

power of the executive government to make those changes. It is not necessary, in the view I take of the contract, to say anything further on that question, but it seems to me that, even if this agreement had the effect of a contract—if, in working out its terms relating to the repairs (which provided, it is true, that the repairs should be borne by the contractor, but also provided that they should be done in the central prison and done by the prisoners, the materials and the prisoners' time being charged for), it was found that, according to the report of the inspector, it caused friction, and was very difficult to carry out—it was competent for the Crown and the contractors to modify it. In the course of the discussion of the case it had been pointed out that there is a great deal of difficulty in determining what the exact meaning of the language is, it being that the materials are to be paid for and charged for at the rate of \$1 per day for the prison labour. As I understand it, although it does not appear in the inspector's report that that was dealt with by him, the view of the contractors was that that meant \$1 for all the prisoners that were employed, and that the view on the other side was, that it was \$1 per day for each prisoner who was employed in making these repairs. I think it was perfectly competent to make that modification in the detail of the agreement, not altering the essential terms of it at all, still leaving the contractors to bear the expense of the repairs, relieving the province of the necessity of keeping track, in the way it had been doing, of the materials and of the prison labour, and of the conflicts and disputes as to the amount of time and the amount of material employed, and possibly too, as the evidence indicates, as to what came within the definition of the term "repairs." There was then substituted for that arrangement a provision by which, in lieu of the one I have just referred to, the contractors were to pay a dollar and a quarter for each ton of the output of the factory.

I may as well refer at this point to another position taken by Mr. Hodgins; that the provision with regard to that was not retrospective. The evidence is, that, after that modification was provided for, instructions were given to the central prison officers to recast the accounts from the beginning on that basis, and that was done. Whether, on the construction of the document, that was its meaning, it is not necessary to consider. That arrangement was made,