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FINAL REPORT

OF THE

Civil Service Commissioners.

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1870.

FINAL REPORT
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CIVIL SERVICE COMMISSIONERS.

AFTER the presentation of our former reports, the Session of Parliament interrupted our investigations, and it has only been quite lately that all the Members of the Commission have been able to re-assemble. We have now the honor to submit our final report, embracing, besides some supplementary matter to our former reports, the result of our enquiries into the remaining Outside Services of the Dominion.

THE CIVIL SERVICE ACT.

Doubts have been entertained as to the extent to which the detailed provisions of the Civil Service Act were intended to apply to the Outside Services. In our former reports we have assumed that they are only applicable to the Departmental staff; but the subject is of such importance that all doubts should be removed by legislation, if necessary.

We learn from the persons who were consulted in framing the Act that it was originally intended that there should be attached to it certain schedules giving the classification of the Outside Services, somewhat similar to those in the Civil Service Act of the Province of Canada; but that intention was abandoned until a commission to be appointed had reported on the subject. Nevertheless, Section 2 was left as part of the Act, although there is nothing further contained in it respecting the organization of the Outside Services, except in so far as it is provided by the 15th Section, that the Governor in Council shall organize and classify the staff necessary for these services, as well as the Departmental staff, and submit the same to Parliament.

The introduction of the words "Outside Services" into the 15th, 16th, and 23rd Sections has, however, led to a doubt how far the rest of the Act applies to them; but in our opinion, it was not the intention that the organization and provisions therein laid down should apply to any but the Departmental staff, and if the letter of the Act does not bear out this interpretation, we think that it should be amended at the next Session of Parliament.

It appears to us that the only provisions of this Act, which, without great inconvenience, could be held to have a greater extension than that which we have given to them, are 4th and 5th Sections respecting the manner of making appointments, and the 24th Section requiring an oath of office from all. It is, no doubt, advisable that there should in all cases be a preliminary examination, and that there should be some limit to the age at which appointments can take place, whether the appointment be in the Departments or in any other branch of the service; but the same rules can hardly be made to apply where the circumstances are so different. The question of examinations is partly disposed of by the 6th Section, but that proviso may be held only to permit special examinations in the Departments named, and not to exempt candidates from the general examination before the Civil Service Board. We think that there should be an examination in all cases, but that in all Outside Services it might be entrusted to the officers of the Department concerned, under such rules as each may make, which should be sanctioned by an Order in Council.

The limitation of the age at which appointments may take place is open to the same difficulties. It is evident that it is very rarely that a lighthouse keeper or an overseer of fisheries, or an emigration agent could be appointed at the age of twenty-five, and it would be very inconvenient if upon every such appointment special reasons had to be assigned in the Order in Council, or a special report made to Parliament, as provided by the 3rd Section. Rules should be laid down and sanctioned by Order in Council, but different rules would no doubt be to some extent found necessary in each Department.

SUPPLEMENTARY REPORT UPON THE FINANCE DEPARTMENT.

A reference has been made to us by the Minister of Finance, respecting the organization of this Department. He refers to the possible amalgamation of the two branches of which it at present consists, to which we have alluded in our former report, and requests us to give our opinion upon the propriety of such an amalgamation, and upon the necessary changes in the organization of the department, which would result from it.

The business of the Finance Department may be thus classified:—

A.—BOOK-KEEPING.

The Dominion Ledger.—The Dominion book-keeper will require two assistants to keep the two cash books and two journals. The ten days' statements of receipts and expenditures, and the monthly balance sheet, will be made out by them. They should also be charged with the preparation for the Public Accounts of all detailed statements of receipts, where a distinct department, as the Post Office or Customs, does not furnish them.

The Appropriation Ledger.—This book deals only with expenditure, and should be kept, as is now done in the Audit Office, by double entry, but from the warrant book, and not from the warrants paid. At present the Dominion Ledger takes no cognizance of authorities, excepting in the case of debentures issued. This important branch of the subject ought now to be also transferred to the Appropriation Ledger. The keeper of this ledger would require an assistant, and they should be charged with the preparation of detailed statements of expenditure for the Public Accounts.

The Warrant Book, in which the warrants, as issued, are entered, together with the care of the warrants themselves after payment, and of the applications on which they are founded, would be in charge of a clerk, who should form part of the book-keeping establishment, and who should keep a statement of unpaid warrants, revised every ten days, so as to check with the books kept from the warrants paid.

Another clerk must be attached to the book-keeping, who should keep the accounts of all Government Savings Banks, other than the Post Office Savings Banks.

In order to guard against any of these books falling in arrear, there should be a supernumerary ready to take the place of any of the above named book-keepers, and there are always statements to prepare which will employ his spare time.

The whole of this business should be under the supervision of the Dominion book-keeper, who should have the rank of a chief clerk. The keeper of the Appropriation Ledger should have the rank of a first-class clerk. The rest need not have a higher rank than senior second-class.

B.—AUDITING.

All accounts, excepting those which are paid upon the authority of another department, should be audited before payment; and as the authority for the expenditure forms a necessary part of the audit, whether it takes place before payment, or after detailed accounts are rendered by the department in charge, the authority for the issue of warrants naturally goes with the auditing. An officer with the rank of a chief clerk, should have the supervision of this branch of the business; and a necessary appendage to it is a clerk to keep an appropriation book from the warrants as ordered. The latter should have the rank of a first-class clerk. There would require to be two or three juniors, one of whom might be a senior second-class clerk, to assist in the detailed audit, and to keep some necessary subsidiary books. These should be charged with the preparation of some of the subsidiary statements for the Public Accounts.

The preparation of the warrants should also be connected with this branch. The warrant clerk need not have a higher rank than senior second-class; and though at busy seasons he would require some additional help, we do not think that a permanent assistant is necessary.

C.—COUNTER-SIGNATURE OF CHEQUES, DEBENTURES, &c.

The signature of cheques, debentures, and Dominion notes, if the latter, for the future, should be signed in this department, and not by the officers of the Bank of Montreal, involves great responsibility, and should be entrusted to an officer of high rank; but it takes up so much time, and causes such constant interruption, as to interfere materially with any other consecutive work.

In the case of ordinary warrants, the officer ordering the issue of a warrant is responsible that it is for the proper amount, and in favor of the proper person. The officer countersigning the cheque has only to see that it corresponds with the warrant, and that there is a proper power of attorney, if the warrant is not acquitted by the person himself; but in the case of interest on Public Debt, and the redemption of debentures, it is impossible to issue a warrant for each individual payment. All such payments are made either upon open warrants, properly so called, i.e., a warrant to be issued for each separate class of securities at the beginning of the financial year, for the whole amount which will fall due, authorizing the individual payments at any time during the year, when they may be called for; or a general warrant, authorizing the issue of separate cheques, according to a schedule accompanying it. In all such cases, the person ordering the issue of the warrant can only be responsible that the total amount is payable, and no one can check the individual payments except the officer countersigning the cheques. It follows, therefore, that the Debenture Books, the schedules of Dominion Stock, compensation to Seigneurs, and other such documents, must be kept under the supervision of the person who countersigns the cheques. For this purpose he would require an assistant, who should have the rank of a senior second-class clerk, or perhaps first-class.

If we were organizing a Finance Department *de novo*, we should be of opinion, that the person whose duties we have thus described should have the rank of a chief clerk, and would probably be an officer of long service, who was not as competent as formerly for active work. If the two branches are now amalgamated, we should say that one or other of the present deputy heads might take these duties, retaining—until a vacancy occurred—his rank, and salary, and his seat in the Board of Audit.

D.—STATISTICS AND REGISTRATION.

Some years since, a statistical clerk was added to the Finance Department and subsequently transferred to the Audit Office. A great number of returns from banks, railways, municipalities, etc., are received, tabulated, and published, some in the *Gazette*, and others in an annual volume presented to Parliament, besides many others which are more particularly for the use of the Department. The accounts of insurance companies making deposits under the Act are also kept by the same officer. A very large amount of correspondence arises out of these returns, and the statistical clerk is held accountable for preparing a variety of information for the Department which does not fall within the duties of an ordinary book-keeper. Such an appendage to the Finance Department appears essential, and the person in charge should have the rank of a first-class clerk, with an assistant, a junior.

It appears to us that the system of registration of everything received, with suitable indices, is less perfect in both branches of the Finance Department than in many others, which may be partly accounted for from the great number of applications from outside, and of references from other Departments, coming in at all periods of the day to the Minister himself, and to his different subordinates, upon matters specially under their charge. This must always render a uniform and complete system of registration very difficult, but advantage ought to be taken of the reorganization of the Department to put this subject upon a better footing. The proper supervision over the registration of all documents coming into the Department, and the correspondence arising out of them would require a person of considerable standing, and a very large portion of such documents and correspondence already pass through the hands of the statistical clerk, these duties might be conveniently united. If there were to be a corresponding and

statistical clerk, or secretary, with the joint duties, he might have the position, as in the Post Office, of a chief clerk of the second rank.

E.—CONTINGENCIES.

The accountant of contingencies, who used to be attached to the secretary's office, has been transferred to the Finance Department, and he has also charge of the Stationery Office, which by the Act forms a part of that Department. He has always had, and should continue to have, the rank of a chief clerk, and he will require at present two assistants, one practically conversant with stationery and printing business, who may rank as a second-class clerk, and a junior.

F.—OUTSIDE SERVICES.

The payments in Nova Scotia and New Brunswick have, hitherto, been made upon a different principle from those in Ontario and Quebec. When an application comes in, instead of causing a warrant to issue, the auditor sends a certificate authorizing the paymaster to pay the amount. The paymaster has a credit at the bank, enlarged from time to time, as may become necessary, and he transmits weekly to the Audit Office a statement of the cheques drawn by him, whereupon a warrant issues, reimbursing the bank. In some cases, where a particular payment has to be made, after it has been approved of by the department in charge, there is no doubt that a warrant could be issued, as in Ontario and Quebec, although some modification may have to be made in the method of acquitting such warrants; but in a majority of the services, as in the expenditure for railroads, militia, lighthouses, &c., where a number of small sums are payable, great inconvenience would result if every individual payment had to be referred to Ottawa, and reported upon here. Each of these departments has, therefore, an officer on the spot, who is authorized, under general instructions, to make the necessary expenditure, and the paymaster is instructed to meet his requisition to a limited amount, upon his certificate in each case that the definite sum is ascertained to be due. If the Paymaster's Office were abolished, and all payments emanated direct from Ottawa, recourse in such cases must be had to accountable warrants for round sums, which it has been the policy of successive governments to restrict as far as possible. For this reason, and from the difficulty there would be in the acquitting of ordinary warrants, and especially from the existence of a different currency in Nova Scotia, we think that for the present, at least whilst the communications are so slow and irregular, it will be desirable to maintain the existing arrangement. It would, however, be inconsistent with the system established in our Financial Departments if the entire control over such large sums were left in the hands of one man. Two officers have, therefore, been appointed at Halifax—the auditor, who is the servant of the Finance Department, to whom the authority for the payment is given from head quarters, and the paymaster, who is the servant of the Receiver General's Department; and both their signatures are required to a cheque on the bank against the letter of credit. In New Brunswick the case is different. Mr. Robinson, collector of customs for the port of St. John, had for many years acted also as the treasurer of the Province, and as an old and trusted officer, the paymaster'ship under the Dominion was assigned to him, and he has an assistant, with the title of accountant, who keeps the books, and countersigns all cheques, having in many respects the same duties as the auditor at Halifax, but not the same independent position, or the same salary.

It seems desirable that the practice in the two places should be assimilated. The auditor, who keeps all the accounts, and who is really the person responsible that all payments are in accordance with the instructions he receives cannot be dispensed with; and at Halifax it has been found necessary to give him a clerk. But the paymaster has little to do excepting to sign the cheques prepared for him by the auditor, and we think that advantage might be taken for this purpose, as in New Brunswick, of the additional services of some other superior officer. In any future action with regard to Savings Bank management, or the issue of Dominion notes or stamps, the possibility of uniting these with the paymaster's duties should be borne in mind.

The auditor at Halifax was appointed at \$1,600 a year, before the passage of the

Civil Service Act, and the paymaster has since been placed at the same salary. If it is thought advisable to classify these outside officers as in the Departments, they should rank as first-class clerks; but that question should be decided not only with regard to them, but also in the case of the outside agents of other Departments, as Marine and Fisheries, Emigration, &c. At St. John no definite allowance to Mr. Robinson has been decided upon for his additional service, but he was paid \$300 in 1867-8. His assistant receives a salary of \$1,200, which is that with which a first-class clerk in the Departments commences.

It had frequently been found necessary to send one of the officers of the Audit Office to inspect the accounts of several of the sub-accountants at a distance; and though many of these are now under the control of the Local Governments, these two great financial branches at Halifax and St. John, together with the Savings Banks in those Provinces, are of such importance, that in our former report we recommended the appointment of an inspector available for all such services, who should rank with the inspectors of other Departments.

Theoretical Organization.	Minimum.	Maximum	Average.
	\$	\$	\$
Deputy Head.....	2,000	2,000	2,000
One Chief Clerk, Debentures and Cheques	2,000	2,400	2,200
One Senior Second Class (or perhaps first) Assistant	1,100	1,400	1,250
One Chief Clerk, Dominion Book-keeper	2,000	2,400	2,200
One First Class Appropriation Ledger	1,200	1,800	1,500
Five Senior Second Class Assistant Book-keepers.....	5,500	7,000	6,250
One Third or Junior Second Assistant	400	1,000	700
One Chief Clerk, Auditing Branch	2,000	2,400	2,200
One First Class Clerk, Appropriation Book	1,200	1,800	1,500
One Senior Second Class Warrant Clerk	1,100	1,400	1,250
One Senior Second Class Auditing	1,100	1,400	1,250
One Third or Junior Second Auditing	400	1,000	700
One Chief Clerk, Correspondence and Registration.....	1,800	2,200	2,000
One Third or Junior Second Assistant	400	1,000	700
One Chief Clerk, Contingencies.....	2,000	2,400	2,200
Two Third or Junior Second Assistants.....	800	2,000	1,400
One Junior Second Minister's Secretary.....	700	1,000	850
Two Third or Junior General Work	800	2,000	1,400
One Office Keeper	500	500	500
Two Messengers.....	600	1,000	800
Twenty-eight Persons.....	\$28,200	\$38,700	\$33,450

Present Staff, 30 Present Salaries, \$34,698 32

Outside Service.	Minimum.	Maximum	Average.
	\$	\$	\$
One Inspector.....	2,000	2,000	2,000
Two Auditors, St. John and Halifax (first class).....	2,400	3,000	2,700
One Clerk, Halifax (Junior Second Class).....	700	1,000	850
Allowance to Two Officers acting as Paymasters.....	2,000	2,000	2,000
Six Persons	\$7,100	\$8,000	\$7,550

Persons..... Present Salaries, \$9,095 00

The following memorandum upon the outside services of the Customs Department, was handed in by two of the Commissioners, with a request that it might be inserted as supplementary to our former report :—

MEMORANDUM ON THE REPORT ON THE OUTSIDE SERVICE OF THE CUSTOMS DEPARTMENT.

The undersigned desire to place on record, by this Memorandum, that in their opinion, the Report of the Civil Service Commissioners on the Outside Branches of the Service, is, in several respects, incomplete, and it fails to accomplish all the objects intended by Council when the Commissioners were appointed.

In the Order of Council, 6th June, 1868, the duties of the Commissioners are, *inter alia*, defined to be,

“ II. To enquire into and report upon the adequacy of the existing staff, both as regards numbers and efficiency, for the proper carrying on of the public business in all its branches ; as well in the Departments at the seat of Government, as in the Outside Branches of the Service.”

“ III. To report whether any and what changes can be effected, either in the reduction of the number of officers, or the transfer or retirement of any of them, and upon what terms such changes can be made.”

The Outside Branches of the Service, at the time when the Commissioners were appointed, were in the different Provinces, dissimilar in many respects. This was the natural result of organizations, which prior to confederation, were based upon different systems, classification, and rates of salary. Undoubtedly, it was in every way desirable, that the Outside Service in all the Provinces of the Dominion, should be assimilated at as early a date as practicable. To this end the preliminary step was to get a thorough knowledge of the different systems in use, so that a comparison could be made, and an opinion formed of their respective merits and deficiencies. With this object in view, Committees visited the principal cities of the Dominion, and inspected the various Government offices at these places. Valuable information was got by this proceeding ; but, unfortunately, it was not followed up in such a way as, we think, was required in the circumstances. Notably such was the case with the Custom Houses at the different ports of the Dominion. A classification of these ports was proposed and adopted by the Commission which we consider open to several important objections, and specially defective in that it includes in the same class ports of which the Customs business is widely dissimilar in amount and in a material degree in character also. We think a thorough examination into the business of each port could have been made from the records and returns in the Department at Ottawa, and upon the result in each case when ascertained, a staff for each port, and salaries commensurate with the duties and responsibility, could have been arranged with accuracy and fairness, which could not be attained by grouping together into one class ports having business unequal in extent, and partially dissimilar in character. And while it is true that the Customs business at a port changes with the course of trade and from other causes, yet, by distinct tabular statements, shewing the totals of the business at each port, the numbers, ages, and salaries of the existing staff, and other particulars, as at 30th June last, the Council would have had a starting point, and such useful information as would have rendered an annual revision of the schedules by the Department, and thereafter by Council, a comparatively easy matter.

When these views were enunciated in the commission, it was considered that there was not time to collect the data and prepare the schedules alluded to, and that to delay the report for them would be objectionable. Doubtless, there was force in the argument at the time, and, unfortunately, several members of the commission were so much occupied with their Departmental duties, that they could not give the time necessary to a careful arrangement of the work proposed. In this way, the classification of ports was concurred in by members of the commission who desired to see another course adopted,

had there been time for it. Now, when the commission is about to close its labors, it is too late to begin the plan proposed; but this memorandum will explain why the point was not pressed at the time it was first mooted, and subsequently.

The ideas given regarding the Customs ports, apply also, in degree, to the Outside Branches of other Departments. And looking to the whole case, we can but repeat our regret that the proposed statements have not been prepared, and the Report based upon the results which we are confident would have been attained.

(Signed,)

C. S. ROSS,

WILLIAM SMITH,
Commissioners.

Civil Service Commission,
Ottawa, 26th November, 1869.

OUTSIDE SERVICE UNDER THE DEPARTMENT OF INLAND REVENUE.

EXCISE.

The Revenue arising from excise duties having already reached an important amount annually, and being likely to produce yet larger results in the future, we have given particular attention to the details of management followed throughout this branch of the Public Service. But there are difficulties in the way of arriving at such definite conclusions as we could have wished to reach. The Department has only been organized for a short time, and the experience of the staff, generally, in their respective spheres, has not been sufficient fully to test the value of the forms, checks, and discipline in use. Again, many of the officers require to be possessed of special qualifications, and of a scientific knowledge of certain branches of chemistry, and other subjects, and it cannot be expected that all are so thoroughly conversant with these particular parts of their duty, as may be looked for by and by. We are, therefore, of opinion that it would be premature to consider either the organization or system of the Department as finally settled, and that its present condition should be viewed as but approximately defined.

With reference to the qualifications required on the part of officers in the Outside Branches of this Department, we find the formularies for the examination of candidates are very complete, and where the examination is rigidly carried out, no incompetent man can pass. We cannot too strongly urge the necessity for a strict adherence to the requirements called for by these examinations. The revenue must inevitably suffer where any relaxation of the rules is permitted, and the worst consequences must follow where men are appointed or allowed to remain in the Department without examination. Unfortunately, up to the present time the rules have not been strictly adhered to, and in all the points which we have visited we have found many men in the service who have undergone no examination; but an improvement is gradually taking place in this respect.

It must be admitted, however, that there were great difficulties in the way of placing the service at once on the footing, upon which it is hoped that it may ultimately be constituted. A large increase of the number of officers became suddenly requisite, and the appointments were of necessity made from persons who had hitherto had no practical experience of the duties they were called upon to perform. But a still more serious difficulty has arisen from the men who were already in the service, when the great extension of the business of excise took place. There are a great many old officers, who were quite competent to discharge respectably the routine duties which devolved upon them under the old system, but who are by no means of the class of men who would have been selected for carrying out the present much more stringent regulations; and it is doubtful whether many of them would be able to pass the examinations which are now required from all. This is a most important difficulty, which must be met, and which we submit for the serious consideration of Government.

A memorandum upon this subject was prepared in the Department, and submitted to the late minister, which so fully and ably deals with this subject, and other points connected with the organization of the service, that we cannot do better than quote the following extract from it:—

“ With reference to the accompanying memorandum, I beg to submit, that an adherence to the general principles sanctioned by an Order in Council of the late Province of Canada, passed on the 24th September, 1866, respecting this branch of the service, will greatly promote efficiency.

“ I am convinced that, except in very exceptional cases, every one who enters the service should do so in the lowest grades, and while young enough to acquire habits and knowledge suited to the specialities of the work to be done. The higher positions in the service should only be attainable by those who have shown themselves competent in the lower ones; and every promotion should be preceded by an examination of the officer's previous work, and of himself in matters peculiar to the office to which it is proposed to promote him. And while promotion, as vacancies occur, should belong, as of right, to those who are in the service and have qualified, no promotion of an unqualified officer should be made on account of seniority alone.

“ In adopting and acting upon this principle, an inducement is held out to officers to exert themselves in acquiring that sort of knowledge requisite to fit them for the service, and to rise above the dead level to which they are apt to sink, when they know that promotion depends less upon their personal fitness than upon the accident of seniority, or some peculiar influence they may be able to exercise.

“ When a considerable extension of the service became necessary, in consequence of the imposition of increased duties and new taxes, it was not possible, in all cases, to test the qualifications of persons who were appointed until after they were selected, and had entered upon their duties. It may happen, therefore, that some have been appointed who do not possess, as fully as is desirable, the qualifications necessary for their position. In fact, it was scarcely possible, even in a majority of cases, to select persons who had been educated in the technicalities of the service. But the most difficult part of the subject to deal with, is the fact that some of the most important collectorships are held by men who received their appointments when little was expected of them beyond paying over the money which came into their hands, usually without any action on their part, beyond signing a receipt; and who, having gone on for many years transacting the business of their divisions, in a manner which neither implied vigilance nor supervision, cannot now, whether from unfitness in habit or education, adapt themselves to the changed state of affairs.

“ But whatever difficulty there may be in dealing with those who have already received appointments from the Crown, I submit, that the most stringent regulations ought to be enforced as to those who enter the service in the future, so as to ensure the appointment, as a rule, of persons capable of discharging efficiently the duties assigned to them. It cannot be too strongly urged, that nothing short of the utmost devotion to the service, and a capacity for directing that devotion in a suitable channel, can ever secure the full collection of taxes, which there is so great a temptation to evade, and so many ways of escaping. No matter how comprehensive, or how stringent, or how perfect the laws relative to this branch of the service may be, they will fail to secure the sympathy or support of public opinion, without which no law can be successfully carried out, and will be found insufficient to secure a full and equitable collection of the revenue, unless supplemented by the zeal of intelligent officers, who will be capable of distinguishing fraudulent intentions from ignorance, and who will give their whole attention, not only to the detection of fraud, but equally to the prevention of it, by the enforcement and application of the provisions of the law which are intended to effect this object.

“ To bring about so desirable a result, officers employed in this—more, perhaps, than in any other branch of the Public Service—must look upon their duties as a profession, which is not to be dealt lightly with, and a knowledge of which cannot

"easily be picked up. They must consider themselves as students, and as having acquired a knowledge of their profession, only when they have filled satisfactorily themselves, and with the approbation of those with whom they come in contact, the highest offices in it.

"If these views are correct, and they have the sanction and force due to their adoption in the Inland Revenue Service of the United Kingdom, it follows that only young men should be appointed to the service, that they should enter it in the lowest grade, and that before being appointed they should undergo the ordeal of a rigid examination, and also at every step they take upwards."

In these general views we entirely concur, and we wish briefly to state the main principles which should be adopted in re-organizing the Excise Branch of the Inland Revenue Department—

1. All the officers who have not already been examined should be subjected to a strict examination, and should receive certificates according to the duties which their qualifications fit them to perform.

2. If any of those now occupying the higher offices are unable to obtain a certificate for that office, if they are retained in the service at all, they should be removed to other less important positions, even if the salary they now enjoy is not interfered with.

3. In case of any person, who formerly had the rank of collector, being found inefficient for that rank, if he is employed elsewhere in a subordinate position, even if his salary be not reduced, he should no longer retain the title and commission of collector. We mention this, especially, because cases have come under our notice of a contrary practice, so that in many places there are two or more men with the title of collector, the one really performing the duties, whilst the other retains the name; but as certain specific powers are by law given to collectors, as the granting of licenses, there may be, and there have been, instances of a conflict of jurisdiction in such cases. The extent to which this occurs, from the former collectors not being suitable for the present duties of the office, may be seen from the fact that there are now, with the title and commission of collector, two men at Toronto, Paris, Prescott, Belleville, Peterborough, Sarnia, Montreal, Terrebonne, Pontiac, Sherbrooke, and St. Hyacinthe, and three at Cobourg, London, St. Catherines, Goderich, and Windsor.

4. All new appointments to subordinate offices at important points, should, as far as possible, be confined to young men (not exceeding twenty-five years of age, as fixed by the Civil Service Act for the Departments), and such men should commence at a salary not exceeding \$400. But at distant posts, where a man is placed alone, such a limitation, either as to age or salary, could not be strictly adhered to. An officer in such a position, although the duties may not be very important, must be something more than a mere lad; and \$400 would rarely be sufficient to secure the services of an efficient man. There should, however, be some limitation to the age at which any new appointment can be made; and we think that the clause in the Civil Service Act, Section 3 (1), if made to apply to them sufficiently meets the difficulty.

5. At many points in the several revenue divisions, advantage may be taken of the existence of officers of customs, to reduce the expense of both establishments. We can see no objection to the same officer, under certain circumstances, serving both departments. If, for instance, at an outpost in Nova Scotia, it were found necessary to have an excise officer, the Department of Inland Revenue, with the assent of the Customs Department, might make an additional allowance to the customs officer there, for attending to the excise business; and in the amount of remuneration, the fact that he was already a paid officer of Government might be taken into consideration.

Even when this is not done, under ordinary circumstances, an arrangement might be made, that where there is only a single officer employed, the officer of one department might act for the other in case of sickness or other disability.

6. We think that for the purpose of educating young men for this service, it would be advisable to establish a class of probationary clerks, at salaries similar to those in the Departments, who should be stationed in some of the principal revenue divisions under

experienced collectors. They could be made useful during their term of probation, and would afterwards be available for permanent employment. They should undergo a preliminary examination, similar to that for probationary clerks in the Departments, but should not be required to present themselves for the special examination for the service until they were to be permanently appointed.

There are some points to which our attention has been drawn, whilst visiting the principal cities in the Dominion, which we think it desirable to bring under the notice of Government.

Although a fresh arrangement of revenue divisions has been made, and officers appointed under it, it does not appear to have been formally sanctioned by Order in Council, and until this is done, questions of conflicting jurisdiction may arise.

We found at several places where there are manufactories in bond, that an officer is kept constantly supervising the establishment, and as this is for the convenience of the manufacturer, although the salaries are paid by the Government in the first instance, they are covered by a contribution from the manufacturers. This appears a fair arrangement, but it may lead to abuse. If an establishment is closed, or the manufacturer determines to dispense with a special officer attached to his works, the officer would no longer be required, or if retained in the pay of Government, would become a supernumerary until another opening were found for him. The knowledge of this must make the officer feel that he is, to a certain extent, dependent upon the manufacturer whom it is his duty to watch, and who, through the medium of the Government, pays his salary. He gets his appointment because the manufacturer wants him, and he may lose it upon any change of arrangements in this respect. It seems quite clear that as long as the system of manufacturing in bond is continued (and we are informed that it is rapidly diminishing), there should, at any rate, be a regular system of rotation, by which all officers attached to particular manufactories, or distilleries, should be frequently moved from one to another, or even to different towns.

At Hamilton, the offices of Inland Revenue and Customs are in the same building. We think that there is a manifest convenience in this, as there is necessarily so much intercourse between the Departments. The officials at the Custom House object to this arrangement, complaining that they are called upon to take charge of goods liable to duty in the customs warehouse, and otherwise to do things for the Inland Revenue not immediately connected with their Department. This is, doubtless, to some extent correct, but the saving of expense by the present arrangement, as compared with having separate warehouses, lockers, &c., is important, and we are of opinion that, except in the largest cities, where the business of both is very extensive, the two Departments might concur in arrangements which would diminish the cost to Government, and give increased convenience to the public. A similar practice, we believe, has been found to work well in the United Kingdom.

We have given, in an appendix, a schedule of the classification of the outside officers of excise, as now established by Order in Council, which we think, upon the whole, satisfactory. We would, however, call attention to some points which may be worthy of consideration. If the inspectors are debarred from participating in seizures, as we have urged in our former Reports, an addition may be made to their fixed salaries. They may be placed at from \$1,600 to \$2,000, a discretion being left to the Department to fix the salary within these limits, according to the importance of the inspection district, and length of service of the officer; but it appears to us questionable whether the number of inspectors is not excessive. With a man of high rank as a collector, doing the active work in each revenue division, we think that one inspector could satisfactorily conduct the inspection of more than five or six divisions.

We have also some doubts as to the sufficiency of the salaries assigned to excisemen. When the qualifications which they must possess, as indicated by the subjects of the special examination, and the great temptations to which they are exposed in the discharge of their duties are considered, we think that a salary of \$500, which is all that is given to twenty, out of the fifty-five excisemen in Ontario, is not sufficient to obtain the services

of efficient men; and we are informed by the Commissioner that they have great difficulty in retaining men who have proved themselves useful in that position. There is no branch of the Public Service where the false economy of underpaying men in a position of trust is more likely to be exemplified.

The question immediately referred to us was the organization of the staff necessary to carry on the business of the several Departments, and we do not know that we are called upon to offer any opinion as to the policy of the Inland Revenue laws, by which their duties are determined. There are, however, two or three subjects, which under the present state of the law, so materially affect the duties of the officers, and the extent to which the staff has to be kept up, that we cannot altogether pass them over.

The present provisions of the law, as to raw and leaf tobacco, involve an amount of local supervision by the officers of excise, which increases the expense of the service to an extent, which does not appear to be compensated by the addition to the revenue.

We have also expressed an opinion in our former Report that the whole system of inspection of weights and measures by the Department of Inland Revenue ought to be altered, and we understand that a Bill was prepared, but not introduced, during the last Session of Parliament, to effect this object. The subject should not be lost sight of.

It will also be necessary that there should be an entire revision of our legislation upon the subject of tavern licenses. This will be requisite, in consequence of the doubt which now seems to exist, as to what portions of these revenues properly belong to the Dominion, and what to the individual Provinces. As far as the officers of the Inland Revenue Department are concerned, they are charged with duties connected with the collection of the licenses and the superintendence of the taverns, in which, to a certain extent, at any rate, they are acting for the Provincial Governments; and these duties are not only unconnected with, but, we are informed, injuriously interfere with their proper work, and bring them into associations which are detrimental to their general efficiency.

It appears also that the extent to which removals in bond are now permitted adds very much to the duties and, consequently, to the extent of the necessary staff, without adequate advantage to the Revenue or convenience to the public.

The present arrangements for the distribution of excisable articles manufactured in Canada appear to be very cumbersome. Spirits cannot be removed in quantities greater than five gallons without a permit, and tobacco cannot be retailed except with a separate stamp on each package, whilst, by the custom of the trade, the packages are often as small as sixteen to the lb. This minute supervision by the Excise Officers naturally adds materially to their labor and increases the cost of the staff, as well as of its contingencies for stamps, &c.; and at the same time it acts injuriously upon the home manufacturer, as both spirits and tobacco imported are free from these onerous regulations.

CULLER'S OFFICE.

The duties of the Culler's office are prescribed by an Act of the Legislature of the late Province of Canada, Chap. 46, of the Consolidated Statutes. The duties are important in the bearing they have on the lumber trade of the country, and the Act referred to has evidently been prepared with great care, and is the result of long experience in that branch of our Canadian trade. The Acts in New Brunswick (Revised Stat. of N. B. Cap. 96, 1854,) and in Nova Scotia (Revised Stat. of N. S., Cap. 85, 3rd Sess, 1864,) which govern the subject, should be carefully examined and compared with the Culler's Act of the Province of Canada, in order that one general rule for the culling and measurement of lumber, and a uniform system of management, should prevail throughout the ports of the Dominion at which lumber is shipped or exported.

The law, in establishing this office, contemplated that it would be self-sustaining. The 31st section of the Act provides that the Governor in Council may, from time to time, raise or lower the tariff of fees and charges, for culling, measuring and counting off, established by that Act, in such manner, as to meet, and defray, as nearly as possible,

the expenses of the Supervisor's Office, and to provide for the sufficient payment of cullers.

The tariff, accordingly, has undergone some modifications, and the culling charges are somewhat higher than those specified in the Act. The apportionment of the fees between the office and the cullers has also been changed, so as to be rather more favorable to the cullers, who, under the apportionment in the Act, received an average of about four-fifth's of the fees, whilst now they are the recipients of about five-sixth's.

The present staff of licensed cullers of square timber, masts and spars, numbers forty-six; but the Supervisor is of opinion that twenty would be sufficient to meet the exigencies of the trade. There are twenty cullers of deals, planks and lathwood, and fourteen cullers of staves. The number in each of the two latter classes is no more than is required for the business of the port. The average salaries or wages realized in fees by each of the cullers last year amounted to about \$500, and though there are fluctuations in different years, upon the whole, during the past ten years, the receipts have exceeded the expenses by the sum of \$4,692.11.

The Supervisor considers that there should be two lists of cullers; one containing the names of the active staff—the other the names of a supernumerary class, from which cullers might be selected when wanted, thus dealing with cullers under the Supervisor's office as with tide waiters in the Customs.

By a return of officers and clerks employed in the office of the Supervisor of cullers at Quebec, we find that the whole staff consists of the supervisor, a deputy supervisor, a bookkeeper, a cashier, and twelve specification clerks, besides a messenger and office-keeper. The aggregate of the salaries amounted to \$14,065.

The supervisor is of opinion that a deputy supervisor, as a separate officer, may be dispensed with on the retirement of the present deputy, who is 74 years of age, the bookkeeper performing his duties; and that eight permanent specification clerks would suffice, the present number being reduced as vacancies may occur; but extra clerks may be employed as work may offer, and he suggests, that such extra clerk should be paid at so much per 1,000 pieces of lumber culled.

CANALS.

The Canals of the Dominion, which are now open to the trade, are those in Ontario and Quebec. In Nova Scotia, the works on the "Shubenacadie Canal" commenced in 1825, have been for some years suspended, and those on the "St. Peter's Canal," commenced in 1854, are still in progress.

The existing canals, in the order of their magnitude or importance, are as follows, viz:—

1. The Welland Canal. 2. St. Lawrence. 3. Rideau and Ottawa. 4. Chambly, including St. Ours Lock. 5. Burlington Bay Canal. 6. St. Ann's Lock.

For Toll purposes, the Canals are divided into sections, at each of which sections, on the several canals mentioned, one officer at least is stationed. A larger staff, however, is necessary at the entrance of the principal canals, such as at Colborne, on the Welland, and at Montreal, the entrance of the Lachine Canal. The staff here referred to is, of course, independent of that which is employed by the Department of Public Works for the superintendence of the works themselves—the opening of the locks, &c. On the Rideau and Ottawa Canals, however, the lock-keepers who were found there upon the transfer of these canals by the Ordnance to the Government of Canada, and who also collected the tolls, were continued in the performance of both those duties, for which they receive a per diem compensation or salary of 90 cents from the Department of Public Works, but none from the Department of Customs. The business of the Ordnance canals having, however, considerably increased, it may be found just and reasonable that the officers collecting the tolls on those canals should be placed upon a better footing in point of emolumenta.

The statement given in the appendix shows that the amount of tolls collected, and the number of let-passes issued at the several sections or offices on each of the canals

during the last year, as also the present salaries of the officers and employes, and the contingent expenses which, together, represent the cost of collection.

In the estimate formed of the duties and labors of the staff employed on this branch of the Public Service, it has not escaped consideration that during winter, say for an average period of five months, the canals are closed, and that during this suspension of navigation, the officers enjoy a recess from their labors, at least for a part of this time. The revision and checking of their books and preparation of their returns after the close of the business of the season may engross two or three weeks of their time; but with this exception they must have little or nothing to do during the winter months. As a set off, however, against this interregnum of leisure, the season of navigation imposes upon a canal officer the task of attending to his duties night and day. His liability to night work may fairly be considered quite an equivalent for the suspension of active duties during three or four months. It is, moreover, unlikely that the services of a suitable officer could be secured for the performance of the duties in question for three-fourths of the year without paying him for the whole year.

The gross amount of tolls collected on the canals during the fiscal year, ending 30th June, 1868, was \$365,767, and the cost of collection—covering salaries, office rent and contingencies—was \$23,538, or 6½ per cent, about one half of which cost is chargeable against the Montreal and Lachine offices,—the former lying at the N. E. entrance of the Lachine Canal, where are situated the great basins, and at which point the trade of the St. Lawrence and the Rideau and Ottawa Canals unite, the Lachine section being common to both the trade *vid* the St. Lawrence and the Ottawa Rivers. A large amount of the official business transacted here is represented, in part, by the let-passes issued at the Montreal and Lachine offices, which show an aggregate number of 9,652, whilst the combined number at Ports Colborne and Dalhousie, the opposite entrances of the Welland Canal, does not exceed 4,334, although the tolls collected at the latter two ports amount to \$213,536, against \$63,544 collected at Montreal and Lachine. It should, however, be borne in mind, that upwards of 4,000 tons of iron ore, and 64,000 tons of wheat and other grain, representing \$10,727 of tolls passed down the St. Lawrence Canals *free*, under the regulations exempting articles from tolls when having previously paid full tolls in the Welland or Chambly Canals.

The staff is thus necessarily larger at Montreal than is required at any other office of the Dominion canals. The charge of the wharves, sheds and stores, and the supervision of the landing, shipment, and trans-shipment of goods, constantly taking place at the canal basins, requiring the attendance of outside officers, such as a wharfinger, several tidesmen, and a superintendent, whilst three clerks appear to be required in the office to keep the books, examine the reports, and make out the let-passes; the collector himself keeps the cash book, and the superintendent has charge of the general work of the office.

At Port Colborne, the collector occupies a dwelling-house, belonging to the Government, in which the office is kept, and this is also the case at Port Dalhousie, the northern entrance of the Welland Canal.

At Montreal, the collector of tolls, when appointed to that office was permitted to occupy the dwelling-house, in which the Canal office was then kept; and upon the removal of the office to the present public building, at the mouth of the canal, which is unadapted to be a dwelling-house, Mr. Gough, the then and present incumbent, was allowed, by Order in Council, a sum of £60 per annum, by way of lodging money or compensation for the loss of an official residence.

This allowance for lodging money is an exceptional case in the Department, and although it may not, consistently, be withdrawn from the present collector, who is an old and able officer, it would not, it is presumed, be continued to his successor.

With the exception of lumber, upon which the tolls are levied according to measurement, or number of pieces, the tariff is based upon *weight*, and the tolls are collected at a given rate per ton. The printed tariffs, therefore, contain a table of the quantity of each article constituting one ton weight, and the ships' reports are, as a general rule, the

only data which the collectors have to rely upon for the collection of the tolls. The verification of reports or manifests cannot, of course, be made without, partially at least, if not wholly, unloading the vessels; and as this operation would involve such expense and delay as would defeat the whole object of the canals, in the promotion of trade, it has been found necessary to submit to the chances of occasional, if not systematic, frauds on the Revenue, by the making of short reports—the only effectual remedy for the evil being the check afforded by weigh locks, the magnitude of which, owing to the dimensions of the canals, would render their construction expensive. Experience, however, has shown that the weigh locks on the American canals have answered the purpose for which they were built. In the annual return of the Tolls, Trade and Tonnage of the Canals laid before the Legislature of the State of New York, in 1863, we find that the reported weight of 30,204 cargoes is set down at 7,695,984,488 lbs. Of the number of cargoes mentioned, 18,582 show an aggregate deficiency in the report as compared with the real weight, of 186,949,437 lbs. or about 2½ per cent. The accumulated addition for sixteen years amounted to 2,164,283,976 lbs. or 1,082,142 tons.

Nevertheless, it is believed that the construction of weigh locks, of which three at least, if not four, would be required on our canals, is scarcely practicable at present. An additional 2½ per cent on the gross revenues of our canals would not, it is considered, represent the capital that would be required to build such locks; and the cheques on the fidelity of the ship's reports will have to be left to the devices which experience and ingenuity may suggest.

SLIDES.

The collection of the slide dues has always been under the Crown timber agents, and it appears almost necessary that it should continue to be so. As the slide dues depend upon the amount of timber passing over the slide, the crown timber agent is the only person who can properly know how much timber belongs to each person, and if the money is not collected on the spot, it is a lien on the timber together with the timber dues, and is collected at Quebec before shipment. But the timber dues belong to the local governments and the slide dues to the Dominion. The Crown timber agent is thus to some extent the servant of both Governments, but it is evidently desirable that he should be distinctly the servant of one authority only, although he may have additional duties to perform for others. On the St. Maurice and the Saguenay, which lie wholly within the Province of Quebec, the slide dues are collected by the timber agents of Quebec. No allowance has been made to the agent on the Saguenay for the collection, and \$200 per annum is allowed to the agent on the St. Maurice for this service.

On the Ottawa and its tributaries the case is more complicated. The timber agent on the Upper Ottawa collects timber dues for both Ontario and Quebec, and slide dues for the Dominion, and Mr. McLean Stuart at Quebec, collects also such slide as well as timber dues as have accrued on timber and which have not been paid in the upper country. It has, therefore, been proposed that the agents on the Ottawa and at Quebec should be the servants of the Dominion, and that their salaries and the expenses of their office should be borne by each in proportion to the amount of work performed. The Government of Ontario has assented to this as a temporary measure, but no answer to the proposal has been received from Quebec, and all these expenses have, up to the present time, been paid by the Dominion, and kept in a suspense account. It is clearly necessary that some further action should be taken in this matter.

With regard to the St. Maurice and Saguenay slides, the Dominion has positively no interest in them whatever. They were erected for the transmission of timber which now exclusively belongs to Quebec, and it would very much simplify the matter if these slides were at once surrendered to that Province. For the two years preceding confederation the receipts were altogether \$15,791.35, and the expenses \$29,512.31; and for the two years since confederation, the receipts have been \$17,420.14 and the expenses \$30,012.97.

There does not appear to be any reason why the Dominion should have any further responsibility connected with these works.

It is possible that some of the slides on the tributaries of the Ottawa might be surrendered to the Provinces in which they are situated; but on the main stream at any rate it seems essential that the Dominion should retain the control. But some definite understanding should be come to as to the method of dividing the expenses, if the timber agent is to be retained as the collector of slide dues. The revenue and expenditure of the Ottawa slides for the two years before confederation were \$101,584.91 of receipts, and \$40,582.15 of expenses; and for the two years after \$107,662.21 and \$54,635.33.

BILL STAMPS.

Before confederation, the method of managing the bill stamps was as follows. Licenses were given by the Minister of Finance to certain persons as distributors of bill stamps. These licenses were generally confined to banks, brokers, and stationers. All these parties were supplied with stamps upon their requisition, and upon their paying the amount less 5% commission. The Receiver General held the custody of the stamps, and supplied them on the requisition of the Chairman of the Board of Customs, Excise and Stamps. Besides these distributors, in order to supply the wants of the smaller towns and country places, certain postmasters were appointed distributors, and prepayment of the stamps was not required from them. The Postmaster General was considered a distributor, and was supplied with stamps on his requisition. He furnished stamps to his postmasters who accounted to him, being allowed a commission of five per cent, and he accounted to Government for the whole amount supplied to him.

Upon confederation, this business was transferred to the Department of Inland Revenue, and as far as Ontario and Quebec are concerned it is managed in the same way, excepting that the Receiver General issues the stamps now on the requisition of the Commissioner of Inland Revenue, instead of upon that of the Chairman of the Board of Customs, Excise and Stamps. But in Nova Scotia and New Brunswick, a different system has been adopted. The Inspector in each Province is supplied with stamps, which he sells accounting to the Department. No certain rule seems to have been as yet established as to the method of distribution. Some postmasters distribute as in Ontario and Quebec, but they receive the stamps from the revenue inspectors, and account to them, and not through their own Department. The whole system appears to us to require thorough reorganization.

We think that the system established in Ontario and Quebec should be adopted in the other Provinces. The paymasters acting for the Receiver General should hold the stock of stamps in hand. Licenses should be given to all authorized distributors, which in Nova Scotia and New Brunswick may perhaps be signed by the Revenue Inspector. The Paymaster would supply stamps to all licensed distributors upon the requisition of the Revenue Inspector, and upon receiving a certificate of deposit in the bank for the amount, less the commission. They would also supply stamps to the Postmaster General, also on the requisition of the Revenue Inspector, making a special return to the Audit Office with their weekly accounts of the value of stamps so supplied. The Postmaster General would distribute the stamps amongst his postmasters, who would account to him for them, retaining their commission; and he would account with the Finance Department. A complete record of all the transactions would thus be kept in the Finance Department, as is now the case in Ontario and Quebec; and, in order to make the record in the Inland Revenue Department complete, the Inspector should make returns monthly, or oftener, of all requisitions issued by him on the paymasters.

OUTSIDE SERVICE OF DEPARTMENT OF AGRICULTURE AND
STATISTICS.

EMIGRATION.

The subject of emigration is one in which the Provincial Governments, which have the control of the public lands, can act more efficiently than the Dominion. Still, it appears desirable that at the principal ports where emigrants enter the Provinces, say at Quebec, Halifax and St. John, and also perhaps at some of the principal distributing centres as at Montreal, Toronto and Hamilton, the Dominion should have some share in the superintendence over the service. We do not feel called upon to discuss the point how far the Dominion and the Provinces should contribute to the expense of such offices, which must evidently be a matter of arrangement between the several governments. We merely propose to indicate the staff which would appear to be necessary at such places.

At Quebec we would recommend the following staff:—

Agent, at present salary.....	\$1,200
Assistant do do	1,000
Norwegian & German Interpreter, \$80 per month when employed.	

The Quarantine Establishment at Grosse Isle would have to be maintained, and it should be under the supervision of the emigration agent at Quebec. His occasional absence to visit Grosse Isle necessitates his having a competent assistant at Quebec.

The office should be at Point Levi, since the steamships now bring nearly all the emigrants, who are landed at the wharf near the Grand Trunk Railway terminus.

At St. John, there is an emigrant agent, with a salary of \$862.50. He has no assistant, nor is one needed, as very few of the emigrants to New Brunswick seem to require any assistance, other than information of the proper route whereby to reach their destination. About three-fourths remain in the country, and the collectors of customs at the outports assist the agent at St. John, but without remuneration for so doing.

At Halifax, we think an agent with a salary of \$800 would be sufficient. Or perhaps some Government official with other duties, might also attend to the emigrants, and receive some additional salary for the duty performed.

At Montreal, Toronto, and Hamilton, we think there should be an agent with salary ranging from \$800 to \$1,200, and a clerk or messenger. But as these offices are more of a local than general character, it may be questionable whether they should not be left altogether in the hands of the local governments.

STATISTICS.

At Halifax there is an office for the collection of vital statistics. This is the only systematic attempt in the Dominion to collect and publish information upon this important subject, and without expressing any decided opinion as to the merits of the method pursued in that office, we desire to call the attention of Government to the expediency of organizing a general system of registration throughout the Dominion.

Upon the remaining outside services of other Departments we would make some very brief remarks.

PUBLIC WORKS.

The most important branch under this Department is that of the railways in Nova Scotia and New Brunswick; but as the Government had appointed a special Commission to report upon them, we have not thought that it fell within our duty to go over the same ground. Upon the superintendence of the other works in different parts of the Dominion we could offer no suggestions without local investigations for which we had no opportunities; but we wish to observe that, excepting in the case of important new

constructions, we think that there would be much saving of time and expense, if the Department of Marine and Fisheries had charge of much of the work which has been heretofore in the hands of the Department of Public Works. Ordinary repairs of existing light-houses, new beacons, and similar works, involving no great cost, could easily be superintended by the local agents of the former Department, without the delay and expense of sending an officer of the Public Works to inspect and report. It is difficult to lay down any certain rules as to the limits of the functions of the two Departments, but by concert between them, when the Order in Council passes authorizing the expenditure of any particular vote, it should be stated which Department is to be charged with the work; and if, as we have recommended in our former report, an officer of Public Works is appointed resident in the Maritime Provinces, his advice and assistance could be obtained when necessary.

MILITIA.

As the whole question of the extent and organization of the Militia was in suspense during the absence of the minister when we formerly reported upon that Department, we only took notice of that portion of the staff at head quarters, which is engaged in the financial branches of the business; and that with the remark that the organization proposed was on the supposition that the extent of the service remained much the same as it is at present. We took no notice of the remainder of the staff at Ottawa, which more especially belongs to the Adjutant General's Office. Even now the business of that office will so entirely depend upon the Militia arrangements, which will ultimately be adopted throughout the Dominion, that we offer no suggestions as to its proper organization; but we wish to state our opinion that the whole of the staff at Ottawa, including the Adjutant General's Office, ought to be brought under the operation of the Civil Service Act.

In conclusion, we desire to express our thanks to the several deputy heads with whom we have conferred at Ottawa, and to the chief officers in the different cities which we have visited for the information and assistance which we have received from them.

All which is respectfully submitted.

JOHN LANGTON,
Chairman.

APPENDIX A.

SCHEDULE of Inspection Districts and Inland Revenue Divisions with the Staff of Officers at each.

Inspection Districts.	Inland Revenue Division.		Collectors, Class and Salary.					Deputy Collectors, Class and Salary.			Excisemen, Class and Salary.			Total amount of Salaries.			
	Name.	Territorial Extent.	1,000	1,200	800	600	400	800	600	300	700	600	500				
London.	Windsor.....	Essex.....		1			1	1			(c)	1	(b)	\$ 4,700			
	Lambton.....	Kent.....		1	1								1	2,500			
	London.....	Sarnia.....		1			2	1			1	1	3	5,600			
	Goderich.....	Middlesex.....															
		Essex.....															
	Paris.....	Huron.....				1	(c)	1					1	1	2,800		
		Bruce.....				1	1						1	1	2,800		
	Guelph.....	Perth.....															
		Oxford.....												2	2	4,200	
	Hamilton.....	Brant.....												2	2	4,200	
Norfolk.....																	
St. Catharines.....	Wellington.....							1					5	4	7,000		
	Waterloo.....																
Toronto.....	Hamilton.....							1					1	3	2	5,500	
	Wentworth.....																
Algoma.....	Halton.....																
	Haldimand.....																
Toronto.....	Lincoln.....												1	1	2,600		
	Welland.....																
Collingwood.....	Algoma.....																
	Toronto.....																
Peterborough.....	Peel.....																
	York.....		1	1			1	1	2				1	3	5	10,200	
Cobourg.....	Ontario.....																
	Simcoe.....																
Belleville.....	Grey.....					1				1						1,200	
	Victoria.....					(c)	(b)										
Kingston.....	Peterborough.....					1	1										900
	Durham.....																
Perth.....	Northumberland.....																
	Hastings.....																
Ottawa.....	Prince Edward.....										(a)	1		2		2,500	
	Lennox.....																
Prescott.....	Addington.....																
	Frontenac.....																
Cornwall.....	Renfrew.....																
	Lanark.....																
Ottawa.....	Carleton.....																
	Ottawa City.....																
Prescott.....	Russell.....																
	Leeds.....																
Cornwall.....	Grenville.....																
	Dundas.....																
Cornwall.....	Stormont.....																
	Glenarry.....																
Cornwall.....	Prescott.....																
	Prescott.....																

APPENDIX A.—Continued.

SCHEDULE of Inspection Districts and Inland Revenue Divisions, &c.

Inspection Districts.	Inland Revenue Division.		Collectors, Class and Salary.					Deputy Collectors, Class and Salary.			Excisemen, Class and Salary.			Total amount of Salaries.	
	Name.	Territorial Extent.	1	2	3	4	5	1	2	3	1	2	3		
			1,600	1,200	800	600	400	800	600	300	700	600	500		
Montreal.	Montreal	Montreal City. De Island Isle Jesus Laprairie Chambly Soulanges Vaudrenil	1	1							1 (c)	2		3	
	Beauharnois	Huntingdon Beauharnois Chateaugay					1								
	Missisquoi	Napierville St. Johns Iberville					2								
	Terrebonne	Missisquoi Joliette Montcalm L'Assomption Terrebonne Argenteuil Two Mountain				1					1				
	Pontiac	Pontiac Ottawa					2								
	St. Hyacinthe	Verchères Richelieu St. Hyacinthe Rouville Bagot				1					1				
	Sherbrooke	Brome Stanstead Sherbrooke Shefford Richmond Compton					2								
	Three Rivers	Berthier Maskinongé St. Maurice Champlain					1								
	Arthabaska	Yamaska Drummond Arthabaska Nicolet					1								
	Beauce	Beauce Magantic Lothbinière Wolfe					1								
	Quebec.	Quebec	Quebec City County Montmorency Portneuf Levis Dorchester Bellechasse	1								1	5		5,900 With four assist- ants.

APPENDIX A.—Continued.

SCHEDULE of Inspection Districts and Inland Revenue Divisions, &c.

Inspection Districts.	Inland Revenue Division.		Collectors, Class and Salary.					Deputy Collectors, Class and Salary.			Excisemen, Class and Salary.			Total amount of Salaries.
	Name.	Territorial Extent.	1	2	3	4	5	1	2	3	1	2	3	
			1,600	1,200	800	600	400	800	600	300	700	600	500	
Quebec.	Kamouraska.	{ Kamouraska .. L'Islet .. Montmagny ..					1							\$
	Rivière du Loup.....	{ Temiscouata .. Rimouski .. Chicoutimi ..					1							400
	Tadoussac.....	{ Saguenay .. Charlevoix ..					1							400
	Gaspé.....	{ Gaspé .. Magdalen Isl'd .. Bonaventure ..					1							400
	St. John	{ Victoria .. Carleton .. York .. Sunbury .. Queen's Co. .. King's Co. .. Charlotte .. St. John .. Albert .. Westmoreland ..		1							2		1	{ 3,500 With In- spector of Petro- lum.
Chatham	{ Restigouche .. Gloucester .. Northumberl'd .. Kent ..			1										800
St. Stephen														{ Not de- termin'd Not de- termin'd
St. Andrew														
Nova Scotia.	Halifax	{ Annapolis .. Colchester .. Hants .. Kings .. Lunsberg .. Halifax .. Northumberl'd .. Digby ..		1								1	2	2,800
	Yarmouth	{ Yarmouth .. Shelburne .. Queen's .. Pictou ..												{ Not de- termin'd
	Pictou	{ Antigonish .. Greysborough ..			1 (d)								1	1,200
	Sydney	Capc Breton												{ Not de- termin'd
	Total			3	14	9	6	22	6	4	3	7	29	37	800,500

(a) At present receives \$300. (b) \$400. (c) \$500. (d) \$700. (e) \$800. (f) \$900.

APPENDIX B.

A STATEMENT of the Amount of Tolls Collected, the Salaries of Collectors and Clerks, Office Rent, and other contingencies, &c., during the Fiscal Season of Navigation of the undermentioned Canals of Canada, between 1st July, 1867, and 30th June, 1868.

Sections of Canals.	Tolls Collected.	No. of Let Passes.	Collectors' Salaries.	No. of Clerks.	Salaries.	Total Salaries.	Office Rent and Contingencies.	Total Expenses of Collection.
<i>Welland Canal.</i>								
	\$ cts.		\$ cts.		\$ cts.	\$ cts.	\$ cts.	\$ cts.
Port Colborne	148,383 38	2,210	1,400 00	2 @	800 00	2,400 00	290 03	2,690 03
.. Maitland	1,013 34	240	500 00	.....	.....	500 00	124 97	624 97
.. Dunville	2,946 21	380	750 00	.....	.....	750 00	39 03	789 03
.. Robinson	4,515 72	825	720 00	.....	.....	720 00	21 98	741 98
.. St. Catherines	1,173 00	267	200 00	.....	.....	200 00	.....	400 00
.. Dalhousie	65,153 25	2,124	1,000 00	1	.....	1,000 00	126 28	1,126 28
	\$223,184 90	6,046	4,570 00	3	1,300 00	5,770 00	602 29	6,372 29
<i>St. Lawrence.</i>								
Montreal	62,148 98	6,432	1,840 00	2 @ 1 @ 1 @ 2 @	1,000 00 750 00 500 00 600 00	6,290 00	2,351 68	8,641 68
Lachine	1,386 84	3,220	1,000 00	1	700 00	1,700 00	203 69	1,903 69
Beauharnois	456 64	228	750 00	.....	.....	750 00	26 08	776 08
Williamsburg	1,039 49	456	750 00	1	375 00	1,125 00	54 00	1,179 00
Cornwall	408 34	192	600 00	.....	.....	600 00	50 25	650 25
	\$65,450 29	10,528	4,940 00	8	5,325 00	10,465 00	2,885 68	13,350 68
<i>Chambly Canal.</i>								
Chambly	26,518 60	2,131	840 00	1	200 00	1,040 00	50 82	1,090 82
St. Johns	8,801 33	1,274	720 00	.....	.....	720 00	.....	720 00
St. Ours Lock	476 30	436	400 00	.....	.....	400 00	3 22	403 22
	\$35,296 28	3,841	1,960 00	1	200 00	2,160 00	54 14	2,214 14
<i>Burlington Bay Canal.</i>								
Hamilton	\$14,862 75	988	.....	1 1	300 00 200 00	500 00	.....	500 00
<i>St. Ann's Lock Canal.</i>								
St. Ann's	\$8,041 72	6,814	625 00	2	500 00	625 00	29 20	654 20
<i>Ottawa and Rideau Canal.</i>								
Kingston Mills	3,087 45	2,646	.....	.....	.....	.....	.....	.....
Smith's Falls	1,336 70	105	.....	.....	.....	.....	.....	.....
Carillon	2,829 00	3,200	.....	.....	.....	.....	29 94	29 94
Grenville	8,132 60	2,544	.....	.....	.....	.....	35 18	35 18
Ottawa	3,196 84	1,122	272 47	.....	.....	272 47	89 43	371 90
	\$18,562 59	9,617	272 47	.....	.....	272 47	164 55	437 02
Grand Totals..	\$965,418 53	37,834	12,367 47	14	7,435 00	19,792 47	3,735 86	23,528 33

APPENDIX C.

Present Staff of Outside Services of Department of Agriculture and Statistics.

Quebec Immigration Agent	\$1,200 00	
Assistant	1,000 00	
Interpreter	250 00	
Messenger	200 00	
Inspecting Physician	1,200 00	
Assistant	600 00	
Allowance for Boat hire, ditto	800 00	
		<hr/> 5,250 00
Montreal Immigration Agent		1,200 00
Ottawa		800 00
Toronto		1,000 00
Kingston		800 00
Hamilton	800 00	
Interpreter	180 00	
		<hr/> 980 00
St. John Immigration Agent	862 62	
Inspecting Physician	1,200 00	
Assistant	400 00	
Boatmen for	1,000 00	
Hospital Steward	300 00	
		<hr/> 3,762 62
Miramichi Immigration Agent		400 00
Halifax	1,000 00	
Deputy	400 00	
Inspecting Physician	1,000 00	
Hospital Steward	560 00	
Registrar of Statistics	1,500 00	
Two Clerks at \$600	1,200 00	
Messenger	240 00	
		<hr/> 5,900 00
		<hr/> <hr/> \$20,092 62