

---

# FIRST REPORT

OF THE

## SELECT STANDING COMMITTEE ON PUBLIC ACCOUNTS,

FROM 1ST JANUARY, 1876, TO 31ST DECEMBER, 1876.

---

*Mr. Speaker:*

1. Your Committee beg leave to Report, that in reference to the Loan of \$350,000 authorized under the "British Columbia Loan Act, 1876," we find that the Government have issued to various persons Debentures, amounting to \$86,000, at par, bearing interest at 7 per cent. per annum. That the balance of Debentures, viz.,—\$264,000, bearing interest at 7 per cent. per annum, were deposited with the Bank of British Columbia on 3rd of July, 1876, under the following conditions, viz.:—That the Government were at liberty to overdraw their account with the Bank of British Columbia to the extent of \$240,000 up to 1st February, 1877, against the deposit of \$264,000 of 7 per cent. Bonds as collateral security, the interest on the overdraft to be charged, in the usual course, at the rate of 8 per cent. per annum.

2. In default of payment on or before the 1st February, 1877, the Bank to be at liberty to realize the Bonds in their possession, and the Government to make good the amount of any deficiency that may arise in such realization to meet the liability to the Bank on the said 1st February, 1877.

3. That the Government were also to be at liberty to withdraw, from time to time, up to 1st February, 1877, any Bonds deposited as aforesaid with the Bank, provided that the margin of 10 per cent. on the amount of Bonds as compared with the aggregate of the Government indebtedness to the Bank is maintained, the limit of overdraft being accordingly reduced as Bonds are withdrawn.

4. That the overdraft of the Government on the 31st December, 1876, at the Bank of British Columbia was \$279,925 50, bearing interest at the rate of 8 per cent. per annum.

5. That the amount of interest paid on overdraft from 1st June to 31st December, 1876, at 8 per cent. cost \$9,030.

6. That in reference to the payment made on the 4th August, 1876, of \$16,590 34 to William Fraser Tolmie, Esq., M.P.P., and Roderick Finlayson, Esq., as purchase money and interest at 10 per cent. per annum on a portion of Lot 22, Esquimalt, for Graving Dock purposes, your Committee do not find any special Order in Council explaining it, or Governor's warrant specially authorizing this particular payment; but they do find that the amount was paid under authority of a requisition from the Lands and Works Department No. 1 for January, 1876, and following month, requesting authority, amongst sums for other public works, for the Department to draw from the Treasury \$100,000 on Graving Dock account.

7. That requisition No. 1 amounted to \$278,070, was approved on 2nd June, 1876, by the Governor in Council, that the payment was made on an order from the Lands and Works Department by two cheques issued thereunder from the Treasury on the Bank of British Columbia for the sum of \$8,295 17 each, signed by J. Judson Young, Deputy-Treasurer, and countersigned by the Honourable A. C. Elliott, Provincial Secretary.

8. That this money was paid under an award of the Arbitrators.

9. That by letter dated 23rd March, 1873, and signed John Ash, Provincial Secretary, the Manager of the Bank of British Columbia was instructed that for the future and until further instructions cheques from the Treasury would be signed by Mr. James Judson Young and countersigned by the Minister of Finance, and that when cheques exceed \$2,500 they would require the additional countersignature of one of the Ministers or of the Deputy Provincial Secretary.

10. Your Committee do not find that at the time these payments were made such instructions had been rescinded either by letter or Order in Council, but the rule was deviated from in 1874 and 1875 when Mr. Armstrong was Minister of Finance, and was not acted upon by his successor Mr. Humphreys; nor has the rule been observed since, all payments being now made under the countersignature of one Minister.

11. That the interest paid on the 4th August, 1876, to Messrs. Tolmie and Finlayson amounted to \$1,315 34.

12. That a requisition No. 2 for July and following months from Lands and Works Department for the amount of \$1,675 was approved of by the Governor in Council on 7th July, 1876.

13. That a requisition No. 3 for November and arrears of 1876 from the Lands and Works Department for the amount of \$139,582 was approved of by the Governor in Council on 21st December, 1876.

WILLIAM FISHER,  
*Chairman.*

*To the Honourable the Speaker  
of the Legislative Assembly.*

---

---

# MINORITY REPORT

OF THE

SELECT STANDING COMMITTEE ON PUBLIC ACCOUNTS,

FROM 1ST JANUARY, 1876, TO 31ST DECEMBER, 1876.

---

*To the Hon. the Speaker of the Legislative Assembly.*

SIR,—We, the undersigned members of the Standing Committee on Public Accounts, cannot concur in the following statement in the first report of the Committee, viz:—  
“That the money, (viz: The payment of \$16,590 34 to Messrs. Tolmie & Finlayson) was  
“paid under an award of the Arbitrators.”

And we desire to have this protest printed with the above mentioned report.

ROBERT BEAVEN,  
JOHN ASH.

*Committee Room, 29th March, 1877.*

---