

COMMUNICATION.

ANNAFOLIS, MARYLAND, Dec. 2d, 1839.

Sir:—

By an act of the Legislature of Maryland, I am directed "to negotiate with the President of the United States, for the surrender to this State, of the stock of the Chesapeake and Ohio Canal Company, belonging to the United States, and the cities of Washington, Georgetown and Alexandria, upon the condition that this State will complete the canal to Cumberland, with as little delay as possible."

In directing me to open a correspondence with the President for this purpose, the Legislature intended, through his recommendation, to submit the proposition to the Congress of the United States. Of the grounds on which the Legislature expected the General Government to transfer its stock in the Canal Company, to the State of Maryland, it is necessary to make a brief examination. The charter of the Chesapeake and Ohio Canal Company was granted by Virginia and Maryland in the year 1824, and confirmed by Congress in March 1825. A few months before the charter was granted, the Canal Convention assembled in Washington, and, taking the report of the United States' Engineer as their guide, estimated the cost of the Canal from tide water to Cumberland, at two millions seven hundred and fifty thousand dollars. Of this sum, it was proposed that the United States should subscribe one million, Virginia three-fourths of a million, and Maryland half a million, and the District cities half a million; which subscriptions were supposed to be in proportion to the advantages these different parties would derive from the work. Maryland made her first subscription of half a million, according to the proposed apportionment of stock, on the condition, that the United States should subscribe for ten thousand shares, or a million of dollars, and that "the residue of the money, estimated by the United States Board of Engineers, to be adequate to the completion of the eastern section of the canal, should be subscribed by bona fide and competent subscribers." Congress authorised a subscription for ten thousand shares accordingly, and the residue of the sum of two millions seven hundred and fifty thousand dollars, was subscribed by Virginia and the District cities; though not in the proportions designated by the