

times have largely increased. It is no abstruse problem to solve how on a short road of 20 miles and a fraction requiring the same equipments as though it were as long again over which the fares and rates of freight are very moderate, and the General Government paying only half fares for troops and far less than half rates for freights, while the cost of working the road, the cost of machinery, of rolling stock and the price of labor have so amazingly augmented, the clear earnings should not have so swelled and multiplied as to draw into the Treasury dividends or nett profits during the last two years.

The amount of the gross receipts however for the past year puts this aspect in unmistakable light. None but persons who are engaged in the business, can form any correct idea of the advanced costs of working railways. For instance, a Locomotive that cost in 1860 and 61, \$8,000, costs now from \$25,000 to \$30,000, and can only be got at that price by being ordered a year in advance. This company had the luck, so to speak, to purchase one suitable to its track at second hands for \$15,000 the past summer, when the necessity for it was becoming very pressing to enable it to meet present and immediate prospective engagements. The former cost of a passenger car was \$2,200, the cost now of a second class car is \$3,800 and upwards, and of a first class car not less than \$5,000; these are instances, among numerous others to show the increased price of every article indispensable to railway business.

This company has no concealments or subterfuges. It has no motives for such and its direction is proudly above them; there has never been a moment of time when it was in its power, consistently with its duty to the State, the individual stockholders and the public, to declare dividends or nett profits. It avers and relies on its exhibits to prove that its present rolling stock, equipments and adjuncts are barely sufficient to supply the means of working the road advantageously. It is due to candor and to the occasion further to state that in the judgment of the board no given period can be named when nett profits can be paid into the Treasury or dividends to the stockholders declared. The board will proceed briefly to demonstrate this proposition in conclusion of this statement.

Nearly a quarter of a century has elapsed since the rails were laid on the bed of the road; they were of the best English iron; but time and friction have done their work on them; the wear has been gradual and constant; but especially was it considerable when in 1861-62, the exigencies of the government requiring it, the heavy locomotives of the Baltimore and Ohio road, were employed in conveying over it to and fro, large trains of troops. The President as the experienced superintendent of the road, in December last, called the earnest attention of the board to the condition of the bed of the road in