

Enclosure in No. 5.

G. A. HAMILTON, Esq., to the UNDER SECRETARY OF STATE for the Colonies.

SIR,—

Treasury Chambers, February 14, 1867.

I am directed by the Lords Commissioners of Her Majesty's Treasury to transmit to you herewith, for the information of the Earl of Carnarvon, copy of a letter which my Lords have received from Commissary-General Jones, C.B., respecting the adjustment of the accounts between the Imperial Government and the Colonial Government of New Zealand, and also copy of the reply of my Lords thereto.

The Under Secretary of State for the Colonies.

I have, &c.,
G. A. HAMILTON.

Sub-Enclosure 1 to Enclosure in No. 5.

Commissary-General JONES, C.B., to the LORDS COMMISSIONERS of the TREASURY.

(No. 16.)

Wellington, New Zealand, 24th November, 1866.

SIR,—

With reference to the instructions of the Lords Commissioners of Her Majesty's Treasury desiring me to put myself in communication with an officer to be appointed by His Excellency the Governor to discuss the points in dispute, and to prepare, in conjunction with him, an account of the claims and counter-claims of the Colony and the Home Government, I now do myself the honor to report as follows, for the information of their Lordships.

As the whole mass of the accounts and all the Officers of the Staff and Departments were at Auckland, I respectfully urged that the proceeding should be commenced there, but His Excellency replied that the Auditor-General of the Colony had been appointed to meet me; and as his services were absolutely necessary at Wellington, he could not proceed to Auckland.

My only course was to prepare my accounts against the Colony in Auckland, and there collect all the supporting authorities and vouchers, and make all the necessary references to other Departments.

Early in August I informed the Colonial Auditor-General what I was doing, and suggested that a similar account of the Colonial claims against the Imperial Government might be contemporaneously prepared in Wellington, and thus materially expedite the business. I received no reply.

On the 22nd September I arrived in Wellington with my accounts, &c. I called several times at the Auditor-General's Office before I could see him, and it was not until the 25th of the month I did so, and then, for the first time, was informed that he had never been appointed: and also that nothing had been done as I suggested towards preparing an account of claims against the Imperial Government.

I at once communicated to His Excellency the Governor, through his Private Secretary, this fact, and intimated that I was now detained in the Colony solely for the purpose of endeavoring to effect an adjustment of these accounts.

In reply, two days afterwards, I was informed that Major Richardson, Member of the Executive Council, was now appointed to meet me in this duty.

I lost no time in seeing this officer, but he informed me that he had not been appointed, although he had been spoken to on the subject, and declined entering with me upon the business until he had been formally commissioned by the Governor.

When the Commission was issued, a few days subsequently, he insisted upon commencing with the mere arithmetical audit of the numerous vouchers supporting my accounts, and for this purpose appointed an accountant from the town, who, of course, is utterly unacquainted with the whole nature of the claims.

Major Richardson then informed me that he was going to Otago for a time, and would give me no information regarding the period of his return, stating generally that he would return when he was telegraphed for. I represented this delay as unnecessary, and tending to my detention in the Colony at some expense to the Home Government. I was merely informed that an account of the Colonial charges against the Imperial Government could not be prepared under three months.

In expostulating I referred to the account already prepared and laid before the House of Representatives, and a copy of which appears to have been enclosed with His Excellency's Despatch No. 42, dated so far back as the 12th May last, to the Right Honorable Edward Cardwell, M.P., &c.; and also to my communication to the Auditor-General of August last, suggesting the preparation of an account, but I was only informed that about three months would be required to prepare the account, and nothing could be done earlier.

I could thus only conclude that it would not become me to press the investigation forward in the manner I considered best, as it was evident that my intentions were viewed with suspicion, as if my object was in some way calculated to prejudice the Colonial interests.

I therefore desisted from all further endeavour to press on the proceedings, but when the stipulated three months are expired, I propose again urging expedition; should further procrastination, however, be continued, without satisfying me that the delay is necessary, I propose to use my own discretion how far it would be right of me to decline remaining longer in the Colony, as I feel confident that on my return to the United Kingdom I shall be quite in a position to satisfy their Lordships in all questions relating both to the claims and counter-claims under consideration.

I would feel obliged by your assuring their Lordships that I shall use my best endeavors to bring these questions to such a termination as will, I trust, be equally satisfactory to their Lordships and the Colonial Government; but at the same time I would solicit their forbearance, should it appear to them that the affair is protracted beyond their expectations.