

for the last half century. Is it any wonder, then, that the Ontario Government should occasionally suffer loss? Indeed, it is very gratifying to know that in 35 years the losses from any cause whatsoever have not exceeded \$15,000, although over \$200,000,000 have passed through the Treasury Department in that time.

The method adopted by Mr. McDougall to conceal his appropriation of money was skilfully conceived. Where cheques were made payable to his order, no entry was made in his books, and no correspondence placed on file with regard to the transaction, and a most careful audit would not discover that any defalcation had occurred. All returns with regard to probates were made to his office and to his alone. Since the defalcations occurred, orders have been issued to the Surrogate Clerks to make a double return of probates, one to the Treasury Department proper, and the other to the solicitor, so that one office can furnish a check upon the other. This precaution will, it is believed, render all but impossible any irregularity in the future.

Although the loss in the first instance amounts to the sum above stated, it is believed that the actual loss to the Treasury will be comparatively insignificant, as the Department holds assignments of insurance policies (life plan) amounting to \$20,000, and a policy from a Guarantee Company amounting to \$5,000.

#### THE REFERENDUM

On the 4th of December, "The Liquor Act" passed last summer was referred to the electors of the Province for their approval. Full returns have not been received from a few of the northern Districts, but so far as heard the vote stands:—

For the Liquor Act	-	-	-	166,050
Against	-	-	-	88,022
Majority in favour	-	-	-	78,028

The total vote required to put the Liquor Act in force was 212,723, so that the vote falls short of this by over 46,000.

But while the vote polled was not sufficient to put the Liquor Act into operation, it is an expression of opinion on the question of Prohibition which must be exceedingly gratifying to all concerned in the temperance movement, and it will be the duty of the Legislature to consider the significance of this vote in future legislation. What that legislation should be can only be settled by a careful interchange of opinion between the Members of the Legislature and those who have given time and study to the operation of the liquor laws of Canada and other countries.

Toronto, December 12, 1902.