

no further change was then made till the completion of the road to Hancock, (1st of June) when two additional supervisors were employed and two others, on the completion of the road to Cumberland, (1st of November) together with one master mechanic, making the whole number of officers and agents now in this department eighteen, (though one of these devotes only half his time to duties connected with repairs) at an aggregate rate of pay of \$11,930 per annum.

In conclusion I would remark, that by reference to the footing up of that part of the table for the working of the roads, it will be seen that no permanent reduction in the number and aggregate salaries of the officers and agents was effected till after the first of January 1840. This was owing to the very dilapidated and deranged condition of the road and its appendages, in consequence of which greater energy and efficiency, and more close and adequate supervision was indispensably necessary to put them in an efficient condition; by that time however, the salutary measures which had been adopted from time to time since 1837, began to be made manifest, and seemed to warrant some reduction, and it will be seen that from that time up to the completion of the road to Cumberland, (when four additional supervisors and one master mechanic were required) the reduction has been gradual and considerable in amount.

It seems to me, however, that justice cannot be done to this subject without travelling much beyond the limits prescribed by the order, in obedience to which this report is prepared, as it is most apparent and will be conceded by all those conversant with such matters, that as a general rule, the most economical management in such cases consists in having an adequate number of efficient and experienced agents; to whom sufficient compensation must be paid to command their undivided attention. The most just comparison in this particular case, would seem to me to be, that, between the general results of former and late years, and for the purpose of instituting this comparison, though it may seem to exceed the limits prescribed. I will take the liberty of referring you to my report, and its accompanying statements, of the 29th of April last, made in obedience to a resolution of the board of directors on the 13th of that month.

All of which is respectfully submitted,

JAMES MURRAY, *Sup't.*
of Machinery and Repairs, Balt. and Ohio Rail Road.