

man the sum he charges for conveying it to its destination. The charge for toll is made exclusively by the company, and is at a fixed rate. The charge for conveyance, or freight, as it is usually termed in contradistinction to toll, is a mere matter of contract between the boatman and his employer, and may vary according to circumstances. With a view, therefore, of acting understandingly in regard to the present cost of transportation on the canal, including toll and freight, and of determining whether any state of things now existed which would authorise, or call for a departure from the prevailing policy, it became necessary for the Board, in considering the matters commended to their attention by the resolutions of the stockholders, to ascertain the rates of the boatman's charge, and the comparative cost of transportation, by the canal and by the rail road, from those points where the two improvements come in contact. The necessary enquiries and investigations were accordingly made, principally through the medium of the superintendants of the second and third divisions, who are both intelligent officers and whose line of duty embraces all those parts of the canal which can be affected by competition, and the result showed, that, from the points of approximation on the second division the total cost of transporting tonnage, by the canal to the District market, is at least *twenty five per cent.* less than the cost of carrying it by the rail road to Baltimore; and that there was no reasonable ground to expect, from the evidence furnished in regard to both divisions, that the receipts of the company could be increased by a general reduction of the rates of toll on the leading articles, but, on the contrary, that such a measure would certainly produce a diminution in the revenues, particularly during the first year of its operation, when the company would be at least able to bear any subtraction from its ordinary means and resources. For these reasons, and from all the reflection the board were able to give to the subject they were satisfied that a general reduction on the leading articles transported on the canal was inexpedient—that the difference in the cost of transportation between the canal and the Baltimore and Ohio Rail Road, which is its only apparent competitor, was already sufficiently great to attract to the canal, all the trade which superior facilities and greater cheapness of transportation alone might legitimately and justly command, and that a reduction of charge on the part of this company, would most probably have compelled a similar proceeding on the part of the rail road company to retain its present trade at whatever sacrifice, and have led to a struggle between the two companies, which, in its effects and consequences, would have proved seriously injurious to the interests of both. Before quitting this subject, and with a view of illustrating the observations we have made, we beg leave respectfully to refer to the experience of the Schuylkill Navigation company whose improvement for many reasons bears a stronger analogy to the Chesapeake and Ohio Canal than any other work of which we have knowledge. The subject of arranging a Tariff of toll occupied