

1878.
NEW ZEALAND.

PUBLIC ACCOUNTS COMMITTEE.

REPORT ON DISPUTED ACCOUNTS BETWEEN THE GENERAL GOVERNMENT AND THE COUNTY COUNCILS AND ROAD BOARDS OF CANTERBURY.

(Report brought up October 3rd, and ordered to be printed.)

THE Public Accounts Committee, having inquired into the disputed accounts between the Government and the County Councils and Road Boards of the Provincial District of Canterbury, in reference to the deductions made from the Land Fund of £100,000 for Lyttelton Harbour Board debentures, and of £127,000 for arrears of surveys, have the honor to report that the Committee have agreed to the following resolutions:—

1. That the intention of the Legislature that the Lyttelton Harbour dues should be relieved from the Lyttelton Harbour Loan by section 39, "Financial Arrangements Act, 1876," is clear, and that the burden should become a portion of the permanent debt of the Provincial District of Canterbury, which debt, by the legislation of 1877, became a colonial liability; and that the sum of £100,000, before mentioned, is due to the local bodies interested, and should be paid to them.

2. That the £127,000 of Surplus Land Fund of Canterbury, retained to meet arrears of surveys estimated to be required in that provincial district, should also be paid to the local bodies interested.

The Committee append to this report the evidence they have taken upon the subject.

OSWALD CURTIS,
Chairman.

3rd October, 1878.

MINUTES OF EVIDENCE.

THURSDAY, 15TH AUGUST, 1878.

Major ATKINSON, M.H.R., examined.

Major Atkinson,
M.H.R.

1. *The Chairman.*] The Committee is inquiring into a deduction made from the amount of Land Fund otherwise available for distribution amongst the local bodies of the Provincial District of Canterbury of £100,000 for Lyttelton Harbour works debentures. You have had an opportunity of refreshing your memory by seeing the papers on the subject, and the Committee will be glad if you would state how the matter stands, so far as you are aware?—Yes. I had several interviews with the Superintendent of Canterbury just before Abolition took place, and I agreed with him that the matter was to be submitted to the House with a view of making it a provincial liability, so as to render it part of the permanent debt of the province. A difficulty arose as to issuing debentures from the form they were in. When I first entered into negotiations with him, the debentures had only been issued to the bank for the purpose of sale; but difficulties had arisen, and it was not deemed advisable to issue them in the form in which they were in; and had we remained in office we should have brought in a Bill to make it a part of the permanent debt of the provinces. That was my understanding of the clause of the Financial Arrangements Act of 1876. We intended to make provision to meet the case, but resigned office, and, in the course of the scramble that ensued towards the latter end of the session, the matter was overlooked altogether.

2. There was some legislation on the subject?—Yes. The Financial Arrangements Act of 1876 distinctly says that it shall be considered as part of the provincial debt.

3. *Hon. Mr. Ballance.*] When the bonds were issued?—Yes.

15th Aug., 1878.