

SENATE No. 23.

Commonwealth of Massachusetts.

To the Honorable the Senate and the House of Representatives of the Commonwealth of Massachusetts.

The undersigned, a majority of the State Directors of the Boston & Albany Railroad, respectfully submit the following

R E P O R T :

We have attended nearly all the meetings of the directors ; at these meetings all matters pertaining to the conduct of the road have been presented and freely discussed. At such meetings a full and proper consideration has been given to the opinions of the state directors, and, with few exceptions, a unanimous consent has been given to all acts passed upon.

The duty devolving upon us, we have considered to be that of looking carefully after the public and private interest of the Commonwealth involved in the management of the road. Such as to see that the expenditures were judiciously and economically made ; that the wants of the public were reasonably met ; that sufficient accommodation was afforded, and at reasonable rates of freight and passage ; that the accounts of the road were properly kept, and that the division of the profits was justly made.

We have made careful examination of the road, and mostly its branches ; we have visited all workshops, and all freight and passenger stations ; have looked over the road-bed and

rolling-stock, all of which has been found fully up to the stand of a first-class road.

Its equipment and terminal facilities, especially at East Boston, are largely in excess of the present business ; perhaps, however, not too great for the importance of the road and its internal connections with the West and the seaboard.

We find also that large additions have been made to the facilities for doing business at all points on the line of the road and its connections. The accommodations offered the patrons of the road have never been greater, and the rates of freight have never been lower ; in fact, merchandise has been carried west at as low, or lower cost, than from any other Atlantic port.

The wages of labor have been reduced, but only to correspond to shrinkages and reductions everywhere. We think the labor has been fairly paid, and the expenditures in other departments have been judicious and economical.

As we are informed, large quantities of iron rails are now owned by the road, for which steel rails have been substituted. These iron rails are waiting a market, and but for the depression of business might have been sold, lessening the indebtedness fully half a million of dollars.

Very little complaint has reached us from the patrons or the public, although we have sought for and invited those dissatisfied to make known their complaints.

While we find many who have had grievances in the past, we have seldom found those who complain of the present management. The few demands that have been made, that the officers of the road have not been able to satisfy, we hope by arrangements with connecting roads will soon be satisfactorily adjusted.

So far as we can ascertain, the officers of the corporation have intended to meet all reasonable demands from the patrons and the public. We have also seen an endeavor to build up and promote business on the line of the road within our own State ; this we deem of the first importance.

The books of the company, so far as examined, we find in proper condition, and we believe a just and conservative system has been adopted in the various accounts. We believe that the charges to the different departments have been such,

and only such, as justice to the stockholders and the public generally demanded.

The dissenting vote that stands recorded on the books of the directors was upon the question of making the last semi-annual dividend. One of your directors thought that it would not be wise to make so large a dividend as was proposed; all others, believing that as the road has earned enough, notwithstanding the falling off in business, it was only just that the stockholders should have it, especially in view of the fact that in the past years of greater prosperity a large amount had been accumulated and set aside as surplus and contingent funds.

It may well be asked, if in years of prosperity a contingent fund is allowed to accumulate, this fund should not be lessened, if need be, to keep the dividends uniform in years of depression.

After having made a careful examination of the road and other property of the corporation, we are led to believe that the value of the property is much more than even the large sum represented by the stock, debt and surplus of the corporation.

All of which is respectfully submitted.

CHARLES L. WOOD.
JOHN CUMMINGS.
LEWIS R. NORTON.

I cannot agree with my associates in the following:—

The sweeping clause on the reduction of labor.

The expenditures being judicious and economical only so far as I have examined them personally.

The charges to different departments being such as justice to the stockholders and the public require.

J. H. CHADWICK.

