

Railway Subsidies: Inspectors' Reports Needed.

Continuation of Correspondence on Page R—333.

RAILWAYS AND CANALS DEPT., OTTAWA, NOV. 10, 1897.

SIR,—I have the honour to acknowledge the receipt of your communication of the 30th ultimo, referring to application No. 173, in favour of the St. Stephen and Milltown Railway, being for the balance of their subsidy for 4.64 miles at \$3,200 per mile, and requesting that you should be supplied with copies of the reports of the inspecting engineers.

In reply I am, by direction, to say the matter has been laid before the Minister, and that he does not consider your demand a reasonable one, inasmuch as copies of the chief engineer's reports are furnished you, with whom the decision rests, as to whether the roads have been completed according to contract, moreover, it would impose a very great deal of extra labour upon the clerical staff of the department, if copies are to be sent you of all reports in connection with the very numerous applications for payment, upon subsidy account; and would seem to be based upon the assumption, that this department is not competent to form an accurate judgment, as to whether its subordinate officers are capable of performing and have properly performed their duty, and as to whether the information furnished to the chief engineer is sufficient to justify that officer in certifying to the road, or section of road, as the case may be, having been completed according to contract.

Under these circumstances, I am to say, your request cannot be complied with.

I am, sir, your obedient servant,

The Auditor General.

L. K. JONES, *Sec.*

AUDIT OFFICE, OTTAWA, November 22, 1897.

SIR,—I have your letter of the 10th instant. You say: "The Minister does not consider your demand a reasonable one inasmuch as copies of the Chief Engineer's reports are furnished you with whom the decision rests, as to whether the roads have been completed according to contract."

With all respect to the Minister I would point out that the reasonableness of the request made by an auditor for any paper which belongs to the subject in regard to which he has a right to make an audit rests with the auditor, and not with the person or persons whose actions in connection with the matter are being investigated.

Then you say: "The demand by you seems to be based upon the assumption that this department is not competent to form an accurate judgment, as to whether its subordinate officers are capable of performing and have properly performed their duty, and as to whether the information furnished to the Chief Engineer is sufficient to justify that officer in certifying to the road, or section of the road, as the case may be, having been completed according to contract."

I hope you will not consider me unnecessarily curt when I say that there is no cause for an endeavor on the part of the department to determine the assumption which the Audit Office must make when the latter asks for a paper connected with an account or payment.

The Audit Office indicates nothing by applying for any voucher, except the knowledge that it is expected by Parliament to make a full investigation according to the widest knowledge that it can bring to bear upon the subject, of every Dominion Government expenditure which is made. Is there a word in the Audit Act which justifies the conclusion that the audit of Dominion accounts is to be less searching than that of any other accounts?

But suppose that you have a right to conclude that the assumption to which you refer is correct, how could such assumption affect improperly either the higher or the subordinate officers of your department? If on the perusal of the documents called for,