

A Provincial Municipal Auditor.

The act introduced by Mr. Hardy to provide for the appointment of a Provincial Auditor has been read a third time, and although numerous amendments were made, the general principles are the same as set forth in our last issue. The passing of this Act is the beginning of a system that we expect will, in time, develop to the same extent as has been found necessary in other countries, where the principal of a central audit has been adopted. In England the first step taken towards the centralization of municipal administration was made in 1834. While all other localities in England as well as cities in France, are subject to a central audit of accounts the English borough is not, although after the local audit has been had, the accounts must be filed within a month with the Local Government Board at London.

In the experience of England we have an opportunity of comparing the results of central administrative control with local self government pure and simple. The present central audit was not achieved at a single bound, but each step being attended with better results, the movement continued. District auditors are appointed by the Local Government Board, and the Law is applied with a vigor that often arouses the animosity of local officers, and were it not for the privilege of appeal to the Local Government Board, some transformation would have taken place. The auditors have authority to disallow illegal expenditures subject to appeal.

Some of the United States during recent years have recognized the defect in the audit systems of local municipalities and the legislatures of Minnesota, Massachusetts, Mississippi, North and South Dakota, Texas and Wyoming have passed laws regarding a central audit. The governor appoints public examiners whose duties are to formulate methods of keeping accounts to be adopted by the financial officers of counties, and in some cases by those of the cities, to examine the accounts of such officers at least once a year and to report to the governor the results of their work.

When the Legislature was considering the question of municipal auditing, a debate arose between the government and opposition on the principle of the bill. Messrs. Whitney and Matheson urged their favorite argument that the bill was another step in the direction of centralization, and would deprive the people of their right to manage municipal institutions in their own way. They thought the county councils should appoint the auditors instead of the government. The Attorney-General and Hon. G. W. Ross in reply urged that there had been a great demand for the bill owing to the numerous defalcations by county officials, that

there was nothing in the law to prevent county councils from appointing auditors if they chose to do so, and, moreover, that there would not be enough expert auditors in the province to supply the demand were every county to appoint its own. The bill was explained to be merely a tentative one. It was not intended that the Provincial Auditor should go into every county and audit the books, in fact, it would be impossible to do so. He was simply to investigate in cases where it was believed there was a necessity for such an examination.

Mr. Meacham said the idea of the government seemed to be that the fear of a visit from the government auditor would induce the local officials to do their work properly. ("Hear, hear, was the response from the government benches.")

Hon. Mr. Gibson enlarged on the shortcomings of municipal treasurers. The mode in which money was kept, was responsible for much loss, and if general rules as to the system of keeping accounts and taking care of the funds were sent out by the government auditor it would do much to prevent financial laxity.

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A correspondent writes: I am glad to know that a general feeling exists against our present system of auditing. When looked into closely, it is a perfect farce. In rural districts public accounts amounting to thousands of dollars, are audited yearly by men who never kept an account for themselves or any one else, and have no practical knowledge of the principles of book-keeping. No wonder at the numerous errors that are becoming so frequent, and many others that are never discovered. I have no desire to impeach treasurers with dishonesty, but very many of them have had no training along this line until their appointment, and they simply keep their books in their own way. I have grave doubts if the change made a year or two ago, requiring treasurers to keep certain books, have been productive of much improvement. I have examined the bill that is now before the House on the appointment of a Provincial Auditor, and object to it on the ground of not improving either our treasurers or local auditors, or removing the present defect, and regard it only as a half measure.

I heartily concur with your suggestions, as well as those of Mr. A. C. Neff on this subject. If I had my way, (but I don't expect to get it) nevertheless I shall try, I would have an auditor appointed by each county, the same as school inspectors, and none eligible unless those who hold certain prescribed qualifications. Efficiency in these officials is a vital point. If the county was very large, two could be appointed. Each municipality would appoint one auditor to act in conjunction with this county auditor, and suppose this

official would begin his work of auditing about the 15th January, each year, and every day engaged, only those occupied in going from one municipality to another he would soon get through this department of his work. Each treasurer and local auditor would soon understand the work according to his prescribed form, and he would be required to enter in a book the abstract account of each municipality. The form of audit would be in accordance with that prescribed by the Provincial Auditor, and be uniform throughout the Province, and all returns to the Bureau of Industries to be in accordance with the audits made, and all these returns to come through this auditor for his county, and be endorsed by him, after examining each report with his own abstract, then forwarded to the head office.

If this mode were adopted, in a year or two the entire finances of each municipality would be completely under control and defalcations would be next to impossible.

If the present bill passes, as it now reads, it is only one step in advance, and comes very far short of meeting the present deficit. To modify it by appointing an inspector to examine all treasurers books, hunting up mistakes, and causing official enquiries to be made, is simply ridiculous in my eyes. Why not have the work done efficiently at once, and show others how to do it? Should your readers approve of what has been said on this subject, in these columns, then we ask their liberal co-operation, and let them request their local member to give it his support, if they cannot do this, then, let them give us something better.

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The total shortage of the late W. S. Campbell, treasurer of the township of Brantford and county of Brant has been reported by the auditors at \$24,971.91, divided as follows:

Township.....	\$17,002 16
County.....	6,775 02
House of Refuge.....	1,194 73

\$24,971 91

It is a reflection on the ability of the auditors and members of the councils interested, that their treasurer should have appropriated such large amounts to his own use. The greatest confidence was at all times placed in Mr. Campbell, he had filled a number of important public positions, and was a member of the Toll Roads Commission. The defects in the present audit system, were by this case brought home to the Premier, Mr. Hardy (representative for Brantford) who lost no time in suggesting the appointment of a Provincial Municipal Auditor for the consideration of the legislature.

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The success of the new office will depend entirely on the municipal experience and ability of the gentleman to be selected for the position.

At Merriton, Ont., a number of citizens are putting in generators for the purpose of using acetylene gas in private lighting.