

The canal is worked by the State, merely for the benefit of those parties who carry freight over it. The State is aiding Allegany county, and the counties bordering upon it, to send their coal down cheap; and the people of the State are being taxed to the amount of the annual payments made to the Chesapeake and Ohio Canal, simply for the purpose of enabling this coal to be cheaply carried down to tide-water. Nobody has any private interest in it. The expenses exhaust the earnings. There is no private interest involved, that the canal should be productive, and the canal is controlled simply for the benefit of the parties along the line of the canal. There is no reason at all why the State should continue to take money out of the treasury for the purpose of supporting this one canal. Suppose we have an opportunity, when those immense coal fields are worked, as it is said by the gentleman from Howard county (Mr. Sands) that they will be very shortly, to get three or four millions, or two millions, or even one million of dollars for this canal. Is it not better to get that, and extinguish so much of the public debts, and reduce the taxation of the whole State?

Mr. STIRLING. I rise to a point of order. Is discussion upon the gentleman's amendment in order?

Mr. CLARKE. I am debating your proposition. The vote has not yet been taken upon striking out the clause submitting this question to the people and inserting that proposition.

Mr. STIRLING. The convention has determined that.

Mr. CLARKE. The convention determined to strike out my amendment and insert that proposition; but they have not determined to strike out the original clause submitting the question to the people, and insert that proposition, and that is the proposition upon which I am addressing the convention.

The result will be that you prohibit the State from reaping this benefit, if there is an opportunity. If there is no such opportunity, this section will leave the canal as at present under the control of the State.

With reference to the Tide Water Canal, what is the case in that regard? The bonds of the Tide Water Canal became due January 1st, 1864. That canal now owes a million of dollars to the State, except a small amount, I believe, extinguished in the sinking fund. In order to secure this, the State took the bonds due January 1st, 1864, and issued bonds payable to the same parties, which will become due January 1st, 1865. The canal failed to meet its bonds, and the State has got to pay them. The State is secured by mortgage. The result will be that it will cost something like three million dollars to pay that one million. She has got a mortgage on the canal, and the proposition is that she shall not sell it. It amounts to this; that

although the State, to secure herself, has taken this mortgage upon the canal, you come forward and say that she shall take no action at all, that she shall not protect herself; and you entirely exempt this canal from any liability of being proceeded against upon this mortgage. In other words, you jeopardize to the extent of three millions of dollars, the property of the State, by prohibiting her from taking any steps under the mortgage, which she has a right to proceed against and must proceed against in order to secure her.

With reference to the other canal, it amounts to very little. I believe the State only has an interest of \$50,000 in the other canal.

This, therefore, so far as it goes, covers the case of each of these canals.

A word or two now upon the question of the sale of the public works. I do not in this proposition advocate its being done now, or say when it shall take place. I only throw safeguards around it, and require that the proceeds shall be applied to the extinguishment of the public debt. The funded debt of the State amounts to something like eight millions of dollars, and in the sinking fund we have a million dollars. The productive stocks of the State, it appears from the statement of the comptroller, page 13, after deducting some few items of collectors, sheriffs and others, amount to something like eight millions of dollars. To be within bounds, suppose we put down the public works at seven millions for the productive stocks which can be sold. Then if that stock is sold, and applied together with the sinking fund to the payment of the debt, it extinguishes the entire public debt of the State.

This proposition inerefore is to secure the application of the proceeds from the sale of these works to the extinguishment of that debt, to relieve the people of the State entirely from all their debt. We are burdened with taxation. We are taxed annually to pay the interest upon the public debt. I put this proposition to the convention. If you can by converting the public stocks to the extinguishment of the public debt, and relieve the people from taxation, and relieve the people of the State also from any danger that hereafter the legislature may divert these public works to objects not intended; if you can secure the entire extinguishment of the public debt, and relieve taxation to that extent; is not that a measure which we should take pride and pleasure in inaugurating and in engrafting upon the organic law? Why should we go on, when we have the means of extinguishing the public debt, paying taxes upon it as we have been for years? Why should we go on ten, twenty, or thirty years longer taxing ourselves, when we can sell our stocks and relieve ourselves from taxation?