

Deeply impressed with the necessity of an early completion of the canal to Cumberland; on which event so many important interests are dependent, the President and Directors, so soon as they felt authorized by the actual subscription, on the part of the State, of three millions of dollars to the stock of the company, and the compliance of their part with the requisitions of the law, proceeded forthwith to make the necessary arrangements to place the line from the Great Cacapon River to Cumberland under contract. And as soon as the revised examinations and estimates could be made by the Engineers, and the prospect of obtaining sufficient labor, without abstracting it from their works then in progress, could be relied on, the Board entered into contracts for all the heavy sections and masonry between those points. These contracts have been made with responsible and generally experienced men, who are commencing their operations with great spirit. The last annual report, vide page 7, presents a statement of the operations, up to its date, at the tunnel and deep cut, near Old Town—and of the policy which induced the Board to commence in advance these heavy parts of their work.— And if this course had not been adopted, it is now apparent that they would be at least one year behind the rest of the line in their completion; whereas it is at present the decided opinion of the chief Engineer and Board that the entire canal from Cacapon and Cumberland will be opened, simultaneously, by the close of the year 1839, or, at the farthest, in time for the spring trade of 1840.

The Commissioner of the Company, Major George Bender, who has discharged the various and highly responsible duties of his office with distinguished ability and zeal, aided by intelligent council, has happily succeeded in obtaining from a majority of the land-holders the right of way and proper conveyances. When such arrangements could not be effected by private contract, we have had to resort to inquisitions by juries, and regret to say that, in most of these cases, the awards for damages have been heavy, and in some instances so excessive as to force us to appeal.

There has been no material change in the receipts of the company from tolls, since the last communication of the President to your Excellency; their increase being as yet chiefly dependent on agricultural products, which for the last two years have failed to a lamentable degree throughout the whole extent of country bordering on the Potomac and its tributaries. These, and the various other articles for transportation on the canal, are considered as only auxiliary to the main source of revenue, to be derived from the mineral regions of Maryland and Virginia. But the opening of the canal in the spring to Cacapon, will no doubt add greatly to its resources, as at Hancock it comes in contact with the great western road to Wheeling and Pittsburgh; and it may therefore be reasonably believed, that considerable portions of the products of the valley of the Ohio, which now pass down that river and the Mississippi, will seek the