

Contingencies.

At all the Ports, whether large or small, certain contingent expenses must necessarily be incurred; for this branch of expenditure it has been found very difficult to establish any rule that would work quite satisfactorily. The Rules laid down by Act of Parliament for Departmental contingencies will scarcely apply to such cases, and owing to the diversity in the rank of Ports nothing beyond a designation of what is allowed to figure in the contingent accounts appears to be feasible.

Office rent and fuel, Stationery and Postage are the only items which, under ordinary circumstances, are admitted to appear in the quarterly accounts. The rent is usually settled before hand; but the amount of the postage, and the quantity of the fuel and stationery, necessarily vary according to the class to which the Port belongs, and each case must be disposed of upon its own merits. But at some Ports in addition to these usual items there are others, such as expenses in visiting Out-Ports, or a charge for lights during winter months, &c., these also, it would be difficult to reduce to a General Rule.

It would therefore seem that the system now adopted for the contingent accounts, which requires that every item should be supported by a voucher, and the whole account sworn to as containing a true statement of expenses incurred and disbursements made *bonâ fide* for the public service, is perhaps the only one that is practicable. As regards stationery all Collectors are now held to send in a requisition before the end of one year for the stationery they may require during the year ensuing, and the Department, when it is deemed necessary, takes the opinion of the Inspector of Ports upon this and other items of the contingent account; but the establishment of a stationery office at Ottawa will in all probability lead to a somewhat different mode of management.

Seizures.

The net proceeds of seizures made upon the discovery of frauds, or other infractions of the Customs laws, are divided under the authority of an Order in Council into three equal parts, one of which is paid into the Treasury as the Crown's third, another goes to the seizing officer, and the remaining third is paid to the informer; but if there be no informer the seizing officer gets two-thirds. The seizures made at large Ports through the Examining Warehouse are dealt with somewhat differently under a more recent Order in Council. The seizures are always the result of an examination of the goods at the Examining Warehouse, and the appraiser is therefore considered as entitled to one share as official informer; should he have under him assistant appraisers who may have been the first to discover the fraud, such assistants are entitled to a proportion of the appraiser's third varying according to the number of the assistants—if but one he gets one-half; if two, or more, then two-thirds of the appraiser's third, is divided equally amongst them.

As to the seizing officer in such cases, at Montreal, he is considered as acting by the orders and on the behalf of the Collector who, as his salary exceeds \$1,600, is not allowed to share in the proceeds of any seizures at his Port, and the seizing officer's share goes to the credit of a reserve fund from which meritorious officers at the particular Port may be rewarded, or disabled officers assisted, as may be directed by the Head of the Department or by order of the Governor in Council. It would appear proper that this rule should be extended to all Ports where the Collector's salary exceeds \$1,600, and in all cases, instead of the Collector's third being placed in a reserve fund as at present, it ought to be paid in to the Receiver General and be paid out on warrant issued on an order in Council or Departmental order, as may be thought expedient. The present amount held by the Collector of Montreal in such a reserve fund is only \$714.48, but it would be more proper that it should be paid in to the Receiver General.

Penalties.

Penalties, as contradistinguished from forfeitures, are declared by the law to belong to the Crown. There is, however, a class of Penalties or fines, which are almost invariably assigned to the officer through whose diligence the infraction of the Customs laws was discovered.

The present Customs Act provides that if any package an enclosure of goods be found,