

Honorable H. H. Killaly. which a man could lay but about half the number of bricks in a day that he could have laid in plain work. All these facts I had of course to take into consideration in establishing prices, and the then impending rupture with the States added not a little to the difficulty. But in truth, the matter was not to be arranged by my opinion alone, the 4th clause of the contract (page 97,) being very definite upon it; referring to this clause the Contractors thus express themselves, "In consequence of the works being so much altered and changed from the "original plans" (by the necessary alterations for the heating, ventilation, &c.,) "they have become quite another thing entirely from that on "which the tender is based, and we are entitled either to have the contract set aside, and be paid measure and value for the whole works, "contract and additional, or else that the clause in the contract shall "be carried out in its integrity which provides, that if any change, alteration or addition shall entail extra expense on the Contractors, either "in labor or materials, the same shall be allowed them, as claimed "by us in the documents submitted to you."

17th May, 1862

11. Was not this schedule attached to the contract and intended to govern the prices to be paid for extra work?—The Committee will find on reference to the memorandum addressed by the Assistant Commissioner to the Chief Commissioner, on the subject (page 253) that although the Schedule of rates adverted to continued to be attached to the contract, it was expressly understood and agreed to that it was not to be applied to additional work; this decision in itself would have governed me on this point.

12. Your report shews that the amount of additional work is very much in excess of that contracted for; why then was it not exposed to public competition?—I presume the reason that guided the Department to be that considerable progress had been made with the contract work, when the necessity for the additional work arose, and as a very large amount of the latter was within the area and under the foundations of the buildings contracted for, it would have been manifestly unjust and obstructive to the progress of the works to have the men of different contractors mixed up together; but this question seems to me set at rest by the last clause of the contract, which expressly provides that all such work as may be involved in any change or addition shall be done by the Contractors.

13. Prior to your having been sent to Ottawa to report on these works, it appears from the documents before us that prices for additional work had been paid much in excess of the rates of the schedule; why were some of those prices further increased by you?—On my entering upon the investigation at Ottawa, I saw on reference to Mr. Page's Report and other documents that prices had been returned in the previous progress estimates and paid, which were considerably above those in the schedule. In my settlement several of those prices so returned and paid, justly in my opinion, were assumed by me as sufficient and fair; there were others which, by evidence adduced to me, I was satisfied should be more liberally valued, and circumstances had considerably changed from the time when Mr. Page made his report to that when I was called upon to take the matter up—the works had been stopped at