Auditor General's Report.

interest by the Government is illegal, I am directed by the Attorney General of Canada to state that he is of opinion that the item in the schedule attached to chapter 3 of the Statutes passed in the 60th year of Her Majesty's reign (page 34 of the Statutes), which reads as follows:—"Telegraphs—Land line on the north shore of the St. Lawrence—For purchase from D. H. Têtu of land, buildings, furniture, fittings etc., at the River Pentecost Telegraph Station, in full settlement of all claims, \$508.64"; is a sufficient Parliamentary authority for paying the whole amount to Mr. D. H. Têtu.

I understand that the Department of Public Works agreed with Mr. Tetu for the payment of the full amount in question in settlement of his claim for the property, and the vote mentioned above was taken to enabledthe department to carry out the settlement. In pursuance of the settlement Mr. Têtu has already executed and delivered a

conveyance and the transaction cannot now be questioned.

I am, sir, your obedient servant,

The Secretary, Treasury Board, Ottawa.

E. L. NEWCOMBE, D. M. J.

Treasury Minute, March 19, 1897:—The Board had under consideration a memorandum under date of the 27th February, 1897, from the Honourable the Minister of Public Works with reference to an objection raised by the Auditor General on an application to him for the issue of a cheque for \$508.64 in favour David H. Têtu under the following item voted by Parliament at its last session:—

"Telegraphs: "Land line on the north shore of the St. Lawrence. For pur-"chase from D. H. Têtu of land, buildings and furniture, fittings, &c., at the River "Pentecost Telegraph Station, in full settlement of all claims, \$508.64," the objection of the Auditor General being that the wording of the vote above quoted only gave him

power to pay the principal, \$374, and not interest.

The Board had also under consideration a letter from the Auditor General under date of the 9th March, 1897, and a letter from the Deputy Minister of Justice under

date of the 17th March, 1897.

From the last-mentioned letter it appears that the Attorney General of Canada is of opinion that the item in the schedule attached to chapter 3 of the Statutes passed in the 60th year of Her Majesty's reign (page 34 of the Statutes)—being the item above quoted—is a sufficient parliamentary authority for paying the whole amount to Mr. D. H. Têtu. The Deputy Minister of Justice added that he understood that the Dept. of Public Works agreed with Mr. Têtu for the payment of the full amount in question in settlement of his claim for the property, and the vote mentioned above was taken to enable the department to carry out the settlement, and that in pursuance of the settlement Mr. Têtu had already executed and delivered a conveyance and the transaction could not now be questioned.

The Board, under authority of section 32, subsection (a) of the Consolidated Revenue and Audit Act, under which the objection of the Auditor General is made,

direct that a cheque for \$508.64 be issued in favour of Mr. Tetu.

I am, sir, your obedient servant,

The Auditor General.

J. M. COURTNEY, secretary.

Justice Dept.: Payment of Allowance for Living Expenses instead of Actual Expenses.

AUDIT OFFICE, OTTAWA, September 9, 1896.

SIR,—With reference to your letter of the 13th ultimo, inclosing a deposit receipt for \$161.65, a refund of part of \$1,000, an advance to you for travelling expenses on your trip to England, I have to say that for the reasons given in my report to Parliament for the year 1885-86, page VII.; and 1889-90, B-91 and 92; and 1890-91, B-109, I am of opinion that the allowance mentioned in the Order in Council of the 23rd June xly