

ter cheapness and economy than any other known to us in Europe or in the United States, and brought to its present perfection by nearly five years of arduous toil and the exercise of all the skill and science the company could employ: it is daily complying with all the demands of trade, and giving universal satisfaction to the public, with fewer interruptions and at a less cost of transportation than any other known road.

Why, under such circumstances it should be publicly attempted to retrench still further in all the departments without reference to the general economy of the service, it is difficult to conjecture. It is moreover obvious that the aggregate of the proposed reductions bear but an insignificant proportion to those already accomplished by the executive officers, though what is proposed would in some cases be contrary to existing engagements, and in many others unjust to the agents who would be thereby affected.

The undersigned has therefore felt it his duty to decline making any farther reduction at present, without the express direction of the board.

In the forgoing observations he has confined his opinions to the reports and expenses properly relating to the working the road. He has therefore purposely excluded the engineer department, considering that as existing under a fixed organization, by the special order of the board. On this ground he has in no instance directed any alteration or modification of this branch of the service without special authority for the purpose, more especially as the subject has been, in more than one instance, brought to the distinct notice of the board, and no step has been taken to warrant any interference on his part. He nevertheless deemed it his duty to furnish to the chief officer of this department, a copy of the second resolution, and his views on this part of the subject are contained in his report which is herewith submitted.

Until the recent proceeding by the City Council it might have been presumed that every director whose duty it has been to look into the affairs of the company had become fully acquainted not only with the general economy of its operations, but with the curtailments which had gradually and from time to time been made in the expenses; and it might have been especially supposed that no one could remain unacquainted with the great reduction which had been effected in the cost of transportation. It was therefore only just to conclude that through this channel, if not from the annual reports of the company, the public would have been satisfied, not only of the general economy which had been introduced, but that the operations of the company were conducted with the least possible expenditure. The proceedings by the Councils, however, would seem to authorise a different conclusion, and afford ground to apprehend that either from the want of better information or from some other cause, there have been propagated false notions of the actual condition of the work, and of the economy with which it is conducted, which ought to be promptly corrected. The successful prosecution of this enterprise stands in need, not