

company will need, to redeem evidences of its debts issued, and to pay for work done, if the State bonds unsold command their nominal value, \$500,000; and if the State bonds unsold, are disposed of, as it is probable they will be, at 80 in the 100, the company will need, for the purposes above named, \$700,000. In this statement no estimate is made for the payment of interest to accrue *hereafter* on the \$2,000,000 loan, or on the bonds issued under acts of the General Assembly of Maryland, ch. 386 and 396, passed December session 1838, or for the repayment to the State of the interest advanced to the Canal company on the last named bonds during the past year. If it is the design of the Legislature to furnish to the Canal company the means to pay its debts to the State, in the mode heretofore adopted, it will be necessary to add to the appropriation made to redeem the scrip of the company and complete the canal, an amount of bonds sufficient to accomplish that purpose.

In further corroboration of the opinions of the Board, and Chief Engineer, as to the sum required to complete the canal, I have appended a letter from Mr. Michael Byrne and Mr. Patrick O'Neal, who are well qualified for the undertaking, proposing, "to complete every description of work, between Cumberland and dam No. 6, which is now considered necessary to the opening of the navigation of the canal, at the aggregate amount of the estimate of Chas. B. Fisk, Esq., of the cost of these 50 miles in 1839, deducting, of course, the proper sum for works since finished, and now under contract. Most unfortunately, for the best interests of the State, the Legislature adjourned, last year, without making an appropriation to the Canal Company.

Of the causes which lead to that event, it is not now my province to speak, except so far as may be necessary, to vindicate and explain my own course, on that occasion.

The misrepresentations and misconstructions to which my conduct was subjected, will, I hope, be considered an abundant apology for the brief retrospect I propose.

At the time the Legislature was deliberating upon the measures projected to continue the construction of the canal, the company had, in the hands of their agents in London, £133,000, of Maryland 5 per cent sterling bonds, (\$591,111.11,) and \$51,000 of Pennsylvania 5 per cent certificates. Of these funds, £44,000 (\$195,555.55) only, were required to pay all the debts contracted by Mr. Peabody on account of the company. At the same time, the company held in this country, un-