The New Orleans Daily Crescent.

OFFICIAL JOURNAL.

COMMON COUNCIL.

ASSISTANT ALDERMEN.

TUESDAY, April 13, 1858.

The Board met this day pursuant to adjournment. Members present: Hon. J. Magioni, President; Messrs. Hall, Dolhonde, Huyghe, Lombard, Phelps, Reid, Waldo, Whitney and Stickney—10.

On motion, the reading of the journal was dispensed with.

Messrs. Ranney, Holland and Beebe took their seats.

The following message from the Mayor was read:

MAYORALTY OF NEW ORLEANS, City Hall, April 13, 1858.

To the Common Council:

Gentlemen—The Legislature of Louisiana on the last day of the recent Session, passed an Act entitled "An Act to authorize the Governors of the States of Louisiana and Mississippi to vote at all meetings of Stockholders of the New Orleans, Jackson and Great Northern Railroad Company, upon the Shares of Stock in said Company, held by said States;" which Act was approved by the Governor on the same day, March 15th, 1858.

This Act provides that the States of Louisiana and Mississippi shall be entitled to vote at all meetings of Stockholders of the New Orleans, Jackson and Great Northern Railroad Company, and at all elections for Directors, upon the number of Shares of said Company respectively held by each; and the Governor of the State of Mississippi and the Governor of the State of Louisiana shall cast the votes of their respective States in person or by proxy, as in other cases:

And it is further provided in said Act, that at the election to be held for the acceptance or rejection of the said Act, the Governor of Louisiana aforesaid shall cast the vote of this State, and the Mayor of the City of New Orleans, in person or by proxy, shall cast the vote of the said City.

The duty imposed upon me to vote on the question of the acceptance or rejection by the Stockholders of this Act involved considerations in which I found much embarrassment, and which necessarily required that I should, before exercising the limited franchise granted to the Mayor, inform myself fully as to my duty in view of the best interests of my constituents, and of a desire to promote the welfare and prosperity not only of the Railroad Company, but also of the inhabitants and tax-payers of New Orleans; and without reference to private considerations, the peculiar interests or ambitious views of individuals, and totally regardless of the vain threats and insinuations which have been with so much freedom made for the purpose of influencing my conscientious course.

The results of my deliberations, and examination of the entire subject, has been, as you are already aware, the casting of the vote of the City of New Orleans, at the election held on the 10th instant, against the acceptance of the Act in question.

I now propose—in order that the Common Council and the public may be informed—to submit to you, and through you to my constituents, my reasons for thus casting the vote of the City of New Orleans; and before proceeding to do so, it is necessary to state that one of the avowed objects aimed at in the passage of the Act was that if the Act were accepted by the Stockholders, then through the exercise of the power given to the Governors of Louisiana and the denial of the same rights to the City of New Orleans, a Board of Directors would, at the approaching election, be elected, whose fixed and determined policy would be to stop the further prosecution of the road at Canton, making that town the terminus of the New Orleans, Jackson and Great Northern Railroad; and that this determination presented to my mind considerations of policy, good faith, and obligations in connection with the passage of the law, which compelled me to hesitate before committing myself to any course of action.

By the provisions of the Charter of the Company made part of the Act of Incorporation, entitled an "Act to incorporate the N. O., Jackson & G. N. Railroad Company," approved 22d April, 1853, it is provided that "said Company shall have the right, for the purpose of constructing, working and maintaining a Railroad from New Orleans to Jackson, in the State of Mississippi; thence northward through the State most favorable towards the point that shall be deemed of Mississippi for continuing the communication to Nashville, in the State of Tennessee. The road to be made on such a scale and over such route the main trunk of a continuous line of communication between New Orleans and the Northern and Western portions of the Confederacy."

The Act of the Legislature of Mississippi, approved March 11, 1852, which is made a part of the Charter of the N. O., Jackson and G. N. Railroad Company, by the Act of the Legislature of Louisiana, (see Sec. 18, Act of Legislature of Louisiana, approved 22d April, 1853,) imposes upon the Company the duty of building a railroad "through the State of Mississippi, by way of the city of Jackson, to some point on the line of boundary separating the State of Mississippi from the States of Tennessee and Alabama. And provides further, that "if the Railroad by this Act authorized, shall not be completed in all its extent, as contemplated, within this State (Mississippi) so far as to transport freight and passengers, within the space of ten years from the passage of this Act and its acceptance by said Company, then this Act shall be null and void."

The Act of Incorporation, embracing all the conditions above alluded to, was formally and unanimously accepted by a meeting of the Stockholders, held on 30th April, 1853.

By an Act of the Legislature of Louisiana, approved March 15, 1854, the City of New Orleans was authorized to subscribe to the Stock of the N. O., Jackson and G. N. Railroad Company, in bonds of one thousand dollars each, having twenty years to run, and bearing interest at the rate of six per cent. per annum. Under which authority the City did so subscribe, and became a stockholder to the amount of $2,000,000—equal to eighty thousand shares. And under a further provision of that Act, the City became entitled to the appointment of the three Directors, by the Common Council, in the Board of Directors of said Company.

By the provisions of an Act of the Legislature of Louisiana, approved April 28, 1853, the Treasurer of the State was required, within ten days after the passage of said Act, to subscribe, on behalf of the State of Louisiana, for sixty-four thousand shares of the Stock of the N. O., Jackson and G. N. Railroad Company; which subscription was accordingly made, under the conditions of a prior Act, approved upon the same day, entitled "An Act to provide for the manner of giving the aid of the State to Railroad and Plankroad Companies." Which last Act provides: "That the Bonds of the State, to be issued in conformity with this Act, shall be issued from time to time, for an amount equal to one-fourth of the amount actually received by and paid to the Company, from its other Stockholders, individual, corporate, municipal and parochial." And it is stated to be the true intent and meaning of the Act, "that the subscription so made by the State of one-fifth of the Capital Stock of any Railroad or Plankroad Company, shall only be paid in the proportion of the actual payments of the other subscribers."

Under the provisions of these Acts the State of Louisiana has paid $857,000 in bonds to the Company, and is a Stockholder to that extent and no further.

The State, like the city, has her interest in the Road represented in the Board of Directors by the appointment of three Directors by the Governor of the State, and these appointments of Directors by the State and City authorities in this manner, as authorized by the provisions of these Acts, is in lieu of any right on the part of the State and City to vote upon their Stock, a right which has not been attempted to be exercised by either the State or the City in any other corporation in which they hold Stock.

It is expressly provided in the Act, approved April 22d, 1853, of the Legislature of Louisiana, "that whenever the New Orleans, Jackson and Great Northern Railroad Company desire any change in this Act of Incorporation, or any additional rights, powers, immunities or privileges, public notice shall be given of the same by an advertisement in one or more newspapers published in the City of New Orleans, *at least six months in advance of the passage of any law* by which said change may be effected, or said rights, powers, immunities or privileges granted, and no alteration of or addition to the Charter of said Company shall be made in a manner different from that provided in this section."

The Act of 16th March, 1858, which has been made the basis of this call, was never presented to the Legislature, passed by both Houses, engrossed, enrolled, signed by the Governor, deposited in the office of the Secretary of State, and a certified copy furnished by that officer, in the short space of about four hours on the last day of the session. No notice whatever was given to the Stockholders, in compliance with the requirements of the law, and the members of the Legislature themselves scarcely knew the provisions of the Act for which they voted with so much alacrity, except so far as they had been informed, that it placed the State of Louisiana upon a footing with Mississippi in the elections for Directors; saying nothing about the right of New Orleans to stand upon an equal or superior footing with either.

Thus it will be seen that the Legislature of Louisiana chartered this Company to build a Railroad from New Orleans by the way of Jackson, in Mississippi, through Mississippi to some point on the line of boundary separating the State of Mississippi from the States of Tennessee and Alabama, and after elaborate surveys of all the routes proposed, the Company determined upon the route through the City of Jackson, and from Canton to Aberdeen, and thence to the Tennessee river.

In the very able reports of the President of the Company, in 1853 and 1854, he speaks of the entire completion of the line of road to the Tennessee river within three years; a consummation, he says, of less importance to the interests of the Stockholders than to those we all have in common with measures that will hasten and accelerate the commercial progress of the State and City; and he, in concluding his first annual report, truthfully and eloquently asserts, in view of the construction of the road to the Tennessee river, that "the streets of our city will be filled at all seasons with the citizens of half the States in the Confederacy." "Our tables will be supplied with the choicest productions of region abounding in abundance and plenty." * * * * * * * * * * * * And: "To secure these great blessings, we should persevere by every dictate of interest, every sentiment of honor, and every injunction of patriotism."

In the second annual report the same views are again expressed and forcibly urged; in that report it is said: The connections which the road will have on its completion to the Tennessee river, "will establish its advantages secure against rivalry over all others, as a grand trunk line, and become tributaries that will augment immensely its receipts, which, as an element in the value of railroad property is of the highest importance." Further, it is asserted, that with railroad communication to the Tennessee river, "New Orleans can defy all competition of rivalry for the trade which naturally and legitimately belongs to her. Every road constructed, and to be constructed, east of the Mississippi and Ohio rivers, will become the tributary of such an improvement, and no contrivance can divert or prevent this result."

Under this state of feeling, and in the presence of these solemn facts, the State of Mississippi, after having already granted the right of way and other extraordinary privileges, became herself interested in this road.

By an act of the Legislature of that State, approved March 2d, 1854, entitled "An Act to aid in the construction of the New Orleans, Jackson and Great Northern Railroad in the State of Mississippi, and for other purposes," it is provided that one-third part of the money in the treasury and which may come into the treasury, according to the provisions of the Act, to the credit of the Internal Improvement Fund, is given for the construction of the N. O., Jackson and G. N. Railroad, to aid in the construction of the road from the Louisiana State line to the town of Canton, and one-third part in aid of the N. O., Jackson and G. N. Railroad *north of Canton to the Tennessee river.*

Under the provisions of this law of Mississippi, the Company has received $434,000, and when the whole amount has been expended south of Canton,

The act above, last referred to, provides that there shall be deposited, to an amount equal to the amount given, certificates of stock in the Company, in the name of the State of Mississippi, and that the Governor of the State shall represent the State as a stockholder to the extent of the money advanced.

In addition to the $414,000 received from the State of Mississippi under the provisions of the act above referred to, the sum of $185,000 has been received by the Company from the Chickasaw School Fund of that State, under the provisions of an Act of the Legislature, approved January 28, 1857, it being expressly conditioned that the money appropriated by that Act should be all expended north of Canton. Not one dollar of this amount has been so expended.

In 1857 the Legislature of Mississippi passed an Act to lend the N. O., Jackson and G. N. Railroad Company, money out of the fund called "The Three per cent. Fund," on condition that the amount loaned should be expended north of Canton. $20,000 has been received by the Company on account of this loan; not one dollar of it has been expended, however, north of Canton.

The gross amount received by the N. O., Jackson and G. N. Railroad Company, in cash, to this date, from the several appropriations made by the Legislature of the State of Mississippi, is $612,000, of which $412,000 was appropriated on condition that it should be expended north of Canton—not one dollar of which has been so expended.

Notwithstanding the fact that the Company is bound by the laws of Louisiana and of Mississippi to carry the road through Mississippi by March, 1862, or forfeit its franchises in that State, and without regard to the liability of the Company, in good faith, to carry the road forward as rapidly as the condition of their affairs will admit. After having received from that State large sums of money, on certain conditions, and misapplied them—sums of money expressly appropriated by that State, in good faith, in order to enable the Company to prosecute her work on the line of route determined and always intended to be pursued, north of Canton towards Aberdeen—even after repeated declarations of the intention of the Board of Directors to so prosecute the work, and act in good faith, it now appears that an unannounceable and sudden change has taken place in the views of the Stockholders (it is said, that portion holding the largest number of shares;) and it is well understood, that if they be permitted to obtain the control of the management of the Company, the solemn engagements entered into with Mississippi will be broken, and a state of feeling now prevailed which will tend to destroy the best interests of the City of New Orleans and of her citizens, in the road.

In a communication like this it will not be expected, and it would be foreign to my objects, that I should attempt to discuss the advantages of any proposed route for the road. I shall only assert that the route laid down upon the charter of the Company, from New Orleans to Jackson, through Canton and Aberdeen, in the State of Mississippi, to the Tennessee river, was the route agreed and determined upon when the Acts of the several Legislatures were passed, when the subscriptions were made to the Stock, and when the moneys contributed by Mississippi were paid over to the Company.

It will be seen by the annexed correspondence between myself and the Governor of Mississippi, that the assertion falls to the ground, that it is contemplated, by those in favor of keeping faith with our neighbors, and pursuing the work accordingly, to prosecute the work immediately, at a cost of six or seven millions of dollars; and that it is not contemplated to involve the City of New Orleans to the extent of a single dollar, beyond the means she may contribute, after the payment of the running and current expenses, the interest on debt, the matured and maturing obligations, the expense of repairs, etc.; that the people and State of Mississippi do not expect from the Company, from the State, or from the City, any more money than can be legitimately, in view of those other claims upon the Company, be appropriated in aid of the construction above and beyond Canton. They intend and will build the road from the means to be obtained from the State and from private aid, which will, I am assured, flow in the moment it is established that the road will be begun and prosecuted north of Canton as the means of the Company will admit.

Then, if the revenues of the Company, derived from the road, as it now exists, in the present extent, are not to be diverted from the channels already named, and if the Road can be extended to the Tennessee river without any further contribution to that end, beyond that which can be made without affecting those other interests, why should it not be done? Will it be pretended, that a Road four hundred miles long will not be of vastly greater importance to the commerce, welfare and advancement of New Orleans, than one two hundred miles long? particularly when it is considered that part of the Road yet remaining to be completed, beyond Canton, penetrates, as is shown by the very careful and elaborate report of the Engineer, in 1854, one of the most fertile and compensating regions on the face of the earth, and when the extension is to be made comparatively without further cost to us.

I have been induced by a careful and elaborate investigation of all these facts, to cast the vote of the City of New Orleans against the projects of those who design to arrest the further progress of the Road; and in so doing, in my opinion, attack the vital interests of this commercial metropolis. But these are not all that have influenced the step I have taken: attracted by the peculiar provisions of the Act of 18th March, 1858, and discovering as I thought, it a deliberate intention to give the Governor of the State—a political corporation—the controlling power and influence over this corporation, to the prejudice and in disregard of the superior interests of New Orleans; and having grave doubts as to the legality of the enactment, passed as it was without compliance with the provisions of the act which requires six months' notice to be given before any change could be made in the Charter of the Company, I sought the counsel and advice of the City Attorney, the legal adviser of this corporation, to whom we are all directed in cases of doubt. The correspondence between that gentleman and myself I commend to your attention—it is transmitted hereto annexed—and upon its perusal you will discover that it is his opinion that the law of the 18th of March, 1858, "is null and cannot be enforced," and that good faith to the State of Mississippi and private Stockholders, as well as a due regard of our own interests, should induce the City of New Orleans to vote against the acceptance of the Act aforesaid.

I must apologize for having taken so much of your valuable time in thus endeavoring to place before you my reasons for the performance of a conscientious duty; but I may be excused when it is known that I have been misrepresented, threatened and maligned, in consequence of the course I was required, under the obligation of my duty, to take.

I desire, in conclusion, to say, that in no instance since my connection with public affairs, have I been, to my own mind, more clearly and entirely right than in the present case; and, with a firm reliance upon the justice and intelligence of the Common Council, and the assurance they will engage with me to solicitude for those interests of New Orleans involved in the proper consideration of this subject, I submit my action for their approval, and the approval of the citizens of New Orleans, who, commercially, morally and politically, are all involved in the position I have assumed in behalf of the City.

I have the honor to be,

Your obedient servant,

CHAS. M. WATERMAN, Mayor.

Letter to and Answer of his Excellency W. McWillie, Governor of Mississippi.

MAYORALTY OF NEW ORLEANS, City Hall, April 7, 1858.

To His Excellency W. McWillie, Governor of the State of Mississippi:

Sir: Your presence at this time in the City of New Orleans, affords me the opportunity of obtaining from you, as Governor of Mississippi, representing the interest of that State in the N. O., Jackson and G. N. Railroad Company, some information in relation to your views, and the views of the Mississippi Stockholders in that Company, upon the subject of the controversy as to the extension of the road beyond Canton towards the Tennessee and Alabama lines.

It is asserted that those in favor of advancing the road beyond Canton, propose the immediate extension, at a cost of six or seven millions of dollars; and it is stated that the Company, considering the present state of her finances, is unable, in justice to other interests, to entertain such a proposition; and hence the determination, on the part of those holding these views, to stop the road at Canton, and oppose its further progress.

I am desirous, in view of the responsible position which I occupy in this connection, to learn from a reliable source—from yourself—if it is intended, or contemplated, on the part of those you represent, to require from the Company, absolutely the extension of the road in the direction stated, at the sacrifice of any of those other important interests; or if, as I have learned, the State and people of Mississippi are disposed to come forward and contribute the means necessary to construct the road beyond Canton to the point originally designed and agreed upon:

And if it is contemplated to divert from their proper and legitimate channel—such as the expenditure necessary for repairs, the payment of current expenses, the payment of the interest upon the debt, and the liquidation of matured and maturing obligations or liabilities—any part of the revenue derived from the operations of the road; and if any part, what part and how much of this revenue, is it proposed to use for the purpose aforesaid.

I would be obliged, by information, if possessed by you, as to the amounts that may be reasonably calculated upon from the Treasury of the State of Mississippi—and what will be the probable action taken by those citizens of your State, on the line of route from Canton to the Tennessee and Alabama line. May it be calculated upon with any degree of certainty, that aid to any considerable amount, will be furnished towards the objects now under consideration?

I make no apology for thus abruptly addressing your Excellency, believing you will appreciate and understand, that in doing so, I have but the single motive, to act—in relation to the controversy now pending upon this subject—with a view to the best interests of those I represent, and with the desire to do justice in all respects to all concerned.

Your early reply, if you are at liberty to furnish the information asked, will greatly oblige,

Your most obedient servant,

CHAS. M. WATERMAN, Mayor.

REPLY.

NEW ORLEANS, April 7th, 1858.

Hon. C. M. Waterman, Mayor, etc:

Dear Sir—Yours of this date has been received, and I hasten to reply. I congratulate myself upon the fact, however unexpected on my part, that you have put me in a situation by which I am enabled to explain to the Stockholders in the N. O., Jackson and G. N. Railroad Company, and also to the State of Louisiana, and the City of New Orleans, the true position of the State of Mississippi, and myself as her representative; in reference to the affairs of the Company. I don't know that I can do this in a better way than by a plain statement of facts, and the application of those facts to the Law and Charter. You are aware that by the Charter, our Company is required to make the road through the state of Mississippi in ten years from the date of the same in 1852, so as to transport freight and passengers, or to forfeit our Charter. In the fall of 1857, I learned that a portion of our Directors were in favor of stopping the road at Canton. After learning this, I was in New Orleans late in the month of October, and called upon Mr. Calhoun, the President of the Company, and informed him of what I had heard of the purpose of Mr. Robb and other Directors, in reference to stopping the road at Canton; and requested him to call a meeting of the Board of Directors, that I might learn the true state of facts—saying to him, that as a Director in the Company I ought to know, if such a purpose existed, and that it would very soon be my duty as Governor of Mississippi, to know the truth upon this point; as I would then represent the stock of the State in the road. Mr. Calhoun, when requested to call a meeting of the Board of Directors, suggested, that the time was a bad one for the purpose, and that, as Mr. Robb, from whom the proposition had emanated, was absent from the City, I would be would prefer that I would not press the call of a meeting of the Directors. To this I consented, informing him, however, that I would visit the city at as early a day after my inauguration as I conveniently could, for the purpose of having the question settled. Late in November I wrote to your President, informing him that I would come to your city at any time after the 1st of December, for the purpose of meeting the Board. This I did; and at the meeting of the Board, I submitted the following resolution, which was, after mature and long consideration, unanimously adopted:

"Whereas, it is the purpose of this Board to prosecute the works as vigorously as its means will permit, in the direction of Kosciusco, and north of Canton, therefore, be it resolved, that so soon as the road is completed to Kosciusco, the grading shall be commenced north of Canton."

This resolution I had hoped and believed would forever settle the question of the extension of the Road north of Canton. But in this it is apparent from the present very great excitement on the subject, that I was mistaken. By whom and for what purpose this excitement has been gotten up, it is not my purpose to inquire, but I may be excused when it is known that I have been misrepresented, threatened and maligned, in consequence of the course I was required, under the obligation of my duty, to take.

I desire, in conclusion, to say, that in no instance since my connection with public affairs, have I been, to my own mind, more clearly and entirely right than in the present case; and, with a firm reliance upon the justice and intelligence of the Common Council, and the assurance they will engage with me to solicitude for those interests of New Orleans involved in the proper consideration of this subject, I submit my action for their approval, and the approval of the citizens of New Orleans, who, commercially, morally and politically, are all involved in the position I have assumed in behalf of the City.

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It is asserted that those in favor of advancing the road beyond Canton, propose the immediate extension, at a cost of six or seven millions of dollars; and it is stated that the Company, considering the present state of her finances, is unable, in justice to other interests, to entertain such a proposition; and hence the determination, on the part of those holding these views, to stop the road at Canton, and oppose its further progress.

I am desirous, in view of the responsible position which I occupy in this connection, to learn from a reliable source—from yourself—if it is intended, or contemplated, on the part of those you represent, to require from the Company, absolutely the extension of the road in the direction stated, at the sacrifice of any of those other important interests; or if, as I have learned, the State and people of Mississippi are disposed to come forward and contribute the means necessary to construct the road beyond Canton to the Canton, for additional subscriptions of stock forthwith.

5. *Resolved*, That there are gentlemen here ready and willing to take contracts for grading on said Road north of Canton on reasonable terms, and look to our own Stockholders for their pay.

Resolutions almost identical with these have also been adopted by the people of Winston county.

Now, permit me to say, that so far as I know or believe, that these resolutions express the true feeling of the people, not only of Attala county, but of all the people along the line of the road; and permit me further to say, that the first time I ever knew or heard of this meeting was since reaching your city. I had, however, received letters from parties along the line, asking to have books opened for subscription of stock, with a view to the election of the next Board of Directors; and I will venture the prediction that if you will ever fairly and properly open books north of Canton, that you will have the question of extension forever settled by the large amount of stock that will be taken. This may appear strange to a Stock Broker, when stock can be bought at $10 for $25 paid in, but it is accounted for on the ground that those people want the Road and not the Stock. They would subscribe the stock and pay it, even if you required them to give it to you when the Road was finished, (unless they received the injunction.) In fact, the people of the interior know but little of stocks, and many of them look upon their subscriptions as donations in aid of a great public enterprise.

I will here state, for the information of the people of the State of Louisiana, and the City of New Orleans, that there is no novelty in the opinion that the people along the line of the proposed extension north of Canton are anxious to make the road on the road. Before your road was chartered, there was a Company in existence known as "the Canton, Kosciusko, Aberdeen and Tuscumbia Railroad Company," organized and with stock subscriptions of near $1,000,000, for the purpose of making this very road; and if it had not been for the interposition of your Company, I believe that this day the road would have been completed from Canton to Aberdeen, if not to the Tennessee river. Other companies in the State (for instance, the Central Railroad) have done what we then proposed to do, and I see no good reason why we can't do what others have done. But it was found that your road required to pass over the identical ground occupied by the Canton, Kosciusko, Aberdeen and Tuscumbia Road, and upon application from your Company that Company agreed to surrender all its corporate rights, subscriptions of stock, etc., to your Company, which it did; and the only complaint I have ever heard upon, that subject was that some of the Stockholders refused to renew their subscriptions of stock to your Company, thereby showing that they had paid money in for our original road to your Company. They appear to have had an instinct that would happen which has now happened; that is, that a time might come when your Company would refuse to make the road north of Canton, after you had expended their money south of Canton. Some of them did go on to pay to the extent of about $100,000; and though paid with a solemn pledge that the road should be made to Aberdeen, what is now the fact? an utter abandonment of the enterprise north of Canton is now proposed; and unless prevented by the Legislature of Mississippi, will, I fear, be effected. It is now very modestly and coolly proposed by some gentlemen in the Company to allow the old Canton, Kosciusko, Aberdeen and Tuscumbia Company to be revived, and that possibly your Company will give the enterprise some aid. And what do you suppose that aid is? Why, to pay us the money which, long ago, was ours, and which they never could have touched but for the confidence which we unfortunately reposed in the good faith of your Company.

The foregoing remarks are made upon the assumption that the present Board of Directors intend to abandon the enterprise at Canton—of which I have no doubt—unless compelled by the Legislature of Mississippi to comply with the Charter, and her four times expressed will; and it is their intention for the present to disregard the law of their existence, and to apply to the Legislature for a release. I will here, however, not discuss the question of their success, and will only say that I do not entertain the slightest apprehension on that point. The self-respect of our Legislature, and the rights and interests of the citizens of the State, forbid the possibility of such success; nor do I believe that the Legislature has the power, so far, to impair the obligation of contracts, as to grant such release, however willing. The evidence of the intention of the present Board of Directors is to be found in the frequently expressed opinions of individual members of this Board, and in a refusal to adopt the following resolution, on the ground that it would further commit the Company to extend the road north of Canton—and this refusal took place even after the money had been received (by the Company) appropriated by the Act. The resolution referred to the 3 per cent. fund, which was loaned to the Company at six years' time, and without interest. The resolution was in the following words:

Whereas, the Legislature of Mississippi at its last session in November, 1857, passed an Act, entitled "An Act to aid in the construction of the New Orleans, Jackson and Great Northern Railroad, and other Railroads," whereby the Three Per Cent. Fund was loaned to said Roads, on certain conditions in said Act named: Therefore be it

Resolved, That this Company accepts the loan of said Fund, on the condition prescribed in said Act.

Resolved further, That the President of this Company is hereby authorized and empowered to execute and sign, as President of this Company, the Bond or Bonds of this Company, in the amount of the Three Per Cent. Fund loaned to this Company, payable to the State of Mississippi, in accordance with the terms of the above entitled Act.

Extract from the Act of the Legislature of Mississippi, referred to in the above Resolution.

"*And Provided further*, That the amount invested in the New Orleans, Jackson and Great Northern Railroad, shall be used in the construction of said Road north of Canton."

The next evidence is to be found in the report of the minority on the evening of the 5th instant, which minority report was adopted by a vote of 13 to 11, every member of the Board being present. Now, no man of common intelligence can read that report without seeing that, though the term immediate extension is thrown aside, the whole drift and tendency of the argument is for non-extension, and that extension is an absurdity—beyond any present or future means of the Company. You are told in this report that your Board of Directors (as it was adopted by the Board) "are impressed with the profoundest conviction that it (the question of extension) has assumed an aspect, which if not overcome by the wisdom and firmness of the Stockholders of the Company, must inflict evils hurtful to the credit of every enterprise in the South-Western States." Now, as I have before said, from this a stranger would infer that some great moral wrong or legal fraud was about to be perpetrated. But not so; the extensionists are not asking money from your treasury, nor are they such fools as to destroy the credit or well being of this once great national enterprise. They have never asked for one dollar which the Company could honestly touch, intending to stop the road at Canton. And I submit, without fear of the verdict, to a candid public to say between us, which course of conduct is most likely to affect the credit of our road: that is, on the one side, an honest and candid declaration of purpose to execute our moral and legal obligations; or, on the other side, a delay or avoidance, or refusal to execute either. What would our bondholders say when they learn that the Company has adopted a line of conduct that must result (if perverted by) in a forfeiture of the Charter of the Company in the State of Mississippi, where the greater portion of the road is located? I ask, has good faith ever weakened the credit of an individual, company or nation? As to what is said about our action affecting the credit of every enterprise in the South-West, this is magnifying our importance too much; it is making a mountain out of a mole-hill—it might be to frighten children, but not grown-up men—it is but an extravagant figure of rhetoric—*Vox et praeterea nihil.*

You are told in this same report, that the extensionists wish to involve you in an outlay of between six or seven millions of dollars. Now, let me be permitted to say that the writer of that report had twice heard my views upon this subject, as can be proved by every member of the Board of Directors—and they were precisely what I have before stated in this letter; I never made any proposition to do aught but what this Company could do, and in good faith was bound to do. I have never stated either the expectation, or wish, that the State of Louisiana, or the City of New Orleans, should ever be called upon for aid, further than that which had been already given. But, on the contrary, I have always been sanguine in public and private, stated that the contributions of both had been most liberal. What I have asked, (and I believe that I am the only person who has ever formally asked anything) has been a free and frank declaration of intention as soon as possible to make the road, and the instrumentality of your organization to enable us of Mississippi to make it.

There is one other paragraph in this report, which I will notice and then leave it to the care of its friends. I allude to that portion of it in which the payment of dividends is stated as a means giving credit and value to the stock. I understand this but as an appeal to those who have speculated in the stocks, and want to convert them profitably, as opposed to the patriotic, and self-sacrificing men, who originally took the stock in aid of a great national enterprise, which if not abandoned will pour untold wealth into the lap of your city; making it not only the great commercial emporium of the Southwest, but possibly of the world—in view of your position in reference to the Railroad to the Pacific, and the turning of the trade and travel of the East Indies, of China, and I may say of the world to your city.

But enough on this point. I know that the writer of the report too well understands the difference between capitalizing dividends and confiscating them, to dwell longer upon it. I would suggest that it would at least be as prudent, and more modest on the part of our Board, to attend to our own affairs, and leave "every sect uprise in the South-Western States" to the management of those to whomsoever their respective Companies have confided it—more especially the Mississippi Central, the Southern and Mobile and Ohio Railroad Companies, whose management and finances are confided to men fully competent to take care of themselves, and are not trammelled in their operations by either the good or bad management of our Company.

If the present Board of Directors had intended ever to make the Road north of Canton why not tell us when, where, and how they intended to make it. This they avoid, and distinctly tell you that they intend to apply to the Legislature of Mississippi for a modification of their Charter, which simply means that they intend to set the four-times-expressed will of the State at defiance, and trust to luck and management for the future, in utter disregard of their Charter, and to put themselves in the power of the Legislature, which has given to your Company a Charter of unprecedented liberality, having fixed no limit either to your rate of charges, or the profits you may make.

I will now very briefly confine my remarks to the effect of the proposed extension north of Canton upon your city, hoping, if successful, to satisfy you that no wrong has been intended by the extensionists, and that the best interests of the city will be promoted by the proposed extension. And by way of commencing the argument, I will ask you, and through you, every citizen of New Orleans—what was your object in taking $2,000,000 of stock in this road, provided it is to stop at Canton? I have never yet heard an answer to this question, though I have twice, in our Board of Directors, asked it, and no one was able to give a satisfactory answer, or thought it worth answering. The road with this termination does not, nor never will bring you one bale of cotton, or other article of commerce, which the laws of nature had not given to you before. Everything from here to Canton is obliged to come here because it can go no where else. Can it be that you made this road, having in view no commercial advantage to your city, and that this great work was executed entirely for the convenience and use of Mississippi? You formerly, or rather the Board of Directors in your Railroad, assigned other purposes, and great advantages to your city, from the construction of this road, but every one of them lay north of Canton, and the most prominent of these was the command of the trade of the valley of the Bigbee and the Tennessee rivers, and to counteract the effect of the Mobile and Ohio and other railroads, contemplated to your city, these were the reasons formerly given for the making of this road, and to which I will now add another: the thousand small valleys lying along the line of the proposed road, where you find the small farmers of the country, making five, ten, twenty, or forty bales of cotton. Those are the men that make railroads, and support them after they are made. Those are the men that build up and enrich cities, and defend them after building. Of such men, principally, is the population composed along the line of this road, except in the valleys of the Bigbee and Tennessee rivers; and they all desire to aid in making this road, and to trade with your city if you will permit them.

By accident, last summer, I passed down nearly the entire line of this road, and can say with truth that I never heard the opinion of one man against the making of this road, or trading with your city. Then, why not permit us to make it? or why should the Company refuse, at least as it may be able to apply the $430,000 expressly appropriated by the State of Mississippi to this object? Or why should not the Company have waited a reasonable period, aid in this great work, either by its credit or its money? One of two things is certain: either that you ought never to have appropriated the $2,000,000, or this work ought to be carried forward to its final consummation. As it now stands, your city has simply made a stock investment in a railroad that can never be of any great commercial benefit to your city. But adopt the policy of the extensionists, and you will have consummated the enterprise north of Canton in such a manner as to insure an overwhelming trade that you can never otherwise obtain. I admit that you will get this trade at the expense of the city of Mobile, but you commenced your road with that object. Your road, after reaching about eighteen miles north of Canton, will begin to command trade that will otherwise go to Mobile; and this is simply what we have to do to reach the Tennessee river. There are those who will tell you that the making of the Central Road has superceded the necessity for your road. This is not true. The Central Road will never bring you any article of commerce which has not heretofore come to your city. To satisfy yourself on this point, examine your maps, and you will see the truth of the statement. I trust that every citizen of New Orleans will examine this question for himself, and I feel satisfied he will be able to give a good reason for taking the $2,000,000 of stock in the road to Canton, or that he will act with those who go for carrying out the original objects of the Company. Or, I would like for some one to tell me why a road to Canton of 206 miles would be better for the city than a road of about 406 miles to the Tennessee river. More especially when yours is the great trunk road, standing to other roads, as the river at your doors—the great Father of Waters—stands to its tributaries.

But this matter of extension is the most monstrous and contradictory subject with which I have ever had to deal; in Mississippi the only objection I have ever heard to its construction is, that it would do too much business, and thereby greatly injure the Central Road, the Southern, Mobile and Ohio, and Charleston and Memphis Roads. If it should do this it would be because it was bringing trade and travel to your city. But I come down here, and I am told that the road passes over a poor country not worth making a road through, and that the $2,000,000 of stock taken by the city would be destroyed in value, if so valueless a road was built. But, if it is so, it would require all the profits of the southern end of the road to pay up the losses on the northern end. That both these arguments are true is impossible, and those who use them ought never to repeat them to the same man in the same day, or he might be suspected of confounding two stories. If the city of New Orleans had originally not intended ever to make but 206 miles of this road, she ought to have announced at Canton, and if this had been done, you would have already, this season, have received 150,000 bales of cotton, and other merchandise that you will never see, nor never in any future season can see, unless the road is made north of Canton.

If your city should refuse to act with those who are in favor of extension, it will present the anomalous position of a city having refused to permit a people out of their own means to make a road of 200 miles in length, all the benefits of which were to result to you commercially, and but as an agricultural facility to those making it. The position would be a novel one, the like of which the world has never seen, or cannot see again.

I now submit to your candid consideration the foregoing statement of facts, all of which I personally know to be true, or from the testimony of others I have every reason to believe to be true; and I have used no argument but in the spirit of fairness and candor. If I, in any matter, have deceived you, it is because I am myself deceived, for if I know my own mind or heart, I have no wish in this controversy but, according to my best judgment, to do my duty to all parties having an interest in the questions at issue. Having done this, I will cheerfully acquiesce in whatever view you may take of this very important question, giving to you full credit for the same honesty of purpose which I claim for myself.

Yours, very respectfully,

W. McWILLIE.

Letter to and Answer of J. J. Michel, Esq., City Attorney.

MAYORALTY OF NEW ORLEANS, City Hall, April 2, 1858.

To J. J. Michel, Esq., City Attorney:

Dear Sir—The Legislature of Louisiana, at the session which was adjourned on the 18th of March ult., on the last day of the session, passed an Act entitled "An Act to authorize the Governor of the States of Louisiana and Mississippi to vote at all the meetings of the Stockholders of the New Orleans, Jackson and Great Northern Railroad Company, upon the Shares held in said Company by said States."

This enactment imposes upon me, as Mayor of the City of New Orleans, the duty of voting at the meeting of Stockholders, which is called for the 10th inst., upon the Shares held by the City of New Orleans, amounting to $2,000,000, for the acceptance or rejection of the Act, which vote, when cast, I am advised, will have a controlling influence in the determination of the question then to be submitted.

Aware of the responsibility which will attach to my action, and in view of the importance to the best interests of New Orleans, I have thought proper to approach you as the legal adviser of the City Corporation, for the purpose of obtaining your opinion and asking your advice.

I have doubts as to the legality of the action of the Legislature, considering the existing law in relation to amendments or alterations of the present Charter of the Company; and there are considerations of good faith to the State of Mississippi involved in the objects avowed, in the passage of the Act, which cause me to hesitate as to my course.

I am sincerely desirous in this, as I have ever been in all matters in which the interests of the city, or her prosperity, is in any manner involved, to so act, as to promote their progress and advancement; and in my present embarrassment, as regards the course I shall pursue, I ask of you your views, fully and frankly, in relation to the law, its legality, its policy, and how, in your opinion, our interests as a corporation and a people will be affected by the acceptance or rejection of it. Without more detail, you will, I apprehend, discover the extent of the duty I propose to impose upon you, and convinced that, that zeal which you have always manifested, will induce you at once to give me the benefit of your reflections and advice.

I remain, very truly, etc.,

Your obedient servant,

CHAS. M. WATERMAN, Mayor.

To the Honorable Charles M. Waterman, Mayor of the City of New Orleans:

Dear Sir: In answer to your letter of the 2d of April, inst., requesting my opinion as City Attorney, upon an Act of the Legislature, passed and approved on the 18th of March, 1858, entitled "An Act to authorize the Governors of the States of Louisiana and Mississippi, to vote at all the meetings of the Stockholders of the New Orleans, Jackson and Great Northern Railroad Company, upon the shares held in said Company by said States," I respectfully state, that in my opinion, the interests of the City of New Orleans may be seriously affected by the provisions of that law; because it contemplates a total change in the manner of representing the interest of the State of Louisiana in the administration of the affairs of the Company.

By an Act of the Legislature of Louisiana, approved April 28, 1853, entitled "An Act to provide for the manner of giving the aid of the State to Railroad and Plankroad Companies," it is provided, that whenever the State shall have become subscriber to one-fifth of the capital stock of any