

## Auditor General's Report.

ing a person to examine in your department the document about which there was discussion. In addition to what I therein urged, I may point out that the business of this office has been conducted on a different method from the one which you desire to have followed with reference to this particular information. An auditor of accounts that are not governmental usually performs his duties in the place of business of the person whose accounts he audits and, when he has finished his work, has no further responsibility, and leaves the papers where he found them. My audit is only an interim one. The Public Accounts Committee may ask me for the vouchers with reference to any item of the payments shown in my report, and expects me to produce all the vouchers on which I formed the opinion that the payment should be made.

If I consented to make payment without this particular voucher, what explanation could I make to the Public Accounts Committee for not being in possession of it, so that they might be enabled to decide whether I had performed my duty properly or not.

We seem to have said all that can be said on the subject. You may ask to have my objection overruled by the Treasury Board, or wait until Parliament meets and go before the Public Accounts Committee, if you cannot see your way to change your position. I cannot do what you desire without being relieved from responsibility by competent authority.

I am, sir, your obedient servant,

The Deputy Minister, Railways and Canals.

J. L. McDOUGALL, A.G.

### Audit Office: Estimates for 1898-99.

AUDIT OFFICE, OTTAWA, January 11, 1898.

*The Hon. The Privy Council,—*

I inclose the estimates for this office for the year 1898-99. In framing these estimates I have before my mind the view of the Government that the expense of Civil Government at Ottawa is greater than it should be. I may say, even if my opinion in the matter is not of great consequence, that I entirely concur in this view. There are, however, departments which are economically and carefully conducted and in which prudent methods have been employed in the past. It would be neither in the public interest nor reasonable, to pay insufficiently those who are doing good work and enough of it, because there are others in the service who are idle and incapable while they receive the remuneration which only good services justify.

I shall endeavour to show that the increases in this office which I recommend are deserved, and therefore, that they should be granted. It is true that I recommend the increase of the salary of every person who is eligible for it, but I am ready to be held responsible for the statement that each of these persons is doing work which from both quality and quantity makes it just that he should get the increase.

Making as close a comparison between the Civil Government salary expenditure of 1878 and 1896 as the way in which the accounts were kept at the former period will permit, there has been an increase on the whole of 60 per cent. The Audit Office only began its existence in 1878, and therefore, no comparison of a similar kind can be made for it. However, if we bear in mind that the Finance Department as it is now and the Audit Office together cost less than the Finance Department and the Receiver General's Department of 1878; and that the Finance Department and Audit Office now do all the work which was done in 1878 by the Finance and Receiver General's Departments, and as well, all the work of audit, including the report, there is a strong case made out in our favour.

I am well satisfied with the staff of this office. With regard to every one whose increase I recommend, his past work warrants my recommendation, but that every possible objection to the increases might be removed I have deducted from the appropriation for extra clerks for the current year a sufficient sum to keep the total for salaries, superannuations and extra clerks for next year down to that for the current