

Advantage was taken of the low state of the water in September and October, and twenty-five thousand yards of material from below the assumed water level was removed with scrapers.

From the south end of section 26 to the north end of section 29, a distance of 10,538 feet, the works for the enlargement not yet under contract may be briefly described as follows: A supplementary stone aqueduct, a new lock into the Welland River, the removal of the present lock and two swing bridges, and the construction of two new swing bridges. The removal of the culvert under the canal at Welland; the continuation of the covered drain on the east side of the canal, to an outlet at the Welland River; the construction of slope-walls in the neighborhood of the other structures; and the excavation of the necessary earthwork on the west side of the canal.

These are the principal works required by the plan last submitted for this portion of the enlargement.

I have not included the construction of a permanent bridge for the Canada Southern Railway, as the expense of that structure when built is, I understand, to be borne by the Railway Company.

#### SECTION 29.

Messrs. John Ferguson & Co., contractors. Work was commenced on this section in September, 1873, and has been carried on since then, during the working seasons, without interruption.

One, two, and sometimes three dredges and derricks have been engaged on this section.

The material, with the exception of the last three feet in depth, has been put to spoil on the west bank of the canal.

The three feet in the bottom just mentioned, has been removed in scows to a clam shell derrick on the north bank of the feeder, a short distance above the entrance to the old canal, and put to spoil on the adjoining low ground.

A back ditch has been formed for the entire length of the section, on the west side of the canal.

This contract is now completed, and the final estimate is in course of preparation.

#### SECTION 30.

Messrs. John Ferguson & Co., contractors. Work was commenced on this section in August, 1873, and has been continued without interruption except during the winter seasons.

The material above water has been removed, a back ditch has been formed the entire length of the section on the west side of the canal, and the material below water level has been removed down to within two feet of the bottom.

It is proposed to carry this bottom material to spoil, in the same manner as described in the last section.

The contractors are looking anxiously for a move on the part of the Great Western Railway Company, towards carrying out the enlargement of their bridge which here crossed the canal.

Until this bridge is rebuilt, or adapted to the requirements of the enlarged canal, the contract for this section cannot be completed.

#### SECTIONS 31 AND 32.

Mr. John Brown, contractor. Work was commenced on this contract in August, 1873, and the dredging was continued without interruption through the winter of 1873-4, and until January, 1875, when the severe frost put a stop to the work.

Operations were resumed in April 1875, and continued to the end of the year when the work was closed, until the opening of the navigation in April 1876, and has been uninterrupted to date.