

can be had ; and by the same rule they make their calculations in regard to the price of provisions, and quantity required for the support of their laborers and teams. These constitute the heaviest items in the construction of public works ; and proposals by contractors are regulated by the cost of both.

By the same rule which governs the contractor in his bid, has the Chief Engineer of the company, C. B. Fisk, Esq. been regulated in the various estimates of the cost of the canal, which have at different times been submitted to the legislature. The board has been enabled to test the accuracy of his estimates at the time when made by the fairest criterion : for instance ;—when the 27½ miles between Dams No. 5 and 6 was put under contract, the entire line was taken at prices in the aggregate below the estimate of the Engineer. The contractors were men of respectable character, and producing the best testimonials ;—many of them had been for years on the canal, and from long experience were presumed to be competent judges of the work they undertook, as well as of the sufficiency of the prices at which they agreed to execute it. In a few months after they had commenced operations on the line, a considerable rise took place in the price of labor and provisions, which could not have been anticipated, and did not enter into their calculations when their proposals were accepted. It soon became apparent to the board that an advance of prices was necessary to save the contractors from ruin, and the work from suspension. After a thorough examination into every case, with the aid and advice of the Engineer, the board from time to time, made such advances on the contract price as seemed consistent with equity, and with the interest of the company. Notwithstanding the aid thus afforded, some of the contractors, of known enterprise, were compelled to abandon their sections, when two thirds or three fourths of the work had been done. But few, it is believed, cleared money on that line ; and several by their representations to the board, have been severe losers by their contracts.

We are satisfied, that under the circumstances and change of times, the line of canal to the Cacapon, could not have been constructed at less cost than actually occurred.

The condition to which the company was reduced during the last winter and spring, had a very serious influence in retarding the completion of the canal to Cacapon, and in the advancement of its cost. The agitation of questions before the legislature, involving the obligations of the State, under her subscription, and the validity of her contract with the company struck for a time, a death blow at the credit of the company, and excited distrust and alarm in the minds of the contractors and laborers. Many of the sections were then at the point of completion, and as the laborers were dismissed, they would apply for employment to the contractors, both below and above the Cacapon ; but they, looking with apprehension at the doubtful condition in which the company were placed, declined entering into further engagements, and thus