

On the 17th February the Final Certificate under the Contract, amounting to fifty two thousand and eleven dollars, \$52011—was laid before the Commission. After due consideration and legal advice the Commissioners informed Messrs. Peters, Moore & Wright that, with the view of arriving at an amicable settlement of this disputed claim, they were prepared to make the following offer, viz ; to pay the amount of the final certificate—\$52011—with four years and a half interest at four per cent per annum, in full of all demand.

This offer was made without acknowledgement of liability in the part of the Commission and solely for the purpose of arriving, if possible, at a friendly termination of all matters in dispute.

The offer was refused and an attempt was made by them (Messrs. Peters, Moore & Wright) to have the questions in dispute referred to arbitrators, each party to choose one and the umpire to be selected by them.

This last reference having been refused a Writ of Summons and Declaration, amounting to \$184,241.26, was subsequently served on the Commissioners who are defending themselves before the tribunal.

Lifting Barge.

Through the kind permission of the Honorable the Minister of Public Works the Lifting Barge was engaged, all season, in removing the boulders from the channel inside the Fly Bank. In the report of 1885 it is stated that very little remained to be done to complete the removal of the obstructions from this channel ; but it having been decided to increase the area of the channel, the work could not consequently be completed this year, and, according to the opinion of the Master of the Lifting Barge, it will take another season to complete it.

The number of boulders removed this year	
amounts to	1140
which, added to the	1515
previously raised, give a total of....	2655
boulders representing an aggregate weight of	
at least.....	3777 tons.

Sluice Valves for the Harbour Works.

A contract for the supply of eight Sluice Valves for the Harbour Works has been awarded to Mr. F. X. Drolet, Founder and Machinist of this City.