

commodity that depends upon the cost of transportation whether it is carried to market or not, in such case, the obvious policy is, to place the toll so low, as to make it, a matter of interest to the owners, to produce it, and send it to market. Under such circumstances, low toll creates and builds up a trade, and low toll is consequently wise and expedient.

So, also, where a rival work passes through the same region of country as a Canal, if the cost of transportation, on the rival improvement, is so low, as to draw thereby trade which reasonably ought to pass by the Canal, it becomes politic and necessary for the latter to reduce its toll so as to retain its trade.

Or where a Canal is so situated that by a reduction of toll its trade can be permanently so much augmented as to cause an increase of revenue, in such instance, unless there be special circumstances to render it inexpedient, the lowest toll that such a result would require, should be adopted, for where water is abundant, it costs a Canal Company no more to pass down one thousand tons, than one hundred tons.

But the Chesapeake and Ohio Canal is, at present, in neither of the above predicaments.

The first position may apply to the Canal and the Coal of the Alleghany mines, after the work is finished to Cumberland, and in that view some action has already been taken on the subject as will presently be shown; but it has no application to the Canal with its terminus at Dam No. 6. Up to that point the sources of trade are all fully developed. The leading and most important articles at present transported, and a reduction in the toll of which would most affect the revenue, are of a class that were produced and taken to the markets of the seaboard, before a spade was stuck into the site of the Canal, or the Rail Road was dreamed of; and they would still be taken to market, if these improvements were both blotted from the map. They consist of flour and wheat, from the toll on which, a large part of our annual revenue, is derived. The quantity of these articles, raised and manufactured in all that tract of country convenient to the Canal so far as it has been finished, may now be pushed to the utmost extent of productive husbandry under the existing rates of toll, which enable the producer, who avails of the facilities of the Canal, to carry them to market at a cost far less than is paid by thriving agriculturists in other parts of the State considerably nearer to the seaboard, and there is no reasonable ground to suppose, that, if the toll on these articles were reduced, in even a greater ratio than the one suggested, the amount of production could thereby be sensibly increased. Passing therefore from this position we will confine our remarks to the two others.

As the Stockholders are aware, the amount paid for transportation, is divided between the company, and the carrier, or boatman. The company receives the sum it demands by way of toll for the privilege of carrying the tonnage of the canal—the boat-