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R E P O R T

FROM THE

SELECT COMMITTEE

APPOINTED TO TAKE INTO CONSIDERATION

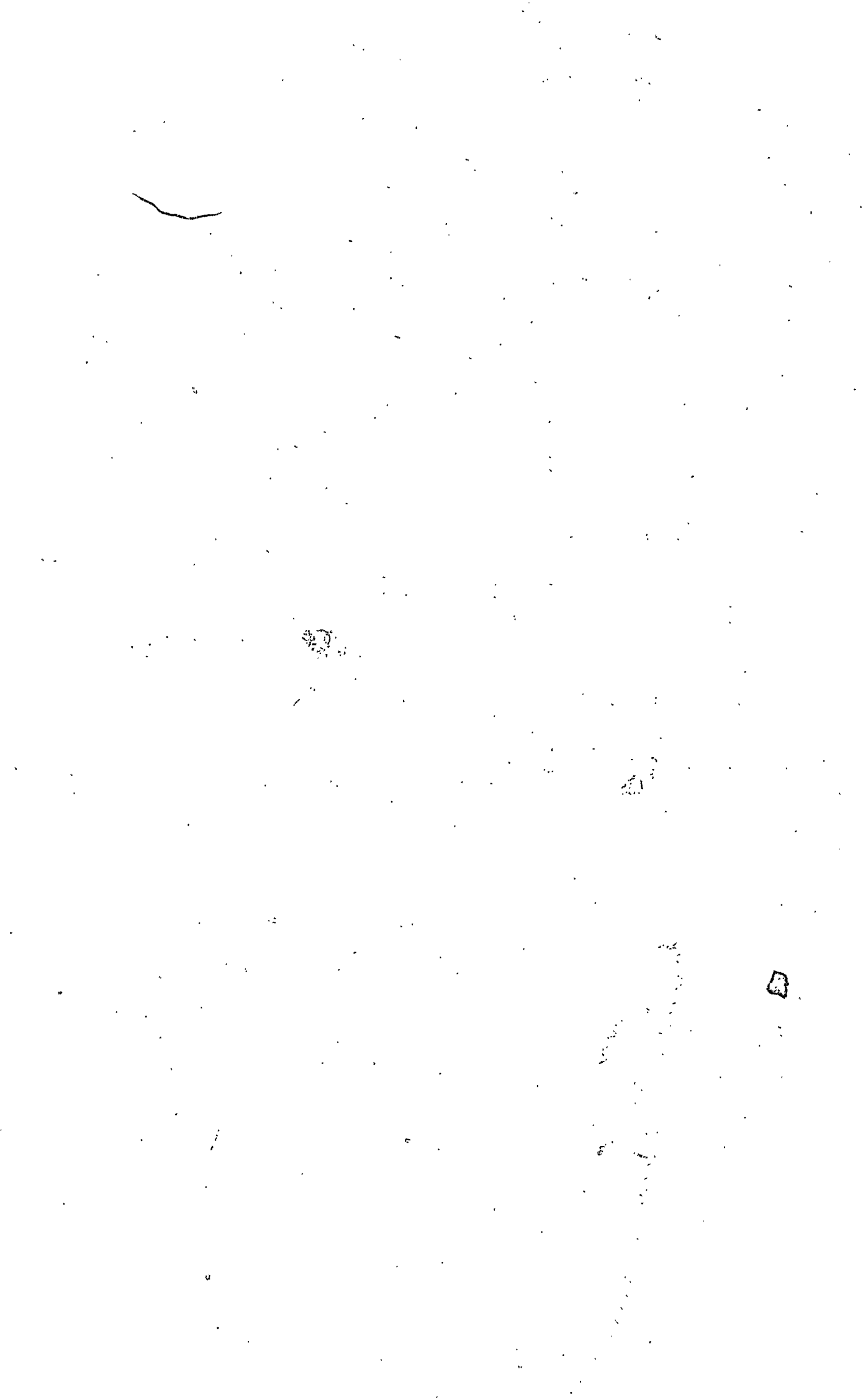
THE ACCOUNTS AND PAPERS

RELATING TO

THE RIDEAU CANAL.

*Ordered, by The House of Commons, to be Printed,
22 April 1831.*





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REPORT

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R E P O R T.

THE SELECT COMMITTEE appointed to take into consideration the Accounts and Papers relating to The RIDEAU CANAL, and to report their Observations thereupon to The House, and who were empowered to report the MINUTES of the EVIDENCE taken before them, to The House :—HAVE examined the matters referred to them, and agreed to the following REPORT :

YOUR Committee, upon examination of the Papers referred to them, find that the importance of a Water Communication between Montreal and Kingston, free from the interruptions to which the Navigation of the River Saint Lawrence is exposed, has long been felt by the Governments both of this Country and of the Canadas, and has repeatedly received the sanction of Parliament.

This Communication is proposed to be effected by the Rideau Canal, by several smaller Canals on the Ottawa River, and by two on the Island of Montreal. The Canal of La Chine, near the town of Montreal, appears to have been undertaken in the year 1817; it has been always considered as a provincial work, and the expense defrayed by the Legislature of Lower Canada, with the exception of a small sum contributed by the Crown for the sake of obtaining a right of free passage for troops and Government stores. This Canal is said to be completed.

In 1819 the attention of Government seems to have been especially drawn to the more extensive project of a Water Communication between the Provinces of Upper and Lower Canada, by the line of the Ottawa and the Rideau. In the month of January in that year, the Duke of Richmond, then Governor of Canada, transmitted to the Secretary of State for the Colonies, a Report from Lieut.-General Cockburn in favour of the whole Line of Communication, and from Captain Mann, a survey of the works which would be required on the Ottawa. The works on the Ottawa were estimated at £. 16,740; it was stated that the Province of Lower Canada would defray half the expense, and on that condition only the Government at home assented to the proposal. In May 1819, the Duke of Richmond stated that a Bill providing a sum of £. 25,000, and a further grant of £. 10,000 per annum, for the next six years, for works on the Ottawa, had gone through two readings in the House of Assembly, and that he did not doubt that it would have passed had not circumstances rendered a prorogation necessary. To this great increase upon the former Estimate, the Treasury, by a Minute of the 13th August 1819, appear to have assented, always however on condition that half the expense should be provided for by the Colonial Legislature.

From this time Your Committee have not been able to obtain any information as to any proceeding on these matters until the 10th December 1823, when, in a letter from the Colonial Office to the Treasury, it is for the first time assumed as a principle that the works on the Ottawa are to be wholly defrayed by the Government at home; it is also stated in that

Parl. Paper, N^o 135.
p. 18.

letter that £.25,000 had been already expended on the Grenville Canal alone, and that a further sum of £.24,000 would be required to complete it. To this new arrangement the Treasury of that day gave its assent. So that instead of £.16,740, the sum contemplated in the beginning of 1819 for all the works on the Ottawa, or even of the much larger sum proposed in the latter part of that year, and abandoning the prospect of being relieved from half the expense by the Colony, it appears to Your Committee that in 1823 it was then for the first time determined that the mother country should bear the whole charge of these works, and £.49,000 was stated to be required for the Grenville Canal alone. Your Committee have had no information which could explain this increase of Estimate, or on what grounds it was proposed to relieve Canada from her share of the expense.

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With respect to the Rideau Canal, it appears that in September 1825, a Report was made to the Duke of Wellington, by a commission, of which Major-General Sir J. Carmichael Smyth was President. That commission had before them a Survey and Estimate made by Mr. Clowes, a civil engineer in Upper Canada, and approved of by a joint committee of the Legislative Council and House of Assembly of that Province; they made some slight alterations in Mr. Clowes's plan, and adopting his Estimates, report the probable expense of the Rideau Canal at £.169,000, and of the Works on the Ottawa at £.110,000, including £.60,000, which had been already allotted to those Works. In the early part of the year 1826, Colonel By, of the Engineer Corps, was sent to Canada, to superintend the execution of the Rideau Canal; and among the Papers referred to Your Committee, they feel it their duty to call the attention of The House to two documents connected with the instructions to be given to that officer; the one, dated March 14th, 1826, being memoranda from General Sir J. C. Smyth, with marginal observations from the Board of Ordnance; the other, dated April 18th, 1826, being a letter from the Colonial Office, written by the direction of the then Secretary of State. It would appear from these documents, that both the Board of Ordnance and the Colonial Office conceived, that as Parliament had, to a certain extent, agreed to the construction of the Rideau Canal, they were at liberty to authorize Colonel By to enter into contracts for the Work, without waiting for the annual grants of money. Now, the only sense in which Parliament could be said in any degree to have consented to the Work, was, by a Vote of £.5,000, in 1826, apparently made to enable Colonel By to carry into effect some preliminary measures on the Rideau, and no Estimate of the whole expense had been laid before The House. The Estimate of £.169,000, though submitted to a commission of officers in September 1825, and reported upon by them, does not seem to have been communicated to Parliament before the 22d of May 1827. Your Committee are of opinion, that for any Public Departments to assume to themselves the power of authorizing any officer acting under their orders, to enter into contracts of this description, without the limitation of annual grants; without the consent of Parliament given upon an estimate of the whole contemplated expense; or even, as in this instance would seem to be the case, without the sanction of a Minute of the Board of Treasury, is a practice liable to serious objection. Neither does there appear to have been any necessity for such a course; the Estimates on which Colonel By was directed to proceed, had been long in this country, and they might easily, on the first application for money, have been submitted to the consideration of The House.

On the 1st November 1827, Colonel By sent home his First Report on the Rideau Canal, estimating the expense at £.474,844; this Estimate was referred to, and approved of by, a committee of engineer officers at home,

who reported upon it in January 1828, and expressed a strong opinion on the utter inadequacy of Mr. Clowes's Estimate, on which the Government had hitherto proceeded. Parl. Paper, N^o 135
p. 47 & 48.

In 1828 Colonels Fanshawe and Lewis were sent to Canada to report upon these Works, in conjunction with Sir Jas. Kempt; the Government then apparently beginning to feel in how large an undertaking they were engaged, and being desirous of obtaining more accurate information. In the mean time the irregular and improper practice of entering into contracts without authority, and without any stated limits, still continued. Mr. Huskisson, on 26th March 1828, says, "Although I cannot but regret that Lieutenant-Colonel By should have felt himself at liberty before his increased Estimates had been considered and approved by the Board of Ordnance, to conclude contracts for carrying on the work on the present very extensive scale, and have entered into engagements involving so large an expenditure of the public money, without waiting for specific authority from the Department at home; yet so many reasons appear to combine in favour of the plan of Water Communication which he has recommended, that I am not disposed to withhold the sanction of the Government to the prosecution of the work, on the scale recommended by him, provided the Commission to be employed on this subject should, after careful survey, concur in the expediency of the measures proposed, and in the steps taken by Colonel By for the furtherance of this Work." p. 51 & 52.

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This Commission reported on the 28th of June 1828, that Colonel By had raised the Estimate from £.474,844 to £.576,757, which they again reduced to £.558,000, believing that this last sum would be sufficient, and would include the charge for the military and civil establishment to the year 1831, amounting to £.60,614, and the remuneration to individuals for loss of property, estimated at £.10,662. They expressed their approbation generally of what had been done by Colonel By, and cautioned him not to exceed the sum appropriated for the expenditure of each year. But it is to be remarked, that the reduced Estimate of £.558,000, determined upon by the Commission in June 1828, and received in England in September that year, was not communicated to Colonel By until long afterwards, in compliance with a Treasury Minute of September 1829; and Your Committee beg to call the attention of The House to a letter from Colonel By, dated 30th December 1829, in which this subject is treated in great detail. From this letter it appears that Colonel By, when first appointed, in 1826, to superintend the works on the Rideau, had remonstrated against the obvious inadequacy of the original Estimate of £.169,000, on grounds and calculations which, in the judgment of Your Committee, ought to have induced the Government to pause. It was then known that the La Chine Canal, only seven miles in length, near Montreal, with only seven locks, and about fifty feet difference of level, had cost £.137,000. Was it therefore reasonable to suppose, that the Rideau Canal, 135 miles in length, as was then supposed to be the case, through an uncleared country, remote from the capital, with eighteen or twenty miles of excavation, some of which was through rock, and deep cutting, with forty-seven locks, and a difference of level of 455 feet, with a number of extensive dams and waste weirs, could have been executed for a sum so little exceeding that which was expended on the much smaller work? It also appears, that on the 13th August, and on the 6th December 1826, Colonel By, then in Canada, reported on the probable insufficiency of the sum proposed. It is true that he had not then examined the ground through which the Canal was to pass, and that he spoke merely from information obtained at Montreal; but Your Committee cannot refrain from expressing some surprize, that after such communications had p. 59.

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been received, an Estimate of £169,000 for this Work should have been laid before The House in May 1827.

Parl. Paper, N^o 135.

p. 51.

In March 1828, the Secretary of State for the Colonies, in writing to Lord Beresford, observes, "The Report on the Rideau Canal which your Lordship has transmitted, proves clearly that the completion of that important work upon a scale of sufficient magnitude to render it available for the objects in view, cannot be carried into effect without a greater outlay than was at first anticipated, and that the original survey and report of the civil engineer employed in Canada, were either founded on very erroneous notions of the difficulty and expense of the undertaking, or as it has since been intimated, made out from the reprehensible motive of endeavouring to benefit the Colony, by embarking His Majesty's Government in this undertaking, upon the faith of an Estimate which the author of it considered to be fallacious and inadequate."

Your Committee do not pretend to determine how far the suspicion expressed in these words may have been well founded; but they are distinctly of opinion, that under the circumstances of the case Government ought to have taken measures to obtain a more accurate survey before they committed themselves or Parliament to the work. Colonel By, in the same letter, gives an explanation, which appears to Your Committee to be satisfactory, of the impossibility of confining his annual expenditure to the sum specified in his last instructions. The contractors often found it advantageous to hasten particular parts of the Work; and as in this respect they refused to be controlled, it necessarily followed that the annual expenditure would occasionally exceed the sum to which it was proposed to limit it. Some degree of uncertainty may be the unavoidable condition of works of this description, upon a large scale, and carried on through a country imperfectly explored, and where the difficulties which may retard, or the circumstances which may make it expedient to hasten the execution, cannot be very accurately foreseen. But if this be true, and if the public Departments, acting under such an impression, did feel it necessary to authorize Colonel By to enter into contracts in the manner which has been described, Your Committee are still of opinion that all these circumstances, the authority given, the amount of contracts entered into, the annual expenditure on the spot, and the whole contemplated expense, ought, immediately and without reserve, to have been communicated to Parliament. The consequence of not doing so, coupled with improvident haste in undertaking this Work on an insufficient Estimate, has been, that The House was not in a condition, as it ought to have been when called upon to make the first grant, nor even until two years afterwards, to institute a fair comparison between the value of the objects proposed to be accomplished and the amount of money required for their execution. The first communication to Parliament entitled to much confidence on this subject, appears to be that which was made to the Finance Committee in 1828, up to which time only £.46,000 had been voted. It was then supposed that a sum of £.527,844 would complete the Work. This was afterwards increased to £.576,757.

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Report of Finance Committee, p. 408.

Paper from Office of Ordnance, dated March 26, 1830.

Parl Paper, N^o 135.

p. 114 & 115.

In August 1830, a further sum of £, 116,686 was demanded for excess and errors, and additional works, not originally contemplated on the Rideau Canal, and a sum of £. 69,230 for fortifications and the purchase of land, making a total, at this time, of £.762,673. With respect to the £.69,230, the Board of Ordnance proposes that it should not be applied for until the Canal shall be completed, and until the general question of the works required for its defence can be more maturely considered. With the exception, however, of some bridges estimated at £.8,230, which

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must

must be built under the Rideau Act, and for which the money is to be taken from this last-mentioned sum.

In this state the Accounts appear now to stand; and the result is, that from an Estimate of £.169,000, on which the work was undertaken, the whole expense of the Rideau Canal and works in connexion with it, is now estimated at £.762,673. Of this sum, £.436,666 appears to have been voted, leaving £.326,007 as the amount which will probably be required for the completion of the work. It is true, that of this sum it is proposed to postpone the grant of £.69,230; and that inquiries are going on in Canada on the subject of the excess alluded to, in the sum of £.116,686. These inquiries, probably, will not materially change the amount; and £.256,777 may be therefore taken as the amount now supposed to be required for the Rideau Canal, independently of the £.69,230 before mentioned.

Parl. Paper, N^o 135.

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Of this sum, Your Committee do not know what proportion may be pledged in existing contracts; nor do they know accurately how far the contracts have been executed. They have been informed that up to 30th September 1830, the expenditure had amounted to £.516,799,* and they have reason to believe that about £.100,000 more has been expended since that time;† being an excess of £.179,334 beyond the sum voted. Deducting this last sum from £.256,777 (the amount of the remaining Estimate) there will then remain £.77,443 for the payment of the yet unperformed work. Your Committee have already said, that they have been able to obtain little information on the state of existing contracts,‡ but as some uncertainty seems still to prevail with regard to the ultimate expense, they confine themselves to the recommendation that when all just claims under the present contracts shall have been satisfied, the officer superintending the Work shall be instructed to frame an accurate Estimate of what is still necessary to open the navigation on the Rideau Canal, and that this Estimate shall, with the least possible delay, be submitted to Parliament. Your Committee, in making this recommendation, do not feel themselves at liberty to object to the sum of £.256,000, intended to be proposed in the Estimates of this year; because they see no reason to imagine that it will be more than enough to satisfy outstanding claims. They are induced to recommend the propriety of obtaining an immediate Estimate of what remains to be done, from an apprehension that more money may still be required.

* Paper from Board of Ordnance, p. 12.

† Col. Couper's Evidence, p. 28.

‡ Paper from Ordnance, p. 13.

Parl. Paper, N^o 135.

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With respect to the Fortifications and other works intended to be comprized under the Estimate of £.69,230, Your Committee are of opinion, that it would not be desirable to proceed on that Estimate without much more accurate information. They have the less difficulty in recommending this delay, as these Works do not appear to be necessary for the navigation of the Canal, and may therefore be postponed without much public inconvenience.

Your Committee cannot conclude this part of the subject without expressing their regret, that notwithstanding the directions given for that purpose in the month of April 1826, more effectual steps should not have been taken for the purchase of land on the banks of this Canal. They observe that some inconvenience and much expense have been produced from the want of this necessary and obvious precaution. Even now all the land which will be required has not been obtained, and as the claims of individual proprietors will naturally rise with the progress of the Work, it is impossible accurately to estimate the sum which may still be wanted for this purpose. They have reason, however, to hope that it will not be a very large one, and they cannot refrain from recommending the purchase

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of such portions of land as may be essential for the purposes of the Canal with as little delay as possible.

In making these purchases, attention should be paid to the provisions of the Rideau Canal Act; and as that Act is supposed not to apply to all cases where land may be required, it appears desirable that the suggestion of Colonel Durnford for a revision of the Act should be complied with.

Parl. Paper, N^o 135.
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In reverting to the Works upon the Ottawa, Your Committee have already stated, that on the 10th of December 1823, the Grenville Canal was estimated at £.49,000; on the 9th of September 1825, it appears in a Report from Sir J. C. Smyth, that £.60,000 had been already allotted to it. On the 22d November 1828, the Grenville Canal was, however, estimated at £.59,000; the Châte à Blondeau at £.12,540; and the Carillon at £.105,000. But in a letter from Sir J. Kempt, dated 12th February 1829, it appears that a sum of £.113,920 had been then expended on the Grenville Canal, and that £.21,000 more would be required to complete it. In this letter the Canal of the Châte à Blondeau was estimated at £.11,580; and that of the Carillon Rapids at £.58,000, making an aggregate of £.204,000 for Works on the Ottawa, independently of a projected Canal at St. Anne's, of which no Estimate has been yet received. Whether it may be ever deemed advisable to execute this Canal at St. Anne's, or whether, abandoning that intention, it may be found more expedient, as has been suggested by Colonels Fanshaw and Couper*, and alluded to by Sir J. Kempt and by Mr. Routh, to carry the communication to the north of the Island of Montreal, by the River Des Prairies, is a point which Your Committee think deserves the consideration of the Government. A variety of communications took place between Sir J. Kempt and the departments of the Treasury, Ordnance and Colonial Office, in the years 1829, 1830 and 1831, the result of which has been to raise the Estimates for the works upon the Ottawa (exclusively of the unascertained expense of the St. Anne's Canal) to the sum of £.285,367. To this must apparently be added £.23,761 for the expenses of the establishment employed in the superintendence and execution of the Works; making an aggregate of £.309,128. Of this, £.169,099 is stated to have been already granted and applied, leaving £.140,029 still required for these Canals. A saving of £.26,854 is said to be likely to arise from feeding the Carillon Canal from the North River, which would reduce the sum required to £.113,175. It should be observed that some companies of the Royal Staff Corps have been employed on these Canals, and that the charge of £.23,761 for their establishment and expenses, from the 25th of June 1829 (when the companies were transferred to the Ordnance) to the end of 1832 (the period contemplated for the completion of the Works), was originally provided for out of the Army Extraordinaries; it had not hitherto appeared in the Estimates of these works, and may be said, therefore, to be only a change of account.

* Their Evidence,
pp. 15 & 28.

Parl. Paper, N^o 135.
p. 68.
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With respect to the sum of £.40,000, which it is intended to propose this year for the Canals on the Ottawa, Your Committee, governed by the same considerations which influenced their opinion in the case of the Rideau, do not think that it can be reasonably objected to; they recommend, however, that a Statement of what has been paid on account of any contracts which may have been entered into, and an accurate Estimate of what remains to be done in these works, should, with as little delay as possible, be communicated to Parliament.

The House will perceive, that notwithstanding Reports made by different officers of Engineers, the same inaccuracy in the first Estimates, the same successive

successive deviations from them, and since 1819, an almost equal want of caution on the part of the Government, which marked the beginning and progress of the Works on the Rideau, prevailed likewise with respect to those upon the Ottawa. The House will also see that these last Works were for some time supposed to be undertaken at the joint expense of the mother Country and the Colony; and however important they may be in a military point of view, and for purposes of defence, still it appears to Your Committee, that their value must be too sensibly felt by the Canadas, not to dispose those Colonies to contribute to the burthen of completing them. They recommend, therefore, that an application to this effect should be made to the Legislatures of the Canadas. The House of Assembly of the Lower Province, entertained the proposition in 1819, and Your Committee see no reason to imagine that it would be now less favourably disposed. An opinion appears to have been entertained, that some revenue may eventually be derived from tolls on these Canals, but the information on that subject is of too conjectural a nature to enable Your Committee to draw any conclusion from it. On the whole, therefore, the sum now demanded on estimate, for this Water Communication from Kingston to Montreal, which was, in 1825, in a Report from Major-General Smyth to the Duke of Wellington, estimated at £. 279,000, appears to amount to £. 1,044,952, exclusively of St. Anne's Canal, and allowing for the proposed saving on the Carillon. The money already voted is £. 605,765, leaving a sum of £. 439,187, as that which is now said to be likely to be required to complete the Works.

And here Your Committee should naturally have concluded their observations, had they not in consequence of the great want of care and accuracy with which these proceedings have been conducted, felt it their duty to endeavour to ascertain what had been the views of former Committees of The House, by whom inquiries of a nature in any degree similar had been made. The First Report to which they directed their attention was one from the Finance Committee of 1817. That Committee in the part of their Report which refers to the Board of Ordnance, express themselves as follows:

“ Your Committee learn that works, buildings, extensions and repairs, have been undertaken and executed, both at home and abroad, in a manner little checked or protected against profusion and waste, in many cases without any Estimate or general Plan, and sometimes extended (according to the statement of an officer of the Ordnance who attended the Committee), as views opened during the progress of the work.”

After mentioning some instances of uncontrolled expenditure, this Report goes on to state—

“ If the whole sum for these great works, or for any one of them, had been at once submitted to The House, by regular Estimate, there would have been an opportunity of considering the propriety of undertaking them, and of making previous inquiries with regard to three essential points: 1st, As to the security or means of defence intended to be obtained: 2dly, As to the probability of the works in question effecting such security or means of defence: 3dly, As to the value of the objects proposed to be accomplished by these Works, compared with the amount of the sums required for their completion, taking into consideration the probability of their being brought into use in consequence of the operations of an enemy. The irregular mode of proceeding which unfortunately prevailed during the time when all these large Works were begun, has had the effect of keeping The House in total ignorance as to the ultimate charge for any one of them. These various works were begun and moderate sums were called

Finance Committee, 1817,
p. 85.

for from year to year; the grant of every former Session became a reason for granting more in the succeeding Session, that the first sum might not be expended in vain or the work left incomplete."

"The Committee are also of opinion, that the object and the whole probable expense of every undertaking should be fully stated in the Estimate laid before Parliament, and every subsequent alteration minutely accounted for in the succeeding Estimates; and that whenever additional votes of money are required, accounts of the entire expense of the sums voted, of the money actually expended, and of the sum still wanting to complete the whole work, should be distinctly submitted to The House according to the form recommended by the Commissioners of Military Inquiry, in their Fourteenth Report, accompanied by an account of all grants of more than two years' standing, which may remain in any degree unexpended; thus bringing all the circumstances under the immediate cognizance of Parliament, and rendering efficient the system of annual grants, the main support of our Financial Constitution." That Committee then recommends, that all expenditure from the different departments should be placed under the control of the Treasury.

The Commissioners of Military Inquiry, to whom the Report just referred to alludes, state in their Fourteenth Report, page 263, dated March 8th, 1811:—

"In cases of such magnitude as to require several years for their completion, we do not think it sufficient merely to inform Parliament of the sum estimated for the coming year, without any attention to the expense incurred in former years for the same service, or the expected amount of what will still remain to be done in order to complete it; but in the cases of which we are now speaking, we think it very material that when the first sum is asked from Parliament for the particular service, although it is perfectly right that that sum should not exceed what may be calculated as the expenditure of the coming year, yet the estimated expense of the whole work, so far as it can be ascertained, should be stated, in order that Parliament, before it votes the first sum, may know the probable amount of the whole expenditure to be incurred."

And afterwards in the same Report:—

"The amount of the general Estimate of the Engineer should also, we think, be noticed in the Parliamentary Estimates, and the sum required for the service of the year should be charged expressly as part of the amount of the general Estimate."

The following observations, applicable to the same subject, are to be found in a Report from the Select Committee of The House, on the Improvements of Windsor Castle, in 1830:

"Your Committee cannot however refrain from calling the attention of The House to the course which has been followed, of expending large sums of money in anticipation of the votes of the House of Commons. They submit to The House, that such a practice, impossible perhaps to be wholly avoided, and especially in a work of the description which has been the subject of the present inquiry, is one that ought to be checked and restrained as much as possible, by such regulations as may be applicable to this head of expenditure. In this view they suggest, that in every public work which, from its extent, may require several years for completion, before any sum is voted on account, a statement ought, in the first instance, to be submitted to The House, showing the whole estimated charge of such work; and they observe, that with respect to several other considerable

considerable works now in progress, the rule appears to have been of late years generally observed, but it appears further desirable, that in every subsequent year, the Estimate for that year should be accompanied with a Statement, showing, 1st, The actual Expenditure settled and paid: 2dly, The Amount of Demands outstanding up to the date of such Estimate; also a specification of the total amount (so far as the same can be ascertained) requisite for finishing such parts of the work as may then be in progress, and for the completion of the whole; together with a summary explanation of any circumstance which, in the progress of the work, may have occasioned any considerable alteration in, or addition to the original Plan and Estimate."—Report, p. 7.

Your Committee have thought it right to call the attention of The House to these observations, in the propriety of which they entirely concur, and adverting to the authority under which recommendations of this nature have at different times been made, and to the necessity of the case, Your Committee are distinctly of opinion, that some additional security is required for the purpose of giving to Parliament a more early and effectual control over expenditure of this description. With this view they offer the following Regulations to the consideration of The House:

1st.—THAT no Public Work of any magnitude shall be undertaken, except on a Survey and Estimate, made by an officer acting under the orders of some responsible department:

2dly.—That on the First application for a vote of money, an Estimate of the sum likely to be required for the whole work, shall be laid before The House:

3dly.—In cases which require more than one year for their completion, and where money is proposed to be voted on account, there shall be submitted to The House in each year, and before the vote is proposed, a Statement of the sums already voted, of the money actually expended up to the date of the last accounts, of all outstanding demands, and of the sum still wanting to complete the work; and any deviation from the original plan, or any contemplated addition to the magnitude or expense of the whole work, shall be inserted in the Estimates of each year:

4thly.—No department of the Government shall authorize any officer to enter into contracts for any work beyond the limits of the annual grants of money, without the sanction of a Minute of the Board of Treasury, which shall, with as little delay as possible, be laid before The House.

22 April 1831.

P A P E R S

REFERRED TO IN THE FOREGOING REPORT.

CANALS, NORTH AMERICA.

MEMORANDUM.—7 January 1831.

EXPENDITURE on the Rideau Canal to 30 June 1830, being the date of the last half-yearly Progress Report, received from Lieut.-Colonel By	£.	441,183
Ditto - agreeably to the Statement shown on the Plan sent by Sir James Kempt, viz. to 30 September last		516,799
(signed)		C. G. Ellicombe, Lt Col. R ^l Eng ^r .

Major-Gen. Sir A. Bryce presents his compliments to Lieut.-Colonel Couper, and herewith incloses two Memoranda dated respectively the 17th inst. for the Master General's information, and orders relative to the Water Communication in Canada, and extensive works of defence at present in progress in the Colonies, which have been prepared in compliance with the Master General's verbal directions.

84, Pall Mall, }
18 Jan. 1831. }

MEMORANDUM

Relative to the WATER COMMUNICATION in CANADA.

RIDEAU CANAL.

The Sum remaining to be voted in 1831 on account of this Canal, agreeably to Lieut.-Colonel By's Estimate of £.576,757, upon which a Committee in Canada reported under the Presidency of Sir James Kempt, is	£.	140,091
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Besides the above, Lieut.-Colonel By has reported the following additional services to be required; viz.

1. Errors in his Estimate	£.2,843	} 116,691
2. Excess on ditto	30,134	
3. Works not contemplated or proposed in his Estimate	83,714	
<u>£. 256,782</u>		

These additional sums, in consequence of a Report from the office of the Inspector General of Fortifications, were reported by the Master General and Board to the Treasury by letter, 17 August 1830, a copy of which is inclosed; and although it will be therein seen (par. 5,) that further information is to be received from Canada before these expenses will be admitted, yet it cannot be expected that any material reduction can be made, and therefore money for these additional expenses must ultimately be voted; and as from all the reports received it is expected that this Canal will be opened in this year, and that the money will be wanted to pay the contractor's bills in the present year, it becomes a question for the Colonial Department.

to decide, whether it will not be expedient to vote the whole in the present year, viz. £. 256,782, or it will be found that bills will be paid to an amount for which a corresponding vote has not been granted; and this larger vote may appear the more necessary, as by paragraph of the inclosed Report to the Treasury, it will be seen that it is possible other expenses not yet reported may arise.

It will also be seen by the same Report, par. , that the above sums do not include services amounting to £. 69,230, which, although not absolutely necessary for the Rideau, considered only as a Water Communication, yet must be looked to as consequent upon this great work being completed, and must be considered not only to be ultimately required, but as preliminary to other expenses similarly circumstanced; but as all these, including the before mentioned £. 69,230, will form the subject of separate Reports, requiring much consideration; and also having nothing to do immediately with the money required for the Canal itself, it is recommended that any money required for them should be postponed for the present, and to confine the question as to whether the sum of £. 140,691 should be voted for the Canal in 1831, or the larger amount of £. 256,782, which, as before stated, is likely to be required to defray the contractor's bills in the present year.

**CANALS on the OTTAWA, commonly known by the Term
" GRENVILLE CANAL."**

These Works are carrying on by the Staff Corps recently transferred to the Ordnance, and consist of the following :

Grenville	£. 192,264	
Carillon Rapids	72,318	}
Chûte à Blondeau	20,785	
Establishment	23,761	
St. Anne's Rapids (no Estimate received.)		
		£. 309,128

Of this amount (£. 309,128), the Ordnance cannot give any correct statement as to the sums already voted, as these works were only recently transferred to the Ordnance; but by Sir James Kempt's despatches to the Colonial Secretary of State, particularly of the 1st April 1830, this office was enabled to report to the Board, on the 21st of June last, the sums which remained to be voted from that time, viz. £. 163,029, of which £. 23,000 was voted in 1830; and it is now proposed to vote £. 40,000 on account in the Estimate for 1831.

RECAPITULATION :

Proposed to be voted in 1830 for the Rideau - - - - -
For the Grenville and other Canals on the Ottawa - - - - -

(signed) *C. G. Ellicombe,*
I. Col. R^l Eng^r.

SIR, Office of Ordnance, 21 January 1831.

THE Master General and Board having had under consideration the Memoranda you have transmitted, dated 17th instant, relative to the Water Communication in Canada, I am directed to acquaint you therewith, and to apprise you, that the Master General and Board have intimated to the Secretary of State for the Colonial Department, that the two following sums are those which they suggest should be voted in the Colonial Estimate for the year 1831, the works being all in progress and reported to be indispensably necessary; viz.

For the Rideau Canal		£.
	256,782	
For the Grenville, and other Canals on the Ottawa	40,000	
	£. 296,782	

I have, &c.
R. Byham.

Major Gen. Sir Alex. Bryce,
&c. &c. &c.

LIST OF WITNESSES.

Lunæ, 21^o die Martij, 1831 :

<i>Lieut.-Colonel Edward Fanshaw</i>	- - - - -	p. 15
<i>Licut.-Colonel Bouchette</i>	- - - - -	p. 19
<i>Sir Charles Ogle, Bart. M. P.</i>	- - - - -	p. 24

Jovis, 24^o die Martij, 1831 :

<i>Major-General Sir A. Bryce</i>	- - - - -	p. 26
<i>Colonel George Couper</i>	- - - - -	p. 28
<i>The Right Hon. Robert Wilmot Horton</i>	- - - - -	p. 31

MINUTES OF EVIDENCE.

Luncæ, 21^o die Martii, 1831.

JOHN NICHOLAS FAZAKERLEY, ESQUIRE,

IN THE CHAIR.

Lieutenant Colonel *Edward Funshaw*, of the Royal Engineers,
called in; and Examined.

ARE you well acquainted with the works which have been undertaken between Montreal and Kingston?—I have been through the line.

When was your attention first called to the line of works?—In the beginning of the year 1828 I was appointed on a Committee to investigate Colonel By's Estimate, as a member of the committee assembled in London, to compare the Estimate with the drawings sent home to ascertain if any deduction could be made.

Do you recollect generally your impression on that Estimate?—We brought out various differences; but in the balance between the two, there was not above 7,000*l.* or 8,000*l.* deduction that we considered could be made.

Subsequently to that period, you were appointed on a committee to go to Canada to inspect the works?—In the spring I was sent out to join Sir James Kempt on a committee for that object.

That was the spring of 1828?—Yes.

Be kind enough to give the Committee any information you obtained on the inspection of the works?—After assembling at Montreal we went up the Ottawa, viewing the works undertaken by the Staff Corps, and then proceeded to the Rideau.

What is your opinion as to the manner in which it has been conducted; its expediency, and generally on the value and importance of the work?—I have no doubt of its value as a military communication, and also as a commercial communication.

You consider it as a military communication, which is essential to this Province in the event of a war with America?—Very essential.

In a commercial point of view, is it likely to be of much value?—Very much; and in the neighbourhood of that part of the country, especially near Perth, giving an outlet to the produce.

That is not merely as a communication between Lake Ontario and the St. Lawrence, by the Rideau Canal, but generally as increasing the resources of the country through which it passes?—No doubt.

With regard to the works generally, are you of opinion that the most proper line has been selected?—Certainly.

And that the works are as well executed and as well conducted as could reasonably be expected?—They were only in their infancy when I was there; they were commenced in some parts, but the country was quite a wilderness.

When did Colonel By commence them?—In the year 1826.

On an inspection of the works therefore, and a better acquaintance with the works themselves, and the propriety of the Estimate, do you see any reason to think Colonel By's Estimate an inaccurate one materially?—Not materially inaccurate.

Are you acquainted with an Estimate which was sent sometime before, by a person of the name of Clowes?—Yes; that estimate was considered in London at the same time as Colonel By's original Estimate.

That turned out to be altogether inadequate?—It was altogether fallacious as to amount; but the same line of navigation is nearly adhered to, with a few variations.

Lieut. Col.
Edward Funshaw.

21 March,
1831.

Lieut. Col.
Edward Fanshew.

21 March,
1831.

In order to enable the Government at home to form an opinion on the character of the Estimate of works of this description, should you not think it was necessary for them to be in possession of Estimates and Plans, as much in detail as those submitted to them by Colonel By?—Certainly.

That unless they were in possession of documents as much in detail as those, they could hardly come to a correct opinion?—No correct opinion can be come to till the work has been finished, in such a wilderness, where you have to feel every step, and where no work has been undertaken before.

Even now you think the whole amount of the expense can be hardly ascertained?—Even now certainly not accurately; you cannot form a previous Estimate with any degree of confidence.

How far is the Rideau Canal finished?—I believe about 45 miles are complete.

What is the whole length?—One hundred and fifty miles.

Was it not to be 130 miles when it was completed?—Adding five miles from Kingston Mills to Kingston, would make it 135; but, I believe, it is nearly 150, taking the whole line through.

When you say about 40 miles are complete, and the whole distance to be 140, do you mean that the works have been begun on the greater part of the line?—On the whole line.

But what amount of the whole work do you think remains still to be completed?—In fractional parts?

Is one-third done, or one-half?—I should think full three-fourths, from the Reports that have been received.

What is the latest that has been received?—Up to the 30th of June was the last Progress Report; they are received half-yearly; I do not think the December Report has arrived yet.

At that time three fourths were complete?—Not at that time.

What you now conjecture to be done?—Yes.

Are you acquainted with the great Canal in America from New York?—I have not seen the whole of it; I saw the debouches at Albany and Black Rock.

Is it conducted on more economical principles than this?—It is a very different thing; it is a mere ditch; the Americans went on a different principle, they opened their communication in a temporary manner that they might immediately receive a revenue.

You are not of opinion that a work constructed on that principle, or a work of that sort of construction, would have answered the purpose in this instance?—Wooden locks might have been adopted, but I could not have recommended it; it would have been very expensive in the end.

On the score of durability?—Yes, on the score of durability.

Were you in Canada during the last war between this country and the United States?—No.

Have you had any means of judging of the expense which was incurred during the last war from the want of the water communication between the Upper and Lower Provinces?—From what I have heard, and corroborated by my own observation—these accounts never passed through me—but I have no doubt of the great economy of the Rideau Navigation for the transport of heavy stores.

Have you reason to believe the expense was most enormous of the transport of stores to the Upper Provinces?—It was most enormous; I have heard 200*l.* for a twenty-four pounder gun (I do not know how far it is correct), for the mere transport of it.

By what office are these works conducted; by what Department?—By the Ordnance.

By the Ordnance entirely?—Yes.

When the work has been determined on by Government, what is the course in which they are laid before the Ordnance; they are determined originally by the Colonial Office, are they not?—Yes, and communicated to the Muster General Board by the Colonial Secretary of State to the Ordnance, who are desired to undertake it.

The whole of them have been conducted by the Ordnance Department?—The whole of the Rideau; the short Canals on the Ottawa were originally undertaken by the Treasury, but of late years they have also been transferred to the Ordnance.

Are you of opinion that works of this nature would generally be more advantageously conducted by the Ordnance, than by any other department?—I think the

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Ordnance have greater means of conducting works of this nature, and also of facilitating the fixing responsibility on the proper person, in case of failure.

Should you think it desirable, before works of this description are undertaken, that some report should be laid before Government, made by an engineer connected with the Ordnance department?—Certainly; provided the work is to be done by the Ordnance.

Has the work been done by contract?—Wholly by contract, with the exception of a few Sappers, occasionally employed for small parts of the work.

If works of this sort are undertaken by contract, is it very difficult to limit the annual account; is it necessary in contracting for works, to give the contractors very much the choice of accomplishing the work within the time that suits them best?—Certainly.

For that purpose, and with a view to accomplish that object, would it not be very difficult to limit the amount of annual grants?—Unless it is understood beforehand; in point of economy, it is desirable to allow the contractor to go on at the rate he can accomplish, but that at a known rate, in order that you may regulate your superintendence.

Do you happen to know if Colonel By was at liberty to make contracts without waiting for annual grants of money?—Yes, the contracts were nearly all completed before I was in Canada.

For the whole work?—Yes, with very little exception; I suppose four-fifths.

As they were completed for four-fifths, how came the expense to exceed the Estimate?—It was not a contract for a particular work, at so many thousand pounds, but at such a price per cubic foot of masonry, or yard of excavation.

Has the excess over the Estimate arisen from alterations in the work?—There have been alterations since we were there, and some of the contractors have been allowed to give up their contracts, and the prices have been very much exceeded in consequence.

From what circumstance were they allowed to give up their contracts?—That I do not know; some works were originally contracted for at 4s. per cubic yard, but not finished under 8s. 6d. per cubic yard.

You made, yourself, an Estimate in June 1828, you, in common with Sir James Kempt and Colonel Lewis saying, that you thought the whole amount of the works on the Rideau Canal would be about 558,000l. ?—We did not make an Estimate, it was, on examination in detail of Colonel By's Estimate of 576,000l. that we made that deduction.

And upon personal inspection?—Yes, on examining the dimensions and levels given by Colonel By; we did not take the levels ourselves, nor undertake any of that duty which would be necessary for forming a new Estimate.

How do you account for the great excess that has since taken place?—It is difficult to account for it; the papers are all gone to Canada for full explanation, they are not returned, and some alterations have taken place.

Do you mean alterations in the construction of the Canal, or the depth of water, or alterations in the original plan?—In some of the levels since we were there; the summit level is now 291, it was then 287.

That has led materially to the increase of expense?—That I cannot say; that will depend on the explanation that comes from Canada; alterations have taken place and it is difficult to say how far they effect the expense.

On the 28th of June 1828, you with Sir James Kempt and Colonel Lewis, wrote a letter of instruction to Colonel By and cautioning him not to undertake further works until those already in progress were sufficiently advanced to enable him to appropriate funds for the remainder; do you happen to know if Colonel By has complied with that instruction?—I really cannot say; I should suppose not; because the whole line is now in progress, and he has exceeded the grants, it would have been difficult wholly to avoid doing what he has done in order to carry on the work in a continuous manner.

There is one work which is suggested to be necessary to complete this Communication, of which no Estimate has been received in this country, the Saint Anne's Canal?—No.

You estimate that at an expense, apparently from 25,000l. to 40,000l.?—That will depend on the scale.

As a comparative statement, you say it would cost 25,000l. on the scale of La Chine Canal, and on another, the Committee scale, the expense would be 40,000l.?

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Edward Pakenham.

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—It was merely from looking at the ground without taking the levels, it will depend very much whether the Saint Anne's line is taken, that is not the line I recommend.

You recommend avoiding St. Anne's and La Chine, going to the north of the Montreal Island by the River of Les Prairies?—Yes; as a military communication that is the course I should prefer.

To go to the north of Montreal by the River of Les Prairies?—Yes.

In point of expense, what would be the consequence of doing so?—That would be more expensive; for the La Chine Canal is already made, on the scale upon which it is constructed.

Therefore it would be more expensive to go to the north of the Island?—Yes; but you could have a more secure military communication.

Is not the La Chine Canal such that you cannot avail yourself of the advantage of the larger locks on the Rideau Canal which are now finished?—You would either commence your transport from La Chine, or it is only by removing the paddles and then the vessel would go through; the La Chine Canal locks are twenty feet wide, and the vessel to be thirty feet over the paddles would not be above seventeen or eighteen beam, so that by unshipping the paddles she would pass through.

They are enlarging the locks at the Grenville?—Yes.

At what period did you leave Canada?—In 1828.

You have not been there since?—No.

Of course you are not competent to speak of your own personal knowledge of the present state of these works?—No.

Nor to give the Committee your opinion of course as to the probable expense which is necessary to bring it to a conclusion?—No.

From your general acquaintance with the work, and from the uncertainty which necessarily attends a work of this description, do you think that the Committee will by any means be enabled to give to Parliament any correct Estimate of what may be the ultimate expense?—Not exactly, it will be approximate, now the work is nearly finished.

What is the nature of these papers that have been sent to Colonel By with a view of obtaining information from him?—I may describe them as Estimates, they amount to that.

Then the House of Commons will be able to form a much more correct opinion on this when Colonel By's answer is received?—Colonel Durnford, on the spot, was called upon to investigate it himself.

Whenever his report is received in this country The House will be able to come to a more correct conclusion?—Until then we are quite in the dark as to the explanation of the excess.

In the event of a war, do you conceive there would be any communication between the Lower and Upper Provinces without the Rideau Canal?—For the transport of stores not without a very great expense, and a very great uncertainty.

Do you conceive that any merchandize could be carried up the St. Lawrence, the Americans possessing Barnhart's Island?—The Americans, possessing Barnhart's Island, control the whole channel at that spot.

You say, that Barnhart's Island controls the whole channel?—At that spot.

Has any Estimate been made of the Canal north of the Montreal, that has been talked of?—On the River Les Prairies.

Supposing there should be a communication by the River to the north of Montreal instead of going by St. Anne, has any Estimate been given of that?—No; the levels have never been correctly taken for an Estimate; it would not be a continuous Canal, it would be merely making the River navigable; the River Les Prairies is thirty-three miles long, and already navigable for the greater part.

Would it be a very great expense?—A very great expense, no doubt, but not equal to cutting a Canal the whole length; it would be a much greater expense than cutting the short Canal at St. Anne's; but you would not acquire a continuous Canal. The River is thirty-three miles long, and is navigable twenty-seven or twenty-eight; loaded batteaux go through it now at some seasons.

Were you ever in Canada before you went out on this survey?—Never.

You were not at all consulted on the original Estimate as to the construction of the works, but you were sent out by the Ordnance Board, in connection with Colonel Lewis, to see the then state of the works, and report on them?—Yes; to see the state of the works, and report on them.

Do you know whether a large population has not been collected on the line of this intended Canal, on the faith of that Communication being completed, and that villages have been formed, and parties have gone there to take grants?—On the expectation of that very probably.

And a great number of settlers have been going there?—Yes.

In case of the Canal being abandoned, what do you presume would be the effect of it upon the settlers and population of the country?—Many of them no doubt would have to remove; but the country will be benefited by what is done, for you have now 45 miles of Canal finished.

It would stop the prosperity of that part of the country very much?—Yes.

Have you any notion of the commercial importance, do you see any great stress laid on that part of the work?—In time of peace, the commercial people would rather have had a communication by the River St. Lawrence.

That is supposing you could have made a Canal of St. Lawrence, not as it is at present?—No; by making Canals with locks to turn the rapids.

Do you apprehend, either in peace or in war, any commercial passage by the Canal is likely to pay to the state any considerable revenue?—I think not; nor for a vast number of years.

The traffic would not be sufficient?—No, not to induce any merchant to have undertaken it on his account, if he had had the means.

Supposing it would not be sufficient to do that, do you think it would be enough to keep the work in repair?—Yes, if the work is well done originally.

Did the Hog's Back give way, when were you there?—Afterwards; when I was there the work was not well done by the contractor, at Hog's Back, which was pointed out to Colonel By.

Have you any report if the thing has been better done since?—Since the failure I understand it has.

And it is likely to stand?—I have no reason to doubt it; the materials of which it is composed are excellent, if they were well put together.

Is it intended to erect any batteries for the defence of the locks?—I understand so.

Do you think the Americans could easily attack the Canal, and blow up the locks?—Not easily; it is some distance from them, and they have to cross the St. Lawrence in the first place.

Could not a small party cross the St. Lawrence unnoticed, and penetrate through the country, and destroy these works?—I conceive not easily, unless the population were in their favour; but the interests of the population are identified with the Canal.

The population is far from dense in the route they would take?—The population would easily collect along the line of the Canal; there is already a population on the banks of St. Lawrence, who would give them notice. An enemy would have the garrison of Kingston on their flank and rear, therefore they would advance with great caution.

They must cross through woods and an uncultivated country to get to the Canal?—Yes, generally speaking; but that will not be the case in a few years; every year the strength of the country will increase with the population.

Generally upon this line, to make it a defensible and military line, do you think any considerable fortifications will be necessary?—Not very considerable.

Must there not be considerable works at Kingston?—That is the *entrepôt* and *dépôt* for Canada.

Independently of this Canal?—Yes.

Along the Canal itself you think the fortifications need not be very expensive or considerable?—No; they need not be very expensive.

Colonel Lewis is in Jersey?—Yes.

Lieut.-Colonel *Bouchette*, called in; and Examined.

WHAT situation do you fill in Canada?—Surveyor General of the Province of Lower Canada.

Are you appointed by the Provincial Government?—No; I am appointed by the King: I hold His Majesty's commission.

Are you acquainted with the line of Water Communication between Kingston and Montreal, by the Rideau and the Ottawa?—With both.

Personally?—Personally.

What is your opinion of its military importance?—I conceive the communication of the Rideau Canal is a communication of the greatest importance, in a variety of points of view, both in a military and a commercial point of view; and, ultimately, as probably producing a revenue very much exceeding even the very immense sum expended on that Canal. Perhaps the Committee will permit me to open one of

Lieut. Col.
Boschette.

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the maps, which will exemplify that which I may be afterwards better able to convey.—[*The Witness opens two large Maps, and explains them to the Committee.*] This is a Map of the general country that shows the communications in a different way; this is a Map of the Lower Province, showing the boundary line; there is a particular map; there is the Ottawa River; this is the first time it has been completed on so large a scale.

What knowledge have you of the Canals in Lower and Upper Canada, and whence is that knowledge derived?—As a native of, and resident in Lower Canada, and having resided also in Upper Canada, I possess a knowledge of both Provinces, which the active nature of my professional services, from a very early period of my life to the present day, has enabled me considerably to extend. As Surveyor General of Lower Canada, I have, during a period of nearly thirty years, had it in my power to obtain a most intimate personal knowledge of the Province, its internal communications, and relative connection with the sister provinces above and below it, and especially with Upper Canada; I have repeatedly visited the Grenville Canal, and also the Rideau, at and in the vicinity of By Town, and am likewise particularly acquainted with the country about Kingston, at the southern extremity of the Rideau Canal, but have not traversed the whole line, although well acquainted with it from the authentic surveys, levels and other documents in my possession. The topographical maps and works I am about publishing on the subject of the British North American Colonies, contain much of the information which it is in my power to offer, and as this information is generally grounded upon authority, I shall beg leave of your Honourable Committee to allow me occasionally to refer to the pages of my printed work.

What are the extent and dimensions of the Rideau Canal?—The extent and dimensions of the Rideau Canal are not of a nature to be properly estimated by the mere length, breadth and depth of excavation, &c. the statement of which would be sufficiently descriptive of the capacity of most other canals; indeed, the whole length of excavation that was necessary for the accomplishment of this great work, does not amount to 20 miles, the excavation being 40 feet in width at the bottom, 61 at the water's surface, and five feet in depth. At page 153, of my work, which is now on the table of your Honourable Committee, are stated the dimensions of the Rideau Canal, as taken from the authority of the various engineers employed on that service. These dimensions may summarily be stated thus: length of the Canal 132 miles (stated also at 135;) length of the locks 142 feet; breadth of ditto 33 feet, depth of water 5 feet. The dimensions of the locks (the proper criterion of the Canal's capacity) are calculated from their size, to admit of vessels of any burden under 125 tons, and the numerous expansive sheets of deep water, produced by frequent dams, form so many basins at various intervals where the Canal vessels may conveniently wait their turn of passing through the locks; steam tow-boats will also be kept here to accelerate the progress of these vessels by towing them across the still waters, especially on the Lake Rideau, where this description of towage would be uninterrupted for a distance of 24 miles.

What are the extent and dimensions of the Grenville Canal?—The Grenville Canal is also described, p. 155, in the work already alluded to now before your Honourable Committee; it consists of three sections, the first and principal one avoiding the Long Sault; the second, the Châte à Blondeau; and the third at the Carillon Rapids. The Canal is excavated twenty-eight feet wide at the bottom, forty-eight feet at the water line, and calculated for five feet depth of water. Much of the excavation is through solid rock.

What is the extent of country drained or otherwise benefited by the Rideau Canal?—The Rideau Canal traverses part of the county of the Frontenac, Upper Canada, the counties of Leeds and Grenville, and divides the counties of Carleton and Russell from one another; it bounds or traverses eighteen townships, and may be said to drain and otherwise benefit 3,000 superficial square statute miles of territory, being a large portion of that valuable section of Upper Canada, lying between the Saint Lawrence on the south-east, and the Ottawa River to the northward. Most of the lands traversed by the Canal are fit for cultivation, and are making rapid advances in settlement; many of the shaking swamps and bogs have been laid under water by the action of the dams producing a reflux of the water, and many others have been drained by the Canal.

What are the advantages to be derived by this country from the opening of the Rideau Canal: 1st in a political; 2d in a commercial, and 3d, in a fiscal point of view?—In a political point of view, the Rideau Canal must be considered as a work

work of national import from its removing from a weak and vulnerable frontier, the great thoroughfare and leading communication between the Provinces of Lower and Upper Canada, and strengthening and consolidating the whole of the British Colonies in America. Without the existence of so invaluable a work the loss of Upper Canada, so interesting and flourishing a section of the empire might have been looked upon as less than problematical in the event of war with the United States of America; and how far the security of the remaining British possessions on the American continent would be endangered by such a loss must appear evident by the geography of the country. With the Saint Lawrence as the only leading highway between the Canadas, the intercourse must have been constantly under the surveillance and check of a foreign state, and in times of hostility the transport of troops and military stores necessary for the defence of the Province must have been, if not entirely at the mercy of an enemy at least exposed to be destroyed, cut off or otherwise rendered abortive. Quebec is truly, as have been stated, the key of the Canadas, but this can only be in one sense, from its being the strong hold, the great seaport, the bulwark of the country; but in another aspect, Upper Canada may be viewed as the key of the British possessions, inasmuch as if it fell into the hands of a foreign power, advantages almost irresistible would be afforded to it for the invasion of the provinces situated lower down, into which naval and military forces might be poured *ad libitum*, that would finally drive British dominions to the sea coast and leave an enemy in the occupation of the most beautiful and flourishing portion of North America. By giving political security to the intercourse between the Canadas, their commercial interests would be no doubt relatively benefited, but the Rideau Canal considered under a commercial aspect will not only give security to the trade, but tend to increase it, by offering facilities in the transport of produce, and inviting a larger number of the inhabitants of the Upper Province to engage in mercantile speculations. Its influence in this respect will extend not only to the shores of Lake Ontario, but to those of Lake Erie. The Welland and the Rideau Canals will mutually benefit each other as the existence of the Rideau will doubtless induce many to pass through the Welland, while the opening of the Welland throws open the trade with the shores of Lake Erie, a great part of which may be expected to pass through the Rideau Canal, connecting as it does two grand rivers, opening a steam-boat communication between the flourishing town and settlements about Kingston, and the fertile and rapidly settling country on the banks of the Ottawa, the Rideau Canal cannot fail in giving increased vigour to the commerce of the country; at the same time that it will contribute essentially to the amelioration and settlement of those extensive and valuable parts of the Canadas, which it traverses and connects. The fiscal advantages of the Rideau Canal must, in some measure, depend on the trade of the country, as the tolls will principally arise from the passage through that channel of the produce above it, and of the returns to be forwarded from the return below it. If these tolls are moderate as well on the Rideau Canal, as on the Grenville Canal, little doubt can be entertained that the security of this means of transport will be appreciated by traders, and generally adopted in preference to the risks and perils of the dangerous rapids of the St. Lawrence. Timber (especially masts) it is well known, is considerably shaken and injured in its soundness, by the shocks it frequently receives in descending the violent cascades of the Rivers St. Lawrence and Ottawa; and by opening these Canals to timber, upon receiving competent yet small tolls, much of that staple commodity of the country would descend through the Canals, and probably fetch, in consequence, a higher price in the market; at all events the toll would be more than compensated by the preservation of the timber, which is now so often totally lost in the St. Lawrence, in the Lakes as well as in the Rapids. Referring to page 158 of my work, I find that the present trade of the St. Lawrence, above the Montreal, gives employment to about 10,000 tons of shipping, in Durham boats and batteaux. Now admitting (to have a mere *aperçu* on the subject) that this trade were carried through the Rideau and Grenville Canals, and that each ton paid the moderate toll of 17. 18s. only, we have 19,000*l.* to which in the gross two-thirds may be added for the returns, giving together 31,666*l.*, independently of monies levied upon timber passing through the Canal, which would, I apprehend, be a source of considerable revenue of itself. The expenses of collecting the tolls would necessarily be a matter of moment from the extent of the line of Canal; but it should be borne in mind, that these will be comparatively stationary, or at least their increase cannot be expected to keep pace with the increased employment of the Canals, arising from the growing population

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and improvement of a rising province, whose wealth and internal resources are rapidly developing themselves. The removal of troops and military stores from one Province to the other, which has hitherto been attended with such heavy expense to the mother country, will also be effected with much more economy and dispatch by this route than by the St. Lawrence.

What would be the most effectual and expeditious means of obtaining returns for the monies laid out by Great Britain in the construction of the Rideau and Grenville Canals?—First, the further disposition of Crown Lands in the Canadas, on the principle of the sales already made to the Canada Company; second, the establishment of government warehouses on the Canals; third, the encouragement of trade by the exaction of moderate tolls; fourth, the encouragement of emigration to, and the settlement of both Provinces. There is little doubt that the expenses consequent upon the casual repairs that will be from time to time required upon the Canals, will be defrayed by the Provinces benefited, were a proposition to that effect made by His Majesty's Government to their respective legislatures. I would submit to this Committee, what I have stated in the pages which I have taken the liberty of quoting in this work, it is called, "The British Dominions in North America." [*The witness hands in his book.*]

Have you heard the Americans say our Canal would interfere with theirs?—Yes; and they have reason to say so, for the moment that that communication is opened on the principle on which it is now begun, it will be impossible for the American Canal, the narrow or Western Canal to cope with us; it is impossible.

What reason have you to think that the Canada Canal will ingross a considerable part of that trade which now passes along the North Western Canal in the United States?—The Western Canal is not upon a similar scale; the inconvenience of travelling the Western Canal in small lighters and boats of a minor description and dimensions, the slowness with which they move, and the expense which is already double that of ours, for it is, I believe, something like 4*l.* per ton from the eastern extremity of Lake Erie to Albany or New York, but now ours is about 2*l.* but I do not recollect the exact sum; there is a difference of more than 30*s.* between the American Canal route and that of Canada.

Do you know what tonnage the boat is that passes along the North-western Canal?—Something like 16 tons.

Will not the circumstance of the port of New York being at all times open, whereas the St. Lawrence is only open during the summer months of the year, give a great preference to the North-western Canal?—Not with respect to the produce of a country which is governed by its climate; for instance, the Upper Canada is governed by its climate, and though the Western Canal passes through the States, the same climate exists at its entrance, and the Western Canal is of no more use to the Americans in winter than it is to Upper Canada. The Welland Canal opens three weeks earlier in the spring, from the pressure of the ice at the eastern extremity of Lake Erie, and at the entrance of the American Western Canal. Therefore we have an advantage of three weeks instead of having a disadvantage.

When our Canals are finished, do not you think the vessels will be built to navigate the whole of the lakes on the Canals, without unshipping the cargoes?—Perfectly so, to the extent of 120 tons; and the La Chine Canal, which is in connexion with this great line of communication, does not admit more than the Durham boats of 16 tons; but then the La Chine Canal, which has cost the Province of Lower Canada 130,000*l.* exactly, they will find it to the interest of the Province to enlarge and widen the Canal, to open it in the same way as the others. The La Chine Canal, thus opened on the same principle as the line of Canal above it, will be the means of opening an inland navigation for vessels of 120 tons, from Lake Huron eastward, through the Lakes, the Canals, and the St. Lawrence to the sea, a distance exceeding 1,500 miles.

A vessel of that burden will pass through the Canal?—Yes; and the scale on which the Rideau Canal is constructed ought to be a scale for the whole of them; it is 6*1* at the surface.

Do you conceive that the local legislature have shown any interest in the progress of this work?—I consider they do show an interest, though not so serious by voting sums of money; but I believe from the state of the progress in which these works are in, the legislature of Canada would take, as far as they could, and as far as the means of the Province extended, an interest in it; they feel a great interest in the communication at present.

Do you think there is a probability that they would bear some proportion of the future

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future expense of the work?—I imagine there is no doubt that the Province of Lower Canada would bear a small proportion; I do not think the Upper Canada could bear much.

Do you think, if any remuneration were required for the land overflowed in the vallies, that that Government would pay for that land?—The Upper Province?

The Province wherever it is?—That is the Upper Province; I imagine that they would make every effort as far as their means went.

Do you know any thing of the rate at which the land through which the Canal went was bought; whether an exorbitant sum was asked for it?—I believe every system of economy has been attempted; some of the lands were purchased dearer than they might have been purchased at an early period, when individuals saw they might derive advantage from land by asking high prices; I believe the Government are obliged to pay higher for lands than they would if the owners had not seen their particular interest, and exacted sometimes a higher price.

In what manner is the price fixed?—This was done through the military channel, and I was not made acquainted with it.

May not the backwardness of the Provinces to advance the money in aid of this Canal have been owing to their anticipating that the mother country would pay all expenses?—I believe more originally from their feeble means, and their being apprehensive to engage in more than they could perform, rather than an unwillingness to encourage it.

Were you ever employed officially about this work of the Rideau Canal?—I was not employed in any manner on the Rideau Canal, but was employed frequently in taking official tours through the colony, under the orders of the Governor-in-Chief, especially in 1820, 1824, and more recently in 1827; the chief object of these tours was to take down improvements that had taken place in the colony.

You were never called on specially to survey this work?—No.

Have you had an opportunity of seeing the whole line of the Rideau Canal?—Not the whole; I have seen that which is finished at the By Town, and above it, and I have seen Kingston; I have not traversed the whole line, though I am perfectly well acquainted with it, and the Commissioners for the internal communication have transmitted me, for my special use and information, the plan of the Rideau Canal, exhibiting the actual survey and sections of the whole line of Canal as performed by the engineers employed on that service.

When did you last see it?—In 1827.

Not since?—No; but a great deal was done then.

You are not competent to give the Committee information of the present state of the work, from your personal knowledge?—Not from my personal knowledge, except from recent reports of the very surveyors that were in that employment; I would name Mr. Burrows, who is a deputy land-surveyor in the Province, through whom, and other sources to be depended upon, I became acquainted with the progress of these works.

Have you been lately in Canada?—I am quite recently from there; I left it last year.

Do you happen to know in what state the work is towards completion?—I have got it from excellent authority, that the Canal would be likely to be perfectly open in this fall.

You mean the autumn?—Next autumn; and on referring to the speech of the Governor of Upper Canada, at the opening of the session this winter, he declares that to be the prospect.

Can goods be carried down the St. Lawrence without transhipment at present?—Not in vessels beyond the Durham boats of 16 tons, they go down the St. Lawrence without re-shipment from Lake Ontario to Montreal, but they are exposed to some of the rapids, and all the rafts and timbers are exposed to the violence of the rapids, and exposures that rafts meet on the lakes, which is as bad almost as the rapids; they are driven on one side of the lake or other, and frequently lost.

What is the expense of the insurance from Kingston to Montreal?—I cannot reply to the question at present.

Are you prepared with documents, or evidence, to show what the final course would be necessary to complete those works?—I am not.

When the Canal is finished, will masts be carried down St. Lawrence cheaper?—At a more reasonable rate and more safe by the Rideau.

Have you had any thing to do with the sale of lands in Upper Canada?—I have not; the sale, the produce of the sale made in Canada, will go to defray the expense of Government.

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You do not know of the enhancement of the price of land on the Canal in consequence of the works there?—It is enhanced considerably; I presume they have enhanced from 5s. to full one half since the commencement of these sales, in their value.

Is the settlement proceeding rapidly?—So rapidly, when it commenced in the year 1816, that there were about 1,900 souls; now the Canal drains 3,000 square miles, and the settlements in the vicinity of that Canal, from one extremity to another, exceed 14,000 souls.

If the Canal were not to be completed, these persons would be very considerably injured in their interest, having paid a large sum for their lands in expectation of the advantages to be derived from that Canal?—I should imagine that very few individuals who settle on the borders of such a Canal are much in the way of buying lands; I believe those lands were granted to reduced officers and soldiers, and others who emigrated in the vicinity, and who did not acquire them by purchase; therefore, even if the Rideau Canal were to be discontinued, the country would suffer generally; but the individuals that have sold lands would have been benefited; those who have not sold lands would only be where they were in the outset.

Is the land through which the Rideau Canal passes generally of good quality?—Some part of it is low and swampy, but in general it is all fit for settlement; but though the Canal has gone over great parts of the country, it has done more good to it than injury; it has drained it considerably. I would beg leave to refer to a work relating to the Rideau Canal; it is M^cTaggart's "Three Years in Canada;" this gentleman gives a more minute detail and description of the Rideau Canal than I thought necessary to give in a more enlarged work I am now publishing, and to which I have already alluded in the course of evidence to the Canal Communications in the Canadas.

Sir Charles Ogle, a Member of the Committee; Examined.

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ARE you personally acquainted with the line of communication between Kingston and Montreal, by the Rideau Canal?—About a year and a half ago I went through the whole of it; I examined every lock, and they appeared to me to be admirably constructed; a vessel of five feet water could go through them; it appeared to me, upon comparing the navigation of the River St. Lawrence from Montreal to Kingston with that of the Rideau, that the trade ultimately would be diverted to the Rideau.

Will you state to the Committee your reasons?—Because the rapids are extremely dangerous on the St. Lawrence, and in the event of war, from the Americans possessing Barnhart's Island, the communications must be completely cut off. It appeared to me, from all the information I could gain, that a very considerable revenue would be obtained by commerce going through the Rideau Canal by the tolls to be levied; with respect to the rapids, or the particulars of the rapids, I have mentioned them here [*referring to a paper*] which I have examined.

Will you be kind enough to put that paper in?—Yes.

[*The following Paper was delivered in.*]

It appears to me, in a military point of view, that the Rideau Canal is absolutely necessary to keep up the communication between Upper and Lower Canada; indeed I think, in the event of war, considering the territory possessed by the Americans, and its increased population on the left bank of the St. Lawrence, that all trade must be suspended unless it be carried on through this Canal. Even in the last war, it was with great difficulty that stores and men were conveyed, at an enormous expense, from Montreal to Kingston. The men were picked off by the American riflemen, and the stores obliged to be landed and re-shipped, exposed to great risk.

I shall now endeavour to show the comparative distance, dangers, and advantages of the two routes between Montreal and Kingston; one by the St. Lawrence, the other by the Rideau Canal, which I collected in my inquiries on the spot about a year ago.

The distance from Montreal to Kingston, by the St. Lawrence River, is 171 miles; and by the Rideau Canal *via* St. Anne's, 267 miles.

By the St. Lawrence route there are five dangerous rapids, which are impassable by steam-boats, and where the cargoes must be partially unloaded. The Durham boats, boats peculiar to the country, navigate the rapids at considerable

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considerable risk, whole crews and cargoes having been frequently lost; these boats generally carry from 20 to 30 tons burden, and take from fourteen to twenty-one days to perform the voyage between Montreal and Kingston. The expense of towing, &c. exceeds three pounds, and, in some instances, the horses have been dragged into the current by the swing of the boat, and drowned. The lockage expense is about two pounds.

These rapids vary in rapidity, intricacy, depth and width of channel, and in extent, from half a mile to nine miles.

The Cedar Rapid is twenty-four miles from La Chine, nine miles long, and in some places has only nine to ten feet water in the channel; is very intricate, and runs from nine to twelve miles the hour.

Coteau de Lac Rapid, six miles above Cedar Rapid, is two miles long, equally intricate in the channel, and in some places only sixteen feet wide.

Long Sault Rapid, forty-five miles above Coteau de Lac, is nine or ten miles long, generally the same depth of water throughout; from thence to Prescott, forty-one miles of shoal water running from six to eight miles an hour, and impassable by steam-boats; then intervenes Rapid du Plas, half a mile long, and Rapid Galoosé, one and a half mile long.

The voyage by the Rideau Canal, I should think might be performed in two days, and in perfect security, being less exposed to an expanse of water, and no rapids to encounter.

From all the information I could collect, I think, if Government were to impose a moderate impost upon the first opening of the Canal, that vessels would be built calculated to go through the locks, to convey merchandize from Quebec to the Upper Lakes, without transshipping the cargo, ultimately the whole trade might be led into this channel, and reimburse the Government for the expense of the outlay, and it is probable might take a vast deal of trade from the American Canals, by carrying our manufactures to the Upper Provinces.

In going through the Rideau Canal, I was forcibly struck with the number of towns which had sprung up in a very short time, and with the fine forests of oak and other timber which had, by means of the Canal, become valuable, which before were useless.

The locks contain five feet water, being the same depth as the shoalest part of the Ottawa River.

Chas. Ogle.

Did the works appear to you to be constructed in a strong and durable manner? — Admirably constructed, and compared with the Welland Canal, I was more struck with them.

That was undertaken by private individuals? — Yes.

Do you consider the advantage of this communication by the Rideau, important in a commercial point of view at all times, in consequence of the rapids upon the St. Lawrence; and in a military point of view, in time of war? — Yes; absolutely so. On the American side of St. Lawrence the population have increased from 12,000 I understand, to 20,000 since last war, which will offer much greater difficulties to that.

Do you consider the line of Canal to be much exposed to attack from America in time of war, or susceptible of being easily defended? — It does appear to me that by a *coup de main* they might go over and blow up a lock.

The consequence of that would be destructive of the communication? — It would; you must repair that lock, we must provide against that by some hold opposite there.

Would not each lock of this Canal serve for conveying stores in time of war, would it not be necessary to defend each lock by some contiguous fortification? — Not every lock; I should have thought some certain spots.

How many such spots would there be? — I suppose they might have two posts, so as to flank them.

By what treaty was Barnhart's Island given up to the United States? — I do not exactly remember; the treaty of Ghent, I believe; so it is they have it, and the inhabitants increasing inadequately, it will be impossible we can carry merchandize and stores by the St. Lawrence.

Would it be possible to construct a Canal leading from one part of the St. Lawrence into another, from above to below Barnhart's Island, so as to be out of

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gun shot from the shores of Barnhart's Island?—There was a question, but now this being nearly completed, I believe that has been given up; it was a question that was agitated at one period.

Will not a considerable portion of the downward trade from Kingston to Montreal still take the line of the St. Lawrence, even after the completion of the Rideau Canal?—I think for a considerable time, until they build vessels that go the whole way up the upper locks without unshipping any thing, for the Durham boats are small flat boats, not well calculated to navigate the Lake Ontario and Erie.

At how much per ton is the cost on the downward trade from Kingston to Montreal?—I cannot remember the sum, not being conversant with things of that kind.

Do you believe that the cost per ton of conveying goods down the Canal will be less by the River than by the Canal, after the completion of the Canal?—I believe it will be less by the Canal.

Speaking exclusively of the downward passage?—I conceive it would be less, considering that they would be obliged to tranship, using Durham boats.

Of course the great articles of export being goods of considerable bulk, the principal trade, the downward trade, is estimated, not by money but by tonnage?—Yes, I suspect it would, as soon as the Upper Provinces are settled. When I said that I thought that the expense of transport would be less in going through the Rideau Canal than down the St. Lawrence, I meant that it would be less when proper vessels should be built that will not only go through the Canal, but may be able to navigate the Upper Lakes, and bring down the produce of the upper country without transshipping it, as far as Montreal or Quebec, taking into consideration the certainty as to time and security of the voyage, together with the lesser charge of insurance; of course much must depend on the moderate toll imposed by Government when the Canals are finished.

Do you know what is the comparative cost of conveying a ton by the Durham boat down the river, as compared with the cost of getting it upwards?—I cannot speak as to the sum without referring to papers.

If the downward trade is by far the cheaper, what will the tonnage be, paying the costs of the Canal, if the principal trade is still to go in small boats or rafts down the river?—I do not know. One thing is evident, in the event of a war you could not go down the St. Lawrence at all, it amounts to a complete interruption of the navigation, therefore you could have no communication between the Provinces.

Jovis, 24^o die Martii, 1831.

Major General Sir *Alexander Bryce*, called in; and Examined.

Major Gen.
Sir *A. Bryce*.

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THESE are papers principally consisting of memoranda from you; do you see any objection to their being communicated to the Committee, and printed?—No; there is nothing of a military nature in them.

It appears the expenditure of the Rideau Canal, to the 30th of September last, was 516,000*l.*?—Yes.

Have you received later accounts than that?—That is the latest.

That sum comprises the money laid out, not the engagements that have been contracted which are not paid for, but money actually paid?—It does not; that is an account of money expended.

It appears that the sum remaining to be voted in 1831, on account of the Rideau Canal, agreeably to Colonel By's Estimate of 576,000*l.*, is 140,000*l.*; besides that sum, Colonel By seems to have reported an additional service to be required; namely, errors in his Estimate, 2,843*l.*, excess 30,000*l.*, and works not contemplated or proposed in Estimate, 83,714*l.*; would you be kind enough to give the Committee any explanation you can upon those sums which are an excess beyond the Estimate?—The errors of 2,843*l.* are merely stated by Colonel By and Colonel Durnford, without having entered into the particulars, therefore I cannot say any thing on that point; but I have sent back for an explanation. The excess in the Estimate is on the works already executed, and is reported to be 30,000*l.* I have no doubt, that one part of that excess has been owing to the failure of the dam at the Hog's Back, which probably might have occasioned an excess of 4,000*l.* or 5,000*l.* We are not in possession of the particulars of it, but as nearly as I can judge from the description of the damage incurred, I think it must have cost that to repair

repair it. The other parts of the excess of 30,000*l.* we are not acquainted with; but I do not think they are of large amount, in comparison with the work executed and the difficulty of forming an accurate Estimate in that country.

With regard to the works not contemplated or proposed in Estimate, they are 83,000*l.*?—A considerable part, perhaps half of that sum is owing to the necessity of constructing additional waste weirs, to guard against the effect of inundations in the spring, on the breaking up of the ice, which has been found greater than was apprehended at first; the remainder has not been satisfactorily explained, and Colonel By's Report has been sent back for further explanation.

Though you have sent it back for further explanation on those points, you do not expect any material reduction will be made?—No, I do not.

Besides the money that has been received on account, are you aware of the extent to which Colonel By has entered into bills with contractors, which have not been paid?—No, not particularly; but as he reports that the whole work will be finished in August next, I have every reason to suppose that every thing is contracted for.

And within the limits of the sum?—And within the limits of the sum of the largest Estimate, but with the exception that Colonel Durnford remarks, that after having gone over the line, he will not positively say that some small sum may not afterwards be required; he says, for some thousand pounds he would not tie himself down.

In this memorandum of yours, besides the sum of which you have been speaking, there is a sum of 69,230*l.* which you state to be for services not absolutely necessary for the Rideau, considered as a Water Communication; can you give the Committee some explanation as to that sum?—This consists of twenty-two block-houses at the principal stations to defend the dams and locks, and to serve also as lodgings for the lock-keepers, and the people of that description, who will be necessarily attendant on the locks. The expense of the twenty-two block-houses is calculated at 33,000*l.*, and land which must be taken in the neighbourhood is calculated at 20,000*l.*; that I think is a large calculation, but I am not in a situation at present to check it. There is an additional reservoir at By Town, which is meant also to serve for purposes of defence, and calculated at 8,000*l.*; and there are bridges of communication which we are obliged by the Colonial Legislature to erect, estimated at 8,230*l.*

Obliged to erect them under a Colonial Act?—Yes.

Called the Rideau Act?—Yes.

You go on to say, that though these works are not absolutely necessary for the Rideau, considered as a Water Communication, you look on them as consequent on the completion of this great work, and that they must be considered not only to be ultimately required, but as preliminary to other expenses similarly circumstanced; can you give the Committee any notion or estimate of what the further works to which you state these to be preliminary, consist?—I had principally in view the construction of a depot at By Town, for the upper country; and though from the situation it will be very much out of the way of attack, it will be necessary to do something for security; some work of a permanent nature, as a keep, with additional field works or palisades will be found necessary for its security; I could not at present say what would be the expense of it, but I should hope it would not exceed 25,000*l.* or 30,000*l.*; I mean the military part of it.

Are these the matters you refer to in these expenses?—Yes, these are.

In point of fact, upon these works you have not received yet any separate reports which could enable you to come to a final judgment, and you say they are works which will require much consideration, are you therefore in a condition to put the Committee in possession of positive information on that subject?—Not with respect to the block-houses.

Or to the works to which you consider these block-houses preliminary?—Or to the works of defence for By Town, which is what I allude to; I think I can venture to say it would not exceed what has been stated, 25,000*l.* or 30,000*l.*

Beyond the 69,000*l.*?—Beyond the 69,000*l.*

As to the Canals on the Ottawa, for passing the rapids, as these works have been recently transferred to the Ordnance Department, are the Ordnance Department in possession of such Estimates in detail of these works, as to lead them to give to Parliament any confident expectation that the Estimates on this point will not be exceeded?—There is every reason to suppose that the Estimates which have been last reported will not be exceeded.

There is one of these works on which no Estimate has been received, the St. Anne's Rapids, on that point can you give the Committee any information?—No, except

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that a very vague Estimate was formed by Lieutenant Colonel Fanshaw; by looking over the ground; but I imagine it would exceed what he has stated, therefore it is better not to rely on it.

You are connected officially with the Ordnance department, are you not?—I am inspector general of fortifications.

Have the goodness to inform the Committee if it is the practice of that Board to correspond on the subject directly with the officers of the Ordnance department in the colonies, on the prosecution of those works?—Yes; with the commanding engineer, or with the local Board of Ordnance officers, as the occasion requires.

Do you give, in that case, instructions to the officers who are employed under the Ordnance in the colonies, to proceed with these works, either with reference to the sums voted by Parliament, or without reference to the limit of the sums voted in the year, or are they allowed to go on without any specific sum?—They are always limited to the sum voted in the year, in all ordinary cases.

You were understood to say, that as the work would be likely to be finished in August or September next, you thought contracts might have been entered into for the completion of the work?—That is necessary, in all cases where works are constructed by contract.

You are aware Parliament has not voted the sum necessary?—Yes.

By what authority have officers, who are employed under the Ordnance in the Canadas, entered into contracts to complete this work, Parliament not having voted, within so many hundred thousand pounds, the sum necessary for that purpose; do you know whether that is the usual course at the Ordnance Office, or if this is any deviation from the general practice?—This has been an uncommon case; not being an Ordnance work, it has not taken the regular Ordnance course.

You say this is not an Ordnance work; in what sense is this not an Ordnance work; have not the Ordnance had the superintendence of it?—Yes; but the finding of the money and the authority has emanated from the Colonial Office, not from the Master General and Board of Ordnance.

Do you think greater security would have been afforded to the public against an excess of Estimate, and against contracts being entered into beyond the amount voted in the year, if this work had been a work superintended by the Ordnance department, and exclusively an Ordnance work?—If after the Estimates had been formed and the money voted by Parliament, it had been transferred to the Ordnance, it would have been their business to have taken care that no more money was expended in the course of the year than was authorized by Parliament.

That is the practice of that department?—It is.

Are the Committee to understand that this work, having been conducted as it is, apparently partly by the Colonial department and partly by the Ordnance department, that that circumstance is to account for the excess of expenditure over the votes of Parliament?—No, not altogether that; but when the officer of Engineers was ordered to execute that work by contract, as far as possible, he was obliged to enter into contracts to have the work finished within a limited time; accordingly, and before he was aware that there would be any limitation to the annual expenditure most of the contracts were framed, therefore he had no means of stopping the contracts, but he protracted the execution one year; by the first contract they were obliged to execute the work in four years, but he afterwards was enabled to prevail on them to extend it to five years, for the purpose of adapting it more nearly to the Parliamentary grant; that was the utmost he was able to prevail on them to do.

How is the land valued in taking it for the necessary block-houses; and would not the land be valued higher as the country becomes more populous?—The Act of the Legislature prescribes the mode in which land is to be obtained; but in many cases Colonel By has been able, by private agreement, to get it on better terms than it could have been got by the provisions of the Act.

Then in fact you have reason to believe that contracts are absolutely entered into for the final completion of the work, or nearly so?—Certainly.

And that Government is in fact bound to fulfil those contracts?—I have no doubt.

Colonel George Couper, called in; and Examined.

WHAT situation do you hold in the public department?—I am Secretary to the Master General of the Ordnance.

Were you Secretary to Sir James Kempt, when he was in command at Canada?—Military Secretary.

Colonel
George Couper.

For what time?—From September 1828 until October 1830.

Would you be kind enough to give the Committee any information which you possess with regard to the works on the Rideau Canal?—As to what point?

Were you in correspondence with Colonel By, and if you were, can you give the Committee any information as to the mode in which, and the authority under which he drew money?—I was in correspondence with Lieut.-Colonel By, as the channel through which Sir James Kempt communicated his orders to Colonel Durnford, who is the commanding engineer in Canada, Colonel By being under his orders. The mode in which money is obtained for payment of the works carried on upon the Rideau Canal is this; an account is made out of the charges incurred under a contract, and the accuracy of that account is certified by the overseer of works and the clerk of works, and afterwards by the officer of the Engineers, under whose immediate superintendance the work has been performed. Colonel By then draws a bill on the Paymaster in favour of the party who has performed the work, and the Paymaster gives a draft on the Commissariat for the amount of that bill, and this draft on the Commissariat is countersigned by Colonel By. I had, however, no cognizance of those payments as military secretary.

Do you understand that Colonel By has an unlimited power to draw upon the Paymaster in Canada?—Not an unlimited power, because he cannot draw for any monies except such as are necessary to pay the accounts of works actually performed.

May he contract for works to any extent?—No, he cannot do so; but Colonel By when he first went out to Canada in 1826, in his zeal to forward the Canal, entered into agreements with people to carry on the works, upon which agreements contracts were afterwards formed by the Commissariat in 1827, and a portion of them are I believe in operation at this moment and not completed. Those agreements were considered very advantageous to the public.

What check, if any, existed upon Colonel By, so as to limit his power of contracting for works and drawing on the Paymaster?—An account of all disbursements by the Commissariat on account of the Rideau Canal, is sent home monthly by the head of that department to the Treasury, and every quarter the accounts are transmitted to the Surveyor General of the Ordnance by the Paymaster; the Paymaster also gives security to the Ordnance that he shall not do anything improper in the way of drawing money. Colonel By is a man of very considerable property himself, and is not likely to incur any improper expense.

But do you know from the situation you held in Canada, whether Colonel By felt himself at liberty to enter into contracts to any extent without reference to the sums voted in Parliament?—Certainly not; since 1828, Colonel By was strictly enjoined to enter into no contract except under the regulations prescribed by the Treasury and the Ordnance. They must be made by the Commissary General, and approved by the Commander of the Forces.

Before 1828, was he more at liberty in that respect?—A great portion of the contracts under which the works have been constructed, were made in 1827, and they were then approved by the Commander of the Forces, at the instance of Lieut.-Colonel By; they were entered into by the Commissariat, as I have before stated. The agreements under which those contracts were in many cases made, had been entered into by Lieut.-Colonel By with the parties direct, which he has been since prohibited from doing.

It appears, by a statement from the Ordnance Office, that up to September 1830, 516,799*l.* had been expended on this Rideau Canal; are you in possession of any later information than that?—I have a note from the office of the Surveyor General of the Ordnance, in which a further expenditure, from the 1st of October to the 31st of December, of 57,500*l.* is stated.

That is beyond the 516,799*l.*?—Yes.

That is the statement of the expenditure up to last year?—Yes.

Beyond that, are you aware of the amount of contracts into which he has entered?—No.

You do not know what money will be sufficient to satisfy the contracts entered into in Canada, for the completion of the works?—No; in 1827, when the original contracts were sent home, their probable amount was stated to be 213,000*l.*

Do you believe the contracts for work still remain to be satisfied?—I believe all the work that has been done has been regularly paid for.

Do you suppose there is any considerable arrear in the payment of the works?—The contractors are all very regularly paid as they finish their work.

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Can you tell the Committee how far contracts which have been entered into are within the Estimate?—We know that Colonel By has always made his contracts so as not to exceed his Estimates; and on some occasions in which he has not been able to obtain contracts within the Estimates, the service has been performed under his own superintendence, with a view to limit the expense to the original Estimate.

The last Estimate of Colonel By is 576,000*l.*, and it appears that up to the 30th of September last, he had expended 516,000*l.*, and you now state that a further expense, up to the 31st of December, was 57,500*l.* which, in point of fact, within a small sum, is the whole amount of the last Estimate sent by Colonel By?—The last Estimate sent by Colonel By exceeds 693,000*l.*

The last Estimate on which Parliament voted a sum of money, was 576,000*l.*; that sum would appear to have been exhausted at the expiration of the last year, within a few pounds?—Within about 2,500*l.* I think.

What the Committee would wish to know is, whether the Ordnance department are in possession of any information that would lead them to ascertain at all what extent of expense still remains unsatisfied?—Why, as respects the Parliamentary grants, the expense remaining unsatisfied would be the difference between those grants and the sum actually drawn from the Commissariat. The works executed are all paid for by the Commissariat.

What expense remains still to be incurred?—Six hundred and ninety-three thousand pounds is the amount of the last Estimate, and 620,000*l.* will be probably expended by 31st March; the difference, about 73,000*l.* will be the expenditure still to be incurred upon that Estimate.

What the Committee wish to know is, what sum Parliament is still likely to be called upon to vote?—The sum Parliament is called on to vote, is the difference between 436,000*l.* already voted, and 693,000*l.* the amount of the Estimate, or about 257,000*l.*

You estimate the whole at that?—That is the last Estimate Colonel By sent in, exclusive of the 69,000*l.* for block-houses, land, &c.

That is for the Rideau Canal alone?—Yes.

But besides those expenses, of which Colonel By has sent an Estimate, as regards the Rideau Canal, there appear to be further expenses upon which Sir Alexander Bryce has given the Committee some information, arrears in the Estimate and excesses of the Estimate on works not originally proposed, amounting to 116,000*l.* that is beyond the 693,000*l.*?—No, that is included in the 693,000*l.*; the other sum of 69,000*l.* is not included in the 693,000*l.*

The 116,000*l.* is included?—Yes, that is errors 2,843*l.*; excess, 30,134*l.*; and the works not contemplated or foreseen, 83,714*l.*

Do you know whether, when this work was first undertaken on the Rideau Canal, any steps were taken to buy land on terms as cheap as possible?—When Colonel By was sent out, the measures to purchase land on the best terms were immediately adopted, but of course persons who had land on the Canal withheld their sales in many instances, in the hope of the value of the land being enhanced as the Canal proceeded, and many efforts have been made by the proprietors, to impose on Government, which have been resisted very effectually by Colonel By.

In point of fact, are you aware whether all the land likely to be required has been purchased?—No, it has not; in the 69,000*l.* there is a sum of 20,000*l.* taken for land. I understood a question was asked by the Committee of Colonel Fanshaw, as to the expense of transport from Quebec to Kingston, during last war; by a memorandum in my possession, it appears that 50*s.* per hundred weight was charged for the conveyance of guns and other heavy stores from Quebec to Kingston; and anchors were charged at a still higher rate.

That is independently of lockage?—That is stated as the general expense of guns and heavy stores.

The locks belong to Government do they not?—Yes, but then lockage would only make a difference of 2*l.* 10*s.* for a Durham boat in passing through all the locks up and down; those Durham boats measure about 40 tons.

Are contracts made by Colonel By for the completion of the Canal?—No; contracts are made by Colonel By.

Are any in existence for the completion of it?—Yes; as the work is so nearly completed, the contracts must be generally entered into.

For block-houses?—No; Colonel By has stated that he thinks the Canal will be finished in August; Government might indemnify itself to a great extent from the expense they have incurred, by disposing of the Canal when in full operation, in shares,

shares, and reserving the right of its free navigation for the public service; I think it might be so disposed of to a considerable extent.

Can you give the Committee any information as to what would be the probable expense of the work in St. Anne's, of which no Estimate has been received?—No, none whatever. The rocky soil through which the St. Anne's Canal would lead, is particularly hard, it is extremely difficult to blast it; it is the most impracticable soil they have had to deal with in that country; but the grand channel of backwater communication will be behind the island of Montreal.

In point of fact, the contracts being made for the completion of this work, or nearly so, no money would be saved to Government by a suspension of the Work, even if such a thing was thought of?—My own idea is, that not more than 70,000*l.* or 80,000*l.* remains to be expended at this moment of the Estimate of 693,000*l.* The expenditure for the March quarter of 1830 was 45,000*l.* and if a similar sum has been expended in the present quarter, and that be added to the expenditure I have stated, not more than that sum will remain I believe.

And the expense not more than 575,000*l.*?—Six hundred and ninety-three thousand pounds. It is too late to stop it now.

The Right Honourable *Robert Wilmot Horton*; called in, and Examined.

WHEN did you first come into office as Under Secretary of State?—In the beginning of 1822.

Can you explain the reason of there being no communication apparently from the Colonial Office, between August 1819 and the 10th of September 1823, upon the subject of the Canals in Canada?—I cannot give any explanation on that point without reference. During two of those years I was not Under Secretary of State.

In a memorandum from Major General Sir James Carmichael Smyth to General Mann, dated the 14th of March 1826, there is a note by the Board of Ordnance, saying, that as the measure has to a certain extent been agreed to by Parliament, there is no objection to proceed with the work, without waiting each year for the notification of the Building Grant, and that that point is referred to Lord Bathurst, who was then Secretary of State. Would you be good enough to tell the Committee to what extent you apprehend Parliament had then agreed to the work?—The date of this Minute, on the part of the Board of Ordnance, is the 14th of March, and the Colonial Estimates were moved that year on the 17th of March, and I find no record of the discussion that took place on that occasion beyond what is to be found in this very meagre report in the Parliamentary Debates, which says, that in the course of some observations that fell from me, I observed, as for the Canals of Canada there was a sum of 10,000*l.* for one, and 5,000*l.* for another. This Canal had been examined by the Commissioners, who reported them to be most useful. This would be readily believed, seeing they formed a Water Communication between Upper and Lower Canada.

At that time 5,000*l.* only was taken for the Canal?—At that time a vote for 5,000*l.* only was taken for the Rideau Canal. The Colonial Department had received from the Ordnance an Estimate of 169,000*l.* It was the peculiar duty of the Ordnance to report on that Estimate, which was to be executed by their own officers. The Colonial Department had ascertained that the Civil Engineer, Mr. Clowes, on whose Estimate, as communicated and commented upon by Sir James Carmichael Smyth, the expense had been mainly calculated, was a person considered by the Provincial Legislature of Upper Canada as highly competent to draw up such an Estimate. When I received the Estimates in 1826, I stated generally what the expense of this Canal would be.

Your impression is, that you stated what the expense would be?—Yes, most decidedly, I must have stated it. It is evident that the 5,000*l.* would have been utterly useless and thrown away, if it had not been understood that Parliament had agreed to the principle of the undertaking. The phrase in my letter to Mr. Griffin, p. 39, is, "Lord Bathurst is of opinion, that it would be proper to authorize the contractor to commence as early in the season as circumstances will permit, without waiting for the passing of the annual grant." It appears to me, that that direction refers clearly to the ensuing year, and not to the current year.

Is it usual, in the Colonial Office, to give authority to any officers employed in a work of this description abroad to draw for money, without the distinct authority of the Treasury or Parliament?—It will be observed that the Board of Ordnance

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in this instance had stated an opinion, that it was desirable to proceed by contract, and it is impossible to proceed by contract upon a vote of Parliament, unless you were to take a vote for the whole sum in the first instance. Although there might have been some irregularity in the proceeding, it will at once be perceived that it is impossible to enter into a contract, limiting the pledge to the contractor to the sum voted for the current year. No contract could be formed on such a principle. In such a case, therefore, the only mode ought to be to take a vote for the whole expense, spreading the payment over the period. I wish distinctly to say, you cannot execute a work by contract, if you are merely to limit the expenditure to the proportions which each separate year may afford for the purpose.

It appears in this despatch, written by Lord Bathurst's instruction, that no limit is put on the contract into which Colonel By might feel himself at liberty to enter?—I would remind the Committee that this had distinct relation to an Estimate prepared by a civil engineer, and sanctioned by an officer of the Ordnance, therefore the contracts alluded to must be contracts founded on that Estimate; undoubtedly, Colonel By might have exercised a discretion, and finding that the original Estimate could not be acted upon, or rather could not be kept within, he might have considered that it was only a conditional instruction, having reference to a particular Estimate. I would beg also to call the attention of the Committee, in illustration of the practice of the department, to what was done by a person so conversant with public business as Mr. Huskisson. If the Committee will refer to Mr. Huskisson's letter of the 26th of March 1828, in page 52, he says, "That though he cannot but regret that Lieut.-Colonel By should have felt himself at liberty, before his increased Estimates had been considered and approved by the Board of Ordnance, to conclude contracts for carrying on the work on the present very extensive scale, and have entered into engagements involving so large an expenditure of the public money, without waiting for specific authority from the department at home, yet so many reasons appeared to combine in favour of the plan of Water Communication, which he had recommended, that he was not disposed to withhold the sanction of the Government to the prosecution of the work on the scale recommended by him, provided the Commission to be employed in the investigation of this subject should, after careful survey and examination, concur in the expediency of the measures proposed, and in the steps which have been taken by Lieut.-Colonel By for the furtherance of this great work." If the Committee refer to another part of the same letter, they will perceive that Mr. Huskisson states that he does not propose to apply to Parliament that year for a larger sum, in the whole, than 120,000*l.*; though, from the context of the sentence, it appears that a larger sum might be necessary to be expended.

In point of fact, did not Colonel By go out under a general authority to enter into contracts on the faith of the Estimate of 169,000*l.* and when upon examination on the spot, he found that that Estimate was not nearly sufficient for the purpose of the work, did he not feel himself at liberty under the original instructions from the Colonial Office, to enter into contracts on an extended scale of expense?—Colonel By had received no instructions whatever from the Colonial Office.

Did he not receive instructions founded on the letter of the 18th of April 1826, written by Lord Bathurst's direction?—Colonel By is the servant of the Ordnance department. The Ordnance apply to the Secretary of State for authority to proceed. The responsibility of the Estimate rested on them, because it was their business to examine into it. In reference to their Minute, Lord Bathurst, whose authority is asked, expresses his concurrence; that is, as the Committee will observe, he gives his authority that the Ordnance are to instruct Colonel By to carry into effect their directions.

Do you conceive then, that Colonel By, in entering into contracts to accomplish the work on a very extended Estimate beyond that of the provincial surveyors, acted without any authority whatever?—I beg to say, I offer no opinion on that point. I merely state the fact in a very positive manner, that the Colonial department at the time my letter was written, had no reason to suppose that the Estimate would exceed 169,000*l.* I would also beg to add, in reference to the authority of Mr. Huskisson, that it appears from his letter of the 14th of March 1828, page 50, that Colonel By had given an opinion that great advantage would result from enlarging the locks of the Rideau Canal, Mr. Huskisson says, he agrees with Colonel By in that opinion, and that if the Committee of Engineers should concur in the opinion of Colonel By, that this important object can be effected at an additional expense of 50,000*l.* with a further charge of 3,000*l.* for widening the locks, it will be advisable to leave it to their

their discretion to authorize Colonel By to proceed with the construction of the locks.

There is a limit to increased dimensions?—I only wish to point out the manner in which the public service is directed to be executed, when the principle of expenditure is agreed upon. The error was in the first Estimate.

When the Colonial Office received an Estimate for a Canal 150 miles long, through a hitherto unexplored country, and with the works of such magnitude contemplated, did it strike them as at all probable that the work could be completed for such a sum; and how did it happen that they felt themselves justified in calling on Parliament to vote money on the faith of such an Estimate?—The Canal in question was not a canal in the sense ordinarily attached to that word, but a connection of natural watercourses existing between the two points merely requiring levels to carry on one communication throughout this natural line; therefore the analogy of a canal would present no very satisfactory data on the subject. The Ordnance department having communicated to the Colonial department an Estimate drawn up by an officer of acknowledged talent and ability, specially selected by them to report on the subject, and that officer having added to the Estimate of the Civil Engineer a sum which brought up the whole to 169,000*l.* the Colonial Department considered that a sufficient authority to direct that the work should be proceeded with, and instructions were accordingly given.

Are you aware, that in the early communications on the subject of this Water Communication, as far as the Ottawa is concerned, the Duke of Richmond, and other persons in authority in Canada, had led Government at home to expect that the Colonial Legislature would bear a part of the expense, and that the Treasury only agreed to undertake the work on the distinct understanding that half the expense would be paid by the Colonies?—I am only aware of that circumstance from recollection; it took place before I was in office.

In the year 1819, the understanding was, that the Provincial Legislature were to defray half the expense; and in 1823, without the explanation having been communicated to Parliament, it seems to have been felt by the Government that the whole expense of the Water Communication on the Ottawa was to be defrayed by the Government at home; are you aware upon what ground Government altered their opinion?—With respect to the Minute of 1819, being long before I was in office, I know nothing officially on the subject. I believe that the change of intention alluded to was founded upon a conviction that the Assembly of Lower Canada would not consent to bear their share of the expense, and, notwithstanding their refusal, it was deemed expedient for the public interest that the work should be done, though undertaken exclusively by this country.

You are aware that a Bill has passed two readings in the Colonial Legislature, granting a considerable sum of money from the Provinces for those works, on conditions?—I am aware of that fact.

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