received and endorsed and the freight cars secured under Customs' lock or seal. Little or none of this work is productive of revenue at the particular Port, and hence the mistake of assuming the amount of collections as the only basis to govern the salaries of the officers at such Ports.

An attempt has, therefore, been made to meet the case by ranging Ports First into Orders, and Secondly, by dividing each Order into Classes, as shown in the annexed schedule (A). The Orders, which are designated by letters, are intended to provide such denominations for the Ports as are indicative of the channel or channels through which trade may reach them. Hence we have :-

- Order A.—Sea Ports, (e. g., Quebec).
 "B.—Inland Water and Railway combined Ports, (Toronto).
 - C.—Inland Water Ports, (Dover). D.—Railway Ports, (London).
 - E.—Inland Ports, (Russelltown). F.—Out-Ports or Bays or Preventive Stations.

By this arrangement any Port may be at once ranged under the Order to which it belongs, and the scale of the Class in that Order to which its collections adapt it may be applied. (Vide Schedules A, B & C.)

Reduction of the number of Independent Ports of Entry.

It has been for some years the policy of the Department to contract the number of Ports of Entry, by reducing a certain number of the minor Ports to the rank of Out-Ports, and the Department has recommended that in furtherance of that policy the changes mentioned in the annexed Schedule (B), be carried out.

By the proposed arrangement the whole number of Independent Ports of the Dominion would be reduced from 180 to 99, the remaining 81 Ports being placed in the category of Out-Ports, Bays or Preventive Stations, and put under the survey of such of the independent Ports as are nearest to them, or are most convenient of access (Vide Schedule last referred to.)

Staff of Officers &c., at the Ports.

The aggregate Staff of Officers, Clerks, and Employés of all grades employed in the Customs Service at the various Ports of Entry of the Dominion, ranges from 800 to 820; it is now 816.

Of this total number there are employed at Ports:—

In	Ontario	224
"	Quebec	310
"	Nova Scotia	181
	New Brunswick	

The Salaries of the whole of the Staff, which includes a numerous class of Tidesmen and others at the large Ports who receive per diem wages, added to miscellaneous expenses for printing, stationery and contingencies, amounts to about \$486,000, representing the cost of collecting the Customs Revenue of the Dominion in 1867-68 equal to 5.3 per cent. In the United Kingdom the cost of collecting the Revenue from Customs, is about 31 per cent., a percentage which would be considerably increased, if the Coast and Land guard for the prevention of smuggling, were included as incident to the cost of collecting the Revenue.

Salaries.

A Revision of the Salaries of the permanent Officers of the Service at the various Ports leads to the conclusion, that there are comparatively few cases in which the salaries now paid are much in excess of what the services performed would entitle the incumbent to, due regard being had to the duties attached to the situations; whilst at some of the Ports, the principal Officers and Clerks are considered to have lower salaries than the importance and responsibility of their respective positions entitle them to, and the scale now proposed is intended to provide for such cases.