presenting them in amounts not less than $100. to so much of the City Stock bearing interest of 6 percent.

Such certificates the Company believe will become very acceptable to persons engaged on the road and the inhabitants of the surrounding country to whom this facility of a ready and safe investment will present all the advantages and usefulness of those popular institutions the Savings Bank, and in that character will attain to a high degree of favour with the people. The Company however authorise me to say that having no other inducement to resort to this plan than a desire to aid the City in paying its subscription with the least possible inconvenience they will cheerfully acquiesce if the City should prefer to pay its subscription in any other form which may be available to the rapid completion of the work.

An idea has obtained currency with some persons that the State would now find its interest in arresting the Baltimore and Ohio Rail Road at Harpers Ferry, and devoting all its resources to the completion of the Canal to Cumberland. This idea seems to be founded upon the fact that the Rail Road now pays the State full interest on her whole investment in the work and that consequently she should no longer encourage its prosecution. Such an argument is not likely to meet much favor from citizens of Baltimore or from any friends to the prosperity of the State.

The greater portion of the funds necessary to complete this important work to the Ohio River has already been granted and subscribed and the citizens of Baltimore and the legislature of the State will not fail to furnish whatever further may be wanted to complete the communication by Rail Road from Baltimore to the Great West.

I have received from the President of the Baltimore and Susquehanna Rail Road Company the annual report to the Stockholders from August 23d 1838. to October 1st 1839. From this report it appears that the receipts of transportation of persons and property

were $99.551.79. the expense for the same time $68.091.64 — shewing a surplus revenue of $31.460.15 — At the last session of the Legislature a law was passed appropriating a sum not exceeding $750.000 for the completion of the Rail road from Baltimore to York and from York to Wrightsville, with the necessary depots, engines and cars — The provisions of this act were accepted by the City and a majority of the stockholders; but the bonds of the State at the disposal of the Commissioners of loans, were not sold, owing to the unusual depression in the prices of State securities — Under these circumstances the City agreed, by an Ordinance, approved 28th August, to advance to the Company $250,000 in City six per cent stock, upon receiving an order from the Company on the Treasurer of the Western Shore for the same amount of State stock.

The provisions of that Ordinance having been complied with, the Company have received the City Stock to the amount stated, and the City has received the interest due on all loans made to the Baltimore and Susquehanna Rail Road Company. Since the passage of the Ordinance, between five & six miles of the Rail Road have been completed between York and Wrightsville; the Cars are expected to run to the latter place by the 1st July next, and the long desired connection with the Pennsylvania roads will be effected in time for the spring trade. There is secured to this Company the right to run their two locomotives to Wrightsville, until the completion of a rail road from York to Gettysburg and in that event the York and Gettysburg company are bound to transport the cars, so that there will be no unreasonable detention in the trade between Baltimore and the Susquehanna River.

The Susquehanna and Tide Water Canal connecting the head waters of the Chesapeak Bay with the extensive works constructed by the State of Pennsylvania will be ready for active operation in the spring — indeed the necessary preparations were made for its formal opening last fall but the occurrence of one or two breaks in the embankment prevented this desirable event.

This short canal will open a direct communication with the Pensylvania canal passing through the richest mineral and agricultural portions of that state with ramifications extending even to the shores of the Great Northern Lakes. In connection with the immense advantages derivable from this work I would state