

canal within the period limited by the contract, we respectfully report the following statement for the information of the Board of Directors.

The heaviest portion of the work which remains to be finished, is the tunnel. This is now advancing in a manner which seems to ensure its completion in season. The bricks which were burnt the last season, were all laid during the winter, and at the close of the month of April, 730 feet in length of the entire arch, were laid; and in addition, 1900 feet in length of the side wall to the springing of the arch on one side, and 1700 feet on the other side, were laid. The foundation for the wall was also prepared, and the lower course of bricks laid, for a further distance of 1000 feet on one side, and such part of the material at the bottom of the cut, as will not be required for the packing, was removed. The packing at the top of the arch was going on rapidly, and with an ease, by the aid of a railway track to carry the stones to the top of the arch by horse power, which removes all doubt that the progress of this part of the work will advance at nearly an equal pace with the making and laying of the bricks. Very satisfactory progress has been made during the winter in completing the excavation of the deep cut at the northerly end of the tunnel, and it appears to be going forward at a rate which insures its being finished in season.

The making of bricks was resumed, as early in the spring, as the state of the season would admit, and it is going on in a satisfactory manner. About 1,000,000 have been moulded within the past month, of which 250,000 were burnt and ready for delivery, and another equal portion were in the kiln, and ready for the lighting of the fire. An ample force was employed in moulding, to keep up the supply of bricks as fast as they could be used, and the wood was cut and in readiness for the burning of the whole.

The masonry at all the other points had received careful attention. At several of them the work requires to be vigorously pressed, and the chief engineer on his tour of inspection over the works, gave notice that at three of these points a further force would be required. This requisition has been already attended to, and we feel assured that at these points, as well as at all others, unless some unexpected disaster shall occur, every branch of this masonry will be completed in ample season. The earth work, consisting of the excavation and embankment, on all the sections, is so far advanced, by the work already done on the difficult parts, as to remove all anxiety in regard to the practicability of completing it within the required period; either by the force already employed, or with such increase as it may be found necessary to apply. Regular parties under the superintendence of competent persons are employed, for the completion of the section on which a small amount of work remains to be done, and not included in the contracts with sub-contractors. Preparations are also made for the prompt execution of the lock gate and other