THE EVENING TELEGRAPH.

VOL. V .-- No 49.

PHILADELPHIA, MONDAY, FEBRUARY 26, 1866.

DOUBLE SHEET-THREE CENTS.

MEXICO.

INTERESTING FROM THE RIO GRANDE

MOVEMENTS OF GEN. SHERIDAN.

The Fight Between the Liberal Generals Canales and Cortinas.

Murders and Robberies near Brownsville-Lawless State of the Rio Grande.

Reported Liberal Reverses in the Vicinity of Monterey.

Imperial Reinforcements En Route to the City.

Mysterious Firing Across the Rio Grande from the Mexican Side.

Etc., Etc., Etc., Etc., Etc.

ARRIVAL AND DEPARTURE OF GENERALS SHERIDAN AND COMSTOCK.

SANTIAGO, Texas, February 12.—General Sheridan arrived here yesterday morning from New Orleans on the steamer Alabama. He immediately started for White's Ranche by a special train for the purpose of consulting with General Wright. After remaining about three hours at the latter's headquarters, closely closeted with General Wright during the whole time, General Sheridan returned to Brazos, and immediately left for New Orleans on the steamship Crescent. The exact nature of the interview is not as yet publicly known, but there is no doubt but that the late troubles on the Rio Grande, culminating in the capture of Baedad, were the cause of the

General's hasty visit here. General Comstock, of General Grant's staff, arrived here the day previous on the steamer Crescent on official business, and proceeded at once to Brownsville. He returned yesterday, and leaves for New Oricans on the same steamer with General Sheridan.

The Matamoras Ranchero of the 10th inst. has

the following:-"There are strong reasons to believe that the distinguished commander of the Federal forces on the Rio Grande—of the Department of Texas, in fact—is disposed to hold in check the outlews who have for three parts of a year held undis-puted sway on that side of the river. Added to a mind of more than ordinary power, he has a personal character to keep him above the cosspoel into which too many before him fell. The victims of assassination falling thick and fast around admontsh him of the work of his predecessors, and into how dirty a state of affairs he has become, perhaps unconsciously, embroiled. The road before the General, however, is broad enough for him to travel without danger of marring his epaulets. He has spoken thus far hke a man of purpose; but let him do the best he he work of locking the stable

after the horse has been stolen."

And the same journal says on the 8th instant:-"We mentioned yesterday that General Sheridan refused to allow a boat to leave New Orleans with emigrants for Mexico. Since then we have conversed with several persons who were on board the vessel at the time she was stopped. General Sheridan gave no reason for not allowing the emigrants to leave; and only said that the women and children could go, but that the men could not. '

FIGHT BETWEEN THE FORCES OF CORFINAS AND CANALES.

A fight took place a day or two ago about 20 miles above Matamoras, on the Mexican side, be-tween the forces of the Liberal chiefs Cortinas and Canales, resulting, it is feared, in several killed and wounded on both sides. Cortinus was defeated. The full particulars of the affray have not yet reached here. Rumors, however, are plenty. I say that the fight took place on the Mexican side, as the forces of these partisan leaders have heretofore crossed and recrossed the Rio Grande at pleasure. The conse-quence is that outrages, rebbery, and even mur-der have been committed to an alarming extent on the American side of the frontier, as well as on the Mexican side, and efforts are new being made to effectually rid the Texas side of these pests, so that Americans can travel on their own soil without the danger of having their throats cut by their Mexican friends. The military authorities at Brownsville have done all in their power to arrest the guilty parties and bring them to justice, but have never prohibited the Liberals from visiting this side whenever thought proper to do so. With the consent of the military, the citizens have determined to clear them out of the country, by organizing themselves in a body for this purpose, under the leadership of Coionel John S. Ford, formerly Rebel Commissioner of Paroles.

MURDERS NEAR BEOWNSVILLE. To prove to your readers how dangerous it is To prove to your readers now dangerous it is to travel in this part of the country. I will relate an incedent or two which have occurred in this neighborhood during the past few days:— Nathaniel Windsor, a private of Company C,

4th Wisconsin Cavalry, and Herman Burmistier, Esq., of the well-known firm of Droeya, Oelling & Co., of Matamoras, left Brownsville for Brazos Santiago: the former with despatches from Gene ral Weitzel to General Clarke in relation to the Bagdad Military Commission, the latter a witness before that Commission. These men were both waylaid, lassoed, murdered, and robbed. Windsor's despatches were probably the principal cause why he was waylaid, while Burmistier was evidently assassinated for booty and, may be, revenge.

The remains of both the poor fellows were discovered by a scout named Miller, sent out for that purpose. Windsor, the bearer of despatches, nd hanging by the neck from a tree near the road, and not more than seven miles from Brownsville. The villains who murdered him had stripped the body of all the clothing with the exception of the shirt.

Mr. Burmistier's body was found about two miles further on. It had been also hung upon a tree and stripped of everything, but through de-composition had fallen to the ground, where it burst, presenting a horrible spectacle. Both Windsor and Mr. Burmistier were mounted when

they left Brownsville. In a previous letter I stated that three United flicers were attacked and shot when only three miles from Brownsville. Captain Morey, who was shot through the lungs, is still alive. Captain Cook is recovering. No further clue towards the discovery of the murderers has been

Lieutenant Lorenty, of the 116th United States Colored troops, was wayled and robbed a few nights since in Brownsville. He fortunately escaped with his life, after being escorted half a mile beyond the town. Before the robbers left him, however, they cut of his shoulder-straps.—

New York Herald,

The Great Railroad Controversy.

Decision in Favor of the Pennsylvania Railroad Company.

Important Opinion by Justice Read.

SUPREME COURT AT NISI PRIUS IN EQUITY-Justice Read .- The Philadelphia and Eric Railroad Company and the Pennsylvania Railroad Company vs. The Catawissa Railroad Company, the Atlantic and Great Western Railroad Company, and the Philadelphia and Reading Railroad Company. This morning Justice Read delivered the opinion in the above case, which on its argument was very fully reported in our columns. The magnitude of the question involved, and the importance of the great interests at stake, both to our citizens and to the city itself, have created a feeling of deep interest, and the general importance of the cause itself, as well as the learning and ability of the counsel engaged in discussion, have everywhere attracted attention to its it. For the Philadelphia and Erie and the Pennsylvania Railrond Companies Theodore Cuyler and Chas. Gibbons, Esqs., appeared, while the companies defendant were represented by Hon. Jeremiah S. Black, Hon. Robert J. Walker, George W. Biddle, Esq., Alexander Henry, Esq., George M. Wharton, Esq., Judge Church, W. Hayward Drayton, and Franklin O. Gowen, Erqs.

The decision of the Court is in favor of the

complainants, and the opinion is as follows:-SUFREME COURT OF PENNSYLVANIA IN AND FOR THE FASTERY DISTRICT. January Term, 1866, In equity.—The Philadelphia and Eric Railroad Company and the Pennsylvania Railroad Company vs. The Catawissa Railroad Company and The Western Central Railroad Company of Pennsylvania, and The Atlantic and Great West-ern Railway Company of the States of Ohio, New York, and Pennsylvania. Andrew Scott vs. the same. Read, J.

The real question in this case is whether the

railroads of the Atlantic and Great Western Railway Company and the Philadelphia and Eric Railroad Company are connecting roads within the meaning of the Acts of Assembly of the 13th March, 1847, the 29th March, 1859, and the 23d April, 1861; for, if they are such con-necting roads, then the first-named road is connected by means of an intervening railroad with the Catawissa Railroad, which is unquestionably directly connected with the road of the Phila-

delphia and Eric Railroad Company.

The road of the Atlantic and Great Western intersects the Pailadelphia and Eric Road at Corry, in the county of Erie. Does it connect as well as intersect? The one has a guage of six teet, and the other of four feet eight and a half inches. The one runs across the State, and by means of connecting roads forms a through line from New York to Dayton, Ohio, with further western connections, whilst the other road is entirely on Pennsylvania soil, and connects the city and harbor of Eric with the city and port of Philadelphis, the commercial metropolis of the

There is necessarily a break of guage at Corry, and the cars and locomotives of one road cannot run upon the other road. This is a physical impossibility, as the two roads are now constructed and are proved to the Court to exist at the present moment. If all the rolling stock of one road were by an accident destroyed, or withdrawn, the remaining road could not operate with their rolling stock, although perfectly willing to supply the wants of the intersecting road. There can therefore be, and there is not, any mechanical connection between the two

But as the opinions of eminent engineers both sides have been laid before us as to their understanding of the terms "connecting" roads or roads "directly or by means of inter-vening railroads connected with each other," it becomes necessary to look into the history the railroad system generally, and particularly of that of this State.

The Liverpool and Manchester Railway, planned and executed by George Stephenson, was opened thirty-six years ago with steam loco-motive power, brought into successful operation by the genius and skill of this distinguished en-gineer. The gauge of this road was fifty-six and a half inches, being that of the coal roads then in use. Three years afterwards Parliament authorized the construction of a railwayfrom London to Birmingham. This railway was of the same guage, and built by the same engineers; and has since grown into the London and Northwest ern Railway, with 1224 miles of road, on which have been expended over fifty-two millions of pounds sterling, and of whose management and operations a most interesting account is given in the Quarter'y Review for December, 1848. The half-yearly dividend of this road for the first half of 1865 was three per cent.

The scheme for the Great Western Railway, running from the city of Bristol to London, originated with the corporation of the first named place, and its principal merchants in 1832, and was encouraged by the commercial establishments in Ireland and Wales transacting business with either, or both of those cities. The act of incorporation was obtained on the 31st of August, 1835, and Mr. J. Kinadom Brunel, who had made the preliminary surveys, was elected as the engineer, and under his advice the guage of seven feet or eighty four inches was adopted.

This was recommended by him originally, on the ground that the country would eventually be divided into railway districts, each of which would be served by one company, and that as each district would have but little direct communication with the others, a variation or break of gauge would be no inconvenience; that the west of England would form one of those tricts—a district in which the traffic would chiefly passenger traffic-that this traffic would be be most satisfactorily conducted by one or two very large trains daily. On roads where the curves were more frequent and sharp, and the mercantile traffic bore a larger proper tion to the passenger than on the western, Brunel admitted that a narrow gauge might be more advantageously use. A lew years later he said: "It can have no connection with any other of the main lines, and the principal branches were well considered, and almost formed part of the original plan, nor can these be depenany other existing lines for the traffic which they bring to the main trunk, and the commer cial isolation of this exceptional system was therefore contemplated and designed by the engineer and directors." This line, therefore, dissociated itself from the general railway system of England, and wherever the two gauges approached each other occasioned, of course, a break of gauge, and a transshipment of passengers and baggage, and also of freight, whether

In 1845 there were about 2100 miles of railway in England in operation, of which 1860 miles were of the narrow gauge of 505 inches, and 240 of the broad guage of 84 inches. The magnitude of the nuisance was admitted, and after a discussion in the House of Commons, Mr. Cobden moved for the appointment of a commission, and the House subsequently manimously voted as the House subsequently unanimously voted an address "praying her Majesty to be graciously pleased to issue a commission to inquire whether in future private acts for the con-

struction of rallways, provision ought to be made for securing a uniform guage, and a Commission was accordingly appointed of Sir F. Smith. Professor Barlow, and Professor Airy, who made their report in January, 1845. Forty six witnesses were examined, including

First, six witnesses were examined, including engineers, locomotive manufacturers, managers, secretaries, and carriers. Four employes of the Great Western were in favor of the broad guage, four were opposed to break of guage, but gave no opinion about width of guage; three were for intermediate guage, with no opinion as to uniformity; five were for intermediate guage theoretically, against broad guage, and was (avorable to uniformity; and thirty for uniformity and a narrow guage. They considered the improvements already made had obviated all the difficulties which the narrow guage formerly presented. The Commission recommended "that the guage of four feet eight inches and a half be declared by the Legislature to be the guage to be used in all public railways now under construction, or hereafter to be constructed, in Great Britain."

Parliament did not make it compulsory, but Parliament did not make it compulsory, but established by the act of 9 and 10 Vict. (18 August, 1846) (with certain exceptions), the guage of four feet eight mohes and half an inch in Great Britain, and five feet three inches in Ireland, and prohibited the alteration of the guage of any railway for the conveyance of passengers. Certain railways, including the Great Western, using the guage of seven feet, and certain others using a mixed guage, were among

Western, using the guage of seven feet, and certain others using a mixed guage, were among the exceptions. The mixed guage, were among the exceptions. The mixed guage of that day consisted of adding to the narrow guage a single outside rail, or introducing a single rail between the rails of the brgad guage. (16 Jurist, 443.)

The great convenience of entire uniformity of guage in the course of a few years became so obvious that Parliament finally determined, in 1864, that the narrow guage of 50g inches should be the standard and only guage in England and Scotland, with the exceptional bread guage of 84 inches and a permitted mixture of both.

The 33d section of the Railways Constitution Facilities act of 27 and 28 Victoria, c. 121 (29th July, 1864), enacted that "Every railway made under this act in England or Scotland shall be made on the gauge of four feet eight inches and half an inch, unless in any case the certificate provides the making of the railway on the gauge of seven feet, or on both those gauges."

of seven feet, or on both those gauges."
"Every rallway made under this act in Ireland shall be made on the gauge of five feet three

The experience of Great Britain, with all its lines of railway leading to one great central point, London, has settled into an approval of one uniform narrow gauge, with a permitted deviation to avoid a destruction of existing pro-perty to one broad gauge of seven feet, with a mixture of gauges intended to remedy the evil occasioned by the unwise, short-signted, aggressive, and expensive policy of Mr. Brunel and his

associates and followers.

The continent has profited by the dear bought knowledge and experience of England, and France, Belgium, the Germanic States, and Italy have adopted the uniform narrow gauge of

564 inches.

The mixed gauge in England proves clearly that the narrow gauge cannot be interior in real railway power to the broad gauge for passenger goods and mineral traffic, and in all but passen-ger traffic it is acknowledged by the latest authorities to be superior for the carriage of treight of all kinds.

It is much less expensive in construction, and of course in keeping in repair, and the introduction of another line of rails on the broad gauge system, to enable them to use the narrow gauge carriages upon it, increases the cost of the road, and the iron used for that purpose on a double track bread gauge road would lay a third track for the road, which, on some roads, must soon be done in that country, to accommodate the constantly increasing railway business; for it is now becoming a question whether there shall not be separate tracks for passengers and for goods and mineral traffic, classed by us as

Whenever this becomes necessary then the superior advantages of the uniform narrow gauge will be self-evident in the diminished width of roadway, of bridges, embankments, deep cuttings and tunnels, and the decreased cost of the foundation and superstructure, and of the rolling stock of the railway.

More than twenty years ago an exceptional gauge of five feet had been introduced on one road, but when it reached a narrow gauge road the inconvenience of break of gauge was found, and its engineer changed it to the uniform narrow gauge of 56th inches, saying, "The locomotive of this day is not the locomotive of 1836; for all the purposes for which railways can be wanted there is additional ways can be wanted there is additional ways." tional space to crowd in as much power, and more than can ever be commercially beneficial. A boy may now with facility clean an engine in an hour, which would formerly take a man a day," Another eminent engineer said, "I think the absolute necessity of extending railways, now that every road is to have a railway, rather goes to show that it is not wise to make these railways of very large dimensions," and particularly with reference to extension by branches to every town and every

Unfortunately for the Great Western these warnings of experienced engineers had no effect upon Mr. Brunel, a man of magniticent ideas, carried out not only on that road, but in the steamship Great Eastern, and on the Atmospheric Railway, the two last of which were entire failures at a vast cost to the unfortunate proprietors, who were led away by his engineering eloquence. His examinations before committees of the House of Commons evinced great

readiness, ability, and tact and excellent temper.

The stockholders, or, to use the English phraze, the shareholders, of the Great Western, according to their published reports, have suffered greatly, in a pecuniary point of view, for their persistent determination to retain possession of the coast of England by their exceptional gauge, and to separate themselves from the general railway system of the country. They have, flowever, been forced at last, by the im-possibility of sustaining this contest without an entire cessation of dividends, to become the virtual proprietors of narrow gauge the virtual proprietors of narrow gauge roads, and introduce the mixed gauge upon large portions of their line. "The Great Western," a narrow as a broad gauge railway. The Great Western own at present not only considerable lengths of purely narrow gauge railway, but they have laid the narrow inside the broad, forming a mixed gauge on a large portion of their system." They have nearly as many narrow gauge as bread engines, and they are adding to the narrow gauge engines in proportion of three to one of the broad. The narrow gauge carriages and wagons far outnumber the broad gauge, an the narrow gauge carriages and wagons were inreased in 1854 in the proportion of 824 to 11 of broad gauge; and the advice tendered to them by the same journal was gradually to change the railway into a narrow gauge road by the introduction of the third rail, and not renewing the outer rail or the broad gauge, but let them gradually wear out. The narrow gauge is greatly preferable for goods and mineral traffic, and nearly, if not equal, for passenger traffic.

The journalist also advised a suspension of

dividends for three or four half years, as economical method of providing money, and at the sixtleth half-yearly meeting in September last, the dividend declared was one per cent., and the stock in December was quoted at 61. I have annexed to this opinion extracts from the proceedings of that meeting, and from the Railroad Journal.

The Santh Wales part of the Great Western

The South Wales part of the Great Western terminates at Milford Haven, the point selected by one of the learned counsel for the detendant as the eastern terminus of the proposed steamship line from this port. The South Wales line furnishes the best steam and fair burning coal, in relation to which the Chairman of the Great

Western Company said to the shareholders, "The mineral trade from South Wales, especially in steam coal, was largely diminished by the sudden cessation of the demand for blockade-runners."

It is, therefore, the indisputable result of British experience, first, that the narrow gauge is preferable to the broad gauge, not only on the

is preferable to the broad gauge, not ocly on the score of commercial convenience, but for its aperior economy in making, and working; second, that that there should be an entirely uniform gauge over the whole railway system of the country; and third, that there should, of course, be no break of gauge.

In a State like Pennsylvania, crossed and interspersed by chains of hills and mountains, where the passes are few and narrow, there can be no doubt that the only permissible guage should be the uniform narrow gauge of four feet eight and a half inches, originally fixed and adopted by the State upon the Columbia Road, which regulated that of the Pennsylvania Railroad, the Philadelphia and Eric, Northern Central, Catawissa, Philadelphia and Reading, Lebanon Valley, North Pennsylvania, Philadelphia, Wilmington, and Baltimore, Germantown and Norristown, and the West Chester Roads, all leading to and connected with the city Roads, all leading to and connected with the city of Philadelphia, now covering 130 square miles of iterritory, with a population of more than \$60,000 souls.

Sto. Coo souls.

The State of New York in 1824 had nearly completed their canal from Lake Erie to the Hudson, which, with the Northern Canal, connecting Lake Champlain with the same river, had formed their system of State internal Improvement, In October, 1825, the Erie Canal was fingled and on the title of November, the was finished, and on the 4th of November, the first canal boat arrived at New York from Buffalo. In 1836, ten years afterwards, the enlargement of the canal with double locks was commenced. In 1826 a company was incorporated to construct a railway from Schenectady to Albany, and other companies were chartered from 1833 to 1836 to form connecting roads, which in 1851 were consolidated and tormed the New York Central Railroad Company.

In 1824 the first canal commissioners in this State were appointed, who recommended a canal from Philadeiphia to Pittsburg, with a tunnel of four miles through the Allegheny Mountains. In 1825 a new board of canal commissioners, consisting of five persons, was appointed, and the law authorizing the first board was repealed. By this second act the routes to be examined to the north and west started from the city of Philadelphia, and both the Western routes extended to Lake started from the city of Philadelphia, and both the Western routes extended to Lake Erie, so as to connect its waters with those of the Delaware. Out of this grew our system of State Internal Improvement by canal and slackwater. It was soon found necessary to substr tute a railroad for a canal between the Schuylkill and the Susquehanna, and the Portage road for the Allegheny tunnel.

Our mistake was in supposing that because New York had constructed a continuous canal, through a nearly level country, during a period when the price of labor was low, that we could effect the same object at a similar expense in a State crossed by ranges of mountains, and with a currency gradually expanding, and of course increasing the cost of labor and materials. So imperiect was the communication between Philadelphia and Pittsburg, that, in 1846, the Pennsylvania Railroad was incorporated to construct a railway from Harrisburg to Pittsburg, so as to ferm, with the Harrisburg and Columbia Roads, a continuous railway between

these two points.

To the stock of this road what is now the city of Philadelphia subscribed five millions of dollars, the county of Allegheny one million, and the citizens of Philadelphia (business men and operatives depending upon their daily labor for support) subscribed the balance that was then deemed necessary to make the road. It was, in fact, a Philadelphia enterprise, deemed absolutely necessary for its business connections with the interior and the West, and it was undertaken at a period when we were just begin-ning to recover from one of those financial collapses to which we have been periodically sub-

By the purchase of the main line of the public works from the State in 1850, this company became the owners of the entire route from Philadelphia to Pitisburg, and were enabled to build and complete a double track, first-class road, connecting the waters of the Ohio with those of the Delaware.

The tracks on the Columbia Railroad were moved further apart, so as to admit wider cars, for it was the original fault of this road, and of the Reading road, that the two tracks were brought too close together. The Harrisburg Road was improved; and the Portage Road and all inclined pianes and stationary engines were dispensed with.

connects with Cincinnati by the Steuben ville route, crossing the Ohio by one of the most extensive and magnificent iron bridges in the world; and by other roads with Cleveland, Chicago, St. Louis, and the great West. Thus the great trade of the West passes into the two great cities of the State, Pittsburg and Phila delphia, and thence by the connecting railway now building, the Philadelphia and Trenton. and Jersey roads to New York, without any transal pment whatever.

During the late Rebellion the Penncylvania

Railroad became the great route for the transportation of troops and munitions to and from the West and Southwest, and upon three days notice, could have furnished at Philadelphia Baitimore, or Pitteburg, accommodations and cars for the transportation of an army of 60,000 men from one point to the other in twenty-four hours, with all their equipments and munitions

I believe this to be correct, for in 1862 (and their capacity is now greatly increased) it was ascertained by the agent of the Camden and Amboy Company, that they could transport from Philadelphia to New York in twenty-four hours, by their roads and canal, an army of 100,000 men, with all their equipments and munitions of war. They were never called upon to transport more than 8000 men in one day, and was done in from five to seven hours, with out interrupting their ordinary travel.

Besides the transportation of the heavy guns nanutactured at Fort Pitt Works, they carried the big 20-inch gun, twenty-five teet long, weigh ing 116,400 pounds, and throwing a solid shot of 1000 pounds, on cars specially constructed for the purpose by the Pennsylvania Raitroad Company, over their road to Harrisburg (248 miles), and thence by the Lebanon Valley, East Pena-sylvania, Lehigh Valley, and New Jersey Central Reads to Elizabethport, New Jersey, a total distance of 419 miles, without change or transshipment, or break of gauge.

For the Main Line the company gave the State \$7,500,000, which was increased in 1861 by the commutation for the tonnasa tax, and they in creased the annual payments to \$460,000, which would extinguish the whole debt in 1890. The amount still due the State is \$6,700,000, secured by bonds which are a lien upon the Main Line. The city of Philadelphia holds 103,342 shares, equal at par to \$5,167,000, being \$167,000 more than her original investment, besides having received \$2,500,000 in cash, or its equivalent, over six per cent, on the original subscription. Every original stockholder who is still one, has always received six per cent. interest for his money, besides the ordinary and extra dividends above that percentage.

The improvements already made and which are still progressing on the west bank of the Schuylkill, the Junction Road, the iron bridge over the Schnylkill, the grain elevator, and the wharves on the Delaware, attest the public spirit and enterprise of a company which has added so largely to the wealth and prosperity of my native

The city of Philadelphia has a money interest in this road of \$5,167,000, and the State of Pennsylvania of \$6,700,000, making a total of \$11,867,000. The Sunbury and Eric Railroad Company was

incorporated by an act of Assembly of the 3d of April, 1837, to survey and fix a route for a railway from Sunbury, by the way of Northumberland and Williamsport, to the harbor of Eric. In 1858 and 1839 an exploration and survey were made by it, and in 1851 the Eastern and Western Divisions of the road were again surveyed, and in 1852 a great effort was made to infuse vitality into the corporation.

into the corporation.
Under the provisions of an act of 2d March Under the provisions of an act of 2d March, 1852, an attempt was made by the company to extend their road to Harrisburg, which was deseated by a decision of the Supreme Court, showing a prior right in what is now the Northern Central Railroad Company (Packer vs. Sunbury and Eric Railroad Company, 8 Norris, 211).

Under an act of the 10th February of the same

year, authorizing municipal and other corpora-tions to subscribe to its stock, subscriptions were tions to subscribe to its stock, subscriptions were sought from Philadelphia and Eric, and other counties and boroughs on the route of the road, and upon a favorable report from a Committee of Councils who visited Eric, the City of Philadelphia subscribed two millions of dollars. The District of Richmond subscribed \$250,000, which, upon consolidation, merged into that of the city. The county of Eric subscribed \$200,000, and the City of Eric \$300,000, and these, with some individual subscriptions, formed the capital on which operations were commenced, and in 1856 a very able Board found forty miles of road in good running order from Sunbury to Williamsport, and upwards of from Sunbury to Williamsport, and upwards of two hundred miles under contract.

By an act of 21st of April, 1858, the State sold to the Sunbury and Erfe Railroad Company, for \$3,500,000, all the public works of the Commonwealth remaining unsold upon certain terms which act the Supreme Court decided to be con

stitutional. (Sunbury and Erie Railroad Com-pany vs. Cooper, 9 Casey, 278.)

By the acts of 13th April, 1860, and of March, 1861, the indebtedness to the Commonwealth was substantially changed into a second mortgage, for four millions of dollars were deposited in the State sinking-jund, the name of the Com-gay was altered to that of the Philadelphia and figny was altered to that of the Philadelphia and frie Railroad Company, and they were authorized to contract with any other railroad company in the State in relation to the completion

Accordingly on the 6th of January, 1862, a contract, and a lease and contract, were entered into between the Philadelphia and Eric Railroad Company and the Pennsylvania Railroad Com-pany, by which the first-named Company leased their road to the second-named Company for the term of nine hundred and ninety-nine years. The whole subject is admirably explained in the opinion of my brother Strong, in Gratz vs. the two companies, 5 Wright, 447, affirming the con-stitutionality of the act of March, 1861, and the validity of the contracts by the two com-

the 17th October, 1864, although the foad was incomplete in its equipments. These two roads therefore have carried out by land-carriage the original intentions of the framers of the act of 1825, to connect the city of Philadelphia with Pittsburg and Lake Erie by the main line and west branch canals.

In this Road the State has four millions of dollars, the City of Philadelphia two million two hundred and fifty thousand dollars, and the city and county of Eric five hundred thousand dollars, and both roads are Pennsylvania enterprises, pouring the trade and commerce of the West directly into the lap of the commercial metropolis of the State.

The Central Railroad of New York, from Albany to Buffalo, has 4 feet 8½ inches guage, and I believe the roads north of it, and east of the Hudson, including the New England States, have the same uniform guage, with the exception of the road from Portland, joining the Grand Trunk of Canada, which has the Canadian guage of 5 feet

The ordinary gauge in New Jersey is 4 feet 10 inches, but the New Jersey Central has the 4 feet 8½-inch guage, with a third rail to accommodate the Delaware, Lackawanna, and Western. By improvements in machinery - cars of the narrow guage can run

pon the New Jersey roads. The New York and Eric Road was planned as far back as 1832, and the purpose was to construct a railread from New York to Lake Erie, through the southern tier of counties entirely upon New York soil, and the Company was restricted from connecting with any railroad either of the State of Pennsylvania or New Jersey, or leading into either of the said States, without the consent of the Legis-lature of the State of New York on pain or forfeeting the powers and privileges conferred upon it. The road was commenced at Pied mont, on the west bank of the Hudson river, near the New Jersey State line, and after fruit-less efforts to find an available line without passing through Pennsylvania, they were allowed to construct their road through Susque nanna and Pike counties by two acts of Assembly, passed the 16th February, 1841, and 26th

In a similar way, it becoming necessary to secure a terminus opposite the city of New York, mont, by various leases and contracts with New Jersey Railroad Companies, sanctioned by the Legislature of that State, they were enabled to secure a terminus on the west bank of the Hud on, at Jersey City,

In one of these agreements it is expressly stated that the object of laying one rail on each side of the present tracks of the road of the Me Jersey Railroad and Transportation Complete so as to form in conjunction with one rail o each track, two tracks of five feet wide, is for the purpose of enabling the New York and Eric Railroad Company to run the cars and engine of the said company from their road at Sufferins across New Jersey, until at or near the Hudson river at Jersey City, without change, deiay, or

Under a decree of foreclosure of a mortgage executed by the said company, a sale sanctioned by acts of the Legislatures of New York, New Jersey, and Pennsylvania, all the property and tranchises of the New York and Eric Railroad Company became vested in the present Eric Railway Company.

The guage of this road is six feet, an exce-

tional one not used in England nov in Canada and in very few instances in the United States It occupied the whole southern line of the State of New York, and no road north or south of it, whether in New York, New Jersey, or Pennsy vania, could mechanically connect with it, ex cept one of the same guage, thus practical refusing all such connection with all the roads previously constructed in those States. Instead. therefore, of the New York Central connecting by any intervening road with the Eric, they are entirely disconnected, for the cars and engines of one road cannot run upon the other.

The Eric Road is, therefore, an aggressive road preventing all communication with and through t of the roads on each side, which can only in tersect and not connect with it, there be accommodation for the narrow gauge line. If, for instance, you have freight from Albany to Rochester designed for Avon, Genesee, Mount morris, or any southern point, there is an entire break of gauge and transbipment at Rochester, which would have been entirely unne-cessary if all the roads of the State were narrow gauge roads, and entire uni-formity of gauge had prevailed. In England the New York Central has been compared to the London and Northwestern Railway, and the Erie to the Great Western, the effects of whose broad-gauge policy we have already seen. The effect of this has been to make our coal roads (for which the narrow sauge is peculiarly fitted) connecting with it, such as the Blossburg and Delaware, Lackawanna, and Western, expensive roads of six foot gauge, with a correspondingly expensive rolling stock and equip

Under these distinct charters from the States of New York, Pennsylvania, and Ohio, the main

line of the Atlantic and Great Western com-mences at a junction with the Eric Railway at metrees at a junction with the Eric Railway at Salamanca, 414 miles from New York, and runs in a southwesterly direction 388 miles to Dayton. Ohio. I have not been furnished with the New York charter, and only with the the third section of the Ohio charter, and I have not the dates of either, and I do not know their provisions. The charter of the Atlantic and Great Western Railroad Company of Pennsylvania, is to be found in four Acts of Assembly, of 20th May, 1857, (P. L. 801); 18th April, 1868, (P. L. 500); 10th March, 1859, (P. L. 125); and 22d March, 1865, (P. L. 540); and the length of the road in this State is 88 miles.

ton connects with a railroad to Cincinnati, a narrow gauge road, which has put down a broad gauge "straddle" track (rails on either side of narrow gauge rails), to accommodate the Atlantic and Great Western traffic. It there joins the Ohio and Mississippi Railroad (broad gauge), terminating at St. Louis, sin the report of Mr. Forbes (who was sent to this country to inspect the road) to the London Board of Control of the Atlantic and Great Western Railway, on the 23d of November last. he says:—"By means of the three associated Companies, the New York and Erie, the Atlantic and Great Western, and the Ohio and Mississippl,

The main line (which is a single line) at Day-

a new and unbroken communication, 1200 miles in length, on the six toot gauge, has been opened between New York, Cincinnati, and St. Louis, and between the Atlantic seaboard and the Ohio and Mississippi rivers. Amongst the branches of the main line, as appears by the New York certificates of consoli-dation, there is a separate corporation called the

Buffalo Extension of the Atlantic and Great-Western Railway Company, who are construct-ing a road from Randolph, near Salamanca, to Buffalo, of the six foot guage.

[London Board of Control : The Atlantic and Great Western being built by English capital and controlled in London, it was stated at the same meeting of bond and shareholders in November by the President of the London Beard of Control. "We are met here to day for friendly explanations.

"I selt it my duty when I took the position of Chairman of the London Board of Control to require certain things to be done. The first was that all money should be sent over to London, that we might know what we carned, that is, forty per cent. of the receipts." It is not, therefore, singular that the principal information as to this road is to be gleaned from English railroad journals. The road is spoken or as feeding the Erie with great additional traffic to New York, and it is said "under the carcumstances it is not surprising to learn that the Eric Company, which will doubtless derive a great benefit from the Atlantic and Great Western, has engaged to supply rolling stock to the amount of five millous of dollars for the purpose of the through traffic between New York and Cheinnati," and this engagement "is being faithfully and ener-getically fulfilled by that (Erie) Company, and the road is said to be "promoted by a number of leading Englishmen," a technical term in Eng-land designating the planners or originators of a

Company.

In addition to the report of Mr. Forbes to the London Board of Control, there was also a de-tailed report on the 29th of May last by Mr. Moseley, an English Engineer, sent out to in-spect the road.

An enthusiastic gentleman at the November

An enthusiastic genileman at the November meeting, said, "It was the interest of every gentleman in the room to promote omigration to the far West upon a very large scale, as their traffic would be increased by addition to the population. The more English people went over there the better. The people in the great West would understand how necessary a free trade was to their advantage and development. Every Englishmen was pussioners of ment. Every Englishman was a missionary of

The Ohio Atlantic and Great Western Com-19th September, 1865, adopted the joint consolidation movement, the same was done the same day by the Pennsylvania Company, and the two New York Companies tollowed suit, on the 14th and 16th of the same month.

Certificates were produced from the Secreta-

ries of State of the States of Ohio and New York. of the filing of the agreement or a copy in their respective offices, but none from the Secretary of the Commonwealth of this State, but in heu thereof a letter from him declining to file it, adding, "by the advice of the Attorney-General, Mf. Meredith," and I have therefore no evidence of the existence of the new corporation. The necessity of the fling to create the new corpora-tion is distinctly recognized in the certificate or agreement of consolidation itself. The act of the State of Ohio is entitled "An

Act to authorize the Consolidation of Reilroad Companies of States adjoining, in certain cases, and to authorize Railroad Companies in this State to extend their roads into adjoining States," and was passed 10th April, 1856 (53 vol. P. Laws, p. 143).

This act authorized any railroad company in the State whose line of road extended to the oundary line of the State, or to any point either in or out of this State, to consolidate its capital lock with the stock of any railroad in an adjoining State, the line of whose road has been made "to the same point and where the several roads so unite as to form a continuous line for the passage of cars: Provided that roads running to he bank of any river which is not bridged shall be held to be continuous under this act." act would authorize a consolidation with a Pennsylvania road, but not with a New York road. Our act which was the subject of an unplea-

sant investigation, which has cast a shade of suspicion over it, was passed at the instance of the Atlantic and Great Western, and is a general law applicable to all companies embraced within its teams. There are words omitted in its first section which makes nonsense of it; but suppos-ing it to mean the consolidation of the capital stock of a Pennsylvania Railroad Company with similar companies in other States, "whonever the two or more railroads of the companies or corporations so to be !consolidated shall, or may form a continuous line of railroad with each other, or by means of any intervening radroad. Provided. That railroads terminiting on the banks of any river which are, or may be connected by terry or otherwise, shall be deemed continuous under this act." The interpretation of "any intervening rauroad" was intended to include the Buffalo Extension. This act would authorize consolidation with

the Ohio and New York companies, if the follow-ing proviso, contemplating the passage of similar general laws by the States taking advantage of it, was complied with:—"And provided further, That nothing in this act contained, shall be taken to authorize the consolidation of any com-pany or corporation of this Commonwealth with that of any other State whose laws shall not authorize the like consolidation." I can have no doubt of the intention of the

Legislature who were dealing with our sister States upon terms of entire reciprocity. Our act was passed 24th March, 1865 (P. Laws, p. 49). On the 29th April, 1865, the Legislature of New York passed, not a general law, but a private special act to authorize the consolidation of The Atlantic and Great Western Railroad Company, in New York, and the Euffalo Extension of the Atlantic and Great Western Railway Company with certain other Railroad companies.

This act is expressly confined to the merger of the two New York companies, and although the words are general as to the companies in other States with whom they may consolidate, yet the description of their forming a centiauous line of railroad fits only the two reads of the same name in Pennsylvania and Ohio, which, with the New York road, form the main line of the Atlantic and Great Western Railway. By the New York act our general law is degraded into a private [Continued on the BigMh Page.]