

that these are bankers' securities that they hold. It does not mean that grain in its passage through Canada can be, or is, in any way used as a basis for the issue of Dominion notes. It must mean that notes are issued on the strength of securities which the bankers have. However, I would prefer my hon. friend to take the matter up with the Minister of Finance.

Mr. VIEN: Will the minister please explain these items contained on page Z 12 of the Auditor General's report?

\* Advances to George Searls, chief inspector, Winnipeg, \$115,711. Advances to George Searls, chief inspector, Winnipeg, \$129,445.57.

It seems that the Auditor General's report does not afford much information with regard to the expenditure of this money.

Sir GEORGE FOSTER: My hon. friend will quite understand the purpose of these advances. Mr. Searls is chief inspector of the whole of the grain business and has a large staff at Winnipeg working under him. All the samplers, graders, inspectors and clerks who have to carry on this manifold work must be paid, and an advance is put into the bank to the credit of Mr. Searls. When these salary cheques become due he checks out against that advance.

Mr. BELAND: His own personal cheques?

Sir GEORGE FOSTER: No, the cheques are all official. It may be that his is the last signature, but the cheques are thoroughly conserved as to security.

Mr. VIEN: Are all these employees under Civil Service Commission appointment?

Sir GEORGE FOSTER: They are all under Civil Service Commission appointment except those that are not.

Some hon. MEMBERS: Oh, oh!

Sir GEORGE FOSTER: That statement sounds superfluous, no doubt, but I will explain the situation to my hon. friend. Those that are not under the Civil Service Commission are nevertheless under a certain regulation; according to the income of the grain at different seasons, or at different periods within active seasons, it is necessary to put on a certain number of temporary employees. Similarly, if a man goes out through sickness or any other cause someone must be put in his place. Now, it is obviously impossible to carry on these operations uninterruptedly if a written request for employees to fill these tem-

[Sir George Foster.]

porary positions must be sent to the Civil Service Commission. If such written applications were sent to the commission, the positions would have to be advertised, and that, of course, would consume so much time that in the interval the service would be disorganized. Under an arrangement with the Civil Service Commission, the staff officer out there, Mr. Searls, can put on these temporary employees as the necessity for them arises. They cannot be termed permanent because, after a little time, the rush is over and their services are immediately dispensed with. Trouble having become imminent in regard to temporary positions, I requested the Civil Service Commission to send one of their number to Winnipeg. He went into the whole matter with the authorities there, and this arrangement was agreed upon between them and is being carried out under the supervision of the Commission.

Mr. VIEN: What is the system that prevails in the appointment of these temporary employees?

Sir GEORGE FOSTER: I cannot give complete information regarding the whole *modus operandi*.

Mr. BELAND: Is it similar to the system in connection with the census?

Sir GEORGE FOSTER: No.

Mr. VIEN: What is the difference?

Sir GEORGE FOSTER: I know nothing about the matter so far as the temporary employees are concerned, neither do any of my officers. If Mr. Searls wants a man for any of the reasons I have given, he employs a proper individual who, in his judgment, is fitted for the work. These appointments are absolutely without the least shadow of patronage so far as my department or anybody else is concerned. They are within the entire control of the supervising officer himself.

Mr. VIEN: Who is one of the officers under my right hon. friend?

Sir GEORGE FOSTER: Yes; if he were not he would not be there.

Mr. VIEN: Then I am sure this gentleman will take into his serious consideration the advices he receives from my right hon. friend's supporter, the member for the particular locality, when he makes such appointments.

Sir GEORGE FOSTER: I am quite sure, because I have absolute knowledge, that