

munication, exhibiting the state of affairs at the close of the preceding month, and the opinions they entertained in regard to the sufficiency and availability of the means at their command. The communication is full of interest, and as it contains a summary statement of the unfinished work between Dam No. 6 and Cumberland, and shows the arrangement made and contemplated for its execution under the contract, we will, although the Company has nothing to do with the sub-contractors, or their contracts, which forms a part of the subjects treated of, except as matters of general interest, present to you a copy of it in the Appendix, marked D, merely omitting such parts as are inapplicable to existing circumstances, and which, so far as the Company is concerned, will be more fully explained in this report, and brought down to the present time.

By reference to the communication it will be seen, that much the largest portion of the work, under contract with Hunter, Harris & Co., was in course of prosecution on the first of April, and that, although during the winter months the force employed by them was not so large as was desirable and ought reasonably to have been expected, efficient measures were then about being taken by their agents and attorneys for its augmentation. These gentlemen appear to be fully sensible of the importance of this matter, and to manifest a commendable spirit and determination in regard to it. To show their ability for the most energetic prosecution of the work, and the general performance of the contract, we invite your particular attention to those portions of their communication in which they present their views in reference to the interesting subject of the means at their disposal, and of the entire sufficiency of those means to fulfil the undertaking of their principals.

They say: "From a careful consideration of the whole subject with which their duties and names are now connected, the Trustees are *fully confirmed* in the position heretofore taken, *that the resources at their disposal will prove entirely adequate for the completion of the Canal, as undertaken by Hunter, Harris & Co.*" Again: "The Trustees have the satisfaction of reporting that, *the arrangements made for the money required, have proved to be, as represented of the most reliable character. There does not appear to be the remotest probability of disappointment in this important particular.*"

It will also be perceived that they indicate their purpose of "adopting all measures necessary to ensure the most rapid prosecution of the work, consistent with sound judgment and ultimate satisfactory result," so as to complete the canal as early as practicable before the period limited in the contract, (1st October, 1849,) with a view to the accommodation of the coal trade. Since the date of their communication, we have the pleasure to inform you that they have given an earnest of their purpose to fulfil the promises thus made, by a considerable accession to their force, particularly during the two last weeks, and that active efforts for its further increase are still being made.