

Following the course previously adopted, the names of these in arrear are not published, but in the figures hereunder are included all amounts which were shown in the departmental books as owing and unpaid on the 31st March last :—

Department.		Amount unpaid.					
		£	s.	d.	£	s.	d.
Forestry—							
Auckland Region	620	15	3			
Rotorua Region	262	19	9			
Wellington Region	187	11	2			
Nelson Region	685	0	7			
Westland Region	754	14	2			
		—	—	—	2,511	0	11
Lands and Survey—							
North Auckland District	1,086	12	0			
Napier District	117	11	0			
Nelson District	556	7	3			
Westland District	708	18	10			
Southland District	16	2	0			
		—	—	—	2,485	11	1
Marine				1,010	9	5
Mines				7,406	10	10
State Coal-mines				2,009	1	1
Public Works				305	14	3
					£15,728	7	7

Transactions passed by the Audit Office in anticipation of Validating Legislation.

I have referred in previous reports to the position in which the Audit Office is placed when the Government desires to expend public moneys in promoting a new State activity or to apply public moneys in a manner not authorized by existing legislation. In such cases the provisions of the Public Revenues Act, 1926, regarding unauthorized or emergency expenditure may not be applicable, and the Audit Office must either refuse to pass the relative expenditure vouchers or permit a temporary breach of the law. In this connection it has become the custom to meet the wishes of the Government upon receipt of a formal undertaking that validating legislation will be laid before Parliament upon an early and convenient occasion. I have passed several financial transactions during the past year on receiving that undertaking, and I am pleased to be in a position to report that the necessary legislation has been introduced. This legislation will be found in—

Finance Act (No. 2), 1939, section 5	Validating payment for shares in New Zealand Centennial Exhibition Co., Ltd.
Finance Act (No. 2), 1939, section 44	Validating appointment of a former member of Parliament as a public servant.
Social Security Amendment Act, 1939, section 5.	Validating retrospective payment of increased age-benefits to certain invalidity pensioners.
Finance Act, 1940, section 14	Authorizing increased stamp allowance to members of Parliament.
Finance Act, 1940, section 32	Validating retrospective operation of regulations as to payment of salaries of Transport Licensing Authorities.
Finance Act, 1940, section 33	Validating payment of allowances to members of Parliament attending Select Committees.

In my report of last year three cases were mentioned in which expenditure of public moneys was passed on receiving assurances from the Government that validating legislation would be introduced. This legislation has been passed and appears in—

- Statutes Amendment Act, 1939, sections 24-29, which validated expenditure incurred by the State Forests Department in connection with the tobacco-growing industry.
- Finance Act (No. 2), 1939, section 43, which validated payment to a member of Parliament visiting Australia.
- Finance Act (No. 2) 1939, section 7, which validated an additional payment in respect of an increase in the price for cheese manufactured during the 1937-38 season.