AUDIT OFFICE, OTTAWA, February 3rd, 1898.

Hon. W. S. FIELDING,

Minister of Finance.

SIR,-You ask me to particularize what each clerk in the Audit Office who is recommended for a statutory increase does, whether he is ever out of work, and if so, for how long.

There are 23 permanent clerks in the office, and one extra clerk who may be treated as a permanent for the purpose of this statement, as he has been here continuously for

Eighteen are recommended for increases.

Messrs. Sutherland and Stevenson are Book-keepers. They keep the Revenue and Expenditure ledgers and do much work besides. For full information see their statements which accompany this. Similar statements of the work done by the others will be found herewith.

Messrs. Gorman and Hayes, assisted by the permanent extra clerk and Messenger (Patrick Connolly) when he is not employed on his special duty, audit all the receipts of the Dominion and prepare the part of the report devoted to receipts.

Messrs. Hayter, Sherwood (at maximum), Wagner, Folkins and Misses Belford and

O'Connell audit the great spending Departments—Public Works and Railways.—

Nearly \$9,000,000 of expenditure.

Messrs. Reid, Stockton and Allan audit and prepare for the report, &c., the Indian, Interior, Customs, Printing and Stationery, Geological Survey Departments, the Mounted Police and the Provincial subsidies—nearly \$5,000,000 without the subsidies of \$4,000,000.

Messrs. Gross and Johnson have charge of the Militia, Agriculture, Legislation,

Civil Government Contingencies, &c., amounting to over \$4,000,000.

Messrs. Kearns, Tucker and Steeves do the Post Office, Marine and Fisheries.

Justice and Trade and Commerce—over \$6,000,000.

Mr. Hudson, assisted by Miss Baldwin when she is not engaged in her special work of type-writing, audits the Finance, and Inland Revenue Departments, the election expenditure, etc. Mr. Hudson also looks after the secretariat and has much to do with getting out the report. Examines about \$900,000.

Our report on last year's accounts is nearly ready for distribution. Seven months of this year have already passed and the examination here of its accounts has not begun. It will take the constant application of all the persons mentioned and the rest of the staff until this time next year to overtake the arrears and the accounts for the remaining five months, prepare for the printer, read proofs, etc., and in other respects get the report on this year's accounts into the state in which that on last year's now is.

Perhaps the following method of dealing with the position of this office with reference to the increases, differs somewhat from that presented in my first communication which you tell me was not sufficient for Council. No one that I ever heard of said that this office is costing too much now. If there is such a person I should be glad to get his explanations. I have proposed for next year that we should do with one man less on the permanent staff and with a decrease in extra assistance represented by \$500, so as to enable the office to get the statutory increases and pay the superannuation allowance of the permanent clerk who has left the office. I do not make this recommendation because I think that there has not been sufficient work done by the staff in the past, but because I am afraid that the statutory increases, which I think so well deserved, are not likely to be otherwise allowed.

You may ask why should the average man in one department be of more usefulness than the average man in any other department of the service? Evidently a department which never asks for a man until he is required, which watches what each man is doing, dismisses the poor clerk and succeds in getting fair pay for well performed duty will not only get work of a better quality but at a cheaper rate than a department in which any of these conditions is wanting.

I do not ask the Government to go as far as Sir John Macdonald, who when I desired him to allow two additional chief clerks in the Audit Office, making three in all, without a moment's hesitancy said: "Why do you come to me? Your reputation for xiva