

service in June, 1839, 58 of them at an annual compensation of \$23,702. were of the *permanent*—leaving 60 at an annual compensation of \$46,934 for the *temporary* class of officers.

The number of officers of the *permanent* class, since the change of direction, has not been diminished, but on the contrary, slightly increased—and the reduction, if any, in their aggregate annual compensation from \$23,702 is very trifling: the higher salaries at Frederick remain unchanged. It is in the *temporary* class of officers that the great reduction has been made—upon which I have to remark, that there are at present but few contracts and but little work, requiring supervision compared with what was the case in June, 1839.

And that at the present rate of progress, it would take more than three times as long to finish the canal to Cumberland, than with the force upon the canal at the time of the change in the direction.

Besides, it was in reference to a vigorous prosecution of the whole line to an early completion, that the several engineer parties were at first organised. The unexpected and repeated difficulties and embarrassments of the company, however, broke in upon an organization that might have been differently arranged in some respects, could the future have been foreseen.

The President thus speaks of the western survey: “The survey to ascertain the practicability of crossing the Alleghenies, with the canal, west of Cumberland, was arrested, and those engaged in it were discharged; from a belief that the stockholders of the company had not and would not speedily have the means to construct a canal beyond the eastern base of the mountains.”

This survey was commenced in 1838 under an order of the stockholders, but was suspended through the winter from the unsuitableness of the season for such operations. In 1839, field operations were resumed soon after the change in the direction in June, and were continued for several months; when, from the impossibility of carrying on the survey without a sufficiency of means to pay the expenses, and from an unwillingness of two of the officers for that and other reasons longer to continue in the company's employ, directions were given by me to the person in charge of the party to close the survey, *approximately*; which having been done, the party came in from the field and was disbanded. There was no order of the