

for twelve months after completion—the contractors finding all materials except iron rails, chairs, spikes and keys—subject however to addition or deduction by a schedule of prices, should alterations in the line, or quantities, or nature of the works be made.

On the first four sections, the grading, the furnishing the sleepers, and the rail laying, were let out under separate contracts or done by days labor. On sections 9, 10, and 11, the fencing is included in the contract sum and on the others it has been let out separately.

The station buildings, wharves, rolling stock, &c., have generally been let out by tender and contract, but in some instances by negotiation with individual contractors, and in others the work has been done by days labor, the Board of Commissioners furnishing the materials.

From the work having been let out under several contracts on the first four sections, and in some cases without prices attached—it was found necessary, in order to exhibit the cost under a proper classification, to appraise the value of certain items on these sections, and charge them to their proper account. In making the appraisal and distribution of the sleepers, it was found that much larger numbers had been required and paid for than went into the work. After allowing 14 miles for turnouts and station tracks, there remain 14,436 sleepers or sufficient to lay seven miles of road, and which cost £1541 7s. 11d., to be accounted for. Of this number about 400 only are on the ground. As the money has been paid, however, I have charged this sum to the railway superstructure.

On other sections of the road, difficulties of another kind are encountered in endeavouring to make an estimate of the cost, originating in a difference of opinion between the Engineer and Contractors as to the meaning or construction to be put on certain clauses and stipulations in the contracts.

In earth cuttings, the contracts specify that the slopes shall be one horizontal to one perpendicular, and the quantities exhibited, at the time of the letting, were estimated on such slopes. During the progress of the work, however, they were found insufficient, and were in some instances reduced to one and a half horizontal to one perpendicular, the Engineer in some cases having made agreements and given orders to that effect, while in others the contractors reduced them, or removed the material which had fallen into the cuttings, to enable them to complete their works, but without instruction from the Engineer—and for removing such extra material they claim to be paid.

Again, on several of the sections, where the road crosses lakes and bogs, the bottoms being composed of soft mud 10 to 50 or 60 feet in depth—large subsidencies have taken place, and much larger quantities of material have been required to fill them than was anticipated or shown on the schedule of work, and for the excess over the schedule quantities the contractors claim to be allowed.

Several of them also make claim for extra material required to supply the waste and shrinkage in making embankments where there was no subsidence.

These claims are met on the other side by referring to the following clauses in the contracts: "The quantity in each cutting and embankment is written upon the longitudinal sections, and every care has been taken to insure their accuracy; contractors must, however, examine the ground previous to tendering for the work; and satisfy themselves on this point, as well as of the accuracy of the lengths, depths, and quantities drawn or written upon the several sheets, and of the nature of all the cuttings, and of the sites of all the embankments; for when a tender has been accepted, no claim for extra work will be allowed for any real or supposed inaccuracy therein, nor from slips or otherwise, as the contractor shall be bound to construct the Railway, so that the gradients at the formation level shall be agreeable to the gradients marked upon the longitudinal sections, with the breadths and side slopes specified in the supplementary specification for the portion of the work