

March 24th 1849

The Governor has just received the following communication from the President of the Chesapeake and Ohio Canal Company

Chesapeake and Ohio C. Co.

Wheaton, Va. March 1849

His Excellency

Wm. A. R. R. R.

Gov. of Maryland

Dear Sir: I have received your letter of the

23rd inst and take pleasure in communicating to you the information you desire.

The Bonds of the Company proposed to be issued and guaranteed by the recent act of the Legislature of Virginia, are intended to provide means "to repair and put in good condition" the further portion of the Canal between Georgetown and Point N. E. and the proceeds thereof are to be applied to no other purpose.

The insecurity and insufficient depth of water in the Canal in its present state (occasioned by the numerous heavy floods of the past year and the inadequacy of means fully to repair their injuries) and the regularity of navigation and utmost facility that will be necessary for the Coal trade after the work is completed to Cumberland, render this indispensably necessary to make it realize the expectations of its friends and afford early relief to the State of Maryland and other interests in its success. The accomplishment of the repairs contemplated, is deemed of an importance secondary only to the completion of the work to Cumberland.

I have not yet received a copy of the act passed by the Virginia Legislature but have learned generally its provisions. The Company applied for a loan from the State. Instead of that it provides for a guaranty of Bonds of the Company to such amount as may be necessary, not exceeding 100,000 and this I believe is the form in which that State usually assists internal improvement Companies when it consents to aid them. I hope it will answer the purpose. In regard to the other point referred to in your letter, I would state that when the earliest applications of persons desirous of entering into the Coal trade and from a belief that it would be calculated to increase the revenue from the outlet, the Board, with the approval of the Maryland State Agents, have until otherwise ordered by the Board, fixed the toll on Coal at half a cent per ton per mile for the first twenty miles and four mills per ton per mile for each additional mile it may be carried instead of half a cent per ton per mile throughout the line as was the previous charge.

They have also (raising the toll on one kind and diminishing it on others) made the toll on manures uniform at two and a half mills per ton per mile with a view of promoting agriculture and increasing its productions & trade.

These are the only changes that have recently been made in the Tariff of tolls on the Canal. There is however, I would observe, a strong impression on the part of the State Agents and Stockholders that a general reduction on the principal articles of ware in the way of tolls would augment the resources of the Company. Should any the example and guided by the experience of Canals in various parts of the Country this may perhaps be deemed expedient at no remote period. I have