

object of the Commission in this initiatory stage of their proceedings was to scrutinize the efficiency of the working of the system as now in force, the degree of harmony it insures amongst the several departments, and the amount of protection it affords against fraudulent or wasteful expenditure. This part of the enquiry was, in a great degree, of a Departmental character, and all the particular incidents detailed in evidence bear on one or other of the points adverted to. During the enquiry, transactions of a more special nature, and of great importance, were brought to light, which demanded for their elucidation the testimony of another class of witnesses, amongst whom may be mentioned the Hon. A. T. Galt, the Hon. John Ross, the Hon. W. P. Howland, and Mr. Cassels, Cashier of the Bank of Upper Canada, who successively appeared before the Commission.

The evidence ranges over a wide field of enquiry, and much of it is incomplete in the most essential particulars. The condensation, therefore, which this report presents must, in many respects, be regarded rather as a synopsis of its general character than a complete conclusion from it.

Foremost amongst the subjects of investigation by the Commission is the Audit system. This was instituted in 1854-'55, under the provisions of Act 18 Vic., cap. 78, which established a Board composed of "the Deputy Inspector General as Chairman, the Commissioner of Customs, and an Auditor to be appointed by the Governor General, their duties being, under the direction and supervision of the Minister of Finance, from time to time to report to the said Minister of Finance on any accounts laid before the said Board."

The powers and position of the creation under this Act,—an official holding the high title of Auditor,—whose signature has given, for a few years past, a certain degree of confidence in the correctness of statements and accounts to which his name has been attached, received the particular attention of the Commissioners, who find that the Act does not define his exact position, and that whatever may have been the original intention of the law, he is to all intents and purposes "a simple subordinate" in the Finance Minister's Department. (Q. 42.) "I am aware," says Mr. Langton, "that the general impression is, that I have more power than I really possess, and that I am held responsible for things over which I have no control." The practice of the Auditor corresponds with his theory. It amounts to little beyond a comparison of figures with figures, to see that statements, accounts and vouchers rendered to him correspond arithmetically on their face, but in verification of the substance of the accounts audited it amounts to nothing. His special duty under the Act is defined to be, "to examine, check and audit the accounts and expenditure of the Department of Public Works, and all contracts made by or with that Department;" but, according to the Auditor's own description, "the unfortunate system upon which the books of that department are kept," renders them the most difficult to deal with of any accounts which come before him. "One would imagine that the principal object to be sought for in the books of the Department of Public Works would be to shew, in the first place, the appropriations made by Parliament for the several services; secondly, the engagements made by the Department on account of these appropriations; thirdly, the amount of work done; and fourthly, the money paid. But the last of them is the only thing which enters into the books of the Department." "The accounts, which I think ought to be rendered for audit are the general accounts of contractors or others, shewing the work they have engaged to do, the work they have done, and the amount