

OFFICE OF TRANSPORTATION, }  
April 28, 1842. }

Hon. LOUIS McLANE,

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

*Sir*: In acknowledging the receipt of the resolution of the board of directors of this company, adopted at their meeting on Wednesday the 13th instant, which requires the officers charged with the several departments "to reduce expenses as much as they possibly can, and to report such reduction to the next meeting of the board." I would respectfully premise that my attention has been unremittingly directed to the economizing of the expenditures of the department entrusted to my management, as well by my own sense of duty to the company, as by the constant and earnest solicitude evinced by yourself upon the subject as manifested by your repeated instructions and directions in relation hereto—under which many and important reductions have been effected, as will appear by the accompanying statements.

It would be difficult, except at a very great consumption of time and labor, (which, from the nature and extent of my daily avocations I am unable at this time to devote to this object) to state in detail, and in the order in which they have occurred, the several changes and retrenchments which have been made from time to time, by your special direction in particular cases, and under your general instructions "to reduce the expenses of the department as far as was consistent with the general efficiency of the service, and the safety of the passengers and property committed to the care of the company."

The reductions which have been made from time to time in the expenses of the department, have been effected, not so much by a diminution of wages, as by a reduction of the number of employees. Wherever it was believed a reduction of wages could be made without prejudice to the service, it has been promptly done, but the chief consideration has been to place the working of the road in charge of the least number of hands necessary for the efficiency and regularity of its operations, and to give to them such wages as would ensure the most competent individuals. By pursuing this course it is believed that a character has been established for the road second to none in the country, and at rate of compensation not disproportioned to the nature of the service. The regularity and certainty of its operations, and the superiority of its