

WHEREAS the majority of the members of the Provincial Council of Otago, by an address to me the Governor aforesaid, signed by them, dated the Nineteenth day of December, One thousand eight hundred and sixty, did allege that, in consequence of the facts disclosed by a report and evidence taken before a Select Committee of the said Provincial Council on the public accounts, public funds, &c., of the said Province, from which it appeared to the said Committee that His Honor James Macandrew, Esquire, the Superintendent of the said Province, had had the use of a portion of the public funds for private purposes, and was, for a considerable time, aware that there was a deficiency in the public funds without having made the members of his Executive acquainted therewith, and such majority of members of the Provincial Council as aforesaid did request me to exercise the power vested in Her Majesty by the fourth clause of "The Constitution Act," and to remove the said James Macandrew from the office of Superintendent of the said Province, which said power has been duly delegated by Her Majesty to me the Governor as aforesaid, under the authority of the said Act. And whereas there are other matters relating to the public accounts and transactions within the said Province, particularly with regard to the mode of receiving payment for Waste Lands of the Crown, which matters are referred to in the papers hereunto annexed. And whereas it is expedient that authentic information concerning the aforesaid allegations, as well as upon the general state of the public accounts of the said Province, and the mode of receiving payment of the Waste Lands of the Crown, and upon all matters connected therewith respectively, should be obtained for my information and guidance:

1. Now therefore, I, Thomas Gore Browne, the Governor as aforesaid, do hereby appoint Charles Knight, Esquire, the Auditor of the Public Accounts of the Colony, to be a Commissioner to inquire and investigate of and concerning the premises, and of and concerning all matters referred to in the papers hereunto annexed, and of and concerning all matters in any way affecting or relating to the public accounts of the said Province, or the public accounts of the General Government of the Colony within the said Province.

2. And I do hereby direct the said Commissioner to proceed with diligence and care to investigate the whole subject of such accounts and matters as aforesaid, and all transactions relating thereto.

3. And I further direct that the said Commissioner shall keep a record of his proceedings, including full particulars of all matters investigated by him, and of the evidence taken thereupon.

4. And I do hereby authorize and empower the said Commissioner, as far as I lawfully may, in the name and on behalf of the Governor, to call for information on the subject of his inquiry from any whom he may deem capable of furnishing the same, whether orally or in writing.

5. And I hereby order all officers and persons engaged in the service of the Government of the Colony, or of the said Province, to be aiding and assisting the said Commissioner as and when he shall give directions.

6. And I further direct that the said Commissioner shall make to the Governor, as soon as he may be able, a full report in writing on the subject of the inquiry intrusted to him, both generally and with respect to such particular matters as may appear to him to require especial notice.

7. And I lastly authorize the said Commissioner to employ and remunerate such clerks and assistants as he may deem necessary for the proper discharge of the duties hereby committed to him.

Given under my hand, and issued under the Seal of the Colony of New Zealand, at the Government House, at Auckland, this Fourth day of January, in the year of our Lord One thousand eight hundred and sixty-one.

By His Excellency's command,
E. W. STAFFORD.

THOMAS GORE BROWNE.

No. 6.

REPORT of the COMMISSIONER appointed to Examine the PUBLIC ACCOUNTS of the PROVINCE of OTAGO.

Immigration per "Gala," £1712.

JAMES MACANDREW AND Co. entered into a contract with the Provincial Government for the conveyance of Immigrants from Glasgow to Otago, and employed Messrs. Gladstone and Co., of Glasgow, as their agents for the execution of the contract.

Several vessels with Immigrants were despatched by the agents. The last vessel under the contract was the "Gala," which sailed from Glasgow in the month of November, 1859. The owners of that vessel were James Watson and others; and the freight to be paid in the Colony was £1712.

On the 14th December, 1859, Messrs. Gladstone and Co. issued to the commander of the "Gala" the following authority—"Referring to your charter for the conveyance of emigrants for us from Glasgow to Otago, and in accordance with the power given us by the charter party, we desire that you receive payment for the balance of the passage money, due in Otago, in cash, and not by drafts upon us." And on the 19th of the same month Messrs. Gladstone and Co. sent written instructions to Messrs. James Macandrew and Co. to settle the balance of the freight in cash.

It would seem that James Watson and others, having accepted the order of the 14th December, now deal with Messrs. Macandrew and Co. as principals; accordingly, it is found that they have given Mr. E. B. Cargill a power of attorney to receive from James Macandrew and Co. their claims on account of the "Gala," while Messrs. Gladstone and Co. have ceased to make any further claims.

On the arrival of the "Gala" at Otago, the sum of £1712 was issued out of the Provincial Treasury in payment for Immigration by that vessel, and ultimately a receipt for that sum was obtained from the original contractors, Messrs. Macandrew and Co. Mr. James Macandrew states that of this sum only £1524 was payable to the ship—of which a portion was drawn by the master of the vessel, and the residue passed to the credit of the general account of the owners and that firm.

The owners of the "Gala" (James Watson and others) having received payment for only a portion of their claim, have lately sent out a power of attorney to recover the balance from James