

REPORT.

THE SELECT COMMITTEE of the House of Representatives, appointed June 6, 1856, to report on the correspondence relating to the defalcation of the Collector of Customs at Nelson, and to receive and report on any other evidence tending to shew official misconduct on the part of the pensioned officials, and to report such misconduct, if any, to this House, with the object of forwarding such report to the Home Government with the Pension Act, has taken evidence on the cases referred to it, and now reports as follows:—

This Committee was appointed to investigate the circumstances attending a defalcation of the Collector of Customs at Nelson, and to ascertain how far the loss incurred by the Colony, in consequence of his having given no security for the faithful discharge of his duties, was attributable to the neglect of the executive officials, to whom pensions have been granted by Act of this session. Subsequently other cases* were referred to it with the same object, and it was instructed by the House to consider the report of the Committee upon Sir George Grey's Land Regulations, which had been appointed for a similar purpose.

First.—The Nelson defalcation case.

It appears that Mr. Blackmore was appointed by Sir George Grey to the Collectorship of Customs at Nelson, immediately before His Excellency left the Colony; i.e., in the latter part of the year 1853. That previously to such appointment, and while holding another office, complaints were repeatedly made by the Colonial Secretary to Sir George Grey of his official conduct, which resulted in His Excellency "taking him out of the hands of the Colonial Secretary, and preventing the latter having any further control over him." That very shortly after his appointment to the collectorship he was required by the Colonial Secretary (13th February, 1854,) to give the usual securities for the fulfilment of his official duties, but neglected to do so, without offering any excuse. That from the very first, down to the period of his default, more than two years, his repeated neglect of instructions in reference to forwarding accounts and paying his receipts into the Union Bank, were known to the Colonial Secretary; that he was repeatedly written to, both on those points, and also on his neglect to give requisite securities. That he was repeatedly threatened with suspension in consequence. That such threats grew less emphatic latterly, than they were at an earlier period. That the Colonial Secretary repeatedly (at least five times) called the attention of the Officer Administering the Government to Mr. Blackmore's irregularities. That neither His Excellency, nor the Colonial Secretary ever brought the matter before the Executive Council. That the excuse offered by the Colonial Secretary for not having done so himself, is that it was not the practice for any members of that Council to initiate business, but only to advise on such questions as the Governor or Officer Administering the Government might lay before it, and that had any member presumed to do so, he would have incurred the Governor's displeasure. That the royal instructions of 1846 expressly authorize any member of the Executive Council to originate subjects for discussion in it. That the Colonial Secretary was ignorant of that part of those instructions. That under no circumstances of emergency, would he have considered himself justified in bringing any matter before the Executive Council, considering that that was the sole privilege of His Excellency. That had the proper securities been insisted upon, the Colony would not have suffered the loss to which it had been subjected. That the amount of such loss will be above £1200 (twelve hundred pounds.)

Your Committee considers that the conduct of Mr. Sinclair in the above case subjects him to very grave censure. That he should, with a full knowledge of Mr. Blackmore's official irregularities, and, as he says, with the belief that he was laughing at the authorities, have abstained for more than two years from bringing the matter under the notice of the Executive Council, seems to your Committee altogether unjustified by the excuse that his doing so would have displeased the Officer Administering the Government. It was equally the duty of the latter officer not to be displeased, and of the Colonial Secretary to disregard such displeasure. If the performance of official duties of the highest order were to depend on the question whether it was pleasing or not to the Governor, the existence of an Executive Council would become, as indeed it would seem to have become, a mere delusion; the office of an executive official will be reduced to a mere clerkship, while the salary attached to it would be altogether disproportioned to its functions, and ought not to have formed the basis of calculation for the pensions awarded.

* Berlowitz', Busby's, De Moulin's, Salmon's.