

Wilmington and Baltimore Rail Road company was chartered, and went into operation and, as is always the case where there is competition, the travelling between those cities became reasonably cheap. This state of things continued for about two years and the people of Maryland, as well as the whole travelling public were much benefitted by the competition between the two routes, but the Philadelphia, Wilmington and Baltimore Rail Road company at length effected a combination with the Frenchtown and Newcastle Rail Road and Turnpike company, in defiance of, and in utter disregard of the Legislative prohibition before referred to. Your committee regard this as coming within the scope of their investigation, because the Steam Navigation company whose affairs they are directed to enquire into, is connected with the Frenchtown and Newcastle Rail Road and Turnpike company, and it is necessary, in order to come to a right understanding of the whole subject, to ascertain all the interests which have been united in this monopoly.

These two routes, thus united, commanded the whole of the travel until, by the establishment of a line of boats, driven by Errickson propellers, the Chesapeake and Delaware Canal became a serious rival. This combination finding itself entirely baffled, in establishing a monopoly, by the competition afforded by the line of steamboats through the canal, next addressed itself to the Chesapeake and Delaware Canal Company, in order as it would seem from the papers appended to this report, to get the control of that work also. The papers, herein referred to, will show an arrangement, now existing between the Philadelphia, Wilmington and Baltimore Rail Road Company and the Chesapeake and Delaware Canal Company, of a most extraordinary character, the motives to which and the results of which are very readily perceived. From the time of its going into operation, in 1829, up to the year 1842, the Chesapeake and Delaware Canal Company has been in the habit, as your committee are informed, of charging a gross sum for the passage of boats, conveying passengers through the canal, and in the latter year, they entered into an arrangement with J. P. Peck & Co., by which they were allowed to run a boat, driven by Errickson propellers, through the canal, upon the condition that they should have the privilege of carrying twenty passengers, free of toll, upon their paying 25 cents, per passenger, on all over twenty, and the usual freight charged by the company on merchandise. This arrangement was entered into for the term of three years, as will be seen by referring to document (A.) of the appendix; and Messrs. Peck & Co. continued to run a line of boats through the canal on the terms agreed upon in said contract, up to the 25th of July, 1843, when the Canal Company, seized with a holy horror of passengers, as it would seem, entered into another arrangement with Messrs. Peck & Co. by which they were required to pay \$1.50 per passenger for passing through the canal. This was not without a consideration on their part, because they also entered into an arrangement with the Philadelphia, Wilmington and Baltimore Rail