

defective system under which they worked, that they have failed to make a record as satisfactory as would otherwise have resulted.

The principal officers are capable and industrious men, and under energetic and proper management they would become good public servants, but a strange disinclination for change has repressed their energies, and prevented the adoption of improvements. This, coupled with the absence of all contact with railways beyond the Province, has tended to prevent the adoption of most of the recent advances in management, auditing and accounting, which are to be found in other railways.

These officers should not, we submit, be changed unless it is found after adequate trial, that they are incapable of adapting themselves to working out a better system of management. The opportunity for testing them should be afforded, but the chief officer should have full authority to decide as to their fitness for the duties assigned to them, and to remove those who, after reasonable trial, are found to be inefficient.

Several of the station agents appear to have been selected without much reference to their fitness. To be a good station agent a man must be able to write fairly, he should be a good accountant, and of active habits; generally it is necessary that he should be a good telegraph operator, and above all, a man of strict integrity and of sober habits. Men who possess these qualities are not likely to give their services for the salaries for which several of these agents are hired, and it is not, therefore, surprising that many of the stations should be badly managed, and the accounts imperfectly kept. Some of the agents are worthy of further trial and instruction, and may be found capable of better things. This opportunity should, we think, be given to the agents at Elmsdale, Wickwire, Shubenacadia, Stewiacke, West River, Glengarry, Hopewell, Coal Mines, and Pictou. The agents at Richmond may, and doubtless will make good officers, under a better arrangement of their duties. Of the remainder of the station agents we are compelled to say that the interest of the service demands their removal. Should this recommendation be acted upon, it may be possible to find employment for the men so removed, on work more suited to their capacity, or if that is not practicable, they should only be deprived of their pay after such notice as will afford them ample opportunity to obtain other employment.

The agent at Truro is in arrears for money which he has collected, to the extent of more than \$500, probably for a greater sum, for his accounts are very far from being in a satisfactory state, and although this is abundantly evident from the return which he made to the traffic Superintendent on the 30th June, ult., yet the Commissioner has taken no steps either to secure the money or to place the business in safer hands. On the contrary, he tells us that he has felt it necessary "to shield him for the time being." The agents at Mount Uniacke, Enfield, Oakfield, Rocky Lake and Bedford are also in arrears for money collected, in sums varying from \$40 to \$240, and as yet no decided steps have been taken to close their accounts, or to prevent an extension of the evil.

We know of no circumstances which can justify this laxity, and we are compelled to say that it indicates a want of method and decision on the part of the General manager.

As the agent formerly intrusted with the freight business at Richmond has been dismissed, and proceedings taken for the recovery of the money for which he was in default; it is only necessary to allude to him in connection with a letter which he has addressed to you, and which you have referred to us (See Appendix E not printed).

Mr. Alexander says the management of the freight department was bad, and we are of the same opinion, but we do not find therein any justification for his misapplication of the money which he collected for the Government to his own private uses, and most assuredly it would be a bad precedent, if, after the default which has been so clearly established, he were to be re-employed, or that any relaxation should be sanctioned in the efforts of the department to recover the money.

The reduction which may be made in the number of employees is not important, and the saving from that source will be absorbed by the necessary increase in the salaries of agents at stations where they are too low, to secure the services of competent men. At Richmond freight house the services of one clerk may be saved. The establishment now employed there under the traffic Superintendent may be reduced by a re-arrangement of duties.

At Truro, the telegraphing may be done by the Telegraph Company's operator, who has his office in the station. A similar saving may be effected at New Glasgow. At Pic-