

was no further reduction of officers, but an increase by the appointment of Mr. Matthews as above, Mr. Bryan being retained.

On the 16th of last September, the third reduction of officers was decided upon by the board to date from the 25th of that month.

Soon after this last reduction by the board on the 16th, the President left Washington,—was at Cumberland on the 19th and there attended and addressed a political meeting,—went from thence to Frostburg eleven miles beyond Cumberland, and attended and addressed a political meeting at that place on the 21st,—returned through Cumberland,—passed down along the turnpike as I am informed, (which is at an average distance of near ten miles from the fifty miles of canal under construction, and upon which I cannot learn that he was, either on his way up or down,—unless his having been at one end of the line in Cumberland may be so regarded—) and on his way through Hagerstown the President attended and addressed a political meeting on the 24th,—then returned to Frederick,—from thence the President and two members of the board (one of whom had been in office about two months, the other less than four months,) went to the city of Washington on the 26th, were there joined by the Georgetown director;—and the four, barely a quorum, formed a meeting on that day, (not the regular day of the week for the meetings of the board; and if I have not been misinformed, some of the directors were not apprised of the meeting,) at which meeting—see proceedings of the board appended to the President's report. •September 26th, 1840—The President stated, that since the last meeting of the board, he had been on the line of the canal, and that after making particular enquiries, as to the condition of the works now under contract, he had formed the opinion, that a further reduction of the number of officers in the employment of the company could be made with advantage to the interest of the stockholders.

•Two aqueducts, one culvert, five locks, fifteen sections, the tunnel and deep cut, and a dam at Cumberland are the only works now in progress,—of these, eight sections, the culvert, five locks, and one aqueduct, are nearly completed.

•In this state of the work under contract, the President expressed the belief that all the officers in the employment of the company were not needed. He thought that the duties of the chief engineer and principal assistant, could be performed by