

deal during the past season, and the Plans and Reports taken to England by Mr. Merritt, will shew in how forward a state the Canal now is. These Plans and Reports have been exhibited to me; they have been prepared under the order of the President and Directors, and I have no hesitation to incur the responsibility of vouching for their general accuracy. You will perceive by them, that much of the Canal is actually finished; and that of the most arduous part of it, less remains to be done than was accomplished during the last season.

About £. 170,000. had been expended on the Canal, and it is estimated that about £. 75,000. will be required to complete the whole line from Lake Erie to Lake Ontario. If there is no impediment from want of funds, it is believed that all can be finished within the present year.

The funds that the Company can now reckon upon are about £. 12,000. of the stock subscribed, and not yet called in, and the sum very generously offered by the King's government in 1827, upon terms which have been gladly accepted. The first object of Mr. Merritt will be to make arrangements for receiving and remitting this sum; supposing this accomplished, about £. 50,000. will still be necessary to enable the Company to conduct the work to its completion.

It is supposed that the whole cost will approach £. 250,000.; the apparent excess of £. 50,000. upon the original estimate would not, in a work of this magnitude and novelty, create surprise, even if it consisted exclusively in an increase of labour and prices above what was anticipated.; but a great part of it is in reality composed of the expense of engineers, the salaries of secretary, clerks, agent, and in fact all the contingent expenses of managing the work; besides the amount paid to individuals as compensation for injuries done to their estates along the line of the Canal.

There seems not to be any reason to doubt that the whole can be completed at a charge of £. 250,000.; of which about £. 170,000. has been actually expended, and that with economy and judgment. When such a result is arrived at, we shall have attained, at an expense of one million of dollars, a much greater object for our country bordering upon Lake Erie, than has been accomplished for the inhabitants of the opposite country, at a charge of nine millions of dollars. The productions of our western country, and of a most extensive portion of the territory of the United States, if they choose to avail themselves of this channel, will be transported by water to Quebec, having only to encounter in their passage an artificial navigation of thirty-six miles, of which, indeed; nine miles is part of a river navigation, requiring no improvement. Through this thirty-six miles, a schooner of 22 feet in width and drawing eight feet water, can pass; while commodities passing to New York, through the Erie Canal, would have to pay tolls on an artificial navigation of more than three hundred miles, and admitting only of boats drawing four feet water. I will not, however, expatiate upon the prospects which the Welland Canal will open to this province, or do more than mention the obvious importance of such a work to our military defence.

I persuade myself that the Government and people of England will not suffer an undertaking of this nature to languish, when it has been advanced by extraordinary exertion to so forward a state.

Mr. Merritt will lay before you the different provincial Acts I have spoken of; it will be seen by them that the Legislature has made an exertion as great as their means enabled them, and indeed the province is at this moment in debt for the whole amount of the £. 75,000. which they have invested in the work.

I am happy to be able to refer you to the very satisfactory testimony of a gentleman of character and intelligence, Captain Basil Hall, who examined this work very minutely last summer, and whose opinion, particularly as to the construction of the harbours, it is not unimportant to have obtained.

He took a zealous interest in the work, and in repeated conversations with me, expressed himself in the warmest terms of approbation as to the state of the Undertaking, and the economy and judgment with which the Company had proceeded. Mr. Merritt will show you a letter upon the Canal which Captain Hall published in this country.