

to their favorable situation in reference to quarries, may be built at much less cost upon the original plan than the remaining locks lower down the line. If there should be reasonable and responsible offers to construct these four locks upon the old plan, showing a saving by adopting the composite plan, not exceeding in the aggregate \$20,000, I would advise that the original plan be adhered to, on account of the greater ultimate saving.

“Assuming that the composite plan will be adopted for all the remaining locks except the four just named, and that the other changes spoken of as respects the culverts and lock-houses will also be made, I deduct \$100,000 from 1,691,136, and there remains \$1,591,136 for the sum required to complete the canal on the 1st of December, 1841.

“Of the whole fifty miles of unfinished canal between dam No. 6 and Cumberland, there remain, *in cost*, only eighteen and three-tenths miles of distance to be constructed, which is a fraction *less than one-tenth* of the entire length of the canal from Georgetown to Cumberland.

“I will remark, in reference to the present estimate, that none will doubt its sufficiency who will make themselves acquainted with its details, and the details of the several preceding estimates of the same work, and with the actual cost of the work which has been done upon the fifty miles, compared with its estimated cost in former estimates.

“The prices of the present estimate are ample, in case the work should be let at this time, and the cost of labor and provisions should not materially advance.”

In January last, the services of nearly all of the engineer corps were dispensed with; and since then, subsequent to the adjournment of the Legislature, a still further reduction has been made, so that, on the first of last month, there remained only two persons in and connected with the engineer corps, viz: the chief engineer and one assistant engineer.

Immediately on the Legislature's adjourning without providing means for the completion of the canal to Cumberland, the prosecution of the work on the fifty remaining miles of unfinished canal, between dam No. 6 and Cumberland, was entirely suspended.— There is not now a laborer in employ along that whole distance.

Several final estimates, in favor of contractors who had finished their works, and one in favor of a contractor whose work was unfinished and abandoned, from the inability of the company to pay him, have been made out since the report of December last, and been received by them as satisfactory. There yet remain unadjusted many of the accounts of contractors whose works have been abandoned in an unfinished state, in consequence of the company's want of means; which are all, however, in the way of adjustment at this time, and will probably be brought to a close, so far as determining the balances due by the company, in the course of a few months.

The work *done*, and that remaining *to be done* upon the *fifty*