

libraries. The changes made in text books during the year show that the Department of Education is alive to every measure by which the work of the teacher can be facilitated.

### **PUBLIC INSTITUTIONS**

There has been no slackening of the efforts of the Government to provide for the accommodation of the insane and the helpless, and the operations of our Public Institutions for another year show a degree of efficiency and an absence of all public grievance most satisfactory to the Government.

### **DEFALCATIONS OF THE SOLICITOR FOR SUCCESSION DUTIES**

Mr. Alfred McDougall was appointed Solicitor to the Treasury Department under the Succession Duties Act in 1892. It was his business to see that all estates probated paid the duty required by the statute, and to watch the interests of the Treasury lest any estate should escape its proper share of duty. The Surrogate Court Clerks were required by the Act to report to Mr. McDougall any estate which in their opinion was liable for duty. The Solicitors or the Executors, as soon as the amount of the duties was ascertainable, were expected to pay the duty into the Treasury Department. In some cases, however, cheques were made payable to Mr. Alfred McDougall's personal order. This the Department could not prevent, as cheques were drawn up sometimes by Solicitors and sometimes by the Executors. In all legal business it is the common practice to have the cheques affecting estates made payable to the solicitor for the estate. Many lawyers followed this practice with regard to the payment of Succession Duties. In some cases Mr. McDougall paid these cheques to his own personal account, instead of paying them over to the Treasury Department. Where cheques were made payable to the order of the Treasury Department, no loss was incurred, as all such cheques were promptly paid and placed to the credit of the Treasury. The actual loss to the Department from Mr. McDougall's defalcations has not yet been accurately ascertained. It is believed to be slightly in excess of \$25,000, but under \$28,000.

The Treasury Department is blamed because such defalcations were allowed to occur, and its methods are condemned as faulty; otherwise there could have been no loss. Everybody concerned with the collection of revenue knows that it is an exceedingly difficult matter to prevent persons of dishonest intentions from concealing their dishonesty for some time. This has been the experience of all of our banking institutions and Loan Corporations, and in fact of Municipal Councils in Canada,