

## PUBLIC REVENUES AMENDMENT BILL

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### EXPLANATORY NOTE

THIS Bill makes various amendments to the Public Revenues Act 1926.

*Clause 2* is to enable the Controller and Auditor General to delegate any of his powers to officers of the Audit Office. The clause is similar to section 5 of the Finance Act 1947 (authorizing the Secretary to the Treasury to delegate powers), except that this clause does not require the consent of the Minister of Finance to any delegation.

*Clauses 3, 4, and 5* provide for the appointment of the Secretary to the Treasury (who also holds the offices of Receiver-General and Paymaster-General), the Deputy Secretary to the Treasury, and Assistant Secretaries to the Treasury, and confirm the appointments of the persons at present holding those offices.

*Clause 6* simplifies the procedure for the issue of moneys from the Public Account by dispensing with a bank order and providing for the Audit Office to countersign a cheque instead. The clause also enables a fund or account to be overdrawn during a financial year, to the extent of moneys to be paid into the fund or account before the end of the year.

*Clause 7* makes similar provision to *clause 6* for the issue of public moneys outside New Zealand, except that in this case the bank order is retained.

*Clause 8* simplifies the procedure for the issue of money by way of general imprest, and substitutes a new limit of 2½ per cent of the total amount appropriated by the latest Appropriation Act, in place of the present limits of £1,500,000 for general imprest and £1,000,000 for issues in London for general services. This limit will apply to general imprests issued either within or outside New Zealand.

*Clause 9* will eliminate unnecessary administrative work by making it unnecessary to charge new expenditure to the Unauthorized Expenditure Account during the first three months of each financial year. The clause will enable such expenditure to be charged to new items on the estimates, as is done after the passing of an Imprest Supply Act.

*Clause 10* is to enable the Controller and Auditor General to determine, within reasonable limits, the extent of the audit of the public accounts.

*Clause 11* is to enable the Audit Office, in cases where it considers it proper, to pass vouchers without production of all the supporting receipts. The clause also makes it unnecessary to refer to every such case in the annual report of the Controller and Auditor General.

*Clause 12* is to enable the unexpended balance of any amount appropriated in an Appropriation Act for any non-recurring purpose to be transferred to a separate account for disbursement when required or, if not required, for retransfer to the original fund or account.

*Clause 13* revises the limits of unauthorized expenditure of local authorities, as under:—

Borough Councils, County Councils, Town Boards, River Boards, and Drainage Boards:—

1 per cent of the general rate, not exceeding £5,000.

Harbour Boards:—

1 per cent of the annual revenue (exclusive of loan moneys), not exceeding £1,000.

Hospital Boards and Joint Committees:—

$\frac{1}{2}$  per cent of the previous year's maintenance expenditure, not exceeding £500 for the Auckland, Wellington, or North Canterbury Hospital Board or £350 in any other case.

*Clause 14* increases from £100 to £200 the amount due by the Crown to a deceased person which may be paid to the relatives without the production of probate.

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*Hon. Mr. Bowden*

PUBLIC REVENUES AMENDMENT

ANALYSIS

Title.	
1. Short Title.	8. Imprests. Repeal.
2. Delegation of powers by Controller and Auditor General.	9. Certain payments to be charged to new items on estimates, instead of to Unauthorized Expenditure Account.
3. Secretary to the Treasury. Repeals.	10. Audit by Audit Office. Repeal.
4. Deputy Secretary to the Treasury.	11. Passing of vouchers without production of receipts. Repeal.
5. Assistant Secretaries to the Treasury. Repeal.	12. Transfer and subsequent expenditure of unexpended appropriations.
6. Requisition and cheque for payment of public moneys. Repeal.	13. Unauthorized expenditure of local authorities. Repeals.
7. Requisition and bank order for payment of moneys outside New Zealand.	14. Increasing amount that may be paid without probate.

A BILL INTITULED

AN ACT to amend the Public Revenues Act 1926. Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

5 1. This Act may be cited as the Public Revenues Amendment Act 1952, and shall be read together with and deemed part of the Public Revenues Act 1926 (hereinafter referred to as the principal Act).

Short Title.  
See Reprint  
of Statutes,  
Vol. VII, p. 10

Delegation of  
powers by  
Controller and  
Auditor  
General.

2. (1) The Controller and Auditor General may from time to time, either generally or particularly, by writing under his hand delegate to any officer of the Audit Department all or any of the powers exercisable by the Controller and Auditor General under any Act, 5  
except this power of delegation.

(2) Subject to any general or special directions given or conditions imposed from time to time by the Controller and Auditor General, the officer to whom any powers are delegated under this section may 10  
exercise those powers in the same manner and with the same effect as if they had been conferred on him directly by this section and not by delegation.

(3) Every person purporting to act pursuant to any delegation under this section shall, in the absence of 15  
proof to the contrary, be presumed to be acting in accordance with the terms of the delegation.

(4) Any delegation under this section may be made to a specified officer or specified officers, or to the holder or holders for the time being of a specified office or 20  
class of offices.

(5) Unless and until any delegation under this section is revoked, it shall continue in force according to its tenor. In the event of the Controller and Auditor General by whom any such delegation is made ceasing 25  
to hold office it shall continue to have effect as if made by the person for the time being holding office as Controller and Auditor General.

(6) Every delegation under this section shall be revocable at will, and no such delegation shall prevent 30  
the exercise of any power by the Controller and Auditor General.

Secretary to  
the Treasury.

3. (1) There shall from time to time be appointed a Secretary to the Treasury (hereinafter referred to as the Secretary) who shall hold the offices of 35  
Receiver-General and Paymaster-General and shall be the administrative head of the Treasury Department.

(2) The Secretary shall be appointed by the Governor-General, and shall hold office during the pleasure of the Governor-General. 40

Repeals.

(3) Sections thirty-three and fifty-two of the principal Act are hereby consequentially repealed.

(4) The person who at the commencement of this Act holds office as Secretary to the Treasury and Receiver-General and Paymaster-General shall be deemed to have been appointed to those offices under this Act.

4. (1) There shall from time to time be appointed under the Public Service Act 1912 a Deputy Secretary to the Treasury (hereinafter referred to as the Deputy Secretary), who, subject to the control of the Secretary, shall have and may exercise all the powers, duties, and functions of the Secretary.

Deputy Secretary to the Treasury. See Reprint of Statutes, Vol. VII, p. 522

(2) On the occurrence from any cause of a vacancy in the office of Secretary (whether by reason of death, resignation, or otherwise), and in case of the absence from duty of the Secretary (from whatever cause arising), and so long as any such vacancy or absence continues, the Deputy Secretary shall have and may exercise all the powers, duties, and functions of the Secretary.

(3) The fact that the Deputy Secretary exercises any power, duty, or function of the Secretary shall be conclusive evidence of his authority to do so.

(4) Section fifteen of the Finance Act 1937 is hereby amended by omitting from the proviso to subsection one the words "Assistant Secretary to the Treasury or as the Second Assistant Secretary to the Treasury", and substituting the words "Deputy Secretary to the Treasury or as an Assistant Secretary to the Treasury".

1937, No. 17

(5) The person who at the commencement of this Act holds office as Deputy Secretary to the Treasury shall be deemed to have been appointed to that office under this Act.

5. (1) There shall from time to time be appointed under the Public Service Act 1912 two Assistant Secretaries to the Treasury (hereinafter referred to as Assistant Secretaries).

Assistant Secretaries to the Treasury.

(2) An Assistant Secretary shall in all respects act under and conform to the directions of the Secretary and, subject thereto, shall have and may exercise all the powers, duties, and functions of the Secretary.

(3) On the occurrence from any cause of vacancies in the offices of Secretary and Deputy Secretary (whether by reason of death, resignation, or otherwise), and in case of the absence from duty of the Secretary and of the Deputy Secretary (from whatever cause arising), and so long as any such vacancy or absence continues, an Assistant Secretary shall have and may exercise all the powers, duties, and functions of the Secretary. 5

(4) The fact that an Assistant Secretary exercises any power, duty, or function of the Secretary shall be conclusive evidence of his authority to do so. 10

Repeal.  
See Reprint  
of Statutes,  
Vol. VII, p. 97

(5) Section twenty-three of the Finance Act 1931 (No. 4) is hereby consequentially repealed.

(6) The persons who at the commencement of this Act hold office as Assistant Secretaries to the Treasury shall be deemed to have been respectively appointed to those offices under this Act. 15

Requisition and  
cheque for  
payment of  
public moneys.

6. (1) Section fifty-five of the principal Act is hereby amended by repealing subsections two, three, and four, and substituting the following subsections:— 20

“(2) The Paymaster-General shall also prepare and send to the Audit Office a cheque drawn on the Public Account for the payment of the amount specified in the requisition into a disbursement account, which shall be operated on by such officers as the Paymaster-General from time to time directs. 25

“(3) On being satisfied that the issue named in the requisition is within the limit of the Governor-General’s warrant, that there is a sufficient balance in each of the votes specified in the requisition, and that there are, or will during the financial year be, sufficient moneys in each fund or account to meet the charges named in the requisition, the Controller and Auditor General shall forthwith countersign the requisition and cheque, and return the cheque to the Paymaster-General. 30 35

“(4) It shall not be lawful for any fund or account to be overdrawn at the end of any financial year; but during any year a fund or account may be overdrawn to the extent of moneys outstanding and unpaid and properly payable into that fund or account during that year.” 40

Repeal.

(2) The form numbered (5) in the First Schedule to the principal Act is hereby repealed.

7. Section seventy-nine of the principal Act is hereby amended by repealing subsection three, and substituting the following subsections:—

Requisition and bank order for payment of moneys outside New Zealand.

5 “(3) The requisition and bank order shall be sent  
to the Audit Office and, on being satisfied that the issue  
named in the requisition is within the limit of the  
Governor-General’s warrant, that there is a sufficient  
balance in each of the votes specified in the requisition,  
and that there are, or will during the financial year be,  
10 sufficient moneys in each fund or account to meet the  
charges named in the requisition, the Controller and  
Auditor General shall forthwith countersign the requisition and bank order, and return the bank order to the  
Paymaster-General.

15 “(3A) It shall not be lawful for any fund or account  
to be overdrawn at the end of any financial year; but  
during any year a fund or account may be overdrawn  
to the extent of moneys outstanding and unpaid and  
properly payable into that fund or account during that  
20 year.”

8. (1) Section fifty-six of the principal Act is hereby amended by repealing subsection one (as amended by subsection one of section four of the Finance Act 1945), and substituting the following subsection:—

Imprests.  
1945, No. 2

25 “(1) Moneys required to be issued by way of  
imprest shall as far as practicable be charged in the  
voucher and requisition against the Act, vote, or other  
authority for the service for which the imprest is  
required; but the Treasury may charge moneys by way  
30 of general imprest against the relative fund or account  
instead of an Act, vote, or other authority, and in any  
such case the amount so charged shall be issued accord-  
ingly. Moneys so imprested on a charge to general  
imprest shall in due course be transferred to the several  
35 votes or authorities for the purposes of which the  
moneys are expended, and the amounts so transferred  
shall be credited to general imprest in respect of the  
particular fund or account:

40 “Provided that moneys issued by way of general  
imprest shall not at any time exceed two and a half per  
cent of the total amount of all sums appropriated by  
the Appropriation Act then last passed.”

(2) Section eighty of the principal Act is hereby amended as follows:—

(a) By omitting from subsections one and two the words “ General Services ” wherever they occur, and substituting in each case the words “ general imprest ”: 5

(b) By repealing the proviso to subsection one (as amended by subsection two of section four of the Finance Act 1945).

See Reprint  
of Statutes,  
Vol. VII, p. 84

(3) Section twenty of the Finance Act 1928 is hereby amended by omitting from subsection one the words “ General Services ”, and substituting the words “ general imprest ”. 10

Repeal.  
1945, No. 2

(4) Section four of the Finance Act 1945 is hereby consequentially repealed. 15

Certain  
payments to be  
charged to new  
items on  
estimates,  
instead of to  
Unauthorized  
Expenditure  
Account.

9. (1) Section forty-seven of the principal Act is hereby amended by repealing the second proviso to subsection one.

(2) Section fifty-eight of the principal Act is hereby amended by repealing subsection six. 20

Audit by  
Audit Office.

10. (1) The principal Act is hereby amended by repealing section sixty-five, and substituting the following section:—

“ 65. It shall be the duty of the Audit Office to make such examination of the requisitions and paid vouchers as it considers necessary to be satisfied that the expenditure is— 25

“(a) Properly authorized;

“(b) Charged against the proper appropriation provided by Parliament; and 30

“(c) Otherwise properly incurred and accounted for.”

Repeal.

(2) Section seventy-two of the principal Act is hereby repealed.

Passing of  
vouchers  
without  
production of  
receipts.

11. (1) Section seventy-three of the principal Act is hereby amended by omitting the words “ No sum shall be allowed by the Audit Office ”, and substituting the words “ Unless the Audit Office otherwise agrees, no sum shall be allowed ”. 35

(2) Section seventy-four of the principal Act is hereby amended by omitting from subsection one the words "For the purposes of the last preceding section".

Repeal.

5 (3) Section eighty-nine of the principal Act is hereby amended by repealing paragraph (d) of subsection two.

10 12. (1) Where provision has been made in any Appropriation Act for expenditure in the nature of a grant or for a purpose that does not normally recur, but the expenditure cannot be made during the year to which that Act relates, the Minister, on being satisfied that it is desirable to do so, may direct that any unexpended balance of the provision shall be transferred during that year to a separate fund, account, or deposit account to be held there until payment is required, when the amount may be expended without further appropriation than this section for the purpose for which it was originally appropriated by Parliament.

Transfer and subsequent expenditure of unexpended appropriations.

20 (2) Any amount transferred under this section and not required for the purpose for which it was provided shall be retransferred to the fund or account from which it was originally appropriated.

25 13. (1) The principal Act is hereby amended by repealing section one hundred and twenty-nine, and substituting the following section:—

Unauthorized expenditure of local authorities.

30 "129. (1) Any Borough Council, County Council, Town Board, Road Board, River Board, or Drainage Board may in every financial year, out of its general account or any appropriate separate account, expend for purposes not authorized by any Act or law for the time being in force any sum or sums not amounting in the whole to more than one per cent of the general rate levied for that year, nor in any case to more than

35 five thousand pounds.  
40 "(2) Any Harbour Board may in every financial year, out of its Harbour Fund, expend for purposes not authorized by any Act or law for the time being in force any sum or sums not amounting in the whole to more than one per cent of its revenue for the year (exclusive of loan moneys), nor in any case to more than one thousand pounds.

See Reprint  
of Statutes,  
Vol. III, p. 757

“(3) Any Hospital Board, and the joint committee of any institution established under section eighty-one of the Hospitals Act 1926 may in every financial year, out of its maintenance account, expend for purposes not authorized by any Act or law for the time being in force any sum or sums not amounting in the whole to more than one-fifth of one per cent of its maintenance expenditure for the previous year, nor in the case of the Auckland, Wellington, and North Canterbury Hospital Boards to more than five hundred pounds each, nor in any other case to more than three hundred and fifty pounds. 5 10

“(4) If the amount authorized by the foregoing provisions of this section is in any case less than fifty pounds for any year, the local authority may in that year expend as aforesaid a sum or sums not amounting in the whole to more than fifty pounds. 15

Repeals.

(2) Sections twenty-eight and twenty-nine of the Finance Act (No. 2) 1947 are hereby consequentially repealed. 20

Increasing  
amount that  
may be paid  
without  
probate.

**14.** Section one hundred and forty-two of the principal Act is hereby amended by omitting from subsection one the words “one hundred pounds”, and substituting the words “two hundred pounds”.