To the President, Directors and Shareholders of the Inland Navigation Company.

GENTLEMEN,---

On the Eighteenth of June, 1854, operations to construct a Canal or Inland Navigation from the Harbour of Halifax to the Basin of Minas, were re-commenced, an interval of twenty-two years having elapsed since the same works were in progress under the direction of the Shubenacadie Canal Company. Λs all the works now executed, or in process of being formed, have been built by men under my immediate orders, I shall detail what has been done, beginning at the Grand Lake, and describe the various works which intervene between it and the Harbour of Halifax. At the South end or head of the Grand Lake, the old Canal Company had erected a Lock and Dam, which were intended to enable Vessels to pass up into Fletcher's Lake, the height or rise to be overcome being about ten feet. The Lock was built of stone, and the Dam is an extensive work. On examination of this Lock it was found so imperfect as to require to be re-built. The Dam was also very defective. This Lock is built on solid slate rock ; I have taken down all the old masonry, excavated and levelled the rock to make a sure and good foundation for the new work. re-built the chamber walls about one-third their full