

provoking and disposing of possible criticism on the part of the Auditor General. Your Commissioners find that in the cases of payments made in this manner, references have subsequently been made to the Treasury Board arising out of the criticism by the Auditor General, and as the same criticism would take place on payments made under credits of the expending departments, your Commissioners think it would doubtless facilitate business if the whole audit system were conducted on a post audit basis.

#### CERTIFICATES, PURCHASES, ETC.

Before proceeding with the classification in detail of the different departmental expenditures, your Commissioners have to bring under notice the diversity of the form of the certificates granted by paying officers. Of these certificates, the most stringent in form seems to be that for the Civil Government Contingencies, by which the deputy head is called upon to certify that the article mentioned, e.g. a newspaper, has been procured "upon the requisite authority, and that the expenditure was necessary for the public service \* \* \* and that the price charged is in his opinion fair and just." Accounts for other services are certified "correct," "examined," "approved," "recommended," and your Commissioners recommend that one general form of certificate be laid down, to apply to all accounts for public expenditures, and that as far as possible such certificate should be given in the first place by the officer who really receives the goods, or who is responsible for and cognizant of the services performed. Another subject on which much diversity of opinion was expressed before your Commissioners was the letting of contracts to perform work for the Government. Your Commissioners are unanimously in favour of accepting as a rule the lowest tender, other things being equal. But at the same time they are bound to report that the chiefs of the two principal branches of the Public Works Department—the chief engineer and the chief architect—pointed out very grave dangers to be guarded against in following that system. A still further subject your Commissioners deem worthy of note, before treating of the expenditures themselves, is that relating to the purchase of supplies, and the prices paid for articles purchased by the several departments. In his evidence before the Commission, the Auditor General stated most distinctly that when goods were purchased without tender, such as furniture and other supplies for the public buildings, as a rule, retail prices were paid for the same, when wholesale prices should have prevailed. It happens too, that in places where two or three departments are expending money, as for instance in Kingston, where the Militia Department is answerable for the expenditure for the maintenance of the Royal Military College and Barracks for the permanent force, the Department of Justice for the expenditure on account of the Penitentiaries, and the Public Works Department for the care, maintenance and repairs of Custom-houses and other public buildings, different prices are paid for sundry supplies procured for each department. In the matter of coal alone the prices varied to a great extent.

Your Commissioners had under consideration the question of having a director general of stores or a supply agent to purchase supplies for all services, but they have not had the opportunity of developing the subject. They however recommend the matter to the serious consideration of the Government, and they beg further to call attention of the Government in this connection, to the evidence given by Mr. Schreiber respecting the purchase and distribution of coal and other stores for the Intercolonial Railway.

#### EXTENT OF FIXED CHARGES.

Your Commissioners have now to take up the expenditure proper under the different heads, and of which part is controllable and part is of a fixed and permanent character. For the latter portion of the enquiry they have had the benefit of the Auditor General's report for 1890-91, and have derived very great assistance therefrom. Your Commissioners find by the estimates recently submitted to Parliament, that out of an entire estimate of \$36,250,000 in round numbers, \$17,250,000 are fixed and beyond control, and of this large amount subsidies to Provinces, charges for interest on public debt, including