

SECOND MINORITY REPORT.

Mr. Speaker :

The undersigned members of the Select Standing Committee on Public Accounts beg leave to report—

That they have examined into the following item which appears in the balance sheet of the Province as an asset, viz.: "Shuswap and Okanagan Railway Co. (advance for expenses incurred in examining and reporting on promoter's scheme), \$737.95," and find: That the sum was paid out of the Treasury on the following dates:—

16th April, 1887.....	\$450 00
11th June, 1887.....	277 95
20th June, 1887.....	10 00
	\$737 95

That the Statute provides that no part of the revenue shall be issued out of the Treasury except in pursuance of Warrants under the hand of the Governor.

That the Lieutenant-Governor's Warrant authorizing the payment of \$450 was not issued to the Finance Minister until the 5th May, 1887, or nineteen days after the money was paid out of the Treasury.

That the Warrant for the sum of \$277.95 was not issued until the 15th June, 1887, or four days after payment by the Treasury.

That the payment of the sum to the Shuswap and Okanagan Railway Company was not authorized by the Legislature.

That an Order, which was approved by His Honour the Lieutenant-Governor on 30th June, 1887, recommended that the sum of \$737.95 be made a charge against the Shuswap and Okanagan Railway Company, to be repaid by the said Company to the Treasury Department; that there is no Warrant for the item of \$10 paid on the 20th June, but it is included in the Order in Council of the 30th June, 1887.

That the Honourable the Provincial Secretary on the 4th August, 1887, and the Honourable the Minister of Finance on the 28th December, 1887, asked by letter to Mr. Lumby for repayment of the above sum, but the only answer received was to the effect that he would place the matter before the Directors of the Company.

Your Committee remark that these payments out of the Treasury were illegal in every particular, as they were made in the absence of Legislative authority; and the Lieutenant-Governor's Warrants were not issued on the day of payment; nor was the Order in Council referred to approved until months after the money was paid out of the Treasury.

Your Committee desire also to say that in their opinion the practice of advancing money, unauthorized, to a Railway Company for expenses which should be paid by them is most pernicious, and might lead to great abuse.

JOHN GRANT,
ROBERT BEAVEN.

15th March, 1888.