

**TO THE HONORABLE THE COMMONS
HOUSE OF ASSEMBLY.**

The Committee to whom was referred the Petition of the Welland Canal Company, beg leave to make a First Report.

FROM the indefinite terms of the petition, the Committee called before them, among others, Mr. Yates, one of the principal stockholders in the Canal, and requested he would give the Committee any information within his reach on the subject of the prayer of the petitioners, and on the present situation of the Company generally.

From the long acquaintance which Mr. Yates has had with the subject, it was supposed a clearer and more general view of the present state and wishes of the company could be obtained from him in the form of a letter to the Chairman, than in any other way.

In compliance with this wish, Mr. Yates has addressed to the Committee a letter which is appended to this Report.

Without entering fully into the opinions expressed in Mr. Yates' letter, the Committee are bound to call the attention of the house to the propositions suggested towards the close of it. The first question is, shall the Government advance a sum sufficient, not only to place the Canal in such a state of repair as may insure its success during the ensuing season, but also to restore the credit of the company, by enabling them to discharge the debts due to different individuals.

To the Province, in a commercial and general view, the value of the Canal is denied by none. And it is admitted, that the means of the stockholders are insufficient to place the canal in a state of repair for the ensuing season.

We are then required to consider whether the Province, by withholding support, shall allow the Welland Canal to go into comparative disuse, even for one year, and thereby possibly turn from Upper Canada the principal advantages to be ultimately derived from this communication between Lakes Erie and Ontario.

The amount of debts outstanding against the Company, is nearly £25,000, and the sum estimated to be expended during the ensuing season, according to the estimate of Mr. Wright is £8,500.

The Committee would call the attention of the house to the suggestions contained in the report of Commissioners appointed by an Act of the Legislature, during its last session, as to any future provision for the Canal. Upon this part of their Report, Mr. Yates has entered very fully, and his views seem in many respects, to correspond with the views of the Commissioners.