

It is advisable to permit them to do so. The President assures me that the interest on this proposed bonded debt would be promptly paid; whereas, the arrearages are now wholly unproductive. The bonds might be issued in such a manner, as to graduate the payments on the principal; by which means, the Companies would not be oppressed, and the debt would be discharged in ample time to meet outstanding obligations of the State, as they mature.

The Baltimore and Susquehanna Rail Road Company paid to the State, during the past fiscal year, the sum of sixty thousand dollars, and, since the close of the fiscal year, the further sum of twenty five thousand dollars. The President of the Company, in an able communication of the 15th of December last, addressed to me in reply to a call for information, after reviewing at length the general prospects of the Company, and setting forth the grounds, upon which a largely increased trade may be expected, from the completion of the several Pennsylvania connections, expresses a confident hope that the Company will hereafter be able fully to meet its engagements to the State; unless the policy of a general extension of the capacity of the Road should be adopted; which could not be done without deferring, for a time, the payment of the current interest due the State.

An impression seems to have recently prevailed that this Road was in a bad state of repair; but, the President informs me, that, with the four hundred tons of new rails, laid down during the last two years, the two hundred tons more already purchased, and the re-rolling of the old rails, when removed, no further expenditure will probably be required for this principal item of reconstruction.

There is no marked difference between the exhibits of 1852, and those of 1851, such as to require special comment. The President states, that, notwithstanding the addition to the stock of the Road, it is now employed to the full extent of its capacity; and he insists, with much force of argument, that it will be impossible for the Company, with its present Road Stock, and but a single track, to answer the demands of the great trade, which the completion of the Pennsylvania Works, must shortly bring into existence.

From the brief notice which I have thus taken of the several Internal Improvement Companies, you cannot fail to perceive, that the relation which they (with the exception of the Chesapeake and Ohio Canal Company,) bear to the financial resources of the State, is decidedly favorable; and, that there is every reason to believe that they may be relied upon, in the future, with perfect safety. It is