

1903.  
NEW ZEALAND.

## PUBLIC ACCOUNTS COMMITTEE:

REPORT ON PARLIAMENTARY PAPER B.-20B, 1902—PAYMENTS BY MAJOR PILCHER IN CONNECTION WITH GOVERNMENT SERVICE IN SOUTH AFRICA (CORRESPONDENCE BETWEEN AUDIT OFFICE AND TREASURY RELATIVE TO).

*Report brought up on the 30th September, 1903, together with Minutes of Evidence, and ordered to be printed.*

### ORDERS OF REFERENCE.

*Extracts from the Journals of the House of Representatives.*

THURSDAY, THE 13TH DAY OF AUGUST, 1903.

*Ordered*, "That Standing Order No. 211 be suspended, and that a Committee be appointed, consisting of twelve members, to examine into and report upon such questions relating to the Public Accounts as they may think desirable, or that may be referred to them by the House or by the Government, and also into all matters relating to the finances of the colony which the Government may refer to them; five to form a quorum; the Committee to consist of Mr. J. Allen, Mr. Colvin, Mr. Fisher, Mr. Flatman, Mr. W. Fraser, Mr. Graham, Mr. T. Mackenzie, Mr. McNab, Sir W. R. Russell, Mr. Wood, Hon. Sir J. G. Ward, and the mover."—(Right Hon. R. J. SEDDON.)

WEDNESDAY, THE 16TH DAY OF SEPTEMBER, 1903.

*Ordered*, "That Papers numbered 154B (B.-20A, 1902) and 181B (B.-20B) referred last session of Parliament to the Public Accounts Committee, but not reported on, be again referred to that Committee."—(Mr. McNAB.)

## REPORT.

THE Public Accounts Committee, to whom was referred the above-mentioned Paper, has the honour to report that it has considered the same, and taken evidence thereon, and is of opinion that the abnormal conditions and circumstances in connection with the South African war explain the departure from the usual practice, and that the Controller and Auditor-General was justified in reporting the matter to Parliament.

Wednesday, 30th September, 1903.

R. McNAB, Chairman.

## MINUTES OF EVIDENCE.

FRIDAY, 25TH SEPTEMBER, 1903.

Statement by Right Hon. R. J. SEDDON.

*Right Hon. R. J. Seddon*: This paper refers to certain accounts which were paid by Major Pilcher. As the Committee is aware, he was the agent for the Government in South Africa. There was a difficulty experienced by the imprestees in obtaining receipts for expenditure while on active service, and the Treasury submitted that the Audit Office should pass the accounts for entry and report the matter to Parliament. It was an abnormal condition of things, and we had to meet the payments. To follow the ordinary lines would have caused inconvenience, and put the colony in an improper position. As members are aware, there were some payments for the Imperial Government; others, of course, were on behalf of the New Zealand Government, and it was a question of adjustment later on. We were satisfied that the payments had been made on behalf of the Government of New Zealand, and were prepared to take the responsibility. The Audit Office very fairly agreed with the suggestion made by the Treasury that the matter be reported to Parliament and the accounts be passed accordingly. As I have said, the circumstances under which the expenditure was incurred were exceptional. In some instances it was impossible even to get receipts. Many of the officers who went had no knowledge of Treasury regulations; and I am happy to say that, under the circumstances, I think the colony has come out very well indeed. I do

not think that any other colony, as far as I can hear, nor even the Imperial authorities, can compare with us as to the manner in which we have had our business done. Major Pilcher had to give the officers the money, and in some cases, of course, it was impossible to get receipts in an orthodox way. However, the whole matter now, I think, has come down to a very few hundred pounds, and I am satisfied that everything has been straight and aboveboard; but the ordinary Treasury regulations could not be complied with under the abnormal conditions that obtained.

*Mr. W. Fraser* : You could not get vouchers for every payment ?

*Right Hon. R. J. Seddon* : No.

*Mr. Warburton* : I may just say that the Audit Office has no fault to find with the expenditure, which seems to be such expenditure as, if vouched, would be passed without question. There are a few more cases that have occurred since. I do not know whether I shall yet report them to Parliament. I am keeping them until all such payments are in, so that I can make one case of the whole, if I should make any case at all.

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