forward of the adjournment of the Legislature) was not granted. I respectfully gave also, the principles upon which I thought the reduction should be made if insisted upon at that time and under the circumstances; but the advice was not followed.

It was before the adjournment of the Legislature and while a further appropriation was looked for, that the President incidentally remarked to me that he must provide for his friends as soon as opportunity should offer. It was also during the session of the session of the Legislature that M. C. Sprigg, commissioner, was removed (with a view to economy as represented at the time.) and William H. Bryan, in the chief engineer's office had the additional duties of commissioner imposed on him, -for which he was to receive an additional compensation of \$220, making his total pay \$1000, his former salary having been \$780 per annum. The Legislature adjourned without making an appropriation the canal; soon after which Mr. Bryan was relieved of his old duties, as commissioner. (but was continued in the performance of his old duties, at his former pay of \$780,) and William Matthews, late Senator from Alleghany county, was appointed commissioner at \$1000 per annum. Soon after Mr. Matthews' appointment, the President remarked to me, in the way of explanation for the change, that the additional salary of \$220 per annum was too little for the additional duties that had been imposed on Mr. Bryan, and the expenses to which he had been thereby subjected; and that the intention from the first had been to appoint a new commissioner upon the resumption of work that would have been consequent upon an appropriation by the Legislature. (The Presisident assigns another reason for this removal, which will be noticed when that part of his report is reached.) moval of Mr. Bryan and that of Mr. Stone. (the latter, the first case of the removal of a superintendent of repairs, which will be spoken of hereafter,) occurred at the first meeting of the board, eleven months subsequent to the President's first election, when, a quorum being present, certain Directors known to be opposed to party proscription were all absent, -and among the extracts appended to the President's report, professing to give the proceedings of the board upon removals and changes, the proceedings in both these cases are omitted.

The last Legislature adjourned on the 21st day of March. From that day until the 16th of the following September, there