

"Impressed with the importance of completing the canal to Cumberland at the earliest day possible, we would long since have put the whole line under contract, if the means formerly at our command had been sufficient to justify that course; but we had, as heretofore fully explained to the Legislature, to limit our lettings to the sum of the resources placed at our disposal, and consequently, for the time being, to confine our operations to the extension of the canal to Cacapon, and above that river to two difficult passes—a tunnel at the Paw Paw Bend, and a deep cut at Old Town. These two works are situated on the line between the Cacapon river and Cumberland; and requiring a longer time for their completion than any other portion of the same line, we seized the earliest moment of putting them under contract to men of acknowledged experience, energy and character. By the adoption of this course, we are satisfied that these works will be finished as soon as the other portions of the line from Cacapon to Cumberland.

"But the State of Maryland having, by the aid more recently extended to this Company, placed means at its command that will justify the President and Directors in making contracts to perfect the navigation to Cumberland as soon as may be possible, every effort shall be made to fulfil the public expectation, and gratify our own and the general desire, to even the least interest, dependent on the early and happy completion of this great work.

"The unprecedented failure of the agricultural products of the two years 1835 and 1836, especially so the last, has had a corresponding influence on the revenue of the canal derived from tolls.—Until the final completion of the canal to Cumberland, when the vast and inexhaustible resources of that mineral region are brought into action, its chief reliance for revenue is to be derived from the products of the rich agricultural country bordering on the Potomac and its tributaries. The almost total failure of the grain crops will therefore rationally account for the revenue being short of our expectations."

We are happy to state that the aid afforded the contractors enabled them to continue their operations on the whole line, though, from the great demand for labor, but little increase occurred in the number of their hands until the recent pecuniary embarrassments of the country had thrown many laborers out of employment on other public works, who are now seeking it on the Chesapeake and Ohio canal. From the energy displayed on the whole line, we have reason to look with the utmost confidence to the opening of the canal from Cacapon to dam No. 5 in time for the trade of the next spring.

The opening of the new line of canal from Cacapon will be a highly interesting event in the history of this work. At Hancock, and for some distance below, the canal runs parallel to, and within a few hundred feet of, the western turnpike to Wheeling and Pittsburg. At this point the wagon transportation will cease, and that by the canal