

on the memorandum of the 12th March, which was addressed to the Minister by the Audit Office, in connection with its judgment on the question; but those remarks of the Solicitor-General, though they appear to the Audit Office to cast a reflection on it, and may reasonably be deemed to have influenced the Treasury, were not forwarded to the Audit Office till after the Government had advised the issue of and obtained the Governor's Warrant."

20. That memorandum of the 18th March is No. 13 in these papers?—Yes.

21. Well, that was after the Solicitor-General's opinion had been submitted to you, and you had replied to it, and in the ordinary course your reply would have gone to the Secretary to the Treasury, and then it must go to the Governor?—I think the reflections made on me in the matter were such that I should have been informed of them. Still, I think that in this case the Audit Office was justified in the course it took. I think that when the Audit Office conceives that information is required, and that the law has not been properly interpreted, the Audit Office should inform Parliament of the matter.

22. Are you of opinion that after a case where a dispute has arisen between the Treasury and the Audit Office has been submitted to the Governor under the law it is a proper thing to review it for the information of Parliament?—I think, if Parliament requires information or explanation from the Audit Office it is necessary to give it? I do not regard the Governor's order as above the law. The Audit Office interprets the law to a certain point. The Solicitor-General merely advises whether the judgment of the Audit Office is according to law or not.

23. *The Chairman.*] What the Committee is anxious to arrive at is this: Where does the final decision rest?—With the Audit Office, so far as the law is concerned.

24. Do you tell us that the Governor's order is the only authority to which you bow?—The order of the Governor determines to what account the amount shall be charged.

25. You tell us in one breath that the order of the Governor is the only authority that you recognise as superior to your own, but that does not determine the matter, because you come to Parliament with these papers. I should like to know where is the final authority in settling disputes between you and the Treasury?—I do not regard it as a matter of dispute. The interpretation of the law is determined by the Audit Office being satisfied or not. The Governor makes the order determining the account to which the amount is to be charged.

26. What I want to get at is this—and if I am wrong I wish to be shown where I am wrong: The Treasurer is guided by Act. There is an amendment of the Public Revenues Act which refers this matter through the Solicitor-General to the Governor: this makes the Governor superior to the Audit Office. Then there is a decision by the Governor, and still you discuss the decision of the Governor?—No, not at all. We interpret the law to a certain point, and we make no reflection on the Governor.

27. Very well; we have the order of the Governor, which, it would be proper to assume, determines the question between you and the Treasury. Then, what is it we are asked to do?—I submit that it is an abstract question which ought to be put in writing, so that I might have an opportunity of considering it.

28. What I am searching for is this: Where is there to be a finality? We have the Public Revenues Act, which says the Governor is to decide; but it appears from these papers that you hold that his decision is not final. Where, then, is there to be the final decision?—The Governor's decision is final so far as stating to what account the amount is to be charged.

29. *Mr. Palmer.*] You said that when you determined a point of law your decision had the same force as the decision of a Judge of the Supreme Court?—Yes.

30. Then, under section 53 of "The Public Revenues Act, 1891," when your interpretation of the law is overridden by the Governor, does not that reverse your decision?—No.

31. Why not?—Where the Governor has overridden my decision I have already required in a second case of the same description an exactly similar order to be made, and I have the authority of the Solicitor-General for that course.

32. I do not grasp what you mean?—If, for instance, the decision of the Governor was that the amount should be charged to a particular account, and it was followed by a precisely similar case, I should require another Governor's order.

33. You could have as many orders as you wished, and have them every day, because there is no controlling power over the Governor's orders?—Each order only determines one particular case.

34. Is not the Governor's power overriding under section 53 of "The Public Revenues Act, 1891"?—I do not think so.

35. That is your opinion?—Yes.

36. Supposing your opinion is wrong?—I cannot answer a suppositional question. The Governor determines each particular case where the Government applies for his order, and we say the claim is not legally chargeable. He determines to what vote this amount shall be chargeable, and if a second similar case should arise I should require a second order.

37. Would not that be questioning what the Governor does?—I do not think so.

38. Supposing that in coming to your decision you had made a mistake in the law, still your decision becomes absolute, whether it is legally right or wrong?—I cannot suppose such a case.

39. Even Supreme Court Judges are not infallible, and you might make a mistake?—I should like to have abstract questions of this kind written down, so that I might have an opportunity of considering them deliberately before being called upon to answer them. I have mentioned the fact that the Audit Office requires that these charges shall be made legally, and the Solicitor-General does not object to the decision of the Audit Office that in every case of a similar kind a Governor's order shall be issued where the Executive claims to make charges which the Audit Office does not approve of.

40. You assume that your decision must be law, and if the Governor overrides it he is overruling your decision as to the law?—I obey the Governor's order.