

1876.

NEW ZEALAND.

REPORTS OF THE SELECT COMMITTEE ON PUBLIC ACCOUNTS, SESSION 1876 ;

TOGETHER WITH MINUTES OF PROCEEDINGS AND EVIDENCE, AND APPENDIX.

Reports brought up on 25th October, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

WEDNESDAY, THE 28TH DAY OF JUNE, 1876.

Ordered, That a Select Committee, to consist of fourteen members, be appointed to examine into and report upon questions relating to the Public Accounts; five to be a quorum: and that this Committee be a Parliamentary Committee. The Committee to consist of Hon. Major Atkinson, Mr. Curtis, Mr. Johnston, Mr. Larnach, Mr. Montgomery, Mr. Murray-Aynsley, Mr. Ormond, Mr. Pearce, Mr. Reid, Mr. Reynolds, the Hon. Mr. Stafford, Mr. Stevens, Mr. R. G. Wood, and the Mover.—(*Hon. Sir J. Vogel.*)

FRIDAY, THE 30TH DAY OF JUNE, 1876.

Ordered, That Mr. Reynolds be relieved from serving on the Public Accounts Committee.—(*Hon. Mr. Reynolds.*)
Ordered, That the name of Mr. Macfarlane be added to the Public Accounts Committee.—(*Hon. Sir J. Vogel.*)

TUESDAY, THE 10TH DAY OF OCTOBER, 1876.

Ordered, That the subject of the cost to the colony of the two missions of Sir Julius Vogel to England be referred to the Public Accounts Committee.—(*Hon. Major. Atkinson.*)

THURSDAY, THE 12TH DAY OF OCTOBER, 1876.

Ordered, That the name of Sir G. Grey be added to the Committee on Public Accounts.—(*Hon. Mr. Stafford.*)

FRIDAY, THE 13TH DAY OF OCTOBER, 1876.

Ordered, That the decision of the House of the 21st June last—that Mr. Rees's name be not added to the Committee on Public Accounts—be rescinded; and that the names of the Hon. Mr. Reynolds and Mr. Rees be added to the Committee on Public Accounts.—(*Hon. Mr. Whitaker.*)

REPORT

ON THE SUBJECT OF THE COST TO THE COLONY OF SIR JULIUS VOGEL'S TWO MISSIONS TO ENGLAND.

THE Public Accounts Committee, to whom was referred the subject of the cost to the colony of Sir Julius Vogel's two missions to England, have the honor to report as follows:—

The Committee find that the total expenses of the first mission amounted to £3,163 2s. 6d., as per statement attached, exclusive of Sir Julius Vogel's salary, which amounted to £638 17s. 9d.

The Committee further find that the total expenses of the second mission amounted to £5,640 9s. 7d., exclusive of Sir Julius Vogel's claim for a further sum of £2,750, and also exclusive of Sir Julius Vogel's salary, which amounted to £2,172 16s. 5d., and of the salary of his Secretary, amounting to £534 9s. 6d. That the following statement shows the actual amounts received and claimed by

Sir Julius Vogel for his salary, allowances, and personal expenses during his second mission :—

	£	s.	d.
Salary	2,172	16	5
Travelling Expenses	2,171	8	0
Special Allowance... ..	1,500	0	0
Passages of himself and servant	283	10	0
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	£6,127	14	5
Additional Vote asked for	2,750	0	0
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	£8,877	14	5
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The Committee append, for the information of the House, various accounts which have been furnished to them by the Treasury and the Audit Office, showing the items which form the totals above referred to, and the manner in which they have been charged to the Public Account. (*Vide* Appendix.)

The minutes of the proceedings of the Committee are laid upon the table with this report.

25th October, 1876.

OSWALD CURTIS,
Chairman.

REPORT

RECOMMENDING THE FURNISHING OF A RETURN BY THE COMMISSIONERS OF AUDIT.

THE Public Accounts Committee have the honor to report that they have agreed to the following resolution :—

The Committee recommend that the Commissioners of Audit furnish to Parliament, within ten days after the close of each financial year, a comparative statement showing the amount voted during the previous Session for each item of expenditure, the amount spent, and the saving or over-expenditure (if any) in each case; and further, a statement of the unauthorized expenditure in detail.

25th October, 1876.

OSWALD CURTIS,
Chairman.

MINUTES OF PROCEEDINGS.

THURSDAY, 28TH SEPTEMBER, 1876.

The Committee met pursuant to notice.

PRESENT :

Hon. Major Atkinson, Mr. Curtis, Mr. Johnston, Mr. Larnach, Mr. Macfarlane, Mr. Montgomery,		Mr. Murray-Aynsley, Mr. Reid, Hon. E. W. Stafford, Mr. Stevens, Mr. R. G. Wood.
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Orders of reference read.

Resolved, on motion of the Hon. Major Atkinson, That Mr. Curtis do take the Chair.

Resolved, on motion of Mr. Stevens, That, the Government having consulted the Committee as to the publication of the complete correspondence of the Loan Agents relative to the last sale of bonds, called for by resolution of the House, the Committee are of opinion that the selection for publication should be left entirely to the Government.

The Committee then adjourned.

THURSDAY, 12TH OCTOBER, 1876.

The Committee met pursuant to notice.

PRESENT :

Hon. Major Atkinson, Mr. Johnston, Mr. Macfarlane, Mr. Murray-Aynsley, Mr. Ormond,		Mr. Pearce, Mr. Reid, Hon. E. W. Stafford, Mr. Stevens.
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Mr. Curtis in the Chair.

Minutes of previous meeting read and confirmed.

Order of reference of 10th October read.

Resolved, on motion of Hon. Mr. Stafford, That the Secretary to the Treasury be directed to prepare an account showing the expenditure in detail incurred on account of the two missions to England of Sir Julius Vogel; such account, when prepared, to be submitted to the Commissioners of Audit for confirmation.

The Committee then adjourned.

FRIDAY, 13TH OCTOBER, 1876.

The Committee met pursuant to notice.

PRESENT :

Hon. Major Atkinson, Sir G. Grey, Mr. Larnach, Mr. Macfarlane, Mr. Murray-Aynsley,		Mr. Ormond, Mr. Pearce, Mr. Reid, Mr. Stevens.
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Mr. Curtis in the Chair.

Minutes of previous meeting read and confirmed.

Order of reference of 12th October read.

Mr. Batkin, Secretary to the Treasury, attended and handed in the accounts as requested by resolution of the Committee. (*Vide* Appendix, A, B, and C.)

The Chairman read the accounts produced by Mr. Batkin.

Mr. Batkin gave evidence (*vide* Minutes of Evidence), and produced books of vouchers of the accounts as referred to in the statements handed in by him.

Resolved, on motion of Mr. Ormond, That the Treasury be requested to furnish the Committee with a return showing the cost of all previous missions of Ministers outside the colony.

The Committee then adjourned.

TUESDAY, 17TH OCTOBER, 1876.

The Committee met pursuant to notice.

PRESENT :

Hon. Major Atkinson,
Sir G. Grey,
Mr. Johnston,
Mr. Pearce,
Mr. Rees,

Mr. Reid,
Hon. E. W. Stafford,
Mr. Stevens,
Hon. W. H. Reynolds.

Mr. Curtis in the Chair.

Minutes of previous meeting read and confirmed.

Mr. Batkin attended and produced the return requested by resolution of last meeting. (*Vide* Appendix, D, E, and F.)

Mr. Batkin gave evidence (*vide* Minutes of Evidence) explanatory of the returns furnished.

Sir G. Grey moved, That the Treasury be requested to supply the Committee with an account in detail of the expenditure comprised in the sum of £551 14s. 6d., under the head of Telegrams, Official Rooms, &c., in the statement of expenses attending the first mission of Sir Julius Vogel to England.

After some deliberation, Sir G. Grey withdrew the motion.

Resolved, on the motion of Sir G. Grey, That there be added to the statements of the expenses incurred by Sir Julius Vogel, a memorandum showing the amount of salary accruing to him during the time over which the missions extended; and that the same addition be made in the case of Mr. Fitzherbert.

The Committee then adjourned.

WEDNESDAY, 18TH OCTOBER, 1876.

The Committee met pursuant to adjournment.

PRESENT :

Hon. Major Atkinson,
Sir G. Grey,
Mr. Johnston,
Mr. Larnach,
Mr. Montgomery,
Mr. Ormond,

Mr. Pearce,
Mr. Rees,
Mr. Reid,
Hon. W. H. Reynolds,
Hon. E. W. Stafford,
Mr. Stevens.

Mr. Curtis in the Chair.

Minutes of previous meeting read and confirmed.

The Chairman read a memorandum from Sir Julius Vogel explanatory of the extra expenses incurred by him during his two missions to England. (*Vide* Appendix, G and L.)

Mr. Batkin attended and handed in statements as requested by resolution of the Committee of yesterday. (*Vide* Appendix, H, I, and J.)

Sir Julius Vogel gave evidence in further explanation of the memorandum read by the Chairman. (*Vide* Minutes of Evidence.)

Mr. Batkin gave further evidence. (*Vide* Minutes of Evidence.)

Resolved, That Mr. FitzGerald, Commissioner of Audit, be requested to attend the Committee to-morrow, at 11 o'clock a.m., for the purpose of explanation of the accounts.

The Committee then adjourned.

THURSDAY, 19TH OCTOBER, 1876.

The Committee met pursuant to adjournment.

PRESENT :

Hon. Major Atkinson,
Sir G. Grey,
Mr. Johnston,
Mr. Larnach,
Mr. Ormond,
Mr. Pearce,

Mr. Rees,
Mr. Reid,
Hon. W. H. Reynolds,
Hon. E. W. Stafford,
Mr. Stevens.

Mr. Curtis in the Chair.

Minutes of last meeting read and confirmed.

Mr. FitzGerald attended in accordance with the request of the Committee, and gave evidence. (*Vide* Minutes of Evidence.)

The Hon. Mr. Reynolds moved, That the Committee recommend that provision be made for the payment of the sum of £2,750, claimed by Sir Julius Vogel as a portion of the expenses incurred by him in his late mission to England.

Sir G. Grey moved the following amendment:—That no accounts whatever have been produced in support of the claim of Sir Julius Vogel for £2,750; and the Committee are of opinion that it would be most objectionable to pay public moneys to any person until the necessary vouchers have been furnished.

Resolved, on motion of Mr. Reid, That the question be not now put.

Resolved, on motion of Mr. Stevens, That the Committee find that the total expenses of the first mission amounted to £3,163 2s. 6d. as per statement attached (*vide* Appendix A), exclusive of Sir Julius Vogel's salary, which amounted to £638 17s. 9d. (*Vide* Appendix I.)

Resolved, on motion of Mr. Johnston, That Mr. FitzGerald be requested to furnish the Committee with the account of the expenses of Sir Julius Vogel's second mission to England, classified as follows:—

1. Items authorized by law.
2. Items authorized by usage.
3. Items unauthorized.

The Committee then adjourned.

MONDAY, 23RD OCTOBER, 1876.

The Committee met pursuant to adjournment.

PRESENT :

Hon. Major Atkinson,
Sir G. Grey,
Mr. Larnach,
Mr. Montgomery,
Mr. Pearce,

Mr. Rees,
Mr. Reid,
Hon. W. H. Reynolds,
Hon. E. W. Stafford,
Mr. Stevens.

Mr. Curtis in the Chair.

Minutes of last meeting read and confirmed.

Mr. FitzGerald was present and made sundry explanations on evidence given at last meeting of the Committee. He also gave further evidence (*vide* Minutes of Evidence), and promised to have the return asked for at last meeting placed before the Committee to-morrow.

The Committee then adjourned.

TUESDAY, 24TH OCTOBER, 1876.

The Committee met pursuant to adjournment.

PRESENT :

Hon. Major Atkinson,
Sir G. Grey,
Mr. Johnston,
Mr. Larnach,
Mr. Montgomery,
Mr. Pearce,

Mr. Rees,
Mr. Reid,
Hon. W. H. Reynolds,
Hon. E. W. Stafford,
Mr. Stevens.

Mr. Curtis in the Chair.

Minutes of preceding meeting read and confirmed.

The Chairman read telegram from Sir Julius Vogel, apologizing for not returning notes of evidence given by him before the Committee, and stating that same would be transmitted by next post.

The Chairman also read memorandum from the Commissioners of Audit, and statement of accounts, as requested, enclosed therewith. (*Vide* Appendix K.)

The following Resolution, moved by Mr. Montgomery, was unanimously agreed to:—

The Committee find that the total expenses of the second mission amounted to £5,640 9s. 7d., (*vide* Appendix B), exclusive of Sir Julius Vogel's claim for a further sum of £2,750, and also exclusive of Sir Julius Vogel's salary, which amounted to £2,172 16s. 5d. (*vide* Appendix J), and of the salary of his Secretary, amounting to £534 9s. 6d.

Resolved, on the motion of Mr. Stevens, That the following statement, showing the actual amounts received and claimed by Sir Julius Vogel, for his salary, allowances, and personal expenses during his second mission, be entered on the minutes and form part of the report of the Committee, viz.,—

	£	s.	d.
Salary	2,172	16	5
Travelling allowance	2,171	8	0
Special allowance	1,500	0	0
Passages of himself and servant	283	10	0
	£6127	14	5
Additional vote asked for	2,750	0	0
	£8,877	14	5

Mr. Stevens moved, That whilst the Committee consider that adequate allowances should be accorded to any Minister visiting England on the business of the colony, it is of opinion that the claim of £2,750, in addition to the sums already paid to Sir Julius Vogel, is unreasonable, and should not be granted.

The Hon. Major Atkinson moved, That this question be not put; and, the motion of the Hon. Major Atkinson being put, the Committee divided.

Ayes, 7.

Hon. Major Atkinson,
Mr. Johnston,
Mr. Larnach,
Mr. Pearce,
Mr. Reid,
Hon. W. H. Reynolds,
Hon. E. W. Stafford.

Noes, 4.

Sir G. Grey,
Mr. Montgomery,
Mr. Rees,
Mr. Stevens.

Resolved, That the resolution moved by Mr. Stevens be not put.

Resolved, on the motion of Mr. Rees, That the Chairman report the resolutions arrived at to the House, appending the statements therein referred to.

The Committee then adjourned.

WEDNESDAY, 25TH OCTOBER, 1876.

The Committee met pursuant to adjournment.

PRESENT :

Sir G. Grey,
Mr. Johnston,
Mr. Larnach,
Mr. Montgomery,

Mr. Pearce,
Mr. Rees,
Hon. W. H. Reynolds,
Mr. Stevens.

Mr. Curtis in the chair.

Minutes of previous meeting read and confirmed.

The Chairman submitted a draft report containing the resolutions of the Committee in reference to Sir Julius Vogel's mission to England.

Report agreed to.

Resolved, on motion of Mr. Stevens, That the Chairman be requested to call a meeting of the Committee within the first week of the next session of Parliament to inquire into the operation of the present system of audit and control, and the manner in which unauthorized expenditure can take place.

Mr. Montgomery moved the following resolution, which was agreed to unanimously :—The Committee recommend that the Commissioners of Audit furnish to Parliament, within ten days after the close of each financial year, a comparative statement showing the amount voted during the previous Session for each item of expenditure, the amount spent, and the saving or over-expenditure (if any) in each case; and further, a statement of the unauthorized expenditure in detail.

Resolved, on the motion of Mr. Stevens, That the proceedings of the Committee and minutes of evidence be printed with the Committee's report.

OSWALD CURTIS,
Chairman.

MINUTES OF EVIDENCE.

FRIDAY, 13TH OCTOBER, 1876.

Mr. C. T. BATKIN, Secretary to the Treasury, examined.

Witness handed in accounts (*vide* Appendix, A, B, and C), and also produced books of vouchers.

1. *The Chairman.*] This account you produce of the expenses of Sir Julius Vogel's first mission to England, does it contain every item of the expenditure which made up the total cost to the colony? The amount mentioned is £3,163 2s. 6d.; does that include every expense?—It does, to the best of my knowledge and belief.

2. Were no other payments made or other expenditure incurred, either directly or indirectly, in respect to that mission?—None, except the salary of Sir Julius Vogel, and salaries are not included.

3. Does this other account for £5,640 9s. 7d. represent all the expenses incurred on his second mission to England?—Yes, it does.

4. The account includes travelling allowances at the rate of four guineas a day. Is that in accordance with any Act of the General Assembly?—No, it is not.

5. Can you tell the Committee on what authority it is made?—The Civil Service Regulations empower the Government to make special allowances in special cases.

6. Does not an Act of the General Assembly make a specific allowance for travelling expenses for Ministers?—There is a specific travelling allowance.

7. *Hon. Major Atkinson.*] Within the colony?—Yes.

8. Is there any specified allowance for travelling expenses outside the colony?—No.

9. Are you aware whether this allowance of four guineas per day to Ministers, when travelling outside the colony, has been the practice for any considerable length of time. Do you know whether it was the allowance originally?—I do not know anything about what it was originally, but it has been the practice for a considerable time to give allowances at the same rate. The same allowance was made to Mr. Fitzherbert, and I think to Sir Dillon Bell and to Dr. Featherston, when they went Home.

10. As regards the special allowance, that is a matter of arrangement between Ministers as a body and the Minister who undertakes a special mission?—It is.

11. In reference to the item of £550, telegrams, stationery, &c., is it understood that that item includes charges which must be paid in addition to the sum of four guineas a day, and in addition to the special allowance which might be made? Are the charges which make up such an item considered outside of those provided for by the four guineas a day and special allowance?—I think so. Those are expenses incurred in executing public business in London.

12. *Sir G. Grey.*] I should like to know what the items of that £550 are?—The items are shown by the vouchers here on the table.

13. *Mr. Larnach.*] Is the allowance of four guineas a day the maximum allowance?—There is no maximum allowance fixed.

14. Supposing, then, ten guineas a day was charged, would that be allowed?—I suppose so, if covered by Ministerial authority; but the Auditors might consider it within their province to express an opinion as to the allowance being excessive.

15. *Mr. Stevens.*] Where Ministers travel to Australia on different missions, as has been done several times of late years, do they then receive an allowance of four guineas a day?—I cannot, without reference, say whether two guineas or four guineas are paid.

16. *Mr. Larnach.*] I observe a large item in this last account for miscellaneous and incidental expenses. What are the items of that?—Various items. Boat hire, Onehunga; telegram, despatch box, telegram, Auckland Almanac, exchange, luggage to steamer, cabs and luggage, steward's fees; Honolulu—luggage transfer, papers, steward's fee; San Francisco—busses and cars, exchange on New York, official room, carriages, luggage, telegrams, luggage to Chicago, cabs, official room, despatch box, railway ticket to New York, extra luggage; fare New York to Liverpool, official room, steward's fees, fare to London, excess luggage, busses, Postal and Parliamentary Guide, &c., paper fasteners, postages &c. for two or three pages.

17. *The Chairman.*] Are hotel bills charged in excess of the four guineas a day?—Yes, partly, but not wholly. There are official and private expenses.

18. How do they come to be charged thus; on what principle?—I do not know that I can answer that question. They were so charged by direction of Sir Julius Vogel. I presume the additional charges were those incurred in connection with official work, and were not personal private expenses.

19. *Mr. Larnach.*] I presume the Commissioners of Audit go into these things, and would not have passed the accounts unless they were correct?—Yes.

20. *The Chairman.*] I see by these hotel bills that the items are classified. Thus, there is one bill here for £13 5s. 11d.; and upon it is a memorandum, "Official, £9 4s. 11d.; private, £3 17s." Can you tell what items are charged under the head "Official"?—From an examination of these accounts, I perceive the official charges are those for rent of official rooms, for newspapers, stationery, &c.

21. If a Minister sent in an unreasonably large account, would the Commissioners allow it?—They would put a minute upon it calling for an explanation; and if this were not satisfactory, they would remonstrate against it.

22. *Mr. Larnach.*] Have they ever had occasion to remonstrate upon any similar account presented?—I do not remember any case in which they have remonstrated on account of excessive charges.

23. *The Chairman.*] In this statement of Sir Julius Vogel's advance account, from 1871 to 1876, I see that on the 10th September, 1874, there was an advance to him of £1,500; and on the 15th December, in the same year, there was another advance of £500—in all, £2,000. Of this sum, only £345 appears to have been expended, for the remainder £1,655 was refunded in two sums—£780 on the 19th June, 1875; and £875 on the 26th June. Can you explain why so large an advance should have been made, when, apparently, there was no necessity for it?—When an officer returns to the colony a settlement is made, as between his advance and the salary and allowances that have become due. Any salary due is stopped, if necessary, and treated as a refund.

24. *Hon. Major Atkinson.*] Money is not actually refunded, but he is credited with anything due to him?—Yes; it is merely a transfer from one account to another.

25. *Sir G. Grey.*] On what principle are advances made?—Advances are made by direction of Ministers. The Minister requiring an advance makes a requisition for it, and it is made on being approved by another responsible Minister.

26. *Mr. Stevens.*] During the course of these transactions with Sir Julius Vogel, what has been the maximum advance at any one time? Suppose his mission had unfortunately abruptly terminated, what would have been the position of the colony in regard to his advances?—That is a question I could not possibly answer, until I had gone fully into the account and made various calculations. I think the greatest advance was about the 19th October, 1875. It then reached £3,200.

27. *Mr. Pearce.*] The allowance of four guineas a day, has that been the usual allowance, and has it been usual for Ministers to send in accounts for the supplementary charges for official expenses?—Yes.

28. There is nothing unusual in such a charge?—No; it has always been paid.

29. *Sir G. Grey.*] When Mr. Reader Wood went Home, was he allowed four guineas a day?—I do not know.

30. Can you ascertain?—Yes.

31. When Mr. Gillies went to Melbourne, did he receive four guineas a day?—I cannot remember.

32. You can ascertain that for us also?—Yes.

TUESDAY, 17TH OCTOBER, 1876.

Mr. C. T. BATKIN, Secretary to the Treasury, further examined.

Witness handed in statements. (*Vide* Appendix, D, E, and F.)

33. *The Chairman.*] You put in these two papers as being correct statements of the expenses

attending the mission of the Hon. Mr. Fitzherbert to England in 1867 and 1869, and also those of Dr. Featherston and Mr. Bell to England in 1869 and 1871?—Yes.

The Chairman read the statements produced.

34. *Hon. Mr. Stafford.*] Mr. Batkin, do you not consider that these latter items are items that would necessarily have been incurred under the Consolidation scheme, whether a Minister had been sent Home from New Zealand to effect that consolidation or not?—These are expenses which would certainly have been incurred by any agent sent Home for the purpose of consolidating the loan.

35. Or if no agent had been sent Home at all, and the Government had instructed some person in London to act?—Yes; I think they would have been incurred.

36. Are similar items shown in reference to the raising of the Four Million Loan by Sir Julius Vogel on his last mission, in the return which the Treasury has prepared of the cost of his mission?—Some of the items; for instance, rent, stationery, and office furniture.

37. I see that, in this return of the expenses attending the mission of Mr. Fitzherbert, you have put down as special allowance the sum of £3,000. Was that not a special vote which the House came to after Mr. Fitzherbert's return?—It was.

38. And not pursuant to any arrangement made with Mr. Fitzherbert prior to his leaving New Zealand?—I am not aware whether any special arrangement was made on the subject prior to his leaving New Zealand or not.

39. *Mr. Johnston.*] In point of fact, according to this return, the only expenses, as far as is known to the Treasury, authorized by Ministers to Mr. Fitzherbert, are travelling allowances of four guineas a day, passage money to and fro, and certain clerical assistance?—Yes; I think so.

40. *Sir G. Grey.*] Mr. Batkin, why was this £3,000 entered as a special allowance here?—Because it was a special allowance made by the House.

41. Was it not a grant of a sum of money for services performed?—Yes.

42. *Mr. Johnston.*] Do these accounts of Sir Julius Vogel's include a claim preferred by him to the Government for a further sum of £2,750? I think the amount is, but am not certain, on account of his expenses at Home?—These accounts include only the sums actually paid.

43. In a letter from Sir Julius Vogel to Dr. Pollen, in which he puts forward his claim for this sum, I think he says in the letter that he includes the accounts to show how just his claim is. Are these accounts in the Treasury?—I have not seen any copy of the accounts Sir Julius Vogel includes in that letter.

44. The total amount of special allowance claimed is £4,250, from what I gather from the papers?—I think that is it. I know Sir Julius Vogel makes a further claim.

45. The accounts for the £2,750 are not in the Treasury?—No.

46. *Sir G. Grey.*] I will begin my question by reading extracts from two letters of Sir Julius Vogel. The first extract is this:—"I have therefore to ask Ministers, in addition to the special allowance of £1,500, to ask Parliament to authorize a further sum of £2,500, making in all a special allowance of £4,000. I do not pretend to say that I have been economical. I lived in what I considered to be a reasonable manner; and, much as I would like to make the colony a present of my services, I do not feel at liberty to do more than allow my salary to go in reduction of the cost to which I was subjected." And then he says, on the 31st of March, "A special allowance of £4,250—that is, £2,750 in excess of the amount already authorized by Cabinet—will be necessary to place me in the position described in that letter, instead of the £4,000 therein mentioned." Have any accounts been produced to the Treasury to show that Sir Julius Vogel really had been subjected to this cost?—No. The Treasury has no accounts of Sir Julius Vogel's private expenses.

47. *Mr. Rees.*] There is a statement here—"Advance account, item: October 19th, 1875, £3,200." Is that an advance drawn by Sir Julius Vogel?—Yes.

48. On or about October 19, 1875?—Yes.*

49. Can you tell us whether, at that date, according to the scale of allowance, travelling expenses and salary to Sir Julius Vogel, and special allowance of £1,500, there was anything due to Sir Julius Vogel when he got that advance?—I could not say positively.

50. Could you give me any idea at all?—I should think a considerable portion of that was due. I could not say positively without making up the salaries of Sir Julius Vogel to date, and the expenses he was put to in England to that date, and the disbursements he made. It would require a very critical examination to determine the exact position he stood in at that date.

51. *Sir G. Grey.*] Dr. Pollen, in his letter of the 14th February, says, "Accordingly, as you now inform us that a further sum of £2,500 (making in all £4,000) is necessary to defray the cost to which you were subjected, we propose that an appropriation of that amount shall be asked for in the next Session. We will be happy to cause your letter to be laid before Parliament." The question I put on that is this: Were any accounts produced to the Treasury to show that he had incurred that cost, before Dr. Pollen wrote this letter?—None.

* NOTE.—The advance of £3,200 was made by the Agent-General on the 31st May, 1875. It was brought to account in the Treasury books in October, 1875.—C. T. BATKIN.

WEDNESDAY, 18TH OCTOBER, 1876.

The Hon. Sir JULIUS VOGEL examined.

52. *Mr. Rees.*] When did you start on the first mission in 1871?—I cannot tell you the exact date—somewhere about the end of December.

53. Under what legal authority were these advances made?—It was the custom which prevailed, and other Ministers who went on missions got advances.

54. I see that on December 31, 1871, there is a transfer to the credit of your special fund account of £2,800?—Yes. Mr. Batkin could give you absolute information on the subject of this transfer. The transfer was by way of settlement after I returned.

55. Under what authority, Sir Julius Vogel, were advances made to you in London?—Advances were made in just the same way as it had been customary to make them, as far as I know, not only to Ministers, but to officers of the Government travelling on public business. The advance in London was done by request to the Agent-General, in a letter which you see published.

56. Might I ask you, Sir Julius Vogel, whether you have any accounts as to the expenses—either the total amount of your expenses while on the voyage, or the amount of expenses beyond the allowance of four guineas a day?—When I came back, I estimated, by the cheques which I had drawn on private account, and the money I had to pay when I came back; the latter sum amounted to £2,518 more than my Ministerial salary and special and travelling allowances. I very carefully estimated it, and found that, over and above my salary at the time I wrote to Dr. Pollen, I was £400 out of my private means in excess of my salary and special allowance, supposing that the £2,750 was paid to me. That £2,750 includes the amount of interest which I had to pay to meet that £2,518 which I was over-drawn beyond the advances made for allowances and salary. Of course, when I put my salary in, I include the expenses of my family. Doctors cost me a great deal of money.

57. May I ask you whether you considered that, after you started upon the second mission to England, you had a right—of course, I mean either legal or equitable—to draw to the full extent of the £1,500 special allowance?—Yes. At any time I considered I had a right to draw. I looked at it in this way: Supposing I had ceased to be a Minister, I should have been invested with the character of “absent on public duty,” and entitled to full pay.

58. When had you a right to receive the £1,500?—Whenever it was convenient to me.

59. At any time during the mission?—At any time I thought proper. My salary, after the end of December, ceased to be paid in the colony.

60. Then, what limit was there, when you went away in September, to your power to draw? You drew £1,500; was that on your own authority?—I fancy it was on Ministerial authority.

61. Do you know whether the Cabinet agreed to your taking the advance?—I know it was agreed by Ministers that I should draw it. I presume it was minuted on the paper making the advance.

62. What limit was there to your power to draw?—I had no power to draw a cheque myself at all. Before leaving New Zealand, the Cabinet asked me what I thought it would be convenient to draw, and it was agreed that I should draw £1,500.

63. *Hon. Mr. Stafford.*] From the way in which the last question or two have been put, it would appear as if any Minister could go to the Treasury and get money, but, as a matter of fact, cheques are only signed by the Colonial Treasurer. No Minister can go and draw money on his own authority. It has to go through the ordinary departmental and audit offices, and nobody but the Colonial Treasurer can give authority to draw money?—It appears to me that if such a large sum were asked for, the Auditors would ask whether it should be charged to any particular vote. If there was no particular vote to take it from, it would be unauthorized expenditure, bearing the signature of Ministers, and passed through all the machinery that any other payment to be made would pass through. The Colonial Treasurer never signs cheques. He can only authorize payments in a legal manner.

64. *Mr. Rees.*] When you received part payment in advance in London, under what authority did you obtain that? Did you draw it yourself?—No. I wrote to the Agent-General, when at Home, before I wrote to the Crown Agents, to know if they would grant me the money.

65. Then, when you drew the £3,200 on your own account, you considered you had a right to credit yourself with the full £1,500 special allowance?—Yes. At the time I left it was supposed I would be back in June.

66. Then the only evidence that you have in relation to your total expenditure is the estimate you have spoken of as having been made by yourself?—It is certainly the only available evidence. I had the blocks of the cheques which I had drawn. I do not know whether I have destroyed them or not. I kept no private account. It was from the cheque-book blocks that I got general information, which enabled me to make the estimate. I may say that my journey to the German baths, and detention by ill-health on my way home, were very expensive.

67. *The Chairman.*] When the special allowance of £1,500 was decided on before your leaving New Zealand, had that any reference to the length of time you would probably be absent; or was it considered to be the sum to be paid, whatever time your journey might take? Was there any calculation at the time as to how long your mission would probably occupy?—My recollection of the matter is, that I said to the Cabinet “that I thought £1,500 would be necessary, and it might be more” and it was agreed to fix that amount. The Cabinet gave me to understand that if it exceeded that sum, they would consider the matter favourably.

68. Can you tell the Committee how long you expected to be absent at the time that allowance was made?—I hoped to be back again before June.

69. And the time of your return was February, 1876?—Yes.

70. Then you were absent about eight months longer than you expected, at the time of your departure?—Fully that. I expected to be back in good time to prepare for the Session.

71. That absence, I presume, was owing partly to illness. Was it also owing to other matters of public business occupying your time longer than you expected, when you left New Zealand?—I was told by the doctors that my life was at stake, if I ventured home. I was not only told that by Sir W. Gull, but by others, to whom Dr. Gull had said the same thing.

72. When did you consider that the work on which you went Home was to all practical intents completed?—At the end of June. I had then practically wound up everything connected with my mission. I had gone through all the Immigration Regulations, and the Cable and Loan negotiations were at an end; but after I returned to England, my attention was directed to the arrangements with the Bank of England, which occupied my time until I left England. That was no part of my mission. I may be allowed to say that when the Government found I was not coming back, they sent Home instructions about my negotiating the balance of the debentures.

73. *Mr. Stevens.*] As regards the last mission, do these four items represent the total of your personal expenses on that mission :—1. Salary ; 2. Special allowance, £1,500 ; 3. Ordinary allowance, at £4 4s. per day ; 4. Additional claim, £2,750 ?—The cost of my passage has to be added.

74. I mean payments to yourself altogether ?—The payments to myself are represented by the first three of these items. The last one is not paid me yet.

75. That is your claim ?—Yes. When I went Home, I was to receive £1,750 salary ; but when the change of Government took place it was reduced to £1,250.

76. In looking over the accounts the other day, the Committee saw a certain number of items amongst the vouchers which led to the belief that some current expenses on the way, in England, and elsewhere, had been charged to the colony ; for instance, one item is the passage money for a servant of yours ?—I will explain that to you. I found it necessary to take a servant Home with me. When I left here, the state of my health was such that I found it necessary to take a messenger with me to Sydney. From Victoria I took a Japanese boy, my own servant, to attend on me, and I charged his passage. Before doing so, I wrote to Sir Donald McLean, who had taken a servant to Sydney, asking him if he had charged for the servant's passage, and he replied that he had. I considered myself justified in making the charge, considering the state of my health. I think that expense was charged to England, not out again. He attended entirely on me.

77. The Committee also noticed some items of hotel expenditure divided into two classes—private and official ?—That was in my first mission, probably for the rent of official rooms at the Charing Cross Hotel, where I believe I had the same rooms as Dr. Featherston and Mr. Bell had.

78. *Mr. Rees.*] Did you defray the expenses of Mr. E. Fox out of the moneys you received ?—No.

79. Nor are they included in the £2,750 ?—No ; they are separate.

80. *Mr. Larnach.*] What, in your opinion, were the four guineas to cover ? What, in your opinion, were the four guineas a day travelling expenses intended to cover ?—My own opinion is that this amount of travelling allowance had grown up out of an allowance made on a former occasion, and that it was meant to cover the extra expenses of the mission. The statutable allowance is two guineas a day. It was a means to save Ministers from loss ; the intention was to defray their expenditure. That expenditure depends much on whether they travel alone or with their families.

81. *Mr. Rees.*] Do the amounts £1,500, £500, and £3,500 include Ministerial salary for the time being ?—Yes ; it (the salary) goes in reduction of these amounts. I sent some vouchers before I left Australia. Before the end of the financial year the whole of the balance was accounted for ; and a considerable balance was due to me before the advance was made in London.

Mr. C. T. BATKIN, Secretary to the Treasury, further examined.

82. *The Chairman.*] Have you got a paper giving the details of salaries accruing to Mr. Fitzherbert and Sir J. Vogel during the time over which their missions extended ?—Witness handed a statement in. (*Vide Appendix, H, I, and J.*)

83. *Mr. Rees.*] Do you know under what authority advances were made to Ministers ? For instance, when Sir Julius Vogel started the second time to England, there is an advance of £1,500 on September 10, and £500 on December 10 : Under what authority were those advances made ?—Under Ministerial authority. I fancy under the authority of Mr. Vogel himself.

84. Do you know if there was any authority by Act for drawing advances ?—I know of no authority by Act.

85. Would it have to pass the Auditors ?—Yes.

86. Do you know if any estimate was sent in to show what the advances would be for ?—It was stated in the usual way, "Advance for travelling expenses."

87. Is it not usual for the Auditors to see, before they certify, that moneys are granted by some appropriation of the House or Act ?

The Chairman.] I may explain that I called on Mr. Fitzgerald to see under what authority these advances—especially the £1,500—were made. Mr. Fitzgerald said there was no legal authority, and that he considered it an advance on the responsibility of Ministers, as unauthorized expenditure.

88. *Hon. Mr. Reynolds.*] Is it not usual to make advances to Commissioners, or any Government officers, travelling on public service ?—Quite usual.

89. *Mr. Rees.*] Can you state to what extent advances have been made in individual cases ?—No.

90. Was there any Cabinet minute on the paper authorizing the advance ?—I do not remember whether there was any Cabinet minute on the paper or not.

91. *Sir G. Grey.*] The point I want to ascertain is this : The rule in public services throughout the world is, that when advances are to be made, an estimate is sent in with a letter. This estimate shows what the advance is for, and that there is authority for making it. Are such estimates sent in here now ?—No such estimates are sent in here.

92. When did the practice stop of sending them in ?—I never knew of such a practice here. It has not been the practice in New Zealand, as far as I am aware.

93. Then an advance could be got on simple application ?—Stating in general terms the service for which it is required.

94. Without any specific estimate to show that it is reasonable ?—Yes.

95. *Hon. Mr. Stafford.*] My knowledge goes back to 1856, and I never knew of detailed estimates being sent in like those referred to by Sir George Grey. There are spending departments, distinguished from receiving departments. In the case of spending departments, when an advance was wanted, a requisition describing generally what the advance was for was sent in to the Minister having charge of the department. If the Minister had sufficient knowledge to know what was meant, and thought the advance a proper one to make, he simply wrote "Approved," and it then went on to the Treasury.

Witness.] That is the practice still, and always has been, so far as I know.

96. *Sir G. Grey.*] Is the requisition enclosed in a letter ?—Very seldom.

97. Does it state in detail what the sums are required for?—No. It is simply a requisition for so much for the purposes specified in general terms, such as land purchase, travelling expenses, payments to Natives, and so on.

98. *Hon. Mr. Stafford.*] It is within your knowledge, Mr. Batkin, that amongst the papers that come attached to a requisition, there are some in respect to which full detailed information is called for before the requisition is approved?—I have known such cases.

99. *Mr. Rees.*] Can we get a statement made out showing the amount actually received by Sir Julius Vogel on his own account, salary, travelling allowance, and passages, or anything else paid for or received, together with the claim which he now makes, so as to get at the total amount of his personal expenses attending the second mission to England?—I think that information is already given.

100. No; it has to be fished out. Were the passages paid for out of the moneys which Sir Julius Vogel received, or were they independent?—I forget whether they were paid in the first instance by Sir Julius Vogel or the Government; but that does not touch the question of the actual cost.

101. Is the cost of passages an extra amount over and above the travelling allowance of four guineas a day?—Yes; it appears in this account as a separate item.

102. Are those costs of passages confined to the cost of Sir Julius Vogel's own passage, or do they include the passages of his family?—Passage money for no part of his family is charged; only the passages of himself and of his servant Home.

THURSDAY, 19TH OCTOBER, 1876.

Mr. J. E. FITZGERALD, one of the Commissioners of Audit, examined.

103. *The Chairman.*] Mr. FitzGerald, in some accounts furnished by the Treasury of the cost of Sir Julius Vogel's two missions to England, there are included payment at the rate of four guineas a day travelling expenses, and also an amount called special allowances of £1,250 in one case, and £1,500 in the other. Could you inform the Committee on what authority those sums have been paid?—The authority for the four guineas a day is an old authority that existed before I had anything to do with the control of the issues in detail. I am not prepared to say what is the legal authority for it. There are Orders in Council for the travelling allowances within the colony; but to the best of my belief there is no order in Council for travelling expenses beyond the colony. The allowance has been paid in every case, I think, of missions to England and the Australian colonies, and the Commissioners of Audit would not be justified in questioning an allowance of that description which had been repeatedly before Parliament, and had virtually received the repeated sanction of the House. With regard to the £1,500: when Sir Julius Vogel's account came in, I directed that that should be carried to the unauthorized account. To the best of my recollection, I sent a memorandum to Sir Julius Vogel, saying that I could not accept it except as unauthorized expenditure, and Sir Julius Vogel replied that we should arrange the account as we pleased.

104. *Hon. Mr. Stafford.*] You stated, Mr. FitzGerald, that the travelling allowance of two guineas a day within the colony you considered to be sanctioned by Orders in Council, but that you were not aware of any Order in Council, authorizing four guineas a day outside the colony. Are you aware that the 4th clause of the Civil Service Act authorizes an allowance of two guineas a day?—Yes; I was aware of that; but, to the best of my recollection, the Order in Council was one which was passed when Mr. Waterhouse was in office, before the passing of that Act, and it included not only travelling allowances to Ministers, but to every officer of the Civil Service, and these allowances are arranged in proportion to their salaries.

105. If travelling on public service. You would not, for instance, consider that the Order in Council is of such weight as not to require that any issue of public moneys should be covered by subsequent appropriation by the Legislature. That is to say, you would require such payments to be subsequently covered by the Appropriation Act?—Or before. They are covered by the item "Miscellaneous expenditure."

106. When you stated that you looked upon the special allowance as being properly chargeable to unauthorized expenditure, it was with a view also of its being submitted to appropriation?—Certainly.

107. And in the event of the Legislature refusing to make appropriation, what would be the position of the public account?—We should call upon the person who received the money to refund it out of his own pocket.

108. To what total extent does your department sanction the issue of unauthorized expenditure?—To the extent specified in the Act: £100,000. In 1872 there was rather an unintelligible alteration made in the law. In the Revenues Act of 1867 the amount was put down at £40,000, at the same time power being given, in the event of a deficiency in the revenue, to raise money by deficiency bills to the extent of £60,000. "The Revenues Act Amendment Act, 1871," gave power to raise deficiency bills to the extent of £100,000; and the Act of 1872 said that the unauthorized expenditure should be the same amount as was authorized to be raised under deficiency bills.

109. You do not consider that the power to raise deficiency bills is in itself any authority to issue moneys in the nature of unauthorized expenditure?—Not at all; only the Act was so curiously worded that the amount of unauthorized expenditure was made to be the amount which was authorized to be raised by deficiency bills. The Act reads as if it meant that the less money you had the more unauthorized expenditure there might be. The practical interpretation of the Act is that the amount of unauthorized expenditure is fixed at £100,000.

110. *Mr. Rees.*] How do you know that a subsequent Act authorizes it? By what means does it come to your knowledge? Supposing the sum of £2,000 was paid in that way and spent at first as unauthorized expenditure, not having been voted, how are you made aware of its being authorized afterwards?—The unauthorized expenditure clause submitted in the Appropriation Act is audited first

by the Commissioners of Audit, before it is presented to Parliament. We know what money has been issued as unauthorized expenditure, and the Treasury submits to Parliament estimates authorizing the expenditure of that amount, and charges it to any vote it thinks fit. If we saw that there was any discrepancy between the amount submitted to Parliament and that which we had issued we should represent to Parliament that it was not a correct statement.

111. Do you put out any items?—Just the same as if on the original estimates. If you will look at any Appropriation Act, you will see how it is done. The estimate is always stated in detail, and printed in smaller type. We audit that very carefully, to see that the items of unauthorized expenditure are those which we have issued. Then, section 14 of the Act of 1872 says, "The Colonial Treasurer may issue money in excess of or without the appropriation of Parliament to an amount not exceeding the sum authorized to be issued by way of deficiency bills." There was at one time a little discussion as to what the word "authorized" meant—whether authorized by Parliament or by Ministers; and it was held that it could not mean the authority of Ministers, because it would be really what I said—so absurd that the more your cash was short the more you might outrun the expenditure. We therefore held it to mean authorized by the Act of 1871—that is, £100,000.

112. *Mr. Johnston.*] Having issued deficiency bills to the amount of £50,000 in one year, if these were not taken up, could you issue deficiency bills for £100,000 next year?—No, only £50,000. The practice we hold to be, that Ministers have a margin of £100,000 for unauthorized expenditure, to be voted by Parliament next year.

113. *Mr. Stevens.*] Your meaning I understand to be this: That, in the view of the Audit Department, the clause by which the issue of deficiency bills is fixed is merely a clumsy way of saying, "You will have £100,000 unauthorized expenditure in each year"?—That is the way in which we have always interpreted it. Any unauthorized expenditure that takes place before or during the Session must be sanctioned in the then Session; and any which takes place after the Session will require an indemnity in the subsequent year.

114. *Hon. Mr. Stafford.*] Suppose this takes place: that the unauthorized expenditure which you issue is duly placed upon the estimates, and that Parliament refuses to pass a vote for some of the items, what would be the position of the Control Department then towards the Treasury?—I am not prepared to say. One of my clerks came to me yesterday morning, and said he observed by the paper that the vote had been cut off for an officer who had been receiving pay since July, and he asked me what was to be done under the circumstances.

115. *Sir G. Grey.*] Supposing that in one year, just before Parliament met, £100,000 had been advanced as unauthorized expenditure, and there was a dispute between Parliament and Ministers, and Parliament determined to give no supply until the grievance was redressed, and refused to pass any vote for an advance, would the Auditors be justified in giving an advance of £100,000 to enable the Government to carry on, the Government undertaking to put that in a vote before Parliament? If you give the £100,000 which the Government asks for, you defeat the Parliament. Would you do it?—Yes; we have no power to refuse to issue for unauthorized expenditure. The Committee will of course understand that in all Parliaments, unless the Session takes place a sufficiently long time before the conclusion of the financial year to pass the estimates, there must be a period provided for by Imprest Supply Bills, in which there is an uncertainty as to how the money shall be charged. The estimates are put into our hands as soon as possible, and we are obliged to go on charging on the estimates until they are passed, under the authority of the Imprest Supply Bill. We issue under the Imprest Supply Bill, which requires that the expenditure shall be included in the estimates of the year.

116. Suppose there was no Imprest Supply Bill?—We should not then issue any money.

117. What I understand is that you issue money on account of unauthorized expenditure previous to a vote?—I mean that we treat the item Unauthorized Expenditure just as we treat any vote. We should issue or refuse to issue in just the same way.

118. You would give the £100,000 in the case I speak of?—We should not give the £100,000 or any part of it without an undertaking from the Treasury that it was to be included in the estimates of that year.

119. Then, if the Government could not carry their estimates, still they would get it by promising to put it on the estimates, and thereby defeat Parliament?—I do not see how Ministers could defeat Parliament, when it is Parliament that confers their powers with regard to unauthorized expenditure.

120. Supposing no Imprest Supply Bill were passed?—If there was no Imprest Supply Bill passed, we should not issue except for permanent charges. After an Imprest Supply Bill is passed, and it is nearly exhausted, we keep the Treasury informed that we shall stop issuing, and then they go to the House for another Imprest Supply Bill.

121. *Hon. Mr. Stafford.*] Are the Committee to understand that you really require the authority of an Imprest Supply Act for any issues on the commencement of the new financial year?—I think so.

122. Is it not the case that the Control Department issues lump sums of money on warrants, which are passed from the Public Account to the account of the Secretary of the Treasury or the Paymaster?—No.

123. Has the Secretary to the Treasury, or Paymaster, got no separate account?—No.

124. Then the Bank pays only on detail cheques. Who draws these detail cheques? Suppose, for instance, that in the case of the Armed Constabulary the sum of £500 is wanted for monthly salaries, and that is made up of a number of detail payments to members of the corps, through what form are those detail payments made? Suppose the Defence Minister authorizes the issue of £500, and he does not pay it to any one person, but wants it distributed, what process is gone through so that ultimately the vouchers come back?—There are two distinct processes—payments direct and payments by imprest. In the case you put, the whole Defence Force are paid by monthly imprest to the Paymasters of the several corps. All imprestees account weekly, except those authorized by the Treasury to account monthly. Then we issue the sum required by way of imprest each month, and

get an account at the end of the month as to how the money has been spent. With regard to all direct payments, the individual vouchers are audited before the issue takes place at all.

125. You previously get a voucher authorizing the payment of the money?—Yes; setting forth the services for which such payment is required. Cheques on the Public Account are drawn on the Banks all over the colony, the order of the Commissioners of Audit for the total amount having been given on the Bank here, and these cheques have to be signed by the certifying officer in each place, before the recipient gets the money.

126. *Mr. Rees.*] The person paid leaves his receipt?—Yes, with the officer called the certifying officer. These cheques are not available until they are signed by the certifying officer; then the receipted vouchers come back and are subsequently audited.

127. *Hon. Mr. Stafford.*] As a matter of fact, the Bank acts to a certain extent to show that the receipt is duly given for the payment?—No, the certifying officer; the Bank only pays the money on the cheque being countersigned by the certifying officer.

128. *Mr. Rees.*] Were you asked under what authority advances were made? Sir Julius Vogel had certain advances. Under what authority was the advance of £1,500 made to him?—Under the unauthorized vote.

129. Supposing the sum of £2,000 were paid to a person under the unauthorized vote, and that person died; supposing Sir Julius Vogel had died on his way to Melbourne, how would the colony have got back the money?—Whenever you put money into a man's hand, you run the chances of his dying, or running away with the money, or misusing it.

130. Is it the rule to grant advances out of unauthorized vote?—Yes; within the amount to which the law has authorized its issue.

131. Supposing the law has not authorized it?—The law has, if it allows Ministers to spend £100,000 without a detailed vote.

132. *Sir G. Grey.*] Do persons who get money on imprest give security?—All officers in the employment of the Government are under the Guarantee Act, and therefore give no security. Other persons do occasionally get imprests without security—Superintendents and other provincial officers. The imprests to others are very rare.

133. Who limits the advance which a Minister may receive for himself?—We have no power to interfere with the advances to Ministers. Parliament has placed no power in our hands to do so.

134. *Mr. Larnach.*] If a Minister goes Home, and requires an advance of £10,000, would you be justified in raising objection to its issue?—We certainly would remonstrate, but could not stop it. We are bound to recognize it if Ministers insist on it, because Parliament has put that power in the Ministry. The power to stop it is not with us; we should certainly remonstrate.

135. Would that be issued upon the signature of the Minister getting the advance, or the signature of the Colonial Treasurer?—The Treasurer's entirely. Nothing can be issued except under his signature.

136. There would be no legal power to stop the advance?—We should put every legal obstacle in the way of doing it, but could not stop it.

137. You say you could not stop it?—I should not like to give a general answer to that question. If you intrust an officer with the very high power of controlling the expenditure, by saying that he will not sign the necessary documents for the payment of money out of the unauthorized vote, he could, of course, raise obstacles to its payment; but whether he would be legally justified in doing it, is another question.

138. *Mr. Rees.*] Was there any power to grant travelling allowances to Ministers going to England?—No; except by old custom long before my time. The Commissioners of Audit have held that where the thing has been done for a number of years, and virtually recognized by Parliament, they should not interfere.

139. *Mr. Stevens.*] I presume these expenses of the second mission, which bear your signature, are sanctioned as being chargeable to unauthorized expenditure?—Oh, no; the whole is not unauthorized.

140. Will you state what items are authorized?—The actual cost of the passages and telegrams would be a part of the "Miscellaneous" vote. These figures have been compared with our books, and a number of these incidental charges are covered by the votes for the different services on which Sir Julius Vogel went Home. There is clearly no authority for these personal allowances. The four guineas a day allowance we held to be authorized by old custom, constantly sanctioned by Parliament.

141. *Mr. Larnach.*] If you objected to any sum proposed by Ministers during the recess, and a deadlock occurred between you and the Ministers, would that necessarily come before Parliament?—Ministers might do as they liked.

142. Would it come under the notice of Parliament afterwards?—Not unless Ministers chose to bring it.

143. Parliament would not be informed that certain questions had arisen between you and Ministers during the recess?—Not by us, because we should not issue the money; but if Ministers thought we were wrong in refusing the money, they would of course bring the matter before Parliament in order to get the money.

144. *Sir G. Grey.*] On September 10, you sanctioned the advance of £1,500 to Sir Julius Vogel?—Yes, and charged it to unauthorized expenditure.

145. Is it usual to allow Ministers to take advances of that kind?—It would not be extravagant, going to England. Receiving four guineas a day and salary as a Minister, it would not be long before he would have accounted for that money.

146. Public servants do not get advances?—Always, when travelling on the public service.

147. *Hon. Mr. Stafford.*] Do they within the colony?—Yes, proportionate to the service they are going on. In the case of a Minister going Home, as Sir Julius Vogel did, the imprest would not be accounted for for a long period. Practically, no account is rendered until the Minister returns to the colony. We know, as a matter of fact, that after a certain time he owes no money to the Government

on account of advances made. If you credit him with salary and four guineas a day travelling expenses, it soon runs up.

148. Does he get advances of salary?—Not of salary.

149. What is the advance for?—For all his expenses. But his salary and allowances would be charged against the imprest, and after a certain period he would owe no money to the Crown.

150. *Mr. Rees.*] There was an agreement made by the Executive that Sir Julius Vogel was to receive £1,500 as a lump sum for the expenses of his mission. When would you authorize the payment of that, as payment of it?—It would not be entered finally until he came back. It would be entered in the form of an imprest. Sir Julius Vogel was to have four guineas a day travelling allowance, according to old custom, and repeatedly sanctioned by Parliament, and he was intrusted with an imprest of £1,500 for which he had to account.

151. *Mr. Johnston.*] The costs of passage are only those authorized for himself?—Yes, those of himself and secretary.

152. Not the servants?—There was some discussion about that question. I forget now whether the cost of the servant's passage was cut out. I forget what was done about that. I cannot give an answer without having the books.

153. *Hon. Mr. Stafford.*] I understand you to state there was a standing authority for passages. What Act contains that authority?—I am not sure that it is in any Act, but is recognized as we have always recognized it. The rule always has been that a man gets either actual travelling expenses and passages by land or sea, or commutes his expenses for a certain sum per day, which is specified.

154. And every time a Minister travels from the seat of Government, is he in the habit of having his passage by land and sea paid, as well as receiving a daily allowance?—I think Ministers get 5s. a day during the time they are at sea, but other persons only get 2s. 6d. a day while at sea. Dr. Featherston and Mr. Bell drew an allowance while at sea, and there were two or three missions to Sydney and Melbourne, on which Sir Donald McLean, Sir Julius Vogel, and Dr. Knight were sent. By reference to the books, I could ascertain what allowance was drawn by these gentlemen while at sea.

MONDAY, 23RD OCTOBER, 1876.

Mr. J. E. FITZGERALD, one of the Commissioners of Audit, further examined.

Witness.] I am afraid I misled the Committee, to a certain extent, on my former examination by saying, "that we should not issue on unauthorized expenditure until the Imprest Supply Bill was passed." The practice, in former years, has been to issue on the unauthorized expenditure until an Imprest Supply Bill was passed, and then to carry the whole of that account into the account of the Imprest Supply Bill, so as to carry out the law, which says, "That all unauthorized expenditure occurring before or during the session of Parliament should be included in the estimates for the current year." In the present year, Parliament met, and passed an Imprest Supply Bill before the end of the financial year. No unauthorized expenditure has taken place at all; and we should not consider that we were entitled to issue, under the unauthorized expenditure clause, at any time after any Imprest Supply Bill had been passed.

155. *Sir G. Grey.*] Supposing no unauthorized expenditure had taken place until the meeting of Parliament, and Parliament refused to grant an Imprest Supply Bill, would you in that case go on advancing money as unauthorized expenditure to the amount of £100,000?—I understand the question to involve a legal opinion.

156. No; I mean as to what you would do in practice?—The question would be whether we could be compelled to issue. Of course, a case of that kind never has occurred, and there is no practice to go by. The question is, could we be compelled by law to issue?

157. Would you understand it was your duty to issue?—I should answer that by saying, that I think we should be inclined to exceed our duty at any time when Parliament is in session, because we should say to the Government, "Parliament being in session, you can always go to Parliament and have any doubt cleared up;" but whether the Government could compel us to issue or not, I am not prepared to say. I think we should refuse, and say, "Go to Parliament." I think it would be our duty, when Parliament was sitting, not to issue. I am not satisfied we should have a legal right to refuse to issue; but our duty would be, when Parliament was sitting, whether we were legally to refuse the issue or not, to say to the Government, "You can go to Parliament." That would be to break the law, if it is law, always in favour of Parliament. I hold that we are, as it were, carrying out the control of the public money for Parliament; therefore, while Parliament was sitting, we should relegate the point to them.

158. *Hon. Mr. Stafford.*] Assuming that Parliament had passed an Imprest Supply Bill, but the Government still wished, Parliament being in session, to expend more than the Imprest Supply Bill had given them authority to spend, would you then consider that that power of issuing under the unauthorized expenditure could be used to supplement the amount which the Imprest Supply Bill has given?—No. We never have issued under anything but Imprest Supply Bill after it has been once passed.

159. That may arise from the fact of there being no necessity to do so. My question is, whether the permanent authority, under the Public Revenues Act, to issue a certain amount of unauthorized expenditure, exists during the Session, or comes into force after the Session?—It exists, with this proviso: the Act says, "All unauthorized expenditure before or during the session of Parliament shall be included in the estimates of the year." Putting the two things together, I think we should not be justified in issuing any unauthorized expenditure except for services that we were certain were going to be put upon the estimates of the year; and it does frequently happen that we are asked to issue money which is not on the estimates of the year, and we always refer to the Treasury, and say, "This is not on the estimates; you must give us a guarantee that it will be placed on the

supplementary estimates." We have never issued any money outside the printed estimates, except we have a guarantee from the Treasury that they are going to put it on the supplementary estimates. It is all charged to the Imprest Supply, and not to unauthorized expenditure.

160. Supposing that the estimates are before the House, and the House has not passed the estimates, and has also refused to pass an Imprest Supply Bill, would you consider the law called upon you to act legally; to issue money to the extent which the Public Revenues Act authorizes as unauthorized expenditure?—I am not prepared to say what the strict legal view would be, but I would not do it, because Parliament being in session, our duty is to refer the matter to Parliament.

161. Then, as a matter of fact, if Parliament refused to sanction the issue, you would consider that the permanent power was in abeyance?—I should think so. Practically, we should not consider ourselves authorized to issue moneys where there was a doubt whether Parliament intended finally to sanction the expenditure, because in the unauthorized clause it is contemplated that Parliament will sanction the expenditure.

162. That view, you must admit, is a matter of opinion. There is nothing in the clause itself which directly indicates that Parliament intends to sanction the expenditure?—The clause says, "All unauthorized expenditure before or during the session shall be brought on the estimates of the year."

163. *Sir G. Grey.*] At present you only state, as an individual, how you think you would act, but you do not pretend to tell us what the law would require to be done?—I do not think any one could tell us how the law stands, because it is contradictory. The law having given the power to issue the money, Parliament subsequently appropriates or authorizes the expenditure. Supposing it refuses to authorize the expenditure, a legal issue of the money having taken place, I am not prepared to say what the legal position of the Controllers would be. The law is, in fact, not quite consistent with itself.

164. *Hon. Mr. Stafford.*] Is there any analogous power of issuing money from the Imperial Treasury?—Under the Imperial system, Ministers, out of the Treasury Chest Fund, spend anything they please to supplement the expenses of the country, and obtain a vote for the money in the succeeding year, so that the Treasury Chest Fund never decreases.

165. Is that Treasury Chest Fund distinctly specified in any Imperial Act?—No; it is quite outside the law altogether.*

166. Then you know it only as a matter of practice?—I know it as being frequently alluded to in reports of the various Public Accounts Committees.

167. Then, Parliament is aware of that practice?—Yes.

168. And has distinctly sanctioned it?—Yes.

169. *Mr. Pearce.*] Supposing our Government spends the whole sum of £100,000 unauthorized expenditure, and Parliament refuses to vote it; what happens?—It is the duty of Parliament to say what shall happen.

170. *Hon. Mr. Stafford.*] You were going to refer to the Melbourne practice?—Some years ago the Melbourne practice was this: They vote upon the estimates of the year a considerable sum of money for miscellaneous expenditure. There is no unauthorized expenditure at all. They require no subsequent appropriation of this vote by Parliament. They have a large margin under the head "Miscellaneous." It used to be £30,000 for what may be more properly called "undetailed expenditure;" and although accounts of that are required, no further appropriation is necessary.

171. *Mr. Stevens.*] Would you kindly state what is the limit of unauthorized expenditure?—The limit is the limit of deficiency bills, which was £100,000; but, by Act of last Session, the deficiency bills have been extended from £100,000 to £150,000.

172. You do not hold that that fixes the amount of unauthorized expenditure at £150,000?—I am not quite sure about that. The case has never been put to me; but I think it does.

173. *Hon. Mr. Stafford.*] Do I clearly understand you to say that you think it is doubtful that, because Parliament has authorized, in the contingency of a failing revenue, the issue of £150,000 deficiency bills to supply it, that that carries with it an increased power of unauthorized expenditure to the extent of £150,000?—I am afraid it does. I should like to refer to the words of the Act before giving a definite opinion.

174. This might occur: that although the Government did not wish to issue a shilling of unauthorized expenditure, the revenue might be so far below the estimate that they could not find there was enough money to supply the votes actually authorized of the previous year, and therefore an issue of deficiency bills to the whole extent of £150,000 might be required. Then, those deficiency bills having been issued to the full extent of £150,000, to meet sums actually appropriated, there might subsequently come a necessity, in the opinion of the Government, to make the sum of unauthorized expenditure £10,000, £20,000, or £30,000. Would you not consider that was altogether outside the fact of deficiency bills already authorized?—I do not think the two have any relation at all. The clause is so worded that the amount of unauthorized expenditure is indicated by the amount you may raise on deficiency bills.

175. *Mr. Stevens.*] Would the resolution passed by the House last Friday, to the effect that the deficiency bills should be £50,000 more, tend to increase the unauthorized expenditure power *pro tanto*?—I should not like to answer that without seeing the exact words of the clause.

* NOTE.—In speaking of the Treasury Chest Fund, I was speaking from recollection of the facts as stated in the Public Moneys Committee in 1857. I find, however, that subsequently the Treasury Chest Fund was regulated by Act of Parliament 24 and 25 Vict. c. 127, and was permanently fixed at £1,300,000. The issues out of it are sanctioned, but are required to be refunded out of votes; the accounts are audited and laid before Parliament, and any excess at the end of the year is paid into the Consolidated Fund.—J. E. FITZGERALD.

APPENDIX.

A.

STATEMENT of EXPENSES attending the First Mission of Sir JULIUS VOGEL to England in 1871.
(Vide Voucher 2, of June, 1872, Paymaster-General's Account.)

	£	s.	d.
Personal travelling allowance from 1st June, 1871, to 20th August, 1871 (both inclusive), at £4 4s. per diem	974	8	0
Special allowance	1,250	0	0
Travelling allowance of Secretary, 1st January, 1871, to 20th August, 1871,—			
On board ship, 84 days at 10s. per diem	£42	0	0
On shore, 148 days at 20s. per diem	148	0	0
Special allowance of 10s. per diem while in the United States, 41 days	20	10	0
			210 10 0
Payments,—			
To San Francisco	£70	0	0
From San Francisco to New York, and from New York to New Zealand, no charge made			
From New York to Liverpool, and Liverpool to London, together with sundry expenses	46	0	0
From London to Liverpool, and Liverpool to New York, together with sundry expenses	41	0	0
Exchange	20	0	0
			177 0 0
Telegrams, official rooms, stationery, and incidental expenses—cab hire, &c.		551	4 6
			£3,163 2 6

JAMES C. GAVIN,
Accountant to the Treasury.

Treasury, 12th October, 1876.

Examined and found correct.—JAMES EDWARD FITZGERALD, Commissioner of Audit, 13th October, 1876.

B.

STATEMENT of EXPENSES attending the Second Mission of Sir JULIUS VOGEL to England (including Australia).

	£	s.	d.
Personal travelling allowance,—12th September, 1874, to 10th February, 1876, at £4 4s. per diem	2,171	8	0
Special allowance	1,500	0	0
Travelling allowance of Secretary, 11th September, 1874, to 12th February, 1876,—			
At sea, 129 days at 10s.	£64	10	0
On shore, 389 days at 20s.	389	0	0
			453 10 0
Passages,—			
Melbourne to Venice, self and male servant	£210	0	0
Sydney to Southampton, Mr. E. Fox	88	0	0
Plymouth to Melbourne, Sir J. Vogel	73	10	0
Plymouth to Wellington, Mr. E. Fox	85	10	0
			457 0 0
Telegrams		808	18 10
Miscellaneous and incidental		249	12 9
Total	£5,640	9	7

JAMES C. GAVIN,
Accountant to the Treasury.

Treasury, 12th October, 1876.

Examined and found correct.—JAMES EDWARD FITZGERALD, Commissioner of Audit, 13th October, 1876.

C.

STATEMENT of the ADVANCE ACCOUNT of Sir J. VOGEL, from 1871 to 1876.

DR.			CR.		
1871.		£ s. d.	1871.		£ s. d.
Dec. 31.	To transfer to credit of his special fund account	2,800 0 0	Sept. 1872.	By Refund ...	418 12 0
1872.			June 7.	„ Expenditure	2,381 8 0
Jan. 2.	„ Cash from Dr. Pollen for travelling expenses	500 0 0	„ 13.	„ Refund	306 15 0
April 10.	„ Cash from Dr. Pollen for travelling expenses	400 0 0	„ 29.	„ Expenditure	643 5 0
May 31.	„ Cash from W. Gray	50 0 0			<u>£3,750 0 0</u>
		<u>£3,750 0 0</u>	1873.		
1873.			May.	„ Refund	£250 0 0
Feb.	„ Cash	£250 0 0	1874.		
1874.			March 7.	„ Refund	£150 0 0
Feb. 14.	„ Cash	£150 0 0	Nov. 19.	„ Transfer of advance to E. Fox	135 0 0
Sept. 10.	„ Cash	1,500 0 0	Dec. 2.	„ Expenditure	210 0 0
Dec. 15.	„ Cash	500 0 0	1875.		
		<u>£2,000 0 0</u>	June 19.	„ Refund	780 0 0
1875.			„ 26.	„ Refund	875 0 0
Oct. 19.	„ Cash	3,200 0 0			<u>£2,000 0 0</u>
1876.			1876.		
March 7.	„ Cash	200 0 0	Mar. 25.	„ Refund	658 12 0
„ 17.	„ Cash	150 0 0	April 21.	„ Expenditure	2,891 8 0
		<u>£3,550 0 0</u>			<u>£3,550 0 0</u>

Examined and found correct.—JAMES EDWARD FITZGERALD, Commissioner of Audit, 13th October, 1876.

D.

STATEMENT of the EXPENSES attending the Mission of the Hon. Mr. FITZHERBERT to England 1867–69.

Travelling allowance, at £4 4s. per diem, 8th December, 1867, to 23rd April, 1869	£ s. d.	£ s. d.
Special allowance	2,112 12 0	3,000 0 0
Passages—		
Passage to England	£ s. d.	
Marseilles to Melbourne	150 0 0	
Railway fare to Marseilles	119 10 0	
Melbourne to New Zealand	5 0 0	
	12 0 0	
	<u>286 10 0</u>	5,399 2 0
Private Secretary, and clerical assistance, &c.—		
R. Pitcairn, 23rd April, 1868, to 30th January, 1869, at £1 per diem	242 0 0	
Distributed amongst the Crown Agents' employés	150 0 0	
Clerical assistance	67 7 10	
A. Morison, for assistance	52 10 0	
Rent, stationery, office furniture, messenger, cab hire, &c.	223 17 2	
		<u>735 15 0</u>
Commission and brokerage	25,595 12 1	
Stamp duty on debentures	5,238 15 0	
Printing forms and debentures	1,769 1 11	
Supervising printing of debentures	57 9 0	
Advertising	1,343 7 6	
Cancelling bonds	117 18 6	
Examining and attesting bonds	107 10 0	
Professional advice	318 2 6	
		<u>34,547 16 6</u>
Total		<u>£40,682 13 6</u>

Treasury, 16th October, 1876.

JAMES C. GAVIN,
Accountant to the Treasury.

E.

STATEMENT of the EXPENSES attending the Mission of Messrs. FEATHERSTON and BELL to England, 1869–71.

	£	s.	d.	£	s.	d.
Salaries—						
I. E. Featherston (£1,000 per annum), 1st December, 1869, to 25th March, 1871	1,314	10	4			
F. D. Bell (£1,000 per annum), 1st October, 1869, to 31st January, 1871	1,333	6	8			
J. Knowles, Secretary (£400 per annum), 3rd December, 1869, to 5th April, 1871	536	14	8			
						3,184 11 8
Travelling allowances—						
I. E. Featherston (£4 4s. per day), 17th November, 1869, to 13th January, 1871	1,777	14	0			
F. D. Bell (£4 4s. per day), 17th November, 1869, to 2nd February, 1871	1,860	12	0			
J. Knowles	509	6	2			
						4,147 12 2
Passages—						
Melbourne to Marseilles	290	0	0			
Suez to Melbourne	200	0	0			
Mr. Bell, London to Alexandra	23	0	0			
						513 0 0
Rent of rooms, attendance, &c., at Charing Cross Hotel, office rent, telegrams, stationery, cab hire, &c., &c.						880 0 0
						<u>£8,725 3 10</u>
Public Accounts—						
1869–70—Page 91	£2,434	10	3			
1870–71—Page xxxix.	6,290	13	7			
						<u>£8,725 3 10</u>

13th October, 1876.

JAMES C. GAVIN,
Accountant to the Treasury.

F.

STATEMENT of EXPENSES attending the Hon. Sir D. McLEAN's Mission to Australia in 1874.

	£	s.	d.
Travelling allowances—			
Hon. D. McLean: Travelling allowance, 25th March to 9th June, and 15th to 26th July, 1874, at £4 4s. per diem	373	16	0
Lieut.-Colonel St. John: Travelling allowances, 25th March to 21st July, 1874... ..	147	12	6
Major Ropata: Board and residence, medical attendance, and incidental expenses	99	15	9
Constable Sandbrook: Board and lodging, &c.	15	19	10
Passages to and from, and in Australia	104	10	0
Presents	13	0	0
Office room, telegrams, stationery, cab hire, &c.	43	3	8
			797 17 9
Purchase of horses and saddlery	£604	2	1
„ glass for Ministerial residences	20	1	6
			<u>624 3 7</u>
			<u>£1,422 1 4</u>

Treasury, 17th October, 1876.

JAMES C. GAVIN,
Accountant to the Treasury.

G.

MEMORANDUM by the Hon. Sir J. VOGEL.

THE accounts of my first mission to England were, I believe, laid on the table of the House, and the Hon. Mr. Fox, in a speech reported in *Hansard*, vol. XI., page 742, entered into explanations. I will ask the Committee to embody this speech in the evidence taken. (*Vide L. post.*)

In respect to the second mission, I seek sufficient to cover all my expenses in excess of my salary, as agreed with the Government before I left New Zealand. For this purpose, £2,750 will have to be paid to me, in addition to the £1,500 special allowance I have already received. This will still, besides my salary, leave me some £400 out, which I consider was for exceptional expenditure.

In this mission, as in the former mission, besides my salary, the charges include the cost of my passage and four guineas a day travelling allowance. In 1871, there was an additional special allowance of £1,250. In the last mission, the special allowance already received is £1,500, and that to be voted £2,750, making together £4,250.

Sir D. Bell and Dr. Featherston, in 1869–70, drew salary, £4 4s. a day, and cost of passage, without special allowance. Mr. Fitzherbert, in 1867–68, drew salary, cost of passage, £4 4s. a day travelling allowance, and a special allowance of £4 4s. a day was voted. On his second journey Home, Dr. Featherston drew salary, cost of passage, £4 4s. a day, and £500 for removal of family.

The statement that on any of my missions passages for my family were charged to the Government, is not true. Even when a lump payment had to be made, as in the case of a special car through from Florence to Paris, I being too ill to travel otherwise, I deducted full fares for my family from amount charged.

My illness, and the accommodation it made necessary, occasioned me great expense.

I submit that the expense of these missions must depend upon whether one is inclined to travel without one's family. On his first voyage Home, Dr. Featherston went alone—Mr. Fitzherbert and Sir D. Bell took part of their families. The latter has told me his allowances did not cover expenses.

My salary, which when I left was £1,750, was reduced, on my ceasing to be Premier, to £1,250. It was the latter amount during about half of the seventeen months I was absent.

I venture to submit my opinion that when Ministers have important missions to undertake, their full expenses (including those of their family) should be paid, without trespassing on their salary.

In such a mission as mine, with the enormous responsibilities attaching to it, the question of cost seems to me quite subordinate. Two of the Loan Agents, for little more work than signing the debentures, received as an allowance over £3,300.

Apart from several minor matters, the four main features of my mission were—

1. The negotiation of the Four Million Loan.
2. The negotiation for the Cable between Australia and New Zealand.
3. The revision of the Immigration Regulations.
4. The arrangement with the Bank of England for the Inscription of Stock.

H.

AMOUNT of salary accruing to Mr. Fitzherbert from 8th December, 1867, to 23rd April, 1869, at £1,000 a year	£1,377 15 6
Paid monthly, in Wellington.	

I.

AMOUNT of salary accruing to Sir Julius Vogel from 1st January, 1871, to 20th August, 1871, at £1,000 a year	£638 17 9
Paid monthly, in Wellington.	

J.

SALARY accruing to Sir Julius Vogel from 12th September, 1874, to 10th February, 1876 :—	
From 12th September, 1874, to 6th July, 1875, at £1,750; and from 7th July, 1875, to 10th February, 1876, at £1,250—Total	£2,172 16 5

K.

MEMORANDUM by the COMMISSIONERS of AUDIT.

The Commissioners of Audit have the honor to submit to the Public Accounts Committee, in compliance with the requisition made in the letter of the Clerk to the Committee of the 19th instant, a return showing how the expenses of Sir Julius Vogel's last mission to England have been charged in the Public Accounts, made up under the several heads required by the Committee.

The Commissioners observe that, although placed under the heads required, the whole of their issues are equally authorized by law. The expression "authorized by usage," must be held to apply only to the amount or scale of allowance. The expenditure was one which the Commissioners held to be legitimately chargeable on the several Votes debited. And in respect to the "unauthorized," the issue is authorized by law, the final expenditure only requiring the sanction of Parliament.

The Commissioners submit this explanation in order that it may not be inferred, from the terms of Mr. Percy's letter, that any issues of public money have at any time been made by them without the sanction of law.

October 23rd, 1876.

JAMES EDWARD FITZGERALD,
Commissioner of Audit.

Enclosure in K.

STATEMENT of the EXPENSES of Sir JULIUS VOGEL'S Second Mission to England, showing how the same were charged.

No. of Voucher	Vote.		£ s. d.	£ s. d.
		<i>Consolidated Fund.</i>		
49,401	23	Postal.—Miscellaneous expenses ...	198 9 3	
47,892	"	Telegrams ...	67 8 3	
		<i>Charged according to Usage.</i>		
47,893	"	Travelling expenses ...	72 17 9	338 15 0
49,402	24	Telegraph.—Miscellaneous expenses ...	396 18 0	
47,913	"	Telegrams ...	134 16 5	
		<i>Charged according to Usage.</i>		
47,912	"	Travelling expenses ...	145 15 5	677 9 10
49,403	27	Miscellaneous.—General expenses ...	198 9 0	
47,916	"	Telegrams ...	67 8 3	
47,917	"	Books, &c. ...	75 10 0	
		<i>Charged according to Usage.</i>		
47,915	"	Travelling expenses ...	72 17 9	414 5 0
		<i>Charged as Unauthorized.</i>		
49,400	"	Part of special allowance...	...	500 0 0
		Total Consolidated Fund ...	...	£1,930 9 10
		<i>Public Works Account.</i>		
22,459	115	Expenses of raising loan.—Passages ...	210 0 0	
48,026	"	Miscellaneous ...	437 6 5	
48,027	"	Telegrams ...	404 9 5	
		<i>Charged according to Usage.</i>		
55,330	"	} Travelling expenses ...	780 0 0	2,302 9 10
49,406	"		200 14 0	
49,405	72	Immigration.—Miscellaneous ...	396 18 0	
47,970	"	Telegrams ...	134 16 6	
		<i>Charged according to Usage.</i>		
47,971	"	Travelling expenses ...	145 15 5	677 9 11
		<i>Charged as Unauthorized.</i>		
49,404	"	Portion of special allowance ...	...	1,000 0 0
		Total Public Works ...	...	£3,709 19 9

ABSTRACT.

	Items authorized by Law.	£ s. d.	£ s. d.
Charged on Vote 23, Postal	...	265 17 3	
" 24, Telegraph	...	531 14 5	
" 27, Miscellaneous...	...	341 7 3	
" 115, Expenses raising Loan	...	1,051 15 10	
" 72, Immigration	...	531 14 6	
			2,722 9 3
	<i>Charged on Votes according to Usage.</i>		
Charged on Vote 23, Postal	...	72 17 9	
" 27, Miscellaneous...	...	72 17 9	
" 115, Expenses raising Loan	...	980 14 0	
" 72, Immigration	...	145 15 5	
" 24, Telegraph	...	145 15 5	
			1,418 0 4
	<i>Charged as Unauthorized.</i>		
Special allowance	...	...	1,500 0 0
	Total ...	...	£5,640 9 7

L.

EXTRACT from *Hansard* (referred to by Sir JULIUS VOGEL, *vide G.*) Vol. XI., p. 742, Nov. 2, 1871.
 [COMMITTEE OF SUPPLY.—*Item*—Expenses of Raising Loan—Portion of Travelling Expenses of
 the Hon. Mr. VOGEL, £1,000.]

“Mr. Fox desired to make an explanation respecting this item, which he was sure would be satisfactory to the House. He would briefly state the circumstances of the case. His honorable colleague, Mr. Vogel, had gone to England on a great mission, and there was a distinct understanding between himself and his colleagues that the whole of his expenses out of pocket would be borne by the Government. The Colonial Treasurer took his family with him, and was detained longer in America than he expected. Having successfully performed his mission, with as little delay as possible, he returned to New Zealand, and laid a statement of expenses incurred before his colleagues, which amounted to £1,400 in excess of the ordinary allowance made to members of Cabinets who had gone on a similar mission to England. Of that sum Mr. Vogel said about £400 was expenses of a private nature, and which he could not in justice ask to be paid for. The £1,000 had been *bonâ fide* expenditure incurred in the carrying out of his mission, and not a single farthing of it had rested in his pocket. The sum of £400 was recouped to the Government by Mr. Vogel. In order to carry out the spirit and letter of the arrangement which had been made with Mr. Vogel, the Government agreed that the £1,000 should be paid by the Government. Under the law the Government might have paid the whole money and charged it on the loan, but Mr. Vogel very properly insisted that the House should be asked to vote the money. The Government had adopted that course, and placed the sum on the supplementary estimates. He wished to impress upon the House the fact that not one shilling of the money went into Mr. Vogel’s pocket; that the honorable member had not received a single sixpence as compensation, bonus, or remuneration for his services, but the actual money *bonâ fide* expended by him on the mission in which he was engaged for the service of the colony. That being the case, the Government had not taken upon itself to pay the money without the authority of the House, and they now asked the Committee to vote the sum placed on the estimates.”

By Authority: GEORGE DUNSBURY, Government Printer, Wellington.—1876.

Price 1s.]

