

Commons was the voting of the necessary supplies. It was not until the time of Charles II. that the practice was introduced by Charles Downing of dividing the subsidies granted to the Crown, and assigning a certain portion of each subsidy to a particular object. And so the Crown was restrained, so far as its conduct could be known to the House, by the detailed estimates of the Appropriation Act. But at that time there was no audit of the accounts, and flagrant abuses and misappropriations were from time to time brought to light. It was not until the time of William III. and Anne that Parliament took steps at all to secure an audit of the public accounts. When the House of Hanover came to the English throne, those provisions of the law was disregarded; and on more than one occasion under the rule of both George I. and George II. subsidies were made after the old fashion. Lump sums were voted; and it was left to the Crown, on the advice of the Ministers, to decide how that money should be appropriated. In 1780, Mr. Burke, in his proposal for economical reform, also proposed a scheme for the proper audit of the public accounts; and so we find, at least as early as 1785, that an Audit Act was adopted, and a committee was provided, appointed in the first instance by Parliament, but afterwards by the Crown, to exercise a superintending control over the expenditures that the Government from time to time made. Those proceedings on the part of Parliament were not intended as checks upon the treasury at all. They were intended to enable the treasury to ascertain how far the subordinates of the Government were properly discharging the duties assigned to them, and how far the money was being applied to the purposes, not merely to which Parliament had voted it, but to which the Government intended that it should be applied by their subordinate officers. That was an audit altogether different from our modern conception of a proper audit. It was purely an administrative audit. It was an audit which exercised a certain superintending influence over the accountants of the various departments rather than over the treasury itself. This system continued, with more or less completeness, down to 1857, when further changes were made, and the present system was mainly adopted in the year 1865. Mr.

Mr. MILLS (Bothwell).

Macaulay, who was Secretary of the Board of Audit at that time, says that the auditors ought to be made in fact as well as in theory the servants of the House of Commons; they ought to be dependent, for the means of discharging their duties efficiently, wholly on the House of Commons. He points out that if you make the audit in that regard dependent upon the Crown, he never can discharge those modern duties which it is intended he should discharge in exercising an efficient control over the expenditures by the executive Government itself. But when that subject was under discussion in the House of Commons, Mr. Gladstone pointed out that the Board of Audit is intended as a board of verification—that its business is to ascertain whether the moneys are being precisely used for the purpose of which they are voted. Its business is to secure truth and accuracy in the administration of the finances of the country, but it is not intended that the Auditor General and the Controller, shall undertake in any way to govern the public policy in reference to public expenditure. Their duties are wholly of a legal, and not in any sense, of a political character. The coercive and political side which appertains to public expenditure, Mr. Gladstone observes, is wholly under the control of the House of Commons, and of the Committee of Public Accounts, and not under the Auditor General. He observes that the auditor does two things: He sees that the money is used for the purpose for which it is voted, and that it is paid out from the exchequer in accordance with the law. Mr. Macaulay, in the report to which I refer, makes the following observation:—

The whole of our experience as appropriation auditors tend to satisfy us that we ought to have no further communication with the executive departments than may be necessary for obtaining information. Whatever tends to associate us, either directly or indirectly, with the pecuniary transactions of the Government, cannot but tend to damage the credit of the Reports in which we require to submit those transactions to the judgment of Parliament.

Now, in England as here, there are two kinds of auditors, and this fact has in some degree served to confuse in the minds of members of the House, here as there, the duties and functions of the auditor, and his relation to the House of Commons and to the Government. There is an administrative