

to let out the disputed ground beyond the "Point of Rocks."

The delay which has occurred in the application of the labor of the Engineers to the services for which they were engaged, and the multiplication of legal controversies, to which the President and Directors have been required to become a party, have increased the contingent expenses of the company, as much as the scarcity of labor and the late unfavorable winter, have diminished the regular and confidently anticipated expense of constructing the canal.

Efforts have been made, and are still continued, to remove this cause of delay, by the exertion of all the means in the power of the Board. They have, by a special agency abroad, offered facilities for the transportation of persons, and by an extensive correspondence, invited labor from distant portions of the Union, as well as from various countries of Europe, and especially artificers in stone, capable of reducing the cost of the masonry of the canal, which has risen in price, more than any other part of the works.

It may become the duty of a future Board to reduce the number of engineers in the service of the company, in case a decision of the legal question which has hitherto arrested the progress of the canal shall be much longer retarded. Could that question be promptly disposed of, an augmentation of this body would be preferable to its reduction; since much delay occurred in its formation, and it is highly expedient that the execution of all the works of the canal, and especially where heavy embankments of earth, or elevated walls of stone, are to be constructed, should be early begun, and time allowed for them to acquire permanency before any water be admitted, to endanger their stability.

The charter of the Company requires that 100 miles of the canal shall be finished in 5 years from the organization of the company, and the experience of several States of this Union demonstrates that with adequate funds the entire eastern section can be completed, as economy recommends that it should be, in the shorter period of three years from its commencement, the time which the Board had early assigned for that labor. From the various causes of dissension, the Board turn with pleasure to a review of the present state of the finances of the com-

The beneficial effect of the final settlement of the eas-