

the colony. In the wording of the Act the distinction between grants and appropriations is preserved by the words "there shall be issued and applied the several "sums of money," &c., "the said amounts being appropriated as follows." The grants are made "for defraying the charge of the Colonial Government for the "year ending the 30th June, 18 ", &c. As there is no statutory limitation of the operation of the Appropriation Act, it has been held that the above words constitute a permanent appropriation to the extent of each vote; and there does not seem to be any legal objection to this view. Consequently the unexpended balances of the votes are brought forward year by year, and, though not placed on the Estimates, are usually taken into account in the Budget speech as liabilities to be provided for. This is, however, considered to be entirely within the discretion of the Colonial Treasurer. He brings forward such balances as he thinks proper, and abandons such as he is not prepared to spend. And in some instances, although having a balance which he might, under the present view of the law, make use of, he prefers to abandon it and place the amount again on the Estimates to be revoted.

The Estimates are presented to Parliament in great detail, but they are not included in the Appropriation Act. In the Act the votes are taken for totals of each department or service: first, for the supplementary expenditure of the expiring year, as in England; secondly, for the service of the current year; thirdly, the Supplementary Estimates for the current year; and, fourthly, the Estimates for the Northern Territory. The third division is clearly unnecessary and cumbersome. The usual method is to embody the Supplementary Estimates of the current year in the ordinary Estimates. In the Act passed in the present year there are *ninety-five* votes, the Supplementary Estimates for the current year containing *twelve*, which might have been absorbed.

In the accounts both in the Treasury and Audit, not only the votes as set forth in the Appropriation Act, but all the subdivisions and items as set forth in the Estimates, are considered equally to be votes, and forbidden to be exceeded.

There is no control over the expenditure, nor any legal provision for unforeseen demands which may require a vote to be exceeded, or money to be spent for which no vote has been taken. The Audit Act of 1862, which is still in force, provides, by the seventh section, that, "in all cases where the expenditure exceeds "the vote, or where any other departure from the regulations is involved, the "signature of the Chief Secretary, 'By command,' shall be requisite as an "approval of the account, in addition to that of the Responsible Minister in "whose department the expenditure arises; and every such departure from the "regulations shall be promptly communicated by the Auditor-General, through "the Chief Secretary, to the Governor, for his sanction in Executive Council."

This seems to contemplate a power to exceed the votes to any required limit; and, as a matter of fact, in all such cases the Governor issues a special warrant by advice of his Executive Council, and the money is paid. But all such payments are subsequently covered by the supplementary votes included in the first part of the 1st section of the Appropriation Act, described above. It is in this manner that the unauthorized expenditure of each year is dealt with, instead of, as elsewhere, by an indemnity clause. The Audit Office is responsible for the account of unauthorized expenditure presented to Parliament being correct.

The appropriations for railways, waterworks, and other public works are not contained in the annual Appropriation Acts, but in the several Acts authorizing the raising of the loans to provide funds for prosecuting such works; the specific works to which the money is to be applied being set forth in the Schedules to each Act. The words, for example, of "The Public Purposes Loan Act, 1880," are: "All sums of money " "shall be applied to the several purposes set forth in "the Schedule hereto, details of which are contained in Parliamentary Paper No. "202 of 1880, and to the extent therein set forth;" "and shall be so applied by "the Treasurer in such amounts and manner as the Governor, by any warrant "under his hand, countersigned by the Chief Secretary, may from time to time