

# COMMUNICATION.

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OFFICE OF THE CHESAPEAKE & OHIO CANAL Co.

*Washington, February 10th, 1840.*

SIR:—When my letter dated the 9th of November last, was addressed to you, I supposed that you might possibly think proper to convene the Legislature of Maryland, before the day fixed for its meeting by the Constitution. In that event, I had proposed forthwith to make that communication, which I am required to submit to your consideration, in the resolution of the board of directors of the canal company, which I have the honor to enclose to you. Learning that an extra session would not be called, I have, with the approbation of the board, postponed until now, preparing a report of the condition and prospects of the canal company for your information, and that of the Senate and House of Delegates of Maryland. It is made more especially for the Legislature of Maryland, because the experience of some years past justifies the apprehension, that to that State alone can we look, with any hope of success, for the means indispensable to realize any of the advantages anticipated by the completion of the canal to the mineral regions of the Alleghanies.

This report, if made at the commencement of the present session of the Legislature, must have had a most injurious influence on the interests of the canal. At that time, the debts of the company were very large in amount. The bonds of the State issued for the payment of the debts, were then unsold; and there was reason to believe that a further disclosure of the extent of the liabilities of the company and of the sacrifices of its means, which the general pecuniary condition of the country had made unavoidable, would so far have depreciated the bonds in this country and in Europe, that utter bankruptcy would have been certain.

The arrival, too, of the 15th day of December, when the board of directors were legally authorised to suspend further operations on a large proportion of the work put under contract by their predecessors, afforded an opportunity to get rid of most embarrassing engagements. And it was thought advisable to postpone the communication, until supernumerary officers could be discharged, settlements could be made with numerous contractors, and time afforded to the officers of the company to prepare estimates and statements to be laid before the president and directors, that a plan