

According to the statement of the chief engineer of this company, the force in operation on the line of the work, on the 2nd instant, amounted to between seven and eight hundred laborers, and the number is still daily increasing.

So soon as the work was recommenced in November last, an Engineer corps was formed, to direct and superintend its execution. The officers and agents composing it are in the service of and paid by the company, and at present consist a chief engineer, Chas. B. Fisk, Esq., who, either as chief or subordinate, has been connected with this department of the company ever since its organization, with the exception of a brief interval in parts of the years 1840 and '41—and three assistant engineers, each heading a party composed of the usual auxiliaries. By an order of the board, of the 13th of January, when all doubt in regard to the continued prosecution of the work was dissipated, the salary of the chief engineer, which had been reduced a thousand dollars during the suspension, was restored to the former rate of \$3000 per annum, and made to take effect on the first of October last, which was the beginning of the quarter within which operations on the line were resumed. The salaries and pay of the other officers and subordinates of this department, are fixed at fair rates, according to their respective grades and duties, as will be seen by reference to statement E in the Appendix.

The total work done under the contract, to the 31st ultimo, inclusive, according to the estimate of the chief engineer, amounts to \$146,674 83, on which payments have been made to the contractors, through their agents and attorneys, in the bonds of the company issued under the act of 1844, ch. 281, pursuant to the terms of the contract, to the amount of \$132,000, leaving \$14,674 83 as the amount retained as per centage to this date. The board make the minimum reservation at this time, in consequence of the heavy expenses incurred by the parties in getting the work fully under way. To the above mentioned sum paid out in bonds under the contract upon the monthly estimates for work done, is to be added the sum of \$36,000 in said bonds, paid and delivered to the contractors, through their agents and attorneys, for the instalments of current money paid by them to the Trustee for the use of the company pursuant to the terms of the contract, making the whole amount of bonds issued under the Maryland Act of 1844, ch. 281, and paid out by the company to Messrs. Hunter, Harris & Co., through their agents and attorneys, to this date, \$168,000. Of this issue, bonds to the amount of \$54,000 have been endorsed with the guaranty of the State of Virginia, pursuant to the provisions of the act passed by said State on the 8th day of March 1847.

The current money paid to the Trustee for the use of the company, above alluded to, consists of the first five instalments of the \$100,000 provided for in the contract. This fund, as was explained to you in the 18th Annual Report, is applicable to the discharge of the necessary expenses appertaining to the completion of the