

393

Company of turning its stock over that road; but there is little doubt that the Contract now in existence between the two Companies has involved loss to this Company. The subject of a new Contract is now up before the boards of the two Companies and it is hoped their deliberations will result in an adjustment according to this Company, all that it seeks - a simple indemnity. - These subjects - the Contract between this Company and the Wrightville York & Gettysburg Rail Road Company and the Contract between this Company and the York and Cumberland Rail Road Company - have been referred to as other sources in addition to those previously named from which this Company might expect some additional revenue. Believing then that the revenues of the Company may be expected to increase considerably during the present fiscal year it is my opinion that the turning point in the destiny of the Company has been reached and there is certainly a semblance of a basis for an earnest hope that the Company might hereafter be enabled to fulfil its engagements to the State as to the payment of the yearly interest, if no more.

The opinion I have expressed of the future ability of the road to meet its engagements to the State presupposes that no extended improvements or enlargement of its capacity be proposed.

It is however my belief that the present capacity of the Baltimore & Susquehanna Rail Road is by no means adapted to commensurate with its destiny.

Even for the accommodation of the business which will reach it from its present connections, under its natural increase the present capacity of the road would in a very few years be found utterly inadequate.

But it is known to you that the Susquehanna Rail Road running up the valley of the Susquehanna and extending from Bridgeport on the south, the present terminus of the York & Cumberland Rail Road to Williamsport on the north is now under contract and will in the course of a year or two present to us a connection throughout its whole length with the western slope of those great Pennsylvania Coal fields which from their eastern slope now furnish to the Reading Rail Road and the Canal by its side many millions of tons of Coal and which in its distribution gives employment to an amount of tonnage greater than that employed in the foreign trade of the port of New York. which gave to the Reading Rail Road for its last fiscal year a gross income of over two millions of dollars and enabled it to pay six per cent upon the enormous cost of the road. Seventeen millions of dollars for ninety one miles. The Reading Rail Road Company with a wise foresight did not await a