

It appears from that Officer's Letter, and from the Report of the Inspector General of Fortifications thereon, that Colonel By had actually expended to the close of the year 1831, £.715,408. 15. 6., being £.22,742. 15. 6. more than had been granted for this Work by Parliament; and that without waiting for any authority from this country, he has gone on during the present year with a further Expenditure, entirely unsanctioned, and which it is stated will probably amount to £.60,615. 10., making an excess of £.83,358. 5. 6. beyond the amount granted by Parliament. The Expenditure which was contemplated for this Canal, when the subject was immediately under the consideration of the Select Committee of the House of Commons in 1831, and the whole Expenditure for which any order has at any time been given by any competent authority, is £.693,448., exclusive of £.69,230. for Blockhouses and Works of Defence not sanctioned. In order therefore to complete the Work, Colonel By has, upon his own responsibility, thought proper to expend no less than £.82,576. My Lords assuming from these Papers that the Work has actually been carried on to its completion, since the date of Colonel By's Letter of February last, and that the expense has not been less than the sum at which he then calculated it.

It is impossible for My Lords to permit such conduct to be pursued by any public functionary. If My Lords were to allow any person whatever to expend with impunity, and particularly after repeated increases of the original Estimate, upon any work under his superintendance, a larger amount than that sanctioned by Parliament and by this Board, there would be an end of all control, and My Lords would feel themselves deeply responsible to Parliament. They desire, therefore, that the Master General and Board will take immediate steps for removing Colonel By from any further superintendance over any part of the Works for making Canal Communication in Canada, and for placing some competent person in charge of those Works, upon whose knowledge and discretion due reliance can be placed; to whom must be furnished a Statement of the Estimates and Grants, and who must be strictly charged upon no account whatever to exceed the amount of the Grants.

My Lords further desire that Colonel By may be forthwith ordered to return to this country, that he may be called upon to afford such explanation as My Lords may consider necessary upon this important subject.

Let Copies of these Papers and of this Minute be forthwith prepared, with a view to their being laid before The House of Commons.