

FEDERAL GOVERNMENT v. MAKEA DANIELA.

Embezzlement of \$35 50c. Dog-tax.

THIS is not a charge that can be hastily dealt with or dismissed with the words "Guilty" or "Not guilty," as the case may be; for in every case brought against M. Daniela the attitude of himself and his counsel has been that of martyrs to political persecution, and this also is the attitude in which they have posed to the New Zealand public. For this reason it has become necessary, in justice to the Federal Government, that the Court should review the whole career of M. Daniela as Paymaster, and show what his actions have been during the period that he held the important positions of Paymaster and Collector of Local Taxes, in order to demonstrate with how little reason this man has adopted the *role* of persecuted innocence.

The evidence of Mr. Banks (*alias* Scard) has, we presume, been taken in order to show how unreliable the written records of the Paymaster's department are, and how unsatisfactory the verbal explanation of those records can be. For his evidence has very little direct bearing on the guilt or innocence of the accused; most certainly it does not—as Mr. F. G. Moss contends—prove that the \$35½ has been paid into the Federal Treasury, or that the sum in question is identical with the £3 4s., which it is contended was paid into the Treasury fourteen months after the receipt thereof.

We will, however, leave this subject for the present, in order to comment on the evidence of Mr. Banks, which does bear indirectly on the case, since it shows that the Federal Government had good reason to doubt the honesty of their servants, and that the late Resident had himself grounds for something more than suspicion in the case of Makea Daniela.

Mr. Banks says in his evidence, "I do not remember seeing the books of M. Daniela. I did not see them before placing my certificate on the statement of revenue and expenditure for 1896-97." The meaning of this is clear enough; it is that he did not see the books at the time that it was most necessary that he should see them—viz., when he was attempting to audit the accounts, and found that he could not do so. We are not, however, told why he did not see the books, nor that it was the want of them that prevented the audit. On these points we must draw our own inferences.

Again Mr. Banks informs the Court, "I have seen M. Daniela's books, and think they were fairly well kept." But he has to admit that the books to which he refers were not among the exhibits, though the whole of the books received from the Paymaster were on the table and open to inspection. Mr. Banks further enlightens the Court by saying that he does not know that the Paymaster ever kept a cash-book. These are not the only references to these missing books, for subsequently Mr. Banks admits that he made an abstract of the books in November, 1897, and hands the same in for inspection of the Court.

Now the point made manifest by this evidence is not so much its inconsistencies, as the fact that when Mr. Banks did attempt somewhat late in the day to audit the collection of these local taxes, the books that should have enabled him to execute this very necessary work were not forthcoming, so that he was unable to perform the task set him. We may assume, also, that M. Daniela had seen the error of his ways very shortly after the attempted audit, and just before the arrival of Sir James Prendergast, who came to hold an inquiry into charges made against M. Daniela and others. It was then that he allowed Mr. Banks to see these books just to make an abstract, of which the Court has a copy in the handwriting of Mr. Gelling, and which, at that time, was the only evidence the Government held of the late Paymaster's transactions.

Touching the condition of Makea Daniela's accounts, Mr. Banks tells us that "the Rarotonga Council passed a vote of £7 10s. to pay for an extra audit of the local taxes, presumed to have been collected by M. Daniela in 1896-97. Mr. Moss asked me to undertake this duty, but, when I attempted to do so, I found it impossible to carry out the work, forasmuch as the accounts had not been properly kept. I reported this state of affairs to Mr. Moss and relinquished the fee. I did not make a written report to Mr. Moss when I signed the statement. At the time I intended to do so, but I only reported verbally to him."

The reason for this attempt at audit seems clear enough, for Mr. Banks has given evidence to the effect that he did not audit the road and dog tax, or the education rate, or the revenue derived from the Arikis' Courts during the financial year 1895-96.

Now the only possible excuse for not making this audit is that the accounts were in such a mess that it was not possible to do so, and it would seem that this was the case, for the Maoris themselves knew that taxes that had been collected had not been accounted for in the financial statement. Whether M. Daniela was really responsible for the statement to which his signature is attached is doubtful, but he must be held to be so since he has not repudiated the authorship.

Mr. Banks says that he reported the lamentable condition of the Collector's accounts to the late Resident; but, serious as the case was, he did not make the report in writing, nor did he give that information to the Rarotonga Council which they had a right to expect, he being their servant. The result of this system of concealment was that the Council subsequently accused Mr. Banks of having aided M. Daniela in stealing their money. The Council did not, perhaps, use the best possible terms when commenting on the singular manner in which the *laches* of the Paymaster had been covered by Mr. Banks and others, who evidently dreaded lest the Federal Government should learn the true state of M. Daniela's accounts, but they evidently felt that they had a real grievance, and spoke accordingly.

In the face of the certificate given by Mr. Banks, it is difficult to believe that he did not report in writing on the statement of revenue and expenditure for 1896-97, for it reads as follows: "I have examined these accounts and compared them with the books and vouchers, and certify that they are correct, subject to the remarks as to collection, &c., that I have made in my special report on the road-tax, dog-tax, and education rate respectively." The words, "the special report that I have made" do not fit in with the explanation offered by Mr. Banks, which is, "When I signed the certificate, I intended to make a written report, but did not do so."