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REPORT OF THE DIRECTORS

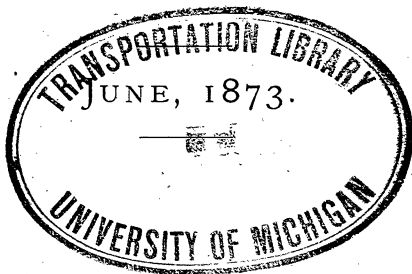
OF THE

Michigan Central Railroad Company

TO THE STOCKHOLDERS:

TOGETHER WITH THE

REPORTS OF THE TREASURER, SUPERINTENDENT, AUDITOR,  
AND TRUSTEES OF SINKING FUNDS.



BOSTON:

WRIGHT & POTTER, STATE PRINTERS,

No. 19 PROVINCE STREET.

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# OFFICERS.

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## Directors.

JAMES F. JOY, Detroit.

JOHN W. BROOKS, Boston.

NATHANIEL THAYER, Boston.

H. H. HUNNEWELL, Boston.

GEORGE F. TALMAN, New York.

MOSES TAYLOR, New York.

SIDNEY BARTLETT, Boston.

JOHN JACOB ASTOR, New York.

ERASTUS CORNING, Albany.

## President.

JAMES F. JOY.

## Vice-President.

H. H. HUNNEWELL.

## Treasurer.

ISAAC LIVERMORE.

## Vice-Treasurer and Clerk.

JOSHUA CRANE.

## General Superintendent.

H. E. SARGENT.

## Auditor.

WILLIAM BOOTT.



# ANNUAL REPORT.

MICHIGAN CENTRAL RAILROAD OFFICE, }  
DETROIT, June, 1873. }

*To the Stockholders :—*

The following is a statement of the earnings and expenses of the Michigan Central Railroad, and also of the improvements and additions to the property of the Company during the last year, and its present condition :—

The gross earnings have been,—

From passengers, . . . . .	\$2,367,181 67
freight, . . . . .	4,652,873 82
Miscellaneous, . . . . .	282,062 57
Total, . . . . .	\$7,302,118 06
The gross earnings last year were, . . . . .	6,441,412 56
Showing an increase for the past year of, . . . . .	\$860,705 50

The extent of road which has been worked, has not materially differed from that of last year. The Jackson, Lansing and Saginaw Road has been extended during the year, though but little of the extension has been for any time in use. It is now just being opened for use to Otsego Lake, which is its present northern terminus.

Of this increase, \$563,238.04 have been upon the main line, and \$297,367.52 upon the branch lines.

The increase in passengers has been, . . . . .	\$253,115 23
And in freight, . . . . .	606,775 06
In miscellaneous it has been only . . . . .	915 12

The increase in passenger earnings upon the main line has been, . . . . .	\$98,459 84
And upon the branch lines, . . . . .	154,655 39

These statements show a steady and healthy increase of business, which though not by any means so much as in other circumstances would have been the case, is perhaps all that ought to have been expected, if the difficulties we had to encounter during the whole year, but more especially in the winter, are duly considered.

The expenses of operation, exclusive of taxes

have been, . . . . .	\$4,840,564 87
Including taxes paid, . . . . .	4,986,935 46
Exceeding that of last year by, . . . . .	539,132 00
Leaving of net earnings above those of last year, . . . . .	331,673 50

The ratio of expenses to earnings, including taxes, has been  $68\frac{29}{100}$  per cent., and exclusive of taxes,  $66\frac{29}{100}$  per cent. of the gross earnings.

The net earnings for the year have been \$2,315,182.60.

The operating expenses of the main line have been, including taxes,  $65\frac{96}{100}$  per cent. of the gross earnings of the line, showing a decrease in those expenses of  $4\frac{14}{100}$  per cent.

The increase of the earnings from the whole property of the Company has been  $13\frac{30}{100}$  per cent. above that of last year. The increase of the earnings of the main line have been  $10\frac{60}{100}$  per cent. above those of last year. The increase of passenger business has been  $11\frac{37}{100}$  per cent., and has been general on both main line and branches. The tonnage of the freight is very nearly equally divided between through and local. The through has been  $48\frac{54}{100}$  of the whole, and the local  $51\frac{46}{100}$ . The increase in the whole tonnage during the year, has been  $14\frac{41}{100}$  per cent. The reduction in local rates from causes hereinafter mentioned, has been, during the last six years, and mainly within the last two years,  $31\frac{42}{100}$  per cent.

During the last year the reduction in local rates has been a quarter of a cent per ton per mile, and the effect upon earnings has been such, that, though the local tonnage has increased above that of last year, 95,800 tons, the local earnings have increased only \$947.11.

All who read the Annual Report of the two last years were made aware of the necessity of very large expenditures for



improvements, in order to put the road and its appointments in a condition to meet the demands of business pressing upon it. These improvements have been going on during the year, and are still in progress. There have been graded for double track eighty-one and a half miles:—From Detroit to Ypsilanti, on the eastern section of the road, in addition to work before done, twenty-three and three-quarters miles; from Niles to Lake, on the western division, fifty-seven and three-fourths miles. It was the purpose to have laid the track the whole distance during the year, but the wear of iron on the main track was so rapid, and it was so inexpedient to relay it with the iron rail, that more of the steel rail was absorbed there than had been anticipated.

The result has been that only (44) forty-four miles of the double track has been laid, while (97) ninety-seven miles of the main track have been relaid with steel, making in all, of track laid with steel rail during the year (141) one hundred and forty-one miles.

There are now, in all, 192 miles of steel rail in the main line, exclusive of the double track, which is beginning, as is seen, to have a very sensible effect upon the expense of working the road. As stated in the Report of last year, it is believed that with a completed steel track this expense may be reduced to sixty per cent. of the earnings.

The cost of the double track, including rails and the grading of the 81 miles, bridging, ballasting, etc., has been, . . . . .	\$988,284 11
The cost of single track, including steel rails,	1,166,153 60
	<hr/>
	\$2,154,437 71
There have been laid of side tracks, $28\frac{13}{100}$ miles, at a cost of, . . . . .	314,081 72
Side tracks at Chicago in the yards, . . . . .	8,339 16
At Jackson and Michigan City in engine- house, machine-shop and passenger-house,	19,040 00
	<hr/>
	\$2,495,898 59

At Jackson, where so many divisions of the road centre, the machine-shops have been completed, and are now just put into use. Also a round-house with 52 stalls, the whole on a scale adequate to the present and probable future demands of the road. A new passenger-house has been built there, suitable to the wants at that place. A new passenger-house at Buchanan. A new engine-house at Michigan City, with 22 stalls. At Chicago, a freight and office building, 50 ft. by 106, and three stories high. All these buildings are first-class, of stone or brick, with slate roofs. At Chicago also, a freight house has been built, of a more temporary character, but of brick, 80 ft. by 496.	
All costing during the year, . . . .	\$326,124 08
Coal sheds and shutes have been erected at Jackson, Michigan City, and Lawton, made necessary by the large substitution of coal instead of wood for fuel. And water-tanks and works for the additional supply of water at various points, have been provided, at a cost of, . . . .	29,545 39
On the Grand River Valley Division, a passenger, and grain and freight house at Eaton Rapids, . . . .	\$10,806 40
And at Grand Rapids on station grounds, there have been expended, . . . .	5,450 32
	16,256 72
The necessity for enlarging the station grounds at Chicago has compelled the purchase of additional lands there, and of leasing still more at an annual rent. Lands purchased cost, . . . .	60,108 58
At Detroit, also, there has been added to station grounds, land costing, . . . .	106,236 00

Lands have also been bought at the Junction three miles from Detroit, for the erection of car-shops and round-house. The lands purchased comprise nearly 100 acres and have cost, during the year, . . .	\$28,928 39
The construction of shops for repairing cars is now in progress upon these grounds, and by the close of this season it is hoped they may be in readiness, and all shops removed from the station grounds, which are all needed for station purposes.	
In the operating department the power of the road has been increased by 48 locomotives, at a cost of . . . . .	700,000 00
Four first-class passenger coaches, with twelve wheels; ten of same description with eight wheels; sixteen second-class; twelve baggage cars; twenty-five accommodation cars, and 1,235 cars of all kinds for freight purposes have been added to the rolling stock. Of these, 612 were box merchandise, and 623 were platform cars. The aggregate cost has been, . . .	1,251,292 04
On the works at the junction, viz.: car-shops and round-house, and on the foundation of a new grain-house at Detroit, there have been expended, . . . . .	51,743 46
These are the main items of expenditure for construction during the year, and amount to . . . . .	5,066,133 25

It is not necessary perhaps at once to complete the double track of the road for the whole distance between Detroit and Chicago, but it will be required at an early day. Including the air-line it has now 145 miles double tracked, and there are to go down immediately 23 miles more, making of double track which will soon be complete, 168 miles. This is judiciously distributed, and with ample sidings elsewhere, will for the present enable the road to meet the demands upon it so far as track is concerned.

The sidings, including all upon the line and at stations, amount to 114 miles, of which forty-six have been put down in the last two years.

There should be added to the rolling stock of this Company yet enough to fill up its quota in each of the through freight lines, so that it may not be compelled to pay for the use of cars running over the road as it now does. This will require about 400 additional merchandise cars.

The passenger stock of the road should be also increased. The whole track of the main line must be soon completed with steel rails. The bridge at Niles also requires to be rebuilt. Altogether there will still be necessary a very considerable expenditure the present year, but mainly for steel rail, the bridge and buildings stated to be in progress, and rolling stock, as above stated.

Stockholders may well inquire why these so large expenditures have become so suddenly required to restore and maintain the value of their property, and also if it is likely to accomplish the end aimed at. The necessity for the expenditures will be made strikingly apparent.

Allusion has been made in the reports of this Company for two or three years past to the rapid construction of railroads which might affect its local traffic by competition at its local points. The effect of the intense competition for through business is probably understood by all stockholders. At Kalamazoo the road is crossed by a branch of the Pennsylvania system of roads, running far north into the State. Also by a branch of the Lake Shore and Michigan Southern to Grand Rapids. At Battle Creek it is intersected by the Peninsular road connecting with the Pittsburg and Fort Wayne, and also with the Detroit, Lansing and Lake Michigan at Lansing. At Albion and at Jackson it is intersected or reached by two other branches of the Lake Shore and Michigan Southern road. At Wayne it is crossed by the Flint and Pere Marquette. At all the important points on the main line, and at several points on the other division lines, full competition is established, and substantially the rates at all local points is as fully fixed by competition as are the through rates. The result has been everywhere a reduction of rates, and for the information of stockholders we place before them the

earnings from freight, both local and through, for the years running from 1865 to 1873, inclusive of both years, stating the number of tons carried in each year, and the number of tons carried one mile in each year, and the gross earnings therefrom, and the rate of freight per ton per mile which has ruled each year:—

	Tons of Freight Moved.	Tons Moved One Mile.	Freight Earnings.	Earnings per Ton per Mile.
1865, . . .	485,275	72,937,319	\$2,233,529 47	$\frac{3.6}{100}$
1866, . . .	533,451	84,897,713	2,208,591 82	$\frac{2.6}{100}$
1867, . . .	578,177	91,950,418	2,285,521 69	$\frac{2.4}{100}$
1868, . . .	638,586	101,264,251	2,480,974 16	$\frac{2.4}{100}$
1869, . . .	802,835	131,827,774	2,755,200 48	$\frac{2.1}{100}$
1870, . . .	823,770	132,903,174	2,634,438 87	$\frac{1.9}{100}$
1871, . . .	1,105,875	190,606,687	3,072,557 58	$\frac{1.6}{100}$
1872, . . .	1,238,313	216,739,727	3,379,625 54	$\frac{1.5}{100}$
1873, . . .	1,416,792	246,078,512	3,852,933 41	$\frac{1.5}{100}$

It will be noticed how gradually, but certainly, rates have been sinking, from  $\frac{3.6}{100}$  per ton per mile in 1865 to  $\frac{1.5}{100}$  in 1872 with slight increase in 1873. It follows that we are doing all freight business, including local as well as through, on an average, at very nearly half what the rates were eight years ago. To illustrate the effect of this take the year 1868 as an example. This is only five years ago, and then the rates had declined from  $\frac{3.6}{100}$  per ton per mile in 1865 to  $\frac{2.4}{100}$  in that year.

The gross earnings from freight in that year were \$2,480,974. In that year the surplus to be divided among stockholders after paying expenses and interest was \$944,328. Now had the Company been compelled to do that business that year at the rates of last year, viz.,  $\frac{1.5}{100}$  per ton per mile, the gross receipts from freights would have been \$1,579,722, instead of \$2,480,974, and the difference would have been \$901,251, which is very nearly the total surplus of that year credited to income account. If we had also been compelled to do the through passenger business of that year at present rates, which is about four-fifths of the then rate, there would have been a deficit in earnings even to pay interest on the then debt of the Company.

At that time the road was tasked to its full capacity to do its business. It had not increased its power for ten years, and its rolling stock but little. The through freight line had just been organized. The next year both power and cars were inadequate to the business, and the value of it could not be increased, with the road and its appointments maintained only up to their then standard. The result would have been an annual deficit for the last two or three years, but increasing with each year, and the Company would have been bankrupt.

Now reverse the case and take the business of 1872. The freight earnings of that year were \$3,379,625, with the rate per ton per mile of  $1\frac{56}{100}$ . Had we been able to realize the sum of  $2\frac{45}{100}$  per ton per mile, the rate of 1868, the earnings from that business would have been \$5,310,123, or \$1,930,497 more than was realized at present rates.

On the business of the present year, which is a large increase over that of last year, the difference is still more striking. In the last year the gross earnings from freight were \$3,852,933.41. The rate per ton per mile was  $1\frac{57}{100}$ . At the same rate as in 1868 the earnings would have been \$6,028,923.54, which is \$2,175,990.13 more than was actually realized. That amount has been saved to the producer in a single year by the competition which has sprung up only within the last five years. The only comfort there is in it to railway managers, is in the fact, that the rate per mile was not reduced during the last year, indicating that competition for the present has done its worst. In fact it is difficult to conceive that business can be done cheaper with any reasonably adequate profit to the railroad companies.

The corollary to be drawn from all this is as clear and certain as it can possibly be, that to have remained stationary for the past five years would have been equivalent to bankruptcy, and that within the period of eight years past, to enable the road to earn even as much as it did five years ago, it must do very much more than double the business, because rates are only half as much as in 1865. But to earn only that would not avail, because to put the road in a condition to do double the business, all its capacity of power, rolling-stock, tracks and station-grounds must be enlarged up to the point

which will enable the road to do double the business, and even then we should be earning no *more money* than we were in 1865. The earnings therefore must be so much more than double, as will pay the increased cost of operation, and the interest on the additional capital, required to bring the road and all its appointments up to that degree of ability which shall enable it to do certainly three or four, or more, times the business of 1865. Much, however, it should be said in this account, may be credited to the increased economy in the management of so large a business over a perfect and ample track of steel rail, ample station-grounds, convenient and adequate repair shops, both for locomotives and cars.

There remains no doubt, however, that all that has yet been done in bringing the road up to the necessities of the case, and preparing it for the increased volume of business which must pass over it, is even yet inadequate. Very much the largest share of the evident and imperative necessities have been accomplished, and to some extent the benefits have begun to be realized in the augmented business. It will require much less, however, to double the present volume than it has needed to reach it, and it does not admit of a doubt that the path of safety is to aim at that result and be prepared for it. The present low rates will never be higher, and there is this compensation in them, viz. : that they turn and will continue to turn a world of business over the railroads, and those which shall be able to take it, and handle it with economy, may be and probably will yet be, as prosperous in the future as in the past.

But it is clear that to accomplish this involves double and perfect track, and more than double power, and equipment, and all else in proportion. Though it has not all been accomplished in the past two or three years on the Michigan Central a very long step has been taken towards it. Both power and rolling-stock have been much more than doubled; the capacity of the track has been more than in proportion increased, and the business in the last five years much more than doubled, and in the last eight trebled. The increased earnings during the year on the same extent of road have been, as above stated, \$860,705.50.

This result, however, is by no means adequate to the

necessities of the case, and the increase might as well have been nearly double as to have been what it was, but for causes which have been alluded to in former reports, but now more fully stated. While this Company has observed the tendency of rates, and appreciated the imperative necessity of enlarging the capacity of the road for the necessary increase in the volume of business, required to maintain and augment its revenues, it has had no ability to control the connecting road east of it, and over which all our through business, so far as it could move at all, must pass. We allude to the Great Western Road of Canada. It will be impossible to make our stockholders appreciate or know the efforts made by the officers of this Company, to induce the managers of that road in time to take such action as would enable it to receive and carry forward easily the business we should deliver to it. Certainly no means in our power have been unused. All efforts in the past have, until recently, been unavailing, and yet it is not too much to say that, during the whole of the past year, it has been clogged up with business. With the exception of work upon its loop line it has done almost nothing. While its clear duty was to provide ample sidings for the passage of trains everywhere, it has been choked at almost every point. While its power and rolling stock should have been not only ample to move rapidly the through business which we gave it, but also the business of Michigan and the other roads centering at Detroit, it has been worked with half the number of locomotives and a thousand less cars than have been found insufficient upon your road. It undertakes to do the ferry business at Detroit, but the means have been wholly inadequate, even before the winter set in. During several months, the cars could not be taken across as rapidly as was requisite, and for that period, all the time, large numbers of loaded cars, often as many as from seven hundred to one thousand, were waiting in our yards to be moved across. When winter came on,—and it was the most severe by far ever known at Detroit,—the difficulty was still greater, though could the freight have crossed it could not have been got over that road. For about three months, when business pressed most, this Company was compelled to refuse freight from its



Western terminus to go through, and for two-thirds of that time there were from two thousand to three thousand cars waiting the passage of the river, and when they finally passed, it was near a month before they could be got back to commence earning money upon your road. The result was to our business both unavoidable and disastrous, as it was also equally to the Great Western.

This Company probably lost during the winter, from this cause alone, business amounting to about half a million of dollars, and that company nearly as much ; and each company during the whole year has, including the winter loss, suffered very largely more than that, from the inability of the Great Western to meet the demands upon it, and carry the business of its road without delay, while the cost of doing it has also been to both companies very greatly enhanced.

The Great Western road is managed by a board of directors and by stockholders living in England. They are conservative and very slow to appreciate the rapid changes in this country. They cannot easily be made to understand that a great line of railroad like theirs and ours, might be totally ruined by remaining stationary in its appointments for only the four or five years past, and that not to make progress was certainly to have retrograded in earnings just as fast as rates have declined. They have not been able to realize that the increase in the volume of the business should be really in a threefold or larger proportion to the decrease in the rates of freight, in order that the revenues of the road may be maintained. It has seemed to be a satisfaction to them that they had all they could possibly do which seemed to them all that was desired. It has been only by the overwhelming pressure of business, and possibly the fear of rival roads, that the officers of that company and its stockholders have come to realize the necessity resting upon them, if they would save the value of their property. This it is believed they now do ; and it gives your board and the managers of your road unqualified satisfaction, to be able to say, that that company is beginning, though but beginning, to make adequate provision for present and coming business.

It is announced, and is no doubt true, that contracts are let for their double track from Detroit to Glencoe, the point

where their loop-line diverges to Buffalo, and the work is in progress, to be finished in time for the winter business. This will give that company two tracks from Detroit, to connect with the New York Central and Erie Railroads. They have contracted for locomotives enough to make their whole number 207, for freight cars enough to make with their present stock 4,754 for business purposes; also a new ferry-boat of large dimensions, ample new sidings for all purposes, and with enlarged shops and stations, &c., all to be ready before winter, and have provided and obtained the money therefor. These are estimated to cost \$5,216,000, and with the cost of the loop-line included, \$9,716,000 expended, and to be expended, in bringing that road up to the necessary standard to meet the pressing business which has been so long crowding it. These things should have been done before and will probably, so far as power and stock is concerned, be inadequate now when done.

It is, however, so large an effort in the right direction, and evinces so clear a conviction at last of the importance of the exigency, that it is regarded as a policy now settled, that that road shall progress, and be made adequate to all the necessities of business, both now and in the future. It is doubtless the only policy which can by possibility maintain the value of the property.

The Great Western road is the most convenient outlet and inlet for the business of the whole State of Michigan, which very largely centres at Detroit. Its clear duty and interest is to command it, and not allow it to be driven off upon other lines. Yet, while it does this, it is also the most convenient connecting road for all the business of this company to and from the Great West. It should be provided with both power and cars largely in excess of those necessary for the business of this Company. All its present provisions of cars and power, therefore, are likely to fall much short of the necessities to be imposed upon it in the future.

The International Bridge across the Niagara River near Buffalo, built by the Grand Trunk Company, is approaching completion, and will doubtless be ready for business before winter. The St. Clair River at Sarnia, at the outlet of Lake Huron, runs with a very rapid current, and never

freezes. The Grand Trunk road starting from the Detroit Station grounds of this company and running to Buffalo, crosses the St. Clair River close to the foot of Lake Huron at the point where it is always open, and with the bridge at Buffalo will give this Company an outlet for its business, even in the severest winter, which will be always open. The Board, therefore, feels that to the extent of the capacity of that road this company will find relief when all other avenues fail, and that probably never again will it suffer so greatly as in the past three winters, and especially in the last.

With one open road always, with the enlarged means of the Great Western Company and another powerful ferry at Detroit, it is hoped that the business of the Company may not again be interrupted until better and safer means of crossing the river by a bridge shall be secured.

The Canada Southern road, it is understood, will be completed to Detroit this season, and may also become a very important relief to the business of this Company. All these increased means of business east of Detroit, create the conviction that there can be no such almost total stoppage of business in the future as in the past, and that it will move by one avenue or the other, if not by all, during the severest winter.

This company now operates as branches, under leases, the following roads :—

The Kalamazoo and South Haven, . . . . .	40 miles.
The Jackson Lansing and Saginaw, just now open to Otsego Lake, and to within sixty- five miles of the Straits,. . . . .	212 “
The Grand River Valley Road, . . . . .	94 “
The Niles and South Bend, . . . . .	10 “

The rent paid for the Kalamazoo and South Haven Road is the interest on its bonds only. For the Grand River Valley Road it pays by way of rent, the interest on its bonds and five per cent. on its stock, \$492,000. For the Jackson, Lansing and Saginaw it pays by way of rent the interest on its bonds, and after this year \$70,000, of which, however, some more than a third belongs to this Company, which holds rather more than a third of all the capital stock of that company.

That company has a land grant of 600,000 acres, largely pine-timber lands given it to help construct the road. Of this some more than a third is the property of this Company in virtue of the stock so held by it. It is difficult to say what this land is worth, but it is safe to say it is of great value.

These roads are all tributary to the main line of the company.

Their gross earnings for the last year were	\$1,138,821 14
The amount of business they furnish the main line is, . . . . .	387,517 59
The amount of the gross business of these roads and the earnings upon the main line upon the business furnished by them is, . . . . .	<u>1,526,338 73</u>

Or about twenty-one  $\frac{33}{100}$  per cent. of the whole business of the company.

The Jackson, Lansing and Saginaw Road will necessarily be extended to the Straits. It is probable that soon, and it may be within a year and a half, the Mackinac and Marquette Railroad will be built, and the Jackson, Lansing and Saginaw extended to meet it. This latter road would then become a thoroughfare for both travel and freight, and an important road in all respects, and is likely to become a very valuable property independent of its land grant. It is in this connection that the Detroit and Bay City Railroad becomes very valuable to the interests of this Company.

It will own north of Wenona, opposite Bay City, and from that point to the Straits of Mackinac, 175 miles of road. It runs through a country mostly timbered with both pine and hard wood. A large portion of its business will pass in and out by Detroit.

From the Straits to Marquette, a distance of about 140 miles, the State of Michigan has granted 1,000,000 acres of land to aid in constructing the proposed road between those two points. This may perhaps secure its completion before the close of next year. It will connect the road of this Company, by way of the Straits, directly with the mineral regions of Lake Superior, and will make it the direct route

between the east and south-east and that very valuable country.

The local business of the road north of Bay City for 175 miles must also find its way in and out largely through Detroit. It will therefore be of very great importance to this Company that the lines between Detroit and Bay City, the outlet and the inlet for so long a line of local business, as well as of through travel and freight, should be owned and managed by it. This will enable it to control its own business and rates, and work with a vigor and promptness which would be impossible if its business there must go over the roads of one or two other companies, in its way to and from Detroit.

These considerations have induced the Board to aid the Detroit and Bay City Road to some extent, with a view of controlling it, but without incurring any large obligations. There were subscribed along the line of that road, to aid in building it, \$300,000, and a first mortgage bond was placed upon it to the amount of \$20,000 per mile at eight per cent. With these the road has been built in a very substantial manner. It is just now about being opened for use to Bay City. This, with our line north of Bay City, will make very nearly an air-line from our own station grounds to the Straits of Mackinac, and will be the short route for all business to and from the upper Peninsula of Michigan: and our own local business, as well as all through business upon our northern line, will start from and come upon our own station grounds in Detroit.

By the terms of the construction contract, the contractor was to have the bonds, local aid, and \$11,000 of stock per mile for building the road, and ironing it, and building station houses and all appurtenances. The managers of this Company, acting in its interests, and upon the request and by agreement with the contractor, undertook to place the bonds and furnish rolling stock, and operate and manage the road, in consideration of the transfer of the stock to this company; and this has been done with no other obligation whatever on the part of the Company, except that it took itself, and has sold with its guarantee, 274 of the bonds.

Two-thirds of the whole stock of that company are the property of the Michigan Central Road, and this Company controls, operates and manages it, running its own equip-

ment over it, and charging a reasonable price for the use thereof.

The importance of controlling this road, however, was so great, in connection with the road north of Saginaw Valley, and the business of this Company there to and from the West, that the Board would have failed in its duty to the stockholders had it not acceded to the easy terms upon which it could be controlled, and more especially when there was a near prospect of the whole route from Detroit to Marquette becoming a large and valuable through as well as local route. There is no obligation in any form to guarantee other than above stated any bonds or income or rent. The Board, however, anticipate that the road presently will earn enough to pay its interest, and soon will earn enough to pay for the use of rolling stock in addition, and that with the connections made with Marquette, it will become a valuable property in all respects. None who are familiar with the management of railways will fail to appreciate the importance to us of controlling the link which shall connect so long a line of road belonging to this Company in the north with its own business station at Detroit, and giving it the command of the business of the whole line.

The Board regret to state, that the work upon the small tunnel under the Detroit River, undertaken in part as a drainage sewer for the main tunnel, but also to test the nature of the earth under the river, has developed such difficulties, as to compel them reluctantly to abandon that work.

It is not necessary to describe those difficulties. Suffice it to say that the work of completing the small or drainage tunnel was originally estimated to require six months. At the end of two years, the chief engineer states, that it may possibly require six years to complete it. Fortunately he would not allow any expenditure upon the main tunnel, until he was made certain of its feasibility, by that experiment. No large amount of money has been, therefore, expended in the work. It became certain, that it would be several years before the main tunnel could be commenced, and a much longer time before it could be finished, if it were by possibility feasible at all. It was also clear that with the difficulties developed, it would involve a very much larger amount of money than

could be commanded for that work. The only alternative is a bridge. At the last session of Congress a resolution was passed directing the Secretary of War to appoint a Commission of Engineers, to investigate and report, as to the feasibility of a bridge or bridges across the river. That Commission is now engaged in its duties, under an order of the Secretary, and will report at the next Congress. The necessity is so great, and it is so important for all interests in the West, that they should be built, that it is believed the report will be favorable. In that case within a year, a bridge at Detroit could be built, and all winter difficulties by the most convenient railway route, would be at an end.

In concluding this Report the Board may remark, that the last few years have made a great revolution in the business of railroads in this country. Continuous lines have become practically one road. All through business is done in through or line cars. The grain of the country is now moved half the year, mainly by rail, and largely at all times. That business is without limit, and is far beyond the ability of all railroads now built or likely to be built. It must be done at low rates, but present rates command it. With ample power and rolling stock—perfect and permanent double steel track—there seems to be, in the judgment of the Board, no good reason why the increasing volume of business may not much more than make up for the decreased rates. The revolution has been so sudden, and great also, that the difficulty has been to prepare the roads for it, and enable them to meet the emergency. No effort to accomplish this for the road of this Company has been spared by the Board, and on the whole, though there have been, and still are, great difficulties in bringing all parts of the line between Chicago and the Bridge, up to the requirements of the business of the country, yet upon the whole the effort is about to be successful, and there is no good reason why in the future the road may not be as prosperous as in the past.

For the information relative to the finances of the company and the state of its funded debt, and its sinking fund, reference is made to the Treasurer's Report, and for more particular information relative to the operation of the road, to the report of the superintendent, all of which are hereto append-

ed. There is no report from the Superintendent of the Machinery and Car Departments, owing to the death of A. S. Sweet; at the head of the first, who was a very valuable officer, and the severe illness of J. B. Sutherland, who has charge of the other department.

By order of the Board,

J. F. JOY, *President.*



## TREASURER'S REPORT.

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*To the President and Directors of the Michigan Central Railroad Company.*

GENTLEMEN :—The accounts of the Company for the year ending the 31st day of May last are herewith submitted.

A comparison of the business of the year which has just closed with that of the previous year, gives the following result :—

From June 1, 1871, to June 1, 1872,—

The gross receipts were . . . . .	\$5,528,305 97
operating expenses, in-	
cluding local taxes, . . . \$3,719,348 67	
U. S. taxes on dividends, . . . . . 37,578 58	
the interest account, . . . . . 264,954 86	
	4,021,882 11
Net, . . . . .	\$1,506,423 86

From June 1, 1872, to June 1, 1873,—

The gross receipts were . . . . .	\$5,832,067 29
operating expenses, in-	
cluding local taxes, . . . \$3,876,243 26	
interest account, . . . . . 511,747 07	
	4,387,990 33
Net, . . . . .	\$1,444,076 96

Showing a decrease from the previous year of      \$62,346 90

The bonded debt has been decreased during the past year by the retiring of the sterling bonds maturing July 1, 1872,

amounting to \$467,488.89, and by the conversion of \$31,500 of the bonds of 1882 into stock. An increase in the bonded debt has arisen from the issuing of \$7,000,000 of the seven per cent. bonds of 1902, so that the bonded debt now amounts to \$9,735,000.

The sum invested in the sinking funds of the Company amounts to \$1,630,054.03, which deducted from above leaves \$8,104,945.97 as net bonded debt of the main line.

The capital stock has been increased by the amount of the dividend of January 27, 1873, and conversions of bonds, and now amounts to . . . . . \$18,738,204 00  
 Construction account now amounts to . . . \$24,536,880 92

All the interest on the \$7,000,000 seven per cent. bonds has thus far been charged to construction account, there having been very little benefit received during the year, from the expenditure.

Respectfully submitted,

ISAAC LIVERMORE, *Treasurer.*

BOSTON, June 25, 1873.

[ A ]  
The Michigan Central Railroad, Trial Balance.

Cr.

Dr.

1873.		1873.	
June 2,	To Construction account, . . . . .	\$24,536,880 92	By Capital stock, . . . . .
	Cash on hand and loaned on call, . . . . .	803,725 35	Bond accounts, viz :—
	Materials on hand, . . . . .	624,024 37	8 per cent. 1st Mort. payable Oct. 1, 1882, . . . . .
	Balance of account of C. F. Livermore, Gen'l Rec., . . . . .	495,213 19	8 per cent. 1st Mort. payable Oct. 1, 1882, S. Fund, . . . . .
	Balance of account of J. F. Joy, President, . . . . .	41,516 30	8 per cent. 1st Mort. payable Oct. 1, 1882, S. Fund, . . . . .
	Chicago land account, . . . . .	168,293 67	7 per cent. Consol. Mort. payable May 1, 1902, . . . . .
	Jackson land account, . . . . .	23,911 31	8 per cent. Air Line Mort. payable Jan. 1, 1890, . . . . .
	Jackson, Lansing & Saginaw adv. account, . . . . .	273,610 22	Bills payable, . . . . .
	Joliet & N. I. R. stock, . . . . .	168,225 00	Unpaid dividends and coupons, . . . . .
	Sundry accounts and securities, . . . . .	42,772 06	Detroit & Bay City R. R. Co., . . . . .
	Grand River Valley R. R. Co., . . . . .	818,341 30	Proceeds Jackson L. & S. R. R. Equipment Bonds, . . . . .
	Mich. Air Line R. R. Co., . . . . .	2,144,315 72	Income account—balance of this account, . . . . .
	Kalamazoo & So. Haven R. R. Co., . . . . .	33,440 66	
	Mich. Air Line, construction account, . . . . .	554,531 27	
	Joliet & N. I. R., construction account, . . . . .	11,955 06	
	Kalamazoo & So. Haven, construction account, . . . . .	71,887 01	
	Jackson, Lansing & Sag., construction account, . . . . .	443,321 40	
	Bonds purchased on traffic agreements, . . . . .	41,849 00	
	So. Bend Division, construction account, . . . . .	18,111 75	
	So. Bend Division, . . . . .	701 59	
		\$31,316,607 15	\$31,316,607 15

BOSTON, June 2, 1873.

(E. & O. E.)

ISAAC LIVERMORE, Treasurer.



## TRUSTEES' REPORT.

*To the President and Directors of the Michigan Central Railroad Company.*

The Trustees appointed under the Trust Mortgage Deed of the Michigan Central Railroad Company to John M. Forbes, Nathaniel Thayer and H. H. Hunnewell, Trustees, under date of September 29, 1857, report: That the present standing of the Sinking Funds, the care of which was entrusted to them, shows the balance to the credit of the *First Sinking Fund*, on the 31st of May, 1873, was in

Bonds at par, viz. :—

Michigan Central Railroad Co., . . .	\$479,500 00
Hannibal & St. Joseph R. R. Co., . . .	33,700 00
Joliet & Northern Indiana R. R. Co., . . .	107,000 00
Burlington & Missouri River R. R. Co., . . .	191,000 00
Missouri River, Fort Scott & Gulf R. R. Co., . . .	5,000 00
Jackson, Lansing & Saginaw R. R. Co., . . .	140,000 00
Carthage & Burlington R. R. Co., . . .	22,500 00
Dixon, Peoria & Hannibal R. R. Co., . . .	13,000 00
Ionia & Lansing R. R. Co., . . .	17,000 00
Fort Wayne, Jackson & Saginaw R. R. Co., . . .	25,000 00
Chicago & Mich. Lake Shore R. R. Co., . . .	146,000 00
Detroit, Lansing & Lake Michigan R. R. Co., . . .	26,000 00
Detroit, Hillsdale & Indiana R. R. Co., . . .	7,000 00
Chicago, Burlington & Quincy R. R., . . .	14,000 00
	\$1,226,700 00
Michigan Central R. R. stock at par, . . .	10,100 00
	\$1,236,800 00

To the credit of the *Second Sinking Fund* on the 31st of May, 1873, was in

Bonds at par, viz. :—	
Michigan Central R. R. Co., . . . . .	\$159,500 00
Hannibal & St. Joseph R. R. Co., . . . . .	12,900 00
Joliet & Northern Indiana R. R. Co., . . . . .	32,000 00
Burlington & Missouri River R. R. Co., . . . . .	63,000 00
Missouri River, Fort Scott & Gulf R. R. Co., . . . . .	15,000 00
Jackson, Lansing & Saginaw R. R. Co., . . . . .	56,000 00
Carthage & Burlington R. R. Co., . . . . .	3,000 00
Ionia & Lansing R. R. Co., . . . . .	4,000 00
Chicago & Michigan Lake Shore R. R. Co., . . . . .	31,000 00
Detroit, Hillsdale & Indiana R. R. Co., . . . . .	5,000 00
Detroit, Lansing & Lake Mich. R. R. Co., . . . . .	4,000 00
Chicago, Burlington & Quincy R. R. Co., . . . . .	3,000 00
	\$388,400 00
Michigan Central R. R. stock at par, . . . . .	3,200 00
Joliet & Northern Indiana R. R. Co. stock at par, . . . . .	1,000 00
Cash in Old Boston National Bank, . . . . .	654 03
	\$393,254 03

The accounts for the year ending May 31st, 1873, are as follows :—

*Michigan Central Railroad FIRST SINKING FUND in account with the Trustees.*

Cash in Old Boston National Bank, May 31, 1872, . . . . . \$1,311 91

*Received.*

<b>1872.</b>	Six months interest on—	
June 1,	7,000 Detroit, Hillsdale and Indiana R. R. bonds, . . . . .	\$278 83
July 1,	5,000 Mo. River, Fort Scott & Gulf R. R. bonds, . . . . .	250 00
	1, 131,000 Jackson, Lansing & Saginaw, . . . . .	5,240 00
	1, 17,000 Ionia & Lansing R. R. bonds, . . . . .	680 00
	1, 47,000 Chicago & Michigan Lake Shore R. R. bonds . . . . .	1,880 00
	1, 13,000 Dixon, Peoria & Hannibal R. R. bonds, . . . . .	520 00
	1, 25,000 Fort Wayne, Jackson & Saginaw R. R. bonds, . . . . .	1,000 00
	6, Dividend on 97 shares Michigan Central R. R. stock, . . . . .	485 00

1872.		Six months interest on—	
Oct.	1,	33,700 Hannibal & St. Joseph R. R. bonds, . . . . .	\$1,179 50
	1,	15,000 Detroit, Lansing & Lake Michigan R. R. bonds, . . . . .	600 00
	1,	191,000 Burlington & Missouri River R. R. bonds, . . . . .	6,685 00
Nov.	1,	22,500 Carthage & Burlington R. R. bonds, . . . . .	900 00
	1,	80,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . .	3,200 00
	1,	9,000 Jackson, Lansing & Saginaw R. R. bonds, . . . . .	360 00
Dec.	2,	7,000 Detroit, Hillsdale & Indiana R. R. bonds, . . . . .	280 00

1873.			
Jan.	1,	131,000 Jackson, Lansing & Saginaw R. R. bonds, . . . . .	5,240 00
	1,	5,000 Mo. River, Fort Scott & Gulf R. R. bonds, . . . . .	250 00
	1,	13,000 Dixon, Peoria & Hannibal R. R. bonds, . . . . .	520 00
	1,	17,000 Ionia & Lansing R. R. bonds, . . . . .	680 00
	1,	53,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . .	2,120 00
	1,	25,000 Fort Wayne, Jackson & Saginaw R. R. bonds, . . . . .	1,000 00
Apr.	1,	191,000 Burlington & Missouri River R. R. Bonds, . . . . .	6,685 00
	1,	33,700 Hannibal & St. Joseph R. R. bonds, . . . . .	1,179 50
	1,	26,000 Detroit, Lansing & Lake Michigan R. R. bonds, . . . . .	1,040 00
May	1,	22,500 Carthage & Burlington R. R. bonds, . . . . .	900 00
	1,	93,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . .	3,720 00
	1,	9,000 Jackson, Lansing & Saginaw R. R. bonds, . . . . .	360 00
		Due Second Sinking Fund, . . . . .	102 49

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\$48,647 23

1872.		<i>Paid.</i>	
July	3,	Cost of 11,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . .	\$9,529 47
Oct.	5,	of 11,000 Detroit, Lansing & Lake Michigan R. R. bonds, . . . . .	8,809 77
Nov.	1,	of 5,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . .	4,133 34

1873.	
Jan. 4,	Cost of 13,000 Chicago & Michigan Lake Shore R. R. bonds, . . . \$10,582 00
Apr. 11,	of 9,000 Chicago, Burlington & Quincy R. R. bonds, . . . 8,533 75
May 3,	of 1,000 Chicago, Burlington & Quincy R. R. bonds, . . . 963 72
20,	of 4,000 Chicago, Burlington & Quincy R. R. bonds, . . . 3,893 11
	Commission 1 per cent., on purchases, for year ending May 31, 1872, . . . 1,495 75
	Commission 1 per cent., on purchases, for year ending May 31, 1873, . . . 464 45
	Clerk hire, . . . . . 106 50
	Rent of safe, advertising, &c., . . . 135 37
	\$48,647 23

*Michigan Central Railroad* SECOND SINKING FUND *in account with the Trustees.*

Cash in Old Boston National Bank May 31, 1872, . . . . .	\$2 91
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*Received.*

1872.	
Six months interest on—	
June 1,	5,000 Detroit, Hillsdale & Indiana R. R. bonds, . . . . . 199 17
July 1,	15,000 Mo. River, Fort Scott & Gulf R. R. bonds, . . . . . 750 00
1,	54,000 Jackson, Lansing & Saginaw R. R. bonds, . . . . . 2,160 00
1,	4,000 Ionia & Lansing R. R. bonds, . . . . . 160 00
1,	18,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . . 720 00
6,	Dividend on 31 shares Michigan Central R. R. stock, . . . . . 155 00
Six months interest on—	
Oct. 1,	12,900 Hannibal & St. Joseph R. R. bonds, . . . . . 451 50
1,	63,000 Burlington & Missouri River R. R. bonds, . . . . . 2,205 00
1,	Dividend on 10 shares Joliet & Northern Indiana R. R. stock, . . . . . 40 00
Six months interest on—	
Nov. 1,	3,000 Carthage & Burlington R. R. bonds, . . . . . 120 00
1,	4,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . . 160 00



<b>1872.</b>		Six months interest on—	
Nov. 1,	2,000 Jackson, Lansing & Saginaw R. R. bonds, . . . . .		\$80 00
Dec. 2,	5,000 Detroit, Hillsdale & Indiana R. R. bonds, . . . . .		200 00

<b>1873.</b>			
Jan. 1,	15,000 Mo. River, Fort Scott & Gulf R. R. bonds, . . . . .		750 00
1,	54,000 Jackson, Lansing & Saginaw R. R. bonds, . . . . .	2,160 00	
1,	4,000 Ionia & Lansing R. R. bonds,		160 00
1,	22,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . .		880 00
Feb. 8,	Dividend on 10 shares Joliet & North- ern Indiana R. R. stock, . . . . .		40 00
8,	Proceeds \$12 Michigan Central R. R. scrip, . . . . .		13 08

## Six months interest on—

Apr. 1,	63,000 Burlington & Missouri River R. R. bonds, . . . . .	2,205 00	
1,	12,900 Hannibal & St. Joseph R. R. bonds, . . . . .		451 50
1,	4,000 Detroit, Lansing & Lake Mich- igan R. R. bonds, . . . . .		160 00
May 1,	3,000 Carthage & Burlington R. R. bonds, . . . . .		120 00
1,	9,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . .		360 00
1,	2,000 Jackson, Lansing & Saginaw R. R. bonds, . . . . .		80 00

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 \$14,783 16
*Paid.*

<b>1872.</b>			
July, 3,	Cost of 4,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . .	\$3,416 78	
Oct. 5,	of 4,000 Detroit, Lansing & Lake Michigan R. R. bonds,		3,203 56

<b>1873.</b>			
Jan. 4,	Cost of 5,000 Chicago & Michigan Lake Shore R. R. bonds, . . . . .	4,070 00	
Apr. 11,	of 3,000 Chicago, Burlington & Quincy R. R. bonds, . . . . .	2,844 58	
	Commission 1 per cent. on purchases for year ending May 31, 1872, . . . . .		251 64
	Commission 1 per cent. on purchases for year ending May 31, 1873, . . . . .		135 35

Clerk hire, . . . . .	\$43 50	
Rent of safe, advertising, &c., . . . . .	61 23	
Balance in Boston Bank, May 31, 1873,	654 03	
Due from First Sinking Fund, . . . . .	102 49	
	<hr/>	\$14,783 16

(E. &amp; O. E.)

H. H. HUNNEWELL,  
N. THAYER,  
W. H. FORBES,

*Trustees.*

BOSTON, June 18, 1873.

AUDITOR'S REPORT.

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*To the Directors of the Michigan Central Railroad Company.*

DETROIT, June 23, 1873.

GENTLEMEN :—I have examined the books of the President at Detroit, and of the Treasurer at Boston, for the year ending the 31st May last, and have found them correctly kept and supported by proper vouchers.

Respectfully,

WILLIAM BOOTT, *Auditor.*

## GENERAL SUPERINTENDENT'S REPORT.

OFFICE OF GENERAL SUPERINTENDENT, }  
CHICAGO, June 20, 1873. }

Hon. JAMES F. JOY, *President.*

I beg to submit herewith, statements of the operation and traffic, of the main line and branches, for the year ending May 31, together with reports of the working departments, statistics, &c.

*Comparative Statement of Earnings and Expenses of Entire Line,  
including Branches.*

	1872.	1873.	Increase or Decrease.
<i>Earnings.</i>			
Passengers, . . . .	\$2,114,066 44	\$2,367,181 67	+ \$253,115 23
Freight, . . . .	4,046,198 76	4,652,873 82	+606,675 06
Miscellaneous, . . . .	281,147 36	282,062 57	+915 21
Totals, . . . .	\$6,441,412 56	\$7,302,118 06	+ \$860,705 50
<i>Expenses.</i>			
Operating expenses, . . . .	\$4,377,614 39	\$4,840,564 87	+ \$462,950 48
Taxes, . . . .	70,189 07	146,370 59	+76,181 52
Totals, . . . .	\$4,447,803 46	\$4,986,935 46	+ \$539,132 00
Ratio of expenses to earnings, including taxes, . . . .	.70 $\frac{64}{100}$	.68 $\frac{23}{100}$	-.2 $\frac{85}{100}$
Exclusive of taxes, . . . .	.67 $\frac{26}{100}$	.66 $\frac{23}{100}$	-.1 $\frac{67}{100}$

*Separate Earnings and Expenses of the Main Line and Branches.*

	Gross Earnings.	Expenses.	Net Earnings.
Main Line, . . . . .	\$5,876,312 07	\$3,876,243 26	\$2,000,068 81
Joliet Division, . . . . .	133,412 00	181,904 17	—48,492 17
Grand River Valley Div., . . . . .	303,791 84	130,589 68	173,202 16
South Haven Div., . . . . .	96,920 91	38,477 53	58,443 38
Air Line Div., . . . . .	121,823 69	225,116 76	—103,293 07
Nunica Div., . . . . .	31,749 16	48,328 73	—16,579 57
South Bend Div., . . . . .	19,196 69	9,871 27	9,325 42
Jackson, Lansing & Sag- inaw R. R., . . . . .	718,911 70	476,404 06	242,507 64
Totals, . . . . .	\$7,302,118 06	\$4,986,935 46	\$2,315,182 60

*Comparative Earnings and Expenses of the Main Line.*

	1872.	1873.	Increase or Decrease.
<i>Earnings.</i>			
Passengers, . . . . .	\$1,687,256 49	\$1,785,716 33	+\$98,459 84
Freight, . . . . .	3,379,625 54	3,852,933 41	+473,307 87
Miscellaneous, . . . . .	246,192 00	237,662 33	—8,529 67
Totals, . . . . .	\$5,313,074 03	\$5,876,312 07	+\$563,238 04
<i>Expenses.</i>			
Operating expenses, . . . . .	\$3,653,574 85	\$3,750,033 32	+\$96,458 47
Taxes, . . . . .	65,773 82	126,209 94	+60,436 12
Totals, . . . . .	\$3,719,348 67	\$3,876,243 26	+\$156,894 59
Ratio of expenses to earn- ings, including taxes, . . . . .	.70	.65 <sup>26</sup> / <sub>100</sub>	—4 <sup>4</sup> / <sub>100</sub>
Exclusive of taxes, . . . . .	.68 <sup>80</sup> / <sub>100</sub>	.63 <sup>8</sup> / <sub>10</sub>	—5 <sup>72</sup> / <sub>100</sub>
Passenger earnings per mile, . . . . .	\$5,941 04	\$6,287 73	+\$346 69
Freight earn'gs per mile, Miscellaneous earnings per mile, . . . . .	11,900 09	13,566 67	+1,666 58
	866 87	836 84	—30 03
Total earn'gs per mile, Total earn'gs per mile,	\$18,708 00	\$20,691 24	+\$1,983 24

The freight earnings, during the year, as compared with the previous year, are as follows :—

	1872.	1873.	Increase.	Decrease.
Local East, . . .	\$827,055 16	\$827,701 07	\$645 91	—
Local West, . . .	594,235 98	594,537 18	301 20	—
Through East, . . .	1,480,071 11	1,881,697 24	401,626 13	—
Through West, . . .	478,263 29	548,997 92	70,734 63	—
Totals, . . .	\$3,379,625 54	\$3,852,933 41	\$473,307 87	—

Percentage of local increase, . . . . .	0 $\frac{6}{100}$
of through increase, . . . . .	24 $\frac{12}{100}$
of through and local increase, . . . . .	14
of local, to entire freight earnings, . . . . .	36 $\frac{91}{100}$
of local passenger and freight earnings, to all earnings, . . . . .	38 $\frac{64}{100}$

The increase of tonnage on all freight, is 14  $\frac{41}{100}$  per cent.

Passenger earnings, as compared with the previous year, are as follows :—

	1872.	1873.	Increase.	Decrease.
Local East, . . .	\$414,681 16	\$432,122 17	\$17,441 01	—
Local West, . . .	401,966 09	416,138 89	14,172 80	—
Through East, . . .	398,236 81	445,304 56	47,067 75	—
Through West, . . .	417,106 27	436,409 72	19,303 45	—
Emigrants, . . .	55,266 16	55,740 99	474 83	—
Totals, . . .	\$1,687,256 49	\$1,785,716 33	\$98,459 84	—

Percentage of local increase, . . . . .	3 $\frac{87}{100}$
of through increase, . . . . .	8 $\frac{14}{100}$
of emigrant increase, . . . . .	0 $\frac{86}{100}$
of local to entire passenger earnings, . . . . .	47 $\frac{50}{100}$

## TOTAL EARNINGS.

The entire earnings of main line and branches, are \$860,-705.50 over the previous year; being an increase of  $13\frac{36}{100}$  per cent.

## MAIN LINE.

The earnings of the main line, are \$563,238.04 above the previous year, being an increase of  $10\frac{60}{100}$  per cent.

## PASSENGER EARNINGS.

There has been an improvement in passenger earnings of entire line, during this year, over the last, of \$253,115.23, being an increase of  $11\frac{97}{100}$  per cent. The increase being generally distributed over the main line and branches.

The passenger traffic of the main line, shows an increase of \$98,459.84, being  $5\frac{24}{100}$  per cent. over the previous year; 66 per cent. of the increase being on through, and 34 per cent. on local.

During the year, there has been carried on main line and branches, 1,507,640 passengers, no one of whom has been seriously injured.

## FREIGHT EARNINGS, MAIN LINE.

There has been an increase in tons carried, of 178,479 tons, or  $14\frac{41}{100}$ , and in earnings, of \$473,307.87, being 14 per cent over the previous year.

The increase in local freight carried, has been 95,800 tons, being  $15\frac{12}{100}$  per cent., and in earnings, \$947.11, being  $\frac{6}{100}$  of one per cent. over the previous year.

The increase in through freight carried has been 82,679 tons, or  $13\frac{66}{100}$  per cent., and in earnings \$472,360.72, or  $24\frac{12}{100}$  per cent. on this class of traffic, over the previous year.

The increase in through freight east, has been 83,573 tons, or  $18\frac{14}{100}$  per cent.

In through freight west, there has been a decrease of 894 tons, and an increase in earnings of \$70,734.63, or  $14\frac{78}{100}$  per cent; showing the prevalence of more remunerative rates,

than during the reckless competition of the Eastern trunk lines, the previous year.

The rate per ton per mile on all freight carried, is  $1\frac{56}{100}$  cents; being about the same as the previous year.

The effect of competition has been, to reduce the rates on all freight moved by the company during the last six years as follows:—

*Rate per ton per mile, on all freight carried:*

Year ending May 31, 1868,	.	.	.	.	$2\frac{45}{100}$	cents.
“ “ 1869,	.	.	.	.	$2\frac{9}{100}$	“
“ “ 1870,	.	.	.	.	$1\frac{98}{100}$	“
“ “ 1871,	.	.	.	.	$1\frac{61}{100}$	“
“ “ 1872,	.	.	.	.	$1\frac{56}{100}$	“
“ “ 1873,	.	.	.	.	$1\frac{57}{100}$	“

While the rates of compensation for carrying passengers, have not materially changed, the introduction of through competing lines into Michigan, has reduced the local freight earnings per ton per mile during the last six years,  $31\frac{42}{100}$  per cent; the gradual decline being as follows:—

*Rate per ton per mile, on all local freight carried:*

Year ending May 31, 1868,	.	.	.	.	$3\frac{66}{100}$	cents.
“ “ 1869,	.	.	.	.	$3\frac{52}{100}$	“
“ “ 1870,	.	.	.	.	$3\frac{30}{100}$	“
“ “ 1871,	.	.	.	.	$3\frac{4}{100}$	“
“ “ 1872,	.	.	.	.	$2\frac{76}{100}$	“
“ “ 1873,	.	.	.	.	$2\frac{51}{100}$	“

The proportion of tons of through freight to all freight carried, has been  $48\frac{54}{100}$  per cent., and the local  $51\frac{46}{100}$  per cent.

The freight business of the company was interrupted for several weeks during the autumn by lack of power of roads east of Detroit, and again badly during the months of December, January and February, by the large accumulation of ice in Detroit River, and inability of Eastern connections to carry away our freight.



During this time the local business of the road and branches received all needed facilities; but the through freight from Chicago and connecting roads, paying desirable rates, and unlimited in quantity, was necessarily largely neglected.

During the embarrassments of our Eastern connecting roads, sixteen of our best freight locomotives were placed at their service, where they remained as long as required.

Although the winter was of unusual severity, our trains of all descriptions, aided by the increase of double track, and large proportion of steel rail, moved with more than ordinary regularity and safety.

With the completion of the improvements in progress, the present year, by Eastern connections, our through traffic and earnings can hardly again be so interrupted.

The carriage of grain, which now composes the majority of our East-bound tonnage, is a modern item of railway long traffic, and, in ordinary seasons, is beyond all present rail capacity.

The introduction of steel rail and double track, cheapening the cost of carriage, and increasing the capacity of the road and line, cannot fail to give satisfactory results in future.

#### GENERAL STATISTICS.

For statistics in detail, concerning all classes of traffic, see tables A to L, inclusive.

#### TELEGRAPH DEPARTMENT.

The operations of this important department of the service have been conducted with entire success, for which much credit is due to its superintendent and his assistant train dispatchers and operators. Our wires cover main line, and all divisions except South Haven and South Bend.

#### LOCOMOTIVE DEPARTMENT.

The condition of this department has been materially improved, by the addition of 48 new locomotives during the year, 40 of them being 16 × 24-inch cylinders, and eight 17 × 24, ordered especially for "Atlantic" and "Pacific" night passenger trains.

Thirty-five of these engines are of Manchester build, seven of "Brooks," and six of "Baldwin."

The whole number of locomotives owned by the company is 210.

#### EXPENSE OF MAINTENANCE.

The cost of operating this department during the year has been as follows :—

Cost of locomotive repairs, . . . . .	\$325,849 02
"          "      service, . . . . .	236,739 70

#### *Fuel.*

57,833 cords of wood, . . . . .	\$250,416 89
50,452 tons of coal, . . . . .	233,088 24
	<hr/>
	\$483,505 13

27,643 lbs. waste, at 15c., . . . . .	\$4,146 45
110,572 " rags, at 7c., . . . . .	7,740 04
	<hr/>
	\$11,886 49

53,497 gallons oil, at 54c., . . . . .	\$28,888 38
--	-------------

#### *Cost per Mile run.*

For repairs, . . . . .	8 $\frac{16}{100}$ cents.
" engineers, firemen and wipers, . . . . .	5 $\frac{92}{100}$ "
" fuel, . . . . .	12 $\frac{10}{100}$ "
" oil, . . . . .	7 $\frac{23}{1000}$ "
" waste and rags, . . . . .	2 $\frac{97}{1000}$ "
	<hr/>
Total cost per mile run, . . . . .	27 $\frac{2}{10}$ "

*Statement of Miles run by Locomotives during the Year.*

MONTHS.	Miles Passenger Trains.	Miles Freight Trains.	Miles Miscellaneous Trains.	Miles Switching Trains.	Total Miles.
<b>1872.</b>					
June, . . .	83,388	138,766	28,004	63,553	313,711
July, . . .	79,969	110,136	27,490	69,199	286,794
August, . . .	85,255	118,939	30,346	72,353	306,893
September, . . .	89,113	130,182	35,262	65,415	319,972
October, . . .	83,881	129,233	38,388	78,595	330,097
November, . . .	91,005	125,546	49,420	84,028	349,999
December, . . .	84,680	120,199	41,559	89,800	336,238
<b>1873.</b>					
January, . . .	90,062	121,842	31,176	97,716	340,796
February, . . .	87,775	135,313	26,164	95,796	345,048
March, . . .	80,614	143,977	19,556	88,668	332,815
April, . . .	89,756	148,096	20,634	100,628	359,114
May, . . .	85,396	162,045	28,247	95,706	371,394
Totals, . . .	1,030,894	1,584,274	376,246	1,001,457	3,992,871

**CAR DEPARTMENT.**

Important additions have been made in this department during the year, chiefly as follows:—

4	new twelve-wheel passenger cars.	
12	“ “ “ “ “	(unfinished,)
20	“ “ second class	“
10	“ “ baggage	“
16	“ conductors' way	“
100	“ double-deck stock	“
565	“ merchandise	“
50	“ Blue line	“
181	“ 33 feet flat	“
342	“ 28 “ “	“
2	“ derrick	“
2	“ pile driver	“

All these cars are of uniform build, each with the pattern of truck adopted by this company.

The expenditures for new cars added to the stock during the year, and built in the shops of this company, have been as follows :—

4 new passenger cars, . . . . .	@ \$7,665 91	\$30,663 64
12 " passenger cars (unfinished) :		
Cost up to May 31st, . . . . .		22,468 76
6 " second class cars, . . . . .	@ 3,019 13	18,114 78
8 " baggage cars, . . . . .	@ 2,859 95	22,879 60
25 " way cars, . . . . .	@ 1,436 69	22,987 04
50 " double deck cars, . . . . .	@ 913 21	45,660 50
2 " derrick cars, . . . . .	@ 1,672 74	3,345 48
2 " pile-driver cars, . . . . .	@ 1,698 62	3,397 24
		<hr/>
		\$169,517 04
<i>Built at other Shops.</i>		
12 second class cars, . . . . .	@ \$3,100 00	\$37,200 00
2 baggage cars, . . . . .	@ 2,350 00	4,700 00
50 double deck stock cars, . . . . .	@ 950 00	47,500 00
494 merchandise cars, . . . . .	@ 950 00	469,300 00
14 " " . . . . .	@ 1,000 00	14,000 00
50 Blue Line cars, . . . . .	@ 950 00	47,500 00
153 33-foot flat cars, . . . . .	@ 775 00	118,575 00
28 33-foot " . . . . .	@ 700 00	19,600 00
342 28-foot " . . . . .	@ 700 00	323,400 00
		<hr/>
1,245		\$1,081,775 00
<i>Brought down,</i> . . . . .		169,517 04
		<hr/>
		\$1,251,292 04

#### DETAILS OF EXPENDITURE.

The cost of maintenance of all cars during the year has been as follows :—

Passenger cars, including second class and emigrant cars, . . . . .	\$223,894 75
Baggage cars, . . . . .	13,779 87
Freight cars, . . . . .	394,882 02
Hand and other cars, . . . . .	9,052 32
	<hr/>
Total, . . . . .	\$641,608 96

## CAR EQUIPMENT.

The total number of cars owned, and in use by this company, on main line and branches, are as follows :—

*Passenger Cars.*

	1873.	1872.
Day coaches, 12 wheels, . . . . .	68	64
Day coaches, 8 wheels, . . . . .	10	—
Second class cars, 12 wheels, . . . . .	36	20
Second class cars, 8 wheels, . . . . .	4	5

*Baggage Cars.*

Railway postal cars, 12 wheels, . . . . .	3	3
Large baggage and mail cars, 12 wheels, . . . . .	22	19
Small baggage and mail cars, 8 wheels, . . . . .	20	9

*Freight Cars.*

Conductors' way cars, . . . . .	92	69
Large stock cars, . . . . .	169	171
Small stock cars, . . . . .	141	142
Double deck cars, . . . . .	193	95
Merchandise cars, . . . . .	1,847	1,282
Blue Line cars, . . . . .	475	428
Refrigerator cars, . . . . .	21	21
Platform cars, . . . . .	1,338	815
Derrick cars, . . . . .	2	—
Pile-driver cars, . . . . .	2	—
	4,280	3,023

*Hand and Rubble Cars.*

	1873.	1872.
Hand cars, . . . . .	175	112
Rubble cars, . . . . .	113	83

## CAR REPAIRS.

Among the more important items of expenditure under this head, are the following :—

- 3 coaches thoroughly overhauled and renewed inside and out, and painted, at cost of \$2,500 each.
- 12 coaches at cost of \$2,000 each.
- 4 coaches at cost of \$1,500 each.
- 15 coaches painted and varnished at cost of \$900 each.
- 2 Jackson, Lansing and Saginaw division coaches, fitted with Miller platforms, at cost of \$310 each.
- 13 coaches, fitted with Westinghouse air-brakes, at cost of \$120 each.
- 24 new 12-wheel trucks, at cost of \$500 each.
- Rebuilding 56 12-wheel trucks, with partially old material, at cost of \$300 each.
- 4 second-class cars, repaired and re-painted, at cost of \$350 each.
- 2 second-class cars repaired, at cost of \$50 each.
- 6 second-class cars, fitted with Westinghouse air-brakes, at cost of \$120 each.

## MILEAGE.

Miles run during the year by foreign cars, on Michigan Central R. R., 21,093,618.

Miles run during the year by Michigan Central R. R. cars, on foreign roads, 15,994,962.

Difference in favor of foreign cars, 5,098,656 miles.

The passenger and freight equipment of the road, was never in so good condition as at present.

All passenger cars of the company (with the exception of those acquired with the J. L. & S. division, and which are being changed), including second-class and emigrant, are on six-wheel trucks, and provided with the Miller platform and Westinghouse air-brake, and all first-class cars with the Rut-tan system of ventilation.

The introduction of the twelve-wheel car is original with this company, having been adopted in 1849, since which time it has been used exclusively on all first-class cars, and latterly on *all* passenger cars. Its safety is clearly demonstrated in the fact that of upwards of thirteen millions of passengers carried by the company, no one of them has ever been killed, or received serious injury inside of these cars.

The increase of shop-room in both the locomotive and car departments, already completed and in process of construction, will remove the disadvantages under which these departments have labored, and materially reduce their percentage of expense.

Within the last month the company has met with a severe loss in the death of Mr. A. S. Sweet, for fourteen years at the head of the locomotive department, as its superintendent. During his term of service he has conducted the affairs of his department with great success and fidelity.

In closing this report, I am gratified in the opportunity of again bearing testimony to the faithful discharge of duty on the part of my assistants, the heads of departments and others occupying responsible positions, all of whom have shown a commendable zeal in furthering the interests of the company.

Respectfully,

H. E. SARGENT,

*General Superintendent.*





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T A B L E S

TO

GENERAL SUPERINTENDENT'S REPORT.

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1873.

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## [ A ]

*Statement of the Number of Way Passengers and the Earnings from the same for the years ending May 31, 1872 and 1873.*

MONTHS.	NO. OF WAY PASSENGERS.		WAY PASSENGER EARNINGS.	
	1872.	1873.	1872.	1873.
<b>1872.</b>				
June, . . . . .	49,862½	53,502½	\$63,721 81	\$66,050 42
July, . . . . .	55,753	62,303	66,478 03	73,505 27
August, . . . . .	60,535	64,656	78,760 28	78,757 53
September, . . . . .	64,824	68,048	90,037 60	88,680 28
October, . . . . .	59,724	67,382	88,192 89	82,911 18
November, . . . . .	54,642	61,688	72,185 99	72,495 08
December, . . . . .	48,036	55,504½	59,873 46	68,022 20
<b>1873.</b>				
January, . . . . .	43,765½	49,968	52,309 75	59,204 03
February, . . . . .	42,024½	46,153½	52,028 39	55,109 21
March, . . . . .	47,137½	57,817	57,832 45	67,662 84
April, . . . . .	57,039½	60,524½	72,366 62	68,994 30
May, . . . . .	50,326	56,560	62,859 98	66,868 72
Totals, . . . . .	633,669½	704,107	\$816,647 25	\$848,261 06

[ B ]

*Statement of the Whole Number of Passengers, and the Earnings from the same, for the Years ending May 31, 1872 and 1873.*

MONTHS.	WHOLE NO. OF PASSENGERS.		PASSENGER EARNINGS.	
	1872.	1873.	1872.	1873.
<b>1872.</b>				
June, . . .	62,119½	67,201	\$137,512 87	\$149,996 31
July, . . .	66,339½	76,905½	130,804 87	164,768 68
August, . . .	74,340	79,880	167,674 97	175,740 48
September, . . .	78,408	84,442½	178,572 09	197,143 55
October, . . .	74,293	84,047	182,009 76	188,929 67
November, . . .	66,907	74,594	148,024 51	151,782 40
December, . . .	56,447½	65,281	112,411 77	132,025 64
<b>1873.</b>				
January, . . .	51,891	56,193½	105,909 54	100,764 72
February, . . .	48,865	52,415½	97,353 76	97,677 33
March, . . .	56,790	66,922	119,838 91	129,054 50
April, . . .	71,087½	73,105½	154,036 98	145,818 44
May, . . .	66,861	71,365	153,106 46	152,014 61
Totals, . . .	774,349	852,352½	\$1,687,256 49	\$1,785,716 33

[C]  
EARNINGS for the Year ending May 31, 1873.

M O N T H S.	Passengers.	Freight.	Mail.	Miscellaneous.	Total—1872.	Total—1873.	Increase.	Decrease.
<b>1872.</b>								
June, . . . . .	\$149,996 31	\$233,925 25	\$4,072 13	\$10,306 15	\$398,299 84	\$381,557 54	\$16,742 30	-
July, . . . . .	164,768 68	221,721 44	4,072 13	11,521 77	402,084 02	373,066 88	29,017 14	-
August, . . . . .	175,740 48	269,316 33	4,072 13	10,971 82	460,100 76	465,687 72	-	\$5,586 96
September, . . . . .	197,143 55	320,666 62	4,072 13	14,720 91	536,603 21	514,223 06	22,380 15	-
October, . . . . .	188,929 67	429,405 19	4,072 13	19,400 08	641,807 07	469,647 78	172,159 29	-
November, . . . . .	151,782 40	316,195 70	4,072 13	15,553 05	487,603 28	478,329 33	9,273 95	-
December, . . . . .	132,025 64	309,357 35	4,072 13	18,707 60	464,162 72	413,105 99	51,056 73	-
<b>1873.</b>								
January, . . . . .	100,764 72	261,336 78	4,072 13	13,662 48	379,836 11	411,112 76	-	31,276 65
February, . . . . .	97,677 33	326,240 51	4,072 13	12,271 13	440,261 10	384,057 78	56,203 32	-
March, . . . . .	129,054 50	419,455 45	4,072 13	14,731 86	567,313 94	449,452 71	117,861 23	-
April, . . . . .	145,818 44	389,479 53	4,072 13	16,811 40	556,181 50	485,550 39	70,631 11	-
May, . . . . .	152,014 61	355,833 26	4,072 13	30,138 52	542,058 52	487,282 09	54,776 43	-
Totals, . . . . .	\$1,785,716 33	\$3,852,933 41	\$48,865 56	\$188,796 77	\$5,876,312 07	\$5,313,074 03	\$563,238 04	-



[ H ]  
 MONTHLY STATEMENT OF Freight moved during the year ending May 31, 1873.

A R T I C L E S.	June.	July.	August.	Sept.	October.	Nov.	Dec.	Jan.	Feb.	March.	April.	May.	Totals.
Apples, bbls., . . . . .	-	764	2,771	13,511	70,965	46,594	9,526	4,972	4,000	3,447	2,436	471	159,457
Ale and Beer, bbls., . . . . .	602	881½	737½	642½	517½	475	393½	373	645½	818½	689	539½	7,314½
Ashes, tons, . . . . .	55	82	213	174	68	88	67	68	121	82	91	59	1,168
Barley and Rye, bush., . . . . .	3,371	12,603	7,153	67,523	123,992	96,339	114,340	64,978	49,465	161,452	88,399	13,970	808,585
Beans, bush., . . . . .	342	549	435	854	2,841	1,754	2,652	4,824	4,560	5,209	2,946	1,980	28,746
Bran and Shorts, tons, . . . . .	1,828	1,234	1,285	2,702	2,187	1,995	1,533	1,173	1,420	1,771	1,378	2,603	21,109
Butter, tons, . . . . .	359	370	285	264	217	193	118	117	95	55	16	123	2,242
Corn, bush., . . . . .	583,034	249,089	415,399	573,245	345,255	342,650	323,485	332,323	473,146	763,466	478,621	538,905	5,418,618
Corn Meal, bbls., . . . . .	4,860	4,400	4,506	7,251	2,591	4,133	3,697	2,754	2,507	1,450	5,301	8,148	51,598
Coal, tons, . . . . .	633	714	1,578	1,818	2,528	2,312	2,095	1,438	1,688	1,386	1,204	1,476	18,948
Dried Fruit, tons, . . . . .	15	4	3	4	144	155	227	96	97	136	115	67	1,063
Flour, bbls., . . . . .	76,342	26,575	55,740	128,263	145,857	137,701	92,223	56,040	63,784	92,973	85,074	89,289	1,049,841
Grass Seed, tons, . . . . .	-	3	80	312	109	87	87	76	363	754	304	83	2,258
High Wines, bbls., . . . . .	777	896	815	354	461	654	831	891	1,336	1,317	1,754	859	10,945
Hides, tons, . . . . .	331	298	192	263	312	338	649	524	479	238	293	241	4,158
Iron and Nails, tons, . . . . .	275	208	279	273	290	338	258	299	275	478	345	329	3,647
Lumber, feet, . . . . .	9,823,655	9,106,925	10,797,369	8,996,228	8,311,505	8,152,551	6,073,205	6,779,527	7,507,337	10,594,729	9,990,405	10,044,642	106,678,578
Oats, bush., . . . . .	807,979	298,139	237,726	668,860	610,995	444,056	433,551	494,897	392,618	777,981	841,469	784,008	6,792,309
Plaster, tons, . . . . .	554	204	241	556	291	360	637	352	1,320	1,240	2,521	1,605	9,891

Fig Iron, tons, . . . . .	1,414	1,771	1,680	1,081	2,773	1,146	664	781	824	843	979	1,365	15,271
Provisions, tons, . . . . .	518	628	574	728	1,019	3,059	6,265	4,961	4,749	3,689	4,067	1,821	31,978
Pork in Hog, tons, . . . . .	-	-	-	-	-	251	3,591	6,082	6,566	1,003	-	-	17,493
Potatoes, bush., . . . . .	7,072	1,811	3,246	4,281	19,631	45,741	1,178	517	738	5,756	45,453	95,537	230,966
Salt, bbls., . . . . .	4,871	2,967	4,903	4,717	5,271	5,099	13,329	11,396	8,636	5,282	2,388	2,798	76,307
Shingles, M., . . . . .	4,380	3,429	3,205½	3,072	3,833	4,340	2,314	1,644	1,762	3,198½	5,566½	3,185	39,929½
Wool, tons, . . . . .	781	1,209	1,236	380	452	420	1,053	167	120	113	94	79	6,054
Wheat, bush., . . . . .	104,376	129,410	409,351	743,206	723,196	449,560	309,918	119,659	186,730	181,232	303,641	442,439	4,102,718
Whiskey, bbls., . . . . .	496	767	565	556	791	1,207	1,109	1,032	732	867	970	582	9,674
Cattle, number, . . . . .	9,254	9,070	7,802	5,596	4,619	4,509	3,368	2,783	4,806	10,443	12,702	15,694	90,636
Horses, number, . . . . .	437	226	154	165	250	219	230	115	223	755	1,064	549	4,390
Hogs, number, . . . . .	88,483	68,600	60,972	80,910	76,130	86,658	76,979	49,543	61,228	74,530	78,390	68,094	870,522
Sheep, number, . . . . .	1,246	4,884	9,486	13,288	15,011	20,604	9,294	21,778	19,966	11,721	10,378	951	139,107
Wood, cords, . . . . .	505	532	798	679	1,074	781½	283	446½	581	449	427½	501	7,057½
Unenumerated Articles, tons, . . . . .	32,945	35,834	34,874	34,362	35,792	35,853	29,271	21,546	25,915	32,473	35,472	34,078	388,415
Totals in tons, . . . . .	113,698	88,593	106,692	188,465	141,120	127,820	109,503	91,123	103,065	131,912	130,550	132,351	1,416,792

[ F ]  
 CONDENSED STATEMENT OF THE BUSINESS OF THE Michigan Central Railroad for the last Ten Years.

YEARS.	No. of Way Passengers.	No. of Through Passengers.	Total No. of Passengers.	No. of Tons of Freight moved.	Gross Earnings.	Operating Disbursements, including Taxes.	Net Earnings.	Expenses less taxes, per ct. of Gross Earnings.	Net Earnings, per cent. of Gross Earnings.
1864, . . .	556,206½	89,552½	645,759	542,410	\$3,434,548 63	\$1,720,125 05	\$1,714,423 58	47½	49½
1865, . . .	745,348½	107,540½	852,889	485,275	4,145,419 57	2,406,149 63	1,739,269 94	55½	42
1866, . . .	766,755½	136,070½	902,826	533,451	4,446,490 51	2,808,375 92	1,638,114 59	61	36½
1867, . . .	687,273½	136,200½	823,474	578,177	4,325,490 51	2,826,777 21	1,498,713 30	63	34½
1868, . . .	659,449	126,956	786,405	638,586	4,470,879 64	2,714,545 64	1,756,334 00	58½	39½
1869, . . .	698,010½	148,442	846,452½	802,835	4,716,292 89	2,886,943 39	1,829,349 50	59	38½
1870, . . .	703,501½	162,081	865,582½	823,770	4,707,287 97	3,013,914 95	1,693,373 02	61½	36
1871, . . .	675,213½	139,280	814,493½	1,105,875	4,978,070 15	3,538,204 45	1,439,865 70	69½	28½
1872, . . .	633,669½	140,679½	774,349	1,238,313	5,313,074 03	3,719,348 67	1,593,725 36	68½	30
1873, . . .	704,107	148,245½	852,352½	1,416,792	5,876,312 07.	3,876,243 26	2,000,068 81	63½	34



## STATEMENT, showing the Total Amount of Freight moved in the following Years.

ARTICLES.	YEAR ENDING MAY 31.					
	1868.	1869.	1870.	1871.	1872.	1873.
Apples, bbls., . . . . .	84,737	40,809	133,153	252,301	396,178	159,457
Ale and Beer, bbls., . . . . .	9,408½	8,586	7,792½	7,546	6,866	7,314½
Ashes, tons, . . . . .	411	480	734	552	613	1,168
Barley and Rye, bush., . . . . .	229,163	359,793	372,682	256,866	488,959	808,585
Beans, bush, . . . . .	15,751	32,603	41,492	22,593	28,319	28,746
Bran and Shorts, tons, . . . . .	5,963	13,857	15,436	20,567	25,802	21,109
Butter, tons, . . . . .	362	588	1,182	2,191	2,123	2,242
Corn, bush., . . . . .	930,926	3,110,193	2,179,895	4,883,954	5,660,090	5,418,618
Corn Meal, bbls., . . . . .	6,627	7,988	7,788	26,129	27,380	51,598
Coal, tons, . . . . .	19,401	20,919	15,598	18,718	15,552	18,848
Dried Fruit, tons, . . . . .	1,177	1,106	1,521	1,713	857	1,063

Statement of Freight moved—Concluded.

ARTICLES.	YEAR ENDING MAY 31.						
	1868.	1869.	1870.	1871.	1872.	1873.	
Flour, bbls., . . . . .	849,243	1,078,660	959,038	1,083,331	1,003,038	1,049,841	
Grass Seed, tons, . . . . .	2,361	2,064	1,166	1,478	2,449	2,258	
High Wines, bbls., . . . . .	3,494	6,774	9,684	26,801	13,734	10,945	
Hides, tons, . . . . .	3,208	4,646	5,491	6,419	5,138	4,158	
Iron and Nails, tons, . . . . .	8,588	9,886	4,672	5,616	3,693	3,647	
Lumber, feet, . . . . .	45,114,719	50,428,071	52,447,881	69,843,154	91,263,147	106,678,578	
Oats, bush., . . . . .	584,913	1,049,336	1,406,484	1,499,904	4,740,291	6,792,309	
Plaster, tons, . . . . .	12,166	11,999	8,880	9,700	9,789	9,891	
Pig Iron, tons, . . . . .	7,709	12,636	16,394	12,534	13,530	15,271	
Provisions, tons, . . . . .	13,399	21,386	20,081	23,378	19,557	31,978	
Pork in Hog, tons, . . . . .	13,201	12,911	12,289	15,938	13,185	17,493	
Potatoes, bush., . . . . .	508,690	463,659	255,993	500,748	85,062	230,966	
Salt, bbls., . . . . .	61,541	38,578	36,503	50,609	61,217	76,307	

Shingles, M,	27,730½	33,571½	41,215½	56,388½	38,821	39,929½
Wool, tons,	5,158	5,974	5,167	5,811	5,435	6,054
Wheat, bush.,	1,312,284	1,773,698	1,849,313	2,347,325	2,614,717	4,102,718
Whiskey, bbls.,	9,140	12,239	15,981	23,254	7,006	9,674
Cattle, number,	78,737	75,482	93,295	132,057	98,847	90,636
Horses, number,	1,782	2,471	2,061	2,628	3,320	4,390
Hogs, number,	190,642	178,607	186,479	256,747	639,958	870,522
Sheep, number,	123,964	129,125	130,748	163,779	129,271	139,107
Wood, cords,	4,424½	3,144	3,230	1,847	5,180½	7,057½
Unenumerated Articles, tons,	179,997	216,774	263,413	347,023	352,089	388,415
Totals in tons,	638,586	802,835	823,770	1,105,875	1,238,313	1,416,792

[ III ]

MOVEMENT OF FREIGHT, Through and Local, and Earnings on same, for the Year ending May 31, 1873.

	Tons carried.	Tons carried one Mile.	Earnings.	Earnings per Mile.	Earnings per Ton per Mile.
Through East, . . . . .	544,229	149,375,129	\$1,881,697 24	\$6,855 75	1- <sup>25</sup> / <sub>100</sub> cts.
Through West, . . . . .	143,444	40,091,796	548,997 92	1,964 28	1- <sup>37</sup> / <sub>100</sub> "
Total Through, . . . . .	687,673	189,466,925	2,430,695 16	8,822 20	1- <sup>28</sup> / <sub>100</sub> "
Local East, . . . . .	408,399	33,330,650	827,701 07	10,142 15	2- <sup>48</sup> / <sub>100</sub> "
Local West, . . . . .	320,720	23,280,937	594,537 18	8,191 47	2- <sup>55</sup> / <sub>100</sub> "
Total Local, . . . . .	729,119	56,611,587	1,423,238 25	18,318 37	2- <sup>51</sup> / <sub>100</sub> "
Grand Total, . . . . .	1,416,792	246,078,512	3,852,933 41	22,182 81	1- <sup>57</sup> / <sub>100</sub> "

## [ I ]

COMPARATIVE STATEMENT, showing the Number of Tons of Freight forwarded from each Station during the Years ending May 31, 1872 and 1873.

STATIONS.	1873.	1872.	Increase.	Decrease.
Detroit, . . . . .	172,579	190,838	-	18,259
Grand Trunk Junction, . . . . .	49,804	42,282	7,522	-
Dearborn, . . . . .	1,262	818	444	-
Inksters, . . . . .	170	154	16	-
Wayne, . . . . .	8,254	4,825	3,429	-
Secords, . . . . .	89	100	-	11
Dentons, . . . . .	1,266	906	360	-
Ypsilanti, . . . . .	63,699	30,830	32,869	-
Geddes, . . . . .	174	151	23	-
Ann Arbor, . . . . .	6,684	7,349	-	665
Kellogs, . . . . .	-	538	-	538
Fosters, . . . . .	422	257	165	-
Farmers, . . . . .	499	892	-	393
Delhi, . . . . .	4,337	5,029	-	692
Scio, . . . . .	1,143	1,804	-	661
Dexter, . . . . .	7,706	9,019	-	1,313
Chelsea, . . . . .	4,949	5,840	-	891
Francisco, . . . . .	102	827	-	725
Grass Lake, . . . . .	4,598	7,075	-	2,477
Leoni, . . . . .	92	188	-	96
Michigan Centre, . . . . .	21	-	21	-
Jackson, . . . . .	45,740	59,672	-	13,932
Woodville, . . . . .	720	2,446	-	1,726
Parma, . . . . .	3,183	3,795	-	612
North Concord, . . . . .	317	332	-	15
Bath Mills, . . . . .	21	144	-	123
Newburgh, . . . . .	69	223	-	154
Albion, . . . . .	6,060	8,279	-	2,219
Marengo, . . . . .	1,732	1,566	166	-
Marshall, . . . . .	8,072	10,095	-	2,023
Ceresco, . . . . .	198	1,492	-	1,294
Whites, . . . . .	1,310	902	408	-
Battle Creek, . . . . .	15,451	17,718	-	2,267
Augusta, . . . . .	5,902	3,480	2,422	-
Galesburg, . . . . .	2,144	1,970	174	-
Comstock, . . . . .	69	116	-	47
Kalamazoo, . . . . .	22,880	23,317	-	437
Ostemo, . . . . .	179	405	-	226
Mattawan, . . . . .	1,383	1,055	328	-
Lawton, . . . . .	9,755	10,786	-	1,031
White Oak, . . . . .	-	30	-	30

## Comparative Statement—Continued.

STATIONS.	1873.	1872.	Increase.	Decrease.
Decatur, . . . . .	7,615	8,601	—	986
Tietsorts, . . . . .	327	299	28	—
Dowagiac, . . . . .	7,220	7,732	—	512
Pokagon, . . . . .	912	1,625	—	713
Niles, . . . . .	10,132	11,872	—	1,740
Gitchells, . . . . .	—	—	—	—
Buchanan, . . . . .	3,620	3,710	—	90
Dayton, . . . . .	784	1,214	—	430
Wilsons, . . . . .	281	304	—	23
Galien, . . . . .	2,253	3,624	—	1,371
Averys, . . . . .	1,704	1,381	323	—
Three Oaks, . . . . .	2,896	3,043	—	147
New Buffalo, . . . . .	89,213	68,803	20,410	—
Corymbo, . . . . .	2,151	2,046	105	—
Michigan City, . . . . .	36,982	36,997	—	15
Furnessville, . . . . .	7,337	4,643	2,694	—
Pierces, . . . . .	—	529	—	529
Porter, . . . . .	11,386	3,980	7,406	—
Lake, . . . . .	11,096	6,694	4,402	—
Tolleston, . . . . .	14	147	—	133
Gibsons, . . . . .	93	406	—	313
State Line, . . . . .	4,781	3,980	801	—
Calumet, . . . . .	512	207	305	—
Chicago, . . . . .	453,386	327,520	125,866	—
Joliet and Nor. Ind. R. R., . . . . .	178,583	175,735	2,848	—
Grand River Valley R. R., . . . . .	36,744	33,446	3,298	—
Kalamazoo & S. Haven R. R., . . . . .	17,554	14,844	2,710	—
Air Line R. R., . . . . .	21,301	20,474	827	—
South Bend R. R., . . . . .	4,810	5,685	—	875
Jack., Lansing & Sag. R. R., . . . . .	50,070	31,227	18,843	—
Totals, . . . . .	1,416,792	1,238,313	178,479	—

[ J ]

COMPARATIVE STATEMENT showing the Number of Passengers forwarded from each Station during the Year ending May 31, 1873.

STATIONS.	1873.	1872.	Increase.	Decrease.
Detroit, . . . . .	166,343	161,719	4,624	—
Dearborn, . . . . .	7,124	6,170 $\frac{1}{2}$	953 $\frac{1}{2}$	—
Inksters, . . . . .	2,525 $\frac{1}{2}$	2,269	256 $\frac{1}{2}$	—
County House, . . . . .	1,484	1,121 $\frac{1}{2}$	362 $\frac{1}{2}$	—
Wayne, . . . . .	23,023 $\frac{1}{2}$	20,872 $\frac{1}{2}$	2,151	—
Secords, . . . . .	1,316 $\frac{1}{2}$	1,182 $\frac{1}{2}$	134	—
Dentons, . . . . .	2,446	2,669 $\frac{1}{2}$	—	223 $\frac{1}{2}$
Ypsilanti, . . . . .	41,035 $\frac{1}{2}$	37,997 $\frac{1}{2}$	3,038	—
Geddes, . . . . .	1,144 $\frac{1}{2}$	878	566 $\frac{1}{2}$	—
Ann Arbor, . . . . .	43,732	42,018 $\frac{1}{2}$	1,713 $\frac{1}{2}$	—
Fosters, . . . . .	2,252	1,997 $\frac{1}{2}$	254 $\frac{1}{2}$	—
Farmers, . . . . .	174	154 $\frac{1}{2}$	19 $\frac{1}{2}$	—
Delhi, . . . . .	2,287	2,092 $\frac{1}{2}$	194 $\frac{1}{2}$	—
Scio, . . . . .	1,707	1,379	328	—
Dexter, . . . . .	12,464 $\frac{1}{2}$	12,243	221 $\frac{1}{2}$	—
Chelsea, . . . . .	9,151 $\frac{1}{2}$	7,997 $\frac{1}{2}$	1,154	—
Francisco, . . . . .	2,270	1,815	455	—
Grass Lake, . . . . .	8,331 $\frac{1}{2}$	7,954	377 $\frac{1}{2}$	—
Leoni, . . . . .	2,574 $\frac{1}{2}$	1,969 $\frac{1}{2}$	605	—
Mich. Centre, . . . . .	1,451	1,091	360	—
Jackson, . . . . .	54,499	52,802 $\frac{1}{2}$	1,696 $\frac{1}{2}$	—
Woodville, . . . . .	736 $\frac{1}{2}$	410 $\frac{1}{2}$	326	—
Sandstone, . . . . .	1,221	663 $\frac{1}{2}$	557 $\frac{1}{2}$	—
Parma, . . . . .	6,017	4,713 $\frac{1}{2}$	1,303 $\frac{1}{2}$	—
North Concord, . . . . .	716 $\frac{1}{2}$	368	348 $\frac{1}{2}$	—
Bath Mills, . . . . .	555	251 $\frac{1}{2}$	303 $\frac{1}{2}$	—
Albion, . . . . .	17,215 $\frac{1}{2}$	13,854 $\frac{1}{2}$	3,361	—
Marengo, . . . . .	1,957	1,417	540	—
Marshall, . . . . .	23,425 $\frac{1}{2}$	20,021 $\frac{1}{2}$	3,404	—
Ceresco, . . . . .	2,105 $\frac{1}{2}$	1,544	561 $\frac{1}{2}$	—
Whites, . . . . .	663	234	429	—
Battle Creek, . . . . .	30,703 $\frac{1}{2}$	28,203	2,500 $\frac{1}{2}$	—
Bedford, . . . . .	328	149	179	—
Augusta, . . . . .	6,686 $\frac{1}{2}$	5,437 $\frac{1}{2}$	1,249	—
Galesburg, . . . . .	8,891	7,146	1,745	—
Comstock, . . . . .	1,692	894 $\frac{1}{2}$	797 $\frac{1}{2}$	—
Kalamazoo, . . . . .	57,717	56,728	989	—
Ostemo, . . . . .	1,985	1,633	352	—
Mattawan, . . . . .	4,770 $\frac{1}{2}$	4,333	437 $\frac{1}{2}$	—
Lawton, . . . . .	13,602	13,520 $\frac{1}{2}$	81 $\frac{1}{2}$	—

## Comparative Statement—Concluded.

STATIONS.	1873.	1872.	Increase.	Decrease.
White Oak, . . . . .	129	116	13	-
Decatur, . . . . .	12,086 $\frac{1}{2}$	10,594 $\frac{1}{2}$	1,492	-
Tietsorts, . . . . .	954 $\frac{1}{2}$	867	87 $\frac{1}{2}$	-
Dowagiac, . . . . .	13,861	12,821	540	-
Pokagon, . . . . .	3,778	3,337 $\frac{1}{2}$	440 $\frac{1}{2}$	-
Niles, . . . . .	28,722 $\frac{1}{2}$	25,691 $\frac{1}{2}$	3,031	-
Buchanan, . . . . .	12,977 $\frac{1}{2}$	11,644 $\frac{1}{2}$	1,333	-
Dayton, . . . . .	3,324 $\frac{1}{2}$	2,815	509 $\frac{1}{2}$	-
Galien, . . . . .	4,522	4,377 $\frac{1}{2}$	144 $\frac{1}{2}$	-
Averys, . . . . .	2,261 $\frac{1}{2}$	2,169	92 $\frac{1}{2}$	-
Three Oaks, . . . . .	6,109 $\frac{1}{2}$	5,411	698 $\frac{1}{2}$	-
New Buffalo, . . . . .	23,632	16,501 $\frac{1}{2}$	7,130 $\frac{1}{2}$	-
Corymbo, . . . . .	1,487	1,039	448	-
Mich. City, . . . . .	21,019 $\frac{1}{2}$	17,610	3,409 $\frac{1}{2}$	-
Furnessville, . . . . .	1,467	1,091	376	-
Porter, . . . . .	3,075 $\frac{1}{2}$	1,913	1,162 $\frac{1}{2}$	-
Lake, . . . . .	3,245 $\frac{1}{2}$	2,470 $\frac{1}{2}$	775	-
Tolleston, . . . . .	1,334	1,320 $\frac{1}{2}$	13 $\frac{1}{2}$	-
Gibsons, . . . . .	1,652	1,499	153	-
Calumet, . . . . .	1,922 $\frac{1}{2}$	1,785	137 $\frac{1}{2}$	-
Chicago, . . . . .	112,836 $\frac{1}{2}$	101,712 $\frac{1}{2}$	11,124	-
Joliet & N. Ind. R. R., . . . . .	566 $\frac{1}{2}$	601	-	34 $\frac{1}{2}$
Grand River Valley R. R., . . . . .	8,321	6,298	2,023	-
Kalamazoo & S. Haven R. R., . . . . .	1,449	1,435	14	-
Air Line R. R., . . . . .	4,126	4,181 $\frac{1}{2}$	-	55 $\frac{1}{2}$
South Bend R. R., . . . . .	2,020	1,029	991	-
Jack. Lansing & Sag. R. R., . . . . .	7,347 $\frac{1}{2}$	4,101	3,246 $\frac{1}{2}$	-
Totals, . . . . .	852,352 $\frac{1}{2}$	774,349	78,003 $\frac{1}{2}$	-



[ K ]

STATEMENT, showing the Number of Passengers carried on the Michigan Central Railroad since its ownership and organization by the present Company.

YEARS ENDING MAY 31—	No. of Passengers.	Passenger Earnings.
1847, . . . . .	41,223	\$74,163 08
1848, . . . . .	73,656	138,649 53
1849, . . . . .	96,070	197,767 56
1850, . . . . .	152,672	368,436 70
1851, . . . . .	191,852	490,119 68
1852, . . . . .	221,200	581,477 24
1853, . . . . .	247,552	589,489 32
1854, . . . . .	357,936	855,917 94
1855, . . . . .	503,774	1,246,409 90
1856, . . . . .	550,780	1,497,854 61
1857, . . . . .	593,630	1,610,415 75
1858, . . . . .	461,957	1,321,039 56
1859, . . . . .	361,527	938,609 39
1860, . . . . .	324,422	803,507 97
1861, . . . . .	327,775	775,228 53
1862, . . . . .	308,829	724,915 48
1863, . . . . .	447,362	889,682 28
1864, . . . . .	645,759	1,262,415 07
1865, . . . . .	852,889	1,771,813 60
1866, . . . . .	902,826	2,061,335 05
1867, . . . . .	823,474	1,824,225 75
1868, . . . . .	786,405	1,721,506 97
1869, . . . . .	846,452	1,795,806 11
1870, . . . . .	865,582	1,914,921 75
1871, . . . . .	814,493	1,738,181 38
1872, . . . . .	774,349	1,687,256 49
1873, . . . . .	852,352	1,785,716 33
Totals, . . . . .	13,426,798	\$30,666,863 02

[ L ]

STATEMENT of Monthly Expenditures on account of operating the Michigan Central Railroad from June 1, 1872, to May 31, 1873, inclusive.

M O N T H S.		Road Repairs.	Building Repairs.	Locomotive Repairs.	Car Repairs.	Locomotive Service.	Train Service.	Station Service.
<b>1872.</b>								
June, . . . . .		\$111,140 43	\$8,540 02	\$24,159 55	\$84,347 30	\$19,293 15	\$19,862 42	\$75,720 09
July, . . . . .		60,127 84	13,174 41	25,054 89	43,967 60	17,425 80	18,513 39	62,995 33
August, . . . . .		37,662 18	12,830 25	22,818 82	27,828 67	17,925 95	17,343 22	68,691 93
September, . . . . .		23,320 43	18,503 63	28,379 14	57,440 88	19,675 15	20,437 40	71,715 12
October, . . . . .		110,043 72	8,236 66	24,418 73	25,516 00	18,573 45	20,729 87	73,578 84
November, . . . . .		1,636 21	2,470 60	7,687 91	6,519 21	19,835 15	22,134 10	45,420 77
December, . . . . .		11,845 18	41,147 82	36,782 63	84,398 31	19,206 80	22,162 33	81,385 01
<b>1873.</b>								
January, . . . . .		4,846 62	18,524 91	50,257 77	92,371 02	20,460 10	21,527 15	75,151 07
February, . . . . .		33,095 72	20,674 61	22,681 62	56,266 87	20,976 15	7,520 94	79,227 12
March, . . . . .		4,764 24	9,816 12	21,037 46	61,109 94	20,801 95	29,262 15	44,999 14
April, . . . . .		9,354 65	10,110 97	39,934 85	38,933 19	21,635 30	21,196 11	66,678 96
May, . . . . .		7,140 68	7,446 95	22,635 65	62,909 97	20,930 75	20,425 07	36,312 10
Totals, . . . . .		\$414,977 90	\$171,476 95	\$325,849 02	\$641,608 96	\$236,739 70	\$241,114 15	\$781,875 48

Statement of Monthly Expenditures—Concluded.

M O N T H S.		Fuel.	Oil and Waste.	Stationery.	Telegraph Office.	State Tax.	Miscellaneous.	Totals.
<b>1872.</b>								
June,	.	\$52,488 56	\$5,755 45	\$6,123 24	\$4,888 86	\$50,000 00	\$22,032 44	\$484,101 51
July,	.	50,281 27	5,733 15	3,952 83	4,569 36	173 02	5,309 10	311,277 99
August,	.	45,391 24	6,684 21	2,844 71	3,875 44	—	6,579 93	270,476 55
September,	.	39,675 77	8,018 47	3,303 19	3,745 38	62,309 70	3,605 73	360,129 99
October,	.	41,751 65	7,348 27	2,384 39	3,548 62	250 35	7,489 37	343,869 92
November,	.	22,034 02	4,361 54	6,428 28	4,884 38	116 55	10,976 42	154,505 14
December,	.	64,365 03	9,933 05	4,868 74	4,532 12	981 61	10,742 25	392,350 88
<b>1873.</b>								
January,	.	72,629 91	9,769 92	5,130 69	4,212 50	—	4,926 24	379,807 90
February,	.	66,603 17	5,750 36	2,243 53	3,920 44	1,382 87	5,697 39	326,040 79
March,	.	70,872 43	7,559 17	4,208 76	4,734 35	10,984 04	23,110 77	313,260 52
April,	.	69,454 81	7,760 56	3,806 24	4,339 72	—	1,490 48	294,695 84
May,	.	52,595 18	7,956 11	3,178 38	3,548 47	11 80	635 12	245,726 23
Totals,		\$648,093 04	\$86,630 26	\$48,472 98	\$50,399 64	\$126,209 94	\$102,595 24	\$3,876,243 26

