

gress. His attempts to that end were unsuccessful. The contracts had been made when labor and provisions were high, and the contractors, who had in many instances, made large purchases to prepare to comply on their part, would not consent, without some equivalent, to surrender their interests. Without this consent, the board had no power to arrest many of them until the 15th day of December last, by which time they were to have been completed. The contractors addressed a communication to the board consenting to take the notes or due bills of the Canal Company for the work done. Scrip of that character to the amount of \$300,000 has been issued, made payable in money, six months after the date of such issue; no portion of which will become due before the 9th day of May, 1840. To provide for the redemption of this paper, a deed of trust has been executed, conveying to James Swan and John S. Gittings, of Baltimore, and William Gunton, of this city, State five per cent. sterling bonds to the amount of £92,995.

The board are sensible that the issue of paper, not redeemable in specie on demand, which must become a part, to some extent, of the currency, is a measure that ought, if possible, to have been avoided. But what policy could they have adopted less calculated to affect injuriously, the community immediately interested? If the board could have suspended altogether, that would have been done; but that unfortunately could not be done without the consent of the contractors. If the monthly estimates were not paid in some form acceptable to them, the company were liable for damages; and these damages, with the costs of suit brought against them for their recovery, would, it is highly probable, have exceeded the whole amount of scrip put in circulation. A further sale of the bonds was out of the question. Besides a very large portion of the people of the State were deeply interested, and urged the issue of the scrip. There were two thousand five hundred laborers on the line of the canal, who with their families, depended for a support on the money to be paid to the contractors. The merchants of Baltimore, the merchants of Allegany, and the farmers and mechanics in the vicinity of the canal works, were also deeply interested. A failure to pay in any form, on the part of the board, must then have ruined and made bankrupt many most worthy men, and have turned loose upon the people of Maryland and Virginia a suffering people, compelled almost, perhaps, to plunder for a sustenance. The board felt justified under such circumstances, in issuing evidences of debt, to be used by their creditors to meet their own engagements. But they would not voluntarily, put in circulation a paper currency, not redeemable on demand in specie. As soon as the contracts expired, much of the work was suspended in December last; and the Legislature may rest assured that the board will in no event, increase the amount of scrip already in circulation. This assurance is due to you, sir, as the Chief Magistrate of a State, believed to be decidedly hostile to an irredeemable paper currency, and to