

SECOND REPORT

OF THE

Financial and Departmental Commission.

On the 23rd May last, the undersigned had the honor to report to His Excellency the Governor General the results of the enquiry conducted up to that date under the authority of Her Majesty's Commission. Adhering to the terms of their Commission, they have since addressed themselves to the examination of various matters having a direct connection with the declared objects of the investigation entrusted to them. The contingencies of the various departments and the system which prevails with regard to them—the manner in which expenditure for local purposes has been managed, as exemplified in the loan for the purchase of Seed Grain in Lower Canada—the Census, its management, trustworthiness, and cost—the tug service in the Lower St. Lawrence, its conduct and results—and the financial relations of the Grand Trunk Railway Company to the Province, are the principal subjects which have occupied their attention. The undersigned now respectfully beg leave to present their Second Report, embracing these and some other subjects of enquiry, together with the evidence and documents upon which their statements and conclusions are founded.

The importance of a minute examination into “the manner in which the contingencies of the various departments and all branches of the public service are vouched, paid and accounted for, or estimated and checked,” is apparent in view of the large expenditure which annually takes place under these heads, and the tendency to rapid increase which has developed itself during the period embraced within the enquiries of the Commission. Over these expenditures the Legislature has no direct control. They are incurred and paid on departmental authority; no estimate being furnished to Parliament in advance, no appropriation being sought, and no means provided by which Parliament may restrain the amount, or supervise the details of which it is composed.

In 1852 the salaries and contingencies of the departments formed a total of \$155,329; in 1856 it had risen to \$346,476; in 1860, to \$472,066; in 1862, to \$536,208; the aggregate of these expenditures from 1852 to 1862, inclusive, being not less than \$3,920,245. Classifying the expenditures under the several heads into which they have been divided, the totals of the eleven years named stand as follows:—

Permanent Staff.....	\$2,560,298 45
Extra Clerks and Services.....	213,926 88
Printing and Stationery.	569,100 19
Newspapers and Advertising.....	128,996 52
Postages.....	81,295 91
Telegraphs.....	52,601 61