It may, however, be stated that under the head of expenditure are included the sums of \$132,221.47, paid for furniture and carpets for the several Buildings, and \$19,566.87 for fuel, making the sum of \$151,788.34, which cannot be considered chargeable to construction.

The management of, and outlay on, the Buildings, having been frequently enquired into, under the authority of the Government, the Department is already in possession of various explanatory reports and other documents, all but exhaustive of these subjects. It is therefore only deemed proper at present to advert to the principal causes which led to the expenditure being so much in excess of the sum first contemplated.

1st. The designs for the structures seem to have been recommended chiefly on the grounds of their architectural merit, and adopted without the Government being put in possession of anything like a reliable estimate of the cost of carrying them into execution.

2nd. The plans were drawn to an imaginary horizontal foundation line, and with comparatively little provision for heating and ventilation. Upon these incomplete plans tenders were received, and the works awarded at a bulk sum.

3rd. The site selected being of a very irregular surface, and each building covering a large area, it was found at the ontset, that in order to obtain a proper foundation a much larger quantity of work was necessary than that shown by the contract plans.

4th. After the building contracts were made, the system of heating and ventilation now carried out was adopted. This involved numerous changes in the contract works of the interior of the structures.

5th. This mode of heating and ventilation entailed many large works, wholly irrespective of the contracts, and for which no estimate of their probable cost was submitted.

These consisted principally of the construction of large boiler houses, sunk 10 feet in the rock below the basement floors; the lowering of the main drains to a corresponding depth—the formation of numerous lines of air ducts, which for the most part were carried out beyond the Buildings to the edge of the hill; the construction of ranges of warm air vaults—the erection of high smoke shafts; together with many matters of detail, which, although in themselves comparatively small, collectively formed a very large item in addition to these above enumerated.

6th. The basements were all excavated, and the greater part of them fitted up for rooms, whereas the original design contemplated, that only a portion of the basements should be used. This change in the Departmental Buildings required area walls, in order to protect the windows for the admission of light.

7th. It was decided to substitute Nepean sandstone for the limestone of the vicinity, for the outer facework of all the Buildings, several months after the works were ommenced.

8th. The attic floors were made fire proof, by means of iron joists and concrete, not embraced in the first contract.

9th. The position of the Eastern Block was altered, and its area enlarged, by forming the present Agricultural wing.

The main tower of the Parliament Building was extended further out; the thickness of the walls and buttresses of the Library increased, &c., &c.

From the above it will be evident, that a very important class of information was wanting at the time when the plans were first approved, and that numerous changes were made, and large additional works carried on, without a knewledge of what they would cost, or the effect they would have on the then existing contracts; whilst subsequent events clearly established the fact that the accepted tenders did not represent anything like the fair value of the works contemplated in the original plans.

This led to difficulties at the beginning, which increased as progress was made, and resulted in complications, that rendered it extremely difficult to effect an equitable settlement with the contractors.

These would have been unlikely to occur, had full information been supplied at first, as proper arrangements could then have been made; and besides the Government would have been placed in a position to determine, in advance, whether works of this style and magnitude should be undertaken, or a class of buildings constructed, the cost of which would, at least, approximate to the sum originally contemplated.