

Mr. F. G. Moss, who appears as counsel for M. Daniela, is also impressed with the magnitude of his client's grievance, and impresses upon the Court that M. Daniela has always been ready to account for the money received by him. This is probably true, but M. Daniela is not an ignorant man, for we have the authority of Mr. F. J. Moss for saying that as a Paymaster he showed remarkable aptitude for his work, and this being so he must have known the simple fact that it was his duty to account for moneys imprested to him, whether he was called upon or not.

M. Daniela informs the Court that he did not take receipts for the money he expended on the Ngatipa Road, and that when he handed over the road to Messrs. F. J. Moss and Gelling, no receipts were asked for. His evidence as to the handing-over of this road to this clerk, Gelling, is rather conflicting, but it is among the forty-six witnesses called by M. Daniela that the most astonishing confusion prevails. Many of these men cannot remember how long they worked on the road, nor what money they received for this work; but most of them are quite certain that they were to be paid at the rate of \$1½ per diem. Fortunately, however, there are men among these witnesses who can remember the number of days they worked, and what money they received; and it is their testimony that we must compare against the statement handed into Court by M. Daniela, wherein he claims to have expended \$1,090. If we institute this comparison, we shall find that eleven men admit that they received £4 9s. 2d., or rather less than one-third of the money with which they are credited in the statement before referred to—namely, £13 18s. 6d.: Angene says that he worked for four days and has never been paid anything; the statement claims that he has been paid £1 7s. Rereao states he never received anything, but that £1 10s. was paid on his behalf to Ngatai; statement credits him with £2 19s. Roo worked three days and received 9s.: statement credits him with £1 17s. 6d. Ioane received 3s. for building a retaining-wall, and did other work, but does not know what he received for this work: the statement credits him with £1 14s. This boy may have earned the money, but the Court does not believe that he ever received it. Eteki says that he worked for three days but that nothing was paid him; believes that his money was paid into a tea-shop company, of which M. Daniela was the head: he is credited as having been paid 12s. Numa admits that he made a gate for Ngatipa, and received 18s., of which sum he gave back 8s. to M. Daniela for material used: he is credited with having received £1 10s. Urikapu worked on the road, received only 2s.: he is credited with having received £1 5s. 6d. Tumataiapo worked three days, and received 6s. 2d.: is credited with receiving 12s. Pakari worked one day, and received 3s.: is credited with 9s. Tutangata worked six days, and received 12s.: is credited with receiving £1 4s. Tangia says he received \$6 (shillings): he is credited with 9s. Out of the forty-six witnesses examined on behalf of M. Daniela, the eleven above quoted deny the truth of the statement produced by that man, and, further, almost all the witnesses who can remember anything deny the truth of the statement as to their own accounts. It has also been shown that M. Daniela gave a contract to five women of his household to clear a piece of the road. For this work they were to receive \$20, and they finished the work in one day; in other words, they earned 8s. each woman. This contract we regard as a simple fraud on the part of M. Daniela; indeed, in view of the evidence given in this case, we must regard the whole of his statement as fraudulent, and made up for the occasion. From whatsoever point of view we may regard the evidence it is clear that M. Daniela has not accounted for more than £20, and we cannot say that we believe that he has expended more than £40 out of the £100 12s. drawn by him.

The order of the Court is that M. Daniela shall pay to the Federal Treasurer, Mr. F. Goodwin, the sum of £60 12s. within one week from to-day—namely, at or before 10 a.m. on the 16th day of September, 1899.

CIVIL ACTION.—FEDERAL GOVERNMENT *v.* JIMMY TE POU.

In this case the defendant, M. Daniela, *alias* Jimmy te Pou, lately the Paymaster of the Federal Government, and Collector of Local Revenue to the Rarotonga Council, is called upon to refund the sum of £35 4s., which same is supposed to be the balance of \$1,082—namely, the fees and fines of the three Arikis' Courts of Avarua, Arorangi, and Takitumu, collected by M. Daniela from the month of April, 1896, to January, 1897.

From the evidence of M. Daniela, it is clear that he has always recognised his liability to pay this money. It is moreover evident that he would have done so long since, but for the advice given him by the late Resident; but the whole of the circumstances connected with the case disclose a state of affairs in which it would seem that embezzlement was made easy, and the public of the Cook Islands cannot be blamed for their belief that much of their public money has disappeared under such a system of appalling mismanagement, inasmuch as there has never been the smallest check on the public officers, and the so-called system of audit has been little less than a fraud.

The admissions made by M. Daniela are as follows: (1) That in his capacity as Collector of Revenue he received from the three Courts of Rarotonga the sum of \$1,082, equal to £108 4s., and that this collection extended over the period from April, 1896, to January, 1897; (2) that he did not pay this money into the hands of the Government bankers, because those officials refused to take Chili coin; (3) that about the month of November, 1896, he reported to the British Resident that he had this money in his hands, and that he did not know what to do with it, inasmuch as the bankers refused to take it. He further affirms that Mr. Moss replied that he would make some arrangement to relieve M. Daniela of the incubus; (4) that subsequently, when he had agreed with the Union Company to supply them with piles for their wharf, he suggested to Mr. Moss the advisability of paying for the timber and labour with the Chili money that he then had in hand, and by this means get rid of this coin, and that Mr. Moss approved the suggestion; (5) that he used the whole of the \$1,082 in this manner, and when he was paid for the piles supplied he placed £73 in the hands of the bankers in British coin, but was unable to pay the whole of the amount due for the following reason, that the Union Company dis-