

Department gives no further details than the chief sub-divisions of supposed expense by Provinces.

The following votes are found to be considered, by those who have the spending of them, as grants, viz. :—

The Geological Survey.....	\$50,000
Meteorological Observatory.....	37,000
St. Catharines do .....	500
Kingston do .....	500
Marine Hospital, Quebec, etc.....	20,000

It might be well to have it clearly defined by Parliament when the amount is intended as a grant, as well as when the spending department is expected to have the right to use any portion of its receipts. Where expenditure has been made from money advanced and not through letters of credit, the accountant making the disbursements has been called upon to deposit to the credit of the Receiver-General the amount unexpended at the end of the year. Correspondence in connection with cases of the kind is given in the body of the accounts. Where the expenditure has taken place under the letter of credit system the letter of credit is cancelled, there being no money in the hands of the accountant.

The undersigned now takes the liberty of approaching a subject which is perhaps beyond his province, but which is in his opinion so great a factor in the correct account keeping of Dominion expenditure, that he is emboldened to refer to it. It is with reference to the time when the financial year should end. The writer is of opinion that the most convenient time would be during the Session of Parliament, and offers the following reasons in support of his views:—

1st. As the year now terminates, it is necessary during the Session of Parliament to make supplementary provision for the large expenditure on capital account, which is to be made during April, May and June of the current year; and for that of the subsequent year, which will be made in July, August, September and October, and for that which can be anticipated for April, May and June. The same facts hold with reference the charges on income, although to a smaller extent.

If the financial year were closed during the Session of Parliament, no appropriation could lapse without there being the means of obtaining a revote of the amount, if Parliament were still willing that the expenditure should be made, and provision would have to be made for only twelve months instead of fifteen.

2nd. A difficulty like this frequently arises. A sum of money is voted for the completion of a particular work. At the end of the year the balance of the appropriation, which would otherwise lapse, is rendered available by Order in Council, under 41st Vic., cap. 7, sec. 36, until the 30th September following. The Engineer