

recognize the scrip it went down and was not worth \$10 a load, and remained in the hands of those who had taken it at par value. It was not in the hands of speculators. The Legislature had again, by its action in 1842, recognized the validity of these claims. A legislative report of the late Chief Justice Legrand, in 1841, from which he would read, was further evidence that these claims were acknowledged to be valid. It was recommended in this report that arrangements should be made to liquidate these claims, as it was justly incumbent to redeem this debt. The bonds of the company were worthless, and remained so until this day, simply because of Maryland's refusal to recognize them. The labor of these poor creatures had been availed of for nearly a year. The United States had abandoned the canal, Virginia had abandoned it, and Maryland could do nothing. Under these circumstances the act of 1844 was passed releasing the \$2,000,000 loan and giving a mortgage only on the excess of the revenues of the canal to the \$1,700,000 bondholders to finish the canal. It was not a mortgage on the canal, but only on the net revenue. The labor of these poor men was no lien, but it was supposed that after the canal was finished to Cumberland it would pay off the \$1,700,000, and the workmen too. In renewing that mortgage of \$2,000,000, no one would say that it was the intention of any man in Maryland to cheat these poor workmen out of their just dues. It was not that which necessitated the renewal of the mortgage, but it was a legal necessity to prevent these men from harassing the progress of the canal by bringing suits, &c. The thing had gone on now for some time, and it having become evident those preferred bonds would not be paid, the preferred bondholders come in here and ask the State of Maryland to give up the control of the canal to them.

This was, no doubt, a very nice thing, it might suit some people, it did not suit him. He was for doing something for the bondholders. The trouble was that the canal had been in the hands of trading politicians. It had been demonstrated in every State of the Union that the State cannot control these public works. These bondholders then say hand over the canal to us, and he (Mr. McK.) would say so, too, hand it over to the bondholders and to the