

Auditor General's Report.

TREASURY BOARD OVER-RULINGS OF AUDITOR GENERAL'S DECISIONS BETWEEN SECOND SESSION OF 1896 AND SESSION OF 1897.

Public Works : Payment of Interest on purchase of House.

AUDIT OFFICE, OTTAWA, February 15, 1897.

SIR,—I return herewith your application No. 104 in favour of David H. Têtu, for purchase of his house at Pentecost.

The wording of the Supply Bill makes no reference to the payment of interest, and I shall not be able to recognize that part of the claim, even though the amounts coincide.

Please reduce the application to \$374, the amount of the principal. The paying of the principal will not affect in any way the claim which Mr. Têtu has to interest.

I am, Sir, your obedient servant,

The Secretary Public Works Dept.

J. L. McDOUGALL, A.G.

DEPARTMENT OF PUBLIC WORKS, OTTAWA, February 27, 1897.

Memorandum :—The undersigned has the honour to report :

That in the amounts voted by parliament at its last session there is the following item :

Telegraphs.

“ Land line on the north shore of the St. Lawrence—For purchase from D. H. Têtu of land, buildings and furniture, fittings, &c, at the River Pentecost Telegraph Station, “ in full settlement of all claims, \$508.64,” this sum having been intended by the department to cover the principal and interest :

That the Department of Justice, through which Mr. Têtu's interest in the buildings, &c., at Pentecost was being purchased, wrote this department asking that a cheque for the sum of \$508.64, voted by parliament for the above named purpose, be sent to them :

That the Auditor General to whom application accordingly was made for the issue of the cheque in question, sent to the department the following letter :—

“ I return herewith your application No. 104 in favour of David H. Têtu, for purchase of his house at Pentecost.

“ The wording of the Supply Bill makes no reference to the payment of interest, “ and I shall not be able to recognize that part of the claim, even though the amounts “ coincide. “ Please reduce the application to \$374, the amount of the principal. The “ paying of the principal will not affect in any way the claim which Mr. Têtu has to “ interest.”

That the contents of this letter of the Auditor General were communicated to the Department of Justice, who were requested to state whether the Auditor General was right in his contention that the wording of the vote above quoted only gave him the power to pay the principal; \$374; and not the interest; and that their reply is as follows :—

“ In reply to your letter of 20th instant, in which you quote a letter from the “ Auditor General objecting to pay the whole amount voted by Parliament for the “ purchase of Mr. Têtu's interest in the buildings at Pentecost, I have the honour to “ state that in view of the fact that the money was specially voted by parliament for