

any point between the Great Cacapon and Cumberland. The board are satisfied that there are between these two points works to be constructed (the tunnel and tunnel deep cuts, the aqueduct over town creek, and several others,) which cannot with certainty be completed, before the first day of January, 1842. It will be perceived, therefore, that a further expenditure at this time on works less difficult than those, would be unwise and improvident. The money expended upon them would be an investment that could yield no income until the whole of fifty miles were finished, that the waters of the Potomac to be conducted into the canal by a dam at Cumberland, could pass without being obstructed, to the present western termination of the canal at the mouth of the Cacapon. Too little importance seems to have been attached to these considerations. More than one million of dollars of the debts, to pay which state bonds have been recently sold at a considerable sacrifice, were contracted, to pay for work done, which might have been commenced now and finished in due season. Other sections were in progress, involving a still further expenditure upon the same, (as we believe,) erroneous principles. They have been abandoned, and the board proposes to divide the work to be done into four classes, so as to complete the whole almost simultaneously in the winter of 1842, in time for the spring trade of that year.

The first class should be prosecuted without delay or interruption, at a monthly cost of \$30,000, it being impossible, from the nature of these works, to expend upon them more than that sum.

The second class ought to be commenced on the first of April next, making the monthly estimate \$50,000.

The third class ought to be commenced on the first of October 1840, making from that time, the monthly estimate \$100,000.

The fourth class ought to be commenced on the first of April, 1841, making the monthly estimates not less than \$145,000.

From these monthly estimates, according to the contracts as usually entered into, the board of directors have authority to deduct one-fifth from each payment due, to be retained as a guarantee that the several contractors will execute their agreement, and to be paid on the completion of each undertaking. Deducting then from the gross amounts to become due within the several periods above named this one-fifth, and the Canal Company will require

Within the 1st & 2d periods terminating Oct. 1, 1840,	\$288,000
“ “ 3d period terminating April 1, 1841,	480,000
“ “ 4th “ terminating January 1, 1842,	1,160,000
And the company will, on the first of January, 1842, having finished the canal to the town of Cumberland, stand indebted to contractors for retained money,	482,000

Making an aggregate of \$2,410,000

With this brief exhibition of the means under their control, and of their proposed operations, the president and directors, come