

ployed, on that part of the canal now finished. As soon as these facts became known to me, and an opportunity offered to communicate them to the Legislature, it was done. And I took the liberty to express the opinion, that it was due to the character and dignity of the State, that this system of financing should be abandoned. This proceeding, I regret to say, excited towards me much animosity. But is the existence of such feeling either generous or just? I was no volunteer in the matter. The President and Directors were held responsible for the non-compliance with an engagement deeply affecting the interest of the State. Could it be expected, or desired by any one, that we should stand mute? Was it not due to ourselves, and the whole State, that the cause of our failure to pay the interest should be disclosed? No evil motive was imputed to others. In vindication of myself and associates in the Board of Directors, I was compelled to speak, and in speaking, stated nothing but the truth. But, besides, is it not due to all parties interested, that there should be no concealment on this important subject?

The debt of the State contracted for this Canal Company, is now more than \$7,000,000. When the canal is completed, if completed by funds advanced by the State, the State debt entered into for that company, will be about \$9,500,000. If the income of the Canal Company be as great as its most sanguine projectors anticipate, the interest on this large debt will doubtless be punctually paid. There are those, however, who apprehend, that many years must elapse before the trade on the canal will yield a profit of \$600,000—the sum required to pay the interest on the bonds issued and applied for. If time shall prove that the last opinion is well founded, it will be satisfactory to all concerned, on revising hereafter, the measures now to be adopted, to find that they have placed the credit of the State beyond the influence of such contingency. Other considerations influenced the course of the undersigned, in his communication to the General Assembly of Maryland on this point, at its last session.

Maryland to secure the punctual payment of the interest on her advances to the Canal Company, holds mortgages on all their property and revenues.

The General Government, the State of Virginia, and corporations of Georgetown, Washington and Alexandria, hold a large amount of stock in the Canal Company. A foreclosure of the Maryland mortgages, would work a forfeiture of this