

companies, having invested large sums of money in four of them—two upon the eastern margin, and two upon the western side of the State. Her money was embarked in all of these enterprizes, and it behooved her, he thought, so far as their supervision could reach, to protect the common interest of the people of the State.

He wished to see such a rate of tolls adopted as would be just and fair towards the companies, and towards the people who used that line of communication, but he did not desire to see them reduced any lower. As they now existed, he doubted very much whether the treasury of the State would receive any profit at all from some of the works, while from others, they certainly would. The western side of the State had a rail road company and a canal company—were they not in antagonistic positions? He did not think any gentleman would deny that, on the Eastern Shore of the State, the Tide-Water Canal and the Susquehanna Rail Road were in exactly the same position.

Mr. DAVIS. Will the gentleman say whether such a state of things has produced evil results?

Mr. HOWARD replied that he would state a little fact in order to show. (He did not wish to mention the names of the gentlemen themselves; the fact would be as good without it.) Some eighteen months ago it happened that he had a conversation with a gentleman who had taken a deep interest in the Chesapeake and Ohio Canal Company, mingling largely in its affairs, and who was not a resident of the State of Maryland—a gentleman who was selected as a common umpire to decide some important questions necessary to the facilitation of a loan. That gentleman mentioned to him that his opinion was that in some three, four, or five years, after the Canal should have been in operation to Cumberland, the State of Maryland would be receiving a revenue of half a million of dollars a year from it. That opinion surprised him (Mr. H.) very much. He had every confidence then, and had now, in the sagacity, intelligence, and clearheadedness of that gentleman, (whose name he did not feel at liberty to mention, as this occurred in a private conversation.) Within the last two months he was applied to to permit this recommendation to be used in the Baltimore City Council to procure the construction of the Cross-Cut Canal. He applied to the gentleman to inquire of him whether he would allow his name to be used, and whether he still entertained the same opinion. His remark was, that when he made that observation, it was founded upon the belief that the Company would charge a dollar per ton on coal; but now the price had been put down so low, that he did not know it would yield any thing beyond expenses. He (Mr. H.) intended this as a reply to the question of the gentleman from Montgomery whether any evil had occurred from this underbidding. He thought it was sufficient proof that evil had occurred. He did not intend to censure that Company, but the fact was known that the Rail Road Company had reduced their tolls. He wished to protect both of these Companies.

It was a fact that was known, that the rail road company, in prospect of a contract being made by the canal company, had reduced their tolls, and in this fact, he was not mistaken. Both of these companies were presided over by gentlemen for whom he entertained the highest respect and he would be the last person to cast on them the slightest imputation or censure. But what he had in view was, that all these companies should be regulated by one central and common power.

These tolls should bare a just proportion to the expenses of making the canal or rail road—to the expenses of working it—to the price of the article in New York; as the gentleman from Montgomery justly said, the price of an article in New York regulated the price here. All these considerations could be taken in view, and then a *pro rata* arrangement fixed upon by this impartial board one that would be fair and just.

It had been said, that the State could not exercise this control. The State already had the control over two of the companies—the entire and absolute control of the Chesapeake and Ohio canal company, and the Susquehanna rail road company.

The State appointed a majority of the directors in these companies, and thus could appoint all the officers, and have the control of every thing else. The other rail road company and the tide water canal company were not beyond the control of the State. He held that under the general police power remaining in the State, they had the right to see that no chartered company holding under their laws, inflicted injury instead of benefit upon the community. The State held this reserved police power in regard to every chartered company, he did not care of what kind.

The moment that a corporation become a nuisance and an injury, instead of being a benefit, he contended that the State had a right to pass necessary laws to bring back that company into a faithful performance of that duty, and if it should refuse to obey, then the State had a right to proceed legally for the forfeiture of the charter. He held this doctrine, which was not inconsistent with the decisions of any tribunal in the country. That power was analogous to the right of eminent domain, the right of the State to protect its people in the exercise of that police power. He entertained, therefore, no doubt that if this power should be thrown out, and any one of these companies should be recusant in their obligations, that then there would be a dormant power in the Legislature, which could bring them back. It would be miserable, indeed, if these creatures of their own law, could run riot all over the land, producing misery wherever they went, and yet the State have no power to prevent it.

He saw with great regret the danger that this power might be used for political purposes. If he knew in what way to avoid it, he would pursue that way, but sincerely hoped that it would not become the subject of party.

Mr. DAVIS said that the gentleman had spoken