

Many sums paid to labourers for piecework are properly chargeable to the Roads and Bridges Construction Act Account; but I was unable to distinguish them with certainty, and I have therefore confined my statement of expenditure (above) to the works executed under contract. It will be observed that the expenditure in respect of the grant of £359 for the work from the Arrow Bridge to the Kawarau Bridge appears to have been only £153 19s. The amount which should have been expended in terms of the Act is £480. It is quite possible that sum was expended. It will be seen that the total sum expended under the Act as shown in the county balance-sheets was £7,691 0s. 8d., while the total as made up above (including contract expenditure only) is £438 5s. 11d. short of that amount. This difference is probably made up by payments for day-labour and piecework, and may represent the apparent deficient expenditure in respect of the grant of £359 above referred to. It is at all events clear, that as the grants in this case were made under section 18 of the Act (which requires the local body to provide one-fourth only of the total expenditure), and amounted in all to £3,964, the county, in expending a sum of £7,252, has on the whole more than fulfilled its obligations under the Act.

56. In the expenditure for surveys I found an apparent overpayment of £25 to Mr. James Mollison, particulars of which will be found in Appendix E hereto. Mr. Mollison being, as I understood, in Sydney, I was unable to obtain any explanation of the peculiar discrepancies existing between the payments charged to him in the county books and those for which he has given credit in his account. Apart, however, from this disagreement as to details, the sum-total credited in his account is less by £25 than the amount for which the county holds his receipts. I supplied the County Solicitor with a statement showing the discrepancies, and, as negotiations are still pending, I believe, between the County Council and Mr. Mollison in connection with certain items struck out of his account, there seems reason to hope that the overpayment to which I refer may be satisfactorily adjusted.

57. Under the head of "Grants in Aid" payments have been made from time to time to the Wakatipu Hospital, the Arrow Hospital, and to the Queenstown, Arrow, Skippers, and Cardrona Libraries. These payments are sanctioned by sections 190 and 191 of "The Counties Act, 1876," respectively. I find, however, no legal authority for a payment of £100 made in the year 1880-81 to the Lake Acclimatization Society, or for a payment of a similar sum made in 1883-84 to the Cardrona Prospecting Association. These payments will accordingly be surcharged to the members of the Council by whom they were in each case authorized. In regard to the payment to the Acclimatization Society, I observe that the County Auditor, in his report of the 18th June, 1879 (Appendix A), informed the Council, in reference to a previous grant of a like kind, that such payments were illegal.

58. The item "Refunds" has been dealt with in my remarks on the receipt side of the account.

59. The remaining items of the county expenditure may all be classed under the head of "Administrative." They are shown in the accounts under the heads of—

"Salaries." These include the salary of the Chairman (appropriated annually at the time of his election), the County Clerk, the Inspector and Sub-Inspector of Works, and the Rate-collector. These salaries have all been paid in accordance with the votes of the County Council. The payments have been made monthly, and, with the exception of those to the County Clerk, with perfect regularity and exactness. In the case of the Clerk, during the whole of the six years to which this part of my report refers, with the exception of the last four months, his salary was overdrawn by from one to six months. In another part of my report (paragraph 82) I have referred to this matter at some length.

60. Under the head of "Travelling Allowances of Members" I found a considerable number of overpayments, and some which are contrary to law. "The Counties Act Amendment Act, 1877," section 2, authorizes the payment of travelling allowances to members of the County Councils in the following terms: "The Council may from time to time vote such reasonable sums as it shall deem sufficient to defray the travelling expenses of Councillors coming *from a distance* to attend the meetings of the Council, and no Councillor voting upon any such question shall thereby become liable to any penalty mentioned in the first part of this section." The words "from a distance" are ambiguous. They may be interpreted colloquially, but, as a measurement on which the payment of money is made to depend, they should not have been admitted into an Act of Parliament; and the County Council, adopting its own interpretation of the term, appears to have concluded that, as none of its members resided in the county chambers, they all came "from a distance," and were entitled, on that ground, to claim travelling allowance. The resolution of the Council fixing the scale on which these allowances are now paid was passed on the 23rd November, 1881, and is in the following terms: "That travelling allowances be granted to members, such allowance to be at the rate of 2s. per mile one way each attendance at meetings, except to members resident within a radius of ten miles from the county offices, to whom a sum of one pound be voted for each attendance."

61. In his reports of the 23rd November, 1885, and the 1st July, 1886 (Appendix A), the County Auditor called the attention of the Chairman to two cases in which, in his opinion, travelling allowances had been paid in contravention of the law. The cases referred to were those of the present Chairman and the late Treasurer, both of whom were at the time residing in the Town of

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for the work was not much more than half the value of the work done; that it was done in exceptionally bad weather, causing repeated stoppage of the work, during the whole of which time (5th June to 4th August, 1883) the overseer was obliged to be present in order to see that the contract, which was for metalling, was faithfully carried out. The Inspector admitted that the expenditure seemed large, but he considered that under the circumstances it was unavoidable.

¶ This was the only contract I could find in connection with this grant.

¶ The sums making up this total include four sums charged as "extras"—viz., £61 10s., £66, £71, and £75 4s.—which were in reality the contractors' deposits, misappropriated by the late Clerk.