

his works must be subject in consequence of floods and descending timber and masts.

In the first place, his navigation would be stopped or suspended during the running season for timber; and in the second place, it is in danger of being totally destroyed. If no better route than this can be found, this section must be reported as impracticable; but I am not prepared to pronounce it so, because I conceive that at an additional expense it is possible to carry the canal along the brow of the hill until the level of the table land on the west side is attained, and then to descend from it into Crow Bay.

The survey made by Mr. Lyons was completed too late in the season to admit of further examinations upon this point.

The *Second Section* of Mr. Lyons' survey is as favorable as could be expected, when it is taken into consideration that the line for the canal must necessarily pass through rock cutting; and he has been enabled to select a very good line upon the west side of the river, out of reach of the floods, and away from the bank of the river. The fall, in this distance, is 153 feet, and can be overcome by 12 locks. His estimate for it is £112,738 12s. 11d.

The *Third Section*, from the Widow Harris' to the Bay of Quinte, is also as favourable as can be expected from the rocky nature of the country through which it must pass.

The route selected is upon the west side of the river, and the selection appears to have been judiciously made. The length of this section is very nearly nine miles; the fall is 110½ feet, and is surmounted by nine locks. His estimate for it is £96,309 19s. 8d.

The entire length of canal, comprehended in these three sections, is 18¼ miles; the total fall to be overcome is 342¾ feet; the number of locks required is 29; and the total cost is estimated by Mr. Lyons at £255,304 3s. od.

Upon a careful review of the estimates, I am convinced that Mr. Lyons has not made sufficient allowance for the difficulties to be encountered in carrying the proposed works into execution. I have taken the sections furnished by him, calculated the quantities, and affixed prices, such as works of the same class, now under contract with the Board, have been taken at, and in this manner my estimate is—

For the 1st section .....	£ 65,455 0 0
"    2nd    " .....	189,383 0 0
"    3rd    " .....	144,465 0 0
Total .....	£ 399,303 0 0

This amount is exclusive of land damages, which it is impossible to estimate with any degree of certainty.