

that may be due, or that may thereafter become due, to the Contractor ; and it shall be lawful, but not obligatory, upon the Engineer-in-Chief, or the Resident Engineer, at any time after the expiration of the time stated in such notice, to remove and, if necessary, to pull down and destroy any such material, or to pull down and alter such work and to rebuild or replace the same ; and the cost and expense of so doing shall be deducted from any moneys then due, or that may thereafter become due, to the Contractor.

RETENTION OF IMPROPER MATERIALS OR WORK.

10. If the Contractor shall supply any materials or execute any work which shall not be in accordance with the contract, and if the Minister shall elect to have such materials used, or to allow such work to remain, then and in every such case the Engineer-in-Chief shall have power to fix the price of any such material or workmanship, and the Contractor shall be bound by his decision.

CONTRACTOR TO BE REPRESENTED.

11. The Contractor at all times during the progress of the works, when he is not personally present and superintending them, must have a responsible agent or overseer stationed on the works to receive instructions from the Engineer-in-Chief, Resident Engineer, Assistant Engineer, or Overseer, and to represent him for all the purposes of this contract.

PROGRESS OF WORKS, ETC.

12. It shall be lawful for, but not obligatory on, the Engineer-in-Chief or Resident Engineer to direct the Contractor to carry out the works in such order and in such manner as he shall deem fit ; and if the Contractor shall fail to make such progress with the works as the Engineer-in-Chief or the Resident Engineer shall deem sufficient to insure their completion within the specified time, or if he refuse or fail in the opinion of the Engineer-in-Chief or the Resident Engineer to use due diligence in carrying out any particular part of the work which the Engineer-in-Chief, or the Resident Engineer shall have directed him in writing to carry out, or if he shall use or employ bad or insufficient material, or shall execute any work in an imperfect manner, or not to the satisfaction of the Engineer-in-Chief and of the Resident Engineer, or shall fail to employ what in the opinion of the Engineer-in-Chief or the Resident Engineer is a sufficient number of men on the works ; and if he shall fail or neglect to rectify any such cause of complaint for seven days after being thereunto required in writing by the Engineer-in-Chief, or the Resident Engineer ; or if the Contractor shall in the judgment of the Engineer-in-Chief commit a wilful breach of the contract, then, and in any of such cases, it shall be lawful for the Minister to do at his option any of the following things, that is to say,—

(a.) He, or the Engineer-in-Chief, or the Resident Engineer acting on his behalf, may, on giving written notice to the Contractor of his intention so to do, forthwith cause additional men to be employed, and additional materials, plant, and machinery to be purchased, and the cost of so doing may be deducted from any moneys then due or which may thereafter become due to the Contractor ; and the Minister may use all or any of the materials, plant, and machinery which may be in, near, or upon the works for the purpose of being employed in or about the same without payment or compensation to the Contractor, whether for the use of or on account of any loss or injury which may happen to such materials, plant, or machinery ; and it is expressly agreed that the exercise by the Minister of the power herein given to cause additional men to be employed shall not debar him from afterwards exercising any other powers otherwise provided under this or any other condition forming part of the contract.

(b.) Or the Minister may, on giving written notice to the Contractor of his intention so to do, take the work out of the Contractor's hands, and carry it on under the direction of the Engineer-in-Chief.

In which case, all rights and privileges which the Contractor may have had under the contract shall from and after the delivery of such notice as aforesaid cease and determine, except in so far as is otherwise hereinafter provided in this present subclause (b) ; and it is declared that, if on the final completion of the works it be found that the balance of the contract price remaining unpaid, if any, and the deposit money and percentages or retention money, together with the value of the materials, plant, and machinery aforesaid, after that which remains thereof, if any, shall have been sold in any way that may appear to be most advisable to the Minister, is not sufficient to meet the outlay incurred in completing the works in all respects, and to pay for damages, if any, incurred by non-completion of the works within the contract time, as provided in clause 17 hereof, then the Contractor, his executors or administrators, shall be bound to pay to the Queen the surplus expenditure above such balance and other sums as aforesaid. But if, on the other hand, the works shall be completed within the contract price, after paying for damages, if any, incurred by non-completion of the works within the contract time, as provided in clause 17 hereof, then there shall be paid to the Contractor, his executors, administrators, or assigns, such balance as may be ascertained by the Engineer-in-Chief to be due to him or them, including the deposit money and percentages or retention moneys, if any, but without any interest thereon ; and the Resident Engineer may grant authority to the Contractor or his