

Doc. No. 38.

FIFTH ANNUAL REPORT
OF THE
PENNSYLVANIA & OHIO CANAL COMPANY,
TO THE
GENERAL ASSEMBLY.

SENATE—*January 10, 1842.*

REPORT.

To the General Assembly of the State of Ohio:

In compliance with the duty enjoined by the laws of the state, the Pennsylvania and Ohio canal company herewith present their annual report:

At the time of their last annual report to the legislature, the financial accounts of the company were as follows:

Receipts.

Amount received from the state of Ohio.....	\$420,000 00
“ credited to stockholders other than the state	841,796 40
“ credited to Mechanics’ Bank, Philadelphia..	29,91
“ credited L. King’s account for exchanges..	1,616 11
“ received for tolls and fines collected.....	13,257 24
	<u> </u>
Total amount of receipts.....	\$1,276,699 66

Expenditures.

For work done.....	\$1,103,026 37
Contingent expenses	97,020 15
Damages, and purchase of land for water power.....	26,704 86
Interest and exchange account.....	7,830 47
Notes of stockholders, or interest credited to stock..	1,567 27
Unliquidated accounts in the hands of attorneys, arising from sales at auction of delinquent stock.....	8,840 44
Amount paid on dividends at that period.....	965 00
Cash on hand, subject to order of treasurer.....	40,745 10
	<u> </u>
Total amount of expenditures and charges.....	\$1,276,699 66

During the past year, such portions of the work along the line as had been left unfinished, have been mostly completed, and a collector’s office has been built at Warren on land donated to the company.

The character of the work for strength and durability, so far as two seasons of business can form any test, has fully sustained the high reputation of the engineer under whose charge it was constructed, the navigation having been kept up at a moderate expense for repairs.

With a view of increasing the business, without reference to immediate returns, the board of directors, at the opening of navigation, revised, and on many articles reduced, the tariff of tolls, and on others allowed a draw back equal to one-third the amount, on condition of their passing through the entire line, and also, on all boats passing to or from Johnstown with their cargoes, without transshipment. The rates of toll established on many articles are lower than those on the Ohio canal, and are not intended to exceed them in any case.

The amount of business and of tolls received the past season has increased more than one hundred per cent. over that of the preceding, notwithstanding the navigation was suspended about four weeks in July and August on account of repairs, rendered necessary on the Beaver division of the Pennsylvania canal.

The following statement, taken from the collector's returns, comprises the principal items of business on which tolls have been received during the present season, up to about the 1st of November:

Merchandise, including iron, nails, and glass.....	10,620,247 lbs.
Butter and cheese.....	1,516,977 do.
Pot and pearl ashes.....	1,222,987 do.
Pig iron.....	1,016,000 do.
Iron ore.....	2,346,000 do.
Extra baggage and furniture.....	301,000 do.
Flour.....	36,500 bbls.
Salt.....	12,486 do.
Fish, whiskey, beef and pork.....	1,610 do.
Wheat.....	147,124 bush.
Mineral coal.....	377,000 do.
Number of passengers (returns from one office only).....	1,391
Number of miles conveyed.....	68,040 miles.

By a comparison of these items with those contained in the annual report of the preceding year, it will be found that the most important ones have greatly increased; the amount of merchandise there being less than four millions of pounds, wheat about sixty thousand bushels, and mineral coal less than one hundred thousand bushels.

The amount of tolls collected the preceding year, was \$13,257—the present year, up to the fore part of November, the receipts amounted to more than \$26,000, with a reasonable expectation that they would reach \$30,000 before the navigation would be closed.

The following exhibit shows the financial condition of the company up to the first of November:

Amount of Receipts.

Cash credited to stock..... \$1,264,477 52

Cash credited to Mechanics' Bank, Philadelphia.....	29 91
“ “ L. King's collection account for interest and exchanges.....	2,448 84
“ collected for tolls in 1840.....	13,257 24
“ “ “ 1841.....	26,754 37
Total amount of receipts.....	<u>\$1,306,967 88</u>

Amount of Expenditures and Charges.

For work.....	\$1,120,197 25
“ contingent expenses.....	92,118 63
“ damages and purchase of land for water power..	26,943 34
“ balance of interest and exchanges.....	7,030 74
“ amount charged to delinquent subscribers, on stock sold at auction by order of directors, remaining unsettled with attorneys.....	8,129 44
“ amount in hands of magistrates unsettled.....	711 00
“ amount paid on dividends.....	12,012 00
Cash on hand, including \$10,000 state scrip.....	39,825 48
Total amount of expenditures and charges,....	<u>\$1,306,967 88</u>

The subscriptions from whence the foregoing collections have been made, are as follows:

In the city of Philadelphia.....	\$623,780 00
From the state of Pennsylvania.....	50,000 00
“ the county of Allegheny, Pennsylvania... .	50,825 00
“ Beaver and Mercer counties, do.....	46,360 00
“ Trumbull county, Ohio.....	51,042 00
“ Portage county, do.....	22,470 00
“ State of Ohio.....	420,000 00
Aggregate amount credited to stock.....	<u>\$1,264,477 00</u>

The amount of expenditures properly chargeable to repairs for the current year will not vary much from \$13,000; leaving a nett income, arising from tolls during the same period, equal to one and a half per cent. on the capital stock fully paid up; and such dividend has already been declared by the board of directors, payable on the first day of January, 1842.

A portion of the amount which the state is entitled to receive, being six thousand three hundred dollars, has been placed in the hands of the Treasurer of State, and the residue is expected to be forwarded the earliest opportunity, and is now subject to his order, whenever it shall be presented to the treasurer of the company.

Five substantial covered boats have been built by the company, and furnished with furniture, cooking implements, bedding, &c., for the

convenience of boarding and transferring hands from one point to another along the line, and the necessary tools, stone-boats and other machinery, for making repairs.

The amount of these expenditures are included in the foregoing account of work or contingencies; and in practice it is found that repairs are made with much greater facility, and at a less expense, than in any other method.

The whole amount of expenditures, including work, all contingent expenses, damages, superintendence, repairs, boats, &c. &c., up to the present period, will not exceed \$1,256,000; being less than \$13,000 per mile for each mile of navigation created.

The amount of compensation paid to the officers proper of the company, including the president, secretary, treasurer, and principal engineer, for the current year, will fall short of three thousand dollars.

Although all the work necessary to sustain an uninterrupted navigation down to the present period has been done, and the accounts paid, still it has always been understood, and so stated in previous reports, that, as the business increased, additional feeders, from more remote lakes and reservoirs, would ultimately be required. On the recommendation of the principal engineer, this work has been postponed until the amount of business should require their construction; and, in his opinion, it should not much longer be delayed.

Until this work is undertaken, no further call will be made on the state for the balance of its subscription. The prospect of increasing business may soon render it expedient to put it under contract. Already has the amount of merchandize passing along the canal the past season nearly equalled two-thirds of that cleared at Cleveland, on the Ohio canal, for the same period; and when the Wabash and Erie, and Miami canal shall have opened new markets to the enterprising manufacturers of Western Pennsylvania, the business must rapidly increase.

Since the closing of navigation, some evil disposed persons, by cutting a channel around the abutment of the feeder dam across the Cuyahoga river at Shalersville, have caused the waters of that stream to pass out of their natural channel, thereby obstructing the communication with the feeder, by which the reservoir lakes and the summit level are supplied. It is understood, however, that the dam and abutment have yet sustained no essential injury, and that the breach may be repaired at a low stage of water without incurring any great expense.

Respectfully submitted for and on behalf of the board of directors.

LEICESTER KING, *Sec'y.*

COLUMBUS, *December 31, 1841.*