

# The Examiner.

"THIS IS TRUE LIBERTY, WHEN FREEBORN MEN—HAVING TO ADVISE THE PUBLIC, MAY SPEAK FREE."—EURIPIDES.

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## CORRESPONDENCE.

### THE TREASURY INVESTIGATION.

TO THE EDITOR OF THE EXAMINER.

SIR—

I have noticed in a paper called the *Islander*, (which accident has thrown in my way)—of the 12th instant, an article written by some individual who aspires to the editorship of that slanderous publication, having reference to the report of the Special Committee appointed by the House of Assembly to investigate the affairs of the Treasury Department of this Island. It is, as you are aware, a paltry but barefaced attempt to mislead the public mind on the subject with which it professes to deal. But that it is so, can be a matter of no surprise to the intelligent portion of the community. The *Islander* must follow its vocation—having become the subservient and slavish tool of the Compact or Black Watch, its columns are ever open to the insertion of every base and malignant slander which they choose to propagate, and to every sophisticated defence of their misdeeds and corruptions that any Lawyer's Clerk, not having any other drudgery to do, may think proper to write for them.

The published Report of the Special Committee, over which the *Islander* so greatly rejoices, may be fair enough in part. No one, I believe, ever doubted the correctness of the Treasury since 1846. Since then, its accounts have been regularly audited, and the money in the Chest counted out, once every three months. This was not the case previous to 1846. When the Report was submitted to the House of Assembly, it contained a statement to this effect—that the Books and Cash were not only correct in 1846, but that they had been so since 1830. I stated to the House, that this assertion was untrue, as I had been informed by Mr. Cundall—one of the Commissioners of the Treasury Inquiry, and whose examination was held to authorize the statement alluded to—that he never said, in the course of his examination, the Cash Account was correct previous to 1846. The Committee—foiled in their good intentions towards the Treasurer, and ashamed of their falsehood—agreed to strike it out of the report, but refused to insert another part of Mr. Cundall's evidence, namely, that two or three days elapsed before the Commissioners, appointed to examine the Treasury, received their commission—that they were not authorized by that commission to lock the Chest, and would not have counted the money after examining the accounts, had they not deemed it proper, and accordingly applied for permission to do so. As to the second-hand imputation of the *Islander*, that I have attributed dishonest practices to a Public Officer, without advancing proof to support them, I reply—that what I stated in my place in the Assembly was told to me by a gentleman, who is a Brother-in-law of the Treasurer, and was one of his Securities at the time, but who had withdrawn his Security, because he did not, I presume, approve of the manner in which that department of the Public Service had been conducted; and my statement was corroborated by a copy of a letter, shewn to me, written by a gentleman then in this Island to the Security whom I have just alluded to, in which the writer requests him to make no expose of the circumstances which led to the withdrawal of his Security, and offers his assistance to contribute towards making up any deficiency which might be supposed to exist at that time. My inability to prove my statements was never tested. The Committee of the House of Assembly refused to enter upon any enquiry, or examine any evidence prior to 1846; and that such enquiry was absolutely necessary, must be evident to any person who will take the trouble to read the following statement of facts, submitted by Mr. Rae as an amendment to the Report of the Special Committee, when that wretchedly lame and one sided pro-

duction was under the consideration of the House of Assembly:—

"That Mr. Coles, as one of the Committee, stated, that Colonel Lane, one of the Securities of the Hon. J. S. Smith, the Treasurer—told him that, at the time of the investigation of the Treasurer's Accounts in 1846, he had to pay five hundred pounds towards relieving him from the difficulties under which he then laboured, and therefore determined to withdraw from being one of the Securities of the Treasurer; but was induced by the Attorney General, who became security to him (Col. Lane) against further loss, to allow his name to remain; and that about that time he (Col. Lane) had to endorse Bills drawn by the Treasurer on his Brother in St. John, N. B., for a large amount of money, to enable him to make up the remainder of the deficiency in the Treasury.

"Mr. Coles stated, that he was aware that another person had offered one hundred pounds sterling towards making up the deficiency, provided Col. Lane would not make an immediate expose of the Treasurer's affairs.

"The Committee refused to enter on the consideration of these statements, or to make any examination into the affairs of the Treasury further back than the date of the Report made by the Commissioners.

"Mr. Coles also stated, that there were more Treasury Notes in circulation than appeared in the Public Accounts, and moved to have examined the Hon. T. H. Haviland, Hon. R. Hodgson, and D. Hodgson, Esq., the three Commissioners for issuing Treasury Notes.

"Mr. D. Hodgson, on examination, stated that he had been recently appointed Commissioner, and had not issued any Notes, but had exchanged new for old Notes—that he believed there had been issued three hundred pounds more than appeared by the Public Accounts to be in circulation; but he could not give any certain account how the difference arose. When he became a Commissioner, the Commissioners were called upon to sign £1200 of new Notes, to be exchanged for old ones; and these new Notes, when signed, were handed to the senior Commissioner. Some time after this, he (Mr. Hodgson) asked the senior Commissioner if he had exchanged the Notes,—he replied, 'yes,' and when asked if he had burned the old ones—he replied, that he had not received them from the Treasurer; he (Mr. H.) then asked if the Treasurer had received the new Notes—the Commissioner replied that he had,—and to his (Mr. Hodgson's) great annoyance, nearly three months expired before the Commissioners obtained all the old Notes from the Treasurer. Some time after, in the year 1845, the Treasurer required from the Commissioners a further exchange of £3000 of new Notes. On this application being made, he (Mr. Hodgson) told his brother Commissioners that, as he was the junior one, he would sign the Notes last; and when he got the new Notes, he refused to give them to the Treasurer until the old ones were handed over to him; but to his surprise, he found that the Treasurer had not more than about one hundred pounds to give in exchange,—and the Treasurer having repeatedly applied to the Commissioners for the Notes, he (Mr. H.) told his brother Commissioners he would resign his commission, if they gave the Treasurer the new Notes before they received the old ones. The other two Commissioners then declined to take upon themselves this responsibility, and after about eighteen months had elapsed from the time the application was first made, the whole £3000 were exchanged for old notes. The practice has since been, to receive the old notes and immediately hand over new notes of equal amount.

"The Hon. T. H. Haviland, being examined, stated that he was one of the Commissioners appointed to issue the first notes ever issued in the Colony, and thinks the issue then made was £5,780, but cannot, at this distance of time, speak positively, as they kept no record of the amount then handed to the Treasurer,—thinks they must have taken receipts from the Treasurer, but does not know where to look for them—the Attorney General has one. The law authorised first the issue of £5000 of notes of certain amounts, in equal proportions—thinks they could not keep these proportions equal but by limiting the issue to £4,980. Afterwards authority was given to issue £800 in 10s. notes, which would have increased the amount in circulation to £5,780, but thinks the issue was only £5,650, being £130 under the amount. As the books of the then Treasurer, Col. Gray, remained private property after his decease, the exact amount cannot be ascertained from any public record. He (Mr. Haviland) became Treasurer in 1830. Does not know in whose hands are the plates of the old Notes, but thinks some of them may have been sent out from London to the Commissioners here along with the new plates. They were transmitted at one time to Sylvester, in London, the man who engraved them. The five shillings plate was, at one time, sent to Halifax, and the

five shilling note struck off there. The ten shilling plate was, at one time, sent to the late Mr. White, of this town, who struck off a considerable number. It was here observed by the Chairman of the Committee, Dr. Conroy, that he believed about that time some three or four 10s. notes appeared with forged signatures, but being rejected, disappeared; and that after Mr. White's death, Mr. J. Davis, Jun., his Executor or Administrator, got in White's Repositories impressions of Notes to the amount of four hundred pounds, which he handed to the Commissioners. Mr. Haviland is of opinion that the amount of notes afloat is not £11,500, but at least £11,650, that is, supposing none of them to have been lost; but thinks hundreds will be found to have perished. He admits, that so far as he can see on a cursory glance, there appears still £24 0 7d. due by the securities of Mr. Campbell. At the time he (Mr. Haviland) was Treasurer, it was the practice in exchanging new notes for old ones, to receive the new, and give the commissioners the old notes, according as they were received into the Treasury."

Now, Sir, the above extract from the Journals of the House of Assembly is, I think, a plain and satisfactory answer to the braggadocio of the *Islander*, and the public will judge from it, whether or not I made "false and libellous assertions," "without adducing one single iota of proof," and whether I am not as ready to expose, and establish too, out of Parliament, as well as in it, any and every unfair proceeding which I may discover in the management of the Public Service—caring very little for the impudent and silly insinuation, namely, that I would not have dared to speak the truth respecting the conduct of a public officer had I not been protected by my privilege as a member of the Assembly. Every honest and independent man in the community understands the game which has long been played by the Compact and their cat's-paws in this Island. It is their interest—ay, the source of their very existence—to stifle all inquiry, and to hide or gloss over the corruptions by which they have lived and thriven; and when any man has hardihood enough to lift what has been properly termed the "poisoned curtain," behind which all their little artifices and abuses have been concealed, he is denounced as a malicious libeller, and treated to all the scurrility and blackguardism, which an infamously corrupt Press can heap upon him. The dirty dauber for the *Islander* may wallow in his puddle when he pleases—(as for the pumpkin-headed Printer, his want of common sense partly excuses his participation in the dirty work)—his filth can never reach me while acting in the conscientious discharge of my duty as a Representative of the people. I entertain no personal ill-feeling against any public officer, as such; and in reference to the Hon. Mr. Smith, I must say, that if he feels himself aggrieved by the discussion which has now been commenced respecting his Department, he may throw the blame on his officious friends in the Legislature, who anticipated the enquiry I purposed, with the view of defeating it, after His Excellency would have laid before the House any Despatches or other documents in his possession, having reference to the Treasury, and who were not satisfied with presenting to the House of Assembly, a partial, flimsy, and one-sided Report, but had the impertinence and meanness to impugn the motives and intentions of a political adversary. If there was no reason to attach suspicion to Mr. Smith's management of the Treasury—if there were no grounds for the reports that have been circulated respecting it, there should have been no disinclination manifested by his friends to enter into a fair, full, and general investigation—as, supposing his affairs to be correct, such an investigation could not fail to prove highly satisfactory to Mr. Smith. This is the conclusion which must impress itself on the mind of every impartial inquirer after truth; and feeling assured that it will enable the public to determine whether or not I have sustained a "defeat" in the course which I have pursued respecting the Treasury investigation,

I remain, Sir,

Yours faithfully,  
GEORGE COLES.

Charlottetown, May 15.