

POST OFFICE DEPT., OTTAWA, July 26, 1898.

SIR,—Referring to your letter of the 12th instant, on the subject of the two lots of returned Jubilee stamps recently burned in the presence of a clerk from your office, which stamps you state were charged back to ordinary stamp account, instead of Jubilee stamp account, and on which point you desire an explanation, I beg to say that the department has not considered it necessary or advisable to maintain two sets of stamp accounts; consequently, there is no distinction made between the Jubilee and the ordinary stamps in the accounts of the department.

I am, sir, your obedient servant,

The Auditor General.

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

Re Casual Revenue.

AUDIT OFFICE, OTTAWA, July 11, 1898.

SIR,—I am in receipt of an application from the accountant of your department, requesting a transfer of \$1,960.07 from Post Office Account to Casual Revenue, being sundry amounts collected from Nov. 15, 1881, to June 30, 1897.

Of this sum, \$1,247.88, made up of 271 entries, is entered as cash found over at post offices. I have to ask for further information as to these items. Does the postmaster usually give any explanation of or attempt to account for the surplus? Have you taken any steps or made any investigation to account for them? Are there any cases when the cash is short instead of over, and if so, how is it made good? Should the postmasters fail to hand over these sums, have you any means of detecting the omission?

Some of the other items are out of the ordinary, and call for explanation: (1.) A postmaster acknowledges the receipt of \$200, while the bank only charges \$100. (2.) A postmaster acknowledges receipt of \$50 from an inspector, which the latter appears not to have forwarded; (3.) A postmaster deposits \$235, which is not claimed by his account. (4.) A surplus of \$143.94 in Dead Letter office account for October, 1888. (5.) \$72 in cash contained in a registered letter which never reached its destination, but was made good by the bank.

Without anticipating your answer to the inquiries which I have made with reference to certain items, you will probably see that accounts of this nature should be dealt with promptly. Will you therefore, in the future, instead of allowing the account to run on for nearly seventeen years, cause it to be closed up for each fiscal year at the end of that year.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, A.G.

POST OFFICE DEPT., OTTAWA, August 5, 1898.

SIR,—I am in receipt of your letter of the 11th instant regarding the recent application from the department for a transfer of \$1,960.07 from Post Office Account to Casual Revenue, being sundry amounts collected from 15th November, 1881, to 30th June, 1897, and you state that \$1,247.88 is made up of 271 entries of cash found over at post offices, and require further information.

Under post office regulations, postmasters are required to charge in their cash accounts any excess of cash found when the accounts are balanced, but before doing so the postmaster is asked to make every effort to trace the error, and when the account reaches the department it is carefully checked with a similar object.

If the postmasters fail to hand over these sums, the department has no means of detecting the omission unless mistakes are afterwards found in the entries of the cash account.

In cases where the postmaster finds the cash short he is required to make good the difference at once.

In explanation of the special items to which you draw attention, I beg to state as follows:—(1.) The Bank of Commerce at Seaforth cashed Cheque No. 37 of 29 September, 1882, drawn against official credit by postmaster at Bayfield, and claims to have sent the postmaster \$100. The postmaster charged amount as \$200 and stated positively that he received that sum. (2.) The postmaster at Bronte charged \$50 in his cash account for 8th October, 1884, claiming that he had received that amount from the post office inspector, Toronto. The inspector stated that he had not sent the money. (3.) The postmaster at Erin remitted \$100 and \$135, but failed to take credit for the amount in his cash account. The then Superintendent of the Money Order Branch ordered the amount to be placed in Suspense Account to await the postmaster's action in the matter, and falling such action it remained there up to the date of the transfer.