Pennsylvania could not accommodate. This road, when finished, will place us in direct communication with the immense

wheat growing region of Chicago.

When the contest for President of the Connellsville Road was approaching in November, a proposition was made to me that if the city would change the \$512,000 interest on her million into stock, which would entitle her to sufficient votes to defeat the Baltimore and Ohio Railroad, the Board of Directors of the Connellsville Road would agree to pay the interest on the city's million from that time forward in instalments of five thousand dollars monthly, or sixty thousand dollars annually. About this time I received a printed circular, offering certain inducements to the Directors of the Pittsburg and Connellsville Road if the Directors then in power would dispose of this road on certain conditions.

I knew that the citizens of Pittsburg were very much exasperated against the Baltimore and Ohio Road, as it had just laid its injunction, and I feared that an alliance might be made

detrimental to the interest of the city.

I then determined (early in December), regardless of contending factions, to ask for a receiver, and at once ordered the preparation of the necessary papers.

The gross earnings of the road last year were \$215,000, allowing that it cost 50 per cent to run the road, which is a liberal allowance, because full Bituminous coal, the best in the world, is furnished on the line of the road at one dollar per ton, and I am informed that it can be run at 40 per cent., but admitting that in consequence of high salaries it cost 50 per cent., here is \$107,500, which would pay the city's interest of \$60,000 and the Turtle Creek division's interest of \$24,000, and leave a balance of \$23,500 to pay incidentals.

A responsible offer has been made to lease the road, pay all expenses, and return the city one hundred thousand dollars annually; sixty thousand dollars could be appropriated to pay the accruing interest, and forty thousand to accumulated interest, thereby relieving the tax payers of one hundred thousand dollars every year.

The Board of Directors now in possession of the Connellsville road, as soon as they were installed into office, increased the number of leading officers of the Connellsville road to the number of a first class road and their pay accordingly.

To the President they give \$3,000 a year, to the Treasurer \$2,200, to the Superintendent \$1,500, to the Master of Machinery \$1,000, and to the Assistant Superintendent \$900.

The Western Maryland road is nearly as long as this road, and pays \$2,400 for all the duties that costs the Connellsville

\$8,600. This is an advance of \$6,200 over the salaries of the Western Maryland. The President of the Connellsville road receives \$500 more salary than any officer in the employ of the city, and \$600 more than is paid to all the officers of the Western Maryland. Thus you will perceive that the salaries of the officers of the Connellsville road are three and a half times as great as those of the Western Maryland. The Western Maryland has always paid her interest, the Connellsville has never paid one dollar from its operations.

It was policy to keep this eight thousand five hundred dollars purchase as a silent reserve so long as the road remained undisturbed at Connellsville, while the President received his salary, and the city paid sixty thousand dollars a year; this has been going on under the present administration of that road for seven

years, and the road has not advanced one inch.

The application for a receiver took place during the recess of

the Council. I am fully empowered to take such action. The Court will not move in this matter until the 15th of the present

month.

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The appointing of a receiver gives the city the entire control over this interest. She can continue or withdraw the suit at her option at any stage of the proceedings. She can also exert such influence in the disposition of this interest as her citizens are entitled to, and which the immense accumulation of indebtedness and inert management of this road since this loan was made would fully justify her in insisting upon. Railroad interests never were in as prosperous a condition as at this time. If the city fails to exert every energy to get a receiver she may regret it in all time to come. The value of this security decreases, at the rate the indebtedness accumulates, sixty thousand dollars a year and the wear and tear of the road.

NORTHERN CENTRAL RAIL ROAD.

During the recess of the Council I had an interview with the President and a committee of gentlemen connected with this road, when the following proposition was submitted: that the Northern Central Railway Company would build the road to Canton, provided the city would allow the expense thereof to be taken out of the nine hundred and fifty thousand dollars due by them to the city, they agreeing to pay the interest on the balance from the 3d day of April, 1863. A new route was also