

*Railways and Canals.*

The expenditure for this purpose is chiefly made up of working expenses of the Intercolonial Railway, Prince Edward Island Railway, and Windsor Branch Railway, for which \$3,949,000 was spent out of a total expenditure of \$4,505,000. The balance was expended on the Canals. The deficit in the running expenses of the Intercolonial Railway last year reached \$684,000, an increase of \$131,000 over that of the previous year. To briefly notice a point brought out in the evidence of Mr. Schreiber, it appears that there are a large number of men whose services could be dispensed with; that the general expenditure is susceptible of a considerable reduction; that political influence is exercised in the nomination of the employees; that in the hands of a company the road could be made to pay expenses; that the trains stop at too many stations; that the traffic and receipts could be increased; that although the internal economy is much the same as that of other roads, yet it costs a great deal more; that the local revenue could be increased by bringing it up to the rates levied by other lines. The management also suffers from a difficulty, not experienced to so great an extent by companies, of not being able promptly to discharge inefficient or suspected servants.

With regard to the expenditure on the Canals, which is made up of the salaries of the lockmasters, lockmen, labourers, superintendents, &c., and of the outlay for maintenance and repairs, it might be desirable that an enquiry should be instituted to find out whether it might not be curtailed to some extent.

*Minor Revenues.*

The expenditure under this head amounted to \$3,800, and calls for no remark.

*Dominion Lands.*

For Dominion lands the outlay last year amounted to \$158,000. This expenditure has been reduced through the reduction of the staff of extra clerks employed at Ottawa, a process which your Commissioners are glad to find is going on steadily.

Your Commissioners would bring to the notice of the Government the expenditure in connection with the land office at Winnipeg. This also, like the Indian office at Regina, to which attention has already been drawn, was organized before the completion of the Canadian Pacific Railway, when postal facilities were very limited. The reason for its establishment was that in cases of necessity prompt action could be taken on the spot to avoid the delay of reference to headquarters.

It is probable that to some extent the reasons for the creation of this office have passed away, and it might be desirable to enquire whether the staff could not be reduced or the office abolished.

*Liquor License.*

The sum of \$1,230 was expended under this head and no remark need be made thereon.

## CONCLUSIONS.

In concluding their criticism of the public expenditures, your Commissioners beg to mention one of the most striking features of the whole subject, and that is the large number of officials employed by the Government, apparently out of proportion to the resources and population of the Dominion. This number is constantly on the increase, and the increase of course is largely in the newly developed territories. Your Commissioners view with pleasure the contemplated transfer of the immigration service to the control of the Department of the Interior, whereby no doubt a great reduction of expenditure will be effected. Your Commissioners would suggest that instead of each department appointing its own officers in the districts of country newly opened up, one official, say the postmaster, should be authorized to transact any land, immigration, Indian, or other business required to be transacted by any of the departments, until the country is well developed and the necessity for creating separate agencies becomes