XLIIID CONGRESS--1ST SESSION

REGULAR REPORT OF PROCEEDINGS.

A LONG DEBATE IN THE SENATE ON THE MOIETY BILL—SEVERAL AMENDMENTS AGREED TO, BUT NO FINAL ACTION TAKEN—THE LOUISIANA ELECTION CASE CONSIDERED IN THE HOUSE—EXPOSURE OF FRAUDS IN THE WESTERN JUDICIAL DISTRICT OF ARKANSAS—THE GENEVA AWARD BILL TAKEN UP AND DISCUSSED AT LENGTH.

SENATE....WASHINGTON, June 9, 1874.

The CHAIR (Mr. Carpenter) said he had received a memorial of Harper Brothers, D. Appleton & Co., and other leading publishers of the country, in regard to postage on newspapers; but as the memorial and the names attached thereto were in print, it did not come within the rule of the Senate, and he would not present it.

Mr. CAMERON (Rep., Penn.), from the Committee on Foreign Relations, reported favorably on the joint resolution providing for the termination of the treaty between the United States and Belgium of July 17, 1858. Passed.

Mr. ALLISON (Rep., Iowa), from the Special Joint Committee to investigate as to the management of the government of the District of Columbia, reported a bill for the government of the District of Columbia, and gave notice that he would ask the Senate to consider it at an early day. He also reported testimony taken by the Committee and asked for a formal order to have it printed. He said the Committee expected to make a further report within a few days, and then would ask to have the bill taken up.

Mr. CONOVER (Rep., Fla.) submitted as an amendment to the House supplemental Tariff bill a proposition to impose a stamp tax of one-twentieth of 1 per cent on all sales of bullion, coin, and stocks, and a stamp tax of one mill per dollar of value on all manufactured or unmanufactured cotton sold on contracts for future delivery. Referred to the Committee on Finance.

Mr. ANTHONY (Rep., R. I.) said the resolution for a final adjournment did not specify the hour at which the session should close. He therefore submitted a resolution providing that the President *pro tem.* of the Senate and the Speaker of the House of Representatives should declare their respective Houses adjourned *sine die* on Monday, June 22, at 1 o'clock p. m. Laid over until to-morrow.

Mr. EDMUNDS (Rep., Vt.), from the Judiciary Committee, reported favorably on the House bill to amend the act to establish the Court of Claims, which provides that three judges of the Court shall constitute a quorum. Placed on the calendar. He also reported unfavorably on the House bill to make valid the assignment of wages or salaries of officers, agents, &c., employes of the Government, and it was indefinitely postponed. He also reported adversely on the House bill for the punishment of extortion by officers acting under the authority of the United States, and it was indefinitely postponed.

Mr. CONKLING (Rep., N. Y.) presented a remonstrance of E. D. Morgan, Morton, Bliss & Co., and other bankers and merchants of New-York City and Brooklyn, against the tax on the sales of coin and securities. Referred to the Finance Committee. He also presented a memorial of Harper & Brothers and other publishers of New-York City, asking that the rate of postage on newspapers be fixed at one cent per pound and two cents per pound on other printed matter. Referred to the Committee on Post-Offices and Post-Roads.

THE CUSTOMS REVENUE AND MOIETY BILL.

The Senate then resumed the consideration of the bill to amend the Customs Revenue law and to repeal moieties.

Mr. CONKLING (Rep., N. Y.) said that when later sections of the bill should be referred to, he would endeavor to show that many things were incorporated in it which should not be there. He thought the whole proceeding was in a way to expose the collection of revenue to various hazards, though he was not seeking to find fault with the bill.

Mr. SHERMAN (Rep., Ohio) said a sub-committee of the Committee on Finance had gone carefully over the bill after it was perfected by the House of Representatives, and had also conferred with the officials of the Treasury Department as to the practical workings of the bill. The gentleman from Maine (Mr. Hamlin), who was thoroughly acquainted with the workings of the Custom-house, and the gentleman from Massachusetts, who was formerly Secretary of the Treasury, were satisfied with it, and he (Mr. Sherman), in a great measure, relied upon their judgment.

Mr. CONKLING said the customs officers at New-York had abstained from all interference with this bill, but he had received objections from District-Attorneys in several cases. He did not wish it to be understood that such objections came from the District-Attorney for the Southern District of New-York. The Committee on Finance had amended the 16th section of the bill, in regard to the penalty for attempting to defraud the revenue by false invoices, &c., by the addition of the following:

Which forfeiture shall only apply to the particular item of merchandise to which such fraud or attempt from relates, and anything contained in any act which provides for the confiscation of an entire invoice in consequence of any item or items contained in the same being undervalued, be and the same is hereby repealed.

Mr. CHANDLER (Rep., Mich.) said that this amendment was in the interest of smugglers, and he felt sure the Committee on Finance did not want to make any law of that nature. The law, as it now stood, forfeited the whole invoice, but if this amendment be adopted lace shawls could be put in a case of silk goods and invoiced as silk; then the shawls would be forfeited and the silks allowed to go "scot free." He moved to strike out the amendment.

Mr. BAYARD (Dem., Del.) denied that the amendment would protect smugglers. The section provided for a penalty of $5,000 and the forfeiture of the item undervalued, which was sufficient to prevent smuggling.

Mr. CONKLING said that custom-house officers could not examine every package in every box, but were compelled to sample the boxes. For instance, if there were a dozen, they would examine two, and if this amendment should be adopted it would be an invitation to the dishonest person to put in laces and diamonds among silks. He thought the law as it now stood was a good one. He would vote for everything in the bill calculated to give a fair trial to the attempt to collect the revenues without a resort to moieties or the seizure of private books and papers, but hoped there would be no such provision as this to encourage fraud.

After further discussion the motion of Mr. Chandler to strike out the amendment was rejected—Yeas, 19; Nays, 32—as follows:

(Republicans in roman; democrats in italics; and liberal republicans in small capitals.)

YEAS.

Boreman,	Conover,	HAMILTON (Tex.),	Ogle sby,
Buckingham,	Dorsey,	Hamlin,	Pease,
Carpenter,	Edmunds,	Hitchcock,	Ramsey,
Chandler,	Flanagan,	Howe,	Spencer—19.
Conkling,	Frelinghuysen,	Mitchell,	

NAYS.

Ainsworth,	*Hamilton (Md.),*	Merrill (Vt.),	*Stevenson,*
Bagby,	*Ingalls,*	*Morton,*	*Stockton,*
Baird,	*Johnson,*	*Norwood,*	*Thurman,*
Bogy,	*Kelly,*	*Ransom,*	*Tipton,*
Boutwell,	*Lewis,*	*Robertson,*	*Wallace,*
Cooper,	*Logan,*	*Sargent,*	*Washburn,*
Davis,	*McDonald,*	*Saulsbury,*	*Windom,*
Goldthwaite,	*McVery,*	*Sherman,*	*Wright—33.*
Gordon,	*Merrimon,*		
Hager,			

The section was then agreed to as amended by the Committee—Yeas, 32; Nays, 13.

Mr. MORTON (Rep., Ind.), from the Conference Committee on the Currency bill, submitted a report and asked to have it printed. He gave notice that after the expiration of the morning hour to-morrow he would call it up for consideration.

Mr. CAMERON (Rep., Penn.) said that this was the most important question before Congress, and in order that Senators might have time to think over it and be ready for action to-morrow, he moved that the Senate proceed to the consideration of Executive business. Rejected.

Mr. HAMLIN (Rep., Me.) submitted a resolution instructing the Committee on Commerce to inquire into the expediency of making an appropriation to enable the Lighthouse Board to continue experiments in relation to fog-bells or other signals for the benefit of the merchant marine. Agreed to.

At his own request, Mr. Wadleigh (Rep., N. H.) was excused from further service on the Committee on Public Lands, and Mr. Harvey (Rep., Kan.) was appointed to fill the vacancy.

Mr. HITCHCOCK (Rep., Neb.), from the Committee on Territories, reported favorably on the House bill to enable the people of New-Mexico to form a Constitution and State Government, and for the admission of said State into the Union on an equal footing with the original States. Placed on the calendar.

Mr. FRELINGHUYSEN (Rep., N. J.), from the Judiciary Committee, reported without amendments, the House bill to fix the time for the election of Representatives in the XLIVth Congress from the State of Mississippi. Placed on the calendar.

Mr. EDMUNDS (Rep., Vt.) from the Committee on the Judiciary, reported back the House bill to repeal so much of the Legislative, Judicial, and Executive Appropriation bill for the year ending June 30, 1875, as provides for the employment of persons to assist the proper officers of the Government in discovering and collecting moneys withheld, and for other purposes, and asked that it be referred to the Finance Committee. He said the law already prohibited any Senator, Representative or delegate in Congress from acting as agent or attorney, and there was no necessity for a fresh enactment on the subject. The other part of the bill was for a repeal of the law under which the Sanborn contract was awarded, and the Committee on Finance should act on that. The bill was referred to that Committee.

The Senate then resumed consideration of the Moiety bill, and a long discussion ensued.

An amendment to the 14th section, proposed by the Finance Committee, authorizing the Court, of its own motion, or when requested so to do by either party, to submit to the jury as a distinct proposition, whether or not the alleged acts were done with an actual intention to defraud the United States; or to submit any other specific interrogatory, material to a determination of the issue, and to require special findings thereon by the jury; or, if such issue be tried by the Court without a jury, it shall be the duty of the Court, when requested to do so by either party, to find the facts, and enter the same as part of the record.

Mr. EDMUNDS opposed the bill, and said that in his opinion its passage would have a worse effect upon the morals of men than the present laws on the subject. It would be a disadvantage to honest importers and result in injury to tax-payers. He had no doubt that, if passed, the Senate would be called upon to repeal it in less than four years.

Mr. HOWE (Rep., Wis.) said the bill was too much in the interest of those who desired to evade payment of duties, though he knew it was not the intention of the Finance Committee to frame such a bill, and he would vote against the amendment.

Mr. CHANDLER (Rep., Mich.) opposed the bill, and said that, as much as had been said against spies and informers, crime could not be detected and punished without the aid of detectives. He thought this bill had a wrong title; it should be called a bill to protect smuggling.

Mr. SHERMAN said there seemed to be much opposition to this section and amendment. He had no objection to the whole thing being stricken out, and therefore made the motion to strike out the 14th section and proposed amendment. Agreed to.

Mr. BOUTWELL (Rep., Mass.) moved to strike out the 17th and 18th sections of the bill, forbidding any officer of the Government to compromise or abate any claim of the United States arising under the Customs laws. Agreed to.

The 20th section was amended by striking out "two years," as the time within which suit to recover any pecuniary penalty or forfeitures should be begun, inserting in lieu thereof "three years."

Mr. SHERMAN said that he was authorized by the Finance Committee to withdraw the section in relation to the salaries of Customs officers, except that part which applied to Boston, New-York, and San Francisco. At these three places it would be a great injustice not to increase the salaries, now that moieties had been repealed. The salaries to be allowed are:

Surveyor at New-York, $8,000; Surveyors at Boston and San Francisco, $5,000 each; Appraiser at New-York, $8,000; Assistant Appraisers, $4,000 each; Examiners, $3,000 each; Chief Clerks, $2,500 each; Clerks, Verifiers, and Samplers, $2,500 each; Messengers, $900 per annum; openers and packers, each $3 per day; Assistant Collector at New-York, $5,000; Deputy Collectors, $4,000 each; Chief Clerk of each Division under a Deputy Collector, $2,500 each; Entry and liquidating clerks in the Controller's Office, $2,500 each. Agreed to.

On motion of Mr. SHERMAN, the following clause was retained:

And the annual compensation of other collectors, surveyors, and other officers and employes, connected with the customs service, not named herein and not herein otherwise provided for, shall continue as fixed by the existing law.

The 25th and 26th sections of the bill, providing that subordinate officers and employes should be appointed on the approval and at the discretion of the Secretary of the Treasury, on the nomination of the officer to whose office such subordinate officer or employe properly belonged, and that all fees, storage or other moneys heretofore applicable to the compensation or emolument of officers should be paid into the Treasury of the United States, were stricken out.

The 29th section was amended, on motion of Mr. CONKLING, to read as follows:

That all acts and parts of acts, inconsistent with the provisions of this act, are hereby repealed; that nothing herein contained should affect existing rights, or prevent a distribution, in like manner, as if this act had not been passed, in all cases where prosecution has been actually commenced, or in any wise affect suits or actions already commenced, or forfeitures incurred previous to May 1, 1874.

Mr. WADLEIGH (Rep., N. H.), moved to amend the section further, as that it would read: "That nothing herein contained shall affect the existing right of the United States, or prevent a distribution, &c." Agreed to—Yeas, 21; Nays, 20.

Mr. BOUTWELL moved to strike out the following words in section 11:

But nothing herein contained shall prevent any owner or claimant from obtaining a release of such merchandise on giving a bond, with sureties satisfactory to the Collector, or in case of judicial proceedings, satisfactory to the court or judge thereof, for the payment of any fine or fines so incurred; *provided*, however, that such merchandise shall in no case be released, until all accrued duties thereon shall have been paid, or secured. Agreed to.

The bill was then reported to the Senate, and the amendments made in Committee of the Whole were agreed to, with the exception of the 29th section.

Mr. CONKLING moved to amend it by striking out the words, "of the United States," inserted on motion of Mr. Wadleigh.

Upon this motion the Yeas and Nays were called for, and resulted in 9 Yeas to 22 Nays—no quorum voting.

Mr. SCOTT (Rep., Penn.) inquired if the Moiety bill would be the unfinished business to-morrow.

The CHAIR replied in the affirmative.

Mr. SHERMAN moved that the Senate adjourn, which was agreed to, and at 7:45 p. m. the Senate adjourned.

HOUSE OF REPRESENTATIVES.

Mr. DONNAN (Rep., Iowa), from the Committee on Printing, made a report, with testimony, in regard to the cost of printing the debates. Ordered to be printed, together with the views of the minority—Mr. Waddell (Dem., N. C.) The conclusions of the majority of the Committee are that the reporting of the debates is being done for $8,200 less for each House for the present Congress than the like work cost in the last Congress; that the printing of the debates at the Government Printing Office costs at least $125,000 less than was paid to Rives & Bailey for the same work in the last Congress; that the present quarto form of *The Daily Record* is greatly preferable to the newspaper form; and that, on these and other grounds, it would be the reverse of economy to enter into the proposed contract with Rives & Bailey.

The House then proceeded to vote on the Louisiana contested election case.

The substitute of Mr. DARRALL (Rep., La.), declaring Mr. Pinchback elected, *prima facie*, to the seat, was negatived without a division.

The first resolution of the minority of the Committee that Mr. Pinchback was not elected, was adopted without a division.

The second resolution of the minority of the Committee, declaring Mr. Sheridan elected, was negatived, Yeas, 71; Nays, 145.

On motion of Mr. HAWLEY (Rep., Ill.) the vote on the first minority resolution was reconsidered, and then the resolution was rejected by Yeas, 94; Nays, 121.

A vote was then taken on the majority resolution declaring that the testimony was not sufficient to show the election of either Mr. Pinchback or Mr. Sheridan, and permitting them to take further testimony, and the resolution was agreed to without a division.

Mr. BUTLER (Rep., Mass.), from the Judiciary Committee, reported a substitute for the Geneva Award bill.

The bill having been read in full, Mr. FRYE (Rep., Me.) offered an amendment to strike out the following proviso:

That mutual insurance companies who have paid a loss shall be indemnified for the same, such indemnity to be divided among its members, who contributed to pay such loss at the time, but no member of any mutual insurance company shall be indemnified for any war premium paid in such company.

Mr. TREMAIN (Rep., N. Y.) intimated that the Judiciary Committee had not consented to have that amendment offered, and he asked whether the Chairman (Mr. Butler) had a right to admit some and exclude other amendments.

Mr. POLAND (Rep., Vt.) proposed to offer a substitute for the bill, but the Speaker announced that, by a previous order, the business of the Committee on Contingent Expenses of the Department of the Judiciary was now before the House.

Mr. DURHAM (Dem., Ky.), from that Committee, reported a resolution directing the Attorney-General to institute legal proceedings against E. V. C. Blake, Clerk of the Middle District of Alabama, and the sureties on his bond, for the recovery of whatever sums may be due by Blake to the United States, as such clerk. Adopted.

THE JUDICIAL FRAUDS IN ARKANSAS.

Mr. SENER (Rep., Va.) reported a bill to abolish the Western District of Arkansas and to annex it to the Eastern District. Passed, without discussion or objection.

Mr. SENER (Rep., Va.) asked leave to offer a resolution directing the Attorney-General to institute a full and thorough judicial investigation into the character of the allowances paid at the Treasury Department, as well as of the claims still due for expenditures in the Marshal's office of the Western District of Arkansas since the 1st of July, 1870, and to report the result thereof to the House on the 1st of May of next session.

Mr. HYNES (Rep., Ark.) objected, unless he was permitted to offer an amendment that no part of the claims shall be paid until the Department has been satisfied of their correctness.

Mr. SENER objected to that on the ground that it would permit the Department to be the ultimate judge in the matter. So the resolution was not received.

Mr. SPEER (Dem., Penn.), a member of the Committee on Contingent Expenses in the Department of Justice, addressed the House on the subject of the enormous expenses in the Western Judicial District of Arkansas. A summary of the Committee's report on the subject was embraced in last Saturday's House proceedings. He spoke of the Judge of that district as a person of the name of Story from Wisconsin, who had remained in that position to mock the administration of justice, and who, if not personally dishonest (and he believed he was), had been, during his whole term of office, the friend and bosom companion of rascals and thieves. He had made an analysis of the expenditures in that district, from which he discovered that, outside of the large amounts paid to witnesses and jurors, the Marshal and his deputies and clerks had received in three years the enormous sum of $482,101.

Mr. CESSNA (Rep., Penn.), a member of the Judiciary Committee (which has been investigating the same matter, in connection with the proposed impeachment of Judge Story) stated that in 14 months and 20 days the Marshal's office of that District had cost the Government a little over $403,000.

Mr. SPEER, in the further course of his remarks, said that the costs of the court for its actual sessions were $2,500 a day. The accounts bore the incredulable marks of the boldest and most audacious frauds. He recounted the history of the Western District of Arkansas, which had started, he said, with a corrupt judge, a judge who was in the habit of admitting to bail persons tried and convicted of capital offenses, and letting them go free for ever afterward; a judge who was shown to have bought the certificates issued for the pay of jurors and witnesses at a discount of 40, or 50, or 60 cents on the dollar; a judge who was charged with having received a brize of $2,500 for admitting a *nolle prosequi* to be entered in a certain case; a judge whose records were marred and interlined, and erased and confused; a judge who had approved one of the Marshal's vouchers for $20,000 in blank; a judge who had allowed the Government to be plundered of hundreds of thousands of dollars. It was, however, but justice to that judge to say that, in response to the Committee's invitation, he had appeared before it, and made a statement. That statement was lame and unsatisfactory. It was not the statement of a man conscious of his official and personal integrity; not the statement of a man who felt keenly the injustice done to him by such charges, but the statement of a cringing, shrinking, cowardly, corrupt man. The next step in the frauds was an infamous and corrupt Marshal, named William A. Britton, and the means adopted were the getting of fictitious lists of deputy-marshals, and making out bills in such names; also, the buying up of vouchers for jurors, witnesses, and deputies, at 20, 30, and 40 cents on the dollar, and in some instances cart-loads of them could be got at two bits on the dollar, which vouchers were afterwards paid in full at the Treasury Department.

At the close of Mr. Speer's speech the objection to the resolution was withdrawn, and it was adopted.

THE GENEVA AWARD BILL.

The House then took up the Geneva Award bill, to which Mr. POLAND (Rep., Vt.) offered a substitute.

Mr. BUTLER (Rep., Mass.) addressed the House in explanation and advocacy of the substitute presented by himself from the Judiciary Committee. Referring to the proposition to pay insurance companies, he said that there was an active lobby at work in favor of these insurers and underwriters, who had received two dollars for every dollar they lost. Rather than let any of the money go to them, he thought it had better go to make Alabama claims in the mouth of the Mississippi River; levees on its banks, or to clear out a mud bank in a lake anywhere that a musk-rat can swim. The majority of the Committee held that all losses should be paid for, inflicted by all Rebel cruisers for whose acts the United States Government had declared Great Britain liable. Congress could not shelter itself behind the decision of the Geneva Tribunal, under new rules of international law made after the fact; but should pay under the old international rules of law. The next question was, what classes of losses should be paid? The Committee said that, first, every direct loss should be paid; second, all war premiums should be paid to those who had preferred to pay these vast war premiums instead of transferring their vessels to English, German, or French subjects; and third, payment should be made to those insurance companies that had made actual losses. In conclusion, he warned the House against countenancing an unseemly struggle for this money, and said that the effect of such a struggle would be to place the money in the position of the French spoliation claims, and that it would not be divided in this generation.

Mr. TREMAIN (Rep., N. Y.) addressed the House in opposition to the substitute reported by Mr. Butler. He argued that the claims for war premiums ought not to be paid, and for the good reason that the Geneva Tribunal had decided that they were not chargeable. Mr. Adams assenting to that decision. He also argued against the exclusion of the claims of insurance companies who could not show that their losses exceeded their premiums. In the course of his speech he asserted that the bill never could have been reported at all unless the mutual insurance companies had been provided for in it, and yet the fact of the Chairman who had the bill in charge was to admit an amendment to strike out that provision.

Mr. FRYE (Rep., Me.) asserted that the Committee had been deliberately cheated into admitting that provision.

Mr. TREMAIN declared indignantly that he hurled back on the champions of war premium claims the assertion that the Committee had been cheated into admitting that provision. The assertion was totally unfounded in fact. Unless it had been put in the bill, the bill could never have been reported.

Mr. BURLEIGH (Rep., Me.) spoke for 10 minutes in support of Mr. Butler's substitute.

At the close of his speech (5 o'clock) the House took a recess till 7½. The evening session will be for general discussion.

The debate on the Geneva bill is to be continued to-morrow till 3 o'clock, when the previous question is to be considered seconded, and after a closing speech by Mr. Butler the vote is to be taken.

NOMINATIONS BY THE PRESIDENT.

WASHINGTON, June 9.—The President sent the following nominations to the Senate to-day:

W. C. Whitson, to be Associate Justice of the Supreme Court of Idaho; Roger S. Greene, to be Associate Justice of the Supreme Court of Washington Territory; Chas. H. Webb, to be United States Attorney for the Western District of Wisconsin; Franklin W. Oakley, to be United States Marshal for the Western District of Wisconsin; Luman Norton Judd, to be Register of the Land Office at Springfield, Dakota; Capt. Orlando H. Moore, to be Major of the 6th Infantry; First Lieut. Stephen Baker, to be Captain of the 6th Infantry; Second Lieut. Nelson Bronson, to be First Lieutenant; Lieut.-Col. August V. Kautz, to be Colonel of the 5th Infantry; Major James P. Roy of the 6th Infantry, to be Lieutenant-Colonel of the 15th Infantry.

THE RAILWAY SYSTEM.

EFFECTS OF THE PANIC EAST AND WEST.

MILEAGE, COST AND EARNINGS OF THE RAILROADS IN THE UNITED STATES—CONSTRUCTION CARRIED BEYOND THE MEANS OF THE COUNTRY.

The effects of the panic upon the railway system has been the subject of daily discussion throughout the length and breadth of the land. Decreased earnings, depreciation in prices, loss of dividends, defaults of interest, have all entered into the calculations of the "bears." A more complete and accurate statement than the one below, which is taken from the advance sheets of *Poor's Railroad Manual*, to be issued next week, cannot be obtained at present.

According to this authority the total length of line, of which operations is given, is 66,096 miles for 1873 against 57,323 miles for 1872, and 41,614 for 1871. The aggregate cost of the several roads at the end of the year was $6,761,973,322, against $5,159,425,057 for 1872, and $4,664,627,645 for 1871. The increase of cost for 1873 over 1872 was $602,550,265: over 1871, $1,097,345,677. Of the total cost, $1,940,628,584 was made up of share capital, and $1,821,834,738 of various forms of indebtedness, chiefly of bonds maturing at a distant day. The proportion of share capital to debt was $1.7 to $8.3. The average cost per mile of all the roads was $56,918 against $55,116 for 1872; and $50,726 for 1871. The total gross earnings for the year were $627,291,323 against $468,241,055 for 1872, and $403,329,208 for 1871. The increase of earnings for 1873 was $59,050,268; for 1872, $64,911,857; the total for the two years being $123,962,115. The percentage of increase for 1873 over 1872 was 11.4; for 1872 over 1871, 14 per cent. The percentage of increase in the two years was 30 per cent. Of the total earnings for the year, $387,542,799 were received for the transportation of freight and mails, and $139,748,534 for the transportation of passengers—the proportion of the former to the latter being as 73 to 27. The current operating expenses were $344,437,528, or 65.2 per cent of the gross earnings. The net earnings were $182,853,765 or 34.7 per cent of the gross. The latter equaled 14.33 per cent of the cost of the roads—the net 4.96 per cent. The amount paid in dividends was $39,566,316, or 3.07 per cent on the aggregate amount of the share capital. The gross earnings per head of population equaled $12 80 against $11 03 for 1872, and $9 80 for 1871. The ratio of total mileage to inhabitants in 1873 was one mile of road to every 582 inhabitants, against one mile to 600 inhabitants for 1872.

The percentage of gross earnings on the total cost of the roads was 9.33 against 15 for 1872, and 15.14 for 1871. The rate is 0.67 less than that for 1872, 0.81 less than that for 1871. The percentage of net earnings upon the cost of the roads for 1873 was 4.96 against 5.20 for 1872, and 5.32 for 1871. The increase of mileage in the two years for which returns are given, has been 21,482 miles. The increase of the cost of the roads in the same time has been $1,697,305,677. It was hardly possible that the earnings should increase in ratio to such an enormous expenditure, as two or three years often elapse after its opening before a railroad is in position to do much business, for the want of adequate equipments, or from the unfinished condition of its tracks, or from the want of suitable connection, or from pecuniary embarrassments. On the other hand, the earnings of these works, per head of population, in 1873, was $12 80 against $11 03 for 1872, and $10 22 for 1871. This is a most encouraging feature in connection with these works, as it shows that under ordinary conditions their earnings must increase, for an indefinite period, in a very rapid ratio, more clearly settled—the increase per head in the Eastern states being fully as great as in the Western and more sparsely settled States. At the rate of the past three years the earnings of our railroads will double themselves in the next six years without the construction of an additional mile of line. The population is increasing at the rate of one million annually. By 1880 the earnings of the roads now in operation will probably exceed $1,000,000,000. The percentage of their annual earnings to their cost will come fully up to 20 per cent—a rate which, with good management, is sufficient to render the whole investment reasonably remunerative. In fact, there seems to be no limit to the increase of earnings, even with a stationary population, provided such population be intelligent, and provided with all the aids to industry which science and art can supply.

The mileage of railroads in the New-England group of States for 1873 was 5,303, against 4,574 for 1872. Their cost was $203,697,778, against $230,609,794 in 1872, and was made up of $141,473,329 of share capital, and $122,224,449 of debt. Their average cost per mile was $48,882, against $50,418 for 1872. Their gross earnings were $51,676,688, against $48,519,835 for 1872. Of the gross earnings, $29,310,043 were received for the transportation of freight, and $22,358,645 for the transportation of passengers. The percentage of gross earnings to the cost of the roads was 19.6 per cent. The net earnings were $15,061,777, and equaled 2.92 per cent of such cost. The earnings per head of population equaled $14 30, against $13 53 for 1872. The dividends paid amounted to $9,004,488, and equaled 6.36 per cent on the total share capital. The ratio of total mileage to population was one mile of line to every 585 inhabitants, against 709 for 1872.

The mileage of the railroads in the Middle group of States for 1873 was 12,641, against 11,617 for 1872. Their cost was $1,126,792,107, against $922,700,776, and was made up of $649,303,037 of share capital, and $477,199,070 of debt. Their average cost per mile was $90,186, against $79,427 for 1872. Their gross earnings were $194,052,302, against $169,205,307 for 1872. Of the gross earnings $102,250,000 were received for the transportation of freight, and $42,675,000 for the transportation of passengers. The percentage of gross earnings upon the cost of roads was 17.4. The net earnings were $69,280,585, and equaled 6.22 per cent of such cost. The earnings per head of population equaled $18, against $15 86 for 1872. The dividends paid amounted to $30,549,225, and equaled 4.7 per cent on the share capital. The ratio of total mileage to population was one mile of line to 772, against 792 for 1872.

The mileage of the railroads of the Western States for 1873 was 32,889 miles, against 28,778 for 1872. Their cost was $1,706,846,760, against $1,472,625,252 for 1872, and was made up of $840,823,411 of share capital, and $866,023,349 of debt. Their average cost per mile was $52,954, against $50,558 for 1872. Their gross earnings were $211,717,781, against $173,826,252 for 1872. Of these $65,810,000 were received for the transportation of freight, and $157,000,000 for that of passengers. The percentage of gross earnings to the cost of the roads was 12.41. The net earnings were $71,300,036, and equaled 4.1 per cent of such cost. The earnings per head of population equaled $14 33, against $13 59 for 1873. The dividends paid amounted to $19,055,247, and equaled 2.26 per cent on the share capital of the roads. The ratio of total mileage to population was one to 406, against one to 433 for 1872.

The mileage of the railroads of the Southern States for 1873 was 19,994, against 16,866 for 1872. Their cost was $509,324,106, against $401,913,267 in 1872, and was made up of $228,477,107 of share capital and $280,846,999 of debt. Their average cost per mile was $36,772, against $36,575 for 1872. Their gross earnings were $53,606,409, against $47,808,539 for 1872. Of the earnings, $38,285,420 were received for the transportation of freight, and $15,310,989 for that of passengers. The percentage of gross earnings to the cost of the roads was 15.4; the net earnings were $18,133,349, and equaled 3.5 per cent on such cost. The earnings per head of population equaled $4 21, against $4 31 for 1872. The dividends paid amounted to $961,386, and equaled less than 1 per cent on the share capital of the roads. The ratio of total mileage to population was 735, against 779 for 1872.

The mileage of the railroads of the Pacific States for 1873 was 1,428, against 1,368 for 1872. Their cost was $154,090,809, against $131,575,990 in 1872, and was made up of $81,261,749 of share capital and $72,829,109 debt. Their average cost per mile was $96,193, against $98,300 for 1872. The gross earnings were $15,276,747, against $13,960,727 for 1872. Of the gross earnings $9,682,799 were received for the transportation of freight and $5,593,960 for the transportation of passengers. The percentage of gross earnings to the cost of the roads was 9.9; the net earnings were $8,858,630, and equaled 5.7 per cent on such cost. The earnings per head of population were $17 92, against $17 for 1872. No dividends were paid. The ratio of total mileage to population was one mile to each 339 of inhabitants, against one to each 379 for 1872.

Within the past five years 28,996 miles of railroad have been constructed in this country. At $50,000 per mile the cost of these works has been $1,381,850,000. In the mean time $75,000,000 have been annually expended in enlarging the accommodations and increasing the facilities for business of roads already in operation—in other words, there has been expended upon our railroads $350,000,000 annually in the last five years. If we have not exceeded our means in the construction of these works, we have pushed this great interest out of all proportion to others. We have only to stop construction to have the equilibrium speedily restored. The method is a very simple one. The earnings of the railroads of the Western States the past year equaled $14 33 per head of population. The present year, but for the effect of the recent panic, they would equal $15 33 per head; and in five years, at the same ratio of increase, they would equal $16 33 per head. This gain is certain to be made as soon as the country recovers from the present prostration. In the mean time population is increasing at the rate of more than one million annually. The contribution of this increase alone to railroads will add, at the present rate of earnings, $14,350,000 annually to their gross receipts. But the population of the country increases at the rate of about 2.50 per cent annually, while the earnings of our railroads increase in about fivefold greater ratio. The question of earnings is one of population, the pioneer contributing as much per head as a citizen of old and densely-settled states.

With the vast amount that has been expended upon our railroads, it was inevitable that their construction, at anything like the rate of the past, and which absorbed the capital and energies of almost our entire population, should come to a sudden halt. If millions of dollars have been lost in constructing unproductive works, or works which anticipate the wants of the country, or the means of their support, the increase in the value of property due to their construction has exceeded threefold their cost. If individuals have suffered, the nation has been gaining in a wonderful ratio. There is no interest that has so much at stake in the question as railroads, as almost every company, as a means of getting money, has made nearly all their bonds, principal and interest, payable in gold. If they would reduce the rates of interest they are compelled to pay, they must have their revenues payable in the same currency in which they have to pay their own debts.

THE COURTS.

THE BROOKLYN RING TRIALS.

CONVICTION OF THREE OF THE COMMISSIONERS OF CHARITIES—ACQUITTAL OF COMMISSIONER CUNNINGHAM—SPRAGUE TO BE TRIED NEXT.

The trial of the Brooklyn Commissioners of Charities was brought to a close yesterday by the conviction of Stephen H. Powell, Henry Wills, and Cornelius Ferguson, and the acquittal of John Cunningham. The history of these cases is exceedingly interesting. It had long been rumored that the accounts of the Commissioners of Charities were full of frauds, but no definite and official information was given to the public until December, 1873. At that time the Supervisors' Committee on Charities—consisting of Supervisors Prentice, Harman, and Fisher—made a report to the Board of Supervisors, giving the result of a visit paid by them to the county buildings at Flatbush, and stating that excessive prices had been paid for various supplies, and that circumstances attending the purchases furnished indisputable indications of fraud. Winchester Britton, then District-Attorney, brought the matter before the Grand Jury in January, which found bills against the Commissioners, after an investigation which lasted for several weeks. At the time when the bills were found, however, Mr. Britton had been removed by Gov. Dix, although he had not received an official notice, and he refused in consequence to sign the bills. Thomas H. Rodman was appointed District-Attorney in place of Britton, and lost no time in bringing the matter before another Grand Jury, which met in March, 1874. The indictments were found by this jury, and upon them the three Commissioners have been convicted. Mr. Rodman, however, through ill health, was unable to go on with this case, and resigned his position, which was filled by John Winslow, the present District-Attorney, who has in person prosecuted the case. The trial took place in the extraordinary term of the Oyer and Terminer Court called by Gov. Dix. The facts reported by the Supervisors' Committee were fully substantiated, but in the case of Mr. Cunningham it was shown that he had fought against the designs of the other Commissioners. Other mitigating circumstances were shown in his case. Gen. Tracy appeared for the Commissioners, and ex-Gov. Lowe especially for Mr. Cunningham. Judge Daniels of Buffalo presided, with side Justices Voorhies and Johnson.

At the opening of the court yesterday morning, Judge Daniels began his charge to the jury, which lasted for an hour and 45 minutes. After explaining the nature of the charges against the Commissioners, the Judge went on to brush aside the plea of ignorance of the law put forward in behalf of the Commissioners, the evidence showing that, although the intent of the law of 1871, under which the Commissioners were indicted, was known to at least one of them, it was disregarded. Again, the accused could not have been misled from misapprehension of the provisions of the act, or any difficulty in its interpretation. The law of 1871 was furthermore the only one which the accused were required to know. Besides, continued the Judge, there is no hardship in requiring a public officer to have a knowledge of the law.

The Judge then gave his reasons for overruling the legal point raised by Gen. Tracy in regard to the law of 1874 by which the powers of the Commissioners were abridged. He said that it was the intention of the Legislature simply to make a prospective change, and not to repeal the act of 1871. The question next arose as to whether the evidence was of such a character as to satisfy the minds of the jury that the Commissioners had violated the law of 1871. The prosecution claimed that they had been guilty of entering into a conspiracy concerning the manner in which they should discharge their duty, and that they afterward carried it into effect, and that they combined willfully to refuse and neglect to perform the duty imposed upon them by the statute of 1871, this willful refusal not being confined to a single transaction, but repeated as set forth in the indictment. In this case, with the exception of the counts for a conspiracy, the prosecutor was limited in his evidence and claim for conviction. Taking up the question of conspiracy the Court said that if a single conspiracy were entered into, of a nature that contravened the provision of the statute, and officials performed various acts for the purpose of carrying out the plot, they would commit only one offense and there could be only one conviction, as on one count of the indictment. The Judge also charged the jury in reference to certain points proffered in writing by the counsel.

The jury retired at 11:45 a. m. At 3:35 p. m. they reentered the court-room and asked whether they could convict under more than one count for conspiracy in the indictment. They were told that they could not, unless there were proved more than one agreement to purchase without advertising. The jurors thereupon withdrew for further deliberation, returning 30 minutes later. The roll was then called, the jurors answering to their names. The accused were summoned and the Clerk of the Court asked the jury whether they had made up their minds. The foreman answered that they had found John Cunningham not guilty, but Cornelius Ferguson, Henry Wills, and Stephen H. Powell guilty of malfeasance in refusing to advertise according to law, and also of a conspiracy.

Gen. Tracy asked for the polling of the jury, which was done. One of the jurors, in answer to the question whether it was his verdict, said that it was, according to the decision of the Court, that they could convict only on one count of the indictment. If they could have convicted on more, he would have done it. The record of the verdict was that the three Commissioners were found guilty on the conspiracy count. Gen. Tracy made a motion for an arrest of judgment, and the argument was set down for Friday morning. The Court admitted the convicted Commissioners to give bail in $5,000 each from day to day. The former sureties were accepted.

District-Attorney Winslow expressed to a TRIBUNE reporter his approval of the verdict rendered. The extreme punishment for the offense of which the Commissioners have been convicted is one year's imprisonment in the Penitentiary and $250 fine.

As soon as the jury retired to deliberate on the case of the Commissioners of Charities, the indictment against ex-Collector Isaac Badeau was called up. It was stated that Mr. Badeau was too sick to be present, and affidavits to this effect were brought forward. The prosecution then sent Drs. Mitchell and Conklin to the residence of Mr. Badeau, and they reported him to be very sick. The case went over for the term.

The case of the people against Cortlandt A. Sprague was taken up, and ex-Judge Van Cott opened for the prosecution. Argument on the plea of a former acquittal, which had been entered, was begun. Mr. Van Cott said that they would enter a demurrer as soon as it could be drawn. In the mean time he would proceed with the case. He said that Sprague was not charged with feloniously appropriating city moneys, but with willfully neglecting his duty in regard to the keeping of the city funds. It would be shown that