

ENGINEER'S OFFICE, BALT. AND OHIO RAIL ROAD,  
*Baltimore, April 29th, 1842.*

TO LOUIS McLANE, ESQ.

*Pres't Balt. and Ohio Rail Road Co.*

SIR,—I have to acknowledge the receipt of the following resolution adopted by the board at their last meeting on the 13th instant.

“Resolved, That the president and the officers charged with the several departments be instructed to reduce expenses as much as they possibly can, and to report such reduction to the next meeting of the board.”

In obedience to this resolution I submit the following report:—

Since my connection with the Department of Machinery in 1839, the reduction of expenses has been constantly pressed upon me by yourself, and has been gradually going on.

The last reduction was made on the first April instant, and it is my opinion that no further reduction can now be made without injury to the company's interests.

I propose to shew what reductions in the expense of working the road, and keeping it in repair, have been made, by comparing the expenditures of each year from 1837 to 1841 inclusive, and of the six months ending April 1st, 1842.

I propose also to shew that at this time the wages paid to workmen and labourers by the Baltimore and Ohio Rail Road Company are lower than the average of wages paid by other companies or individuals.

I propose to shew that the aggregate cost per mile for working the Baltimore and Ohio Rail Road is less than for working any other road with which it is fair to compare it, less than any road in Massachusetts, where the reputation of the roads is the highest, and economy in working them is judiciously consulted—less than for either of the two other roads running into Baltimore, and less than for the principal road in Belgium, stated by Gerstner to be the cheapest worked road in Europe.

I am aware that comparison does not always prove economy, for even spendthrifts differ in degree; but when it is shewn that the labour, which makes so large an item in the aggregate of expense, is obtained at its lowest market price, a comparison may be fairly relied on.