

Davis, Hale and Allen, their present agents and attorneys, succeeding in concluding a satisfactory arrangement of negotiation by the 13th of November, 1847, and the time for completion having been extended to the 1st October, 1849, and some other satisfactory changes made in the contract, the work, on the 18th of the same month, was resumed, and has been steadily prosecuted ever since.

We have hitherto studiously abstained from giving any assurances, on our part, as to the particular time when the canal would be finished, for the obvious reason that the work was being prosecuted by others under a general contract, and in view of the means provided, could be successfully prosecuted in no other way, and we were not disposed to make promises, when we could not directly control the operations which were to ensure their fulfillment. We have, however, in our annual reports given from time to time a full account of the state of the work, and published and referred to the views and assurances of the agents and attorneys of the contractors, in regard to the probable time of completion; and we have, also, extended to the parties every just facility compatible with the interests of the company, and earnestly urged them on to a vigorous prosecution of the work, so as to secure its completion at the earliest practicable period. They have hitherto failed to realize the hopes held out by them in this regard, principally, we believe, because they have entertained opinions different from the chief engineer, with respect to the amount of work to be done, and the force that was requisite to do it by the stipulated time. In neglecting or refusing to employ an adequate force, they rendered their contract liable to forfeiture. But at no period, so far, could such a measure have been advisable or productive of benefit. So long as, and to the extent they were unfulfilled, the Virginia guaranty and the Alexandria and District subscriptions, would most probably have gone down with the contract in case it had been annulled, inasmuch as they appear to have had special reference to it; and, in any event, the company would have been thrown back upon the provisions of the act of 1844, to make a new contract for the work payable in bonds; and peradventure give to the new contractors increased time for the negotiation of another loan, and the execution of the work. None, certainly, can regret more than we do, the failure of the agents and attorneys of the contractors to complete the work before the close of the year, although, had it been finished after the 1st of December, it would have been of but small practical benefit before the opening of spring, as during the winter, little or no through trade could have been expected in consequence of the ice or the apprehension of it; but we nevertheless earnestly desired to see it then finished, in order, amongst many other reasons, that we might have had the satisfaction of communicating the fact to you. Many allowances are, however, to be made for the omission of the contractors to fulfil their engagements in this regard, for we believe that they have had numerous difficulties to