

Cumberland, a distance of fifty miles, there are obstructions to the navigation of the Potomac river, making it impossible to carry on an extensive and profitable trade of any character, by means of the river and the canal. All of the estimates that have been made showing that the stockholders may expect good dividends, are founded upon the supposition, that there is to be an uninterrupted canal communication between tide water and the coal fields. The coal is immense in quantity, and of a quality, superior to any bituminous coal yet discovered in this country. The canal is most admirably constructed, and is of dimensions sufficient to bear to tide water in the course of a year, coal enough, paying toll at the rate of one cent per ton per mile, to produce an annual income of more than \$1,000,000. It is not probable, however, that the capacity of the canal will be fully tested, in this respect, for several years after its completion; and as the board have no means of ascertaining with certainty, what will be the demand for this coal, they cannot undertake to say, that there will be within a short period of time, an income from the canal, sufficient to make a good dividend upon the whole amount of its cost. That the tolls would afford the means to keep it in repair, and to make an annual dividend of much more than 10 per cent. on the \$2,410,000 now applied for, there can be no reasonable doubt. It is the province of the legislature, and not of the board, to decide whether it is most politic and prudent for the State to abandon the canal in its present condition, and by doing so, create a necessity of levying an annual tax on the property of the people, to pay the interest on the \$7,197,000 already invested; or to make the appropriation required, with a *certainty* that it will be a profitable investment, and that its expenditure may, and probably will, make available and highly valuable, the very large amount of stock already paid for.

The board of directors are deeply sensible that the prices, at which the bonds of the State, issued for the benefit of the canal company, at the last session of the legislature, have been disposed of, is well calculated to discourage a further exertion of the generous enterprise, in the cause of internal improvements, which has characterized the legislature of Maryland. But when the circumstances under which these bonds were unfortunately forced upon the market, are adverted to, it will be seen that the amounts for which they were severally sold, are no test of the credit of the State, nor evidence of the price which bonds hereafter issued, would readily command.

When the present board of directors entered upon the discharge of their duties, on the 10th day of June last, the debts of the company then due, and to become due, in a very short period of time, were

\$2,968,948 08.

In addition to this very large ascertained debt, there were in the employment of the company, contractors holding the promises of the old board, to pay them for work to be done, in monthly