tingencies, amounted to $1,641,150. In June, 1840, a second revised estimate was made; which, although it embraced some work on the Harper's Ferry section not included in the previous estimates, amounts in round numbers to $1,602,000 less by $40,000 than the revised estimate of November, 1839. It is believed that the actual cost will not exceed this last estimate.

The amount of work done on the 1st inst. was $876,000, being more than one-half of the whole, and leaving to be done, according to the estimate, an amount of $726,000.

The amount of actual work done per month may be stated at $75,000; at which rate the *Graduation*, *Masonry*, and *Bridging*, with the exception of some of the heaviest sections and bridge superstructures, may be completed on or before the first of August, 1841, and these last may also be finished in the month of January, 1842.

Should their resources allow the Board to procure the iron and other materials in season to make sixty or seventy miles of railway in the course of the year 1841, and to prosecute the remaining thirty or forty miles in the spring of 1842, it will be practicable to finish the entire work and put the road in operation to Cumberland in the summer and autumn of that year.

The practicability of prosecuting the work with such despatch, will depend upon the ability of the city of Baltimore punctually to pay her subscription, or upon that of the Company to dispose of the Sterling Bonds of the State upon terms which they may deem satisfactory.

The present advanced condition of the work has been accomplished: 1st. By the money borrowed from the Banks, by the City Commissioners of Finance, through the Company's agency. 2d. By the Company's orders authorizing the transfer of City Stock at its par value, in sums of one hundred dollars or upwards, as explained in the last annual report. 3d. By the direct payment to contractors of City Stock at its par value; under an agreement that it shall be sold by a mutual agent, and at prices to be fixed by the Company, so as to prevent a depreciation in its value. And 4th. By the proceeds of sales of the five per cent. Sterling Bonds of the State.

Up to the present time the payments in City Stock through the medium of orders authorizing its transfer, have answered the purposes of the Company; have proved entirely satisfactory to the contractors; and, in most instances, to the proprietors of the right of way, and have received general encouragement from the community at large.

On the 30th ultimo, the payments made through this medium amounted to the sum of $515,000, in orders to the commissioners, of stock of the following denominations, viz: 100 orders of $100 each; $34,000 of five dollars; $39,000 of three dollars; $78,000 of two dollars; and $354,000 of one dollar each. Of the whole amount of orders given in payment, ten thousand dollars in those of $100 each, have been funded.

Payments direct by the delivery of City Stock, have been confined to the contractors upon a few of the most difficult sections, upon

which it was desirable, both to the Company and the contractors, to place an extra force, and amounted, in the whole, on the 30th ultimo, to $138,877 47.

By these payments, the City has been enabled, so far, to comply with her engagements to the Company, without any loss or sacrifice; the credit of her public securities has been preserved unimpaired, and the important work, so essential to her trade and prosperity, has been advanced to its present point, not only by the actual application of her stock at its par value, but with a large annual saving of interest, during the period the orders may remain unfunded.

The successful continuance of this system of payment until our public securities meet with a more ready sale, will enable the City, in future, punctually to discharge her obligations, and complete this great enterprise to Cumberland, without impairing the value of her stock, and with diminished taxation. It would seem, therefore, only reasonable that the City authorities, unless contrary to some acknowledged principle of public policy, should unite in procuring legislative sanction, if necessary, for the encouragement of this mode of payment.

In giving these orders in payment, the Board entertain the opinion that they violate no existing law. The orders do not promise to pay money, nor, indeed, are they, in any respect, promissory in their character. They confer an absolute authority for the transfer of City Stock, and finally cancel the obligation for which they are received in satisfaction. From the nature of the case, they cannot exceed, in amount, the City subscription and the stock actually transferred to the Commissioners in trust for the holders. They, in fact, represent City certificates, though in smaller denominations; and, in the requisite sums, may be funded, and converted into coin or bank paper, at the pleasure of the holder. They are, therefore, not liable to the risk, or any other objection to which irresponsible paper issues, professing to pay money, are exposed; and every citizen, liable to the payment of a city tax, has an immediate interest in maintaining their value.

Nor need the purpose or utility of these orders cease after the resumption of specie payments. On the contrary, they would, in that event, if they should be employed for such purpose, prove valuable auxiliaries in aiding the operations of the banks; they would, in no respect, impair the soundness of the regular currency, but might be advantageously maintained in general credit.

The present condition of the Baltimore and Ohio Rail Road Company not only justifies the aid already contributed by the State and City to this branch of our public works, but should inspire renewed zeal in its prompt and vigorous prosecution. To encourage the efforts of the Board for this purpose, by means which may push the work in advance of rival enterprises in other States, and, without disturbing the regular currency, prevent the sacrifice of our public securities, and exempt the people from taxation, would appear to be recommended by every principle of sound policy. On these grounds, the