

Sub-Enclosure 3 to Enclosure in No. 4.

(No. 2.)

MEMORANDUM by MAJOR RICHARDSON.

To Commissary-General Jones, C. B.,—

I have duly received your Memorandum No. 19, of the 4th instant, in reply to mine of the 2nd, on the subject of the examination of the claims and counter-claims of the Imperial and Colonial Governments.

I beg to assure you that the disclaimers made by you were not at all necessary, as, I believe, we enter on the consideration of the subject remitted to us in the same spirit of deliberation and impartiality.

With reference to your remarks on the subject of the time required for the preparation of the accounts I would observe :—

That the statement made in Mr. Stafford's letter of the 10th April, 1866, was only an "approximate" statement, and the previous statement made in Mr. Weld's letter of the 12th August, 1865, bears on its very face evident traces of a similar character, and was only furnished by the Colonial Government from an earnest desire to come to some approximate arrangement with the Imperial Government; and, therefore, with this view, the Colonial Treasurer, to place beyond all doubt the sincere desire of the Government to meet its engagements without delay, forwarded the sum of £500,000 in four per cent. debentures in liquidation of the same.

The Imperial Government, however, has not up to the present moment decided on any clearly defined charges against the Colony. The amount and form of them have varied from time to time, and, even at this, the last moment, you inform me that there is an additional charge, never before heard of, to the extent of about £80,000, which you have been instructed to enter as a claim, but in support of which you are not provided with any vouchers, and this too accompanied by one or more charges of a similar character. Under these circumstances, the Colonial Government, impressed with the importance of the subject in debate, are anxious to prepare and submit a full and final claim against the Imperial Government, which claim I understand is now under preparation, as stated in my former Memorandum.

I feel it necessary to inform you that you are under a misapprehension with reference to the appointment of Dr. Knight, the Auditor-General, as a Commissioner on the part of the Colony. That gentleman was at one time recommended for the duty, and the Government believed from his thorough acquaintance with the subject that the claims of the Colony would speedily assume the form which was necessary to their submission for examination, but when that officer's other important duties prevented his undertaking the work, it necessarily fell to another to prepare the account, and thus arises some little delay.

With respect to the way in which the performance of the duties into which we have entered should be carried out, I would observe that I cannot concur in your view of the case. I am instructed to examine into the various subjects, in concert with yourself, and to report the result of my examination to His Excellency the Governor. So soon as the Colonial accounts are prepared I shall forward them to you in order that you may "go minutely into the several items," in accordance with Mr. Hamilton's letter of the 24th of March last and so soon as you have furnished me with the claims of the Imperial Government I shall be prepared to act in a similar way.

I apprehend that we shall thus be in a position to act in concert with more intelligence and greater despatch, and, I would further state that while all the accounts are familiar to you, being indeed your own accounts, the whole subject of claims and counter-claims comes under my consideration almost for the first time; and it is but justice to the trust confided to me that I should not act hastily nor unadvisedly.

I have no objection to confine my examination, in concert with yourself, simply to the question of accounts, reserving to myself the right in my report to His Excellency to make such remarks on the subjects remitted to me as, after examination of the claims preferred by the Imperial Government, I may deem expedient and called for.

There need not be one hour's delay in my entering upon the examination of the Imperial Accounts so soon as forwarded; which I will place in the hands of a competent accountant for detailed examination immediately after their receipt by me.

J. C. RICHARDSON.

Sub-Enclosure 4 to Enclosure in No. 4.

(No. 20.)

MEMORANDUM by COMMISSARY GENERAL JONES, C. B.

To the Honorable MAJOR RICHARDSON,—

Your Memo. of the 4th instant, reached me late that evening. I delayed replying in order to have a copy of my account against the Colony prepared, in so far as it is possible at the present moment to complete it, and I now hand it to you in accordance with your wish.

If I understand you correctly you propose in the first instance exchanging between ourselves accounts of the claims of our respective Governments, submitting them with their Vouchers for the arithmetical examination of accountants appointed by us separately, and on the completion of this examination, meeting and in concert entering into the broad principles upon which each item of service is made a charge; and then to consider what, if any, objection exists to the admission of each item or service as a proper or just claim in our respective accounts.

My proposition is that we should meet now, and in the first instance consider the items or heads of service—admit such of them upon which no question can arise, and then submit the Vouchers supporting those items to a Colonial and Commissariat Accountant for a joint arithmetical examination. In the meantime the discussion upon the items or services which are questioned might be proceeded with, and where the fullest information has been obtained the reasons and decisions might be arrived at and duly recorded.