

The foregoing statement of irregularities is presented pursuant to the requirements of section 89 (2) (c) of the Public Revenues Act, 1926. The irregularities by departmental officers are fewer in number and smaller in amount than those reported last year, and there should be very little ultimate loss of public moneys in connection therewith when restitution orders have been satisfied. Six irregularities occurred in the branches of the Public Service under control of the Public Service Commissioner, only one of which was of any magnitude. This was the case of an officer of the Pensions Department who withheld departmental receipts to a value of £155 and embezzled a further £62 by forging signatures to vouchers. The irregularities in the Post and Telegraph Department were both small and cannot be regarded as pointing to weaknesses in the accounting system. Of the fifteen irregularities in the Railways Department all were small with the exception of one case of misappropriation of cash and another involving the theft of stores. In neither of these cases was there an ultimate loss of public moneys, nor were they made possible through deficiencies in the accounting system.

It is not necessary for me to comment on the irregularities shown as having been committed by persons other than departmental officers except to state that every case has been placed in the hands of the police for inquiry and action.

However deplorable these breaches of trust may be, it is inevitable that from time to time there will be losses of public moneys and stores by peculation on the part of departmental employees. No system of accounting, however perfect, can prevent embezzlement, but much can be done, by means of internal checks, towards detection in its early stages.

The Audit Office, in the course of its duties, examines the systems of internal check operating in Government offices, and I propose, wherever possible, to require regular periodical certificates from the officers who are responsible for seeing that the internal check instituted by the Department is being maintained.

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