Provincial Finances.

CONDITIONS OF, AS LEFT BY GREENWAY GOVERNMENT

When the Greenway Government was swept out of existence in 1899 by the people, and deservedly so, the finances of the Province were found to be in a deplorable condition. The bank accounts, both of a general and trust nature, had been largely overdrawn, and school grants and other accounts against the Province were outstanding to the extent of over one hundred and fifty thousand dollars, and grave irregularities existed in several of the departments. To arrive at the true financial position of the Province, the new incoming Government appointed a Commission to investigate and report upon the same. This Commission, in due course, presented their report as follows:—

ROYAL COMMISSION REPORT, 1900

(1) That the statement prepared by the Treasury Department, as to the financial position of the Province as at the 16th of January, 1888, was incorrect and misleading, as it was not full and complete, and was evidently signed by the Auditor without making sufficient invesigation:

(2) That, in connection with the Treasury Department, it had been the custom to withdraw the education grant at the end of the financial year, in order to prevent it from lapsing, and to place it to the credit of one or more Ministers, instead of applying in the regular way for a re-vote, the particulars of the expenditure not subsequently appearing in the Public Accounts;

(3) That a direct liability was incurred in connection with Drainage District No. 1, and no record was kept in the books of the Department. Payments were made to a contractor out of this loan without the signature of the Auditor and before the vouchers had been passed by him. This liability was subsequently satisfied;

(4) Railway debentures for large amounts were guaranteed and handed over to the agents of the contractors without the authority of an Order-in-Council;

(5) That accountable vouchers were passed by the Auditor for various purposes, although no authority, by statute, existed for the same, except in the case of progressive estimates; and in a number of instances statements accounting for same were not forthcoming;

(6) That no proper audit had been made of the receipt of moneys to see that all were entered in the cash books of the several Departments;