

sage; and that the order requesting me to furnish information respecting the arrangement with the Barings, with "such other matters" as I might choose to communicate, was intended to give me an opportunity of correcting my errors, if any had been committed, or of substantiating the facts stated in the message.

It is stated in this communication or report, of the rail road company, that the recent message of the Governor is calculated to produce impressions which may seriously prejudice the interests of the great work committed to the management of the company; and that "this prejudice is likely to arise, if means be not taken to counteract it, from what would seem to be either an unfortunate misapprehension by the Governor of the real state of the affairs of the company, or what is equally to be regretted, the very imperfect information under which he may possibly have prepared his message."

It is also stated, that "if through the channel by which it pleased the Governor to seek his information of the affairs of the company, he have obtained all the facts, it will appear not only that no attempt at hypothecation was made, but that up to this time, the acts of the board negative the idea of even using the option to draw for advances."

On the 9th of December, I addressed enquiries to the State directors, in relation to such proceedings of the company as were likely to affect the interests of the State; and their answers furnished me with the facts communicated in the message, as will be seen by a reference to the papers submitted herewith. The company knew that the information was sought through the proper channel, and that it was derived from its own officers, under an order of the board of directors. It will appear from a statement of the facts, whether the information was very imperfect, or whether I was under an "unfortunate misapprehension of the affairs of the company," in relation to the State bonds.

The committee on finance, in a report which was submitted to the board and adopted the 3d of July last, communicate their decision on the several subjects referred to them, and state, that with reference to the sale or negotiation of the State bonds, they are led to conclude that there is no probability of selling or negotiating them in New York or Philadelphia at present, or for a long time to come; and "that under this state of affairs, the committee have been necessarily obliged to look to other places for the means of carrying out the views of the board, so as to enable the great and important work under their care to proceed with the vigor and despatch which is so desirable, and failing to find a market in the United States for the securities, on the sale of which its progress depends, that of Europe has appeared to them the only remaining resource." The committee, after giving their reasons for selecting Mr. McLane for the agency abroad, further state, that, "in asking the President to undertake the disposition of the State bonds, the committee have thought it most expedient to confide in his judgment and skill, and do not intend to re-