

all the securities provided for the due performance of the contract and to abrogate all the checks and guards solemnly imposed by law for the public safety and security, and enable parties to do and obtain what Parliament has expressly forbidden to be done or had."

Whether on a fuller argument this section might be held to be no more than directory to the Commissioners, and so not affecting the rights of the claimants for work and materials furnished and accepted and used under a new bargain, is a question upon which we need offer no opinion since we have taken the course of reporting on the claims as if there were no such question.

Among the contract defences, to which we have not given effect, the one best known is that which in the Court of Exchequer has already been fatal to some of the contractors, the absence of the final certificate of the Chief Engineer, as required by Section 11.

Our Commission expressly states that the omission of this certificate was not to prevent our investigating any claim which had been defeated in a court solely on that ground, and though we are not distinctly told how to treat the omission when dealing with claims which have not been in court, we think the desire of the Government to ignore that defence is sufficiently plain to make it proper for us to report on the claims as fully as if it did not exist.

Another defence under the contract is the right of the Crown to set off against a claimant the amount of liquidated damages which in clause 3 he had promised to pay at the rate of \$2,000 a week for the period between the completion of the contract and the time which had been named for it.

In more than one case presented to the Court of Exchequer on claims arising out of the construction of this railway, and on the generally prevailing form of contract, it has been held that if Her Majesty should demand the benefit of the promise contained in section 3, it would be the duty of the court to grant it.

A demand, therefore, by the Government for the amount due under this promise would, in almost every case, overwhelm the claimant so easily that it becomes simply an option with the Crown to pay or not to pay the amount otherwise due. We have thought, however, that we were called upon to enquire and to state what amount, if any, would be otherwise due.

Clause 4 provides that when the work is increased by changes of grade or location, the contractor shall be "entitled to such allowance (beyond the bulk price) as the Commissioners may deem reasonable, their decision being final in the matter."

Clause 6 provides for a stoppage or suspension of the works at the will of the Commissioners, and that it should give no claim for damages "unless the Commissioners shall otherwise determine, and then only for such sums as they may think just and equitable."

It has been suggested that under this wording a contractor could not recover, on a claim for such an increase of work, or for such damages, unless the Commissioners had first exercised their judgment on the matter and had awarded in his favor, and that, therefore, when there had been no such decision we should, without going further into the question, report no liability.

We assume that the Government desires to have now such full information concerning all the material facts as would have enabled the Commissioners then, or would enable any other tribunal now, to decide a claim under either of these sections, and we have, consequently, stated the facts and our opinion on the liability, though there may have been no previous adjudication, either by the Commissioners or their statutory successor, the Minister of Railways.

The amounts to which these claimants are entitled have been so long overdue that the question of interest is to them a very serious one.

As a matter of strict right we think they could not recover interest in a court of justice. It has been added, however, to the petitioners demand, in some cases, in the Court of Exchequer in this country, and on claims similar to those which we have been investigating. In the Kenny case it was included in the judgment, but only from the commencement of the suit. In the Berlinquet case it was adjudged,