

to move further in the matter, because as he said, he thought the President had unnecessarily shown a disposition at such a time to turn the management of the canal to party account. To which the President replied—taking the broad ground, that he would never have accepted the Presidency of the canal company but with the understanding that he might control and exercise its patronage as he saw fit. He distinctly conveyed the idea by his conversation that Mr. Stone's removal was upon "political grounds."

To understand fully the circumstances connected with Mr. Stone's removal, it is necessary to state that the 4th division of the canal extends from dam No. 5 to dam No. 6, a distance of $27\frac{1}{2}$ miles, and is that part of the line of navigable canal which was last finished and brought into use. This new canal was first opened in April 1839 and continued in use to the close of that season without any interruption to the navigation,—certain improvements however were found to be necessary on this division at two points or else great damage was almost certain to ensue from breaches in the course of another year. With a view to these improvements the chief engineer advised the taking of the water out of the canal sufficiently early in the fall of 1839 to have ensured their completion in time for the spring navigation of 1840,—if done in the usual way, viz: by the company's superintendent. The subject was not attended to immediately,—but when taken in hand the President induced the board to put the work under contract in opposition to my advice,—which after having been given in the first instance to the board, was subsequently urgently repeated and presented to the President individually, with a view to induce a change in the order that had been passed. The work however was let in two contracts, at the one point to Philip Germley,—at the other to B. F. Hellman (son of Joseph Hellman, who it had been for some time rumored was about to be appointed a superintendent of repairs.) But before Mr. Hellman's contract was finally entered into, a correspondence which took up some time, became necessary at the President's instance, to ascertain from him whether he did not intend to be paid for certain work usually included in other contracts in the price per yard. After a time the work was commenced, but went on very slowly,—notwithstanding repeated directions from Mr. Stone, the superintendent, and from the chief engineer to the contractors, to increase their force. At length the two contracts were declared abandoned upon the recommendation of the chief engineer,—