

## FINANCE DEPARTMENT.—(Continued.)

SATURDAY, 20th November, 1880.

Mr. R. W. BAXTER, Finance Department, examined:—

*By the Chairman:*

2638. How long have you been in the Service; what is your present position, and how long have you held it?—I will be 24 years in the Service on the 16th Feb., 1881. My present position is that of first-class clerk of the Finance Department. I was a first-class clerk before Confederation; and have been in my present position since 1874.

2639. Will you please to state the nature of the work which you have to perform?—I have the supervision of the appropriation ledger work. I sign all Departmental cheques and letters of credit; also, notices to banks of changes in the pay-lists; prepare pay-lists and make out cheques for the monthly salaries of the Department; in the absence of the Deputy Minister, I sign the salary cheques of the Department; also, certificates for Dominion stock, and authorities to pay to executors, administrators, &c., the balances in the Government Savings Banks at the credit of deceased depositors; I sign certificates upon which the cheques and letters of credit are issued; also bills of exchange. I have a supervision of the semi-annual dividends of Dominion stock, taking charge of all the cheques returned uncalled for. I have charge of the superannuation book, and of all business in connection with that service. I have charge of the establishment books of the entire service, inside and out. I also prepare returns for Parliament, and keep a record of all Orders in Council respecting the payment of money. I also prepare Governor-General's warrants.

2640. Are all payments authorized by Order in Council, whether on account of the appropriation voted by Parliament or on all other accounts?—All payments of a routine character, such for instance as the general expenditure of Immigration, Militia, Marine and Fisheries, Post Office, &c., are made without requiring the authority of an Order in Council, upon application being made therefor, to the Auditor General, by the Department charged with the service for which the expenditure is required; but in cases of expenditure on account of Public Works or Railways and Canals an Order in Council is passed authorizing the expenditure of the several appropriations. An Order in Council is also required for each item of the expenditure appearing in the Public Accounts under the head of "Unforeseen Expenses," although an amount is voted by Parliament annually to meet payments of this character. A return of the expenditure on account of unforeseen expenses is laid before Parliament by the Minister of Finance, within fifteen days after the opening of each Session.

When an expenditure of a special nature is urgently and immediately required for the public good, for which no Parliamentary provision exists, a special warrant of His Excellency the Governor General is issued in accordance with the provisions of the Act 41 Vic., cap. 7, sec. 32 for the amount estimated to be required.

2641. Do you consider that the present classification and grading of the Service could be reduced and simplified, and that efficiency and economy of the Service would be promoted thereby?—Taking it for granted that all the persons appointed are properly qualified as required by the Civil Service Act, I consider the present system of annual increments as a reward for the diligent discharge of duty to be a good one; but instead of dividing the second class clerks into two divisions as at present I would divide the first class, for the following reasons:—

Second class clerks very generally step from the junior to the senior position as soon as they have served the number of years required by the Act, and the senior second class by good conduct and strict attention to office work, although not possessed of any special qualification, may so command the esteem and approbation of the Deputy Head as to induce him to promote the officer into the first class, notwithstanding that the character of his work continues to be the same as it was whilst he was in the second class; whereas another man so promoted, in addition to his good conduct and attention to duty, may be possessed of special attainments, and, as a consequence, in the course of years may find himself with very important and responsible duties assigned to him, from which the former is excluded owing to the want of that aptitude shown

by the latter; and yet, under the present system, the two men stand precisely upon the same footing.

In view of the foregoing it appears to me that there should be a higher classification of the one first class clerk as compared with the other; in short, that the status and emolument of the higher class clerk should be such, owing to the greater responsibility devolving upon him, as would, in the absence of the Deputy Head or Chief Clerk, give him a position of authority which would command the respect of those over whom, for the time being, he might be expected to exercise supervision.

Mr. F. TOLLER, Finance Department, examined:—

*By the Chairman:*

2642. Will you kindly state your position in the Finance Department, and how long you have held it?—I have been a first-class clerk for seven years, and am now Private Secretary to the Minister of Finance.

2643. Have you given any consideration to the manner of making first appointments in the Service?—I think that, from my experience in the Service, appointment should be preceded by examination, and that there should be a term of grade probation—say one year in the lower.

*By Mr. Taché:*

2644. What would you prefer, examination or probation, to test the qualifications of a candidate?—I think both; because I think it does not follow that a man who passes a good examination must necessarily make a good official.

*By the Chairman:*

2645. Do you mean competitive examination; and before whom should the examinations be held?—No; I think, after being nominated for an appointment in the Civil Service, he should be required to pass such examination as would qualify him for the duties of the particular Department. I think that, as in Great Britain, the examinations should be held before a Civil Service Commission.

2646. What do you consider the best age for candidates on first entering the Service?—From 18 to 19.

2647. As regards promotion, should it be, in your opinion, by seniority or merit?—All things being equal, I should say by seniority.

2648. When vacancies occur in the higher positions, should those already in the Service be promoted thereto in preference to bringing in outsiders?—If qualified to fill the position, I should say most certainly.

2649. Do you think that the prevailing method of making first appointments to the Service is likely to furnish material from which to make promotions therein?—I prefer not to answer that question.

2650. Do you think that the present classification and grading of the Service could be simplified, and the number of grades and classes reduced, and that by so doing, the efficiency and economy of the Service would be promoted?—I think the grading might be as follows:—

Deputy Heads of Departments.

Officers or Chief Clerks, one grade only.

First Class Clerks do

Second do do

Third do do

Probationary Clerks;

also that the maximum salary of a second class clerk should not be, as at present, \$200 more than the minimum of a first class clerk.

2651. Have you had much experience in the manner of keeping books in banks before entering the Service?—I have had eleven years' experience in banking, in England, in the Bank of British Columbia and the Bank of North America.

2652. Can you make any suggestion by which the system of keeping some of the books in the Finance Department might be improved?—I think the present system now in use in the Finance Department might be simplified and the same results obtained by the following method which, I believe, is in use in every Bank in this country and also in England. I would suggest that an odd day and even day cash book be started in which all cash receipts should be entered in detail, that next day these entries should be checked over and then posted into the ledger daily which should be kept by progressive balances, that all transactions which are not cash, such as entry warrants, &c., should be entered in the journal to be also posted into the ledger the next day. The cash payments should also be kept in the same way. The object of having cash books for odd and even days is that one might be used for the current work whilst the other was being posted from. The ten days statement which is required for the information of the Finance Minister could then be made up by simply taking off the several balances from the ledgers.

2653. What is your opinion of the prevailing method of giving the yearly statutory increase of salaries?—I do not think a man appointed to one particular class in the Service should be compelled to remain in it until he reaches the maximum salary of that class by the statutory increase of \$50, if it can be shown he possesses qualifications for promotion into a higher class. If the man is worth it by all means let him be promoted, he will certainly be more zealous in his duties if he knows it is possible to get into the next class by displaying zeal for the Service, and showing an aptitude for improving his position in the profession he has chosen.

2654. Can you make any suggestions for the improvement of the present Superannuation Act?—I think that so long as a man remains in the Service he should pay towards the Superannuation Fund even if he has served 35 years. I think it would be in the interest of the Service, and very popular with the members, if some scheme were made for giving a man's widow something either in the shape of annuity or gratuity, such as is now in use in the Bank of Montreal; and I believe I am right in stating that the Service generally would increase their percentage to the Fund if this were done.

The Commission adjourned.

#### DEPARTMENT OF RAILWAYS AND CANALS.—(Continued.)

MONDAY, NOV. 22nd, 1880.

Mr. D. POTTINGER, Chief Superintendent of the Intercolonial Railway, re-examined:—

2655. Have you any organization in the Intercolonial Railway for making provision for employes who may be disabled by sickness or accident, or for widows and orphans in cases of death?—There is a fund in connection with the railway called "The Employes' Accident Insurance Fund;" and to form this fund a deduction is made monthly from the pay of each and every employe. These deductions are made in accordance with a circular issued by Mr. Brydges, late General Superintendent of the railway, dated 30th January, 1875, and the memorandum attached to that circular. In this circular it was stated that the Government would contribute a portion of the fund to be formed; but as it was found that the contributions from the men more than sufficed to form the fund, the Government was never called upon to contribute. While these payments are to be made only in cases of accidents happening in the service of the railway, a liberal construction has been put upon this regulation in the case of the death of several employes. In cases of accidents to persons contributing to the fund, the physician's charges are paid out of the fund. In the case of persons whose death claim is paid from the fund, their funeral expenses are also paid. The charge being a compulsory deduction from the wages of the men, some of the employes objected to the payment of it, and the Minister, to meet these objections as far as possible, some time since ordered an enquiry to be made into the working of the fund and a full report to be laid before him showing in what way the system could be improved. That enquiry is in pro-

gress, but the report has not yet been made. I may say that as a result of the operation of the system so far there was a balance remaining on hand after payment of all claims in January, 1879, of \$8,683 30. This system is administered entirely under the control of the chief officers of the railway; but the fund is deposited to the credit of the Receiver-General. The employes not being satisfied with this fund, as it covered only cases of accident, formed a voluntary fund called "The I. C. R. Insurance Association." This was established on the 24th of January, 1878. The plan of this association is very simple. There is an entrance fee of 50 cents; no other payments are made by any of the members except on the death of a subscribing member, in which case each subscribing member pays one dollar. The payment of this is voluntary. In 1878 the number of subscribers was only 120; but at the date of the last report there were over 500. The one dollar payment is collected by a member of the association who accompanies the paymaster. Those who do not pay are struck off the list. Leaving the service does not disentitle a man to have the benefit of this system so long as he pays the calls. The secretary now sends notices to persons in various parts of the United States and Canada.

*By Mr. Tache :*

2656. In what shape and to what purpose stands the balance you have spoken of; is it in trust, or is it immersed in the railway receipts as Government money?—The employes insurance fund is one of the open accounts in the books of the railway, and the amounts deducted from the employes are credited to this account; the indemnification paid to the employes is debited to it; and it now stands with a credit balance of over \$8,000. The deductions when made from the employes are paid into the Bank of Montreal to the credit of the Receiver-General; but they form no part of the receipts of the Intercolonial Railway, and the money is simply held by the Government in trust. No interest has been credited to this account.

*By Mr. Tilton :*

2657. Are there not a number of clerks in the service of the Intercolonial Railway whose employment may be considered as permanent, having been in their respective positions for some years, who do not pay superannuation deduction and might fairly be charged with such?—There are a number of clerks in the Railway Service who have been in the Service for a number of years, and from whose salary no deduction for superannuation is made. I am unable to express an opinion as to whether those persons should have superannuation deductions made from their salaries or not.

2658. Have any of these clerks represented to you that they desired to have their salaries subjected to the superannuation abatement?—A number of the officers and clerks, and also some of the conductors, station and baggage masters, have requested that their names be placed upon the list of those entitled to superannuation.

*By Mr. Brunel :*

2659. Are the clerks mentioned in the return employed by the month or by the year; and are they entitled to any term of notice when their services are to be dispensed with?—They are employed by the month, and are entitled to two months notice.

2660. Would it, in your opinion, be desirable that some arrangement should be made whereby conductors and engine drivers should have the assurance of some provision for their support after they had ceased to be efficient, provided their conduct had been satisfactory?—It would, I think, be desirable that not only conductors and engine drivers, but all the permanent employes of the railway service should be encouraged and assisted to provide some means of support in such contingency.

2661. Do you think the assurance of such a provision for old age would have a tendency to improve the classes of men employed on railways, and cause them to take a greater interest in their duties?—I think it would.

2662. In the statement furnished to the Commission the whole number of clerks and other employes of each class or description, and the gross monthly payment to each class is stated. Will you please inform the Commission as to the maximum and

minimum salaries paid to each class of employes?—The maximum salary of clerks is \$66.66 per month, minimum, \$20 per month; of Operators from \$10 to \$40 per month; Train Despatchers, \$50 to \$66.66 per month (these are included in the term Operators); Station Masters or Agents from \$25 to \$83.33; Conductors from \$1.50 per day to \$60 per month; Baggage Masters from \$1.35 per day to \$45 per month; Brakemen from \$1.25 to \$1.35 per day; Track Masters, \$100 per month; Track Foreman from \$1.25 to \$1.50 per day.

2663. How are the clerks, of whom their appears to be 116, classified and distributed, and what are their hours of attendance?—They are not classified at all. Their hours are from 9 a.m. to 1 p.m., and from 2 p.m. to 6 p.m., or as much longer as they may be required.

2664. What is the average aggregate daily mileage of passenger trains, freight trains and service trains?—The average aggregate daily mileage of passenger trains is 2,600 miles and of freight trains 5,300 miles; I am unable to give the mileage of service trains.

#### FINANCE DEPARTMENT.—(Continued.)

TUESDAY, 23<sup>rd</sup> November, 1880.

Mr. T. D. TRIMS, Financial Inspector, examined:—

*By the Chairman:*

2665. You are Financial Inspector of the Dominion. Will you please to state how long you have been in the Service and held your present position?—I have been twenty-two years in the Service and eleven years in my present position, having previously acted as Inspector since the date of Confederation.

2666. Will you kindly state the nature of your work and duties which you have to perform?—My present duties are to inspect the offices of the Assistant Receivers General with the several Savings Banks attached, under the management of the Finance Department. I also inspect in the general offices of the railways operated by the Dominion Government the accounts and fiscal transactions from time to time. I have occasionally other miscellaneous duties allotted to me which I can hardly describe. I have also acted as Deputy Minister in the absence of Mr. Courtney.

2667. Have you a knowledge of the Civil Service Act of 1868; and are you aware whether the provisions contained in it relative to first appointments in the Service are observed?—I have a general recollection of the provisions of the Act, but have not lately referred to it particularly. I have no personal knowledge as to the observance of the provisions of the Act.

2668. In the performance of your duties as Financial Inspector, have you general opportunities of obtaining a knowledge of the efficiency of the Service generally?—I have especially of the Outside Service, but not of the Inside Service, for several years past.

2669. What is your opinion of the effect in the Outside Service of the prevailing manner of making appointments to it?—It is my opinion that if some plan could be devised under which political influence or pressure could be done away with in regard to appointments or promotions, the Civil Service and country would be largely benefited. I do not, however, see how, in such a country as Canada, political influence can be entirely ignored; although some of the existing evils under the present system might be removed to a considerable extent by the adoption and rigid observance of a proper system of preliminary examinations of all candidates before their entry into the Service, and by a thorough test of their fitness by a probationary term of service in the Department to which it may be proposed to attach them before they are placed on the permanent staff.

2670. Is it your opinion then, that if candidates were subjected to a suitable examination before entrance, and a period of probation before being appointed, it would be the best means to secure good men for the Service, both inside and outside?—It is my opinion.

2671. Have you considered before whom such examination should be held—whether by a Board of Examiners, as in England?—I have not had an opportunity of carefully studying up the system that prevails in England, and cannot give an opinion in regard to its adaptability to the requirements of this country. My opinion is that the adoption of a general competitive system of examination would not lead to any practical result. My reason is founded upon the experience of many years past that many young men enter the Service who have received good educations, but at the same time have proved entirely unfitted, by habits or training, for the efficient discharge of such duties as they have been called upon to perform. On the other hand, young men of steady habits who can spell correctly, write grammatically and have a fair knowledge of figures and accounts, are generally found to be more useful in the Departments than the brilliant scholars, for many of whom the humdrum routine of the Service offers no attractions whatever. I am, therefore, of opinion that preliminary examinations of a general character should precede temporary appointments on probation, but that special examinations could be better effected subsequently by an officer or officers of the Department to which the candidate may be attached than by any outsider.

*By Mr. Brunel:*

2672. Are we to understand by your answer to the last question that you are aware that many young men have entered the Civil Service who have proved to be incompetent?—I have knowledge of that kind.

2673. How would you determine who should be admitted to such examinations as you have described?—Application would, I suppose, be made to the head of the Department to which candidates wished to be attached.

2674. Do you think the political pressure you have mentioned would be eliminated in that way?—No, I do not; but the examinations to which I have referred would, to a certain extent, check the evils now existing arising from political pressure.

2675. Assuming that there might be a number of applicants for a vacancy, how would you determine which of these applicants should be admitted to the examinations and subsequent probationary appointments?—That is a point that would be entirely governed by whatever regulation might be adopted, as to whether there should be an outside Board or the Government should retain the patronage.

2676. Would not competitive examinations remove the difficulty?—I am afraid that no system could be devised which political pressure would not be brought to affect, in regard to nominations, in this country.

2677. Do you not think that a well devised system of competitive examinations, having reference to the nature of the services required, and to which all candidates of suitable age, good health, and whose character is well established, would be admitted, would be a step in that direction?—Yes; it might.

*By the Chairman:*

2678. What would you consider the best age for candidates in first entering the Service?—I think from 18 to 25 years.

2679. Do you believe that the efficiency and economy of the Service would be promoted if, when young men entered the Service, they did so with the intention of making it the pursuit of their lives?—I am afraid not. My reasons are that I know in a general way that there are many young men in the Service of high attainments who seldom have any opportunity afforded them for developing their natural abilities. The prizes of the Service are, therefore, as a rule, always beyond their reach.

2680. From what cause are the prizes in the Service beyond their reach?—For the reason that from the very nature of the duties that are allotted to them they have no opportunity of developing their talents or special attainments.

*By Mr. White:*

2681. What would, in your opinion, be the effect upon the employés of the Government, if it were generally understood that the promotion throughout the Service would depend entirely upon merit, and that they could look forward with some certainty to attaining the prizes of the Service by the ability which they might show

and in the attention to the performance of their duties?—The result would, I think, be decidedly favorable.

2682. Is it not probable that a man who owes his first appointment to the Service to political influence will look rather to that than to his own merit for advancement?—Frequently it is the case.

2683. Are you aware that outsiders are sometimes appointed to what are considered the prizes of the Service?—I am aware of that. The cause is outside influence.

2684. Do you not think that a system of competitive examinations would tend to bring out as candidates for public employment young men of general ability, and that that would be of more importance than their being possessed of any special educational acquirements?—Certainly; but competitive examinations of a general character would not alone, in my opinion, promote the efficiency of the Service.

*By Mr. Brunel:*

2685. With competitive examinations properly conducted, and having reference to the work which the candidate would have to perform, coupled with a period of probation—say one year—do you believe that in that way the best men would be secured for the Service?—I do, most certainly.

*By the Chairman:*

2686. Have you observed, when making your inspections, whether the work is efficiently done and whether there are too few or too many persons employed?—I know that on the outside staff of our own Department there are not too many persons employed.

2687. Do you know of any who from age, bad habits, or any other reason, are not well-fitted to perform their work?—Yes; I know of such a case in the Outside Service of the Finance Department.

2688. Have you given any consideration to the question of the present grading and classification of the Service?—I think the present system is all wrong, both as to classification and pay.

2689. Could you furnish the Commission with suggestions for simplifying it and for reducing the number of the grades and classes?—I think the Civil Service should be divided into three classes: 1st, officers and permanent clerks of various grades; 2nd, probationary clerks; 3rd, extra clerks. I am also of opinion that the system of annual increases to salaries should be abolished, but that there should be considerable elasticity allowed in regard to remuneration, every man being paid in proportion to the importance and responsibility of his position and duties, and that promotion should be made upon the basis of merit alone.

*By Mr. Brunel:*

2690. With reference to promotion by merit, how, in your opinion, should merit be ascertained and vouched for?—This could be ascertained by the reports of the officers in charge of the branch to which the employé belonged, as well as by the special examination of the candidate's fitness for promotion.

*By Mr. White:*

2691. You have, I believe, a number of savings banks in the Maritime Provinces; do you think the system of control you now have over the operations of the officers in charge is thoroughly efficient, or can you suggest any improvement?—I believe that the system of supervision now exercised over the head offices is thoroughly efficient; but that some modifications in regard to the management of the country savings banks, managed by the Finance Department, is desirable. I may here mention that although my name has been connected with this branch of the service for a number of years past, I have never, until recently, been in a position to exercise proper supervision over its affairs.

*By Mr. Brunel:*

2692. Will you be good enough to explain why you had not, until recently, been able to exercise proper supervision over the affairs of the institutions referred to in your last answer?—Because, although responsible for the inspection of these offices, numbers of other gentlemen in the Department were sent from time to time upon

inspection duty without my knowledge or consent. My remonstrances on this point are upon official record in the Department. Although I established the savings bank system in the various provinces I never, until recently, have had an opportunity afforded me of personally inspecting the work or of knowing how it has been done.

2693. Does time permit the sufficient inspection of all the institutions and financial services you have referred to in previous answers by one inspecting officer?—No; but I think that with one competent assistant the work could be efficiently performed.

2694. Will you state, for the information of the Commission, whether the inspection of the savings banks by the gentlemen sent from the Department for that purpose has been efficiently and economically done?—I do not wish to reply particularly on this question, as my reports on the subject have been submitted to the Minister.

*By the Chairman:*

2695. Have you found the affairs of the various savings banks since you have commenced your inspections all right, or have you found irregularities therein?—Irregularities had already cropped out at several points prior to my own inspection being commenced.

2696. Will you please to state the nature of the irregularities and the amount of the defalcations, if any?—Defalcations have taken place at the following offices:—

Bathurst, N.B.....	\$299 50
Annapolis, N.S.....	85 24
Toronto, Ont.....	5,310 16
Sydney, C.B.....	6,715 85
New Glasgow, N.S.....	577 11
Little Glace Bay, C.B.....	2,238 18
Liverpool, N.S.....	3,108 21
Total.....	\$18,224 34

*By Mr. Taché:*

2696a. Would you be kind enough to state how many savings bank offices there are in all?—There are the following officers now under the management of the Finance Department:—

Nova Scotia (including head office at Halifax).....	28
New Brunswick (including head office at St. John).....	12
Prince Edward Island (at Charlottetown).....	1
Ontario (at Toronto).....	1
Manitoba (at Winnipeg).....	1
British Columbia (including head office at Victoria).....	3
Total.....	46

2696b. What is the annual percentage of cost to the Government for management of the savings banks other than those connected with the Post Office?—This is a matter of calculation (will reply in writing.)

2697. How were these irregularities or defalcations discovered, and by whom?—They were traced by the inspectors to whom I have alluded after information had reached the Department that these officers required particular attention.

*By Mr. White:*

2698. Are you satisfied with the organization of your Department as respects its control over the several branches of its Outside Service?—Not altogether.

2699. Could you furnish the Commission with any suggestions for the improvement of the management of these savings banks?—In regard to the country savings banks it is very difficult to devise a thorough check upon their operations, owing to the fact that the officers in charge are isolated and, in most cases, without assistants in their offices. Under the present arrangements depositors are required to sign



their names in a register kept for that purpose in order that their identity and signatures may be more easily established when they withdraw moneys from the bank: Many of the depositors, unfortunately, cannot sign their names, and I do not at present see my way to provide any thorough check upon transactions with people of that class. I think, however, that if signatures of depositors were taken in duplicate and witnessed upon the opening of every account, and receipts for moneys withdrawn, also taken in duplicate, and transmitted with the weekly detailed statements to the Finance Department, upon which the entries in the duplicate ledgers kept there are based, the opportunities for manipulation of depositors' accounts by the agent would be largely diminished.

*By the Chairman :*

2700. Can you give the total amount of deposits in these savings banks for the fiscal year ending 30th June, 1879?—The amount at the credit of the depositors in savings banks generally on the 30th June, 1879, was as follows:—

Nova Scotia .....	\$2,499,406 56
New Brunswick .....	1,705,781 80
British Columbia .....	1,179,402 86
Prince Edward Island .....	420,169 19
Toronto.....	222,467 24
Winnipeg .....	75,264 75
<b>Total .....</b>	<b>\$6,102,492 40</b>
Add post office savings banks .....	3,105,190 80
<b>Total at 4 per cent.....</b>	<b>\$9,207,683 20</b>
In addition to the above amount, depositors had further invested at above date in Dominion 5 per cent. stock to the amount of .....	2,226,300 00
<b>Total .....</b>	<b>\$11,433,983 20</b>

*By Mr. Brunel :*

2701. What is the maximum total amount that may be deposited by one depositor, and what is the maximum amount that may be deposited at one time in these savings banks?—A rule was adopted in 1877 limiting deposits to \$10,000.

2702. What is the largest amount, within your knowledge, that has been deposited at one time, and the largest amount held for one depositor?—The largest amount received was \$100,000 deposited by the Government of British Columbia in May, 1873, with the consent of the Dominion Government. The largest amount at present date to one account is \$42,907.47.

2703. How is the payment of interest regulated, what rate of interest is allowed, and what is the minimum period for which it is allowed?—Interest at the rate of 4 per cent. is now allowed depositors from the first of the month subsequent to the day of deposit. Practically there is no interest given on deposits for less than a month.

*By the Chairman :*

2704. What was done with the clerks or officers to whom the irregularities and defalcations alluded to were traced?—Some absconded; others were dismissed, but none have been prosecuted, so far as I am aware. None were retained in the Service.

2705. Have you found the books and accounts of the Intercolonial Railway in order when making your inspections?—Generally, yes.

2706. The employés of the road have organized an Accident Insurance Company; how is the amounts contributed by them treated in the accounts of the Company?—They are treated as an open account in the railway books; the contributions of the employés are paid in monthly to the credit of an accident insurance account, against which charges for indemnity for injuries are charged.

*By Mr. Tilton :*

2707. Are you aware that when this system of Accident Insurance was instituted on the Intercolonial Railway, the General Manager at that time stated the Government would contribute thereto?—I am not personally aware of that fact, but I have heard that it was so. There is also, I may add, a similar accident fund on the Prince Edward Island Railway.

*By the Chairman :*

2708. How are the receipts from traffic and other sources on the Intercolonial Railway accounted for?—The gross collections of the railway are deposited to the credit of the Receiver-General from day to day.

*By Mr. Brunel :*

2709. Will you be good enough to explain your method of inspecting the accounts of the railways?—The system is explained fully in my report of last year, published in the first report of the Auditor-General. (Report read.)

2710. How did it happen that you, as an officer of the Finance Department, made your report direct to the Auditor-General?—My answer to this question is, that, as a measure of economy, it was considered that as I had had charge of the audit and adjustment, at Ottawa, of all railway accounts since their assumption by the Dominion Government, and represented our own, as well the Railway Department, in the final audit of the accounts in the several offices on the spot, I should continue in charge of this branch of my former duties. Under a Minute of Council I am instructed to report upon the audit of expenditures with which, under the present Audit Act, the Auditor-General has alone authority to deal, to him direct, in regard to expenditures, and to transmit copies of all reports I may make to him to the Minister of Railways as well as to the Minister of Finance.

2711. Are you then, an officer of the Auditor-General's and at the same time an officer of the Finance Department?—As regards the audit of railway expenditures I am, I presume, *ex officio*, an officer of the Auditor-General's Department; but I also act for the Railway Department and for the Finance Department in auditing the traffic receipts as well as the expenditure.

2712. In view of the large amount of work implied by the details given in the report to the Auditor, to which you have referred, would it be advisable that an officer of the Finance Department or of the Auditor-General's Department should devote his whole time to the audit of the accounts of the Dominion railways that are now open for traffic?—I do not think it would be necessary; for the reason, that the heaviest portion of the work, namely, the examination of vouchers and of cheques and banking accounts, connected with the transactions of the railways, is done at Ottawa from week to week, the final testing of results, based upon the cash returns and upon monthly returns, being alone necessary during my ordinary visits of inspection to the head offices.

2713. Would not the arrangements indicated by my last question give you the opportunity for a more thorough inspection of the Assistant Receiver-General's offices and savings banks?—I think not; I should then have a good deal of time on my hands which I could not profitably employ.

2714. What check is there on the periodical settlement between the Intercolonial and other Railways?—The check is effected through the traffic auditor of the Intercolonial Railway, the payments being made through the Accountant's Office.

*By the Chairman :*

2715. Are some of the payments for account of the Intercolonial Railway made from Ottawa, besides those which are made at headquarters, at Moncton?—There have been in past years quite a number of payments made at Ottawa; but within the last year they have been chiefly limited to the cost of rails settled for through bankers in England.

*By Mr. Tilton :*

2716. Please state at what rate you are allowed to draw travelling expenses, and if the sum paid your officers is the same as that to yourself?—I am allowed \$3.50 per

day to cover living expenses, with actual moving expenses in every case. My assistant is allowed the same.

*By Mr. Brunel :*

2717. What is your opinion as to the sufficiency or otherwise of the salaries or other remunerations paid to the public servants who come under your survey?—Many of the officers complain, with justice, that they are not placed on the same footing as the Inside Service, and many of them, who, in my opinion, deserve promotion have not been successful. I do not know any that are paid too much. As a rule our outside officers are good men.

The Commission adjourned.

WEDNESDAY, 24th November, 1880.

Mr. T. D. Tins' examination continued:—

*By the Chairman :*

2718. Referring to the offices of the Assistant Receivers-General in the Maritime Provinces, there is, at St. John, N.B., besides the Assistant Receiver-General, an auditor. Will you state the reason for this additional officer, and whether there are any elsewhere; if so, how many, and what their duties are?—There is also an auditor at Halifax; but the duties discharged by these officers are also discharged by the assistant Receivers-General at Victoria and Winnipeg. I may add there is an officer, called an auditor, who is also head of the Government Savings Bank at Charlottetown, P.E.I. The duties of these auditors are to countersign cheques issued by agents of other Departments, to classify all expenditures of the Dominion in their respective Provinces, as well as to classify and make returns to the Finance Department of the revenues deposited to the credit of the Receiver-General, accompanied by triplicate deposit receipts and vouchers, upon which entries are based in the Dominion cash-book at Ottawa. The relations of the auditors towards the Finance Department, under the present Audit Act, have never been clearly defined. They now make returns to the Auditor-General direct as well as to the Finance Department, of which latter Department they are, under the law, officers. They also correspond direct with the Auditor-General in regard to the business of their offices. I have called attention to the present anomalous state of these offices, but, so far, without placing them upon a more satisfactory footing.

*By Mr. Brunel :*

2719. Is the existing staff of the Outside Service of the Finance Department, which is under your survey, as well suited for the efficient and economical performance of the duties for which they are appointed as could be wished?—Not altogether.

2720. Can you submit to the Commission a theoretical organization of the Outside Service of the Finance Department, which, in your opinion, would be adapted to the efficient and economical performance of the work, and which should be kept in view as opportunities occur for improving the Service?—I think that the duties assigned to the auditors in Nova Scotia and New Brunswick might be consolidated with those of the Assistant Receivers-General at those places, provided no injustice be done to the present incumbents.

*By the Chairman :*

2721. Can you furnish the Commission with any suggestions for the improvement of the present Superannuation Act and for some organization under which provisions can be made for the widows and orphans of deceased civil servants?—I think that the officers of the Civil Service should be provided for by Government on their retirement from the Service; and that they should not be obliged, as at present, to contribute to a superannuation fund. I further believe that the Service would be largely benefited and made more attractive to the employes generally if they were obliged to contribute to a widows' and orphans' fund managed by the Government.

## DEPARTMENT OF RAILWAYS AND CANALS.—(Continued.)

THURSDAY, 25th November, 1880.

Mr. COLLINGWOOD SCHREIBER, Chief Engineer, Pacific Railway, examined:—

*By the Chairman:* —

2722. Will you kindly state your position in the Service?—My position is that of Chief Engineer of Government Railways in operation, and of the Canadian Pacific Railway, under construction.

2723. Will you please to state the nature of your work and duties, and the scope of your authority?—My duties are to see that the roads are operated with economy, and the business conducted with despatch, and also to see that the roads and rolling stock are properly maintained, and to give general instructions to the superintendent; to keep the Minister fully informed as to all that is being done, and to receive instructions from him: this refers to the roads already in operation. In connection with the construction of the Canadian Pacific, I direct the engineering staff, and give general directions upon engineering matters. The Minister is responsible for the expenditure for operation. Our policy is to divert all the traffic we are able to the road, with a view of augmenting the receipts to the fullest extent.

2724. How are the officers, clerks and other employes under your authority appointed?—They are all appointed by the Minister, with the exception of the chief superintendents, who are appointed by Order in Council. The appointments made by the Minister are always made after consultation with me.

2725. Is there any examination when appointments are made, or any term of probation required before the appointments are permanently confirmed?—We ascertain what experience the men have had—whether they are likely to be suitable for the positions—and then the chief superintendent is written to, authorizing the appointment, and if he is aware of anything that makes these men unsuitable for the position it is his duty to inform me, and in such case the name of another person is sent him; that is, if he considers a man is unfit, he reports the fact, and his decisions prevail in all cases, I think.

2726. In what way is their fitness ascertained?—By enquiry as to their experience, etc.; and if, after entering the Service, they are found to be not competent, they are reduced in position, or removed.

2727. Are the engineers and others employed in the survey and construction of the Pacific Railway appointed in the same manner?—I do not think any new men have been appointed since I took office; some old hands have been put to new duties, and considerable reduction of staff has taken place.

2728. Can you state how many of the employes under your authority contribute to the Superannuation Fund?—Two in the General Office and six on the Intercolonial pay the superannuation tax.

2729. Have you given any consideration to the question of appointment and promotion in the service of the railways and the Service generally?—I have not given the question consideration in regard to the Service generally; but, in regard to railways, I am of opinion that faithful and competent officers should be promoted as opportunity offers.

2730. Would your opinion be in favor of promotion by merit rather than by seniority?—By merit, decidedly.

2731. Do you believe that the efficiency and economy of your Service would be promoted if the officers or others were subject to an examination which might fairly test their fitness for the duties which they have to perform?—I think not; the officers now in the employ of the railways are all perfectly competent to perform the duties required of them. Employes requiring technical knowledge are tested by probation.

*By Mr. Mungaye:*

2732. What are the chances of promotion to officers in the railway, such as agents, dispatchers and others. Is there any settled plan of promoting them to positions of greater trust and higher salary if found to be thoroughly efficient and trustworthy?—If a vacancy occurs in a higher grade these men are generally promoted to the better offices, and the men who come in from the outside generally go

first into the lower grades. There may, however, be instances where this has not been the case.

*By the Chairman:*

2733. Then the merit system prevails in your Service as regards promotions?—That is the rule.

*By Mr. Brunel:*

2734. Are the clerks, station agents, track masters, and other similar officers on the Intercolonial Railway, appointed at annual or monthly salaries?—At monthly salaries.

2735. Can you give the Commission any information as to the practice of any of the larger railways on this continent, other than those under your management, in relation to the making of first appointments to their service, and to the selection of employes for promotion?—So far as is known to me they promote according to merit. I am not aware of any system of examination prevailing among them.

2736. Have you given any special consideration to the question of how many years an engine driver or conductor can, as a rule, continue in that kind of service without materially impairing his physical or mental powers?—No; I could not tell that. We have one or two men who are old in the service, and yet capable of doing their duties. Some younger men have broken down.

*By Mr. White:*

2737. You have stated, in reply to a former question, that you are not in favor of examination to test the fitness of a candidate for appointment; how then would you ascertain the qualification of a person applying for employment?—In some instances he produces certificates from the managers of other roads; in other cases we demand certificates; and in many cases we have personal knowledge of the qualifications of the person applying for employment.

*By the Chairman:*

2738. Is your staff efficient, or have you in any of your services more men than are needed for the work to be done?—On the road now under traffic our staff is efficient, and not more than is required. On the roads under construction, as the road is completed, the staff is reduced from time to time.

2739. Have you any men who from age, ill-health or any cause are not well fitted to perform their duties?—We have one man who does no service at all, who has been in the Service many years; and there are others, conductors, who, in the course of a few years, will be incapacitated from age, but at present they are capable of doing their duty.

*By Mr. Mingay:*

2740. In case of loss of life or injury to person of employes on the railroad engaged in the exercise of their duty, is there any provision made by the Department for compensation to the widows and orphans in case of death, and is the salary continued to one permanently injured?—There is an insurance fund, to which each employe contributes monthly (the Government also agreed to contribute a certain sum), and out of this fund, in case of injury, the injured party receives a certain weekly allowance for five or six weeks. The salary is not continued to one permanently injured.

*By Mr. Tilton:*

2741. You have stated in your previous answer that the Government agreed to contribute towards the Accidental Fund of the Intercolonial Railway. Will you please inform the Commission if such contribution has been made, and to what extent?—The Government has contributed nothing; but the whole matter of accidental insurance is now under the consideration of the Minister.

*By Mr. Tacht:*

2742. What do you think of superannuation, provisions in case of accidents and provisions for widows and orphans as an adjunct to the organization of the Public Service?—I approve of a system of accident insurance, under which also provision can be made for widows and orphans to some extent. I have not given the question of superannuation much consideration.

*By Mr. Tilton :*

2743. Considering the hazardous character of the work of many persons in the railway service, are you not of opinion that the working of the road might fairly, and with advantage to the Service, contribute to or supplement an accidental fund?—To a reasonable extent, I do not think the Government would be a loser by doing so.

2744. Are there not a number of clerks in the service of the Intercolonial Railway whose employment may be considered as permanent, having been in their respective positions for some years, who do not pay superannuation deduction, and might fairly be charged with such?—The only persons who pay superannuation are those appointed by Order in Council at yearly salaries. Some of the officers, such as conductors, engine drivers and others, have made application to be placed on the list for superannuation.

The Commission adjourned at 6 p.m.

### AUDITOR-GENERAL'S DEPARTMENT.

MONDAY, 29th November, 1880.

Mr. J. L. McDougall, Auditor-General, examined:—

*By the Chairman :*

2745. Will you please to state your position in the Service?—I am the Auditor-General.

2746. Will you state the nature of your work and the duties which you have to perform?—The duties generally of the Auditor-General are defined by the Audit Act, 41st Vict., chap. 7. In England the person occupying a similar position to this is called the Controllor and Auditor-General. I mention this because I have to discharge duties that he also performs. As a Controllor I am obliged to see that the expenditure has been authorized by Parliament, either under a Statute fixing the expenditure, or under the Appropriation Act. And, as Auditor, I am, either before or after expenditure, to see that the expenditure has been properly authorized, and that it is supported by vouchers.

2747. Have you a knowledge of the Civil Service Act of 1868?—Yes; I have to refer to it constantly, to see that salaries awarded by Order in Council are not contrary in amount to that Act.

2748. How are first appointments made in your Department; is there any examination in accordance with the Act of 1868?—There is no examination; appointments are made by Order in Council. The Act of 1868, so far as examinations are concerned, is a dead letter.

2749. What is your opinion as to the effect on the Service generally of the prevailing method of making appointments to it?—I do not think it has had the effect of bringing into the Service the ablest of the class of men who would be willing to become public servants at the remuneration provided. At the same time there are very many able men in the Service who have been brought in under that system.

2750. Will you be good enough to state what, in your opinion, would be the best method of making appointments so as to bring into the Service the best class of men?—The system now adopted in England, as I understand it, would be the best system that I can think of.

2751. Do you mean competitive examination and the elimination of political patronage?—I do.

2752. Do you mean that these examinations should be perfectly open and not by nomination, and before whom such examinations should be held?—I mean that they should be perfectly open, without nomination, and that there should be a body, as independent as possible, of the executive to make the arrangements for the examination.

2753. Would Civil Service Commissioners, appointed in the same manner as the Judges are appointed, be, in your opinion, the best tribunal?—Yes.

2754. What would you consider the best age for candidates on first entering the Service?—Presuming that reference is made to the lowest grade of the Service, I would fix the minimum limit at 18 years.

*By Mr. Taché:*

2755. Are you of opinion that the competitive examination of which you have spoken should extend to all, or what grades?—I think it would perhaps unduly interfere with the efficiency of the Service if, so far as the Deputy Heads are concerned, the Government were prevented from bringing in any person who had not previously served under the Government; I would confine the examination to the grades under that position.

*By the Chairman:*

2756. Do you believe that if men entered the Service young, with the view of making it the business of their lives, that it would promote the efficiency and economy of the Service, and that in that way the Service would have within itself the right material from which to make promotions?—Yes; I do.

*By Mr. Barbeau:*

2757. It is your opinion, then, that the prizes of the Service should belong to those already in it?—It is, with the modification, I have already suggested as to Deputy-Heads.

2758. How are the employés of your office selected from time to time; have you had anything to say in their selection?—I have not by law anything to say; but as a matter of fact I am consulted with reference to those who are first appointed.

*By Mr. Brunel:*

2759. Are we to understand that you advocate a general competitive system of examination of all appointments and promotions except to the office of Deputy-Head?—I would like to see the competitive system prevail generally, but I would also like to have (while I am not clear about the method of accomplishing it) zeal and efficiency to count in promotions.

2760. What is your opinion as to the nature of an official record of the conduct and ability of the civil servants coupled with competitive examinations as a guide to making selections for promotions?—I would have a very favorable opinion of it if I could see that such a record was likely to be made accurate.

2761. Can you offer any suggestions as to how such a record could be fairly kept?—No; I have not been able to devise a plan that I think would be accurate, but would be willing to give an opinion on any plan that might be suggested. There are two points in the matter: one is to determine the length of time a clerk has served each day, and the second is to discover the intelligence and industry he has brought to bear on his work while there. Perhaps the first point could be established. Although it is quite a possible thing even with the time-book system for a clerk to enter his name at the proper office hour and to leave without giving any notice of the fact, and to return without the Deputy-Head having known anything about it, yet, if this is done repeatedly, an attentive Deputy-Head ought to know of the fact. With reference to the second point, I cannot see how these qualities as shown in different individuals are likely to be accurately noted down by the person in charge of the office.

*By Mr. Tilton:*

2762. Would not the clerks being placed in one large room under an officer responsible for their attendance largely overcome the difficulty referred to in your previous answer?—I have no doubt it would tend to the efficiency of the Service.

*By Mr. Brunel:*

2763. Do you think the higher officers of a Department could be relied upon for making an impartial confidential report as to the efficiency and conduct of their subordinates?—Yes; I think they could if it were quite clear that such a report would remain confidential. I may say that this opinion does not in any way reflect on the Deputy-Heads. The treatment of the clerks being dependent on the reports given to

the Deputy-Heads, it would soon, notwithstanding any care that would be shown by these officers, be known how the information was obtained.

2764. If the reports were confidential only to the extent that censure of a subordinate should only be communicated to the Deputy Head of the Department and the party censured, who should then have an opportunity of justifying himself, would such a regulation tend to remove the difficulty you foresee?—There would be this advantage, that the Deputy, in such Departments as were so large as to make it difficult for him to know what such person was doing, would have supplied to him the knowledge requisite to enable him to treat each person as he deserved.

*By Mr. White :*

2765. What, in your opinion, would be the effect upon education generally of throwing open to competition all the first appointments to the Civil Service?—I think it would have a very good effect indeed.

2766. Have you any experience in the employment of female clerks, and have you formed any opinion as to the desirability of employing them?—The Audit Office has, with the Finance Department, joint authority over the cancellation of Dominion notes; the work is being done entirely by ladies. The work is fairly done and, I think, could be done still better, but that the ladies are only employed alternate months. Female clerks could be very profitably employed if they occupied rooms by themselves on merely clerical work.

*By the Chairman :*

2767. Have you given much consideration to the question of promotion in the Service, and can you make any suggestion as to how promotions should be made?—My answer is based on the supposition that the examination system as to admission had been adopted, and in this view, the examination should be conducted in this way. The Departments would determine the subjects that should form the basis of examination for the different grades in the several departments and the prominence that should be given to each subject. The Commissioners would then determine through the examiners the relative merits of the candidates for the several grades; and, so far as the examination went, these candidates should receive promotion according to the merit shown in that examination.

*By Mr. Barbeau :*

2768. Do you think that young men having passed a course in our good commercial schools would be sufficiently fitted for the duties required of them; and that they would have, in time, a fair chance of being promoted?—Yes; I do. I presume that the examinations would not be based on the examinations in any other country, but that they would be confined to such subjects as would have the effect of permitting entrance into the Service of the best talent available in Canada. I might also add that I think the examination would necessarily be governed by the requirements of each department, and that each would have a different class of examination.

*By Mr. Brunel :*

2769. What is your opinion of high class educational attainments as an index to the general intelligence of a candidate, and to his capacity for acquiring knowledge?—Other things being equal, and having no other information to guide me, I would be inclined to select a young man of high attainments in preference to one of inferior knowledge for the discharge of duties of which neither of the two knew anything.

*By Mr. White :*

2770. Do you think it expedient that the senior clerks in each department should possess a competent knowledge of both the French and English languages?—Yes; I do.

*By Mr. Tilton :*

2771. Do you not think the staff employed in the Auditor-General's Department should be composed of persons possessed of a special aptitude for accounts and figures, and that their efficiency in this particular should be tested before being appointed, either by a competent tribunal, or by a probationary service?—Yes; I think that the examination should be made with a special view to test the capacity of candidates



for keeping accounts, as well as to determine whether they possessed the general knowledge which all Civil Servants should have.

*By Mr. Brunel:*

2772. Have you had any reason for believing that in order to satisfy political exigencies, places of emolument have sometimes been created that would not have been deemed necessary if it had been uncertain who would be appointed to fill them?—I have no doubt but that has prevailed to some extent, but not to a great extent.

2773. Will you be good enough to state your opinion as to whether, if Members of Parliament ceased to exercise the patronage as to appointments they have heretofore exercised, they would be likely to guard the public interest with greater jealousy, in so far as relates to the creation or continuance of unnecessary offices?—Yes; I think that they would more effectually guard the Service from the creation of all unnecessary positions, although, as I explained above, the evil is not, in my opinion, a very crying one.

2773a. Have you any reasons for supposing that undue pressure is sometimes brought to bear on Members of Parliament in order to induce them to promote appointments to the Civil Service of men who do not possess suitable qualifications, and that the appointment of such persons is sometimes made to the exclusion of others better qualified?—Yes; my experience has taught me that there is a very great pressure brought to bear on Members of Parliament to use their influence for inferior men, and comparatively little pressure to find positions for men of superior qualifications.

*By Mr. Taché:*

2774. Are you satisfied with the efficiency of your staff?—When the Audit Office was organized, in 1878, the greater part of the clerks were taken from the office of the Receiver-General, and the work they were engaged in in that office was not of a character to develop the kind of information which is required in the Audit Office, and that fact to some extent lessened the efficiency of the staff at the beginning. That defect has been to a great extent removed by superannuation.

*By the Chairman:*

2775. Provided candidates were required to pass a suitable examination before entrance and to serve for a probationary period before appointment, do you believe that the work of your Department could be more efficiently and economically done?—Yes; I think so.

*By Mr. White:*

2776. Do you think that an attendance of six hours and a half daily, with three weeks leave of absence for recreation annually is as much work as the public can fairly expect from civil servants at Ottawa?—Yes; I believe it is.

2777. What is your opinion as to the advisability of fixing by Statute the number of first class clerks in each Department and assigning specific duties to each?—Under any circumstances I would be in favor of fixing the number of first-class clerks for a Department unless the Department was of a growing character. As to the duties, I would be in favor of arranging specific duties to each first-class clerk under a system which would prevent any but men possessing the requisite qualifications from being admitted to the first class.

*By Mr. Tilton:*

2777a. What, in your opinion, would be the result to the Civil Service of fixing by Statute, for the several Departments, the number of clerks that should be borne on the permanent staff of each, providing by the same means for promotions within the Department, and supplementing such staff either permanently, or as occasion required it, by employing extra clerks or writers?—I am not in favor of the employment of extra clerks except for the doing of unusual work. I do not think that in a new country like Canada, where the requirements are constantly on the increase, that it would be advisable to limit by Statute the number of the clerks—presuming that my view as expressed in the first part of this answer should prevail.

2777b. Then, in your opinion, any theoretical organization of the Departments would be open to objection?—No; except so far as limiting the number of clerks

in classes below the first. I understand and believe that the employment of extra writers has been successful in England, but my short experience indicates that the employment of such in Canada would not be successful, owing to the different circumstances of the two countries, and to the location of the seat of Government in Canada.

2778. Do you think a system of giving fixed salaries to each class is to be preferred to that of giving annual increases?—I do not think fixed salaries are to be approved of, but do not think the annual increase is the best way of raising salaries.

*By the Chairman:*

2779. Have you given any consideration to the present classification and grading of the clerks in the Service?—I have only given it the consideration which the duties of my office caused me to give it.

2780. Can you furnish the Commission with any suggestions for reducing the number of grades and simplifying the classification by which the efficiency and economy of the Service would be promoted?—I think that a common classification for all the Departments would not suffice; one Department would require more classes than another. The disposition now seems to be to crowd the higher classes, and thus increase the cost of the Service. When a person has ceased to be legally eligible for the \$50 increase, pressure is brought to bear to have him promoted to the next higher class. When the Civil Service Act was passed it was evidently intended that so far as certain points went there should be no deviation from the law. From the fact that a specific vote in the Estimates gives the Government the power to disregard the law, the Civil Service Act has not the same good effect that it would otherwise have.

*By Mr. White:*

2781. Do you not think that if a better system of promotion were adopted and the prizes of the Service given within the Service, a good deal of the over-crowding in the higher classes might be avoided?—I think it would have the effect, to some extent, of checking the over-crowding mentioned.

*By Mr. Brunel:*

2782. Could the work of your Department be classified with reference to the comparative importance of each part?—There could be, I think, a general classification; there might be work to be assigned to a chief clerk and two other grades.

2783. If such a classification were made might not the salaries of the clerks be determined with reference to the class of work assigned to them?—If any of those three grades were to be adopted there should not be but one salary in each class, because a person coming into the offices who would necessarily be in the lowest grade would not give the same degree of usefulness to the office that he would subsequently, provided he devoted himself to the work. There might be a maximum and minimum.

2784. Do you think that if it were practicable to place the clerks of your Department in one large room under the immediate supervision of a senior officer the duties would be more efficiently performed and much waste of time by unauthorized absence and other causes avoided?—Grouping in one room all persons doing the same work, under one superior officer, would be valuable both as regards economy and efficiency.

2785. Are there any duties in your office of a character to be performed by men of a lower grade than the present permanent clerks?—

The Commission adjourned at 6 p.m.

Mr. McDougall's examination continued:—

TUESDAY, 30th Nov., 1880.

*By the Chairman:*

2786. Have you occasion at times to employ temporary clerks, and what is your opinion respecting the employment of temporary clerks in the Service generally?—

I do not frequently employ temporary clerks. The experience of my own office, with respect to which only I can speak, would not lead me to be in favor of the employment of temporary clerks.

*By Mr. White:*

2787. Are you of opinion that temporary service should be paid for by the day or by piece-work?—By piece-work when it is practicable.

*By Mr. Tilton:*

2788. Do you think the experience in your own Department with reference to the employment of extra clerks can fairly be considered as applicable to other Departments?—No, I do not think it can; I can understand that where there is much copying to be done, or other work of a purely routine character, that extra clerks, paid according to the work done, might be profitably employed for that work alone.

*By the Chairman:*

2789. Would your opinion be favorable to the payment of clerks for extra work performed after office hours in the office in which they are employed or in any other office of the Government?—I would be against the payment of Civil Service clerks for any extra work performed.

*By Mr. White:*

2790. Do you think that there are no cases in which an exception should be made to that rule?—I think not. I think that clerks employed in any office of the Government should not be permitted to receive pay for any extra work beyond office hours; that they should be expected to cheerfully perform work in their own offices after office hours when they are only called upon to do so occasionally. If the persons employed in an office are so few that frequent calls are made for extra work the staff should be increased where it is possible that such an increase would meet the difficulty; and where that is not possible, a permanent addition should be made to the salaries of the clerks. My observations have gone in the direction of showing that persons who are to receive pay for extra work are frequently prone to neglect their regular work during office hours.

*By Mr. Brunel:*

2791. It has frequently happened that the preparation of Returns ordered by Parliament have imposed a large amount of work on a Department of a description that can be done by the clerks who are familiar with the subject in less than half the time, and, therefore, at half the cost that would be required if persons unacquainted with it were employed. Does your objection to payment for extra time apply to cases of that kind?—Yes; even in that case I think that the clerks should be called on to do the work if they are physically capable of doing it; if the extra demand on their time is unusual they should not receive additional remuneration in any shape. If the demand is common, as I previously explained, a permanent addition should be made to their salaries.

*By the Chairman:*

2792. Your view, then, is that clerks in a Department should do the work, including such work as that alluded to, and for the pay accorded to them under the Service scale?—Yes; that is my view.

2793. Do you keep an attendance book, and is it regularly signed by all your officers and clerks, and is the discipline of your Department such as you can approve?—Yes; we do keep such a book; it is regularly signed by the officers, except by the Assistant Auditor; and the discipline is generally such as I can approve. There is a disposition on the part of some of the clerks to leave the building during office hours.

*By Mr. Tilton:*

2794. Are you aware whether the Order in Council fixing the keeping of an attendance book makes any exceptions with reference to it being signed?—As far as my recollection goes, it is only with reference to the Deputy Heads that any exception is made.

*By the Chairman:*

2795. Have you any men who from age, ill health or any other cause are not well fitted for the performance of their duty?—Yes; there are men who are unfit for the Service.

*By Mr. Taché:*

2796. Are you, notwithstanding, generally satisfied with your clerks?—Yes; with the present mode of selecting in view I do not consider I am exceptionally ill placed.

*By Mr. White:*

2797. What is your opinion as to the desirability of imposing fines for misconduct, and do you consider such fines can now be legally imposed?—I am not aware of there being any legal power to impose fines. I am not in favor of fines such as for neglect of duty. I would be in favor of suspension.

*By Mr. Barbeau:*

2798. Are there any books of account kept in your Department beyond the general appropriation ledger; if so, please state what they are?—There is the Dominion receipts book and letter of credit book. Each examiner keeps a book with an account of all expenditure made as advances through the Department, the accounts of which he audits.

2799. By those books do you consider you have a check on the revenues of the Government?—No; not an absolute check.

2800. Do you not think such a check would be important and indeed necessary, and could you suggest a means by which this could be obtained?—Under the Audit Act I am not given any control of the examination of the receipts, and I have, therefore, not given the same consideration to securing an accurate return of all moneys paid to agents of the Government that I have been called upon to give to the question of expenditure; but much, in my opinion, could be done by my being empowered to examine into the returns sent by the agents above named, for the purpose of seeing that the returns are regularly made at short intervals. I think this desirable.

2801. Please state if you take any cognizance of the issues by Government of Dominion notes and stamps; and, if so, what is it?—It is part of my duty, under the Audit Act, to see to the cancellation of Dominion notes, which I do; but I have no cognizance of the stamps.

2802. Are we to understand that certain accounts are audited after they are paid?—Yes.

2803. In this case, if you should decide that the vouchers sent in are insufficient what would be the remedy, with whom would be the responsibility, and is this allowed by law?—Yes; Section 30 of the Audit Act gives the power to the Finance Department and the Audit Office jointly to issue credits to the various Departments and to others authorized by them—credits to make expenditure. The regularity of the payment in the case of credits can evidently be only proved after the expenditure has been made. When any irregularity occurs, the Department or individual having a credit under which the expenditure is made, is notified of the fact, and such remedy as can be applied is called for, and a request made that the like irregularity should not occur in future. Should my request be disregarded, I should lay the facts before the Treasury Board; and in the absence of treatment of the question by that body, I should feel it my duty to note the facts in my next annual report to Parliament. My requests to the Departments have usually been regarded. Frequently, as it is natural, I have found it necessary—particularly at the inauguration of my duties—to explain to the Departments the reasonableness of my requests; but I have not had persistent obstacles thrown in the way of the full performance of my duties.

2804. Have you ever had to object to the insufficiency of vouchers for sums paid in the manner just stated; and if so, has it been for large amounts?—I have frequently objected to the insufficiency of vouchers, but the only cases that I can recall at the moment where objection has been raised to supplying me with vouchers were when the Departments or individuals wished to retain the vouchers for their own

purposes. The amounts were frequently large. There have been payments made which were not supported by the vouchers that I desired to have. When, however, the attention of the spending officer has been called to the fact, he has almost invariably been willing to supply vouchers for subsequent payments in the manner in which I desired to have them. I may say that I see nothing to lead me to fear that there will not be speedily in force such a system of audit under credit as will secure in all cases as absolute an evidence of correct expenditure as if the audit was made before payment.

*By Mr. Taché :*

2805. Did you meet with any case in which you had reason to suspect that there was something morally wrong with Departmental payments?—While there has been in some cases expenditure that appeared to me beyond what the necessity of the case called for, and beyond what the law permitted, I have not had hitherto any reason to suspect fraud.

*By Mr. Barbeau :*

2806. Have you had any opportunity of judging of the manner in which the books of account are kept in the various Departments?—I have not examined, at length, the account keeping of the various Departments.

*By Mr. Tilton :*

2807. Are credits issued to all the Departments for expenditures they are charged with making?—There are credits issued to all Departments that have expenditure to make beyond Civil Government expenditure, but these credits do not cover all the payments by all the Departments.

2808. Will you please to state the exceptional cases in which the credits do not cover all the payments made by Departments?—All bills of exchange are paid on direct application, because the Government has money at the Bank of Montreal in London, and all questions of exchange are thus avoided. Direct payments are made for the larger expenditures, to contractors, for the public works and railways, and direct payments are also made to the Paymaster of the Public Works Department.

2809. Do you not think a uniform system of payments by all the Departments might be adopted both with advantage to the Departments and the public?—I think that the credit system should prevail whenever disbursements are to be made by the person receiving the money; but I do not see that anything would be gained by causing the Department to pay from a credit the large sums that go directly to the public creditor.

The Commission adjourned at 6 p.m.

WEDNESDAY, 1st December, 1880.

MR. McDOUGALL'S evidence continued:—

*By Mr. Tilton :*

2810. Will you please state, for the information of the Commission, the nature of the duties of the provincial auditors, to what extent they control the expenditures of the agents of the different Departments in Nova Scotia, New Brunswick, P. E. I., and British Columbia, and to whom they report?—Their duties are to countersign all cheques issued by agents of the Departments against credits given to them; to see that the credits are not overdrawn, and that the payments are otherwise regular; to make up weekly statements of the amounts drawn against the credits and other expenditures made through the various banks of the places in which they are located, for transmission to the Audit Office at Ottawa, for the purpose of examination here and repayment at the banks. They report to me.

*By the Chairman :*

2811. Have you given your consideration to the question of superannuation or making provision for the widows and orphans of deceased civil servants?—As to superannuation I consider a system of that kind necessary. With reference to the

provision for widows and orphans, it might be advisable to insist upon officials making provision for their families by means of life insurance, but I do not think that the Government should be bound to make provision for the widows and orphans of deceased civil servants.

*By Mr. White:*

2812. What is your opinion as to the advisability of making provision in the Superannuation Act for giving the option to employes to retire on reaching a certain age, say 60 or 65 years?—I have not considered the matter fully, but would not be in favor of permitting an employe to demand superannuation.

2813. Do you think it would be in the interest of the Public Service to provide by law for the compulsory retirement of all civil servants on attaining the age of say 65?—I think that, although there would be some advantage arising from it, I would not be in favor of applying such a system.

2814. Do you consider it advisable to give to the Government power to make allowances, in addition to the ordinary superannuation allowance, in cases where special services have been performed?—I do not see that it would be advisable to grant as superannuation anything further than what is permitted by that part of the Superannuation Act which gives to the Government the power to add to the counting period of a person's years of service any number of years up to ten.

*By Mr. Mingay:*

2815. Do you think that an officer arrived at 65 years of age ought to be allowed to require that he may be placed on the superannuation list at such annual sum as he may be entitled to, and if the requisition is made, that the Government should be obliged to grant it?—I think not. My view of the ground of superannuation is not the guarding of the interest of the live servants, but the providing of the means of dispensing with persons who have ceased to be competent to discharge the duties awarded to them.

*By Mr. Tilton:*

2816. In view of the opinion you have expressed, do you not think the Government should relieve the Civil Service of the payment of superannuation deduction?—No; I do not. I consider that the Government is in no way bound to make any stipulation with a civil servant that Government should be guided in paying their employes by any rules other than those that guide master and servant in any other employment.

2817. Are you aware, whether in cases of the officers and employes of the Senate and House of Commons, superannuation deduction is made from their salaries?—Superannuation deduction is not made from their salaries.

2818. Are the benefits of the Superannuation Act available for the officers and employes named in my previous question?—They are.

2819. Can you inform the Commission why the salaries of the officers and employes of Parliament are not subjected to superannuation deduction, while the civil servants, both of the Inside and Outside Services pay it?—The Superannuation Act makes the superannuation drawback compulsory upon the officers of the Senate and House of Commons as well as upon those employed in the Departments. A committee of each House passed a resolution to the effect that the superannuation drawback should be charged to the contingencies of the House instead of to the salaries of the officers. It was on those resolutions that the salaries were relieved from the drawback. The sum thus paid is included in the Superannuation Fund, and charged to contingencies.

2820. Could the action of such committee be fairly considered as indicating public opinion on the question of such deduction?—I presume that that would be at least an exponent of the opinions of the members of the House.

2821. Are you aware of the financial results of the working of the Superannuation Act since its adoption in any of the Departments?—I have not made any calculations upon that subject.

## MARINE AND FISHERIES DEPARTMENT

Mr. Wm. SMITH, Deputy Minister of Marine and Fisheries, examined:—

*By the Chairman:*

2822. You are Deputy Minister of Marine and Fisheries; will you please to state how long you have been in the Service and hold your present position?—I have held my present position since 1867. At first there was no Deputy Minister, and I was appointed as Secretary of the Department for a very short time. I have been in the Public Service in Canada upwards of 38 years. I was previously in the Imperial Service of Customs in the United Kingdom, and have thus been 40 years in the Public Service altogether.

2823. Will you please to state generally, the present organization of your office and how its work is administered?—There is a branch for the management of the fisheries business, superintended by a Commissioner; there is a branch for the management of financial matters, superintended by the accountant; there is a branch of management for all matters connected with the registry and measurement of shipping, superintended by a first-class clerk; there is a branch for the correspondence and general business of the office, superintended by the chief clerk; there is a branch for the management of all engineering matters of the Department, superintended at present by an engineer. I have immediate supervision of all those branches. The Commissioner of Fisheries communicates directly with the Minister on the subject of the fisheries; but I have supervision of all financial matters of that branch as of the others.

2824. Are first appointments made in accordance with the Civil Service Act of 1868, or are its provisions as regards first appointments altogether disregarded?—The provisions of the Act have not been observed in the matter of first appointments, and examinations have not been held in accordance with the Act.

2825. Have you given your consideration to the question of making appointments and promotions in the Service?—Yes; I have considered that matter.

2826. Will you be good enough to state what, in your view, would be the best mode of making first appointments and promotions in the Service?—I think that it would be in the interests of the Public Service that appointments should be made in accordance with the plan in operation in the English Service, by competition and examination by a separate authority, independent of the Government. With reference to promotions, I think another plan than the present could be adopted which would be more economical and satisfactory to the employes. I think the defects of the present system are that persons get appointed through political influence without reference to their qualifications, and in some cases at higher salaries than are necessary for the nature of the work to be performed, and that when once appointed their advancement in the Service frequently depends upon political and personal influence, and in some cases to accidental circumstances; and I think that by the plan I would recommend all this might be avoided to a great extent. The plan I would recommend is to grade all the employes at Ottawa on one general list, fixing a specified number and a specified amount for each person's salary, and the number of each grade of employes, so that the amount to be voted every year would not increase as it has been doing for some years past; and when a vacancy would occur in the list every one below the vacancy on the list, if eligible, would get a step up if there was no report against him; and, with reference to those who might be reported against, they should remain stationary, those below them stepping over their heads. By this plan the expense of the Service would not increase, and every one in the Service would feel they were getting promotion whenever a vacancy occurred. Under the present system the increased cost of the Service has been very great under the annual increases, and owing to the fact that the employes have not always been appointed at the minimum salaries, many of them having come on at much higher salaries than the minimum. I do not consider it at all necessary that the employes entering one Department should be confined to that Department for life, but I think they would be much improved by being moved about from one Department to

another occasionally. Under this plan it would not be necessary that they should be removed from one Department to another on vacancies occurring, or it could be so arranged, if desired, that they could remain in their respective Departments at their former work although receiving a step of promotion on the general list. With reference to any increase of work in the Departments requiring additional assistance, that could be provided for by taking on extra men, called writers, at a stated rate of pay per week, something similar to the plan in operation in some of the larger Departments in England, where a considerable proportion of the ordinary routine work is done by that class of men at a very cheap rate, and might be selected from a list of persons who had passed a preliminary examination and were found to be good writers by the authority which should examine persons entering the Service permanently. I believe that the rate paid in England for this class of work in some of the Departments is 25 and 30 shillings per week. If this plan was adopted the permanent list of employes need never be increased. With reference to the Outside Service, a plan something similar to this might, I think, be advantageously adopted in a modified form, and is in operation, I think, in the Customs Department in England, where it has been found advantageous to promote officers and clerks from one port to another, instead of keeping them all their lives at one port, and bringing in fresh, untrained men over their heads, as is sometimes done in this country. If this plan could not be adopted, I think it would be advisable that the Act at present in force should be carried out, as has not been the case, and that no person should be admitted permanently to the Service, even if nominated by political influence, until he had passed a proper examination by some separate authority independent of the Government, and was duly certified by such authority; and that such authority should have the responsibility of certifying yearly to Parliament that the law had been carried out.

2827. Your view is that first entrance into the Civil Service should be by open competitive examination, and that Civil Service Commissioners should be permanently appointed to conduct these examinations, and that such a system would be an effectual remedy for the evils arising from the exercise of political patronage?—Yes, this is my view; on the understanding that the competition be confined to residents, for a given length of time, or natives of Canada.

2828. With reference to what you have said about the grading and classification of the Service, under the existing system prevailing in the Inside Service, there are eight different grades with eight different salaries attached to each; under your plan would you simplify and reduce the number; will you please to state what your classification would be, and how many grades with different salaries attached to each you would have in the Service generally?—I think the number of grades might be reduced and simplified.

2829. What would you consider the best age for candidates on first entrance into the Service?—From 18 to 22 years would, I think, be the proper age.

2830. In making promotions and increases of salary would it not be a good plan that it should be made a rule in the Service to require a certificate from the Deputy Head of the Department, or from the clerk's immediate superior, countersigned by the Head of the Department—that is, that the possession of the necessary qualification should entitle the clerk to promotion and increase of salary rather than the absence of disqualification?—Yes; I am quite of that opinion.

2831. Your view is that nomination should be by merit. How would you ascertain the merit of the clerk or officer?—By a report of his superior officers.

*By Mr. Taché :*

2832. Would you make a clever young man of brilliant intellect and education go over the head of an old, respectable and well-doing employé?—No; I would not do that; it is no part of my system.

*By Mr. Mingay :*

2833. How far would you recommend promotion and increase of pay to an officer who, in all his work for the future, is not required to do any higher class of work than



he is doing as a junior clerk?—I would give him promotion on the general list in rotation without reference to the nature of his duties.

2834. Then you recommend promotion and increase of pay for length of service only, and not for the value of his work?—Yes; if reported favorably on by his superior officers.

*By Mr. White:*

2835. Your view is, then, that seniority rather than character of work should regulate salary?—Yes; as I believe there is very little difference in the classes of work in the Service.

*By the Chairman:*

2836. Are appointments to what may be considered the prizes in the Service made from the outside world; if so, is it because the Service has not within itself the material from which to make promotions?—Some such appointments have been made. I think that all the higher appointments in the Service could be nearly all filled by people already in either the Inside or Outside Service, with exception of a few professional offices.

2837. What is the effect on those already in the Service when appointments from the outside world are so made?—It creates a feeling of discontent and discouragement.

*By Mr. Mingaye:*

2838. You state in a previous answer that under the English Civil Service, officers and clerks were removed from port to port from time to time; is the Commission to understand that all officers engaged in the collection of revenue in the English Service are subjected to such removals, and at what periods would you recommend the same classes of officers here to be removed in a similar manner?—In the case of promotions in the Outside Service, I think the men should be promoted from port to port as vacancies occur.

2839. Would you recommend that Inspectors and Collectors of Inland Revenue, Inspectors of Ports and Collectors and Surveyors of Customs, should also be removed in the manner before mentioned?—Yes; I think it would be a great advantage to the Service.

2840. Would not such a system tend to make a better class of officers by giving them a better chance of promotion from time to time, according to merit, besides enabling them to better understand their duties?—I think so.

*By the Chairman:*

2841. How is your staff of employes; is it an efficient one, or have you more men than are needed for the work?—It is an efficient one, comprised of all well conducted persons, and we have not enough men to do the work without employing a small amount of temporary service at a cheap rate.

2842. Have you any men who from age, ill health or any other cause, are not well fitted for the performance of their work?—One of our clerks has been in poor health for some time, and is not, therefore, as useful as a vigorous man would be.

2843. How are the salaries; do you apportionately pay for work?—I cannot say that the pay has been proportioned to the work, as all the clerks have had their annual increases under the Act, and the salaries have been increasing from year to year without reference to the work.

*By Mr. White:*

2844. Have you had any experience in the employment of female clerks?—We never employed any but one female clerk in the office, and she is now employed as an extra clerk and is our translator. She is a most excellent clerk.

2845. Do you not think that the senior clerks in your Department should be conversant with both the French and English languages?—It would be an advantage for them to do so, but I do not think it is indispensable as documents in French are always translated.

2846. I infer, from your reply to a previous question, that you are not in favor of the system of giving annual increases of salary; will you be good enough to explain why you prefer fixed salaries to salaries rising from a minimum to a maxi-

num in each class by annual increment?—I think it would be advisable that the amount of the cost of the Civil Service should not go on increasing as rapidly as it has done for the last few years, and that Parliament and the Government should know what the cost of the Civil Service is without its being liable to be increased every year. - Under the plan I recommend, well behaved and efficient clerks would rise on the list by every vacancy above them and would gradually get promoted from one class to another without requiring any influence to obtain such promotion beyond their own merits, and the cost of the Service would not be required to be increased from year to year.

2847. Would not the natural increase of the work in the several Departments render it impracticable to fix the amount to be expended in salaries except as now, from year to year?—I think not; the increase of work could easily be provided for by the employing extra assistants or writers at a small cost.

*By the Chairman :*

2848. Referring to what you said about the employment of temporary writers on weekly pay, as in England, do you not think that here there is this difficulty, that you have not the same supply to draw from?—I do not think so at all. There is a most abundant supply to draw from. I am constantly in receipt of letters asking for situations. I could get as many young men as the Service required at a dollar a day on first entrance.

2849. With reference to the apprehension which you have expressed as to the solicitations and influences which would be brought to bear by outsiders for promotion and increase of salary in the Service, would not the examination and appointment of this tribunal, approved by you in your previous answers, obviate the pressure from without?—Yes, it would completely obviate it, and when I was in England on public business, as a representative of the Government of Canada to the Government of England, on merchant shipping legislation, I had many conversations with Members of the Imperial Parliament on the subject of appointments to the Public Service; and all those with whom I conversed on the subject expressed themselves highly pleased with the change which had taken place from the old system of political appointments to the new system of competitive examinations, as it relieves them entirely from the constant pressure which was brought to bear on them by their constituents for situations in the Public Service, which was frequently very embarrassing. I believe the change would have the same effect in this country and would relieve Members and Ministers from the pressure constantly brought to bear on them for Government situations.

*By Mr. Tilton :*

2850. Was the expression of approval by the Members of Parliament referred to in your last answer with reference to the general change in system, or with reference to competitive examinations being adopted?—It had reference to the change from political nominations to competitive examinations. They were glad to get rid of the trouble occasioned to them by constant applications for Government situations.

*By Mr. Taché :*

2851. What is your opinion about permanent additions to the regular salaries of Deputy Heads for duties appertaining to the ordinary working of Departments?—I think it is unfair to give such additions in exceptional cases, and I do not think it is fair to pay some Deputy Heads much higher than others. In my own Department several important additions have been made to the duties of the office since the salaries were fixed; and in one case the duty of managing and superintending the measurement and registration of the shipping of the Dominion was transferred from the Customs to the Marine Department, because, as I believe, I was an expert in the business, and I obtained no addition to my salary, while, I believe, other Deputies received important additions to their salaries following an addition to their work.

2852. Does not the performance of the duties in connection with the "Registration of Shipping" require the exercise of knowledge purely technical in its character?—Yes; it requires a knowledge of marine law and experience in the business. I would not be able to direct others if I had not had experience myself.

*By Mr. M'ingaye :*

2853. You state that you have been in the Customs in England and in this country, and therefore must know the value of the work done by clerks and officers in the various ports here; are you of opinion that the work of Customs' clerks in any moderate sized port is less valuable than that of the clerks in the Inside Service of the several Departments?—I am of opinion that it is not of less value.

2854. Does not a clerk in the Customs who has to check invoices, determine the rate of duty to be paid, and, requiring the knowledge of the Customs' laws and regulations, render more valuable service than those doing more copying and book-keeping, and is not his work entitled to higher pay?—I think the work is more valuable, and therefore, if sufficient length of service existed, the work would be fairly entitled to higher pay than mere copying and routine work.

The Commission adjourned at 6 p. m.

THURSDAY, 11 A.M., 2nd December, 1880.

MR. W. SMITH'S EXAMINATION CONTINUED :—

*By the Chairman :*

2855. Do you keep an attendance book which all the officers and clerks in your Department are required to sign; and what is your opinion as to the utility of keeping such a book?—We keep an attendance book; it is signed by all the employes except one who has failed to observe the regulation; I think the keeping of the book most necessary.

2856. Are you satisfied with the state of discipline in your Department; and what are your powers for enforcing it?—Yes; I can only report to the Minister when present or suspend during his absence.

2857. What penalty do you impose for breaches of discipline; do you usually suspend or impose fines?—I never impose fines, but I have sometimes exercised the power to suspend. I have no power to impose fines, but am in favor of doing so.

2858. Do you keep in your Department any official record of the manner in which your officers and clerks discharge their duties?—No.

2859. Will you be good enough to state your opinion as to the expediency of keeping such a record for reference when considering the promotion of employes?—I think it would be a good thing for the Minister to have a confidential report.

2860. Can you offer any suggestions as to the manner of keeping such a record, by whom it should be kept, and who should have communication with it?—I think it should be a confidential report made by the Deputy Head to the Minister.

*By Mr. Taché :*

2861. Why confidential? should not any reproach merited by an employé be first made to him, and should he not be made aware of anything standing against him?—I have no strong opinion on the subject myself, but it was the practice in the Department of the Customs in which I served in England to make such a report annually; I think the practice was a useful one.

*By Mr. Brunel :*

2862. Can you state whether in the Imperial Customs Service it is usual to communicate to an employé who may be censured the nature of the complaint, so as to offer him an opportunity for defending himself?—If charged with any specific neglect of duty he would be at once communicated with in writing.

2863. I understand you have been in the Customs Service in Canada; can you state whether it has ever been the practice to make confidential reports as to the conduct of officers in that Service?—Not in the Canadian Service, but it was the custom in the Imperial Customs Service in the Colonies; I have not been in the Customs Service since Confederation.

*By Mr. M'ingaye :*

2864. If collectors of Customs in the Dominion were from time to time called upon by the Minister to give confidential reports on the staffs under them, would it

entail, necessarily, an injustice towards the several officers under such collectors?—I do not think it would entail any injustice.

2865. Did not the new Act for the Registration of Shipping initiate a different mode of registration to that under the Provincial Act previously in force, and thereby entail more responsible and heavier duties to all persons carrying out the provisions thereof?—There has been no material change in the Merchant Shipping Act since 1875, except in Ontario, and I do not think the change in the mode of registration has increased the work or responsibility.

2866. On the present Act coming into operation, did your Department appoint registrars of shipping and measuring surveyors at all the ports throughout the Dominion, or was there any limit to the size of the port chosen for registration purposes?—The registrars and surveyors of shipping were appointed at ports in the Dominion, from time to time, as the Minister of Marine considered them necessary; there was no rule laid down.

2867. Are you of opinion that the present mode of making registrars of shipping at small inland ports leads to their improperly carrying out the Act and the requirements of the Department, owing to their want of experience, in consequence of so few ships being registered there?—Yes; I think it objectionable to appoint registrars of shipping at small ports.

2868. Have not such small ports of registration caused great trouble and inconvenience to your Department by reason of the returns and papers sent by the registrar being improperly made out, and thus your statistics are to that extent not reliable?—Some of the returns from the small ports are occasionally incorrect, but care is taken to have them corrected, and I think the returns of shipping are reliable.

2869. Are you of the opinion that it would lead to the better carrying out the provisions of the Act and departmental instructions if the registration of ships were centralized in the larger ports?—I think it would be better not to have so many small ports of registry.

2870. Is it not a fact that in larger inland ports the collector, by being so appointed, has placed on him much extra labor, in keeping the books of registry, corresponding with persons at a distance and supplying the public, on demand, with information and abstracts of title, making out returns for your Department and the Registrar General of Shipping, England, most of which work had been entailed under the present Act?—Yes; it is a fact that much extra work is entailed upon the collector by being registrar of shipping.

2871. Is it not a fact that in a large port where many ships are registered, the work and responsibility increase with the number of ships, and do not registrars frequently have to receive for registration bills of sale, mortgages, judgments, proceedings given from courts of law and otherwise, many of which require a knowledge, not only of the Registration Act, but also of common and chancery law, to determine whether they are in proper shape to be registered?—Yes; the registry work increases with the number of ships, and this kind of business requires a thorough knowledge of the Registry Act; in a case when the registrar is in doubt he should apply to the Department for instruction, when instruction will be immediately furnished him.

2872. With all this extra work, has your Department provided registrars at large ports with extra clerks to assist them, or do you leave it to the Customs Department to deal with the matter, or what is the system adopted by your Department?—The Marine Department leaves it to the collector and the Customs Department to arrange for clerical assistance.

2873. In a book of instructions supplied to registrars of shipping by your Department, a registrar is first referred to the Imperial Merchant Shipping Act of 1854, and told to observe that he "may render himself liable to damages or otherwise for any loss accruing to any person by reason of any act done, or default made by him through his neglect or wilful act." Are registrars, therefore, so held liable by your Department?—Registrars are not held liable by the Marine Department, but the person suffering damage has his remedy at law against the registrar.

2874. What fees are payable by the public for inspection of the books of the office, and how much is payable for an abstract of title of any particular ship?—The fees are prescribed in the Act; 20 cents for an inspection and 24 cents for an abstract.

2875. If a certified copy of any entry in a registration book as to a particular ship can be furnished on payment of a fee of 24 cents, what fee is payable for a copy of a ship's register from beginning to end, containing say a copy of 25 entries?—24 cents.

2876. For whose benefit are these fees received by Registrars of Shipping?—The Government.

2877. Are registrars of shipping receiving any fees or salary proportionate to the extra work done by them, either through your Department or the Department they are originally appointed to?—The Marine Department pays no salary or remuneration to the registrars for the registration of shipping.

2878. Is there any reason why an officer having such extra responsibility and work placed on him should not be paid for the same?—I do not think it is extra work, as the duty has usually been performed by the collector; there are some extra returns now required from the inland ports which were not formerly required.

2879. Are the several inspectors of ports, under the Customs' Department, instructed by your Department to inspect the register books kept by registrars of shipping and their manner of carrying out the registration of ships and other matters relating thereto, and is it considered, with or without instructions, a part of their duty to do so?—They were not so instructed by our department.

2880. Are collectors of Customs required by the Steamboat Inspection Acts to see that the provisions are carried out as to the proper inspection of steamships, the certificate of the inspector being received within a proper time, and if called upon by the inspector of steamships, to detain any such ship?—It is part of his duty as collector to carry out certain provisions of the Steamboat Act.

2881. If a collector of Customs were to neglect or refuse to see that such requirements were properly carried out, and an accident were to happen to any steamboat by wreck or through explosion of the boiler or otherwise, and it were proved that he had neglected or refused to see that the requirements of the Act were carried out within the "reasonable time" mentioned in the 31st Victoria, Chapter 65, Sections 33 and 37, before allowing such steamer to run or granting her licence, would your Department hold such collector answerable for such loss of life?—I think the collector would be held responsible for any accident caused by his neglect.

2882. What, then, do you consider "a reasonable time" within the meaning of this Act?—A week or ten days, in my opinion, would be a reasonable time.

*By the Chairman:*

2883. Have you given the present Superannuation Act your consideration, and can you make any suggestion for its improvement or for making provision for the widows and orphans of deceased civil servants, and for which the present Act does not provide?—Yes; I have given the present Superannuation Act some consideration, and although the amount paid for pensions appears very much in excess of the deductions from salaries, still it has been the means of increasing the efficiency of the Service. I think it would be advisable to make some reasonable provision for the widows and orphans of the members of the Civil Service, and also of making some deduction from their salaries for this amount.

*By Mr. White:*

2884. What is your opinion as to the desirability of providing in the Superannuation Act for giving to employes the option to retire on reaching a certain age, say 60 or 65 years?—I think it would be a good thing to give them the option of retiring at 65.

2886. Would you be in favor of providing, by law, for the compulsory retirement of all civil servants on attaining the age of, say 65?—Yes.

2886. Do you think it would be well to give the Government power to add to the ordinary superannuation allowance in cases where special service has been performed?—No; as I think it might lead to favoritism.

*By Mr Brunel:*

2887. Can you have prepared for the Commission a statement showing how the operation of the Superannuation Act, as heretofore administered, has affected the cost to the public of carrying on the business of your Department?—I will have such a return prepared.

2888. I observe that in replies to previous questions you express the opinion that promotions in the Service should depend on the certificates or reports of superior officers, do you think political influence would be sufficiently eliminated by such a method?—I think it would tend greatly to eliminate it; but it might not succeed entirely.

2889. Would not a system of examination by an independent authority, coupled with a record of previous conduct, more completely accomplish that object?—I am not very clear whether it would be an improvement to have examinations for promotions after they have once entered the Service for technical duties, such as the Outside Service of the Inland Revenue.

2890. Will you be good enough to state your reasons for doubting the expediency of subjecting officers to examinations for promotion after they have once entered the Service?—I think, with ordinary intelligence and attention to duty, clerks will soon learn any business required of them in any of the Departments.

2891. With reference to the employment of extra writers and determining absolutely the number of permanent clerks employed, as suggested by you, do you consider that that would be the most judicious and most economical method of providing for transacting the increased business of a Department due to the increasing business of the country?—I do; for any additional work could be done by this cheap class of labor, with the Heads of the Departments to direct it.

2892. Do you then contemplate keeping such extra clerks employed only while their services are actually required?—I do.

2893. How would such extra clerks be employed when not required in the Department?—They would have to look for employment as is done elsewhere, or qualify themselves for entry into the Service.

2894. Are we to understand, then, that the extra clerks would be a sort of floating portion of our population seeking employment here and there in the same way as an ordinary day laborer?—I do not think they would be in a position of an ordinary day laborer, but would seek for employment in some other suitable business.

2895. Can you inform the Commission whether the practice you recommend as to the employment of extra service is followed by any of our banks or larger commercial institutions?—I have not obtained any statistics on this subject, but believe merchants employ extra labor of this kind when they need it.

2896. Would not the uncertainty of their employment have a tendency to deteriorate the moral habits of these extra writers?—No; I think it would improve them.

*By the Chairman:*

2897. The nature and scope of the enquiry which the Commission has been directed to make has been conveyed to you, and a new theoretical organization for each Department in the Civil Service is specifically mentioned. Can you, on giving this question your consideration, suggest one in your Department with the view of promoting its efficiency and economy, or make any other suggestion not elicited in the course of your examination?—

## SPECIAL EVIDENCE.

The Commission desiring to obtain as intimate a knowledge as possible of the opinions of the various branches of the Civil Service issued the following circular to the Deputy Heads of the various Departments:

CIVIL SERVICE COMMISSION,  
MONDAY, 22nd November, 1880.

To.....

SIR,—I am directed by the Civil Service Commission to inform you that it has been decided to afford the clerks of the various Departments an opportunity of presenting their views to the Commission concerning the Civil Service. With this object in view the Commission desires that the clerks in your Department, of the rank of 1st class and under, should select a representative to come before the Commission when summoned to do so.

The topics on which such representative clerk will be examined are as follows:—

- 1st. Classification of Clerks.
- 2nd. Increases of Salaries.
- 3rd. Promotion in the Service.
- 4th. Superannuation.
- 5th. Provision for Widows and Orphans.

This information is communicated to the clerks, through you as Deputy Head, in order that they may discuss among themselves the views they may desire to express concerning the topics above suggested.

You are respectfully requested to lay this note before your clerks immediately, and to communicate to the Commission as speedily as possible the name of the representative selected, who will receive a notice to appear before the Commission at an early day.

Respectfully yours,  
D. McINNES, *Chairman.*

In obedience to the request of the Commission, each Department selected a representative, and the following evidence was taken by the Commission:—

MR. RICHARD NETTLE, representative of the clerks of the Inland Revenue Department, examined:—

*By the Chairman:*

2898. You have been elected at a meeting of the clerks in the Inland Revenue Department, of the rank of 1st class and under, to represent them before this Commission?—I have been so elected; and will read memorandum for the Commission.

INLAND REVENUE DEPARTMENT,  
1st December, 1880.

In pursuance with the instructions contained in the "Circular" of the Civil Service Commission of the 22nd ultimo, and submitted to the clerks of the Department through Lieut.-Colonel Brunel, Commissioner, the undersigned has the honor to report:—

That at the several meetings of the clerks of the Department (of the grade mentioned in the said Circular), the various subjects to which they had been requested to give their attention have been duly considered, with the view to meet the requirements of the Commission, with the following results:—

1ST CLAUSE—CLASSIFICATION OF CLERKS.

*Probationary Clerks.*

It is suggested that before entering the Civil Service the probationary clerk should be subjected to a tolerably rigid examination.

That after a period of two years' satisfactory service he should be promoted to the grade of a third class clerk, and his salary should in no case be less than four hundred dollars per annum.

*Clerks.*

It is the opinion of the clerks of the Department that the present classification meets the requirements of the Service, with the following exception:—

They would respectfully suggest that the *invidious* distinction of a *junior second class clerk* should be abolished, and that there should be only first, second and third class clerks.

## 2ND CLAUSE—INCREASES OF SALARIES.

*3rd Class.*

Commencing with the third class clerks, it is considered that the minimum salary should not be less than five hundred dollars and the maximum eight hundred dollars per annum, with an annual increase of sixty dollars. This would give a period of five years before the grade of a second class clerk would be reached.

*2nd Class.*

The Department is of opinion that the minimum salary of a second class clerk should be nine hundred dollars and the maximum fourteen hundred dollars per annum, with the annual increase of fifty dollars until he shall have attained the maximum amount.

*1st Class.*

It is conceived that the minimum salary of a first class clerk should be fourteen hundred dollars and the maximum eighteen hundred dollars per annum, with an annual increase of one hundred dollars until he shall have attained the maximum.

In the theoretical organization of the Civil Service, a certain number of first-class clerks are assigned to each department. To obviate the difficulty of an overplus, it is suggested that when a vacancy occurs in that grade, or that the exigencies of the Service requires an increase, the senior clerk of the second class be recommended to fill the vacancy; always provided that he be competent to fulfil the duties of the office. If he be not competent, then the next in seniority, who may be found capable, should be appointed.

It is respectfully but earnestly suggested to the consideration of the Commission, that when moneys for the benefit of the Civil Service employes (either individually or collectively) have been voted by the Parliament of the country, the same should be distributed with the least possible delay.

## 3RD CLAUSE—PROMOTION IN THE SERVICE.

The two guiding features for promotion in the Civil Service should be efficiency and seniority—that is to say, in the event of a vacancy occurring in the Departments, the position should be filled by the next in seniority, provided that the incumbent be competent to fill the duties of the same.

Should any other course be pursued, it must tend to weaken the efficiency of the Service and damp that hope which is the guiding star of every well disposed employe in the Service. Reference is here made particularly to those offices where routine is of necessity the daily duty of the official.

So soon as an employee shall have attained the maximum of his class, it is conceived reasonable that he should be promoted to the next grade. If the exigencies of the Service render it inconvenient, it is suggested that he should receive a bonus in consideration thereof, good behaviour being understood in all cases.

## 4TH CLAUSE—SUPERANNUATION.

The present scheme of superannuation has proved to be generally acceptable. The attention of the Commission is, however, respectfully requested to what appears to require some amelioration. It will be seen that in the event of the death



of an employé (in harness) the amount he may have paid into the fund is entirely lost to his widow or heirs.

The employés rest assured that due consideration will be given this matter, and that some benefit may be derived therefrom by the widow or heirs of the deceased.

—5TH CLAUSE.—PROVISION FOR WIDOWS AND ORPHANS.

The greatest unanimity was expressed on this subject. The employés feel it to be a sacred duty to provide for the widow and orphan, and of protecting from want those who are near and dear to them, and would cheerfully pay two per cent. for the creation of a fund for that purpose.

Voluminous matter has been prepared by gentlemen of the Civil Service in relation to Pension Funds, Insurance, &c., and the attention of the Civil Service Commission is respectfully called to the "Quebec Act" (here appended), the provisions of which appear to be very satisfactory, and which would be cordially accepted by the employés as the basis for a fund.

All of which is respectfully submitted.

RICHARD NETTLE,

*Representing the Inland Revenue Department.*

To the Chairman and Members of the  
Civil Service Commission.

*By Mr. Brunel:*

2899. Referring to the paragraph in your memorandum in relation to promotion being made with reference to the competency of the individual, as well as to his seniority, are you instructed to state how the clerks you represent wish the question of competency to be decided?—I have no instructions on the subject.

2900. In another part of your memorandum you suggest that when a clerk has attained the maximum salary of his class, he should, as a matter of course, be promoted to the next class, or, if not promoted, that he should receive the salary that would pertain thereto; are you aware whether your constituents have, in making this suggestion, considered that, by such a course, clerks would, in some cases, ultimately receive salaries in excess of the value of the work?—I do not think they took that into consideration.

Mr. H. CASGRAIN, representative of the clerks of the Department of Agriculture and Statistics, examined:—

*By the Chairman:*

2901. You have been elected at a meeting of the clerks of the Department of Agriculture, of the rank of first class and under, to represent them before this Commission?—Yes; I was so elected, and will now proceed to read the following

MEMORANDUM.

1. *The Classification.*

On the whole, it appears that the present classification meets the views of the majority. In respect to the second class, a proposal was made that the distinction between senior and junior be done away with.

Your Committee, after full and careful consideration of the subject, believe that the preponderance of opinion is in favor of maintaining the classification substantially as it is, as affording, when carried out fairly and equitably, a sufficient stimulus to the deserving, and a proper check on those who might be disposed to rest satisfied with merely escaping censure.

The feeling respecting the ratio of salaries appears to be that the salary on first appointment to the third class should be higher than at present, it being suggested

that, after satisfactory examination, as the Act provides, and having passed the probationary stage, the lowest salary of the third class should be not less than five hundred dollars with a larger annual increase for that class than the statutory fifty dollars.

The clerks felt great difficulty in dealing with this matter, not being clear that it is a question which comes properly within the scope of the reference. They, however, report the fact of such recommendation, and, also, that a proposed scale of salaries to the other classes has been made. This or any other scale they do not think it either wise or judicious to recommend to you for adoption, the question of a revision and increase of salaries to the whole Civil Service, which is its practical meaning, being specially attributed to the Administration and Legislature.

### 2. *Increases of Salaries.*

With the exception already noted of a proposal to increase the annual increment to the third class, the present system is apparently satisfactory. A proposal was made that the increase should go on as a matter of right, independent of the conduct or efficiency of the clerk. But we find that it is not the opinion of the majority, or even of a considerable number, among us; whilst there may be cases of hardship in consequence of the rule "that no clerk shall have an absolute right to the annual increase of salary authorized by the Act," it is submitted, that the rules being for the efficient conduct of the Service, and not merely for the benefit of the individual clerk, there must necessarily be such provisions as to interpose checks on the perfunctory discharge of duty by the members of the Service.

The decision in all such cases being made on the responsibility of the Minister of the Crown at the head of the Department, it is difficult to see how that responsibility can be done away with without lessening the control over the conduct of the clerks in the discharge of their duties, it being open now to every one believing himself aggrieved to bring forward his claim to the increase.

Attention is directed to the anomaly that exists in respect to the difference between the maximum of the senior second class and the minimum of the first class, by which a clerk considered worthy of promotion to a rank entailing higher duties, can receive no increase to his salary for four years if he shall have, previous to his promotion, reached the maximum of the second class. This anomaly does not exist with regard to the other classes.

### 3. *Promotion in the Service.*

There appears to be complete unanimity in the opinion that promotion should be based on merit and seniority combined, but that where there is superior merit it should have the determining weight in the consideration of promotion, and that seniority alone, without efficiency of service, should not entitle to promotion.

### 4. *Superannuation.*

So far as the expressed opinions indicate, the present system of superannuation is satisfactory, with the exception of the monthly abatement from the salaries. It is felt as a hardship that the contributions thus taken are of no personal benefit to a large proportion, since they die whilst discharging their duties, nor to their families, who receive no share of the accumulated sum yearly taken from the income of the husband and father. It is believed that an enquiry into the working of the Superannuation Act would show that the advantage to the country, by the power to superannuate clerks who become inefficient from old age or infirmity, is fully commensurate to the cost of superannuation. It is, therefore, urged that a fair claim exists for the abolition of the system of abatements made to provide a Superannuation Fund, the present mode of showing the result of the system being partial and misleading, the greater part of the elements to be considered being left unnoticed.

### 5. *Provision for Widows and Orphans.*

There is a unanimous opinion that there should be a provision made for the widows and orphans of deceased clerks in the shape of annuities. For the purposes

of providing a fund for this object, the general willingness has been expressed to submit to a deduction from the salaries of at least an equal amount to that now made should the abatement for superannuation be given up, or for the adoption of such equitable scheme as might be settled upon, the pension, should the provision assume that form, to be for the life of the widow, or until her marriage, and in event of her death or loss of pension, to the minor children up till such age as might be agreed on.

Mr. W. D. LESUEUR, representative of the clerks of the Post Office Department, examined:—

*By the Chairman:*

2902. You have been elected a representative by the clerks in the Post Office Department of the rank of 1st class and under, to present their views before this Commission?—Yes; I have been so elected.

2903. With reference to the present classification which comprises eight different grades, is it the view of your constituents that it should remain as it is, or that the classification should be simplified or the number of grades reduced?—It is the prevailing opinion among the employés of the Department that the grades should be simplified and reduced in number. There seems to be a general opinion that probationary clerks should be paid a per diem allowance, and that a period of six months' probation would be sufficient; that there should be three regular classes of permanent employés, first, second and third; that the third class clerks should begin at a salary of \$500.

The prevalent opinion among the employés of the Post Office Department is that the scale of salaries provided in the Civil Service Bill, submitted to Parliament in the year 1875, by the then Minister of Finance, might reasonably be adopted; inasmuch as the Service below the rank of Deputy Heads, has never received the general increase of salaries, which, at that time, was thought expedient.

According to this scheme, the salaries of third class clerks would range from \$500 to \$750 per annum; of junior second class clerks from \$800 to \$1,100; of senior second class clerks from \$1,200 to \$1,700; and of first class clerks from \$1,600 to \$2,000.

If it were decided to make but one second class, it is thought that the maximum of the third class might then be advanced to \$900; the second class to begin at \$1,000.

2904. With reference to the statutory increase of salaries, what views have you been asked to give in relation thereto?—It is the opinion that the statutory increase should not be withheld except for cause assigned. The Department is quite content with the amount of the increase and with the system under which an increase is granted.

2905. With reference to promotion in the Service, will you have the goodness to state the prevailing opinion in regard to it?—There is an opinion that promotions from class to class should be a contingency on increase of efficiency, as certified to by the head of the branch in which the clerk serves. Further, it is thought desirable that each Department should be divided into branches according to the natural differences of the work to be done, and that promotions to vacancies occurring in a branch should be filled from another branch, except when to do so would involve going down two classes. In such case, a clerk one class below in another branch should be considered eligible for promotion to the vacant appointment. This arrangement, it is held, would give every capable clerk in the Department a certain deferred or contingent interest in vacancies occurring in other branches than his own. Upon this head it is also suggested that the work in each Department should, as far as possible, be graded according to its degree of difficulty and responsibility, and should be assigned to the clerks in the order of their seniority; the object being to avoid the practical injustice that sometimes results when, superior work having been placed unnecessarily in the hands of a junior clerk, it is found impossible to bestow it afterwards upon a senior clerk equally competent, so that the promotion to which it naturally

leads is eventually given to the junior. There is a decided feeling in the Department that the higher or staff appointments should be assigned, whenever possible, to men already in the Service. The absence of a rule to this effect has in the past had a very discouraging effect upon the employées generally, but particularly upon the more capable amongst them.

*By Mr. Brunel :*

2906. Are you instructed as to the relation of importance that should be given to seniority and merit in making promotions. If so, please state what you are directed to say on that point?—I am authorized to give it as the opinion of the Department that due respect should be paid in all ordinary cases to the principle of seniority, but that all possible encouragement should at the same time be given to merit, and that the interests of the Service should not be made to suffer for the simple purpose of promoting men in the strict order of seniority. On this head, also, there was manifested at the meeting of the employées a strong desire that men who held that their claims had, inadvertently or otherwise, been overlooked, should have some means of obtaining a judicial and impartial decision on their several cases. Nothing very practical was suggested, but the idea was concurred in by all. It is believed that the chances in the Service of some men have been injured by lack of opportunity and by want of such training as they might have expected to receive from the Heads of their several branches; and it is thought very desirable that the teaching of clerks their duty, and as great a variety of duty as may be consistent with the convenience of the Department, should be a recognized part of the duty of superior officers.

*By the Chairman :*

2907. What views have you been asked to convey in reference to the question of superannuation?—I find that the great majority of the employées view the present system with favor, but are of opinion that if it were worked more exclusively in the interests of the Service it might be made to yield better results. There is a prevailing opinion that the fund is unduly burdened, and it is thought that if unnecessary charges could be avoided it might be found possible to provide for the voluntary retirement of employées after a certain term of years, say thirty. The idea is that after thirty years' service an employé might be able to claim superannuation. It is the opinion of the employées that retirement might perhaps with advantage be made compulsory at the age of sixty-five.

2908 & 2909. Has any plan under which the widows and orphans of deceased civil servants shall be provided for been considered; if so please give the prevailing views in relation to it?—No decided plan has been considered or adopted, but I found that the employées in general were willing to submit to a considerably increased abatement from their salaries if this could be made the means of providing a fund for the benefit of widows and orphans. It may be only fair to add that a certain number of unmarried men were opposed to this scheme.

The Commission adjourned at 6 p.m.

FRIDAY, 3rd December, 1880.

MR. W. H. JONES, representative of the clerks of the Department of the Secretary of State, examined:—

*By the Chairman :*

2910. Will you please to state your position in the Department of the Secretary of State; how long you have been in the Service, and hold your present position?—My present position is that of a first class clerk. Have been 41 years in the Public Service; and have been in my present position since Confederation.

2911. You have been elected at a meeting of the clerks in your Department of the rank of first class and under to represent their views before the Commission?—Unanimously.

2912. What are their views with reference to the classification of clerks, and the number of grades in the Service?—It is the opinion of the clerks of the Department of Secretary of State that the question should be left to the Government.

2913. What is the opinion of your Department as to the increase of salaries?—It is the opinion of the clerks that promotion in the Service should go on from the lower to the higher class immediately on reaching the maximum of the lower, and no outsider to be appointed to fill a vacancy, but promotion to take place. With regard to increase it is the opinion that they should legally have taken place when Parliament first voted the amount in 1872-3 for that purpose. The Ministers and Deputies salaries were then increased, but not those of the clerks.

2914. And what are their views as regards promotion?—Promotion in the Service should go on from the lower to the higher class immediately on reaching the maximum of the lower, with the usual statutory annual increase, and no outsider to be appointed to fill a vacancy, but promotion to take place.

2915. Please state what the suggestions are in reference to superannuation?—It is the opinion of the clerks that, after serving thirty years they should be allowed to claim superannuation as a right, and that superannuation should not be permissive.

2916. Have you plans to offer for making provisions for the widows and orphans of deceased civil servants?—It is the opinion of some that the superannuation deduction should be taken to form a fund for the widows and orphans, and that the Government be asked to superannuate from the revenue of the Dominion; others think that the Government should not be asked to do this.

2917. Are there any other suggestions which you have been requested to convey on any of the five points in which their views have been asked?—1st. It is thought that clerks from the senior second class, in going into the first class, should receive \$1,500 per annua to begin with, as the maximum of the senior second is \$1,400.

2. Again clerks are not allowed pay for extra work performed by them, in the Department to which they individually belong, but they can be and are paid for extra services in a Department to which they do not belong. It is the wish of the clerks of our Department that this should be rectified.

3d. It is also the opinion that the clerks of our Department should have Saturday afternoons during the Session as well as during the rest of the year.

Mr. E. C. BARBER, representative of the clerks of the Auditor-General's Department, examined:—

*By the Chairman:*

2918. What is your position in the Department of the Auditor General; please state how long you have been in the Service and held your present position?—I have been 25 years in the Public Service. I am a first class clerk; and have been in that position since January 1st, 1865.

2919. You have been elected at a meeting of your fellow clerks of the rank of first class and under to represent their views before the Commission on the topics submitted for their consideration?—I have.

2920. The first topic is the classification of clerks—please to state the view in reference to it?—It is the opinion of the clerks that there should be for our Department three classes, viz., chief, first and second, the latter divided into two grades, junior and senior. The salaries, thought to be fitted for such a classification are as follows:—Junior, 2nd, \$700 to \$1,000; Senior, 2nd, \$1,100 to \$1,400; 1st class, \$1,500 to \$1,800; Chief, \$2,000 to \$2,800. Six years' service in each class is required to obtain a maximum by annual increases of \$50.

2921. The second topic has reference to the increases of salaries—please state the prevailing opinion in reference to it?—We entertain the opinion that the annual increases should be absolute. The Deputy Head, however, to have power to withhold the increase for cause, the cause to be communicated to the clerk in writing and also reported to the Government.

2922. With reference to promotions in the Service, what are their views?—We believe that merit alone is to be the guide; such merit to be established by an open and fair examination. If an employé is passed over, who is senior to the one appointed, the cause of such passing over to be reported to the Government in writing.

2923. As to the question of superannuation, please to state the views you have been instructed to convey in reference thereto?—It is the opinion that no employé should be allowed the benefit of superannuation unless he has given at least ten years' service, except from physical disability, not the result of ill-health previous to his entering the Service. No employé should have the benefit of the Act unless he has paid at least his yearly contributions, or a sum proportionate thereto be deducted from his yearly allowance. The reason we have come to this conclusion is, that cases are known of men who have been superannuated, or are likely to be superannuated, who have never paid anything to the fund. This arises from the fact that these gentlemen have been over 35 years in the Service, and are therefore exempt by the Act.

2924. Has there been any plan devised by you and your fellow clerks for making provision for the widows and orphans of deceased civil servants?—It was considered that provision should be made for the widows and orphans of deceased civil servants.

*By Mr Tilton:*

2925. Can you state whether the employes in the Auditor-General's Office would consent to a further abatement from their salaries if provision were made by the Government for the wives and children of deceased civil servants in the form of limited annuities?—I am authorized to say that the clerks would give unqualified assent to any reasonable increase in the deduction from salaries, in order to provide a fund for the relief of widows and orphans.

*By the Chairman:*

2926. The views which you have so far expressed have reference exclusively to the Auditor-General's Department; have you been directed to make any suggestion on the topics named with reference to the Service generally, and if so please state them in their order?—Yes; I have been directed to draw the attention of the Commission to some points. As to classification, in addition to the classification laid down for our own office, it is thought there should be a class called probationary clerks, who would practically occupy a position equivalent to third class clerks. Those men should, it is considered, be paid a per diem allowance, and not under any circumstances should a man be continued longer as a probationary than one year, after which he should be dispensed with or permanently appointed.

2927. If you have received directions from your fellow clerks to convey any further suggestions to the Commission on the topics named, will you please do so?—It is thought that no man should be admitted to the Service until he has passed a satisfactory examination as to qualification. That relates to the probationers as well as the others. Political influence should be reduced to a minimum, and clerks should be appointed simply on account of fitness. Political influence is calculated to demoralize the Service by the appointment of unsuitable men and by irregular and unjust promotions, which naturally result in creating discouragement and apathy. If the Service is to be what it should be, a credit to the country, mere politicians must not be allowed to swamp the good men of the Service; a rigid examination before entrance should be insisted on and the prizes of the Service should be open to the Service alone and not given as political rewards. A reciprocity of interest should be established between the Government as representing the people, and the Service. All the arrangements that are presumably in the interests of the Service should not depend upon the *ipse dixit* of any one. One mood should govern. If the Service shall do certain things then let it be said that the Service shall have certain rewards. The bringing in of men of all ages over the heads of men long in the Service, under the convenient plea of special qualifications, is unjust and works great injury.

*By Mr. Brunel:*

2928. Are you instructed to express any opinion as to who should be admitted to the qualifying examinations to which you have referred?—It is understood that

the examination should be open and fair, and that all persons nominated should be examined. I have no special instructions on this point.

*By Mr. Titon:*

2929. When you refer to "a rigid examination" do you speak of such in the sense of a pass or qualifying examination, or one of a competitive character?—I am instructed to say that the clerks are opposed to competitive examination previous to appointment.

*By Mr. Brunel:*

2930. Are we then to understand that while you are instructed to oppose competitive examinations, your constituents have not considered how candidates are to be nominated for qualifying examinations?—No instructions have been given me on this point.

Mr. GEO. M. SHERWOOD, representative of the clerks of the Adjutant-General's Department, examined:—

*By the Chairman:*

2931. What is your position in the office of the Adjutant General. Please state how long you have held that position and been in the Service?—I am a senior second class clerk; have been a year as such, and have been nearly sixteen years in the Service.

2932. You have been elected at a meeting of the clerks of the rank of first class or under, to state their views on the topics submitted for their consideration before this Commission?—I have been so elected.

2933. First as to the classification of the clerks, will you please to state the views which you have been directed to convey?—The clerks of our office are of opinion that the senior second class might be abolished and that the grades be first, second and third; that the minimum of the third be \$500 to \$850; of the second, \$900 to \$1,400; and the first, \$1,400 to \$1,800. When a clerk is promoted at present in the lower grades he receives an increase of salary with the exception of the case of promotion from senior second to first class. The maximum of the former (or second class) is greater than the minimum of the former. They, therefore, suggest that it should be amended so that a clerk promoted to the first class grade will not have to wait four years for an increase of salary, after having had the same salary for several years in the previous rank of senior second class.

2934. Please to state their views as to increases of salary?—According to the present system a clerk entering the Service say at \$400, and getting his annual increase and promotions without delay, it takes him 28 years to reach the maximum of the first class. It is therefore suggested that the periods of service in the lower grades be shortened, or that the annual increase of \$50 be increased to \$100, which would be likely to induce more zeal in the Service.

2935. The next topic is that of promotion in the Service; please state your views upon it?—The present Act reads that a clerk is eligible for promotion, and he frequently remains eligible until there is a vacancy, notwithstanding that he has been frequently recommended for promotion by the Adjutant-General, the excuse being usually that there are too many clerks of the grade into which promotion is desired. It is the opinion that if a clerk is worthy of his pay he should be promoted and not be compelled to wait for "dead men's shoes;" a clerk of the second class having as much chance of life as the one recommended for promotion. It is also considered that promotion should be by seniority, if a clerk is efficient and capable of performing the work, and, if not, the promotion should be given to the next in efficiency and capacity.

2936. What are your views in regard to the present Superannuation Act?—It is thought that the present Superannuation Act does not work beneficially to the clerks, as in many instances employés have died in harness and all that they have contributed to the fund has been lost.

2937. Have you matured any plan for making provision for the widows and orphans of deceased Civil Servants?—The clerks suggest that the contributions to the superannuation fund be increased out of the salaries, if the Government will grant an annuity to widows and orphans. The clerks are willing to consent to any arrangement the Government may make with this object in view.

Mr. THOS. J. WATTERS, representative of the clerks of the Customs' Department, examined:—

*By the Chairman :*

2938. What is your position in the Department of Customs? Please to state how long you have held it and been in the Service?—I am now a first class clerk; have been so for five months, and have been in the Service for 11 years.

2939. You have been elected at a meeting of the clerks in your Department, of the rank of first class and under, to represent them before this Commission on the topics upon which their views have been asked?—I have.

Mr. WATTERS read the following memorandum:—

MEMORANDUM presented to the Civil Service Commission as embodying the views of the clerks of the Customs Department upon the subjects submitted for their consideration, in a circular from the Commission, bearing date 22nd November, 1880.

#### CLASSIFICATION OF CLERKS AND INCREASES OF SALARIES.

In this connection we would beg to submit that the probationary class at \$300 should be abolished; that it is and has been virtually a misnomer, inasmuch as in few, if any, cases has a man been refused appointment because of the unsatisfactory results of his first year's service or probation. Besides, the salary attached to it is such that not one man in a large number who is fitted to enter and be of value in the Service will come here and submit to the hardships which such a salary, attached to such a position, necessarily involves—with the chance of improving his position to such a very small extent as it would be were he given the third class at \$400. Then we consider the examination, which nominally determines a man's fitness or otherwise to enter the Service, would be better either done away with or made compulsory. At present it seems to have become a dead letter, and for some time few, if any, members of the Service have been called upon to pass it.

We are of opinion that there should be four classes, to be called, respectively, chief, first, second and third classes.

The third class should begin with a salary not less than \$500 per annum, and should increase by a yearly addition of \$100, until it reaches \$900. Our argument in favor of thus raising the scale of small salaries is that the existing rates do not attract the best material to the Service, and are in fact opposed to its improvement and usefulness.

The second class should begin not lower than \$1,000, increasing by yearly additions of \$75 until it reaches \$1,300.

The first class should begin with a salary of \$1,600, and increase by an annual addition of \$50 until \$2,000 is reached.

A further or chief class, for men holding positions of unusual responsibility and of an executive character, should be remunerated accordingly; it is considered that a fair scale would be, beginning at \$2,200 and increasing at the rate of \$100 per annum until say \$2,800 is reached.

With this scale, and taking the time to be served before one could, with everything favorable, attain the highest position, the senior clerk would necessarily be a man of mature years. For instance, supposing he entered at 25 years of age, he would be 50 before the highest point could possibly be reached. We would suggest, however, to meet the objection to having too many men in the higher classes, that



the following rules be enacted:—That men in the lowest grade should advance to the head of the next higher class, without interruption or hindrance, excepting misconduct. Advancement to the first class to be made only when vacancies occur, and the number of this class and of chief clerks, to which each Department is entitled, should be determined by some theoretical organization, which would seem to come within the province of your Commission.

#### PROMOTIONS IN THE SERVICE.

Under this sub-head it is strongly urged that, when vacancies occur, the position so vacated should be filled by the promotion of the man next in rank to the former incumbent. We would take this opportunity to recommend that a *limit as to age* be fixed, beyond which no man can enter the Service. It is felt that 30 years is the maximum age at which a new appointment should be made, and that such appointee should enter at the lowest salary, thus doing away with the hardship which has obtained, under the present Bill, of the bringing in of entirely new men, and placing them at once in positions which we feel should be the fair reward of the older servants' faithful work. We believe your Commission will acknowledge that, the greater the inducement offered, the more strenuous will be the efforts made to deserve it; but when a man has served faithfully and well, for perhaps 20 years, and is thoroughly competent to take the highest position in his branch, it seems to admit of no argument that it is unfair and disheartening to have that position filled by one new to the Service, and who must be taught his work by the man whose superior officer he becomes. Under the present Bill a man, well up in years, can be brought in and given a high position, which perhaps fairly should fall to one already in the Service; and at times the justification has been that "Mr. —, is a man of long experience," "he has been an old business man, etc." Were the limit as to age at time of appointment fixed by Statute it would preclude such injustice, and remove even such cases as those above mentioned, for a man of 30 cannot have had such lifelong experience as would entitle him to appointment over the heads of men his seniors both in years and service.

#### SUPERANNUATION.

It is the unanimous feeling that much improvement could be made in the present arrangement. We do not complain of the percentage which we are required to pay, nor yet of the retiring allowance; but we are glad to bring before you the very incomplete and withal arbitrary provisions which now exist. It seems to us to be an anomaly which calls for redress, that we are obliged to pay each year a portion of our salaries—a certain expenditure,—for a very uncertain return. You will have observed that the Superannuation Act only gives a return for money paid to credit of the fund, in ordinary cases, where a man shall have reached the age of 60 years, if he is then superannuated. Should he die before reaching that age his representatives get nothing for what he may have paid, either in the shape of a gratuity or other provision. We are given no option as to the payment of this money, and if you take the case of a man who has contributed towards this fund for perhaps 20 years, dying at the end of that time, and consider that his payments to this fund, if applied towards a premium of insurance, would have insured a policy of at least \$2,000, and remember that under the present Bill his representatives get nothing; it will strike any impartial judge that the matter calls for decided alteration. Another point to be dealt with is the present uncertainty as to the time when a man shall be superannuated. The Bill, which is written in the potential mood, says "it may be done when he reaches the age of 60 years"; but in effect that provision applies to some, and not to others. We think it would be a great advantage, in every way, if a time limit were here inserted, making the age at which a man shall be superannuated 65 years, and leaving no option in the matter. It would then be an accepted condition on his entering the Service, and we think there are few positions in which a man of 65 cannot be well replaced by one younger. We believe, however, that at any age,

between 60 and 65, a man who has contributed towards the fund for 15 years, and asks for superannuation, should be entitled to it. The last point connected with this subject, to which we would refer, is the fact that the burden borne by men now in the Service is not an equitable one, for the reason that their contributions go towards the support of those who, having been superannuated during the past nine years, have contributed in some cases nothing, and in others but a small moiety of what fairly should be given to entitle them to the allowance they are at present receiving; and as this injustice, if not remedied now, will continue to militate against us for perhaps the next 20 years, we now suggest it for your consideration.

#### PROVISION FOR WIDOWS AND ORPHANS.

This, the final topic for our consideration, is one to which we consider too much attention cannot be given. With the great majority of civil servants it is necessary to provide for their families out of the incomes they receive, generally by way of life assurance. Under existing conditions a man who marries shortly after entering the Service at a small salary, is not for many years able to carry a policy of sufficient amount to provide for those dependent upon him. The Government still further lessens his ability in this respect by taking from him year by year, what would perhaps double the amount of his policy, applying the money towards his possible superannuation. We are of opinion that nine-tenths of the Service would gladly see the superannuation *percentage* doubled, or still further *increased*, if thereby the Government could be induced to make some provision for those they leave behind at the time of their death; and we strongly recommend some such system—if not the same—as that now in force in the Province of Quebec. We think that the result ten years hence would prove that, with the percentage fairly increased, the Government would be called upon to supplement the receipts by perhaps less than is now required for ordinary superannuation, while the benefit to the widows and orphans of deceased servants would be incalculable. We could then feel that a certain return would be received for our expenditure, and as it is the practice to so provide for those named in many countries where the science of government and the internal economy of the nation has been carefully studied for many years, we feel that valuable precedents can be found for the adoption of some equitable system for relieving those who are dependent upon us, when their natural protectors are no longer with them.

#### SUMMARY OF OUR VIEWS.

No. 1. That the examination before entering the Service having proved of little if any value, be done away with.

No. 2. That the probationary class be abolished.

No. 3. That the classes be divided into four, as follows:

3rd Class, beginning at \$500, increasing \$100 per an., and ending at \$900.					
2nd Class, do \$1,000, do \$75 do do \$1,300.					
1st Class, do \$1,600, do \$50 do do \$2,000.					
A Chief Class, do \$2,200, do \$100 do do \$2,800.					

No. 4. That promotion be given by seniority.

No. 5. That all new appointments be made to the lowest salary of the lowest class, and that the age of men entering the Service to be limited to 30 years.

No. 6. That superannuation be made compulsory at the age of 65 years; retaining the present provisions to meet the cases of persons disabled from any cause before reaching that age; and that a man between the age of 60 and 65, having paid towards the fund for 15 years, may ask for and obtain superannuation. Also that present and prospective superannuated employes, who have not paid towards the fund for 30 years, should be assessed *pro rata* until such term of payment shall have been fulfilled.

No. 7. That provision be made for widows and orphans by way of annuity or pension, increasing the percentage now payable, to meet the large expenditures which would be entailed.

2940. Are there any other views on the topics named which you have been directed to convey to the Commission beyond what is stated in your memorandum; if so, please to state them?—I may add to what has been said before on the subject of increase of salary, that the increasing of the lowest grade by \$100 per annum and the next higher by \$75 would attract to the Service men who would prove more valuable than those who would enter looking for the smaller increase, which is given those classes under the present Bill; that the difficulties of one entering the Service are, as a rule, not so great as when he has attained the higher grade, and that the increase given in the earlier stages of his service would be more valuable to him and perhaps secure a valuable man who would not enter under existing arrangements. We also think that the present rates, while they may fill the lower ranks of the Service, do not secure the best available material, and are in fact placing a premium upon the ultimate appointment of outside persons to the higher positions as they become vacant.

Mr. MOORE A. HIGGINS, representative of the Finance Department, examined:—

*By the Chairman:*

2941. Will you please state your position in the Finance Department, how long you have been in the Service and hold your present position?—I have been 43 years in the Service; have been in the Finance Department since 1866. My present position is that of a first-class clerk and I have held it since 1858.

2942. You have been elected at a meeting of the clerks in your Department to represent their views before this Commission on the topics on which their views are asked?—I have; and, in order to facilitate proceedings, a memorandum has been prepared which I will read.

#### MEMORANDUM.

REPORT of the Committee appointed at a meeting of the clerks under the grade of chief clerk, held in response to a circular received from the Civil Service Commissioners.

Before expressing the conclusions at which your Committee have arrived respecting the views to be presented to the Civil Service Commission, through the representative to be elected, upon the topics submitted for consideration, they would desire to call attention to the following extracts from the admirable work of Arthur Helps, entitled "Thoughts upon Government." He says: "Amongst the foremost of the aids that may be obtained for good government may surely be placed the attraction of able men to the Government Service. The more potent the machinery the more intelligent must the man be to guide it. Government is not exempt from this general rule; and, as its affairs are more important than those of any private individual, it mostly requires men of special ability to conduct these affairs." \* \* "Finally, when, by any process of selection, you are fortunate enough to have got good men to serve you, you must take care to keep them satisfied. It must be remembered that the work of the permanent civil servants of the Crown is necessarily of an obscure character. It is not rewarded in the manner in which other service is often rewarded in the outer world, namely, by increasing fame and reputation. The merits of the most eminent of the prominent civil servants are known to very few persons; which makes their positions especially dependent upon the discriminating kindness of their chiefs."

#### CLASSIFICATION.

Your Committee are of opinion that this meeting is expected to express views only respecting the Finance Department and the classes of clerks to which the

circular is directed; they would therefore recommend that the view be expressed that this Department should be divided into as many branches as may be found necessary and convenient; each branch to be presided over by a chief clerk, who shall be responsible to the Deputy Head for the maintenance of discipline and the proper management of all such matters as shall be entrusted to him. The other clerks in this Department should consist only of first and second class clerks, and should be divided amongst the branches in such proportion as may be necessary.

The salary of a second class junior clerk might fairly run from \$800 to \$1,100, a second class senior from \$1,200 to \$1,600, and a first class clerk from \$1,600 to \$2,000; messengers might also range from \$300 to \$600, and provision should be made for the appointment of a chief messenger at a salary of \$700, extra work periodically occurring and special cases recommended by the Deputy Head should also be paid for at the rate of 50c. per hour. The present rate of increase of \$50 per annum is considered satisfactory.

#### PROMOTIONS.

The following clause, taken from the Report of the English Civil Service Commission, appears to embody the views of the Committee on this point:—

“It appears that in each public Department the clerks are divided into classes, with reference to the importance of the duties they have to perform. In the same class each clerk proceeds from the minimum to the maximum salary by length of service; but in all promotions from an inferior to a higher class it is required that the selection shall be made only from superior fitness for such higher class. The principle of promoting from class to class, in consequence of merit alone, without regard to seniority has been enforced on the Heads of the Departments by the highest authorities, and may be considered the established rule of the Civil Service.”

Your Committee would further recommend that each chief clerk should be required to make a confidential annual report to the Deputy Head of the Department previous to the preparation of the Estimates in each year respecting the efficiency and general conduct of each clerk, and that in accordance with these reports the salary of each clerk should be advanced, retarded or reduced, it being the opinion of the Committee that, to ensure the proper and economic carrying on of the Public Service, these increases of salary should be regarded as rewards for diligent and careful performance of duty, and should not be given as a matter of course in all cases. On the other hand, where the nature and amount of the work performed appear to authorize it, an amount greater than the statutory increase might fairly be allowed, if so recommended by the chief clerk and Deputy Head. In fact each clerk should be made to feel that his future was entirely in his own hands, and that, while by diligent and faithful service he might rapidly rise in salary and position, by neglect or indifferent performance of duty he would forfeit all claims to promotion and even become liable to dismissal if such promotion was not obtained within a reasonable time. Vacancies should invariably be filled by members of the office. Filling the higher positions with outsiders creates and fosters a feeling of discontent amongst the servants of the Government, tends to relaxation of effort, and has a demoralizing effect which is injurious to the careful and economic management of the business of the country.

#### SUPERANNUATION.

##### *Provision for Widows and Orphans.*

Your Committee are of opinion that these two should be combined. The present system of superannuation is satisfactory so far as it goes, but many members feel it to be a grievance that they should be compelled to subscribe to a fund, the chances of enjoying the benefits of which are as seven to one, and that, after contributing to it for the whole term of their service, they should never reap the slightest advantage from it. All would, however, be quite satisfied to pay even an increased amount, provided they could see that their widows and children were to derive some

benefit from their self-denial. Your Committee would, therefore, suggest that, in addition to the present system of superannuation, a scheme should be prepared, having this object in view, and presented for consideration.

First, the Province of Quebec scheme. Under this, on the death of an employé, a sum equivalent to one-half of the amount of the pension to which he would have been entitled had he then been superannuated, shall be given to his widow for life, and be continued after her decease until the youngest child is of the age of 18 years.

Such a provision as this does not meet every case, and is beneficial principally in the cases of men dying who would be entitled to a large superannuation allowance, and who leave a widow with a family of young children, a circumstance of rare occurrence. It would be of little use to men who had grown grey in the Service, and whose widows would probably be of nearly equal age, and of no benefit whatever to a widower dying and leaving, possibly, a family of daughters over the age of 18, totally unprovided for. It would also be of slight advantage in the cases of employés in the enjoyment of moderate salaries and of average terms of service. A man entering at the age of 20 and dying at 30, while in receipt of a salary of \$1,200 would have been entitled to a pension of \$240, and his widow and young family would receive an annuity of \$120, a totally inadequate provision, and if he died before he became entitled to a superannuation allowance, they would get nothing at all.

The second scheme is that now in operation in the Bank of Montreal. By this every man contributes, according to the age of himself and his wife, for an annuity of \$200 to be given to his widow for life, and after her death to be continued until the youngest child is of the age of 21 years. A man aged 30, for instance, with a wife of the age of 25, pays the sum of \$35 per annum, and may contribute for a double, treble or quadruple amount of annuity.

The drawback here appears to be, that a man might contribute for a great number of years, and yet if he survived his wife, or left no children under age, no benefit whatever would accrue to him.

The third scheme, which has one advantage over the other two, inasmuch as the money is available, not only for a man's widow and children, but for mother and sisters, or any other near relative dependent upon him during his lifetime, is that of life insurance. By a system prepared by Professor Cherriman, the cost of life insurance would decrease from 20 to 25 per cent. below current rates, and the Government might be found willing to follow the system now in operation in the London and Westminster Bank, whereby an employé is obliged to deposit a policy of insurance on his life for £200, and on his death the bank provides, by way of further remuneration, another sum of £200, so that, irrespective of the time he has been serving, his widow receives the sum of £400. If this scheme were adopted it would be advisable to double the amount, which, at 7 per cent., would yield an income of \$280, or an annuity might be purchased of a larger amount.

There is, however, no doubt that there would be grave difficulties in adapting a system of this kind to the service as it now stands. Many men are old, others out of health, and it might be found impossible for them to insure their lives except at rates that would be ruinous.

Your Committee are therefore of opinion that the scheme to be adopted should embrace the best points of all the above, and should be made suitable to the present condition of the Service. They would, therefore, recommend that something like the following should be adopted:

During the first five years 5 per cent. should be deducted from all salaries, during the next five years 4 per cent. should be deducted, and after that 3 per cent. should be deducted. That the system of superannuation should go on as at present, but if a man should die during the first ten years of service at a salary less than \$1,200, his widow and children should receive an annuity of not less than \$200. If his salary should be over \$1,200 they should receive an annuity of not less than \$300. Should he die after ten and under twenty years service, the amounts should be increased to \$300 and \$400; if his period of service were over twenty years and under thirty

years, the amounts should be increased to \$400 and \$500; always provided that these annuities should never be less than 50 per cent. of the amount the employé would have been entitled to receive as superannuation allowance had he been pensioned at the date of his death, or of the pension he was actually receiving should his death occur after he was placed on the retired list; and such annuity might be increased to the full amount of such allowance should the particular circumstances of the case commend themselves to the Government.

It is quite apparent that, unless some further provision were made, the same objections would apply to the above scheme as to that now in operation in the Province of Quebec, namely, that an employe who had spent a life time in the Service would probably leave no children under the age of 18 years, and that therefore they would enjoy the annuity only so long as the mother survived, and that if the father died a widower they would not enjoy it at all. It is, therefore, further recommended that while the benefits of the scheme might properly cease in the cases of boys arriving at the age of 18 years, it ought to be continued to the daughters without regard to age, so long as they remain unmarried; and it is with this view that the Committee have recommended the deduction of so large a percentage from the salaries of the employes.

2943. With reference to the three first topics, viz: Classification of Clerks; Increases of Salaries; Promotions—the views expressed in the memorandum which you have handed in have reference to your own Department only. Have you been directed to express their views on this topic, namely, as regards the Service generally?—I have not.

MR. ROBERT SINCLAIR, representative of the clerks of the Indian Branch of the Department of Interior, examined:—

*By the Chairman:*

2944. Will you please to state your position in the Indian Department, how long you have been in the Service and hold your present position?—I am accountant of the Indian Department; have been 21½ years in the Service and 7 years in my present position.

2945. You have been elected at a meeting of the clerks in your Department of the rank of 1st class and under, to convey their views on the topics submitted for your consideration before this Commission?—I have.

2946. First, as respects the classification of clerks, will you please state what their views are?—The clerks of the Indian Department have nothing to urge against the present classification of clerks in the Service, so far as the Indian Department is concerned.

2947. The second topic is that of increase of salaries. What are your views in regard to it?—The opinion is that after two years' probationary service the salaries of the clerks should be increased from \$400 to \$600, the minimum salary being fixed at \$400, and the annual increase of \$50 being given as at present. It is also the opinion that a first-class clerk should receive an annual increase of \$75 per annum, and that any of the increases should be withheld on account of bad conduct on the part of the clerk. It is likewise considered that on promotion from class to class the increase of salary should be \$100.

2948. Then as regards promotion, will you please state your views in regard thereto?—It is considered that if a probationary clerk's conduct has been satisfactory during his two years of probation, he should then pass into the third class in which he should serve five years, then becoming eligible for the junior second class. After five years of service he would then pass into the senior second, and so after a further period into the first class. But in no class should a clerk be promoted without the certificate of the Deputy Head of his Department that he is worthy of promotion; and if from any cause promotion is withheld then the clerk should be officially notified of the fact.

The clerks of the Indian Department would like to see that bar to promotion which is at present presented by the overlapping of the senior second and first class, removed: They think that the maximum salary of one class should not be greater than the minimum salary of the class next above it: They think also that when vacancies occur in the higher classes, an effort should be made to fill such vacancies from the ranks beneath, in the same Department, failing which a successor should be sought in some other Department of the Service, and that, unless it should be found impossible to procure a person with the necessary qualifications for the vacant position in the Service, an appointment should not be made from without.

They also desire to add, that while a proper attention to duty should secure for a clerk his annual increase of salary, that both assiduity and *increased efficiency* should be taken into account when considering the question of his promotion.

2949. What are your views on the question of superannuation?—It is believed that the present rate of deduction is all that they could desire, as are also the rates at which retiring allowances are paid. The clerks desire however to say that they would like to see a change in the term of service which should render an officer liable to superannuation as a matter of right. It is thought that 30 years service should entitle an officer to claim superannuation, provided always that he has attained the age of 60 years. And also that when an officer has attained the age of 65 superannuation should follow as a matter of course. It is also thought that in the event of an officer dying before he has partaken of the benefits of superannuation, some equitable arrangement should be made for paying some portion of the sum which he had contributed to the fund to his family.

2950. Have you devised any scheme for making provision for the widows and orphans of deceased civil servants?—No, we have not; but we have expressed a very general desire to submit to any further reasonable deduction to accomplish that end; and we would like, if such a scheme should ever come into force, that any individual clerk should have the privilege of paying a higher rate at his own option in order to secure an increased amount of annuity. There would be no objection with this object in view to a further abatement from salaries of 2 per cent.

2951. Have you been directed to convey any further suggestions on the five topics upon which your views are solicited beyond what you have already stated, and as respects the Service generally?—No; not further than I have already stated.

The Commission adjourned at 6 p. m.

SATURDAY, 4th Dec., 1880.

Mr. H. FISSIAULT, of the Department of Railways and Canals, examined:—

*By the Chairman:—*

2952. What is your position in your Department; how long have you held it; and how long have you been in the Service?—My position is that of a first class clerk, and am called Law Clerk; I have been in the Service in that position since June, 1860.

2953. Have you been deputed to represent the clerks of your office before this Commission?—Yes.

2954. Will you be good enough to state the views of the clerks of your Department on the subjects mentioned in the circular?—I will do so by reading the following memorandum:

#### MEMORANDUM OF THE CLERKS OF THE DEPARTMENT OF RAILWAYS AND CANALS IN REFERENCE TO:

##### 1. Classification of Clerks.

I have been requested to state that it is their opinion and desire:—

1st. That a theoretical list or *tabular statement* should be made indicating the several branches of the Department, the class or rank of officers and clerks required

on the *permanent staff* in each branch, the duties and responsibilities of each official, and the maximum salary attached to each situation.

This statement, or list, should be remodeled from time to time, as the exigencies of the Service might require.

2nd. That in order to secure the services of efficient and competent men, all candidates for admission in any branch (except the chief of any branch wherein such chief must necessarily be a person possessing special *professional* or scientific qualifications,) besides the examination they may be subjected to under the law, should first be employed *on probation* for a period not exceeding (3) three months, during which time they might receive a salary at the rate of \$1.50 per day.

That if any such candidate be found incompetent or otherwise disqualified, he should cease to be employed at any time during this first period of his probation.

That if he be found competent and qualified in all respects to form part of the Service at a future time, and if his services are required for a longer period, he may then be allowed, under Order in Council, to *continue his probation* for a further period of (12) twelve months, but that he should then be paid \$2 per day.

3rd. That if a *vacancy* happens in any branch which he is found duly qualified to join, *during his probation*, he should, under an Order in Council, enter first in the lower grade of such branch, provided room is left by the *promotion in rotation* of other clerks in that branch.

That if *no vacancy* occurs in that interval he may be further *continued on probation*, under an Order in Council, for another period of (12) twelve months, on same terms.

4th. The very low salary of \$400 to \$650 per annum (as fixed by the Canada Civil Service Act, 1868,) attached to the services of third class clerks, leads to the assumption that the Act must have contemplated the services of such persons as have rather, if I may so call it, manual labor to perform than duties that require some learning. In this Department (if we except the messengers) no such labor is required from any of the clerks. All copies and similar works are done generally by extra clerks, who, in addition, are oftentimes required to make extracts, prepare statements, &c., and other works requiring capacities that cannot be expected from third class clerks, as contemplated by the present law. No third class clerks, therefore, as assumed to be contemplated by the Act, being required in this Department, there should be only three distinct classes of clerks, viz: The first, second (without sub-divisions) and the third class, and that the salaries should be as follows:

Class.	Minimum Salary for 1st year.	With a yearly increase of:	Until he reaches the maximum of:
3rd class.....	\$750	\$50	\$1,000
2nd ".....	1,100	75	1,400
1st ".....	1,500	100	2,000
Messengers.....	400	40	600
Chief Messengers.....	.....	.....	650

5th. That no appointment should be made of a person merely on the ground of *special attainments* when such a qualification is not indispensable for the performance of the duties assigned to the situation to which such person is proposed to be appointed; nor unless, if such qualification be necessary, such person has previously been submitted to a special examination, and the establishment of such an office has been previously sanctioned by Parliament.

6th. That no clerk should be required to do any *extra work* after the established office hours or during any statutory holiday, without an extra allowance being granted



him for such extra work; nor should any clerk be required to do any extra work over and above his ordinary and defined duties, if such extra work should interfere with the fulfilment of such ordinary and defined duties.

7th. A branch that might be styled "*General Service Branch*" should be established, having a chief, a first or principal assistant and some permanent clerks; the chief of this branch should supervise the temporary or probationary clerks, and see that all sessional or periodical works, extra works, copies, &c., &c., be done in a systematical and proper manner, and without interference with the regular service of any other branch.

8th. In the law clerk's office, an assistant and clerks should be *permanently* attached to the Service.

9th. Some persons, whose salaries are paid out of appropriations for works under the control of this Department, although they are constantly employed at the seat of Government at Ottawa, are deprived of the benefit of the annual increase of salaries, and of the benefits of the superannuation, for this reason: that they are not on the permanent list of clerks, although their duties are somewhat similar to those of the clerks attached to the inside staff. They should be placed on the same footing as the clerks in the inside staff of the Department.

In reference to:

### 2nd. *Increases of Salaries.*

I am desired to state that:—

1st. Clerks should be entitled to the annual increases up to the maximum of their class as a matter of right and not of favor, and should not be deprived thereof, except for good and valuable reasons which should be made known to the interested party.

2nd. In order to obviate any misinterpretation as to certain clauses in the Civil Service Act respecting increases, it should be distinctly stated therein that clerks promoted to any class at a salary above the minimum of that class shall receive the annual increase after one year's service, from and after the first day of the quarter next succeeding the date of the Order in Council granting such increase or promotion, and will not have to wait until, by efflux of time, they would, under the Act, have been entitled to an increase above the amount fixed by such Order in Council.

As to

### 3rd. *Promotions.*

I am desired to state that:—

1st. Promotions should be a reward for merit and competency, and not a favor.

2nd. With the exception of such situations as must necessarily be filled by persons possessing professional or scientific qualifications in any other class, if a vacancy occurs, it should be filled by one of the clerks attached to the branch wherein such vacancy occurs (unless, of course, such vacancy be in the lower grade of that branch), on the report of the Head of the Department that such clerk is fully competent and eligible in all respects for the situation, and that *in preference to all outsiders*.

3rd. If, in any branch, the only title of a clerk for promotion to a vacant situation be that of length of service or rank, and not that of merit and competency, the Head of the Department, on a special report to that effect from his Deputy Head, *but not otherwise*, shall appoint another clerk of even a lower grade in the same branch (provided such clerk, holding a lower grade, be otherwise in all respects better qualified, fit and eligible than the clerk of a higher rank) to fill the vacancy.

4th. In the following branches of the Department, viz., the corresponding branch, the accountant's, law clerk's, photographer's and the general service branches, besides the chief, one of the clerks should be appointed under an Order in Council as assistant or principal clerk, on the recommendation of the chief of the branch, and that of the Deputy Head, as being the most eligible for the situation. He should supervise the work and officials under him, and should render himself fit and competent to replace his chief when absent, at least in all matters of *routine*; and, if competent

and qualified, he should have preference over outsiders for promotion, in case of death or retirement of his chief.

5th. Promotions to continue to take place at any period of the Service as at present.

*4th. Superannuation.*

1st. Superannuation should be so arranged as to combine superannuation and insurance.

2nd. Clerks would consent that the deductions from their salaries be increased up to 5 per cent. if required; or, if deemed better, the combined abatements might be fixed as follows—

For the 1st period of five years at 5 per cent.

"	2nd	"	"	"	4	"
"	3rd	"	"	"	3	"

3rd. Clerks asking for superannuation at the age of 60 years may claim it as a matter of right.

*5th. Provision for Widows and Orphans.*

The suggestion made in relation to superannuation provides for this.

2955. What you recommend then in regard to the classification or grading of the clerks in your Department is, that there should be 1st probationary clerks, first, second and third class clerks besides the grade above that of chief clerk?—Yes; that is the case.

2956. Have you any other suggestion to make with reference to the Service generally beyond what is stated in your memorandum?—I have not received instructions to make any other suggestions.

MR. A. GOBEL, representative of the clerks of the Public Works Department, examined:—

*By the Chairman:*

2957. What is your position in your Department, and how long have you been in it, and in the Service?—I have been 10 years in the Service; am now first clerk of the correspondence and am acting law clerk; have been in my present position two years.

2958. Have you been deputed to represent your fellow-clerks before the Commission?—I have.

2959. Be good enough to state the views of your Department on the subject of classification of clerks?—First, as to probationary clerks, it is the opinion that before an appointment is made to the lowest class, the intended incumbent should be placed on probation for at least three months, at a salary of not less than \$500 per annum. At the end of that time the confirmation of the appointment should depend on the favorable report of the Deputy Minister as to his uniform good conduct and ability to perform his duties. When appointed, his three months service as a probationary clerk should count in his favor. But if no vacancy should exist he might, with the consent of the Minister, be continued till a vacancy did occur.

As to classification according to the salaries, it is the opinion of the clerks of our Department that there should be three classes, first, second and third; the third class to commence at \$500 per annum, increasing to \$800; the second class beginning at \$800 and rising to \$1,200; and the first rising from \$1,200 to \$1,800. The reason for making the third class begin at \$500 is that it is thought that the present salary accorded on entering to third class clerks is not sufficient. It is also considered that there is no work in the Department which is not worth more than \$400 per annum. As for the 2nd class, the change is suggested to get rid of the anomaly which exists at present, of the maximum of the senior second class being higher than the minimum of the

first class, the minimum of the first class being \$1,200 and the maximum of the senior second class being \$1,400 at present.

It is also our opinion, that extra clerks who, as such, have been employed on duties falling under the head of permanent work, should, at the end of six months performance of such duties, be entitled to be made permanent, and should be classified according to the nature and importance of the service performed. There are extra clerks, some of long standing in the Service as such, who while performing important duties of a permanent and indispensable nature, are deprived of the benefits accruing to permanent employes of really inferior position, and, in too many cases, of inferior ability; and who, in the event of sickness or accident interfering with the occupancy by them of their present precarious positions, would, of course, under existing circumstances, be beyond the provisions in favor of permanent officials. The bettering of the position of those employes could be effected, without additional expense, by transferring the payment of their salaries from the "Appropriations" to the "Civil List."

It is also our opinion, that in the cases of officers who have already served a term of years in the employ of Government without having been classified, due consideration should be given, when permanently appointing them to particular classes, to their length of service; and such service should count as though such officers had begun at the minimum of the particular Service or branch to which they belong.

It is also considered, fifth, that, as in the Department of Public Works, where the services are required of professional men, such as engineers, architects, law clerks and draughtsmen, recognized as such, whose education has been obtained at considerable expense, incurred before they could attain positions and remuneration for their services, it seems only just that they should be allowed higher rates of classification and remuneration than ordinary clerks appointed fresh from school or college. This provision, however, should not apply to parties employed on temporary surveying work, such as levellers, rodmen, chain-bearers and picket men. On entering the Service, professional men should serve a probationary term of three months, which, on their permanent appointment, should count in their favor. The lowest rate of pay allowed such officers at the time of their engagement should be that of the minimum of the second class, viz.: \$800; and their permanent appointments should, as in the cases of other probationaries, depend upon the report of the Deputy Minister. It seems desirable, however, that with regard to positions which call for the possession by the appointees of special and acknowledged past practical experience, the Minister should be empowered, under the provisions of any Act which may be passed in respect to the Civil Service, to appoint such persons to higher or special grades or classes, at such higher remuneration as their acknowledged qualifications may justify.

2960. Please state the opinion of your fellow clerks on the subject of increase of salary?—1st. We are of opinion that the increases to be provided for the respective classes should be as follows:—third class, \$75 per annum until the maximum of \$800 be arrived at; second class, \$100 per annum up to \$1,200, the maximum; first class, \$50 per annum till the maximum of \$1,800 is reached. Such increase to be continuous from year to year, and be consequent upon ability, application to duty and good behavior. Should any clerk be deprived of the annual increase, the reason for withholding it should be placed on record in the Department in which he is employed.

2nd. In the case of a person being appointed from outside to any class, or to any particular position in a class, at a salary greater than the minimum attached to that class, then such appointee shall serve the same length of time in that class as if he had been appointed at the minimum salary attached thereto (unless there be some special reason for a quick promotion, which should be stated).

2961. Pray state next their views held as to promotion in the Service?—We are of opinion that, 1st—Promotion should be consequent, largely, upon the possession by the individual promoted of merit and ability; and too much consideration should not be given to mere length of service.

2nd. Should a vacancy occur, in any class, through death, resignation or dismissal, or by the creation of an office, and that no officer of the class in which such vacancy has occurred be accessible or competent for the position, then, should a clerk of a lower grade be qualified to perform the duties, he should be appointed to the vacancy and should not be obliged to serve longer in said lower or any intermediate class.

3rd. Vacancies should not be filled by the appointment of outsiders, except in cases where professional knowledge is required, or where there are no employés in the Department available for the position, or competent to fulfil the duties required.

4th. A better class of work, or one likely to lead to rapid promotion, should not be given to a junior when it is capable of being performed by a senior in the same class—otherwise the advancement of the junior member of the class would be accomplished at the expense of a senior, possessed, perhaps, of equal or superior ability.

5th. When promotion results from the possession of special qualifications, such qualifications should be duly stated and recorded.

2962. Will you next state the opinions of your clerks on the subject of superannuation and a provision for widows and orphans?—1st. We are of opinion that the term of service anterior to permanent appointment should count for superannuation.

2nd. It is also considered that increased contributions, on the basis of what is known as the "Quebec Scheme," should be made to the fund, in order to provide for the payment of an annuity, or bulk sum, to the widows, until after marriage, and to the orphans until they shall have attained a certain age, or to the dependent female relatives, of such employés as die before reaching the age at which they would have become entitled to the receipt of superannuation allowance, and for the continuance of the allowance to the widows, until after marriage, and to the orphans, until they reach the age of years, of superannuated employés. If an employé die after, say 30 years of service, some adequate provision should be made for the relief of his widow and orphans, or dependent female relatives, in return for the large amount contributed by him to the fund.

3rd. That every employé in the Service should contribute to the fund in question.

4th. That each employé after three months service should contribute to the fund.

2963. The suggestions made by you relate exclusively to your own Department; have you been directed to convey anything concerning the Service generally?—No; I have not.

Lieut.-Colonel STUART, representative of the staff of the Governor General's office, examined:—

*By the Chairman:*

2964. Please state your position in your Department; how long you have held it, and what is your present position?—I am first class clerk in the Governor General's secretary's office; have been 14 years and 9 months in the Service, and in my present office 1 year and 9 months, previously serving in the Militia Department.

2965. Have you been deputed by your fellow clerks to convey their views before this Commission?—I have; and will read a memorandum, as follows:—

#### MEMORANDUM.

##### *Classification of Clerks.*

1. (The staff of the Governor General's Secretary's office have not made any suggestions on this topic.)

##### *Increase of Salaries.*

2. That the Statutory increase, at the rate of \$50 per annum, is apparently equitable enough to those in receipt of salaries up to \$1,000 per annum, but that those receiving higher rates should not receive less than \$100 per annum increase.

*Promotion in the Service.*

3. Should be by seniority, unless in cases of inefficiency.

Such an incentive, if thoroughly understood to be the rule, would benefit the Service in every way. Whereas, now, no man is sure of promotion, as vacancies when they do occur, may be, and are, constantly filled by outsiders.

*Superannuation.*

4. To take place at the age of 60 (optional).

A clerk arriving at that age to be allowed to avail himself of it, but should a clerk desire to remain another five years, or less, and was considered mentally and physically fit, then to be in the power of the authorities to renew the term for that time.

But superannuation to be compulsory at 65 years of age, and make room for others.

There should be no deduction from salaries on account of superannuation. The Government to assume the burden as in England.

*Provision for Widows and Orphans.*

5. The Government to initiate an Insurance Society for the Civil Service, and all members of the Civil Service to be compelled to insure their lives for the benefit of their families.

The cost of insuring to be a deduction from the salaries. The amount of insurance to be a matter of consideration.

2966. Does the memorandum which you have handed in relate to the Service generally; and if you have been directed to make any further suggestions than what are in it, please to state them?—They do relate to the Service generally. I have not been instructed to make any other observations.

Mr. H. ALEXANDER, of the Privy Council, examined:—

2967. Will you please to state your position in the Service, how long you have held it, and been in the Service?—I am a first class clerk of the Privy Council Office; have been nearly 25 years in the Service; have been in my present position six months.

2968. You have been elected a deputy by your fellow clerks to represent them before this Commission?—I have.

2969. What are your views with reference to the present classification of clerks in the Service?—On the whole it is considered that the present classification, according to the Civil Service Act, is acceptable in the main. The clerks of the Privy Council, however, venture to suggest that a higher classification be given them to compensate them in a measure for their extra attendance, and for the strictly confidential nature of the duties they are required to perform. They have no certain nor fixed hours. We are liable to attend, as we generally do, on Statutory holidays, and on the Saturday half holidays, which is generally enjoyed by the other Departments of the Public Service. It is computed that we give 500 hours extra service, or 83 official working days of 6 hours each during the year.

2970. Please give the views of your constituents on the subject of increase of salary?—The present annual increase of \$10 per annum is considered on the whole satisfactory. It was considered that the minimum salary on entering the Service shall be \$500; and that there should be a term of probation of from three to six months for all persons appointed by the Service in the lower grades.

2971. State the views of your fellow clerks on the subject of promotion in the Service?—Our view on that head should be by seniority, other things being equal;

but superior merit should have determining weight on the question of promotion. It is also considered that promotion should be conferred to the Department in which a vacancy occurs, where it is at all practicable.

2972. Pray give the views of the clerks as to the present system of superannuation?—There is no objection to paying the present rate of abatement, and the opinion is that the amount of the abatement paid in should not be wholly lost to the family of the employé in case of death while on active service.

2973. Have your fellow clerks been able to form any scheme for the relief of widows and orphans, which they would recommend to the Commission?—We prefer an annuity something after the plan adopted in the Province of Quebec, to an insurance scheme. A further abatement of 2 per cent. would be cheerfully paid to provide a fund for widows and orphans.

2974. Have you been instructed to offer any other views on the topics mentioned either for your own Department or the Service generally?—No; I have not.

Mr. B. SULTE, of the Militia Department, examined:—

*By the Chairman;*

2975. How long have you been in the Service and held your present position?—I have been 10 years in my present position and 13 years in the Service.

2976. You have been elected to represent your fellow clerks in this Commission?—I have.

2977. Will you please state your views on the first subject, that of classification of clerks?—We are of opinion that a less number of classes in the lower grades of the Service would enable chief clerks to distribute the work more efficiently. The class to be suppressed would in particular be the junior second class; but it would be considered best if the classes of clerks below the ranks of chief clerk were confined to first, second and third class.

2978. The next subject is that for the increase of salaries, what are your views in relation to it?—Considering that 28 years is now required to get from the lower grades to the first class it is thought that that period could be reduced to one-half with benefit to the Service. The pay of the lower grades, second and third class, is considered too small. It is considered by the clerks in the lower grades that the salary to begin with should be not less than \$800.

2979. What is the opinion of your Department in regard to promotion in the Service?—It is thought that seniority should, as a rule, govern promotion.

2980. What views do your fellow clerks entertain with regard to superannuation as that system is now administered?—We are in favor of the existing order of things, as it is considered that Government should have some means of dispensing with those who have become unfit for service.

2981. Have your fellow-clerks been able to formulate any views as to a practicable scheme of relief for widows and orphans of deceased civil servants?—Our clerks all agree that there should be some scheme by which the members of the Civil Service should derive their proper share of the advantage which the system gives the Government; and with that view they are ready to contribute to the necessary fund. The idea would be to procure a pension for the widow, and in case the widow should marry again the pension to revert to the children, if any, up to the age of 18 years.

2982. The views which you have been directed to convey relate exclusively to your own Department and not to the Service generally?—Our views as to the annuity for widows would, of course, apply to the whole Service.

The Commission adjourned at 6 p.m.

MONDAY, 6th December, 1880.

Mr. WILLIAM STEIL PETTEGREW, representative of the clerks of the Marine and Fisheries Department, examined:—

2983. Please to state your position in the Department; how long you have held it, and been in your present position?—I am a senior second-class clerk; have been in that class for seven years and a half; and in the Service about nine years.

2984. Have you been elected by your fellow clerks in your Department to represent them before this Commission?—I have; and will submit their views in the following memorandum:—

MEMORANDUM.

*Classification.*

Experience has proved that the classification of clerks, as given in the Civil Service Act, 1868, is unsatisfactory. The provision by which a clerk shall enter the Civil Service as a probationary at \$300 a year, is in a great measure ignored. In the Department of Marine and Fisheries there has been no such clerk for the past nine years. Extra clerks have been, from time to time, employed temporarily, and from amongst these, selections have been made for permanent employment. But it has happened that extra clerks employed at similar work performed by third class clerks have received higher pay than the first year's third class clerks; and, not infrequently, a higher rate than the maximum salary of that class.

The entrance salary to the third class is felt to be too low. This will be apparent when it is considered that the prices for the necessaries of life are much higher than when the Act was passed.

The plan by which the second class is divided into two, might well be dispensed with, as it appears to have nothing to recommend it.

The anomaly which exists of the maximum of a senior second class clerk being higher than the minimum of a first class clerk is unaccountable, and it is to be hoped that that provision will be abolished.

It is the opinion of those I represent that when extra clerks are employed they should not receive a higher rate of pay than the lowest paid permanent clerk. In some special cases, where technical or professional acquirements are rendered necessary, a deviation from this rule would have to be made.

But before the permanent appointment of any man, he should first serve, say a year, as an extra, to prove his capacity and adaptability to the requirements of the office; and, moreover, be furnished with a certificate from the Board of Civil Service Commissioners—an independent body which might be permanently established—setting forth that the candidate is possessed of the requisite education, either ordinary, or ordinary and technical, as the case may be.

It is believed that there should be but three classes of clerks, viz.:—First, second and third, exclusive of staff appointments, embracing one chief clerk and as many principal clerks as necessary, arranged in the following manner:—

*Third class clerks*, beginning with a salary of not less than \$500 per annum, and increasing by \$50 per annum until the maximum \$900, is reached.

*Second class clerks*, beginning with a salary of not less than \$1,000 per annum, and increasing by \$50 per annum until the maximum \$1,500, is reached.

*First class clerks*, beginning with a salary of not less than \$1,600 per annum, and increasing by \$50 per annum until the maximum \$2,000, is reached.

While dealing with the subject of classification of clerks, it is felt that it cannot well be dissociated from the idea of classification of work. The two should be co-ordinate. In every Department there are kinds of work between which distinct lines can be drawn. Firstly (to begin at the bottom), there is the transcribing and keeping of papers; secondly, work requiring the man of method and arrangement, who is endowed with average intellectual powers, and with those qualities which belong to one of good business habits; and thirdly, work which can only be done by

the man of ability, energy and sound judgment—the ready writer and clear reasoner.

As some Departments differ very much from others in point of quality of the work—some Departments being occupied with a greater proportion of inferior or routine work than others—it is suggested that in any theoretical organization which might be devised, the classification of the workers may be placed, as far as possible, on a par with the classification of the work.

#### *Increases of Salary.*

The operation of the present system of yearly increase is, upon the whole, satisfactory. The civil servant's anticipation that he will obtain an increase, however small, to his salary at the end of the year, adds a zest to the performance of his duty. It might be mentioned that in the Imperial Service the yearly increment has been equal to about \$50 for the lowest grade, \$75 for the second, and \$100 for the first grade, and in some cases much higher. In the Canadian Service it is \$50 for all grades.

What is sought by those I represent is that the maximum of the first class of clerks be permanently increased by \$200, the maximum of the second class by \$100, and the maximum of the third class by \$200.

#### *Promotion in the Service.*

The question as to whether promotion should be by seniority or merit should be solved by basing promotion upon the unity of both seniority and merit, it being first clearly proved, upon sufficient trial, that the senior clerk in the class below is quite qualified to perform the higher work in the higher class, on a vacancy occurring, and that his assiduity justifies the appointment. These conditions failing, recourse should be had to the immediate junior in the Department of the person to be passed over, and so on until a suitable person is found.

#### *Superannuation.*

This is a subject about which there is a great variety of opinion, considerable misconception and almost universal dissatisfaction.

The preamble to the Superannuation Act narrates that "Whereas, for the better ensuring efficiency and economy in the Civil Service of Canada, it is expedient to provide for the retirement therefrom, on equitable terms, of persons who, from age or infirmity, cannot properly perform the duties assigned to them."

At the time the Superannuation Act was passed, there were a great many persons high in the Service who had attained an old age, and, in many cases, were incompetent fully to discharge their duties, but whom it would have been hard to have thrown on the world without any provision. By retiring them with an allowance from the abatements made under the Act, the Government not only effected a large saving of salaries, but were enabled to have men in the prime of life efficiently able to perform the work required. Had the country provided a sum sufficient to meet these first retiring allowances, and had had an account kept of its expenditure, separate from the abatement account, it would not have been necessary for the Government to apply year after year for a sum to supplement the fund created by the abatements. Had the institution of the Civil Service and the Superannuation Act been contemporaneous, the abatements would probably have furnished a fund far more than sufficient to meet all proper demands. The contemplation, therefore, of the Superannuation Act by the retiring of the aged and infirm Civil servants (who would pay but little into the fund) on equitable terms with those who had their whole career of service before them and consequent yearly abatement to submit to, does not appear to have been fulfilled. It is far from being equitable. The system appears to be radically wrong, and should be abolished. It is felt that the great majority of Civil servants would much prefer investing the amounts taken from their salaries in life insurance, or in securing an annuity which would benefit their widows and orphans.



No corresponding benefit can be had under the present system, because a man may pay superannuation tax for thirty years, and, dying, leave no interest in his payments to his widow.

It has been suggested that the civil servant should be paid a net amount which, with a deferred sum of the Government could retain sufficient to meet retiring allowances, which together would represent the value of the civil servant's services.

It is also held that the maximum salary in the various classes is the normal price the country is prepared to pay for the performance of certain work, and that the incidental saving while the incumbent is in progress of increasing from the minimum, will more than counterbalance what would be expended upon his retiring allowance. In the case of fixed amounts of salary, the Government generally reserve the power to revise the amount upon the entry of a new incumbent.

Whether either of these doctrines is correct or not, it is nevertheless believed that in almost all long established constitutional States where the science of government has been made a study, it has been found wise and expedient to provide a salary and a retiring allowance combined as equivalent to the civil servant for his life's best services.

*Provision for Widows and Orphans.*

It is the unanimous opinion that a fair provision should be instituted for the widows and orphans of deceased civil servants in the shape of annuities. All have expressed their desire to submit to a further abatement from their salaries to secure this end on as equitable a scheme as can be found, should the abolition of the superannuation fund be not conceded. The benefit to be derived should be conferred on the widow during her lifetime, or until her re-marriage, and on either of these contingencies happening, on the minor children up to such age as might be agreed upon.

Mr. J. N. DESLAURIER, representative of the Messengers, examined:—

*By the Chairman:*

2985. You are one of the Messengers in the Service and represent the others so employed to present their views before this Commission?—I am.

2986. Will you please to state generally what you have been directed to convey to the Commission?—The Messengers complain that at present they are in receipt of only \$500 at most per annum. They think that justice should be done them by granting them an annual increase of \$40 till the salary should reach the sum of \$600 per annum. After a service of 20 years, with the approval of the Deputy Heads of the Departments, they think themselves entitled to look for a salary of \$700, so that their superannuation, when it took place, would be of some worth to them. It is also the opinion that when a Messenger enters the Service his salary should be \$300 only if he is an unmarried man, and if a married man, the stipend should be \$400. We are also of opinion that the Chief Messengers of each Department, having more responsibility, should have a more liberal rate of pay than others, in order to remunerate them for their extra work and to preserve the discipline of the Messengers' service. We also are of opinion that the Departmental Messengers should be placed on the same footing as to salary as the Messengers of the Senate and House of Commons, particularly as our duties are continuous throughout the year, and theirs continue only for the session. After a Messenger dies in the Service, not having been superannuated, it is considered that the payments he has made to the superannuation fund should be paid over to his widow and orphans. All Messengers would be willing to pay a little more to the fund if any allowance was made for their widows and orphans.

2987. Please state the number of hours each day that you are on duty—when you begin and end the day's work?—Frequently we are on duty from 7 a.m. to 8, 9 and 10 p.m., according as we are required. We are always supposed to be at the call of the Heads of the Department. I may add that Messengers consider that the cost

of living has in many ways increased since the time their present salaries were fixed. Many of the Messengers find it quite impossible to live on their salaries, and have to do extra work out of office hours in order to support their families and keep out of debt.

Mr. W. D. LESUEUR, examined personally:—

*By the Chairman:*

2988. Have you given much consideration to the subject of first appointment and promotion in the Service; if so, will you please to state your views?—As an officer of long standing in the Public Service, I have given a good deal of consideration to the question of first appointments, and am strongly of opinion that it is important to adopt some measure for the improvement of the standard of ability in the Service; and I know of no way in which this can better be done, than by the institution of a serious qualifying examination, as an essential preliminary to appointment. The deficiencies of some men appointed to the Service, under the present system, are of a very glaring kind, and such as any examination worthy of the name could not fail to detect. I consider that the examinations should be particularly thorough in regard to practical arithmetic, and practical knowledge of the English language. If adequate education in these two subjects could be always secured, the clerks who obtained their appointments, after examination, would always be able to render satisfactory service up to a certain point, and would probably be found sufficient for all the ordinary work of the Departments.

As to promotion: I am of opinion that it should be distinctly based upon the advancing efficiency of the clerk, and that where there is no advance in this respect there should be no promotion beyond the class in which the clerk may be found. By increase of efficiency, I may explain myself as meaning increase in knowledge of the work to be done, and in readiness in the performance of it.

*By Mr. Brunel:*

2989. How would you determine who should be admitted to the qualifying examinations to which you refer?—I should propose that any one who desired to render himself eligible for appointment to the Public Service, so far as this preliminary was concerned, should have access to the examinations.

2990. How then would you make a selection for appointment from those who passed the standard?—I have never thought it of any great importance that the present system of nomination should be changed, though I am quite sensible of the advantages which the system of competitive examinations affords.

*By the Chairman:*

2991. If political patronage were eliminated when the first appointments are made do you believe that a better class of men would be found for the Service?—A better class by far than under the present system; but I would hesitate to say that the mere withdrawal of all political influence upon nominations would yield much better results than the present system of nomination, if coupled with such an examination as I have in view. My impression is that the spirit of routine would be stronger in a Service composed of men appointed by competition, than in a Service into which the political element enters to the extent of securing nominations for thoroughly qualified persons. The Service as at present seems to me to have, as it were, more numerous points of contact with the outside world, and therefore to feel the influence of public opinion more fully and directly than if it were organized as a distinct class, as it would be if the competitive system were fully established.

2992. What has been your experience in the Service with reference to the exercise of political patronage in making appointments or promotion in the service?—So far, as this has operated to withdraw higher appointments from the reach of men who have spent years in the Service in the expectation of finally rising to positions which might serve as a reward for their labors, the effect has been depressing, and I may even say demoralizing. To a certain extent it has worked in this way, and it is also

believed to have influenced minor changes in the positions of men in the Service, with the result of causing a sense of injustice that has been very detrimental to the interests of the Service and to the public.

2993. Does it not occur to you that the continuance of political patronage in making appointments, would involve its continuance in depriving those already in the Service of the promotion to which they are entitled by qualification?—I think, of course, that it would always act as a more or less disturbing influence; but the evil, I am inclined to think, is at present a diminishing one, and might, even under present arrangements, modified as I have suggested, be greatly reduced. My impression is that the men who had passed what I have called a serious qualifying examination, would themselves be men of a certain amount of energy and self-reliance, and less likely therefore to make appeal to outside influences to assist them in rising in the Service. The experience of the Departments has, I believe, been, that political pressure is chiefly brought to bear in connection with men whose own merits do not single them out for rapid, if for any, advancement. Under the proposed system there would be less of that relation of dependence of the nominee upon his political patron than there is at present, and the tone of the Service would be healthier.

2994. You state that the evil which you complain of is at present a diminishing one. Is not that an accidental circumstance, and more or less a lottery—and that the energy or capacity on the part of those in the Service could not control the appointment of outsiders which you state has such an injurious and demoralizing effect?—Whether the circumstance alluded to is an accidental result or not I cannot very confidently say; but I have myself been disposed hitherto to attribute it to a certain improvement in public opinion, coupled with the extreme publicity which is apt to be given to any glaring act of favoritism.

*By Mr. Tilton:*

2995. Do you not think a proper qualifying examination, coupled with a probationary service, would, in all probability, secure an efficient civil servant as if the selection of such servant was the result of an examination, competitive in its character?—My opinion in regard to the two systems is this: that the competitive system would probably yield a slightly higher average of scholastic attainment; but that the present system, coupled with a proper qualifying examination, would give fully as efficient a Service.

*By Mr. Brunel:*

2996. Adverting to your answer to a previous question, will you be good enough to state your reasons for thinking that a Service, recruited by political nomination, "would have more numerous points of contact with public opinion" than it would have if recruited by open competition?—I am a little at a loss to answer that question, but my feeling in the matter has been that a Service selected by competition would, after the system had had full time to produce its effects, become more separate, as a class, from the community at large than a Service organized as at present, and would gather traditions and rules which it might be extremely hard to break through, even under pressure of a political demand.

The Commission adjourned at 6 p. m.

### THE LOWER PROVINCES.

The following is the evidence taken by the Committee appointed to visit the public offices of St. John, Moncton and Halifax:—

#### CUSTOMS.

HALIFAX, 13th December, 1880.

*Present:*—D. McInnes, W. R. Mingaye and E. J. Barbeau.

*Evidence of Wm. Ross, Collector of Customs:—*

2997. You are Collector for the Port of Halifax; will you kindly state how long you have been in the Service, and in your present position?—Since 1st November, 1874.

2998. How are the officers in your office appointed?—By Government, through the recommendation of Members of Parliament.

2999. When once clerks are appointed are you obliged to retain them whether fit for their duties or not, and have you any power to have them removed for want of fitness?—I am obliged to retain them whether they are fit or not; I have no power to remove them.

3000. Have clerks been appointed to your office who are not capable of performing the duties assigned to them?—Yes; but only one.

3001. Are the clerks or employes of your office classified or graded, or are they designated only by their duties?—They are simply designated by their duties.

3002. What would you consider the best age for first appointments to your office?—About 24.

3003. Have you considered the question of the best method of making first appointments; if so, will you please to make such suggestions as may have occurred to you on this subject?—I consider that competitive examination would be a great improvement on the present system.

3004. Before whom should such examination be held—the examination to have reference to the duties to be performed by the candidate?—Before a Board of Civil Service Commissioners, who would be entirely free from political influence.

3005. Have you considered how promotions and increases of salary should be made?—For two causes, viz.: time of service and merit. I mean by this, good conduct and ability for the position.

3006. Would you consider that all candidates on first entrance should serve a period of probation before being permanently appointed?—Yes.

3007. What, in your opinion, is the effect upon those already in the Service, of conferring the higher appointments on outsiders?—Very discouraging; as employes see no reward for merit and capacity for duty.

3008. Have you a larger number than is required for the efficient performance of the duties and work of the office?—No.

3009. If proper attention was given to the qualification and fitness of the employes on first appointment, could not the work of the office be as efficiently carried on with a smaller number?—There could be a small reduction.

3010. Have you any work done in your office such as transshipment of goods by railway or otherwise, which does not appear in your regular reports?—Yes; large amounts.

3011. Have you any employes who, from age, ill health, or any other cause, are unfit for the efficient discharge of their duties?—I think the work of my office would be more efficiently performed if there were in it a larger number of younger men.

3012. Please state whether any regular official record is kept of the manner in which the employes perform their duties?—No.

3013. Have you any officers or clerks in your office doing the same duties but paid different salaries?—Yes.

3014. Please state the various classes of entries for duty you allow to be passed?—There are three: ex-ship, ex-warehouse and sight entries.

3015. Do you keep a book in which all sight entries are entered, and the date of their being cancelled recorded?—Yes.

3016. How many receiving or sufferance warehouses have you in your port?—Five.

3017. How many bonding warehouses have you at your port?—Thirty-nine.

3018. Do you find that the revenue is efficiently protected in these bonding warehouses, or any frauds have been committed, please state them?—No fraud has been committed; but if there were Government warehouses the staff could be considerably reduced.

3019. Under the present Customs laws no goods can be taken ex-warehouse where the duty does not amount to twenty dollars; are applications made by the merchants of Halifax for permission to export goods ex-warehouse for a smaller limit; would it, in your opinion, be practicable to grant the facilities asked for without inconvenience

or risk to the revenue?—For export alone, I would recommend the limit to be lowered to four dollars; this would greatly benefit the trade of Halifax with Newfoundland and British West Indies, to which ports I would confine this privilege.

3020. When goods are delivered at any of your warehouses on a written warrant, is any check made upon such delivery by any inside officer to see that the proper regulations have been complied with?—The lockers return the warrants endorsed as having delivered the goods mentioned therein; if anything is incorrect the locker reports at once to the surveyor or chief warehouse clerk.

3021. How often do you require the stock in your warehouses to be taken?—Every quarter.

3022. Who has the custody of the keys of the several warehouses in your port, and is any person detailed to take charge of them at night?—They are in sole control of the surveyor and placed in his office at night.

3023. Have goods ever been taken out of your bonded-warehouses before entry passed and duties paid? Or have any been lost or stolen during the past four years?—Not to my knowledge.

3024. What system have you of forwarding goods by rail or vessel "in bond"?—That which is entailed by the regulations of the Department.

3025. Has your surveyor the sole conduct of the Outside Service?—Yes. I never like to interfere with the Outside Service except through the surveyor.

3026. Do the warehouse keepers, landing waiters and other outside officers report direct to the surveyor; and is he answerable for the due performance of their duties?—The lockers, the landing waiters and the tide waiters are directly under the orders of the surveyor, and responsible to him under my supervision.

3027. Does the surveyor furnish you at the end of each quarter with a detailed statement of all goods remaining on hand, with number of packages, quantities and values in each particular warehouse?—I got such a statement from the chief warehouse clerk, and keep a separate book for that purpose.

3028. Does the inspector of ports, when inspecting your office, make a general supervision of all your warehouses and compare the balances with the warehouse books of the office?—He takes stock occasionally, and at uncertain times.

3029. Do you think that any of your employes are either under paid or over paid?—There are inequalities, and I do not consider any of them over paid. In fact many of them are under paid in comparison with other ports, as will be seen by the statement I now hand in.

Average salaries at the following ports:—

		Salaries.	Average.
Toronto,	53 Employés.....	\$42,750 00	\$306 00
Hamilton,	19 " .....	17,393 00	915 00
Montreal,	34 " .....	78,069 00	830 00
Quebec,	44 " .....	35,556 00	808 00
St. John, N.B.,	55 " .....	43,108 00	783 00
Halifax,	68 " .....	50,779 00	745 00
<hr/>			
Toronto receives per head over	Halifax .....		\$ 61 00
Hamilton	" .....		170 00
Montreal	" .....		85 00
Québec	" .....		63 00
St. John	" .....		38 00

3030. How is the discipline of your office and what penalty do you impose for breaches thereof?—The discipline is fair. I have sometimes to suspend. This means loss of pay until reinstatement and acts very favorably in maintaining discipline.

3031. Do you keep an attendance book for the employes; if so, does it work satisfactorily?—Yes.

3032. Do you remit daily the cash receipts from all sources to the Receiver General?—I deposit in the Bank of Montreal daily to my own credit, as collector. I remit therefrom to the Receiver General every fiscal week. On the last day of the month I remit in full for all sources of revenue, which corresponds with the monthly cash account sent by me to the Department.

3033. Is the manner of keeping your accounts left to yourself; and does the inspector, or any other person direct any changes to be adopted from time to time?—The manner of keeping my accounts is left entirely to myself.

3034. Are the books and forms used in your office supplied from the Department at Ottawa?—We get our books and forms from Ottawa. Some are prepared according to our suggestion.

3035. Have there been any defalcations committed in your office. If so please state the nature thereof?—There has been only one of a very trifling character; and the clerk was dismissed.

3036. Do you see that the surety bonds required of any of your officers, in case of death or insolvency, are renewed?—Yes.

3037. Who is the registrar of shipping and measuring surveyor of your port, and how are they paid for their services?—The registrar is one of the officers of this port, paid by a salary, and he has a clerk to assist him. The measuring surveyor is an outsider, appointed by Government, and paid by fees from the ship owners.

3038. The statistics of the business of this port are at present prepared here. If they were prepared at Ottawa, from the duplicates of the original entries and other documents forwarded weekly to Ottawa, could not the business of this port be conducted with a less number of clerks?—The abolition of the statistical office here would allow me to dispense with three clerks. These clerks now keep all the statistical books and prepare all the returns of the port.

3039. How many out-ports have you attached to your port; and are any of them warehousing ports?—We have five out-ports. None of them have warehouses.

3040. What system do you adopt in checking them?—They make returns to me for sick mariners' fund. The duties collected are very small and are easily checked. If I were to allow Customs duties to be paid at these out-ports to any extent, it would lead to frauds on the revenue by under-valuation and otherwise.

3041. Will you please state what fees, perquisites or other emoluments, if any, you receive, from any source whatsoever outside your regular salary?—Nothing else but for bills of health, which amounts to about ten dollars a year.

3042. The object for which the Commission has been appointed having been explained to you will you please to make such other suggestions as may occur to you and not elicited in the course of your examination?

(In reply, Mr. Ross submitted subsequently the following statement.)

CUSTOM HOUSE,  
HALIFAX, N.S., 15th December, 1880.

GENTLEMEN,—In addition to the questions answered by me before you, I desire to add the following statements:—

The compiling of all statistical returns at Ottawa, means an increase of staff at headquarters, while it would reduce the number of clerks at the various ports throughout the Dominion. It would, however, compel merchants to increase the number of their entries, such as duplicate copies of Export Entries, Nos. 48 and 48½, Reports Inwards and Outwards, Nos. 6 and 7, etc., etc.

Entries are here posted before being mailed, so if errors in classification, rates of duty, or calculations are made, they are generally corrected before entries are mailed.

The quarterly warehouse returns are checked and compared with warehouse books, and with daily register of for and ex-warehouse entries. So if any errors arise from reversing entries, as for instance, calling gin whiskey or whiskey rum, or in posting a for-warehouse entry as ex-warehouse, the discovery is made and cor-

rected here. These errors might not be discovered at Ottawa for a considerable period, and when found out, would, perhaps, involve a long and tedious correspondence in explaining how they occurred.

Having already explained the low salaries paid at the port compared with others, where less labour is performed and smaller collections are made, I may state that Halifax is the third port of the Dominion, coming, as it does, next to Toronto in collections, and from the month of November till May the arrivals from foreign ports, and the departures for the same, are more than those of the whole Dominion united during that period. The statement marked A, hereto annexed, gives the list of steamers and sailing vessels, with their tonnage for the period mentioned of 1879 and 1880.

Besides these arrivals there is the usual number of coasting vessels arriving from and departing to ports within this Province, extending over a coast of 600 miles.

All this requires the regular attendance of tide-waiters and landing-waiters and other outside officers. The general imports of the Province of New Brunswick from Great Britain are all landed here and sent in transit from this port, necessitating a staff of waiters at the railway depot. This proves that our winter is a season of extra labor to the Customs officials, and that while at other more favored ports the Customs have a semi-holiday, we are kept busy.

Statement marked B gives the cargoes of sugar and molasses imported here from 12th January, 1880, to date. The molasses is all gauged and warehoused, and the sugar is all graded, weighed and warehoused here, when it is intended to be forwarded by removal entries to other Provinces. Thus, while the collection of the duties is made for the most part in other ports, the mental and manual labor is all performed here.

With the outline of these facts placed before you, is it not high time that Halifax should be placed in respect of salaries on the same footing with St. John, Quebec, Montreal, Hamilton, &c., as I am positive, that taking the annual service performed, the individual work done here will be found to be equal to if not greater than that in any of the foregoing ports.

Taking the statistics branch alone, Statement C shows the unfair difference between Halifax and St. John, when our work from the nature of our imports and our varied export trade with Newfoundland and the West Indies is much larger than at any other port in the Dominion.

In ports doing less business than Halifax, there are two chief appraisers; I have only one here, the others are merely assistant appraisers. It would be a great improvement if we had an appraiser of hardware and West India produce. One of the assistant appraisers is a very competent person for that duty from his training in the hardware trade and from his general business knowledge.

The present Civil Service Act, I respectfully submit, is defective in some points, confining as it does the Inside Service, so called, to the employés at Ottawa, whose grading and promotions are made according to years of service. Why the clerks in the general Custom houses are not so graded and salaries increased is somewhat inconsistent with the general sense upon which this Act should be founded. What hope is there here for reward for faithful service, devotion to duty and general capacity? This being confined, as far as the Customs service is concerned, to the favored few at Ottawa. Custom clerks when appointed should come in at the foot of the list as junior clerks, the promotions coming from the ranks of those long in service and having shown general ability for the duty to be performed. It is most discouraging at times to see appointments made to positions and salaries where there are deserving clerks whose time of service and good conduct fairly entitle them to look for promotion.

The great object should be, promotion by merit, length of service, competency for duty and general good conduct.

Under the present system these count for nothing, and even the hope of future reward or promotion must not be hopefully cherished. In my judgment the efficiency of the Service is materially weakened by the present mode, both of appointments and promotions, and until this great defect is remedied, the public cannot look for that

satisfaction from the Customs Service which they have a right to expect. Before I finish my remarks on this head, I may add that I have ascertained that under the Postal Service and at the Halifax Post Office there is a regular annual increase of salary to all the clerks. Why is this extended to that branch of the Service and denied to the Customs? It is felt to be a great injustice and discriminating against the Customs employés.

The remitting, daily, of all collections from every source to credit of Receiver-General cannot be done without an assistant cashier. From 2 till 4 o'clock is the busiest time of the day in passing ex-warehouse and export entries, etc. The banks close sharp at 3 o'clock, while the cashier requires till 4 o'clock to get his money all sorted and counted. The cash is deposited each morning, for the chief clerk counting the money and preparing bank slip for remittance to the Receiver-General, according to the general practice and directions received.

When often from 150 to 180 entries are passed daily, the one cashier could not stop his work to prepare bank deposits: as it is, he is quite busy, and, considering his long service, considerably underpaid.

If the statement has been made by the surveyor that the number of bonds was not marked on the goods, I have to state that warehouse bond bears the same number as the entry, and the practice is to mark ship, date and number on each package.

You cannot have failed to observe that the building occupied by the Customs Department, Post Office and other branches of the Public Service is over-crowded, and the position of officers very much disarranged. The appraisers' examining warehouse is a small, inconvenient building, ill adapted for that purpose, and situated at a considerable distance from the Customs House.

The gaugers and proof office is also a rented building, and is also some distance from the Custom House. The landing waiters are placed at the very top of the building, in the fourth story, and the public having access to them must climb up four flights of stairs to their offices.

This also applies to my statistical clerks as well.

The only commissioned officers at this port are the surveyor, the landing waiters, the outport officers and myself, and no bonds are asked or given by the cashier or any of the clerks. The chief clerk, at least, should be a commissioned officer.

In the general working of this Department, the surveyor has charge of the Outside Service, landing waiters, tide waiters, boatmen and lookers, as well as his clerks being directly under his control and subject to my supervision through him.

This, with the proper visiting of warehouses, ships in port, in a port like this, will occupy most of his time.

In my own absence, and under my authority, the chief clerk acts for me and superintends the Inside Service in long room, warehouse, department, etc., as he understands the general working of this service better than any one else.

In the general working of the Customs, the great aim should be uniformity, using the same forms for similar purposes all over the Dominion.

When a decision is given affecting one port, the information should be given to the collectors generally throughout the Dominion, as the same questions may come up in other ports at a future day. For instance, I have received a letter giving the rates of commission allowed from West Indies, on which I will act, but the same information should be given to several other ports in this and the other Provinces. Departmental decisions should be made general and sent to all ports for guidance and instruction.

I submit these general remarks, not with the hope that all will be adopted, but that there may be something in them worthy of some consideration.

I have the honor to be, gentlemen,

Your obedient servant,

W. ROSS, *Collector.*

To the Civil Service Commissioners,  
etc. etc. etc.



## A.

Statement showing the number, &c., of steamers arriving at the Port of Halifax, from foreign ports, during the following periods:—

	Steamers.	Tons.
1879—November.....	29 ...	42,980
December.....	25 ...	34,318
1880—January.....	28 ...	42,752
February.....	22 ...	32,842
March.....	30 ...	48,395
April.....	36 ...	52,416
Total.....	170	253,703

STATEMENT showing the number, &c., of sailing vessels arriving at the Port of Halifax, from foreign ports, during the following periods:—

	Ships.	Barques.	Brigs.	Brigantines.	Schooners.	Tons.
1879.						
November	1	3	0	16	43	8,808
December	0	1	0	15	25	5,095
1880.						
January	0	2	0	20	17	6,125
February	0	2	0	12	12	4,842
March	0	6	0	15	20	7,152
April	1	9	3	27	27	14,137
Total.....	2	23	3	105	144	46,159

CUSTOM HOUSE,  
PORT OF HALIFAX, December 14th, 1880.

## B.

*Molasses* entered for warehouse at the Port of Halifax, between the 1st January and 15th December, 1880. 73 cargoes.

Pancheons.	Tierces.	Brls	Gallons.	\$
10,561	711	1,143	1,149,617	296,107

*Sugar*, entered for warehouse at the Port of Halifax, between the 1st January and 15th December, 1880. 127 cargoes.

Hhds.	Tierces.	Brls.	Bags.	Lbs.	\$
13,422	400	4,058	3,536	22,287,791	837,751

The above refers only to what has been regularly warehoused, nearly 5,500 packages have been landed and re-shipped in transit to the United States and Montreal.

## C.

STATEMENT showing the excess of salaries in the Statistical Office at St. John, N.B., over those of the same office at Halifax.

ST. JOHN, N.B.		HALIFAX, N.S.	
Names of Officials.	Salary.	Names of Officials.	Salary.
Vrandanberg.....	\$1,200	E. Withers.....	\$ 800
Clauson.....	1,000	T. Caldwell.....	700
Snider.....	700	E. Inglis.....	600
Total.....	\$2,900		\$2,100

Showing an excess of salary in favor of St. John, as compared with Halifax, of \$800.

CUSTOM HOUSE,  
HALIFAX, December 14, 1880.

HALIFAX, 13th December, 1880.

Evidence of Wm. H. HILL, Chief Clerk of Customs, Port of Halifax:—

3043. Will you kindly state your present position in the Service, how long you have had it and been in the Service?—My present position is chief clerk. I have been in the Service since 1865, and in the same position.

3044. What are your particular duties as chief clerk?—I represent the collector when he is absent; and all matters are referred to me connected with the inside working of the office. I do not interfere with the duties of the surveyor. I keep a cash book and ledger. I also keep an aggregate book of goods entered for and ex-warehouse, which is a check upon the warehouse book and the statistical returns. I check these with my book at the end of every month: and at the end of each quarter, the statistical returns, my book and the warehouse book are also checked, before the quarterly returns are sent to Ottawa. I make out all the returns sent from this office to Ottawa, with the exception of the statistic returns, that is to say, the monthly account current, the contingent accounts, the canteen refund statement in connection with the garrison, and I also attend to the docketing of letters and other papers.

3045. Do you check the cashier's book of receipts for duties and otherwise daily, and what means have you of insuring the correctness of the amounts shown?—I do not check the cashier's book every day; but do so occasionally. I have nothing to do with seeing to the correctness of the entries. I trust to the surveyor for that.

3046. The cashier, you state, daily sends in to the collector a statement of all sums of money received and entered in the cash book, for duties or otherwise. Would it not be a more perfect cheque if the surveyor were required to initial as correct this amount before it was handed to the collector?—Yes, doubtless.

3047. Do you give security to the Government or collector for the proper discharge of your duties, or does the cashier do so?—I give no security; the cashier does not either.

3048. Who deposits the moneys received in the bank, and in what bank?—The collector does, and in the Bank of Montreal.

3049. Do you consider that the work of the office is done efficiently and economically, or can you recommend any change in the mode of doing it?—I think the work is done both efficiently and economically.

3050. Do you consider that the officers and clerks of the port are paid in proportion to the work and service done by them?—I think that some are not sufficiently paid while others may be overpaid.

3051. Is the work of the clerks so proportioned that the most difficult is done by those holding the highest position, and receiving the largest salaries?—No. This seems to be one of the anomalies of the Service.

HALIFAX, 13th December, 1880.

Evidence of JOSEPH AUSTIN, Surveyor, Port of Halifax:—

3052. You are Surveyor of Customs. Will you please state how long you have been in the Service, and held your present position?—I have been 38 years in the Service and three years in my present position.

3053. Will you please state the nature of your work and duties as surveyor?—I have the surveillance of the landing and tide waiters, lockers, and all the out-door department.

3054. Are the outside duties done by the outside officers under your control and supervision, and do they report to you only?—They report to me principally, but they do so also to the collector. They are under my control and supervision.

3055. If the outside officers require leave of absence are you consulted by the collector before it is granted?—Yes.

3056. Do you daily check the receipts of all moneys received by the collector for duties or otherwise, and do you show that you have done so by any distinguishing mark?—I check only the moneys received for Customs duties. I do not make any mark to show that this is done.

3057. Do you not consider that it would be more satisfactory that a distinguishing mark should be affixed when the check is made?—Certainly.

3058. Are all the receiving or sufferance and bonding warehouses under your sole control?—Yes.

3059. Do the gaugers and testers report direct to you the result of their work, and is it done under your control?—Yes.

3060. In placing goods in the several bonding warehouses, are the packages contained in each bond kept separate from each other, the bonding number being placed on each?—Yes, except on spirits. On these packages we mark the initial of the vessel, the number of the cask, and the initials of the gauger.

3061. Do the landing waiters and lockers return to you at stated periods all warrants for delivery of goods when such goods have been delivered?—Yes. Previous to delivery I have satisfied myself of the correctness of the warrants, and afterwards, of the delivery.

3062. Do you examine such warrants to see that delivery of goods has not been made without due authority and file them away?—Yes.

3063. Do you daily receive the Government copy of each bill of entry made at your port on the previous day and check the same before being forwarded to the Department at Ottawa?—Yes.

3064. Do you make a quarterly balance sheet of all goods, with the number of packages, quantities and values, remaining in warehouse at the end of each quarter, and hand the same to the collector?—Yes.

3065. Have you any specific written instructions from the Department at Ottawa as to your work and duties as surveyor?—No; I have not, except what is contained in the last book of instructions issued by the Department. But I think my duties would be more satisfactorily performed if I had more copious and specific instructions.

POST OFFICE.

HALIFAX, 14th December, 1880.

Evidence of Hugh W. BLACKADAR, Postmaster of Halifax:—

3066. How long have you held your present position of postmaster, and been in the Service?—I was appointed on the 1st December, 1874, as postmaster.

3067. Is there any classification or grading of clerks or employes in your office, if so, please state what it is?—Yes. Assistant-Postmaster, and second, third and fourth class clerks. Newspaper sorters, street-box collectors and letter carriers are not graded.

3068. How are first appointments made to your office?—By the Department at Ottawa. They are all taken on probation, for periods at the discretion of the Postmaster. These appointments are always made on the recommendation of members of Parliament.

3069. Is there any examination for ascertaining their qualifications before appointment?—None.

3070. What, in your opinion, would be the best method of procuring the best material for your Service, when first appointments are made?—By competitive examination. But so far as my experience goes of the present system, it has worked satisfactorily.

3071. How are promotions and increases of salaries regulated in your office?—Increases of salary are made by the Department, the person to be promoted having to serve a certain number of years in the lower grade, and on my recommendation. I do so only on grounds of merit.

3072. Are appointments to the more highly paid offices made sometimes from outside the Service?—No.

3073. Have you any more men in your office than are needed for the efficient discharge of the work?—I have one more than is needed at present.

3074. Under a changed system of making appointments and promotions do you believe that the work of the office could be as efficiently performed with a smaller number of clerks or other employes?—I believe that under a change of system which would give efficient clerks from the outset, a smaller staff would suffice.

3075. Have you any men who from age, infirmity, or any other cause are not well qualified to perform their several duties?—None.

3076. How long does it usually take for a young man of average abilities to acquire a thorough knowledge of his duties as post office sorting clerk?—Two years in my office would be long enough.

3077. You have already stated you have senior second class clerks, third and fourth class clerks; and the fourth class clerks are delivery clerks and third class sorting clerks, are we to understand that you are of opinion that a delivery clerk if he can do nothing better ought not to rise to a higher class, but that those who are fitted to become sorting clerks by good conduct ought to rise to senior clerks?—I do most decidedly.

3078. If you happened to have in your office any clerks whose capacities were limited to the performance of the duties of the fourth class; would they, under the present system of promotion from length of service, rise in the classes above?—This would not occur in my office, because I would not recommend them for the increase of salary or promotion.

3079. With reference to the discipline of your office, is it such as you can approve, and do you impose any penalties for breaches thereof?—At present I can speak highly of the discipline of my office and the good conduct of my clerks. There have been times, during my time, when I have reported breaches of discipline, when a fine has been imposed by the Department, on my recommendation.

3080. Do you keep an attendance book, and what, in your opinion, is the usefulness of it?—We keep an attendance book. It shows who was on duty at the time mails which contained missing letters were received.

3081. Have there been any defalcations in your office, if so, please state the nature and extent thereof?—About four years ago, a number of registered letters were tampered with, and part of the contents abstracted. The registration clerk who had charge of them was dismissed. The system of dealing with them has been changed since, and no other irregularity has occurred.

3082. What is the present condition of your office, both as to efficiency of staff and organization, and would you recommend any means whereby its efficiency and

economy could be increased and the expenses of management reduced?—I look upon my staff, as I said before, as an efficient one, from the fact of the nominations made on the recommendations of the local members from time to time being well selected. I believe that if lock-drawers for city delivery could be substituted for the open boxes now in use, the staff could be diminished by two or three clerks. Further, if clerks who prove themselves fitted only for the mere routine work of the office, viz., delivery clerks, were always kept at the salary allowed to fourth class clerks, the maximum of which is \$520, there would be greater efficiency and at a less aggregate cost.

14th December, 1880.

Evidence of JOHN D. STONY, Assistant Inspector, Post Office, Halifax:—

3083. Will you please state what is your position in the Service, how long you have held it, and been in the Service?—I have held my present position since 1st June, 1875, and have been in the Service since 1869.

3084. Will you kindly state generally what your work and duties are?—My own duties are similar to those of the inspector, whom I represent during his absence, and for whom I, at times, travel on duty. The duties of the inspector are to superintend the performance of the postal service throughout Nova Scotia; inspect all the post offices in the division from time to time; make contracts for conveyance of mails, under the authority of the Postmaster General; see that those contracts are faithfully executed; to arrange the days and hours of travel on mail routes; regulate the exchange of mails between post offices; superintend the postal-car service; supply postage stamps and bill stamps to postmasters; furnish postmasters of Money Order Offices, not having bank credits, with funds to meet orders drawn upon them; forward lists and advices of money orders issued in Nova Scotia, or the United Kingdom and Newfoundland to the head money order offices of those countries; establish, transfer and close post offices, under instructions of the Postmaster General; investigate reported losses of and abstractions from letters, and mail irregularities generally, and to do generally what may be required by the Postmaster General.

3085. How many clerks or other employés are there in the Inspector's office, both in the inside and outside?—We have four clerks on the staff of this office, and ten railway mail clerks. We find it necessary to employ one railway mail clerk in the office constantly.

3086. How are they appointed; is there any examination as to their qualification for the duties which they may have to perform?—Usually appointed as temporary clerks, and they become permanent on the report of the inspector. On first appointments, clerks always enter the lowest or fourth class.

3087. Have you considered the question of first appointments to the Service—can you suggest any better method by which the Service would be improved?—I think an entrance examination very desirable. This should be competitive, and before an independent Board, free from political influences.

3088. How are positions regulated in your office, is it by seniority or merit?—Special promotions have been made on merit only; but as a rule they are made by seniority after favourable report of the inspector, as to conduct and efficiency.

3089. Is there in your office routine work of a purely mechanical character, and which is paid for as highly as the more responsible and difficult work, but which might be assigned to a special class whose salaries should not exceed a fixed maximum of say \$500 or \$600?—I can hardly say there is.

3090. Would you recommend a smaller number of grades for inspectors' offices, so that those who have proved their fitness and good conduct will eventually obtain higher salaries, and those who cannot do so remain in a lower class at a smaller salary?—I would.

3091. When inspecting the district under your supervision, have you found any irregularity or defalcation, if so, please state what they have been?—We have had no losses of any consequence since the last few years. In one or two cases where there were defalcations the amounts were returned.

## INLAND REVENUE.

15th December, 1880.

Evidence of **ANGUS McLeod**, Collector, Inland Revenue, Halifax:—

3092. What is your position, and how long have you been in the Service?—I have been collector since 1st May, 1879, and have been in the Service since January, 1868.

3093. What is the extent of the division under your charge?—It includes the Counties of Halifax, Colchester, Cumberland, Guysborough, Lunenburg, Hants, Kings and Annapolis.

3094. How many employes have you in your Inside and Outside Service?—Five excise officers, including messenger. In the places I have named the collectors of Customs act for us.

3095. Are you satisfied with the efficiency of your officers, and with the manner in which the outside business of your division is performed by the Customs officers?—Yes, I am.

3096. How many Customs warehouses are used for storing Inland Revenue goods?—Twenty-seven out of fifty-five. We will have our own warehouses by 1st January.

3097. Is it part of your duty to take precautions for preventing illicit manufacturing within your division, and what is the general nature of your proceedings in relation thereto?—It is a part of my duty. On information received of such a thing taking place, I immediately proceed to search and seize if necessary.

3098. How are the officers and employes of your division classed by examination?—One first class; one second class; one third class.

3099. Are the salaries which are paid proportionate to the work and duties performed?—Not exactly. Some get more salary for doing the same work as those who receive less.

3100. If you have two officers in the third class receiving a salary of \$700, and one in the first class receiving the same amount, what benefit arises to an officer from receiving a higher certificate of examination than a lower?—It would entitle the holder of a first class certificate to more rapid promotion.

3101. Have you any special instructions as to testing petroleum directly imported from the United States or elsewhere before delivery?—I have a circular to that effect, but the thing has not been done so far, because I understand the ports of Halifax and St. John are not included in that circular.

3102. Do you visit the outside offices of your division periodically, the bonded warehouse and licensed manufactories?—No, I do not visit the outside offices; but I sometimes visit the warehouses and licensed manufactories.

3103. When was stock last taken of goods in bonding warehouse, and how often is it done?—We take stock at the end of every quarter. The last time was 1st October.

3104. What are the hours of attendance in your office?—From half-past nine to four.

3105. Do your outside officers keep diaries in the manner prescribed by departmental regulations, and what is your opinion of the usefulness of it?—Yes; they all keep diaries. I think it necessary.

3106. What is your system of accounting to the Department at Ottawa for your receipts from all sources, and how often do you remit for the same?—I send bank deposit receipts with the entries, and a statement of deposit to Ottawa about three times a week and sometimes oftener.

HALIFAX, 15th December, 1880.

Evidence of **GEORGE ESSON, jun.**, District Inspector, Inland Revenue, Halifax:—

3107. Will you please state how long you have been in the Service and held your present position of District Inspector?—I have been District Inspector since 1st June, 1876. Had not been in the Service before.

3108. Do you inspect the whole of the Province of Nova Scotia, and how frequently do you inspect the various offices?—I inspect the whole Province. I inspect Halifax and Pictou every three months on an average; and Yarmouth and Cape Breton once in six months.

3109. In what condition have you found the various offices; have there been any irregularities, defalcations or frauds on the revenue, if so, please state the nature and extent thereof?—Halifax, Yarmouth and Cape Breton have been found satisfactory. Pictou not satisfactory. There have been three defalcations on the part of the two last collectors. This arose from not accounting for the duties collected. This had been going on for about six months as to the last one. The amount embezzled through the first collector was about one thousand dollars, but subsequently recovered. There was also a sum of four hundred and fifty dollars coming from collector of railway lands. This latter amount is not yet paid. As for the second collector, the amount was about seventeen hundred dollars. Good security is held, in shape of a bond for one thousand dollars. The remainder will be a loss. Neither of these men were prosecuted. I also remember a defalcation on the part of the collector of Customs of Port Mulgrave, who acted also as collector for the Inland Revenue, to the amount of six hundred dollars. This amount is secured by judgment to the Government, but not yet paid.

3110. With reference to the securities given—are they the guarantees of the personal friends of the officers, or the bonds of Guarantee Companies; and which, in your opinion, would be the best?—Generally the securities are merchants and friends of the officers, both of which are objectionable in my opinion. I much prefer the bonds of the Guarantee Companies. My experience is that private securities, although good sometimes, very frequently are not collected, in consequence of political influence being brought to bear to prevent enforcement in cases of default, whereas the guarantee bonds of companies are independent of political or other patronage.

3111. Have you one or more officers in charge of each of the distilleries, breweries, or tobacco manufactories?—Yes; there is one officer in charge. In smaller manufactories, one officer is in charge of more than one. We have no distilleries working at present. We have five breweries, and four tobacco and one cigar manufactory. We have also four malt-houses.

3112. The duties of the officers placed in charge of these various industries being of an important character, do you see that the duties are faithfully performed, and what check have you over them?—I visit all these establishments periodically, and as often as possible. The officers in charge never know when I come, and I thoroughly examine the books on my visits. I satisfy myself that all raw material going in manufactories is duly accounted for.

3113. Are the officers of your Outside Service first taken on probation before they are permanently appointed, and for how long?—They are now, and for six months.

3114. Do you think the examinations required by your Department, before being permanently appointed, tend to increase the general efficiency of the Service?—I do.

3115. Do you find that those recently appointed on probation, and officers long in the Service, cheerfully undergo the examinations now required, both for the lower and special class ones?—I find that they object, as a rule, to the examination, until they have passed it themselves; but they are in favor of it, after they have passed it successfully.

3116. Do you think it does away with the ill effects of a system where appointments depend upon political patronage only, and not on merit?—It prevents the appointment of a class of men through political influence, who would not make as efficient officers. I think all appointments should be made independent of this influence.

3117. Have such examinations been so far a benefit to your Outside Service that they have prevented persons without the proper education for such a berth from using political patronage in their favor?—Yes; to a great extent.

3118. Would the effect of such persons not attempting to enter your service drive them into trying for positions in a Department where there is no examination on appointment?—Yes; no doubt.

3119. Are there any cases under your inspection where officers have been passed over, by placing persons outside the Service in vacancies they were entitled to by length of service and merit?—Yes; this has taken place.

3120. Has not the passing over of officers who are entitled to promotion an injurious effect on the whole Service?—Yes.

3121. At what age are first appointments made, and what do you consider the best age for candidates on first entering the Service?—A recent appointment to a Collectorship was made, the person being 60 years of age. My opinion is that from 18 to 35 would be a good age for first appointments.

3122. Do you consider that there are more men employed in any of the divisions in your district than are needed for the work?—No. On the contrary, in Halifax, at busy seasons, our staff is over-worked.

3123. Are there, to your knowledge, any who from age, infirmity, or any other cause, are not well fitted for the performance of their work?—No.

3124. Are the goods, bonded under Excise regulations, placed in warehouses separate from Customs goods, or are they, in your district, still kept in the Customs bonding warehouse?—In the majority of cases, they are still in the Customs warehouses.

3125. Have you any regulations as to the particular kind of warehouse required by your Department for a bonding warehouse, and are they carried out?—We have such regulations. They have not as yet been carried out.

3126. Do you think Government or public warehouses for Excise goods, would prevent frauds being committed, and require fewer officers to attend to the receipt and delivery of such goods?—I do not think this would work well in this Province. No doubt it would be a safeguard; but it would be such an inconvenience to the merchants, that it would not be advisable to carry out the idea.

3127. Have there been any frauds on the revenue by the abstraction of bonded goods from any of the private bonding warehouses?—No; but a fraud was committed on ten casks of alcohol in transit between the depot and warehouse. I think these goods should be guarded by an officer from the depot to the warehouse.

3128. What is the reason the Inland Revenue officers at this port do not test all petroleum imported here, but allow it to be done by the Customs officers?—I thought it was done by the Collector of Inland Revenue.

3129. How have you dealt with the stamping of tobacco, snuff and cigar packages under the late Inland Revenue Act, 43 Victoria, cap. 19, which requires every package to be stamped, even to a package of cigarettes?—So far as I know, the law on that point has not been carried out. I thought it applied only to the place where these articles were manufactured. We have received no stamps to enable us to comply with the law. We have instructions not to seize any small unstamped packages until the end of the year.

3130. Do you consider the regulations relative to fish are such as to ensure an efficient inspection?—No; I do not think they are. The size of the pickled herrings should be stated. Two different lots are inspected by different inspectors. The largest and best, whatever their size, are classed number one, although there may be a difference of two or three inches in the size of the fish. The remedy I would suggest would be that a certain size and quality should regulate the number.

3131. Please state the manner in which you inspect the various offices in your district, and what time you generally devote to each office?—I first check the books in the office and see that they agree. I then take a memorandum from the warehouse ledger and go to the warehouse and check the goods in warehouse. The time spent in each division depends altogether on the time that elapses between my inspections and the amount of business transacted. I try and give one month to Halifax, one to Pictou and Cape Breton, and one to Yarmouth. Halifax generally gets two more months than the other divisions, which I devote to carefully checking the breweries, factories, &c.



## MARINE AND FISHERIES.

Mr. H. WENTWORTH JOHNSTON, Agent Department Marine and Fisheries for Nova Scotia, examined:—

3132. Will you please to state your position in the Service, and how long you have held it?—Entered as first-class clerk in Provincial Secretary's office for Nova Scotia, 1863; at date of Confederation was Deputy Secretary and Clerk of the Executive Council; in 1878 was appointed to my present office.

3133. Will you please state the nature of the work and duties which you have to perform?—Have general charge and supervision of all the lighthouses, fog-whistles, buoys, signal stations, humane establishments, life-boat stations. 2nd. Dominion steamers, marine hospitals, shipwrecked and distressed seamen. Although there is a separate Fisheries Office, I have charge of all the expenditure connected with fisheries and fish-breeding in Nova Scotia; also, have the whole charge of the expenditure connected with the examination of masters and mates for the Dominion, and generally have supervision of all matter coming under control of the Marine and Fisheries for this Province. A very large number of wreck returns, amounting to one hundred each year, are filled in and forwarded by me to the Department at Ottawa. There are in Nova Scotia 122 lighthouses, 10 steam fog-whistles, 1 fog-bell station, 3 fog-gun stations, 1 lightship, 8 automatic signal buoys, 6 large iron bell buoys, 341 iron can, wooden can and spar buoys, 7 life-boat stations, 3 humane establishments, 6 stationary beacons, 3 marine hospitals.

3134. Please state the number of employes both in your Inside and Outside Services?—In the Inside Service there are four; in the Outside Service, besides the crews of steamers, there are in round numbers about 160. Of those in the Inside, three are on the superannuation list; and in Outside, all the light-keepers, fog-whistle engineers and superintendents of St. Paul and Sable Islands.

3135. How are the appointments made in both Services?—All the officers on the superannuation list are appointed from Ottawa, crews of vessels are left to the selection of the captain; Sable Island staff are under my control, and St. Paul superintendent has control of his own men.

3136. Have you given any consideration to the question of appointment and promotion in the Service?—I have formed an opinion on the subject, which is that appointments ought to be independent of politics, and promotion by seniority and merit, provided there is no reason against it.

3137. Would your opinion be in favor of examination before entrance, coupled with a period of probation before appointment?—Entirely so.

3138. What would you consider the best age for candidates entering the Service?—Between 18 and 25 years.

3139. Do you consider that there are too many men employed, that is, more than are needed for the work?—No; on the contrary, in the lighthouses I think an increase of numbers or pay might be made under certain circumstances.

3140. Are there any who are not well fitted to perform their work, from old age, infirmity, or from any other cause?—No.

3141. In what manner are the supplies of stores procured for the Department?—Now the chief supplies are obtained by tender and contract, and awarded to the lowest tenderer.

3142. What is your system for giving out supplies of stores to the various services requiring them, and what check have you over them?—Each lighthouse-keeper is required to send in a quarterly return, showing the stores on hand on the beginning of the quarter, the expenditure during the three months, and the balance on hand at the end of the quarter; these are checked with the supplies sent by the Superintendent of Lighthouses, who also makes a personal inspection of each lighthouse at least once during the year. Articles required for the Dominion steamers, such as provisions, ship chandlery, engine-room stores, are supplied on the requisition of the captain of the steamer, such requisition being in the first signed by the

officers in their respective departments of such steamships, as per forms supplied by me.

3143. The object for which the Commission has been appointed having been explained to you, if you have any suggestion to offer for the improvement of the Service, will you have the goodness to convey them?—I am not aware of any.

### WEIGHTS AND MEASURES.

HALIFAX, 16th December, 1880.

R. M. KING, Inspector of Weights and Measures examined:—

3144. You are the Inspector of Weights and Measures; how long have you been in that position?—I was appointed the 14th August, 1879.

3145. What is the extent of the district under your inspection?—I have five counties in my division, viz.: Halifax, Hants, Kings, Lunenburg and Guysborough. There are four divisions altogether in this Province, viz.: Sydney, Pictou, Yarmouth, and my own.

3146. How many officers have you in your division?—Two; myself and an assistant.

3147. Are you enabled to do the work of your division efficiently?—In the space of one year I have done about half the work to be performed, and expect to complete it within the time stipulated by law. I can say it has been done efficiently.

3148. How is the work divided between you and your assistant?—He works wholly under my direction, and attends generally to the outside. I have gone with him to large towns, so as to intelligently introduce the inspection, and so far it has gone on fairly.

3149. What are your working hours?—Our office is opened not later than half-past nine until five.

3150. With reference to the condition in which you find scales, weights and measures—please state if you have to condemn many, and what is done with those that you condemn?—I have condemned a number of scales of inferior make, some of them being now. I find that few weights require to be rejected, they are adjusted when untrue. As to measures, I have to say the wine and Winchester standards have been in general use here. I have had some difficulty in getting people to replace them by the new standards; but must say I have had, and am having, fair progress without resorting to force. Rejected scales are returned to the owners with caution not to use them; but they are marked in such a way as to show they are condemned. This, I believe, should be done.

3151. Is the Weights and Measures Act generally approved by the trade and by the public?—I can say it is generally accepted with little complaint by intelligent and honest traders.

3152. If you have any suggestion to make for the improvement of the system in any way, please to convey them?—There is a matter of details connected with the efficient working of my Department, which I may be permitted to mention. I have found by experience that traders were exposed to considerable loss of time in finding out persons to bore weights, so as to enable me to introduce lead for adjustment and stamping. I have, on my own authority, remedied this by providing at my expense a drill, lead and other tools, so that this unavoidable work may be done in my office. This, I find, gives general satisfaction, by expediting my inspection of weights, without entailing, to interested parties, any extra expense or delay. I think that if inspectors were furnished with the necessary apparatus for this, it would certainly conduce to the more satisfactory carrying out of the law. I may say that I furnish my assistant with the needful to do in their rounds what is done in the office.

## DOMINION AUDITOR.

Mr. SYDENHAM HOWE, Dominion Auditor, examined:—

3153. You are Dominion Auditor for Nova Scotia; will you please to state how long you have held that position and been in the Service?—Yes; have held it since February, 1870, and been in the Service about nineteen years.

3154. What is the nature of the work and duties which you have to perform?—The bank receipts for all revenues, including money orders, are sent to me. The cheques drawn by the Marine and Fisheries and a portion by the Assistant Receiver-General, viz., the coupons, are countersigned by me. All the Assistant Receiver-General's cheques pass through my books, and all the cheques issued at Ottawa by the Auditor-General and Deputy Minister of Finance also pass through my books. All statements of bank accounts are sent to me, they average from 15 to 30 per week, more or less. All those statements have to be checked, and, in case of error, corrected. From the different cheques, receipts and bank statements we make up about 15 returns for Ottawa. We pay coupons of debentures issued by the Province of Nova Scotia before Confederation twice a year, amounting in the aggregate to \$25,000 per half year and 995 coupons, which takes up so much of our time the regular work has to be done at night. We have also paid off any of the above debentures as they became due, defacing them, in all to \$500,000; also, in connection with Assistant Receiver-General, I have also destroyed nearly the whole issue of old provincial notes. I am also Secretary to the Board of Management of the Dominion Building, and do all the work required.

3155. What disposition do you make of the interest coupons on the debentures to which you have alluded?—We keep a book in which every coupon, number, amount and date of payment is entered. When they are presented for payment, we fill a form of requisition for the holders thereof, and make all the calculations for interest from sterling to currency. It is then taken to the Assistant Receiver-General for payment and the cheque presented to me to be countersigned before payment. We then enter in a book full particulars of payment.

3156. Is the business and work of your office increasing, if so please state how it is?—Increasing. Applications for payments, advances, &c., for last fiscal year, 3977, as against 3800, although other work has been taken away from this office. As to receipts, in this week there are 155, some of which have from six to twelve endorsements.

3157. How many assistants have you in your office, and what rank do they bear in the Service?—Two; one has been here since 1867, the other five years; they are not classified, but are on the superannuation list; neither am I classified, and we all think it a hardship that we are so ranked that we cannot be benefitted by increase of pay or otherwise as the members of the Civil Service at Ottawa.

3158. Are you responsible to the Auditor-General at Ottawa or to the Department of Finance?—I am instructed in writing by the Deputy Minister of Finance that I belong to his Department, and am under his sole control.

## ST. JOHN, N.B.—CUSTOMS.

St. John, 18th December, 1880.

Mr. JAS. R. RUEZ, Collector of Customs, St. John, examined:—

3159. As Collector of this port, how long have you been here and what is your length of service?—I have been Collector here 10 years last October.

3160. How are the officers and collectors at your port appointed?—They are appointed by the Department in the usual way.

3161. According to the list of officers and employes there are 51—which includes 4 sub-collectors and 1 preventive officer, also 3 supplementary clerks and 2 boatmen. Do all these pay superannuation tax, and are they all appointed in the same

way?—The last five are not on the permanent staff, but they pay superannuation tax.

3162. Are you obliged to retain all the officers and employés when once appointed, whether capable of performing the duties assigned or not?—Yes; I am obliged to do so.

3163. Have appointments been made of men not well fitted for their work?—Not at this port—they are all fairly well fitted.

3164. Is there any classification of clerks in your office, or are they designated merely by their duties?—The chief clerk is appointed such by the Department, and all the others are called clerks in their letters of appointment without any designation of rank.

3165. Do the clerks get yearly increments of salary systematically on report of good conduct from you?—Not as a system, but additions to salaries of some have been made from time to time on my report to the Minister for the time being.

3166. What would you consider the best age for clerks or other employés for first appointments to your office?—For clerks, not younger than 18 or older than 25 years. For outside officers, such as tide-waiters, lockers and waiters and searchers, not younger than 25 and not older than 40 years.

3167. Have you considered the best method of making first appointments and promotions; if so, will you please to make such suggestions as have occurred to you on this subject?—I think it would be desirable to change the present system of appointments to the Service, and leave it in the hands of some independent authority whereby all political bias may be excluded; and as to promotion, to go according to length of service and merit only.

3168. Would you approve of a system of examination for ascertaining the qualifications of candidates before entrance, and a period of probation before being permanently appointed?—I would decidedly approve of some system of examination whereby the qualifications of the candidate can be ascertained, based upon a period of probation of six to twelve months' service.

3169. At what salaries do the clerks first enter your office?—Between \$300 and \$500.

3170. As to the number of clerks or other employés at present in your service, have you a larger number than is required for the efficient performance of the work?—I have quite sufficient number to carry on the work, and I have not too many, as at present constituted, for the efficient discharge of the duties of the office.

3171. With an examination as to the qualifications of clerks before entrance and a period of probation before appointment, could not the work of the office be sufficiently carried on with a smaller number than at present?—Yes; I am of opinion that it could.

3172. Have you any clerks or other employés who, from age, ill-health, want of capacity or any other cause, are not well fitted for the efficient discharge of their duties?—Yes; I have some.

3173. At what age do you consider officers in the Inside Service, and at what age officers in the Outside Service, ought to be compelled to be placed on the superannuation list?—In the Inside Service at 65 years; in the Outside Service at the same age.

3174. Is there any official record kept of the manner in which the clerks or other employés in your service perform their duties?—There is an attendance book kept here in which all the clerks in the Inside Service sign their names daily on arrival, with the hour of arrival, also the time of leaving, which book is brought up to me in the morning at nine o'clock. The hours of attendance are from nine to three. The tide-surveyor and the superintendent of lockers also keep attendance books of their respective subordinates which is submitted to me from time to time. I have also a distribution sheet which is laid on my table every morning, showing the work done by each outside officer.

3175. As to the salaries which are paid, are they proportionate to the work, or have you any clerks or other employés doing the same work at different rates of pay?

—Yes; I have, at different rates of pay, but fairly proportioned to the work done. There are some exceptions.

3176. Who has charge of your bonding warehouses, and what check have you as collector on the receipts in and delivery out of the same?—The superintendent of warehouses, under my immediate control, who checks the lockers in such warehouses, and the warehouse keepers check all the lockers returns, and furnishes data to the statistical clerk who makes up the return for the quarter to the Government.

3177. Who has charge of all goods not placed in bonding warehouses, and are delivered on payment of duty, by free entry, or by removal under railway manifest or otherwise?—Goods on arrival by vessel have a tide-waiter placed in charge by the tide-surveyor, who reports to the landing surveyor, and I consider that the landing surveyor is answerable for the due delivery of all goods arriving, so that they are either delivered for bonding purposes (when they go out of his control) or are also delivered by warrant on dutiable or free entry, on removal *in transitu*.

3178. How often do you require the stock to be taken in your warehouses and in what manner?—At the end of every quarter when my returns are made up, and in the middle of the quarter when other returns are made, the semi-quarterly return is checked by the superintendent of warehouses and the other returns by other officers designated for that work.

3179. Who has the custody of the keys for the several warehouses, and who takes charge of them at night?—The superintendent of warehouses takes charge of them every night, they being placed in his office, and he delivers them to each officer in the morning.

3180. Have goods ever been taken out of your warehouses without duty being paid, or have any losses taken place in any of the same within the last four years?—Not any.

3181. What system have you of forwarding goods by railway or otherwise in bond?—No system at all. The warrant is received by the merchant, who takes them from the vessel or railway station or from bonding warehouse and removes them himself; bonds are given in the usual way, manifests of the goods are made in triplicate, one of which is kept in the office, two accompanying the goods, and on receipt at the port of destination one of these is certified to the receipt by the collector and returned to me.

3182. With reference to your statement that there is no system at all, what remedy have you to suggest?—That when goods are sent to a bonding warehouse, each cart or conveyance should be accompanied by a receipt given by the officer in charge, specifying number, marks and description of packages in such load, this receipt to be signed as having been delivered by the locker in charge of the bonding warehouse and returned by the carter to the tide-waiter delivering the same; such receipts to be numbered consecutively, and in case the goods do not arrive in due course as ordered, the tide-waiter in charge who delivers them must report at once to the collector such discrepancy, and both the importer and carter ought to be severely punished. I also think that there should be a law to promptly fine or otherwise punish both importer and carter, but particularly the former.

3183. What duties has the tide-surveyor at your port?—He has the supervision of the tide-waiters. I hand in a book of instructions to all the officers of my port prepared and printed by me in 1874.

3184. Does the inspector of ports, when inspecting your office, make a general supervision of all your warehouses and compare the balances with the warehouse books of your office, and how often?—He is inspecting us all the time and takes balances repeatedly.

3185. How is the discipline of your office, and what means do you take to enforce it?—I have no cause to complain or to impose fines.

3186. Do you remit daily the cash receipts from all sorts to the Receiver-General?—I remit each fiscal week, so as agree with my weekly return; I deposit all collections daily, to the credit of the collector at the Bank of Montreal, and I cannot

draw therefrom any sum except on an official cheque for the purpose of the Receiver-General.

3187. Have any defalcations been committed in your office within the last four years?—Not a dollar.

3188. Who is the registrar of shipping of this port, and how many vessels have you registered here?—I am. I have, up to 31st December, 1879, 717 vessels, with a tonnage of 279,746.

2189. Are you paid anything extra for this service?—Nothing.

2190. If the statistics for the returns throughout the Dominion, instead of being made out at the several ports, were prepared at Ottawa from the duplicates of the original entries, and otherwise forwarded weekly there, could not the business be conducted with a less number of clerks?—The business of this office would be reduced. The trade and commerce of this city and Province look to this Custom house, however, for periodical statements of the business done, and stocks of goods in bonded warehouses from time to time—which could not be done here at all if the statistical returns were made at Ottawa.

3191. How many outports have you attached to your port, and are any of them warehousing ports, and what system do you adopt in checking them?—From outports, one of which is a warehousing port. In checking them I require all the business to be sent to me once a week.

3192. Are the small independent ports in the Maritime Provinces made the medium for fraudulent entries, by means of under-valuation or otherwise, to the detriment of the revenue and the honest importer, if so, what would you suggest?—I think it is from the want at these small ports of efficient outside officers; first, to oversee the proper delivery of goods from the vessel, and then to ascertain the proper value before entry. To remedy this evil you must either abolish the small ports or increase the number of offices. For example, in Annapolis River and Basin there are different ports. Vessels entering there can report, and leave their goods at any one of these ports; but the entrance being very narrow and about a mile in width, if the report of the vessel was taken at the port at each entrance it would be a security that all the goods gone through the narrows would be duly entered at one or other of the ports.

3193. Who administers the affidavit on accepting the entries or other matters at your port?—In the long room the chief clerk, in his absence another clerk. In the warehouse room, the warehouse keeper. In the surveyor's room, the landing surveyor; and in the shipping office, the chief clerk of that department under my authority.

3194. The object of this Commission having been explained to you, have you any suggestions to make which you could furnish us in writing?

The following memorandum was handed in as a reply:—

The system of private warehouses is, in my opinion, open to many objections. It may not, perhaps, be possible to do away with them at once altogether, but they should be limited in number, and be classed as much as possible under No. 3—that is, "warehouses occupied for the general storage of imported goods," and be made to pay an annual fee of at least one hundred dollars. Private warehouses, say Class No. 2, if tolerated at all, should pay a fee of at least two hundred dollars. By adopting a system like this, the number of warehouses in all the large ports would be soon materially reduced and the business placed on a better footing. A less number of lockers would be required, and a more efficient supervision would be secured. It would be better, however, still if the Government were to establish at this port three public bonding warehouses in convenient situations for trade. The result would be better security and a large reduction in the number of officers, and, necessarily, of the cost of the Customs Department. If even this could not be accomplished, it would be, at all events, desirable to have all wines and liquors stored in one warehouse under Government control. The trade generally would benefit by it, as they would have positive and unquestionable security that the goods had not been tampered with; or rather, that they were in the condition in which they were shipped to this port, and there-

fore more highly valued when purchased here "in bond." In regard to discipline, I think it would be highly desirable that a set of rules for the government of the Custom houses at all the large ports should be established somewhat similar, though in some respects not so stringent or minute, as those recently promulgated by the Quebec Local Government for the guarding of its Civil Service. It is true that the collectors could establish rules for this purpose in their respective offices, but they would not possess the same authority as those which might be issued by the Government, and they would lack the very important element of not being uniform.

18th December, 1880.

GEORGE F. MATTHEW, Chief Clerk, Port of St. John:—

3195. How long have you been in the Service and held your present position?—I came into the Service at this port in 1853 as Junior Clerk, and was promoted to Chief Clerk on 1st July, 1879.

3196. What are your particular duties as Chief Clerk?—To supervise the general work of all the clerks in the long room. My special work is administering the oath on bills of entry for duty or free being entered; checking the rates of duty and description of goods on entry. Doubtful questions are referred to me by the invoice clerks. The rest of my work is more of a general character.

3197. Who deposits at the bank the moneys received for duties or otherwise?—The cashier makes it up, places it in a locked-up box, with a key held by himself and another by an officer of the bank, which box is carried to the bank by a messenger.

3198. Do you consider the work of the office is done efficiently and economically, and can you make any suggestion for the improvement thereof?—I cannot think of any improvement; the work goes along smoothly, and I think with safety to the revenue. I do not think it could be done more economically.

3199. What are the hours of attendance of officers in your Inside Service?—From 9 o'clock until 3 in the long room and warehouse department, to attend on the public, but until four to finish up the business of the day.

3200. The hours of attendance on the public, at most of the ports in the Dominion, are from nine until four. Would it not promote economy in your office if your hours were the same?—We close at three because we send our money then to the bank, and could not deposit it afterwards.

3201. Are we to understand, then, that your office hours for attending on the public are from 9 a.m. until 3 p.m., because the bank closes at that hour, and you make your deposit then?—That is the reason.

3202. Is the work of the clerks so proportioned that the most difficult is done by those holding the highest positions and receiving the largest salaries?—Yes; I think it is.

St. JOHN, 20th December, 1880.

Examination of Mr. JOHN W. CUDLIP, Inspector of Ports, Province of New Brunswick:—

3203. Will you please state how long you have been in the Service and held your present position?—I was appointed to the Service as Inspector, in 1874.

3204. Does your district of inspection include the whole of the Province of New Brunswick only?—Yes; but it also includes Prince Edward Island.

3205. Is the district too large for you to overtake the work efficiently?—Not now.

3206. How many ports and out-ports have you in your district?—About 42 ports and out-ports.

3207. Are you of opinion that these small ports and out-ports increase the chances of loss to the revenue by the importation of goods at an under-valuation,

from the want of an appraiser to determine the classification and fair market value?—Certainly, to a considerable extent, and at some ports more than others.

3208. Do you think there is much smuggling in your district, and will you give your reason for forming that opinion?—There is not so much as there used to be, but there is still a great deal on the borders. I have it on reliable information.

3209. Who is the second officer of the port, and what are his duties?—The Landing Surveyor. His duties are to see that the outside duties are properly looked after; that officers are placed on ships coming into port, to check the proper delivery of goods after due entry for warehouse duty or otherwise; to see that the manifests are properly made out and cleared, and to see that the warrants for delivery of goods are checked off such manifests in a proper manner. He is also required to keep a surveyor's cash-book, and to check the collector's cash-book daily from the same. He has two clerks to help him in his clerical duties.

3210. What officer is in charge at this port of all goods placed in bonding warehouses, and is answerable to the collector for the proper receipt and delivery of the same?—The superintendent of lockers has to see that all such goods are received and delivered by the proper officer, and is answerable to the collector for its being done.

3211. Have you any defined instructions from the Customs Department at Ottawa, to guide you in making a proper inspection of the several ports in your district?—Yes; I received written instructions how to proceed; and I think I have such knowledge to enable me to properly carry out my duties.

3212. Have you any instructions as to the number of times in a year, each port in your district has to be inspected by you?—I am instructed to inspect each port in my district, twice a year; but, sometimes, I have visited some ports four or five times a year for cause.

3213. On inspecting any port and finding the work of the office or the mode of the carrying on the Service improperly done, what means do you take to remedy the cause?—By warning, and reporting afterwards, any officers I find to have neglected their work and orders or to have misconducted themselves.

3214. Should a collector under your inspection be found a defaulter as to moneys received by him for duties or otherwise, what are your powers to deal with the case?—To demand and take charge of the office, and to report in writing to Ottawa the circumstance, and ask for further instructions.

3215. Have you found irregularities when making your inspections, or have defalcations been committed; if so, please state the nature and extent thereof?—In one case there was a defalcation of \$7,000; \$2,500 of which was accounted and the balance by notes of \$3,600. I do not know whether that amount has been paid; I called the attention of the Department to it. In another case there was a collector always short in his cash, and finally, on being short \$1,500, he was dismissed. I do not know if this money was paid the Government or not. In another case \$400 was found short in a collector's cash; he was to make it good. It is not yet done. The first case was in 1876; and the second, 1876, and the third was discovered in 1874.

3216. Do you give instructions to the subordinate officers and employes of a Custom house direct or through the collector?—In the large ports through the collector; in the smaller ones, I think it best to speak to the officers personally.

3217. Is there any particular or uniform system adopted by the different Custom houses throughout your district for keeping the accounts, checking moneys received, warehousing goods, and generally carrying out the work of the office?—Practically it is the same.

3218. If the surveyor or second officer of a port was found to have neglected his duties, how far would you hold a collector answerable for his neglect?—I hold him answerable as far as his knowledge of the circumstance is concerned, having taken all reasonable means to inform himself of the same.

3219. Do you examine from time to time, all the bonding warehouses at this port, and how often?—I examine them from time to time so that I go through all of them once a year at this port, and at other ports as often as I visit them.



3220. Before doing so, what means have you of ascertaining the correct balances of number of packages and quantities of all goods remaining in any bonding warehouse about to be inspected by you at the day of such inspection?—I go to the warehouses and generally take the data of it myself, and also by the locker's book; when I go to the warehouse I count every package and test some of the liquors.

3221. Do you examine all the warehouse books of this port from time to time and compare the same with the warehouse and ex-warehouse entries?—Yes.

3222. What warehouse books are kept at this port—1st, by the collector or his clerks; 2nd, by the surveyor, or warehouse keeper, or clerks detailed for that purpose?—There is one set of books of warehouse goods, consisting of merchant's ledger and a daily record of goods warehoused inwards, kept in the warehouse keeper's room.

3223. Are the warehouse books now kept approved of by you, and do you consider that they are sufficient to show at all times the proper receipt and delivery of goods placed in or taken out of bond; and have the inside and outside branches of this office a complete check one over the other, so that when the collector and the next officer of the port declare to their quarterly returns, the balances are known to be correct and to have been properly checked by each of these officers before making such declarations?—I think so.

3224. Which books, kept by the outside and inside branches, show the number of packages, quantities and values of all goods placed in and taken out of bonding warehouse; and please produce them?—The only books showing this are kept in the warehouse keeper's office.

3225. The regulations of the Department requiring that such a check should be kept by collectors and surveyors, by warehouse books Nos. 1 and 2, or otherwise, would it not be better to adopt such a system at this office?—I think so.

3226. How do you ascertain, at any given time, that the correct quantity of spirits is remaining in each bonded warehouse, or in the receiving or sufferance warehouses?—By taking the gauger and testing from time to time.

3227. What is your opinion as to the necessity or expediency of requiring other security than that of the principals or owners of goods placed in the bonding warehouses?—I certainly think there ought to be other security than the importer or owner.

3228. Are all goods placed in the several bonding warehouses in your district kept separately as to each bond and the number of the bond placed on each package?—My rule is to insist upon all goods in bond being placed separately as to each bond. They are not numbered. I think they ought to be.

3229. How many bonding warehouses, and how many receiving or sufferance warehouses, are there at this port?—About 32 bonding warehouses and two sufferance warehouses.

3230. Are you of opinion that the bonding warehouse system at this port could be improved by reducing the number of warehouses, or by having one or more Government warehouses instead under the sole control of the Customs; and how would the public be affected by such a change?—I think it would be better, safer and save trouble to the Department if Government warehouses could be adopted. This system, once adopted, they would find that they were really not inconvenienced thereby, and the expense to them would not be increased.

3231. If you have any suggestions for the improvement of the present system by which both the revenue and the honest dealer would be protected, please state the same in writing?—I would state that frauds occur in parties presenting entries for several packages of goods arriving by one importation from the United States (mainly)—and generally covered by half-a-dozen different invoices handed in to cover the entry. No number of packages stated on the invoices, and no marginal numbers as in the English invoices. I have known of two packages of boots and shoes dropped from entry of importation, and discovered by one of them having been sent to appraisers for examination. The general rule is one in five or one in ten to be sent to appraisers. I propose that when the information is not given as in English invoice, that the whole importation should be sent to appraisers for examination. That it is

expedient that in the larger sea ports, one or more officers be detailed specially for all night duty and watch. That in case of seizures some public examination of the party offending be made before a Police Magistrate, to say whether guilty or not guilty. This would deter many persons, whose position would lead them to dread a public exposure. And that any person acting as a general broker should be required to have a license from the Government, in order that he may be reached, and his power to make entries be stopped by deprivation of his right. I believe that parties designedly put their papers frequently into the hands of a broker, that the broker, who can have no real knowledge of the matter, may swear that it is true to the best of his knowledge and belief.

St. JOHN, N.B., 20th December, 1880.

Mr. STEPHEN E. GEROW, Surveyor, St. John, examined:—

3232. How long have you been in the Service and held your present position?—Thirty-three years in the Service; in my present position ten years.

3233. On appointment to the Surveyorship, what particular duties were assigned to you, and are you doing the same now as when first appointed?—I was appointed Landing Surveyor, and I do duties, I presume, usually assigned to that office.

3234. Are you the second officer of the port, and do you sign and declare to the quarterly returns of the office as such?—There is a misapprehension as to my position. I do not sign the declaration as second officer of the port on the quarterly trade return, nor do I think any one does but the collector.

3235. What portion of the Outside Service of the office are you in direct charge of, and what officers are responsible to you for the proper performance of their duties?—I am in charge of the landing-waiters, tide-waiters and gaugers; the other outside officers are under the control of the superintendent of lockers, who are not answerable to me.

3236. Do you check the receipts of the cashier of all sums of money daily received for Customs duties or otherwise, and what system have you of showing to the collector that you have done so?—I and my clerks check the receipts daily. We do not initial the collector's cash-book as checked, but I think it would be better to do so, and I have already given directions that it should be done; I also keep the Departmental surveyor's receipt-book.

3237. What warehouses are under your immediate control, and do the officers in charge furnish you with periodical statements of all goods remaining therein?—The sufferance warehouses, of which there are two, are under my control; immediately goods have been over three days in these warehouses they are removed to the special warehouse, which is under control of the appraisers.

3238. Have you charge of the gauging and testing of spirits before entry, and how do you notify the office of the result of the same?—I and my officers test and gauge all spirits and give result to the warehouse keeper.

3239. Is the weighing of all sugar, molasses and other goods subject to specific duties, under your control, and what means have you of ascertaining that the work is properly done before delivery?—It is; the officers doing so furnish a return in the gauge book, and the warehouse keeper certifies to the weights and quantities before final entry is passed.

3240. When any of the officers under your control require leave of absence, does the collector first consult you whether you can spare them before forwarding their application to the Department?—It has never been done so.

3241. Are the officers under your control directed by the collector in any way except through you, and do you hold yourself answerable for the due performance of their duties?—They are under my control, and, as a rule, no orders are given except through me.

3242. If any of them misconduct themselves or are absent from their duties, do you report the same to the collector?—I have done so.

3243. Are any of the officers or clerks that you are aware of unfit for the performance of their duties from old age, or any other cause; if so, does the proper collection of the revenue suffer therefrom?—I know of one officer in an important position who is too old for the proper performance of his duties.

POST OFFICE.

St. JOHN, N.B., 18th Dec., 1880.

Evidence of STEPHEN J. KING, Postmaster, St. John, N.B.

3244. How long have you been in your present position?—Since 1st March last. I had never been in the Service before.

3245. Have you been able to form an opinion as to the efficiency of your staff?—I have, and I can say it is very efficient.

3246. Is there any classification or grading of the clerks or employes in this office?—They are divided into classes as follows: One clerk of first-class, two second, twelve third, three fourth.

3247. Does it sometimes happen that persons from the outside are nominated to places which might be filled by promoting some deserving clerk already in the office?—No such case has occurred since my appointment.

3248. Are promotions and increases of salaries made in view of the efficiency or seniority of the clerks to whom such is given?—All increases of salary are made on the basis of conduct and attention to duty by the Department at Ottawa, under the recommendation of the Postmaster.

3249. Is there any examination for ascertaining the qualifications of persons nominated to office?—None, since my appointment to office, as no new appointments have been made. I have no instructions on this point.

3250. How are first appointments made to this office?—By the Department at Ottawa. From letters on file in this office I find that appointments have, within the past few years, been made on the recommendation of the local Members of Parliament.

3251. Have you more clerks in the office than are requisite for the efficient performance of the Post Office work here?—I have not, and considering the rush of work upon the office, early in the morning and in the evening, the staff is frequently found to be short enough for the work. At times, it is insufficient.

3252. Are there any of the employes who, from age or infirmity, are not qualified to perform their duty efficiently?—No.

3253. Is the discipline of your office satisfactory, and what means do you employ to enforce it?—The discipline is generally satisfactory. In two cases I have had to report breaches to the Department. Fines have been imposed.

3254. Are you prepared to make any suggestions that, in your opinion, would increase the efficiency of your staff, and, at the same time, secure a reduction in the expenses of the office?—I am not.

3255. Have you not in this office employes doing precisely the same duties and receiving different salaries?—There are.

3256. What effect has this on the Service?—It is discouraging to the better class of men.

Evidence of JOHN McMILLAN, Inspector, Post Office, New Brunswick Division, St. John, N.B.

3257. Will you please state what your position in the Service is, and how long you have filled it?—Post Office Inspector, and have been in my present position since July, 1867.

3258. What are your duties?—I superintend the whole postal service in the Province of New Brunswick. I inspect all the offices in my division according to necessity, going more particularly to points which require attention. I advertise, under

authority of the Department, for tenders for all mail service, and see that the contracts are executed according to advertisements. I supply postage stamps and bill stamps to postmasters. I see that funds are furnished, for money order requirements, to post offices not provided with bank credits. I also attend to all the details connected with that service, in so far as it attaches to my office. I establish, transfer and close post offices. I investigate and look into reported losses of missing letters, and see that irregularities generally are promptly attended to and corrected.

3259. How many clerks are employed under your immediate jurisdiction?—I have five clerks in my own office and fifteen railway mail clerks.

3260. How are these clerks appointed, and is there any examination as to their qualification for the duties they are to perform?—They are appointed by Government. There is no examination.

3261. Have you considered the question of first appointments to the Service, and does your experience enable you to make any suggestions as to the best means of securing the most efficient employes?—I have often considered the subject of appointment, and from my experience in my own office, and in the railway mail office under my control, I believe they are, as a whole, as efficient and competent as could be secured under a different mode of appointment.

3262. Do you not think your experience, as stated in the last answer, has been exceptional?—I think it has.

3263. Would it be difficult to remove an inefficient officer, if he had been nominated and was supported by political influence?—Yes, very.

3264. Do you not think that if first appointments were made only after the candidate had passed an examination before an independent board of examiners responsible to the country, and entirely free from political influences, and added to this a sufficient probationary term of service, that it would secure a generally better class of public servants?—Yes, most decidedly; provided the report of the officer in charge gives a true report after the expiration of the term of probation, and that no permanent appointment be made if that term has not proved satisfactory.

3265. Are promotions in your office based upon seniority or merit?—Upon seniority, if merited.

3266. Do you look into the discipline of the post offices, and what is your power to deal with breaches thereof, or any irregularity that may occur?—I do, by conferring on that point with postmasters. I consider my power absolute, but would not think of exercising it without consulting the postmasters.

3267. Have you had any defalcations, and, if so, please state their nature and extent?—Besides what has been stated as having occurred in the St. John Post Office, we have had nothing of a serious character.

3268. Have you any suggestions to make looking to the more efficient or economical working of the postal service in your division?—

St. JOHN, N.B., 18th December, 1880.

Evidence of JAMES WOODROW, Assistant Postmaster, St. John, N.B.

3269. How long have you been in the Service, and in your present position?—I came to the Service in 1859 as a junior, and have been in my present position since 1st July, 1868.

3270. Will you state how first appointments have been made to this office?—By the Department at Ottawa, on the recommendation of members of Parliament for the city and county of St. John.

3271. What opinion can you express, from your long experience, as to the value of appointments so made?—I do not think appointments so made have always proved advantageous to the Service.

3272. Has there been any examination or probationary term exacted of persons before being permanently appointed?—There has been no examination, to my know-

ledgo, previous to appointment, but, in former years, a probationary term was in operation, but only occasionally enforced.

3273. What, in your opinion, would be the best way of making appointments, and at what age should employes enter the Service?—In regard to the first part, if the present political system is continued, several names should be furnished to the postmaster to select from; but I would prefer a system from which all political influence would be eliminated. In this case candidates should be made to pass such an examination as would keep out the inefficient. To this might be added, with advantage, a probationary term, as a purely educational test would not always secure the best public servant. Age of entrance should be from 18 to about 35.

3274. Have promotions and increases to salaries usually been given for efficient service, or simply for reason of seniority?—Increases to salary have been given more generally on grounds of seniority, but assignment to higher duties in this office has been generally based on merit, seniority being kept in view as far as practicable.

3275. Do you think the present staff of this office could be reduced without interfering with the efficiency of the work?—I do not think so.

3276. What are the hours of attendance required of the clerks, and have you any night or extra service?—Two clerks come at 5.30 in the morning and leave at 8.15, returning at 3 p.m. until 7. The money-order clerks (two) come at 9.30 until 4.15; the accountant about the same hours; and all the clerks remain longer, when necessary, than the hours above mentioned. There are three "registered letter" clerks, who are on duty from 7 to 9 hours, between 6 a.m. and 11.30 p.m. There are two clerks that work from 6.15 to 8.30. They return again at 9.30 and remain about two hours longer, or until the morning work assigned them is completed. They return a second time at 6 p.m. and remain until about 9.30. The remaining clerks are on duty from 6½ hours to 9 hours each day. We have no extra clerks.

3277. You have delivery clerks and sorting clerks. Do you make a difference between the importance of the two offices; and do you think the same salary should be paid to both?—In my experience, we require a very efficient clerk to be at the wicket, as he is required to possess a good knowledge of the office, as well as of the public, with whom he is in constant contact. I therefore make no difference between the importance of the two offices, and I think they are entitled to the same salaries.

3278. Have defalcations or any other irregularities occurred in this office; if so, please state their nature?—About four years ago a clerk of this office was convicted for abstracting money from a registered letter, and sent to the penitentiary. Three years ago another clerk was arrested for abstracting money from an ordinary letter, was admitted to bail, and left the country and has not returned. Many missing letters containing valuables are supposed to have been taken by these persons. Under our old system of registering money letters, and prior to the cases I have just mentioned, a registered letter was abstracted by a clerk who escaped, leaving behind him an admission of guilt.

3279. Has your system of taking care of registered letters been changed so as to render this abstraction more difficult?—The system was changed after the last mentioned occurrence. The registered letters are now solely in charge of the registered letter clerks, who are held responsible.

3280. Who are the officers that give security bonds for the honest performance of their duties?—The Postmaster, assistant, money order clerks and registered letter clerks.

3281. Does your experience enable you to make any suggestions that, if carried out, would, in your opinion, result in an increased efficiency of the staff of this office?—I suggest that some system be adopted by which painstaking and efficient clerks might look forward to their promotions with certainty, and with a prospect of their reaching a point in which the services of those more immediately in charge of the details of the office would be more fairly remunerated than at present. I think if such were assured to employes, the efficiency of the Service would be promoted. I would also recommend that offices be classed, not only according to revenue, but also according to the labor performed as a distributing centre.

## INLAND REVENUE.

Examination of D. C. PERKINS, Collector of Inland Revenue, St. John, N.B. :—

3282. How long have you been in the Service, and held your present position?—Eight years, seven of which I have been Collector of Inland Revenue.

3283. What is the extent of your division?—Nine sub-divisions in the Division of St. John—Fredericton, Woodstock, St. Stephen, St. Andrews, Campobello, Moncton, Sackville, Dorchester and Sussex.

3284. How many employes have you under your control, both here and elsewhere?—Eight officers, under my immediate control.

3285. Is any part of your work, outside this city, done by Customs officers, and, if so, is it satisfactorily performed?—Yes; at St. Andrews, Campobello, Sussex, Moncton, Dorchester and Sackville. I have a great deal of trouble generally to keep this work properly done.

3286. Have the new regulations, as to warehousing Inland Revenue goods in separate warehouses under your control, been carried out in your division?—Yes; it has been done.

3287. Do you find that there is any illicit distillery carried on within your division, and, if so, have you made a seizure of any stills, &c.?—I think there is none in this division.

3288. Are your officers classified by examination within your division, and how many special class, first-class and other class officers have you?—Some are classified; no special class; one first-class; one second-class; three third-class. The others are not classified.

3289. Do the officers obtaining the first and second-class certificates hold the most responsible positions and highest salary in your division, or how are they placed, and what benefit do they derive from holding the highest class certificates?—They do not hold the highest positions, and they do not benefit by such classification at present.

3290. Under whose supervision are the outside officers, and are you responsible for the due performance of their duties?—Yes, I am supposed to be answerable, I have not been furnished with any precise or definite instructions to guide me thereon. I receive special instructions in certain cases. I do not even know how far the inspector of this division holds me answerable to him, and I could never ascertain. The inspector inspects my office sometimes daily, according to whether he is in the city or not.

3291. How many bonding warehouses, licensed manufactories, such as distilleries, breweries, malthouses and tobacco manufactories, have you in your division?—No distilleries, two breweries, one malthouse, one tobacco manufactory, one vinegar works.

3292. Have you an officer in charge of each, or are several under the supervision of one officer?—The breweries, malting and tobacco manufactory is in charge of one exciseman. The vinegar works is under the charge of another, who is stationary.

3293. Have you reason to believe they perform their duties faithfully and efficiently?—Yes; at present they are very well performed.

3294. How often is stock taken in your bonding warehouses, licensed manufactories, &c.?—Every quarter by the inspector.

3295. At what hours do your officers commence and finish work, and do you keep an attendance book?—From half-past 9 a.m. to 4 p.m. Their attendance is regular. I do not keep an attendance book.

3296. Are diaries, as prescribed by the Department, kept by your outside officers, and what effect has it on the performance of their duties in preserving discipline amongst them?—All the officers keep diaries which are returned here every quarter. I think the effect is good.

3297. Do you fully carry out the regulations of the Department in keeping your books and accounts, and in remitting your cash received daily to the Receiver-General? Yes, I do.

3298. What checks are there in your office to ensure the proper amounts being sent daily?—I see to it myself, and the inspector also checks me.

3299. Have there been any defalcations committed by any of your officers within the last four years in the money receipts, or in loss and delivery of goods out of warehouse without payment of duty?—None whatever.

3300. Would not a system of exchanging officers from one district to another at stated periods be the means of obtaining greater uniformity in the administration of the Excise laws, and a more equitable collection of the Excise taxes?—In some respects I think it would.

3301. How is the staff of officers; is it efficient; have you too few or too many for the work to be done?—I have sufficient outside officers. I want one extra inside officer to take the part of acting collector in my absence.

3302. You say that at present your staff is an efficient one, excepting that you require an additional officer for the inside. By the new regulations all goods bonded and placed in Customs warehouses for the Inland Revenue are now removed into grocers' warehouses. Have additional officers been appointed in consequence of the additional work which it entails; if not, your staff must have been redundant before the change?—It is done by the same officers. They are able to do it, because their duties were comparatively nothing before the change.

3303. Have you any officers who, from age, bad habits or any other cause, are unfit for the proper performance of their duties?—No.

#### WEIGHTS AND MEASURES.

St. JOHN, N. B., 20th December, 1880.

Mr. J. B. WILMOT, Inspector of Weights and Measures, St. John, examined:—

3304. When were you appointed?—Was appointed in 1879.

3305. Is the Weights and Measures Act generally approved by the business men and the public?—Certainly, with all the better classes.

3306. Have you any suggestions to make for the improvement of the system in any way?—Not specially. I think the fees ought to be better equalized, so as to make the higher class scales subject to inspection pay the higher fees.

3307. In what condition do you generally find scales, weights and measures; have you occasion to condemn many, and what is done with those you do condemn?—In a tolerably fair condition as far as I know. I have had to condemn a few. So far the parties have put the condemned ones out at once and purchased new ones, but they are neither destroyed nor a distinguishing mark put on them. I have had no occasion to enforce any penalties.

3308. Does the collector of Customs notify you on the importation of scales into this port, giving you the number and name of purchaser, as directed by law?—I have received no notification from him as yet.

3309. You say you have only one assistant. Are you able to do the work of your division efficiently, and what progress have you made?—I think I will be able to get over the division in two years from November, 1879. I have over half the work done.

3310. What is the extent of your district?—St. John City and County, Queen's County and Charlotte County. I may mention that there is a Port of Customs Entry in Charlotte County, in which it is probable a good many weights, measures and weighing machines have or may come into the country, and some means ought to be taken by the collector whereby I could be notified as the law directs and so inspect them. If I were called to go there I do not know how my expenses would be paid.

## DOMINION AUDITOR.

St. JOHN, N.B., 20th December, 1880.

Evidence of WILLIAM SEELEY, Dominion Auditor for New Brunswick:—

3311. How long have you been in the Public Service, and in your present position?—Seventeen years in the Public Service and twelve years in my present position.

3312. Will you please define your duties?—I countersign the cheques issued by the Marine and Fisheries Department and by the Public Works Department. For the former, for New Brunswick only; and for the latter for the three Maritime Provinces. All these cheques, when countersigned, are recorded, and a weekly list of them is sent to the Finance Department at Ottawa. The whole revenue of the Province of New Brunswick is recorded in like manner and reported at Ottawa. I keep a record of the banks in which the revenues are deposited, and I charge the banks with the cheques issued to refund them for payments made on letters of credit. I pay all debentures and coupons of debt of Province of New Brunswick, assumed by the Dominion.

3313. Please indicate in what manner the simple countersigning of cheques acts as a control or audit over the expenditure?—I do not see that it is any other check than that on the letters of credit.

3314. Will you please state what extra check there is in the deposit receipts taken by the various officers here being sent to you, instead of the Finance Department?—I cannot see that there is any extra check. The statements sent by me could as well be sent by themselves.

3315. Have you ever had occasion to decline to countersign a cheque for reasons other than that the credit against which such cheque may have been drawn was exhausted?—No; I do not consider I have any control over the expenditure for which a cheque may be given. My duty is simply to countersign it, if the credit is not exhausted.

3316. Do you ever see the vouchers before you countersign cheques?—No, never.

3317. So that you would countersign a cheque for any amount, when presented, provided the credit was not exhausted?—Yes.

3318. Do you consider this a good system of audit?—No; except in so far as it enables me to see that the letters of credit are not overdrawn.

3319. What is the total amount of cheques countersigned by you during the last fiscal year?—About \$178,000.

3320. Has your auditing, as at present conducted, ever led to the preventing of any irregularity?—No; but it has prevented errors.