

exhibits the present reduced rate of fare by the Bay Line; and the letter of Mr. Falls, will present the advantages which in his opinion, have resulted from the reductions already made by the Southern companies in connexion with the inland route.

Whether it may be expedient to reduce still lower to preserve the travel on the Washington road, it is not possible for me to say.

I discharge my duty to the State in acquainting you with the causes which have operated to produce the loss already sustained, and with the fact of the reiterated demands by the Southern companies, that this company should in future not only bear its proportion of the reduction already effected, but to co-operate in any further reduction which may be found necessary.

This company has not the power to do either in the recess of the Legislature without the consent of the Governor, and although there may be nothing in the charter to prohibit an application to him by the company for that purpose, yet as such application from any quarter is not believed to be necessary for his action, the board have not authorised me to make it; but merely to put you in possession of the actual state of the case, in order that you may be able to give it such consideration as in your judgement the interest of the State may require.

I have the honor to be, Sir,

With high consideration,

Your obedient servant.

LOUIS McLANE, President.