

investments she has made, and the rights reserved in this company is perfectly apparent.

It will be seen also from the official statement of the Secretary, herewith transmitted that since the year 1836, inclusive, being the first semi-annual payment after the road was opened, the amount received by the Treasury for one fifth of the gross receipts of Passengers reserved to the State, amounted to \$31,033 66, and from that time to the 31st December, 1842, inclusive, the annual receipts from the same source have amounted from \$33,248 43 to \$43,431 42.

It will also be perceived that, from causes which would appear to be uniform in their operation, the semi-annual receipts from this source, between the 1st January and the 30th June, in each year, form generally the largest portion, and I see no reason to doubt a similar result from the same causes during the current year.

From the diminution in the travel already adverted to, the one fifth due to the State on the 1st July of the present year, amounted only to \$15,439 88, and if the current half year should equal that, which can scarcely be expected, the one fifth payable to the State for the year ending the 31st December next, will not exceed \$31,000, thereby involving an absolute loss (compared with ordinary years) to the State from this source, of a sum varying from 7 to 11,000 dollars.

It will not escape you, that the same causes will affect the net profits for distribution among the stockholders, and that on this score also the State will be a loser upon the half million of stock invested in the Washington road and upon that in the Main Stem.

In the opinion of the parties concerned in the Southern lines connected with the interior route over the Washington road and in that of the Superintendent of Transportation of this company, much of the loss of travel upon the Washington road is to be attributed to the high rate of fare fixed by the charter, whereby the passengers have been diverted to other rival lines; and in this opinion I feel constrained to express my concurrence.

Indeed the opinion would seem to derive full confirmation from the fact stated by Dr. Woodside, and which I see no reason to doubt, that while the travel on the Washington road has been diminished, that by the Bay route has been increased even in a greater proportion, shewing not only that this company has lost a large amount of travel heretofore enjoyed, but has been deprived of the means of receiving its share of the increase of travel due to the revival of business and general prosperity of the country.

It is my duty, however, while making these observations to direct your attention particularly to the letter of M. N. Falls, in which it is stated that on the 12th of July last, the Southern companies reduced the fare on the Richmond ticket from \$10 to \$8; and on the Petersburg ticket from \$10 50 to \$8 50.

The statement of Dr. Woodside, shows the rate of fare as now charged by the inland route, according to the foregoing reductions by the Southern companies; and the statement by the same officer