

and if it had not been for the rebel raid the receipts of the canal would probably have amounted to \$50,000 more.

Mr. NEALEY resumed: Even take it at that, the amount of its earnings above its expenditures is nothing in comparison to the immensity of the cost of the work. The State of Maryland has \$5,000,000 of stock and \$2,000,000 of bonds, amounting to \$7,000,000 in that canal. Will she ever get any interest upon that? It is utterly impossible. Under the present management of that canal, the State of Maryland, if it continues for ten thousand years, will never get one cent in exchange for the money she has therein invested.

Mr. STOCKBRIDGE. I wish to ask the gentleman a question for information. What proportion of the entire value of that canal is held by the State, and what proportion by private stockholders?

Mr. NEALEY. I see that the State holds \$5,000,000 of stock and \$2,000,000 in bonds; and that more than \$9,000,000 of interest are due by the canal to the State of Maryland, I presume upon this stock and these bonds. Can the State of Maryland ever hope, under any management of the work, if the canal were to float half the navies of the world, to get back even the interest of the money we have invested in it? We never can get a cent from that canal. It is the true and sound policy to sell our interest in that, and liquidate an equal amount of the public debt upon which we are paying interest continually. Suppose we sell the State's interest in the canal for \$1,500,000, is it not better to do that, and realize the money, and stop the interest of the State upon \$1,500,000 of the public debt? If that had been done twelve years ago, at compound interest, the State of Maryland might have realized \$3,000,000 out of that. It is high time for the State of Maryland to part with her interest in that work, and stop this eternal payment of interest upon the debt of the State, and non-realization of anything for the money she has invested in this work.

I am in favor of the sale—in favor of selling out entirely the interest of the State of Maryland in its stock. I do not believe it is right and proper for any government to be a stock-jobber. I believe it is the foundation of corruption. There never was an instance yet in which a State or government had its fingers in any such corporation in which she was not cheated on all hands, and made an instrument of corruption on all hands. It is infinitely better for a government or a State to keep its hands entirely clear of any stock operation. If we must have taxation, let us have direct taxation. If we must raise a revenue, let us raise it in some special way, where there are no means of corruption. But let us sell out our interest in these public works. Every State north of us which has

sold out its interests in its public works has done well. We are to look to the interest of the State, and the interest of the people of the State.

In the case of Pennsylvania, have the interests of the people of Pennsylvania suffered by the sale of the public stock? No man will say so. No man can say so. The public works of Pennsylvania, in which the State had an interest, are infinitely better managed now than ever before. The people along the line of public works have greater facilities of transportation than they ever had before.

The argument of the gentleman from Baltimore city (Mr. Thomas,) is first, that if you sell the State's interest in the Baltimore and Ohio Railroad and in the Chesapeake and Ohio Canal, then some foreign capitalist will get hold of it and work it to the detriment of the State of Maryland and the people of Baltimore city. The next argument is, that if Baltimore city sells her interest in it, some people of Maryland who own that stock will work it to the detriment of the city of Baltimore. The argument leads to this, that the State must hold on to the works of internal improvement, and that the city of Baltimore must hold on to its works of internal improvement.

How can we get at the practical working of the sale by the city and State of its interest in these public works? Only by the operation of similar sales in other States. Looking at it in this view, there is every inducement for the people of Maryland to dispose of all their interest in all their public works. The first thing to be looked at is this. I would be in favor of selling the interest of the State in the unproductive stocks first and foremost. Let all her unproductive stocks be sold. Let the money obtained therefrom be invested, or be used in taking up an equal amount of the State indebtedness. The State gets rid of paying so much interest on her debt. She now must pay this interest, and realizes nothing from her unproductive stocks.

After you have done that, sell your productive stocks as fast as you can wipe out the State's indebtedness; and keep on until the entire indebtedness of the State is wiped out, and the State is entirely free from any interest in the public works.

I think this is a subject of very great importance; and I think the convention would better refer the entire matter to a select committee of five, who shall take it into their serious consideration, and report. The convention ought to be careful how it acts upon a matter of so much importance. These matters of finance ought not to be hurried over. They are subjects of calculation and reflection. I think it would be infinitely better to raise a committee of five or three competent men, who are familiar with these subjects, and let them report to the convention, and