

The property in Allegany county had appreciated immensely, and the State was remunerated a thousand fold, but it would never receive anything into the treasury. It had been settled in England that railroads could not compete with canals in transportation. Yet we are told that the Baltimore and Ohio Railroad is successfully competing with the canal, but when the coal mines are fully developed they will furnish business enough for both. The great mind of Garrett looked to the advancement of the commercial interests of Baltimore, and how he competed with the canal he (Mr. S.) could not understand, unless he had applied to the purpose some of the large surplus earnings of the road during the war.

It would have been better for the State to have sold the canal to the bondholders or scripholders, or any one else, as then it would certainly have reaped something in the shape of increased basis of taxation, caused by the development of the resources of the region through which the canal passed.

Mr. Carter said the question was to strike out the third section, which proposes a mode of selecting the president and directors of the canal company. The first question that met them on the threshold was whether it was proper for a mode to be prescribed in this constitution for the selection of president and directors of this company, and if this is answered in the affirmative, the next question is, whether the mode prescribed in this third section is the proper one.

The State of Maryland is a part owner of the canal by reason of its stock, and by reason of its lien for money loaned, is also a creditor. She owns \$5,000,000 of the stock, and by reason of that exercises the controlling influence. The charter of the canal provides that it shall be managed by a president and six directors. Who elects them? The majority of the stock, that is, the State of Maryland, she controlling by far a large majority of the stock. This is a duty, and this Convention finds that it has to legislate the manner in which the interests and duties of the State in the canal shall be properly managed. This being a duty, the question is, is it proper to prescribe the method in which this shall be exercised? He addressed this inquiry, where else but in the constitu-