

negotiating the bonds, and to show that the bonds were disposed of in the best possible manner, in the existing state of public opinion, in relation to the completion of the Canal, and that but for their indefatigable exertions, they could have not been disposed of on any terms.

It remains for the undersigned respectfully to state on the authority of the books and accounts of the work, which have been subject to their inspection, the amount of expenditures which have been incurred in the execution of the contract, with the amount of bonds which have been received thereon, and the proceeds in money, with a view of exhibiting the amount of deficiency in the receipts for meeting the expenditures, which constitutes the ground of the prayer of the petitioners to the Honorable Assembly for relief, and also to explain the principal causes of that deficiency, which were not foreseen at the time of making the contract. They deem it pertinent in this connexion to state that in accepting the trust above described, they were authorised to take the control and direction of the entire work to be executed under the contract if they should deem it necessary or expedient so to do, for ensuring its successful execution. They therefore gave immediate attention to the state of the work, and to the manner in which said Hunter and Harris were prepared to prosecute it, and became satisfied from their observations at that time, and on their frequent subsequent visits, that a faithful energetic and economical prosecution of the work could in no other way be so effectually secured, as by leaving the immediate direction and management of it under general instructions in their hands, instead of employing other agents, which might have the effect of dividing the responsibility, impairing the efficiency of the contractors, and increasing the cost. The superintendance and direction of the work has in consequence been continued under their charge.

The work being yet incomplete, and the payments having been made only to the first of the present month, it is not practicable to state the balance of these accounts, any further than to that date, including, however, the payments of the estimates of work for the last month, which have been since made. The amount of bonds issued from the 15th November 1847, to the 1st of February 1850, inclusive, is \$1,361,500. The amount in money which has been realized from the sale of the bonds issued including such amounts as have been obtained by a hypothecation of a portion of them, is \$1,008,831 37. It appears from this statement that the amounts thus far realized from the bonds, is equal to an average of $74 \frac{4}{8}$ per cent. on their par value, and that this rate is likely to be somewhat increased, when the bonds, which were hypothecated for loans, shall be sold.

The amount of expenditures to the 1st inst., including the work for the month of January, paid for since that date, and a small amount of obligations yet unpaid, is \$1,208,792 25, making an excess of expenditures over the receipts from the bonds of \$199,960 88. There remains to be delivered of the amount,