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E. P. Huber



TWENTY-FOURTH

ANNUAL REPORT

OF THE

Board of Directors

OF THE

Lehigh Valley Rail Road Company

TO THE

STOCKHOLDERS.

January 21st, 1879.

PHILADELPHIA:
WM. F. MURPHY'S SONS, PRINTERS, 509 CHESTNUT ST.
1879.



ANNUAL REPORT

Board of Directors

Large Valley Fall Road Company

MEMORANDUM

TO THE BOARD OF DIRECTORS

FROM THE MANAGER

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1879

TWENTY-FOURTH

ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

Lehigh Valley Railroad Company

TO THE

STOCKHOLDERS.

JANUARY, 21ST, 1879.

PHILADELPHIA:
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1879.

1887-1888

ANNUAL REPORT

BOARD OF DIRECTORS

Lehigh Valley Railroad Company

STOCKHOLDERS

PHILADELPHIA

OFFICERS
OF THE
LEHIGH VALLEY RAILROAD COMPANY

January 21st, 1879.

PRESIDENT,
ASA PACKER.

VICE-PRESIDENT,
CHARLES HARTSHORNE.

TREASURER,
LLOYD CHAMBERLAIN.

SECRETARY,
JOHN R. FANSHAWE.

GENERAL SUPERINTENDENT AND CHIEF ENGINEER,
ROBERT H. SAYRE.

DIRECTORS.

CHARLES HARTSHORNE,
WILLIAM W. LONGSTRETH,
WILLIAM H. GATZMER,
DAVID THOMAS,
ASHBEL WELCH,
WILLIAM L. CONYNGHAM,

ARIO PARDEE,
WILLIAM A. INGHAM,
GEORGE B. MARKLE,
ROBERT H. SAYRE.
HARRY E. PACKER,
JAMES I. BLAKSLEE.

OFFICERS

1894

LEHIGH VALLEY RAILROAD COMPANY

INCORPORATED 1826

TRUSTEES

ASA PARKER

MANAGING

CHARLES HARRINGTON

SECRETARY

LESLIE CHAMBERLAIN

ATTORNEY

JOHN R. KAY

GENERAL SUPERINTENDENT AND CHIEF ENGINEER

ROBERT H. SAYRE

TRAIN MEN

AND ENGINEERS
WILLIAM A. DODD
GEORGE R. WALKER
ROBERT H. SAYRE
HARRY E. BROWN
JAMES J. HARRINGTON

CONDUCTORS
WILLIAM T. HARRINGTON
WILLIAM H. HARRINGTON
DEAN CHASE
ARTHUR L. WELLS
WILLIAM H. HARRINGTON

ANNUAL REPORT
OF THE
LEHIGH VALLEY RAILROAD CO.

January 21st, 1879.

The past year has been an exceptional one in the history of this Company. Early in the season the shippers of anthracite coal over our Railroad, united with all the other coal carrying Companies and individual operators, in an arrangement intended to regulate the production, and apportion the tonnage among the several lines. Although not in any way a party to this Association, yet the effect was the same, as the several Coal Companies in which we are interested acted with the others. The result is shown, not only in the greatly reduced total tonnage of anthracite coal carried by us, but also in the disproportionately great decrease of through coal carried to Perth Amboy. The whole amount assigned to us being fixed, any increase of one portion of our trade necessitated a reduction of another. The iron furnaces and other markets, along the line of our road, required, during last year, 115,027 tons more than the year before. This passed over but about one third of our road below Mauch Chunk, and could only be supplied by taking it from that which would otherwise have gone to Tide Water, and paid toll over an average of three times the distance. The injurious effect upon our revenue was, therefore, much greater than would appear from the mere difference of totals. Our operators have so far declined to enter upon a similar arrangement for the present year.

The total coal tonnage for the past fiscal year was—

Anthracite.....	3,446,616 tons.
Bituminous.....	32,977 “
	<hr/>
Making	3,479,593 tons;

being a decrease of 911,693 tons from the shipments of the previous year.

Our income from all sources, including interest received from investments, &c., amounted to—

	1878	1877
	\$6,186,021 61	\$7,100,218 94
Operating expenses of the road,	2,456,926 63	3,162,822 06
	<hr/>	<hr/>
Net income,	\$3,729,094 98	\$3,937,396 88

Out of which there has been paid—

Interest on Bonds,
including pre-
mium on gold, \$1,522,205 44

Dividends:—

January, April,
July and Octo-
ber, 1 per cent.
each, 1,095,522 00

General expense,
interest on float-
ing debt, Penna.
& New Jersey
State Taxes, loss
on Morris Canal
and all coal op-
erations,..... 1,035,638 17 \$3,653,365 61

Leaving \$75,729 37 to be added to
the credit of Profit and Loss Account.

On November 30th, 1878, the close of the fiscal year, our Capital Account was as follows:

Preferred and common stocks, including scrip not yet converted,.....	\$27,228,855 00
Six per cent. Bonds, due in 1898, (Coupon and Registered,).....	5,000,000 00
Seven per cent. Registered Bonds, due in 1910,	6,000,000 00
Consolidated Mortgage Bonds—	
Sterling	\$4,563,000
Coupon.....	2,000,000
Registered.....	6,507,000
Annuity	438,000
	<hr/>
	13,508,000 00
Floating debt, less cash on hand.....	686,833 25
	<hr/>
	\$52,423,688 25
Footing of Capital Account for 1877.....	52,165,668 80
	<hr/>
Increase during the year.....	\$258,019 45

The increase in our Capital Account consists chiefly of additional investments in our connecting lines.

In September last, 126 Sterling Bonds were drawn for payment, in accordance with the provisions of our Consolidated Mortgage. This leaves outstanding, \$4,437,000 of the Sterling Loan, bearing interest from December 1st, 1878.

The branch to Ashland was opened in June last, as is stated in the report of the Superintendent and Engineer, to which attention is called for further particulars regarding the operations of the road.

The grain trade from the West, over our line, has largely increased during the past year, and is only limited by the want of proper facilities in this city for its reception and distribution.

Mr. J. Gillingham Fell, an Ex-President and a member of the Board for twenty-three years, died October 26th, last, after a protracted illness. The Board of Directors, in noticing the event at their meeting, held November 12th, adopted the following resolutions:

“WHEREAS, By the death of our highly valued friend, J. Gillingham Fell, the Lehigh Valley Railroad Company lost an honored Ex-President, and one of the oldest and most useful members of its Board of Direction;

Resolved, That we esteem this Company to have been greatly aided during his twenty-three years' service, and particularly during the five years when he was its President, which included the trying ones of 1857 and 1858, by Mr. Fell's conspicuous integrity, steadfast courage, and strong and clear intelligence, and that he thus contributed largely to its solid prosperity and high reputation.

Resolved, That Mr. Fell's decease, at an age when years of useful activity and wise counsel might still have been hoped for, is a loss to this Company, and to the community of which he was a pillar, that cannot readily be supplied.

Resolved, That as an evidence and memorial of our affection and respect, these resolutions shall be entered upon the minutes, and a copy of them be transmitted to Mr. Fell's family.”

By order of the Board,

ASA PACKER, *President*.

ANNUAL REPORT
OF THE
SUPERINTENDENT AND ENGINEER,
OF THE
LEHIGH VALLEY RAIL ROAD COMPANY,
FOR THE FISCAL YEAR ENDING
NOVEMBER 30TH, 1878.

BETHLEHEM, PA., *November 30th, 1878.*

HON. ASA PACKER, *President.*

SIR:—The following report of the operations of the Lehigh Valley Rail Road, for the fiscal year ending November 30th, 1878, is respectfully submitted.

The very heavy falling off in the out-put of coal, as compared with that of the year previous, and causes connected therewith, have affected unfavorably the transportation lines of the Lehigh Region.

The total decrease in the tonnage from all the regions is about 15 per cent., while the tonnage of this road in connection with the Penna. & New York Rail Road, has declined about 24 per cent.

Early in the year arrangements were made by the coal producing companies and individuals, to restrict production to the wants of the market, and while the result of this may have given producers a moderate profit and been satisfactory to them, it did not prove so favorable to the transportation interests.

It was hoped that the increased price to be obtained for coal, and the advance in the rates of transportation would have compensated for the diminished tonnage. Such, however, did not prove to be the fact in the case of this road. The larger amount of coal consumed by the furnaces upon the line, and the increased percentage leaving the road short of tide, reduced the rate obtained per ton to about the same as last year. The figures show a deficit of 915,509 tons transported, and of \$923,920.28 received. The rate of transportation per ton per mile received on coal this year was 0.08 of a cent greater than the previous year.

The total amount of anthracite coal transported over the main line and branches for the year, was 3,446,615.18 tons, a decrease, compared with last year, of 915,508.11 tons, or 20.99 per cent.

The coal was derived from the following sources:—

REGIONS	1877	1878	Increase or <i>Decrease</i>
Wyoming.	1,031,777.13	919,712.09	112,065.04
Hazleton	2,121,358.01	1,520,049.07	601,308.14
Upper Lehigh... ..	699.04	948.15	249.11
Beaver Meadow	577,452.03	435,951.04	141,500.19
Mahanoy	624,738.01	565,825.16	58,912.05
Mauch Chunk... ..	6,099.07	1,633.12	4,465.15
Port Delaware		24,94.15	2,494.15
Totals	4,362,124.09	3,446,615.18	915,508.11 *

And was delivered as follows:—

* This does not include the decrease in the Coal tonnage of the Penna. & N. Y. R. R., amounting to $130,958\frac{11}{10}$ tons,—making the total deficiency of Anthracite tonnage, over our entire line, for the year, $1,046,467\frac{2}{10}$ tons.

Points of Delivery	1877	1878	Increase	Decrease
Mauch Chunk	2,806 14	3,059 10	252 16	
On line of road above Mauch Chunk	10,868 03	7,667 11	.....	3,200 12
On line of road above M. Ch'k for use of Co.	75,234 19	71,153 03	.....	4,081 16
To P. & N. Y. R. R.	581,291 10	449,802 12	.....	131,488 18
" Northern Cen. R. R.	25,869 08	20,312 10	.....	5,556 18
" D., H. & W. R. R.	46,399 13	29,586 18	.....	16,812 15
To L. & S. Div. C. R. R. of N. J. at Packerton	9,882 10	7,280 00	.....	2,602 10
To L. & S. Div. C. R. R. of N. J. at P'n Haven for canal.....	1,508 00	.....	.....	1,508 00
To L. & S. Div. C. R. R. of N. J. at P'n Haven for rail	341 02	.....	.....	341 02
To Lehigh Canal, M'ch Chunk	141,211 08	98,835 05	.....	42,376 03
To L. & B. R. R.	13,152 19	161 18	.....	12,991 01
Local east of M. Chunk East of Mauch Chunk for use of Co.	41,122 01	35,601 17	.....	5,520 04
To Furnaces & Mfg. Co's	82,166 10	73,207 16	.....	8,958 14
" Berks & Lehigh R. R.	463,613 04	578,640 12	115,027 08	
" Cata. & Fog. R. R.	50 17	11 12	.....	39 05
" Ironton R. R.	4,436 15	8,073 04	3,636 09	
" East Penn R. R.	7,293 18	4,982 11	.....	2,311 07
" Perkiomen Br'ch P. & R. R. R.	355 17	300 03	.....	55 14
To North Penn. R. R.	47,403 11	60,374 06	12,970 15	
" Pt. Delaware, (Mor- ris Canal)	210,849 10	211,143 13	294 03	
To Morris & Essex R. R.	261,345 09	170,564 13	.....	90,780 16
" Bel. Div. Pa. R. R.	96,355 01	56,143 00	.....	40,212 01
" C. R. R. of N. J.	791,262 14	677,016 06	.....	114,246 08
" N. J. Div. L. V. R. R.	41,755 05	3,319 08	.....	38,435 17
	1,405,547 11	879,377 10	.....	526,170 01
Totals	4,362,124 09	3,446,615 18		915,508 11

The decrease of tonnage east of Mauch Chunk is 694,802 tons, or 20.12 per cent.

The amount of coal delivered to furnaces, rolling mills and other manufacturing establishments upon our line, shows an increase of 115,027.08 tons, or 24.81 per cent., and aggregates 578,640.12 tons.

Coal received at Perth Amboy for shipment, shows a decrease of 470,037 tons, or 37.44 per cent.

90,781 tons or 34.74 per cent. less coal passed into the Morris Canal this year than last.

Coal delivered to the North Penn. Rail Road, shows a slight increase, and to the Perkiomen Branch of the Phila. and Reading Rail Road, an increase of 27.36 per cent.

TONS OF ANTHRACITE COAL CARRIED ONE MILE.

REGION	1877	1878	Increase or Decrease
Wyoming.....	27,749,760.01	29,014,502.00	1,264,741.19
Hazleton	50,201,281.18	35,867,624.09	14,333,657.09
Beaver Meadow.....	12,707,611.18	9,725,080.00	2,982,531.18
Mahanoy ..	23,813,736.15	22,000,095.14	1,813,641.01
Total above M. Chunk...	114,472,390.12	96,607,302.03	17,865,088.09
Total below “	231,476,728.14	166,144,329.17	65,332,398.17
Grand Total.....	345,949,119.06	262,751,632.00	83,197,487.06

The number of tons of anthracite coal carried one mile was 24.05 per cent. less, and the rate per ton per mile received .058 per cent. more than in 1877.

Miscellaneous freight traffic shows an aggregate of 112,557,966 tons carried one mile, being an increase of 27.71 per cent. over last year.

The rates obtained per ton per mile were 21.62 per cent. less than in 1877, and have now reached a point below which the business will cease to be desirable on the score of profit.

Receipts from Passengers, Express and Mail show a decline of \$37,655.62.

The total road receipts and expenses for the year are shown below:—

From transportation of	Gross Receipts	Expenses	Net Receipts
Coal	\$3,807,805 28	\$1,487,704 17	\$2,320,101 11
Freight	1,809,248 27	702,794 00	606,454 27
Passengers, Express & Mail...	415,684 56	266,428 46	149,256 10
Total	\$5,532,738 11	\$2,456,926 63	\$3,075,811 48
1877	6,488,036 62	3,152,822 06	3,325,214 56
Decrease	\$955,298 51	\$705,895 43	\$249,403 08
Decrease per cent.....	14.72	22.32	7.50

Cost of operating the road 44.41 per cent. of receipts.

BRIDGES.

The bridge across Trout Creek, at Slatington, was destroyed by accident, on April 5th, 1878, and has been replaced by building a pier dividing the opening into two spans, and erecting an iron truss deck bridge of 3 tracks.

A new iron girder bridge replacing a timber truss has been built over entrance to Canal Basin, east of Hazel st., in Wilkes-Barre.

New iron bridges are in progress for replacing those of timber, at the crossings of L. & S. R. R., east of White Haven, and at Fairview.

BUILDINGS.

On Lehigh Division, we have built three tool houses for trackmen.

On Wyoming Division, two houses for switch tenders.

Also, at Hickory Run, a passenger room and an addition to the freight station.

On Mahanoy Division, one double dwelling house at Delano, and passenger and freight stations at Lost Creek, Girardville and Ashland.

Water stations have been renewed at—

Bound Brook, with two Tanks,			
Flax Mill,	“	“	“
Rockdale,	“	“	“
Nescopoc,	“	one	“
Indian Spring,	“	“	“

EQUIPMENT.

Our locomotive equipment has been increased during the year, by one engine, built at our own shops.

We have increased our stock of cars as follows:—

BUILT AT OUR OWN SHOPS.

Four-wheeled caboose	1
Eight-wheeled caboose.....	1
“ “ house cars.....	150
Four-wheeled coal cars.....	66

One of our passenger cars has been put out of service, during the year.

Our equipment is now as follows:

	On last Report	Increase	Decrease	November 30, 1878.
Engines of all classes.....	234	1	.....	235
Passenger Cars	72	.....	1	71
Pay Car	1	.....	.....	1
Baggage and Express Cars.....	36	.....	.....	36
Gravel Cars	166	.....	.....	166
Eight-wheeled House Cars.....	900	150	.....	1,050
Stock Cars.	12	.....	.....	12
Wreck and Tool Cars.....	26	.....	.....	26
Four-wheeled Platform Cars....	9	.....	.....	9
Six-wheeled Platform Cars.....	100	.....	.....	100
Eight-wheeled Platform Cars...	425	.....	.....	425
Four-wheeled Caboose Cars.....	24	1	.....	25
Six-wheeled Caboose Cars.....	1	.....	.....	1
Eight-wheeled Caboose Cars...	39	1	.....	40
Lime Cars	44	.....	.....	44
Gondola Cars.....	309	.....	.....	309
Tunnel Coal Cars.....	100	.....	.....	100
Coal Cars, rated as four-wheeled	24,395	66	.....	24,461

RAILS.

We have relaid track with steel rails, and have now in use as follows:—

MILES OF STEEL TRACK	On last Report	Laid and Relaid this year	Total now in use
On New Jersey Division.....	65.35	7.41	72.76
On Lehigh Division.....	93.70	3.02	96.72
On Wyoming Division.....	51.35	.78	52.13
On Hazleton Division.....	28.66	5.40	34.06
On Beaver Meadow Division	18.09	4.19	*22.28
On Mahanoy Division.....	13.84	13.39	27.23
Total.....	270.99	34.19	305.18
On P. & N. Y. R. R., Wilkes-Barre to L. & B. Junction.	9.60	.08	9.68

TRACK.

There are now in use on all divisions of the track—

141.62 miles of single track,
 151.63 miles of double track, in addition to which there are
 18.62 miles of second track laid, but used as sidings, and
 176.38 miles of sidings,

Total, 639.88 miles—an increase during the year of 5.10 miles, caused by completion of the branch to Ashland, and by extension of sidings on Wyoming and Hazleton Divisions.

During the year we have taken up the tracks above the planes, at Penn Haven.

There are also on the main line and branches 6.15 miles of grading complete and ready for the track, as follows:—

On Lehigh Division,0.63 miles,
 On Wyoming Division,.....1.48 “
 On Hazleton Division,3.84 “
 On Beaver Meadow Division,..... 0.20 “

Total,.....6.15 miles.

The following materials were used for repairs and construction:—

* DIVISION	Steel Rails	Iron Rails	Switch Frames	Frogs	Cross-Ties	Splices	Kegs of Spikes
New Jersey	2,877	997	23	38	19,645	938	123
Lehigh	1,575		59	80	57,168	1,575	307
Wyoming.....	453	534	21	51	32,575	1,240	186
Hazleton.....	1,474	558	26	37	27,537	767	99
Beaver Meadow...	2,062		12	36	21,508	2,017	112
Mahanoy	4,392	1,817	24	57	42,870	2,561	289
Total...	12,833	3,906	165	299	201,303	9,098	1,116
P. & N. Y. Wilkes-Barre to L.&B.Junction	73		5	26	6,981	189	25

The track has been kept in first rate condition during the year. All renewals of rails have been of steel, and have been charged to Maintenance of Way.

The extension of Lost Creek branch was completed to Girardville early in the year, and to Ashland in June.

Surveys and estimates have been made between Penn Haven and Black Creek Junction, with a view of avoiding four out of the five bridges on that part of the line, and of reducing the gradients and curves to the minimum the ground will permit. The line now worked has curves of 14 degrees, and grades of 95 feet per mile, and in many cases the heavy grades occur in sharp curves. By the proposed re-location we obtain these three combinations of grades and curvature, viz:—55 feet grade and 9 degree curve, 65 feet grade and 7 degree curve, and 82 feet grade and 4 degree curve, which are about equivalent in resistance. This improvement, if adopted, will enable each locomotive to haul 25 per cent. more cars than upon the present line, or to increase our average trains from 70 cars to 90. It can be done without interruption to traffic, and in view of the large tonnage over the line, I do not hesitate to recommend it upon the score of economy. The estimated cost of the work is \$85,000.

Very respectfully,

ROBERT H. SAYRE,

Sup't and Engineer.

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REPORT
OF THE
PENNSYLVANIA AND NEW YORK CANAL
AND
RAILROAD COMPANY.

OFFICERS AND DIRECTORS

OF THE

Pennsylvania & New York Canal and R. R. Co.

PRESIDENT,

ROBERT H. SAYRE.

TREASURER,

CHARLES HARTSHORNE.

GENERAL SUPERINTENDENT,

ROBERT A. PACKER.

DIRECTORS.

ASA PACKER,

WILLIAM W. LONGSTRETH,

CHARLES HARTSHORNE,

ROBERT A. PACKER,

VICTOR E. PIOLLET,

GARRETT B. LINDERMAN,

J. HENRY SWOYER,

JOHN J. TAYLOR,

ROBERT LOCKHART,

JOHN W. HOLLENBACK,

WILLIAM H. SAYRE,

ELISHA P. WILBUR.

REPORT.

Bethlehem, Pa., November 30th, 1878.

TO THE STOCKHOLDERS OF THE PENNSYLVANIA AND NEW YORK
CANAL AND RAILROAD COMPANY.

The Managers submit the following report:

The earnings and expenses for the fiscal year, ending November 30th, 1878, were as follows:—

From	Gross Receipts	Expenses	Net Receipts
Transportation of Coal.....	\$744,043 69	\$418,041 76	\$326,001 93
Transportation of Freight,...	504,947 30	365,303 48	139,643 87
Transportation of Passen- } gers, Express and Mail, }	141,817 96	111,233 32	30,584 64
Canal.....	432 75	1,847 28	Loss, 1,414 53
Miscellaneous,	33,226 06		33,226 06
Total 1878.....	\$1,424,467 76	\$896,425 79	\$528,041 97
Total 1877.....	1,562,385 27	899,370 00	663,015 27
Decrease.....	\$137,917 51	\$2,944 21	\$134,973 30
Percentage of Decrease.....	8 82	.03	20.35

Operating expenses 62.93 per cent. of gross receipts.

During the year \$210,000 has been paid for interest on Bonds, leaving \$318,041.97, applicable to taxes, dividends, &c.

The total amount of coal, Anthracite and Bituminous, transported, was 1,095,363 tons, showing a loss as compared with last year of 12.53 per cent.

The decreased receipts from the transportation of coal and passengers amounts to \$208,216.79.

Miscellaneous freight traffic has increased largely, but at lower rates; the receipts from this branch of business are \$82,902.72 larger than last year.

About 9 miles of track have been laid during the year, 4 miles of which were in the main double track, and the balance in sidings. Over 3,000 tons of steel rails have been used in renewal of worn out iron rails; the steel rails were charged to Maintenance of Way. The single track wooden bridge over Wyalusing creek, two spans of 114 feet each, has been replaced by a double track iron structure. The single track wooden bridge over the river at Towanda is being replaced by a double track iron one, which will be completed early in the coming year.

Arrangements have also been made for substituting a double track iron bridge for the single track wooden one now in use over Wysox creek; half the cost of these structures will be charged to Maintenance of Way, and the balance to Construction Account.

Foundations have been put in for the shops at Sayre, for the repairs of our rolling stock, and it is hoped the business of the coming year will justify their completion.

The business of the Buffalo Creek Railroad has increased over that of any previous year, the total receipts being \$51,693.54, and are in excess of last year \$10,125.39. Expenditures for taxes, interest on floating debt, operating expenses, and repairs, amounted to \$42,119.27, leaving a balance of \$9,574.27 applicable to reduction of the floating debt.

For details of the business of our road, etc., see report of the Superintendent accompanying this.

By order of the Board,

ROBT. H. SAYRE,

President.

REPORT OF THE SUPERINTENDENT

OF THE

Penna. & New York Canal & R. R. Co.

Office of the General Superintendent,

SAYRE, PA., November 30th, 1878.

ROBERT H. SAYRE, Esq., President.

SIR:—The following report for the fiscal year closing with this date, is respectfully submitted:

COAL TONNAGE.

The total amount of coal transported during the year just closed, was 1,095,363 $\frac{9}{20}$ tons, a decrease of 156,892 $\frac{5}{20}$ tons, or 12 $\frac{53}{100}$ per cent. as compared with business of the previous year.

In view of the depressed and unsettled condition of the coal trade, a more favorable showing in this branch of our business was not anticipated. This is, however, the first instance in which we have failed to note a yearly increase in our coal tonnage since the opening of our road for business.

Total anthracite and bituminous coal tonnage for 1878, compared with tonnage for previous year.

	1877		1878		<i>Decrease</i>
	Tons	Cwt.	Tons	Cwt.	
Anthracite.....	911,754.12		780,796.01		130,958.11
Bituminous.....	340,501.02		314,567.08		25,933.14
Total.....	1,252,255.14		1,095,363.09		156,892.05

The anthracite tonnage was derived from the following sources:

REGIONS	1877		1878		<i>Increase & Decrease</i>	
	Tons	Cwt.	Tons	Cwt.	Tons	Cwt.
Wyoming	878,782.08		731,134.10		147,647.18	
Hazleton.....	8,359.05		13,177.01		4,817.16	
Beaver Meadow	4,410.17		750.13		3,660.04	
Mahanoy	700.00		6.11		693.09	
St. Line and Sullivan...	19,502.02		35,727.06		16,225.04	
Total.....	911,754.12		780,796.01		130,958.11	

And was distributed as shown by statement below:

	1877		1878		<i>Increase & Decrease</i>	
	Tons	Cwt.	Tons	Cwt.	Tons	Cwt.
On Line Road.....	24,245.05		18,123.01		6,122.04	
Montrose Railway.....	3,350.01		2,964.04		385.17	
S. Central R. R.....	195,095.06		194,495.13		599.13	
G., I. & S. R. R.....	272,343.06		284,263.07		11,920.01	
Lehigh Valley R. R....	10.10		80.15		70.05	
Erie Railway Junct ...	66,181.16		44,339.06		21,842.10	
Erie Railway, 3d rail..	270,089.06		169,736.17		100,352.09	
Watkins "direct".....	37,077.18		30,771.09		6,306.09	
For use of Company...	43,361.04		36,021.09		7,339.15	
Total.....	911,754.12		780,796.01		130,958.11	

The sources of supply and distribution of the bituminous coal tonnage were as follows:

RECEIVED FROM BARCLAY REGIONS	1877		1878		In. & Decrease	
	Tons	Cwt.	Tons	Cwt.	Tons	Cwt.
Towanda Coal Co	164,344.01		165,035.06		691.05	
Schraeder Coal Co	175,755.07		149,284.17		26,470.10	
North. Cen. R. W. (Gas Coal)	401.14		247.05		154.09	
Total	340,501.02		314,567.08		25,933.14	

DISTRIBUTION OF BITUMINOUS COAL.

	1877		1878		Increase & Decrease	
	Tons	Cwt.	Tons	Cwt.	Tons	Cwt.
On Line of Road	1,165.16		1,291.03		125.07	
To S. C. R. R.	131,614.07		93,435.01		38,179.06	
To G., I. & S. R. R.	23,571.16		31,188.05		7,616.09	
To L. V. R. R.	19,070.09		22,761.03		3,690.14	
To Erie Railway	164,344.01		165,035.06		691.05	
Used by Company	734.13		856.10		121.17	
Total	340,501.02		314,567.08		25,933.14	

TONS CARRIED ONE MILE.

	1877	1878	Decrease
Anthracite	81,685,079 $\frac{60}{100}$	68,410,511 $\frac{30}{100}$	13,274,568 $\frac{30}{100}$
Bituminous	7,890,447 $\frac{52}{100}$	7,596,470 $\frac{99}{100}$	293,976 $\frac{53}{100}$
Total	89,575,527 $\frac{12}{100}$	76,006,982 $\frac{29}{100}$	13,568,544 $\frac{83}{100}$

The decrease in tons carried one mile was $15\frac{15}{100}$ per cent. and the gross receipts from transportation of coal have decreased $20\frac{50}{100}$ per cent., as compared with last year.

The amount of coal loaded in return freight cars, chiefly for points west of Buffalo, was as follows: In cars returnable via Erie Railway, $37,730\frac{18}{20}$ tons, a decrease of $10,720\frac{1}{20}$ tons. In cars returnable via Geneva, Ithaca & Sayre R. R., $14,041\frac{3}{20}$ tons, an increase of $9,289\frac{13}{20}$ tons, and in cars returnable via Southern Central R. R., $7,921\frac{9}{20}$ tons, an increase of $4,137\frac{16}{20}$ tons. This makes a total of 59,694 tons shipped in freight cars, an increase of $2,709\frac{8}{20}$ tons over last year. We have transported over our road during the year, $12,186\frac{4}{20}$ tons of coal dust, not included in the foregoing tables of tonnage. This refuse product of the mines is being utilized, to some extent, for steam purposes, and for boiling salt.

FREIGHT.

The amount of freight, exclusive of coal, transported during the year, was $650,343\frac{75}{100}$ tons, an increase from last year of $198,614\frac{42}{100}$ tons, or 44 per cent. The number of tons carried one mile was $57,818,606\frac{52}{100}$, an increase over last year of $19,108,534\frac{48}{100}$, or $49\frac{36}{100}$ per cent. While the tonnage has been thus largely increased, the rates received for transportation have still further declined. The average rate per ton, per mile, on all freight for the year just closed, was $\frac{87}{100}$ of a cent, against $1\frac{9}{100}$ cents during the previous year; a decrease of $\frac{22}{100}$ of a cent. The gross earnings from this source have increased $19\frac{64}{100}$ per cent.

PASSENGER BUSINESS.

The number of passengers carried during the year was 149,478, equal to 5,406,619 carried one mile. Compared with last year, this shows a decrease of $12\frac{51}{100}$ per cent. in number of passengers, and of $28\frac{68}{100}$ per cent. in passengers carried one mile. The receipts from this source have fallen off $10\frac{2}{100}$ per cent. from last year.

The average amount received from each passenger carried in 1877, was $92\frac{27}{100}$ cents, and in 1878, $98\frac{96}{100}$ cents. The average distance traveled by each in 1877, was $44\frac{37}{100}$ miles, and in 1878, $36\frac{17}{100}$ miles. The average rate per passenger, per mile, in 1877, was $2\frac{8}{100}$ cents, and in 1878, $2\frac{73}{100}$ cents.

CANAL.

The amount of canal tolls collected at Wilkes-Barre, during the year, was $\$376\frac{35}{100}$, a decrease of $\$45\frac{75}{100}$ from last year. The amount of coal on which tolls were collected, was 4,345 tons, and of other freights 2,817 tons.

EQUIPMENT.

No additions have been made to the locomotive equipment during the year. A large proportion of our engines have been thoroughly overhauled, and all are now in efficient working order. We have added to our car equipment during the year, 1 tool car, 2 cabooses, 10 gondolas, 2 stock cars and 11 box cars. A large number of our freight and stock cars have been rebuilt during the year; and the general condition of this equipment has been still further improved by putting new iron trucks under all the box and stock cars coming to the shops for general repairs. These new trucks have now been supplied to 101 cars, and will be put under the others as fast as the wooden trucks, now in use, give out.

List of Locomotives and Cars:

	By Last Report	Added During Year	Total Now
Locomotives,	50.....	.....	50
Wrecking and derrick cars,.....	3.....	1.....	4
Gravel cars,.....	31.....	.....	31
Four-wheeled caboose cars,.....	28.....	.....	28
Eight-wheeled caboose cars,.....	4.....	2.....	6
Eight-wheeled platform cars,.....	57.....	.....	57
Eight-wheeled gondola cars,.....	200.....	10.....	210
Eight-wheeled stock cars,.....	95.....	2.....	97
Eight-wheeled box or house cars,...	245.....	11.....	256
Four-wheeled coal cars,.....	800.....	.....	800
Eight-wheeled coal cars,.....	100.....	.....	100

TRACK.

The total length of track now laid and in use in main line, branches and sidings is $219\frac{82}{100}$ miles, an increase of $9\frac{17}{100}$ miles from last year.

The classification and mileage of track is as follows:

	Miles.
Main Line, Wilkes-Barre to N. Y. State Line,....	104.30
Second track in use as such,.....	35.63
Sidings, and second track used for sidings,.....	51.74
Waverly & State Line R. R. and sidings,.....	3.46
Branch and sidings connecting with G., I. & S. R. R.	3.97
Branch and sidings connecting with S. C. R. R.,	4.28
Sidings at Waverly,.....	.39
Sidings at Elmira,.....	.58
Branch and sidings connecting with Barclay R. R.	3.07
Pleasant Valley Branch,.....	5.82
Sidings at West Pittston,.....	1.23
Sidings and short branches to Coal Breakers,...	5.35
Total,.....	<u>219.82</u>

We have now in use in our main tracks $86\frac{83}{100}$ miles of steel rails, an increase of $37\frac{32}{100}$ miles over the previous year.

Double track is now in use on south end of road, from Coxtan to LaGrange, having been extended about four miles during the past year, partly by the use of track previously laid. Above LaGrange 8,600 feet of grading for second track has been prepared, leaving only 4,600 feet of grading required to extend double track to Tunkhannock.

The sidings at L. & B. Junct. have been extended 1,040 feet, and in Coxtan Yard, 7,170 feet. A new siding, 4,936 feet in length, has been laid at Frenchtown. The siding at Standing Stone has been lengthened 1,095 feet. At Wysauking a new siding, 3,450 feet long, has been laid on the line of second track. The sidings on Barclay Branch, at Towanda, have been extended 1,880 feet, and about 3 miles of new sidings have been laid at Sayre.

Care has been taken to keep our track in good order, and the following materials have been used in repairs during the year, viz— 11,927 new steel rails, 1,523 iron rails, 55 frogs, 330 kegs of spikes, 1,356 pairs of splices, 13,984 lineal feet of switch timber, and 71,293 cross-ties. We have also used 18,177 cross-ties in construction of new track.

BRIDGES, BUILDINGS, &c.

A new double track iron bridge, of 2 spans, each 114 feet in length, has been erected to replace the single track wood bridge, crossing Wyalusing Creek.

At Towanda, a new double track iron bridge, of 9 spans, each 160 feet long, is being built to replace the single track wood bridge of same length, crossing the Susquehanna River. At the date of our report, the new structure is well advanced.

The completion of this important improvement will leave but 4 wooden bridges on our main track, north of L. & B. Junction, viz:—Meshoppen, one span, 124 feet long; Skinner's Eddy, one span, 90 feet long; Wysox Creek, two spans, each 105 feet long; and Little Wysox Creek, one span, 52 feet long. Preparations are being made for the erection of a new iron bridge at Wysox Creek, the mason work for which is now finished. It is hoped that these improvements may be continued, and that our next annual report may record the erection of iron bridges in place of all the remaining wooden spans.

A freight transfer platform having been erected at Sayre, in December last, for the assorting and re-loading of freight to and from our road, and the Geneva, Ithaca & Sayre, and Southern Central Rail Roads, this work was removed, on the first of January last, from Athens, where it had formerly been done.

A new water tank has been put up, and a supply coal platform has been built at Sayre, for the use of our Road and the G., I. & S. R. R. All of our engines are now supplied with coal and water at this point, instead of Waverly Junction, as heretofore.

The temporary buildings at Sayre, which have been used for depot and local offices since 1875, when the station at this point was burned down, are insufficient and inconvenient, and should be replaced with a permanent station house, of sufficient capacity for the convenient accommodation of the public, and of our own business.

The frame depot at Wysauking was destroyed by fire, on the night of August 10th, 1878, and has been replaced by a new brick station, 18 feet wide, by 64 feet long.

The coal transfer trestle at Waverly, having become unsafe from long use, and being larger than was needed, since the laying of the third rail on the Erie Railway, has been torn down, and a new trestle, and pockets of more suitable size, erected in its place, at the joint expense of the two Companies.

A moderate force has been employed upon the new shops at Sayre, during the latter part of the year just closed, and the foundations for the principal shop, 124 x 286 feet, and for the blacksmith shop, 64 x 110 feet, are now ready for the brick work. The present low prices of material and labor render this a favorable time for building, and the necessity of the work is such, that no time should be lost upon it on the return of spring.

We have maintained harmonious relations in the interchange of business, with all our connections.

Our business has been conducted with a good degree of safety and regularity, and I take pleasure in acknowledging the fidelity and skill with which all the employees have contributed to this result.

Yours truly,

R. A. PACKER,

Superintendent.

