

mile, and at no previous period did they exceed three cents per ton per mile. The advance to present rates, was rendered necessary to keep up the condition of the road and equipment, which had greatly depreciated in value during the preceeding three years when the trade upon it was light.

In order that your Honorable body may clearly understand the result of the working of the road during the past three years, the following statement of receipts and outlays, is presented :

In 1864, the gross revenue was	\$139,981.56	
In 1865, the gross revenue was	344,699.42	
In 1866, the gross revenue was	431,437.08	
		\$916,118.06
The payments during the same period was :		
For ordinary operating expenses	\$848,806.61	
For equipment and improvem't,	578,266.01	
		\$1,427,072.62

Showing an excess of expenditure over income \$510,954.56

Under such a statement of facts, compiled from official records, it will surely not be alleged that the Cumberland and Pennsylvania Railroad Company have sought to impose an onerous tariff of rates for transportation upon its customers.

In this connection it may be stated that the heavy annual outlays of the company to develop the Cumberland coal trade have thus far been attended with no remuneration to themselves, nor in the whole thirteen years of the company's operation, have the stockholders received the smallest dividend from their investment in the property.

The very highest rates ever imposed upon hauls of 15 miles and over, eastwardly, was during the month of April and May, 1865, when the charge was 4½ cents per ton per mile. The half cent was drooped on 1st of June, of that year, leaving the rates as they now stand at four cents per ton per mile eastwardly, and six cents per ton per mile westwardly. The reason for making the distinction in the rates, is found in the fact that while the westward delivery involves the maximum haul of 8½ miles only, the range of the eastward delivery is between 15 miles minimum and 29 miles maximum.

These rates were therefore established by the company upon the theory that the operating expenses of a railway increase in due proportion as the length of the haul is diminished. The company cite this fact in support of the propriety of the distinction made in their tariff of rates without the fear of successful refutation. The Baltimore and Ohio Rail Road Company, which carried some seventy per cent. of