REPORT.

The Select Committee on Port Stanley Harbor, "appointed to enquire into its con"dition at the time of the transfer to the London and Port Stanley Railway Company;
"the subsequent management of the affairs of the said harbor, including the collection
"and disposition of tolls, and the receipts and expenditure of all other funds; and the
"present condition and requirements of said harbor," beg leave to present the following
as their first Report:—

Your Committee have carefully perused the returns brought down and laid on the table of the House, and other books and papers relating to Port Stanley Harbor.

They have examined orally five witnesses.

It appears from the returns that the harbor was granted to the London and Port Stanley Railway Company by patent dated 1st September, 1859, on certain trusts therein stated, and remained in the hands of that Company until 4th November, 1873, when it was transferred by the London and Port Stanley Railway Company, with the assent of the Government, to the Great Western Railway Company, on the same trusts as contained in the original grant.

Your Committee find that when the harbor was transferred to the said London and Port Stanley Railway Company in 1859, one of the piers was completely finished, and the other nearly so—that they were both in good condition as far as completed, and there was a sufficient depth of water in the greater part of the basin for the mooring and hand-

ling of vessels.

That the basin of said harbor, while under the management of the said Company, had become silted up to a large extent, and now affords much less accommodation for shipping than in 1859.

That the piers, which were nearly new in 1859, have since been allowed to become dilapidated, although repairs have been made at different times, and are now being made.

That the basin of the harbor is not now in as good a condition as in 1859; but

there seems to be a difference of opinion as to the relative condition of the piers.

That the Company do not appear to have used ordinary precaution in supervising the work done by the contractor for dredging; and it is stated in evidence that in consequence of this negligence, the contractor was paid to a considerable extent for work which was never performed.

That the funds of the trust do not appear to have been laid out in an economical

manner.

That moneys belonging to the harbor trust were used by the Company for their own purposes on at least two occasions—the amounts being \$3,500 and \$500 respectively—but replaced, in the former case, after several years, with interest at 4 per cent., and in the latter, after a shorter period, without interest.

That these sums are not entered in the harbor accounts as having been so used.

That in another instance the Company used a portion of the harbor moneys in constructing works outside the harbor premises, considered by them beneficial to the harbor, but without any authority from the Government; and that this sum—\$1,080—has never been repaid, but stands on the Company's books as a charge against the Government.