

STATEMENT showing balances by Retired Postmasters, on 30th June, 1898—*Concluded.*

St. Cuthbert, Que., C. N. Paquin.....	2,044 98
St. François du Lac, Que., F. E. N. Boucher.....	60 00
St. François Xavier de Viger, Que., G. Caron.....	9 28
St. Gabriel de Brandon, Que., M. O'hier.....	75 00
Salmon River, N.B., E. H. Foster.....	22 50
Stymast Settlement, N.B., J. Stymast.....	9 00
Tangier, N.S., Wm. Hay.....	295 40
Terence Bay, N.S., S. C. Slaunwhite.....	1 00
Thompson's Mills, N.S., J. Jones.....	22 13
Upper Woodstock, N.B., G. B. Wolhampter.....	15 00
Valley Station, N.S., M. A. Johnson.....	18 00
Wellington, N.S., J. Landers.....	0 81
Westcock, N.B., H. Purdy.....	6 70
Whitewood Station, Assa., D. Campbell.....	160 72
Woodlawn, Ont., J. Mills.....	6 87
Woodside, Que., W. Gardner.....	11 25
	\$ 4,305 76

AUDIT OFFICE, OTTAWA, April 25, 1898.

SIR.—The following amounts are shown on your statement of arrears due by retired postmasters (new account) on June 30, 1897, which were not on the list for June 30, 1896 :

Aikenside, Man.—F. A. Lewis.....	\$ 6 00
Black Point, N.S.—Jas. Hubley.....	6 00
Juniper Mount, N.S.—G. McKay.....	8 91
Montreal Northern Receiving House (Montreal)—J. Lemieux....	390 45
Porter's Lake, N.S.—Rev. J. D. Borthwick.....	6 00
Ritcey's Cove, N.S.—J. Ritcey.....	8 94
St. Cuthbert, Que.—C. N. Paquin.....	2,044 98
Valley Station, N.S.—M. A. Johnson.....	18 00

I have to ask for explanations in reference to each of the above items, in particular, Montreal Northern Receiving House and St. Cuthbert. What are the character and amount of the security held from each of these postmasters, and what action has been taken to ensure payment? The annual revenue at St. Cuthbert is less than \$400 per annum.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, A.G.

POST OFFICE DEPT., OTTAWA, May 3, 1898.

SIR,—I beg to acknowledge receipt of your letter of the 25th ultimo, with reference to the following amounts due by retired postmasters, shown on the list for the 30th June, 1897 :—

Aikenside, Man.—F. A. Lewis.....	\$ 6 00
Black Point, N.S.—Jas. Hubley.....	6 00
Juniper Mount, N.S.—G. McKay.....	8 91
Porter's Lake, N.S.—J. D. Borthwick.....	6 00
Ritcey's Cove, N.S.—J. Ritcey.....	8 94
Valley Station, N.S.—M. A. Johnson.....	18 00
Montreal Northern Receiving House (Montreal)—J. Lemieux....	390 45
St. Cuthbert, Que.—C. N. Paquin.....	2,044 98

The first six names on the above are non-accounting offices, and the amounts due were for credit supplies of stamps, furnished to the postmasters when they assumed office. In each case, the department was advised by the post office inspectors that the amount could not be recovered either from the postmaster or his bondsmen.

With regard to the shortage of \$390.45 at the Northern Receiving House, I beg to say that at the time of the default no regular appointment of a postmaster had been made, the office being in charge of Letter Carrier J. Lemieux. When the accounts were being examined by the post office inspector, Mr. Lemieux disappeared, and the department has not since heard of his whereabouts. Mr. Lemieux had given a guarantee bond of \$200, but it was represented to the department that the bond covered him as letter carrier only, and it was not considered expedient to call upon the company, under the circumstances.

In the St. Cuthbert case, the postmaster issued fraudulent money orders to the extent of the deficit. His sureties were private bondsmen, and upon investigation it was found their security was valueless, the only solvent one having decamped across the border. The postmaster was brought to trial and was sentenced to three years in the penitentiary.

I am, sir, your obedient servant,

The Auditor General.

R. M. COULTER, D.P.G.