

REPORT OF AUDITOR-GENERAL ON IMMIGRATION AND PUBLIC WORKS LOAN ACT ACCOUNT.

MEMORANDUM on the Account of Moneys raised under "Immigration and Public Works Loan Act, 1870," and of the Expenditure thereof, during the Financial Year ended the 30th June, 1872.

THE Immigration and Public Works Account forms part of the Colonial Treasurer's Accounts for the financial year 1871-72.

The latter accounts with the supporting vouchers for the months of May and June, 1872, have not yet been sent to the Audit Office for examination.

A complete and satisfactory audit of the Immigration and Public Works Account cannot be made until the whole of the Treasury Accounts for the year are examined.

As it will probably be some time before the deficient accounts reach the Audit Office, the Auditor considers that he would not be justified in retaining the present account for his final certificate; he therefore returns it to the Treasury with the following general remarks:—

The Immigration and Public Works Account, as rendered, shows sums outstanding to the amount of £35,017 14s. 4d. It is not known what portion of the outstanding accounts belong to Roads in the North Island, and what to Railways in the Middle Island.

The whole of the moneys issued by way of Advances not having been accounted for, the excesses over the votes in Schedule 7 of "The Appropriation Act, 1872," cannot be determined.

In respect of the Departmental Expenses, and the expenditure on account of Surveys, it is provided by the 7th section of "The Immigration and Public Works Act, 1870," that the Governor may cause necessary surveys to be made; and the 93rd section further provides, that the Governor may appoint officers to carry out the Act, and the persons so appointed may be paid for one year such salaries as may be considered proper, and thereafter as the General Assembly shall direct. These provisions were sufficient authority for the expenditure incurred for Surveys and Departmental Expenses for the financial year 1870-71, but not for the year 1871-72. In the latter year the Legislature itself determined in the Seventh Schedule of the Appropriation Act, what departmental expenses should be incurred in carrying out the provisions of the Immigration and Public Works Act.

The Auditor is of opinion that the expenditure for Departmental Services, and for New Offices, in excess of the provision made in Schedule 7 of "The Appropriation Act, 1872," is unauthorized, and that a supplementary vote should be taken for it.

The same rule applies to Railways and Surveys. The Legislature, by the Railway Acts, has determined what works are to be undertaken, and, in doing so, has virtually cancelled the authority given to the Governor in the 7th section of "The Immigration and Public Works Act, 1870."

CHARLES KNIGHT,
Auditor-General,
16th August, 1872.

The Hon. the Colonial Treasurer.