REPORT
OF
FINANCE COMMISSION
APPOINTED BY
HIS EXCELLENCY THE GOVERNOR
1880-81.

With Minutes thereon by His Excellency the Governor, and the Treasurer and Auditor General.

Presented to the Legislature Council by His Excellency's Command.

P E R T H:
BY AUTHORITY: RICHARD FETHER, GOVERNMENT PRINTER.
1881.
To His Excellency Sir William Cleaver Francis Robinson, Knight Commander of the most distinguished Order of Saint Michael and Saint George, Governor and Commander-in-Chief in and over the territory of Western Australia and its Dependencies, &c., &c., &c.

MAY IT PLEASE YOUR EXCELLENCY,—

We the undersigned Members of a Commission appointed by Your Excellency, under date of 7th December, 1880, to take into consideration the Regulations in force in the Financial Departments of the Government; and to report whether any, and if so what, improvements could be introduced in the mode of keeping and auditing the Public Accounts, have now the honor to submit to Your Excellency the following Report.

REPORT.

2. Having made ourselves thoroughly acquainted with the Treasury Regulations of 1847–49 for keeping and auditing Public Accounts, and with General Order No. 14, dated October 1st, 1878, we proceeded to examine the various books and accounts kept in the Treasury and Audit Office, and to institute a careful and searching inquiry into the system at present in force for keeping and auditing the Public Accounts of the Colony; and we would desire to place on record that in this task we have received the ready and cheerful assistance of the Honorable the Colonial Treasurer and the Auditor General.

3. Both of these officers have been examined by us at some length on various matters connected with the working of their Departments.

4. Although the Regulations in force as to the transmission to the Treasury of all moneys connected with revenue by Sub-Treasurers, Collectors of Customs, and other Public Officers, and as to the Heads of Departments scheduling the monthly bills connected with the expenditure in their Departments and forwarding them to the Treasurer, and being held responsible for their accuracy, and that the votes under which the bills have been classified have not been exceeded without approval, are sound, we feel bound to express our opinion that, so far as the existing mode of keeping and auditing the Public Accounts is concerned, one more incomplete or less calculated to ensure correctness could not be adopted.

5. Our reasons for expressing such an opinion are as follows:

TREASURY.

6. First, as to the Treasury:

In this Department various subsidiary books are kept, useful doubtless for affording information in connection with the particular services to which they relate; but with reference to a system of keeping the accounts there is but one book of any value kept, and that in an incomplete manner, viz., the Treasurer’s Cash Book.

Its incompleteness is due mainly to the fact that all the receipts and payments are not entered therein in detail day by day,—notably the receipts from Internal Revenue being entered weekly in the form of a summary from the Internal Revenue Cash Book, and sums of money paid to the Banks at various times to be placed to the credit of different individuals being entered in one lump sum instead of in detail.
7. The Cash Book and Ledger connected with the Loan Account, from the incorrect manner in which they were opened and the incomplete manner in which they have been kept, are in our opinion of little, if any, value, as the balances shown therein on the various Loan Accounts do not agree with the balance in the one general account, and so far as we have been able to ascertain, the balances shown cannot be relied upon.

8. The result is obvious, there being no Waste Book, Journal, or Ledger, wherein the receipts from any source and payments for any purpose are entered and classified under distinct heads of service and posted to their respective Dr. and Cr. accounts, it is impossible for the Colonial Treasurer to furnish promptly any reliable information either as to the receipts under any heads of Revenue or the expenditure under any classified Head of Service, or as to the financial position of the Colony.

**Audit Office.**

9. **Secondly, as to the Audit Office:**

In this Department various books are kept, but the chief ones are the Abstract Books of Revenue and Expenditure, which appear to be in due form; but when these books were first before us we observed that the Abstract of Expenditure Book, which purports to afford a view of the actual state of each vote as passed in the Estimates by the Legislative Council, had not been closely posted up.

10. Such books as are kept in the Treasury appear to be audited, if ever, at very long intervals, nor does the Auditor appear ever to check the Bank balances.

11. The information elicited from the Auditor General himself leads to the conclusion that the system of audit in force is a very defective and haphazard one.

12. The Auditor General has stated in his evidence that, being constantly employed in preparing voluminous returns, he has not had time to properly audit all the books. Be this as it may, the fact remains, that in so important a matter as the Loan Account, the money raised under Loan having been made available in General Account for ordinary expenditure, the Auditor General was unable to give us any satisfactory information as to the balance due from General Revenue to the Loan.

**Suggestions.**

13. With a view to ensure more correctness in keeping the Public Accounts, and greater completeness of audit, we would beg to make the following suggestions—

1. That in conformity with the Treasury Regulations of 1847-49 the accounts in the Treasury should be kept, as formerly, by Double Entry.

2. That the following books should be kept by the Treasurer; viz., the Cash Book, Waste Book, Journal, and Ledger.

3. That the Cash Book should be kept in duplicate.

4. That the heads of Revenue and Expenditure should be the same in the Accounts as in the Estimates passed by the Legislative Council, and every item should be classified under its appropriate head.

5. That every Receipt and Payment, of whatever description, should be entered in the Cash Book daily, in the order in which it may occur, without classification under Head of Service.
6. That one copy of the Cash Book, together with all vouchers in support of the entries therein, should be forwarded to the Auditor General daily, to be checked in his office, and the Cash Book should be closed and balanced at the end of every month.

7. That the entries in the Waste Book should be made from the vouchers of Revenue and Expenditure, classified under their respective heads, daily, and should be journalized and posted therefrom into the Ledger monthly.

8. That the Waste Book, together with the vouchers of Revenue and Expenditure, should be available to the Auditor at all reasonable times, and he should compare and check the entries therein by the vouchers, and ascertain that the classifications are under their appropriate Heads of Service.

9. That the Auditor General should audit all the Books of the Treasurer monthly, and ascertain the correctness of the totals by adding up each column in the Waste Book and the General Totals for the month, and compare the aggregate of the general totals with the totals of Receipts and Expenditure in the Treasurer’s Cash Book.

10. That on completion of such Audit he should report the fact to His Excellency the Governor direct, and bring to His Excellency’s notice any irregularity he might have observed in the keeping of the Accounts, in the payments to the Treasury by Sub-Treasurers or other Officers collecting Revenue, or in any other matter connected with the Public Accounts.

11. That the Colonial Treasurer should prepare the Quarterly Return of Revenue and Expenditure, and that such Return should be audited by the Auditor General prior to publication in the Government Gazette.

12. That in addition to such Quarterly Returns the Treasurer should prepare Half-yearly a Balance Sheet showing the Financial position of the Colony to date, which should be audited by the Auditor General and published in the Government Gazette.

13. That all Collectors of Revenue other than Sub-Treasurers should transmit to the Auditor General, monthly, a statement showing the amounts remitted by them to the Treasurer, together with their Receipts for the same.

14. That the Accounts of all monies raised under Loan, and of payments in connection therewith, be kept by the Treasurer distinct from the Accounts of General Revenue and Expenditure.

15. That the amount due to Loan from General Revenue on the 31st December, 1880, should be ascertained and placed to the credit of such Account.

16. That the Colonial Treasurer should prepare a Quarterly Return of such Loan Accounts; and that such Return, after being audited by the Auditor General, should be published in the Government Gazette at the same time as the Quarterly Return of Revenue and Expenditure.
17. That an Account should be opened in the Treasurer's Ledger with the Crown Agents. We are of opinion that such an important Account should be kept in the Colony by the Treasurer, as well as by the Crown Agents in England.

18. That the Accounts of the Colony should be kept under the system proposed by us, from the beginning of the current year.

14. We beg to forward a copy of the Minutes of our Proceedings.

A. R. THOMPSON, A.C.G., Chairman,
M. S. SMITH,
JOSEPH SMYTH,
W. T. LOTON.

Perth, February 5th, 1881.

Colonial Secretary:

It would be as well, before I finally adopt these suggestions, which appear to me to be, on the whole, very good, to ask the Treasurer and Auditor General whether they have any remarks to make upon them before they are ordered to be enforced. I shall be glad to receive their observations as quickly as possible, as I want, if practicable, to set the new arrangements in motion before going back to Rottnest.

W.C.F.R.
26-2-81.

Hon. Colonial Treasurer and Auditor General.

Gifford,
C.S.

Memo. No. 4/1881—The Honorable the Colonial Secretary.

I have read the Report of Finance Commission appointed by His Excellency the Governor, and feel it my duty to offer some remarks thereon.

The Commission state, in paragraph No. 4, "that so far as the existing mode of "keeping and auditing the Public Accounts is concerned, one more incomplete or less "calculated to ensure correctness could not be adopted." I would beg to state how the present mode of keeping the Public Accounts has been brought about. Up to the time when the accounts ceased to be forwarded to London for audit, they were kept in a complete form in accordance with the Treasury Instructions 1847–49. In 1871, I represented that the work of the Internal Revenue Department and Treasury had so increased that it was impossible to keep the Books of Account unless more assistance was granted. This was refused, and I was told that it was not considered necessary to keep the accounts as formerly, the Cash Book being all that was required, as the Auditor's Abstract of the Accounts was sufficient for all purposes. On my return to the Treasury from leave of absence, in the early part of last year, I represented, by letter,
the unsatisfactory manner in which I considered the Public Accounts were kept, and
I again applied for the assistance of a Book-keeper, so that I might be able to revert to
the former system of account. His Excellency the Governor, by minute to the Legisla-
tive Council stated the necessity for provision being made to enable the requisite
assistance to be granted to the Treasury. The Council gave its consent, and the diffi-
culty has been to find a suitable person to discharge the duties of such an appointment.

In paragraph 6 it is stated, as regards the Treasurer’s Cash Book, “its incom-
pleteness is due mainly to the fact that all receipts and payments are not entered
therin in detail day by day, notably the receipts from Internal Revenue being
entered weekly in the form of a summary from the Internal Revenue Cash Book.” I
think the Commission, in finding fault with this practice, have lost sight of the fact
that the Treasurer and Collector of Internal Revenue are, in reality, separate offices.
The Collector of Revenue keeps his books distinct from the Treasurer, enters his receipts in
detail, and pays them weekly into the Treasury, supported by a copy of his Cash
Book at the close of each month. If the receipts of Internal Revenue are to be entered daily
in the Cash Book, the same principle should be observed with regard to receipts by all
Sub-Collectors of Internal Revenue and Customs, whose receipts are now entered in
separate Cash Books, and payments made weekly into the Treasury, supported by a copy
of their Cash Books at the close of each month. This system of separate Revenue Cash
Book and weekly payments is strictly in accordance with the Treasury Instructions of
1847-49, which was followed when the accounts were forwarded to the Commissioners
of Audit in London. If this system is altered as regards the Collector of Internal
Revenue, may I be allowed to say, that, in my judgment, it will be found impossible
to carry it out, as the Cash Books of the Treasurer and Collector of Internal Revenue
must, if necessary, be kept separate. They are kept by two different officers, who will
be unable, if only one book is kept, to use it at the same time, for the purpose of
making their entries. As regards sums of money paid to the Banks being entered in
one lump sum in the Cash Book, I would explain, that although such is the case, lists,
showing each payment in detail, with the Bank receipts at foot, have been invariably
forwarded with the Cash Book in support of the entry.

Paragraph No. 7. The Loan Accounts, in the form as represented, were handed
over to me on my return to the Treasury. I have with much care examined and
closed the account, showing the balances on the 31st December, 1880, under the separate
Heads of Expenditure as voted, which agrees with the balance of the General Account
with the exception of a sum of £29 5s. 6d., which discrepancy no doubt will be corrected
on the audit of the Account.

In conclusion, I beg to say that, on my being given competent assistance, I shall
endeavour, to the best of my ability, to have strictly carried out the system of account
recommended, if authorised to do so by His Excellency the Governor.

A. O’GRADY LEFROY,
Colonial Treasurer.

Treasury, 3rd March, 1881.
MEMORANDUM TO HIS EXCELLENCY THE GOVERNOR, &c., &c., &c. No. 113.

In reference to the Report of the Finance Commission, which Your Excellency has been pleased to forward to me for any remarks I may have to make, I have the honor to state as follows:—

Paragraph 9:—In regard to paragraph No. 9, I stated to the Commission that the Book called the Abstract Book of Expenditure had been made up to the 31st of October, which includes the payments by the Colonial Treasurer, and by the Sub-Treasurers at Albany and Champion Bay to that date, and at Roebourne up to September 30th, the latest dates to hand, and all these accounts had been audited to that date; and, as Your Excellency will probably recollect, that the Report of the Defalcation Committee of October, 1879 (Section 15, II.) recommended a limit of three months for auditing the Public Accounts.

Paragraph No. 10:—With reference to Paragraph No. 10, I should state that one of the principal books kept in the Treasury is that called the Treasurer's Cash Book of Receipts and Payments, and is rendered monthly, and is abstracted and examined as soon after the termination of each month as possible. The same practice is observed in regard to the cash accounts of the Sub-Treasurers at the outstations.

Paragraph 12:—In regard to Paragraph No. 12, I explained to the Commission, that owing to the pressure of business, I had not been able to audit the Loan Books to December 31st, 1880, but that they would receive my earliest attention.

I trust that I shall not be considered out of order in bringing under Your Excellency's notice what appears to me to be a most important point, and which the Commission appear to have overlooked in regard to rendering and keeping the Public Accounts.

It will probably be within Your Excellency's recollection that as far back as the year 1874, an alteration was then made in the period for closing the accounts of the Colony. At the end of that year, in accordance with instructions, the Colonial Treasurer was obliged to keep open his Cash Book to the 31st of January following, in order to enable him to get in, as far as possible, all the claims due for that year, consequently thirteen months expenditure occurred in the year 1874, as will be seen on reference to my remarks on the comparative statement. The practice of keeping the accounts open for one month after the termination of each year has been continued ever since 1874, but I do not think that it is in operation in any of the neighboring colonies, and its introduction here has led to much confusion in our accounts. I would therefore respectfully suggest that in future the Treasurer, as well as the various Sub-Treasurers at the outstations, be instructed to close their Cash Books on the evening of the 31st December in each year, paying all the salaries and allowances, and as many of the contingent accounts due for that month as can be got in on that day, and if the 31st fall on a Sunday, on the day previous; by this alteration the returns of Revenue and Expenditure for the December quarter could be published in the Government Gazette a month earlier than heretofore.

Should Your Excellency be pleased to approve of this recommendation, I would further suggest that the usual Quarterly Returns of Revenue and Expenditure be published as soon after the 31st of March, the 30th of June, the 30th of September, and the 31st of December; and that the heading of the Returns be expressed as

"Abstracts of Receipts and Expenditure." The practice from 2nd (say, for the June quarter), it appears in the Quarterly Return, the Crown Agents might not recollect the Colony for the quarter; while the one month behind our Public Regulations, drawn up by the which the accounts of the year, was absolute that the Treasurer in each year.

The Commission having Books of Receipts and Expenditure is proposed that the Treasurer should be clearly Library, the Audit would be a work of supererogation. In regard to a daily audit of the be fully occupied without having the

No remark has been made in the Schedules for Miscellaneous, other accounts, which have remained is not its legitimate

4th March, 1881.

Mr. Thompson:
I shall be obliged if you submit to the Members the entire on the suggestions contained in

The Treasurer points out that Internal Revenue is strictly in shall be glad to know whether or re-consideration, they conceive one.

The Auditor General's Accounts appear to me to call advice upon the subject, as also memo.
"Abstracts of Receipts and Payments" for the quarter, and not "Revenue and Expenditure." The practice from April, 1878, has been to wait for one month past the quarter (say, for the June quarter), in order that the expenditure or claims due for June may appear in the Quarterly Returns; it is possible, by this alteration, that the accounts of the Crown Agents might not be received in time for incorporation with the accounts of the Colony for the quarter; under ordinary circumstances, they would not be more than one month behind our Public Accounts. I must not omit to add, that under the old Regulations, drawn up by the Commissioners of Audit in England, in accordance with which the accounts of the Colony were kept until the end of the year 1869, the rule was absolute that the Treasurer should close his Cash Book on the 31st of December in each year.

The Commission have not stated whether they recommend that the Abstract Books of Receipts and Expenditure, now kept in my office, should be continued. As it is proposed that the Treasurer should keep a Ledger, in which the Revenue and Expenditure should be classified in accordance with the Estimates passed by the Legislative Council, the Auditor's Abstract Books appear to me unnecessary, and would be a work of supererogation; and if the suggestion of the Commission with regard to a daily audit of the Public Accounts be carried out, the time of the office will be fully occupied without having to keep these books.

No remark has been made by the Commission in regard to the preparation of the Statements for "Miscellaneous Services," "Refunds," "Aborigines," and various other accounts, which have hitherto been done in my office, and which I have always maintained is not its legitimate work.

4th March, 1881.

E. L. COURTHOPE,
Auditor General.

Mr. Thompson: I shall be obliged if you will summon a meeting of the Finance Committee, and submit to the Members the enclosed Memos. from the Treasurer and Auditor General on the suggestions contained in your Report.

The Treasurer points out that the mode adopted in dealing with the Receipts of Internal Revenue is strictly in accordance with the Imperial Treasury instructions. I shall be glad to know whether the Commission adheres to its former advice, or whether, on reconsideration, they concur with the Treasurer that the present system is the right one.

The Auditor General's remarks as to the proper time for closing the Public Accounts appear to me to call for your attention, and I shall be glad to receive your advice upon the subject, as also on the suggestions contained in pages 7 and 8 of his Memo.

W.C.F.R.
4-3-81.
His Excellency the Governor, &c., &c., &c.:

With reference to the remarks of the Treasurer, and of the Auditor General, on the Report of the Commission to inquire into the mode of keeping and auditing the Public Accounts of the Colony, which Your Excellency has been pleased to refer to the Commission for rejoinder, we have the honor to state:

2. First, as to the remarks of the Treasurer:
   The only remark of that officer that appears to require our attention is the one in which he animadverts on Paragraph 6 of our Report.

3. Our opinion, as expressed in that paragraph, was formed, not only on an examination of the different books kept in the Treasury, but also on the Treasurer’s reply to our Question No. 4, Minutes of Proceedings, December 31st.

4. Payments that are made to the Treasury weekly by Sub-Collers of Revenue, in conformity with the Treasury Regulations, can only be entered in the Treasurer’s Cash Book weekly, but there are other payments on account of Internal Revenue that are paid to the Treasurer in his capacity of Collector of Revenue from day to day.

5. It is these payments we considered ought to be entered at once in the Treasurer’s Cash Book.

6. We therefore still adhere to our opinion as to the advisability of entering in the Treasurer’s Cash Book in detail, day by day, all receipts from Internal Revenue as well as from other sources, and we are the more confirmed in this opinion, as the Offices of Treasurer and Collector of Revenue at Head Quarters are held by one and the same individual.

7. Were it otherwise, there would of course be a necessity to keep what is called an Internal Revenue Cash Book—the book at present in use is in fact not a Cash Book but a mere record of receipts on account of Internal Revenue.

8. The Treasurer remarks that this “system of separate Revenue Cash Books and weekly payments is strictly in accordance with the Treasury Instructions of 1847—49,” and doubtless it is so as regards the Sub-Collers of Revenue, and would be as regards the Treasurer and Collector of Revenue were these Offices distinct and held by different individuals.

9. We fail to see what object there can be, provided the system is adopted that we have suggested, in keeping two Cash Books when one is sufficient, as the multiplicity of Cash Books appears to us to be in the highest degree confusing.

10. Secondly, as to the remarks of the Auditor General:
   The principle of closing the Accounts on the 31st December, or on any day which may be the last day of the financial year, is clearly set forth in the Treasury Regulations, the adoption of which Regulations generally we have recommended in our Report.

11. We therefore did not deem it necessary to insist particularly on that individual point.

12. We do not think, on mature consideration and re-perusal of our Report, that the other remarks of the Auditor General call for any rejoinder on our part.

13. We certainly should be disposed to concur with that Officer in the opinion that his Abstract Books are “unnecessary” and “a work of supererogation” with the present system of keeping the accounts.

14. Were the Treasury Regulations, the Auditor’s General Rules, and the Orders of this House, to provide a check on the Treasurer’s weekly payments, we should fully concur with the Auditor General’s opinion.

15. This does not appear to be so.

16. Indeed, as the Treasurer at present is the only Cashier, and the Auditor Keeper.

17. As the Abstract Books in the Audit Office, we did not doubt but that the Auditor General should prepare his returns, but we consider that a mere matter of form.

18. We are still of opinion that receipts on account of Internal Revenue are kept in accordance, as far as they are kept at all, as suggested by us, it will be to the knowledge of the actual state of the Colony or otherwise.

Note.—Mr. Loton abstained from voting.

Perth, March 10th,

Colonial Secretary.

The Finance Committee, Colonial Treasurer and Auditor.

The Committee congratulate the Treasurer and Collector of Internal Revenue, as well as from other sources, on the efficiency of both Cash Books. The Committee are competent to express an opinion on the subject of the Treasury Regulations, and the adoption of which Regulations generally we have recommended in our Report.

12. We therefore did not deem it necessary to insist particularly on that individual point.

13. We certainly should be disposed to concur with that Officer in the opinion that his Abstract Books are “unnecessary” and “a work of supererogation” with the present system of keeping the accounts.

14. Were the Treasury Regulations, the Auditor’s General Rules, and the Orders of this House, to provide a check on the Treasurer’s weekly payments, we should fully concur with the Auditor General’s opinion.

15. This does not appear to be so.

16. Indeed, as the Treasurer at present is the only Cashier, and the Auditor Keeper.

17. As the Abstract Books in the Audit Office, we did not doubt but that the Auditor General should prepare his returns, but we consider that a mere matter of form.

18. We are still of opinion that receipts on account of Internal Revenue are kept in accordance, as far as they are kept at all, as suggested by us, it will be to the knowledge of the actual state of the Colony or otherwise.

Note.—Mr. Loton abstained from voting.

Perth, March 10th,
14. Were the Treasurer's Accounts kept in accordance with the Treasury Regulations, the Auditor's Abstract Books would furnish a check on these Accounts.
15. The Auditor General's Department is instituted, we conceive, in order to provide a check on the Treasury Accounts.
16. This does not appear to be so understood by the Auditor General.
17. Indeed, as the Colonial Accounts are now kept, the Treasurer is merely a cashier, and the Auditor General fills, to a certain extent, only the position of bookkeeper.
18. As the Abstract Books of Revenue and Expenditure were already kept in the Audit Office, we did not deem it necessary to suggest that they should be kept.
19. We have suggested that a certain system of keeping and auditing the Public Accounts should be adopted, and as to whether the Treasurer or the Auditor General should prepare the Schedules for "Miscellaneous Services," &c., &c., we consider that a mere matter of detail.
20. We are still of opinion that until the Books and Accounts of the Colony are kept in accordance, as far as practicable, with the Treasury Regulations of 1847-49, as suggested by us, it will always be very difficult, if not impossible, to arrive at a knowledge of the actual state of the Colonial Finances, whether as to the indebtedness of the Colony or otherwise.

A. R. THOMPSON, A.C.G., Chairman,
M. S. SMITH,
JOSEPH SMYTH.

NOTE.—Mr. Lottn absent in Victoria.
A. R. T., A.C.G.
Perth, March 10th, 1881.

COLONIAL SECRETARY:
The Finance Committee have had under consideration the Memos of the Colonial Treasurer and Auditor General dated the 3rd and 4th respectively.

The Committee consider that, at Head Quarters, where the Offices of Treasurer and Collector of Internal Revenue are combined, all receipts from Internal Revenue, as well as from other sources, should be entered in detail, day by day, in the Treasurer's Cash Book. The Committee have given so much consideration to the subject, and are so competent to express an opinion upon it, that I can have no hesitation in adopting their recommendations, and you will therefore inform the Treasurer accordingly. I presume that this will not prevent the Treasurer from keeping a separate record of receipts on account of Internal Revenue should he deem it necessary for his own convenience to do so; and so long as the one General Cash Book recommended by the Committee is kept in accordance with their suggestions, this is a point which may well be left to the Treasurer himself to deal with.

As regards the Auditor General's suggestions, the Committee apparently concur in the propriety of closing the Public Accounts on the 31st December, and this plan may now be reverted to accordingly.

With these observations I will now leave the Treasurer and Auditor General to adopt at once, in their entirety, the suggestions of the Finance Committee, which I
believe, if strictly carried out, will serve to place the Financial Departments on a far more satisfactory footing than at present. In order to enable the Treasurer to carry out the new system, a Book-keeper will forthwith be appointed. The strength of the Audit Office having recently been increased, I do not consider it necessary, at present, to make any addition to the staff of that Department.

It is due to the Treasurer that I should place on record my opinion that he is not to blame for the unsatisfactory manner in which the Public Accounts have been kept. He has more than once drawn attention to the propriety of reverting to the former system of Account, and pointed out the necessity of providing for a Book-keeper in order to enable this to be done; and I have reason to believe that, although the system in force may have been defective, he has diligently endeavoured to carry it out, so far as it was possible to do so, in an efficient and satisfactory manner.

W.C.F.R.,
12-3-81.

[Extract from “Government Gazette” of 21st June, 1881.]

No. 900.—C.S.O.
Colonial Secretary's Office, Perth, 16th June, 1881.

His Excellency the Governor has been pleased to direct the publication of the following Correspondence, for general information.

By His Excellency's Command,

GIFORD,
Colonial Secretary.

Sir,

Government House, Perth, 7th June, 1881.

The system of Account recommended in the Report of the Finance Commission of which you were Chairman having now been in operation for some weeks in the Treasury, I shall feel obliged if you and your late colleagues will visit and inspect the Treasury Department, and inform me whether the new system is being carried out to your satisfaction.

I have, &c.,

A. R. Thompson, Req. A.C.G.,
&c., &c., &c.

WILLIAM C. F. ROBINSON,

Sir,

Perth, 11th June, 1881.

In pursuance of the request contained in Your Excellency's letter of the 7th instant, we the members of the Finance Commission appointed by you to inspect and report upon the system of Account in operation in the Treasury Department of this Colony, and to suggest any alterations we might think desirable, have visited and inspected that Department, and are of opinion that the new system is being carried out in a satisfactory manner in accordance as far as practicable with the suggestions made in our report.

We think that it is now possible, from the books at present kept in the Treasury, to arrive without difficulty or delay at a clear perception of the Financial position of the Colony; and we consider that great credit is due to the officers recently appointed to the Department for the way in which they have carried out the recommendation of the Commission, and for the energy and efficiency displayed by them in so doing.

We have, &c.,

A. R. THOMSON, Chairman,
JOSEPH SMITH,
M. S. SMITH,
W. T. LOTTEN.

His Excellency Sir W. C. F. Robinson, K.C.M.G., Perth.

By Authority: RICHARD FISHER, Government Printer, Perth.