief Judge	£800
Four Judges, each £600	2400
One Judge (also Resident Magistrate, £175; Registration Officer, £25; Registrar of Births, &c., fees to £100; Coroner, fees.)	400
	£3600
Chief Clerk	300
Two Clerks, £225, £200	425
Translator	200
Messenger	30
	955
	£4555

This Staff acts also for the Compensation Courts. The number of letters on Native Lands Court business received during the first half of this year was 1052, and 1774 were despatched. On business of the Compensation Court during the same period 349 letters were received and 347 despatched.

The Native Lands Court should be relieved of all administrative business. It appears that much of the time of the Chief Judge and of his office staff is occupied in the transaction of preliminary business, chiefly in respect of the survey of land, as to which the Court seems to undertake some responsibility. With respect to surveys under this Court, we have made some recommendations when reporting on the subject of survey, under the Crown Lands Department.

We suggest that the express intention of the law should be carried out by the promulgation of Rules, provided for by the 14th section of "The Native Lands Act, 1865," and that the survey business should be matter of evidence, as provided by the 25th section, and not a preliminary proceeding under the extra judicial control of the Chief Judge. This change would occasion economy and expedition, and remove from a judicial office administrative business incompatible with its proper functions.

We append a Return of the transactions of the Native Lands Court and Compensation Court.

REPORT OF THE CIVIL

RETURN of CASES brought before the Native Land Court, between November 1, 1865, and May 31, 1866.

PROVINCE.	CLAIMS HEARD AND DISPOSED OF	CASES ADJOURNED FOR WANT OF SURVEYS AND OTHER REASONS.	STILL PENDING.
Auckland	140	133	287
Wellington ... ..	...	...	46
Taranaki ... ..	...	...	...
Hawke's Bay	6	22	58
Total	146	155	391

NOTE.—Some of the claims were received under the Act of 1862.

STATEMENT of the JUDICIAL BUSINESS of the Compensation Court from November 1, 1865, to May 1, 1866.

NAME OF BLOCK.	NO. OF CLAIMS.	NO. OF DAYS OCCUPIED BY THE INVESTIGATION	NAMES OF JUDGES.
Mangere	10	...	
Kirikiri	11	...	
Pukaki	16	...	
Ihumatao	14	17	F. D. Fenton, H. Monro, J. Rogan
Waikato to Raglan ...	315	30	F. D. Fenton, H. Monro, J. Rogan

COMMISSIONERS OF NATIVE RESERVES.

Wellington—

Surgeon and Native Reserves Commissioner, £400.

Messenger, £36 10s.

Secretary to Native Reserves Commissioner, £25.

The management of Native Reserves is not settled upon any system. There are several Commissioners, who are unpaid, and whose duties are nominal in most cases. There are special Acts of the General Assembly on the subject of Native Reserves, but since the passing of "The Native Lands Act, 1865," some alteration seems advisable in those Acts to define and regulate the management of Reserves under them. We have already recommended that business connected with Native Reserves should be conducted in the office of Secretary for Crown Lands.

EDUCATION.

The education of Natives is not undertaken by Government, but a capitation rate of payment is made for pupils educated in Native schools, conducted by certain religious denominations. Provision was made by a law which has now expired, for the inspection of these schools by persons appointed by the Government, and it is very desirable that this power of control should be re-enacted and frequently exercised while this assistance is afforded, and that assistance should be afforded or withheld upon the reports and certificates of the inspecting officer.

In connexion with this subject we think it right that inquiry should be made with respect to the valuable reserves and grants of land which have been made by the Crown and by the Natives for the education of both races, in order to secure the most profitable appropriation of the funds derived therefrom to the public objects to which those lands have been devoted.

MEDICAL ATTENDANCE AND HOSPITALS.

The Government employs 24 medical men resident at various places as medical attendants on Natives, and with rates varying from £35 to £150, the total amount paid to them is £2304 per annum.

There are at present two Hospitals maintained by the General Government for Natives, and the proportionate cost of Native patients in two Provincial Hospitals is also paid by it.

While we fully recognize the necessity in Native Districts, where the Natives have not the means of obtaining medical aid, of the assistance of the Government being extended to them for that purpose, we think that every opportunity should be taken of inducing the Natives to aid, by endowment of land or otherwise, in providing for medical attendance and for the establishment of Hospitals. We recommend that a careful distribution of the medical men now employed be made with reference to the wants and population of Native Districts, and that every medical officer in charge of a district should send to the Government periodical reports.

The adoption of our recommendations in the Native Department would, we believe, economise official labour, and simplify Executive action by transferring a mass of business now imposed on the Government to the legitimate sphere of Courts of Law.

DEFENCE DEPARTMENT.

The Head Office Staff of this Department consists of—

	£	s.	d.
An Under Secretary	600	0	0
2 Clerks, each £300	600	0	0
1 Clerk, at	250	0	0
1 Clerk, at	200	0	0
2 Clerks, each £175	350	0	0
Messenger	100	0	0
	<hr/>		
	£2,100	0	0

Head Office.—The Under Secretary has the general direction of business under the control of the Honourable the Defence Minister.

Clerk, £300—Has charge of correspondence and of accounts, copies letters from drafts, keeps memorandums of all accounts approved and forwarded for payment, and observes that each expenditure has been authorized. Keeps a book of copies of Minutes referred,—10 pages entered for this year. This officer has since our visit been temporarily transferred to the Treasury.

Clerk, £300—Employed on correspondence in connection with appointments, records, resignations; keeps Army List and Monthly Lists of Staff; makes out *Gazette* notices; keeps Pension List Book; makes out Returns.

Clerk, £200—Record Clerk, registers and indexes letters received (number received from 1st January to 31st May, 1866, was 2213); has charge of them.

Clerk, £250—Employed on correspondence and Estimates. Enters approved estimates, and prepares statement for Treasury of amount required each month. Returns approved estimates to local officers and files a duplicate.

Clerk, £175—Copies letters into books (1246 letters during the first five months of 1866). He is sometimes assisted by the other Clerks.

Clerk, £175—In charge of Returns and assists generally. Prepares and keeps record of Commissions. Receives and checks Regimental Returns.

Messenger, £100—Ordinary duties.

The business of this Department up to the present time has been considerable, but it will be very materially reduced as soon as the Military Settlers are put in possession of their land; and, should the suggestion made in our first Report, for raising an armed Constabulary as a permanent Colonial Force be carried into effect, we believe it will be unnecessary to maintain the Defence Office as at present constituted.

The Department has the management of all the Colonial Defence Forces, provides clothing for most of them, and partially supplies the men on actual service with rations and necessaries.

The Returns supplied us on the 14th June, 1866, show on actual Defence Service 103 officers, and 1919 men—in all, 2022 rank and file, at an annual cost of £135,204 7s. 3½d. for pay, in addition to a permanent Staff distributed over the Colony in connection with the Volunteer and Militia Forces, consisting of—

	£	s.	d.
1 Lieutenant-Colonel	547	10	0
11 Adjutants	3,111	15	0
1 Armourer Sergeant	170	0	0
10 Sergeants-Major	1,210	5	0
1 Storekeeper	250	0	0
2 Clerks	320	0	0
26 Sergeants, Buglers, &c.	2,291	15	0
	<hr/>		
	£7,901	5	0

The total number of Volunteers returned is 2817. The Militia is not now under training.

A Steam flotilla, of four coasting vessels and four river steamers on the Waikato, with three barges and sundry boats, is also under the control of this Department. The estimated value of these vessels, excepting the steamer "St. Kilda," which does not belong to the Department, is £21,150. The expenditure at the present rate for this branch of the service is about £20,000 per annum, less about £5000 contributed by the Imperial Government for the hire of one of the steamers.

Stores and Clothing.—Large supplies of arms, clothing, tents, saddlery, tools, and other equipments have been imported from England, and purchased in the Colony at great cost. The mode of accounting for these supplies has been regulated, but up to the present time no well defined system appears to have been adopted for the purchase, distribution, and custody of stores. There are at present three separate Storekeepers, besides Quartermasters. We strongly recommend that this duty should be confided to one competent Storekeeper, who should be entirely independent of the control of any officer of the forces whom he shall have to supply. The accounts received from the various corps could be examined against those of the Storekeeper, and each would then act as a check against the other. The Storekeeper should furnish security for the faithful discharge of his duty.

The system of contracting by public tender for all supplies, according to samples, and on specified conditions, should be adopted whenever practicable, and extended as opportunity offered to every place where any force might be stationed, so as to economize cost of transport.

Stock of stores should be taken every quarter by a local Board of Officers, who should give a certificate of their examination, and report deficiencies should any be found. Every officer in charge of stores should keep a Stock Book showing receipts and deliveries. These books should be regularly posted so as to be capable of being compared with the stock on hand at any time. Such an exact

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system may appear to be vexatious, but it would only be considered so by careless officers for whom it is especially needed. Once established, it would occupy but little time, would afford the means of efficient control, and secure economy in this branch of the service.

Steam Flotilla.—The Steam Flotilla was called into requisition when the troops entered Waikato, and was soon found to be so indispensable an auxiliary to the operations carried on there that an arrangement was entered into between the Imperial authorities and the Colonial Government, by which the cost of maintaining the steamers was to be paid for in proportion to the amount of transport service performed for each respectively. This arrangement, we understand, has now terminated, and, as the quantity of transport required by the Colonial Forces alone cannot be great, we would suggest whether it would not be more economical to make arrangements at once for this service to be performed by contract, (as there are private steamers on the Waikato now,) reserving one or more of the Government steamers, in case of emergency. The vessels not permanently required we recommend should be sold as soon as possible, to prevent further charges, risk, and depreciation in value. Such of the Waikato boats as may be retained, as well as those employed on service elsewhere, should be periodically inspected by the Government Inspector of steamers, or other competent officer, who should report to the Government on their condition, effectiveness, and working cost.

All supplies required for the Government vessels should be purchased by contract, as we have advised in reference to Defence stores and clothing. This recommendation we desire to extend to supplies of all kinds for the various Departments, including such as have hitherto been purchased by direct order from England.

Volunteer and Militia Staff.—We append a Return of this Staff. It shows great disparity in the relative cost per man of the various Volunteer Corps. At some places it is as low as 15s. per man, and at others as high as £8, at which latter rate it becomes questionable whether a paid local staff for any force so small in number as to occasion that cost should be maintained.

RETURN of the VOLUNTEER and MILITIA PERMANENT STAFF under the control of the Honourable the Defence Minister.

PERMANENT STAFF.	AT PER DIEM.		AT PER ANNUM.			STRENGTH.
	s.	d.	£	s.	d.	
WELLINGTON.						
Adjutant	300	0	0	Cavalry 29; Rifles 358; Total —387.
Ditto (The Hutt)	237	5	0	
Sergeant-Major	170	0	0	
Armourer Sergeant	170	0	0	
Staff-Corporal	91	5	0	
Ditto Bugler	91	5	0	
WANGANUI.						
Lieutenant-Colonel Commanding	30	0	547 10 0	Cavalry 35.
Adjutant	300 0 0	
Sergeant-Major	0	6	109 10 0	
Quartermaster Sergeant	109 10 0	
Bugler	0	4	73 0 0	
RANGITIKEI.						
Sergeant-Major and Drill Instructor	0	9	164 5 0	Cavalry 40; Rifles 127; Total —167.
TARANAKI.						
Adjutant	300 0 0	
Sergeant-Major	0	6	109 10 0	
Corporal	0	4	73 0 0	
Bugler	73 0 0	
AUCKLAND.						
Adjutant	300 0 0	Cavalry 241; Rifles 308; En- gineers 31, Naval 80; Total —660.
Sergeant-Major	0	6	109 10 0	
Orderly-Room Clerk	109 10 0	
Bugler	0	4	73 0 0	
Drill Sergeant, Cavalry	0	6	109 10 0	
Trumpeter, Cavalry	5	6	100 7 6	
Storekeeper	250 0 0	
Clerk	160 0 0	
Ditto	160 0 0	
Four Arm Cleaners	6	0	438 0 0	
Sergeant (<i>Onehunga</i>)	3	6	63 17 6	
Sergeant (<i>Otahuhu</i>)	120 0 0	
NAPIER.						
Adjutant, £300 per annum	Cavalry 42; Rifles 75; Total —117.
Sergeant	6	0	109 10 0	
Corporal	4	0	73 0 0	
Bugler	73 0 0	
MARLBOROUGH.						
Adjutant	13	0	237 5 0	Rifles 99.
Sergeant-Major	6	0	109 10 0	

PERMANENT STAFF.	AT PER DIEM.		AT PER ANNUM.		STRENGTH.
	s.	d.	£	s. d.	
MARLBOROUGH (continued)—					
Corporal	4	0	73	0 0	
Two Buglers	2	0	73	0 0	
NELSON.					
Adjutant, £300 per annum	...	...	...	...	Artillery 28; Rifles 58; Total—86.
Sergeant-Major	6	0	109	10 0	
Bugler	4	0	73	0 0	
CANTERBURY.					
Adjutant	...	...	300	0 0	Cavalry 83; Artillery 45; Engineers 73; Rifles 284; Total—485.
Sergeant-Major	6	0	109	10 0	
Sergeant-Major Cavalry and Drill Instructor	...	...	109	10 0	
Bugler	4	0	73	0 0	
OTAGO.					
Adjutant	...	...	300	0 0	Artillery 62; Rifles 528; Naval 114; Total—704.
Sergeant-Major	6	0	109	10 0	
Sergeant	...	...	109	10 0	
SOUTHLAND.					
Adjutant	13	0	237	5 0	Rifles 42.
Sergeant	6	0	109	10 0	
Total	...	...	7901	5 0	

VOLUNTEERS.

Wellington	387
Wanganui	35
Rangitikei	167
Taranaki	0
Auckland	660
Napier	117
Marlborough	99
Nelson	86
Canterbury	486
Otago	704
Southland	42
	2782

Mace's Corps Mounted Volunteers (to receive land at the Patea for former military service) 35

Total 2817

We have already suggested that the administration of these forces should be vested in the Head of the armed Constabulary, who should have honorary militia rank for this purpose. We are of opinion that if this is done, the occasional inspection of Volunteers and Militia could be made by the officer at the head of this force. Their drill and instruction in the Northern Island could be undertaken by officers also belonging to that force, and the staff, &c., to be maintained for a similar purpose in the Southern Island need not, we think, exceed £3,000. The present expenditure on this account for the whole Colony is £7901. This is exclusive of Capitation Grants, about £8,000; prizes, ammunition, and miscellaneous expenses, about £5,000 more; making altogether for an establishment of less than 3,000 Volunteers, an expenditure of nearly £21,000.

In our First Report, we deemed it our duty to suggest that the various Defence Forces at present employed should be substituted by one armed Constabulary Force, and that, consequently upon that change, the Ministerial control of that force should vest in the Hon. the Colonial Secretary, in whose office the merely Ministerial business connected therewith should be transacted.

We cannot think any force can be efficiently managed except by a permanent chief in command, duly responsible to the Government but clothed with large powers sufficient for the discharge of his duties. Such a change, in our opinion, will promote economy as well as efficiency.

However effective a Military force may be for the immediate repression of armed rebellion, it must be borne in mind that the chief duties of an armed force in the Northern Island will be, after active disturbance is quelled, more of a civil character in continuous efforts to secure and maintain law and order. We think that a Constabulary Force will be better adapted to this end. Another point of essential importance in the creation of a temporary force is its ultimate disposal, and we are of opinion that, as security is restored, the gradual absorption of a semi-civil force into the ordinary police, and into the regular pursuits of settlers, will be much more easily effected than would be the case with the disbandment of soldiers. There would, moreover, be thus created in the Colony a superior class of men, carefully trained in and accustomed to the duties of Military Police, whose services could be easily rendered available in the event of any future necessity arising for having resort to them.

These ulterior considerations indicate, in our belief, peculiar advantages, in addition to those of immediate economy and efficiency, in the construction of such a force as we recommend.

The terms of enrolment at present are very unequal and various, and do not allow of the disposition of the forces at the will of the commander for the best interests of the service. This occasions embarrassment and unnecessary expense, and may often risk the failure of important undertakings, and proves the necessity of one uniform system, whether Military or Police. When it is recollected that

a Police is always necessary, and to a greater degree amongst a mixed population of aborigines and colonists than ordinarily is the case, whilst a force for fighting is quite exceptional and temporary, we think it will be admitted that a Police Force is best suited for the circumstances of the Colony.

The cost of the staff of commissioned officers necessary for a Constabulary Force of the kind proposed by us will be much less than would be relatively required in a force organized upon the system of the Imperial army, whilst the whole force would perform, without extra expense, police duties in addition to those of a strictly military character.

AUDIT.

This department consists of the following staff:—

Auditor, £800; appointed under Act.

Chief Clerk, £350.

Second Clerk, £250.

Third Clerk, Money Order Accountant, £275. (Drew £35 fees under Patents Acts.)

Five clerks, £225, (with £50 as Statistical Clerk, and £12 as Metereological Records Clerk) £287, £200, £182, £140 and £100; temporary clerk, £156. Total, £2775.

The duties of the Auditor of Public Accounts, although simple, as defined by the Legislature, are at present of a multifarious nature. The absence of some distinct and independent control over the issues of public moneys has been apparent to every Ministry, and has led each Government more or less to look to the Auditor for his report on claims prior to payment at the Colonial Treasury, and on much of the correspondence on finance of the Ministerial Departments. He controls the accounts of the Money Order business, and examines and reports on all applications for Letters Patent. During the Native rebellion, he undertook, in the exigencies of the public service, the control and regulation of the financial and store arrangements of the Local Forces, together with the management of the Militia Savings' Banks, and the administration of the Estates of deceased Waikato Militiamen. The Treasury and Defence Office have since taken over the duties of control; but the Auditor's intimate connection with the business leads to frequent references to him on subjects which are not ordinarily referred to an Auditor. Similar remarks apply to the Money Order business, the Auditor having been entrusted with the work of drawing up the regulations and forms for the conduct of this branch of the Postmaster-General's Department, and with the duty of bringing that institution into working order.

Chief Clerk registers Ministerial authorities, examines the Treasury Accounts, and makes out the covering warrants for the Post Office, and Crown Lands Revenue Accounts. His time is further taken up in collecting information and superintending the business of the office.

The blank cover references during the year are about 2,000 in number.

Second Clerk enters and classifies the transactions of the numerous Public Accountants in Abstract Books. (The labor of compiling the accounts of the Colony is thrown upon the Audit Office in consequence of the Treasury sending in the separate accounts of its agents, instead of incorporating them in a single account.) The Abstract Books contain a complete record of every Revenue and Expenditure Voucher, and are the foundation of all accounts kept in the Audit Office. The Second Clerk also prepares the Governor's warrants covering the monthly transactions of the Colonial Treasurer and the Sub-Treasurers. The rough draft of the warrant is sent down to the Treasury for its concurrence. If no objection is raised, the fair copy of the warrant is forwarded for the Governor's signature.

It is important to observe that the Second Clerk in classifying the vouchers for the Governor's warrant makes the preliminary and most important audit of the accounts. He ascertains whether each officer in receipt of Public Revenues duly accounts for them, and whether the expenditure is supported by Ministerial authority. Previously to entering the disbursements in the warrants, he prepares Schedules for the Auditor's signature, reporting for the information of Ministers such of the expenditure as requires either Ministerial authority or the further consideration of the respective Ministers. These Schedules bring under the notice of the Government the most important objections that are raised in the Audit Office. The number of vouchers on which objections have been raised during the last financial year exceed 4000. When entering the Abstract Books, the second Clerk draws up a statement of all Receivers of Revenue who have failed to account regularly for their collections. This clerk's services are in frequent requisition for the compilation of Statistical and other Returns.

Third Clerk examines the Militia Pay Accounts and Militia Store Accounts. During the past financial year he has checked the expenditure of about £400,000 for the pay of upwards of 4000 men and officers, and for Militia Stores, &c. The Militia Accounts are complicated by frequent changes in the distribution of the men and from alterations in the mode of keeping the accounts. The third Clerk follows the issues of Military Stores into the hands of Quartermasters, and sees to their proper appropriation.

Fourth Clerk examines the Imprest Accounts of officers who have received advances of public moneys from the Treasury. He checks all claims on the Colonial Treasury at Wellington prior to payment, and sees that the authorities and sub-vouchers in support are complete. He enters the vouchers in a Warrant Book. This record will be unnecessary in future; the examination of accounts in the Audit Office prior to payment will be discontinued on all claims arising subsequently to the 1st July last. The Fourth Clerk assists the Second Clerk in the preliminary audit of the Sub-Treasury and Revenue Accounts, and prepares the respective Schedules of unauthorized or objectionable expenditure.

Fifth Clerk takes over the Abstract Books, journalizes the quarterly totals, and carries the journal entries into a ledger, where the services are arranged in accordance with the classification in the Estimates; the ledger furnishes the check on the annual statement of the Colonial Treasurer. The Fifth Clerk also examines the Money Order Accounts, and with the assistance of a sixth clerk

checks off the issue and payment of the Money Orders, following every transaction to its completion. He makes out the claims on Foreign Offices, checks the commission, compares each paid Order with its corresponding advice, sorts the Orders numerically, files the Inland Orders, makes up the Foreign Orders for transmission to the respective countries, and drafts queries on the Money Order Accounts. The Money Orders issued during the twelve months ended 31st March last were 18,332.

Seventh Clerk examines the Telegraphic Accounts by checking an Abstract of Messages despatched against an Abstract of Messages received, office against office. Keeps register of Accounts received, copies the Auditor's Memoranda on references, of which there were, during the last six months, 157 entered.

Eighth Clerk examines the Customs Accounts, and keeps register of all Accounts received and examined. The examination includes the re-computation of about 60,000 Bills of Entry annually. He traces numerous Removals Coastwise from one Port to another, and checks the Warehousekeepers' Entries against the Bond Entries. The accounts are examined for June Quarter, 1865; the rest are in arrear. The last certificates of the Auditor were for the period ending 31st March, 1865. This clerk has the assistance of a temporary clerk, but the rapid increase of Imports renders it hopeless, without further assistance, to gather up the arrears. The Eighth Clerk also checks the half-yearly returns of office furniture.

The balances in the hands of the Sub-Treasurers and the Receivers of Revenue are checked by comparison with the Bank Accounts Current.

The above summary states the work of the Audit Office at the time of inspection. The new Treasury Regulations have since relieved the Audit Office of the preparation of warrants for expenditure incurred prior to the 1st July last, and of the necessity of keeping a voluminous authority book and a book for the entry of warrants. At the same time the work of the office is increased by the weekly instead of quarterly accounts of the Sub-Accountants of the Treasury. On this subject we have suggested below some important alterations for the simplification of the accounts.

TREASURY.

Assistant Treasurer, £600. Has control and direction under the Honourable the Colonial Treasurer.

Accountant, £450. Keeps the books of the Colony, and makes up the Public Accounts, also acts for Assistant Treasurer in his absence.

First Clerk, Accountant's Office, £300. Assists in keeping the books of the Colony, and keeps the account of the Colony with the Bank of New Zealand and its several branches.

Second Clerk, Accountant's Office, £100. Posts the accounts of Sub-Treasurers and other Accountants into the Journal, and generally assists in the work of the Accountant's Office.

Cashier, £300. Has charge of that which may be termed the Sub-Treasury Department of the Colonial Treasury. As such he receives and pays all the money that passes directly through the Treasury, and keeps the books requisite for this purpose. He has also charge of Postage Stamps, and makes all issues thereof to Postmasters.

Record Clerk, £180. Registers letters when received, and writes (from drafts) the letters from the office, registers authorities, makes Schedules of authorized vouchers, and generally assists the Assistant Treasurer.

Second Clerk, £180. Assists the Cashier in posting his books, and making up his accounts, and writing cheques.

Junior Clerk, £50. Enters letters in letter book, takes money to Bank, procures drafts thence, and does junior work for either of the Treasury Departments.

Extra Clerk in Defence Office, £300. Temporarily employed, principally in preparing Returns for the Legislature.

SUB-TREASURERS.

Auckland.—Sub-Treasurer, £300; also, Receiver of Land Revenue, without salary, and a Provincial officer.

Chief Clerk, £250.

Clerk, £150.

Messenger, £125.

New Plymouth.—Sub-Treasurer; also Collector of Customs, salary £300.

Clerk, £150.

Napier.—Sub-Treasurer; Collector of Customs, salary, £400; also District Registrar Births, &c.

Nelson.—Sub-Treasurer; also Resident Magistrate, District Registrar of Births, &c.; also Provincial Treasurer, &c, £950.

Marlborough.—Sub-Treasurer; also Receiver of Land Revenue, Collector of Customs, Resident Magistrate, &c., £525 and fees.

Canterbury.—Sub-Treasurer, £400; also Receiver of Land Revenue, £200.

Clerk, £250.

Clerk, £150.

Otago.—Sub-Treasurer; also Commissioner of Customs, Receiver of Land Revenue, £850; Provincial Gold Receiver.

Southland.—Sub-Treasurer; also Collector of Customs, Receiver of Land Revenue, £600.

Customs clerks at Napier, Dunedin and Southland employed on Treasury duty.

FINANCE.

It will not be out of place in the present Report to examine what has been done by Legislatures in other Colonies to check abuses in the expenditure of grants of public moneys, so as to give authority to our opinions if they should be found on material points in substantial agreement with the

progressive improvement and experience of those countries where it has been thought necessary to establish effectual safeguards against the misappropriation of public revenues.

In the United Kingdom the national revenues are paid into the Exchequer, from which they can be issued only on an order from the Crown. The Royal orders specify the particular grant out of which the issues are to be made. But the Treasury does not require the Exchequer to issue the money at once. When an actual issue is required, it authorizes the Comptroller of the Exchequer by warrant to give a credit at the Bank of England for the sums required. No issue from the Exchequer is made in excess of the Votes of Supply; and the savings on the votes as determined in each year are reappropriated by the Legislature in the subsequent year.

Until within the last year the moneys issued out of the Exchequer passed altogether out of the control of that department of the State. It was left to the Commissioners of Audit, acting under the directions of the Treasury, to determine whether the money was expended in accordance with the directions of the Treasury. This was really no check on the operations of the Treasury. For many years past the attention of the Legislature has been called to the subject by the Comptroller of the Exchequer. It was not until about a year since that an Act was passed placing the Commissioners of Audit in a somewhat more independent position, by making the Comptroller of the Exchequer, who is one of the high functionaries of State, the Chairman of the Board of Audit; so that now in England the same officer who controls the issue of public moneys sees that they are appropriated in strict accordance with the Votes of Supply.

In Canada all public moneys, from whatever source of revenue derived, are paid into a bank appointed by the Governor in Council to the credit of the Receiver-General of the Province. The expenditure of moneys out of the "Public Account" can be made only by check on the bank, signed by the Receiver-General, and countersigned by the Minister of Finance, or their respective deputies.

The Board of Audit and Control consists of the Deputy Inspector-General, the Commissioner of Customs, and the Auditor.

The Deputy Inspector-General acts as Comptroller over the issue of public moneys, and audits the accounts connected with the Administration of Justice, and the Customs and Excise accounts.

The Commissioner of Customs examines the returns of the officers of Customs and Excise.

The Auditor audits the remaining accounts of the receipts and expenditure of public moneys, including Militia Accounts, Saving Bank Accounts, and the accounts of all institutions which draw their support from public moneys.

The whole of the above accounts are afterwards revised by the Board.

In the Colony of Victoria the Receivers of Public Revenue are required to pay daily all moneys which come into their possession into the "Public Account" at a bank appointed by the Governor in Council, and the moneys so deposited can be transferred to the credit of the Colonial Treasurer, only on requisitions countersigned by the Commissioners of Audit, and approved by the Governor.

The Commissioners of Audit, (three in number)—two of whom must act in each case—are thus the Comptrollers of the issue of the public revenues, securing, in the first instance, that no moneys are issued to the Treasury in excess of the Parliamentary Grants, and afterwards as Auditors of Public Accounts, taking care that the moneys so issued are really applied in accordance with the votes.

This practice is nearly the same in principle as that in Canada. There is, however, this additional and important difference that the Commissioners of Audit are required to report for the information of Parliament their objections, if any, to the Treasurer's annual statement of the receipt and expenditure of the Public Revenue.

In New Zealand much attention has of late years been given by the Legislature and the Executive of the Colony to the regulation, custody, and expenditure of the Public Revenues.

The Audit Acts require the Colonial Treasurer to transmit to the Auditor of Public Accounts, for examination, an annual statement of the Receipts and Expenditure of the General Government and requires the statement to be laid before the House of Representatives for the final audit of a Select Committee of the House of Representatives.

In addition to the Audit Acts, the General Assembly passed in the last session an Act for the appointment of a Comptroller, and for securing the payment of the Colonial Revenues into a bank to the credit of a "Public Account," which can be operated upon only in the same way as the "Public Account" of the Colony of Victoria.

The Legislature has thus provided the means of effectually controlling the issue of public moneys.

At present the gross collections of Revenue are paid daily into a bank to the credit of the Colonial Treasurer, but not into the "Public Account," as required by the Comptrollers' Act—the Colonial Treasurer thus continuing to hold sole control over the issue of the Public Revenues. This, connected with the fact that the whole of the payments at the Sub-Treasuries are made without the previous warrant of the Governor, leaves a large portion of the issues of public moneys without any of the check required by law.

The Collectors of Revenue account to the Colonial Treasurer in Wellington directly, and in the Provinces through his agents the Sub-Treasurers.

The Revenue Accounts, when received at the Treasury, instead of being blended in one account, are forwarded separately to the Auditor of Public Accounts for examination.

Claims, when approved by the respective Ministers, are paid on the certificate of the officer authorized to incur the expenditure; but, beyond the rule which requires the approval of a Minister for expenditure not provided for by the Estimates, there is nothing to limit expenditure in excess of the appropriations. The Sub-Treasurers are provided with funds by the Colonial Treasurer.

The Sub-Treasurers render weekly accounts of their transactions. These, supported by vouchers, are forwarded separately to the Auditor. The Treasury thus throws upon the Auditor the work of

collecting into one account these numerous accounts current of his agents, as stated above in reference to the collections.

We are of opinion that the work both of the Treasury and Audit might be considerably reduced. In the Treasury the whole of the transactions of the Treasurer's agents, and of the Assistant Treasurer at Wellington, are entered into two sets of books. The first step in the Treasury, on receiving the weekly accounts of the Sub-Treasurers is to carry their transactions into an abstract book kept for the purpose of compiling the quarterly statements for publication in the *Government Gazette*. The entries are arranged according to the Estimates, and are stated with much minuteness. The next step is to take up again the same accounts and vouchers and enter them in a journal, where every transaction is shown, and the whole work done in a different form. From the journal the entries are carried into the ledger, where they are classified in accordance with the annual Estimates. In the Audit office the process is again repeated. Each voucher of the numerous Sub-Treasurers and Sub-Accountants, together with the transactions of the Assistant-Treasurer, are entered in abstract books. The entries are summed up quarterly.

It is considered that in the Treasury the ledger might conveniently be written up from the abstract book, and the journal dispensed with. It appears to us a waste of labour and time to state in full every particular of an account in two distinct sets of books. The great principle to be followed is to present the transactions at first in detail in the abstract book as the basis of all statements, and at last in the stage of greatest condensation and clearness in the annual statement for the information of the General Assembly.

With this view every transaction of the Accountants of the Treasury should be entered in the abstract book day by day as the weekly accounts are received at Wellington. The entries should show the date, the number of the voucher, from which accountant received particulars and amount. The Colonial Treasurer should send to the Auditor weekly a copy, supported by vouchers, of so much of the abstract book as shall then not have been sent by him to the Auditor, showing in a separate column the total of each head of revenue and expenditure. These abstracts of accounts, if agreed to by the Auditor, would become the foundation of all statements of accounts.

As soon as possible after the termination of the financial year, the Colonial Treasurer would, as hitherto, prepare the yearly statement of receipts and expenditure, duly classified, and forward it to the Auditor for examination; any discrepancies between this statement and the Treasurer's weekly statement, if objected to by the Auditor, or any other matter calling for notice, should be stated by the Auditor in a separate report.

Under this uniform, simple, and centralising arrangement, the numerous and intricate transactions of the Treasury would be shown in an intelligible form, and every useful information furnished with facility; and, above all, an early and effective audit initiated, and, we believe, the many and just complaints of the obscurity and complexity of the public accounts, would be obviated.

The Auditor would be relieved of the anomalous duty of making up the public accounts from not less than 700 separate weekly accounts, and would be saved the waste of time of finding out the discrepancies between his own mode of classifying these accounts and that of the Colonial Treasurer. It is impossible under the present system that two independent offices should make up such extensive accounts exactly in the same manner.

The several Ministers should for each quarter of a year supply the Treasurer with a statement of funds required by them under the several items of the Votes, as shown by the Appropriation Act, and also detailed estimates of services, if any, not provided for by that Act. They should also furnish the names of the heads of departments to whom they wish the money to be advanced for the payment of salaries or other expenses. The Treasurer should then, after such consideration of the state of the finances at the time as the Government may deem necessary, issue authorities for incurring expenditure, numbered consecutively, and in strict conformity to the Estimates. Each Minister should keep an account against the votes and authorities, to be posted from vouchers as certified for payment. Existing regulations already provide for a similar record in the Treasury of authorized payments.

Each Ministerial section and departmental division and sub-division of the Estimates should be numbered consecutively.

Every voucher should show on its face the vote, division and subdivision, and authority numbers. This system of Treasury authorities, based on the votes and authorities, secures the control of all expenditure in the hands of the Treasurer, and gives that Minister at any time full knowledge of the position of the finances of the Colony, facilitates reference, and prevents errors in classification when entering in the books.

In reference to the Annual Statement of the Colonial Treasurer, it is observed that frequent alterations have been made in its form and arrangement. Changes have also been made in the form of the Annual Estimates. Appropriation Acts are passed long after the commencement of the financial year. It is necessary, if an early and accurate statement of the expenditure is to be submitted to the General Assembly, that the Estimates, on which the classification of the year is to be based, should be passed either before or immediately after the expiration of the last Appropriation Act, and that the classification in the Estimates should, one year with another, be as uniform as possible. Neither in the Treasury nor the Audit Office can the new year's accounts be entered up and classified until the Estimates are passed. It is also necessary for the purpose of comparison in future years, that the Treasurer's Annual Statement of Financial Accounts should be drawn up in a settled form. Such comparison can scarcely be made if the arrangements in the statements differ essentially from each other. It is desirable, therefore, that a settled form should be established by authority. The accounts of a Government, we believe, may be exhibited in an intelligible shape; and it will not, perhaps, be out of place to give, in an appendix to this Report, a form of account which, in our opinion, would show clearly the transactions of the Treasury.

We append the forms of account which we recommend for adoption, and have shown in them, for illustration, the finances of the year 1864-5, statements of which have lately been laid upon the Table of the House of Representatives. Appendix A.

REPORT OF THE CIVIL

We recommend that accounts of the state of each loan carried on from the date of first issue from year to year, should be published with, and as part of, the financial accounts of each year. The par value of debentures issued, any discount or premium on sales, and all charges for placing and management, should be shown. The accounts should be distinct for each loan.

Similar accounts of each sinking fund should be published, and be carried on from year to year, in order to show the state of each fund separately. These loan and sinking fund accounts will then show distinctly the state of the indebtedness of the Colony, apart from the yearly revenue and expenditure transactions.

Payments to claimants of the Government for services rendered should be made promptly, and with as little trouble and vexation to the creditor as possible. It is recommended that in future it be a regulation of the Government, that the officer signing the certificate of service is also answerable for the correctness of the computation and the completeness of the voucher. If errors of computation are discovered by the Audit the surcharge, if any, to be recovered at once from the responsible officer. No payment of duly authorized services to be delayed in the Treasury on the ground of a mere informality in the form of the voucher if duly certified.

Audit of Customs Accounts.—Previous to the transfer of the management of the Customs to the Colony, the accounts of that Department were made in accordance with forms prescribed by the Board of Customs, and were forwarded for audit to the Examiner of Plantation Accounts in London. Under the regulations then in force the preparation of the accounts involved considerable labour, as all the Bills of Entry had to be transcribed into a journal for an office record, and also on to sheets for transmission with the Quarterly Account Current.

When the control of the Department devolved upon the Colony the accounts were sent to the Auditor-General, who from time to time afterwards issued regulations under which their preparation was very much simplified. This was especially the case when duplicates of the Merchants' Entries were required to be put up with the Quarterly Accounts, instead of the transcript hitherto made, as it economized labour, saved time, and furnished better materials for securing a proper examination into all details of the accounts.

Fresh instructions have recently been issued from the office of the Commissioner of Customs in connexion with the Treasury Regulations for accountants, by which these accounts will be further improved, and we believe, if a more rapid examination of them can be secured in future, that this branch of the service will be placed on a satisfactory footing.

The greatest part of the labour of examining the Bills of Entries and transcript of Warehouse Ledger could be done most expeditiously by junior or probationary clerks, immediately the Entries are received in the Audit Office. Two such clerks, if at all quick at figures, under the direction of the elder clerk should suffice to keep the current work under; but as a pressure of work in the Audit Office for some time past has caused the examination of the Customs Accounts to fall behind, we recommend that an additional clerk should at once be transferred from one of the other offices for a time so as to get up arrears. If irregularities in the accounts are to be efficiently checked, the audit should be as nearly concurrent as possible, and as the work of examination is simple and capable of sub-division, no arrears should be allowed to exist, as the employment of an extra clerk for a short time could always bring up the work.

Entries for free goods should not be mixed up with those for goods liable to duty; they should be numbered separately and forwarded to the Audit Office once a quarter for examination.

Entries for removal of goods from the Warehouse to another port and for exportation should also be numbered in a series by themselves.

At present one clerk and one assistant are engaged in the examination of these voluminous accounts.

CUSTOMS DEPARTMENT.

This Department is at present presided over by the Honourable the Colonial Secretary as Commissioner of Customs, and consists of—

A Secretary and Inspector, with no salary.
A Chief Clerk, £250.
A Clerk, £150.
Messenger, £30 8s. 4d. (part services);

and the following Officers at the Ports named below:—

18 Collectors of Customs.	31 Lockers.
11 Sub-Collectors.	12 Tidewaiters.
4 Landing Surveyors.	5 Coastwaiters.
29 Landing Waiters.	6 Messengers.
5 Warehousekeepers.	21 Boatmen.
46 Clerks.	
4 Tide Surveyors.	Total 195
3 Gaugers.	

These are distributed as follows:—

	£	s.	d.
Auckland,—29 Officers and men ...	4,466	12	6
Onehunga,—1 Sub-Collector and 2 Boatmen ...	455	10	0
Russell,—1 Collector, 1 Clerk, 2 Boatmen ...	563	10	0
Wangarei and Kaipara,—5 Officers and Men ...	470	0	0
Mongouui,—1 Collector, 1 Boatman ...	245	0	0
Hokianga,—1 Collector ...	50	0	0

SERVICE COMMISSIONERS.

29 D.—No. 7A.

Raglan,—1 Coastwaiter	...	...	...	120	0	0
Waikato,—1 Sub-Collector	...	...	...	...	...	...
New Plymouth,—5 Officers and Men	...	...	...	801	0	0
Wanganui,—4 Officers and Men	...	...	...	569	10	0
Wellington,—17 Officers and Men	...	...	...	2,900	0	0
Napier,—6 Officers	...	...	...	1,245	0	0
Nelson,—10 Officers and Men	...	...	...	1,795	0	0
Collingwood,—1 Coastwaiter	...	...	...	50	0	0
Pictou,—1 Collector, 1 Clerk	...	...	...	380	0	0
Havelock,—1 Acting Sub-Collector, 1 Clerk	...	...	...	320	0	0
Wairau,—1 Collector, 1 Clerk, 1 Coastwaiter	...	...	...	425	0	0
Lyttelton,—21 Officers and Men	...	...	...	1,415	0	0
Christchurch,—9 Officers	...	...	...	1,326	0	0
Akaroa,—1 Sub-Collector	...	...	...	275	0	0
Timaru,—1 Sub-Collector, 1 Clerk	...	...	...	405	0	0
Hokitia,—16 Officers and Men	...	...	...	3,451	10	0
Greymouth,—6 Officers	...	...	...	1,345	0	0
Buller,—1 Coastwaiter	...	...	...	150	0	0
Okarito,—1 Sub-Collector	...	...	...	280	0	0
Dunedin,—24 Officers and Men	...	...	...	5,700	0	0
Oamaru,—1 Sub-Collector, 1 Landing Waiter	...	...	...	475	0	0
Molyneux,—1 Sub-Collector	...	...	...	225	0	0
Invercargill,—6 Officers	...	...	...	1,600	0	0
Bluff Harbour,—1 Sub-Collector, 1 Clerk	...	...	...	400	0	0
Riverton,—1 Sub-Collector, 1 Clerk	...	...	...	420	0	0
Chatham Islands,—1 Sub-Collector, 4 Tidewaiters	...	...	...	600	0	0
Total	...	...	...	£32,923	12	6

We have inspected the Custom House Staff at Wellington only.

The office of Inspector is in abeyance, and the duties of Secretary are performed by the Collector at Wellington. The direction and control of the whole Department vests in the Honourable the Commissioner, and is carried out in this office, in which is also transacted the business of the Government, relating to Tariffs and the collection of Customs and Gold Export Duties.

The Chief Clerk, £250, makes out statistical returns, writes letters from drafts, and distributes stationery and forms to all Customs offices. The letters received for the first five months of this year numbered 648. The Store Book has not been kept since 1st January last.

A Clerk, £150; Record and Copying Clerk. 404 letters despatched during the first five months of this year. Assists Chief Clerk.

The Messenger acts also for two other offices.

Since our examination office accommodation has been provided for these two clerks in the Custom House, and the messenger's services dispensed with.

The Customs was originally under the control of the Commissioners of H.M. Customs in London, who issued instructions for the guidance of the several offices in the Colony. The management of the Department was transferred to the Governor in 1853, and His Excellency in August of that year gave directions that the Collectors should still be governed by the instructions published by the Commissioners, except as to the mode of rendering the accounts, and in some points of detail, which, under the altered circumstances of the Colony after the grant of Representative Institutions, were inconsistent with previous arrangements. The greater part of the Board's orders relative to the general management of the Department therefore remained in force. In 1854 a consolidation of the general orders and minutes of the Board of Customs was published in connexion with "The Customs' Consolidation Act, 16 and 17 Vict. cap. 107," passed in the previous year. As "The Customs' Regulation Act, 1858" of this Colony is, in its main provisions, a transcript of the English Consolidation Act, these orders became generally applicable to New Zealand, and were acted upon throughout the Colony, except in particular cases, where some special regulations had to be made by the Commissioner of Customs. The Customs thus had the advantage of a comprehensive code of regulations for its guidance; but no detailed instructions, defining the particular duties of the officers of each grade, similar to those in use in England and in some of the neighbouring colonies, have yet been issued by the Government. We think it very desirable that instructions of this nature should be prepared as soon as possible, and that each officer throughout the service should be supplied with a copy of such as relate to his particular office. This is especially necessary in the case of new ports, such as those on the West Coast, which rapidly spring up to be places of importance requiring large establishments, and to which it is found impossible to send at once a sufficient number of properly-trained Customs officers.

We are of opinion that the office of Inspector might be joined to that of Collector at the Seat of Government, and that the Landing Surveyor should, in this case, be selected purposely, and during the absence of the Inspector, be appointed to act as Deputy Collector, and to conduct the secretarial duty. The plan of having a Deputy Collector to act in this way is adopted elsewhere.

We have in our first Report recommended inspection of the ports as absolutely necessary. We will now only add that the business of the several ports changes so rapidly both in nature and amount, that if there were no other reasons, these changes alone render vigilant inspection indispensable.

All Customs forms should be kept in store at the Government Printing Office, and be distributed thence on requisitions approved by the Inspector of Customs.

We observe, at the undermentioned ports, that the Resident Magistrate holds the office of Collector or Sub-Collector of Customs, viz:—

REPORT OF THE CIVIL

Wangarei, with salary for Customs of	£100.
Hokianga	£50.
Port Waikato	Nil.
Havelock	£150.
Wairau	£150.
Oamaru	£225.
Chatham Islands	£200.

This arrangement was instituted at first no doubt with a view to economy; but we believe it is likely to lead to the reverse, as such officers, unless they have previously served for some time in the Customs at one of the large ports, must be imperfectly acquainted with the duties of the Department, and another officer has generally to be appointed to assist, on whom devolves nearly the whole of the Customs work: two persons are thus employed to discharge duties which could very well be done by one competent and properly trained officer.

Several of the Collectors and Sub-Collectors at the small ports have been at their present stations for a great length of time, and as their duties must have been limited to entering and clearing a few small coasting vessels and collecting a trifling amount of revenue, they must of necessity be unacquainted with the business of the large ports, where the rapid increase of trade requires progressive modifications and improvements in the Customs regulations and practice. Officers kept at small out of the way ports become each year less fitted for positions at the larger ports, and their fair and regular promotion is thus impeded. In order to remedy this state of things, which is alike prejudicial to the interests of the officer and of the Government he serves, we strongly recommend that for the future the officers in charge of the small ports should be selected from among the trained clerks or Landing Waiters of the large ports, and that no officer should be left at such stations for more than two years at a time.

It would be to the advantage of the service if the out-door officers of the Department could be moved from port to port more frequently than at present.

Overtime Allowance.

We find that officers of Customs are allowed certain fees for attendance after the usual hours of business. No rule applicable to the whole Colony has been laid down, and from returns received from some of the principal ports we find that the scale of remuneration at each varies considerably. The rates allowed at Wellington are as under:—

Landing Surveyor,	6s. per hour.
Landing Waiters,	} 3s. per hour.
Chief Clerk,	
Warehousekeeper, and Boarding Officer,	
Lockers and Tidewaiters,	2s. per hour.

This scale was approved of by the Commissioner of Customs some years since.

The highest rate is at Lyttelton, as follows:—

Landing Surveyor,	7s. 6d. per hour.
Chief Clerk,	6s. per hour.
Landing Waiters,	4s. 9d., 4s., and 3s. 6d. per hour.
Clerk,	4s. 6d. per hour.
Warehousekeeper,	3s. 6d. per hour.
Tide Surveyor,	4s. per hour.
Lockers and Tidewaiters,	2s. 6d. per hour.

The lowest rate is at Napier, where the Landing Waiters and Clerks are allowed 3s. per hour, and the Lockers 1s. 6d. per hour.

At some ports a fee of 10s. 6d. is allowed for clearing vessels after office hours.

In no case is any allowance made to the Collector. These fees are not paid by the Government, but by the merchants and importers, or by Agents requiring the attendance of officers for the purpose of having goods landed or shipped, or vessels cleared after the usual hours. The system adopted in these cases is for the merchant or agent requiring the extra attendance of officers to make an application in writing, accompanied by a deposit to cover the expense, stating the grounds upon which the application is made; if approved of by the Collector, the requisite officers are appointed, and they are paid according to the specified rates. These deposits and full particulars of the payments made out of them are entered in the Collectors' Deposit Cash Book, copy of which is now required to be sent to the Treasury once a month.

Averse as we are to the system of allowing fees of any kind to Government servants, we yet think that in the case of Customs officers an exception should be made, as it would be a hardship not to allow them to receive remuneration for special and extra services which are performed at the request and for the convenience of merchants and others having business to transact after the usual office hours. This would be particularly the case at those ports where a large number of steamers are constantly arriving and departing, and where it is necessary to afford to them every facility for discharging and shifting cargo. It frequently happens, for instance, when steamers are behind time, that the Customs officers have to attend on the discharging or transhipping of cargo through the greater part of the night.

The practice of allowing remuneration to Customs officers in this manner is authorized by the Board of Customs in England, according to the following rates:—

Landing Surveyors,	5s. 6d. per hour.
Landing Waiters,	3s. per hour.
Clerks, according to rate of salary,	1s. to 3s. per hour.
Tide Surveyors,	2s. per hour.
Lockers,	1s. per hour.

We think that a regulation on this subject applicable to all the Ports in the Colony should be laid down, and recommend the following scale :—

Landing Surveyors, 4s. 6d. per hour.

Landing Waiters, Clerks, Warehousekeepers, 3s. per hour.

Tide Surveyors, Lockers and Tidewaiters, 2s. per hour.

Other officers for every £100 salary per annum, 1s. per hour.

No remuneration of this kind to be allowed to Collectors or Sub-Collectors.

Wellington.

The Staff of the Customs Department at Wellington, consists of :—

Collector (also, Licensing Officer under Arms Act), £600.

Landing Surveyor, £300.

Three Clerks, £250, £160, and £100.

Three Landing Waiters, £250, £150, £140.

Warehousekeeper, £180.

Boarding Officer, £150.

Three Lockers, £150, £120, £100.

Messenger, £80; and

Two Boatmen, £110 and £100.

Extra Tidewaiters are employed in addition to the regular staff at a cost of about £250 a year, making the whole expense of the Department in salaries, £3165 per annum. The Revenue at the Port of Wellington for the last half-year was £34,787, so that the cost of collection during that period only amounted to 4½ per cent. per annum. There was collected in 1863 the sum of £38,848, or about half the sum now received, whilst the number of persons then employed was the same as at present.

The following is a statement of the duties performed by the various officers :—

The Collector has the general supervision of the Department and receives all money payable to Her Majesty for Customs Dues. He collects also the Lighthouse Dues and Pilotage Rates, Fees under the "Merchant Shipping Act," and the "Arms Act, 1860." These receipts, except Pilotage which is Provincial Revenue, he pays into the Bank daily, to the credit of the Colonial Treasurer, rendering a weekly statement of the same, and an account at the end of every month, supported by duplicates of the merchants' bills of entry and other vouchers. This account is declared to before a Magistrate, and is certified as correct by the Landing Surveyor.

In addition to the duties devolving upon the Collector under the several Customs Acts, he has various functions to discharge under the "Marine Board Act," the "Steam Navigation Act," the "Arms Act," the "Passengers' Acts, 1855 and 1863," and the "Merchant Shipping Act." Under the last named Act especially, he has very responsible duties to perform in connection with the Registration of Shipping.

The Landing Surveyor, under the direction of the Collector, superintends the Waterside and Warehousing departments. He sees that the Collector duly charges himself with all moneys received, checks over, and re-computes all the entries each day, duplicates of which are handed to him, enters them in his cash book under the particular heads for which the duties have been received, and signs the weekly and monthly statements, which are sent in to the Treasury to show that all the revenue has been duly accounted for; keeps a book for registering ships' reports inwards, and the appointment of Landing Waiters to them; compares the ship's reports with the quantity of goods landed, and checks the Landing Waiters' work, including the gauges and weights, &c., of goods entered for the Warehouse.

Landing Waiters take an account of, and examine, all goods landed from the vessels under their inspection; weigh, gauge, and measure goods entered for the Warehouse, entering the particulars in books which are delivered to them for that purpose.

First Clerk computes the entries, and receives for the Collector the duties payable thereon, receives also the Light Dues and other revenue, examines Ships' Reports, keeps Pilotage, Lighthouse Dues, and deposit detail cash books, prepares abstract of cash accounts for Treasury, as well as portions of the Quarterly Trade and Shipping Returns.

Second and Third Clerks assist generally in the Long Room, and prepare account of Imports and Exports, and various Statistical and other returns.

Warehousekeeper keeps the Warehouse Ledger, which contains an account of all the goods entered for the Warehouse, and of the deliveries out of Bond for Home Consumption, Removal or Exportation. In this book a Dr. and Cr. account of each parcel of goods in the various Warehouses is shown, and a balance is struck at the end of every quarter, when a transcript of the whole is sent in to the Auditor accompanied by the proper Bills of Entry for every transaction. Every entry in this account is compared by the Collector with the Bills of Entry and Warrants relating to the same, and he certifies that all goods for which Warehousing entries have been passed during the quarter are duly entered therein. The actual stock in the Warehouses is also checked by the Collector or Landing Surveyor with the balances in the Warehousekeeper's Ledger once a quarter. Goods are delivered from the Warehouse on orders to the Locker from the Warehousekeeper; in the case of goods for Home Consumption these orders are signed on his receiving a warrant from the Collector showing that the duty has been paid; and in the case of goods to be removed to some other port, or from one Warehouse to another in the same port, or for exportation, on receipt of a similar document which is granted when the requisite bond has been entered into by the remover or exporter.

The Lockers have charge of the Bonded Warehouses: they take an account of the marks and numbers of all Bonded Goods received, and enter the same in books kept for that purpose at the various warehouses. They give receipts in the Landing Waiters' Red Books, which contain particulars of the weight, gauge, or measurement of goods for the warehouse. These books, after being checked by the Landing Surveyor, are handed to the Warehousekeeper, who enters their contents into his ledger.

Boarding Officer and Tide Surveyor boards all vessels on arrival ; puts Tidewaiters on board vessels from ports out of the Colony, or on any coastwise vessel having a considerable quantity of Bonded Goods on board ; visits the Tidewaiters frequently, to see that they attend to their duty ; takes an account of ships' stores, and puts them under seal while in harbour. Acts also as Searcher, in which capacity he has charge of goods delivered from the warehouse for removal under bond to other ports, or for exportation. Keeps an account of all goods transhipped, and generally performs any duty that may be required afloat, including the landing and putting on board of mails.

Tidewaiters are placed on board of ships for the purpose of preventing goods from being landed without proper entry. They receive written orders from the Landing Surveyor before anything is permitted to be discharged. When ships discharge in the Bay, they send Boat Notes on shore to the Landing Waiter, containing lists of the goods in each lighter, and enter all deliveries in books which are supplied to them for each ship.

Gauging is done in the various Bonded Warehouses, of which there are twenty-one. The goods are carried from the pier to the warehouses on unlicensed carts, the carters giving receipts for packages only. When necessary an officer accompanies the goods. We think this imposes too much labour upon the Customs, and risks loss of revenue. The gauging should be done on landing, and before removal. For this purpose, a Gauging Shed should be provided on the wharf. About 10,000 packages are sent into bond per quarter; this is exclusive of 1500 packages entered for transhipment coastwise under bond, and 2500 transhipped from vessel to vessel. No charge is made upon licensed stores for bonding, nor for licenses to act as Customs Agents, which latter are taken by each merchant, who generally authorizes a clerk to act for him. We think that in order to cheapen the cost, and facilitate collection, fees should be charged to the persons convenience by the possession of such privileges, and that on no account portions of premises used as Free Stores should be licensed as Bonding Warehouses.

The legal landing places at each port should be restricted, as the business and conveniences of each will allow, so as to reduce the Customs staff and expenses.

The Collector can draw on the deposit account at the Bank by his own signature : we recommend the counter-signature of another officer.

POST OFFICE DEPARTMENT.

This Department is presided over by a Minister, the Hon. the Postmaster-General, under whose control is the following Staff :—

A Secretary, £600.

An Inspector of Branch Offices, £500, and Dead-Letter Officer.

A Chief Clerk, £285.

Four Mail Agents, £200 each.

Three Clerks, £150, £140, £140.

A Stamp Printer, £250 ; a Lad assisting, £62 12s. ; and

A Messenger, £109 10s.

This Department manages the Sea and Inland Postal Services, prints and issues Postage Stamps, superintends the Money Order business, the Telegraph Department and the Marine Board.

The Secretary has the general control, under the Minister's instructions ; drafts letters and conducts correspondence.

The Inspector of Branch Offices is also Dead-Letter Officer. An inspection has been made this year of the Hokitika, Greymouth, Buller, Nelson, and Picton Offices, occupying fourteen days. The duty done consisted in examining the business of the offices, arranging times of local services, and checking accounts and books.

This officer examines Dead Letters, notifies them by posters, and if unclaimed returns them to writers, if within the Colony, or to Post Offices whence sent, if outside of the Colony.

The Inspector also keeps the stores of the Local Offices, and issues to them. A Clerk, at £150, assists the Inspector in his office duty : keeps a store-book of receipts and issues.

The Chief Clerk, at £285, is in charge, under the Secretary, of the correspondence. Keeps Money Order Accounts for other Colonies and the United Kingdom, which he posts from Postmasters' lists. Makes out warrants of appointments of Postmasters, Stamp Licenses, and *Gazette* Notices. Keeps a Lapsed Money Order Account.

Three Mail Agents are attached to the Panama Service. They sort all mails outwards and inwards on board the ships, and are in charge of the mails.

One Mail Agent is attached to the Melbourne Service ; he sorts the letter portion of all the mails inwards, and of which he is in charge.

A Clerk, at £140, is Record Clerk. 2008 letters received from 1st January to 31st May, 1866. Keeps an Index of these letters. Writes some letters. Keeps a register of reports of errors—388 to 31st May.

A Clerk, at £140, enters outward letters. One copying machine is used in the Office—1264 letters from 1st January to 31st May, 1865 : 750 copied by hand. Makes out Money Order Advice Lists in duplicate. Copies reports on Wrecks. Is sometimes assisted.

The Stamp Printer, at £250, presses from copper plates, on special paper issued to him from the Colonial Secretary's Office, 1000 sheets at a time. The paper is accounted for three or four times a year, on which occasions the spoiled paper is examined and burned by a Board of Survey. The stamps printed from day to day are kept in a fire-proof safe ; about once a week they are handed over to the Chief Clerk in the Treasury, who thereupon gives an acknowledgment to the Chief Clerk in the Colonial Secretary's Office of the number of sheets received, on which the Printer gets an acquittance from the Colonial Secretary's office. All the engraved plates are kept in the Colonial Secretary's Office, except the one being printed from, this being kept in an iron safe in charge of the Printer. A numerical indicator, or "Tell-tale," was procured last year to affix to the printing press ; two attempts were made to adjust it, but as both failed to make an effectual check, this additional apparatus has for a time been abandoned. In the Treasury the stamps are treated as money, and are issued to Postmasters

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on their requisition. The Treasury accounts to the Auditor for the stamps received and issued. The value of stamps printed during the year 1865 was nearly £1000 worth per week. Stamp Printer numbers Money Orders by a machine. Keeps stock of books, which he issues on the requisition of the Secretary ; keeps an account of such issues. Is assisted by a lad, at £62 12s.

Messenger, ordinary duties, at £109 10s.

Amounts of void Money Orders should be paid into the Revenue annually.

We recommend that rank and rate of salary should bear proportion to the business done at each Post Office, and that these points should be determined by the classification proposed in our first Report. We strongly recommend close and frequent inspection of Post Offices. Chief Offices should be inspected at least twice, and Branch Offices once in each year. The cost of efficient inspection by an officer of practical experience will bear a very low proportion to the economy gained in so extended a service, in which the adoption at each office of the best uniform system under the direction of one officer will result in the greatest accuracy and despatch at the lowest cost.

The Inspector should be required to report upon and make arrangements to provide for the extension of the services, and should gain such local information as would enable him to suggest the best terms and conditions upon which to obtain contracts, and he should have if possible a knowledge of the contractors.

There are throughout the Colony 9 Chief Post Offices, 23 Post Offices, and 288 Branch Offices. From 13 offices, seaward mails are despatched and received. The number of officers is 9 Chief Postmasters and 23 Postmasters, with 288 persons who are paid an allowance for discharging the duty of Postmasters at country Branch Offices. The number of Clerks employed is 58, Letter Carriers 19, and Messengers 6. The cost of the whole Staff of the Postal Department is as follows:—

Classified Return of Officers in Post Offices, and their Salaries.

CLASS.	No.	RATE OF SALARY.			CLASS.	No.	RATE OF SALARY.		
		£	s.	d.			£	s.	d.
Chief Postmaster ...	1	550	0	0	Brought forward ...		4,627	7	6
" " ...	3	500	0	0	Clerks— <i>continued.</i>				
" " ...	3	300	0	0	" ...	1	240	0	0
" " ...	2	250	0	0	" ...	1	230	0	0
	9				" ...	2	225	0	0
Postmaster ...	1	300	0	0	" ...	1	210	0	0
" ...	3	250	0	0	" ...	4	200	0	0
" ...	1	225	0	0	" ...	4	180	0	0
" ...	6	200	0	0	" ...	2	175	0	0
" ...	1	175	0	0	" ...	2	165	0	0
" ...	1	165	0	0	" ...	1	160	0	0
" ...	2	150	0	0	" ...	10	150	0	0
" ...	1	80	0	0	" ...	4	140	0	0
" ...	3	75	0	0	" ...	4	130	0	0
" ...	4	50	0	0	" ...	2	125	0	0
	23				" ...	7	120	0	0
Sub-Postmasters ...	5	40	0	0	" ...	3	110	0	0
" ...	5	30	0	0	" ...	3	100	0	0
" ...	7	25	0	0	" ...	2	75	0	0
" ...	40	20	0	0	" ...	1	50	0	0
" ...	2	18	5	0	Shipping Officers ...	1	50	0	0
" ...	1	17	0	0	Letter Carriers ...	2	145	0	0
" ...	15	15	0	0	" ...	5	130	0	0
" ...	23	12	0	0	" ...	1	125	0	0
" ...	75	10	0	0	" ...	2	120	0	0
" ...	8	9	2	6	" ...	3	115	0	0
" ...	27	6	0	0	" ...	2	110	0	0
" ...	51	5	0	0	" ...	3	100	0	0
" ...	29				" ...	1	80	0	0
	288					19			
Clerks ...	1	325	0	0	Messengers ...	1	120	0	0
" ...	1	300	0	0	" ...	3	100	0	0
" ...	1	275	0	0	" ...	2	70	0	0
" ...	1	250	0	0		6			
Carried forward ...		£4627	7	6			£8677	7	6

We suggest that the office of the Postmaster-General, the Wellington Post Office, and the Telegraph Office, should be placed under one roof, so that on occasions of pressure in any of these offices, the staff of the others could afford assistance. If this were accomplished, the offices of Secretary and Chief Postmaster at the seat of Government might be combined.

The constant inspection we have already proposed will materially reduce the business of the Head Office.

The printing of stamps we recommend should be transferred to the Government Printer. The machine used should have an effective "tell tale" attached to it, and no stamps be printed except under the check of the "tell tale." The paper as imported from England should be counted and given in charge to the Colonial Treasurer by a Board of Survey. The Government Printer should make requisitions for the paper as he requires it, and account in stamps to the Colonial Treasurer; thus treating the paper as money. The Colonial Treasurer should issue the stamps to the Postmasters, and account for them to the Auditor as hitherto.

The copper-plates should be in custody of the Postmaster-General, and, issued to the Printer, when they should be locked into the presses so that they could only be used under the check of the "tell tale."

Damaged sheets of stamp paper should be surveyed and destroyed by a Board of Survey. Copies of the Reports of such Boards, and of Boards on paper received, should be sent in every case to the Auditor of Public Accounts.

We think that the examination of Dead Letters should be by at least two persons, both always present; the Examiner of Dead Letters, and a junior officer; the latter to be changed as frequently as possible.

The custody and distribution of the paper, stationery, small stores, and Money Order Books, should be transferred to the Storekeeper already recommended to be attached to the Printing Office.

We suggest that where there is not sufficient competition to reduce the cost for the carriage of Inland Mails to a reasonable sum, the Government should temporarily carry such mails by such means, horse or vehicle, as may be necessary.

In illustration of this we refer to the following lines, some of the particulars of which may be found in the Table of Revenue and Expenditure attached to the Honourable the Postmaster-General's Report for the year 1865:—

Wellington to Wanganui, cost in 1865, £349, is now carried at the greatly increased cost of £1387 per annum. Christchurch to Waitaki, and Christchurch to Hokitika, cost respectively £3500 and £4450 for 1866, whilst the revenues were, for 1865, £998 2s. and £278 respectively (the latter, for six months only). These mails are not of such bulk as to necessitate the employment of a coach.

The very short service of eight miles between Christchurch and Lyttelton costs £1200 per annum, being made up by these sums:—Ordinary Mails twice daily, £600; Seaborne Mails, £300; Express Mails, £300. We think these services should be included under one contract, which need not cost half the sum now paid.

The cost of the following lines is disproportioned to the revenue returned. Northern Dunedin and Waitaki, £1,660—revenue, £698 13s. 2d. for 1865. Waitaki, Oamaru, to Malvern Hills, £450 for one service per week on horseback, yielding a revenue for 1865 of £19 0s. 11d. Waikouaiti to Clyde, £1,950; Clyde to Queenstown, £400; revenue, including both lines, for 1865, £831 7s. 4d. Tokomairiro to Tuapeka, £600; Tuapeka to Clyde, £365; revenue for both lines for 1865, £581 1s. 4d.

All these services are of course necessary, but we think that the cost is excessive in proportion to the service, and so great as to justify the Government in carrying, by its own servants, such mails as local competition by public tender does not provide transport for at reasonable rates, until the terms of the Government are met.

Telegraphic communication not having as yet been extended to Wellington, the business has hitherto been done by the Head of that Department at Christchurch, and the work falling upon the Ministerial Office has been light.

The business occasioned to this office by the Marine Board is almost nominal.

Wellington.

The Staff consists of—

A Chief Postmaster, £500.

A Chief Clerk, £240; and three clerks, £200, £120, and £120.

Two Letter Carriers, £110 and £100.

Messenger, £100.

The Chief Postmaster has the superintendence of all the Branch and country Post Offices throughout the Province of Wellington.

Stores are obtained from the Secretary, and distributed to the Post Offices throughout the Province, and the payment for stamps collected and paid into the revenue.

Small cash collections are also made on unpaid letters and for private boxes.

The Chief Postmaster gives security by bond for £750, and all clerks paid over £150 per annum, and all Money Order Clerks give security. The amount of security required should be proportioned to the amount of money passing through each officer's hands.

Money Order Collections are paid into the Treasury. The times for paying into Bank and the Treasury have lately been regulated since our examination of this office.

The Chief Postmaster keeps for daily use in payment of Money Orders about £40 out of receipts. He keeps a Cash Book, and makes out Monthly Account Current for Treasury. He holds an advance of £40 for gratuities to vessels carrying mails, which is vouched for by receipts of Captains or Pursers, checked against number of letters despatched. Keeps Public Bank Account upon which he can draw by his own signature. Conducts and writes correspondence.

Chief Clerk, £240. Assists generally. In charge of Money Orders, Accounts, and Returns.

A clerk, £200. Assists generally.

A clerk, £120. Keeps record of Registered Letters, and despatches them; assists generally.

A clerk, £120. Assists generally.

Two Letter Carriers, £110 and £100. Make two daily town deliveries and sort letters and papers. Messenger, £100. Is Office Keeper, and assists generally.

Office hours, 9 to 5, and later when required. No payment for overtime.

We have previously suggested the amalgamation of the offices of Chief Postmaster at Wellington, and of Secretary to the Postmaster-General. This will economize, perhaps, the full amount of one salary—£500. We think the duty of superintending the working of this Post Office quite compatible with the due discharge of the office of Secretary, provided the office of the Secretary's department be at the Post Office. The staff of each office could then assist the other as occasion might require.

We think the whole sum of collections should be paid in as received, and that the cash required for constant use should be obtained by an advance for the purpose, in like manner to the advance for gratuities.

We did not find that the cash and books had been inspected; we think this should be periodically done.

We think that the Bank account should not be at the disposal of one officer, but that the counter-signature of a second should be required.

Stores should be obtained from the Storekeeper, instead of the chief office, so as to economize labour in distributing.

A Messenger does not seem necessary—the work should be done by the Letter Carriers.

We think it would be only just to pay overtime for work required to be done overhours, and that the services of all the staff should, as at present, be at the disposal of the Chief Postmaster at any hour of the day or night on due notice.

The amount of remuneration to clerks for overtime should be computed on the number of letters, and the number of mails despatched during the overtime, and certified by Postmaster. This allowance should not extend to Postmasters.

Post Office buildings, we suggest, should be rendered as safe from fire as possible; and that one of the officers should have quarters, and be required to sleep on the premises.

We desire to recommend the introduction of lads, upon their passing the Civil Service examination, into the larger post offices for training in the various duties. This will occasion economy, and provide a trained staff ready for distribution to new offices.

TELEGRAPH DEPARTMENT.

This Department is under the control of the Honourable the Postmaster General, and consists of—

A General Superintendent and Engineer, £500.
 An Electrician, £500.
 A General Manager and Accountant, £300.
 A Mechanician, £200.
 A Foreman of Works, £200.
 Clearing House Officer, £200.
 Clerk, £125 4s.
 Total of Head Office, £2025 4s.

Stations.

Christchurch,—

Telegraphist, £200.
 Second Telegraphist, £150.
 Assistant Telegraphist, £75.
 Three Messengers, £150.
 Lineman, £150.

Nelson,—

Telegraphist, £125.
 Assistant Telegraphist, £75.
 Messenger, £50.
 Lineman, £150.

Picton,—

Telegraphist, £36.
 Messenger, £50.
 Lineman, £150.

Blenheim,—

Telegraphist, £100.
 Messenger, £50.

Kaiapoi,—

Telegraphist, £36.
 Messenger, £50.

Lyttelton,—

Telegraphist, £125.
 Assistant Telegraphist, £50.
 Messenger, £50.

Heathcote,—

Telegraphist, £25.

Timaru,—

Telegraphist, £36.
 Assistant, £75.
 Lineman, £150.

Oamaru,—

Telegraphist, £36.
 Messenger, £50.
 Storeman, £125 4s.

Dunedin,—

Telegraphist, £200.
 Ditto, £150.
 Two Messengers, £100.
 Lineman, £150.

Tokomairiro,—

Telegraphist, £36.
 Assistant ditto, £50.

Invercargill,—

Telegraphist, £150.
 Messenger, £50.
 Lineman, £150.

Bluff,—

Telegraphist, £200.
 Assistant ditto, £50.
 Messenger, £40.

Total £5,670 8s.

As yet no inspection of these local offices has been established. We recommend that the General Superintendent should frequently travel along the lines to keep down the cost of maintenance, as well as inspect the offices. The staff should, be proportioned as closely as possible to the business at each office. The General Superintendent should check the accounts on each visit to an office.

The Accountant should act for the Superintendent during his absence.

We think the Superior Staff too large. It does not appear that an Electrician is needed.

REPORT OF THE CIVIL

We think that the duties of Postmaster and Telegraph Stationmaster should be performed at each station by one officer. At the larger stations clerks in the Post Office might be operators. In this way one building would accommodate both services, and convenience would result to the public.

Such an amalgamation of offices if at present carried out would save £750 in salaries and wages to clerks and messengers, as by the junction of offices a less numerous staff would in some places suffice for the discharge of the combined duties.

All supplies of batteries, acids, wire, insulators, and other material should be had by public contract after sufficient notice; and we suggest that the construction of telegraph lines should also be let by public contract, under the superintendence of the officers of the department, and the Foreman of Works dispensed with.

The office hours for receipt and issue of messages we suggest should be from half past-eight a.m. to eight p.m.

Quarters for an officer should as soon as practicable be provided at each station, and the amount of salary should be proportioned accordingly.

It would be advisable to transfer Telegraphists from time to time from one station to another.

MARINE BOARD.

This Board is established under "The Marine Board Act, 1863." It has control over Coast Lighthouses, Steam Vessels, and other matters relating to Navigation. The Marine Board Amendment Act has not been brought into operation. The Board consists of the President and two Wardens.

President, £400.

Warden and Inspector Steam Vessels, £375, (receives his salary as Admiralty Mail Agent and Inspector of Mail Steam Vessels.)

Ditto, £375, (has been employed in command of Government S.S. "St. Kilda" since December, 1865, but is still nominally attached to the Board.)

Engineer Surveyors (two) at £250 each.

First Light-keeper, Tiri Tiri, £180; Second ditto, £140.

First ditto, Pencarrow Head, £150; Second ditto, £130.

First ditto, Nelson, £180.

First ditto, Mana, £180; Second ditto, £140.

First ditto, Godleyhead, £200; Second ditto, £150.

First ditto, Tairoa's Head, £200; Second ditto, £150.

First ditto, Dog Island, £250; Second ditto, £150; Third ditto, £100.

The Marine Surveyors are stationed at Wellington and Otago, and visit the ports in performance of their duties.

We suggest the desirability of vesting the management of all matters relating to the navigation of the coast in one central authority.

Light Dues and other revenue arising from charges on shipping should be treated as ordinary revenue, and not as a special fund as at present; and expenditure upon Lighthouses or otherwise for the purpose of navigation should be appropriated by the Legislature like all other expenditure.

We recommend that the charges, such as Light Dues, at present fixed by the Marine Board, should be subject to the approval of the Governor in Council.

The amount received for surveying steamers for the year ending the 30th March last, was £485 2s., and for examining masters and engineers, £60 18s.

These collections are made by the Surveying Officers according to a scale of charges, and are paid by them into the Treasury. Upon the declaration of the Surveying Officer, the President of the Marine Board issues certificates. This joint process affords a sufficient means of checking the due payment to the revenue.

SUPPLY OF STORES.

Stores for the Defence Forces, as arms, ammunition, clothing, &c., and for the ordinary service, as stationery, printing machines and materials, paper, parchments, &c., are at present obtained chiefly by order on the Agent for the Colony in London. Purchases are made by that Agent upon order from the Colony, and delivery is taken in London, the Colony undertaking the risk and cost of transit, and being bound to accept the goods.

We propose to substitute a system of supply upon public competition by tender. Sufficient notice should be given of the system to enable contractors in the neighbouring Colonies to compete, and suitable conditions, as to time for delivery and payment, framed for each contract. Adequate security should be taken for the due fulfilment of contracts. A Tender Board, unpaid, should be appointed, to consist of some of the chief officers of the Government, to open and decide upon tenders.

This system will ensure economy in price, suitability of supply, full quantities, and the quality required, whilst it will relieve the Government of the risk of transit, of payment before supply, and leave with the officers of the Government the opportunity of rejection should the supply fail in any requirement of the conditions.

Supplies, of which the Government is a regular consumer, should be (as at present with stationery) obtained upon annual contract (or for a longer term), to furnish as much or little as the Government may require. When calling for tenders upon a list of items fully described, and with samples for as many as possible, the Government should issue, for the information of intending tenderers, an estimate of the probable requirement of each article based upon the past consumption. This estimate should not be binding (as to quantities) upon the Government, but afforded merely as the best guidance for tenderers. The earliest information of any large change in demand should be given the contractors.

This system will prevent the accumulation of stock, and reduce expenditure to actual supplies for immediate consumption. It will also reduce storekeeping and accounting duty.

The Tender Board should be established under regulations providing for its action in calling for and dealing with tenders and contracts for the survey of all goods by Boards before taking delivery and for the supervision of the issue and consumption of supplies.

Stores should be issued to the various offices and stations throughout the Colony, upon half-yearly or quarterly requisitions to be approved by the head of department if for ordinary supplies, but if for special supplies the requisition should be submitted to the Minister having control. Local contracts should be taken for supplies, such as can be most economically had upon the spot.

A Clerk in the Colonial Secretary's Office should act as Secretary to the Tender Board, and keep the records and accounts, &c. We do not recommend the maintenance of stocks of supplies, as we do not think it will be necessary after the system of supply by contract comes into operation.

BONDS FOR FIDELITY.

Security is at present taken by personal bonds upon no regular system, nor is there any settled proportion established between the responsibility and the amount of surety required.

We recommend that it should be part of the Treasury duty to fix the amount and require security from such officers as should give bonds. A Register of bonds should be kept constantly under scrutiny, and for every change in office or duty the necessary alteration of the bond should in each case be required.

We further recommend that surety of a Fidelity Guarantee Society or by the deposit of a freehold security only, should be accepted. The societies do not charge more than can be readily afforded by officers holding positions of trust; the rate of charge diminishes yearly, and Life Insurance can be favorably combined.

To the Government the security is complete, and recovery is simple, without the disagreeable difficulties arising in the enforcement of personal bonds.

The form of bonds should be settled by the Government, with each Society, in the first instance. One form should suffice. The societies should be bound to give timely notice to the Government of the non-payment of any premium, so as to enable the Government to prevent forfeiture of the policy.

We suggest an inquiry into the existing bonds and sureties, and as to the officers who should give security, and the amounts.

MINOR SUBJECTS.

We suggest the use of books in all the offices, ruled and printed, so as to save clerical labor as much as possible, and that uniformity should be adopted for all books for like purposes,—as Letter, Record, Index, Ledger, and Cash Books, &c. This will much facilitate inspection and audit, and economise in the cost of making the books in the Printing Office. The chief saving will be, however, in clerical labor. Uniformity of Printed Forms will also save in printing. One system of references from vouchers to books should be used. Correspondence and copying should be lessened by referring original documents either for report, with instructions, or for consideration. By this means a record of the reference showing shortly the gist of the matter and the minutes to and in reply only need be made in the office referred to. This means of communication should be at the discretion of Heads of Departments, and would save a large amount of letter writing and copying. Copying presses should be used in all offices where there is much correspondence. We would observe that by the term "heads of departments" throughout our Report, we refer exclusively to the officers named in the proposed Schedule A. in the Civil Service Bill.

FEES, FINES, PENALTIES, COMMISSIONS, CHARGES, AND MISCELLANEOUS ALLOWANCES.

We append a Return, supplied upon our requisition, shewing the nature, origin, and disposal of these charges and the officers who receive remuneration therefrom, to which we have added our suggestions or remarks in each case.

Remuneration for services by fees we do not consider desirable upon any ground. By that system a due proportion between labor and payment is not secured; opportunity for overcharging the public or for neglecting fully to account to the Treasury is afforded, whilst audit is rendered very difficult. Considered as a means of lightening the charges upon the ordinary revenue by requiring each person specially served to pay a fee for that service, the imposition of fees is an unobjectionable mode of taxation, if the difficulty in securing the payment to the revenue of the whole amount of these collections can be overcome; but we think that the proceeds should be paid into the public account, and public officers should be paid by salary duly proportioned to the duties and responsibilities of each. It then remains to provide means for securing, as far as possible, such payment of all moneys received for fees to the revenue. We propose with this object to require security for fidelity, and to adopt receipt and other forms used in the collection of fees (as summonses, registration certificates, &c.) as the bases for audit. These forms should be supplied in books, paged and numbered, having butts as in cheque books, and should have the rate printed on each. In cases where the charge varies, the officer issuing a form should enter so much of the particulars in the butt as would indicate the amount of the fee charged. These entries should be examined and certified by the superior Officer of Courts (as Resident Magistrates or Registrars), or wherever there are two officers, then by a second. These butts could then be checked by the Auditor against the revenue paid in. The books should be issued from the Government Printing Office on requisition, and a return of the books and numbers of each description of form issued to all officers should be made to the Auditor by the Printer.

These provisions will afford the best security for the payment to the revenue of all charges of this nature.

We suggest that Court Fees or other charges, paid by lawyers or experienced agents, or persons acquainted with business, may be levied in stamps, attached to the documents, as in some of the Courts in the United Kingdom. Fees for Births, Deaths and Marriages, and of a like kind, cannot be so levied, as the persons paying cannot be expected to have or to obtain stamps.

We found that a custom of giving credit for Court Fees has obtained; this should on no account be permitted to continue.

There are many Acts of Assembly which provide for the charging of fees or fines, &c., and dispose of them for special purposes, in such a manner that neither the Colonial Treasurer nor the Auditor has any knowledge or control of the amount raised, or that the funds are applied to their legitimate use.

We suggest that an application should be made to all officers of the Government or other persons authorized to receive fees, commissions or other allowances, to make a quarterly return to the Treasurer of all sums received, specifying clearly the services for which charged, the authority for charging, and the number of transactions, and that such regulations should be framed as occasion may from time to time suggest, to provide control over every description of charge of this nature upon the public.

Many fees are now set aside by law to officers specified. This, we think, should be altered, by substituting such salary as may be just to each officer now entitled to such fees, and by the enactment of a law providing that all fees, except such as are appropriated to special funds, or to payment of persons, not civil servants, should be revenue, and all collectors of fees be required to pay them into the Public Account.

Registrars of Births, Marriages and Deaths, and others who collect very small amounts, and reside in remote districts, exchange receipts with the Treasury, but the money itself is not transmitted.

Payment should be required by every Registrar or other officer, either by Bank remittance, Post Office Order, Postage Stamps, or the Collector's cheque upon a bank. We do not think any exception should be made.

RETURN of Officers entitled to Fees, specifying those entitled to keep all, and who do not account; those who keep all, and do account; those who keep a limited amount, and if so, the limit, whether they account for all, and how they deal with the money—any regulations touching Fees.

Those entitled to keep all and who do not Account.

1. Registrars and Deputy-Registrars of Supreme Courts are by "The Conveyancing Ordinance Amendment Act, 1860," required to perform certain duties in the sale of Mortgaged Property, for which they receive and retain as remuneration a per centage on the purchase money of 1 per cent. on the first £200, and one-half per cent. on the remainder.

These fees should be revenue; the salary of the Registrars should entitle the Government to the whole of their official time.

2. Registrars and Deputy-Registrars in some cases charge fee for "opening office," £1 1s. This is charged when in case of emergency the Seal of the Supreme Court is required to any document out of office hours.

These fees should be paid into the Public Account, and be repaid to the officer whose services have been required out of office hours.

3. Bailiffs or their men, when in "possession," are by law entitled to receive not more than 8s. per diem. These payments do not appear in any way in the Colonial Treasurer's Accounts. Bailiffs also receive mileage fees (or expenses of travelling beyond a certain distance.) These fees appear on the Schedule of Fees received in the Resident Magistrates' Courts, but being allowed to be paid to the Bailiff by the Resident Magistrate, are deducted from the fees of the Court before they are carried into the Account.

These charges should be paid into the Public Account, and the Bailiff, who is a paid servant, should be repaid only the amount of his expenses, on the certificate of the proper officer of the Court.

4. Officers of Customs are allowed to work overtime for the convenience of ships, and are paid for the overtime by the ship. There appears to have been no general regulation as to these payments, but the rates paid in some places are, per hour—Landing Surveyor, 6s.; Clearing Clerk, Long Room, 3s.; Landing Waiter, 3s.; Tidewaiter and Locker, 2s. Overtime can only be made when sanctioned by the Collector, and the payments are made through the Customs Office.

Upon Customs overtime allowances we have reported under the head of the Customs Department.

5. Officers of Customs acting as Measuring Surveyors are entitled to charge fees.

These fees should be revenue.

6. Revising Officers under "Friendly Societies Act, 1856," are entitled to fees on revising Rules:—For revising Rules, £2 2s.; for revising Rules of a Branch, £1 1s.; for revising alterations, £1 1s. Officers at present are appointed for Auckland, Taranaki, Nelson, Marlborough, Wellington, Canterbury, Otago, and Southland.

7. Revising Officers under "The Building and Land Societies Ordinance," Sess. XI., No. 11, are entitled to a fee of £5 5s. for revising Rules. Officers at present are appointed for Auckland, Taranaki, Wellington, Nelson, Marlborough, Canterbury, Otago, and Southland.

These fees are by way of remuneration for professional services by gentlemen not Civil servants. We think the present arrangement unobjectionable, if the Government is not involved in any responsibility consequent upon the acts of these officers, as we presume is the case.

8. Formerly administrators of intestate estates were allowed to retain certain fees as remuneration, but by "The Intestate Estates Act, 1865," Curators are appointed to be paid by salary, and in addition a commission of such amount as shall be fixed by the Governor in Council, but *all* moneys received by them must be paid to the Treasury, (clause XVII.) For the management of real estates, the Judge, in passing the accounts, shall allow to the Curator 5 per cent. on the gross receipts and expenditure, (clause XXXV.) It does not appear that any account of the fees so paid shall be rendered to the Colonial Treasurer or Auditor, but the Governor in Council has power to make rules and regulations; none yet promulgated.

We recommend that the intended Rules and Regulations should be at once issued. The Regulations should provide for the supervision by a superior officer—say a Judge of the Supreme Court

in each locality—upon whose certificate the curator's commission, if any, should be allowed. The 5 per cent. allowance should be paid into the Public Account as revenue, to cover the expenses of administration. The Regulations should provide for this, and establish a proper mode of accounting. We suggest that no commission should be allowed curators; they should be selected from the paid officers of the Government (say the Registrars of the Supreme Court), and a slight additional salary might be given to them for the increased responsibility thereby imposed. We do not think a Curator necessary for every district. Much of the business must in any case be transacted by the curators' agents, and an extension of this means would permit of a reduction of expenditure.

9. By "The Petty Sessions Act, 1865," clause xv., the Chairman of Petty Sessions is entitled to a fee of £2 2s. for each attendance; and by clause xvi. Justices are entitled to 1s. 6d. per mile for each mile from residence to Court-house for each attendance; by clause xxiv. all fees, fines, and other moneys are to be accounted for as required by the Colonial Treasurer, and after deducting the authorized expenditure the balance is to be paid into the Treasury.

We recommend that all fees of Courts of Petty Sessions should be revenue, and be dealt with accordingly. We think that these allowances should be abolished, and that the attendance should be altogether honorary.

10. By "The Gold Fields Act Amendment Act, 1865," clause xi., Assessors are to be appointed to assist in deciding certain cases in the Courts. These Assessors are to be paid by fees.

11. By "The Leases and Sales of Settled Estates Act, 1865," clause xxix., Judges have power to regulate fees and allowances. No regulations on this subject have yet been promulgated.

We call attention to this as apparently an oversight.

12. By "The Lost Licenses and Leases Act, 1865," Commissioners of Crown Lands of the district may issue a certified copy of such lost lease or license, for which a fee of £5 shall be paid to the Commissioner (whether this fee is revenue of the Colony, or is to be retained by the Commissioner, is not evident on the face of the Act).

These fees should be dealt with as revenue.

13. By "The Maori Fund Investment Act, 1865," clause iv., sections 11 and 12, Trustees may reimburse themselves expenses, and receive an annual remuneration of 5 per cent. on the income.

Regulations should be framed providing for some supervision of management, the rendering of accounts, and for their audit. The 5 per cent. allowance should we think be paid into the Public Account, and the Trustees be repaid on approval of accounts and of management.

A List of the Ordinary Officers who Account for all, but are paid all or part as Salary.

14. "The Law Practitioners Act, 1861," provides that all fees shall be retained in the Supreme Court for the purpose of forming and maintaining a Law Library.

These fees should be paid into a separate fund of the Public Account, under regulations to be framed by the Judges of the Court, as to receipt custody and management by some officers of the Court duly appointed. The fund being public money should be subject to audit by the Auditor of Public Accounts.

15. "The Debtors and Creditors Act, 1862," authorized the formation of the Insolvent Estates Fund, to be administered by the Supreme Court. It is believed that this fund must already have accumulated to a large amount.

We suggest that an account should be taken of this fund, and that it should be audited. The like course should be taken in regard to the per centages levied upon insolvent estates by "The Debtors and Creditors Act, 1865." These funds should be paid into the Treasury to a Special Fund Account.

16. All Fees of the Private Bill Office are appropriated to the formation of a Library for the General Assembly.

We suggest the appointment, by the Assembly, of an officer to take charge of this fund, and that regulations for its management should be framed, and the accounts be audited by the Auditor of Public Accounts.

17. By "The Masters and Apprentices Act, 1865," clause xix., fines for misbehaviour of a master are to be given to some charitable institution in the district, or to the apprentice as compensation for injury.

The officer of the Court should take receipts from the receiver of the fine, or compensation with which to account to the Auditor against the order of the Court levying the fine.

18. "The Public Domains Act Amendment Act, 1865," clause ix., provides that all penalties are to be applied to purposes of the Public Domains Act.

There are also other Acts of Assembly by which special funds are provided for carrying out their provisions.

These monies should be paid to a separate fund of the Public Account, and be applied subject to audit.

19. "The Debtors and Creditors Act Amendment Act, 1865," authorizes the raising of a fund independent of the Act of 1862; but funds raised by the Act of 1865 must be paid into the Treasury, although they are not available for use as Revenue of the Colony.

See remarks to No. 15.

20. "The Native Lands Act, 1865," provides a fund from which salaries of Judges and other expenses of the Act shall be paid, and the balance shall be Territorial Revenue. (The fees under this Act have not so far been equal to a tithe of the expense.)

The Act provides for the payment of all duties, fees, and other moneys into the Public Account, except registration fees, which are collected and paid into the Revenue like other similar fees by the Registrars.

We suggest that the audited accounts of all Special Funds should be published annually with the Auditor's reports or remarks thereon.

21. A charge of £1 is made for each Crown Grant in pursuance of "The Fees on Crown Grants Ordinance, 1846." This charge is by the same Act declared to be revenue.

We think a charge for the custody and risk of safe keeping should be levied after the expiration of three months from the date of publication in the *Gazette* that a Grant was ready for issue on application, it not being the duty of Government to take charge of deeds for safety.

REPORT OF THE CIVIL

Officers who Account, but retain all or a limited amount.

LOCALITY.	OFFICE.	LIMIT OF AMOUNT ALLOWED TO BE RETAINED.			AMOUNTS RETAINED DURING YEAR ENDING 30TH JUNE, 1866.			REMARKS.
		£	s.	d.	£	s.	d.	
Auckland	Sheriff	600	0	0	600	0	0	
Taranaki	Ditto	All			Nil			
Wellington	Ditto	100	0	0	39	18	1	
Wanganui	Ditto	All			Nil			
Wairarapa	Ditto	All			Nil			
Hawke's Bay	Ditto	None			...	...		Salary £50 per annum.
Nelson	Ditto	All			22	8	0	
Marlborough	Ditto	None			...	...		Salary £50 per annum.
Canterbury	Ditto	600	0	0	513	6	0	
Otago	Ditto	200	0	0	200	0	0	
Southland	Ditto	None			...	...
Hokitika	Ditto	All			9	2	6	As a temporary arrangement.
Auckland	Registrar B., M., and D.	100	0	0	100	0	0	
Mongonui	Ditto	100	0	0	5	5	6	
Bay of Islands	Ditto	100	0	0	10	0	6	
Hokianga	Ditto	100	0	0	5	12	6	
Kaipara	Ditto	100	0	0	2	5	0	
Wangarei	Ditto	100	0	0	8	5	0	
Manaiā	Ditto	100	0	0	Nil			
Waipu	Ditto	100	0	0	Nil			
Mangawai	Ditto	100	0	0	3	4	0	
Mangapai	Ditto	100	0	0	1	2	6	
Mahurangi	Ditto	100	0	0	3	7	6	
Drury	Ditto	100	0	0	20	19	0	
Thames	Ditto	100	0	0	Nil			
Raglan	Ditto	100	0	0	Nil			
Alexandra	Ditto	100	0	0	13	2	0	
Cambridge	Ditto	100	0	0	15	1	0	
Hamilton	Ditto	100	0	0	8	8	0	
Tauranga	Ditto	100	0	0	10	7	0	
Turanga	Ditto	100	0	0	4	10	0	
Taranaki	Ditto	100	0	0	69	11	0	
Wellington	Ditto	100	0	0	...	...		£100 guaranteed by Government.
Wanganui	Ditto	100	0	0	58	8	6	
Wairarapa	Ditto	100	0	0	5	5	0	
Greytown	Ditto	100	0	0	Nil			
Napier	Ditto	100	0	0	83	13	0	
Waipukurau	Ditto	100	0	0	6	16	0	
Porangahau	Ditto	100	0	0	2	2	0	
Mohaka	Ditto	100	0	0	3	7	6	
Nelson	Registrar B., M., and D.	100	0	0	105	1	0	
Ditto	Registrar M.	100	0	0	8	12	6	
Motuoka	Registrar B., M., and D.	100	0	0	8	12	6	
Takaka	Ditto	100	0	0	8	1	6	
Aorere	Ditto	100	0	0	1	11	6	
Amuri	Ditto	100	0	0	1	13	0	
Aorere	Ditto	100	0	0	Nil			
Takaka	Ditto	100	0	0	Nil			
Picton	Ditto	100	0	0	36	13	6	
Pelorus	Ditto	100	0	0	0	10	6	
Wairau	Ditto	100	0	0	23	14	6	
Kaikouras	Ditto	100	0	0	8	5	0	
Christchurch	Ditto	150	0	0	...	...		£150 guaranteed by Government.
Hokitika	Ditto	100	0	0	75	0	0	
Rangiora	Ditto	100	0	0	25	7	0	
Ashburton	Ditto	100	0	0	2	8	6	
Timaru	Ditto	100	0	0	43	12	6	
Geraldine	Ditto	100	0	0	16	17	0	
Lyttelton	Ditto	100	0	0	42	5	6	
Oxford	Ditto	100	0	0	3	2	6	
Kaipoi	Ditto	100	0	0	21	19	0	
Mount Grey	Ditto	100	0	0	12	18	6	
Akaroa	Ditto	100	0	0	20	11	6	
Dunedin	Ditto	...			Nil			Salary £300 per annum.
Port Chalmers	Ditto	100	0	0	47	13	0	
Arrow	Ditto	100	0	0	17	5	0	
Oamaru	Ditto	100	0	0	38	17	6	
East Taieri	Ditto	100	0	0	33	3	0	
Waikouaiti	Ditto	100	0	0	19	4	0	
Wakatipu	Ditto	100	0	0	43	19	0	
Warepa	Ditto	100	0	0	24	10	0	
West Taieri	Ditto	100	0	0	2	5	0	
Mount Benger	Ditto	100	0	0	2	16	0	
Manuherikia	Ditto	100	0	0	6	18	6	
Gabriel's	Ditto	100	0	0	65	14	6	
Nokomai	Ditto	100	0	0	Nil			
Dunstan	Ditto	100	0	0	100	0	0	
Blackstone	Ditto	100	0	0	10	3	0	
Hamilton	Ditto	100	0	0	12	11	6	
Waitahuna	Ditto	100	0	0	Nil			

SERVICE COMMISSIONERS.

41 D.—No. 7a.

PLACE.	OFFICE.	LIMIT OF AMOUNT ALLOWED TO BE RETAINED.	AMOUNTS RETAINED DURING YEAR ENDING 30TH JUNE, 1866.	REMARKS.
		£ s. d.	£ s. d.	
North Molyneux ...	Registrar B., M., and D.	100 0 0	1 1 0	
Tokomairiro ...	Ditto ...	100 0 0	36 14 6	
Wanaka ...	Ditto ...	100 0 0	Nil.	
Invercargill ...	Ditto ...	100 0 0	63 4 6	
Riverton ...	Ditto ...	100 0 0	17 13 0	
Campbelltown ...	Ditto ...	100 0 0	4 12 6	
Stewart's Island ...	Ditto ...	100 0 0	Nil.	
Chatham Islands ...	...	100 0 0	8 5 0	
Auckland ...	Registrar-General ...	100 0 0	100 0 0	
Auckland ...	Reg. Joint Stock Compny.	50 0 0	18 19 0	
Taranaki ...	Ditto ...	50 0 0	25 6 0	
Wellington ...	Ditto ...	50 0 0	0 5 0	
Nelson ...	Ditto ...	50 0 0	5 5 0	
Canterbury ...	Ditto ...	50 0 0	7 0 0	
Otago ...	Ditto ...	50 0 0	50 0 0	
Auckland ...	Licensing Officer Arms Act	50 0 0	50 0 0	
Wellington ...	Ditto ...	50 0 0	50 0 0	
Wanganui ...	Ditto ...	50 0 0	26 6 0	
Napier ...	Ditto ...	50 0 0	36 8 0	
Taranaki ...	Ditto ...	50 0 0	50 0 0	
Nelson ...	Ditto ...	50 0 0	50 0 0	
Collingwood ...	Ditto ...	50 0 0	7 8 0	
Lyttelton ...	Ditto ...	50 0 0	50 0 0	
Akaroa ...	Ditto ...	25 0 0	7 19 0	
Timaru ...	Ditto ...	25 0 0	25 0 0	
Hokitika ...	Ditto ...	50 0 0	29 3 4	
Greymouth ...	Ditto ...	25 0 0	32 8 11	
Dunedin ...	Ditto ...	50 0 0	50 0 0	
Oamaru ...	Ditto ...	25 0 0	15 9 0	
Molyneux ...	Ditto ...	25 0 0	7 18 0	
Invercargill ...	Ditto ...	50 0 0	50 0 0	

TRAVELLING ALLOWANCES.

The expenses of Members of the General Assembly to and from the sessions of Parliament are paid in full.

The expenses of officers and other public servants travelling on public business are met by allowances paid, in most cases, under an irregular, incomplete, and unsatisfactory scale, which is not always conformed to. This scale is as under:—

Judges and Members of the Executive,—at sea, passage money and 5s. per diem; on land, £2 2s. per diem and actual travelling outlay.

Government Officers, such as Telegraphic Engineers, Inspectors, &c.—at sea, passage money and 2s. 6d. per diem: on land, actual outlay in horse, coach, carriage, or boat hire, and £1 1s. per diem.

Clerks, 10s. 6d. to 7s. 6d. per diem. Messengers, 7s. 6d. to 4s. 6d.

The regulations lately laid down as to the travelling expenses of officers of Native Department, Native Lands Court, and Compensation Court, authorize the usual travelling allowances, but when the officer remains more than three days at one place the allowance is changed into a lodging allowance at 6s. per diem.

But as this rule has already been waived in the two only instances which have since come under notice, it is presumed to be unworkable. In the instance of Native Assessors travelling on business of the Lands Court, the 6s. was increased to 10s. per diem.; and the 6s. was increased to 15s. per diem, in the case of the Judges of the Compensation Court now sitting at Taranaki.

Justices attending Petty Sessions are entitled to 1s. 6d. per mile for the distance of their residences from Court, and the only other authorized allowances are those mentioned in the Schedule to "The Coroners Act, 1858," of 1s. 6d. per mile one way for Coroners travelling to an inquest. Any other allowances are not in any way determined, but vary according to circumstances and the grade of the officer travelling.

It has always been the principle in rating these allowances that, although it is not supposed that the allowance is to form any emolument to the officer travelling, it should yet be of such an amount as to leave his ordinary official income free.

We recommend the adoption of the following regulations for the rating and application of these allowances. They are designed to include every case, and with the object of economizing expenditure.

Ministers and Judges of the Supreme Court to receive two guineas per diem. Transport by land or sea to be provided by Government, and on sea 5s. per diem.

All other officers to be allowed travelling allowance at the daily rate of 3s. 6d. for every £100 of the salary received by them respectively. No allowance, however, to be less than 7s. 6d. per diem. Transport by land or sea to be provided by Government; and on sea 2s. 6d. to be allowed per diem.

The Government or the officer to have the option, before the travelling commences, to specially

arrange that, instead of receiving an allowance, the actual expenses reasonably incurred by such officer shall be paid by the Government on the production of proper vouchers.

No travelling allowance to be paid unless the officer is absent at night from his usual residence.

No forage allowance to be given or Government horses to be lent to officers in the Civil Service.

When an officer is required to travel on public business not pertaining to his Department, a special allowance should be made to each officer before starting.

Coroner's mileage allowance to remain as at present.

ALLOWANCES FOR REMOVAL OF OFFICERS.

It is also necessary to provide some regulation for reimbursing expenses of removal to officers changed from station to station by the Government. We recommend that the actual travelling expenses for themselves and families should be paid upon the production of vouchers, except when the removal has been occasioned by the conduct of the officer removed, in which case the Minister having control of the Department to which the officer is attached, should decide what allowance, if any, should under the particular circumstances, be granted.

CONCLUDING REMARKS.

Appendix B.

We annex a comparative statement in illustration of the larger savings, amounting altogether to £70,720 17s. per annum, which we anticipate will result when full effect shall have been given to our recommendations. This statement is necessarily conjectural, as we have no precise information as to the exact expenditure, nor have our opportunities permitted us to obtain such an insight into the business of every office and station throughout the Colony, and knowledge of the ability of the officers as would enable us to make definite recommendations.

The greatest economy which we believe will be eventually effected will result from the proper organization of the Civil Service, and from rendering it more attractive to candidates of ability. This result will gradually accrue from the operation of the Act, by the apportionment and classification of the Civil servants in accordance with the services required, the effect of system in appointment, promotion, and discipline, and the ultimate consolidation of the service—presuming that the proposed Bill becomes law, and that it is administered in accordance with the view taken by us in these Reports.

No mere reduction of departmental expenditure will be equivalent to the attainment of that complete organization towards which our labours have been directed.

A service constructed as we propose, consisting of a limited number of officers fixed by the apportionment and classification provided for, will suffice not only for existing requirements, but will be able without additional expense (comparatively) to discharge all the duties of the Public Service for a greatly increased population. The government of a small population must be of disproportionate cost numerically to that of a great population, more especially when, as in New Zealand, the people are sparsely settled over a very extended country, and the ordinary business of Government is divided amongst ten independent services. A large Civil Service affords better opportunities for the advantageous division of duties, discipline, training, and selection of officers,—a larger field for and increased opportunity of preferment, and greater stability than a limited service—and also greatly conduces to economy and efficiency.

The service we have in view will not only be economical in respect of its own cost, but will be so to a much greater extent in the administration of affairs and control of expenditure.

Disorganization is the most costly of all conditions. While it exists, waste of power and waste of money rapidly succeed each other in a vicious circle of reproduction; and the addition of officers only intensifies the demand it cannot satisfy.

Communication over the whole Colony is now sufficiently frequent and regular to permit of the transaction of all administrative business at the Ministerial Offices, and the strict limitation of all local officers to their separate functions, each being held responsible to the head of his department at the Seat of Government, and through that officer to the Minister having control of the department. This system preserves responsibility in all its stages, and fixes it distinctly, leaving to the Minister the final discretion to be exercised through an experienced officer vested with such control over his department as to make him properly responsible for its working.

Such a clearly established gradation of responsibility is the more necessary under the responsible form of Parliamentary Government, the action of which must frequently place in office gentlemen unacquainted with the administration of public affairs, and who must rely to a very great extent upon the officer of the Civil Service they find in charge of any department under their Ministerial control. It should therefore be the object of every Government to establish by regulation and precedent a distinct gradation of duties, and of discretion amongst the Civil Servants, and to bring to a centre, in one officer for each department, the complete responsibility for that department, and to invest him

with sufficient discretionary authority to enable him to discharge that responsibility. Without granting such full discretion no responsibility can arise, and without responsibility there must be weak, expensive, and inefficient administration. We submit that it is better for the public interests that a head of department should occasionally err in the energetic exercise of full discretionary powers, and then be controlled by a Minister, rather than that he should blind the Minister by a mere perfunctory performance of duty sufficient to meet the limited authority and consequently slight responsibility of his office.

In our examination of the present state of the Civil Service of New Zealand, so far as we have been enabled to make it, and in our recommendations in reference thereto we have neither attempted to palliate evils nor to evade difficulties. We have carefully traced the foundations upon which we think the construction of the service should be based, and have suggested improvements in its separate departments.

We do not anticipate from the adoption of any recommendations which we have made instant results of an extensive character. We believe that the effect of a hasty change would be transitory and deceptive and would end in confusion and increased expenditure.

There now remains the duty of classifying the offices and appointment of officers, the establishment of the departments upon the proposed system, and the practical adoption of the recommendations we have thought it our duty to submit.

The beneficial results we anticipate must depend greatly on the manner in which this subsequent action is carried out. The whole machinery for giving effect to the Civil Service Bill if passed might safely be put into operation before the time for preparing the next year's Estimates.

We think that an inspection of every office or station throughout the Colony should be made before apportioning the necessary staff and assigning the officers to the classes.

The question for the consideration of the Government is beset with difficulties; it is not the establishment of a new service, or the theoretical re-arrangement of departments; but it is the practical introduction of right principles and of extensive alterations in a service now in full force, the operation of which cannot be suddenly stayed, and the necessary function of which is continuously to meet from hour to hour the various demands made upon it. The Government has, furthermore, to deal with persons who may have faithfully discharged the duties required of them, and many of whom, after long public service, depend for their livelihood on the permanence of their present employment, and whose interests cannot be disregarded.

We are convinced that continued indifference to the proper organization of the existing service will be most prejudicial to the public interests, and that every year will render that work more complicated and difficult.

We are equally convinced that the practical recognition of general principles, the truth of which has been tested by experience, and the cautious introduction of administrative changes will, by degrees, thoroughly reform the Civil Service, and that the gradual growth of that reform will greatly tend to secure the permanence of its duration.

All which we respectfully submit to Your Excellency.

CHARLES KNIGHT, *Chairman*.
W. GISBORNE,
WILLIAM SEED,
J. M. SPENCE.

Wellington, 25th August, 1866.

APPENDICES.

REPORT OF THE CIVIL

APPENDIX A., referred to in page 27.]

ORDINARY REVENUE ACCOUNT for the

GENERAL RECEIPTS.	£ s. d.	£ s. d.
General Receipts, not distributable as surplus Revenue (<i>here follow particulars</i>)	... ..	2,937 18 2
Local Receipts.		
Local Receipts, subject to "Surplus Revenue Act, 1858"—		
Province of Auckland (<i>here follow particulars</i>)	201,664 15 10	
" Taranaki do. 	17,505 15 10	
" Wellington do. 	66,630 14 2	
" Hawke's Bay do. 	19,637 3 8	
" Nelson do. 	35,827 5 10	
" Marlborough do. 	10,295 8 8	
" Canterbury do. 	113,754 4 0	
" Otago do. 	231,664 1 6	
" Southland do. 	38,803 8 6	
		735,782 16 1
		738,720 14 3

SERVICE COMMISSIONERS.

FINANCIAL YEAR 1864-5, closed on 30th June, 1865.

[APPENDIX A.

GENERAL EXPENDITURE.				£	s.	d.	£	s.	d.	£	s.	d.	
Civil List (<i>here follow particulars</i>)	...	...	...	27,500	0	0						
Permanent Charges—													
Interest and Sinking Fund (<i>here follow particulars</i>)	...			53,004	5	6							
Under Acts of General Assembly (<i>here follow particulars</i>)				55,191	15	8							
Charges under Appropriation Act—													
Executive (<i>here follow particulars</i>)	...	...	...	5,527	0	0						
Legislative do.	...	...	...	7,632	13	5						
Judicial do.	...	...	...	4,050	0	0						
Registration of Land (<i>here follow particulars</i>)	...	...		168	6	11						
„ Deeds, Births, &c. (<i>here follow particulars</i>)				1,079	13	8							
Customs (<i>here follow particulars</i>)	...	...	...	631	10	5						
Postal do.	...	...	...	60,039	9	5						
Militia do.	...	...	...	25,000	0	0						
Miscellaneous Services (<i>here follow particulars</i>)	...	...		15,755	14	3						
Refunds of Revenue (<i>here follow particulars</i>)	...	...		909	13	0						
Total General Expenditure				£256,490	2	3							
The above sum of £256,490 2s. 3d. is charged as follows, according to the provisions of “The Surplus Revenue Act, 1858”—													
General Revenue (being the amount of General Receipts)	...	...	...							2,937	18	2
Province of Auckland	...	...	...	69,494	1	9						
„ Taranaki	...	...	...	6,032	10	0						
„ Wellington	...	...	...	22,961	1	6						
„ Hawke’s Bay	...	...	...	6,767	0	3						
„ Nelson	...	...	...	12,346	3	1						
„ Marlborough	...	...	...	3,547	16	9						
„ Canterbury	...	...	...	39,199	18	6						
„ Otago	...	...	...	79,831	17	7						
„ Southland	...	...	...	13,371	14	8				253,552	4	1
General Expenditure charged Provincially.													
In the Province of Auckland (<i>here follow particulars</i>)	...	...	...	28,954	8	10						
„ Taranaki do.	...	...	...	3,344	0	10						
„ Wellington do.	...	...	...	12,258	17	6						
„ Hawke’s Bay do.	...	...	...	3,693	18	4						
„ Nelson do.	...	...	...	6,843	16	4						
„ Marlborough do.	...	...	...	3,462	19	10						
„ Canterbury do.	...	...	...	23,852	6	10						
„ Otago do.	...	...	...	48,815	18	3						
„ Southland do.	...	...	...	10,228	6	1				141,394	12	10
Surplus Revenues payable to Provinces.													
(According to the provisions of “The Surplus Revenue Act, 1858.”)													
Carried to the credit of the Province of Auckland (see Surplus Revenue Account)				103,216	5	3							
„ Taranaki do.				8,129	3	1							
„ Wellington do.				31,410	15	2							
„ Hawke’s Bay do.				9,236	5	1							
„ Nelson do.				16,637	6	5							
„ Marlborough do.				3,284	12	1							
„ Canterbury do.				50,701	18	8							
„ Otago do.				103,016	5	8							
„ Southland do.				15,203	7	9				340,835	19	2	
											738,720	14	3

[SEE OVER.]

REPORT OF THE CIVIL

APPENDIX A.—(continued.)

ORDINARY REVENUE ACCOUNT for the

RECEIPTS.		£	s.	d.	£	s.	d.
Balance on 30th June, 1863					61,037	8	2
Colonial Revenues.							
Under special Acts and not subject to "The Surplus Revenue Act, 1858"—							
Receipts on account of—							
"Gold Fields Act, 1858"		91	2	0			
"Gold Duty Act, 1858"		39,847	13	5			
"Native Circuit Courts Act,"		106	11	6			
"New Zealand Settlements Act,"		24,392	7	6			
Land Revenue Accounts—							
Province of Auckland (<i>here follow particulars</i>)		8,697	6	3			
" Taranaki do.		45,202	15	1			
" Wellington do.		21,132	15	10			
" Hawke's Bay do.		7,766	9	11			
" Nelson do.		182	2	6			
" Marlborough do.		12,389	12	5			
" Canterbury do.		134,590	8	11			
" Otago do.		86,846	8	3			
Southland do.		13,244	11	8			
					394,490	5	3
Loan of £500,000, 1856, Recovery		20	0	0			
" Loan Act, 1863," amount issued below par. *		1,000,000	0	0			
" Debenture Act, 1864," amount issued at par.		228,828	16	4			
Treasury Bills, " Appropriation Act, 1863 "		23,100	0	0			
Temporary Loans—Loan in aid, Imperial Treasury... ..		4,000	0	0			
Advances on Public Service, accounted for... ..		431,654	0	6			
Miscellaneous Deposits, received		118,439	11	0			
Debentures (1864) in hands of Colonial Treasurer, unissued		2,000	0	0			
Unauthorized Expenditure of former years, included in the charges against the							
Ordinary Revenues of current year		383	18	2			
Funds reserved to meet Appropriations of the year 1864-5		5,314	11	0			
Surplus Revenues to credit of Provinces		341,143	8	3			
Ordinary Revenues of the year 1863-4, held in suspense †		132,659	14	5			
					2,317,543	10	8
* The loss on the sale of these Debentures is shewn as a disbursement on the opposite side.							
† No similar entry will occur in account of future years.							
					2,803,071	13	1

LIABILITIES and CREDITS of the

LIABILITIES.		£	s.	d.
Balance of Votes reserved to meet outstanding claims of former years		48,325	1	7
Balance of Surplus Revenues due to Provinces retained in Colonial Chest		112,378	11	3
Treasury Bills, amounts raised		123,100	0	0
Loan from Imperial Treasury		190,000	0	0
Advances from Bank of New Zealand		428,998	6	8
Balance of Receipts under Special Acts of General Assembly in excess of Disbursements		20,892	12	9
Receipts of the Financial Year 1863-4 in excess of Expenditure on account of the same period *		12,086	15	0
Balance in hands of Receivers of Land Revenue (not available)		4,808	8	2
Balance of Deposits Intestates Estates		19,403	6	9
Unissued Debentures (1864) in hand		2,000	0	0
* No similar entry will occur in accounts of future years.				
		961,993	2	2

FINANCIAL YEAR 1864-5—*continued.*

[APPENDIX A.

DISBURSEMENTS.	£	s.	d.	£	s.	d.
Colonial Revenues.						
Disbursements on account of—						
“Board of Issue Winding up Act”		5	0	0		
“Bay of Islands Settlement Act”	343	17	4			
“Gold Fields Act”		37	10	0		
“Gold Duty Act”	38,286	8	0			
“New Zealand Settlements Act”	208	1	1			
Land Revenue Accounts—						
Province of Auckland (<i>here follow particulars</i>)	8,695	5	5			
Taranaki do.						
Wellington do.	44,438	15	7			
Hawke’s Bay do.	21,953	8	10			
Nelson do.	7,637	4	2			
Marlborough do.	12,488	9	11			
Canterbury do.	134,607	8	11			
Otago do.	86,866	8	3			
Southland do.	12,682	2	5			
					368,249	19 11
Expenditure under authority of Loan Acts—						
Loan of £500,000 (1856) (<i>here follow particulars of Expenditure</i>)	1,261	9	11			
” £150,000 (1860) do.		11	5	8		
” £3,000,000 (1863) do.	861,247	15	3			
Temporary Loans repaid—						
Bank of New Zealand	304,483	6	10			
Advances on account of the Public Service	431,483	0	9			
Miscellaneous Deposits repaid	125,513	12	6			
Unauthorized Expenditure excluded from the Ordinary Revenue Account	126,160	14	7			
Reserved Fund, Payments out of, on account of former years	14,460	18	4			
Surplus Revenues Account: Payments to Provinces, including three-eighths of Customs (<i>here follow particulars</i>)	289,273	6	0			
Expenditure on account of the year 1863-4, held in suspense *	160,805	9	5			
					2,314,700	19 3
Cash Balance on 30th June, 1865	118,120	13	11			
Debentures (1864) unissued	2,000	0	0			
					120,120	13 11
[* No similar entry will occur in accounts of future years.]						
					2,803,071	13 1

COLONIAL TREASURY on 30th JUNE, 1865.

CREDITS.	£	s.	d.
Disbursements under Loan Acts, in excess of moneys raised by Debentures	535,992	9	9
Unauthorized Expenditure (not covered by Grants of the General Assembly)	167,655	16	2
Advances to Provinces on Special Accounts	41,322	8	9
Miscellaneous Advances (outstanding and to be accounted for)	96,901	13	8
Cash Balance as shown in Account of Receipts and Disbursements	120,120	13	10
	961,993	2	2

[SEE OVER.]

APPENDIX A.—(continued.)

PUBLIC DEBTS of the COLONY, the liquidation of which is provided for by SINKING FUNDS.

										£	s.	d.
Old Debentures outstanding ...	...	...	...	...	...	...	...	...	...	316	0	0
Loan of £500,000 (1856) ...	...	...	...	...	...	...	...	...	...	500,000	0	0
„ £150,000 (1860) ...	...	...	...	...	...	...	...	...	...	150,000	0	0
„ 1863 and 1864 ...	...	...	...	...	...	...	...	...	...	1,288,828	16	4
										1,962,244	16	4
Public Debts apportioned as follows—												
Province of Auckland, liable for Interest and Sinking Fund on	...	...	...	...	...	...	...	...	...	90,000	0	0
„ Wellington do.	...	...	...	...	...	...	...	...	...	27,000	0	0
„ Hawke's Bay do.	...	...	...	...	...	...	...	...	...	27,000	0	0
„ Nelson do.	...	...	...	...	...	...	...	...	...	45,000	0	0
„ Canterbury do.	...	...	...	...	...	...	...	...	...	74,000	0	0
„ Otago do.	...	...	...	...	...	...	...	...	...	63,000	0	0
„ Southland do.	...	...	...	...	...	...	...	...	...	18,000	0	0
Colony do.	...	...	...	...	...	...	...	...	...	1,618,244	16	4
										1,962,244	16	4

APPENDIX B.—Referred to in page 42.

COMPARATIVE STATEMENT of certain DEPARTMENTAL EXPENDITURE, and of such SAVINGS as can be probably estimated will be made thereon when full effect has been given to the recommendations made in the Reports of the NEW ZEALAND CIVIL SERVICE COMMISSIONERS.

DEPARTMENT.	ESTIMATED YEARLY PRESENT EXPENDITURE.			ESTIMATED YEARLY SUGGESTED EXPENDITURE.			ESTIMATED YEARLY SAVINGS.			REMARKS.		
	£	s.	d.	£	s.	d.	£	s.	d.			
Colonial Secretary's Office										} This saving will result from the proposed consolidation. Ministers' salaries, of course, are not included.		
Ditto (Judicial Branch)	7,051	0	0	3,940	0	0	3,111	0	0			
Colonial Defence Office ...												
Native Office ...	955	0	0	530	0	0	425	0	0	} See paragraph 39 of First Report.		
Native Lands Court—Office Staff	1,600	0	0	1,000	0	0	600	0	0			
Attorney-General's Department										} This calculation is based on the strength of the force shown in the Estimates for 1866-7, recently laid before the House of Representatives.		
Colonial Forces ...	102,000	0	0	98,000	0	0	4,000	0	0			
Volunteer and Militia Staff ...	7,901	5	0	3,000	0	0	4,901	5	0	} *In this sum provision is made for the "Pioneer."		
Waikato ...	6,300	0	0	*3,200	0	0	3,100	0	0			
Steam Flotilla										} †In this sum provision is made for the "St. Kilda." It should be stated that against the gross sum of £15,156, about £5000 per annum is contributed by the Imperial Government for the hire of the "Gundagai."		
Coastal ...	15,156	0	0	†5,070	0	0	10,086	0	0			
Sub-Treasuries ...	2,205	0	0	nil.			2,205	0	0	} See paragraph 46 of First Report.		
Resident Magistrates ...	17,804	0	0	8,000	0	0	9,804	0	0			
Civil Commissioners ...	2,756	10	0	nil.			2,756	10	0	Do. do. do.		
Native Assessors, Constables, &c.	6,521	10	0	1,000	0	0	5,521	10	0	} We estimate £1000 for fees to Assessors, in addition to similar fees already being paid to them. Native Constables are included in the estimates for Constabulary.		
Registry of Deeds ...	7,834	0	0	6,053	0	0	1,781	0	0			
Inspectors of Bankruptcy ...	3,215	0	0	215	0	0	3,000	0	0	} See paragraph 53 of First Report.		
Electoral Officers ...	1,917	0	0	nil.			1,917	0	0			
Printing Department, increase of Revenue ...							300	0	0	} See paragraph 57 of First Report.		
Printing, and Printing Paper ...	7,000	0	0	4,500	0	0	2,500	0	0			
Printing of Electoral Rolls, and advertising Electoral Claims	4,000	0	0	1,500	0	0	2,500	0	0			
Postal Department—Head Office, and Wellington Post Office...	3,727	2	0	2,914	10	0	812	12	0			
Ditto—Mail Services ...							10,000	0	0	} See "Postal Department" of Second Report. } See concluding paragraphs of "Postal Department" of Second Report.		
Telegraph Department ...	5,670	0	0	4,270	0	0	1,400	0	0			
										203,613	7	0
										143,192	10	0
										£70,720	17	0

NOTE.—The apparent discrepancy in these totals is occasioned by the occurrence of the sums of £300 and £10,000 in the last column only.