

Auditor General's Report—Part N

postmaster was conducting money order business, and that it does not take long to run up a large default by the issue of fraudulent money orders.

Inclosed is the last inspection report previous to the default (dated 2nd June, 1897); please return when you are through with it.

I am, sir, your obedient servant,

The Auditor General.

R. M. COULTER, D.P.G.

Re Post Office Revenue.

AUDIT OFFICE, OTTAWA, September 9, 1898.

SIR,—In the Post Office Revenue Accounts of 1896-97, the disbursements for transit charges on correspondence for foreign countries exceeds the receipts from that source by \$41,476.03. In the accounts of 1897-98, the excess was only \$618.67. The difference of \$40,857.36 is made up principally of receipts from several countries from which nothing was received during 1896-97.

Please explain.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, A.G.

POST OFFICE DEPT., OTTAWA, October 1, 1898.

SIR,—Replying to your letter of the 9th ultimo, regarding the receipts and disbursements for transit charges on foreign correspondence, I beg to say that the larger amount received during 1897-98, as compared with 1896-97, is accounted for by the fact that a greater number of foreign countries rendered accounts and settled balances during 1897-98 than was the case during the previous year.

Transit postage accounts cover periods of three years, except in the case of the United Kingdom and United States, where accounts are usually rendered each year. Last year's account from the United Kingdom, however, covered a period of two years, which partly accounts for the excess.

I am, sir, your obedient servant,

The Auditor General.

R. M. COULTER, D.P.G.

Re Parcel Postage.

AUDIT OFFICE, OTTAWA, October 17, 1898.

SIR,—The total receipts for parcel postage with the United Kingdom during 1897-98 amounted to \$17,285.58, and the total payments to \$2,400.67.

I understand that parcels from the United States carried by Canada, are set off against parcels from Canada carried by the United States, each country retaining the charges on parcels shipped from it to the other.

I have to ask for a copy of the statistics or other evidence of the quantity of parcels passing between the two countries, which led your department to make the present arrangement.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, A.G.

POST OFFICE DEPT., OTTAWA, October 22, 1898.

SIR,—I beg to acknowledge receipt of your letter of the 17th instant, stating that you understand that parcels from the United States carried by Canada are set off against parcels from Canada carried by the United States, each country retaining the charges on parcels shipped from it to the other, and asking for a copy of the statistics or other evidence of the quantity of parcels passing between the two countries which led this department to make the present arrangements.

In reply, I have to say that you have been misinformed, as there is no agreement, arrangement or understanding between this country and the United States for the exchange of parcels.

I am, sir, your obedient servant,

The Auditor General.

R. M. COULTER, D.P.G.