

dersigned begs leave to present a printed copy thereof, (marked exhibit A,) and to make it a part of this report. And, as in that exhibit the stockholders will find fully set forth all matters connected with the management and condition of the company up to the period alluded to, it is deemed superfluous to repeat them. In addition to the appeal which is therein made, the board of directors deputed two of its members to go to Annapolis, and communicate orally with the members of the Legislature, upon the subject of completing the canal, and to devise measures for that purpose. Accordingly, they in the early part of the session proceeded to the seat of Government, and, with their aid, a bill was framed, a copy of which (marked B) is herewith appended, and which, it was believed, if enacted into a law, would prove available. The Legislature adjourned, however, without passing any bill for the benefit of the canal. Of the causes which led to this unfortunate result, it is not our province, nor is it our intention, here to speak. It is sufficient that we state the fact, and that, from that date, those of the contractors who, having based their calculations upon the probability that some provision would be made by the Legislature for the prosecution of the work, had, upon their own responsibility, continued or renewed their operations, quite in despair, and the work is now wholly abandoned. The injurious consequence of this state of things to the canal interests may be readily understood; but it is difficult to conceive, and utterly impossible to describe, the distress occasioned by it, to the contractors, and all connected with them, in their pecuniary operations along the line.

On consideration of the depressed condition of the affairs of the company, the most rigid system of economy has been adopted, in all its various departments. All officers, not absolutely necessary to its management, have been dismissed, the salaries of others curtailed, and the wages of persons in the employment of the company, along the finished part of the line, so reduced as to correspond in some degree with wages elsewhere, and to enable us gradually to liquidate our indebtedness on that portion of the canal. The clerk's statement (C) shows the number of officers in the service of the company on the 31st of May last, and their rate of compensation; and that marked D exhibits the pay of officers in service on the 18th of June, 1841 and 1842, respectively. By referring to the latter, it will be seen that a reduction of \$14,817.50 has been made in that branch of expenditure. A further diminution will be made in the course of a few more weeks.

The past year has furnished additional evidence of the strength of the canal, and of the care with which it has been constructed. No breach of any consequence has occurred during that time, nor has there been any material interruption to the navigation, from dam No. 6 to Georgetown. The tolls have consequently, notwithstanding the lightness of the late crop and the general depression throughout the country, increased, from the year ending on the 31st day of May, 1841, to the corresponding period of the