

be neglected, or be sold at an enormous sacrifice, for the payment of the floating debt.

And your memorialists, as in duty bound, will ever pray.

The Quebec Harbor Commissioners.

J. B. MARTEL,
Secretary-Treasurer.

Quebec, 16th November, 1868.

On the Petition of the Quebec Harbor Commissioners, praying for aid, the undersigned has the honor to Report:—

That this Trust was originally created by the 22nd Vict., c. 32, and was composed of five Commissioners, of whom three were named by the Government, the other two being the Mayor of Quebec, and the President of the Board of Trade for the time being, but by the 31st Vict., c. 79, the two latter Commissioners were done away with, and the bondholders were empowered to elect two others in their stead.

It appears the Commissioners have incurred debt to the extent of \$684,460.00, the greater part being at 8 per cent. interest.

They allege that they now owe \$74,588.00 of floating debt, and that in addition there is a deficiency, between Revenue and Expenditure on the year, of \$15,185.00, and making a total present exigible debt of \$89,773.00. For this they ask a loan from the Government.

It would appear that there is, and has been, heretofore, a considerable annual deficit between the income and payments.

Their revenue is derived, partly from wharfage and moorage dues on property they have acquired, and partly from the tonnage dues of five cents per ton they were authorized to impose by a subsequent Act, the 25th Vict., c. 46.

The Government have the power to add to the wharfage dues, if those authorized by the original Act should be insufficient to meet the charges on the revenues, but there is no power to increase the tonnage rates.

It is expressly provided by the 10th sect. of 22nd Vict., that the Government shall be in no way responsible for the debts contracted by the Commissioners, but as three out of the five Commissioners are appointed by the Government, it would seem to be the duty of the Government to inquire into the manner in which the Trust has been administered, and also, as long as the Commission is constituted as it is, to see that the revenues are made available to the creditors.

Before any recommendation as to any future course can, however, be made, the undersigned considers it indispensable that there should be an inquiry into the real position of the Trust, more especially with reference to the following points:—

First. What does the property of the Trust consist of? What is its real value? What was paid for it? From whom was it purchased? And was the price paid excessive? And are the works such as can properly be considered in the nature of public improvements to the navigation?

Second. Has the annual expenditure, both as respects salaries and the number of persons employed, &c., for maintenance and repairs, been reasonable, and is it susceptible of reduction?

Third. Can the wharfage and other dues be raised, so as to augment the income, and are the sources of Revenue made the most of? If not, in what way can they be increased?

Fourth. Who are the holders of the bonds of the Trust? At what rates were they issued, and were they offered to public tender, or how were they disposed of?

Fifth. Can any, and which, of the properties be judiciously sold?