

5. From your position as Colonial Secretary ought not you to have done so; do you not consider it was your responsible duty so to do?—Not before the Executive Council; only in private conference on public business. I consider it only a matter for a Governor to do. Such subjects are always laid before the Governor, with the whole correspondence relating to them. If I encroached with suggestions too much it would defeat the object in view. I confess that such a defalcation as the one in question is a reproach to a Government. I would suggest that it rests with the House of Representatives to frame regulations to alter the present unsafe state of things relative to the securities of Government officials, and to enable the Executive to take more prompt and efficient steps in such cases.

6. Is it not opportune to the duty of the Colonial Secretary to have moved the Executive Council in the matter?—The Governor in the case of such a thing being done on my part would not quietly submit to it, considering it as within his province only.

7. Then you consider it was not the duty of the Colonial Secretary, and could not initiate such a subject yourself in the Executive Council?—It has been the custom for the Governor to introduce such a matter to the Council. It has been the practice for the Colonial Secretary to bring such things in a private conference under the notice of the Governor; but in such a case as the present, the Governor would have been opposed to my interfering as you suggest.

8. Then you would consider it not your duty to have given the Governor to consider that Mr. Blackmore had not given proper security?—I do not think that I should have been justified in bringing the subject before the Executive Council. (Reference to Instructions 1846, clauses 4, and 5, c. 2, page 45.)

9. I see by the following correspondence which has passed between you and Mr. Blackmore, that you have been threatening him with suspension for nearly two years; can you explain why it was you did not fulfil this?—It was hoped that he would send the returns, and furnish securities. It was not my province; as I before stated, I could do no more than lay the correspondence before the Governor with the recommendations I considered the case required.

10. *By Mr. Ludlam:*—Was this letter laid before the Governor by you, (dated August, 12, 1854,) ?—Certainly it was.

11. Explain was this also laid before the Governor, (August, 17, 1854) ?—Yes, it was written under his authority.

12. Explain was this letter laid before the Governor in Council and acted upon (November, 6, 1854,) ?—Yes, I believed at last Mr. Blackmore was laughing at us trying to obtain information from him.

13. Was this also laid before the Council (November, 8, 1854,) ?—It was.

14. Was this letter also laid before the Governor, do you recollect it (December 27, 1855) ? Yes, perfectly well, I remember I was glad to see it acted upon.

15. Explain was this letter laid before the Council and Governor, (September 14, 1855) ?—It was.

16. Was this also laid before the Governor and Council and acted upon, (October 19, 1855.) ?—Yes; by order of the Governor. I may remark to the Committee that there was great difficulty in procuring sureties from officials; that other parties, for example, Mr. Bell, and Mr. Penton, for various reasons did not give securities, at least till lately.

17. Mr. Bell has given his personal security since?—I believe he has.

18. I see that Mr. Shepherd has not by this return given security?—The return is erroneous; his brother, the Chairman of the Honorable East India Company was one; the name of the other I cannot now give the Committee; both are in England.

19. Can you assign any reason for the disparity of sums offered as security by government officials; the sums required for security vary from £200 to £2000, for the same services. For example—Mr. Domett, security £200; Mr. Richmond, £2000; yet Mr. Domett's land sales are frequently twice as extensive as Mr. Richmond's?—The sums were generally suggested by the Auditor-General, and I think most of the disparities may be satisfactorily explained; I am perfectly aware the circumstances of some parties make it difficult to get securities.

20. I find all the Custom House officers' securities, as put down in this return, are merchants or commercial men of the town; a state of things much to be deprecated as unsound?—It is wrong in principle; but cannot be easily amended under present circumstances.

21. Can you, Mr. Sinclair, explain why so long a time elapsed before the letter, which you wrote to the Collector of Customs at Nelson, to return Lazarus Berlowitz his goods, was delivered?—I am not aware of any avoidable delay having taken place; the Government of Victoria had to be written to on the subject; it may have been owing to the detention of the mail. It was sent, if I recollect right, after the "Zingari" had sailed two days, and then it must have gone by the overland route.

22. You seem to have written two letters to him on this subject?—Yes.

23. From reference to the letters received from the Government, you were led to ordering the Customs authorities to restore the articles seized, to Berlowitz, viz.—Government of New Zealand to Government of Victoria, 14th March; replied to, 28th July, 1855.—Government of New Zealand to Government of Victoria, and reply from same, 18th August, 1855?—It is an unfortunate affair, and I am not yet satisfied to what extent Mr. Blackmore was to blame.