

Auditor General's Report—Part N

ment of the Interior at Ottawa, and addressed to countries beyond the limits of the Dominion, the postage upon which is required by the Postal Union regulations to be pre-paid by postage stamps ; and that the value of these stamps be written off in the books of the Post Office Department as cancelled. The Department of the Interior being, however, charged with the cost of manufacture.

The Committee submit the foregoing recommendation for Your Excellency's approval.
The Postmaster General. H. G. LAMOTHE, *Asst. C.P.C.*

AUDIT OFFICE, OTTAWA, February 7, 1899.

SIR,—With your letter of January 17th you inclose a copy of an Order in Council, dated August 10, 1897, which you state will explain why stamps to the value of \$1,823.56, furnished the Immigration Branch of the Department of the Interior, were written off, instead of being paid for by the department, and charged against the vote.

The result of this procedure is that the revenue has been used to supplement a vote of Parliament.

I am not aware of any statute which would authorize such an Order in Council. There is a provision in the Audit Act which guards against the use of the revenue for such a purpose, by directing that the gross revenue shall be deposited. Chapter 29, section 27, R.S.)

I have to inquire if stamps are still being furnished under this order, for if so, the question will have to be submitted to the Treasury Board.

The delay in not earlier calling attention to this irregularity is, that I was not furnished with a copy of the Order in Council, and did not become aware of the matter till the closing accounts of 1897-98 were furnished.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, *A.G.*

POST OFFICE DEPT., OTTAWA, February 13, 1899.

SIR,—I beg to acknowledge your letter of the 7th instant, in which you ask if stamps are still being furnished the Immigration Branch of the Department of the Interior on the terms of an Order in Council, dated the 10th of August, 1897, and to say that stamps are still being furnished under the terms of that Order in Council.

I am, sir, your obedient servant,

The Auditor General.

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

AUDIT OFFICE, OTTAWA, February 24, 1899.

SIR,—With reference to your letter of the 13th instant, I beg to refer you to sections 25 and 27 of chapter 29 of the Revised Statutes (the Audit Act), from which you will see that all public moneys from whatever source of revenue derived, shall be paid to the credit of the Receiver General, and that the gross revenues are to be deposited, the Postmaster General, as the head of one of the great revenue departments, being specially mentioned as one who is to carry out the regulation.

With such a provision in the law it is quite manifest that the appropriation made by Parliament for the wants of the Immigration Department must be looked upon as having been intended to cover postage as well as all other expenses. If this new departure is allowed, an overexpenditure of the appropriation to the amount named will be permitted, while it cannot be justified. I trust this matter will be reconsidered without delay.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, *A.G.*

Re Jubilee Stamps.

AUDIT OFFICE, OTTAWA, July 12, 1898.

SIR.—Among the returned stamps burned yesterday in the presence of a clerk from this office, there were two lots of Jubilee stamps of the denominations of \$2, \$3, \$4 and \$5. One of these lots was from the postmaster at Victoria, amounting to \$476, and the other from the postmaster at Charlottetown, amounting to \$168.

These stamps, I understand, were charged back to the ordinary stamp account, instead of the Jubilee stamp account.

I have to ask for an explanation.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, *A.G.*