

TWENTY-SEVENTH

ANNUAL REPORT

OF THE

Board of Directors

OF THE

Pennsylvania Railroad Co.

TO THE

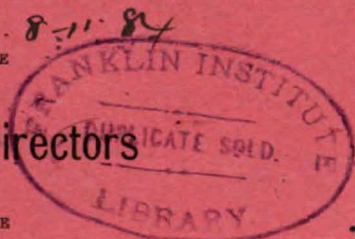
STOCKHOLDERS,

MARCH 10th, 1874.

PHILADELPHIA :

E. C. MARKLEY & SON, PRINTERS, 422 LIBRARY STREET

1874.



**Original document from the collection of
Cornell University
scanned by Google**

**Extracted from scans of a multi-year bound volume
by Rob Schoenberg (robs@railfan.net)
<http://PRR.Railfan.net>**

TWENTY-SEVENTH

ANNUAL REPORT

OF THE

Board of Directors

OF THE

Pennsylvania Railroad Co.

TO THE

STOCKHOLDERS,

MARCH 10th, 1874.



PHILADELPHIA:
E. C. MARKLEY & SON, PRINTERS, 422 LIBRARY STREET.
1874.

DIRECTORS
OF THE
Pennsylvania Railroad Company,
FOR THE
YEARS 1874 and 1873.

BY THE STOCKHOLDERS.

J. EDGAR THOMSON,
JOSIAH BACON,
WISTAR MORRIS,
JOHN M. KENNEDY,
JOHN SCOTT, Pittsburgh,

ALEXANDER J. DERBYSHIRE,
SAMUEL M. FELTON,
ALEXANDER BIDDLE,
N. PARKER SHORTRIDGE,
HENRY M. PHILLIPS.

BY THE CITY OF PHILADELPHIA.

WILLIAM ANSPACH,

G. MORRISON COATES,
ALEXANDER M. FOX.

BY THE BOARD.

THOMAS A. SCOTT,

GEORGE B. ROBERTS.

PRESIDENT,

J. EDGAR THOMSON.

VICE-PRESIDENTS,

THOMAS A. SCOTT,

GEORGE B. ROBERTS.

Assistant to the President,

STRICKLAND KNEASS.

Treasurer,

EDMUND SMITH.

Secretary,

JOSEPH LESLEY.

General Solicitor,

WILLIAM J. HOWARD.

ANNUAL MEETING.

Philadelphia, March 10, 1874.

The Annual Meeting of the Shareholders of the Pennsylvania Railroad Company was held, at 10 o'clock, A. M., at Musical Fund Hall.

The Hon. William S. Stokley, Mayor of Philadelphia, was called to the Chair, and Joseph Lesley appointed Secretary.

The Annual Report of the President and Board of Directors for the year 1873 was read.

Mr. William A. Stokes then offered the following resolutions:

Resolved, That the Annual Report of the President and Directors of this Company for the past year, as just read, be printed in pamphlet form, for the information of the shareholders, and that it be referred to a Committee of _____, to be appointed by the Chairman, with power to examine and report upon the various subjects embraced in the same.

2. *Resolved*, That when this meeting adjourns, it shall be adjourned by the Chairman, to meet on _____ to receive the Report of the Committee appointed under the first resolution, and to act on that and any other subject which may be presented.

Mr. George Earle offered the following resolutions, as an amendment to the resolutions of Mr. Stokes:

Resolved, That the Report of the Directors of the Pennsylvania Railroad Company now presented to this meeting, be referred to a Committee of five Stockholders, having no business connection with the management of the affairs of the Company, who shall examine the said Report, and ascertain whether it contains a comprehensive statement of the affairs of the Company during the past year.

Also, to ascertain if the amount of the increase of the Capital Stock and Bonded Debt during the year 1873 is stated, and what amount of such increase has been expended upon the Pennsylvania Railroad, and whether any part has been expended upon any Railroad leased or operated by this Company and if so, whether the amount thus expended is stated, and the authority for such expenditure; and whether any part thereof has been loaned to any other Railroad Company and if so, what amount, and the authority for making such loan; and whether any part of such increase of Capital Stock and Bonded Debt remains unexpended, and if so, how much and where deposited.

Second. Also to further ascertain whether the Report gives a comprehensive statement of the receipts and expenditures of the Railroads leased, operated and controlled by the officers of the Pennsylvania Company; and whether the capital stock and bonded debt of any of the Railroads have been increased since any of such railroads have come under the control of the officers of said Pennsylvania Company and if so, the amount of such increase and in what manner expended; and whether any part of the net balance to the credit of business arising from operating the Pittsburgh, Fort Wayne and Chicago Railway has been expended, or loaned upon, or to, any other railroad or corporation and if so, what amount; and whether the report contains an inventory of the property received from the Union Transportation Company, and to whom the \$3,000,000 of stock of the Pennsylvania Company in consid-

eration thereof was paid. And also whether it gives the names of the persons who subscribed for the remaining \$1,000,000 common stock, and the *actual cash paid by each subscriber*.

Third. Also whether the amount charged to general expenses, is sufficiently explicit; whether it contains the names and salaries of the officers, and whether any officers are receiving salaries for more than one office, and if so, the number and salary paid for each.

Fourth. Also whether the report contains a statement of the assets belonging to the Pennsylvania Railroad Company, and the Pennsylvania Company, and what they consist of, their actual cost and present value, and the amount of yearly income received from them.

Fifth. Also whether the total amount of the contingent fund, and net balance to credit of business is given; whether it consists of money, or is invested in bonds or other securities; the amount of income derived from the same, and if in money, where deposited and whether at interest or not.

At the close of this day's proceedings, this meeting shall stand adjourned until the day of , at 10 A. M., of which due notice of the place for holding such meeting shall be given, for the purpose of enabling the Committee to examine the said report in accordance with the requirements of this resolution; and also to obtain such additional information from the President of the Pennsylvania Railroad Company as the Committee may deem necessary to enable the stockholders to form a somewhat correct opinion of the affairs and the condition of the railroads owned, leased and controlled by this Company, and the railroads leased and controlled by the officers of the Pennsylvania Company, as well as any other business transacted by such officers. And the report so amended shall be printed, together with the proceedings of this meeting, and ready for distribution at least five days before the day named

for the assembling of the stockholders at such adjourned meeting to take further action on the said amended report. The said Committee may fill any vacancy which may occur in their body. The President of this Company is hereby requested to afford the Committee all necessary facilities in the discharge of the duties hereby required of them.

Resolved, That in all cases, before the Capital Stock or Bonded Debt of any railroad owned, leased, operated or controlled by the Pennsylvania Railroad Company, or of any railroads leased, operated or controlled by the officers of the Pennsylvania Company shall be increased, or guarantee the Bonds, or other indebtedness, or make any advances of money to or for any railroad or other corporation, or sell or loan any of the assets, or other property belonging to the Pennsylvania Railroad Company, or enter into or bargain for the lease, or to obtain the control of any railroad or other corporation, or permit the officers of the Pennsylvania Company to enter into or bargain for the lease, or obtain the control of any railroad or other corporation, or to sell or loan any of the assets or other property in their possession. The Board of Directors of the Pennsylvania Railroad Company, whenever they may deem it expedient to do or perform any of the acts herein enumerated, or permit the Officers of the Pennsylvania Company to do or perform any of such acts, shall, in each and all such cases, present to the Stockholders for their consideration and action, at their annual or special meeting called for any such purpose, a detailed and comprehensive statement, setting forth the necessity for and the advantages which are expected to be derived from the performance of any act herein set forth, either to the Pennsylvania Railroad Company or the railroads operated and controlled by the Officers of the said Pennsylvania Company.

Resolved, 1st, That the Directors of the Pennsylvania Railroad

Company are hereby requested to set forth in their future Annual Reports to the Stockholders the amount of the contingent fund, and what it consists of, whether in money or securities; also, the amount of the "net balance to credit of business" on hand, which said fund shall be yearly added to the net profits, and be kept as a special fund to meet any deficiency in the earnings of the Railroad to pay the usual dividend.

2d. Also, to give a detailed statement of the assets on hand at the time of making up such Report, with the cost and description of each class of security and their value, stating specifically whether interest paying or not, and the amount of yearly interest and dividend received from the same.

3d. Also a detailed statement of the charges under the head of general expenses, setting forth the number of officers and clerks employed in each of the several departments connected with the Company at the General Office, and the cost of each department, as well as the amount expended for printing and stationery, also incidental expenses.

4th. Also a more detailed statement of the amount charged as "bills and accounts payable, including dividends due stockholders unpaid," as well as amount of bills and accounts receivable, and amounts due from other roads.

5th. Also a statement of the receipts and expenses of each of the railroads controlled and operated by the officers of the Pennsylvania Company, and, in addition thereto, similar statements shall be made as required above with regard to the contingent fund, "net balance to credit of business," the assets, general expenses, and bills and accounts payable and receivable.

6th. Also a detailed statement of the receipts and expenses in conducting the business heretofore performed by the Union Trans-

portation Company, together with the names of the officers and clerks employed, their duties, and salary paid to each.

The Chairman decided that the first resolution of Mr. Earle would be in order, as an amendment to the first resolution of Mr. Stokes, after which the other resolutions could be submitted.

Mr. T. A. Scott expressed his views relative to the desirability of substituting the resolutions submitted by the Board of Directors for those presented by Mr. Stokes, whereupon Mr. Stokes remarked that, as courtesy and harmony demanded his acquiescence with the request of Mr. Scott, he cheerfully agreed to the proposed substitution.

Mr. T. A. Scott then moved to refer the resolutions of Mr. Stokes and all the resolutions of Mr. Earle to the Committee to be appointed by the Chairman.

Which was unanimously agreed to. •

When, on motion, the resolutions attached to the Report of the Board of Directors were agreed to.

Mr. John Hulme offered the following resolutions:

1st. *Resolved*, That the Board of Directors, for the purpose of complying with the new Constitution of Pennsylvania (Art. 17, Sec. 2), shall keep open, for the inspection of any Stockholder or creditor, a book containing the name of every Stockholder, and the number of shares respectively held by each.

2d. *Resolved*, That at all elections for Directors of the Pennsylvania Railroad Company, the Board of Directors, and Managers are hereby instructed to comply with Art. 14, Sec. 4, of the new Constitution of Pennsylvania, which justly provides for the protection of the minority Stockholders by securing to them a minority representation in the Board by the cumulative system of voting.

3d. *Resolved*, That the Board of Directors of the Company be, and are, hereby directed to require from the President and Vice-Presidents, and all other salaried officers of the Company, their exclusive attention to the business affairs and interests of this Company, and that they shall not act as salaried officers of any other railroad, canal, navigation, improvement or construction company.

4th. *Resolved*, That the stock of the Pennsylvania Railroad Company held in the Sinking Fund of the Company, or any shares held in any other manner by the purchase of allotments, or in any other way, belonging to the Pennsylvania Railroad Company, shall not be voted at any election for Directors of the said Pennsylvania Railroad Company.

After a full explanation by Mr. Thomas A. Scott, Vice-President, as to the policy of the Company, in relation to the points referred to in the resolutions respectively, Mr. Hulme expressed himself as entirely satisfied, and withdrew his resolutions.

Mr. Hulme then offered the following resolution :

Resolved, That the names of all persons that may be put in nomination for Directors of the Pennsylvania Railroad, shall be published in not less than five of the largest daily newspapers of Philadelphia, for at least six days previous to the day of any election of such Directors, and the number of votes cast for each candidate shall be published in like manner immediately after the election.

Which was agreed to.

Mr. James Milliken offered the following resolution :

Resolved, That the President and Board of Directors be, and they are, hereby requested to take into consideration the expediency of granting increased facilities and accommodation to the manufactur-

ing interests, situate contiguous to the railroads owned and controlled by this Company within *the State of Pennsylvania*, and the State of New Jersey, and in the next annual report to state in what manner and to what extent it has been found practicable for this Company more directly to promote and encourage.

Mr. J. Loudon Snowden moved to lay the resolution on the table.

Which was agreed to.

On motion, the thanks of the meeting were tendered to Hon. Wm. S. Stokley, for the ability, dignity and impartiality with which he had presided.

Which was unanimously agreed to.

On motion, adjourned.

W. S. STOKLEY,
Chairman.

JOS. LESLEY,
Secretary.

TWENTY-SEVENTH ANNUAL REPORT.

Office of the Pennsylvania Railroad Company,
Philadelphia, March 6th, 1874.

To the Shareholders of the
Pennsylvania Railroad Company.

The Directors submit the following report of the operation of this Company for the year ending the 31st of December last.

The revenues of the Company from its several investments, though curtailed to some extent by the effects of the financial panic upon the business of the country during the last three and a half months of the year, have been very satisfactory, showing a *surplus net profit* for the year from your Main Line between Philadelphia and Pittsburgh after meeting operating expenses, interest, taxes and two semi-annual dividends, at the rate of ten per cent. per annum, of \$2,198,767 14, which amount is largely in excess of any deficiency that can occur in the operations of its leased lines and on account of its guarantees.

It is believed the net results for 1874 will show much more favorably, inasmuch as the extensive improvements which are being made to afford additional facilities for moving and handling, with economy and dispatch, the large increase of tonnage over your railroads, and at the terminal points, Pittsburgh, Philadelphia and Jersey City, will be substantially completed within a few months. A partial and satisfactory use of them was had during the closing months of 1873.

The net profits of the first month of this year upon the line between Jersey City and Pittsburgh exceed those of the corresponding month of last year four hundred and eighty-six thousand three hundred dollars, without any *material* increase in its gross revenues—a result mainly due to the saving effected through these increased facilities and the reduction of the price of materials and operating expenses.

The revenues and expenses of your Main Line, between Philadelphia and Pittsburgh, with its Branches, during 1873, were as follows:

From Passengers, - - - - -	\$4,169,141 97
" Emigrant Passengers, - - - - -	230,529 49
" Mails, - - - - -	158,287 50
" Express Matter, - - - - -	450,211 40
" General Freights, - - - - -	19,603,555 07
" Miscellaneous Sources, - - - - -	269,253 47
	<hr/>
	\$24,886,008 90

EXPENSES.

For Conducting Transportation, - - - - -	\$5,664,140 57
" Motive Power, - - - - -	4,223,530 53
" Maintenance of Cars, - - - - -	1,926,095 53
" Maintenance of Road, - - - - -	3,246,832 20
" General Expenses, - - - - -	379,706 33
	<hr/>
	\$15,410,305 16
Leaving net earnings in 1873, - - - - -	<hr/>
	\$9,445,703 74

In the above cost of "Maintenance of Road," is included the difference in the price paid for steel rails to replace those of iron; amounting to 16,760 tons, or about \$670,000.

The net earnings Penna. R. R. for 1873, as above stated, were	\$9,445,703 74
" " " " " " 1872, were - - - - -	8,217,852 18
Showing increase in 1873 of - - - - -	<hr/>
	\$1,197,851 56

The total earnings of these works in 1873, were - - -	\$24,886,008 90
And for 1872, - - - - -	22,012,525 27
Showing the increase of gross earnings in 1873, of - -	<u>\$2,873,483 63</u>

Of the above earnings there were received from the 358 miles of
Main Line:

In 1873, (\$62,314 $\frac{1}{100}$ per mile), - - - - -	\$22,308,481 68
In 1872, (\$55,896 $\frac{1}{100}$ per mile) - - - - -	20,010,818 80
Increase from the Main Line, - - - - -	<u>\$2,297,662 88</u>

And from the Branch Lines, leased and owned—excepting the
Philadelphia and Erie Railroad.

In 1873—511 miles in length, - - - - -	\$2,577,527 22
In 1872—426 miles in length, - - - - -	2,001,706 47
Increase from Branch Lines, - - - - -	<u>\$575,820 75</u>

The earnings of Branch Lines operated by your Company
in 1873, as already stated, were, - - - - - \$2,577,527 22

The expenses of operating them, including rents of the Leased Branches, were, - - - - -	2,560,097 10
Showing a net direct profit in operating these lines of - -	<u>\$17,430 12</u>

The sources of revenue in 1873, compared with those of 1872,
show the following figures:

	Decrease.	Increase.
From First Class Passengers, - - - - -		\$147 129 17
" Emigrant " - - - - -	\$9,475 59	
" General Freights, - - - - -		2,751,663 66
" Mails, - - - - -		3,372 72
" Express Matter, - - - - -		614 05
" Miscellaneous, - - - - -	19,820 38	
Total net increase, as above stated, - -		<u>\$2,873,483 63</u>

The whole number of passengers carried in 1872 was 5,250,393, and in 1873, 5,879,684, an increase of 629,291, or $11\frac{9}{100}$ per cent. The average distance travelled by each passenger was $30\frac{1}{100}$ miles, being $2\frac{9}{100}$ less than in 1872.

The number of tons of freight moved (including 787,560 tons of fuel and other materials for the Company's use) was 9,998,794 tons, embracing 4,527,501 tons of coal. It was last year 8,459,535 tons, showing an increase of 1,539,259 tons, or over $18\frac{1}{100}$ per cent. The increase in coal tonnage over that of 1872 was 858,430 tons.

The actual cost of operating your Railroad, includ-

ing Branch Lines, in 1873 was	-	-	$62\frac{9}{100}$	per cent. of receipts.
Excluding Branch Lines,	-	-	$57\frac{1}{100}$	" "

For more detailed statements of the receipts and expenses of your Main Line, the shareholders are referred to the full and satisfactory reports of the General Manager and the Controller.

The net earnings of the Pennsylvania Railroad, between Phil-

adelphia and Pittsburgh, as already stated, were - - \$9,445,703 71

From which deduct two semi-annual dividends of

10 per cent. per annum, - - \$5,918,140 00

Interest paid on Bonds of the

Company, floating debt, &c., \$2,739,178 45

Less interest and dividends re-

ceived from investments in

other lines, &c., - - - \$2,372,107 61

*Leaving balance of interest account, - - 367,070 81

Rent of Harrisburg and Lancaster Railroad, 132,651 46

State Taxes, - - - - 369,074 33

* It will be observed that after deducting the interest and dividends received, from the interest paid on bonds and floating debt of your Company, the amount required from the earnings to meet interest is only equal to six per cent. on \$6,000,000 of debt.

Instalments paid to the State of Pennsylvania on account of principal and interest of purchase of Main Line of Public Works, which has thus been reduced from \$7,500,000, the amount of original purchase, to \$5,401,675 41, all of which has been paid from net earnings of the Railway, 460,000 00 7,246,936 60
 Leaving a surplus net profit for 1873, of - \$2,198,767 14

The earnings of the United Railroads of New Jersey and Branches, and the Philadelphia and Trenton Railroad, in all 276 miles of road, were in 1873 :

From Passengers, - - - - -	\$4,660,122 37	
" Freights, - - - - -	3,398,231 39	
" Express Matter, - - - - -	271,865 20	
" Mails, - - - - -	49,511 07	
" Miscellaneous Sources, - - - - -	137,009 90	
	<u>\$8,516,739 93</u>	

EXPENSES.

For Conducting Transportation, - - -	\$3,233,910 93	
" Motive Power, - - - - -	1,687,376 75	
" Maintenance of Cars, - - - - -	434,890 38	
" Maintenance of Road, - - - - -	1,337,470 12	
" General Expenses, - - - - -	98,539 87	
	<u>6,792,188 05</u>	
Leaving net earnings in 1873, - - - - -	<u>\$1,724,551 88</u>	

The sources of revenue in 1873, compared with those of 1872, show the following increases and decrease :

	Increase.	Decrease.
Passengers, - - - - -	\$86,809 85	
Freights, - - - - -	134,937 53	
Express Matter, - - - - -	35,310 25	
Mails, - - - - -	1,026 07	
Miscellaneous, - - - - -	- - -	\$7,570 57
Total net increase, - - - - -	<u>\$250,513 13</u>	

The whole number of passengers carried in 1873 was 8,003,043, and in 1872, 7,580,795, an increase of 422,248, or nearly $5\frac{1}{10}$ per cent.

The average distance travelled by each passenger was $20\frac{3}{10}$ miles, being $\frac{4}{10}$ of a mile less than in 1872.

The number of tons of freight moved (including 197,365 tons of fuel and other material for the Company's use) was 3,051,577 tons, embracing 415,940 tons of coal; it was last year 2,536,304 tons, showing an increase of 515,273 tons, or over $20\frac{3}{10}$ per cent.

The actual cost of operating the United Railroads of New Jersey, including Branches, after deducting transit duties, rent of Connecting Railroad, and interest on property, and excluding Belvidere Division, in 1873, was $74\frac{4}{10}$ per cent. of their receipts. The cost of moving freight on these Railroads in 1873, was within $\frac{3}{10}$ of a mill per ton per mile of the whole amount received for the service, chiefly in consequence of the great expense of handling it, and the cost of ferriages.

On these lines, as well as on nearly all of the other lines worked by this Company, it appears that more passenger trains were run during 1873, for the accommodation of the public, than was justified by their receipts, and therefore these facilities have been to some extent reduced.

The additional tracks laid upon the line of the railway, to avoid detention in the movement of trains, and the increased terminal facilities provided to lessen the cost of handling freights, will it is hoped enable the New Jersey Lines to meet their rental in future out of their own earnings.

The earnings of the Belvidere Delaware Railroad, 68 miles, and the Flemington Branch, 12 miles, were in 1873:

From Passengers, - - - - -	\$195,220 62
" Mails, - - - - -	5,758 98
" Express Matter, - - - - -	3,974 07
" General Freights, - - - - -	938,228 30
" Miscellaneous Sources, - - - - -	5,040 79
	<hr/> \$1,148,222 76

EXPENSES.

For Conducting Transportation, - - -	\$248,956 40
" Motive Power, - - - - -	210,289 27
" Maintenance of Cars, - - - - -	73,686 60
" Maintenance of Road, - - - - -	292,980 38
	<hr/> 825,912 65
Showing a balance to credit of Belvidere Delaware Railroad, and Flemington Branch, for 1873, of - - - - -	<hr/> \$322,310 11

The following statement gives the increase in business of the Belvidere Delaware Line for 1873 over 1872, including the first three months of 1872 during which time the road was operated by the Belvidere Delaware Railroad Company.

First <i>three</i> months, 1872, - - - - -	\$187,287 86
Last <i>nine</i> " " - - - - -	664,393 18
	<hr/> \$851,681 04
Total for 1873, - - - - -	1,148,222 76
Total net increase, - - - - -	<hr/> \$296,541 72

The whole number of passengers carried in 1873 was 397,153, and the average distance travelled by each passenger was 17 miles.

The number of tons of freight moved (including 26,753 tons of fuel and other materials for the Company's use) was 1,444,573 tons, embracing 1,224,528 tons of coal.

The actual cost of operating the Belvidere Delaware R. R., including the Flemington Branch, in 1873 was 71 $\frac{23}{100}$ per cent. of its receipts.

No comparisons of tonnage and passengers are made with 1872, as the Pennsylvania Railroad Company did not assume the management of the Belvidere Delaware Railroad until the first of April of that year.

The earnings of the Philadelphia and Trenton Railroad and Branches 38 miles, and the United Railroads of New Jersey and Branches 238 miles, Belvidere Delaware Railroad 68 miles, and Flemington Branch 12 miles, and the Delaware and Raritan Canal 61 miles, including feeder, in 1873, were:

From United Railroads of New Jersey, -	\$8,516,739 93
" Belvidere Delaware Railroad and Flemington Branch - - - - -	1,148,222 76
	<u>\$9,664,962 69</u>
Delaware and Raritan Canal, - - -	1,590,100 12
Total earnings during 1873, - - -	<u>\$11,255,062 81</u>

EXPENSES.

Of the United Railroads of New Jersey, - -	\$6,792,188 05
" Belvidere Delaware Railroad and Flemington Branch, including net earnings (\$322,310 11), - - - - -	1,148,222 76
" Delaware and Raritan Canal, - -	883,321 46
	<u>\$8,823,732 27</u>
Total net earnings of railroads and canals in 1873, - -	<u>\$2,431,330 54</u>
Interest on bonds of United Railroad Co, \$1.168,570 24	
Dividends to shareholders, - - -	<u>1,948,450 00</u>
Making the rental - - - - -	3,117,020 24
Less net earnings of railroads and canals in 1873, as above,	<u>2,431,330 54</u>
Showing a loss on the New Jersey Railroads and Canals of	<u>\$685,689 70</u>

The net profit of the Pennsylvania Railroad after paying	
interest and dividends, &c., as before stated, was	- \$2,198,767 14
From which deduct loss on New Jersey Railroads, -	- 685,689 70
	<hr/>
Leaving as surplus net profits on the whole line from	
New York to Pittsburg, after providing for a 10 per	
cent. dividend, and interest, &c., - - - -	\$1,513,077 44
	<hr/>

The New Jersey Lines it is believed, after 1873, will show but little, if any, loss in working them, the large expenditures made to lessen the cost of moving and handling freights upon them being now nearly completed. In consequence of the want of these facilities, the expenses of the freight department in 1873 very nearly equalled its receipts, leaving a margin of profit of $\text{but } \frac{3}{100}$ of a mill per ton per mile.

The bridge recently placed by the New Jersey Central Railroad Company across the Raritan at Amboy, which now seriously impairs the free navigation of that river as granted by the State of New Jersey to the Delaware and Raritan Canal Company, threatens to still more seriously interfere hereafter with the business of this great National highway, which forms an important part of the only *internal water avenue* of commerce between the Seaboard cities. The Pennsylvania Railroad Company has endeavored to obtain from that Company a modification of the plan of their bridge, so as to remove this difficulty, but as yet without success. As at present located and constructed it largely increases the risks of navigating that stream, and the expense of the towage of all boats and vessels passing it.* Its interruption there-

* The tonnage delivered by this canal into the Raritan River exceeds that delivered by the Erie Canal into the Hudson River, and equals that of the foreign trade of New York, both in American and foreign vessels passing out at Sandy Hook.

fore, even to a small extent, is of very grave importance to the whole country. Negotiations are now pending with the New Jersey Central Railroad Company to alter this bridge, so as to lessen the evil. These negotiations, if successful, will result in the withdrawal of the suit now before the Supreme Court of the United States, for the abatement of an obstruction to navigation placed across this river, only for the purpose of accommodating travel between New York and a watering place at Long Branch, already amply provided with facilities of communication not excelled by those offered by this new line.

The earnings of the Delaware and Raritan Canal in 1873, on 44 miles of canal and 17 miles of feeder, were:

From Tolls, - - - - -	\$1,017,350 43	
" Steam Towing, - - - - -	518,997 38	
" Miscellaneous, - - - - -	23,752 31	\$1,590,100 12

EXPENSES.

For Maintenance of Canal, - - - - -	\$188,139 67	
" Canal operation, including drawbacks of \$70,108 75, - - - - -	241,393 29	
For Steam Towing account, - - - - -	450,788 50	\$883,321 46
Leaving net earnings in 1873, of - - - - -		<u>\$706,778 66</u>
Being an increase in net earnings over 1872, of - - - - -		<u><u>\$198,210 91</u></u>

The number of tons of freight moved was 2,754,837⁶⁸⁸/₂₂₄₆, embracing 1,977,105 tons of coal. It was last year 2,837,532¹²²⁴/₂₂₄₆ tons, showing a decrease of 82,695¹²⁶⁶/₂₂₄₆ tons, or 2⁹/₁₀ per cent.

Notwithstanding the increased cost of towage by reason of the obstruction of the bridge across the Raritan, the average cost of moving freight was $\frac{677}{1000}$ of a cent per ton per mile, and for 1872 $\frac{739}{1000}$ of a cent per ton per mile, showing a decrease of $\frac{62}{1000}$ of a

cent per ton per mile. The actual cost of operating your canal was $55\frac{5}{100}$ per cent. of its receipts.

This canal is capable of accommodating a much larger tonnage than now passes through it without further outlays for construction, and this traffic must continue to grow with the population and wealth of the whole seaboard, if not interfered with by the obstructions referred to.

Its business has been well systematized by its General Superintendent, I. J. Wistar, and is now conducted with much economy and promptness.

The earnings of the Philadelphia and Erie Railroad in 1873 were:

From Passengers, - - - - -	\$632,620 30
" Freights, - - - - -	3,042,806 00
" Express matter, - - - - -	41,189 10
" Mails, - - - - -	30,748 41
" Miscellaneous sources, - - - - -	94,703 39

Total (nearly \$13,340 $\frac{1}{100}$ per mile of road), \$3,842,067 20

The operating expenses during same period were:

For Conducting Transportation, - - -	\$872,256 99
" Motive Power, - - - - -	962,781 49
" Maintenance of Cars, - - - - -	398,390 03
" Maintenance of Road, - - - - -	1,179,882 33
	3,413,310 84

Showing balance to the credit of P. & E. R. R. Co., of - - \$428,756 36

The sources of revenue in 1873, compared with those of 1872, show the following increases and decreases:

	Increase.	Decrease.
Passengers, - - - - -		\$14,653 79
Freights, - - - - -		134,742 92
Express Matter, - - - - -		3,728 77
Mails, - - - - -	\$3,175 21	
Miscellaneous, - - - - -	11,264 60	
Total net Decrease, - - - - -		\$138,685 67

The whole number of passengers carried in 1872 was 839,793, and in 1873, 777,273, a decrease of 62,520, or nearly 8 per cent.

The average distance travelled by each passenger was 26 miles, being $1\frac{57}{100}$ miles more than in 1872.

The number of tons of freight moved (including 191,988 tons of fuel and other materials for the Company's use) was 2,356,234, embracing 959,259 tons of coal. It was last year 2,211,269 tons, including fuel and other materials for Company's use, showing an increase of 144,965 tons, or over $6\frac{5}{10}$ per cent.

The actual cost of working the Philadelphia and Erie Railroad in 1873 was $88\frac{84}{100}$ per cent. of its receipts; but for the panic of September last, the results of the operation of this Line would have been about the same as last year. The country at present drained by the Philadelphia & Erie Railroad has a very limited local traffic, except in lumber, and the demand for this seemed to cease with the commencement of the late financial panic; and as the country traversed is poor, it purchases supplies only for its immediate wants and, therefore, the consumption of merchandise fell off to the lowest point, and has not since revived. Another reason for the falling off in the gross receipts, is the decrease in the oil trade, consequent upon the change that has occurred in the oil producing territories of the region near Titusville and Tidioute, which have ceased to yield up to their former production and to the discoveries of the new oil territories near Brady's Bend on the Allegheny River, and in Butler County, from which the largest shipments are now obtained. These centres of production are about one hundred miles distant from the line of the Philadelphia and Erie Railroad, and the greater part of the oil produced there is thus thrown upon the Western Pennsylvania Railroad, which connects with the Main Line of your Railroad at Blairsville. The opening of the "Low Grade

Road" in May next, will restore a share of this traffic to the Philadelphia and Erie Road, at the Bennett's Branch Junction, giving to it about 120 miles of transportation.

The causes that lead to the unsatisfactory result of this Line were pretty fully stated in our last annual report, and may all be summed up in the fact that it is located where there is not sufficient local traffic to justify its construction. Had it followed the line of the "Low Grade Road," from the confluence of Bennett's Branch of the Susquehanna River to Brookville, and by the most direct route to Franklin, and thence to Erie, it would have traversed a country abounding in coal, iron ore and oil, the conveyance of which would have made it a profitable enterprise. But the Directors, tempted by small subscriptions to its shares at Ridgeway and Warren, passed the line through these points, thus traversing coal fields of lesser importance, and a country yielding up to this time very little local traffic, excepting in lumber.

The early completion of the Bennett's Branch Railroad, (Low Grade Road) from a connection with the Allegheny Valley Railroad to Driftwood, and the road now completed from Emporium to Buffalo, will bring in the course of time a considerable increase to the traffic of the eastern part of the Philadelphia and Erie Railroad, and will, no doubt, add materially to its revenues; but the development of the business on these new lines must necessarily be of slow growth, so that immediate and important results must not be expected. Indeed, the shareholders of that Company can only rely upon the gradual development of the local business of the line and its connections to make their property remunerative, the through traffic having necessarily to be carried at rates which can never be very profitable, and which are at all times liable to be forced down to, or below, the actual cost of transportation by the competition of rival lines.

The following table shows the average earnings from freight and passenger traffic, and the cost of moving it per net ton and per passenger per mile on each of the railways worked by the Pennsylvania Railroad Company.

Name of Railroad.	Average cost of transporting each passenger per mile.	Average earnings from each passenger per mile.	Profit and loss on each passenger per mile.	Average cost of transporting each ton of freight per mile.	Average earnings of transporting each ton of freight per mile.	Average profit transporting each ton.	Length of Railroad.
Pennsylvania R. R. & Br...	2 ⁰⁰ / ₁₀₀	2 ⁴⁸ / ₁₀₀	P 0 ⁴⁷ / ₁₀₀	0 ⁵⁵ / ₁₀₀	1 ⁴¹ / ₁₀₀	0 ⁵⁵ / ₁₀₀	869
New Jersey Lines.....	1 ⁷⁸ / ₁₀₀	2 ⁷⁸ / ₁₀₀	P 1 ⁰⁰ / ₁₀₀	2 ³³ / ₁₀₀	2 ²⁶ / ₁₀₀	0 ⁰³ / ₁₀₀	276
Belvidere Delaware	2 ⁸³ / ₁₀₀	2 ¹⁸ / ₁₀₀	L 0 ⁶⁵ / ₁₀₀	0 ²⁹ / ₁₀₀	1 ³⁸ / ₁₀₀	0 ⁴³ / ₁₀₀	80
Philadelphia and Erie.....	3 ⁸⁰ / ₁₀₀	3 ¹² / ₁₀₀	L 0 ⁶⁸ / ₁₀₀	0 ⁹⁵ / ₁₀₀	1 ³⁵ / ₁₀₀	0 ¹⁵ / ₁₀₀	288

CANALS.

The Pennsylvania Canal (of the capital stock of this Company, the Pennsylvania Railroad Company hold 70,231 shares, of \$50 each, out of a total capital of 89,143 shares) is formed of what is now termed its Main Line from Columbia to Wilkesbarre, 151 miles in length, with a Branch from Northumberland to Lockhaven on the west-branch of the Susquehanna River, 71 miles, and a Branch to Williamsburg from the mouth of the Juniata River, 113 miles, making in all 347 miles of canal, including the Wisconsin feeder, twelve miles in length, purchased of the Wisconsin Canal Company.

These works were originally built by the State of Pennsylvania. That portion between Columbia and Williamsburg, 159 miles, becoming the property of this Company by purchase from the State

for the sum of \$1,000,000, its estimated value compared with the payment to be made (\$7,500,000) for the whole Main Line of Public Works from Philadelphia to Pittsburgh.

The other portions of this Canal were obtained by purchase, and consolidation with other companies, that the whole might be worked as one system.

It soon became evident after its purchase, that this Canal, originally built for a depth of four feet of water, but which had, from neglect, become less than three feet, would have to be enlarged to six feet in depth, to enable it to compete, in any degree, with the railways penetrating the same territory.

With this view, its enlargement between Columbia and Wilkesbarre was commenced, and is now substantially completed. It was not deemed expedient to enlarge the Branches until it could be practically demonstrated that such an enlargement would prove a financial success. The Branch Canals have been restored to their original dimensions, and now meet their expenses. The net profits of all of these canals for 1873, after paying interest upon their debt, was \$147,580, all of which has been invested in canal boats. This result is due to the fact, not only of the small amount of present capital as compared with their original cost, but that the canals and railroads are managed under an arrangement by which they both obtain reasonable rates for the transportation of the traffic passing over them. The revenues of these canals in 1874, it is believed, will considerably exceed those of 1873, and the net results will then be fairly shown, as directions have been given to close the construction account, and charge all outlays in future to expense account. No further enlargement of these canals will be undertaken, until it has been fully ascertained that their increased dimensions will enable them to compete in economy of transit with your Railroads.

COAL LANDS AND COAL TRANSPORTATION.

The Policy of the State of Pennsylvania has led to the absorption, either directly or indirectly, of nearly all of the best anthracite coal properties in the State, by all of the *carrying companies* leading from that coal region to the seaboard. Whether this policy will prove to be for the best interests of the State, or otherwise, time alone can demonstrate. These purchases were being quietly but rapidly made by other railway companies, and they threatened to take from the works of the Pennsylvania Railroad Company all of this coal traffic, for the accommodation of which your canals on the Susquehanna were originally built by the State, and if fully consummated would have left these works upon your hands as dead investments. To prevent such a result, and to retain some of this traffic for its railroads, the Pennsylvania Railroad Company was compelled to follow the example of other railroad companies, by securing, in the vicinity of its lines, the control of coal lands that would continue to supply transportation for them. With that object in view, this Company obtained control of the amount of lands mentioned in the following table, which also shows their cost to the *Pennsylvania Railroad Company*, and the estimated present value of *their* interest therein.

	No. of acres.	Cost to P. R. R. Co., including development.	Present estima- ted value of P. R. Co.'s interest.
In Wilkesbarré Coal Region.....	5,823	\$1,000,000	\$1,500,000
In Hazleton Coal Region.....	2,119	270,000	800,000
In Shamokin Coal Region.....	7,808	1,092,574	1,750,000
In Lykens' Valley Coal Region.....	12,300	1,495,000	6,000,000
Totals.....	28,050	\$3,857,574	\$10,050,000

All these coal fields have connection with tide-water, over both your Railroads and Canals, and they will be worked to an extent that will insure fair profits upon the investments, and at the same time continue a supply of tonnage for your works at remunerative rates of freights. The coal from the Lykens Valley region commands the highest price of any of the coals of this State, and the product has not, heretofore, been equal to the demand.

The bituminous coal fields of Pennsylvania are traversed by your Railroad from a point a few miles west of Altoona to Pittsburg, a distance of over 100 miles, and from the west branch of the Susquehanna River to the Maryland line. North of the west branch of the Susquehanna, up nearly to the State of New York, bituminous coal of good quality exists, but the deposits are of moderate thickness, and except where the market is near are not worked to a large extent. These coal fields on the line of your Railroads are already penetrated by several Branches from the main stem, bringing to it a large and increasing tonnage, and the mines upon them are capable of a development that can meet any demands that the market will require. The bituminous coals of this region have only within the past fifteen years sought an Eastern market, owing to the nearness of the anthracite region; but the yearly increase in the cost of mining anthracite coals, and the large amount of capital required to work them with economy, have gradually brought the price of this variety of coal to a point which compels the introduction of the bituminous coals for consumption in the East, to a very large extent, particularly for gas and steam purposes and for the manufacture of iron. This demand at the Seaboard has also been still further stimulated by the rapid advance during the last few years in the price of English coals, which have heretofore monopolized the West India and South America markets.

To supply this increasing demand, we have not only the coal fields traversed by your Main Line, but also that just being opened to market by the "Low Grade Road" in Jefferson County, where the deposits are of great thickness, and the coals of a superior quality. This coal field is also accessible to the Lake Region, where in time, the demand for it must become very great. The transportation of coal, from this field to tide-water and the markets of the East, will not encounter an ascending gradient exceeding sixteen feet per mile, and this only for a short distance.

The bituminous coal transported on your Main Line, notwithstanding the short time since it has sought an Eastern market, reached in 1873 the large amount of 3,353,541 tons, exclusive of that used by the Company for its own consumption.

The total anthracite tonnage transported during the year upon your Main Line was 1,173,960 tons, and on your Canals 1,542,125 tons.

The carriage of this product is much larger than of the agricultural products of the West, and the profit derived from it quite as great per ton per mile.

GENERAL REMARKS.

An unusual amount of public attention has been directed during the past year to the charges for transportation made upon the different channels of conveyance between the East and the West, particularly in reference to those upon agricultural products, and various remedies have been proposed to cure what has been termed a serious evil, which in fact has no existence, at least between the great commercial centres of the West and the Seaboard, as we shall presently demonstrate.

A close examination of the accounts of this Company will show, that its charges for freight upon agricultural products scarcely bear the expenses of transportation, and on many items

the charges for transportation are below actual cost, leaving for the conveyance of the aggregate tonnage of agricultural products, little or no profit to the Railroad Company; this is largely due to the irregularity of its movement, and the comparatively small amount of back loading obtained, as four-fifths of the cars return empty. The profits of the Company from this source are almost wholly derived from the transportation at higher rates of the valuable articles, which the sale of these products enables the merchants and farmers to purchase in the East for consumption at home. If the shareholders of the Eastern Trunk Lines relied upon the direct profits from the carriage of agricultural products for dividends, they would be disappointed in their expectations. One of the complaints against railway companies by the advocates of cheap transportation, is, that the railway capital of the country has been "watered," that is, increased by the issue of shares not represented by any expenditures upon their railways. This does not apply to the administration of the Pennsylvania Railroad Company; on the contrary, a very large amount of its net revenues have been applied to construction account. Notwithstanding the heavy charges that have been made from net revenue from time to time to expense account, the cost of transporting freight, by reason of the increased quantity now moved, and the improvements made in the railway and rolling stock of the Company, has been reduced from $1\frac{87}{1000}$ cents per ton per mile in 1864 to $\frac{857}{1000}$ of a cent in 1873, from which it will be perceived that the cost of movement in 1864 was 118 per cent. greater than it was in 1873. The whole benefit of this reduction has been given to the public in reduced rates upon transportation, which have likewise fallen from an average charge in 1864 of $2\frac{4}{10}$ cents per ton per mile to $1\frac{4}{10}$ cents in 1873.

The reduction in the cost of transportation has now nearly reached

its limit, unless there should be a material fall in the price of labor and materials, which is not anticipated or desired by railway companies, as their prosperity is mainly due to the prosperity of all classes of the community.

The facilities for transportation between the East and West are now in excess of the demands of the public, and the construction of any additional avenues for through traffic would, from the causes already stated, rather tend to increase the cost of moving freight than otherwise, and no new avenue could be built at this time that would not greatly exceed, in actual cost of construction, those now in existence, in consequence of the advance in price of labor and materials.

To reduce the cost of transportation from the West, the attention of the public has been called to the construction of new canals between the East and West, but owing to the great cost of such works and the large amount of lockage required to overcome the intervening summits, no canal can be constructed upon the routes proposed, at any point, between the New York Canal and the water route of the Mississippi River itself, that could compete in rates of freight with the railways already built. The effort to do so was made by the State of Pennsylvania, and proved a failure. Even the New York canals, with their comparatively small amount of lockage and enlarged dimensions, viewed as a *direct investment* of capital, are now profitless to their owners. The shareholders of the Schuylkill Navigation Company, a complete and enlarged enterprise, were compelled by railway competition to lease their canal to the Reading Railroad Company on very low terms, to save for themselves even a very small interest upon their capital invested. Railway shareholders have therefore, nothing to fear from this threatened rivalry, and no party can lose by their construction except those who may invest their money in such enterprises.

Experience seems to have developed the fact that no system of canals can now be worked profitably at their original cost in competition with railways, unless they are located like the Chesapeake and Delaware, and Delaware and Raritan Canals, connecting navigable rivers, and between great commercial centres.

The process of "watering" railway stocks—so much complained of by the public, is not usual; even the increase of shares made by the New York Central Railroad Company so frequently alluded to, was made upon the principle adopted by every merchant at the end of the year if his stock of merchandize on hand has materially advanced in value, and such was the case with the real estate of that Company, exclusive of the large additions to, and therefore enhanced value of, its works, paid for out of the net profits of the railway.

The Pennsylvania Railroad Company as already shown has pursued a different policy, giving to its shareholders liberal dividends from the *date of the commencement* of the surveys for the enterprise, passing only one semi-annual dividend of 3 per cent. during the prevalence of the financial panic of 1857, until the present time.

The Baltimore and Ohio Railroad Company, from the necessity of applying their whole net revenues to the construction of their railway, and not from choice, pursued for many years a still more conservative policy, having paid the shareholders of its Main Line dividends averaging only $\frac{3}{10}$ of one per cent. per annum, or in the aggregate only amounting to six per cent. for the first twenty years of its existence—an amount just equal to the payments by this Company in dividends during the first year of its organization.

For the following six years the Baltimore and Ohio Railroad Company paid to the shareholders of its Main Line, dividends averaging $\frac{1}{2}$ of one per cent. per annum, amounting in the aggregate to but $4\frac{1}{2}$ per cent. for the entire period of six years—while the share-

holders of the Pennsylvania Railroad Company received for the same period 36 per cent. from the profits of the line, and on the completion of the railroad to Pittsburgh with a single track, there was left from the net profits of the railroad \$1,87,431 41, which amount, under the provisions of its charter, was credited to the cost of construction, thus reducing to that extent the capital of the Company. From 1853, when your line was opened to Pittsburgh, up to 1873—twenty years, the dividends of the Pennsylvania Railroad Company have averaged $9\frac{1}{2}$ per cent. per annum; the total dividends of the Company from its organization, to the first of January of this year having been 234 per cent.

The unsatisfactory financial condition of many of the Western railway companies is mainly due to the construction of their lines in advance of the requirements of the country, many of them having been built as rivals to other lines where the traffic was scarcely sufficient for one.

The surplus income of this Company has gradually accumulated to an amount which, after charging the whole expenditure made by it in connection with the Southern Railway Security Company, and other investments of doubtful value, to profit and loss, as we did after the panic of 1857, with a similar investment made in the Cincinnati and Marietta Railway, leaves still standing to the credit of income account the large sum of \$8,842,563 43, all of which is represented by disbursements on your Railroad and its connections.

Since the civil war the investments made by northern capitalists in railways of the Atlantic slope of the Southern States have generally proved disastrous, chiefly from the financial exhaustion of this region and its slow recuperation. The gradual accumulation of new capital among themselves promises hereafter a period of greater prosperity.

Though the whole of the expenditure by this Company in connec-

tion with the Southern Railway Security Company has been charged to profit and loss, and carried to the suspense account, it is believed that it will in time yield some favorable return, and bring traffic of some value to the lines controlled by this Company, for the benefit of which this expenditure was originally undertaken.

The last annual report of your Directors gave for the first time, a statement that exhibited the full net profits of the Company, nothing having been charged to expenses that was properly due to construction account, except probably the difference between the cost of steel and iron rails. This was done as then stated, for the purpose of enabling the shareholder to determine for himself the value of his shares. The net profits of the Company were therein shown to have been over 15 per cent.

The surplus, after paying 10 per cent. per annum dividends amounting to \$2,395,423, was credited to profit and loss. Notwithstanding this explicit statement of our net revenues for 1872, and the assurance from time to time that the business of the Company for 1873 was satisfactory in its results, your shares at the close of the year became needlessly depressed in price. Its depression below the price of the shares of other leading railway companies of this State does not seem to be justified by the present condition and future prospects of this Company.

The obligations of this Company for rentals and guarantees of leases on account of the lines now operated by the Pennsylvania Company west of Pittsburg, as will be seen by the statement appended to the Treasurer's report, have all been met from the net revenues of the lines, except the sum of \$399,244 98, and this has been provided by the Pennsylvania Company out of its other resources, and is, consequently, not a charge upon the revenues of this Company.

These lines control and deliver to and distribute from our Main

Line a large amount of through traffic, which, though the margin of profit on it per ton and per passenger is small, adds materially to the net profits of this Company. These profits have also enabled the Pennsylvania Railroad Company to reduce the charges for transportation of local traffic within the State of Pennsylvania, to their present low standard.

The lines east of Pittsburgh, for which interest and rentals have been guaranteed by this Company, except the New Jersey Lines (deducted elsewhere from the receipts of the Main Line), have all met and paid their own liabilities, except those set forth in the tabular statement attached to the Treasurer's Report, amounting in the aggregate to \$1,163,749 87, from which deduct the surplus accruing to the credit of the Western Pennsylvania Railroad Company, \$240,968 77, leaving a balance of \$922,781.10, which sum has been advanced by this Company. The respective companies are charged with the amounts advanced for them, to be repaid out of their earnings and other resources. The shareholders will understand that in each of these cases where advances have been made, the companies are controlled by this Company, under leases or otherwise

Accompanying the Treasurer's Report will be found a detailed list of the bonds and stocks owned by this Company, many of which were purchased during the past twenty years, and are now held to control the respective Lines, aggregating, at their par value, \$73,594,440, which cost this Company \$52,692,419.09, on which cost they are now paying into the treasury of this Company over four per cent. per annum.

Some of these securities are not now paying interest or dividends, but it is believed, as the lines are developed, they will become sufficiently profitable to make all these investments pay an average of over six per cent. per annum on their cost.

This Company, in addition thereto, will always enjoy the control of the traffic of these lines, which, each year, under prudent management, must become more valuable.

In creating the consolidated mortgage, authorized by the shareholders at their last meeting, the assets of the old Sinking Fund's and other assets, which represent nearly all of the securities above referred to, were placed in a trust fund to further secure the bonds that may be issued under that mortgage, of which Wistar Morris, Josiah Bacon and Edmund Smith were made Trustees.

The financial wants of the Company for 1873, it was believed, were fully provided for and in due season, and the provisions made for them would have been ample to meet all demands upon the treasury of this Company, including the November dividend, but for the unexpectedly large requirements made upon us to sustain the credit of our connecting lines, and enable them to pay for outlays necessary to accommodate their increasing tonnage.

Rather than pay the exorbitant rates then demanded for money, or adopt the alternative, as was done during the panic of 1857, of passing the dividend, the Board deemed it best to meet the question by an issue of interest-bearing scrip, payable in fifteen months—which action seems to have given general satisfaction to the shareholders; of this scrip \$754,600 00 has already been redeemed, and more will continue to be absorbed in the payment of instalments due upon subscriptions to our stock.

It may also be mentioned, that in consequence of the financial panic, the amount derived from the sale of exchange was not as great as anticipated, and receipts from the sale of our bonds in Europe were reduced to that extent.

The following statement will show the amount of money received from subscriptions to the capital stock of this Company, and from the sale of its bonds,

&c., during the year 1873; also, the accounts to which the money thus received has been applied:—

It will be seen, from the Treasurer's statement annexed, that the General

Account for 1873, shows a total of	-	-	\$140,725,637
do 1872, do	-	-	116,658,824

An increase in the year 1873 of	-	-	-	\$24,066,813
---------------------------------	---	---	---	--------------

On the debit side of the account this increase is made up of—

Increase in capital stock,	-	-	-	\$14,872,538
Bonded debt,	-	-	-	8,073,476
Bills payable,	-	-	-	898,551
Securities New Jersey Companies,	-	-	-	257,000
Accounts payable,	-	-	-	41,839
				<u>\$24,143,404</u>
Decrease in profit and loss,	-	-	-	76,591
				<u>\$24,066,813</u>

On the credit side of the account this increase is made up of—

Increase in construction of third track, sidings, machine & car shops, passenger & freight stations, &c.,	\$1,300,387
Increase in equipment, 155 locomotives, 49 passenger cars, 2533 freight cars, and 40 road cars,	4,179,159
Increase in real estate purchased,	477,887
“ construction on the extension from West Philadelphia to the Delaware River,	176,516
Increase in bonds and stocks purchased of other companies in which this Company owns a majority of capital stock, to enable them to complete their works and extend their facilities,	7,351,165
Increase in securities New Jersey Co.'s,	257,000
Increase in fuel and materials for the operations of the Pennsylvania, Philadelphia and Erie, and New Jersey Railroads,	388,141

*Increase in bills and accounts receivable, consisting mainly of advances to railroad companies in which this Company has a controlling interest, - - 8,141,426		
Increase in balance in hands of agents, - -	877,867	
Increase in balance in hands of Treasurer, - -	917,265	
		\$24,066,813

As the equipment of your Railroad and connecting lines controlled by this Company, is now nearly sufficient to meet the demands of their traffic, similar outlays will be quite light for some years to come.

The Board has no apprehensions as to the future value of your property. The rapid increase of its local tonnage and its assured connections with all of the important commercial centres of the West, have demanded from the Company a large increase of capital to furnish facilities for moving its present heavy and increasing traffic, without which the *existing and increasing tonnage could not have been moved with economy or dispatch.*

The amount required has been unexpectedly large, but its expenditure could not have been avoided. These facilities, when completed, it is believed will be sufficient, with but small additions, to meet the requirements of the public for several years.

In consequence of the depressed financial condition of the country, which affected seriously the traffic of your Railroad, it became necessary to reduce expenses of every kind, and in so doing, to make a reduction of ten per cent. in the salaries and wages of every person in the service of the Company. The necessity for this movement was so thoroughly appreciated and kindly met by all our

*The above item includes advances to the United Railroad Company of New Jersey, the Philadelphia and Erie Railroad Company, and other lines, for permanent improvements—large portions of which have been settled since 1st January, and other portions are well secured by collateral and otherwise.

officers and employes, that the Board now desire to make to them this acknowledgment, and express the hope that the condition of the country and the business of the Company will, at an early day, warrant a return to better rates.

In conclusion, the Board take great pleasure in renewing their acknowledgment of the efficient manner in which the business of the Company has been conducted by A. J. Cassatt, General Manager, and by the officers and employees generally during the past year, and they beg leave to submit for your consideration and action the accompanying preamble and resolutions.

By order of the Board,

J. EDGAR THOMSON,

President.

WHEREAS, a desire has been expressed by many shareholders, that a Committee should be appointed by this meeting to examine all the property of the Company, and prepare a full exhibit of its real value.

AND WHEREAS, the management of the Company desire, in order to meet the views of shareholders, that a Committee of shareholders be appointed to investigate the condition of the Company in every respect ; therefore be it

Resolved, That the report of the Board of Directors, as just read, be printed in pamphlet form for the information of the shareholders, and that a Committee of seven shareholders of the Company, entirely disconnected from its management and operation, be appointed by the Chairman of this meeting, and by him be requested to serve as a Committee to examine the report, and examine into the condition of the Company ; to make an appraisalment of the value of the roads, shops, machinery, real estate, depots, bonds, stocks and all other assets

of the Company; also to examine into the liabilities and obligations of the Company, including all its guarantees for other lines, with the sources of revenue to meet the same; also its contracts and relations with other companies and parties of every kind; and to report the results of this examination to the shareholders in such form as said committee may deem most advisable for the interest and information of the shareholders, either by printed report for distribution, or at their option, by calling a meeting of the shareholders to present their report, giving thirty days' notice of such meeting by advertising in the usual form.

Resolved, That the President, Directors and Officers of the Company be requested to furnish such Committee with all needful information and facilities, to enable them to accomplish the object of their appointment.

Resolved, That the Chairman of this meeting be requested to appoint a Committee of seven shareholders of this Company, to recommend, after conferring with the President, ticket for Directors, to be voted by the shareholders at the next annual election—as directed by the existing resolution adopted by the shareholders, February 1, 1858.

Resolved, That in the event of any of the shareholders declining, or being unable to serve on either of the foregoing Committees, His Honor the Mayor of the City of Philadelphia, as Chairman of this meeting, be authorized and requested to fill such vacancies by the appointment of other shareholders of this Company, who may be in like manner entirely disconnected from its management and operation.

To Capital Stock	Full paid, \$67,056,750 Part paid, 1,087,725		
Total amount of Capital paid in.....		\$68,144,475	00
To First Mortgage Bonds due 1880	\$1,970,000 00		
" Second " " " 1875	4,865,840 00		
" General " " " 1910	19,558,760 00		
" Consol'd " " " 1905	8,245,000 00		
" Lien of the State upon the Public Works between Philadelphia and Pittsburgh, bearing 5 per cent. interest, payable in annual instalments of \$460,000, applicable first to the interest, and the remainder to principal, the original amount of which was \$7,500,000 00.....	5,401,675 41		
" Mortgages and Ground Rents at 6 per cent. remaining on Real Estate purchased	104,509 32	43,145,784	73
" Bills payable.....	\$2,470,963 90		
" Acceptances given to other Companies.....	2,140,833 34	4,611,797	24
" Accounts payable, including Freight and Passenger balances due to other Roads, Pay Rolls and Vouchers for December, 1873, paid in January, 1874; also, Dividends unpaid and Dividend Scrip outstanding.....		11,658,791	12
" Appraised Value of Securities owned by The United New Jersey Railroad and Canal Company, and transferred with the Lease of the Works of that Company.....		4,322,225	25
" Contingent Fund.....		2,000,000	00
" Balance to credit of Profit and Loss.....		6,842,563	43
		\$140,725,636	77

By Balance standing on Books of the Company for the Construction of the Railroad between Harrisburg and Pittsburgh, including Branches to Indiana and Hollidaysburg (in all 276 miles); also for the cost of Stations, Warehouses, Shops, and Shop Machinery, on the whole Road from Philadelphia to Pittsburgh \$19,610,223 81		
" Balance standing on the Books of the Company for the purchase of the Phila. & Columbia R. R.....	5,375,733 43	
" Balance standing to debit of Equipment of Road consisting of 878 Locomotives, 385 Passenger Cars, 136 Baggage, Mail, and Express Cars, 16,282 Freight Cars, and 1,307 Road Cars.....	15,333,714 44	
" Cost of Real Estate of Company and Telegraph Line	6,563,618 68	
" Extension of Pennsylvania Railroad to the Delaware River, including Wharves and Grain Elevator...	1,688,517 82	
Total amount charged to Construction, Equipment, and Real Estate Accounts for the Railroad between Philadelphia and Pittsburgh, comprising 994 miles of single track, including Sidings, Stations, Warehouses, Shops, and Shop Machinery, which cost in Cash exceeding \$50,000,000, with Rolling Stock estimated to be worth in Cash \$20,000,000; also, the Real Estate of a present estimated value of \$12,000,000, and amounting in all to over \$82,000,000.....	\$48,571,808	18
OTHER ASSETS.		
By Amount of Bonds of Railroad Corporations.....	\$20,165,198 23	
" " Capital Stock of Railroad Corporations.	30,284,120 86	
" " Bonds of Municipal Corporations, and investments not otherwise enumerated.....	243,100 00	
" Cost of Bonds representing Contingent Fund.....	2,000,000 00	
Total cost of Bonds and Stocks belonging to the Company.....	52,692,419	09
By Appraised value of Securities owned by the United New Jersey Railroad and Canal Company, and transferred with the Lease of the Works of that Company.....	4,322,225	25
" Amount of Fuel and Materials on hand for repairs to Locomotives, Cars, and Maintenance of Way, for the Pennsylvania Railroad, United New Jersey Railroad and Canal, and The Philadelphia & Erie Railroad.....	4,788,617	85
" Amount of Bills and Accounts Receivable and amount due from other Roads, including amount due from the Philadelphia & Erie Railroad Company, and from the United New Jersey Railroad and Canal Company for permanent improvements, as well as for expenditures on the Harsimus Cove Property at Jersey City; also, for purchase of Anthracite Coal properties and advances made to Railroad Corporations, including purchases of equipment in use on some of these lines.....	25,979,087	14
" Balance in hands of Agents.....	2,058,862	05
" Balance in hands of Treasurer.....	2,312,587	21
	\$140,725,636	77

LIST OF BONDS

OWNED BY

THE PENNSYLVANIA RAILROAD COMPANY

December 31, 1873.

NAMES OF SECURITY.	No. of Bonds.	PAR.
Allegheny County Bonds, "Pennsylvania R. R. Loan," 6 per cent.....	{ 8 \$1,000 1 500 }	\$ 8,500
Allegheny County Bonds, "P. & S. Loan," 6 per cent.....	2 1,000	2,000
Alexandria & Fredericksburg Railway 1st Mtge. Bonds, 7 per cent. gold.....	512 1,000	512,000
Allegheny Valley R. R. 1st Mtge. Bonds, 7 per cent.....	3,959 1,000	3,959,000
Bald Eagle Valley 1st Mtge. Bonds, 6 per cent.....	{ 46 100 3 500 23 1,000 }	29,100
Bald Eagle Valley 2d Mtge. Bonds, 7 per cent.....	100 1,000	100,000
Bedford and Bridgeport R. R. 1st Mtge. Bonds, 7 per cent...	1,000 1,000	1,000,000
Central Stock Yard & Transit Co., 7 per cent. Bonds.....	300 1,000	300,000
City of Altoona Bonds, "Water Loan," 7 $\frac{1}{8}$ per cent.....	50 1,000	50,000
City of Harrisburg Bonds, "Water Loan," 6 per cent.....	{ 11 100 5 500 1 1,000 }	4,600
Cincinnati & Muskingum Valley R. R. 1st Mtge. 7 per cent. Bonds.....	752 1,000	752,000
Columbia & Port Deposit R. R. Bonds, 7 per cent.....	1,000 1,000	1,000,000
Columbus, Chicago & Indiana Central R. W. 2d Mtge. Bonds \$5,000,000 Loan, 7 per cent.....	1,258 1,000	1,258,000
Columbus, Chicago & Indiana Central R. W. 2d Mtge. Bonds \$10,000,000 Loan, 7 per cent.....	3,504 1,000	3,504,000
County of Clark, Illinois, Bonds, 8 per cent.....	15 1,000	15,000
Danville, Hazleton & Wilkesbarre R. R. 1st Mtge. 7 per cent. Bonds.....	{ 173 1,000 134 500 120 200 }	264,000
East Brandywine & Waynesburg R. R. 1st Mtge. 7 per cent. Bonds.....	{ 44 500 909 100 }	112,900
East Brandywine & Waynesburg R. R., New Holland Extension, 7 per cent.....	36 100	3,600
Erie & Pittsburgh R. R. Bonds, 7 per cent.....	100 1,000	100,000
Holiday's Cove R. R. 2d Mtge. Bonds, 7 per cent.....	20 1,000	20,000
Huntingdon & Broad Top R. R. and Coal Co. Consolidated Mortgage Bonds, 7 per cent.....	19 1,000	19,000
Indianapolis & St. Louis R. R. 1st Mtge. 7 per cent. Bonds..	410 1,000	410,000
" " Equipment " "	50 1,000	50,000
International Navigation Co. 1st Mtge. Bonds, 7 per cent...	350 1,000	350,000
Jersey City & Bergen R. R. 1st Mtge. Bonds, 7 per cent.....	271 1,000	271,000
Lawrence R. R. 1st Mtge. Bonds, 7 per cent.....	9 1,000	9,000
Lewisburg Centre & Spruce Creek R. R. 1st Mtge. Bonds, 7 per cent.....	1,500 1,000	1,500,000
Amount carried forward.....		\$15,633,700

LIST OF STOCKS

OWNED BY

THE PENNSYLVANIA RAILROAD COMPANY

December 31, 1873.

NUMBER OF SHARES.	NAME OF SECURITY.		PAR.
41,500	Allegheny Valley Railroad Stock.....	No divids.	50 \$2,075,000
4,000	American Steamship Stock.....	"	100 400,000
3,682	Bald Eagle Valley Railroad Stock.....	8 per cent.	50 184,100
36,572	Baltimore & Potomac Railroad Stock.....	No divids.	50 1,828,600
6,179	Bedford & Bridgeport Railroad Stock.....	"	50 308,950
6,500	Chartiers Railway Stock.....	"	50 325,000
22,000	Cleveland, Mt. Vernon & Delaware Railroad Stock, Common	"	50 1,100,000
5,802	Cleveland, Mt. Vernon & Delaware Railroad Stock, Preferred	"	50 290,100
25,517	Connecting Railway Stock, 6 per cent., Guaranteed.....	6 per cent.	50 1,277,350
5,286	Cresson Springs Stock	No divids.	25 132,150
4,744	Cumberland Valley Railroad Stock, Preferred.....	8 per cent.	50 237,200
19,516	" " " Common.....	"	50 975,800
15,251	Harrisburg & Lancaster Railroad Stock.....	7 " "	50 762,550
1,130	Junction Railroad Stock.....	No divids.	50 56,500
19,217	Jeffersonville, Madison & Indianapolis Railroad Stock.....	7 per cent.	100 1,921,700
5,624	Little Miami Railroad Stock	8 " "	50 281,200
374	Lewistown & Tuscarora Bridge Co. Stock.....	No divids.	20 7,480
3,759	Louisville Bridge Stock.....	12 per cent.	100 375,900
6,040	Lykens Valley Coal Stock	No divids.	50 302,000
7,200	Newport & Cincinnati Bridge Stock.....	"	100 720,000
250	New Jersey Stock Yard & Market Company Stock..	"	100 25,000
48,420	Northern Central Railway Company Stock.....	"	50 2,421,000
70,231	Pennsylvania Canal Stock.....	"	50 3,511,550
160,000	Pennsylvania Company Preferred Stock.....	6 per cent.	50 8,000,000
40,981	Pennsylvania Railroad Stock.....	10 per cent.	50 2,049,200
6,798	Pennsylvania Steel Company Stock	6 per cent.	100 679,800
31,636	Philadelphia & Erie Railroad Common Stock.....	No divids.	50 1,581,800
48,000	" " Preferred Stock.....	8 per cent.	50 2,400,000
250	Philadelphia & Merion Railroad Stock, one instal- ment only paid.....	No divids.	1,250
80	Philadelphia & Southern Mail Steamship Stock.....	"	125 10,000
60,000	Pittsburgh, Cincinnati & St. Louis R. W. Preferred Stock.....	"	50 3,000,000
12,800	Pittsburgh, Ft. Wayne & Chicago R. W. Special 7 per cent. Guaranteed Stock.....		100 1,280,000
51	Pittsburgh, Ft. Wayne & Chicago R. W. Common Stock.....	7 per cent.	100 5,100
8,160	Pittsburgh, Virginia & Charleston Railroad Stock.....	No divids.	50 405,000
1,233	Pullman Palace Car Stock.....	12 per cent.	100 123,300

Amount carried forward.....\$39,551,580

NUMBER OF SHARES.	NAMES OF SECURITY—CONTINUED.		PAR.
	Amount brought forward.....		\$39,054,580
5,500	South-west Pennsylvania Railroad Stock.....No divids.	50	275,000
25,048	Summit Branch Railroad Stock.....6 per cent.	50	1,252,400
10,000	Susquehanna Coal Co. Stock.....No divids.	100	1,000,000
10,176	Tyrone & Clearfield Railway Stock....."	50	508,800
2,498	West Chester & Philadelphia Railroad Preferred Stock.....8 per cent.	50	124,900
19,453	Western Pennsylvania Railroad Stock.....No divids.	50	972,650
1,551	West Jersey Railroad Stock, 2d and 3d instalments..8 per cent.	50	54,285
6,341	Wrightsville, York & Gettysburg Railroad Stock....No divids.	50	317,050
39,263	Shamokin Coal Co. Stock....."	25	981,575
	TOTAL.....		\$11,541,240

SUMMARY.

Par Value of Bonds.....	\$29,053,200
Par Value of Stocks.....	44,541,240
TOTAL.....	\$73,594,440
Cost as per General Account.....	\$52,692,419 09

NOTE.—The above Securities of the various Companies, whose traffic contributes to the advantage and profit of our Main Line, now pay to this Company in the form of Dividend and Interest exceeding Four per Centum per Annum upon the cost, and it is expected that future developments of their Lines will still further increase these results.

STATEMENT

Showing the Guarantees of the Pennsylvania Railroad Company upon the Bonds of other Companies, as well as its liabilities assumed under leases of the lines of other Companies—excepting New Jersey Lines, the deficiencies of which have been deducted from the surplus revenue of the Main Line—with the results of the business of each line respectively during the year 1873.

NAME OF ROAD.	NET EARNINGS.	RENTAL AND INTEREST ON BONDS.	SURPLUS.	DEFICIT.
PHILADELPHIA AND ERIE.....	\$428,756 36	\$938,351 32		\$509,594 96
WESTERN PENNSYLVANIA.....	348,968 77	108,000 00	240,968 77	
ALLEGHENY VALLEY. Pays the interest upon all its Bonds out of its net earnings on the completed portion of its line.....				
PENNSYLVANIA CANAL. Interest upon bonds paid out of the net earnings.....				
SUSQUEHANNA COAL. Interest upon Bonds paid out of the net earnings.....				
CONNECTING RAILWAY. Included in the United New Jersey R.R.				
NORTHERN CENTRAL RAILWAY Co's Lease of the Williamsport & Elmira Railroad. The deficiency paid by the Northern Central Railway Co. and the Pennsylvania Railroad Company jointly, estimated at.....				108,068 65
BALTIMORE AND POTOMAC. Its net earnings used to improve its line.....				297,000 00
PITTSBURG, VIRGINIA & CHARLESTON. Its net earnings used to improve its line.....				53,900 00
DANVILLE, HAZLETON & WILKES-BARRE.....				105,186 26
THE AMERICAN STEAMSHIP COMPANY. Reports no net earnings applicable to interest.....				90,000 00
JUNCTION R.R. Co. Bonds guaranteed jointly with the Phila. & Reading, and Philadelphia and Wilmington and Baltimore R.R. Co's, the interest being provided from the net earnings of the line.....				
	\$777,725 13	\$1,046,351 32	\$240,968 77	\$1,163,719 87
			Deduct surplus as above.....	240,968 77
			Leaving total deficit for the year...	\$922,781 10

LINES WEST OF PITTSBURGH, OPERATED BY THE PENNA. CO.*	NET EARNINGS.	RENTAL AND INTEREST ON BONDS.	SURPLUS.	DEFICIT.
PITTSBURGH, FORT WAYNE AND CHICAGO.....	\$3,522,032 37	\$2,617,177 24	\$904,855 13	
NEW CASTLE & BEAVER VALLEY..	192,514 73	140,435 79	52,078 94	
LAWRENCE RAILROAD.....	76,011 33	75,752 96	258 37	
ERIE AND PITTSBURGH.....	484,398 74	380,626 00	103,772 74	
CLEVELAND AND PITTSBURGH.....	1,797,013 10	1,337,353 51	459,659 59	
JEFFERSONVILLE, MADISON AND INDIANAPOLIS.....	446,199 88	535,235 60		\$ 89,035 72
INDIANAPOLIS AND VINCENNES....	62,137 01	206,000 00		143,862 99
INDIANAPOLIS AND ST. LOUIS.....	301,301 84	245,259 63	56,042 21	
ST. LOUIS, ALTON & TERRE HAUTE	389,607 29	461,805 83		72,198 54
LITTLE MIAMI RAILROAD.....	162,017 77	710,769 94		548,752 17
COLUMBUS, CHICAGO & INDIANA CENTRAL.....	233,182 72	1,343,312 05		1,110,159 33
ST. LOUIS, VANDALIA AND TERRE HAUTE.....	276,200 80	271,395 16	4,805 64	
CHARTIERS RAILWAY.....	18,291 15	35,000 00		16,708 85
	\$7,960,908 73	\$8,360,153 71	\$1,581,472 62	\$1,980,717 60
	Deduct surplus as above.....			1,581,472 62
	Net deficit on above lines.....			\$399,244 98

* In addition to the above, the Pennsylvania Railroad Company is liable for the interest on one-half of the First Mortgage Bonded Debt of the Grand Rapids and Indiana Railroad, being \$280,000 gold per annum, but has never been called upon to pay any portion of this; that company having provided for the same from its own resources.

The loss as above, is met by the Pennsylvania Company out of its Income from other sources than the operation of leased lines, which amounts to \$1,076,296.27.

(19)

REPORT

OF THE

GENERAL MANAGER.

Office of the General Manager.

Philadelphia, February 14, 1874.

To the President and Board of Directors
of the Pennsylvania Railroad Company.

GENTLEMEN:—The following report of the operations of the Pennsylvania Railroad and Branches, and of the leased lines in Pennsylvania and New Jersey, during the year 1873, is respectfully submitted.

PENNSYLVANIA RAILROAD DIVISION.

The earnings of the Main Line and Branches were—

From transportation of freight,	\$19,608,555 07
“ passengers,	4,399,671 46
“ express,	450,241 40
“ mails,	158,287 50
“ miscellaneous,	269,253 47
Total,	<u>\$24,886,008 90</u>

The expenses were—

Conducting transportation,	\$5,664,140 57
Motive power,	4,223,530 53
Maintenance of cars,	1,926,095 53
Maintenance of way,	3,246,832 20
General expenses,	379,706 33
Total,	<u>\$15,440,305 16</u>
Net earnings,	<u>\$9,445,703 74</u>
Net earnings for previous year,	8,247,852 18
Increase,	<u><u>\$1,197,851 56</u></u>

The expenses compare with those of 1872 as follows :

	Conducting Transportation,	Motive Power,	Maintenance of Cars,	Maintenance of Way,	General Expenses.
1873.....	\$5,664,140 57	\$4,223,530 53	\$1,926,095 53	\$3,246,832 20	\$379,706 33
1872.....	4,964,932 75	3,826,946 40	1,345,899 83	3,337,724 69	329,169 42
Increase.....	699,207 82	396,584 13	620,195 70		50,536 91
Decrease.....				90,892 49	

Showing a total increase of \$1,675,632.07.

The increase in the charges to conducting transportation and motive power, is altogether due to the increased business. The only disproportionate increase of expenses is in the charge to maintenance of cars, which is accounted for by the fact that the condition of both the passenger and freight cars was greatly improved during the year. Included also in the charges to this account for 1873, is a large item covering the cost of replacing a number of sleeping cars worn out and destroyed during previous years, the cost of replacing which was not included in the expenses of the proper years, owing to other unadjusted matters connected with the account, which caused a postponement of its settlement.

The decrease in the cost of maintenance of way, is owing to the liberal expenditures on the track made during past years, which have so improved its condition that it can now be maintained at a less cost.

PASSENGER BUSINESS.

The following tables exhibit the number of passengers carried and the number of miles travelled:

NUMBER OF PASSENGERS CARRIED ON THE PENNSYLVANIA RAILROAD AND BRANCHES.

	1873.	1872.	Increase.	Decrease.
First class passengers.....	4,560,406 ²	4,098,731	461,672 ²	
Emigrant passengers.....	56,513 ²	58,861		2,347 ²
Commutation passengers.....	1,262,764	1,092,798	169,966	
Totals.....	5,879,684	5,250,393	631,638 ²	2,347 ²
Net increase.....			629,291	

MILES TRAVELLED BY PASSENGERS.

	1873.	1872.	Increase.	Decrease.
First class passengers.....	149,939,922	146,748,731	3,191,191	.....
Emigrant passengers.....	18,789,572	19,075,493	.....	285,920
Commutation passengers.....	8,749,525	8,018,524	731,001	.....
Totals.....	177,479,019	173,842,748	3,922,192	285,920
Total increase.....	.....	.....	3,636,271	.....

The increase in the number of passengers carried was $11\frac{9}{100}$ per cent.; in the number of miles travelled, only $2\frac{0}{100}$ per cent., showing that the increase in the travel was mainly in local passengers travelling shorter distances.

FREIGHT BUSINESS.

The following is a statement of the tonnage moved—

TONNAGE.

Through freight eastward,	873,795 tons.
“ “ westward,	319,661 “
Local “ eastward,	5,482,507 “
“ “ westward,	2,535,268 “
Total,	9,211,231 “
Fuel and other material for Company's use,	787,560 “
Total freight tonnage for 1873,	9,998,791 “
“ “ “ 1872,	8,459,535 “
Increase,	1,539,256 “
Percentage of increase for 1873, $18\frac{1}{100}$.	

MILEAGE.

	1873.	1872.	Increase.	Decrease.	Per centage.
Mileage of Through Freight					
Eastward.....	312,362,336	289,529,351	28,832,985		10.17 inc.
Mileage of Through Freight					
Westward.....	114,475,403	130,303,000		15,828,197	12.14 dec.
Mileage of Local Freight East					
ward	820,776,145	624,575,182	196,200,963		31.41 inc.
Mileage of Local Freight West-					
ward	137,218,086	151,735,963		14,517,817	9.56 dec.
Total	1,384,831,970	1,190,144,026	225,033,948	30,346,014	
Total increase			184,687,934		

As was the case in the previous year, the increase in the tons moved is greater than that of the tonnage mileage—the former showing an increase of $18\frac{1}{10}\%$ per cent., and the latter of $16\frac{3}{10}\%$ per cent., which is owing to the mileage of the local freight having increased in greater proportion than that of the through freight. The increase in the mileage of local freight eastward is especially worthy of note, amounting as it does to $31\frac{4}{10}\%$ per cent.

The total tonnage mileage of through and local freight was: Eastward, 1,133,138,481; westward, 251,693,489; an increase eastward of $24\frac{7}{10}\%$ per cent., and westward a decrease of $10\frac{1}{10}\%$ per cent. The falling off in west-bound tonnage was the result of the financial disturbance in the fall of the year, which affected very seriously the movement of freights westward, while it had little or no effect on the transportation of agricultural products from the West, owing to the large foreign demand. As a result of this condition of affairs the disproportion in the movement of freight east-bound and west-bound was even greater than for many years past. During the year 1872, the westward tonnage mileage was $23\frac{7}{10}\%$, and the eastward $76\frac{3}{10}\%$ per cent. of the total, while in 1873 the westward was but

18 $\frac{2}{10}$ per cent., and the eastward 81 $\frac{8}{10}$ per cent. of the entire tonnage mileage.

Under such circumstances as these it is evident that the cost of operating is almost directly dependent on the volume of freight moved eastward, and is but slightly affected by the westward movement, the difference in the cost of hauling an empty or a loaded car being comparatively small. If this fact be borne in mind when comparing the expenses for 1873 with those of the previous year, it will be seen that while the tonnage mileage eastward exhibits an increase of 24 $\frac{7}{10}$ per cent., the total expenses were increased but 12 $\frac{7}{10}$ per cent.

The following tables show the movement of loaded cars on the Main Line and Branches, and the traffic delivered to and received from connecting roads:

MOVEMENT OF LOADED CARS ON MAIN LINE.

STATIONS.	Loaded Cars.	1873.	1872.	Increase.	Decrease.	Per centage.
West Philadelphia.....	Eastward.....	286,193	216,591	69,602	.....	32.13
"	Westward.....	76,698	82,622	.....	5,924	7.17
Columbia.....	Eastward.....	306,895	235,126	71,769	.....	30.52
"	Westward.....	81,048	82,918	.....	1,870	2.25
Harrisburg.....	Eastward.....	232,287	248,856	.....	16,569	6.65
"	Westward.....	72,685	84,556	.....	11,871	14.03
Mifflin.....	Eastward.....	385,664	314,884	70,780	.....	22.47
"	Westward.....	71,122	87,586	.....	16,464	18.79
Altoona.....	Eastward.....	294,328	243,856	50,472	.....	20.69
"	Westward.....	85,578	101,347	.....	15,769	15.55
Derry.....	Eastward.....	238,137	214,978	23,159	.....	10.77
"	Westward.....	79,157	90,543	.....	11,386	12.57
Pittsburgh.....	Eastward.....	132,340	92,423	39,917	.....	43.18
"	Westward.....	162,739	176,615	.....	13,876	7.85

MOVEMENT OF LOADED CARS ON BRANCH AND CONNECTING
ROADS.

STATIONS.	Loaded Cars.	1873.	1872.	Increase	Decrease.	Per centage.
Marysville.....	Eastward....	43,856	40,396	3,460	.....	8.56
"	Westward....	7,145	9,990	.....	2,845	28.47
Lewistown.....	Eastward....	3,233	.....	.....	.....	.....
"	Westward....	12,338	.....	.....	.....	.....
Sunbury.....	Eastward....	2,219	.....	.....	.....	.....
"	Westward....	9,849	.....	.....	.....	.....
Huntingdon.....	Eastward....	45,104	30,871	14,233	.....	46.10
"	Westward....	10,343	11,503	.....	1,160	10.08
Bedford.....	Eastward....	16,084	.....	.....	.....	.....
"	Westward....	1,114	.....	.....	.....	.....
Lock Haven.....	Eastward....	10,172	7,617	2,555	.....	33.54
"	Westward....	4,251	3,462	789	.....	22.79
Tyrone.....	Eastward....	62,061	59,274	2,787	.....	4.70
"	Westward....	6,869	7,025	.....	156	2.22
Altoona.....	Eastward....	12,612	.....	.....	.....	.....
"	Westward....	10,452	.....	.....	.....	.....
Greensburg.....	Eastward....	2,179	.....	.....	.....	.....
"	Westward....	23,440	.....	.....	.....	.....
Blairsville.....	Eastward....	62,872	38,732	24,140	.....	62.33
"	Westward....	16,698	13,503	3,195	.....	23.66
Allegheny City...	Eastward....	19,338	14,000	5,338	.....	38.12
"	Westward....	12,391	9,431	2,960	.....	31.38

The figures at Marysville, Lewistown, Sunbury, Lock Haven, and Huntingdon show the number of loaded cars received from, and delivered to, the Northern Central Railway, Lewistown Division, the Philadelphia and Erie Railroad, and the Huntingdon and Broad Top Railroad, respectively; those at Bedford, Tyrone, Altoona, Greensburg, and Blairsville, show the number of loaded cars received from, and delivered to, the Bedford and Tyrone Divisions, the Hollidaysburg and Morrison's Cove, and Southwest Pennsylvania Branches, and the West Pennsylvania Division.

The live stock shipments from East Liberty stock yards do not show as large an increase as in previous years. The number of cars shipped in 1873 was 38,008 against 36,309 in 1872, or an increase of $4\frac{6}{10}\%$ per cent.

There were shipped through East over the road during 1873, 1,414,968 barrels of refined oil, 2,119,171 barrels of crude oil, 9,401 barrels of lubricating oil, 1,051 barrels of tar, and 14,103 barrels benzine, &c. The shipments to local stations amounted to 276,164 barrels of all kinds of oil, giving a total of 3,834,858 barrels transported.

The shipments of coal and coke over the Main Line and branches during the year were as follows: Gas Coal, 878,944 tons; from Clearfield region, 592,860 tons; from Broad Top region 257,010 tons; from Snow Shoe region, 76,042 tons; from Bald Eagle Valley region, 3,514 tons; from Gallitzin region, 220,409 tons; from West Pennsylvania region, 259,340 tons; from the Danville, Hazleton, and Wilkesbarre and Lewisburg, Centre and Spruce Creek regions, 149 tons; from Southwest Pennsylvania region 255,355 tons; from Pittsburgh region, 685,611 tons; Cumberland coal, 124,307 tons; Anthracite coal 1,173,960 tons. Total, 4,527,501 tons, against 3,669,071 tons in 1872, or an increase of $23\frac{3}{10}\%$ per cent.

MOTIVE POWER AND ROLLING STOCK.

There were added to the equipment during the year 155 new locomotives, of which number 93 were built by contract, 57 were built at Altoona, and 5 in the shops on the Philadelphia and Erie Railroad.

The total number of locomotives in the possession of the Company

anuary 1st, 1873, was 916; added during the year 155; total, January 1st, 1874, 1,071, distributed as follows:

On the Pennsylvania Railroad Division,	.	662
“ United Railroads of New Jersey Division,	.	259
“ Philadelphia and Erie Railroad “	.	150
Total,	.	<u>1,071</u>

In the above are included the locomotives acquired with the lease of the United Railroads of New Jersey, as well as those belonging to the Belvidere Delaware Railroad Company. There are also included three locomotives leased to other railroad companies, viz.: One from the assignment to the United Railroads of New Jersey Division, and two from that of the Pennsylvania Railroad Division.

The cost of repairs of locomotives on the Pennsylvania Railroad Division per mile run was $4\frac{9}{10}$ cents, while that for the year 1872 was $8\frac{16}{100}$ cents, a decrease of $39\frac{95}{100}$ per cent. Although this marked decrease is to a certain extent due to the greater economy introduced into this branch of the service, by the adoption several years ago of a thorough system of uniformity in the construction of locomotives, yet it is mainly to be attributed to the large number of new locomotives placed on the road during the year, which, while they swelled the mileage, added very little to the total charge to repairs. It cannot be expected, therefore, that so low a cost of repairs can be maintained, although it is believed that it can be kept considerably below the average of previous years.

The following table shows the mileage of freight locomotives, as compared with the tonnage mileage:

	1873.	1872.	Increase.	Per centage.
Mileage of Freight Engines	12,545,334	10,840,744	1,704,590	15.72
Tons moved one mile.....	1,381,831,970	1,190,144,036	194,687,934	16.36

It will be observed that the locomotive mileage has increased in nearly the same ratio as the tonnage mileage, which confirms the

opinion expressed in the report of last year, that the limit of improvement in this respect had been reached.

Notwithstanding the large number of new locomotives added to the equipment during the year, the motive power was worked up to its full capacity, as is evinced by the fact that the average number of miles run by freight locomotives was $10\frac{6}{10}$ per cent. greater than during the previous year.

The condition of the power is good, and there were at the close of the year $17\frac{3}{10}$ per cent. more locomotives in good working order than at the same time last year. The tabular statements hereto annexed give further details of the operations of the motive power department.

PASSENGER EQUIPMENT.

Fifty-one first-class passenger cars were added to the equipment during the year; of these, forty-nine were built at Altoona shops and two at Renovo shops on the Philadelphia and Erie Railroad. These new cars were assigned as follows: To the Pennsylvania Railroad and United Railroads of New Jersey Division, 45; and to the Philadelphia and Erie Railroad Division, 6.

The following table shows the entire passenger equipment of the Company and its distribution; there being no separate assignment of rolling stock to the Pennsylvania Railroads and United Railroads of New Jersey Divisions, the equipment of these two divisions is reported together.

PASSENGER EQUIPMENT.

	P. R. R. and U. Rds. N. J. Divisions.	P. & E. R. R. Division.	Totals.
Passenger Cars	518	47	595
Emigrant "	65	6	71
Baggage "	81	15	96
Mail "	6	.....	6
Express "	63	9	72
Total	763	77	840

Included in the above are the cars acquired with the lease of the United Railroads of New Jersey, as well as those belonging to the Belvidere Delaware Railroad Company.

The mileage of the passenger equipment on the Pennsylvania Railroad and Branches, not including the United Railroads of New Jersey Division, is shown in the following table :

MILEAGE OF PASSENGER EQUIPMENT.

DIVISIONS.	Passenger Cars.	Emigrant Cars.	Baggage Cars.	Mail Cars.	Express Cars.	Totals.
Philadelphia.....	2,006,661	345,675	701,161	66,125	527,513	3,647,135
Middle.....	1,679,203	382,467	610,518	82,464	695,145	3,449,797
Pittsburgh.....	2,150,252	346,986	602,608	72,497	653,831	3,826,174
Lewistown.....	133,568	22	31,643	50	550	170,833
Bedford.....	60,970		20,420			81,390
Tyrone.....	249,284	18,533	121,048		5,197	394,058
West Pennsylvania.....	478,581	1,538	115,529		3,703	599,351
Total.....	6,763,519	1,095,221	2,202,963	221,136	1,885,939	12,168,778
Total for 1872.....	6,052,779	1,257,843	2,191,386	221,669	1,810,613	11,534,290
Increase.....	710,740		11,577		75,326	634,488
Decrease.....		162,622		533		

FREIGHT EQUIPMENT.

There were added to the freight equipment during the year, the following new cars: Box cars, 121; gondolas, 1,921; four-wheel coal cars, 502; four wheel cabin cars, 62.

This equipment was assigned as follows: To the Pennsylvania Railroad and United Railroads of New Jersey Divisions (no separate assignment being made in case of these two divisions), box cars, 68; gondolas, 1,696; four-wheel cabin cars, 54; four-wheel coal cars, 502, including 500 built for the Belvidere Delaware Railroad Company, and intended for the anthracite coal trade *via* that road. To the Philadelphia and Erie Railroad Division: Box cars, 53; gondolas, 225; cabin cars, 8.

The following table shows the entire freight equipment in service December 31st, 1873:

KIND OF CAR.	P. R. R. and U. Rls. of N. J. Divisions.	Phila. and Erie Railroad Division.	Total.
Box	4,075	969	5,044
Stock	2,063	100	2,163
Gondola	6,138	2,185	8,323
Eight-wheel coal.....	2,088	30	2,118
Four-wheel coal.....	504	40	544
Eight-wheel marl.....	242		242
Four-wheel marl.....	205		205
Four-wheel cabin.....	346	18	364
Eight wheel cabin.....	20	46	66
	15,621	3,388	19,009

Included in the above are the cars acquired by the lease of the United Railroads of New Jersey Division, as well as those belonging to the Belvidere Delaware Railroad.

There are in the maintenance of way service; 933 cars on the Pennsylvania Railroad Division; 333 on the United Railroads of New Jersey Division; 374 on the Philadelphia and Erie Railroad Division. Total, 1,640.

The following summary shows the total number of cars of all descriptions owned by this Company, including those acquired by the lease of the United Railroads of New Jersey Division, as well as those belonging to the Belvidere Delaware Railroad Company.

DIVISION.	Passenger Equipment.	Freight Equipment.	Maint. of Way Equipment.	Totals.
P. R. R. Division.....	451	12,894	933	14,278
U. R. R. of N. J. Div....	319	2,727	333	3,379
P. and E. R. R. Div....	77	3,388	374	3,839
Totals.....	847	19,009	1,640	21,496

In addition to the above there are 8,501 cars owned by individuals and other companies running regularly on this Company's lines.

MAINTENANCE OF WAY.

The good condition of the road bed, track, and structures was fully maintained throughout the year, and at a reduced cost compared with the previous year, notwithstanding the large increase in the traffic.

New tracks were laid during the year, as follows :

	Miles.	Feet.	Miles.	Feet.
Main Line, Philadelphia Division.....			5	4,970
Third track, Philadelphia Division.....	2	1,143		
Third track, Middle Division.....	3	4,362		
Third track, Pittsburgh Division.....	6	210	12	435
Second track, Philadelphia Division.....		3,580		
Second track, West Pennsylvania Division.....	2	248	2	3,828
Sidings, Philadelphia Division.....	19	35		
" Middle Division.....	11	2,418		
" Pittsburgh Division.....	6	1,113		
" Tyrone Division.....		750		
" West Pennsylvania Division.....	3	5,514		
" Lewistown Division.....		3,353		
" Bedford Division.....	1	3,406		
Total Sidings.....			43	749
Total.....			63	4,702
Less track removed. } Old line, Philadelphia Div. 6 1,406	6	1,406		
} Sidings..... 44		44	6	1,450
Private sidings.....	8	4,112	57	3,252
Less private sidings removed.....		1,453	8	2,659
Total additional length of new track, including individual sidings.....			66	631

Total number of miles of single track in use January 1, 1874.

Main Line, including sidings, -	-	-	-	980.4 miles.
Branches owned, -	-	-	-	103.9 "
Branches leased, -	-	-	-	355.1 "
Private sidings, -	-	-	-	68.4 "
Total, -	-	-	-	1,507.8 miles.

Statement of track material used for repairs on the Pennsylvania Railroad and Branches during the year :

	Steel rails.	Iron rails.	Splice joints.	Spikes.	Cross ties.
	Tons.	Tons.	Number.	Pounds.	Number.
Philadelphia to Harrisburg.....	4,122	183	9,738	143,194	115,713
Harrisburg to Altoona.....	6,439	40	17,935	249,918	83,944
Altoona to Pittsburgh.....	5,747	144	11,806	233,934	71,353
Delaware Extension.....	56	122	302	7,425	3,423
East Brandywine and Waynesburg R. R.....		100	450	3,250	4,787
York Branch.....				2,260	1,859
Pennsylvania and Delaware R. R.....		62	242	7,900	377
Mifflin and Centre County R. R.....		175	668	6,160	2,505
Sunbury and Lewistown R. R.....		30	89	5,812	2,076
Bedford and Bridgeport R. R.....		3	142	2,544	76
Tyrone Branch.....	37	180	406	2,975	1,737
Tyrone and Clearfield Railway.....	332	575	2,124	22,110	8,077
Bald Eagle Valley R. R.....		318	1,234	6,165	2,940
Hollidaysburg and Morrison's Cove R. R.....		115	434	11,539	4,280
Ebensburg and Cresson R. R.....			326	4,150	5,196
Southwest Pennsylvania R. R.....		9	89	1,500	94
Indiana Branch.....	20	137	887	12,642	6,034
West Pennsylvania R. R.....		1,160	3,825	48,044	30,328
Steuersville Extension.....	7		98	1,700	
Totals.....	16,760	3,353	59,795	772,322	345,099

In addition to the above there were used in construction :

Steel rails,	.	.	.	.	2,162 Tons.
Iron "	.	.	.	.	336 "
Splice joints,	.	.	.	.	13,893
Spikes,	.	.	.	.	279,575
Cross-ties,	.	.	.	.	104,687

On the first of January, 1874, there had been laid in the main track of the Main Line 65,915 tons of steel rails, or 626.05 miles, and in main track of branch roads, 1,010 tons; in third and fourth track and sidings on Main Line and Branches, 6,617 tons. Total 73,542 tons.

BRIDGES.

The usual work was done during the year in the repairs of bridges, and these structures were kept in excellent condition. In addition to the ordinary repairs, four bridges were entirely rebuilt on the York Branch, as well as one overhead bridge at Lancaster.

On the Middle Division, three piers and the eastern abutment of Little Juniata Bridge No. 13, were entirely rebuilt with substantial masonry. The western span of Little Juniata Bridge No. 7 was also renewed.

On the Mifflin and Centre County Railroad three bridges were covered, and on the Sunbury and Lewistown Railroad five were covered, together with a part of the Susquehanna River Bridge at Selinsgrove.

On the Tyrone Division, a new Howe truss bridge of 112 feet span was built across the Moshannon Creek near Phillipsburg.

TELEGRAPH.

During the year, fourteen miles of new line was erected on the Williamsburg Branch, and 24 miles on the Southwest Pennsylvania Railroad. A new wire was also strung from Pittsburgh to Greensburg, to facilitate the operation of the Southwest Pennsylvania Branch.

GENERAL REMARKS.

On the first day of July, the Pennsylvania and Delaware Railroad, extending from Pomeroy, on the Main Line, to Delaware City, a distance of $38\frac{4}{5}$ miles, was opened for business, and operated as a Branch of the Philadelphia Division.

On October first, the Dunnings Creek Branch, extending from Bedford to Holderbaum, a distance of $11\frac{5}{16}$ miles, was opened and operated as a part of the Bedford Division.

The following branches were opened for business during the year, and operated as part of the Pittsburgh Division, viz.:

On June 9, the Bloomfield Branch, extending from Roaring Spring, on the line of the Hollidaysburg and Morrison's Cove Railroad, to the Bloomfield Ore Banks, a distance of three miles. On October 13, the Williamsburg Branch, extending from its junction with the Hollidaysburg and Morrison's Cove Railroad, to Williamsburg, a distance of $13\frac{2}{10}$ miles. On April 1, the Southwest Pennsylvania Railroad, extending from its junction with Main Line east of Greensburg, to Connellsville, a distance of 24 miles.

Although the various improvements in the terminal and other facilities, which were in progress of construction, were not so far completed as to become available to any great extent until towards the close of the year, the very heavy traffic was moved with more than the usual regularity, dispatch, and freedom from accidents, and with an almost entire absence of the frequent accumulations of loaded cars at terminal stations, which have been of periodical occurrence in the past. Owing to the non-completion of these improvements, the full benefits of the large expenditures made upon them will not be experienced until during the coming year; but it is believed that with their completion the necessity for any further expenditures in this direction has ceased for the next year, or perhaps two years, and that any reasonable increase of traffic can be moved with the present track and terminal facilities. The same may also be said as to the rolling stock, the capacity of which will be found to be much increased by the ability to give the traffic prompt dispatch, afforded by the improvements provided to accomplish this object; so to with the motive power, the construction of third track sidings has resulted in the more prompt moving of freight trains, and in the avoidance of delays and detentions, the consequence of which is shown in the increased average number of miles run by freight engines during the past year. It is believed that a still greater improvement can be made in this respect, and that by increasing the average mileage of the locomotives, the motive power can, without any additions, be made to perform greater service and move any increased tonnage that is likely to be thrown on to the road during the coming year.

Under the revised organization for the management of the Company's railways, adopted March 1, 1873, Mr. G. Clinton Gardner was appointed General Superintendent of the Pennsylvania Railroad

Division, and Mr. Frank Thomson was appointed Superintendent of Motive Power of that Division, and to the same position on the United Railroads of New Jersey Division. Mr. Alex. W. Nutt was appointed General Freight Agent of the Pennsylvania Railroad Division, and Mr. Theo. A. Stecher, General Ticket Agent. Mr. George C. Wilkins, Superintendent of the Tyrone Division, having been transferred to the service of the Northern Central Railway, Mr. S. S. Blair was, on November 1st, appointed to fill the vacancy.

THE UNITED RAILROADS OF NEW JERSEY DIVISION.

The earnings of the United Railroads of New Jersey Division in 1873, exclusive of the Belvidere Delaware Railroad and Flemington Branch, were:

From passengers, -	-	-	-	-	-	-	\$4,660,122 37
“ freight, -	-	-	-	-	-	-	3,398,231 39
“ express, -	-	-	-	-	-	-	271,865 20
“ mails, -	-	-	-	-	-	-	49,511 07
“ miscellaneous, -	-	-	-	-	-	-	137,009 90
Total, -	-	-	-	-	-	-	<u>\$8,516,739 93</u>

THE EXPENSES WERE.

Conducting transportation, -	\$3,233,910 93
Motive power, - - - -	1,687,376 75
Maintenance of cars, - -	434,890 38
Maintenance of way, - -	1,337,470 12
General expenses, - - -	98,539 87
Total, - - - - -	<u>\$6,792,188 05</u>
Net earnings in 1873, - - - -	1,724,551 88
Net earnings in 1872, - - - -	2,261,060 02
Decrease, - - - - -	<u><u>\$536,508 14</u></u>

The earnings of the Belvidere Delaware Railroad and Flemington Branch, in 1873, were :

From passengers, -	-	-	-	-	-	-	\$195,220,62
“ mails, -	-	-	-	-	-	-	5,758 98
“ express, -	-	-	-	-	-	-	3,974 07
“ freights, -	-	-	-	-	-	-	938,228 30
“ miscellaneous, -	-	-	-	-	-	-	5,040 79
							<hr/>
Total, -	-	-	-	-	-	-	\$1,148,222 76

EXPENSES.

Conducting transportation, -	-	\$248,956 40
Motive power, -	-	210,289 27
Maintenance of cars, -	-	73,686 60
Maintenance of way, -	-	292,980 38
		<hr/>
Total, -	-	\$825,912 65

Showing a balance to credit of Belvidere Railroad
for 1873, - - - - - \$322,310 11

For the last nine months of 1872, during which period the road was operated in connection with the United Railroads of New Jersey Division, the net earnings were \$148,861 70.

The result of the operations of the United Railroads of New Jersey Division for the year is not satisfactory, and has been a source of great disappointment to the management. It is only to be accounted for by the fact that the various improvements commenced in the year 1872, to facilitate and cheapen the cost of transportation, and which it was hoped would be completed early in the past year, were in fact none of them completed so as to be available until toward the close of the year, so that the same obstacles to economical transportation were met with as were encountered during the previous year.

The results of the past year therefore do not form correct data upon which to base an estimate of the value of these works, for while the receipts cannot but continue to increase, the cost of operating can undoubtedly be reduced by the use of the improved facili-

ties referred to, nearly all of which have been completed within the past two months, and all of which will be in use during the early part of this year.

The very satisfactory increase in the earnings of the Belvidere Delaware Railroad is due to the increase in the anthracite coal traffic over that road, and to the improvement in the rates received for its transportation.

The following tables show the number of passengers carried and miles travelled during the year :

UNITED RAILROADS OF NEW JERSEY DIVISION, EXCLUSIVE OF
THE BELVIDERE DELAWARE RAILROAD.

	Individual passengers.		Miles travelled.	
	1873.	1872.	1873.	1872.
First class passengers.....	6,619,170	5,792,707	138,674,110	134,015,210
Emigrant "	76,729	69,459 ²	6,830,288	6,184,321
Commutation "	1,397,135	1,718,629	22,049,653	21,983,591
	8,003,013	7,580,795 ²	167,554,051	162,183,122

Showing an increase, both in the number of passengers and in the miles travelled. The increase in the number of passengers carried over 1872 being $5\frac{3}{10}\%$ per cent., and in the miles travelled $3\frac{3}{10}\%$ per cent.

BELVIDERE DELAWARE RAILROAD AND FLEMINGTON BRANCH.

	Individual passengers.		Miles travelled.	
	1873.	Last 9 mths. of 1872.	1873.	Last 9 mths. of 1872.
First-class passengers.....	364,783	282,514 ²	6,390,244	4,970,716
Emigrant "	2	32	135	1,752
Commutation "	32,368	14,162	367,454	155,381
Total	397,153	296,708 ²	6,757,833	5,127,849

A comparison of the passenger travel on the Belvidere Delaware Railroad of the year 1873 with the previous year cannot be made, from the fact that the statement for the year 1872 only includes the travel of the last nine months of that year, the accounts prior to that time not having been kept in such a manner as to afford information on this subject.

The following tables show a large increase in the tonnage.

United Railroads of New Jersey Division, exclusive of the Belvidere Delaware Railroad.

TONNAGE.

	Tonnage. 1873.	Tonnage, 1872.	Increase or Decrease.	Percentage.
Through Freight Eastward	562,087	521,321	40,766	7.81
" " Westward	304,021	317,247	Dec. 13,226	4.35
Local Freight, Eastward...	1,580,461	1,204,712	375,749	31.18
" " Westward..	407,643	414,997	Dec. 7,354	1.77
Total	2,854,212	2,458,277	.....	.....

NUMBER OF TONS MOVED ONE MILE.

	1873.	1872.	Increase or decrease.	Percentage.
Through freight Eastward..	50,130,550	46,280,584	3,849,966	8.31
" Westward	27,465,597	28,670,794	1,205,197	4.20
Local freight Eastward....	61,632,089	41,531,006	20,101,083	48.40
" Westward.....	10,783,138	11,328,790	545,652	4.81
Total.....	150,011,374	127,811,174	.....	.....

This large increase in the freight traffic was mainly in anthracite coal brought over the Belvidere Delaware Railroad, bituminous coal received over the lines of the Pennsylvania Railroad Division, and grain and produce from the West, all carried at very low rates, and yielding little or no profit to this part of the works, owing to the want of the facilities necessary to an economical movement of the tonnage.

BELVIDERE DELAWARE RAILROAD AND FLEMINGTON BRANCH.

	Tonnage.	Number of tons. moved one mile.
Through freight Eastward.....	1,203	81,874
" Westward.....	1,124	76,424
Local freight Eastward.....	1,357,975	65,672,696
" Westward.....	57,518	1,771,768
	1,417,820	67,602,762

The tonnage and tonnage-mileage for 1872 is not given above, as the account only includes the traffic moved during the last nine months of that year.

The anthracite coal carried over the Belvidere Delaware Railroad amounted to 1,224,528 tons, an increase of 31 per cent. over the previous year's business. The selling price of this coal at tide water having been considerably greater than during the previous year, the rates, which are based thereon, were proportionately better.

The increase in the transportation of bituminous coal to South Amboy for shipment, thence by vessel, comes fully up to the expectations expressed in the report of last year. These shipments were: gas coal, 300,885 tons, semi-bituminous coal from central Pennsylvania, 10,465 tons, and from the Cumberland mines in Maryland, 104,590 tons. Total, 415,940 tons, against 183,469 tons during the previous year.

To provide for this traffic, which is undoubtedly destined to

increase very rapidly, as well as to facilitate the shipment of anthracite coal, large improvements and additions to the sidings and wharves were made at South Amboy, and are now nearly completed. It is estimated that two millions of tons of coal can now be trans-shipped to vessels at this port without any further expenditures for increased facilities.

MOTIVE POWER.

The number of locomotives assigned to and in service on this division is 259, an increase of 43 over last year.

The mileage of locomotives for the year was 5,512,065, an increase of 1,106,568 miles. The general average mileage with passenger trains was 23,005 miles, and of freight locomotives 17,106 miles. This latter is too small, and indicates that sufficient service is not performed by the freight power. One reason for this is that the runs are short, and another lies in the delays to freight trains caused by the large number of passenger trains run, and by the lack, in the past, of sufficient passing sidings. There is much room for improvement in this respect, however, and it is believed that it will be shown during the coming year.

The general average cost per one hundred miles run was as follows :

DIVISION.	Repairs.	Fuel.	Stores.	Total.
New York.....	6.52	13.63	1.41	21.56
Amboy.....	6.26	11.00	1.14	18.40
Belvidere.....	3.19	13.18	1.36	17.73
Entire Division, 1873	5.98	12.89	1.33	20.20
Entire Division, 1872.....	8.50	12.95	1.22	22.67
Increase.....			.11	
Decrease.....	2.52	.06		2.47

The reduction in the cost of repairs is satisfactory, but the cost of fuel is still too high ; it will, however, be much reduced by the saving in the expense of delivering coal from the cars to the tenders of locomotives, which will be effected by the use of the coaling platforms at Trenton, the Meadows, and South Amboy, completed during last fall.

No separate assignment of freight or passenger cars being made to this division, the equipment in use on these lines has been included in that previously reported, in connection with the Pennsylvania Railroad Division.

MAINTENANCE OF WAY.

The road-bed, track, bridges, and buildings, have been kept in good condition ; owing to the large number of wooden bridges on these lines, the expense of their maintenance is, and will continue to be large, until they shall have been replaced by more permanent structures of stone or iron.

The following is a statement of the track material used on the United Railroads of New Jersey Division during the year :

	Steel Rails.		Iron Rails.		Spikes.	Splices, &c.	Cross- ties.
	Tons.	Lbs.	Tons.	Lbs.	Lbs.	Pairs.	Number.
NEW YORK DIVISION.							
Main Line	1,754	686	262	1,345	183,522	8,856	72,916
Philadelphia and Trenton	935	495	371	1,170	129,347	6,988	42,487
Peth Amboy Branch			35	1,025	1,400	224	2,594
Millstone Branch			114	545	4,850	456	2,553
Rocky Hill Branch			38	1,945	4,690	98	2,221
Princeton Branch			17	2,184	3,415	19	1,334
Frankford and Holmesburg Branch					2,250	14	923
AMBOY DIVISION.							
Main Line	49	2,018	1,242	1,915	77,233	5,613	43,197
Camden and Burlington County R. R. ...	6	250	694	2,142	17,923	2,178	7,064
Flemington and Hightstown Railroad		1,897	18	1,149	5,616	35	5,732
Vincentown Branch					97	7	258
Medford Branch				2,000	676		372
Columbus, Korkora, and S. R. R.					1,130		
BELVIDERE DIVISION.							
Main Line	176	1,961	2,467	950	63,26	8,534	33,421
Flemington Railroad			17		2,615	51	3,515
Mercer and Somerset Railroad			3	131	100	10	258
Total for repairs	2,922	1,967	5,133	527	498,176	33,983	218,529

The following table shows the new tracks and sidings laid during the year:

	Miles.	Feet.
Second, third and fourth tracks:		
New York Division.....	16	2,983
Amboy Division.....	6	5,026
Belvidere Division.....	4	3,246
Sidings on New York Division.....	17	4,381
" Amboy Division.....	13	3,468
" Belvidere Division.....	1	1,479
Total additional length of second, third, and fourth tracks and Company sidings.....	60	4,743
Private sidings laid.....		1,560
Total additional length of second, third, and fourth tracks and Company and private sidings.....	61	1,023

The total number of miles of single track on the United Railroads of New Jersey Division, January 1st, 1874, was:

	Laid with Steel.		Laid with Iron.		Total.		Division Totals.	
	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.
New York Division, Main Line.....	108	1,511	74	1,815	182	3,326		
Branches.....	4	950	31	191	35	1,141		
Company Sidings.....	15	1,694	73	372	88	2,066		
Private Sidings.....			1	107	1	107	307	1,360
Amboy Division, Main Line.....	24	3,804	70	08	94	3,812		
Branches.....		3,759	86	5,058	87	3,537		
Company Sidings.....		3,136	59	5,192	60	3,048		
Private Sidings.....				1,467		1,467	243	1,304
Belvidere Division, Main Line.....	14	4,118	52	5,122	67	3,960		
Branches.....			23	1,426	23	1,426		
Company Sidings.....	7	5,227	45	4,602	53	4,749		
Private Sidings.....			1	489	1	489	145	5,114
Total miles of single track.....							696	2,528

The more important improvements completed during the latter part of the year, or now in progress of construction, are:

The locomotive and car shops on the Meadows, commenced in 1872 and now in progress; they are now practically in use and will be completed during the present year.

The freight terminus at Harsimus Cove, commenced during the spring of 1873, was completed and put into service on the 1st of October last. The value of these improvements is shown by the fact that during the three months since they have been used about 60 per cent. more traffic has been received from the West than during the corresponding period last year, and promptly delivered, while in the past, with a much smaller business, the sidings between Pittsburgh and Jersey City were constantly blocked with east-bound grain and produce awaiting delivery in New York.

Under a contract and lease of the ground from this Company, the Central Stock Yard and Transit Company commenced early last year the erection of a large stock yard and abatoir at Harsimus Cove, and connected therewith a hog yard and slaughter house at the Meadows. These extensive improvements were completed at the close of the year, and afford to this important branch of the traffic the most complete accommodations under the control of this Company, and at the same time enable the Company to transport the stock to market over its own works, instead of having it diverted to other lines at Harrisburg, as has been the case in the past.

The new Passenger Depot in Jersey City, commenced in the summer of 1873, will be completed during the coming spring.

The platforms at Trenton and at the Meadows, for coaling locomotives, were completed and put in use in December last; they will effect a large saving in the cost of handling the coal. At South Amboy the sidings and wharves for the trans-shipment of coal were nearly completed at the close of the year.

A new Passenger and Freight Depot was built at Lambertville on the Belvidere Delaware Railroad.

Numerous second, third and fourth tracks and sidings were laid on this division, their aggregate length being 61 miles.

A new ferry boat, called the "New Jersey," was built during the year, and will be placed in commission by spring. There are now in the water transportation service: 10 Ferry Boats, 2 Passenger

Steamboats, 7 Freight Steamboats, 3 Tugs, 4 Barges, 19 Car Floats.

The operation of the New Jersey roads was conducted during the past year with great regularity and freedom from accidents, a marked improvement being noticeable in the passenger train movement.

THE PHILADELPHIA AND ERIE RAILROAD DIVISION.

The report of the General Superintendent of the Philadelphia and Erie Railroad Division, which is annexed hereto, gives in detail the operations of that division for the year. The results shown are not as satisfactory as could be wished or as they were expected to be. The heaviest business on this road has always been done during the fall months, and anticipating that the past year would not prove an exception to this rule, it was thought best to make every necessary preparation to move promptly the increased tonnage which was expected, by placing every branch of the service in the most efficient condition; the expenses were, in consequence, considerably increased during the first half of the year, but it was the intention to reduce them to a minimum in the latter half, during which period it was expected that the greater part of the net profits would be earned—and this expectation would have been realized but for two unforeseen causes: the great reduction in west-bound rates brought about by the ill-considered action of rival lines, and the financial panic which affected this road more seriously than any of the other lines operated by the Company. And although the emergency was promptly met by reducing expenses to the lowest possible point, yet the falling off in the gross earnings was so great that the net earnings were much reduced. Had the same relative increase in the business which was shown during the first half of the year been continued during the latter half, the results would have been all that could have been expected. One of the most prominent causes for the unsatisfactory financial results obtained from the operation of this road is to be found in the absence of a profitable passenger traffic. For several years past every effort has been made to increase and build up the travel by offering to it facilities and accommodations in advance of the demands; but these efforts have been almost entirely fruitless, and the management has been forced

to the conclusion that a profitable through passenger travel cannot be secured for this line at present, and that the development of this branch of the traffic must be slow and gradual, and that it will be increased only with the increase in the population and business of the country which the road traverses. The policy which will, therefore, be adopted in the future will be to provide every necessary accommodation for the local travel, but to incur no heavy expenditures in the vain effort to develop a through business. It is hoped that by this means the transportation of passengers may be made to render a reasonable profit, instead of being done with an almost entire absence of any, or indeed at an actual loss, as was the case in the past year.

Respectfully submitted.

A. J. CASSATT,

General Manager.

REPORT
OF THE
CHIEF ENGINEER OF CONSTRUCTION.

Chief Engineer's Office, Construction Department.

Philadelphia, December 31, 1873.

J. EDGAR THOMSON, ESQ.,

President.

SIR:—The following report of work done in this Department during the past year is respectfully submitted.

The pier at Greenwich Point, the construction of which was commenced during the previous year, has been completed. A small amount of work yet remains to be done, to complete the filling up of a portion of the meadow adjacent to the pier, in order to afford space for storage sheds. A road bed for two tracks has been graded to the pier, one track laid 3,923 feet in length, and the materials for the second track delivered, ready to be laid when the frost is out of the ground.

The grading of the branch northward has been finished, the single track extended 7,612 feet to the south line of the U. S. Navy Yard, and a section of second track 1,770 feet in length laid at the north end.

In accordance with acts passed by the State and Municipal authorities, the width of Delaware Avenue has been increased from fifty to eighty feet between Dock and Christian Streets, and a substantial wharf or bulkhead built along the river side. Materials have been delivered for the construction of a double track between the points named, which will be commenced as early in the ensuing spring, as the weather will permit. The ground between Water Street and Delaware Avenue, extending from Dock to Walnut Street, has been partially cleared of buildings, and preparations are being made to commence, at an early day, the erection of a commodious freight depot. An extensive shed has been erected on the

second pier north of Washington Street, similar to the one previously built on the adjacent pier; the docks have been deepened, a store-house built, machinery erected for conveying grain from the elevator to vessels, and sundry other facilities provided for the accommodation of the European steam-ship lines.

The improvements in progress at Sixteenth and Market Streets at the date of my last annual report have been completed.

Second track to the extent of 3,580 feet has been laid on Twenty-fifth Street, in the line of the Delaware extension. Additional sidings have been constructed in the West Philadelphia Yard, east of Fifty-second Street, amounting to 43,760 feet. The masonry of the bridge abutments at Haverford, Thirty-fifth and Fifty-second Streets has been extended, and additional trusses erected, for one track at the former, and two each at the two latter bridges. Stone abutments have been built for a new bridge of seventy feet span at Fiftieth Street, which has recently been laid out to pass under the railroad tracks. Between Fifty-second Street and Overbrook Station the road-bed has been increased in width, and 8,300 feet of third, and 2,440 feet of fourth track laid. The first and second tracks at Ardmore (formerly Athensville) have been shifted to their proper position on the new line, and a third track 7,700 feet in length laid to Bryn Mawr.

A section of new line, double track, 3,305 feet in length, between Villanova and Morgan's Corner, was brought into use on July 13th, which completes all the changes of line contemplated east of Eagle Station.

A section 4,100 feet in length, comprising three tracks, was opened April 6th, east of Glenloch Station; and another section west of Green Tree Station, 8,280 feet in length, double track, came into use on December 21st. Between these two sections there remains a length of 4,313 feet, which is graded and partly ballasted; when this is connected, the new line will be completed between Green Tree and Glenloch for a length of $4\frac{31}{100}$ miles, with 9,803 feet of third track. Three sidings have been laid at Glenloch, amounting in the aggregate to 2,850 feet, exclusive of the tracks to the coal platform, which measure 2,200 feet.

A large stone passenger station house has been erected at Ardmore; a small frame passenger station at Wayne, and a combined

passenger and freight house of frame at Malvern (formerly West Chester Intersection).

The addition to the hotel at Bryn Mawr, which was commenced in the latter part of the previous year, was completed in time to be made available during the past season. A considerable amount of work has also been done in grading and improving the grounds.

An embankment of 30 feet in height, at Downingtown, has been cut through, and a stone arch of 20 feet span built, to afford passage for a street, and get rid of an objectionable grade crossing.

The grading for third track extension west of Downingtown has been completed to the turnpike crossing west of Caln, including the grading of a new piece of line at Caln 3,400 feet in length, for three tracks, and the ballasting nearly ready for the superstructure for 7,600 feet to Thorndale. A stone reservoir 50 feet in diameter has been built at Gallagherville, and a new line of pipes laid, securing an abundant supply of water. A frame dwelling house has been erected at Leaman Place for the engineer of the pumping engine.

The improvements which were commenced at Columbia in the previous year, are completed, with the exception of the coal yard, which will be ready for use in a few weeks. They consist of a round house for 44 engines, a machine and blacksmith shop 153 by 53 feet; a stone reservoir 60 feet in diameter by 13 feet in depth; a pumping engine for raising water from the Susquehanna River; a platform for storing coal, with a bridge and tipples for coaling engines, and additional tracks amounting in the aggregate to $4\frac{6}{10}$ miles.

A siding of 1,100 feet in length has been constructed at Middletown; between Baldwin Station and Harrisburg, a considerable amount of grading has been done, 10,553 feet of third track laid on the north, and 4,380 feet of fourth track on the south side of the road, and new connections made with the tracks of the several iron works.

The bridges over railroad and canal at State Street, Harrisburg, were completed, and the street opened in the early part of the year.

The work at Grapeville Water Station was entirely finished by midsummer, and the station has since been in successful operation.

Respectfully,

W. HASELL WILSON,

Chief Engineer.

REPORT
OF THE
GENERAL SUPERINTENDENT
OF THE
DELAWARE & RARITAN CANAL.

Office of General Superintendent.

Philadelphia, January 23, 1873.

TO J. EDGAR THOMSON, ESQ.,

President Pennsylvania Railroad Company, Lessee.

SIR:—The Canal was opened for navigation on the 17th March, and closed on 20th December, a period of forty weeks, during which there were 240 working days of navigation.

The trade during that period sustained three several interruptions of a serious character, viz.:

First. A postponement of the Baltimore or Southern traffic till April 10, in consequence of a difference with the Chesapeake and Delaware Canal Company upon an equitable mode of distribution of the tolls on common traffic. (They demanded credit for a “constructive,” or imaginary length of line, for no other valid reason, as appeared to us, than because they had been accustomed to exact it.) The difficulty was adjusted at the date last mentioned by their accession to what is substantially a *pro rata* division on actual distance.

Second. A serious break in the Chesapeake and Delaware Canal, which again suspended the same trade, hardly restored from the former embarrassment, from August 20 to October 1, about seven weeks.

Third. The general business convulsion of September 18, which materially reduced all trade during the remainder of the season.

Notwithstanding these adverse circumstances, the business of the year shows very gratifying and encouraging results.

The following statement exhibits a comparison of the tonnage with that of 1872 in gross tons of 2,240 pounds each, viz.:

	1872.	1873.	Increase.	Decrease.
Schuylkill Canal Anthracite....	410,856	308,396	.....	102,460
Port Richmond do.....	364,370	470,081	105,711	.....
Lehigh Canal do.....	302,315	272,670	.....	29,645
Trenton (B. & D. R. R.) do.....	283,680	325,750	42,070	.....
Greenwich Bituminous.....	136,379	100,399	.....	35,980
Baltimore do.....	518,107	470,006	.....	48,101
Port Richmond do.....	62,492	29,803	.....	32,689
Steam Lines East.....	132,422	123,082	.....	9,340
Steam Lines West.....	174,225	127,309	.....	46,916
Miscellaneous East.....	161,876	170,112	8,236	.....
Miscellaneous West.....	290,810	357,229	66,419	.....
	2,837,532	2,754,837	222,436	305,131

Aggregate decrease in 1873, 82,695 tons.

A great change is observable in the movement of the Schuylkill County anthracite, with however about the same tonnage result to us, the loss from Schuylkill Haven being more than compensated by the gain from Port Richmond. This is largely in consequence of that coal seeking markets further to the eastward, being a first result of the competition in New York, *at agreed prices*. As the Schuylkill coal, under the new system, establishes for itself a better *status* and more stable channels of distribution in New York, instead of relying, as heretofore, on ruinous rates of sale, more of the Schuyl-

kill Haven small boats will find a market there, while the eastern markets, accessible by inside navigation, will be supplied by the larger barges loaded at Port Richmond.

There is some falling off in Lehigh Canal anthracite. Although the interests of the Lehigh Navigation Company have now passed into the hands of one of the strongest of the competing coal railroads, yet as that coal enjoys a certain well established water front market adjacent to New York, it is believed that our interests will not be much affected by the change.

The decrease in the business of the steam lines is due to changes made in their tolls, which were dictated to the canal by the interests of the railroad department, and which have been fully discussed.

The large increase in miscellaneous tonnage was gained in the face of advances which it was judged expedient to make in the tolls, and was the result of breaking up certain fixed channels in which it had been accustomed to move, and extending a fair and equal competition to all shippers, large and small, regular and transient.

In regard to the Greenwich bituminous coal the decrease anticipated in last report has occurred. I have nothing to add to my remarks then made. They appear to have been sustained by events, but as I understand that larger interests control this subject, and it is considered expedient that they should continue to do so, I simply refer to the remarks then presented.

THE RECEIPTS AND EXPENDITURES

Of the year as compared with those of 1872 exhibit very gratifying results, viz: .

RECEIPTS.	1872.	1873.
Toll on boats.....	5,202 11	4,600 35
Toll on lading.....	933,629 95	1,042,750 08
Incidentals.....	18,719 19	23,752 31
Steam towage.....	567,053 99	518,997 38
	1,524,605 24	1,590,100 12
Deduct drawbacks refunded.....	109,448 89	70,108 75
Actual gross receipts.....	\$1,415,156 44	\$1,519,991 37
Increase in 1873..		\$104,834 93

EXPENDITURES.	1872.	1873.
Canal expenses	618,044 90	432,532 96
Deduct drawbacks included in this.....	109,448 80	70,108 75
Actual canal expenses.....	508,596 10	362,424 21
Steam towing expenses.....	443,718 68	450,788 50
	\$952,314 78	\$813,212 71
*Decrease in 1873.....		\$139,102 07

The above increase of \$104,834 93 in gross receipts, added to the decrease of \$139,102 07 in expenses, is equal to an increase of \$243,937 in the net receipts or profits of 1873, viz. :

The net receipts of 1873,	-	-	-	-	706,778 66
“ “ 1872,	-	-	-	-	462,841 66
Increase in 1873,	-	-	-	-	\$243,937 00

This increase in net profits should, however, for purposes of comparison, be diminished by the amount of \$77,787 55, which, although included in the actual expenditures of 1872, was paid in 1872 in discharge of liabilities incurred during 1871. This change being allowed for, it follows that although the Company's treasury actually received an excess of net profits in 1873 amounting to \$243,937, yet the excess of net profits actually earned during 1873 was but \$166,149 45.

Whatever increased economy in expenditure was to be gained from simpler and cheaper organization, has now probably been

[NOTE.—Included in the amount here given as the decrease in expenditures, is the amount of \$45,726.09, which was paid directly by the Treasurer during the first three months of 1872, without going through the Auditor's books. It was, however, part of the actual expenditure then made, and is, therefore, included here for purposes of comparison.]

mostly realized. The reduction has been large, and it is thought judicious and permanent, but has perhaps been pushed as far as is consistent with ultimate advantage. It should be noted that none of the saving has been effected at the price of any efficiency in the administration, nor by allowing any deterioration in any of the fixed or movable property of the Company. On the contrary, it is believed that the administration of all departments was never more efficient or better prepared to meet any contingency.

The property of all kinds has not only been fully kept up, but has been constantly improved by repairs, renewals, and additions. A steady progress is maintained in increasing the depth and dimensions of the Canal and its appurtenances. A new and permanent dam has been constructed at the head of the Feeder in the Delaware River. Claims for land and water damages, long pending, have been adjusted and paid. Two of the locks have been rebuilt. Landing or harbor piers have been constructed on the Kill-von-Kull property. The steam tugs, barges, and schooners, have each had considerable value added to them, and, in short, all property of every kind has been fully maintained, and is now more valuable than at the beginning of the year, except so far as the value of the whole line is affected by the construction of the new railroad bridge at Perth Amboy, a circumstance which is familiar to you, and which has received your personal attention.

The several foregoing statements embrace the tonnage, receipts, and expenses of the canal and the steam towage. In addition to, and not included in them, was the business of the

SCHOONERS AND BARGES

belonging to the Canal, which was as follows, viz.:

Twenty-eight barges transported	-	-	-	-	77,206 tons.
Twenty-three schooners transported	-	-	-	-	55,675 "

Total tonnage,	-	-	-	-	-	132,881	"
----------------	---	---	---	---	---	---------	---

Of which 131,651 tons was anthracite coal received from the Belvidere and Delaware Railroad at Trenton, and transported thence to New York, and more eastern ports, and the remainder was back loading thence to Trenton, the whole being an increase of 8,093 tons over the tonnage in 1872.

Their receipts for freight were	-	-	-	-	-	\$216,957	60
Their expenses of all kinds,	-	-	-	-	-	199,410	42

Net profits in 1873,	-	-	-	-	-	17,547	18
do 1872,	-	-	-	-	-	16,725	77

Increase of net profits in 1873,	-	-	-	-	-	\$821	41
----------------------------------	---	---	---	---	---	-------	----

On the 24th February the Company's schooner "Surf" was totally lost off Long Island with her captain and all the hands on board. She was an old vessel, of small size, and her money value was trifling.

One fine three-masted schooner, with a carrying capacity of 345 tons in the canal, was built during the year at a cost of \$19,700.16, including furniture, and also seven barges, costing \$4,600 each, of which two have a carrying capacity in the canal of 300 tons each, and the others of 280 tons each.

These vessels are all in prime condition, and are in the immediate charge of Capt. J. G. Garretson, of Trenton, whose management of them has been judicious and successful.

THE LEHIGH BOATS.

Twenty-eight of these were on hand at the date of my last annual report.

Of these six have been fully paid for by their earnings during the season, and bills of sale given to the respective lessees, leaving twenty-two boats now on hand, on which the aggregate balance due the Company is \$7,978 46.

No renewal of this stock has been made or is contemplated, for the reasons fully set forth in my last annual report.

THE STEAM TOWAGE SERVICE.

The following is a comparative statement of some items of this service for the past two years, viz. :

	1872.	1873.
Number of tons towed.....	2,311,672	2,372,717
Number distributed in New York harbor.....	947,265	992,816
Tons of coal consumed by tugs.....	13,952	16,043
Expenses maintaining tugs and shops.....	114,842 07	88,634 47
Expenses operating tugs.....	185,558 18	216,977 24
Number of tugs employed.....	15	16

The expenses of maintaining the tugs, including the shops, are less in 1873 than in 1872 by \$26,207 $\frac{60}{100}$; they are fully kept up and their future annual maintenance will not probably exceed the reduced figure.

The expenses of operation exceed those of the previous year by the sum of \$31,419.06, of which about one-third is due to the increased price of coal, and two-thirds to the obstruction of navigation by the Raritan Bridge at Amboy. During the latter part of the season two extra tugs had to be maintained at the bridge, but their consumption of coal was light. The increased consumption of coal was principally due to the fact that owing to the obstruction and delay caused by the bridge, an increased proportion of the towing had to be performed against the tides, in which kind of service the increase of time and fuel consumption is very great.

The following vessels from the Canal passed the mouth of the Raritan during the season, viz.:

Freight steamers (not including tugs),	.	.	3,165
Sailing vessels, . . . . .	.	.	601
Laden barges, . . . . .	.	.	15,666
Light barges (free), . . . . .	.	.	8,811
Rafts, . . . . .	.	.	700
Scows, . . . . .	.	.	34
Total craft, . . . . .	.	.	28,977

Seven barges were sunk and one schooner and thirty-one barges more or less severely damaged by the bridge, and when this obstacle has to be encountered during the whole instead of only part of a season, the direct and indirect loss and damage to the Canal and all its auxiliary interests will be extremely serious.

The duties of all the officers and employees of the Canal have been well and zealously discharged, and especial acknowledgments are due to C. B. ROSSELL, Esq., Superintendent of the Canal, F. B. STEVENS, Esq., Superintendent of Steam Towing, and WILLIAM HACKER, Esq., Auditor Delaware and Raritan Canal.

Respectfully submitted,

I. J. WISTAR,

General Superintendent.

Philadelphia, January 26, 1874.

REPORT OF THE CONTROLLER.

Accounting Department, Pennsylvania R. R. Co.

CONTROLLER'S OFFICE,

Philadelphia, January 31, 1874.

To the President and Board of Directors
of the Pennsylvania Railroad Company. •

GENTLEMEN:—The accompanying statements exhibit in detail the sources of revenue in the Transportation Department, the character of expense accounts, and movement of passengers and freight traffic on the several railways and canals operated by the Pennsylvania Railroad Company during the year ending December 31st, 1873, embraced under general division heads as follows:

The Pennsylvania Railroad Division,	.	.	869 miles.
The United Railroads of New Jersey Division,	.	.	276 "
The Belvidere Division,	.	.	80 "
The Philadelphia and Erie Railroad Division,	.	.	288 "
The Delaware and Raritan Canal,	.	.	61 "
Total,	.	.	<u>1,574</u> "

Respectfully submitted,

SAMUEL G. LEWIS,
Controller.

THE PENNSYLVANIA RAILROAD DIVISION EMBRACES THE
FOLLOWING ROADS.

Pennsylvania Railroad Main Line,	.	.	358 miles.
Columbia Bridge,	.	.	1 mile.
York Branch,	.	.	13 miles.
Hollidaysburg Branch,	.	.	42 "
Indiana Branch,	.	.	19 "
East Brandywine and Waynesburg R. R.,	.	.	18 "
Bald Eagle Valley R. R.,	.	.	52 "
Mifflin and Centre Co. R. R.	.	.	13 "
Sunbury and Lewistown R. R.,	.	.	45 "
Tyrone and Clearfield R. W.,	.	.	44 "
Ebensburg and Cresson R. R.,	.	.	11 "
Western Pennsylvania R. R.,	.	.	85 "
Bedford and Bridgeport R. R.,	.	.	51 "
Southwestern Pennsylvania R. R.,	.	.	24 "
Pennsylvania and Delaware R. R.,	.	.	38 "
Lewisburg, Centre, and Spruce Creek R. R.,	.	.	11 "
Danville, Hazleton, and Wilkesbarre R. R.,	.	.	44 "
Total Pennsylvania R. R. Division,	.	.	<u>869</u> "

UNITED RAILROADS OF NEW JERSEY DIVISION.

Mantua to New York,	.	.	89 miles.
Camden to South Amboy,	.	.	61 "
Princeton Branch,	.	.	3 "
Rocky Hill and Kingston R. R.,	.	.	6 "
Millstone and New Brunswick R. R.,	.	.	7 "
Perth Amboy and Woodbridge R. R.,	.	.	7 "

Monmoth Junction to Jamesburg,	.	.	6 miles.
Pemberton and Hightstown R. R.,	.	.	25 "
Camden and Burlington County R. R.,	.	.	25 "
Columbus, Kinkora, and Springfield R. R.,	.	.	14 "
Burlington and Mount Holly R. R.,	.	.	7 "
Medford Branch,	.	.	7 "
Vincentown Branch,	.	.	3 "
Mercer and Somerset R. R.,	.	.	5 "
Frankford and Holmesburg R. R.,	.	.	5 "
Bordentown to Trenton,	.	.	6 "
Total U. R. R. N. J. Div.,			<u>276 "</u>

The water route from South Amboy to New York, 30 miles, is not included in the above table of distances.

BELVIDERE DIVISION.

Belvidere Delaware R. R.,	.	.	68 miles.
Flemington Branch,	.	.	12 "
Total Belvidere Division,			<u>80 "</u>

PHILADELPHIA AND ERIE R. R. DIVISION.

Philadelphia and Erie R. R.,	.	.	288 miles.
------------------------------	---	---	------------

CANAL.

Delaware and Raritan Canal,	.	.	61 miles.
-----------------------------	---	---	-----------

PENNSYLVANIA RAILROAD DIVISION.

EARNINGS AND EXPENSES OF THE PENNSYLVANIA RAILROAD
AND BRANCHES, FOR THE YEAR 1873.

EARNINGS.

From general freights, . . .	\$19,608,555	07	
“ miscellaneous freights, . . .	92,612	76	
			<u>\$19,701,167 83</u>
“ first class passengers, . . .	\$4,169,141	97	
“ emigrant passengers, . . .	230,529	49	
“ Adams Express, . . .	450,241	40	
“ carrying U. S. mails, . . .	158,287	50	
“ miscellaneous passengers, . . .	94,143	51	
			<u>5,102,343 87</u>
“ rents,			82,497 20
			<u>82,497 20</u>
Total earnings,			<u><u>\$24,886,008 90</u></u>

EXPENSES.

For conducting transportation, . . .	\$5,664,140	57	
“ motive power,	4,223,530	53	
“ maintenance of cars,	1,926,095	53	
“ maintenance of way,	3,246,832	20	
“ general expenses,	379,706	33	
			<u>379,706 33</u>
Total expenses,			\$15,440,305 16
Net earnings to balance,			9,445,703 74
			<u><u>\$24,886,008 90</u></u>

UNITED RAILROADS OF NEW JERSEY DIVISION.

EARNINGS AND EXPENSES OF THE UNITED RAILROADS OF NEW JERSEY DIVISION, EXCLUDING BELVIDERE DELAWARE RAILROAD AND FLEMINGTON BRANCH, FOR THE YEAR 1873.

EARNINGS.

From general freights, . . .	\$3,398,231	39	
“ miscellaneous freights, . . .	10,800	33	
			<u>\$3,409,031 72</u>
“ first class passengers, . . .	\$4,548,799	64	
“ emigrant passengers, . . .	111,322	73	
“ express, . . .	271,865	20	
“ carrying U. S. mails, . . .	49,511	07	
“ miscellaneous passengers, . . .	32,699	82	
			<u>\$5,014,198 46</u>
“ rents,			93,509 75
			<u>93,509 75</u>
Total earnings,			<u><u>\$8,516,739 93</u></u>

EXPENSES.

For conducting transportation, . . .	\$3,233,910	93	
“ motive power, . . .	1,687,376	75	
“ maintenance of cars, . . .	434,890	38	
“ maintenance of way, . . .	1,337,470	12	
“ general expenses, . . .	98,539	87	
			<u></u>
Total expenses,			\$6,792,188 05
Net earnings to balance,			1,724,551 88
			<u>1,724,551 88</u>
			<u><u>\$8,516,739 93</u></u>

BELVIDERE DIVISION.

EARNINGS AND EXPENSES OF THE BELVIDERE DELAWARE
RAILROAD, INCLUDING THE FLEMINGTON BRANCH, FOR THE
YEAR 1873.

EARNINGS.

From general freights, . . .	\$938,228 30	
“ miscellaneous freights, . . .	1,120 89	
	<hr/>	\$939,349 19
“ first class passengers, . . .	\$195,220 62	
“ express, . . .	3,974 07	
“ carrying U. S. mails, . . .	5,758 98	
“ miscellaneous passengers, . . .	532 91	
	<hr/>	205,486 58
“ rents,		3,386 99
		<hr/>
Total earnings,		\$1,148,222 76
		<hr/>

EXPENSES.

For conducting transportation, . . .	\$248,956 40	
“ motive power, . . .	210,289 27	
“ maintenance of cars, . . .	73,686 60	
“ maintenance of way, . . .	292,980 38	
	<hr/>	
Total expenses,		\$825,912 65
Net earnings to credit of Bel. and Del. Railroad, . . .		322,310 11
		<hr/>
		\$1,148,222 76
		<hr/>

PHILADELPHIA AND ERIE R. R. DIVISION.

EARNINGS AND EXPENSES OF THE PHILADELPHIA AND ERIE
RAILROAD FOR THE YEAR 1873.

EARNINGS.

From general freights, . . .	\$3,042,806 00	
“ miscellaneous freights, . . .	73,880 60	
		<u>\$3,116,686 60</u>
“ first class passengers, . . .	\$627,884 91	
“ emigrant passengers, . . .	4,735 39	
“ express, . . .	41,189 10	
“ carrying U. S. mail, . . .	30,748 41	
“ miscellaneous passengers, . . .	10,488 73	
		<u>\$715,046 54</u>
“ rents,		10,334 06
		<u>10,334 06</u>
Total earnings,		<u><u>\$3,842,067 20</u></u>

EXPENSES.

For conducting transportation, . . .	\$872,256 99	
“ motive power, . . .	962,781 49	
“ maintenance of cars, . . .	398,390 03	
“ maintenance of way, . . .	1,179,882 33	
		<u></u>
Total expenses,		\$3,413,310 84
Net earnings to credit of Phila. and Erie Railroad, . . .		428,756 36
		<u><u>\$3,842,067 20</u></u>

DELAWARE AND RARITAN CANAL.

EARNINGS AND EXPENSES OF THE DELAWARE AND RARITAN
CANAL FOR THE YEAR 1873.

EARNINGS.

From tolls on boats, . . .	\$4,600 35	
" tolls on lading, . . .	1,042,750 08	
" steam towing, . . .	518,997 38	
" miscellaneous sources, . . .	23,752 31	
		<hr/>
Total earnings,		\$1,590,100 12
		<hr/> <hr/>

EXPENSES.

For maintenance of canal, . . .	\$188,139 67	
" canal operation, . . .	244,393 29	
" steam towing, . . .	450,788 50	
		<hr/>
Total expenses,		883,321 46
Net earnings to balance,		706,778 66
		<hr/>
		\$1,590,100 12
		<hr/> <hr/>

RECAPITULATION.

EARNINGS.

Pennsylvania Railroad and Branches, including Danville, Hazleton, and Wilkesbarre, and the Lewisburg, Centre and Spruce Creek Railroads,	\$24,886,008 90
United Railroads of New Jersey Division, including the Mercer and Somerset Railroad,	8,516,739 93
Delaware and Raritan Canal,	1,590,100 12
Belvidere Delaware Railroad, including the Flem- ington Branch,	1,148,222 76
Philadelphia and Erie Railroad,	3,842,067 20
 Total earnings,	 <u>\$39,983,138 91</u>

EXPENSES.

Pennsylvania Railroad and Branches, including Danville, Hazleton, and Wilkesbarre, and the Lewisburg, Centre and Spruce Creek Railroads,	\$15,440,305 16
United Railroads of New Jersey Division, including the Mercer and Somerset Railroad,	6,792,188 05
Delaware and Raritan Canal,	883,321 46
Belvidere Delaware Railroad, including the Flem- ington Branch, with net earnings paid over,	1,148,222 76
Philadelphia and Erie Railroad, with net earnings paid over,	3,842,067 20
 Total expenses,	 <u>\$28,106,104 63</u>
Net earnings to balance,	11,877,034 28
	 <u><u>\$39,983,138 91</u></u>

TRANSPORTATION BALANCE SHEET FOR THE YEAR 1873.

DR.

To amount of

Stock on hand January 1, 1873, Pennsylvania Railroad Division,	\$2,303,033 67
Stock on hand January 1, 1873, United Railroads of New Jersey Division,	906,878 37
Stock on hand January 1, 1873, Philadelphia and Erie Railroad Division,	507,829 84
Stock on hand January 1, 1873, Delaware and Raritan Canal,	137,857 06
Pay rolls, railroad transportation, Pennsylvania Railroad Division,	9,298,401 27
Pay rolls, railroad transportation, United Railroads of New Jersey Division,	4,790,731 19
Pay rolls, railroad transportation, Philadelphia and Erie Railroad Division,	2,151,938 12
Pay rolls, Delaware and Raritan Canal,	358,503 73
Bills, railroad transportation, Pennsylvania Railroad Division,	21,276,068 88
Bills, railroad transportation, United Railroads of New Jersey Division,	7,855,379 73
Bills, railroad transportation, Philadelphia and Erie Railroad Division,	2,615,900 36
Bills, Delaware and Raritan Canal,	609,791 39
	<u>\$52,812,313 61</u>

CR.

By amounts expended in the following departments: Pennsylvania Railroad Division, including Danville, Hazleton, and Wilkesbarre Railroad, and Lewisburg Centre and Spruce Creek Railroad.

Motive power,	\$4,223,530 53
Conducting transportation,	5,664,140 57
Maintenance of way,	3,246,832 20
Maintenance of cars,	1,926,095 53
General expenses,	379,706 33
	<u>15,440,305 16</u>
Amount carried forward,	\$15,440,305 16

TRANSPORTATION BALANCE SHEET.—*Continued.*

By amount brought forward,			\$15,440,305 16
On United Railroads of New Jersey Division, excluding Belvidere Delaware Railroad and Flemington Branch.			
Motive power,		\$1,687,376 75	
Conducting transportation,		3,233,910 93	
Maintenance of way,		1,337,470 12	
Maintenance of cars,		434,890 38	
General expenses,		98,539 87	
			6,792,188 05
On Belvidere Delaware Railroad and Flemington Branch.			
Motive power,	\$210,289 27		
Conducting trans'n	248,956 40		
Maintenance of way,	292,980 38		
Maintenance of cars,	73,686 60		
		\$825,912 65	
Voucher for net earnings to its credit,		322,310 11	
			1,148,222 76
On Delaware and Raritan Canal.			
Maintenance of Canal,		\$188,139 67	
Canal operation,		244,393 29	
Steam towing,		450,788 50	
			883,321 46
On Philadelphia and Erie Railroad Division, excluding Danville, Hazleton, and Wilkesbarre Railroad, and Lewisburg, Centre and Spruce Creek Railroad.			
Motive power,		\$962,781 49	
Conducting transportation,		872,256 99	
Maintenance of way,		1,179,882 33	
Maintenance of cars,		398,390 03	
			3,413,310 84
Net earnings to credit Philadelphia and Erie Railroad Company,		428,756 36	
			3,842,067 20
Amount carried forward,			\$28,106,104 63

TRANSPORTATION BALANCE SHEET.—*Continued.*

Amount brought forward,		\$28,106,104 63
Individuals and Companies.		
Pennsylvania Railroad Division,	\$4,454,663 11	
United Railroads of New Jersey Division,	786,215 15	
Delaware and Raritan Canal,	23,027 36	
Philadelphia and Erie Railroad Division,	604,821 30	
		5,868,726 92
Construction and equipment, Pennsylvania Railroad Division,		10,196,183 56
Construction and Harsimus Cove account, United Railroads of New Jersey Division,		3,852,560 65
By stock on hand December 31, 1873.		
On Pennsylvania Railroad Division,	\$2,939,361 14	
On United Railroads of New Jersey Division,	973,802 68	
On Philadelphia and Erie Railroad Division,	675,770 67	
On Delaware and Raritan Canal,	199,803 36	
		4,788,737 85
		<u>\$52,812,313 61</u>

PENNSYLVANIA RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT No. 1.

General Exhibit of Earnings and Expenses for the year ending December 31, including Danville, Hazleton and Wilkesbarre Dr. and Lewisburg, Centre and Spruce Creek Railroads. Cr.

		1873. BY AMOUNT OF EXPENSES IN		Passenger.	Freight.	T. tale.
1873. TO AMOUNT OF EARNINGS FROM		Conducting transportation.....		\$1,190,646 39	\$4,473,494 18	\$5,664,140 57
Freight at Stations and Tolls on individual cars		Motive power.....		775,831 32	3,417,596 21	4,223,530 53
Miscellaneous.....		Maintenance of cars.....		691,655 82	1,234,439 71	1,926,095 53
		Maintenance of way.....		811,707 77	2,435,124 43	3,246,832 20
First-class passengers.....		General expenses.....		103,103 23	276,543 10	379,706 33
Emigrant passengers.....				3,573,107 53	11,867,197 63	15,440,305 16
Express.....						
Carrying United States Mails.....						
Miscellaneous.....						
Rents		By amount of net proceeds to balance.....		2,510,800 04	7,896,843 10	9,445,703 74
				5,122,968 17	19,763,040 73	24,886,008 90

PENNSYLVANIA RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT NO. 2.

Earnings and Expenses, showing Net Earnings by months for the year ending December 31st, including Danville, Hazleton, and Wilkesbarre and Lewisburg, Centre and Spruce Creek Railroads.

MONTH.	GROSS EARNINGS.	EXPENSES.	NET EARNINGS.
January.....	\$1,753,355 17	\$1,260,497 66	\$492,857 51
February.....	1,688,182 73	1,236,209 86	451,972 87
March.....	2,112,916 17	1,412,971 56	699,944 61
April.....	2,332,831 52	1,418,747 06	914,084 46
May.....	2,316,156 09	1,551,697 07	764,459 02
June.....	2,174,886 11	1,610,606 06	564,280 05
July.....	1,878,244 08	1,244,188 09	634,055 99
August.....	1,996,159 16	1,257,584 55	738,574 61
September.....	2,477,256 38	1,207,317 83	1,269,938 55
October.....	2,352,034 03	1,226,380 82	1,125,653 21
November.....	1,901,035 92	995,505 42	905,530 50
December.....	1,902,951 54	1,018,589 18	884,362 36
Totals.....	\$24,886,008 90	\$16,440,305 16	\$9,445,703 74

PENNSYLVANIA RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT No. 3.

Earnings in detail for the year ending December 31, including Danville, Hazleton and Wilkesbarre, and Lewisburg, Centre and Spruce Creek Railroads.

CLASS.	JANUARY.	FEBRUARY.	MARCH.	APRIL.	MAY.	JUNE.	JULY.	AUGUST.	SEPTEMBER.	OCTOBER.	NOVEMBER.	DECEMBER.	TOTALS.
FREIGHT EARNINGS.													
From Freight at Stations, & Tolls on individual cars,	1,410,836 27	1,877,179 87	1,713,234 19	1,907,584 71	1,833,048 81	1,687,609 81	1,875,064 29	1,439,525 90	1,900,719 53	1,863,167 38	1,528,897 73	1,493,425 36	19,608,555 07
Miscellaneous,	1,819 06	1,145 23	6,044 42	893 49	16,325 59	12,830 23	2,492 84	16,129 35	6,871 15	7,479 77	7,182 30	6,660 33	92,812 76
Total Freight Earnings,	\$1,412,177 33	\$1,878,325 10	\$1,721,278 60	\$1,908,478 20	\$1,851,374 40	\$1,711,431 17	\$1,877,557 13	\$1,477,635 25	\$1,907,590 68	\$1,870,647 15	\$1,536,080 03	\$1,500,085 69	\$19,701,167 83
PASSENGER EARNINGS.													
From First Class Passengers,	253,776 76	216,838 51	318,214 13	3,241 23	261,894 70	243,372 31	411,017 42	470,301 70	400,089 18	367,141 23	298,766 02	367,612 29	4,109,141 97
Emigrant Passengers,	529 61	7,970 87	12,925 76	6,078 60	30,135 84	38,734 19	81,116 61	24,046 91	21,164 00	19,409 67	16,926 83	7,554 06	290,529 49
Express,	48,397 51	19,366 96	30,207 39	23,869 35	27,108 61	26,610 00	23,067 01	23,660 07	27,472 64	48,178 29	29,434 64	69,116 21	420,341 40
United States Mails,	13,383 80	12,166 48	15,165 84	12,165 48	15,091 96	12,165 54	13,165 46	13,310 16	13,043 62	13,210 16	13,210 16	13,210 22	138,267 50
Miscellaneous,	6,019 46	8,163 71	6,810 34	8,864 19	12,065 12	6,817 40	6,717 10	14,615 43	10,143 18	6,653 64	7,483 51	6,966 48	94,143 91
Total Passenger Earnings,	\$328,129 13	\$342,337 53	\$380,278 15	\$419,491 03	\$437,969 23	\$437,807 69	\$594,096 65	\$536,167 22	\$536,910 76	\$545,590 69	\$395,453 18	\$519,140 64	\$5,102,543 87
From Bonus,	13,016 31	7,500 00	6,314 99	4,721 27	7,412 46	6,917 75	6,596 30	12,336 09	2,968 41	4,792 19	2,507 71	6,317 19	82,497 20
Total Earnings from all sources, \$1,733,353 17	\$1,694,142 73	\$2,112,916 17	\$2,112,916 17	\$2,327,969 23	\$2,316,158 09	\$2,174,906 11	\$2,473,653 78	\$2,016,159 16	\$2,444,501 54	\$2,416,239 34	\$2,041,039 94	\$2,016,402 88	\$24,884,008 90

PENNSYLVANIA RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT No. 4.

Expenses in detail for the year ending December 31, including Danville, Hazleton, Wilkesbarre, and Lewisburg, Centre and Spruce Creek Railroads.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
CONDUCTING TRANSPORTATION.			
Advertising	\$43,552 97	\$918 76	\$44,471 33
Agents	42,439 74	79,099 13	121,558 87
Baggage Masters	64,456 81		64,456 81
Brakemen	86,311 27	928,877 79	1,014,189 06
Cars, cleaning and inspecting	53,365 45	92,122 55	175,488 00
Car furniture and fixtures	51,891 71	45,186 09	97,077 80
Car service	8,632 78	231,662 38	240,295 16
Clerks	39,421 52	210,915 83	250,337 35
Conductors	88,070 78	362,860 62	450,931 40
Dispatchers	20,510 23	89,891 04	110,401 27
Drawbacks and overcharges	594 63	508,433 43	509,028 06
Expenses of stations, except labor	6,230 81	17,160 94	23,391 75
Foreign agencies	135,923 02	130,492 85	266,415 90
Fuel at stations	8,170 92	8,947 36	17,118 28
Fuel for cars	11,096 25	18 44	11,094 69
Incidentals	30,391 54	81,429 35	111,820 89
Labor at stations	26,629 61	212,627 02	239,256 63
Light at stations	22,490 89	17,070 80	39,561 69
Light for cars	13,889 67	8,016 87	21,906 54
Loss and damage, &c	22,134 55	83,691 43	105,825 98
Mail expenses	5,596 70		5,596 70
O. I. fallow, waste, &c	29,371 51	67,130 17	96,501 68
Stationery and printing	48,539 06	110,467 37	159,006 43
Stations, repairs of, &c	89,939 71	194,726 50	284,666 21
Superintendence	11,036 52	33,110 67	44,147 39
Switchmen	1,639 58	28,378 71	30,018 29
Tax on depots	8,646 96	54,608 01	63,214 97
Tax on tonnage, "State"		72,471 58	72,471 58
Teaming		96,071 66	96,071 66
Telegraph expenses	36,721 95	110,180 53	146,902 48
Tolls, Philadelphia City R. R.		7,912 15	7,912 15
" Philadelphia, Wilkes and Bal' R. R.		21,277 19	21,277 09
" Junction R. R.		42,091 40	42,091 40
Wharves and landings, repairs of		26,287 50	26,287 50
Rental, Bald Eagle Valley R. R.	38,718 58	50,769 57	89,488 15
" E. B. andywine and Waynesburg R. R.	3,485 34	3,533 27	7,018 61
" Tyrone and Clearfield R. W.	8,246 00	54,038 45	62,214 35
" Western Pennsylvania R. R.	85,717 63	263,251 14	348,968 77
" Southwestern Pennsylvania R. R.	2,898 96	53,848 02	56,746 98
" Lewisburg Centre and Spruce Creek R. R.	4,667 44	2,316 50	6,983 94
Tolls, Lewisburg Bridge Co.	1,577 83	2,844 40	4,422 23
Tax, State revenue	17,787 97	73,737 80	91,525 77
Total	\$1,190,616 39	\$4,473,494 18	\$5,664,140 57
Amount carried forward			\$5,664,140 57

STATEMENT NO. 4—Continued.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Amount brought forward.....			\$5,664,140 67
MOTIVE POWER.			
Coal.....	\$138,758 16	\$932,362 18	\$1,071,120 34
Cotton waste.....	6,054 78	26,550 78	32,605 56
Engineers and firemen.....	172,825 30	831,963 21	1,004,788 51
Engine houses and machine shops, repairs of.....	20,673 25	62,019 93	82,693 18
Fuel for stoves.....	4,038 36	12,115 13	16,153 49
Incidentals.....	24,263 54	69,610 81	92,814 35
Laborers.....	80,532 00	241,596 25	322,128 25
Locomotive furniture and fixtures.....	21,693 83	65,040 17	86,734 00
Locomotives, repairs of.....	144,818 42	652,040 15	796,858 57
Oil.....	10,292 94	45,012 72	55,305 66
Stationery and printing.....	4,377 27	14,511 87	19,349 14
Switchmen.....	6,506 12	19,518 43	26,024 55
Tallow.....	8,450 45	42,011 00	50,061 45
Taxes on engine houses and shops.....	9,486 51	28,459 59	37,946 10
Tools and machinery, repairs of.....	18,467 15	55,401 52	73,868 67
Watchmen.....	6,190 89	18,572 80	24,763 69
Water stations and fixtures, repairs of.....	84,282 20	102,846 85	137,129 05
Water stations, expenses of.....	27,378 44	82,135 42	109,513 86
Wood, hauling and preparing.....	17,318 46	84,248 42	101,566 88
Interest on valuation of engines.....	20,526 25	61,578 98	82,105 23
Total.....	\$775,934 32	\$3,447,596 21	\$4,223,530 53
MAINTENANCE OF CARS.			
Car shops and sheds, repairs of.....	\$4,580 19	\$13,740 65	\$18,320 84
Cars, repairs, bullet, and wood.....	6,091 17	18,273 52	24,364 69
Cars, repairs of freight.....		1,108,104 60	1,108,104 60
Cars, repairs of passenger and baggage.....	640,344 24		640,344 24
Fuel for stoves.....	268 48	805 53	1,074 01
Incidentals.....	928 30	2,785 00	3,713 30
Interest on valuation of passenger and baggage cars.....	9,890 54	2,071 48	11,962 02
Laborers.....	16,016 77	48,050 41	64,067 18
Tools and repairs of tools.....	9,019 76	27,059 35	36,079 11
Watchmen.....	4,516 37	13,549 17	18,065 54
Total.....	\$891,655 82	\$1,234,439 71	\$1,926,095 53
Amount carried forward.....			\$11,813,766 33

STATEMENT NO. 4—Continued.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Amount brought forward.....			\$11,813,766 63
MAINTENANCE OF WAY.			
Ballast.....	\$79,004 69	\$237,014 28	316,018 97
Bridges, repairs of.....	55,274 92	165,824 65	221,099 57
Cars, repairs of road and hand.....	2,314 85	9,914 59	9,239 44
Chairs.....	20,154 59	60,463 84	80,618 43
Clerks.....	2,360 97	7,982 91	9,443 88
Cross-ties.....	50,184 98	150,554 88	200,739 86
Expenses on property.....	3,528 76	10,586 28	14,115 04
Foreman, tool, and W. houses, repairs of.....	4,516 42	13,549 21	18,065 63
Frogs.....	14,728 68	44,185 77	58,914 35
Incidentals.....	1,846 91	5,540 75	7,387 66
Interest, &c.....	225 00	675 00	900 00
Iron rails.....	240,604 17	721,812 66	962,416 83
Oil, tallow, waste, &c.....	444 05	1,332 25	1,776 30
Road-bed, repairs of, labor and material.....	46,194 54	138,583 75	184,778 29
Snow and ice, removing.....	14,831 64	44,495 00	59,326 64
Spikes.....	9,162 58	27,487 93	36,650 51
Stationery and printing.....	1,085 03	3,255 10	4,340 13
Superintendence and Supervisors.....	10,164 62	30,493 53	40,658 05
Switches.....	9,711 61	29,134 84	38,846 45
Taxes on real estate.....	2,754 08	8,262 34	11,016 42
Telegraph, repairs of.....	21,436 37	64,309 18	85,745 55
Tools and repairs of.....	11,950 82	35,562 56	47,503 38
Track, labor repairing.....	168,925 74	506,777 15	675,702 89
Watchmen.....	40,301 95	120,905 98	161,207 93
Total.....	\$811,707 77	\$2,435,124 43	\$3,246,832 20

GENERAL EXPENSES.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Advertising.....	\$4,299 20	\$12,897 62	\$17,196 72
Attendants.....	3,499 10	10,199 27	13,698 37
Clerks.....	33,239 54	76,800 62	110,040 16
Fuel and light.....	1,217 39	3,652 18	4,869 57
Incidentals and legal expenses.....	15,841 33	47,450 88	63,292 21
Office expenses.....	9,646 63	25,182 20	34,828 73
Salaries of President and other officers.....	29,781 07	83,443 26	113,224 33
Stationery and blanks.....	4,219 53	12,658 56	16,878 09
Taxes on real estate, Philadelphia.....	1,419 54	4,268 61	5,678 15
Total.....	\$103,163 23	\$276,543 10	\$379,706 33
Total working expenses.....			\$15,440,305 16

	Passenger.	Freight.	Totals.
SUMMARY.			
Conducting transportation.....	\$1,190,646 39	\$4,473,494 18	\$5,664,140 57
Motive power.....	775,934 32	3,147,596 21	4,223,530 53
Maintenance of cars.....	691,655 82	1,234,439 71	1,926,095 53
Maintenance of way.....	811,707 77	2,435,124 43	3,246,832 20
General expenses.....	103,163 23	276,543 10	379,706 33
Total.....	\$3,573,107 53	\$11,867,197 63	\$15,440,305 16

PENNSYLVANIA RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT No. 5.

Summary of the number of individual passengers, and of passengers carried one mile (including D. H. & W. and L. C. & S. C. Railroads).

	Individual Passengers.	Miles Travelled.	Average Distance.	Equivalent Through Passengers.
First class passengers.....	4,560,406 ²	149,939,922 ⁶	32.87	424,038
Emigrant "	56,513 ²	18,789,572 ⁷	332.47	53,138
Commutation "	1,262,764	8,749,525 ¹	6.92	24,744
	5,879,684	177,479,020 ⁴	30.16	501,920

Summary of tons transported and tons carried one mile (including D. H. & W. and L. C. & S. C. Railroads).

Tons of Through Freight		Mileage of Through	
Eastward.....	870,795	Freight Eastward ...	312,362,336
Tons of Through Freight		Mileage of Through	
Westward	319,661	Freight Westward...	114,475,403
Tons of Local Freight East-		Mileage of Local	
ward.....	5,482,507	Freight Eastward....	820,776,145
Tons of Local Freight		Mileage of Local	
Westward.....	2,535,268	Freight Westward...	137,218,086
Total tons moved.....	9,211,231	Total mileage.....	1,384,831,970

PENNSYLVANIA RAILROAD DIVISION,
ACCOUNTING DEPARTMENT.

Statement of Earnings and Expenses from 1858 to 1873.

YEAR.	GROSS EARNINGS.	EXPENSES.	NET EARNINGS.
1858.....	\$5,185,330 68	\$3,021,885 04	\$2,163,445 64
1859.....	5,362,355 21	3,130,738 15	2,231,617 06
1860.....	5,932,701 48	3,636,299 08	2,296,402 40
1861.....	7,300,000 95	3,653,062 76	3,646,938 19
1862.....	10,304,290 96	5,431,072 59	4,873,218 37
1863.....	11,891,412 95	6,780,000 21	5,111,412 74
1864.....	14,759,057 66	10,683,944 19	4,065,113 47
1865.....	17,459,169 49	13,270,058 54	4,189,110 95
1866.....	16,583,882 84	12,790,909 27	3,792,973 57
1867.....	16,340,156 36	12,080,299 64	4,259,856 72
1868.....	17,233,497 31	11,860,983 88	5,372,513 43
1869.....	17,250,811 73	12,203,267 60	5,047,544 13
1870.....	17,531,706 82	11,260,085 15	6,271,621 67
1871.....	18,719,836 85	11,828,433 34	6,896,403 51
1872.....	22,012,525 27	13,764,673 09	8,247,852 18
1873.....	24,886,008 90	15,440,305 16	9,445,703 74
Total.....	\$228,752,745 46	\$150,841,017 69	\$77,911,727 77

UNITED RAILROADS OF NEW JERSEY DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT NO. 1.

General Exhibit of Earnings and Expenses for the year ending December 31, excluding Belvidere Delaware Railroad and Flemington Branch.

Cr.

Dr.

1873. TO AMOUNT OF EARNINGS FROM	1873. BY AMOUNT OF EXPENSES IN	Passenger.	Freight.	Totals.
Freight at Stations and Tolls on Individual cars.....	\$3,393,231 30	\$1,419,906 40	\$1,814,004 47	\$1,233,910 93
Miscellaneous	10,800 33	816,004 62	870,412 23	1,687,376 76
	\$3,406,031 72			
First class passengers.....	4,548,799 04	248,391 62	186,498 86	434,890 38
Emigrant passengers.....	111,322 73	668,735 03	668,735 09	1,337,470 12
Express.....	271,865 20	60,664 24	37,985 63	98,639 87
Carrying United States Mails.....	49,511 07			
Miscellaneous	32,699 82			
	6,014,198 46			
Rents		3,214,661 77	8,577,656 28	6,792,188 05
	\$3,509 75			1,724,561 88
	8,516,739 93			8,516,739 93

UNITED RAILROADS OF NEW JERSEY DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT NO. 2.

Earnings and Expenses, showing Net Earnings by months for the year ending December 31, excluding Belvidere Delaware Railroad and Flemington Branch.

MONTH.	GROSS EARNINGS.	EXPENSES.	NET EARNINGS.
January.....	\$657,916 60	\$552,597 61	\$105,318 99
February.....	635,708 69	559,783 52	75,925 17
March.....	753,177 40	555,843 49	197,333 91
April.....	689,555 30	586,285 31	103,269 99
May.....	701,104 97	687,796 05	13,308 92
June.....	696,323 50	674,844 09	21,479 41
July.....	663,563 22	518,607 03	144,956 19
August.....	802,804 22	513,179 21	289,625 01
September.....	899,002 31	553,072 49	345,929 82
October.....	773,232 65	507,551 79	265,677 86
November.....	593,554 05	480,127 66	113,426 39
December.....	650,767 02	602,496 80	48,270 22
Totals.....	\$8,516,739 93	\$6,792,188 05	\$1,724,551 88

UNITED RAILROADS OF NEW JERSEY DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT No. 3.

Earnings in detail for the year ending December 31, including Belvidere Delaware Railroad and Flemington Branch.

	JANUARY.	FEBRUARY.	MARCH.	APRIL.	MAY.	JUNE.	JULY.	AUGUST.	SEPTEMBER.	OCTOBER.	NOVEMBER.	DECEMBER.	TOTALS.
PASSENGER EARNINGS.													
From freight at stations, and													
tolls on individual cars, . . .	\$ 6,670 14	297,614 12	331,744 22	309,643 91	246,239 53	286,090 90	312,993 04	297,584 16	354,156 84	191,439 06	243,277 01	288,878 84	2,380,231 23
Miscellaneous, . . .	1,428 79	1,339 65	1,130 30	918 52	63 46	867 97	947 67	617 09	1,129 35	230 75	572 94	7,609 19	10,800 23
Total freight earnings, . .	\$380,299 93	\$298,953 77	\$332,874 52	\$270,519 43	\$246,301 99	\$286,958 87	\$713,940 70	\$285,101 27	\$355,285 19	\$231,669 81	\$243,819 95	\$790,588 23	\$3,409,031 72
PASSENGER EARNINGS.													
From													
first class passengers, . . .	3,679 25	300,149 71	371,519 63	373,142 39	401,233 10	374,629 65	405,401 46	459,608 67	498,165 39	431,435 89	205,006 41	813,731 07	4,548,799 64
emigrant passengers, . . .	8,791 40	3,792 33	5,953 29	6,000 45	16,093 15	16,183 34	13,129 81	14,106 18	10,044 66	9,794 66	7,707 42	4,125 02	111,873 73
express, . . .	20,704 94	20,411 03	23,410 20	25,375 67	27,616 95	19,178 55	17,608 57	27,081 77	26,014 86	28,929 56	27,101 19	35,439 77	271,863 30
United States Mails, . . .	4,319 27	4,046 23	4,046 81	4,046 27	4,046 27	4,046 31	4,437 65	4,346 47	4,037 60	4,106 26	4,106 26	4,106 26	49,511 07
Miscellaneous, . . .	1,160 46	4,758 93	2,471 76	2,921 27	3,231 71	3,046 31	2,854 31	2,650 39	2,913 77	2,868 63	3,079 43	1,892 19	27,699 83
Total passenger earnings, . .	\$316,191 59	\$333,189 27	\$407,891 19	\$412,066 96	\$447,272 13	\$317,019 05	\$643,429 70	\$507,793 49	\$359,166 22	\$473,134 94	\$341,089 70	\$349,064 22	\$2,014,166 46
From													
freight, . . .	3,026 09	5,506 70	12,921 63	7,049 91	6,860 85	12,235 57	6,192 87	6,909 52	6,570 80	6,127 90	6,705 40	11,094 47	86,569 75
Total earnings from all sources, . .	\$637,946 70	\$633,708 69	\$753,177 40	\$689,555 80	\$701,104 97	\$604,328 50	\$653,543 22	\$807,804 27	\$698,092 31	\$773,273 61	\$758,554 05	\$850,167 02	\$4,516,739 83

UNITED RAILROADS OF NEW JERSEY DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT No. 4.

Expenses in detail for the year ending December 31, excluding Belvidere Delaware R. R. and Flemington Branch.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
CONDUCTING TRANSPORTATION.			
Advertising	\$26,165 03	\$294 97	\$26,460 00
Agents	51,964 04	51,830 01	103,794 05
Baggage masters	45,968 00		45,968 00
Barges, maintaining		23,265 30	23,265 30
Barges, incidentals		2,544 59	2,544 59
Barges, repairs of		3,754 03	3,754 03
Brakemen	62,487 73	208,443 26	270,930 99
Cars, cleaning and inspecting	66,427 61	27,644 02	93,471 63
Car furniture and fixtures	20,706 43	12,611 17	33,317 60
Car service	2,544 70	65,020 39	67,565 19
Car floats		17,933 86	17,933 86
Clerks	31,211 43	163,243 90	194,455 33
Conductors	66,617 31	61,564 87	128,122 18
Dispatchers	9,474 37	22,267 69	31,742 06
Drawbacks and overcharges	4,050 01	29,454 32	33,504 33
Expenses of stations, except labor	24,209 37	14,902 22	39,201 59
Foreign agencies	35,351 69	8,416 91	43,768 60
Fuel at stations	5,969 96	1,956 70	7,926 66
Fuel for cars	7,721 35	916 92	8,638 27
Incidentals	71,978 98	61,880 19	133,859 17
Labor at stations	67,810 25	348,905 11	406,115 36
Light at stations	25,421 94	11,354 91	36,775 85
Light for cars	6,993 11	1,112 63	8,105 80
Loss and damage, &c.	35,691 87	39,690 77	74,758 64
Mail expenses	326 08		326 08
Oil, tallow, waste &c.	16,281 22	25,098 42	41,319 64
Stationery and printing	41,011 15	40,319 25	81,330 40
Stations, repairs of, &c.	84,741 82	131,947 74	216,689 56
Steamboats, fuel for	81,093 57	31,222 96	112,226 53
" incidentals for	20,764 94	14,067 60	34,832 54
" running	125,262 69	32,708 58	157,971 27
" repairs of	88,697 10	31,062 65	119,759 75
Superintendence	7,887 45	7,887 54	15,774 99
Switchmen	36,514 16	42,235 88	78,750 04
Tax on depots	4,025 95	12,443 68	16,469 63
Tax on tonnage, "State,"		594 37	594 37
Telegraph expenses	50,462 00	50,622 26	101,084 26
Tax, State revenue	6,890 53	5,883 95	12,774 48
Transit duty	114,442 14	114,442 16	228,884 30
Wharves and landings, repairs of	8,865 85	21,994 74	30,860 59
Rentals, Columbus, Kinkora, and Springfield R. R.	2,422 67	2,864 95	5,287 62
Rentals, Connecting Railway	71,482 96	71,482 94	142,965 90
Total	\$1,419,906 46	\$1,814,004 47	\$3,233,910 93
Amount carried forward			\$3,233,910 93

STATEMENT NO. 4—Continued.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Amount brought forward.....			\$3,233,910 93
MOTIVE POWER.			
Coal.....	\$213,112 75	\$206,377 59	\$479,490 34
Cotton waste.....	8,373 66	8,470 08	16,843 74
Engineers and firemen.....	178,124 95	188,799 11	366,924 06
Engine houses and machine shops, repairs of.....	11,920 79	11,920 85	23,841 64
Fuel for stoves.....	4,555 67	4,555 67	9,111 34
Incidentals.....	9,941 40	9,941 48	19,882 88
Laborers.....	66,562 08	66,562 13	133,124 21
Locomotive furniture and fixtures.....	13,284 68	13,284 72	26,569 40
Locomotives, repairs of.....	156,487 21	148,565 82	305,053 03
Oil.....	13,656 37	14,345 18	28,001 55
Stationery and printing.....	2,109 05	2,109 12	4,218 17
Switchmen.....	2,458 99	2,459 02	4,918 01
Tallow.....	8,588 19	9,089 52	18,277 71
Tools and machinery, repairs of.....	5,909 75	5,909 78	11,819 53
Watchmen.....	6,146 36	6,146 40	12,292 76
Water stations and fixtures, repairs of.....	11,783 79	11,783 84	23,567 63
Water stations, expenses of.....	36,246 96	36,247 00	72,493 96
Wood, hauling and preparing.....	67,701 87	63,244 92	130,946 79
Total.....	\$816,964 52	\$870,412 23	\$1,687,376 75
MAINTENANCE OF CARS.			
Car shops and sheds, repairs of.....	\$3,055 45	\$3,055 52	\$6,110 97
Cars, repairs, ballast, and wood.....	1,016 86	1,016 84	2,033 70
Cars, repairs of freight.....		176,397 99	176,397 99
Cars, repairs of passenger and baggage.....	238,290 84		238,290 84
Fuel for stoves.....	169 76	169 77	339 53
Incidentals.....	19 69	19 71	39 40
Laborers.....	2,814 42	2,814 44	5,628 86
Tools and repairs of tools.....	1,921 03	1,921 07	3,842 10
Watchmen.....	1,103 47	1,103 52	2,206 99
Total.....	248,391 52	186,498 86	434,890 38
Amount carried forward.....			\$5,356,178 06

STATEMENT NO. 4—*Continued.*

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Amount brought forward.....			\$5,356,178 06
MAINTENANCE OF WAY.			
Ballast.....	\$8,752 03	\$8,752 09	\$17,504 12
Bridges, repairs of.....	43,892 54	43,892 56	87,785 10
Cars, repairs of road and hand.....	1,913 58	1,913 56	3,827 13
Chairs.....	16,197 06	16,197 07	32,394 13
Clerks.....	3,913 26	3,913 25	7,826 51
Cross-ties.....	61,172 28	61,172 30	122,344 58
Expenses on property.....	25,612 74	25,612 78	51,225 52
Foreman, tool, and W. houses, repairs of.....	2,721 70	2,721 68	5,443 38
Frogs.....	18,229 53	18,229 51	36,459 04
Incidentals.....	5,215 93	5,215 92	10,431 85
Interest, &c.....	41,837 80	41,837 81	83,675 61
Iron rails.....	141,801 64	141,801 63	283,603 27
Oil, tallow, waste, &c.....	569 11	569 13	1,138 24
Road-bed, repairs of, labor and material.....	69,785 07	69,785 05	139,570 12
Snow and ice, removing.....	7,345 83	7,345 82	14,690 65
Spikes.....	11,981 55	11,981 56	23,963 11
Stationery and printing.....	1,009 32	1,009 34	2,018 66
Superintendence and supervisors.....	7,405 14	7,405 13	14,810 27
Switches.....	22,792 92	22,792 90	45,585 82
Taxes on real estate.....	5,126 43	5,126 43	10,252 86
Telegraph, repairs of.....	3,591 69	3,591 71	7,183 40
Tools and repairs of.....	11,074 15	11,074 17	22,148 32
Track, labor repairing.....	102,727 42	102,727 40	205,454 82
Watchmen.....	54,066 81	54,066 80	108,133 61
Total.....	\$665,735 03	\$668,735 09	\$1,337,470 12

GENERAL EXPENSES.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Advertising.....	\$64 69	\$64 69	\$129 38
Attendants.....	229 71	45 71	275 42
Clerks.....	42,170 20	19,875 56	62,045 76
Incidentals and legal expenses.....	16,905 99	16,816 02	33,722 01
Office expenses.....	37 00	37 00	74 00
Salaries of President and other officers.....	690 45	690 45	1,380 90
Stationery and blanks.....	456 20	456 20	912 40
Total.....	\$60,554 24	\$37,985 63	\$98,539 87
Total working expenses.....			\$6,792,188 05
HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
SUMMARY.			
Conducting transportation.....	\$1,419,906 46	\$1,814,004 47	\$3,233,910 93
Motive power.....	816,964 52	870,412 23	1,687,376 75
Maintenance of cars.....	248,391 52	186,498 86	434,890 38
Maintenance of way.....	668,735 03	668,735 09	1,337,470 12
General expenses.....	60,554 24	37,985 63	98,539 87
Totals.....	\$3,214,551 77	\$3,577,636 28	\$6,792,188 05

UNITED RAILROADS OF NEW JERSEY DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT No. 5.

Summary of the number of individual passengers, and of passengers carried one mile (excluding Belvidere Delaware Railroad and Flemington Branch).

	Individual Passengers.	Miles Travelled.	Average Distance.	Equivalent Through Passengers.
First-class passengers.....	6,619,179 ²	138,674,110 ⁸	20 ⁹	1,558,136
Emigrant "	76,729	6,830,288 ⁹	89	76,745
Commutation "	1,307,135	22,049,653 ¹	16 ⁹	247,749
Total.....	8,003,043 ²	167,554,052 ⁸	20 ⁹	1,882,630

Summary of tons transported and tons carried one mile (excluding Belvidere Delaware Railroad and Flemington Branch).

Tons of Through Freight		Mileage of Through	
Eastward.....	562,087	Freight Eastward...	50,130,550.
Tons of Through Freight		Mileage of Through	
Westward.....	304,021	Freight Westward...	27,465,597
Tons of Local Freight East-		Mileage of Local	
ward.....	1,580,461	Freight Eastward...	61,632,089
Tons of Local Freight		Mileage of Local	
Westward.....	407,643	Freight Westward...	10,783,138
Total tons moved.....	2,854,212	Total Mileage.....	150,011,374

BELVIDERE DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT NO. 1.

Dr. *General Exhibit of Earnings and Expenses for the year ending December 31, excluding Mercer and Somerset Railroad.* Cr.

1873. TO AMOUNT OF EARNINGS FROM	1873. BY AMOUNT OF EXPENSES IN	Passenger.	Freight.	Totals.
Freight at stations and tolls on individual cars	\$935,228 30	\$53,707 44	\$193,188 96	\$246,896 40
Miscellaneous.....	1,120 89	54,706 32	155,682 96	210,389 27
First-class passengers.....	195,220 62			
Express.....	3,974 07	16,172 03	57,514 57	73,686 60
Carrying United States Mails.....	5768 98			
Miscellaneous	532 91	73,915 13	219,735 25	292,650 38
Rents.....		107,890 82	628,021 73	825,912 55
		8,442 41	313,867 70	322,310 11
	3,386 09			
	\$1,148,222 76	\$206,333 33	\$741,869 43	\$1,148,222 76

BELVIDERE DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873—STATEMENT NO. 2.

Earnings and Expenses, showing Net Earnings by months for the year ending December 31, excluding Mercer and Somerset Railroad.

MONTH.	GROSS EARNINGS.	EXPENSES.	NET EARNINGS.	EXCESS OF EXPENSES.
January.....	\$51,987 36	\$53,163 39	.....	\$1,176 03
February.....	65,484 81	53,273 63	\$12,211 18	.....
March.....	87,610 57	49,585 09	88,025 48	.....
April.....	95,123 05	56,706 34	38,416 71	.....
May.....	102,489 38	69,654 65	32,834 73	.....
June.....	99,544 68	85,906 23	13,638 45	.....
July.....	114,198 86	82,954 24	31,244 62	.....
August.....	125,721 79	94,865 07	30,856 72	.....
September.....	128,833 79	93,045 23	35,788 56	.....
October.....	109,215 90	75,086 16	34,129 74	.....
November.....	89,061 77	58,399 49	30,662 28	.....
December.....	78,950 80	53,273 13	25,677 67	.....
Less excess of expenses.....	.....	.....	• \$323,486 14	.....
Totals.....	\$1,148,222 76	\$825,912 65	\$322,310 11	\$1,176 03

BELVIDERE DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT NO. 4.

Expenses in detail for the year ending December 31, excluding Mercer and Somerset Railroad.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
CONDUCTING TRANSPORTATION.			
Advertising.....	\$3,044 16	\$14 75	\$3,058 91
Agents.....	4,121 33	10,321 12	14,453 45
Baggage masters.....	4,925 28		4,925 28
Brakemen.....	3,831 78	29,345 13	33,176 91
Cars, cleaning and inspecting.....	2,689 07	10,339 01	13,028 08
Car furniture and fixtures.....	1,496 15	1,097 72	2,593 87
Car service.....	369 65	38,198 89	38,568 54
Clerks.....	4,718 10	15,323 46	20,041 56
Conductors.....	5,502 03	15,288 67	20,790 70
Dispatchers.....	941 11	5,361 62	6,302 73
Drawbacks and overcharges.....		2,045 00	2,045 00
Expenses of stations, except labor.....	564 68	1,194 74	1,759 42
Foreign agencies.....	237 91	3 06	240 97
Fuel at stations.....	205 76	165 36	371 12
Fuel for cars.....	299 45		299 45
Incidentals.....	2,939 87	8,295 67	6,235 54
Labor at stations.....	2,182 09	16,541 59	18,723 68
Light at stations.....	461 01	791 97	1,252 98
Light for cars.....		3 41	3 41
Loss and damage, &c.....	14 60	847 33	861 93
Mail expenses.....	72 00		72 00
Oil, tallow, sponge, &c.....	78 74	110 52	189 26
Stationery and printing.....	4,564 12	6,301 49	10,865 61
Stations, repairs of, &c.....	4,466 16	21,788 15	26,254 31
Superintendence.....	2,302 49	4,672 49	6,974 98
Switchmen.....	631 56	3,240 61	3,872 17
Telegraph expenses.....	3,106 34	8,878 20	11,984 54
Wharves and landings, repairs of.....		19 00	19 00
Rentals paid Belvidere Railroad Company.....	8,442 41	313,867 70	322,310 11
Total conducting transportation.....	\$62,209 85	\$509,056 66	\$571,266 51
Amount carried forward.....			\$571,266 51

STATEMENT NO. 4—*Continued.*

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Amount brought forward.....			\$571,286 51
MOTIVE POWER.			
Coal.....	\$10,103 19	\$54,638 16	\$64,741 35
Cotton waste.....	669 79	1,517 77	2,127 56
Engineers and firemen.....	12,650 96	38 490 43	51,141 29
Engine houses and machine shops, repairs of.....	1,030 43	3,091 38	4,121 81
Fuel for stoves.....	393 15	1,159 49	1,572 64
Incidentals.....	723 62	2,171 00	2,894 62
Laborers.....	1,071 70	3,215 17	4,286 87
Locomotive furniture and fixtures.....	327 32	982 06	1,309 38
Locomotives, repairs of.....	8,216 31	16 272 81	21,489 12
Oil.....	994 25	2,884 71	3,878 96
Stationery and printing.....	315 70	947 16	1,262 86
Switchmen.....	12 96	38 87	51 83
Tallow.....	1,004 98	3,417 32	4,422 30
Tools and machinery, repairs of.....	244 36	733 21	977 47
Watchmen.....	411 73	1,235 27	1,647 00
Water stations and fixtures, repairs of.....	667 23	2,001 90	2,669 13
Water stations, expenses of.....	881 88	2,645 65	3,527 53
Wood, hauling and preparing.....	16,046 76	20,120 59	35,167 35
Total motive power.....	\$54,706 32	\$155,582 95	\$210,289 27
MAINTENANCE OF CARS.			
Car shops and sheds, repairs of.....	\$383 74	\$1,151 25	\$1,534 99
Cars, repairs of freight.....		54,325 03	54,325 03
Cars, repairs of passenger and baggage.....	15,108 90		15,108 90
Fuel for stoves.....	75 82	227 48	303 31
Incidentals.....	3 00	9 00	12 00
Laborers.....	219 77	659 36	879 13
Tools and repairs of tools.....	242 13	726 42	968 55
Watchmen.....	138 67	416 03	554 70
Total maintenance of cars.....	\$16,172 03	57,514 57	\$73,686 60
Amount carried forward.....			\$955,242 38

STATEMENT NO. 4—Continued.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Amount brought forward.....			\$855,242 38
MAINTENANCE OF WAY.			
Ballast.....	\$353 19	\$1,059 57	\$1,412 76
Bridges, repairs of.....	5,905 93	17,717 87	23,623 80
Cars, repairs of road and hand.....	20 90	62 64	83 54
Chairs.....	2,147 13	6,441 35	8,588 48
Clerks.....	454 15	1,374 46	1,828 61
Cross-ties.....	5,300 61	15,991 86	21,292 47
Expenses on property.....	36 66	109 98	146 64
Foreman, and watch houses, repairs of.....	562 82	1,688 45	2,251 27
Frogs.....	2,399 03	7,197 08	9,596 11
Incidentals.....	89 75	269 24	358 99
Iron rails.....	22,687 67	68,063 02	90,750 69
Oil, tallow, waste, &c.....	20 66	88 98	118 64
Road-bed, repairs of, labor and material.....	2,586 31	7,758 93	10,345 27
Snow and ice, removing.....	1,158 27	3,474 80	4,633 07
Spikes.....	734 97	2,204 92	2,939 89
Stationery and printing.....	158 35	474 94	633 29
Superintendence and supervisors.....	1,198 87	3,596 58	4,795 45
Switches.....	1,973 69	5,921 11	7,894 80
Taxes on real estate for road.....	202 15	606 46	808 61
Telegraph, repairs of.....	1,449 84	4,349 51	5,799 35
Tools and repairs of tools.....	1,293 73	3,881 24	5,174 97
Track, labor repairing.....	19,184 84	57,594 47	76,779 31
Watchmen.....	3,312 61	9,937 76	13,250 37
Total maintenance of way.....	\$78,245 13	\$219,735 25	\$292,980 38

Total expenses..... 1,148,222 76

SUMMARY.	Passenger.	Freight.	Totals.
Conducting transportation.....	\$62,209 85	\$509,056 66	\$571,266 51
Motive power.....	54,706 32	155,582 95	210,289 27
Maintenance of cars.....	16,172 03	57,514 57	73,686 60
Maintenance of way.....	78,245 13	219,735 25	292,980 38
Totals.....	\$206,333 33	\$941,889 43	\$1,148,222 76

BELVIDERE DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT No. 5.

Summary of the number of individual passengers, and of passengers carried one mile (excluding Mercer and Somerset Railroad).

	Individual Passengers.	Miles Travelled.	Average Distance.	Equivalent Through Passengers.
First-class passengers.....	364,783 ^a	6,390,244 ^b	17. ^c	94,112
Emigrant "	2	135 ^d	67. ^e	2
Commutation "	32,368	367,454 ^f	11. ^g	5,412
	397,153 ^a	6,757,834 ^b	17	99,526

Summary of tons transported and tons carried one mile (excluding Mercer and Somerset Railroad).

Tons of Through Freight		Mileage of Through	
Eastward.....	1,203	Freight Eastward...	81,874
Tons of Through Freight		Mileage of Through	
Westward.....	1,124	Freight Westward...	76,424
Tons of Local Freight East-		Mileage of Local	
ward	1,357,975	Freight Eastward...	65,672,696
Tons of Local Freight		Mileage of Local	
Westward	57,518	Freight Westward...	1,771,768
Total tons moved.....	1,417,820	Total Mileage.....	67,602,762

PHILADELPHIA AND ERIE RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT No. 1.

General Exhibit of Earnings and Expenses for the year ending December 31, excluding Danville, Hazleton, and Wilkesbarre, and Lewisburg, Centre, and Spruce Creek Railroads.

Dr. Cr.

1873. TO AMOUNT OF EARNINGS FROM	1873. BY AMOUNT OF EXPENSES IN	Passenger.	Freight.	Totals.
Freight at stations and tolls on individual cars	\$3,042,806 00	\$196,808 09	\$875,450 90	\$872,258 99
Miscellaneous.....	73,880 60	197,413 44	765,595 06	962,781 49
	\$3,116,686 60			
First-class passengers.....	627,864 91	82,494 41	315,395 62	398,390 03
Emigrant passengers.....	4,735 39			
Express	41,189 10	294,970 20	884,912 13	1,179,882 33
Carrying United States Mails.....	30,748 41			
Miscellaneous	10,488 73	\$771,694 14	\$2,641,628 70	\$3,413,310 84
	715,046 84			
Rents	10,334 06	By amount of net proceeds to balance.....		428,756 36
Total.....	\$3,842,067 20			\$3,842,067 20

PHILADELPHIA AND ERIE RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873—STATEMENT NO. 2.

Earnings and Expenses, showing Net Earnings by months for the year ending December 31, excluding Danville, Hazelton, and Wilkesbarre, and Lewisburg, Centre and Spruce Creek Railroads.

MONTH.	GROSS EARNINGS.	EXPENSES.	NET EARNINGS.	EXCESS OF EXPENSES.
January.....	\$276,842 59	\$274,701 64	\$2,140 95	.....
February.....	294,500 52	245,992 66	48,507 86	.....
March.....	320,361 19	296,591 47	23,769 72	.....
April.....	341,521 95	314,734 87	26,787 08	.....
May.....	377,353 66	363,958 34	13,395 32	.....
June.....	354,396 73	387,718 18	.....	\$33,321 45
July.....	350,460 31	320,128 11	30,332 20	.....
August.....	334,586 92	318,453 98	16,132 94	.....
September.....	357,561 20	264,445 52	93,115 68	.....
October.....	329,872 23	235,947 25	93,924 98	.....
November.....	257,071 72	204,256 47	52,815 25	.....
December.....	247,538 18	186,382 35	61,155 83	.....
Less excess of Expenses.....	.....	.....	\$462,077 81	.....
Totals.....	\$3,842,667 20	\$3,413,310 84	33,321 45	\$33,321 45

PHILADELPHIA AND ERIE RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT NO. 3.

Earnings in detail for the year ending December 31, excluding Danville, Hazleton & Wilkesbarre, and Lewisburg, Centre & Spruce Creek Railroads.

	JANUARY.	FEBRUARY.	MARCH.	APRIL.	MAY.	JUNE.	JULY.	AUGUST.	SEPTEMBER.	OCTOBER.	NOVEMBER.	DECEMBER.	TOTALS.
Passenger Earnings.													
From freight at stationers and tolls on individual cars, . .	\$21,854 91	\$43,015 91	\$75,109 53	\$35,516 01	\$310,377 10	\$775,960 45	\$772,533 15	\$857,406 71	\$393,198 13	\$290,400 34	\$291,023 48	\$198,161 48	\$3,042,806 03
Miscellaneous, . . .	5,816 42	3,613 82	6,657 00	2,454 09	2,069 05	14,811 86	6,061 28	6,869 89	2,666 57	7,507 17	2,637 69	11,490 05	73,890 60
Total freight earnings, . .	\$27,671 33	\$46,629 73	\$81,766 53	\$37,970 10	\$312,446 15	\$790,772 31	\$778,594 43	\$864,276 60	\$395,864 70	\$297,907 51	\$293,661 17	\$210,651 53	\$3,116,696 63
Freight Earnings.													
From First class passengers, . .	41,158 94	\$6,325 08	46,237 23	66,150 72	55,763 65	57,960 31	61,566 67	61,176 61	56,940 91	61,314 14	45,561 20	41,553 77	627,864 91
Emigrant passengers, . .	833 22	88 22	119 87	68 87	537 76	641 83	839 78	814 81	408 54	371 76	176 75	100 46	4,733 29
Expresses, . . .	9,706 43	3,127 47	2,868 43	2,050 76	2,014 67	2,872 42	2,865 40	2,354 12	2,476 56	4,603 36	2,804 16	2,772 13	41,189 10
United States Mails, . .	2,560 91	2,663 60	2,562 50	2,563 50	2,563 50	2,563 50	2,563 50	2,563 50	2,563 50	2,563 50	2,563 50	2,563 50	30,748 51
Miscellaneous, . . .	434 25	761 91	830 53	1,133 85	910 12	1,101 83	219 34	2,353 22	1,719 99	159 02	208 48	886 57	10,488 72
Total passenger earnings, . .	49,717 75	45,063 06	55,151 66	77,963 72	62,763 97	60,210 32	71,215 71	70,239 86	65,723 50	61,942 89	53,518 19	46,361 48	715,048 64
From rents, . . .	453 50	2,776 00	450 00	768 58	1,223 61	453 60	520 19	960 95	480 00	22 00	508 26	1,575 72	10,334 08
Total earnings from all sources, . .	\$216,812 59	\$294,500 52	\$299,361 19	\$311,521 95	\$377,453 66	\$354,386 73	\$350,460 81	\$331,506 81	\$351,561 90	\$329,973 23	\$297,071 72	\$247,435 19	\$3,842,067 10

PHILADELPHIA AND ERIE RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT No. 4.

Expenses in detail for the year ending December 31, excluding Danville, Hazleton, and Wilkesbarre, and Lewisburg, Centre and Spruce Creek Railroads.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
CONDUCTING TRANSPORTATION.			
Advertising.....	\$8,354 13		\$8,354 13
Agents.....	15,368 64	18,556 31	33,924 95
Baggage masters.....	14,486 53		14,486 53
Brakemen.....	15,800 04	165,327 13	181,127 17
Cars, cleaning and inspecting.....	14,917 77	25,851 82	40,769 59
Car furniture and fixtures.....	4,209 31	12,203 66	16,412 97
Car service.....		12,755 36	12,755 36
Clerks.....	14,358 62	50,095 56	64,454 18
Conductors.....	13,987 86	64,752 20	78,740 06
Dispatchers.....	1,953 31	20,790 45	22,743 76
Drawbacks and overcharges.....	673 22	36,925 14	37,798 36
Expenses of stations, except labor.....	6,725 60	3,027 34	9,752 94
Foreign agencies.....		187 50	187 50
Fuel at stations.....	2,986 33	909 53	3,895 86
Fuel for cars.....	1,023 26		1,023 26
Incidentals.....	6,719 71	19,441 21	26,160 92
Labor at stations.....	1,496 98	32,963 41	34,460 39
Light at stations.....	3,679 26	1,444 23	5,123 49
Light for cars.....	1,815 58	1,546 04	3,361 62
Loss and damage, &c.....	2,831 31	34,338 26	37,169 57
Mail expenses.....	1,988 09		1,988 09
Oil, Tallow, Waste, &c.....	3,536 48	11,323 83	14,860 31
Stationery and printing.....	8,369 52	23,868 60	32,238 12
Stations, repairs of, &c.....	26,359 67	33,827 01	60,186 68
Superintendence.....	3,444 00	10,331 00	13,775 00
Switchmen.....	354 50	3,227 30	3,581 80
Tax on depots.....	840 00	144 90	984 90
Tax on tonnage, "State,".....		10,770 52	10,770 52
Telegraph expenses.....	17,224 68	51,049 13	68,273 81
Tolls, Catawissa Railroad.....	414 04	13,851 79	14,265 83
Wharves and landings, repairs of.....		3,938 59	3,938 59
Tax on revenue, State.....	2,553 18	11,731 98	14,285 16
Tolls, Lewisburg Bridge Company.....	134 47	271 10	405 57
Rentals paid Philadelphia and Erie Railroad Co.....		428,756 36	428,756 36
Total.....	\$196,806 09	\$1,104,207 26	\$1,301,013 35
Amount carried forward.....			\$1,301,013 35

STATEMENT NO. 4—Continued.

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Amount brought forward.....			\$1,301,013 85
MOTIVE POWER.			
Coal.....	\$32,935 02	\$213,519 74	\$246,454 76
Cotton waste.....	814 67	3,600 83	4,415 50
Engineers and firemen.....	36,555 40	166,496 11	203,051 51
Engine houses and machine shops, repairs of.....	6,097 49	18,292 61	24,390 10
Fuel for stoves.....	1,122 38	3,367 16	4,489 54
Incidentals.....	4,562 76	13,688 29	18,251 05
Laborers.....	21,432 08	64,298 07	85,730 75
Locomotive furniture and fixtures.....	3,404 29	10,212 89	13,617 18
Locomotives, repairs of.....	60,623 53	170,415 10	230,938 63
Oil.....	1,467 69	7,321 41	8,779 10
Stationery and printing.....	714 76	2,144 34	2,859 10
Switchmen.....	161 13	483 42	644 55
Tallow.....	976 84	4,843 68	5,820 52
Taxes on engine houses and shops.....	2,338 11	7,014 39	9,352 50
Tools and machinery, repairs of.....	7,433 37	22,300 22	29,733 59
Watchmen.....	3,239 48	9,718 51	12,957 99
Water stations and fixtures, repairs of.....	4,634 40	13,603 17	18,137 57
Water stations, expenses of.....	5,627 80	16,883 43	22,511 23
Wood, hauling and preparing.....	3,481 64	17,164 68	20,646 32
Total.....	\$197,413 44	\$765,368 06	\$962,781 49
MAINTENANCE OF CARS.			
Car shops and sheds, repairs of.....	\$154 79	\$464 49	\$619 28
Cars, repairs, ballast, and wood.....	1,072 28	3,217 00	4,289 28
Cars, repairs of freight.....		302,385 61	302,385 61
Cars, repairs of passenger and baggage.....	77,991 29		77,991 29
Incidentals.....	4 12	12 38	16 50
Laborers.....	1,755 90	5,267 77	7,023 67
Tools and repairs of tools.....	943 86	2,831 75	3,775 61
Watchmen.....	572 17	1,716 62	2,288 79
Total.....	\$82,494 41	\$316,895 62	\$399,390 03
Amount carried forward.....			\$2,662,184 87

STATEMENT NO. 4—*Continued.*

HEADS OF ACCOUNTS.	Passenger.	Freight.	Totals.
Amount brought forward			\$2,662,184 87
MAINTENANCE OF WAY.			
Ballast	\$13,104 72	\$39,314 14	\$52,418 86
Bridges, repairs of.....	20,564 56	61,693 84	82,258 40
Cars, repairs of road and haul.....	654 16	1,962 67	2,616 83
Chairs	12,874 74	38,624 21	51,498 95
Cleeks	1,374 63	4,123 87	5,498 50
Cross-ties.....	17,804 98	53,415 00	71,219 98
Expenses on property.....	470 71	1,412 13	1,882 84
Foreman, tool and W. houses, repairs of.....	3,078 61	9,235 92	12,314 53
Frogs	8,435 83	10,307 61	18,743 44
Incidentals.....	881 81	2,645 57	3,527 38
Iron rails.....	92,522 99	277,569 03	370,092 02
O. L. tallow, waste, &c.....	391 70	1,175 18	1,566 88
Road-bed, repairs of, labor and material.....	15,175 94	45,527 72	60,703 66
Snow and ice, removing.....	4,972 28	14,916 89	19,889 17
Spikes	2,992 45	8,977 49	11,969 94
Stationery and printing.....	506 65	1,520 06	2,026 71
Superintendence and supervisors.....	3,775 31	11,326 00	15,101 31
Switches.....	2,238 83	6,716 58	8,955 41
Taxes on real estate.....	1,049 04	3,147 22	4,196 26
Telegraph, repairs of.....	5,965 24	17,895 91	23,861 15
Tools and repairs of.....	4,408 99	13,227 00	17,635 99
Track, labor repairing.....	66,075 18	148,225 49	264,300 67
Watchmen.....	20,650 85	61,952 60	82,603 45
Total.....	\$294,070 20	\$884,912 13	\$1,179,882 33
Total working expenses.....			\$3,842,067 20
	Passenger.	Freight.	Totals.
SUMMARY.			
Conducting transportation.....	\$196,806 00	\$1,104,207 26	\$1,301,013 35
Motive power.....	197,413 44	765,368 05	962,781 49
Maintenance of cars.....	82,494 41	315,495 62	397,990 03
Maintenance of way.....	204,970 20	884,912 13	1,179,882 33
Total.....	\$771,684 14	\$3,070,383 06	\$3,842,067 20

PHILADELPHIA AND ERIE RAILROAD DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT No. 5.

Summary of the number of individual passengers, and of passengers carried one mile (excluding D. H. & W. and L. C. and S. C. R. R.'s)

	Individual Passengers.	Miles Travelled.	Average Distance.	Equivalent Through Passengers.
First-class passengers.....	751,921 ²	19,557,154 ³	26	68,001
Emigrant "	2,335 ²	364,024 ³	155 ⁹	1,266
Commutation "	23,016	336,390 ⁶	16 ⁸	1,169
	777,273	20,257,569 ⁷	26	70,436

Summary of 'ons transported and tons carried one mile (excluding D. H. & W. and L. C. and S. C. R. R.'s)

Tons of Through Freight		Mileage of Through	
Eastward	275,681	Freight Eastward...	79,395,886
Tons of Through Freight		Mileage of Through	
Westward.....	170,799	Freight Westward...	49,189,963
Tons of Local Freight East-		Mileage of Local	
ward.....	1,070,568	Freight Eastward...	79,846,723
Tons of Local Freight		Mileage of Local	
Westward.	647,193	Freight Westward...	59,658,859
Total tons moved.....	2,164,246	Total Mileage.....	238,091,431

DELAWARE AND RARITAN CANAL DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.—STATEMENT NO. 2.

Earnings and Expenses, showing Net Earnings by months for the year ending December 31.

MONTH.	GROSS EARNINGS.	EXPENSES.	NET EARNINGS.	EXCESS OF EXPENSES.
January.....	\$14,152 43	\$53,692 50	.....	\$39,540 07
February.....	1,416 98	49,904 26	.....	48,487 28
March.....	31,835 96	54,687 31	.....	22,851 35
April.....	154,013 36	77,834 92	\$76,178 44	.....
May.....	200,699 42	85,922 14	123,777 28	.....
June.....	202,275 29	86,485 96	115,789 33	.....
July.....	196,995 91	86,035 98	110,959 93	.....
August.....	156,999 36	73,827 63	83,171 75	.....
September.....	176,543 27	77,216 18	99,327 09	.....
October.....	192,956 28	87,315 73	105,640 55	.....
November.....	174,651 89	85,159 52	89,492 37	.....
December.....	78,559 95	65,239 33	13,320 62	.....
Less Excess of Expenses.....	.....	.....	817,657 36	.....
Totals.....	\$1,590,100 12	\$883,321 46	110,878 70	\$110,878 70

DELAWARE AND RARITAN CANAL DIVISION.

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT NO. 4.

Expenses in detail for the year ending December 31.

MAINTENANCE OF CANAL.		CANAL OPERATION.	
Boats and flats, repairs of.....	\$5,957 84	Barges.....	\$1,098 50
Bridges.....	23,133 67	Boats—Lehigh.....	974 26
Canal bed and banks.....	16,544 52	Bridge tenders.....	11,584 50
Clerks.....	1,360 00	Collectors and weighmasters.....	11,209 87
Culverts.....	8,308 60	Clerks.....	1,365 00
Dams.....	6,400 73	Drawbacks and overcharges.....	70,108 75
Dredging and dredge repairs.....	22,239 10	Ferries, labor at.....	2,066 84
Fencing.....	2,622 91	Fuel and light.....	7,435 61
Ferries, expenses of.....	1,112 79	Incidentals.....	413 15
Horses and horse keep.....	5,194 96	Legal expenses and damages.....	15,085 63
Houses and repair shops.....	10,169 27	Lock keepers and lock engineers.....	32,817 27
Incidentals.....	278 26	Office expenses, rents, & furniture.....	275 00
Locks and lock engines.....	38,401 81	Stationery and printing.....	1,415 19
Office expenses, rents, furniture.....	429 72	Superintendence.....	8,210 10
Slope and vertical walls.....	12,089 20	Telegraph expenses.....	650 00
Stationery and printing.....	273 71	Transit duty.....	74,532 24
Superintendence and engineering.....	5,408 00	Wrecking and policing.....	4,493 38
Taxes on real estate.....	740 13		
Telegraph, repairs of.....	286 75		
Tools and tool repairs.....	4,456 57		
Waste wiers and sluices.....	2,607 31		
Watchmen.....	5,796 42		
Wharves.....	14,317 31		
		Total canal operation.....	\$244,393 29
Total maintenance of canal.....	\$188,139 67		
STEAM TOWING ACCOUNT.		RECAPITULATION.	
Tugs—cordage for.....	\$5,005 11	Maintenance of canal.....	\$188,139 67
“ damage by.....	5,449 14	Canal operation.....	244,393 29
“ incidentals for.....	6,316 49	Steam towing account.....	450,788 50
“ fuel for.....	83,069 13		
“ manning of.....	87,640 81		
“ repairs of.....	78,911 98		
“ oil, waste, and tallow for.....	5,526 54		
“ superintendence of.....	9,715 04		
“ wharfage & port expenses of.....	14,879 00		
Towing by contr ct.....	142,802 17	Total canal expenses.....	\$883,321 46
Repairs of Hoboken shop.....	11,472 49		
Total steam towing account.....	\$450,788 50		

ACCOUNTING DEPARTMENT.—ANNUAL REPORT, 1873.

STATEMENT NO. 6.

Showing average cost per 100 miles run for locomotive engine service for the year ending December 31.

EXPENSES OF ENGINES.—Average cost per 100 miles.

DIVISIONS.	CLASS.	Repairs.	Fuel.	Stores.	Totals.
PENNSYLVANIA RAILROAD DIVISION.					
Philadelphia Division	Passenger Engines.....	\$2 89	\$5 40	\$.79	\$9.08
	Distributing "	1.83	4.30	.79	6.92
	Freight "	3.23	7.44	.89	11.56
Middle Division.....	Passenger Engines.....	6.27	4.46	.72	11.45
	Distributing "	2.79	5.43	.86	8.88
	Freight "	5.87	8.21	.74	14.82
Pittsburg Division.....	Passenger Engines.....	6.05	5.43	.93	12.41
	Distributing "	2.82	4.59	.74	8.15
	Freight "	5.47	8.04	1.01	14.52
Lewistown Division	Passenger Engines.....	2.51	3.19	.73	6.43
	Distributing "	3.40	4.55	.92	8.87
	Freight "	8.06	6.26	.98	15.30
Bedford Division.....	Passenger Engines.....	1.74	2.77	.62	5.13
	Distributing "	3.34	5.49	.99	9.82
	Freight "	6.09	4.95	.87	11.90
Tyne Division.....	Passenger Engines.....	2.22	4.69	.61	7.52
	Distributing "	6.47	6.87	.90	14.24
	Freight "	10.65	9.05	.79	20.49
Western Penn'a Division...	Passenger Engines.....	3.26	4.12	.45	8.13
	Distributing "	3.86	5.72	.57	10.15
	Freight "	4.81	6.80	.63	12.33
UNITED RAILROADS OF NEW JERSEY DIVISION.					
New York Division.....	Passenger Engines.....	6 46	12.23	1.37	20.06
	Distributing "	1.99	13.23	1.13	16.35
	Freight "	7.22	15.58	1.51	24.31
Amboy Division.....	Passenger Engines.....	6.66	9.87	.99	17.52
	Distributing "	1.38	10.07	.94	12.39
	Freight "	6.43	12.03	1.28	19.74
Belvidere Division.....	Passenger Engines.....	4.20	13.44	1.36	19.00
	Distributing "	1.69	11.41	1.30	14.40
	Freight "	3 14	13.52	1.38	18.04
PHILADELPHIA AND ERIE RAILROAD.					
Eastern Division.....	Passenger Engines.....	12 63	6.23	.55	19.41
	Distributing "	3.88	8.21	.83	12.91
	Freight "	5.69	10.25	.67	16.61
Middle Division.....	Passenger Engines.....	8.44	5.69	.44	14.57
	Distributing "	5.04	9.82	.80	15.66
	Freight "	8.25	10.85	.67	19.77
Western Division.....	Passenger Engines.....	6.10	5.60	.52	12.22
	Distributing "	5 65	8.80	.31	15.37
	Freight "	9.41	9.85	.73	19.99

CONDITION OF LOCOMOTIVES.

	Penna. R. R. Division.	U. R. R. of N. J. Division.	Phila. & Erie Division.	Totals.
In service in good working order.....	487	136	89	712
" " requiring repairs.....	70	74	42	186
" shop under general repairs.....	62	29	5	96
" " slight "	35	19	6	60
" " rebuilding.....	6			6
Condemned and cut up.....			8	8
Leased—Williamsburg Branch.....	1			1
" S. and M. Pt. R. R.....	1			1
" Philadelphia and Newtown R. R.....		1		1
Totals.....	662	259	150	1,071

GREATEST MILEAGE WITH FREIGHT TRAINS.

DIVISIONS.	No. of engine.	Mileage.
Pennsylvania Railroad.....	528	48,282
United Railroads of New Jersey.....	693	35,978
Philadelphia and Erie Railroad.....	1,030	33,954

GENERAL AVERAGE MILEAGE WITH FREIGHT TRAINS.

DIVISIONS.	Mileage.
Pennsylvania Railroad.....	24,643
United Railroads of New Jersey Division.....	17,106
Philadelphia and Erie Railroad.....	22,870

GREATEST MILEAGE WITH PASSENGER TRAINS.

DIVISIONS.	No. of Engine.	Mileage.
Pennsylvania Railroad.....	668	59,054
United Railroads of New Jersey.....	662	60,898
Philadelphia and Erie Railroad.....	1,002	49,563

GENERAL AVERAGE WITH PASSENGER TRAINS.

DIVISIONS.	Mileage.
Pennsylvania Railroad.....	23,722
United Railroads of New Jersey.....	23,005
Philadelphia and Erie Railroad.....	28,331

MILEAGE OF LOCOMOTIVES.

DIVISIONS.	Passenger.	Freight.	Distribut'g.	Total.
Pennsylvania Railroad, 1873....	3,060,185	12,444,635	606,495	16,111,315
" " 1872.....				13,915,131
Increase.....				2,196,184
U. R. R. of N. J., 1873.....	2,599,545	2,531,776	380,744	5,512,065
" " 1872.....				4,405,497
Increase.....				1,106,568
Phila. and Erie R. R., 1873.....	626,568	2,136,827	111,486	2,874,881
" " 1872.....				2,912,351
Decrease.....				37,470

COST OF REPAIRS, FUEL, AND STORES.

DIVISIONS.	Repairs.	Fuel.	Stores.	Total.
Penn'a R. R., 1873.....	\$790,169 27	\$1,159,138 37	\$136,685 94	\$2,085,993 58
" " 1872.....	1,137,011 82	882,159 79	112,610 03	2,131,781 64
Increase		\$276,978 58	\$24,075 91	
Decrease.....	\$346,842 55			\$45,788 06
U. R. R. of N. J., 1873	329,542 15	710,345 83	73,551 82	1,113,439 80
" " 1872...	372,521 12	569,279 79	53,792 13	995,593 04
Increase		\$141,066 04	\$19,759 69	\$117,846 76
Decrease.....	\$42,978 97			
Phila. & Erie R. R. 1873	230,938 63	267,101 08	19,015 12	517,054 83
" " " 1872...	222,047 39	234,165 34	20,171 15	476,383 88
Increase	\$8,891 24	\$32,935 74		\$40,670 95
Decrease.....			1,156 03	
Entire line, 1873.....	1,350,650 05	2,136,585 28	229,252 88	3,716,488 21
" " 1872.....	1,731,580 33	1,685,604 92	186,573 31	3,603,758 56
Increase		\$450,930 36	\$42,679 57	\$112,729 65
Decrease.....	380,930 28			

COST OF REPAIRS, FUEL, AND STORES, PER 100 MILES.

DIVISIONS.	Repairs.	Fuel.	Stores.	Total.
Pennsylvania R. R., 1873.....	4.90	7.19	.85	12.94
" " 1872.....	8.16	6.33	.81	15.30
Increase.....		.86	.04	
Decrease.....	3.26			2.36
United Railroads of N. J., 1873.....	5.98	12.89	1.33	20.20
" " " 1872.....	8.50	12.95	1.22	22.67
Increase.....			.11	
Decrease.....	2.52	.06		2.47
Philadelphia and Erie R. R., 1873.....	8.03	9.29	.66	17.98
" " " 1872.....	7.62	8.04	.69	16.35
Increase.....	.41	1.25		1.63
Decrease.....			.03	
Entire Line, 1873.....	5.51	8.72	.93	15.16
" " " 1872.....	8.15	7.94	.87	16.96
Increase.....		.78	.06	
Decrease.....	2.64			1.80

GENERAL AVERAGE CONSUMPTION OF FUEL AND STORES.

Divisions.	Pounds coal to one mile.	Quarts oil to one hundred miles.	Pounds waste to one hun- dred miles.	Pounds allow to one hun- dred miles.
Penn'a R. R., 1873.....	74.5	3.3	1.9	2.9
" " 1872	72.0	2.9	1.7	2.6
Increase over 1872.....	2.5	0.4	0.2	0.3
U. R. R. of N. J., 1873..	54.6	4.9	3.3	3.6
" " 1872	56.9	5.1	2.8	2.9
Increase over 1872.....			0.5	0.7
Decrease under 1872...	2.3	0.2		
Phila. & E. R. R., 1873	86.4	2.9	1.5	2.3
" " 1872...	83.2	2.6	1.6	2.4
Increase over 1872.....	3.2	0.3		
Decrease under 1872...			0.1	0.1

COST OF REPAIRS PER MILE RUN, PENNSYLVANIA RAILROAD
DIVISION.

YEAR.	Cost per mile run.
1867.....	13 ⁷⁴ / ₁₀₀ cents.
1868.....	12 ⁰⁶ / ₁₀₀ "
1869.....	11 " "
1870.....	9 ¹⁸ / ₁₀₀ "
1871.....	6 ³¹ / ₁₀₀ "
1872.....	8 ¹⁵ / ₁₀₀ "
1873.....	4 ⁹⁰ / ₁₀₀ "

WORK DONE ON LOCOMOTIVES AT THE COMPANY'S MACHINE
SHOPS.

	Penn'a R. R. Division.	U. R. R. of N. J. Division.	P. & E. R. R. Division.	Totals.
Locomotives built entirely new.....	64	1	5	70
" " " P. & E. R. R.....	4			4
" had general repairs.....	210	82	55	347
" " slight " 		642	282	924
" new steel fire-boxes.....	64	1	4	69
" " " P. & E. R. R....	4			4
" had new steel fire-boxes built.....	10		1	11
" " half steel fire boxes built...	1			1
" new steel boilers.....	64		2	66
" " P. & E. R. R.....	4			4
" had new steel boilers built.....	1			1
" " iron " " 		1		1
" " half iron boilers built.....		4		4
" new iron boilers.....		1	2	3

WHEELS AND AXLES USED.

DIVISIONS.	AXLES.			WHEELS.
	Iron.	Steel.	Total.	
Pennsylvania Railroad.....	4,877	5,989	10,866	43,791
United Railroads of New Jersey.....	722	358	1,080	11,429
Philadelphia and Erie R. R.....	1,400	273	1,673	5,843
Totals.....	6,999	6,620	13,619	61,063

TIRES USED.

	P. R. R. Division.	U. R. R. of N. J. Division.	P. & E. Division.	Total.
Steel tires for new locomotives.....	690	4	18	712
" " renewals.....	123	40	53	216
Chilled tires for new locomotives.....	144	.....	12	156
" " renewals.....	150	.....	9	159
Totals.....	1,107	44	92	1,243

PHILADELPHIA & ERIE RAILROAD

(Pennsylvania Railroad Co. Lessee).

Office of the General Superintendent,
Williamsport, Pa., January 1st, 1874.

A. J. CASSATT, Esq.,

General Manager Pennsylvania Railroad.

DEAR SIR:—The operations of the Philadelphia and Erie Railroad for the year ending December 31st, 1873, have been as follows:

GROSS EARNINGS.

General freight,	-	-	\$3,042,806 00
Miscellaneous freight,	-	-	73,880 60
			<hr/> \$3,116,686 60
First class passengers,	-	-	\$627,884 91
Emigrant passengers,	-	-	4,735 39
Express,	-	-	41,189 10
U. S. mails,	-	-	30,748 41
Miscellaneous passengers,	-	-	10,488 73
			<hr/> 715,046 54
Rents,	-	-	10,334 06
			<hr/> \$3,842,067 20

EXPENSES.

Conducting transportation,	-	-	\$872,256 99
Motive power,	-	-	962,781 49
Maintenance of way,	-	-	1,179,882 33
Maintenance of cars,	-	-	398,390 03
			<hr/> \$3,413,310 84
Net earnings,	-	-	<hr/> \$428,756 36

The earnings and expenses of 1873, as compared with those of 1872, are:

	Earnings.	Expenses.	Net earnings.
1872	\$3,980,752 87	\$3,288,015 91	\$692,736 96
1873	3,842,067 20	3,413,310 84	428,756 36
Increase		125,294 93	
Decrease	138,685 67		263,980 60

In detail are:

EARNINGS.

	Freight.	Passengers.	Mails.	Expresses.	Incidentals.
1873	\$3,042,806 00	\$632,620 30	\$30,748 41	\$41,189 10	\$94,703 39
1872	3,177,548 92	647,274 09	27,573 20	44,917 87	83,438 79
Increase			3,175 21		11,264 60
Decrease	134,742 92	14,653 79		3,728 77	

EXPENSES.

	Conducting Transportation.	Motive Power.	Maintenance of Way.	Maintenance of Cars.
1873	\$872,256 99	\$902,781 49	\$1,179,882 33	\$398,390 03
1872	841,298 21	915,755 46	1,192,943 07	338,019 18
Increase	30,958 78	47,026 04		60,370 85
Decrease			13,060 74	

MAINTENANCE OF WAY.

The expenses in this department amount to \$1,179,882 33, or 34.17 per cent. of gross expenses, and are \$13,060 74 less than those of 1872.

The following quantities of materials have been used during the year :

	Eastern Division.	Middle Division.	Western Division.	Totals.
Tons iron rails, construction....	235	119	288	642
" " renewals	3,353	4,345	2,306	10,004
" steel rails, " 	343	207	494	1,044
Pounds spikes, construction....	18,715	3,250	24,390	46,355
" " renewals	82,951	78,250	56,766	217,967
Number chairs, " 			54	54
" " construction....	541	33	97	671
" stop chairs, "	170		1,820	1,990
" " " renewals...	11,192	5,373	9,204	25,769
Sets iron splices, " ...	10,700	14,229	11,939	36,868
" " " construction...	987	223	1,144	2,354
" steel " " 		600		600
" " " renewals	1,278			1,278
Number cross-ties, " 	51,271	38,824	39,822	129,917
" " construction..	8,762	1,106	6,126	15,994
Sets switch-ties, " ..	22	7	17	46
" " renewals	24	10	33	67
Frogs, " 	93	73	49	215
" " construction..	26	10	43	79

The extension of sidings has been $15\frac{31}{1000}$ miles, as follows:

LOCATION.	FEET.
Sunbury.....	1,485
Watsonstown.....	410
Williamsport Lumber Branch.....	400
Williamsport.....	829
Rocton (Linden Line).....	2,015
Jersey Shore.....	2,656
Lock Haven.....	1,293
Lock Haven, Western Connection B. E. V. R. R.....	694
Whetham.....	3,000
Renovo.....	685
Emporium, B. N. Y. & P. R. R. Connection.....	1,119
" Ware House Siding.....	1,072
West Creek.....	78
Clarion.....	2,042
Cummings.....	99
Mays.....	1,090
Ludlow.....	1,295
Warren, Round House.....	1,115
" Newhold's.....	358
Garland, Oil Siding.....	1,776
" Howe's.....	370
Corry, Howard's near.....	170
Waterford.....	766
Erie Harbor.....	5,285
" " Canall Bros'.....	127
" " Burton Bros', Tenth Street.....	444
" " Thrd Rail on Coal Pier.....	246
Erie Outer Depot.....	1,741
<hr/>	
To al by Maintenance of Way Department.....	32,660
Total by P. and E. R. R. Co. Construction Department.....	48,296
<hr/>	
Total.....	80,866

Or $15\frac{31}{1000}$ miles.

Length of main track in use,	287 $\frac{510}{1000}$ Miles.
Length of sidings,	100 $\frac{992}{1000}$ "
Length of double track,	28 $\frac{850}{1000}$ "
Length of private sidings,	14 $\frac{838}{1000}$ "
<hr/>	
Total length of track in use,	431 $\frac{697}{1000}$ "

The renewals of bridge superstructure during the year were 441 feet of Howe truss built and arched, 108 feet Lineal Stringer bridges, and 83 feet lineal of Phœnix girders.

CONDUCTING TRANSPORTATION.

The amount charged to this department was \$872,256 99, or 25 $\frac{56}{100}$ per cent. of gross expenses, and is in excess of that of 1872, \$30,958 78.

The establishment of additional telegraph offices to facilitate operations, an increase of amount paid brakemen, required by the increased tonnage of the first five months of the year, an increase in amount paid for clerical services and stationery, being a proper proportion of the general expenses of the accounting department due to the business of this division, with an amount charged to this department that has been previously included in other departments, account for the increase in operating this department.

The loaded cars passing Kane and Renovo were as follows :

	1873.	1872.	Increase.	Decrease.
Renovo, Eastward.....	53,839	52,470	1,369	.....
" Westward.....	48,270	46,558	1,712	.....
Kane, Eastward.....	47,133	46,269	864	.....
" Westward.....	40,134	45,675	.....	5,541
Increase.....	.....	.....	3,945	.....
Decrease.....	.....	.....	.....	5,541
Total decrease.....	.....	.....	.....	1,596

A total decrease in car movement of 1,596 as compared with 1872, passing Renovo and Kane, an increase of 3,081 cars passing Renovo, showing an increase in the local business of the Middle Division, chiefly due to the trade to and from the B. N. Y. & P. R. R.; with a decrease of 5,541 cars passing Kane, due to the falling off of the hard coal and through west-bound traffic.

The total tonnage was 2,164,246 tons, equal to 268,091,431 tons moved one mile, against 2,028,568 tons in 1872, with a ton mileage of 266,643,107, equivalent to 932,491 tons over the whole length of line.

PASSENGER BUSINESS.

	1873.	1872.	Decrease.
Passengers carried one mile.....	20,257,570	20,522,940	265,371

Equal to 70,436 over whole road, the total number carried during the year being 777,273, or 62,520 less than in 1872, with an average distance travelled by each passenger of $23\frac{5}{100}$ miles, against $24\frac{43}{100}$ miles in 1872.

MOTIVE POWER.

The expenses in this department for 1873, were \$962,781 49, or $28\frac{2}{100}$ per cent. of gross expense, being \$47,026 04 in excess of those of 1872. The engine mileage has decreased $1\frac{28}{100}$ per cent., costing per mile run $36\frac{26}{100}$ cents as against $31\frac{1}{10}$ cents in 1872. There were $120\frac{73}{100}$ tons paying freight moved for each freight engine mile run, as against $119\frac{52}{100}$ tons in 1872.

The mines on the line of the road from which coal was obtained, having partially suspended operations during the first four months of the year 1873, necessitated the obtaining of a full supply from those more remote at a largely increased cost. The renewing of the pipes that supply the tanks of several of the principal water stations, rendered necessary by the decay of those originally laid, and an increase in repairs to locomotives, due to increase in rolling stock, account for the increase in expenses in this department.

The total number of locomotives December 31st, 1873, was 150, there having been added during the year 20 locomotives.

There were added to Erie shops during the year one 48 inch boring mill, one 80 inch double-headed driving wheel lathe; to Renovo shops one 20 inch lathe, two 18 inch lathes, one 48 inch boring mill, one 84 inch boring mill, one large grindstone and emery wheels, one cold iron cutting machine; to Sunbury shops, one 30 inch lathe, one 48 inch boring mill, one wheel press, and one nut tapper.

The wheel foundry at Renovo shops was closed May 1st, 1873.

The total passenger equipment December 31, 1873, was 77 cars, there having been six new cars added during the year.

The total freight equipment amounted to 3,388 cars—53 box, 8 caboose, and 205 gondolas, having been added during the year.

The equipment of the Maintenance of Way Department amounts to 374 cars of all descriptions—4 box and 1 8-wheeled derrick car having been added.

MILEAGE OF LOCOMOTIVES.

	Passenger.	Freight.	Distributing.	Totals.
Eastern Division.....	234,731	657,652	38,658	931,041
Middle "	205,632	727,634	30,173	963,439
Western "	186,205	751,541	42,655	980,401
Total 1873.....	626,568	2,136,827	111,486	2,874,881
1872 { Deducting L. C. & S. C. R. R. mileage was included in 1872. }	663,542	2,137,205	111,604	2,912,351
Decrease.....	36,974	378	118	37,470

COST OF REPAIRS, FUEL, AND STORES.

	Repairs.	Fuel.	Stores.	Totals.
Eastern Division.....	\$70,425 63	\$84,964 35	\$5,997 43	\$161,387 41
Middle "	77,720 73	93,903 07	6,161 69	177,787 49
Western "	82,792 27	88,231 66	6,856 00	177,879 93
1873—Totals.....	230,938 63	267,101 08	19,015 12	517,054 83
1872 { L. C. & S. C. R. R. not included. }	222,047 39	234,165 34	20,171 15	476,383 88
Increase.....	8,891 24	32,935 74		
Decrease.....			1,156 03	
Total increase.....				40,670 95

GENERAL AVERAGE COST PER 100 MILES RUN.

	Repairs.	Fuel.	Stores.	Totals.
Eastern Division.....	7.38	9.14	61	17.16
Middle "	8.08	9.79	64	18.51
Western "	8.59	8.95	70	18.24
Entire road.....	8.03	9.29	66	17.98

MAINTENANCE OF CARS.

The expenses charged to this Department amount to \$398,390 03 or $11\frac{67}{100}$ per cent. of gross expense, being \$60,370.85 in excess of those of 1872.

To put the freight equipment in condition to meet an anticipated increase in tonnage, it was deemed advisable to rebuild the vacant numbers of cars destroyed and condemned during previous years, and to put the remainder of the stock in order for any emergency; and the expense incurred accounts for the increase in the expenses of this Department.

MISCELLANEOUS.
EXHIBIT OF PASSENGER TRAFFIC FOR 1873.

Mileage.	Passengers moved one mile.		Receipts.		Expenses.		Net Loss.	
	Total.	Per engine mile.	Total.	Per passenger per mile.	Total.	Per passenger per mile.	Total.	Per passenger per mile.
1873	20,257,570	31	\$713,759 28	3 $\frac{13}{100}$	\$770,396 88	3 $\frac{03}{100}$	\$56,637 60	2 $\frac{79}{100}$

EXHIBIT OF FREIGHT TRAFFIC FOR 1873.

Mileage.	Tons moved one mile.		Receipts.		Expenses.		Net earnings.	
	Total.	Per engine mile.	Total.	Per ton per mile.	Total.	Per ton per mile.	Total.	Per ton per mile.
1873	263,091,431	126 $\frac{53}{100}$	\$3,065,909 67	1 $\frac{13}{100}$	\$2,590,849 77	9 $\frac{65}{100}$	\$475,059 90	1 $\frac{77}{100}$

EXHIBIT OF TOTAL WORKING OF ROAD FOR 1873.

Mileage.	Proportion of mileage.		Receipts.		Expenses.		Net earnings.		Per cent. cost of working Road and Erie Railroad Proportion.	
	Passenger.	Freight.	Total.	Per engine mile.	Total.	Per ton per mile.	Total.	Per ton per mile.	Per cent. cost of working Road and Erie Railroad Proportion.	Per cent. cost of working Road and Erie Railroad Proportion.
1873	22 7	77 3	\$3,842,007 26	126 $\frac{53}{100}$	\$3,413,310 84	9 $\frac{65}{100}$	\$428,756 36	1 $\frac{77}{100}$	88 $\frac{1}{10}$	88 $\frac{1}{10}$

On the first of August, 1873, the gross earnings of the road showed an increase over corresponding months of 1872, of \$190,353 86.

On that date the competition in west-bound freight led to a reduction in rates that diverted a large amount of tonnage to other lines and netted to this Company a less rate for that moved than had been previously received. This continued until early in September. On the 21st of September the financial panic occurred, which resulted in reducing the gross receipts about 20 per cent. from that date to the close of the year—the gross receipts being \$329,039 53 less than for the corresponding period in 1872. The expenses of operating for the same time were reduced \$182,477 49.

On the first of March, Mr. Frank Thomson, Supt. Eastern Division, was transferred to the Pennsylvania R. R., to assume the duties of Supt. of Motive Power of that line, and Mr. Thomas Gucker placed in charge of the Eastern Division as its Superintendent. Mr. Theo. N. Ely was appointed Supt. of Motive Power of the P. & E. R. R. Division, and the position formerly held by him of Assistant Supt. was discontinued.

Mr. J. E. Houston was appointed General Freight Agent of P. & E. R. R. Division, and on his decease, Mr. D. C. Hough was appointed his successor March 17th, 1873.

January 7th, a water tank at Seahonda was burned.

January 9th, the telegraph office at Johnsonburg was burned.

March 17th, the dispatcher's office at Sunbury took fire and was destroyed.

May 6th, Ritchie's bridge No. 86 was destroyed by fire.

May 14th, the new station house at Kane was destroyed by fire.

May 15th, the freight house at Lewisburg Junction was burned.

May 26th, a building occupied by track men at Dewart was destroyed by fire.

June 18th, a building at Union used as an oil house was consumed by fire.

June 29th, the Linden Line was opened for the passage of freight trains, thereby avoiding the passage through and the delays incident thereto, in Williamsport yard.

August 6th, the Eastern extension of Bennett's Branch of the Allegheny Valley R. R. was opened for business, from its connection with Philadelphia & Erie R. R. at Driftwood Station to Baris.

September 15th, a water tank on siding at Scahonda was burned.

During the early part of the year, from land slides and obstructions on the track, caused by grading for double track between Driftwood and Renovo, numerous detentions were caused to passenger trains. With these exceptions the business of the road was carried on with more than usual promptness and regularity, reflecting credit on the officers and employés of the several divisions for the care and energy displayed in the discharge of their duties.

Respectfully submitted,

WM. A. BALDWIN,

General Superintendent Philada. & Erie R. R. Division.

