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END OF THE INSURRECTION—SOME OF ITS TENDENCIES.

THE official announcement that the process of national pacification is now completed, the condition of insurrection ended, and the late insurgent section restored to the exercise of its normal state functions, is cause for congratulation. An insurrection, and especially an unsuccessful one, is always fraught with danger to the liberties of the people; nor is the case otherwise when the outbreak happens under the government of a Republic. Extraordinary emergencies call forth large assumptions of authority; extra constitutional powers are necessarily exercised; civil law is superseded by military authority; the rights of the citizen are summarily dealt with, and every interest is held subordinate to the creation of an overwhelming military power. In short, whenever a country engages in a war, and especially in civil war, it necessarily, to a large extent, surrenders itself to a condition in which law and liberty are subordinated to force.

Thus it has been in our own case. The Administration and Congress have been driven to the adoption of measures inconsistent *in toto* with the spirit of republican institutions, and justifiable upon no other ground than that they were designed to save from destruction a grand embodiment of those institutions. Many of the jealous conservators of liberty have been alarmed at the sweeping assumption of power and in their zeal for freedom have at times appeared to be opposed to some of the measures of the Administration. If, however, they have shown less earnestness than we desired in behalf of what were deemed necessary acts, we should not forget that they have at least done good service in checking the liability to tamper with the public liberties, and have demonstrated to the world that amid the demoralizing influences of an internecine struggle we can trust to a portion of the people to keep vigilant watch upon the bulwarks of constitutional freedom.

The President's proclamation, announcing the end of the insurrection, consummates the refutation of the predictions of foreign critics who, regarding the war as putting "democracy on its trial," exultingly foretold an ignominious failure of our form of Government to sustain itself against internal outbreaks. The Union which, according to these judges, was irreparably shattered, is still "one and inseparable." That very element of *vox populi* which it was confidently affirmed would prove the source of weakness and failure, has turned out to be the rock of our strength. The proclamation proves not only that no patriotism is truer than that of a free people, no military power stronger than that of citizen soldiers, no exchequer richer than that of a people voluntarily defending their own interests, but also that a conquered faction within a republic can loyally submit when subdued, and the Government knows how to receive that submission. If the outbreak of hostilities demonstrated that popular governments, in common with more absolute forms of rule, are liable to civil disruptions, yet results have proved that under a republic such outbreaks can be vigorously repressed and the disaffection rapidly healed.

The work of restoration having been completed, the next great business of the country is to eradicate any arbitrary tendencies in legislation which may have grown out of war measures. History abundantly sustains the assertion that the most oppressive of laws have been adopted either during a state of war or immediately subsequent. Nor can our legislation, since 1861, be quoted as an exception to this rule. Military necessity has produced a partial disregard for individual liberty; to meet promptly a pressing emergency we have copied the measures of European governments; the expedients have been found to work well, and what has proved successful during a period of national peril we are now too apt to regard as good in itself and worthy of conservation. We should remember, however, that the temper and measures suited to a time of war are most dangerous and inimical in times of peace. Probably the country will suffer for years to come from measures enacted, during the last four years, not always necessary for war purposes, but which have received an infection of arbitrariness from legislation of a more specifically warlike purpose. Congress having been of necessity driven to hold individual rights in abeyance for temporary military objects, has too readily acquired a habit of treating the freedom of the citizen lightly in other matters; and this vicious tendency appears to us to taint some of the recent and current legislation.

Nothing could be more unwise than this. Is it reasonable that, after the people have so triumphantly vindicated their ability to take care of themselves under the severest and most critical of national emergencies, that Congress should enact a series of laws taking from them individual and local control, placing them under government tutelage and binding their action by uniform central regulations? In a country with such an infinite diversity of interests, few of which are fully developed and all of which are constantly changing in their requirements and modes of operation, is it to be supposed that federal laws, attempting to minutely regulate them, can operate otherwise than as an embargo upon their business? Legislators mistake their mission when they undertake to define in a set of laws the whole duty of man. The constitution of the United States approximates more closely to the *laissez-faire* principle of

government than to any other model; but the tendency of the times is to enact laws based upon the doctrine that the government should intervene for the regulation of the whole action of the citizen. It is high time this dangerous policy were checked. We say dangerous, for public harmony and the paramount interests of commerce are alike threatened by this tendency. The laws which may be harmless to one section may seriously embarrass the commerce of others, and if persistently kept on the statute book, how could they result otherwise than in grave sectional animosities? Until the war, the federal authority was confined within such narrow and harmless limits that, although really protected by an invincible government, we were scarcely conscious of its control. If the policy necessary during the war is to be perpetuated, we must henceforth be trammelled by federal regulations in every action, and hindered at every step by a government official.

Upon these considerations, we sincerely believe that our representatives will perceive that, the insurrection being declared ended, the time has come when Congress should assume no control which cannot be better exercised by it than by the States, the local organizations or the individual. We have cited no particular legislation as objectionable; for when we hear on every side that the central government should enact general insurance laws; inaugurate educational bureaus; perpetuate government interference with currency; increase the patronage of the President and the departments; and in our zeal to serve the freedman, endanger the rights of all our citizens; special instances appear to us unnecessary. Slavery, thanks to a kind Providence, is at an end in this country; we trust that the contest which has resulted in so great good, will not be the instrument for depriving us of our inherited freedom.

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## THE BALANCE OF TRADE AND PROTECTION.

BY RICHARD SULLEY.

IN the February number of the Magazine there is an article headed the "Balance of Trade," by Charles H. Carroll; the conclusions of which are, in the main, no doubt correct, but there is one point which seems not to be in general accordance with the facts. We must, however, before noticing that part of the subject, address ourselves to the main question at issue. If the advocates of the balance of trade, and the other kindred part of the subject (protection), had not systematically closed their eyes to truth, there would have been no occasion at the present day to attempt the refutation of so absurd a theory.

A very little reflection would have served to convince them, if they could not have learned it from any other source, that no man pursues a trade or calling, for any period of time, that is unprofitable to him; for if he was ever so careless or disinterested in the matter, it is quite impossible that he should do so, as *nature* has made it imperative that he should eat, and have wherewithal to be clothed. And what is true of an individual, must be true of the mass. A nation cannot go on continually, year after year, exporting *more* in value than it imports, any more than an individual can continue to work at a calling without profit.

Two or three hundred years ago it was the practice to endeavor to pre-

vent the exportation of the precious metal, by severe and heavy penalties, and as a corollary of the system, to encourage their importation by bounties, protective duties, and other absurd regulations. A hundred years later, when the policy of the subject began to be discussed, and its reality doubted, we find a writer, as quoted by Dr. McCulloch, using the following language:

"Although a kingdom may be enriched by gifts received, or by purchase taken from some other nations, yet these are things uncertain, and of small consideration when they happen. The ordinary means, therefore, to increase our wealth and treasure, is by foreign trade, wherein we must ever observe this rule—to sell more to strangers yearly than we consume of theirs in value. For suppose, when this kingdom is plentifully served with cloth, lead, tin, iron, fish, and other native commodities, we do yearly export the overplus to foreign countries to the value of £2,200,000, by which means we are enabled beyond the seas to buy and bring in foreign wares for our use and consumption to the value of £2,000,000; by this order duly kept in our trading we may rest assured that the kingdom shall be enriched yearly £200,000, which must be brought us as so much treasure; because that part of our stock which is not returned to us in wares, must necessarily be brought home in treasure."

It will be seen that the writer here insists that if the nation exports more in value than it imported, the deficient balance would be so much gain, and, therefore, it must be paid to them in the precious metals. Not that he had any overt knowledge that such was the fact, although he was a leading London merchant, but because he did not see how it could be otherwise. These reasonings were certainly much more excusable in those days, when statistical knowledge was not obtainable, even by the most diligent, but there is no excuse for the advocacy of so absurd a doctrine at present.

The French economists devoutly believed that no additional value could be imparted to the products of the soil by the manipulations of the manufacturer or the operations of the merchant, but they never promulgated so ridiculous a theory as a nation becoming rich and prosperous by importing *less* in value than it exported. Under ordinary circumstances each nation must be more or less benefitted by whatever trade is carried on, and this proposition is so self-evident that it is quite unnecessary to say more upon the subject. It cannot be denied, however, that circumstances may arise, either adventitiously or naturally, that would destroy the profit or advantage of a long established trade; but then, of course, it would be discontinued.

But to return to the statistics quoted by Mr. Carroll, and taking them to be correct, the idea strikes us favorably that the foreign trade of the United States is gradually declining, as well as becoming less profitable. The excess of exports over imports is no doubt an excess of *price*, as that gentleman assumes, and this seems to be rendered more certain by the excessive exports of the precious metals. Mr. Carroll, however, does not take this as a proof. Upon this point he and I differ. He says, "cheap money means high prices. Duties on imports operate in the same direction; and the nation afflicted with these disabilities works to disadvantage." And here come the mistake and inconsistency—"except in the case of money cheapened by mining, *which being capital, is exported, when in natural excess, in exchange for other capital*; and is thus a source of national wealth, like everything else produced cheap for foreign commerce—that is to say, in excess of the home demand."

The opinion that money (gold and silver) is capital, and that we get value for it when it is exported in the usual course of trade, is not peculiar to Mr. Carroll, although it has been incidentally combatted several years ago in the pages of the Merchants' Magazine. Nevertheless, all the claim it has to be considered capital, arises from its power of saving labor by facilitating exchanges; but paper money, where it *has* value, is just as good as gold; and the only reason why gold is preferred for exportation is because its value is intrinsic, and therefore universal, while that of paper money is only imputed, and therefore local.

Money no doubt, whether of paper or the precious metals, is capital in the hands of individuals, but a larger or smaller quantity makes no difference in the capital of a nation, and if it be of gold, and is exported from excess, the nation will get nothing in return for it. If it increases in a greater ratio than other commodities it must of necessity depreciate, as no condition of cheapness will induce an adequate consumption. This has been sufficiently shown by M. Chevalier, both from French and English statistics. It must, therefore, be exported in price *without value*; that is to say, without any return being made for it in the imports. Consequently, the nation that produces the precious metals, while at the same time it produces large quantities of other commodities for exportation, the production of the metals will be just so much loss to the community. This is the evil of a *fixed standard* of value. To assume the contrary of this proposition would be to adopt the same error as Dr. Smith, that has created so much mischief. He maintained that by the substitution of a paper, for a gold or silver currency, the value of the gold or silver, could be added to the capital of the nation. Acute as he was, he did not detect the reason why the western nations were so constantly drained of their precious metals by the eastern; he was oblivious of the fact, that the only mode of exporting them was, through their depreciation, to pay balances created in price by their excess. When the world gets rid of the fallacy we are combatting that an increase of gold is an increase of capital a great desideratum will have been achieved and a great load of taxation removed, chiefly from the shoulders of the people of the gold producing countries; though it will be otherwise beneficial. We shall not then allow the banks to tax the people by creating money for their own use and behoof; nor shall we allow the gold digger the advantage of the fixed standard of value, which prevents his commodity from depreciation until *after* it has left his hands. Governments will then be the only issuers of money (of paper), and *that* to a certain limited extent. But to return to our subject.

In looking over a table of exports and imports since 1846, we are struck with the change that has taken place since that period. Up to the year 1850, the era of gold-digging in California the United States were in the habit of importing more of the precious metals than they exported. In the year 1847, imports of gold were 24 millions, though some of it was re-exported the following year; and up to that time the exports and imports generally balanced each other. But since 1850 the exports of specie have gradually increased, until they have reached a point beyond precedent. For the first five years those exports upon the average were annually 34 millions more than the imports. And according to the statistics of the movements of treasure for the last seven years (February

number of the Magazine), the United States have exported nearly 10 millions more specie than they have imported from California and all other countries; that is to say, they have exported within that period, the whole of the 236 millions received from California and other countries, and nearly ten millions annually in addition, from the original stock of treasure of the United States; amounting in all, to more than 300 millions of dollars, exported within the last seven years. This is the secret of the excess of exports over imports, which has been puffed by the *protectionists*, into a favorable balance of trade. And yet there are parties who think they know better than other people, who assume that the United States has grown extremely rich within that period, notwithstanding the *principal* crops have fallen off for the last three seasons.

Mr. Henry C. Cary thinks that the United States are now so prosperous, in comparison with their condition before the year 1860, that he believes the annual loss under the tariff of 1846 to have amounted to something like \$6,000,000,000 of dollars. As long as that tariff existed it seemed sufficient in Mr. Cary's mind to account for all the evils that the country was subject to within that period; and up to the time that it was replaced by that of Mr. Morrill, including, of course, the exports of specie, the bankruptcies of 1857 and 1858 and the burning of corn in the *West* for fuel. But yet, notwithstanding, the enactment of the Morrill tariff, gold continues to be exported, and corn is still burnt for fuel in the *West*. And how long it may be before the recurrence of a commercial crisis, we shall not presume to predict.

Mr. Cary seems to presume that the wealth which carried on the war was conjured into existence upon the instant, and was not already accumulated prior to that time. In this we beg leave to differ. He says, "It was a force resulting from an activity of circulation wholly unprecedented in history, that it enabled the government to make the war, and that force existed in despite, and *not as a consequence* of government necessities." He further says, speaking of the Morrill tariff, "to that law, aided as it was by the admirable action of the Treasury, in supplying the machinery of circulation, we stand now indebted for the fact, that we have in the short space of five years, and at a cost of thousands of millions of dollars erected the wonderful monument of which I have spoken; and that we have in those same years produced *more food*, built more houses and mills, opened more mines, constructed more roads than ever before, and so greatly added to the wealth of the country, that the property of the loyal states would this day exchange for twice the quantity of gold than could five years since have been obtained for all the real and personal property, southern chattels excepted, of the whole of the States and territories of which the Union stands composed."

Of course this is a most extraordinary statement, and we think not strictly within the pale of probability; it nevertheless lets out the secret by which that rapidity of circulation has been produced of which Mr. Cary speaks, in such laudatory terms elsewhere, and by which this imaginary increase of wealth has been so suddenly produced. It turns out, then, that this rapidity of circulation was nothing more than an abstraction of so much wealth from the producers and capitalists of the country by the issues of paper money from the Treasury, and the creation of the National debt; a mere consumption of capital without an equivalent amount of pro-

duction to be given in exchange for it. This must of necessity be so, as the crops could not increase by magic, as they must have done, if that had been the case, while the Government required the aid of 2,000,000 of men. We know, however, that the crops have not increased upon the average in any appreciable ratio since 1860, to say nothing of the loss of the cotton. And as cheap food, and the abundance of other raw materials, are the only foundation of *real* prosperity and profit, we must be excused if we do not exactly adopt Mr. Cary's opinion. And if the word *paper* had been substituted for that of gold in the latter part of the paragraph, no doubt the statement relative to the increased exchangeable value of the property of the States would have been much nearer the mark. In fact, it appears more than probable that this increased amount of wealth, created during the war, consists, for the most part, as Mr. Carroll would say, of price without value. But let us examine this new doctrine a little closer to which Mr. Cary stands sponsor.

Mr. Smith says :

"The growth of wealth, therefore, depends upon the *rapidity of the societary circulation*, not the speed with which products are transported in space, nor the frequency with which they pass from hand to hand, but the continuity of transformation through the immediate succession of actual consumption to production. This involves necessarily the concentration and interfusion of producers and consumers, and the growth of wealth, and the diversification of employments."

Now, Mr. Cary being the expounder he proceeds as follows ;

"Such being the theory, we may now compare it with the practise. A bushel of wheat is produced, representing, let us say, a dollars worth of mental and physical force. The consumer being close at hand, the producer re-enters on the instant upon the possession of the whole capital that has been expended. Consumers not presenting themselves, the farmer stores it in his barn, losing so much interest. A neighbor offers to carry it for him, charging interest proportionate to the time that may reasonably be supposed likely to elapse before a consumer shall be found. A trader comes and he now takes upon himself the burthen of carrying it, charging further interest. In this manner it passes from hand to hand, and from city to city, finally finding a consumer in Lyons or Manchester, having on the road paid in mere form of interest, perhaps, half the price at which it has at last been sold."

"What is true of a single bushel is equally so of hundreds of millions of bushels of wheat, rye and Indian corn ; of the thousands of millions of pounds of cotton ; of the hundreds of thousands of hundred weights of pork and beef, rice and tobacco that are everywhere landing in barns, warehouses, wagons, cars and ships, waiting the arrival of men prepared to give in exchange for them cloth, furniture, ploughs, harrows, and the thousand other commodities needed by the planters and farmers of the land. This is a mass of petrified capital to be carried at the cost of the producers, and it is within the mark to estimate the amount so standing petrified at the present moment, at \$500,000,000, *all of which bears interest.*"

The great mistake of Messrs. Smith and Carey appears to be two-fold. In the first place no such continuity, or rapidity of circulation (consumption rather), upon which they assert that the growth of wealth depends, can by any possibility take place. If the production of wheat, rye, and other raw materials were not limited by the routine of the seasons by space and other physical circumstances ; if they could be ground out by machinery, *ad infinitum*, as fast as the physical power of labor or steam could be applied to them there might be some rationality in these novel doctrines ; but the powers of man are limited in this direction, and wisely so, or in a few years we would barely have space enough left for standing room. Many may cultivate and improve, but there he must stop ; he must await

the succession of seasons. If it were possible that society could put in practise even a *comparative* immediate consumption of food, and other raw material, we should find quickly that we had evoked much greater evils than the paying of a little interest on capital, even if that assumption were true.

The world seems to be afflicted every few years with some common plague, such as the cholera, the cattle pest, or a deficiency of crops. What then would be the condition of society, if we could by the increase of the manufacturer's population, or by any means reduce the floating stock of food and raw material to one-half the present relative amount? We should find ourselves shortly much in the same condition as Egypt would have been, in the seven years of famine, without the foresight and wisdom of Joseph.

Mr. Cary says the Southern traveler in New England asks, where are your barns? and finds his answer in the fact, then given him, that everything yielded by the land is consumed on the instant of production. So is it round our cities, the market gardeners finding instant demand for all his products. So, too, is it in Belgium and France, and therefore is it that in those countries that capital abounds, and that the services of money can always be commanded at the lowest rates of interest.

Here, then, we have a repetition of the previous fallacy of *the rapidity of circulation, etc.*, with the additional assumption that money, which is here called capital, would, under those circumstances, be relatively more plentiful.

Every political economist, of course, is quite aware that the relations of money are governed by no such circumstances. It will, like all other commodities, if *left free*, gravitate to those points where it is dearest, or where it will purchase most of other commodities. No country can have more, and none will have less, than its share in relation to other circulating capital.

The prophecy so pretentiously held forth by the protectionists years ago, that a high protective tariff would prevent the exportation of the precious metals, has proved signally fallacious, as has been sufficiently shown by the statistics of the movements of treasure,\* to which we have before alluded. Fluctuations of *interest* will no doubt take place, caused chiefly by the operations of speculators and stock jobbers, in all countries where a paper currency abounds. There will, however, always be a great difference between the regular rate of interest upon permanent investments and the discount paid by a necessitous speculator. But where interest is permanently high, we may be certain that the rate of profit upon trade and commerce is also high. We now turn to the other part of Mr. Cary's theory, which we have previously intimated as being erroneous.

Mr. Cary assumes that all the food and raw material not actually in the hands of the consumers and the workmen, is merely so much petrified capital. His language includes "the hundreds of millions of bushels of wheat, rye, and Indian corn, the thousands of millions of pounds of cotton, the hundreds of thousands of hundred weights of pork, beef, etc., standing in barns, wagons, warehouses cars and ships," all to be carried to the point of consumption at the expense of the producer, and the interest upon

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the necessary investment of capital, until that point is reached, to be paid by the same party.

Now this is certainly turning things upside down. According to our notions, we had always thought that the consumer had to pay all the cost of production, the taxes, and the profits; but it seems this is not so, according to Mr. Cary. One thing, however, is certain, that whatever class, whether producer or consumer, may bear the interest upon the capital invested in the food and raw material after it leaves the hands of the producer, it is an expense that no community can get rid of; it must be paid by some party, no matter who;—the stuff must be stored and carried, some part of it to the end of the year, and even beyond that, if we would not have the recurrence, every now and then, of famine and pestilence, as formerly. These inconveniences are only prevented at present by the immense amounts of food and raw material in the hands of capitalists, over and above what is required for immediate consumption. It would indeed be dangerous to limit the supplies of food and raw material to the absolute demand, or even to approximate thereto by any trade regulations. All such attempts, however, in the United States must prove abortive, simply because the interest of the farmer and landowner will prevent it. The fact is that the producer does not pay either the interest or the carriage of the material, either before or after it leaves his hands. He must be compensated by the consumer for all his outlay of capital and labor; and although his profits may not be equal to those of some merchants or tradesmen, they will still be sufficient to give him the usual rate of profit upon his calling. But if we were to believe Mr. Cary, we should assume that the farmers, as a class, were singularly deficient of the instinct of self interest, as they have not, according to him, applied their capital and labor, all the circumstances considered, to the most advantageous employment. In that case, there can be no help for them, and there ought to be no pity. Let them learn to take care of themselves without being petted and protected.

The idea of protecting every man's interest, and of making all equally independent and comfortable, is just as chimerical as to suppose that all men could be made, by education, equally moral, equally talented and prudent, and equally industrious. In fact, to suppose that the laws of nature can be reversed.

These equalizing schemes have been tried in a thousand different ways and shapes within the last century, and they have in every instance proved abortive. Every European nation has tried *protection* to its heart's content, but there is not one of them that has not re-taxed her tariff and trade regulations in favor of more extended commerce. Even Belgium, one of Mr. Cary's pet examples, has not a single protective duty.

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#### A VISIT TO THE BULLION VAULTS OF THE BANK OF ENGLAND.

The Bank of England if not at all times the greatest depot of this precious metal, is, beyond all question, the most influential accumulator and dispenser of it in the world. The Bank of France often holds, as it holds at present, a larger quantity of gold than the Bank of England, but it is admitted on all hands that the quantity held by the Bank of France is universally regarded as of less significance and importance than the quantity

that may be held by the Bank of England. Of late years the stores of gold in the latter have generally amounted, in round numbers, to from thirteen millions to sixteen millions. The amount, according to the latest return, was about fourteen millions. Such an amount of bullions, says the *Money Market Review*, we have often thought, must be "a goodly sight to see," and we had a longing desire to see it; and the Governor of the Bank made our editorial mouth water, and our editorial eyes sparkle, when he told us that he had once seen, at one view, no less than sixteen millions of pounds sterling in gold bullion and coin. The mere thought of taking in at one view, by a single glance, such an immense amount of treasure, the representative in exchangeable value of such an enormous amount of human labor, skill, productive capacity and energy, produces quite a novel and exciting sensation. It is very rarely indeed, however, that such an exhibition is presented to the gaze of any one, for the circumstances under which the Governor and one or two more were so fortunate on the occasion alluded to were special and peculiar, and it may be long before anything analagous occurs again. The rules adopted by the Bank Directors, even among themselves, for the "safe binding and safe finding" of the securities and treasures of the Bank are extremely stringent. All the securities are every evening safely locked up in their proper depositories, and the keys thereof are placed in a bag; the bag is placed in a cupboard; to that cupboard there are three locks and keys, one of the three keys is kept respectively by the Governor, Deputy-Governor, and another of the Directors of the Bank. Every morning, therefore, before the business of the bank parlor can commence, those three gentlemen must be present, each with his own proper key, to unlock the cupboard and obtain the keys which unlock the safes where all the securities of the bank are deposited. And it is regarded as a point of honor with each Director never to trust the key out of his own custody.

By the courtesy of the Governor of the Bank, Mr. Ellis, the head of the bullion office, was permitted to show us everything we desired to see in his department; and Mr. Ellis, with a courtesy which we are bound to acknowledge and to thank him for, did full justice to the Governor's recommendation. Under his personal guidance we went the round of the vaults under keeping and control. The bullion warehouse of the bank, it is well known, are the temporary receptacles of, occasionally, immense quantities of specie and bullion belonging to the merchants and consignees in the city, for whom the bank takes charge of it in consideration of a small per centage; and it is deposited in these vaults until it is sold or disposed of, and is required for delivery or exportation. This is, of course, quite apart from the bullion, against which the bank has issued notes from its issue department, as stated in the weekly return. The vaults are plain bare brick and stone structures, with a number of strongly made trucks or carriages, on which the bars or bags of gold or silver are placed, for the convenience of being wheeled or moved about. At times, Mr. Ellis told us these vaults are all filled to overflowing with bullion in bars and coin belonging to the bank or to merchants and bullion dealers. But at the time of our visit, some weeks ago, they were comparatively empty. In some of the vaults there were here and there trucks with a few bars or bags of gold coin of some foreign country upon them, amounting in value to one or two hundred pounds sterling, but this was a mere trifle to what

they usually contain. In one vault, however, there was a truck heavily laden with gold bars, which was pretty and interesting. Each bar was worth upwards of £800, and the sterling value of the whole was half a million sterling. All the bullion, we should mention, whether in bars or coin, is estimated according to its weight and fineness, by our standard, and not according to the number or nominal value of the coins; and all the entries appertaining to them in the books of the office are based upon this principal. In regard to these bars, there was the report of the assayers on each bar, accompanied by the part cut off and assayed, showing the precise quality or fineness and sterling value of each. There is a powerful machine in this vault for cutting off the portion to be assayed, and there is another powerful machine for numbering or stamping the number upon each bar. But the most interesting machines are those for weighing coin and bullion. These are masterpieces of delicate and perfect mechanism, and there are several of them. None of them, perhaps, are what would commonly be called handsome machines, but they are admirably constructed for their purpose; and there is one in an inner vault, which is always kept locked up, and to which recourse is had only in case of any doubt or dispute as to the perfect accuracy of any of the others.

But these vaults, though very interesting, were not all we wanted to see. There is another vault, situate somewhere within the precincts of the bank but we are bound not to say exactly where, and for the very good reason, that we do not exactly know where—in which is deposited the great bulk of the bank's stock of gold. That is *the* bullion vault of the bank of England; but the vault is never opened and never seen except by two of the bank directors, the governor and deputy-governor, the chief cashier, and the porter of the bank parlor. The governor and the deputy-governor and chief cashier have each their separate keys of this great iron and stone chest, and it can only be opened by the common consent of all these officials. Whenever Mr. Ellis's own vaults get choked up, or too full he intimates to the governor his desire to hand some bullion over to them. Then the two governors and the chief cashier go with their keys to open the great iron door, and to receive, examine, and verify what Mr. Ellis hands over, and to place it in the vault. Having done that, they give Mr. Ellis a receipt in discharge, and then the vault is again closed, and the door locked, not to be opened again until more gold is ready to be put in, or gold is required to be taken out for exportation. In the latter case the same parties must personally attend with their respective keys, and—similar formalities must be observed. These, we believe, are the only parties who are ever permitted to attend on these occasions, or who are privileged to see or enter this sacred domain. Mr. Ellis is an old official of the bank, and has occupied his present position for many years, but up to this time *he*—even *he*—has never yet been permitted to enter that vault. Possibly it may be considered that, as he it is who delivers the bullion to that vault, and receives bullion from it, he is the last person who ought to be permitted to enter it; but still the facts show the stringency with which the necessary precautions are observed and consistently enforced. The vault itself, we believe, is absolutely impregnable, and would baffle the attempts even of Mr. Caseley, with all his "lawful" or "unlawful" appliances. In fact, we are assured that nothing less than

the force of powerful artillery could possibly effect an entrance. And, inasmuch as the bank is nightly guarded by detachments of the Queen's troops, lodged inside, we suppose there is little need to apprehend any danger to the bank's stock of gold from hostile or burglarious attempts.

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### FOOD AND ITS ADULTERATIONS.

HIGH prices for food lead to the introduction of injurious substitutes and adulteration. At the present time an unusual number of articles of food in daily use are badly adulterated. Common scandal for years has assigned to the milk vended from the wagons a reputation by no means creditable to the salesmen. Whiting, flour, water and many other things have been found to constitute the ingredients of the produce which confiding persons have supposed to be elaborated by the mammary glands of the cow. Cream is a mythical affair altogether.

Butter has also been found to be extensively adulterated in England. About fifteen years ago the owners of the London *Lancet* employed Arthur Hill, Hassel, and others, to investigate the matter of the adulteration of food, and published the results of their experiments in a series of papers. The scales and test tubes were employed in the endeavors to determine the quality and ingredients of the various staple articles employed in diet by the inhabitants of the British metropolis. Doctor Hassel afterward embodied the results of his labors in a volume, which is declared to be a very cyclopædia of dishonesty. No less than forty-eight samples of butter were examined by these investigators, and their discoveries were recorded at full length. They ascertained that about one-fifth of the whole weight consisted of salt and water, the water having been stirred up with the butter rendered half fluid by heating. Potatoe flour was also detected.

The adulteration of coffee is more notorious. Chicory and dandelion are commonly mingled with it; and, indeed, peas, barley, sweet corn, wheat, are substituted in its place. Even the chicory itself is too valuable to escape analogous treatment. Doctor Hassel and his associates examined thirty-four samples of the prepared sort, and found carrot, parsnip, beet, beans, acorns, roasted corn, biscuit-powder, and burnt sugar.

These gentlemen examined forty-two specimens of coffee, finding thirty-one to be adulterated purely with chicory; twelve chicory and roasted corn; one with beans, and one with potatoe flour. A packet of "Jamaica coffee" was found to be composed almost entirely of chicory; the "finest Java coffee" consisted of half coffee, much roasted corn, and a little chicory; "superb coffee" was principally chicory and roasted corn; "fine Plantation Ceylon" was almost entirely chicory; "fine Java" was heavily charged with chicory and potatoe; "delicious drinking coffee" was chicory and roasted corn. The more imposing the name, the grosser the counterfeit appears to have been. We remember some months since to have been presented with a sample of made coffee, the flavor of which greatly resembled that of charred wool, and its effect upon the stomach was anything but agreeable. Indeed, in this country, as well as elsewhere, there are but two certain plans to follow to obtain real coffee:

to witness the grinding of it, or to purchase it whole and grind it at home. Nevertheless, there are honest coffee merchants occasionally.

The same remark applies with equal justice to the trickery played upon tea. The Chinese adulterate it themselves before selling it to the "outside barbarians" by mixing it with ash or palm leaves. The English are largely in the practice of gathering the "grounds" or exhausted leaves, mixing them with a solution of gum and drying them; after which by adding rose-pink and black lead to "face" them, they are made into black tea, and by using copperas, they have green tea. The leaves of the beach, elm, chestnut, plane, oak, willow, poplar, hawthorne, sumach, holly, sloe, are used more or less in the work of adulteration. Black tea, however, does not appear to suffer much in reputation in this manner; but of green teas this cannot be said. Of course, it is not necessary to remark that the difference between genuine green and black teas consists in the peculiar manipulations given them by the Chinese.

Chocolate has also become notorious by reason of its adulterations. Flour appears to be the principal ingredient employed for this purpose; starch, sugar, cocoa-nut oil, lard, tallow, sweet oehre, and chalk, have also been used. The very mode of preparing it affords facilities which the dishonest could not leave alone. The proclivity is unfortunate, for the beverage is cheaper and more wholesome than its rivals.

The corruptions of sugar are less numerous, and are confined principally to confectionery. Gamboge, starch, flour, pipeclay, plaster of Paris, chalk, and even copper, lead, and mercury, are used in the preparation of cheap candies.

Wheat flour is generally sold in this country in a pure condition, owing to its cheapness. But in England, it has been found upon analysis to yield such queer constituents as white corn meal, potatoe flour, plaster of Paris, ground bones, chalk, rye, bean, pea, and rice flour. Bread, however, is badly adulterated. There is some reason for our people to adopt the suggestion of the French tiger Marat, and hang up the bakers at their own doors. The bread which they serve becomes thoroughly unpalatable when but a few hours old, owing to the improper ingredients employed in its preparation. Alum, either pure or mixed with salt, is a familiar article in the manufacture, making inferior flour white, and enabling it to absorb a larger quantity of water.

The remedy for these evils is an important topic for consideration. Legislation has often been proposed, but we cannot quite agree with those who regard it as the panacea of human ills. Indeed, it is hardly possible to establish in any large community, like Boston, New York, or Philadelphia, a system by which unwholesome or adulterated articles would be excluded from the markets. Besides, we are a people jealous of much governing. We prefer to be cheated in the weight or quality of our bread, the quantity of our berries, the constituents of our milk, or even in the ingredients which constitute our coffee or wine, to the alternative of an espionage into our habits and employment. The surveillance which in many European countries exposes every man's most trivial acts to the cognizance of government, would be resented by us as an unpardonable outrage on personal rights. We prefer to take our chances with the petty knaveries of our neighbors, to hourly contact with the informer, the policeman, or the magistrate.

We are of opinion that the best method of protection against the practise of adulterating the different articles of food is to insure its cheapness. Only when prices are high is there liability of tampering with spurious ingredients. By no means should Government lay its imports and excises upon the necessaries of life, exposing its citizens to such frauds, and to the evils of artificial famine. The cheapness of food is also of the utmost importance to the public health. Mr. Farr, the Registrar General of England, reviewing the tables of mortality of London from 1602 till 1800, ascertained that in ninety-eight years when provisions were relatively cheap, the number of deaths were less than in ninety-eight years when the prices were higher; thus demonstrating the existence of the law. Mr. Stow speaks of two bad seasons in succession, 1392 and 1393, when the poorer inhabitants of that city sickened from their endeavors to subsist on apples and nuts for want of better food; showing that cheapness of food is essential to the public health. If the East Indian pestilence scourges our cities during the present year, as has been apprehended, those of the population will suffer worst from it, who have not the means or opportunity to procure wholesome food in ample quantities. The enhancement of prices, whether by the transaction of speculators or by taxation, operates directly to disseminate epidemic sickness, and aggravate its violence. The experience of all countries shows this. It is dangerous to tamper with the prices of food; and of little utility, when such indiscreetness has invited adulteration, to hope to correct the mischief by penalties. Cheap bread is essential to the safety of a people.

#### VIRGINIA STATE DEBT.

This State had contracted previous to the war a very large debt for internal improvements and banks, yet, up to the date of secession, no State enjoyed a fairer credit either at home or abroad, and its bonds were greatly esteemed as objects of investment. This high credit was well founded—the great wealth and resources of the Commonwealth and the honorable course the State had always preserved towards its creditors, warranting the esteem in which it was held. The greater portion of its debt, however, has always been owned by the people of the State themselves, and not more than five per cent of the whole by capitalists beyond the limits of the Union.

That the State yet enjoys a high credit is equally well ascertained, the quotations at New York are higher than might have been expected after a suspension of interest for four or five years. Its coupon bonds now sell for 67@68 in our market, which is a sure criterion that their payment, principal and interest, is undoubted.

The whole debt, including accrued interest to January, 1866, aggregates more than \$42,000,000, and its liabilities on guarantee, beyond the guarantees already become absolute debt, are several millions more. Gov. Peirpoint, in his message to the Legislature, Dec. 4th, 1865, states the amount then outstanding to have been as follows:

State bonds, 6 per cents, registered.....	\$21,888,398 38
.....	108,000 00
Total registered (or home) debt.....	\$21,996,398 38
State bonds, 5 per cents, coupons payable in New York.....	\$11,108,000 00
..... in London.....	1,865,000 00
Total coupon debt.....	\$12,973,000 00
Aggregate amount.....	\$34,969,398 38
Interest outstanding and unpaid, July 1, 1865.....	5,071,337 29
Add guaranteed bonds, by which the State is liable, and will have to pay...	822,855 00
Interest thereon to July 1, 1865.....	197,726 20
Aggregate up to July 1, 1865.....	\$41,061,316 87

The interest for the half year to the end of 1865 would be \$1,063,902, which, added to the above, would make the total debt for which the State was liable at that date \$42,125,218 87.

The assets of the State held against the above debt, are as follows :

Stocks in the railroads.....	\$18,649,843 34
Seven per cent bonds loaned to railroads.....	3,093,333 33
Add four years interest.....	866,133 20
Total in railroads.....	\$22,709,319 87

Of the above stocks there is expended in railroads, from which it is not probable that the State will derive any income, for many years at least, and which should be deducted from the estimate of available assets of the State, \$7,359,946 52. The residue of the stocks and bonds, however, may in time be made available to the Commonwealth. The investments of the State in the several banks of the Commonwealth are as follows :

In the name of the Commonwealth.....	\$2,243,100
In the name of the Board of Public Works.....	1,003,850
In the name of the Literary Fund.....	353,070
Total.....	\$3,710,020

Very little of this amount will ever be available, and with the exception of some \$50,000 in the Fairmount Bank, the whole may be considered as lost to the State. Some of the banks will only be able to pay a small percentum on their circulation.

The other assets of the State are of a miscellaneous character. The State has several millions of dollars in stock in the James River and Kanawha Canal, and holds a large amount in turnpike roads and bridges, but there is no hope that any of these investments can be relied on as present sources of revenue. It is also owner of the tobacco warehouses and the armory grounds in the City of Richmond; and before the war Virginia owned a literary fund of large value. On the 1st April, 1861, this amounted to \$2,344,714 81. For all practical purposes it may be said that there is now no such fund, and it can only be reinstated by a direct tax upon the people.

It is evident from these premises that the late war has divested the State of the most valuable of its accumulated resources. The stocks and bonds it holds as security for its investments in railroads, banks and other economical institutions have become unproductive and in part worthless; and hence, for the present, the whole burden of the State debt falls upon the people. To pay the interest on the debt and contribution to the sinking fund will require at least \$2,500,000 a year, which, in the present condition of the people of the State, is a large sum to collect from them; while, at the same time, they must maintain from taxation all the appointments necessary to keep up the State organization. The annual amount of taxes, previous to the war, was about \$3,250,000, and the whole expenses of the State a million more. Five millions will be required now, without the aid of investments or the tax on negroes. Of the determination of the people to do their best to maintain the financial honor of the State, however there can be no question.

The debt consists of two portions, the old debt or that which existed on the 1st January, 1852, and the new debt or that which has been contracted since that date. The Constitution of 1851, and the act to create a Sinking Fund, provides that an amount equal to seven per cent. shall be annually set apart upon the old debt, which amounted then to \$11,971,838, requiring the sum of \$838,028 68 as the basis. The Constitution also provides that whenever after January 1, 1852, a debt shall be contracted by the Commonwealth there shall be set apart in like manner, annually, for thirty-four years, a sum exceeding by one per cent. the aggregate amount of the annual interest agreed

to be paid thereon at the time of its contraction. The additional one per cent, by successive investment, would retire the debt in the thirty-four years, the time that all the new debt has to run.

On the 1st October, 1860, the old debt had been reduced to.....	\$10,709,995 80
The new debt outstanding amounted to.....	22,538,146 33
Total.....	\$33,248,141 33
Increase since October 1, 1860.....	1,748,256 75
Total now outstanding.....	\$34,996,398 33

—not including guarantees or overdue interest.

The consideration of this subject at the recent session of the Legislature has resulted in the passage of a funding law which is now in operation. This law provides that the holders of registered bonds of the commonwealth issued before April 17, 1861, may invest the interest due upon said bonds in registered bonds of the State, bearing the same rate of interest as the principal, and payable in ten or thirty years as the holder may elect. The holders of the coupon bonds of the State, issued prior to the above date may invest the interest due in either coupon or registered bonds, to bear interest at the same rate as the principal. All fractional sums of interest due on the above bonds which cannot be invested as above, are to be provided for in the form of certificates payable in two, three, or four years with interest. The interest on the bonds of the restored government issued since the creation of West Virginia, may be invested up to January, 1867, in State bonds, coupon or registered at option. The Sinking Fund is preserved so that the dates at which the several portions of the debt will become due are not altered. Thus the bonds of 1852 are due in 1886, those of 1853 in 1887, etc., etc.

#### DEBT AND FINANCES OF KENTUCKY.

The total debt of Kentucky outstanding Oct. 10, 1865, amounted to \$5,254,347, of which \$3,651,402 was held by the public, and \$1,602,945 by the State School Fund. Against this debt the sinking fund is credited with various properties and assets valued at \$7,638,494, and has large annual receipts from taxes, interest, dividends, &c. This fund is regarded as sufficient to meet promptly and at maturity the interest and principal of the indebtedness of the State. The valuation of taxable property for 1865 was \$359,717,161, having been reduced about sixteen millions from the valuation for 1864, a fact wholly due to deterioration in the value of slave property, which for 1865 is set down at \$7,224,851 only, being less than an average of \$50 per head assessed for taxation. The taxation for 1865 was 40 cents on the hundred dollars of valuation, and appears to have been sufficient for all purposes. This taxation is equivalent to 130 cents *per capita* of the population. It is thus evident that Kentucky, notwithstanding her losses by reason of the war, is abundantly able to sustain her credit which has always stood high; being one of those States which has never been tainted with repudiation in any form whatever.

The following statement exhibits the changes in the amount of the debt by issues and redemptions yearly from October 10, 1859, to October 10, 1865;

Amount outstanding Oct. 10, 1859.....		\$5,479,244
Six per cent military loan certificates, 1861.....	\$1,795,000	
“ “ “ (Act Feb. 18, 1864).....	417,000	
“ “ Loans from School Fund, being unexpended county distributions.....	219,113	2,431,113
		<u>\$8,910,357</u>



the principal at maturity. The resources of this fund are as follows: (1) Tax on Bank Stock, &c.; (2) Dividends on Bank Stock owned by State; (3) Dividends on State stocks in turnpike roads and profits on works of internal improvement; (4) lease of penitentiary; (5) 15 cents Revenue Tax; (6) tax on brokers and insurance offices; (7) interest on loan to keeper of penitentiary; (8) proceeds of the Commonwealth Bank and stock in old Bank of Kentucky; (9) redemption of forfeited lands and escheats; (10) interest on (\$74,579 50) L. & F. railroad bonds; (11) dividends on 2,178 shares L. & F. railroad stock; (12) excess in Treasury over \$10,000; (13) tax on playing cards; (14) tax on billiard tables; (15) tax on railroad stocks; (16) taxes on railroad and express companies; (17) tax of 6 per cent per annum upon dividends of turnpike roads; (18) tax on insurance companies incorporated by the State; and (19) tax on oil companies, etc., \$100.

The total receipts by the sinking fund in 1864-65 were.....	\$867,800
Add balance in Treasury, Oct. 10, 1864.....	20,490
Total resources.....	887,790
Warrants paid from Oct. 11, 1864 to Oct. 10, 1865.....	557,123
Balance in Treasury, Oct. 10, 1865.....	330,667

The warrants drawn in 1864-65 were for the following purposes:—Bank of America (for coupons) in New York, \$240,000; contingent expenses, \$1,510; interest on school bonds, \$81,465; interest on (home) State debt \$30,142; loan to Military Fund, \$200,000, and reduction of State debt, \$4,000—total, \$557,123.

#### THE MILITARY FUND.

Under this head are included all the financial transactions of the State on account of the late war. The State of Kentucky, the Auditor says, has borrowed and expended during the war, \$3,621,000. Of this sum the Federal government has refunded to the State the sum of \$1,051,000. This leaves due the State the sum of \$2,570,000. From this sum should be deducted the State's proportion of the \$20,000,000 direct tax, which the Legislature, by resolution approved December 23, 1861, assumed to pay the Federal government; this is \$606,641, which deducted, will leave due the State of Kentucky for and on account of money expended for military purposes \$1,963,359.

#### VALUATION AND TAXATION.

The taxable property in 1865 is valued at \$359,717,161 while in 1864 it amounted to \$375,129,756. This decrease resulted from the falling off in the value of slave property. In 1864 this item of taxation was valued at \$34,179,246, and in 1865 at only \$7,224,851, a difference of \$26,954,395. I am inclined to think," the Auditor adds, "that the additional increase of tax of five cents on the \$100 for revenue purposes will be sufficient with the natural increase of valuation to meet the expenses of the State government. The following shows the value of taxables:

#### VALUE OF TAXABLES AND TAXES.

	Number.	Value.		Num.	Value.
Land, acres.....	17,778,146	\$197,676,721	Stores.....	4,280	\$16,527,915
Town lots.....	45,560	61,883,478	Value under equalization		
Slaves (over 16 years			law.....		45,409,895
63,552).....	153,514	7,224,851	Pleasure Car'ges, &c.....		1,509,182
Horses & mares.....	299,160	16,641,815	Gold & sil. wat's, &c.....		1,023,719
Mules.....	58,273	4,176,248	Gold & silver plate.....		500,303
Jennies.....	3,933	167,523	Pianos.....		708,259
Cattle.....	520,798	6,267,247			
Total valuation.....					\$359,717,161

The tax at 40 cents on \$100 valuation will amount to \$1,438,868 65, and including a number of minor special taxes the total income from taxation will be \$1,496,318 95 less collection and allowance. The general tax is levied thus—for State revenue 20c, for sinking fund 15c and for school fund 5c on the hundred dollars.

The following shows the variations in the valuation for the last five years:

	1861.	1862.	1863.	1864.	1865.
Land.....	\$224,656,910	\$174,187,963	\$185,151,296	\$196,145,226	\$197,676,721
Town lots.....	51,508,000	41,142,738	47,087,010	56,145,757	61,883,478
Slaves.....	88,704,682	57,998,498	57,511,770	34,173,246	7,224,851
Horses and mares.....	22,037,713	17,948,088	16,842,503	17,024,345	16,641,815
Mules.....	5,681,521	4,342,408	4,098,815	4,409,908	4,176,248
Jennies.....	506,791	309,351	274,610	243,382	167,528
Cattle over \$50.....	4,510,666	3,432,621	3,349,618	3,840,288	6,267,247
Stores.....	10,547,876	6,642,301	8,058,397	12,457,231	16,527,915
Value under equalization law.....	56,317,873	45,558,382	47,201,524	47,217,147	45,409,895
Carriages, &c.....	1,958,568	1,420,771	1,381,113	1,383,198	1,509,182
Watches & clocks.....	1,211,283	921,415	974,528	976,685	1,023,719
Gold and silver plate.....	587,416	504,386	512,050	515,803	500,303
Pianos.....	634,319	500,228	524,815	601,590	708,259
Total.....	468,863,622	354,917,150	372,968,047	375,129,756	359,717,16
Excl. of slaves.....	380,158,940	296,918,652	315,456,277	340,950,510	352,492,31

#### RECEIPTS AND EXPENDITURES.

The ordinary receipts and expenses of the government from all sources and on all accounts for the year ending October 10, 1865 were as shown in the following statement.

	Gen'l Fund.	Sinking Fund.	School Fund.	Total.
Receipts.....	\$710,463 00	\$418,989 03	\$194,238 52	\$1,323,690 55
Balance, Oct. 10, 1864.....	66,285 87	28,762 59	14,381 30	109,429 76
Total resources.....	776,748 87	447,751 62	208,619 82	1,433,120 31
Warrants drawn.....	757,446 46	342,721 61	171,587 49	1,271,749 56
Balance, Oct. 10, 1865.....	19,302 41	105,030 01	37,038 33	161,370 75

The above is exclusive of the military and the enrolled militia funds; including which and the balance on hand, Oct. 10, 1864 (\$225,984 30), the total resources of the treasury amounted to \$2,014,948 92 and the expenditures to \$1,826,566 43, leaving a balance Oct. 10, 1865 of \$188,582 49.

#### COMMERCE OF THE UNITED STATES.

The following review of the commerce of the United States we take from the *Journal of Commerce*. We do not see the necessity for impugning the motives of those under whom these reports were prepared. The errors, we think are evidently the result of the same carelessness referred to by the Internal Revenue Commissioners, and the result of which we have exposed on a previous occasion. The *Journal* says:

We have been for several months in possession of the official returns of the imports and exports of the United States for the last fiscal year, but have been afraid to use it, because we place no reliance on the figures thus given. As no other paper seems to possess the returns, and our own silence has been misinterpreted, and severely commented upon by certain partisans of the Treasury Departmented, we here annex the official figures:

FOREIGN IMPORTS AT THE PORTS OF THE UNITED STATES FOR THE YEAR ENDING JUNE 30, 1865.	
Dutiable merchandise.....	\$182,258,278
Free merchandise.....	43,856,155
Specie and bullion.....	7,225,377
Total imports for the year.....	\$234,339,810

The above only represents only the foreign cost of the goods in gold, without including any part of the freight and duty.

EXPORTS FROM THE UNITED STATES TO FOREIGN PORTS FOR THE YEAR ENDING JUNE 30, 1865.

Domestic produce.....		\$254,381,481
For dutiable merchandise.....	\$23,455,837	
Foreign free do.....	4,411,631	
Domestic specie and bullion.....	\$51,925,277	27,867,458
Foreign specie and bullion.....	2,522,907	
		54,448,184
Total exports for the year.....		\$336,697,123

The export figures (except for specie, which is given at its tale value) represent the market value in the ordinary currency at the port of shipment, and are thus chiefly computed in paper money.

Our readers will naturally inquire why, if these returns are official, we do not receive them with implicit credit. The answer covers one of the most remarkable records ever made in the Treasury Department. We have heretofore called attention to the gross errors which were apparent in the annual volumes of the Finance Report and Commerce and Navigation, commencing with the year 1861, but we supposed that most of these were the result of carelessness or stupidity. We now wish to give a plain comparison of the total of these returns, as published under Mr. Chase and Mr. McCulloch, and leave the candid public to judge for themselves as to the motives which have produced this difference. The following is the official statement put forth by Secretary Chase, and repeated by Mr. Fessenden, in the official Finance Report of 1864, page 242 :

GROSS VALUE OF IMPORTS AND EXPORTS.

Year.	Exports.	Imports.	Excess of Exports.	Excess of Imports.
1861.....	\$410,856,818	\$352,075,535	\$58,781,283	.....
1862.....	229,938,975	205,819,823	24,119,152	.....
1863.....	350,052,125	252,187,587	97,864,538	.....
1864.....	340,665,580	328,514,559	12,151,021	.....
Excess of Exports.....			\$192,916,594	

This would show that setting the exports (mostly given in paper money value) against the imports (given in foreign gold value), there would be a seeming excess of exports in four years, amounting to nearly two hundred million dollars. We publish the above table just a year ago, with the comment that it was most extraordinary, and remarked that we should "not be surprised to hear of subsequent corrections." No one could expect, however, that the corrections would take on such a shape as we have now presented. The new volume, issued by Secretary McCulloch, gives the new readings as follows:

GROSS VALUE OF IMPORTS AND EXPORTS.

Year.	Exports.	Imports.	Excess of Exports	Excess of Imports.
1861.....	\$243,971,277	\$286,598,135	\$.....	\$42,626,858
1862.....	229,938,985	275,357,051	.....	45,418,066
1863.....	322,359,254	252,919,920	69,439,334	.....
1864.....	301,984,561	329,562,895	.....	27,578,334
				\$115,623,258
				69,439,334
Excess of imports.....				\$46,183,924

Thus, instead of an excess of exports for these four years amounting to \$192,916,494, we have an excess of imports (even without counting the difference between gold and paper!) of \$46,183,924, thus making a change in the figures by a few strokes of the pen of nearly two hundred and fifty million dollars. But the worst is still to come. We wrote to the department, more than two months ago, calling attention to this startling change, and received from an intelligent subordinate clerk at the head of the proper bureau, a "correction" for the year 1861, making it read as follows:

Year.	Exports.	Imports.	Excess of Exports.	Excess of Imports.
1861.....	\$249,344,913	\$335,650,153	\$.....	\$86,305,240

This, it will be seen, increased instead of diminishing the difference between Secretary Chase and Secretary McCulloch, and made the total discrepancy, for four years, nearly three hundred million dollars. The explanation which accompanied the corrected volume, stated that a quarter's imports had been omitted in the first compilation. Whether this amended return is the true one, and if so, what reliance is to be placed on the returns for subsequent years, we submit to the impartial reader. We have been promised a revise for the whole period beginning with 1861, and were waiting somewhat impatiently for it; but as the delay in publication has brought down upon us no little abuse from angry partisans who have accused us of suppressing the returns, we have thought it best to lay all the facts within our reach before the public, and leave the Treasury Department to make its own explanation and settlement. The disagreeing reports are official, duly signed, and issued under the highest authority in the department.

## ANALYSES OF RAILROAD REPORTS. No. 8.

*I. Western Railroad.—II. Boston and Worcester Railroad.—III. Cleveland and Pittsburg.—IV. Philadelphia, Wilmington and Baltimore Railroad.—V. Northern Central Railway.*

### WESTERN RAILROAD.

The constituents of this great road which connects Boston with Albany and the interior States, are as follows :

Western Railroad.....	Worcester to New York State Line.....	117.81 miles
Albany & West Stockbridge.....	Massachusetts State Line to Albany.....	38.22 "
Hudson Branch.....	Chatham to Hudson City.....	17.33 "
Total length of road owned by Company.....		173.36 "
Second track and sidings.....		126.61 "
Length of equivalent single track.....		299.97 "
Leased Road.—Pittsfield and North Adams Railroad.....		18.65 "
Total length of road owned, leased, and operated.....		318.62 "

Under the Pittsfield and North Adams' lease, which is to run thirty years from 1st December, 1846, the date of its completion, the Western Company are to pay six per cent. on the cost, about \$450,000. The net earnings have generally been inadequate to the demand, and the difference has been paid by the lessee.

The cars of the Western Company reach Boston over the Boston and Worcester Railroad, the whole distance from Boston to Albany being about 200 miles.

### EQUIPMENT.—ENGINES AND CARS.

The equipment of the road at the close of each of the last ten years ending November 30, 1865, has been as follows :

Close of Year.	Locomotive Engines.	Number of 8 wheel cars.			Total.
		Passenger.	Mail, &c.	Freight.	
1856.....	69	37	9	1,061	1,047
1857.....	70	40	10	1,012	1,062
1858.....	72	44	11	1,036	1,091
1859.....	72	47	12	1,057	1,116
1860.....	72	47	12	1,057	1,116
1861.....	72	47	12	1,051	1,110
1862.....	73	45	9	1,099	1,153
1863.....	73	45	10	1,099	1,154
1864.....	75	46	12	1,147	1,205
1865.....	78	45	12	1,170	1,227

### OPERATIONS OF THE COMPANY.

The following statement shows the mileage of engines, the number of passengers, and the tons of freight carried over the road for the ten years ending November 30, 1865.

The mileage of engines with trains follows :

Fiscal Years.	Passenger Trains.	Freight Trains.	Gravel, &c., with Trains.	Tot'l mile*
1856.....	329,674	657,944	39,400	1,027,018
1857.....	314,807	589,706	43,590	950,103
1858.....	316,190	585,639	45,122	944,951
1859.....	329,768	653,721	36,565	1,020,054
1860.....	359,564	701,455	53,072	1,114,091
1861.....	382,845	804,136	47,037	1,234,018
1862.....	362,981	852,350	41,870	1,257,201
1863.....	379,952	854,199	41,778	1,275,929
1864.....	416,443	96,507	47,273	1,430,223
1865.....	446,022	864,240	48,252	1,358,514

The number and classes of passengers carried in the same years were as follows :

Fiscal Years.	Through Passengers.	Way Passengers.	Total Passengers.	First Class.	Second Class.
1856.....	63,246	558,449	621,695	567,766½	53,928½
1857.....	59,378	569,676	629,054	570,322	58,732
1858.....	47,637	484,277	531,914	485,003	46,911
1859.....	44,251	533,519	577,770	558,751	19,019
1860.....	41,674	576,208½	617,882½	602,844	15,038½
1861.....	34,030	529,110	563,140	545,664	17,476
1862.....	35,497	522,556½	558,047½	544,639	13,408½
1863.....	56,243	654,214	710,457	698,878½	11,578½
1864.....	73,965½	862,749½	936,715	922,924	13,791
1865.....	81,024	929,349½	1,010,373½	1,009,288	1,085½

The number of tons of freight carried are stated in the following table :

Fiscal Years.	Through		Way		Thro' & Way		Total tons.
	West.	East.	West.	East.	West.	East.	
1856.....	33,054	62,517	104,698	218,401	137,752	280,918	418,670
1857.....	25,544	40,041	93,723	218,199	119,267	258,240	377,507
1858.....	18,383	59,245	103,582	259,686	121,965	315,931	437,896
1859.....	22,673	60,795	115,794	249,083	138,467	309,878	448,345
1860.....	24,350	66,355	147,788	267,054	172,138	333,409	505,547
1861.....	20,295	111,272	106,974	269,638	127,269	384,910	508,179
1862.....	22,785	113,040	136,521	315,158	159,306	428,198	587,504
1863.....	30,923	104,776	147,432	380,786	178,365	488,562	663,927
1864.....	27,256	116,288	144,944	394,372	172,200	510,660	682,560
1865.....	29,173	87,254	164,451	412,876	193,624	604,130	968,754

By "through tonnage" is here meant freight from Boston to Albany and vice versa.

The following table is interesting, showing as it does the number of barrels of flour transported from Albany and Troy yearly to Boston and way stations :

Fiscal Years.	Barrel of flour to		Fiscal Total Years.	Barrels of flour to			
	Boston.	Way sta'ns.		Boston.	Way sta'ns.		
1856.....	287,610	208,385	495,995	1861.....	594,005	254,964	848,969
1857.....	198,870	207,390	406,260	1862.....	567,968	328,862	896,830
1858.....	311,567	207,953	519,520	1863.....	528,310	436,697	975,007
1859.....	265,779	182,131	447,910	1864.....	590,265	331,852	922,117
1860.....	278,842	171,281	450,123	1865.....	363,844	332,89	696,333

The earnings, expenses and revenue from operations yearly for the ten years ending November 30, 1865 have been as follows :

Fiscal Years.	Gross Earnings				Operating expenses.	Revenue or profits.
	Pass'ger.	Freight.	Mails, &c.	Total.		
1856.....	\$812,880	\$1,207,789	\$95,151	\$2,115,820	\$1,228,219	\$887,691
1857.....	808,977	1,007,186	94,179	1,910,342	1,084,118	826,224
1858.....	637,642	963,516	94,135	1,700,293	800,930	899,363
1859.....	679,121	986,305	101,642	1,767,068	936,920	830,148
1860.....	690,992	1,101,119	89,240	1,881,351	993,096	888,255
1861.....	613,365	1,164,320	116,883	1,894,568	1,081,571	812,997
1862.....	634,656	1,351,862	109,404	2,095,922	1,111,358	984,564
1863.....	837,611	1,479,874	118,277	2,435,712	1,207,007	1,228,705
1864.....	1,143,318	1,739,796	111,884	2,994,998	1,818,141	1,176,857
1865.....	1,366,565	1,926,221	138,798	3,431,584	2,204,925	1,226,659

The distribution of profits (including result on Pittsfield and North Adams Railroad) has been as follows :

Fiscal Years.	Profits (incl. P. & N. A. R. R.)	Distribution			Carried to U. S. tax.	Surplus.
		Int'l Sk'g funds.	Divid'gs.	U. S. tax.		
1856.....	\$889,763	\$305,959	50,000	\$386,250	\$....	\$147,554
1857.....	824,306	313,127	50,000	412,000	....	49,179
1858.....	805,269	342,442	50,000	412,000	....	827
1859.....	828,276	350,179	50,000	412,000	....	16,997
1860.....	889,024	348,223	50,000	412,000	....	78,801
1861.....	805,057	338,952	50,000	412,000	....	4,105
1862.....	981,241	364,444	50,000	412,000	1,371	148,426
1863.....	1,232,831	438,802	50,000	463,500	14,335	226,194
1864.....	1,178,712	544,103	50,000	515,000	25,750	43,559
1865.....	1,232,332	457,296	50,000	543,662	28,614	152,760

The "interest column" includes also the amount of exchanges paid. The "U. S. tax column" is the excise paid on dividends. The "profits" in the second part of the above table where they differ in amount from those of the first part have been increased or decreased by the gain or loss in operating the Pittsfield and North Adams Railroad.

The financial condition of the company yearly as exhibited on the balance sheet on the 30th November for the past six years is shown in following statements :

Nov. 30th.	Capital stock.	Funded debt.	Bills, act. &c.	In't and divid's.	Skg F'd profits.	Surplus fund.	Total amount.
1860.....	\$5,150,000	\$6,269,520	\$22,679	\$275,746	\$1,822,055	\$400,644	\$13,940,644
1861.....	5,150,000	6,271,520	99,660	275,766	2,040,714	404,802	14,242,462
1862.....	5,150,000	6,419,520	70,328	283,617	2,254,778	553,175	14,731,418
1863.....	5,150,000	6,269,520	25,721	335,960	2,507,616	819,368	15,108,186
1864.....	5,150,000	6,269,520	29,295	240,871	2,699,301	863,227	15,352,214
1865.....	5,627,700	6,269,520	27,796	425,245	2,992,761	1,005,733	16,348,805

Against which are charged as follows, viz. :

Nov. 30th.	Roads and equip-ments.	Stocks and secur's.	Ledger bal's.	Materials on hand.	Cash on hand.	(Sinking funds—State.	Albany.
1860.....	\$11,029,079	\$15,120	\$162,154	\$303,879	\$144,778	\$1,610,769	\$671,165
1861.....	11,635,152	15,120	175,123	300,848	115,927	1,775,890	724,502
1862.....	11,218,476	15,120	256,423	301,796	225,246	1,936,007	778,350
1863.....	11,262,856	225,120	225,870	267,246	155,722	2,136,127	894,234
1864.....	11,271,656	136,800	229,854	290,131	270,726	2,255,962	897,085
1865.....	11,271,856	959,056	145,313	357,686	132,554	2,506,262	946,078

The column headed "interest and dividends," shows the amount of dividends declared but not paid, and of interest accrued but not due.

The "funded debt" of the company is made up as follows :

Five per cent sterling bonds of the State of Massachusetts issued in favor of the company, and the principal and interest of which are payable by the company.....	£899,900 @ \$4.80=	\$4,319,520
viz. : £135,000	\$648,000	issued..... April 1, 1838, due..... April 1, 1868
337,500	1,620,000	"..... Oct. 1, 1833, "..... Oct. 1, 1868
90,000	432,000	"..... "..... 1, 1839, "..... "..... 1, 1869
180,000	864,000	"..... April 1, 1840, "..... April 1, 1870
157,400	755,520	"..... "..... 1, 1841, "..... "..... 1, 1871

—Interest semi-annually April 1 and October 1, payable at London.

Six per cent bonds of the city of Albany, issued in favor of, and payable, principal and interest, by the company..... \$1,000,000

Of which \$650,000 were issued 30th May 1840, and \$350,000 1st Aug. 1841; and are payable at Boston as follows: \$250,000 July 1, 1866; \$300,000 July 1, 1870; \$200,000 July 1, 1871, and \$250,000 July 1, 1876. Interest semi-annually Jan. 1 and July 1 at Boston.

Six per cent bonds (no mortgage) dated Oct. 1, 1855 and due Oct. 1, 1875, interest semi-annually April and Oct. 1 at Boston..... 800,000

Six per cent loan from Sinking Funds, payable on demand..... 150,000

Total amount..... \$6,269,520

*Sinking Funds.*—The Massachusetts Loan bonds will be retired by the operation of a sinking fund based on the premium on the sale of said bonds, which amounted to \$146,467, and an annual payment of 1 per cent on their total amount estimated for this purpose at \$4,000,000. The value of this fund Nov. 30, 1865, was \$2,506,262, which is invested at 6 per cent interest.

The Albany bonds will also be retired by aid of a similar fund, based on an original investment of 10 per cent of their whole amount, and a payment thereto of 1 per cent annually. The fund Nov. 30, 1865, amounted to \$946,078, which is invested at 6 per cent. The redemption of \$250,000 of the bonds will take place on the 1st of July of the present year.

#### DEDUCTIONS.

The cost of road, and the earnings, expenses and profits per mile, with the proportion

of expenses to earnings, and of profits to cost of road, are shown for each of the last ten years in the following statement :

Fiscal years.	Cost of roads per mile.	Gross earn'gs per mile.	Operating exp uses per mile.	Net earnings per mile.	Expenses to earnings.	Profits to cost of road.	Rate of divid's
1856.....	\$66,122	\$12,563	\$7,809	\$5,754	57.57	8.70	7%
1857.....	67,288	12,246	6,949	5,297	56.74	7.87	8
1858.....	69,808	10,899	5,711	5,188	52.40	7.52	8
1859.....	69,887	11,327	6,006	5,321	53.02	7.61	8
1860.....	69,887	12,060	6,369	5,691	52.81	8.14	8
1861.....	70,334	12,144	6,933	5,211	57.03	7.40	8
1862.....	70,641	13,435	7,124	6,311	53.16	8.93	8
1863.....	71,038	15,613	7,737	7,876	49.60	11.09	9
1864.....	72,332	19,198	11,655	7,543	60.71	10.43	10
1865.....	72,333	21,997	14,134	7,863	64.24	10.87	10

The above is computed on the length of the main line, 156 miles.

The Western Railroad Company was chartered by the Legislature of Massachusetts by an act passed April 15, 1833. The construction of the road, however, was not commenced until 1837. In that and the two following years the whole line was placed under contract. The Eastern Division, extending from Worcester to the Connecticut River, was opened for traffic October 1, 1839. The Western Division, from the Connecticut River to the New York State line, was completed and commenced operations by sections in 1841, viz. : From the boundary line of New York to Pittsfield, May 4 ; from Springfield to Chester Factories, May 24 ; from Pittsfield to the Summit, August 9, and from the Summit to Chester Factories, September 13. The bridge across the Connecticut River was completed July 4, 1841, and trains first passed over the whole line from Boston to Albany October 4, 1841.

That portion of the line lying within the State of New York, 38 miles, was constructed under the charter of the Albany and West Stockbridge Railroad Company, granted in 1836. The construction of the road was commenced in 1838, and the first division from Albany to Chatham Four Corners was opened December 24, 1840. Pending the construction of the second division from Chatham to the State Line of Massachusetts, a portion of the line of the Hudson and Berkshire Railroad was used to form the through line. The whole, however, was completed and came into operation, September 12, 1842.

The New York portion, as above described, was constructed by the Western Company, to which it is leased for the term of fifty years, the period of its charter, and for any renewal of the same. Toward the construction of this road the City of Albany subscribed \$1,000,000 to the capital stock, paying for the same in city bonds. By the terms of the subscription the stock taken by the city, and which constitutes the entire share capital of the Albany and West Stockbridge Company, is held by the city as collateral security for its bonds. The Western Company having agreed to pay the principal and interest. A sinking fund now in force will satisfy them at maturity, and, whenever the bonds are returned, the City of Albany will release the property of the company.

An agreement between the Western Company and the Pittsfield and North Adams Company was signed January 30, 1846, under which the former took a lease of the road of the latter parties for the period of thirty years, from the date of its completion, and agreed to pay for the use of the property six per cent. on its cost. At the expiration of the stipulated period the Western Company have the right to purchase the road, or re-

new the lease for a further term of ninety-nine years paying annually five per cent. on its cost. The road was finally opened December 1, 1846, and cost about \$450,000.

In November, 1854, the Western Company became purchasers, under a sale at auction by the Comptroller of the State of New York, of the Hudson and Berkshire Railroad, then extending from the City of Hudson easterly to the boundary line of Massachusetts, a distance of thirty-one miles. Its cost to the Western Company has been less than \$200,000. The section of road east of Chatham has since been disused and the track taken up, and the remaining portion now forms the Hudson Branch of the main line. A separate organization, however, is still kept up for this road, as well as for the Albany and West Stockbridge Railroad, to satisfy the local law.

The interests of the Western Company are so intimately interwoven with those of the Boston and Worcester Company that it appears strange that they should form separate corporations. The lines owned by these companies, indeed, are inseparable, forming, as they do, a great east and west line between Boston and Albany. It is true that several attempts have been made to consolidate them, but no project has yet been adopted to complete such an arrangement. It is to be hoped, however, that wise councils will prevail in this matter, and the unification not be delayed. Under a single authority and superintendence greater economy would be possible, and the property of the joint company be thereby enhanced. It is, however, scarcely possible that operations could be conducted with greater care and convenience to the public than they are at the present time. The Western Railroad and its Eastern connections, indeed, are the pattern roads of the Union.

The company also holds one-third of the capital stock of the West Stockbridge Railroad, a short line of two and three quarter miles, and used as a connecting link between the Housatonic Railroad line and the Western Railroad. It was constructed under the Massachusetts charter by the Hudson and Berkshire Company in 1838.

#### BOSTON AND WORCESTER RAILROAD.

The Boston and Worcester Railroad forms an important link in the line of railroad between Boston and Albany. Its constituents are as follows:

<i>Main Line</i> —Boston to Worcester.....	miles	44.63
<i>Branch Lines</i> —Boston to Brookline.....	1.55	
—West Newton to Newton Lower Falls.....	1.25	
—Natick to Saxonville.....	3.87	
—Framingham to Milford.....	11.97	
—Framingham to Framingham Center.....	2.06	
—Grafton to Millbury.....	3.07	23.77
Total length of main line and branches.....		68.40
Second track and sidings.....		62.10
Equivalent single track owned by the company.....		130.50
<i>Leased road</i> —Agricultural Branch, Framingham Centre to Northboro.....		15.03

#### EQUIPMENT—ENGINES AND CARS.

The rolling stock on the road owned by the company at the close of the fiscal years (Nov. 30.) 1859-65, both inclusive, is shown in the following statement:

Close of year.	Locom. engines.	—Pass cars— 8-wh.	4-wh.	Bag'e 8-wh.	—Freight cars— 8-wh.	4-wh.	Gravel, 4-wh.	Total numb.
1859.....	30	46	9	8	269	24	73	429
1860.....	30	49	6	9	272	23	61	430
1861.....	30	49	1	9	275	13	55	403
1862.....	30	49	1	9	273	10	51	393
1863.....	30	45	1	9	308	10	48	421
1864.....	32	51	1	9	302	9	none	373
1865.....	35	54	1	9	295	9	none	368

The above are exclusive of cars on the land and steamboat lines between Boston and New York. This company owns 44-286ths of the rolling stock of the land route, which in 1865 consisted of 24 passenger, 11 baggage and express, and 3 post-office cars; and 2-5ths of five passenger and two baggage cars on the steamboat route.

## YEARLY OPERATIONS ON THE ROAD.

The mileage of engines with trains, the number of passengers and tons of freight carried, and the equivalent passengers and tons carried one mile yearly for the last seven years, are shown in the statement which follows:

Fiscal years.	Miles run by engines.			Passengers.		Freight.		
	Pass.	Freight.	Other.	No.	Mileage.	Tons.	Mileage.	
1855-59.....	342,752	160,319	8,901	521,972	1,603,453	25,296,855	327,350	11,605,506
1859-60.....	340,844	177,798	7,352	525,954	1,601,013	24,979,294	352,999	12,619,150
1860-61.....	346,345	173,265	9,341	528,951	1,476,394	23,239,178	345,174	13,403,609
1861-62.....	365,958	193,249	4,910	564,117	1,506,196	24,542,655	382,494	14,876,747
1862-63.....	363,251	205,354	4,909	573,514	1,689,505	29,425,029	413,731	16,099,090
1863-64.....	413,488	223,169	1,865	638,522	2,141,198	39,901,252	458,320	17,823,725
1864-65.....	433,259	217,598	18,277	669,234	2,386,186	40,499,466	427,404	16,050,097

## REVENUE ACCOUNTS.

The gross earnings from transportation, the expenses of operating and the resulting profits yearly are shown in the following statement:

Fiscal Years.	Gross Earnings			Total.	Operating Expenses.	Yearly Profits.
	Passenger.	Freight.	Other.			
1855-56.....	\$566,126	\$509,225	\$33,430	\$1,108,781	\$671,720	\$437,061
1856-57.....	547,339	438,102	33,707	1,019,148	612,686	406,462
1857-58.....	504,268	385,615	39,341	929,224	570,929	352,295
1858-59.....	561,508	471,064	34,498	1,067,070	565,454	501,636
1859-60.....	559,021	451,543	35,119	1,045,683	606,399	439,284
1860-61.....	473,729	414,684	41,520	928,933	520,358	408,575
1861-62.....	967,719		38,411	1,006,130	515,826	490,304
1862-63.....	1,149,343		53,311	1,202,654	714,296	488,358
1863-64.....	1,409,685		62,300	1,471,985	984,520	487,465
1864-65.....	1,003,158	623,500	70,506	1,697,164	1,160,106	537,058

## FINANCIAL CONDITION.

The financial condition of the company as shown on the general balance sheet at the close of the fiscal years, (November 30), 1855-56 to 1864-65, both years inclusive; is indicated in the statement which follows:

Close of Year.	Capital Stock.	Funded Debt.	Floating Liabilities.	Dividend (January).	Reserve Income.	Total Amount.
1855-56.....	\$4,500,000	\$500,000	\$114,514	\$135,000	\$310,217	\$5,639,731
1856-57.....	4,500,000	500,000	99,974	135,000	421,022	5,655,996
1857-58.....	4,500,000	500,000	60,774	135,000	382,386	5,528,160
1858-59.....	4,500,000	500,000	29,595	180,000	541,917	5,751,512
1859-60.....	4,500,000	.....	47,585	180,000	599,982	5,327,567
1860-61.....	4,500,000	.....	126,104	180,000	487,076	5,243,180
1861-62.....	4,500,060	.....	93,654	185,567	556,363	5,335,584
1862-63.....	4,500,000	.....	247,921	231,959	571,009	5,550,889
1863-64.....	4,500,000	.....	229,061	236,842	591,607	5,557,510
1864-65.....	4,500,000	.....	505,214	260,526	648,049	5,913,789

Against which are charged as follows:

Fiscal Years.	Construction Account.	Real Estate.	Gd. Jctn RR bond.	Materials on hand.	Other Assets.	Cash on hand.
1855-56.....	\$4,855,411	\$48,939	\$100,000	\$287,918	\$359,541	\$37,922
1856-57.....	4,843,779	55,134	100,000	250,042	421,960	35,892
1857-58.....	4,689,098	54,608	100,000	192,276	497,264	44,914
1858-59.....	4,728,580	54,458	100,000	138,460	689,946	40,068
1859-60.....	4,738,442	75,998	100,000	126,923	281,100	5,094
1860-61.....	4,500,000	92,831	100,000	144,925	385,245	20,179
1861-62.....	4,500,000	100,028	100,000	144,862	446,531	44,163
1862-63.....	4,500,000	100,028	100,000	160,358	661,690	28,813
1863-64.....	4,500,000	100,028	100,000	173,294	659,170	25,018
1864-65.....	4,500,000	103,008	347,620	208,562	739,581	15,018

## DEDUCTIONS.

The following table deduces from the above statements the cost of road and the

gross earnings, operating expenses, and profits per mile; also, the ratio of the expenses to earnings, and of the profits to cost of road:

Fiscal Years.	Cost of road per mile.	Earnings per mile.	Expenses per mile.	Profits per mile.	Expenses to Earnings.	Profits to cost of road.	Divi- dend
1855-56.....	\$70,985	\$16,210	\$9,820	\$6,390	60.58	8.99	6
1856-57.....	70,830	14,900	8,957	5,443	60.12	8.39	6
1857-58.....	68,554	13,499	8,347	5,152	61.83	7.51	7
1858-59.....	69,131	15,600	8,266	7,334	52.99	10.61	7
1859-60.....	69,277	15,288	8,865	6,423	54.06	9.27	8
1860-61.....	65,789	13,581	7,610	5,971	56.07	9.07	8
1861-62.....	65,789	14,709	7,541	7,168	51.22	10.89	8
1862-63.....	65,799	17,582	10,433	7,049	60.99	10.71	9
1863-64.....	65,789	21,520	14,393	7,127	66.90	10.83	10
1864-65.....	65,789	24,812	16,961	7,851	68.39	11.93	10

The above are based on the whole length of the road and branches 68.4 miles in aggregate length.

The Boston and Worcester Railroad Company was chartered by the Legislature, June 23, 1831, and was the first railroad company in the State which was expressly authorized to use the locomotive. The charter provided that no other railroad leading in the same direction should be constructed within a distance of five miles from its route, and also that the State might purchase the line after thirty years from its completion, on payment of cost of construction, and such sums in addition thereto as would be equal to dividends of ten per cent. annually on such cost. With this limitation the charter is perpetual.

The construction of the road was commenced in August, 1832, and the work completed in sections as follows: From Boston to Newton, 9 miles, April 16; Ashland, 24 miles, Sept. 20, and to Westboro, 32 miles, Nov. 15, 1834. The entire line was completed and opened to traffic on the 3d July, 1835. On this road the locomotive engine was used for the first time in New England as the motive power for passenger trains. The second track was completed in 1843.

The Agricultural Branch Railroad was leased for 20 years from Dec. 1, 1855, the Boston and Worcester Company agreeing to pay as rent one-third of the gross earnings of the branch, and of the joint earnings of the two roads on traffic originating or terminating on the branch, excluding Framingham Center Station—the receipts so accruing not to exceed six per cent. on its cost. The Boston and Worcester Railroad Company, however, agreed to pay absolutely six per cent. on \$60,000 of the share capital. The rent of this branch is included in operating expenses. In 1864-65 it amounted to \$20,969 07.

The Boston and Worcester Company has been one of the most successful in New England. It has never once failed to pay the semi-annual dividend since the road was completed, 31 years ago. These dividends have ranged from 6 to 10 per cent. per annum, and for the whole period 227 per cent. has been paid, being an average rate of  $7\frac{3}{4}$  per annum.

Of late years there have been in contemplation changes in the economies of this company. The first has looked for consolidation with the Western Railroad, and the convenience and greater cheapness of operating the two lines as one. This idea will probably be carried into effect at no distant period. The other change projected is to obtain a more extensive water front in Boston, the present wharfage of the company not being sufficient for the business of the road, and the ready transfer of freight from the cars to the shipping. For the accomplishment of this purpose the

company has been buying up the bonds of the extinct Grand Junction Railroad Company, and with these in hand will purchase its wharf property and railroad. Proceedings are now pending in the Supreme Court which will, it is hoped, soon enable the company to take possession and make it available for the public benefit. The Legislature have also the matter in hand with a view to settling the title. The company contemplate creating storehouses and elevators of a capacity adequate to the transaction of their immense business.

CLEVELAND AND PITTSBURG RAILROAD.

In the *MAGAZINE* of October 9, 1865, were given an analysis of the reports of this company for the ten years ending November 30, 1864. Referring to this for the previous development of the company, we now propose to compare the results of the year 1864-65 with those of the year next preceding.

The earnings and expenses for the years 1864 and 1865 were comparatively as follows :

OPERATING ACCOUNTS.			
	1864.	1865.	
Earnings from passengers.....	\$832,821	\$1,029,065	Increase... \$196,244
Earnings from freight.....	1,571,155	1,569,584	Decrease .. 1,571
Earnings from other sources.....	108,339	97,728	" .. 10,611
Total earnings .....	\$2,512,315	\$2,696,377	Increase... \$184,062
Maintenance and transportation.....	1,505,636	1,959,583	" .. 453,947
Profits from operations.....	\$1,006,679	\$736,794	Decrease... \$269,885

The equipment of the road at the close of the fiscal years 1864 and 1865 was as follows :

	EQUIPMENT—ENGINES AND CARS.				Total Work-cars.	Total Work-cars.			
	Locomotives.	—Pass. train— Pas'n-ger.	Bag., mail, &c.	—Freight train— Box. Stock, Plat. form.			Gon-dola.		
1865.....	68	31	39	227	81	17	704	1,099	106
1864.....	56	28	33	263	90	19	763	1,206	96
Increase.....	12	3	1	..	..	..	..	..	10
Decrease.....	..	..	..	36	9	2	64	101	..

The miles run by engines with trains sum up as follows :

MILEAGE OF ENGINES WITH TRAINS, ETC.			
	1864.	1865.	
Passenger trains.....	388,079	413,526	Increase. . 25,457
Freight trains.....	566,613	723,393	" .. 156,780
Wood and gravel trains.....	281,020	268,981	Decrease.. 12,039
Tuscarawas Branch trains.....	21,100	23,831	Increase... 2,731
Total (engines) miles.....	1,256,812	1,429,741	Increase... 172,929
Cars hauled one mile.....	10,617,653	9,825,270	Decrease.. 792,383
Tons of freight carried one mile.....	59,823,382	61,690,300	Increase... 1,866,918

The income of the company from operations and all other sources, for the two years, are shown in the following statement :

INCOME ACCOUNT—PROFIT AND LOSS.			
	1864.	1865.	
Assets on hand Dec. 1.....	\$369,807	\$200,387	Decrease.. \$169,420
Profits from operations.....	1,006,679	736,794	" .. 269,885
Pitts., Ft. W. & C. Co., on account of division of joint earnings .....	..	148,113	Increase... 148,113
Interest and discount.....	3,678	2,573	Decrease.. 1,105
Capital stock account.....	430,852	937,900	Increase... 507,048
Fourth mortgage bonds issued.....	7,000	..	Decrease... 7,000
Sale of real estate.....	..	500	Increase... 500
Bills payable issued and outstanding.....	129,821	..	Decrease... 129,821
Total.....	\$1,947,838	\$2,026,268	Increase... \$78,430

Disbursed as follows, viz:

Pitts., Ft. W. & C. Co., on account of division of joint earnings.....	\$102,689	\$ .....	Decrease..	\$102,689
Pitts., Ft. W. & C. Co. for lease of road .....	85,000	85,000	.....	.....
Interest on bonds, &c.....	289,110	288,267	Decrease..	843
Dividends on stock.....	320,608	212,929	" ..	107,679
Indebtedness cancelled.....	12,666	51,055	Increase..	38,389
Bonds converted into stock.....	270,000	137,000	Decrease..	133,000
Scrip converted and retired.....	3,344	9,680	" ..	6,336
Claims for damages compromised.....	.....	10,000	Increase..	10,000
Expenditures on construction, &c.....	664,032	876,317	" ..	212,285
Accounts charged off.....	.....	2,074	" ..	2,074
Assets on hand Nov. 30.....	200,387	354,144	" ..	153,757
Total.....	\$1,947,898	\$3,026,268	" ..	\$78,480

The general account of the company Dec. 1, 1864 and 1865 comparatively, reads as follows:

GENERAL BALANCE SHEET.

	1864.	1865.		
Capital stock.....	\$4,366,988	\$5,403,911	Increase..	\$1,136,923
Second mortgage bonds.....	1,157,000	1,129,000	Decrease..	28,000
Third " ".....	1,728,500	1,619,500	" ..	109,000
Fourth " ".....	1,108,740	1,108,124	" ..	616
River Line bonds.....	4,000	4,000	.....	.....
Dividend " ".....	24,811	16,725	Decrease..	8,086
Income " ".....	3,500	3,500	.....	.....
Bills payable.....	134,347	83,292	Decrease..	51,055
Surplus net earnings.....	348,466	306,256	" ..	42,210
Total.....	\$8,776,352	\$9,674,307	Increase..	\$897,955
Against which are charged as follows, viz:				
Construction.....	\$8,454,040	\$9,201,464	Increase..	\$747,424
Machinery and tools.....	58,242	69,935	" ..	11,743
Personal property.....	29,034	31,800	" ..	2,716
Telegraph lines.....	16,914	16,914	.....	.....
Real estate.....	17,685	.....	Decrease..	17,685
Assets, viz:				
Shop materials.....	84,347	131,329	Increase..	46,982
Lawrence Railroad & Tr. Co.'s stock.....	4,125	10,000	" ..	5,875
Bills receivable.....	12,931	12,231	Decrease..	700
Personal accounts.....	32,361	23,755	" ..	8,606
Cash.....	66,623	176,829	Increase..	110,206
Total.....	\$8,776,352	\$9,674,307	" ..	\$897,955

We copy the following remarks from the report for 1865, which are necessary to elucidate some portions of the above statements:

" We have included in the receipts the amount of \$148,113 paid to this company by the Pittsburg, Ft. Wayne and Chicago Railway Company, which is our proportion of the joint earnings of the two roads beyond what was received directly by this company. It will be remembered that by the arrangement entered into between the two companies, each company retains its earnings, but a quarterly adjustment is made, and a division of the gross earnings of the two companies in the proportion of 73½ per cent to the Pittsburg, Ft. Wayne and Chicago Railway Company, and 26½ per cent to this company. In case either company has earned more than this proportion, the same proportion of the surplus is paid to the other company.

" This arrangement has been in operation two years and a-half, and the result thus far has shown its substantial fairness. The actual result of this division of earnings from its commencement to the present time, shows that during the two and a-half years of the working of this contract, the Pittsburg, Ft. Wayne and Chicago Railway Company have paid to this company \$45,434 more than they have received from us.

" It will be seen that the company received from the sale of stock (2,000 shares,) authorized at the last meeting, the sum of \$800,000, and that there has been expended in construction, equipment, and new structures the sum of \$876,318. This expenditure has been for objects of vital interest to the company, and the advantage will be found in the future increased earnings and reduced expenses of the company.

" The financial condition of the company is, in a high degree, satisfactory. It will be seen by comparing the financial statement with the statement of last year, that the mortgage indebtedness has been reduced \$187,616, and the unsecured indebted-

ness \$59,142. The mortgage indebtedness is now only \$3,860,624, and the unsecured indebtedness is so small that it could be paid at any time. No debts are unpaid which are due, and all the engagements of the company continue to be promptly met."

The following statement shows the length of road open, and its cost at the close of each of the last ten fiscal years, and the earnings, expenses, and profits yearly:

Fiscal years.	Miles of road.	Cost of road and equipm't.		Gross earnings.	Operating expenses.	Profits on net rev.	Divi. p. c.
1855-56.....	173.0	\$7,895,140		\$629,972	\$298,630	\$331,342	nil.
1856-57.....	203.5	9,442,609		739,924	443,957	295,967	"
1857-58.....	203.5	9,320,289		772,093	439,999	332,094	"
1857-59.....	203.5	} Not stated. }		906,710	514,232	392,488	"
1859-60.....	203.5			1,020,633	564,497	456,141	"
1860-61.....	203.5	8,218,372		1,114,941	616,335	498,606	"
1861-62.....	203.5	7,836,095		1,436,317	662,065	774,252	"
1862-63.....	203.5	7,911,934		1,910,034	874,730	1,035,304	4
1863-64.....	203.5	8,454,040		2,512,315	1,505,636	1,006,679	5
1864-65.....	203.5	9,201,464		2,693,377	1,959,583	736,794	8

The statement which follows is a reduction of the above table to cost, etc., per mile, etc.:

Fiscal Year.	Cost of road per mile.	Per mile of road—			Expenses to Earnings.	Profits to cost.
		Earnings.	Expenses.	Profits.		
1855-56.....	\$45,290	\$3,641	\$1,736	\$1,915	47.40	4.23
1856-57.....	46,410	3,636	2,181	1,455	59.98	3.13
1857-58.....	45,800	3,698	2,162	1,536	58.97	3.35
1858-59.....	45,800	4,455	2,527	1,928	56.72	4.21
1859-60.....	45,800	5,015	2,774	2,241	55.31	4.98
1860-61.....	40,375	5,479	3,028	2,451	55.29	6.07
1861-62.....	38,506	7,058	3,252	3,806	46.07	9.89
1862-63.....	38,809	9,381	4,298	5,083	45.81	13.10
1863-64.....	41,543	12,343	7,400	4,943	59.94	11.91
1864-65.....	45,609	13,250	9,629	3,621	72.67	7.94

The table following gives the range of prices at which the stock of this Company sold at the Stock Exchange at New York in each month of the five years ending with December, 1865:

Month.	RANGE OF PRICES OF STOCK.				
	1861.	1862.	1863.	1864.	1865.
January.....	9 @10%	15% @16%	56% @ 73	105 @120	77% @99%
February.....	8 @ 9%	16 @18%	65 @ 73%	110% @119%	77% @85
March.....	9 @ 9%	17% @20%	64 @ 73	114% @128%	51 @78%
April.....	8 @ 9	17 @18%	67% @ 84	104 @132	57 @81%
May.....	7 @ 7	18% @23%	82 @105	110% @117%	55 @77%
June.....	7 @ 7	21% @24	80 @ 97%	110% @116	55 @64%
July.....	7 @ 9	21 @23%	82% @ 97%	106 @114%	65 @71%
August.....	6% @ 7	21% @25	93% @105	110 @114	65 @71%
September.....	7 @10	24 @36%	91 @102%	105% @117%	70% @73%
October.....	10% @12%	34 @43	100% @115	90 @107	72% @93
November.....	11% @14	36% @42	99% @112%	102 @109	80% @97
December.....	12 @17	46 @59	100% @109%	91% @113	82 @94%
Year.....	6% @17	15% @59	56% @111	90 @132	51 @99%

The history of this Company and Road is given succinctly in Vol. 53, No. 4, p.p. 282-287, October, 1865.

#### PHILADELPHIA, WILMINGTON AND BALTIMORE RAILROAD.

The Philadelphia, Wilmington and Baltimore Railroad constitutes one of the grand links in the chain of railroads forming a very direct line between New York and Washington, occupying the middle section thereof, extending between Philadelphia and Baltimore, a length of 95.95 miles. This chain is continued south and southwest, from Washington and Alexandria by connecting roads to the principal seaboard

inland, gulf, and lower Mississippi towns, and at New York it connects with the great New England routes to the Eastern markets, and with the lines *via* Albany and Troy to Canada. As a separate and local road it connects the two largest Atlantic cities south of New York, and has branches and extensions into the Delaware peninsula for more than a hundred miles, and must ever remain the sole land outlet of that State and country south of it. A second track is now being laid down, to accommodate its increasing business, and already 58 miles of this are in operation. It has also 25.61 miles of side tracks. A branch is also being constructed from Havre de Grace to Port Deposit, on the Susquehanna, and a magnificent bridge is in rapid progress, at the first named place, across the river, which has hitherto been passed on a railroad steamboat transporting the loaded cars from shore to shore. The lines leased by this company are principally in Delaware, and are as follows:

Newcastle and Wilmington R.R.	Wilmington to Newcastle	6.00 miles.
Newcastle and Frenchtown R.R.	Newcastle to Delaware Junct.	6.00 "
Delaware Railroad	Del. Junct. to Delmar (station)	84.00 "
Eastern Shore Railroad (Md.)	Delmar to Salisbury	6.50 "

Total lines in the Delaware Peninsula leased..... 102.50 miles

The Southwark Railroad, which prolongs the main line into Philadelphia from South street to Queen street, 2.12 miles, is also leased by the company, which pays for its use 6 per cent on its cost of \$58,868.

The Newcastle and Wilmington Railroad was leased in 1852, the company to pay 7 per cent on its cost (\$150,000) for its use.

The Newcastle and Frenchtown Railroad, though included among the leased roads, is owned absolutely by the P. W. & B. Company, its stock having been exchanged for that of the latter. It formerly extended across the peninsula 16 miles.

The Delaware Railroad is operated under a lease made in 1856 and to run 21 years. This company pays 6 per cent per annum on its cost, and has lost largely on the contract.

The Eastern Shore Railroad is an extension of the Delaware Railroad into the eastern shore of Maryland. It has recently been completed to Princess Ann about 13 miles beyond Salisbury, and is progressing towards Anamessex Sound. Its total length from Delmar to the Sound will be 31½ miles, and when completed as projected the road will connect by steamboat with Norfolk and the neighboring ports.

In the following statement will be found a summary of the equipment and operations on the company's roads, their earnings, expenses, &c., and the financial condition of the company yearly:

#### EQUIPMENT—ENGINES AND CARS.

The number of locomotives, engines and cars owned by the company at the close of each of the last five years is stated in the following table:

	Loco- motives.	Cars on Roads—				Miles run by engines	
		Pas- seng'r.	Bag- &c.	Frgt. Road.	Total.		
1860-61.....	32	78	31	504	61	674	435,780
1861-62.....	37	77	33	630	61	801	582,615
1862-63.....	40	70	40	828	63	1,001	675,865
1863-64.....	49	76	37	948	88	1,149	780,537
1864-65.....	52	83	28	934	88	1,133	981,465

The number and mileage of passengers carried in each year are shown for the following five years:

	—Passengers carried—			—Passengers carried one mile—		
	Thro'	Local.	Total.	Through.	Local.	Total.
1860-61.....	129,476	499,622	629,476	12,688,648	15,499,873	28,128,521
1861-62.....	225,388	629,110	854,498	22,088,024	21,485,753	43,573,777
1862-63.....	260,457	781,504	1,071,961	28,464,786	25,836,683	54,301,469
1863-64.....	332,783	1,018,633	1,351,416	32,612,734	30,948,093	63,560,832
1864-65.....	401,843	984,078	1,385,921	39,380,614	38,410,548	77,791,162

The number of tons and mileage of freight carried yearly for five years were as follows :

	—Tons of Freight Carried—			—Tons of Freight Carried 1 mile—		
	Through.	Local.	Total.	Through.	Local.	Total.
1860-61.....	58,368	106,984	165,352	5,720,084	3,833,019	9,553,103
1861-62.....	70,520	105,452	175,972	6,910,974	5,252,477	12,163,451
1862-63.....	107,486	109,548	217,034	10,533,638	5,078,914	15,612,552
1863-64.....	107,606	132,692	240,298	10,545,385	5,872,865	16,418,250
1864-65.....	85,103	150,825	235,929	8,340,094	7,209,541	15,549,635

## OPERATING ACCOUNTS—EARNINGS, EXPENSES, ETC.

The following statements show the earnings, expenses and profits of operating the road yearly for the seven years ending Oct. 31, 1865 :

Fiscal years.	—Gross Earnings P., W. & B. R.R.—				Total.	N. & F. Del. R.R.	Gain on aggregate amount.
	Passen'r.	Freight.	Other.				
1858-59.....	\$718,071	\$288,795	\$58,098	\$1,014,964	\$21,195	\$.....	\$1,036,159
1859-60.....	831,306	317,569	61,724	1,210,598	25,999	.....	1,236,597
1860-61.....	1,067,275	363,553	63,848	1,494,676	22,308	.....	1,516,984
1861-62.....	1,645,025	506,350	72,204	2,223,579	27,283	.....	2,250,862
1862-63.....	1,834,134	527,985	188,129	2,540,248	34,010	.....	2,574,258
1863-64.....	2,423,089	598,632	183,779	3,205,500	51,605	46,976	3,204,081
1864-65.....	2,992,656	626,559	209,249	3,828,464	56,145	.....	3,884,609

From which the following payments were made :

Fiscal years.	—Oper'ng Exp—		Loss on P. W. & B. N. & F. Del. R.R. stock.	New Interest account.	Divid' on st'k.	Sinking fund.	Aggregate amount.
	P. W. & B. N. & F. Del. R.R.	Other.					
1858-59.....	\$412,071	\$21,582	\$30,007	\$.....	\$125,000	\$336,000	\$.....
1859-60.....	451,110	26,671	42,472	104,633	140,000	364,000	33,333
1860-61.....	513,791	24,393	53,060	97,045	155,212	364,000	46,667
1861-62.....	847,406	27,993	23,438	325,637	143,479	513,639	43,667
1862-63.....	942,754	27,948	5,637	471,046	84,606	690,077	53,333
1863-64.....	1,467,020	23,269	.....	432,177	32,284	805,440	652,512
1864-65.....	2,223,909	45,216	2,716	565,965	45,174	932,347	510,768

"Interest account" includes interest on bonded debt, ground rents, etc., less interest received, being in fact the remainder paid after deducting the amount received.

The "balance of account" for the two last years was against this account—in 1863-64 to the amount of \$144,520, and in 1864-65 of \$431,456. These deficits were caused by charging to income the expenditures made in those years on the Susquehanna Bridge and the second track. Had these been charged to capital the surpluses would have been \$527,992 and \$79,282 respectively.

## CONDENSED BALANCE SHEET.

The financial condition of the company, as exhibited on the balance sheet at the close of each fiscal year for the seven years ending October 31, 1865, is shown in the following statements :

	Capital stock.	Funded debt.	Current liabilities.	Credit of revenue.	Total amount.
1859.....	\$5,600,000	\$2,498,435	\$146,855	\$223,223	\$8,468,513
1860.....	5,600,000	2,469,300	174,252	220,690	8,464,242
1861.....	5,600,000	2,475,500	175,993	490,507	8,742,000
1862.....	5,620,500	2,599,000	274,709	1,014,197	9,508,406
1863.....	7,460,000	1,257,500	291,926	1,313,052	10,322,478
1864.....	8,657,300	832,000	450,682	1,168,572	11,114,514
1865.....	8,973,300	516,000	452,896	727,046	10,669,242

Against which are charged—

	Railroad & appur'tes.	Real estate.	Assets.	Stocks, &c.	Acco'nts. impr'ements.	Advances & Total amount.
1859.....	\$7,788,786	\$208,000	\$119,552	\$273,213	\$78,962	\$8,468,513
1860.....	7,786,444	205,650	139,896	279,375	53,377	8,464,242
1861.....	7,766,137	205,650	142,840	774,513	58,510	8,742,000
1862.....	7,724,350	205,650	646,111	872,092	60,203	9,508,406
1863.....	8,248,144	205,650	755,762	987,781	115,141	10,322,478
1864.....	9,106,920	205,650	598,662	1,042,148	161,154	11,114,514
1865.....	9,106,547	55,650	392,184	866,900	247,961	10,669,242

Under the head of "Railroad and appurtenances" is included \$744,520 being the stock of the Newcastle and Frenchtown Railroad Company exchanged for this company's stock.

The capital stock was increased by the issue of Oct. 1, 1864, \$786,200, and by conversions of the mortgage loan \$1,937,000. The mortgage loan originally \$2,600,000 has been reduced to \$496,000, 167 bonds having been redeemed and cancelled, and 1937 bonds converted as above into capital stock.

PROPORTIONAL DEDUCTIONS.

In the following table are shown the cost of the road per mile, the gross earnings, operating expenses, and profits per mile, the proportion of expenses to earnings, and of the profits to cost of road, with the rate of dividends on the share capital.

Fiscal Year.	Cost of Road per mile.	Earn'gs per mile.	Expenses per mile.	Profits per mile.	Expenses to earnings.	Profits to cost of road.	Rate of Dividend.
1858-59.....	\$81,133	\$10,793	\$4,829	\$5,964	44.74	7.34	6 per cent.
1859-60.....	81,109	12,881	6,509	6,372	50.54	7.85	6½ "
1860-61.....	80,897	15,802	7,169	8,633	45.39	10.67	6½ "
1861-62.....	80,462	23,446	12,755	10,691	54.51	13.28	9 "
1862-63.....	87,585	26,815	15,077	11,738	56.25	13.40	10 "
1863-64.....	94,864	34,418	20,089	14,329	58.39	15.10	10 "
1864-65.....	94,864	40,464	29,560	10,904	73.16	11.51	10 "

The stock of this company is chiefly owned in Boston, and sales are seldom made in other than the Boston market. The following table shows the monthly and yearly range of prices on a par of \$50 per share.

PRICES OF STOCK AT BOSTON—DIVIDENDS, APRIL AND OCTOBER.

	1863.	1864.	1865.
January.....	59½ @ 69½	65 @ 68	68½ @ 72½
February.....	66½ @ 70½	67½ @ 71½	67½ @ 68½
March.....	67 @ 72	70½ @ 74	60 @ 68
April.....	67½ @ 70½	71½ @ 77	59½ @ 63
May.....	68½ @ 74½	70½ @ 74	58½ @ 62½
June.....	67 @ 72	74 @ 75	58½ @ 60
July.....	68½ @ 72½	72 @ 75½	60 @ 66¾
August.....	65½ @ 72	74½ @ 74½	65 @ 66¾
September.....	67½ @ 69½	65 @ 74½	61 @ 66
October.....	67½ @ 69	63½ @ 65	60½ @ 62
November.....	66½ @ 68½	63½ @ 68½	58½ @ 61½
December.....	66 @ 67½	67½ @ 68½	59½ @ 60
Year.....	59½ @ 74½	63½ @ 77	58½ @ 72
Equivalent, \$100 shares.....	119½ @ 149½	1 7 @ 154	116½ @ 144

The Philadelphia, Wilmington & Baltimore Railroad Company is a consolidation of four original companies, viz.: the Philadelphia & Delaware County, chartered by Pennsylvania, April 2, 1831, the Wilmington & Susquehanna, chartered by Delaware, January 18, 1832; the Delaware & Maryland, chartered by Maryland, March 14, 1832, and the Baltimore & Port Deposit, chartered also by Maryland, March 7, 1832.

In March, 1836, the title of the Philadelphia & Delaware County Railroad Company was changed to that of the Philadelphia, Wilmington & Baltimore; and in the following April the Wilmington & Susquehanna and the Delaware & Maryland Companies consolidated under the title of the Wilmington & Susquehanna Railroad Company. These several Companies and the Baltimore & Port Deposit Company consolidated their interests in 1838 (Feb. 5) under the title of Philadelphia, Wilmington & Baltimore, to form a single consolidated railroad between Philadelphia & Baltimore.

Previous to consolidation the several companies had commenced, and partially

completed their roads. The Philadelphia & Delaware County had completed their road in 1837. The Baltimore & Port Deposit had opened their road from Baltimore to Havre de Grace, having changed their northern terminus from its original locality. In the same year the Delaware & Maryland Railroad was completed. In 1838 the viaduct over the Schuylkill river was finished, and a connection opened to Philadelphia by means of the Southwark Railroad.

In 1840 the Newcastle & Frenchtown Railroad Company was merged into the Philadelphia, Wilmington & Baltimore Company by an exchange of stocks. It was chartered by Delaware, Feb. 7, 1829, and the road constructed in 1830-31. It originally extended from Newcastle 35 miles below Philadelphia to Frenchtown on Elk River, one of the head streams of Chesapeake Bay; and in connection with steamboats on the Delaware & Chesapeake for many years formed a part of one of the principal routes between the North and South. Since the completion of the Newcastle & Wilmington Railroad, however, the steamboat connections have been discontinued, and that portion of the railroad west of Delaware Junction has been taken up. Its original cost was about \$700,000.

Of the Delaware Railroad and its extension into Maryland we have heretofore alluded. These form a main trunk line through the State of Delaware and part of Maryland, and will be extended at no distant date to the extremity of the peninsula. Several railroads are also projected and in progress from this trunk line to points on the opposite waters.

Of late years, especially during the late war, the business of the Company has been largely increased, and large expenditures have been made to accommodate it. A bridge is also being built over the Susquehanna at Havre de Grace which will do away with the steam ferry now used for crossing. A branch is also to be constructed from Havre de Grace to Port Deposit. The second track now being laid down will probably be completed during the present year. With these improvements the road will be one of the more complete in the Union, and being in the direct North and South line of travel must ever be one of the most frequented and remunerative.

The quotations of its stock in the markets is an ample testimony to the ability and faithfulness of those who have the management of the Company's affairs. In 1863 the profits from operations reached 15 per cent on the cost of the road; and for the past three to four years the stock has received ten per cent dividends.

#### NORTHERN CENTRAL RAILWAY.

The Northern Central Railway runs almost due north from Baltimore, Md., to Sunbury, Pa., and with its connections forms a through route to Lake Ontario, via Rochester. It is intersected by several important roads which connect it with the coal fields, and near Harrisburg it connects with the Pennsylvania Railroad, to which passengers and freight are transferred for Pittsburg and the Northwest, and at Sunbury with the Philadelphia and Erie Railroad, now open to Lake Erie. The constituents of this road are as follows:

Main line—Baltimore to Sunbury.....	miles	135	
Branch line—Rockdale to Canton.....		4	
Total length of route owned by company.....			142
Second track, 56 miles, and sidings, 26 miles.			
Leased roads—Wrightsville, York, and Gettysburg R. R.....	miles	13	
do Shamokin Valley and Pottsville Railroad.....		28	
do Elmira and Williamsport Railroad.....		78	119
Total length of route owned, leased, and operated.....			261

The Philadelphia and Erie Railroad is used between Sunbury and Williamsport as a connecting link between the main line and the Elmira Railroad.

## EQUIPMENT—ENGINES AND CARS.

The following table gives the number of engines and cars owned by the company on the 31st December, yearly :

	Loco.		Car equipment.					Total.
	motives.	Pass.	Bag.	&c.	Freight.	Coal.	Others.	
1859	41	31	8	921	785	..	1,745	
1860	41	31	8	930	785	..	1,754	
1861	41	30	10	656	744	..	1,440	
1862	51	30	12	761	801	8	1,612	
1863	53	29	17	896	947	8	1,847	
1864	63	47	23	1,319	2,132	18	3,539	
1865	87	52	27	1,247	2,061	14	3,401	

In 1865 the engines were distributed as follows : 60 on the Northern Central Railroad, 18 on the Elmira and Williamsport Railroad, and 9 on the Shamok in Valley line. A due proportion of cars are on each of these lines.

## OPERATING ACCOUNTS—RECEIPTS, EXPENSES, ETC.

The following statements exhibit the gross earnings, the operating expenses, and the resulting profits yearly, for 1859-65, both inclusive. The gross earning were as follows :

Fisc. years.	Northern Central and Branch.					Total.	Shamokin Division.	Elmira Div.	Total amount.
	Pass.	Freight.	Milit'y.	Other.	Total.				
1859	\$252,096	\$ 646,763	.....	\$30,664	\$929,523	\$.....	\$.....	\$929,523	
1860	268,533	699,100	.....	50,910	1,018,103	.....	.....	1,018,103	
1861	289,763	695,450	396,895	95,980	1,417,977	.....	.....	1,417,977	
1862	487,118	1,081,469	316,413	85,641	1,920,641	.....	.....	1,920,641	
1863	592,676	1,263,561	307,739	141,472	2,507,448	144,728	297,391	2,749,567	
1864	752,937	1,494,555	586,907	217,270	3,051,669	226,318	656,518	3,934,505	
1865	899,859	1,721,330	438,018	249,683	3,327,597	316,498	60,973	4,235,068	

The operating expenses and profits were as follows :

Fiscal years.	Operating expenses.				Profits from operations.			Total.
	N. C. & br.	Sh'mk.	Elmira.	Total.	N. C. & br.	Shamk.	Elmira.	
1859	\$589,012	\$.....	\$.....	\$589,012	\$340,516	\$.....	\$.....	\$340,516
1860	734,476	.....	.....	734,476	283,627	.....	.....	283,627
1861	681,832	.....	.....	681,832	736,145	.....	.....	736,145
1862	993,300	.....	.....	993,300	927,341	.....	.....	927,341
1863	1,686,867	57,616	224,422	1,968,905	620,581	87,112	72,969	780,662
1864	1,966,283	118,827	612,777	2,697,887	1,085,886	107,491	43,741	1,236,618
1865	2,299,219	200,492	764,345	3,264,056	1,038,347	116,006	*	970,982

With regard to the leased roads, it may be stated that while the Shamokin Valley Railroad has proved a paying concern, the Elmira and Williamsport Railroad has made (including rent) an annual loss to the company, viz., in 1863 to the amount of \$37,198, in 1864, \$21,259, and in 1865 \$348,371. Both are leased for 999 years—the first from Feb. 1, and the latter from May 1, 1863, at which dates respectively possession was taken of them. The great increase in the operating expenses of the Elmira Division in the two last years, have been caused by extraordinary demands, and will now cease.

## PROFIT AND LOSS ACCOUNT.

The following statement shows the receipts from all sources yearly, according to the treasurer's account, and the disposition made of the same. This account, in fact, is an exhibit of the aggregate financial transactions of the company for the years to which they refer.

\* The Elmira Division in 1865 showed a loss of \$183,371.

The receipts from all sources were as follows :

Fiscal years.	Balance Jan. 1.	Rec'pts of earnings.	Interest, dividends &c.	Sinking fund.	Sun-dry ac-counts	Aug-mented capital.	Total amount.
1859.....	\$370,250	\$929,528	\$7,104	\$2,850	\$.....	\$.....	\$1,309,732
1860.....	412,164	1,018,103	10,191	.....	.....	.....	1,440,458
1861.....	347,901	1,417,977	8,808	28,333	7,316	.....	1,810,335
1862.....	372,779	1,920,641	8,716	227,005	5,712	.....	2,534,253
1863.....	777,349	2,564,208	26,486	.....	.....	.....	3,368,038
1864.....	260,974	3,908,328	26,177	.....	.....	1,064,860	5,280,339
1865.....	237,542	4,235,068	7,320	.....	.....	1,351,856	*6,308,954

From which the following disbursements were made :

Fiscal years.	Oper-ating ex-penses.	Rents of leased roads.	Interest, disc't & exch'ge.	Sink-ing funds.	Divi-dends on stocks.	Construc-tion and equipm't.	Balance Dec. 31.
1859.....	\$592,215	\$13,064	\$284,065	\$10,224	.....	\$.....	\$412,164
1860.....	714,475	13,951	343,930	.....	.....	.....	347,901
1861.....	871,711	11,381	388,319	†167,134	.....	.....	372,179
1862.....	993,300	10,686	322,676	31,025	.....	.....	†1,176,566
1863.....	1,968,905	181,935	324,525	\$350,463	.....	281,235	260,974
1864.....	2,697,887	250,271	305,861	‡155,762	379,742	1,253,473	237,542
1865.....	3,264,086	258,965	320,547	53,000	345,779	1,400,095	.....

The financial condition of the company on the 31st December, yearly, for the last seven years, will be found in the following abstracts of the

CONDENSED BALANCE SHEET.

Close of years.	Share capital.	Funded debt.	Debt more.	Bills, &c. pay-able.	Interest dividends.	Operat-ing ac-counts.	Profit and loss.	Total amount.
1859.....	\$2,260,000	\$4,728,300	\$850,000	\$485,549	\$27,616	\$243,406	\$412,164	\$9,007,605
1860.....	2,260,000	5,040,300	850,000	2,046,515	103,227	209,808	347,901	9,041,851
1861.....	2,260,000	5,150,000	850,000	250,980	212,445	212,798	372,159	9,208,402
1862.....	2,260,000	5,100,000	850,000	5,524	96,680	299,851	1,176,566	9,338,621
1863.....	2,260,000	4,850,000	850,000	182,611	123,008	788,721	1,291,890	10,246,232
1864.....	3,344,860	4,850,000	850,000	150,000	181,955	1123,660	600,132	11,099,607
1865.....	4,518,500	4,850,000	361,244	523,500	236,373	866,922	682,897	12,044,441

Against which are charged the following :

Close of year.	Railroad & appur-tenances	Sink-ing funds.	Stock and bonds.	Mate'als and supplies.	Due f'm United States.	Cash hand.	Operat-ing ac-counts.	Total amount.
1859.....	\$3,244,635	\$277,640	\$251,048	\$67,580	\$.....	\$166,052	\$.....	\$9,007,605
1860.....	8,409,505	277,640	214,998	62,429	.....	77,279	.....	9,041,851
1861.....	8,228,731	86,157	458,548	64,865	212,452	90,265	177,424	9,208,402
1862.....	8,409,577	249,640	466,133	70,043	319,004	106,633	217,591	9,338,621
1863.....	8,690,832	300,103	496,396	271,051	164,383	229,612	193,875	10,346,232
1864.....	8,951,785	455,664	124,275	600,447	460,065	227,854	283,617	11,099,607
1865.....	10,351,080	538,430	123,775	323,159	245,065	297,219	159,883	12,044,441

Under a resolution of the stockholders, at an adjourned annual meeting April 15 1864, the stock of the company was ordered to be doubled, for the purpose of raising funds to pay for a second track and an increase of rolling stock, become necessary for the transaction of the increased business of the road. Previous to this all improvements, etc. had been charged to revenue, and which made it impossible to pay dividends. The new stock was subscribed chiefly by the old stockholders, and taken at par. The profits from operations are now paid to the stockholders.

PROPORTIONAL DEDUCTIONS.

The following table, reduced from the foregoing statements, exhibits the cost of the

\* Includes \$477,668 balance of cash liabilities representing temporary loans contracted to pay claims of the city of Baltimore purchased by the company, viz., \$666,472, which sum, though not appearing above, belongs to the disbursements of 1865.

† Chiefly back instalments now paid up.

‡ This sum is represented in next year's account as \$777,349, without any explanation, being an apparent error of \$399,217.

§ Including \$300,000 bonds paid.

|| Including \$100,000, a special appropriation by order of the Directors.

property of the company per mile, as measured by the mileage of the main line (138 miles); the earnings, expenses and profits per mile, the proportion held by expenses to earnings, and the ratio of profits to cost of road, etc. :

Fiscal Year.	Cost of road, &c., per mile.	Gross earn'gs.	Expenses per mile.	Result'g profits.	Expenses to earn'gs.	Profits of road.	Div'ds to cost on st'k pr cnt.
1859.....	\$59,744	\$6,735	\$4,268	\$2,467	63.37	4.11	<i>N/A</i>
1860.....	60,938	7,377	5,322	2,055	72.14	3.37	do
1861.....	59,629	10,275	4,941	5,334	48.09	8.99	do
1862.....	60,939	13,917	7,197	6,720	51.71	11.03	do
1863.....	62,977	16,721	12,225	4,496	73.12	7.10	do
1864.....	64,868	22,113	14,248	7,865	64.39	12.12	8
1865.....	75,013	24,185	16,661	7,524	68.89	10.03	8

PRICES OF STOCK AT BALTIMORE 1863-1865.

The range of quotations for the stock of this company at Baltimore, (on a par of \$50) monthly and for the year, have been as follows :

	1863.	1864.	1865.
January.....	34 @39	43½ @45½	52 @53½
February.....	39½ @41	42½ @46	52 @54
March.....	39 @40	43½ @60	44 @45
April.....	35 @38	57 @61½	45 @45½
May.....	37½ @43	53 @62½	45 @47½
June.....	35 @43	59½ @61½	45 @45½
July.....	35 @41	58 @59	44½ @45
August.....	40 @40	57 @57	44½ @46
September.....	38½ @42	52 @52½	44½ @45
October.....	43 @48	50 @51½	44 @44½
November.....	41 @45	51½ @56	44 @44½
December.....	42 @44	54 @56½	44½ @45
Year.....	34 @48	42½ @62½	44 @54
Equivalent \$100 shares.....	68 @96	85 @125	88 @108

The Northern Central Railway Company is a consolidation of the Baltimore and Susquehanna, the York and Maryland line, the York and Cumberland and the Susquehanna companies.

The Baltimore and Susquehanna Railroad Company was chartered by Maryland March 13, 1828, with authority to construct a railroad from Baltimore to the State line of Pennsylvania. Construction was commenced in the following year, and the road to Relay House, about seven miles north from Baltimore, completed and opened for traffic July 4, 1831, and to Timonium, 11 miles, Oct. 16, 1832. In the same year the Westminster Branch to Owing's Mills, nine miles, was brought into use. The section from Timonium to the State line, about 25 miles, was commenced in May, 1835, and completed in the early part of 1838.

The York and Maryland Line Railroad Company was chartered by Pennsylvania, March 14, 1842, and the road, 22 miles long, completed in August, 1838. This road was wholly constructed and owned by the Maryland Company.

The York and Cumberland Railroad Company was chartered by Pennsylvania April 21, 1846, to construct a road from York to Bridgeport. Work was commenced in 1840, and the road, 27 miles long, completed in February, 1851.

These several roads were operated by the Baltimore and Susquehanna Company, and formed a continuous line from Baltimore to Bridgeport, a distance of 84 miles. The company also operated, from the date of its completion in April, 1840, the Wrightsville, York and Gettysburg Railroad; also the Westminster Branch road, and for several years the Hanover Branch Railroad.

The Susquehanna Railroad Company was chartered in Pennsylvania, April 14, but no portion of the road was completed before the consolidation.

The acts authorizing the consolidation of the above companies were passed—in Maryland, March 10, and in Pennsylvania May 3, 1854—and the name was consummated

December 4 of the same year. The consolidation became operative Jan. 1, 1855. To complete the Susquehanna division of the line from Bridgeport to Sunbury, and to extend the same from Baltimore to a junction with the Philadelphia, Wilmington and Baltimore Railroad at Canton, were the first undertakings of the consolidated company. Construction was commenced on the former in the Spring of 1856, and road completed and opened for business, from Dauphin to Millersburg, Jan. 1, 1857, to Trenton July 1, 1857, and to Sunbury August 1, 1858. The section between Bridgeport and Dauphin, including the bridge over the Susquehanna, was completed early in 1858. The Canton Branch was opened early in 1859. In the Spring of the last named year a telegraph was erected along the line from Sunbury to Bridgeport, and in the fall between Bridgeport and Baltimore.

Thus the whole road had been opened at the beginning of the period embraced in the statement given in the foregoing tabulations. The road, however, was defective, both as to condition and rolling stock, and the earnings, which ought to have been distributed to the stockholders, were necessarily directed to complete and furnish it. Improvements were undertaken, and the road placed in as good a condition as the means of the company would allow of. The vast development of its business during the late war, however, required immediate accommodation, and hence it became necessary to obtain enlarged means. Under these circumstances the company duplicated the share capital, increasing it from \$2,600,000 to \$5,200,000. This sum was applied, partly to furnishing the road with a second track, and partly to an increase of engines and cars. Large outlays, however, are still necessary to bring the work into an economic working condition, and these are being made as rapidly as circumstances will permit of.

In 1863 the company entered into contract of lease with the Shamokin Valley and Pottsville and the Elmira and Williamsport Companies, leasing both their roads for 999 years. These are now operated by the company with great advantage to their general business. Through the road of the last named company a through route is formed from Baltimore to Elmira and Rochester.

In the early days of the war the road and property of the company were seriously damaged by the insurgents.

### SOUTH CAROLINA RAILROAD.

WE have before us the report of the South Carolina Railroad Company for the year ending Dec. 31, 1865. This road, in common with all others in the South, suffered severely during the war. In the Spring of 1865, the destruction of property by the forces under Sherman completely closed it to traffic. Road, buildings and equipments were overwhelmed in the general wreck.

The losses sustained by this company are thus summed up in the report :

Depots, machine shops, tools, etc.....	\$126,749
Seventy-nine miles of road, bridges, etc., (estimated cost to restore).....	541,361
111 negroes emancipated.....	190,973
Cars and locomotives.....	410,031
Materials and machinery.....	360,000
Total loss of property.....	\$1,629,114

The above are exclusive of the loss of assets, amounting to the nominal value of \$3,612,946; and by the increased indebtedness of the company, equivalent to a loss, on account of interest on debt, amounting, Dec. 31, 1865, to \$495,799.

The debt of the company, as it stood at the end of 1865, was as follows:

Sterling bonds, due Jan. 1, 1866.....	\$2,000,000
Domestic or dollar bonds.....	1,071,000
Total original debt.....	\$3,071,000
Interest due Dec. 31, 1865, viz:	
On sterling bonds.....	\$362,167
On domestic bonds.....	133,632
	495,799
Total debt to be provided for.....	\$3,566,799

Of the domestic bonds, \$234,000 are past due, and the remainder is payable—\$101,000 Jan. 1, and \$86,000 Oct. 1, 1868; \$400,000 in equal annual instalments April 1st, 1869, '70, '71 and '72, and \$250,000, one-half Jan. 1, 1873, and one-half Jan. 1, 1874.

It thus appears that the whole of the sterling (\$2,000,000), and nearly a fourth part of the domestic debt are past due; and to these principal sums must be added the accumulated interest, \$495,799, making a total of \$2,722,799 requiring immediate liquidation.

What the company has already done, and what they propose to do in relation to their indebtedness, is thus stated by the Board of Directors:

"In anticipation of the maturity of the foreign debt, application was made to the Legislature of the State for a renewal of the State's guarantee upon the new bonds they designed to recommend to the stockholders to offer to the bondholders in substitution of those past due and the accrued interest. An act was accordingly passed authorizing the endorsement of the State's guarantee. The agents in England of the foreign bondholders have been notified of the passage of the act and of the company's view of the best mode of arranging the debt. The plan at present contemplated is as follows: 1. To substitute new bonds for the old, due at the same time and same rate of interest, that is to say, at 20 years, and at the rate of five per cent per annum. 2. To fund the accrued interest to Jan. 1, 1866, at the same time and rate of interest as the principal of the debt; and—3. To provide by regular semi-annual payments, out of earnings, for the retirement of the entire sum at maturity. The domestic debt, in the matter both of principal and accrued interest, the Board propose to meet precisely as they expect to do with the foreign debt. These arrangements, however, will necessarily wait upon the conclusion of negotiations abroad."

The present condition of the company's affairs is thus summed up in the general balance sheet:

Capital stock, Dec. 31, 1866.....	\$3,879,475
New shares (38,296 at \$50).....	1,939,800
	\$5,819,275
Bonded debt, as above stated.....	3,071,000
Bills payable.....	44,822
Change notes.....	1,971
Coupons, as above stated.....	495,799
Pay rolls.....	1,450
Transient creditors.....	167,485
Net income (after paying for coupons), June 19 to Dec. 31, 1865.....	196,985
Total.....	\$9,798,557
Against which are charged—	
Road, depots, &c., Dec. 31, 1864.....	\$7,118,499
Deduct estimated cost of property destroyed in 1865.....	668,110
	\$6,450,389
Railroad.....	428,879
Locomotives and cars.....	466,409
Machinery and tools.....	197,418
Supply of materials, &c.....	71,308
Materials, &c., to arrive.....	21,088
Restoration of property.....	335,781
Bills and bonds receivable, cash, &c.....	145,165



of national currency, was duly received in accordance with your request, I hand you herewith a tabular statement showing the apportionment made, as directed; also a list of banks, classified by States, which would be affected by the passage of Senate bill No. 254.

Senate bill No. 256 proposes to furnish circulation to those States and Territories which are not yet provided for, without exceeding the \$300,000,000 authorized by the act of June 3, 1864, by withdrawing the amount any State may have received over twenty dollars for each inhabitant. By reference to the accompanying statement, it will be ascertained that but three States have received or secured circulation in excess of this amount per capita, viz:

Massachusetts.....	\$39,446,813
Connecticut.....	10,144,660
Rhode Island.....	9,982,364
Making in all.....	59,573,837

Which would probably be enough to supply the deficiency in other States and Territories.

The bill is seemingly general in its provisions, but in effect it singles out these three States and reduces their circulation to a certain arbitrary standard. It practically says, "The circulation of National Banks in Massachusetts shall be diminished sixty per cent; the circulation of National Banks in Connecticut shall be diminished fifty-two per cent; and the circulation of National Banks in Rhode Island shall be diminished seventy-four per cent."

Apart from the imputations to which such a proposition would be liable, I think the principle upon which the reduction is based is not a correct one. There is no necessary or natural proportion existing between circulation and population. One hundred and seventy-five thousand of the rural population of Ohio and Illinois do not need a tenth part of the circulation required by the manufacturing and commercial community of Rhode Island. A well-to-do farmer may not receive for his products more than \$5,000 in the whole year, and a community of farmers require but little in the way of banking facilities; but skilled labor, capital, and machinery combined produce millions. The value of manufactures produced annually in Massachusetts exceeds by more than one hundred and forty per cent the combined manufactures of Illinois and Ohio, while the combined population of those States exceeds that of Massachusetts by more than two hundred and twenty-five per cent. Hence any fixed ratio between circulation and population is an arbitrary ratio, and impracticable.

Senate bill No. 254 is an amendment to section 21 of the present National Currency Act, and proposes to withdraw circulation from banks by reducing the ratio which it shall bear to capital. It will affect banks in all the States more or less, but by a certain fixed rule. The reduction is to be effected gradually, as the circulation becomes worn and mutilated is returned for redemption. The amount by which the circulation is to be thus diminished approximates \$25,000,000, and it is proposed, in anticipation of this reduction to authorize the issue of circulation to banks in States that have secured the least proportionate amount of circulation, as it may be needed.

If the committee shall determine that the reduction contemplated by bill No. 254 may properly be effected by virtue of the reserved right to "amend, alter, or repeal" the act of June 3, 1864, I trust they will report favorably on the bill under consideration.

I think it is important that solvent State banks should have an opportunity to become National Banks. Otherwise, by the operation of a law of the United States they will be compelled to wind up after the 1st day of July next.

I also think it a matter of great importance that provision should be made to meet the wants of those States which have been in rebellion. Banking facilities are necessary to develop the industrial interests of the South, and to stimulate the production of those staples which enter so largely into the financial interests of the country. At the same time it would be wise policy to afford the people of that section an opportunity to become pecuniarily interested in the successful maintenance of the Government of the United States; and, inasmuch as Congress has assumed entire control of the currency of the country, and, to a very considerable extent, of its

banking interests, prohibiting the interference of State Governments, it would seem to be the plain duty of Congress to make adequate provision to meet the business wants of all sections of the country in the way of banking facilities.

Very respectfully, yours,

H. McCULLOCH, Secretary.

Hon. W. P. FESSENDEN,

Chairman Committee on Finance, United States Senate.

OFFICE OF COMPTROLLER OF THE CURRENCY,  
TREASURY DEPARTMENT, WASHINGTON, April 12, 1866.

DEAR SIR: Your communication of the 10th instant, transmitting Senate bill 256, and asking for certain statistics relating to the apportionment of national currency, was duly received, and in accordance with your request I send you herewith a tabular statement, showing—

- 1st. The population of each State and Territory of the United States by the census of 1860.
- 2d. The circulation now authorized in each State and Territory.
- 3d. The amount of such circulation to each inhabitant of each State and Territory.
- 4th. The apportionment of one hundred and fifty millions of the circulation authorized by law to the several States and Territories according to population by the census of 1860.
- 5th. The States have secured circulation in excess of twenty dollars for each inhabitant.

I also enclose a list of the banks, classified by States, which would be affected by the amendment proposed by Mr. Fessenden, which I respectfully submit.

It will be observed that but three States have received or secured circulation in excess of \$20 *per capita*—Massachusetts, Connecticut and Rhode Island—the three having an aggregate excess of \$59,573,837.

The withdrawal of this sum would of necessity be severely felt. The fact that it is proposed to be withdrawn proceeds upon the supposition that a circulation of \$20 for each inhabitant is sufficient for the business wants of those States. This suggests the inquiry whether population is the proper basis for circulation. If the people were all engaged in the same kind of business, it might be correct, but even then it would be desirable to know *how much business* was carried on in any particular State before the amount of circulation for that State could be determined. But if you take into account the various branches of industry, and the extent to which they are carried in the different States, it will be evident that circulation should not be apportioned according to population alone. In point of population Illinois is the fourth State in the Union, and Connecticut is the twentieth; yet Connecticut produces manufactures to the amount of \$82,000,000 annually, and Illinois but \$53,000,000. Ohio is the third State, and Massachusetts the sixth; but while the product of Ohio manufactures is but \$122,000,000 per annum, Massachusetts produces annually \$256,000,000. An agricultural population does not require so large a circulation as a commercial or manufacturing community. The tabular statement which I send you shows that Rhode Island has the largest *per capita* circulation of any State in the Union, but Rhode Island does nearly one-third more business in proportion to its size than Massachusetts, and needs a larger proportionate circulation.

The question which you have under consideration is one in which I take considerable interest, which must be my apology for saying as much as I have as to the manner in which it would be advisable to effect a reduction. I believe the withdrawal of circulation from existing banks is not favored by Mr. Clarke in any shape. In his absence I do not propose to express any opinion as to the main question, but merely to offer a suggestion as to the manner of effecting the object proposed by your bill.

I have the honor to be, very respectfully, yours

H. R. HULBURD,

Deputy Comptroller

Hon. JOHN SHEPHERD, *United States Senate.*

*List of banks showing reduction of circulation under amendment proposed by Senate bill No. 254.*

MAINE.—First National Bank of Portland \$63,000.

VERMONT.—First National Bank of North Bennington \$50,000.

MASSACHUSETTS.—First National Bank of Boston \$100,000, National Bank of the Republic, Boston, \$100,000, Boston North Bank \$75,000, Hide and Leather Bank, Boston \$100,000, Merchants' Bank, Boston \$750,000, Marine Bank, Boston \$80,000, Blackstone Bank, Boston \$100,000, Redemption Bank, Boston \$100,000, Continental Bank, Boston \$50,000, North Bank, Boston \$100,000, Exchange Bank, Boston \$100,000, Elliot Bank, Boston \$100,000, Boylston Bank, Boston \$50,000, Commerce Bank, Boston \$300,000, Howard National Bank of Boston \$50,000, Shawmut Bank, Boston \$75,000, Washington Bank, Boston \$75,000, Hamilton Bank, Boston \$50,000, Globe Bank, Boston \$100,000, New England Bank, Boston \$100,000, City Bank, Boston \$100,000, Tremont Bank, Boston \$300,000, Suffolk Bank, Boston \$225,000, Atlantic Bank, Boston \$50,000, Shoe and Leather Bank, Boston \$100,000, Atlas Bank, Boston \$100,000, Freeman's Bank, Boston \$40,000, North America Bank, Boston \$75,000, Maverick Bank, Boston \$40,000, Massachusetts Bank, Boston \$30,000, Union Bank, Boston \$100,000, Eagle Bank, Boston \$100,000, Old Bank, Boston \$30,000, Montgomery National Bank of Norristown \$40,000, State National Bank of Boston \$300,000, Columbian Bank of Boston \$100,000, First National Bank of Fall River \$40,000, Third National Bank of Springfield \$50,000, Second National Bank of Boston \$100,000, First National Bank of Northampton \$40,000, Worcester National Bank \$50,000, City National Bank, Worcester \$40,000, Fall River National Bank \$40,000, Ware National Bank \$35,000, Asiatic National Bank, Salem \$31,500, Banker National Bank, Charlestown \$50,000, Naumkeag National Bank, Salem \$50,000, Bristol County National Bank, Taunton \$50,000, Bay State National Bank, Lawrence \$37,500, Northampton National Bank \$40,000, Adams National Bank, North Adams \$35,000, Pittsfield National Bank \$50,000, Mechanics' National Bank, Worcester \$25,000. Total, \$5,169,000.

**RHODE ISLAND.**—Second National Bank of Providence \$50,000, Third National Bank of Providence \$40,000, Fourth National Bank of Providence \$35,000, Phenix National Bank, Providence \$45,000, Mechanics' National Bank, Providence \$50,000, Eagle National Bank Providence \$50,000, North American National Bank Providence \$87,300, Merchants' National Bank Providence \$93,950, Old National Bank, Providence \$50,000, Weybosset National Bank, Providence \$50,000, Manufacturers' National Bank Providence \$50,000, City National Bank Providence \$45,000 Total \$646,250.

**CONNECTICUT.**—First National Bank of New Haven \$50,000, First National Bank of Hartford \$50,000, Second National Bank of New Haven \$100,000, Exchange National Bank Hartford \$50,000, First National Bank of Norwich \$50,000, Charter Oak National Bank, Hartford \$50,000, Thames National Bank, Norwich \$100,000, Phenix National Bank Hartford \$152,610, Waterbury National Bank \$50,000, Yale National Bank New Haven \$50,000, Middlesex County National Bank Middletown \$35,000, Commercial National Bank Bridgeport \$33,210, Danbury National Bank \$32,700, Merchants' National Bank New Haven \$50,000, Middletown National Bank \$36,930, National New Haven Bank \$46,480, New Haven Co. Nat. Bank \$35,000.—Total \$971,930.

**NEW YORK.**—First National Bank of City of New York \$50,000, Third \$100,000, Fourth \$1,000,000, Mercantile National \$100,000, Tenth \$100,000, Central \$750,000, Ninth \$100,000, Broadway \$100,000, Commerce \$2,000,000, American \$50,000, Park \$300,000, Tradesmen's \$100,000, Shoe and Leather \$225,000, Market \$100,000, St. Nicholas \$100,000, Seventh Ward \$50,000, Republic \$300,000, Mechanics' \$50,000, Merchants' Exchange \$185,250, Metropolitan \$80,000, Marine \$40,000, Ocean \$100,000, National Bank of Newburgh \$80,000, Troy City \$50,000, Falkirk National Bank \$40,000, First National Bank of Poughkeepsie \$40,000, First Brooklyn \$50,000, Highland, of Newburgh \$45,000, Union, of Albany \$50,000, New York State, of Albany \$35,000, Union, of Rochester \$40,000, Albany City \$50,000, Commercial, of Albany \$50,000, Mechanics and Farmers' of Albany \$35,000, Farmers' and Manufacturers', of Poughkeepsie \$40,000, Lake Ontario, of Oswego, \$32,500, Oneida, of Utica \$40,000.—Total \$7,373,750.

**PENNSYLVANIA.**—First National of Philadelphia \$100,000, Farmers' and Mechanics' \$300,000, Philadelphia National Bank \$225,000, Pennsylvania \$35,000, Northern Liberties \$50,000, Corn Exchange \$50,000, City \$40,000, Commercial \$81,000, Girard \$100,000, North American \$100,000, Mechanics' \$80,000, Merchants and Manufacturers' \$80,000, Columbian, \$50,000, Western \$40,000, Central \$75,000, Miners', of Pottsville, \$59,000, Pittsburgh National Bank of Commerce \$50,000, Iron City, of Pittsburgh, \$40,000, Tradesmen's \$40,000, Farmers' of Reading \$40,000, Mechanics' of Pittsburgh \$50,000, Allegheny, of do. \$50,000, People's, of Pittsburgh \$100,000, Exchange of Pittsburgh \$100,000, York National Bank \$50,000, First National of Pittsburgh \$50,000, Citizens of Pittsburgh \$50,000, Farmers' of Lancaster \$45,000, First National of Easton \$40,000, Easton \$40,000, First Mauch Chunk \$40,000, First National of Pittsburgh \$50,000, Second Wilkesbarre \$40,000, First Allegheny \$35,000, Third of Pittsburgh, \$40,000.—Total \$2,406,000.

**OHIO.**—Third National Bank Cincinnati, \$50,000, First National Bank Cincinnati \$100,000, Commercial National Bank Cincinnati \$50,000, Central National Bank Cincinnati \$50,000, Ohio National Bank Cincinnati \$50,000, Merchants' National Bank of Cleveland \$50,000, Merchants' National Bank of Cincinnati \$50,000. Total \$400,000.

**INDIANA.**—Indiana National Bank of Indianapolis \$40,000, Merchants' National Bank of Evansville \$35,000, First National Bank of Evansville \$50,000, First National Bank of Indianapolis \$50,000, Indianapolis National Bank \$50,000. Total \$225,000.

**ILLINOIS.**—Union National Bank of Chicago \$50,000, Fifth National Bank of Chicago \$50,000, Western National Bank of Chicago \$50,000, First National Bank of Chicago \$100,000, Third National Bank of Chicago \$75,000, Merchants National Bank of Chicago \$45,000. Total \$370,000.

**MARYLAND.**—First National Bank of Baltimore \$166,500, Second National Bank of Baltimore \$35,000, Citizens' National Bank of Baltimore \$50,000, National Bank of Baltimore \$181,605, Union Bank of Maryland Baltimore \$188,810, Farmers and Planters' Bank Baltimore \$80,000, Western Bank Baltimore \$50,000, Merchants' Bank of Baltimore \$225,000, Farmers and Merchants' Bank of Baltimore \$65,000. Total \$1,041,915.

**NEW JERSEY.**—Newark City National Bank \$35,000, Mechanics' Bank of Newark \$50,000, Newark Banking Company \$50,000, Mechanics' Bank of Trenton \$35,000, National State Bank of Elizabeth \$40,000, First National Bank of Jersey City \$40,000, First National Bank of Trenton \$50,000. Total \$310,000.

**KENTUCKY.**—First National Bank of Covington \$50,000.

**DISTRICT OF COLUMBIA.**—First National Bank of Washington \$50,000, Metropolitan Bank of Washington \$35,000. Total \$85,000.

**MISSOURI.**—Union Bank of St. Louis \$50,000, Merchants' Bank of St. Louis \$70,000, Third National Bank of St. Louis \$157,350. Total \$277,350.

**LOUISIANA.**—First National Bank of New Orleans \$50,000, National Bank of New Orleans \$100,000. Total \$150,000.

**DELAWARE.**—First National Bank of Wilmington \$40,000.

**WEST VIRGINIA.**—Merchants' Bank of West Virginia Wheeling \$50,000.

**GEORGIA.**—National Bank of Augusta 50,000.

**MICHIGAN.**—First National Bank of Detroit \$100,000.

Aggregate reduction of circulation under amendment proposed by Senate Bill No. 254 \$19,795,195.

In addition to the foregoing, banks received circulation equal in amount to their capital before the amendment of March 3, 1865, took effect, which would be withdrawn under the proposed reduction, as follows, viz:

New Hampshire	\$16,000	Ohio	\$143,220
Vermont	56,300	Indiana	39,200
Massachusetts	119,675	Iowa	14,500
Rhode Island	28,000	Illinois	37,900
Connecticut	119,500	Michigan	4,500
New York	426,880	Wisconsin	12,500
New Jersey	49,920	Minnesota	52,000
Pennsylvania	174,000		
Maryland	35,000		1,334,095
Virginia	5,000		

The total amount to be withdrawn from each State would be as follows:

Maine .....	\$65,000	West Virginia .....	\$50,000
New Hampshire .....	16,000	Ohio .....	643,220
Vermont .....	160,300	Indiana .....	264,300
Massachusetts .....	5,288,675	Illinois .....	407,900
Rhode Island .....	674,250	Michigan .....	154,500
Connecticut .....	1,091,430	Wisconsin .....	12,500
New York .....	7,914,630	Iowa .....	14,500
New Jersey .....	359,920	Minnesota .....	52,000
Pennsylvania .....	2,580,000	Missouri .....	427,350
Maryland .....	1,076,915	Kentucky .....	50,000
Delaware .....	40,000	Louisiana .....	150,000
Dist. of Columbia .....	85,000	Georgia .....	150,000
Virginia .....	5,000		
Total .....			\$21,679,280

### THE AUSTRO-PRUSSIAN WAR-CLOUD.

IN every market of Europe the strained and ominous condition of political affairs in Germany is beginning to be very seriously felt. The outbreak of positive hostilities between the two great German powers, disastrous as its effects would be, could hardly produce a more wide-spread prostration, financial and commercial, than a protracted "devil's truce" like that which now actually exists, is sure to bring about. The exchequer of Prussia is certainly in a more favorable condition than that of her imperial rival, and the Prussian artillery is admitted to be superior to the Austrian, notwithstanding the severe lessons which the Court of Vienna received in regard to the increased importance of that arm of the military service, from the Napoleon guns of the French, during the late Italian war. But Austria has upon her side, not only the resources of a population more than double that of her ambitious and arrogant Northern rival, but the amazing good fortune also of the most obstinate, the most ill-advised, but the most successful ruling family of the world.

As in the Iliad, so in modern history, the favor of Venus seems to be more important even to warlike princes, than the friendship of Mars. The House of Hapsburg has won by the heart more than it has lost by the head for ages past; and it can hardly be called a vagary of superstition to suggest that if Austria goes into the impending European war, against every rule of reason and every counsel of prudence, she may very probably come out of it against every anticipation of sound judgment and common sense.

The Austrian finances can hardly be made worse by the most costly and exhausting war. Unless France and Russia should be dragged into the vortex of the strife, which, though it be possible, is no more likely, than it was in 1854 that Austria and Prussia should be drawn into the Crimean conflict, even an unsuccessful war with Prussia would hardly result in the loss of any of the German provinces, which are the true strength of the Austrian empire, while a successful war with Prussia would definitely give to the Court of Vienna a decisive and preponderating authority in the German confederation. Were Italy to become involved in the conflict, Austria might, indeed, suffer the loss of her trans-Alpine possessions; but that loss would be, in truth, a permanent gain to the empire; and there are statesmen in Vienna who are capable of regarding it as a special blessing that Austria should be enabled to surrender with honor a hold upon Venetia, which it wastes her best strength now to retain.

To be driven out of the Quadrilateral by the overwhelming force of a combined attack from two such powers as Italy and Prussia, one of them far more than a match for her by sea, and the other at least her equal by land, would inflict no serious damage upon the military prestige of Austria, while it would put her into a position to carry out that process of temperate centralization in which lies her hope for the future, and in which it is beginning to be clear that she may count upon the aid and co-operation of the most intelligent and influential classes, not in her German provinces only, but throughout Hungary, Croatia, Transylvania, and Gallicia also.

So long as Austria retains her Venetian dominions the reactionary military element must keep its place in her councils to the grave detriment of her best interests. Relieved from this incubus upon her progress there is no reason for her to despair of a rapid advance to a commercial and financial rank proportionate to her enormous natural wealth and to the importance of her geographical position, an importance of which the extraordinary recent growth of her Adriatic port of Trieste gives us not indeed an adequate measure but a most significant indication.

The rumors of a practical alliance between Prussia and France for the dismemberment and prostration of Austria are as improbable as are the stories of a similar alliance for a similar end between Russia and Prussia. France indeed may desire to see Prussia so far successful in an attack upon Austria as would justify Napoleon in declaring that the safety of France requires the "rectification" of the French frontier upon the Rhine, precisely as the consolidation of Italy required the "rectification" of the French frontier upon the Alps; but it is as absurd to suppose that a French sovereign will seriously contribute to the concentration of thirty millions of Germans under the Prussian crown, as it is to suppose that a Russian sovereign can desire to see Austria crowded out of Germany and forced into becoming an overwhelmingly Oriental Power.

The quarrel of the German Powers is indeed the opportunity of their formidable neighbors; but it is the opportunity not of one nor two but of all of those neighbors, and from this simple fact it results that however severely the storm may rage for a time, it is tolerably certain at the end to leave neither of the States engaged, seriously and permanently weakened to the permanent and serious advantage of the other. For while France necessarily wishes to see Austria maintain a position from which she can act as a permanent check upon the consolidation of Germany, it is important to Russia that Prussia should be always strong enough to thwart any possible Austrian attempt at territorial aggrandizement in the direction either of the Elba or the Danube. The conflicting ambitions of France, Italy and Russia, therefore, may be relied upon to neutralize each other so far as to make it the common interest of all these powers to prevent either Prussia or Austria from being absolutely victorious or absolutely crushed in their imminent collision.

There will be a terrible waste of money and of men on both sides. Italy, probably, and possibly France may gain positive accessions of territory in the final adjustment of the consequences of the war. Prussia will pretty certainly miss that prize of imperial aggrandizement which the reckless and unscrupulous Count Bismark seems to have set his heart upon winning for her; while Austria, if she is forced to surren-

der Venetia, may eventually learn to regard that loss alone as a handsome return for all the treasure and blood invested by her in a war the prospect of which amazes and disgusts all Europe, so scandalous were the circumstances which first made it possible, and so disgraceful have been the folly and perverseness which have developed that original possibility into the most alarming probability of the hour.

### THE STATE TAX ON SALES.

The commercial public are taken by surprise with the discovery that, at the late session of the Legislature, a bill was passed imposing heavy taxes upon transactions of brokers and auctioneers. The measure was smuggled through with a secrecy which indicates that its promoters were afraid to have it submitted to the test of public opinion, and with a suddenness which shows that it was deemed unsafe to admit the discussion of its merits. The main features of the bill consist in the imposition of the following rates of duty upon the sales of brokers and auctioneers:

*First*—All wines and ardent spirits, foreign or domestic, at the rate of \$1 on every \$100.

*Second*—All goods, wares, merchandise and effects imported from any place beyond the Cape of Good Hope, at the rate of fifty cents on every \$100.

*Third*—All other goods, wares, merchandise or effects which are the production of any foreign country, at the rate of seventy-five cents on every \$100.

Probably the sales and resales at New York of the classes of commodities here subjected to tax will not aggregate below \$600,000,000 per annum. On a large proportion of the products the wholesale profits are very light; so that a tax of  $\frac{1}{2}$ @1 per cent amounts to a serious drawback upon the gains of the merchant. The duty would, of course, have to be charged by the agent upon the buyer or seller. If upon the seller, he would find it unremunerative to continue his business, and would either remove to some place where he could supply his customers free from the tax, or employ his capital in some other manner. If upon the buyer, he would prefer making his purchases at Boston or Philadelphia, where commerce is free from such imposts. In either case, the trade of New York would inevitably be seriously damaged. A duty of  $\frac{1}{2}$ @1 per cent upon wholesale transactions is quite sufficient to render an important proportion of the trade of this city unprofitable; and having that effect, its ultimate result would be to banish a large amount of our business to other cities. For years, Boston held a comparative monopoly of the trade in Eastern products; the municipal authorities imposed a tax of  $\frac{1}{2}$  per cent upon sales of teas, and ever since, that important trade has been held by New York merchants. The policy of our own Legislature is to drive that branch of commerce, and other branches along with it, back again to Boston, by the imposition of a duty double that which banished it from thence. In the foreign wool trade there has always been a close competition between this city and Boston. The New England metropolis has an important advantage in being nearer to the manufacturers of that section than New York, and it has been only by dint of superior enterprise that the wool brokers of

this city have been able to secure the lion's share of this important branch of commerce. The Eastern manufacturers, aware that they must pay  $\frac{1}{2} @ \frac{3}{4}$  per cent more here than at Boston, may, of course, be expected to give the preference to the Boston market. There are mills in New England which give their half million orders for wool; can those buyers be expected to come into this market when they are aware that, upon their purchase, they must pay to the State three or four thousand dollars? In this city there is sold, annually, not less than \$25,000,000 of dry goods at public auction. By the removal of these goods to Philadelphia or Boston for sale, the importers could save about \$200,000 of duty; is it to be supposed that such an important economy would not induce the selling of a large amount of dry goods at those cities? And would not the increase of auctions at those places, tend to divert thither much of the private trade in foreign dry goods of which we have now almost an exclusive advantage? The new duties may be shown to operate similarly in the case of all the leading branches of our foreign commerce. These allusions serve to show that the enforcement of this law must result in incalculable injury to the commerce of this port. Indeed, had the problem before the Legislature been, how to banish trade from New York to the competing cities of New England and Pennsylvania, no better solution could have been given than this very measure.

We are at a loss to conceive what motive can have led to the adoption of this suicidal act. If it be supposed that the aim was simply revenue, then it is difficult to conceive that a body of men, undertaking to legislate for the largest and wealthiest State on the Continent, could be so utterly ignorant as not to perceive that the measure is fraught with the most serious danger to our commerce. If we assume that the object sought was the multiplication of lucrative offices for politicians; then we are compelled to admit that legislative corruption has gained an ascendancy utterly incompatible with commercial prosperity. Some regard the measure as instigated by a few merchants, who desire to get rid of the mediation of brokers and auctioneers. This supposition would seem to be countenanced by the fact, that the duty is imposed upon the transactions of these parties only; and that a bond of \$5,000, with two sureties, is required from them by the law. The middlemen are no doubt a thorn in the side of merchants who would prefer coming into direct contact with buyers. The auctions, too, are regarded as a nuisance by a class of importers who prefer doing their business at private sale. The broker and the auctioneer, however, perform important services to both buyers and sellers, for a very moderate charge; and no stronger evidence of their value to the community could be given, than the fact they are so extensively employed. They supply the brain and energy of our exchanges; and we could no more dispense with their functions, than the jobber could conduct his business without buyers or salesmen.

Serious doubts are entertained of the constitutionality of the law; and the question will probably be tested at an early day before the courts. The bill has the serious defect in construction that it imposes a tax without specifying the object to which the proceeds shall be applied; while Art. VII, § 13 of the State constitution provides that—

“Every law which imposes, continues or revives a tax, shall distinctly state the tax, and the object to which it shall be applied; and it shall not be sufficient to refer to any other law to fix such tax or object.”

It would seem probable that, upon this ground at least, the law may be pronounced unconstitutional.

We have rarely seen the mercantile community so exasperated under a sense of legislative outrage. All feel that their interests are gravely threatened, and that an immediate remedy must be found. We cannot but hope that the authorities will hold the execution of the law in abeyance until either the courts have declared it unconstitutional, or the legislature has cancelled the wrong.

### PORK PACKING IN CHICAGO.

HOW HOGS ARE BUTCHERED—KILLING PENS—CLEANING AND PREPARING—CUTTING UP AND SALTING—RESULT OF THE BUSINESS SEASON OF 1865-66—HISTORY OF BUSINESS—CHICAGO THE GREATEST PORK AND BEEF MARKET IN THE WORLD—RECEIPTS AND SHIPMENTS 1852-66—PACKING IN WESTERN STATES—DECREASE OF HOG CROP—SUBSIDIARY MANUFACTORIES—GENERAL REFLECTIONS, ETC.

THE process of butchering hogs, as practiced in our packing houses, is well worthy of examination and description. During the winter, when the packing houses are busiest, it is well worth the trouble of any one to visit them and learn. On this, and the general subject of the hog trade, we compile the following from the *Chicago Times* of March 19, 1866:

#### HOW HOGS ARE BUTCHERED.

The packing houses of Chicago are mostly situated at Bridgeport, that long suffering and much abused suburb, whose offence is so rank it smells to heaven—and to Chicago; Bridgeport, whose odoriferous winds are the occasion of many invectives and much turning up of noses throughout the warm summer months, and which is generally famed in the city for its foul slough, its foul waters, its foul streets and its foul smells.

At this season Bridgeport is not odoriferously fragrant, unless a prevailing odor of fresh blood and hot lard may be deemed offensive. The Healy slough is frozen over and conceals its foul corruptions under its icy breasts. The snow and ice conceal the filthy streets. The water is mostly hidden by ice; but the little streams which run through ditches to the river, and in some places overflow the river, vary in hue from a delicate rose to a rich crimson, and a lively imagination might conceive them as rivulets of wine fresh from the press where the glancing feet of merry girls are trampling out the vintage, when, in fact, they are fresh from the gaping throats of butchered hogs and bullocks. During the summer Bridgeport is but a very sorry place. The packing houses are closed, and with them closes the life and activity of Bridgeport. Nothing is doing. The men are absent in the country, or in the city, at work. The bellowing of bullocks, and the bleating of sheep, and the grunting of swine has ceased. The very waters partake of the general stagnation, and the Healy slough is itself again, tweaking us all by our noses and defying the Common Council to meddle with it.

But we have come to Bridgeport to see the packing houses and learn how cattle and hogs are manufactured into the various products known as mess, prime mess, long and short middles, Cumberlands, Stretford, lard, tallow, white and yellow grease, etc.. We see numerous broad, flat-

roofed, low, solid-looking brick and stone buildings, usually adorned with a tall chimney and surrounded by an acre or two of barrels and boxes, and with a side track running from the railroad to their very doors. These are the packing houses. Let us enter one. Shades of the porcine race? here are the pallid corpses of 2,000 slaughtered porkers hanging before our eyes, each with his heels to the ceiling, his nose to the floor, and his tail, no longer curled according to the latest swinish style, but hanging down, limp and lifeless, behind his back.

We are in Reid & Sherwin's packing-house, one of the best managed, though not the largest in the city. The obliging clerk will volunteer his services as guide. We wend our way around the ghastly army of suspended swine to the end of the building, where a scene strikes the eye worthy of the artist, though it would be hard for either brush or pen to portray the rapidity of movement, the vigor of action, and determined, relentless expression which gives this group of laborers, slashing with knives and cleaving with axes, the appearance of soldiers in the thick of battle, while the cloud of vapor which envelopes the scene might well be fancied the smoke of villainous saltpetre. Our guide passes on; we close our lips resolutely and follow recklessly. People who wear good clothes will do well to change their dress before making such a venture; Bohemians need be at no such trouble. One step forward and you find yourself in the warm embrace of a monster pig, fresh from the scalding vat and scraping bench. You leap to one side to avoid this danger and thrust your elbow among the viscera of a freshly disembowled hog, before which a stalwart man is flourishing a keen and glittering knife. A step forward and you are ankle deep in warm blood, through which you wade several feet till you reach an elevated platform, on which stand the workmen at the scraping bench. You creep by these dragging your skirts over piles of wet and dirty bristles, reckless alike of brandished knives and swinish filth, and at last reach the killing pens and are ready to commence your investigations.

We are in the second story of the building. Down on the ground at a little distance are the pens where the stock is confined. From these an inclined plane, a veritable porcine bridge of sighs, leads up to the

#### KILLING PENS.

Of these there are two, so arranged that one may be filled with hogs from the inclined plane while the hogs are killed and dragged out from the other. Four or five little urchins urge the pigs up the inclined plane. The way is long and hard, and piggy grunts complainingly. He enters gladly into the killing pen, and welcomes it as a harbor of rest. Alas! though the way which he has trodden was straight and narrow, the end thereof is death. The pen is filled. The pigs are crowded thick together and lie contentedly dreaming, perhaps, of some piggish paradise, when lo! the executioner appears. It is the last of earth for piggy. This wingless angel of death, armed with a pointed hammer, stalks over their broad backs and taps each fated pig on his forehead, just between the organs of language and music, (speaking phrenologically,) and every touch is death. Without a groan or a grunt, without a struggle or a kick of agony, he sinks gently to the floor, never to rise again, bearing on his countenance the same look of placid contentment that it used to wear

when wallowing in his chosen mire. Piggy is a corpse. Let us follow his mortal remains.

Two cruel men enter the pen now full of swinish corpses. They insert a hook into one of his eyes and drag him out. Piggy does not complain of the hook. If he did they would tell him: "It is all in your eye." He now lies on a floor formed of plank about four inches wide and an inch apart. A new character appears upon the scene. He is a mild-eyed, meek-looking man in a laborer's dress. He carries a short, sharp knife in his hand, and a butcher's steel hangs at his side. Yet you do not suspect him. He wears the look of an honest man, and you would not feel afraid to trust your life or your fortune in his hands. Truly, appearances are often deceiving. That man is a professional cut-throat! Boldly and openly, in broad daylight, he carries on his bloody work. In a single day he has been known to plunge his glittering blade into more than a thousand bodies, and for a paltry salary he devotes himself to his chosen trade of bloodshed week after week and month after month. The bleeding bodies of his victims lie thick around him, the hot blood running in a crimson tide from their throats to the vat beneath, which at the close of the day's work contains hogsheads of blood.

#### CLEANING AND PREPARING.

The mortal remains of these slaughtered innocents are now to be prepared for the embalmer. Adjoining the floor on which they lie is a huge vat, about five feet wide and ten or twelve feet long, filled with water, which is kept constantly scalding hot. Beyond it is the long table which we passed on our way to the killing pens. This is the swinish tonsorial palace. Piggy first takes a hot bath. He is plunged into the vat, and kept beneath the surface of the scalding water by four men with sticks, who pass him along to the scraping block. By the time he has reached this he is thoroughly washed and ready to have his hair dressed. To accomplish this he is lifted by a sort of hinged cradle from the scalding vat to the scraping table, where he is immediately attacked by four scrapers, who soon deprive him of every hair and bristle, the latter being preserved in barrels for the brush manufacturer, the former being converted into curled hair, soon to appear in the cushioned seats of luxurious chairs and lounges in richly furnished parlors. As soon as he is out of the hands of the hair-dresser, our pig takes a shave. Four men, with long, sharp knives, do the job for him. They do it neatly, too. The swinish skin is as smooth and white as if it had been subjected to a first-class barber. The fashion among swine varies somewhat from that prevalent among humans, in that they have the whole body shaved, while the face is left untouched. The pig is now at the end of the platform, and ready for the honorable Japanese ceremony of *hari kari*. He is suspended by the heels on one of the arms of a revolving horizontal wheel. Before him stands the great disemboweler, a stalwart, muscular man, who holds in his right hand a keen knife, which he wields with marvelous power, accuracy and rapidity. None but the most skillful can do this work. He raises his knife strikes a blow, cleaves the belly of the hog in a trice from tail to throat, thrusts his arms into the loosened viscera, separates in the twinkling of an eye the lungs, heart, and liver from the stomach and intestines, throws the latter upon a table where men and boys stand ready to remove the

lard, tosses the bladder into a barrel, where it is preserved to be filled with lard, and drops the other visera on the floor, where they are seized by boys whose duty it is to dispose of them. The wheel is then turned and another hog presented to the attention of our friend with the knife. The rapidity with which this man works is perfectly astounding. We watch him three minutes, and in that time he has dissected nine hogs. He has been known to conduct 1,200 *post mortem* examinations in ten working hours, and then be ready to do as much the next day.

#### CUTTING UP AND SALTING.

The hog is now passed, still hanging on the wheel, to a man who deluges it thoroughly with cold water, till it is washed clean inside and out. By an ingenious contrivance it is lifted from the wheel, still hanging by his heels, and transferred to a railroad, along which he is shoved until opposite the hanging floor, where another workman separates the shoulders with a cleaver, and still another loosens the leaf lard from the sides and spreads the sides by inserting a short stick, an operation technically called "raising," and designed to expose the flesh of the animal to the air as completely as possible, that it may cool rapidly. The hog is then transferred to the room in the hanging floor, where he is to remain suspended until he is ready for the hands of the cutter and the packer, who are to embalm the swinish corpse.

The packing-houses of Chicago exemplify in a most remarkable manner the advantages of a proper division of labor, and simple labor-saving machinery. The amount of work done by 20 men in one of these establishments would require at least 500 workmen, as butchering is usually conducted on a well-regulated farm, even with furnaces and vats for heating water, and other conveniences seen only on the best managed farms. For this reason slaughtering and packing can be much more cheaply done in a large establishment than on any farm, even if labor there is comparatively cheap.

#### THE RESULT OF THE BUSINESS SEASON OF 1865-66.

There has been an excellent demand for all provisions this season, and packers have been unwilling to take risks by holding products, but have sold almost as fast as they have manufactured. Consequently the stock on hand is unusually light, lighter indeed than it has been at this season for several years before. A large and increasing southern demand has sprung up since the close of the war, which has supplied to a great extent the place of the enormous demand for army consumption, which for several years has required a large portion of our products.

The following table shows the number and the average net weight of hogs, and the quantity of the different kinds of pork packed by the different establishments in the city during the season of 1865-6:

Packers.	Number		Avg net		Barrels packed			
	Live.	Dres'd.	Total w'ght.	Mess.	Pr. mess.	Ex do.	Rmp	
Cragin & Co.....	43,144	11,036	54,200	231	12,170	1,559	705	774
Culbertson, Blair & Co.....	28,177	23,967	52,144	232½	13,105	1,660	1,507	814
A. E. Kent & Co.....	8,000	30,000	38,000	229	11,500	.....	.....	.....
Reed & Sherwin.....	32,016	.....	32,016	211	6,289	747	.....	80
J. M. Spafford & Co.....	9,692	20,770	30,462	220	4,541	210	.....	.....
Geo. W. Higgins & Co.....	.....	21,162	21,162	226½	5,000	.....	100	.....
Boyd & Small.....	19,485	846	20,331	213	1,547	307	.....	134
Brainard, Burt & Co.....	2,538	14,349	16,887	233	5,803	.....	168	78
G. S. Hubbard & Co.....	11,870	4,548	16,418	224	5,325	192	.....	227

Freeman, Ruggles & Crosby.....	15,738	15,738	225	5,243	....	....	100
Worster, Hough & Co.....	14,478	120	14,598	223	3,116	....	857 217
Millward, Barron & Co.....	13,486	963	14,449	200	420	....	421
D. Kreigh & Co.....	14,241	....	14,241	239½	2,876	475	136
Pulsifer.....	3,066	10,428	13,494	232	2,395	148	....
S. McKichan & Co.....	291	12,987	13,278	238½	2,943	8	630
Bowers & Co.....	12,730	....	12,730	232	1,496	....	....
Jones & Gifford.....	12,016	....	12,016	232	1,778	240	....
Dow, Quirk & Co.....	4,598	6,873	11,471	255	4,009	....	....
Rhodes & Whyte.....	3,369	6,801	10,170	251½	1,854	131	150
Tobey & Booth.....	9,061	376	9,437	221	2,129	....	....
C. L. Palmer & Co.....	7,007	1,206	8,213	218	1,491	120	80
Griffin Brothers.....	5,729	2,470	8,199	230	2,043	....	722 127
Leland & Mixer.....	1,671	5,376	7,047	215	1,302	36	540
Turpin & Co.....	6,625	....	6,625	244	820	....	134
Shaw & Co.....	5,891	....	5,891	219	1,280	....	26
Thorne & Co.....	5,199	....	5,199	217	1,520	....	35
Nash, Thos. & Co.....	5,028	....	5,028	210	....	....	50
John Hayward.....	4,540	222	4,762	253	2,115	....	....
John Nash.....	2,677	139	2,816	209	85	....	....
H. Brinkworth.....	....	2,434	2,434	245½	....	....	....
Sunderland & Co.....	3,617	99	3,716	230	986	....	....
Joseph Nash.....	1,415	215	1,630	200	50	....	....
Hurlburt & Co.....	1,830	....	1,830	246	724	....	....
R. & W. H. Smith.....	....	1,410	1,410	261	490	....	....
Gardner & Co.....	967	....	967	220	490	60	....
W. C. Reed & Co.....	....	1,160	1,160	260	376	40	18
Stewart, Sanger & Hollihan.....	6,520	....	6,520	197	530	....	....
Tur er & Nicoles.....	....	....	....	....	....	....	....
Six houses, estimated.....	....	4,773	4,773	....	....	....	....
Total years.....	300,974	200,488	501,462	236.73	107,361	5,933	5,698 3,130
Year 1864-5.....	598,204	151,943	750,147	178	101,717	166,694	....

The decrease since last year in the number of hogs packed amounts to 248,685 head, but the average weight shows an increase of 27 per cent. The decrease in the amount of cured product is probably equal to 15,000,000 pounds.

A statement of the current prices for each week from Nov. 4, 1865, to March 17, 1866, compiled from actual transactions, is given below :

Date.	Live hogs, gross.	Dressed hogs, net.	Mess pork.	Prime mess pork.	Ex. prime pork.
Nov. 4, 1865..	10 00@11 25	....@....	35 00@....	26 00@27 50	....@....
Nov. 11, 1865..	11 00@11 50	....@....	34 00@....	26 00@27 00	....@....
Nov. 18, 1865..	10 50@12 50	....@....	33 00@23 50	....@....	....@....
Nov. 23, 1865..	9 50@10 75	....@....	32 00@23 00	25 00@25 50	....@....
Dec. 2, 1865..	8 50@ 9 50	....@....	27 50@28 00	....@....	20 00@....
Dec. 9, 1865..	9 25@10 00	11 00@11 50	26 50@27 00	....@....	....@....
Dec. 16, 1865..	8 25@ 9 25	11 00@11 25	27 00@....	....@....	....@....
Dec. 23, 1865..	8 50@ 9 10	10 25@10 75	27 00@27 50	....@....	20 00@....
Dec. 30, 1865..	9 25@10 00	11 00@11 50	27 50@28 00	25 00@....	22 00@....
Jan. 6, 1866..	8 50@ 9 00	9 75@10 00	24 50@25 00	23 00@....	20 00@....
Jan. 13, 1866..	9 25@10 00	10 00@10 75	28 00@....	24 50@25 00	21 00@....
Jan. 20, 1866..	9 00@ 9 90	10 75@....	26 00@26 50	24 00@....	22 00@....
Jan. 27, 1866..	9 00@ 9 60	10 50@10 75	25 75@26 00	23 50@23 90	19 00@20 00
Feb. 3, 1866..	8 75@ 9 75	10 75@....	26 25@26 50	23 00@23 50	18 50@19 00
Feb. 10, 1866..	9 00@10 00	11 00@11 15	26 50@27 00	23 50@24 00	20 00@....
Feb. 17, 1866..	8 75@10 00	10 75@11 00	26 00@26 25	23 50@24 40	19 00@....
Feb. 24, 1866..	9 25@10 00	11 00@11 25	26 00@26 50	24 00@25 00	19 00@20 00
Mch. 3, 18 6..	9 30@ 9 90	11 00@11 25	26 25@....	25 00@....	19 00@20 00
Mch. 10, 1866..	9 00@ 9 50	10 75@11 00	25 75@26 00	24 50@25 00	19 00@20 00
Mch. 17, 1866..	9 00@ 9 75	10 25@10 50	25 75@26 00	24 00@24 50	19 00@20 00

1865.	Lard		Grease		Sugar pkld hams.	Bulk Meats	
	Prime.	No. 1.	White.	Yellow.		Sides.	Shoulders.
Nov. 1...	23 @28½	27 @27½	17 @....	14 @....	19 @....	16½@....	14½@....
" 11...	27 @27½	26 @....	17 @17½	15 @16	19½@20	17½@17½	15½@....
" 18...	26 @26½	25 @25½	17 @....	14 @....	19 @19½	17½@....	15½@....
" 25...	23 @24	21½@22	16 @....	14 @....	16½@....	15½@16	13½@14
Dec. 2...	24 @21	....@....	16 @....	14½@....	14 @15	....@....	....@....
" 9...	19 @18½	18 @18½	15 @16	13 @14	....@....	....@....	9¾@10
" 16...	17½@18	16 @17	15½@....	14 @....	....@....	....@....	11 @11½
" 23...	17 @18	16½@16½	14 @....	13 @13½	....@....	....@....	11 @....
" 30...	17½@18½	17 @17½	14 @15	14 @14	16 @16½	14 @....	11½@11½

1866.															
J.n.	6...	16 $\frac{1}{2}$	@16 $\frac{3}{4}$	15 $\frac{1}{2}$	@15 $\frac{3}{4}$	14	@...	12 $\frac{1}{2}$	@13	17	@....	12 $\frac{1}{2}$	@14	10 $\frac{1}{2}$	@....
"	13...	17	@17 $\frac{1}{2}$	16	@16 $\frac{3}{4}$	14	@....	13	@....	16	@17	13 $\frac{1}{2}$	@....	11	@....
"	20...	17	@17 $\frac{1}{2}$	16	@16 $\frac{3}{4}$	14	@15	13	@....	16 $\frac{1}{2}$	@17 $\frac{1}{2}$	13 $\frac{1}{2}$	@14	11	@11 $\frac{1}{2}$
"	27...	17	@....	16	@16 $\frac{3}{4}$	14	@15	12 $\frac{1}{2}$	@13	16	@17	13 $\frac{1}{2}$	@....	11	@....
Feb.	3...	16 $\frac{1}{2}$	@17 $\frac{1}{2}$	...	@....	14	@15	12 $\frac{1}{2}$	@13	16	@17	13 $\frac{1}{2}$	@13 $\frac{1}{2}$	10 $\frac{1}{2}$	@11
"	10...	16 $\frac{1}{2}$	@17	16	@16 $\frac{3}{4}$	14	@15	12 $\frac{1}{2}$	@13	16	@17 $\frac{1}{2}$	13 $\frac{1}{2}$	@....	10 $\frac{1}{2}$	@11
"	17...	16 $\frac{1}{2}$	@17	16	@16 $\frac{3}{4}$	14	@15	12 $\frac{1}{2}$	@13	15 $\frac{1}{2}$	@17	13 $\frac{1}{2}$	@13 $\frac{1}{2}$	10 $\frac{1}{2}$	@11
"	24...	17 $\frac{1}{2}$	@18 $\frac{1}{2}$	17	@17 $\frac{1}{2}$	15	@....	13	@....	15 $\frac{1}{2}$	@17	13 $\frac{1}{2}$	@14	10 $\frac{1}{2}$	@11
March	3...	18	@18 $\frac{1}{2}$	17	@17 $\frac{1}{2}$	15	@....	13	@13 $\frac{1}{2}$	16	@17	13 $\frac{1}{2}$	@14	10 $\frac{1}{2}$	@10 $\frac{1}{2}$
"	10...	17 $\frac{1}{2}$	@18	17	@17 $\frac{1}{2}$	15	@15 $\frac{1}{2}$	13	@13 $\frac{1}{2}$	16	@17	13 $\frac{1}{2}$	@14	10	@10 $\frac{1}{2}$
"	17...	18	@....	17	@17 $\frac{1}{2}$	15 $\frac{1}{2}$	@....	12 $\frac{1}{2}$	@13	16	@17	13	@13 $\frac{1}{2}$	10 $\frac{1}{2}$	@10 $\frac{1}{2}$

		Green meats.			English meats.				
		Hams.	Sides.	Sho'lders.	Short boneless.	Short middles.	Long boneless.	Long boneless.	Cumber-lands.
Nov.	4, 1865	18 @..	.. @..	.. @..	.. @..	.. @..	.. @..	.. @..	.. @..
"	11,	18 @..	16 @..	12 $\frac{1}{2}$ @13	19 @..	18 @..	19 @..	17 @17 $\frac{1}{2}$	16 $\frac{1}{2}$ @17
"	18,	18 @..	.. @..	.. @..	.. @..	17 @18	.. @..	.. @..	16 @16 $\frac{1}{2}$
"	25,	15 @15 $\frac{1}{2}$	14 @..	11 @..	.. @..	15 @..	.. @..	.. @..	14 @..
Dec.	2,	12 $\frac{1}{2}$ @13 $\frac{1}{2}$	.. @..	8 @ 9	.. @..	.. @..	.. @..	.. @..	12 $\frac{1}{2}$ @14
"	9,	13 @12 $\frac{1}{2}$	.. @..	9 @..	.. @..	14 @..	.. @..	.. @..	12 $\frac{1}{2}$ @..
"	16,	13 @14	.. @..	9 @..	15 @..	14 @14 $\frac{1}{2}$	.. @..	13 $\frac{1}{2}$ @14	13 @..
"	23,	14 @..	.. @..	9 @..	.. @..	.. @..	.. @..	.. @..	.. @..
"	30,	15 $\frac{1}{2}$ @15 $\frac{1}{2}$	13 @..	9 $\frac{1}{2}$ @10	16 @..	15 @15 $\frac{1}{2}$	.. @..	14 @14 $\frac{1}{2}$	14 @14 $\frac{1}{2}$
Jan.	6, 1866	15 @..	.. @..	8 $\frac{1}{2}$ @..	16 @..	14 @..	.. @..	13 @13 $\frac{1}{2}$	13 @..
"	13,	15 @15 $\frac{1}{2}$	11 @12	9 @ 9 $\frac{1}{2}$	16 @..	14 $\frac{1}{2}$ @15	.. @..	14 @..	12 $\frac{1}{2}$ @..
"	20,	15 @16	12 $\frac{1}{2}$ @12 $\frac{1}{2}$	9 @ 9 $\frac{1}{2}$	16 @..	15 @..	.. @..	.. @..	13 @13 $\frac{1}{2}$
"	27,	15 @16	12 @12	9 @ 9 $\frac{1}{2}$	16 @..	14 $\frac{1}{2}$ @..	14 @..	.. @..	13 @13 $\frac{1}{2}$
Feb.	3,	15 @16	12 @12 $\frac{1}{2}$	9 @ 9 $\frac{1}{2}$	16 @..	14 $\frac{1}{2}$ @14 $\frac{1}{2}$	.. @..	.. @..	13 $\frac{1}{2}$ @13 $\frac{1}{2}$
"	10,	16 @..	12 $\frac{1}{2}$ @12 $\frac{1}{2}$	9 $\frac{1}{2}$ @ 9 $\frac{1}{2}$	16 @..	14 $\frac{1}{2}$ @..	14 $\frac{1}{2}$ @..	.. @..	12 $\frac{1}{2}$ @..
"	17,	16 @..	.. @..	.. @..	16 @..	14 $\frac{1}{2}$ @14 $\frac{1}{2}$	.. @..	.. @..	13 @13 $\frac{1}{2}$
"	21,	16 @..	.. @..	.. @..	16 @..	14 @14 $\frac{1}{2}$	.. @..	.. @..	12 $\frac{1}{2}$ @13 $\frac{1}{2}$
Mar.	3,	16 @..	.. @..	.. @..	16 @..	14 $\frac{1}{2}$ @14 $\frac{1}{2}$	.. @..	.. @..	13 @13 $\frac{1}{2}$
"	10,	15 $\frac{1}{2}$ @..	.. @..	.. @..	16 @..	14 @15	.. @..	.. @..	13 $\frac{1}{2}$ @13 $\frac{1}{2}$
"	17,	.. @..	.. @..	.. @..	16 @..	14 $\frac{1}{2}$ @15	.. @..	14 @..	13 @13 $\frac{1}{2}$

HISTORY OF BUSINESS.

The first packing-house in the city commenced operations in 1835, when 3,500 hogs were cut and packed by Gurdon S. Hubbard. Since that time the business has increased with the growth and prosperity of the West, until it has assumed its present proportions as one of the three or four leading branches of business in this great commercial city. Until 1861 it has not assumed such proportions as to make the place prominently known as an important packing point. During the season of 1861-62 one-fifth of the whole number of hogs packed for market in the Western States were put up in the Chicago packing-houses. They furnished nearly one-fourth of the total product of these States during the season of 1862-63, and more than one-fourth the succeeding season; while during the season of 1864-65 almost one-third of all the hogs packed in the Western States were packed in Chicago. The business of the past year, though much less than that of 1864-65, shows that Chicago still maintains its position at the head of the packing-business of the country.

The increase in the business will be clearly indicated by the following table, which shows the number packed since 1852, together with their average weight and the entire number packed in the Western States since 1857:

Season.	Packed in Chicago.	Average weight.	Packed in W'n States	Season.	Packed in Chicago.	Average weight.	Packed in W'n States
1852-53	48,156	211	.....	1859-60	151,359	225	2,350,882
1853-54	52,849	249	.....	1860-61	271,805	240	2,155,702
1854-55	73,694	246	.....	1861-62	514,118	240	2,893,733
1855-56	80,380	233	.....	1862-63	970,873	227	4,069,520
1856-57	74,000	230	.....	1863-64	904,659	188	3,271,105
1857-58	99,262	230	2,210,621	1864-65	760,514	180	2,261,205
1858-59	170,684	200	2,445,552				

## CHICAGO THE GREATEST PORK AND BEEF MARKET IN THE WORLD.

These figures show Chicago to be the most prominent packing point in the world. It has secured that position by the advantages of its position and the perfection of its communications, both natural and artificial. To the east cheap transportation of provisions is afforded by lakes and canals; while from the west numerous lines of railroad furnish the only means of carriage which can profitably be used for the transportation of live stock. Living animals must be transported rapidly, for they rapidly become unfit for butchering. Canals and rivers never can compete with railroads for this class of freight. The country reached by railroads which lead into Chicago is especially productive of corn, and consequently well calculated for the production of hogs and cattle. These can be raised for this market at a profit even in the interior of Missouri, Iowa and Minnesota, although the freights on grain from points so distant make it a profitless crop unless fed to stock. Little of the grain received in this market is raised west of the Mississippi. The rates of freight will not permit it. The territory from which we receive live stock is four or five times as extensive as that from which we receive grain. Great as is this branch of business, it is yet in its infancy. Chicago must always be the great live stock emporium, and the great provision manufacturer for the Eastern and European markets. For a number of years Cincinnati was the greatest packing point in the country, and was known to every one as the great Porkopolis. Until 1861 she held the palm. Her business has not decreased, but ours has increased. The following table will illustrate the extent and the growth of this business in these two cities since 1854:

Season.	Chicago.	Cincin' <sup>ti</sup>	Season.	Chicago.	Cincin' <sup>ti</sup>
1854-55	73,094	355,736	1860-61	271,805	433,799
1855-56	80,380	405,396	1861-62	514,118	474,167
1856-57	74,000	344,512	1862-63	970,873	608,457
1857-58	99,262	446,677	1863-64	904,639	357,640
1858-59	170,684	832,826	1864-65	750,147	359,600
1859-60	151,359	434,499	1865-66	501,463	354,079

## RECEIPTS AND SHIPMENTS.

The receipts and shipments of hogs at Chicago since 1852 are shown in the following table:

Season.	Received.	Shipped	Season.	Received.	Shipped
1852-53	65,158	10,000	1859-60	255,384	71,266
1853-54	73,950	10,628	1860-61	354,684	119,836
1854-55	178,565	52,881	1861-62	746,697	223,633
1855-56	308,538	188,751	1862-63	1,236,545	316,881
1856-57	220,702	103,074	1863-64	1,377,652	471,000
1857-58	243,216	88,546	1864-65	1,085,008	316,578
1858-59	251,102	46,431	1865-66	803,405	246,786

## PACKING IN THE WESTERN STATES.

The following table shows the number of hogs packed in the seven States—Ohio, Illinois, Indiana, Iowa, Missouri, Wisconsin and Kentucky—since 1860. It is, of course, incomplete, because many of the smaller towns make no returns, but includes the business of all the leading packing points:

Season.	No. packed.	Season.	No. packed.
1860-61	2,155,302	1863-64	3,271,105
1861-62	2,711,733	1864-65	2,261,205
1862-63	4,069,520		

## THE DECREASE OF THE HOG CROP.

It will be remarked that the hog crop reached its maximum in the season of 1862-63, and that there has been since that time a considerable decrease in production. That this has not been occasioned by a decrease in the demand will be very plainly shown by a comparison of the prices paid for live and dressed hogs for a series of years. The table shows the highest and the lowest prices paid during the season :

Season.	Live hogs, per cwt.	Dressed hogs, per cwt.	Season.	Live hogs, per cwt.	Dress'd hogs per cwt.
1858-59.....	\$3 50@ 5 75	\$4 50@ 7 50	1862-63.....	\$2 15@ 4 50	\$3 50@ 4 45
1859-60.....	3 50@ 5 50	4 00@ 7 00	1863-64.....	3 00@ 7 50	4 00@ 8 50
1860-61.....	4 25@ 5 75	4 75@ 6 50	1864-65.....	6 25@13 00	11 00@15 12½
1861-62.....	2 15@ 3 00	2 50@ 3 75	1865-66.....	8 25@12 50	9 75@11 50

During the war the demand for pork was unusually and unnaturally great. To answer this demand farmers pushed forward all the animals which would answer for market, including many which, under ordinary circumstances, would have been preserved for stock and for breeding. The consequence was that the number of animals was sensibly diminished, and the crop of 1863-64 considerably less than that of the previous season. The next season shows a remarkable falling off in the crop from the action of similar causes, and, as a consequence, the demand continuing remarkably great, and the supply being remarkably small, prices rose enormously, and dressed hogs, which sold at \$3 50 per cwt. in the first year of the war, brought \$15 readily before it closed.

With the close of the war the army demand has ceased, but in its place we have an extensive Southern demand, and as the crop has not increased, but considerably decreased, prices have continued better than were ever known before last year, in spite of the cheapness of corn.

## SUBSIDIARY MANUFACTURES.

In enumerating the manufactories of the city it is not usual to include the packing-houses; yet these are truly manufactories, where raw material, such as cattle and hogs, are transformed into pork, beef, hams, lard, tallow, etc., by the aid of machinery and labor. This business is one of the most important interests of the city, and occupies the capital and capacity of many of our most energetic and wealthiest citizens, gives employment to thousands of laborers, and produces a very large proportion of our exports. It is easy enough to count the packing establishments and to ascertain the number of laborers which they employ, but this will give us only a slight idea of the industrial importance of the business. Besides the men who are directly employed in the packing-houses, we must remember the hundreds who are engaged in moving the stock and the provisions manufactured from them to and from the various depots, and in connection with the carriage of such freight on the railroads which bring in stock and dressed hogs and take out provisions.

The manufacture of barrels and tierces and packing boxes, which is so extensive in the city, and gives employment to hundreds of mechanics at a season when work is usually scarce, is supported entirely by the packing interest. The consumption of salt in these establishments is enormous, and creates an immense trade in this material, giving employment to ships and sailors and dealers. The business of the packing-houses is

mostly confined to four months of the cold season, when laborers are unable to prosecute such occupations as are practiced in the open air, and when work is scarce. During the winter months, hundreds of carpenters, masons and bricklayers, and thousands of laborers who find employment in the summer in lumber yards, and in connection with building, are left without their accustomed occupation. These packing houses afford employment at this time, and many who exercise mechanical occupations during the summer find steady work and good pay in them throughout the winter. Some idea of the importance of this business may be gathered from the fact that more than \$20,000,000 was expended by our packers last year for the cattle and hogs which they put up.

#### GENERAL REFLECTIONS, ETC.

The advantages of this business, however, are not limited to the citizens of Chicago. Our packing-houses are of immense importance to all the producers of stock. Everything which in any way facilitates the transportation of produce from the farm to the consumer is of great value to the producer. Hogs and cattle, when reduced into barrels of pork and beef, of lard and tallow, are not only materially reduced in weight, but put into a much more convenient and manageable form. A few days' confinement in cars tells wonderfully on these stock. The shipper must not only pay freight on good butchers' meat, but also on blood and bones, horns, hoofs and all manner of offal; he must hire men to care for them, and buy hay and grain to feed them. Barrels of provisions, on the contrary, submit to be rolled about from wagon to car and warehouse; they will rest contentedly and without injury on the longest journey, with no one to watch over and take care of them; they require no outlay for either food or drink, and are neither decreased in weight or injured in quality by hard travel or long keeping. There is every reason why the cattle and hogs of the west should be butchered and packed,—in other words, should be manufactured into provisions,—before they are exported, and it is not to be wondered at that Chicago and Cincinnati have become the greatest packing points in the world. The causes which are now operating will continue to operate, and we can hardly fix a limit to the increase which may be expected in packing operations. The great weight of grain compared with its value will always tend to discourage shipments of breadstuffs to distant markets, and we must expect to see trade in live stock and provisions increase more rapidly, and reach greater proportions, than the grain trade. There are many reasons why it is desirable that the farms of the west should be devoted to raising stock rather than grain for export. Besides the difference in the cost of transportation which has just been mentioned, a very important consideration is the difference in the effect upon farming lands. Repeated crops of wheat and corn will eventually exhaust even the rich soil of western prairies; flocks and herds enrich the field which feed them. Continued cropping of prairie farms will sooner or later leave the land, like that of the exhausted plantations of Virginia, barren and unproductive; while a system of culture which includes the raising of animals, and consequently the production and use of fertilizing agents, will preserve and increase the productive capacity of this magnificent agricultural country which is now deservedly known as the garden of the world.

## THE UNITED STATES DEBT.

## DEBT BEARING INTEREST IN COIN.

Denominations.	March 1.	April 1.	May 1.
6 per cent, due December 31, 1867.....	\$9,415,250	\$9,415,250	\$9,415,250
6 do July 1, 1868.....	8,908,342	8,908,342	8,908,342
5 do January 1, 1874.....	20,000,000	20,000,000	20,000,000
5 do January 1, 1871.....	7,022,000	7,022,000	7,022,000
6 do December 31, 1880.....	18,415,000	18,415,000	18,415,000
6 do June 30, 1881.....	50,000,000	50,000,000	50,000,000
6 do June 30, 1861, exc'd for 7.30s.....	139,288,110	139,284,650	139,213,150
6 do May 1, 1867-82 (5.20 years).....	514,780,500	514,780,500	514,780,500
6 do Nov. 1, 1870-85 (5.20 years).....	100,000,000	100,000,000	100,000,000
6 do Nov. 1, 1870-84 (5.20 years).....	61,263,000	65,175,500	71,000,500
5 do March 1, 1874-1904 (10.40s).....	172,769,100	171,219,100	171,219,100
6 do July 1, '81 (Oregon war).....	1,016,000	1,016,000	1,016,000
6 do June 30, 1881.....	75,000,000	75,000,000	75,000,000
<b>Aggregate of debt bearing coin interest.....</b>	<b>\$1,177,867,292</b>	<b>\$1,180,236,342</b>	<b>\$1,186,092,842</b>

## DEBT BEARING INTEREST IN LAWFUL MONEY.

4 per cent Temporary Loan	} 10 days' notice. }			
5 do do		\$118,577,939	\$121,751,970	131,497,854
6 do do				
6 do Certificates (one year).....		62,264,000	62,258,000	62,620,000
5 do One and two-years' notes.....		8,536,900	8,536,900	6,036,900
5 do Three years' com. int. notes.....		174,012,141	172,012,141	167,012,141
6 do Thirty-year bonds, (Cent'l Pacific R.).....		2,362,000	2,362,000	2,312,000
6 do do (Union Pacific R. E. Div.).....		1,632,000	2,272,000	2,272,000
7.30 do Three years' treasury notes, 1st series.....	} 818,044,000			
7.30 do do do 2d series.....			\$17,014,000	\$16,512,650
7.30 do do do 3d series.....				
<b>Aggregate of debt bearing lawful money interest.....</b>		<b>\$1,179,475,236</b>	<b>\$1,186,207,011</b>	<b>\$1,188,313,545</b>

## DEBT ON WHICH INTEREST HAS CEASED.

7.30 per cent Three-years' Notes.....	\$167,350	} \$930,680	} \$877,730
do Texas Indemnity Bonds.....	618,000		
Other bonds and notes.....	200,030		
<b>Aggregate of debt on which interest has ceased.....</b>	<b>\$985,780</b>		

## DEBT BEARING NO INTEREST.

United States Notes.....	\$423,435,373	\$422,749,252	\$415,164,318
Fractional currency.....	27,523,734	28,005,452	28,192,017
Currency.....	\$450,959,107	\$451,754,704	\$443,856,335
Gold certificates of deposit.....	12,627,600	9,665,160	9,036,420
<b>Aggregate of debt bearing no interest.....</b>	<b>\$463,586,707</b>	<b>\$461,419,864</b>	<b>\$452,392,755</b>
Amount in Treasury—			
Coin.....	\$55,796,192	\$62,069,701	\$76,676,407
Currency.....	60,282,767	60,077,680	61,310,622
<b>Total in Treasury.....</b>	<b>\$116,018,959</b>	<b>\$122,147,381</b>	<b>\$137,987,029</b>

## RECAPITULATION.

Debt bearing interest in coin.....	\$1,177,867,292	\$1,180,236,342	\$1,186,092,842
Debt bearing interest in lawful money.....	1,185,428,980	1,186,207,011	1,188,313,545
Debt on which interest has ceased.....	985,780	930,680	877,730
Debt bearing no interest.....	463,586,707	461,419,864	452,392,755
<b>Aggregate debts of all kinds.....</b>	<b>\$2,827,868,759</b>	<b>\$2,827,793,896</b>	<b>\$2,827,676,872</b>
Cash in treasury.....	116,018,959	122,147,381	137,987,029

## LEGAL TENDER NOTES IN CIRCULATION.

One and two years' 5 per cent notes.....	\$8,536,900	\$8,536,900	\$6,036,900
United States notes (currency).....	423,435,373	422,749,252	415,164,318
Three years' 6 per cent compound int. notes.....	174,012,141	172,012,141	167,012,141
<b>Aggregate legal tender notes in circulation.....</b>	<b>\$605,984,414</b>	<b>\$603,298,293</b>	<b>\$588,213,359</b>

## APPLICATION OF HYDRAULICS TO STEAMSHIPS.

The London *Daily News* says that on the 7th of April an unpretending looking little steamship of eighty-seven tons, named the Nautilus, left London bridge with a company of practical engineers, naval architects, and other scientific men on her decks. She was innocent of paint, unencumbered with masts and rigging, and looked altogether rather rough and home-made as she started off on her trial trip. The novelty was that the vessel was propelled with neither paddle nor screw, and the river-faring people stared with no little incredulity on the strange innovation. The Nautilus is the property of private gentlemen who have sufficient faith in what is known as "Ruthven's hydraulic propeller," to fit her up with it, and challenge the attention of the scientific world to the invention. The principle is so simple, and its promised advantages are so enormous that, if the expectations of the promoters are realised, the revolution in merchant shipping will be almost as great as that caused by the substitution of iron armor for oaken planks in the navy. The importance of the results involved certainly deserve the close observation with which the scientific gentlemen on board watched the experiment; and the almost unanimous conclusions arrived at appeared to be highly favorable to the newly applied motive power.

The principle can be described in a single sentence. In the centre of the ship, and below the water line, there is fixed a kind of Turbine wheel, supplied with water through holes in the vessel's bottom, and which, being set in motion by an ordinary steam engine, revolves rapidly, and drives out a thick perpetual column of water through apertures, termed nozzles, on each side of the ship. This propelling power, unlike the paddle and screw, does not force the vessel ahead by pushing back the water, but acts directly on the vessel, (something like the recoil produced by firing a gun.) preventing, of course, that loss of power caused by every revolution of the paddle or screw. The all important agents, the nozzles, are the tubes through which the water is expelled from the wheel to the outlet apertures on the water line. When the steady stream is directed towards the stern the ship goes ahead; when to the stern, she backs; and when the streams flow one each way, the vessel, as if on a pivot, turns on her own length. These nozzles are so potent that they can be used to steer as well as to propel the ship; so that the smashing of a rudder would be a matter of perfect indifference. The advantage here is immense, when it is remembered how many disasters at sea have been traceable to the loss of a rudder, the breaking down of a paddle, or the fouling of a screw. In the Nautilus no portion of the machinery is exposed. If she were a ship of war the invariable attempt of the enemy to shoot away paddles, screw, and rudder would be therefore useless; and if she were a merchantman she would not labor under the disadvantage of paddles to diminish her sailing powers, or of that inevitable weakness of stern which attends the use of the screw. Again, the leak, which in other ships too often means hopeless destruction, becomes here, if not a positive blessing, at least no source of danger or inconvenience, because the greedy wheel can be made to swallow up the dangerous water, use it to increase the speed of the vessel, and in doing so to send it out considerably faster than it came in. These are put forward as the main advantages, but it will at once be seen they would involve others, secondary perhaps to a certain extent, but still fraught with benefit. Thus, the uniform working of the machinery prevents vibration, and consequently wear and tear; the pitching and rolling of a heavy sea produces none of that vexatious reaction which strains every part of the ship; the steamer leaves no swell, and very little ferment behind; the peculiarity of

the machinery enables the hull to be built on the lines of the best clipper ship that sails; and then there comes in the additional claim of economy, both in construction and working.

The Nautilus on Saturday was tested with one of the ordinary iron paddle boats, and in the race down towards Gravesend she held her own, and once or twice got well ahead. The average speed was  $11\frac{1}{2}$  miles an hour. The Admiralty are so convinced of the fitness of the principle that they are now building a gunboat (the Waterwitch) at Blackwall, to be worked by the hydraulic propeller. This gunboat will be launched probably in May, and as she is to be of 778 tons burden, and 167 horse power, her trial will in a measure decide a very important question as to the future of steamships.

The public will have no difficulty in seeing her, as her owners invite the fullest inspection. At present, as we intimated, the Nautilus is not an exhibition ship, but a mere shell, fitted with two engines of ten horse power each. She draws two feet of water, is 115 feet long, and being seven feet two inches deep, stands rather awkwardly high out of the water. The hull closely resembles the Citizen boats, but being somewhat broader, deeper, and fuller in the lines, seems heavier. Having nothing but a temporary mast, or rather flagstaff, before the funnel, she looks conspicuously bare, but the main object, namely, the illustration of the principle, has been realized. Looked at from shore, the thick stream of water issuing from the nozzle may be seen shooting along close to the side like a white column of glass. It expends itself without causing much disturbance of the surrounding water.

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## COMMERCIAL CHRONICLE AND REVIEW.

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The Panic in the European Market—The Money Market at New York—Discontinuance of Temporary Loans by Government—Prices of United States Bonds and Railroad Shares at Home and Abroad—Imports of Dry Goods at New York—Course of Gold for Month—Treasure Movement at New York—Course of Exchange, etc.

THE panic in Europe has been a subject of absorbing interest during the past month, although as far as United States securities are concerned, the decline at London has had no effect here. Cotton, however, has been depressed in sympathy with the Liverpool reports and middling Cotton was at one time quoted as low as 14d at Liverpool, and 30 cents in New York: The secret of this sudden fall in the market was the large receipts both from America and India. As an illustration we give the following statement showing the stocks of Cotton in Europe and the amount afloat about the 10th of April of the last two years:

STOCK OF COTTON IN EUROPE AND AFLOAT FOR EUROPE.

	1865.	1866.
Stock in Liverpool..... bales.	605,920	663,840
“ London.....	127,545	58,584
“ Havre.....	57,000	60,000
“ Rest of Continent.....	40,000	20,000
Total.....	830,465	802,424
Indian Cotton afloat.....	341,500	689,000
United States afloat.....	25,000	135,000
Grand total.....	1,098,960	1,543,930

With such figures as these, (a consumption and export supply of 60,000 bales for 25 weeks), and the increased receipts and shipments since, from this side, the

result was not doubtful. Later advices show a recovery from the panic prices and a firmer market. It was argued by some during the panic and believed by very many that Cotton would soon settle down to a very low figure at Liverpool, and we would quickly return to very near the old order of things. Such remarks are, however, without reason; for such a price would not furnish a sufficient inducement to the Southern planters to raise cotton, and would largely reduce the production in India and elsewhere. So far as the United States is concerned, with a five per cent tax; with existing difficulties of transportation at the South; with the necessity for the reorganizing of labor, and the high rate paid for labor and all the necessaries of life, cotton at the present time cannot be profitably laid down at Liverpool at even 12d.

The money market during the month has exhibited great ease. This is due to a multitude of influences, prominent among which, is the accumulation of currency here, and its flow to this and the other great financial centres. The notes of the small, country National Banks are concentrating themselves in our great cities, and especially in New York; and the plethora hence resulting has caused the agitation once more of the plan for securing the redemption of bank notes in this city. We have often expressed our approval of this scheme, which we regard as necessary to secure the stability, permanence and satisfactory working of our national banking system. It is reported that Congress will soon adopt some measures for enforcing redemption. Another cause of the ease in money is connected with the approach of summer, the dread of cholera, and the amount of unemployed capital which is lying here and seeking temporary investment. The most important cause of all, however, is the revival of public confidence since the passage of the loan bill, and the practical declaration of Mr. McCulloch's financial policy. The general belief seems to be that for several months to come he neither will nor can do anything which shall paralyze business, or produce any severe monetary spasm, but that, on the contrary, as far as the Treasury movements can conduce to that end, he will keep the money market easy, and allow the financial machinery of the country to run as equally and uninterruptedly as possible. The depressing, weary, wearing incertitude on these points which, for some time past, have prejudiced business and impeded commerce is now, therefore, succeeded by confidence, and a marked activity of general business has been the natural result.

The rate of interest during the month has been as follows:

RATES OF LOANS AND DISCOUNTS.

	April 6.	April 13.	April 20.	April 27.
Call loans.....	5 @ 6	5 @ 6	5 @ 6	5 @ 6
Loans on Bonds and Mortgage.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos.....	6 @ 7	6 @ 6½	7 @ 7½	7 @ 7½
Good endorsed bills, 3 & 4 mos.....	7 @ 8	7 @ 8	7½ @ 8	7½ @ 8
“ “ single names.....	9 @ 10	9 @ 10	9 @ 10	9 @ 10
Lower grades.....	10 @ 15	10 @ 18	10 @ 18	10 @ 15

The following notice has just been issued by the Secretary discontinuing the receipts of temporary deposits, and consequently there is an increasing volume of idle capital offering for investment:

TREASURY DEPARTMENT, April 28, 1866.

Notice is hereby given that the Treasurer of the United States, the Assistant Treas-

urers of New York, Philadelphia and Boston, and the United States Depositories of Baltimore and Cincinnati have been directed to *discontinue from this date the receipts of deposits on account of temporary loan, except those intended for Clearing House purposes.*

H. McCULLOCH, Secretary of the Treasury.

These temporary deposits amounted altogether, on the 1st of April, to the very large sum of \$121,751,970; of which about forty millions are on Clearing House certificates, payable on call, in legal tender notes. It will be seen that the foregoing notice excepts Clearing House certificates; but about ten days since notice was given that the interest on these certificates would be reduced to 4 per cent on the 1st of May. Twenty-five millions of certificates, or thereabouts, are held by the banks of this city. These temporary loans were first authorized by the act of the 25th February, 1862, the amount being limited to 25 millions of dollars, on which no higher rate of interest was to be paid than 5 per cent. On the 18th March, 1862, 25 millions more were authorized by Congress, the rate being still 5 per cent. By the act of the 11th July following, 100 millions was fixed as the aggregate, and the authority was enlarged on the 30th June, 1864, to 150 millions, the maximum rate of interest being raised to 6 per cent. These four acts of Congress, we believe, are all that pertain to the temporary deposits, and it will be observed that all were passed under the pressure of financial embarrassment, at a time when it was of the highest possible moment that the National Treasury should be replenished by every effective and judicious expedient which could be devised for the purpose. By means of this demand loan arrangement the use of a large sum has been secured to the Treasury for the past four years, and the amount could not perhaps have been so easily obtained in any other way. Another advantage of this system was, that whenever any of those sudden spasms occur, which, in an over-stimulated and excitably feverish money market, under a redundant and depreciated currency, are but too common, a safety valve was found for the relief of our overstrained financial machinery. For experience shows that immediately on the occurrence of stringency the depositors begin at once to draw out their money from the Treasury, and when the deposits run down to the requisite extent, the stringency usually passes speedily away.

It is easy to see, however, that the demand loans, for the very reasons we have detailed, are capable of producing great occasional embarrassment to the Treasury. For in any emergency the \$120,000,000 now on deposit might suddenly run down to \$80,000,000, or less. Consequently, there is a constant indispensable necessity for the keeping of an adequate balance always on hand. This is attended with great expense, as we have to pay interest for a large sum of idle money which we need for no other purpose than to meet any possible demand from the depositors. And what advantage is it to us to pay interest for deposits while we are obliged to keep the money on hand as an inert, burdensome, unemployed reserve? Moreover, these temporary loans are more conducive to inflation and more preventive of contraction than any other part of the interest-bearing public debt; for the least perturbation in the money market causes the dormant currency which has been locked up in the Treasury to flow out and to become active in the channels of business, inflating prices, and neutralizing any

previous efforts at contraction. For these and many other reasons it has been long regarded by some of our wisest financial authorities as a mischievous and unsound policy for the Treasury to carry on the banking business to the extent of paying interest on demand loans, and therefore the course now taken by the Secretary is universally approved.

Government Bonds have exhibited great strength here through the month while in London prices have been depressed in common with all other securities during the panic. Below we give the prices of Five-twenties each day to April 14. The quotation for April 13 and 14 is without coupon:

## PRICES OF AMERICAN BONDS AND RAILROAD SHARES AT LONDON.

	Week ending March 24.						Week ending March 31.					
	Mon	Tues	Wed	Thur	Fri.	Sat.	Mon.	Tues	Wed	Thur	Fri.	Sat.
United States 5-20's, '82.	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71	70
	Week ending April 7						Week ending April 14					
	Mon.	Tues	Wed	Thur	Fri.	Sat.	Mon.	Tues	Wed	Thur	Fri.	Sat.
United States 5-20's, '82.	..	71½	72½	72	73½	74	72	72½	71½	71½	68½	68½

Notwithstanding this decline in London and the fall of gold the past two months, prices of Government Bonds in New York have risen and Five-twenties close at 108. We give our usual table below:

The following shows the price of the several leading Government securities represented by the closing sale of each day in April, 1866:

## PRICES OF GOVERNMENT SECURITIES, APRIL, 1866.

Day of month.	6's, 1881.		6's, 5-20 yrs.		5's, 10-40 yrs.		7-30's, 1867.	1 yr certif.
	Coup.	Reg.	Coup.	Reg.	Coup.	Reg.		
Sunday... 1	.....	.....	.....	.....	.....	.....	.....	.....
Monday... 2	105½	.....	104½	.....	92	92½	100½	.....
Tuesday... 3	105½	.....	104½	.....	92	.....	100½	.....
Wednesday 4	105	.....	104	.....	91½	.....	100½	99½
Thursday.. 5	104½	105	104	.....	.....	91½	100½	.....
Friday.... 6	104½	.....	104½	.....	91½	.....	100½	.....
Saturday... 7	104½	.....	104½	.....	91½	.....	100½	.....
Sunday... 8	.....	.....	.....	.....	.....	.....	.....	.....
Monday... 9	105	.....	104½	.....	92	.....	.....	.....
Tuesday...10	104½	104½	103½	.....	91½	.....	.....	99½
Wednesday11	104½	104½	103½	100½	91½	.....	100½	.....
Thursday..12	104½	104½	103½	100½	91½	.....	100½	.....
Friday....13	104½	.....	103½	100½	92	.....	100½	.....
Saturday...14	.....	.....	104	.....	94½	.....	100½	.....
Sunday...15	.....	.....	.....	.....	.....	.....	.....	.....
Monday...16	105½	.....	104½	100½	.....	.....	100½	.....
Tuesday...17	.....	.....	104½	.....	94	.....	101	.....
Wednesday18	105½	104½	104½	.....	.....	.....	101½	.....
Thursday..19	105½	.....	104½	.....	.....	.....	101½	99½
Friday....20	105½	.....	104½	101	.....	.....	101½	.....
Saturday...21	106½	.....	104½	101½	93½	.....	101½	.....
Sunday...22	.....	.....	.....	.....	.....	.....	.....	.....
Monday...23	107	.....	104½	.....	94½	.....	101½	101½
Tuesday...24	.....	107½	105	.....	95½	95½	101½	.....
Wednesday25	.....	107½	105½	.....	96½	96	101½	.....
Thursday..26	108½	.....	106½	.....	95½	95½	101½	.....
Friday....27	108½	.....	106½	102	95½	.....	101½	.....
Saturday...28	.....	.....	106½	.....	95½	.....	101½	.....
Sunday...29	.....	.....	.....	.....	.....	.....	.....	.....
Monday....30	.....	108½	105½	102½	94½	.....	101½	100½
Opening....	105½	105	104½	100½	92	92½	100½	99½
Highest....	108½	108½	106½	102½	96½	96½	101½	101½
Lowest....	104½	104½	103	100½	91½	91½	100½	99½
Closing....	1-8½	108½	105½	102½	95½	95½	101½	100½

During the month it has been given out that McCulloch is soon to put a new loan on the market, and the idea, in the presence of the rapid improvement in

Government credit, has been received with favor. If it is really acted upon, it is hoped that two or three features will be observed. And first, our new consols should not bear more than five per cent interest, nor should they be negotiated below par. During the war there was an attempt made to negotiate a large five per cent loan at par. The success of the attempt did not equal the wishes of its promoters, and even now the Ten-forty five per cents are less popular than they deserve to be. Now before our new consols could be negotiated at par, the Ten-forties must rise to about the same price. And there are indications that this point will be reached in a very short time. For their price has been steadily advancing for some weeks past; in consequence, partly of the increased demand from the National Banks, which hold a very large proportion of the 190 millions of these bonds. No one who has watched the market for Government securities can doubt that in the present and prospective state of the national credit, we shall be able to borrow at five per cent all the money we want, to pay off our obligations as they fall due, and to consolidate into five per cent long bonds, at par, all our short date securities at maturity. Moreover we need not be in any inordinate haste to realize this plan. Our consolidated five per cents will, of necessity, be long bonds, and will probably have to run forty years absolutely. That is, we shall pledge our national credit to the payment for more than one-third of a century, of an annuity of five per cent to the public creditors. This offer now is a very different thing from what it would have been a year ago. Our immense revenues from internal taxation, our resuscitating industry North and South, our inconceivably vast resources in mineral, manufacturing and agricultural wealth, the rapid absorption of our disbanded armies in the ranks of our productive laborers; these, and a thousand other things, have, during the past year, given such an impulse to the national credit, and to the production of national wealth, that an offer of five per cent interest now will command a very much higher bid in the money market. Moreover, national credit is still improving. A year hence it will have made an equal advance, or probably a greater advance, than in the past. Now our argument is that we shall in a few months find it more easy to negotiate five per cent bonds at par, than we found it during the last fiscal year to negotiate six per cents at the same price. And it is a very gratifying circumstance that we can afford to wait; for such is the present position of the debt, that no part of it becomes due for more than a year, except such as can be easily provided for. We need not, therefore, be in any hurry to put our plans of consolidation into effect. To anticipate, to put in hasty premature operation an ill-considered scheme, might endanger our success, or would, at least, retard it.

Railroad Stocks have been active during the month, and renewed confidence is felt in them on account of the continued large receipts. Below are the March earnings of the principal roads comparing those of the two years, 1865 and 1866:

Railroads.	1865.	1866.	Difference.
Chicago and Alton.....	\$299,063	\$304,885	Inc. \$5,822
Chicago and Great Eastern.....	83,450	111,102	" 27,652
Chicago and Northwestern.....	499,296	523,744	" 24,448
Chicago and Rock Island.....	289,403	226,251	Dec. 63,152
Cleveland and Pittsburgh.....	222,411	167,007	" 55,404
Erie (including Buffalo & W. Division).....	1,331,124	1,070,434	" 260,690
Illinois Central.....	416,665	516,822	" 99,843
Marietta and Cincinnati.....	93,503	82,910	" 10,593

Michigan Central.....	344,228	337,158	"	7,070
Michigan Southern.....	413,322	412,393	"	929
Milwaukee and St. Paul.....	95,905	124,175	Inc.	28,270
New York Central.....	955,659	1,150,000	"	194,341
Ohio & Miss., Eastern Division.....	184,581	191,827	"	7,246
" " Western.....	129,333	134,409	"	5,076
Pittsburg, F. Wayne & Chicago.....	857,583	654,390	Dec.	203,193
Western Union.....	32,378	33,299	Inc.	6,921
Total (16) roads.....	\$6,447,904	\$6,046,806	Dec.	\$401,098

This shows that the gross earnings during March was very nearly equal those for the corresponding month of last year. The greatest falling off has been in the Illinois Central, the Erie, and the Pittsburg, Fort Wayne and Chicago lines. The average loss is so small as even to constitute a vast gain over the popular pre-estimate, or what was expected; and the general result so favorable as to have materially affected the stock market as stated above. The war having ceased, the peculiar business it created has ceased also. But a healthier and more regular business is fast taking the place of that which has been lost, and the railroad business of the country shares largely in the restored movement. The commerce of peace, indeed, has been fully re-established, and the business of the country generally is in a very satisfactory condition. We will now aggregate the earnings for the first quarter of the current year. The following table shows the gross earnings of only 13 of the roads included in the preceding table, the complete returns of the three omitted roads not being within our reach:

Roads.	1865.	1866.	Difference.
Chicago and Alton.....	\$854,848	\$722,969	Dec. \$131,889
Chicago and Great Eastern.....	298,570	277,855	Inc. 39,285
Chicago and Northwestern.....	1,522,465	1,452,944	Dec. 69,521
Chicago and Rock Island.....	841,228	637,970	" 203,318
Erie.....	3,413,759	3,241,289	" 172,470
Illinois Central.....	1,717,173	1,611,677	" 105,496
Michigan Central.....	929,689	885,292	" 44,297
Michigan Southern.....	1,143,679	1,010,168	" 133,511
Milwaukee and St. Paul.....	280,614	278,503	Inc. 97,889
Ohio & Miss., Eastern Division.....	477,618	493,854	" 16,236
" " Western.....	334,657	346,033	" 11,376
Pittsburg, F. Wayne & Chicago.....	2,226,232	1,684,617	Dec. 541,615
Western Union.....	113,359	120,407	Inc. 7,048
Total (13) roads.....	\$14,093,941	\$12,863,678	Dec. \$1,230,263

The falling off for the first quarter of 1866 is thus equivalent to 8 72 per cent as compared with the earnings for the same period in the preceding year. Nor is this diminution of gross earnings, though proportionately greater than for the last single month, excessive, and when it is also considered that the large military traffic of 1865 does not exist in 1866, the wonder appears to be that the falling off should have been so light. The fact is, the railroads on the whole are doing exceedingly well, far better than was anticipated.

The following are the prices during the month:

	April 6.	April 13.	April 20.	April 27.
New York Central.....	92½	93	92½	93
Hudson River.....	109½	109½	108½	110½
Erie.....	74⅞	74	72½	73½
Reading.....	101	104	103	105½
Mich. So. and N. I.....	81	80½	81½	82½
Illinois Central.....	116	114½	114	122½
Cleveland and Pittsburg.....	79½	80½	80½	79½
Chicago and N. W.....	26	26½	26½	29
Chicago and R. I.....	113½	116½	120	198
Pittsburg, Fort Wayne and Chicago...	90½	91½	96	82

Our table of the imports of Dry Goods the past month shows a decrease compared with the previous months of the year. The extensive amount which began with August, 1866, reached its culminating point in February last, and has since been on the decrease and the arrivals will probably be comparatively light during remaining months of this fiscal year. The figures for the four months are very greatly in excess of the previous years, being \$55,796,357 this year, against \$15,268,630 for 1865, and \$35,477,140 for 1863. While we are importing so extensively, it is gratifying to know that our exports are also unusually large. The total cotton exported from the whole country since September has been a little over 1,259,000 bales, thus giving the United States a credit abroad of about \$200,000,000. The following is the movement of foreign dry goods at New York for April:

## IMPORTS OF FOREIGN DRY GOODS AT NEW YORK FOR THE MONTH OF APRIL.

## ENTERED FOR CONSUMPTION.

	1863.	1864.	1865.	1866.
Manufactures of wool.....	\$830,954	\$1,543,537	\$910,037	\$1,763,674
do cotton.....	235,675	494,666	359,347	1,646,906
do silk.....	655,567	1,085,482	723,972	1,295,425
do flax.....	419,287	810,583	381,395	1,247,193
Miscellaneous dry goods.....	159,309	339,168	134,596	687,188
Total entered for consumption.....	\$2,350,802	\$4,273,441	\$2,509,347	\$6,640,286

## WITHDRAWN FROM WAREHOUSE.

	1863.	1864.	1865.	1866.
Manufactures of wool.....	\$973,656	\$1,072,236	\$525,299	\$1,818,949
do cotton.....	86,226	324,103	313,291	777,993
do silk.....	235,352	533,368	288,331	893,563
do flax.....	113,442	503,733	283,752	682,620
Miscellaneous dry goods.....	38,977	71,669	46,356	135,056
Total withdrawn from wareh'se.....	\$847,653	\$2,205,109	\$1,457,029	\$4,308,121
Add entered for consumption.....	2,350,802	4,273,441	2,509,246	6,640,286
Total thrown on the market.....	\$3,198,455	\$6,778,550	\$3,966,376	\$10,948,407

## ENTERED FOR WAREHOUSING.

	1863.	1864.	1865.	1866.
Manufactures of wool.....	\$689,695	\$487,551	\$391,103	\$1,578,336
do cotton.....	506,106	92,727	212,271	573,138
do silk.....	291,611	154,697	211,893	756,657
do flax.....	474,128	143,410	460,137	526,482
Miscellaneous dry goods.....	71,605	68,440	84,900	156,487
Total entered for warehousing.....	\$2,033,205	\$946,804	\$1,360,359	\$3,590,094
Add entered for consumption.....	2,350,802	4,273,441	2,509,347	6,640,286
Total entered at the port.....	\$4,384,007	\$5,220,245	\$3,969,706	\$10,230,380

Below we give the figures for the four months of the year :

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK FOR FOUR MONTHS FROM  
JANUARY 1ST.

## ENTERED FOR CONSUMPTION.

	1863.	1864.	1865.	1866.
Manufactures of wool.....	\$6,861,142	\$12,059,855	\$3,913,621	\$12,915,553
do cotton.....	2,512,164	3,784,246	1,453,459	7,884,277
do silk.....	3,633,481	7,405,105	2,157,747	8,334,363
do flax.....	3,091,743	4,003,485	1,975,910	5,997,799
Miscellaneous dry goods.....	1,122,950	1,826,752	646,607	3,192,621
Total entered for consumption.....	\$17,221,480	\$29,079,443	\$10,147,344	\$38,324,018

WITHDRAWN FROM WAREHOUSE.

	1863.	1864.	1865.	1866.
Manufactures of wool.....	\$1,251,563	\$2,794,253	\$1,230,219	\$5,845,379
do cotton.....	563,839	1,191,681	1,371,149	3,286,245
do silk.....	910,345	1,617,664	1,344,587	2,865,798
do flax.....	494,850	1,367,213	1,529,384	2,100,470
Miscellaneous dry goods.....	154,264	230,925	341,642	491,032
Total withdrawn from warehouse.....	\$3,374,861	\$7,201,635	\$6,956,881	\$14,588,922
Add entered for consumption.....	17,221,480	29,070,443	10,147,344	38,324,018
Total thrown on the market.....	\$20,596,341	\$36,281,078	\$17,104,225	\$52,912,942

ENTERED FOR WAREHOUSING.

	1863.	1864.	1865.	1866.
Manufactures of wool.....	\$2,580,009	\$3,061,023	\$1,870,949	\$7,888,392
do cotton.....	1,310,197	792,144	991,963	3,039,503
do silk.....	1,352,693	1,335,741	707,244	3,363,159
do flax.....	1,167,805	971,213	1,312,012	2,595,551
Miscellaneous dry goods.....	253,441	237,576	259,118	545,487
Total entered for warehousing.....	\$6,664,146	\$6,897,697	\$5,121,386	\$17,382,239
Add entered for consumption.....	17,221,480	29,070,443	10,147,344	38,324,018
Total entered at the port.....	\$23,885,626	\$35,477,140	\$15,268,630	\$55,706,357

Below we give the movement of gold through the month :

COURSE OF GOLD FOR APRIL.

Date.	Open'g.	High'st.	Lowest.	Closing.	Date.	Open'g.	High'st.	Lowest.	Closing.
Sunday.....	1				Thursday.....	19	127 $\frac{1}{2}$	127 $\frac{1}{2}$	126 $\frac{1}{2}$
Monday.....	2	128 $\frac{3}{4}$	128 $\frac{1}{4}$	127 $\frac{1}{2}$	Friday.....	20	126 $\frac{3}{4}$	127 $\frac{1}{2}$	126 $\frac{1}{2}$
Tuesday.....	3	127 $\frac{1}{2}$	128 $\frac{1}{2}$	127 $\frac{1}{2}$	Saturday.....	21	126 $\frac{1}{2}$	127	126 $\frac{1}{2}$
Wednesday.....	4	128 $\frac{1}{4}$	128 $\frac{1}{2}$	127 $\frac{1}{2}$	Sunday.....	22			
Thursday.....	5	127 $\frac{1}{2}$	127 $\frac{1}{2}$	127 $\frac{1}{2}$	Monday.....	23	126 $\frac{1}{2}$	126 $\frac{1}{2}$	126 $\frac{1}{2}$
Friday.....	6	128	128 $\frac{1}{2}$	127 $\frac{1}{2}$	Tuesday.....	24	126 $\frac{1}{2}$	126 $\frac{1}{2}$	126 $\frac{1}{2}$
Saturday.....	7	127 $\frac{1}{2}$	127 $\frac{1}{2}$	127	Wednesday.....	25	126 $\frac{1}{2}$	127 $\frac{1}{2}$	126 $\frac{1}{2}$
Sunday.....	8				Thursday.....	26	127 $\frac{1}{2}$	128	127 $\frac{1}{2}$
Monday.....	9	127 $\frac{1}{2}$	127 $\frac{1}{2}$	125	Friday.....	27	128 $\frac{1}{2}$	129 $\frac{1}{2}$	128 $\frac{1}{2}$
Tuesday.....	10	126 $\frac{1}{2}$	126 $\frac{1}{2}$	125 $\frac{1}{2}$	Saturday.....	28	129 $\frac{1}{2}$	129 $\frac{1}{2}$	128 $\frac{1}{2}$
Wednesday.....	11	126 $\frac{1}{2}$	127 $\frac{1}{2}$	126 $\frac{1}{2}$	Sunday.....	29			
Thursday.....	12	127 $\frac{1}{2}$	127 $\frac{1}{2}$	127	Monday.....	30	127 $\frac{1}{2}$	127 $\frac{1}{2}$	125 $\frac{1}{2}$
Friday.....	13	127	127	126 $\frac{1}{2}$					
Saturday.....	14	126 $\frac{1}{2}$	126 $\frac{1}{2}$	125 $\frac{1}{2}$	April, 1866.....		128 $\frac{1}{2}$	129 $\frac{1}{2}$	125
Sunday.....	15				" 1865.....		151 $\frac{1}{2}$	154 $\frac{1}{2}$	143 $\frac{1}{2}$
Monday.....	16	125 $\frac{1}{2}$	126	125 $\frac{1}{2}$	" 1864.....		167	184 $\frac{1}{2}$	166 $\frac{1}{2}$
Tuesday.....	17	125 $\frac{1}{2}$	126 $\frac{1}{2}$	125 $\frac{1}{2}$	" 1863.....		157	157 $\frac{1}{2}$	145 $\frac{1}{2}$
Wednesday.....	18	126 $\frac{1}{2}$	127 $\frac{1}{2}$	126 $\frac{1}{2}$	" 1862.....		102	102 $\frac{1}{2}$	101 $\frac{1}{2}$

The Treasure Movement at New York weekly, and the amount in Banks at the close of each week since January 1, has been as follows :

TREASURE MOVEMENT FOR 1866.

1866. week ending	Receipts. from California.	Exports. to foreign countries.	Customs receipts.	Interest payments.	Sub-Treasury Gold Certificates issued.	In banks at close of week.
Jan. 6.....		\$552,027	\$2,107,341	\$3,597,240	\$3,122,440	\$1,24,8832
" 13.....	\$685,610	640,503	2,334,694	1,130,789	3,206,180	1,578,194
" 20.....	799,706	685,894	2,754,369	574,162	2,706,409	1,928,641
" 27.....		656,812	3,226,040	279,842	2,598,400	2,137,048
Feb. 3.....	944,878	292,568	3,947,422	115,204	2,081,280	2,221,423
" 10.....	1,449,074	43,409	3,251,734	120,179	1,916,700	2,376,735
" 17.....		445,489	2,893,008	94,828	2,992,900	2,158,009
" 24.....	1,209,048	580,195	2,608,796	119,879	5,893,280	1,995,796
Mar. 3.....		75,453	3,386,934	1,183,343	3,125,000	2,664,934
" 10.....	1,469,286	556,284	2,297,896	882,712	2,101,000	1,706,835
" 17.....	1,425,353	236,671	2,464,452	328,593	1,498,400	1,919,488
" 24.....	829,837	170,297	2,509,419	174,911	361,280	1,886,419
" 31.....	782,857	3,500	2,451,345	225,414	1,376,000	1,895,334
Apr. 7.....		276,842	2,863,010	63,140	3,016,840	2,120,010
" 14.....	729,862	122,628	2,857,704	49,800	5,038,460	2,274,704
" 21.....	809,459	117,312	2,535,568	35,169	4,300,000	1,971,568
" 28.....		73,880	2,246,307	40,506	4,137,140	1,760,307

Since Jan 1..... \$10,694,970 \$6,149,067 \$46,136,009 \$9,015,711 \$48,371,700 \$33,944,272 \$.....

The following gives the amount of specie exported from New York to foreign ports from January 1 to the close of April :

1866.....	\$6,079,764	1861.....	\$2,876,296	1856.....	\$7,901,843
1865.....	5,461,216	1860.....	7,177,734	1855.....	9,327,800
1864.....	16,158,682	1859.....	14,279,959	1854.....	8,937,069
1863.....	17,148,514	1858.....	10,079,919	1853.....	4,730,224
1862.....	12,944,101	1857.....	9,423,150	1852.....	7,232,761

The following is an official statement of the total amount of Gold Certificates issued and redeemed up to April 30 :

Denominations.	Issued.	Redeemed.	Onts'd'g.
20s.....	\$132,620	\$83,900	\$48,720
100s.....	2,504,500	1,372,300	1,132,200
1,000s.....	10,608,000	7,952,000	2,656,000
5,000s.....	53,500,000	47,565,000	5,935,000
10,000s.....	860,000	860,000	.....
Total.....	\$67,605,120	\$57,833,100	\$9,772,020

The following statement shows the daily fluctuations of foreign exchange on London, Paris, Amsterdam, Bremen, Hamburg, and Berlin at New York for the month of February, 1866 :

COURSE OF EXCHANGE FOR APRIL.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. M. banco.	Berlin. cents for thaler.
1.....	106½@106¾	537½@532¼	39½@40¼	76¼@77¼	35½@35¾	70 @70½
2.....	106½@106¾	533½@528¾	39½@40¾	76¼@77¼	35½@35¾	70 @70½
3.....	106½@106¾	533½@528¾	39½@40¾	76¼@77¼	35½@35¾	70 @70½
4.....	106½@106¾	535 @530	39½@40¾	76¼@77¼	35½@35¾	69¾@70¼
5.....	106½@106¾	535 @528¾	39½@40¾	76¼@77	35½@35¾	70 @70½
6.....	106½@106¾	534 @531¼	39½@40¾	76¼@77	35½@35¾	70 @70½
7.....	106½@106¾	535 @530	39½@40¾	76¼@77	35 @35½	69¾@70¼
8.....	107 @107¼	532½@527½	40 @40¾	76¼@77¼	35½@35¾	70¼@70¾
9.....	107½@107¾	531½@527½	40 @40¾	77 @77¼	35½@35¾	70 @70¾
10.....	107½@107¾	530 @526¼	40 @40¾	76¾@77¾	35½@35¾	70 @70¾
11.....	107½@107¾	528½@526¼	40½@40¾	76¾@77¾	35½@35¾	70 @70¾
12.....	107½@107¾	528½@526¼	40½@40¾	76¾@77¾	35½@35¾	70 @70¾
13.....	107½@107¾	528½@526¼	40½@40¾	76¾@77¾	35½@35¾	70 @70¾
14.....	107½@107¾	528½@526¼	40½@40¾	76¾@77¾	35½@35¾	70 @70¾
15.....	107½@107¾	528½@525	40½@40¾	77 @77¾	35½@35¾	70¼@70¾
16.....	107½@107¾	528½@523¾	40 @40¾	77¼@77¾	35½@35¾	70¼@71
17.....	107½@108	528½@523¾	40 @40¾	77¼@77¾	35½@35¾	70¼@71
18.....	107½@108	528½@523¾	40 @40¾	77¼@77¾	35½@35¾	70¼@71
19.....	107½@108	528½@523¾	40 @40¾	77¼@77¾	35½@35¾	70¼@71
20.....	107½@107¾	528½@525	40½@40¾	77 @77¾	35½@35¾	70 @70¾
21.....	107½@107¾	528½@525	40½@40¾	77 @77¾	35½@35¾	70 @70¾
22.....	107½@107¾	528½@523¾	40 @40¾	76¾@77¾	35½@35¾	70¼@70¾
23.....	107½@107¾	528½@525	40½@40¾	77 @77¾	35½@35¾	70¼@71
24.....	107½@108¼	530 @522¼	40½@40¾	77¼@78	35½@36	70½@71
25.....	108 @108¼	526½@524¼	40½@41	77¼@78	35½@35¾	70¼@71¼
26.....	108 @108¼	527½@521¼	40½@41	77¼@78¼	35½@36	70½@71¼
27.....	108 @108¼	527½@526¼	40½@41	77¼@78¼	35½@36	70½@71¼
28.....	108 @108¼	527½@526¼	40½@41	77¼@78¼	35½@36	70½@71¼
29.....	106½@108¾	523½@517¾	40½@41	77¼@78¾	35½@36½	71 @71¾
30.....	106½@108¾	530 @518¾	40 @41	77 @78¾	35½@36½	70¾@71¾
Apr.....	106½@108¾	530 @518¾	40 @41	77 @78¾	35½@36½	70¾@71¾
Mar.....	107½@108¾	532½@517¾	40½@41	77 @79	35½@36½	70¾@71¾
Feb.....	108 @109¼	523½@515	40½@41	78 @79½	36 @36¾	71 @71¾
Jan.....	108 @109¼	523½@515	40½@41	78 @79½	36 @36¾	71 @71¾

## JOURNAL OF BANKING, CURRENCY, AND FINANCE.

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Over-issue of National Bank Notes—Act to withdraw from Circulation and Re-distribute the Currency—Quarterly returns of National Banks—Weekly returns of National Banks of the United States, also returns of the Banks of the three cities.

THE general interest which attaches to the questions affecting the amount and the distribution of our paper money, induces us to print in full, elsewhere, the letter sent by Secretary McCulloch to the Chairman of the Finance Committee of the Senate on the 23d inst. This document, with the accompanying tables, is extremely suggestive, and will well repay the most careful examination.

Among other important points on which it throws light, is the authorized over issue of notes, which has recently been the subject of inquiry. The law provides that the total currency of the national banks shall never exceed 300 millions, and that this sum shall be equitably distributed among the States; one-half being apportioned according to the representative population, and the other half according to the discretion of the Secretary of the Treasury, having due regard to the monetary requirements of the several States. To prevent any misapprehension, we copy the precise words of the National Currency act, as amended by the law of March 3, 1865. This measure provides "that one hundred and fifty millions of dollars of the entire amount of circulating notes authorized to be issued shall be apportioned to associations in the States, in the District of Columbia, and in the Territories, according to representative population, and the remainder shall be apportioned by the Secretary of the Treasury among associations formed in the States, in the District of Columbia, and in the Territories, having due regard to the existing banking capital, resources and business of such States, district and territories." It has been reported that, contrary to this law, several of the States have been allowed more than their fair share of the 300 millions of notes, and this report appears to be fully confirmed by the statistics given in Mr. McCulloch's letter. Under what authority the large over-issue has been made we are not informed, but Congress and the people have clearly the right to require the fullest information on this subject.

The remedy for the evil is obviously to be found in the withdrawal of the over-issued currency, and on the 9th of April Mr. Sherman introduced a bill for this purpose into the Senate. This bill does not attempt to interfere with the distribution of the 150 millions of notes which were given by the law of 1865 to the discretion of the Secretary of the Treasury. It deals only with the 150 millions which, as that law distinctly and positively enacts, are to be distributed according to representative population. These notes, and these only, it "requires" the Secretary of the Treasury to distribute as the law of 1865 has directed. And all notes issued contrary to this principle are to be gradually withdrawn. The following is a copy of the bill which is marked No. 256 on the list of the Senate documents:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That to secure a better distribution of the national*

currency, the Comptroller of the Currency is hereby authorized and required to apportion one-half of the circulation now authorized by law among the several States and Territories according to their population by the census of 1860; and he is authorized and required to organize national banking associations in such States and Territories as have not such proportion of national currency, with authority to issue circulation to an amount equal to such proportion; but only as the circulation now authorized shall be reduced in the manner herein provided for, and so that the aggregate circulation of national banks shall not any time exceed the sum of three hundred millions of dollars.

Sec. 2. *And be it further enacted*, That to enable the Comptroller of the Currency to comply with the previous section, the circulation of national banking associations now authorized shall be reduced an amount sufficient for that purpose, and upon the following principles: Wherethe amount of circulation now authorized exceeds twenty dollars for each inhabitant according to the census of eighteen hundred and sixty, all such excess shall be withdrawn; and if such sum is not sufficient for said purpose, the residue shall be ratably withdrawn in such States in which the circulation now authorized is the highest for each inhabitant.

Sec. 3. *And be it further enacted*, That the Comptroller of the Currency, with the approval of the Secretary of the Treasury, is authorized and required to apportion the said reduction among the several banking associations in such States or Territories according to the preceding section, and requiring of each association in a State to withdraw circulation in proportion as the circulation authorized by it bears to the aggregate circulation authorized in such State. That within six months from the passage of this act the Comptroller of the Currency shall give notice to each banking association whose circulation is reduced of the amount of such reduction.

Sec. 4. *And be it further enacted*, That each banking association receiving such notice shall, within six months thereafter, withdraw its circulation to the extent so required, and shall surrender the same to the Comptroller of the Currency to be cancelled, and may thereupon withdraw a proportionate amount of the bonds of the United States on deposit as security for such circulation. That on failure to withdraw such circulation within the time stated, the Secretary of the Treasury is hereby required to retain in the treasury any of the notes of such banking association that may come into the treasury, and shall retain and hold any interest due or to become due such banking association on its bonds until such reduction is made, and shall from time to time sell so many of the said bonds as are sufficient to pay for the notes received into the treasury as aforesaid, which notes shall thereupon be cancelled.

Sec. 5. *And be it further enacted*, That the Secretary of the Treasury shall make and publish such rules and regulations as are necessary to carry this act into effect.

It will at once be seen that this law is remedial in its character. It does not enact any new principle of distributing the national banks. It merely recognizes and re-enacts the old rule of representative population, laid down and recognized from the first in the National Banking law; and this principle it expressly limits to one-half of the authorized circulation, leaving the other half entirely to the discretion of the Secretary of the Treasury. We approve of Mr. McCulloch's views as to the importance of extending banking facilities to the South, with the view of developing its resources and stimulating its productive powers. But we only echo the general voice of the business community when we express the wish that he had informed the people why the enormous over-issue of notes was made, which has required such a remedy as that which the bill before us endeavors to apply.

The quarterly reports of the National Banking Associations of the United States for the first Monday of April, is just published and below is an abstract; showing their condition on the morning of the first Monday in July and October, 1865, and January and April, 1866, before the commencement of business on that day:

LIABILITIES.

	July '65.	Oct. '65.	Jan. '66.	April '66.
Loans and discounts.....	\$361,306,477	\$485,314,029	\$498,843,447	\$525,955,517
Overdrafts.....	1,186,265	1,856,107	1,806,662	2,125,010
Real estate, furniture, etc.....	11,231,257	14,703,282	15,436,296	15,895,564
Expense account.....	2,338,775	4,539,525	3,193,717	4,927,600
Premiums paid.....	2,243,210	2,585,201	*	2,23,516
Remit's, & other cash items.....	41,314,904	72,09,854	89,837,684	105,490,619
Due from National Banks.....	76,977,539	89,978,981	107,912,780	87,564,330
Due from other banks and bankers.....	26,078,028	17,393,232		13,682,345
U. S. bonds deposited to secure circulation.....		272,634,200	440,380,450	315,850,300
Other U. S. bonds and securities.....	391,744,850	150,577,400		125,625,750
Bills, etc., of other banks.....	21,657,826	16,247,241	20,406,442	18,279,816
Specie.....	9,437,060	14,966,144	16,909,365	13,854,882
Other lawful money.....	168,426,165	193,094,365	187,846,546	193,542,749
Other stocks, bonds, etc.....	12,569,120	19,043,513	19,907,675	17,379,739
Aggregate.....	\$1,126,455,481	1,359,768,074	1,402,480,964	1,442,407,737

RESOURCES.

	July '65.	Oct. '65.	Jan. '66.	April '66.
Capital stock paid in.....	\$325,894,558	\$393,157,206	\$403,357,346	\$409,273,453
Notes in circulation.....	131,452,158	171,321,903	213,239,530	248,886,282
Individual deposits.....	396,634,883	495,979,813	513,608,888	530,283,242
U. S. deposits.....	58,032,720	48,170,381	29,747,236	29,150,730
Due to National Banks.....	78,261,045	90,044,837		89,067,502
Due to other banks.....	79,591,594	24,3-6,182	118,502,658	21,841,641
Surplus funds.....	31,303,565	38,713,381		44,687,810
Profits.....	23,159,408	32,350,274	71,472,863	30,964,423
Nat'l Bank circulation outstanding.....		59,768,983	45,413,275	33,800,865
Dividends compared.....	4,722,725	4,931,060	6,639,165	4,451,708
Other items.....	412,871	944,054		
Aggregate.....	\$1,126,455,481	1,359,768,074	1,402,480,964	1,442,407,737

The following comparison shows the progress of the National Banks, in respect to number, capital and circulation, from January 6, 1866.

Date.	Banks.	Capital.	Circulation.
January 6.....	1,626	407,509,203	240,094,560
" 13.....	1,626	407,509,203	252,926,620
" 20.....	1,623	407,759,203	245,866,540
" 27.....	1,628	407,759,203	248,734,715
February 3.....	1,628	407,759,203	251,360,050
" 10.....	1,629	407,859,203	253,116,280
" 17.....	1,629	407,858,203	254,902,275
" 24.....	1,629	407,858,203	257,072,910
March 3.....	1,630	407,858,203	258,432,790
" 10.....	1,637	409,408,203	260,556,750
" 17.....	1,642	409,408,203	261,638,920
" 24.....	1,643	409,408,203	262,516,870
" 31.....	1,644		264,247,107
April 7.....	1,645		265,382,560
" 14.....	1,645		266,544,240
" 21.....	1,645		268,029,049
" 28.....	1,650		269,948,255

The returns of the Banks of three cities we give below. It will be seen that gold in New York Banks is less than any previous exhibit :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
Jan. 6, 1866....	\$233,185,059	\$15,778,741	\$18,588,428	\$195,482,254	\$71,617,487	\$370,617,223
" 13.....	234,938,193	16,852,568	19,162,917	197,766,999	73,019,957	608,082,837
" 20.....	239,337,726	15,265,327	20,475,707	198,816,248	72,799,892	538,949,211
" 27.....	240,407,886	13,106,759	20,965,883	195,012,454	70,319,146	516,323,673
Feb. 3.....	242,510,333	10,937,474	21,494,234	191,011,695	68,796,250	508,569,123
" 10.....	242,608,873	10,129,806	22,240,469	188,701,463	68,436,013	493,431,032
" 17.....	243,068,253	10,308,758	22,983,274	189,777,290	64,802,980	471,886,751
" 24.....	239,776,200	14,213,351	22,959,918	183,241,404	61,602,726	497,150,087
Mar. 3.....	235,339,412	17,181,130	22,994,086	181,444,378	58,760,145	526,539,959
" 10.....	233,068,274	16,563,237	23,033,237	180,515,881	64,241,802	594,204,413
" 17.....	233,517,378	15,015,242	23,303,057	185,438,707	68,402,764	579,216,509
" 24.....	234,500,518	13,945,651	23,243,406	185,868,245	69,496,033	593,448,864
" 31.....	237,316,099	11,930,392	23,736,534	188,554,592	72,158,099	529,240,640
Apr. 7.....	242,643,753	11,486,295	24,127,061	189,094,961	71,445,055	602,315,748
" 14.....	244,009,829	11,035,129	24,523,981	193,153,469	73,910,370	578,637,852
" 21.....	242,067,863	9,495,463	24,045,857	196,808,573	77,602,688	535,834,773
" 28.....	245,017,692	8,243,937	25,877,280	202,718,574	80,589,022	545,339,668

\* Included elsewhere.

The returns of the Philadelphia Banks have been as follows :

PHILADELPHIA BANK RETURNS.						
Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.	
Jan. 2, 1866.....	\$17,181,229	\$45,941,001	\$890,832	\$7,226,369	\$35,342,306	
" 8.....	17,236,320	46,774,150	983,685	7,319,528	36,618,004	
" 15.....	17,267,412	47,350,428	1,007,186	7,357,972	36,947,700	
" 22.....	17,052,559	47,254,622	1,012,980	7,411,337	36,214,653	
" 29.....	16,244,277	47,607,558	1,008,825	7,432,534	35,460,881	
Feb. 3.....	16,481,005	47,233,661	1,000,689	7,668,365	34,681,135	
" 10.....	16,852,737	47,249,383	596,312	7,819,599	34,464,070	
" 17.....	16,777,175	46,981,337	953,207	7,843,002	33,926,542	
" 24.....	17,282,602	46,865,592	1,026,408	7,732,070	33,052,252	
Mar. 3.....	17,447,635	46,604,752	1,041,392	8,101,049	32,835,094	
" 10.....	17,292,594	46,546,878	1,055,694	8,248,100	32,504,508	
" 17.....	16,375,608	46,690,788	1,026,068	8,438,184	32,102,427	
" 24.....	15,969,814	46,642,150	981,932	8,580,200	32,144,250	
" 31.....	15,954,832	46,043,488	990,630	8,666,230	32,257,653	
April 7.....	16,623,233	46,028,641	946,282	8,720,270	32,762,280	
" 14.....	18,323,759	45,114,699	949,116	8,743,396	34,640,864	
" 21.....	18,660,513	45,762,733	936,876	8,761,213	35,448,955	
" 28.....	18,949,719	46,532,734	890,241	8,779,166	36,032,862	

The returns of the Boston Banks have been as follows :

BOSTON BANK RETURNS.						
(Capital Jan. 1, 1866, \$41,900,000.)						
	Loans.	Specie.	Legal		Circulation—	
			Tenders.	Deposits.	National.	State.
January 1.....	\$91,421,477	\$801,415	\$19,807,300	\$38,451,794	\$21,497,354	\$1,404,721
" 8.....	92,245,129	1,031,327	19,914,065	41,718,132	21,806,180	1,328,793
" 15.....	92,959,364	1,029,105	20,438,014	40,939,870	21,946,595	1,273,948
" 22.....	92,665,111	1,040,114	20,750,698	40,300,679	22,034,642	1,215,675
" 29.....	92,877,783	1,008,013	20,544,830	39,153,816	21,899,318	1,157,848
February 5.....	94,578,358	805,237	20,568,185	40,436,163	22,325,438	1,125,728
" 12.....	94,083,827	632,591	20,412,589	38,768,019	22,348,638	1,057,323
" 19.....	95,250,429	508,428	20,418,909	38,494,696	22,602,531	1,033,391
" 26.....	93,539,000	521,292	20,262,177	36,398,481	22,887,971	1,048,022
March 5.....	92,990,512	556,856	20,034,968	35,581,876	22,606,825	1,306,719
" 12.....	90,705,159	623,938	19,905,120	35,297,498	22,730,329	721,809
" 19.....	91,902,811	606,992	20,470,018	36,696,321	24,018,916	910,740
" 26.....	91,931,236	513,153	20,913,521	35,887,368	23,019,887	901,620
April 2.....	92,351,979	532,556	20,761,014	36,697,227	23,087,693	869,329
" 9.....	92,142,975	487,455	20,334,570	37,426,500	23,266,642	890,069
" 16.....	91,270,882	457,643	19,902,647	37,606,692	23,635,043	777,198
" 23.....	86,120,697	411,693	19,309,145	36,946,118	22,469,488	744,041
" 30.....	86,723,001	401,113	19,549,614	38,396,210	22,856,656	744,425

From the foregoing returns it will be seen that the deposits have increased in each case during the month; the aggregate now reaching over \$275,000,000 thus showing an increasing accumulation of idle capital in the financial centers.

#### THE TRANSMUTATION OF METALS.

The alleged discovery of the grand *reve* of alchemist of olden times—the philosopher's stone—whereby silver, mercury, and copper can be transformed into gold, has been just announced, in a memoir entitled "The Transmutation of Metals, presented to the Academy of Sciences," by MM. Henri Favre, doctor of medicine, chief editor of *La France Medicale*, and Juste Frantz, metallurgist; and on the evening of the 17th of February, M Favre delivered in Paris a lecture on this subject to, as may have been expected, a densely crowded audience. The following is a *resume* of the pretended discovery as explained in that lecture. Hitherto the science of chemistry has been founded upon two terms essentially distinct—extraction and combination. Analysis represents the first, and synthesis the latter. Now, to these two terms we must add a third—transmutation, always suspected to exist, but never proved. To do this it must be under-

stood that all bodies in nature owe their respective properties solely to the fixations of forces passing momentarily to a static state, but always "evolutive" in a disposable field of action. These substances are then all produced by the action of one original and common principle brought into action. The transmutation is effected by condensation, or by the displacement of the forces which hold them for the moment in equilibrio. It is an exchange between the dynamo-tensional efforts exerted by the agent employed, and, since the metals, simple in their chemical order, are compound in their dynamo-static state, it follows that the transmutation of metals can always take place, provided they are in media, in which the suitable elementary conditions will exist to effect the different changes. Such are the principles on which depend the operations of metallic transmutation. They have their laws. The first is that of solutions. It is on the difference of solubility of the metals that all the secret of transmutation empirically depends. The decisive transmutation of silver into gold, show that it depends on two distinct operations—the first is to change the state of the silver, producing another substance which is not yet gold; the second consists in bringing the condition of this new undetermined substance to the state of pure gold. The process is thus described: A certain quantity of chlorhydrate of ammonia is dissolved in liquid ammonia; this salt should be reduced to a fine powder. If the solution be turbid it is to be filtered; chloride of silver, perfectly white and humid, is then added, and the bottle well shaken up. The chloride of silver is dissolved, the solution becomes yellow, and deposits a precipitate of the same color, which must be collected most carefully. The characters of this powder are: 1. When introduced into aqua regia it is completely dissolved, and a new addition of ammonia precipitates it. 2. It is not fulminating. 3. Lastly, it furnishes gold by the galvanic pile—that is to say, when placed between the two poles of one of Bunsen's elements. Here is produced the most remarkable phenomenon—a transformation and a separation simultaneously. The ammonia is the dissolvent of the chloride of silver, and at the same time the reactive of the metal transformed by the chlorine.

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#### BULLION IN THE BANK OF ENGLAND.

A parliamentary return collects and republishes the weekly accounts of the bullion held by the Bank of England in the last six years, to meet its notes when presented. The range has been from £17,565,000 to £19,712,000. In 1860 the amount was as high as £15,752,000 in July, but had fallen to £12,094,000 in December. In 1861 it continued further to decrease, until it had fallen to £10,712,000 in July, after which it advanced, and reached £14,939,000 at Christmas. In 1862 it continued to advance, and was £17,565,000 in July, after which it declined, and was down to £13,959,000 in December. In 1863 it increased a little, and reached £14,734,000 in September, but had fallen to £12,279,000 in December. In 1864 it had advanced to £14,702,000 in March, but was down to £11,778,000 in May. It then recovered, and in 1865 had reached £15,423,000 in June, then falling until it went to £11,956,000 in October. In the first six weeks of 1866, to which the return extends, the range was between £12,075,000 and £12,400,000.

## THE IRON-CLAD NAVY OF ENGLAND.

The London *Times* publishes the following list of the iron-clad vessels of the British Navy, including the Northumberland and Bellerophon, the latest accessions :

Ship's name.	Ton-nage.	Protect- Lgth. edguns. feet.	Armor thickn's inches.	Ship's name.	Ton-nage.	Protect- Lgth. edguns. feet.	Armor thickn's inches.		
Achilles*.....	6,221	380	26	4½	Prince Consort.	4,045	273	32	4½
Black Prince*.	6,109	380	26	4½	Royal Alfred .	4,068	273	32	6 & 4½
Warrior*.....	6,109	380	26	4½	Royal Oak.....	4,056	273	32	4½
Agincoût*....	6,621	400	36	5½	Zealous.....	3,746	252	16	4½
Minotaur*....	6,621	400	36	5½	Bellerophon...	4,246	300	12	6
Northumbld*.	6,621	400	36	5½	Pallas.....	2,372	226	5	4½
Hecor*.....	4,089	280	32	4½	Favourite.....	2,094	225	3	4½
Valiant*.....	4,063	280	32	4½	Research.....	1,253	195	4	4½
Defence*.....	3,720	280	16	4½	Enterprise.....	993	190	4	4½
Resistance*..	3,710	280	16	4½	Viper.....	737	160	2	4½
Caledonia.....	4,125	273	32	4½	Vixen.....	754	160	2	4½
Ocean.....	4,047	273	32	4½	Waterwitch...	777	162	2	4½
Lord Clyde....	4,067	280	34	4½ & 5½	Prince Albert..	2,529	240	6	4½
Lord Warden..	4,067	280	34	4½ & 6 in.	Royal Sovereign	3,765	240	5	5½
				4½ & 5½	Scorpion.....	1,857	220	4	4½ & 3
				& 6 in.	Wivern.....	1,857	220	4	4½ & 3

The ships whose names are marked with a star are all of iron. The others are of wood, heavily plated with iron, with a timber "backing, varying in thickness from 2½ to 36 inches.

The Northumberland could not get off the ways when an attempt was made to launch her a few days ago. It is said that she is the best of her class, although the English journals write in sharp criticism of the details of the whole. The *Times*, for instance, says :

"It is very much to be wished that among the other reforms which these iron-clads seem to be introducing, the admiralty would adopt the French system of fastening on the plates with what are termed wood screws instead of through bolts. The latter weaken the plate very considerably and do not hold it on at all, whereas the trials made with the French system of fastening at Shoebury showed it to be so superior to ours as to be literally above any degree of comparison."

The plated deck-tower is unusually high in the Northumberland and is divided into two stories, the lower to be occupied in action by riflemen only, while the upper story is to be used by those in command of the ship, and from which also the vessel can be steered in action.

The draught of water of the largest iron-clads is as follows : Achilles 25 feet 11 inches forward and 26 feet 11 inch aft, speed 14,322 knots. Black Prince, 26 feet forward 27 feet aft, speed 13,502 knots. Prince Consort 23 feet 8 inches forward, 25 feet 8½ inches aft, speed 13,199 knots. Minotaur 23 feet 1 inch forward and 24 feet 1 inch aft, speed 14,781 knots. Warrior 25 feet 6 inches forward and 26 feet 5 inches aft, speed 14,356 knots. The Warrior, at sea-going draught of water, still remains the fastest ship under steam in the British navy.

## GOLD IN NEW ZEALAND.

A mighty change seems to be dawning over the destiny of New Zealand. The sand on its sea-shore, the rivers flowing through the length and breadth of its land and the mountain ranges from the north to the south of each island, all seem impregnated with gold to a greater or lesser degree. The Hokitika diggings since they have been worked, a period of only a few months, have turned out about £700,000 worth of the precious metal. A correspondent from that locality writes as follows : "And as to the reality of the ground as a goldfield, I think there cannot be much doubt, when within one month more than 45,000 ounces of gold were exported, and I doubt not the present month will be far in excess of this. A few days ago I happen-

ed to be out riding, and selected the beach north of the town, on which to take exercise, and found the whole of the beach for miles was being occupied with diggers, who are mining just above highwater mark, and are washing out of the sea-sand sufficient gold to produce from £5 to £20 per week per man. In fact, nearly the whole coast from the Grey River down to Bruce Bay is a magnificent goldfield; and inland, too, for miles, men are gradually extending the field. During the last fortnight there have been several rushes up to the foot of the snow-capped Southern Alps, where the diggers are finding good payable gold." The total value of New Zealand gold exported from the colony up to the 30th June last was £7 646,809, and the number of ounces was 1,947,667. The principal localities from whence the gold has been obtained hitherto have been Otugo and Christchurch provinces, but the whole of New Zealand is believed by geologists to be auriferous.

#### TREATY WITH JAPAN—A PROCLAMATION BY THE PRESIDENT.

The following Proclamation has just been issued by the President making public the treaty entered into between Japan and the United States:

Whereas a convention between the United States of America and the Empire of Japan, for the reduction of import duties, was concluded and signed by their respective plenipotentiaries, at Yedo, on the twenty-eighth day of January, eighteen hundred and sixty-four, which convention being in the English, Japanese, and Dutch languages is word for word as follows. [The English version alone is here given.]

#### CONVENTION.

For the purpose of encouraging and facilitating the commerce of the citizens of the United States in Japan; and, after due deliberation, his excellency Robert H. Pruyn, minister resident of the United States in Japan, and his excellency Sibata Sadataro, governor of foreign affairs, both having full powers from their respective governments, have agreed on the following articles, viz.:

ART. 1. The following articles, used in the preparation and packing of teas, shall be free of duties.

Sheet lead, solder, matting, ratan, oil for painting, indigo, gypsum, firing pans, and baskets.

ART. 2. The following articles shall be admitted at the reduced duty of five per cent:

Machines and machinery, drugs and medicines. (Note.—The prohibition of the importation of opium according to the existing treaty remains in full force.) Iron, in pigs or bars, sheet iron and iron wire, tin plates, white sugar, in loaves or crushed, glass and glassware, clocks, watches and watch-chains, wines, malted and spirituous liquors.

ART. 3. The citizens of the United States importing or exporting goods shall always pay the duty fixed thereon, whether such goods are intended for their own use or not.

ART. 4. This convention having been agreed upon a year ago, and its signature delayed through unavoidable circumstances, it is hereby agreed that the same shall go into effect at Kanagawa, on the 8th of February next, corresponding to the first day of the first month of the fourth Japanese year of Bunkin Ne, and at Nagasaki and Hakodate on the 9th day of March next, corresponding to the first day of the second month of the fourth Japanese year of Bunkin Ne.

Done in quadruplicate, each copy being written in the English, Japanese and Dutch languages, all the versions having the same meaning, but the Dutch version shall be considered as the original.

In witness whereof, the above named plenipotentiaries have hereunto set their hands and seals, at the City of Yedo, the twenty-eighth day of January, of the year of our Lord one thousand eight hundred and sixty-four, and of the independence of the United States the eighty-eighth, corresponding to the twentieth day of the twelfth month of the third year of Bunkin Se of the Japanese era.

[SEAL.]

ROBERT H. PRUYN.

And whereas the said convention has been duly ratified on both parts:

Now, therefore, be it known, that I, Andrew Johnson, President of the United States of America, have caused the said convention to be made public, to the end that the same and every clause and article thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this ninth day of April, in the year of our Lord one thousand eight hundred and sixty-six, and of the Independence of the United States of America the ninetieth.

ANDREW JOHNSON.

By the President:

WILLIAM H. SEWARD, Secretary of State.

**SAN FRANCISCO,—ITS DEBT, VALUATION, AND TAXATION.**

The funded debt of the City and County is \$4,968,393, against which sinking funds have accumulated to the amount of \$1,000,000, and the provisions are redeemed ample for the retirement of bonds within the several periods of maturity. The cash on hand in the treasury at the end of 1865 was \$415,000, exclusive of sinking and interest funds. The outstanding bonds and interest are classified as follows :

City Bonds of 1851, due 1871, 10 per cent.....	\$1,305,500
do 1854, due 1876, 10 per cent.....	174,500
do 1855, due 1875, 6 per cent.....	329,000
City and County Bonds of 1858, due 1888, 6 per cent.....	1,132,500
do do School Bonds of 1860, due 1870, 10 per cent.....	55,500
do do School Bonds of 1861, due 1870, 10 per cent.....	18,000
do do Railroad Bonds of 1862 and 1863, due in 1877 and 1878, 7 per cent.....	300,000
do do Judgment Bonds of 1863 and 1864, due 1883 and 1884, 7 per cent.....	1,002,393
do do Pacific Railroad Bonds of 1864, due in 1894, 7 per cent.....	400,000
do do Pacific Railroad Bonds of 1865, due in 1895, 7 per cent.....	250,000
Total.....	\$4,968,393

The value of property included in the assessment roll of last year, amounts to \$49,138,027 real and \$39,775,496 personal estate—in all \$88,913,523; of which sum about \$21,000,000 will be exempt from taxation, or subject to litigation on questions pending in the Supreme Court, in which is involved the legality of taxing mortgages upon property already assessed to owners of the estate.

Taxes for State, and city and county purposes, are as follows :

City and County—		State—	
General fund.....	\$0 70	General purposes.....	\$0 48½
School fund.....	35	Interest and sink'g fund, 1857.....	30
Street light fund.....	7½	Interest and sink'g fund, 1860.....	1½
Corporation debt fund.....	43	State Capitol.....	5
Interest S. F. & S. J. R. bonds.....	2	Soldiers' relief fund.....	4
Judgment bonds of 1863 and 1864, sinking fund.....	7½	Aid to Central Pacific Railro'd.....	8
Interest on said bonds.....	10	Benefit of line officers, C. V.....	1
Bonds of 1855 sinking fund.....	3	Soldiers' bounty fund.....	12
Pacific R. R. bo'ds sink'g fund.....	1	School purposes.....	5
Interest on Pacific R. R. bonds.....	8	Total for State purposes.....	\$1 15
Street department fund.....	10		

Total for city & county purposes .....\$1 97      Total on each \$100 valuation .....\$3 12

The progress of the city has been marked throughout the year, and it is estimated that 1,075 new buildings were erected, making an aggregate of 15,500 in the city and country. Although real estate, in certain portions of the city, was freely offered for sale during the summer months, at lower prices than were ruling last year, a better demand seems to have prevailed the past few months for most descriptions of property.

The following statement will serve to show the activity of the real estate market during the year 1865, and the comparison with 1864 :

An abstract of Conveyances recorded in the office of the County Recorder of the City and County of San Francisco, from January 1st to December 31, 1865, (both dates inclusive) exclusive of those made for nominal considerations.

Months.	No. of deeds.	Gross amount.	Largest amount.	Average amount.
January.....	333	\$797,295	\$40,000	\$2,395
February.....	478	1,008,585	80,000	2,100
March.....	489	1,320,865	100,000	2,701
April.....	382	880,305	30,000	2,304
May.....	419	1,156,681	50,000	2,761
June.....	326	843,350	45,000	2,587
July.....	309	694,390	38,500	2,247
August.....	333	766,985	55,000	2,305
September.....	220	763,103	42,000	3,383
October.....	252	755,680	46,000	3,010
November.....	207	583,536	66,593	2,814
December.....	301	1,113,066	100,000	3,698
	4,049	\$10,686,791		\$2,639
In 1864.....	4,662	11,873,166		2,547

## BANK NO ES.

A Parliamentary return shows that on the 13th of February, 1866, there were in the hands of the public Bank of England notes amounting to £20,763,000. 1,493,200 were £5 notes; 405,600 were £10 notes; the notes ranging from £20 to £100 amounted in value to £5,963,000, and the notes ranging from £200 to £500 amounted to 1,476,000; there were 1,702 notes of £1,000 out. All this is independent of notes to the amount of £6,287,000 remaining in the banking department of the Bank of England unissued at the moment.

## LAW OF NEW YORK TAXING AUCTION AND BROKERS' SALES.

The following is an official copy of the law just passed by the New York Legislature, taxing sales of merchandise made by auctioneers or brokers:

LAW OF NEW YORK—BY AUTHORITY. CHAP. 547.

An Act to amend chapter sixty-two of the laws of eighteen hundred and forty-six, and other acts additional to the same.

Passed April 13, 1866.

*The people of the State of New York, represented in Senate and Assembly, do enact as follows:*

SECTION 1. Section 1, chapter sixty-two, of the laws of eighteen hundred and forty-six, is hereby amended so as to read as follows:

All goods, wares and merchandise, and other species of personal property, which at any time shall be exposed to sale by public auction, or offered for sale by sample or otherwise by brokers, with the exceptions mentioned in the second section of this act, and in the fifth section chapter seventeen, of part one, of title one of the Revised Statutes, shall be subject, each and every time that they shall be sold, to fees or duties at the following rates, namely:

1. All wines and ardent spirits, foreign or domestic, at the rate of one dollar on every one hundred dollars.

2. All goods, wares, merchandise and effects, imported from any place beyond the Cape of Good Hope, at the rate of fifty cents on every hundred dollars.

3. All other goods, wares, merchandise or effects, which are the production of any foreign country, at the rate of seventy-five cents on every one hundred dollars.

These fees shall be calculated on the sums for which the goods so exposed or offered for sale shall be struck off or sold, and shall in all cases be made by the person making the sale; and the account, to be made in writing, as directed by section twenty-seven of title one of chapter seventeen of part one of the Revised Statutes, shall be made by every auctioneer and broker under oath, on the first Monday in July and January in each year, subject to the penalties for non-compliance imposed upon auctioneers in said title. One-half of the fees or duties to which damaged goods are now subject shall be paid into the treasury of the State.

Sec. 2 Section two of chapter three hundred and ninety-nine of the laws of eighteen hundred and forty-nine is hereby amended so as to read as follows:

The Comptroller is hereby authorized to employ an agent or agents, whose duty it shall be to carry this act into effect, who shall examine, as often as twice in each year, and whenever the comptroller deem it necessary, the books and accounts of sales kept by the auctioneers, who shall have given bonds for the payment of fees or duties on goods sold at public auction, and of brokers who shall have given bonds for the payment of fees or duties on goods vendid by them, as specified by law. The compensation of such agents shall be fixed by the Comptroller; and such agent or agents shall have full power to administer an oath to each auctioneer or broker, and to require such information as may be necessary to ascertain the true amount of goods sold by such broker or auctioneer.

Sec. 3. No person authorized to exercise the office of an auctioneer shall execute the duties of such office, and no broker engaged in selling goods, wares, merchandise or effects, subject to fees or duties by the laws of this State, shall engage in such business until such broker or auctioneer shall have entered into a bond to the people of this State, with two sufficient freeholders as his sureties, in the penalty of five thousand dollars each, conditioned for the faithful performance of the duties of his office, and for the payment of the fees or duties that are or shall be imposed by law, and that shall accrue on sales made by him or under his direction, by virtue of his office. Such bond shall be taken and approved by the agent appointed by the Comptroller, in pursuance of chapter three hundred and ninety-nine of the laws of eighteen hundred and forty-nine; but if executed in a city where there is no such agent, it shall be taken and approved by the mayor or recorder of such city; and if executed by an auctioneer appointed for a county, shall be approved by a judge of the county court for such county; such bond when executed shall be transmitted to the Comptroller, within ten days after such execution, and a copy placed on file in the office of the agent, or where there is no agent, in the office of the county clerk of the county in which the same shall have been taken and approved. The fees to be paid to the agent approving such bonds shall be five dollars; and for approval of the returns to be made of sales, three dollars; and for filing the duplicate copy of the aforesaid bond, fifty cents; every broker or auctioneer who shall sell any goods, wares, merchandise or effects, as specified in this act, without having filed the bonds required by law, or who shall neglect to make or render the accounts, or pay over the duties required by law, shall be deemed guilty of a misdemeanor, and punished by imprisonment not exceeding one year, or by fine not exceeding one thousand dollars, or by both such fine and imprisonment.

STATE OF NEW YORK,

Office of the Secretary of State.

I have compared the preceding with the original law on file in this office, and do hereby certify that the same is a correct transcript therefrom and of the whole of said original law.

FRANCIS C. BARLOW, Secretary of State.

## ACT TO FUND THE NATIONAL DEBT.

The following bill to authorize a thirty year five per cent loan was introduced into the Senate on Wednesday by Mr Sherman and referred to the Finance Committee:

An Act to reduce the rate of interest on the National Debt, and for funding the same.

*Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,* That the Secretary of the Treasury is hereby authorized, if he shall deem it expedient for the purpose of funding the National Debt and reducing the rate of interest thereon, to issue registered or coupon bonds of the United States in such form and of such denominations as he may prescribe, payable, principal and interest, in coin, and bearing interest at the rate of not exceeding five per cent per annum, payable semi-annually, such bonds to be made payable in not over thirty years from date, to be issued to an amount sufficient to cover all outstanding or existing obligations of the United States, and to be disposed of in such manner and on such terms, not less than par, as the Secretary of the Treasury may deem most conducive to the interests of the Government. *Provided,* That the expense of preparing, issuing, and disposing of such bonds shall not exceed two per cent of the amount disposed of; and provided, also, that the said bonds and the proceeds thereof shall be exclusively used in paying up or retiring the obligations or indebtedness of the United States other than United States notes.

SEC. 2. *And be it further enacted,* That the bonds issued under this act shall be known as the "consolidated debt of the United States," and the same shall be exempt from taxation in any form by or under State, municipal or local authority, and in consideration of the reduction of the rate of interest effected by the negotiation of said bonds, the same and the interest thereon and the income therefrom shall be exempt from the payment of all taxes or duties to the United States.

SEC. 3. *And be it further enacted,* That the amount of interest saved by substitution of five per cent bonds for other Government securities shall be applied to the payment of the principal of the national debt; and that for the purpose of insuring the payment thereof, and in lieu of the sinking fund contemplated by the act of February 25, 1862, the sum of at least \$30,000,000, including the saving of interest aforesaid out of any moneys in the Treasury not otherwise appropriated, shall be annually applied to the reduction or extinguishment of said debt, in such manner as may be determined by the Secretary of the Treasury, or as Congress may hereafter direct.

SEC. 4. *And be it further enacted,* That, for the purpose of enabling the Secretary of the Treasury to prepare for the funding or payment of the outstanding Treasury notes bearing interest at the rate of seven and three-tenths per cent per annum, holders of such notes are hereby required to advise the Secretary of the Treasury, in such manner as he may prescribe, at least six months before the maturity of such notes, whether they elect that such notes shall be paid at maturity or shall be converted into bonds of the United States, commonly designated as "Five-twenty Bonds," and the right on the part of such holders of converting such Treasury notes into bonds shall be deemed and taken to be waived as to each and every note in relation to which notice shall be given as above prescribed, and the same shall be paid at maturity in lawful money of the United States.

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 LOST GEORGIA NOTES.
 

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The following is an act just passed by the Legislature of Georgia, prescribing a method of re-producing lost notes and bonds:

*An Act amendatory of the law relating to the establishment of lost papers:*

SEC. 1. The General Assembly do enact, That from and after the passage of this act the owner or legal representative of any bond, bill, note, draft, check, or other evidence of indebtedness which has been lost or destroyed, may establish a copy thereof by given personal notice at least ten days previous to the day appointed, which notice shall contain a copy of the paper to be established, which notice shall be served on the party against whom said indebtedness is sought to be established, and by making oath before some officer authorized to administer an oath, that he is the owner of such paper, and that the same has been lost or destroyed. A copy thus established, with said affidavit attached, may be used in any court of this State in lieu of the lost original.

SEC. 2. Be it further enacted, That if any party who is liable for the payment of said lost paper, in whole or in part, or whose interests are affected by the establishment of said paper, shall make oath that the said paper never existed, or that the same has been paid off or discharged, the party seeking to establish the same in the summary manner herein provided, shall be remitted to the remedies heretofore provided by law.

Approved March 7, 1866.

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 THE BOOK TRADE.
 

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*Poetry, Lyrical, Narrative, and Satirical of the Civil War.* Selected and Edited by RICHARD GRANT WHITE. New York: The AMERICAN NEWS COMPANY, 1866.

A handsomely bound little volume of poems and ballads bearing the title given above, we notice with pleasure as a valuable addition to the literature of the day, being a complete history, of its kind, of the great civil war, and one of the com-

paratively few books which is destined to outlive the generation in which it is published. To attempt a criticism of the literary merits of the numerous pieces of which it is composed, written by fifty different authors, and many of them anonymous, would be impossible. But with the object and character of the book we are much pleased.

The design of the editor, as stated at length in his preface, was to give from the mass of poems elicited by the war all that appeared worthy of preservation on any account. In making the selection, he adds, "poetical merit has not been the only consideration. Verses which celebrated at all worthily, or with spirit any important event in the war—which expressed truthfully any mood of popular feeling, or which embodied any type of character, whether enduring, or the transitory creation of the circumstances of the day—have been deemed peculiarly fit for this collection."

The compiler commences with the assertion that "it is generally true that great events do not inspire great poems," and fortifies his proposition by references to history. An additional confirmation of the same might be found in the signal failure of all our poets to produce a poem, within a given length of time, which should have such merit as to become a "national anthem." The failure, perhaps, might have been anticipated—the plan being similar to that proposed for the entertainment of a dinner party, to which the host invited a distinguished guest, and informed him in presence of his company, that the party had been given to listen to his well-known wit, and requested him to "please begin."

But the poems produced by the war, though none of them "great poems," are of inestimable value as historical pieces, and as expressions of the feelings of the people on both sides in the late contest. In fact they contain the story of the whole conflict. The feelings of the Northern people on the passage of the first secession ordinance—a feeling chiefly of sadness and deep regret—appears in the poem of Oliver Wendell Holmes—"Sister Caroline." The perfect torrent of excitement at the North in April, 1861, when the United States flag was fired on at Fort Sumter, our troops were attacked in Baltimore, and the very capital of the country threatened, is pictured in these verses. So also "the sickening anguish of despair," felt by the soldier when he sees his lines broken up and retreating, hears the shout of a victorious enemy pressing them back, and first appreciates that the great battle has ended in a defeat, a rout, and feels as if the destruction of the army, the capital, the Government itself had come, and he would call on the mountains to fall upon him, is also forcibly given on these pages; the dislike to Great Britain for her truly despicable hostility toward us in the day of a calamity; the camp song sung by a million of men on the march and by the camp fire; the story of particular battles and exploits; the great triumph of the people when finally the end of the war seemed to appear, and last of all the overwhelming grief of the whole Northern people after the murder of their President and leader, all find a place in this volume.

The chief poems and ballads of the Southerners are also included in the collection, so that the book is not a representative of one side only in the contest.

To every one who was interested on either side in the great rebellion, the "Poetry of the Civil War" has much that will stir up his feelings, and recall

most vividly the scenes and emotions of that four years of strife in which the most powerful passions of a nation were exercised in alternate distress and fear, in hope and exultation.

CHERRY AND VIOLET; *A Tale of the Great Plague.* By the author of "Mary Powell." New York: M. W. DODD, 506 Broadway. 1866.

Every one who remembers the charming little book called "The Maiden and Married Life of Mary Powell," will gladly welcome its worthy successor in "Cherry and Violet." Taking well-known historical facts or personages as a nucleus, the author weaves about them a pleasant net of fiction, so natural, fresh and quaint, that it might well be taken for a narrative of by-gone times. The present story runs through the period of the Protectorate and the Restoration as far as the time of the Great Plague, and the Great Fire which so soon succeeded that visitation. It is difficult to quote from a book whose interest is so evenly diffused, but perhaps the following extract gives as good an idea of the author's manner as any other. The conversation is between the learned Master Blower, who has been driven from his London parish by the plague, and his faithful friend, Mistress Cherry. Cherry has been telling him how his poor parishioners have missed him:

"It's a very nice point," says he musingly, "where we ought to lie by. I believe, had I not left town when I did, I might have been dead now—and yet, perhaps I was like a soldier deserting his post."

I said, "No, sir; you were liker to a soldier carried off the battle-field to the hospital."

"Thank you, Cherry," says he, taking my hand and drawing it under his arm. "And what else?" says he; "come, let me hear all."

"Well, sir," said I, "there's not much more to tell."

"Something, though, I can see!" said he. "Come, out with it, Cherry!"

"Sir," said I, "it's of no use for us to trouble and vex ourselves about what wicked people will say of us in mere wantonness."

"Sometimes, though, we may hear the truth from an enemy," says he. "And what do wicked, wanton people say of me?"

"Why, sir,—some very evil-minded, malapert person hath written on your church door—'A pulpit to let!'"

"The rascal!" said he hastily, and coloring very red. "Why, now, did I not keep on, Sabbaths and week days, till the plague-swellings were actually in my throat, though my congregation often consisted of only two or three old women?" So I said "Yes, sir—only there's no use in being provoked."

"None, none," says he, much perturbed. "God forgive me for it!—I can hardly have patience with them."

I said, "Dear sir, you must have nothing but patience with them."

"You are right, you are right," says he, coloring, but still much moved. "If I or well, I must go back to them forthwith. . . . the fact is, there is a matter I would gladly have settled here, a little at my leisure. But duty before all! So I'll go back, Cherry, to mine."

I smiled a little as I said, "Somebody has been doing duty for you the last week or ten days, sir."

"Who?" cried he.

I said, "An Independent Minister."

A complex kind of expression crossed his face; for a moment he looked pained and provoked, and then burst out laughing.

"God bless the worthy fellow!" cried he; "I'll do him a good turn, if I can, the first time he'll let me!"

The author of this delightful little volume is said to be Miss Manning, and the publisher promises a series of her works,—the next to be "Mary Powell." They are issued in exceeding good taste, the paper, print and binding being faultless.

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## CORRESPONDENCE.

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NEW YORK, April 23, 1866.

To the Editor of HUNTS' MERCHANTS' MAGAZINE:

Mr. R. G. Hazard, in your April number, has, from carelessness, not from intention misrepresented some of the views of my letter to the Secretary of the Treasury.

He says, "to enable the Government to retain the gold, Mr. V. B. proposes that paper be issued at the market price to pay the gold interest;" and he speaks in the next sentence of my proposing to "increase the supply of paper." Nothing can be found in my letter to warrant the inference that I proposed any additional issue of paper.

Again Mr. Hazard says: "Mr. V. B. proposes that when the gold is thus accumulated, the Government should offer to redeem the legal tender notes, and thus make gold and paper equivalent." I did not propose thus to *make* gold and paper equivalent. On the contrary I did not propose to redeem any of the notes until they had first become equal in current value to gold, under the influence of a constantly increasing gold fund which the people knew was to be applied exclusively to the payment of these notes. I did not fix positively the point of accommodation at which this state of things would occur, but this was to occur first, and then, and not till then, redemption was to be offered.

Respectfully,

JOHN D. VAN BUREN.

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