

That being desirous to afford every possible facility to navigation, and to avoid causing any delay in the loading and unloading of vessels, the Commissioners put these wharves in good order; that they built a grain elevator and extensive warehouses for the reception of grain from the West, in anticipation of a trade, which the late insurrection in the United States diverted from the course it had been commonly expected in Quebec that it would take.

That in order to give effect to a suggestion made by Commander Orlebar, in his Report to His Excellency Sir Edmund W. Head, Governor General, dated 29th February, 1860, the Commissioners purchased a considerable extent of beach at the mouth of the River St. Charles, where it enters the St. Lawrence; and that they built a wharf there 1,075 feet long, to receive the ballast brought by ships, which had previously been thrown into the river; that this wharf serves as a breakwater for the protection of all wharves to the west of it, and affords to the many vessels that can lie alongside of it at the same time an anchorage in fifty feet of water at low tide.

That the Commissioners hoped that the revenues of these various properties, added to the receipts from tonnage duties, would suffice for the payment of interest and of the cost of maintenance.

That, unfortunately, the two last years have been very bad for trade; and that there has been a difference of nearly two hundred vessels between the arrivals of this year, and those of preceding years.

That this source of revenue, which yielded \$36,160.72 in 1863, \$34,373.00 in 1864, \$34,224.21 in 1865, \$28,539.15 in 1866, did not yield more than \$26,203.38 in 1867.

That on the 1st January, 1867, sixty debentures of one thousand dollars each, arrived at maturity; that the Commissioners issued new debentures, and placed them in the market, but without finding purchasers; that they borrowed fifty thousand dollars from *La Banque Nationale*, and deposited the fifty new debentures, bearing numbers from 488 to 537, both inclusive, as collateral security for the loan.

That on the 1st July they had recourse to the Bank again, in order to be enabled to meet \$26,792.00 of interest due at that date, and that they repayed this loan in the course of the summer.

That on the 1st of January of this year, the Commissioners had to pay—

For Interest.....	\$26,792 50
For Amount of Accounts .....	2,100 85
For unclaimed Interest .....	120 00
For amount of Matured Debentures .....	20,000 00
For Sinking Fund.....	16,001 72

\$65,015 07

and that they had in hand only about \$5,000.00.

That not being able to sell any debentures, they negotiated a loan from *La Banque Nationale* of \$21,000.00, to pay interest due on their debentures, and another from the Union Bank of Lower Canada, of \$20,000.00, to redeem the debentures due at that date.

That in accordance with the provisions of sub-section four of section nine of the Act 22 Victoria, c. 32, "to provide for the Improvement and Management of the Harbor of Quebec," they resolved to sell a portion of the sinking fund (\$37,286.07) in order to repay the Union Bank of Lower Canada, and pay part of the new debt contracted to *La Banque Nationale*; and that having done so, there remained of that debt a

Balance of .....	\$4,588 48
Which with the former loan of.....	50,000 00

Formed a total of..... \$54,588 48

represented by two bonds payable at the end of March next.