

The Delaware, Lackawanna and Western Railroad Company

100th annual report

for the year ended December 31, 1951



1851

Lackawanna Centennial

1951

THE DELAWARE, LACKAWANNA AND WESTERN RAILROAD COMPANY

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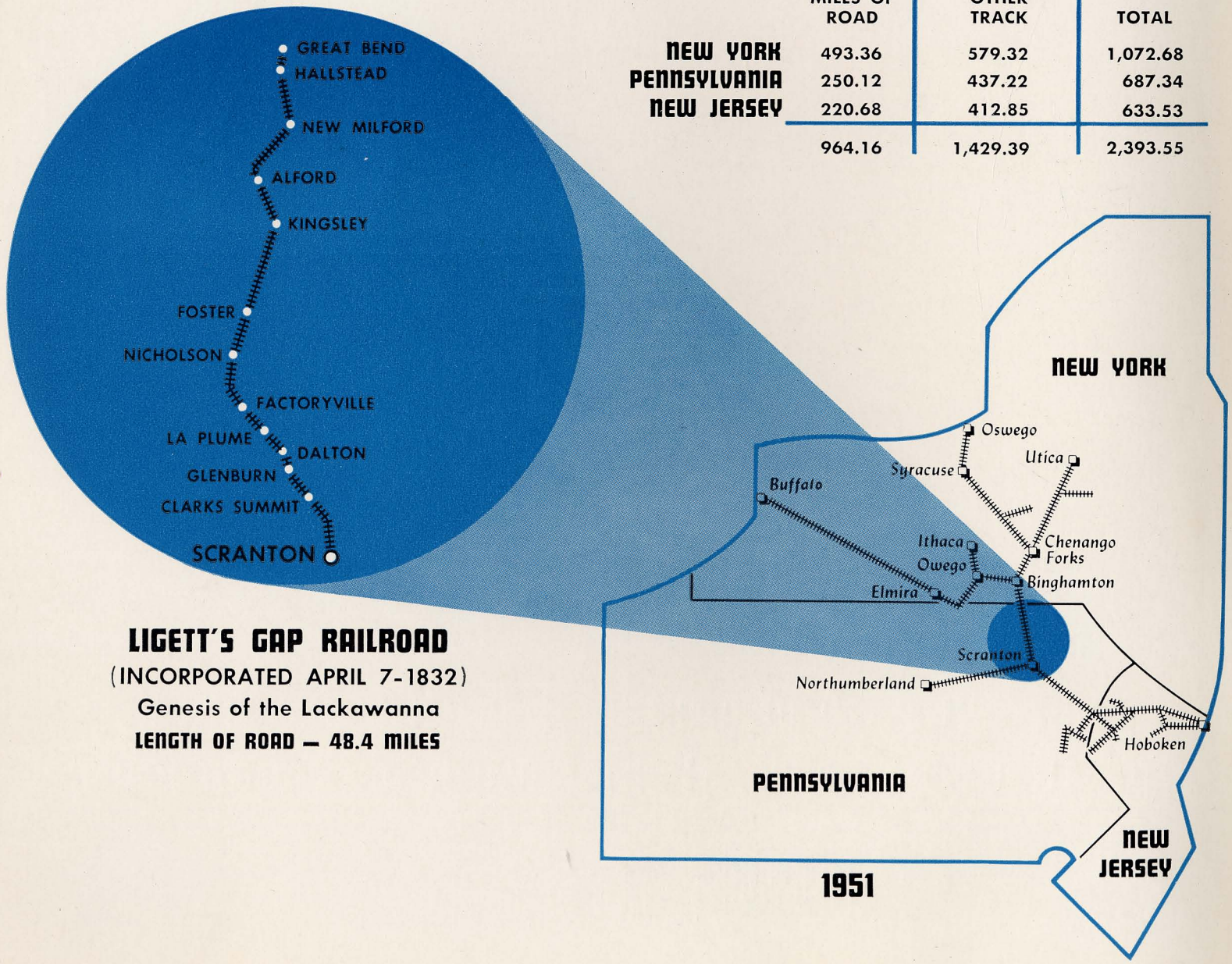


PHOEBE SNOW

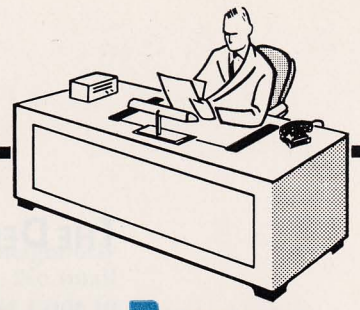
Lackawanna Railroad

MILES OF ALL TRACKS OPERATED
DECEMBER 31, 1951

	MILES OF ROAD	SECOND MAIN AND ALL OTHER TRACK	TOTAL
NEW YORK	493.36	579.32	1,072.68
PENNSYLVANIA	250.12	437.22	687.34
NEW JERSEY	220.68	412.85	633.53
	964.16	1,429.39	2,393.55



LIGETT'S GAP RAILROAD
(INCORPORATED APRIL 7-1832)
Genesis of the Lackawanna
LENGTH OF ROAD — 48.4 MILES



LACKAWANNA RAILROAD

THE ROUTE OF PHOEBE SNOW

Highlights for 1951

OPERATING REVENUES

1951	$89,621,240
1950	$82,343,568
Increase	8.84%

OPERATING EXPENSES

1951	$71,892,826
1950	$63,995,304
Increase	12.34%

TAXES

1951	$ 9,303,069
1950	$ 9,089,737
Increase	2.35%

INCOME AVAILABLE FOR FIXED CHARGES

1951	$11,867,493
1950	$ 9,422,641
Increase	25.95%

FIXED CHARGES

1951	$ 4,940,126
1950	$ 4,989,303
Decrease	.99%

CONTINGENT INTEREST

1951	$ 555,503
1950	$ 590,589
Decrease	5.94%

NET INCOME

1951	$ 6,371,864
1950	$ 3,842,749
Increase	65.82%

NET INCOME PER SHARE

1951	$3.77
1950	$2.28

AVERAGE NUMBER OF EMPLOYEES

1951	11,982
1950	11,876

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THE DELAWARE, LACKAWANNA AND WESTERN RAILROAD COMPANY

140 Cedar Street, New York 6, N. Y.

March 14, 1952

To the Stockholders:

The year 1951 marked the One Hundredth Anniversary of the completion of the first segment of our Railroad running from Scranton, Penna. westwardly to a point on the Susquehanna River called Great Bend, a distance of 48.4 miles, where it connected with what was then the New York & Erie Railroad, now the Erie Railroad. By construction and the leasing of existing railroads, the system took its present form in 1882, when the line from Binghamton to Buffalo was completed.

The One Hundredth Anniversary was observed in an appropriate manner at Scranton on October 15, 1951, with the cooperation of our employees and the citizens of Scranton. On that day a special meeting of the Board of Managers was held at Scranton to commemorate the Anniversary at which the President addressed some remarks to the Board, briefly reviewing the first one hundred years of the Company's history and outlining the problems which confront the railroad industry and our Company at this time. A portion of his remarks is herein quoted.

"We meet here today on an auspicious occasion. It is exactly one hundred years since the first train was run over the first part of our Railroad that was planned and completed, namely, that part from Scranton westwardly to a point on the Susquehanna River called Great Bend, where it connected with what was then the New York and Erie Railway, now the Erie Railroad.

"We have come to Scranton to observe the One Hundredth Anniversary of our Railroad in an appropriate manner. Our employees at Scranton have arranged a ceremony incident to this great occasion. It has been arranged, among other things, that we should witness the unveiling of a bronze plaque that has been installed at the entrance to the passenger depot here at Scranton. That plaque bears a reproduction of the Company's first locomotive, a wood burner, named "Spitfire," and also a reproduction of the latest Diesel locomotive that has been purchased and placed in service, with the date 1851 above the "Spitfire" and the date 1951 above the Diesel. (A photograph of the plaque is shown on Page 17 of this report.)

"In the evening, dinner will be had at Hotel Casey, tendered by the Scranton Chamber of Commerce and the Lackawanna County Historical Society, to pay honor to you gentlemen on this occasion. There will be present at the dinner some six hundred persons, including a number of officers and employees of the Company. We will be honored with an address by the Hon. John S. Fine, Governor of the Commonwealth of Pennsylvania, and your President shall make some remarks appropriate to the occasion.

"Throughout its history the Lackawanna has been known as a friendly and neighborly railroad, enjoying a splendid relationship with its patrons and the communities it serves. No small part of the Company's reputation is due to the esprit de corps of its personnel who take pride in being known as Lackawanna people.

"Throughout its history our Company has always been in the forefront of adopting new methods and new practices; its property has been constantly well maintained and its physical condition today is of a high standard. Its track structure and its buildings are in a condition which averages high among the better maintained railroads of the country.

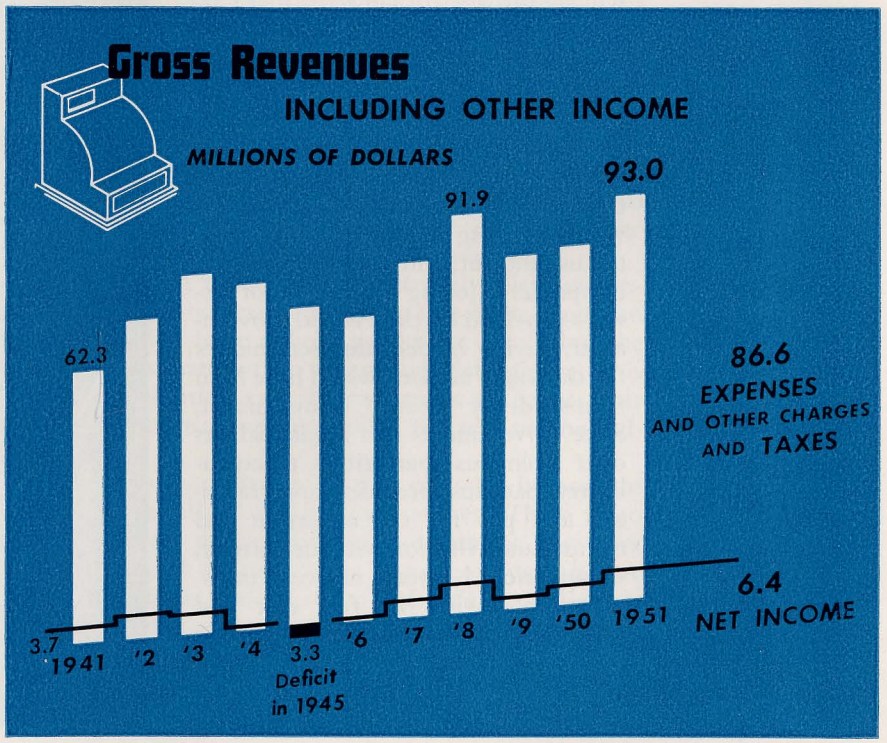
"As all of you know, our Company has experienced throughout its first one hundred years periods of golden prosperity and serious adversity. At times the struggle has been difficult, but thus far the Company has always met its debts; it is one of the few railroads of this country that has never gone through a receivership or bankruptcy proceeding. Perhaps its most difficult period has been the last twenty years, starting with the violent depression of the early 1930s. Certainly that is the period during which our stockholders have suffered most, having received no dividend from 1931 until 1948 and but a token dividend of 25 cents per share since the latter year.

"From its beginning until 1921, our Company, in addition to being engaged in the railroad transportation business, was also engaged in the business of mining and selling anthracite coal. Because of the Hepburn Act and ensuing court decrees, the Company was finally required to divest itself of the coal business in the latter year. This deprived the Company of profits from the mining and sale of anthracite and that was, of course, of serious consequence and served to make more difficult the depression of the 1930s.

"Despite periods of prosperity and adversity, we must nevertheless feel that considerable progress has been made in the affairs of the Company.

"Of outstanding importance was the construction in the early 1900s of the New Jersey Cutoff between the Delaware River and Lake Hopatcong, and the Pennsylvania Cutoff between Clarks Summit and Hallstead, both of which involved the movement of a tremendous amount of earth, the building of deep cuts and large fills and the construction of large concrete viaducts. These two construction projects not only enabled the shortening of distances but reduced grades and eliminated considerable curvature. The benefits already derived amply justify the expenditure that was necessary and the Company will continue forever to benefit therefrom.

"The electrification of the Morristown Line east of Dover, including the Gladstone Branch and the Montclair Branch, in 1930, was another event of great importance. The operation of multiple unit cars, making unnecessary the use of locomotives and the consequent elimination of engine terminals at outlying points, not only resulted in large economies but made possible the rendering of the best commuter service in the metropolitan New York area. Had the line not been electrified, our losses from commuter service would be much worse than they are. Fortunate it was that this project was done in the late 1920s when it cost less than half what it would cost today.

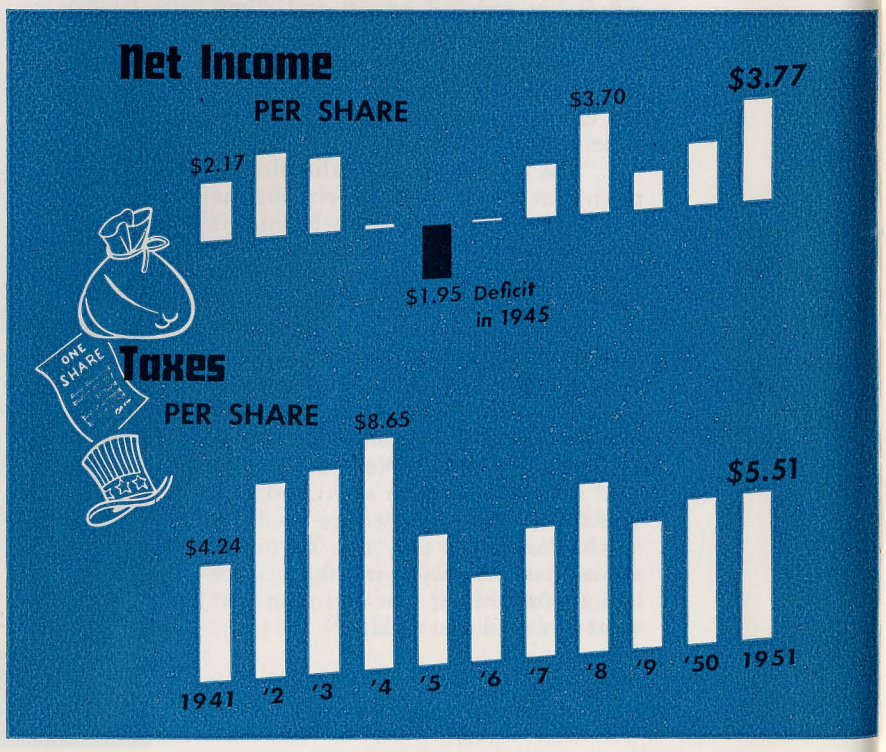


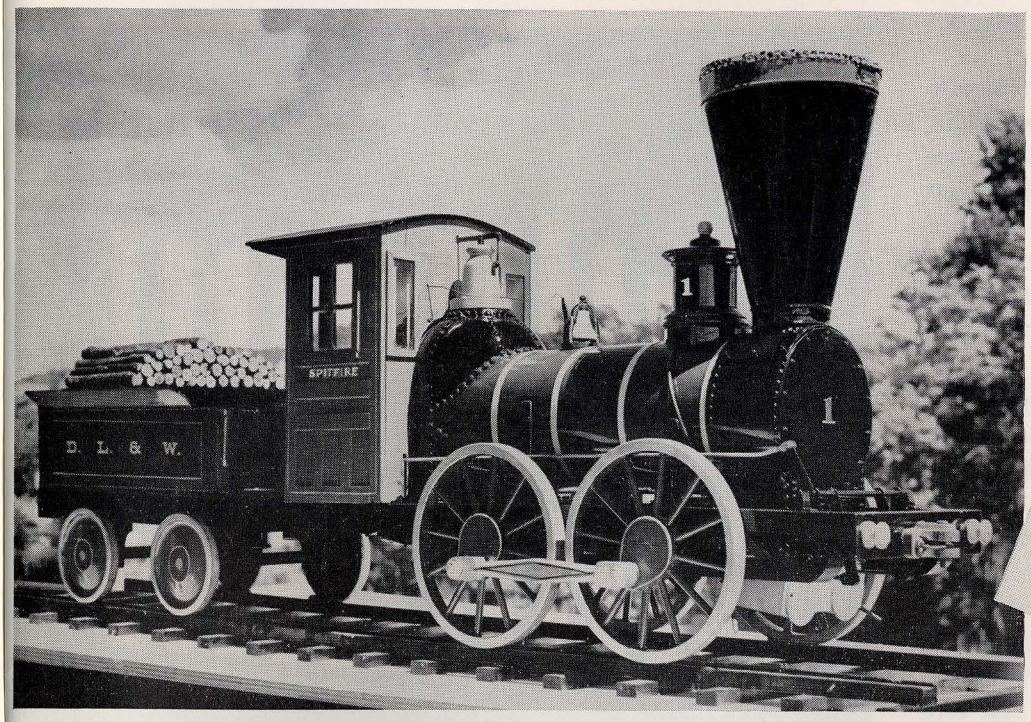
"Another major factor worthy of mention is the advent of the Diesel locomotive and its substitution for the steam locomotive. The coal burning steam locomotive, perfected constantly throughout its approximately one hundred years of usage, performed valiant service. The Diesel locomotive had been successfully used in yard switching from about 1925. Its use for road freight and passenger service did not develop until immediately prior to World War II—about 1939. Our Company acquired its first Diesel road locomotive in 1945 and today all of our through line passenger service, about 85 per cent of our road freight service and 70 per cent of our yard service is performed with Diesel locomotives. At this time we have acquired 161 units of Diesel power and our ownership of steam locomotives has reduced, since 1941 up to the present time, from 413 to 126. The prospects are that the next five years will witness the complete elimination of the steam locomotive on our Railroad, and to railroad men whose earlier experiences were with the steam locomotive there results a great nostalgia from the passing of the old "iron horse".

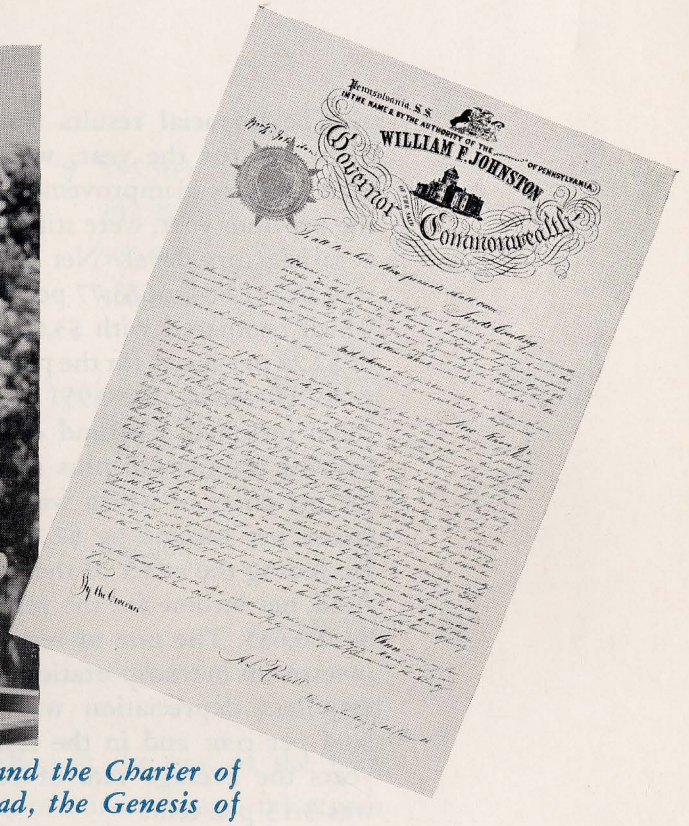
"Considerable progress was achieved in the recent past as a result of merging all of our leased lines into the parent company, so that as of today the entire Railroad is owned in the name of The Delaware, Lackawanna and Western Railroad Company, with no part of the rail system being leased; and we are no longer under the necessity of paying guaranteed dividends to stockholders of leased lines as rental for the use of their property. True, our bonded debt has increased by the exchange of bonds for leased line stock, but the burden is not as great, and with the establishment of heavy Sinking Funds some progress is being made in reducing the debt. However, with our total capital structure having a ratio of 61 per cent debt and 39 per cent equity capital, we remain under a burden of heavy indebtedness and our principal object must be to reduce debt so that our stockholders can look forward to a more appropriate dividend.

"During World War II, from 1941 to 1945, and in the post war period, and now when our country is making preparation to defend itself adequately against its Communistic enemies, our Company has handled a considerable volume of freight business. However, as a result of inflation, with constantly rising costs, our charges have not risen adequately and, in addition, we have experienced altogether too much lag between increased costs and increased charges. It is a sad commentary upon the regulation to which railroads are subjected that during this period of high business volume, when all other industry has enjoyed high profits, railroad earnings have lagged far behind.

"The railroads no longer enjoy a monopoly of transportation; motor trucks and buses using the highways without paying an adequate charge for the use thereof, and air transportation companies enjoying the free use of airways provided by the Federal Government, paying inadequate user charges for the use of airports which have been furnished by Federal Government, State Governments and municipalities offer strenuous competition to an industry that must provide it own facilities and pay for the operation and maintenance thereof without subsidy. Competition between railroad transportation paying its full cost and other forms of transportation enjoying







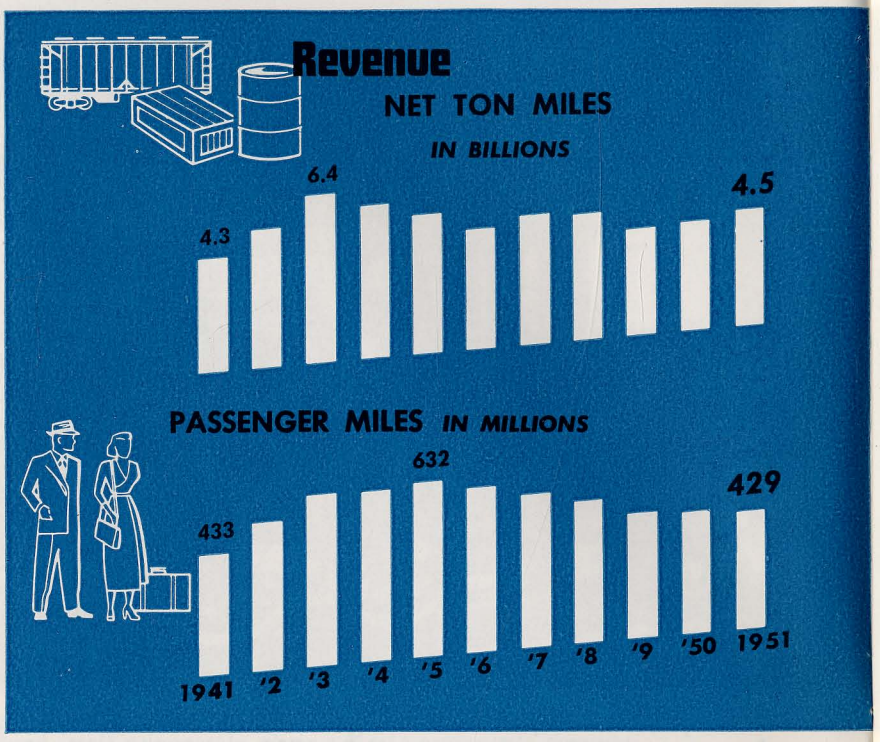
The Spitfire, the first steam engine of the Lackawanna Railroad, and the Charter of Incorporation issued on April 7, 1832 to the Ligett's Gap Railroad, the Genesis of the Lackawanna.

Government subsidy of various kinds cannot forever continue. Either the competing forms of transportation must be required to pay the full cost of facilities provided for their use and thus compete upon equal terms with the railroads, or the railroads must be granted a subsidy, which would be unfortunate. The alternative is Government ownership and operation of the railroads, with its serious consequences. The railroads of this country, and one of the two large railroads of Canada, remain as the only privately owned and operated railroad systems in the world. We have witnessed within the last few years the nationalization of the railways of Great Britain. The British Government, in taking over the railroads to protect itself had to take over all other forms of transportation, and that would undoubtedly be the result were railroads to be taken over in this country. The result in Great Britain has been disastrous to the British people, because the huge deficits incurred under Government operation must be passed on to all of the taxpayers.

"The Government of this country has never been found to be particularly adept in conducting its affairs efficiently and economically, and there is no reason to believe that if the American railroads were to be taken over by the Government that huge deficits would not result and the burden carried by all of the taxpayers. It is with that situation that we are today struggling. It is our hope that by a general revision of regulatory legislation and the assessment of proper user charges against our competitors using public properties, we may be enabled to carry on the railroad business under private ownership and operation.

"It is appropriate that the dangers inherent in the railroad industry of today be brought vividly to the attention of the American people, especially American businessmen. There is no demand either from railway labor or from the general public that the Government take over operation of the American railroads. The fear is that such a result might come from default, due to a lack of interest on the part of American businessmen until it is too late. We shall dedicate ourselves to the task of bringing about a better understanding and an opportunity to compete upon a basis of equality."

The financial results for our Company for the year, while in some respects an improvement over the previous year, were still below a satisfactory level. Net income was $6,371,864, or $3.77 per share, which compared with $3,842,749, or $2.28 per share, for the previous year. However, the 1951 net income included a refund of 1942 Federal income tax plus interest, the net effect of which was to increase net income by $2,271,229. Excluding the effect of the tax refund, net income for the year was $4,100,635. The rate of return on investment in transportation property less depreciation was only 3.04 per cent and in the last ten years the average rate of return was 3.13 per cent.



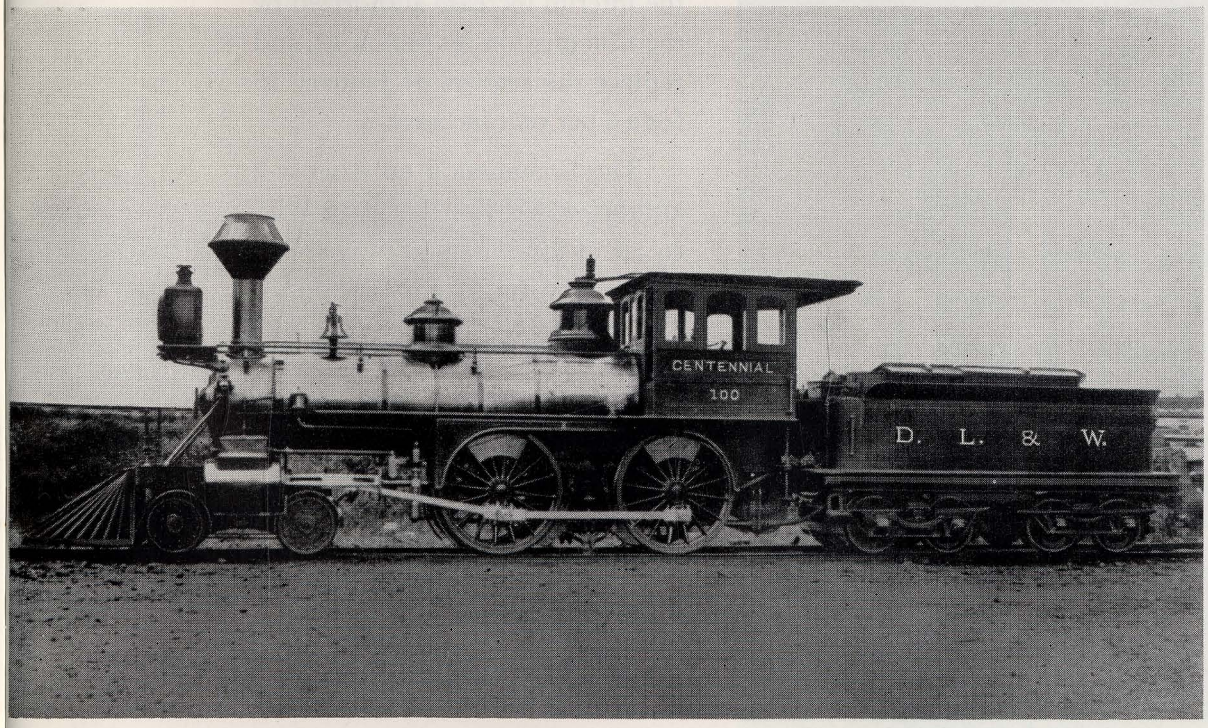
You are reminded again that the provisions of our mortgage indentures require the determination and allocation of Available Net Income before the balance available for dividends is determined. There is a requirement that we pay into a General Sinking Fund 60 per cent of Available Net Income (after certain deductions) plus an amount equal to the amount of any dividend paid. After providing for contingent interest, specific sinking funds, a Capital Fund and other deductions from Available Net Income, and after making payment into the General Sinking Fund of an amount equal to the dividend paid, the balance for other corporate purposes including dividends was only $.54 per share as detailed on the following page:

Revenue

	PER NET TON MILE	PER PASSENGER MILE
1951	1 59/100 CENTS	2 27/100 CENTS
1950	1 57/100 CENTS	2 22/100 CENTS
1949	1 62/100 CENTS	2 15/100 CENTS
1948	1 53/100 CENTS	2 10/100 CENTS
1947	1 29/100 CENTS	1 84/100 CENTS
1946	1 16/100 CENTS	1 73/100 CENTS
1945	1 3/100 CENTS	1 75/100 CENTS
1944	1 4/100 CENTS	1 79/100 CENTS
1943	98/100 CENTS	1 79/100 CENTS
1942	1 8/100 CENTS	1 71/100 CENTS
1941	1 14/100 CENTS	1 51/100 CENTS

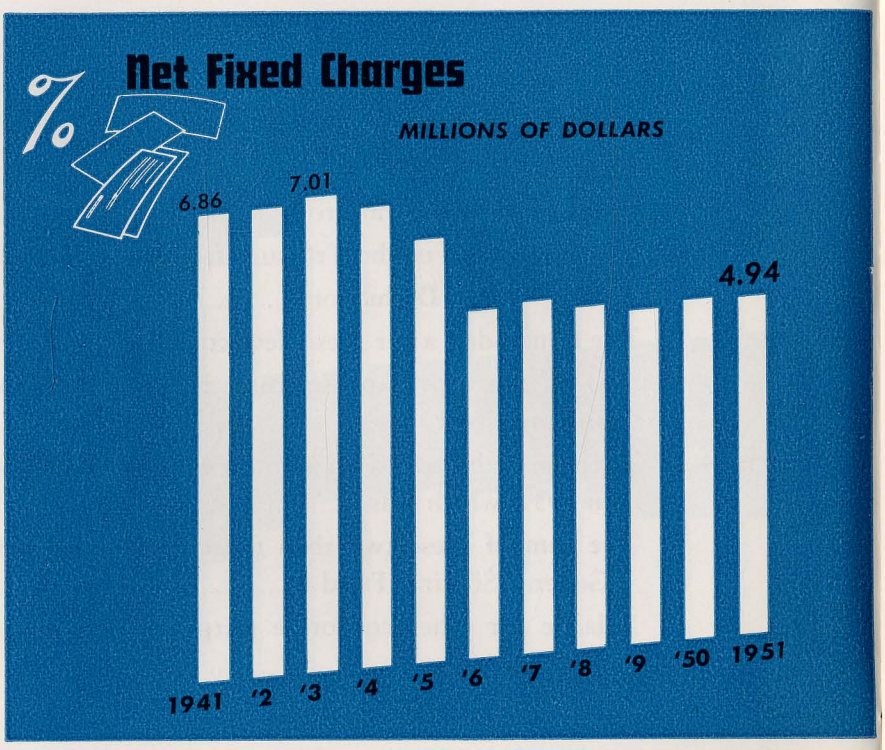
Available Net Income		$5,197,531
Contingent interest on bonds	$ 555,503	
Specific sinking funds	292,853	
A fund for capital improvements	500,000	
Reimbursement of the Treasury for New Jersey taxes	500,000	
Total Deductions		1,848,356
The remainder, after these deductions, is		3,349,175
60% of the above amount must be applied to the General Sinking Fund	2,009,505	
There must be added an amount equal to the dividend paid in 1951, which was	422,206	
The sum of these two then represents a payment into the General Sinking Fund of		2,431,711
Balance for other corporate purposes including dividends ($.54 per share)		$ 917,464

Fixed and contingent interest on bonds outstanding at the end of the year amounted to $4,864,409 on an annual basis. The provisions of our mortgage indentures outlined above will remain in effect until fixed and contingent interest is reduced to



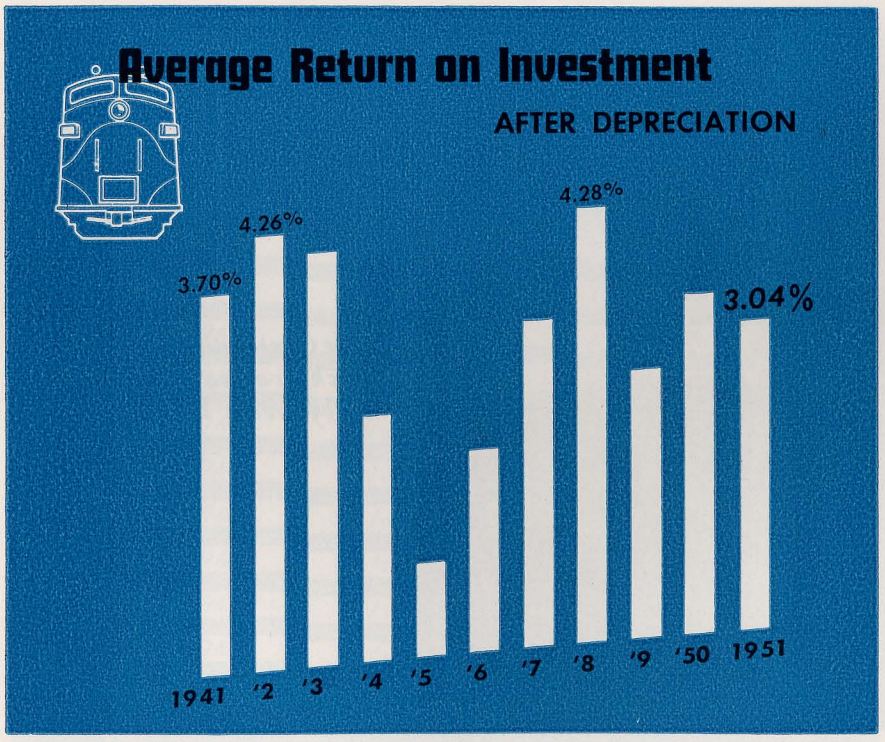
The Centennial, one of the Lackawanna Railroad's early steam locomotives.

$4,000,000 per year. Thereafter only 20 per cent of the remainder of Available Net Income need be devoted to the General Sinking Fund and the dividend restriction is removed.



Rates and Fares

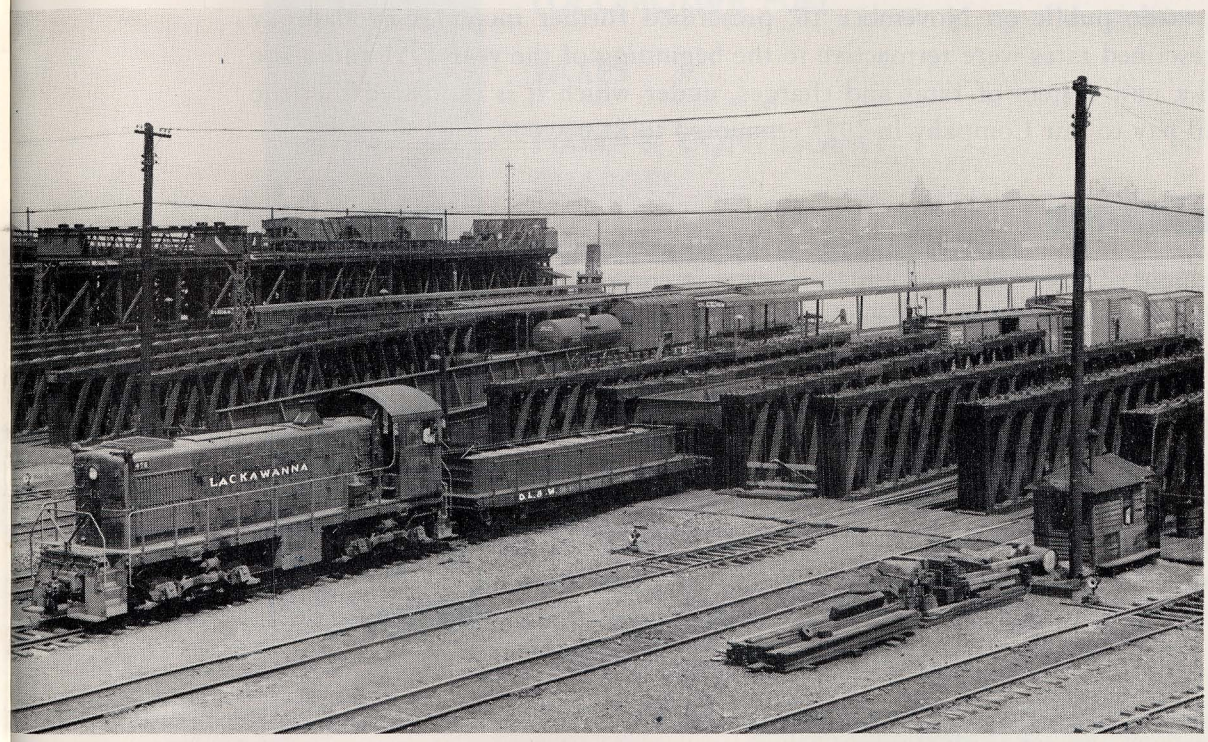
In last year's Report, your attention was directed to a petition filed with the Interstate Commerce Commission on January 16, 1951 for an increase in freight rates and charges of 6 per cent, with certain exceptions. The Commission, on March 12, authorized interim increases effective April 4, of 4 per cent in Eastern territory, with certain maxima, pending further hearings. Because of continuing increases in operating costs, the railroads again petitioned the Commission on March 28, requesting a freight rate increase of 15 per cent, to include the interim increase authorized by the Commission on March 12, and replace the request of January 16 for a 6 per cent increase.



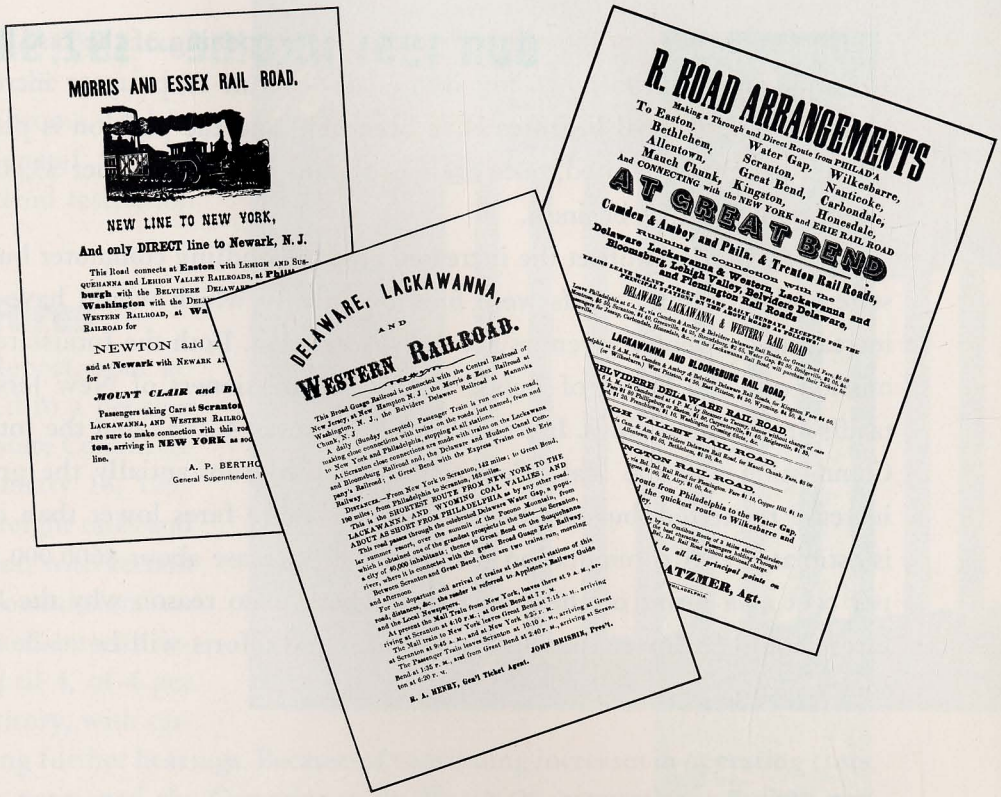
The Commission on August 2 authorized a temporary general increase of 9 per cent in the Eastern territory, with certain exceptions. The result for our Company was an average increase in rates of 7.7 per cent. These new rates were in lieu of and not in addition to the interim rates effective April 4, and will produce for our Company about $5,500,000 annually at the present level of business.

On October 19 the railroads requested reopening of the case known as Ex Parte 175 and sought authority to put into effect the full 15 per cent increase requested on March 28. Additional hearings have been held and the petition is pending. If the full amount sought is granted, our revenues should increase another $5,000,000 annually at the present level of business.

To partially offset the increased cost of handling commuter business, both interstate and intrastate, tariffs were filed on July 10 which would have had the effect of increasing commuter revenues about 18½ per cent. Both the Interstate Commerce Commission and the Board of Public Utility Commissioners of New Jersey suspended the tariffs and held hearings. It was not until February 4, 1952 that the Interstate Commerce Commission and the State Commission granted substantially the greater part of the increase requested, but left the level of intrastate fares lower than interstate fares. It is estimated that commutation revenues will increase about $600,000 annually, or 16½ per cent as a result of these decisions. There is no reason why the level of intrastate fares should be lower than interstate fares and efforts will be made to correct this inequity.



The Lackawanna Railroad Float Bridge located in Jersey City, New Jersey.



Three advertising posters used during the early development of the Railroad.

A supplemental report of the Interstate Commerce Commission in the mail-pay proceedings, made public on November 16, prescribed further increases in mail-pay rates. The prescribed rates were retroactive to the beginning of the year 1951 and made applicable to a new system of rates and charges, under which it is estimated that the increased mail-pay to our Company in 1951 amounted to $1,000,000.

Labor Relations

In the field of labor relations, railroads were in constant negotiation with various labor organizations, arriving at some agreements, and failing to arrive at others. A new wage policy, extended to virtually all branches of personnel in 1951, was that of adjusting hourly wage rates every three months to increases or decreases in the cost-of-living index of the U. S. Department of Labor. The operation of this new policy together with further increases in wages negotiated during the year resulted in an additional wage cost of $6,740,000 on an annual basis.

The escalation clauses provide that for every change of one point in the U. S. Bureau of Labor Statistics Consumers' Price Index, compared with an agreed-upon base, wage rates will be adjusted one cent per hour. The wage adjustments may be up or



OUR 1951 INCOME—$92,998,376

Where it Came From

MERCHANDISE	61.6%
ANTHRACITE	10.5%
BITUMINOUS	4.8%
PASSENGER	10.4%
ALL OTHER	12.7%
	100.0%

Where it Went

PAYROLL	51.2%
MATERIAL, SUPPLIES & LOCOMOTIVE FUEL	18.1%
TAXES	10.0%
FIXED & CONTINGENT CHARGES	5.9%
DEPRECIATION & RETIREMENTS	5.6%
ALL OTHER EXPENSES	2.3%
	93.1%
Which Leaves us a Net Income of	6.9%
	100.0%

down, according to the trend in cost of living, but may not go below basic wage rates. The changes to date have all been upward.

Non-operating employees and trainmen received escalation increases in their wage rates of 6 cents per hour April 1, 1 cent per hour July 1, and 4 cents per hour January 1, 1952. As each increase of 1 cent per hour adds $250,000 to our annual payroll, the increase effective January 1 means a further payroll increase of $1,000,000 annually.

Our Railroad, along with most of the other railroads of the country, is still in the possession of the United States Government by Executive Order dated August 27, 1950, and will undoubtedly remain in Government possession until agreement is reached with organizations representing the engineers, firemen and conductors, which organizations still refuse to carry out the terms of the Memorandum of Agreement to which they subscribed at the White House on December 21, 1950, and which was mentioned in the Annual Report for that year.

Revenues

Freight revenue increased $6,783,869, or 10.49 per cent. Had there not been a decrease of $1,589,581 in anthracite coal revenue, or 14.04 per cent, the increase in freight revenue would of course have been greater. Revenue ton miles increased 9.36



One of our modern freight Diesel locomotives.

per cent, but revenue ton miles of anthracite coal, our principal commodity, reached a new low by decreasing 11.70 per cent, while all other freight ton miles increased 13.54 per cent.

Passenger revenue decreased $88,995, or .91 per cent. Revenue passenger miles decreased 3.10 per cent. The increase in commutation rates effective February 24, 1952, previously mentioned, should result in an increase in passenger revenue and thus reverse the decline in passenger revenue that has been occurring each year since the war.

Gross revenues from all services increased $7,277,673, or 8.84 per cent.

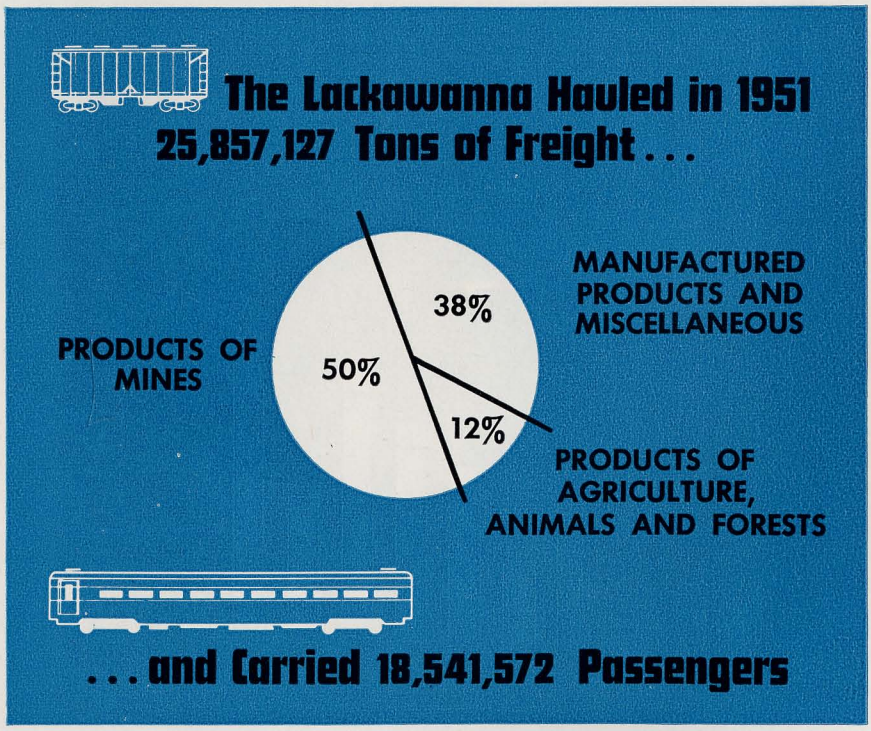
Operating Expenses

Operating expenses increased $7,897,522, or 12.34 per cent. This increase in operating expenses more than offset the increase in revenues, due not only to the wage increases previously referred to, but to advances in material prices resulting from the inflationary spiral of mounting prices. A contributing factor was the time lag between increased costs and the granting of relief in the form of increased rates.

An average of 91.82 per cent of gross ton miles in road freight service, 94.06 per cent of passenger train-miles other than suburban trains, and 71.19 per cent of yard switching miles was handled by Diesel power during the year.

Taxes

Federal, state and local taxes aggregated $9,303,069, an increase of $213,332, or 2.35 per cent. Taxes represented 10.38 cents of every dollar of revenue and were the equivalent of $5.51 per share of stock. Federal income tax rates have increased to 50¾ per cent for the year 1951 and will be 52 per cent in 1952 under the present law, as compared with a 38 per cent rate in 1949. Whereas it took $1.61 of earnings before income tax to return $1.00 to net income in 1949, it now takes $2.08 of earnings.



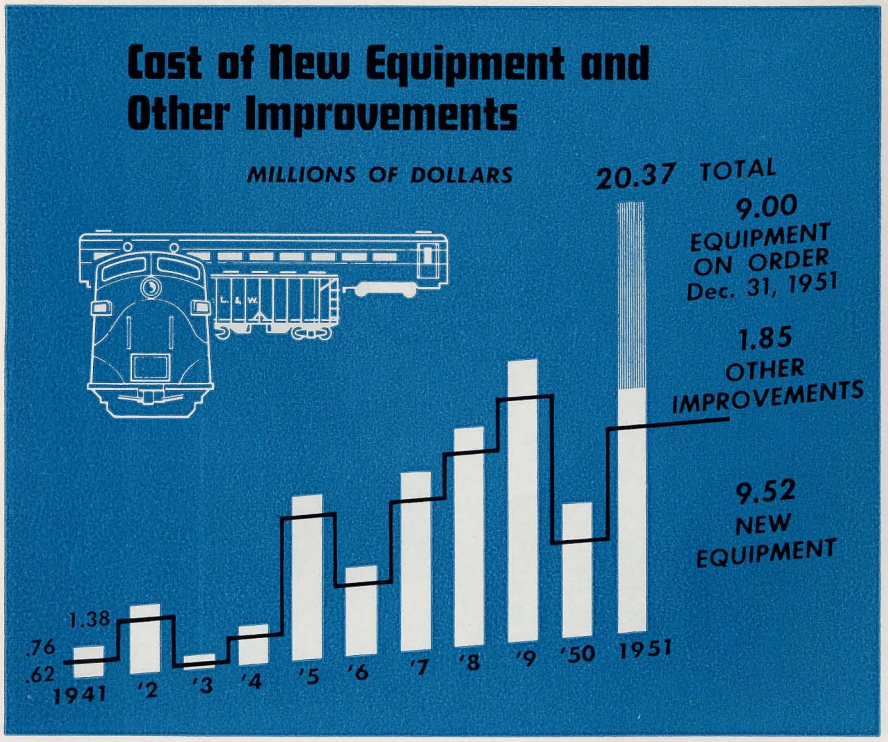
In addition to taxes paid, the Company collected from others in the form of excise taxes on freight charges and passenger fares, and from employees for Railroad Retirement and Income Taxes, and paid into the Federal Treasury, $9,540,780.

Additions and Betterments

Additional equipment purchased and delivered during the year and improvements made to existing equipment cost $9,522,141, and additions and improvements to buildings, tracks and other fixed property cost $1,851,869, or a total of $11,374,010. Equipment, facilities and other property having a book value of $11,610,866 were retired, making a net decrease in transportation property of $236,856.

Additional equipment delivered during the year included 11 passenger and 19 switching Diesel locomotives, 500 gondola cars, 300 hopper cars (second-hand), 10 caboose cars (built at Keyser Valley Shops), 6 open deck lighters and 2 wrecking derricks. There are on order 26 units of Diesel power, 600 hopper cars and 34 units of floating equipment at an estimated cost of $9,000,000.

Other major additions and betterments included improvements in the wheel and axle shop facilities at Keyser Valley Car Shop, added facilities for passenger car maintenance at Hoboken, the replacement of semaphore signals by color light signals and the strengthening of bridges.



Financial

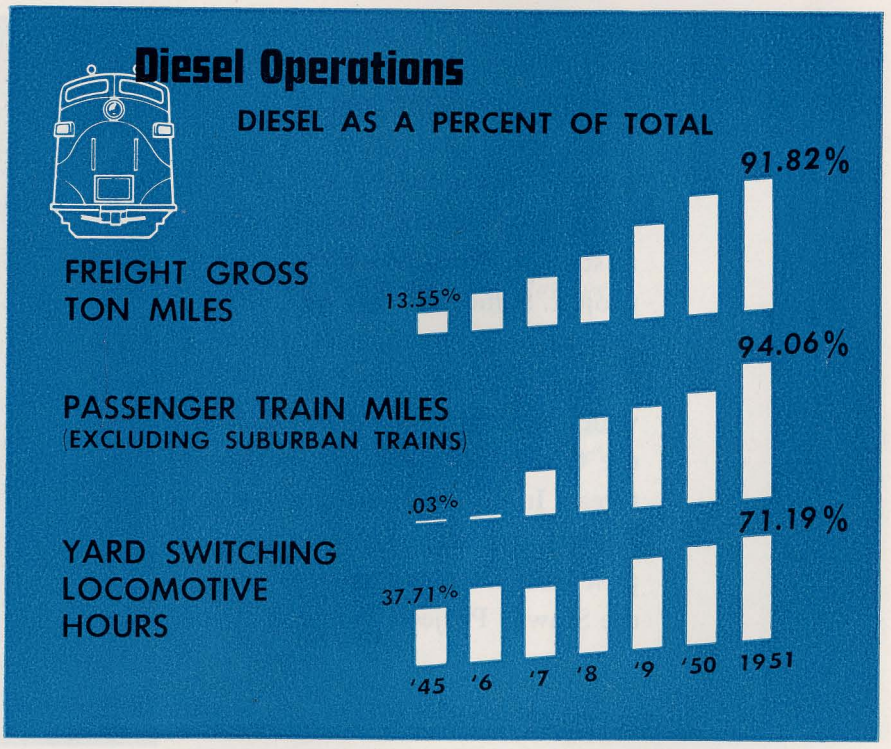
The Company purchased $2,033,800 of its bonds at a cost of $1,630,496. As a result of these purchases, the net fixed charges at December 31, 1951, on outstanding bonds were reduced to $4,298,354 on an annual basis and the current contingent interest was reduced to $566,055. This compares with net

annual fixed charges on December 31, 1940 of $6,336,319.

The Nickel Plate Road paid a dividend of 50 cents a share to stockholders of record on December 7, 1951. Our Company received $165,000 on its 330,000 shares of Nickel Plate stock. Your attention is again called to the fact that this and future dividends must be included in Available Net Income and are thus subject to Sinking Fund provisions of our mortgage indentures.

Legislation

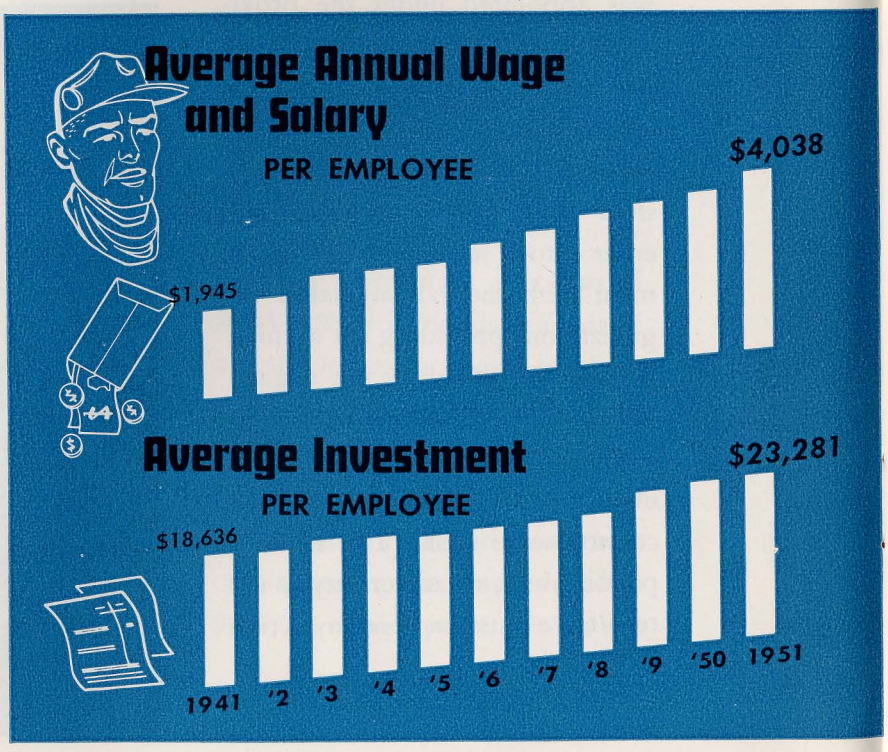
The Railway Labor Act as amended in 1934 contained a prohibition against compulsory membership in a labor union, but on January 10, 1951, Congress enacted an amendment to the Railway Labor Act authorizing union shop and check-off agreements under certain terms and conditions. Thereafter the unions representing our employees made request for union shop and check-off agreements, but collective bargaining with the unions representing our own employees was virtually impossible since the national organizations would not permit it because of their attempt to secure a so-called national agreement with respect to these matters. Eventually the National Mediation Board took jurisdiction of the disputes existing on many railroads and after no progress in mediation and an unwillingness to arbitrate, an Emergency Board was appointed under the provisions of the Railway Labor Act and that Board, on February 14, 1952, recommended that the railroads which had not entered into a union shop and check-off agreement enter into a joint national agreement with the railway labor organizations providing for a union shop as proposed by the organizations. This is the first attempt to provide for a union shop agreement on an industry-wide and country-wide basis. The issue is pending and, whatever may be the result, we must deplore any action

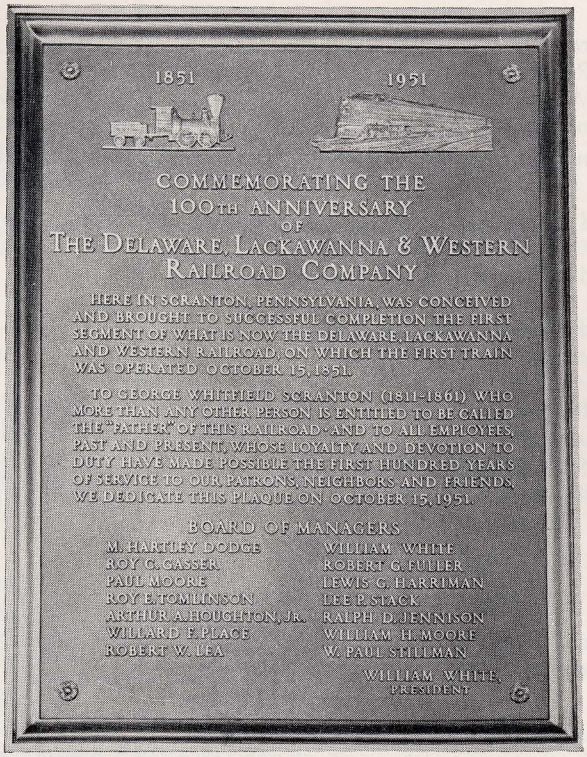


that would force an employee to join a labor union in order to retain his job, and that is especially true with respect to those employees who have entered railroad service with the understanding that such coercion would not exist in the railroad industry.

In our Report for 1950 attention was called to Senate Resolution 50, adopted by the Senate on April 11, 1949, directing the Senate Committee on Interstate and Foreign Commerce to make an inquiry with regard to the national transportation policy. The hearings which followed have resulted in the issuance of a staff report which has come to be known as the "Bricker Report," which recognizes the fact that the railroads are still being regulated as a monopoly and that a modern transportation policy and new regulatory procedures are necessary in view of the unequal competition to which the railroads are subjected. Organizations such as the United States Chamber of Commerce, the National Grange, the Transportation Association of America, the National Industrial Traffic League, and many others, are taking cognizance of the dangers that are inherent in the present situation. Various bills have been introduced in the Congress looking toward a revision of the national transportation policy and of regulatory procedures which are of vital interest to the railroad industry. It is hoped therefore that all stockholders will keep themselves informed with respect to these matters and make their influence felt in the Congress by supporting legislation that attempts to correct the inequalities to which railroads today are subjected.

The announced intention of the Dominion of Canada to proceed with the St. Lawrence Seaway Project for its own account has again made this project a vital issue in the existing Congress. There is not space available here to state all of the objections to the project. Suffice it to say that it can only do harm to the railroads, and especially those like our own which serve the territory between the Great Lakes and the Atlantic Ocean. It is to the interest of stockholders that they vigorously oppose United States participation in the Seaway Project.





Bronze plaque commemorating the 100th Anniversary of The Delaware, Lackawanna and Western Railroad Company. The plaque has been installed at the entrance to the passenger depot at Scranton, Pennsylvania.

The President and Board acknowledge with appreciation the continued loyalty and assistance of stockholders and patrons who have shown interest in the progress of the Company and of officers and employees who have faithfully discharged their duties.

By order of the Board of Managers

W. White

PRESIDENT

GENERAL BALANCE SHEET DECEMBER 31, 1951 and 1950

Assets	1951	1950	Increase	Decrease
Investments:				
Road Property	$228,648,230.49	$231,030,159.58		$2,381,929.09
Equipment Property	105,363,418.17	103,218,345.05	$2,145,073.12	
Acquisition Adjustment—Cr.	1,072,840.62	1,072,840.62		
Donations and Grants—Cr.	478,225.04	473,884.07	4,340.97	
Investment in Transportation Property	332,460,583.00	332,701,779.94		241,196.94
Less:				
Accrued Depreciation—Road	16,292,035.28	17,215,302.59		923,267.31
Accrued Depreciation—Equipment	48,337,022.42	50,832,771.70		2,495,749.28
Accrued Amortization of Defense Projects—Road	30,326.99	30,326.99		
Accrued Amortization of Defense Projects—Equipment	5,394,580.73	5,438,531.96		43,951.23
Net Book Value of Transportation Property	262,406,617.58	259,184,846.70	3,221,770.88	
Sinking Funds	19,615.06		19,615.06	
Capital and Other Reserve Funds	40,549.68	18,857.96	21,691.72	
Miscellaneous Physical Property	12,497,992.66	11,817,388.21	680,604.45	
Total	274,964,774.98	271,021,092.87	3,943,682.11	
Investments in Affiliated Companies:				
Stocks	644,887.00	645,887.00		1,000.00
Bonds	200,000.00	200,000.00		
Unsecured Notes	694,086.56	694,086.56		
Investment Advances	2,506,559.07	2,896,964.07		390,405.00
Total	4,045,532.63	4,436,937.63		391,405.00
Other Investments:				
Stocks	4,741,006.39	3,841,006.39	900,000.00	
Other Secured Obligations	465,498.44	547,523.49		82,025.05
Total	5,206,504.83	4,388,529.88	817,974.95	
Total Investments	284,216,812.44	279,846,560.38	4,370,252.06	
Current Assets:				
Cash	4,733,370.88	4,200,409.16	532,961.72	
Temporary Cash Investments	8,767,945.03	5,516,622.80	3,251,322.23	
Special Deposits	2,222,367.43	2,237,640.22		15,272.79
Traffic and Car Service Balances—Dr.	790,999.97	437,702.18	353,297.79	
Net Balances Receivable from Agents and Conductors	1,828,803.47	1,821,539.74	7,263.73	
Miscellaneous Accounts Receivable	1,551,821.72	1,713,051.87		161,230.15
Material and Supplies	5,669,237.78	4,611,597.72	1,057,640.06	
Interest and Dividends Receivable	181,756.32	14,134.71	167,621.61	
Accrued Accounts Receivable	2,820,023.18	2,619,943.49	200,079.69	
Other Current Assets	18,841.84	17,729.62	1,112.22	
Total Current Assets	28,585,167.62	23,190,371.51	5,394,796.11	
Deferred Assets:				
Working Fund Advances	144,222.87	142,913.25	1,309.62	
Insurance and Other Funds	200,133.88	228,753.63		28,619.75
Other Deferred Assets	1,898,583.10	1,968,775.93		70,192.83
Total Deferred Assets	2,242,939.85	2,340,442.81		97,502.96
Unadjusted Debits:				
Prepayments	219,955.72	265,648.21		45,692.49
Other Unadjusted Debits	315,005.87	217,342.82	97,663.05	
Securities Issued or Assumed:				
Unpledged $ 6,830,000.00				
Pledged 26,289,000.00				
Total Unadjusted Debits	534,961.59	482,991.03	51,970.56	
Grand Total	$315,579,881.50	$305,860,365.73	$9,719,515.77	

Liabilities	1951	1950	Increase	Decrease
Capital Stock:				
Authorized (Shares $50.00 Each) $87,407,500.00				
Less Unissued and Nominally Issued 2,966,300.00				
Outstanding	$ 84,441,200.00	$ 84,441,200.00		
Premiums and Assessments on Capital Stock	365,713.93	365,713.93		
Total Capital Stock	84,806,913.93	84,806,913.93		
Long Term Debt:				
Funded Debt Unmatured $141,985,550.00				
Held By or For Carrier 30,152,700.00				
Outstanding	111,832,850.00	113,871,300.00		$2,038,450.00
Equipment Obligations	24,427,282.05*	19,684,942.45	$4,742,339.60	
Total Long Term Debt	136,260,132.05	133,556,242.45	2,703,889.60	
Current Liabilities:				
Audited Accounts and Wages Payable	5,312,336.85	4,550,312.89	762,023.96	
Miscellaneous Accounts Payable	1,222,155.04	1,505,038.56		282,883.52
Interest Matured Unpaid	352,000.70	353,042.81		1,042.11
Dividends Matured Unpaid	6,092.09	6,479.97		387.88
Unmatured Interest Accrued	1,320,666.51	1,356,588.58		35,922.07
Accrued Accounts Payable	757,913.85	225,997.58	531,916.27	
Taxes Accrued	2,569,070.59	2,753,058.83		183,988.24
Other Current Liabilities	506,275.34	551,649.70		45,374.36
Total Current Liabilities	12,046,510.97	11,302,168.92	744,342.05	
Deferred Liabilities:				
Deferred Payments, Grade Crossing Eliminations	2,125,821.02	2,233,550.71		107,729.69
Liability for Exchange of Leased Lines Stock	37,900.00	76,850.00		38,950.00
Other Deferred Liabilities	54,339.46	50,841.03	3,498.43	
Total Deferred Liabilities	2,218,060.48	2,361,241.74		143,181.26
Unadjusted Credits:				
Other Unadjusted Credits	740,633.68	510,304.93	230,328.75	
Total Unadjusted Credits	740,633.68	510,304.93	230,328.75	
Surplus:				
Unearned Surplus:				
Paid-In Surplus	40,375.34	40,375.34		
Other Unearned Surplus	78,396.09	76,124.18	2,271.91	
Total Unearned Surplus	118,771.43	116,499.52	2,271.91	
Earned Surplus—Appropriated	59,615.06	40,000.00	19,615.06	
Earned Surplus—Unappropriated	79,329,243.90	73,166,994.24	6,162,249.66	
Total Surplus	79,507,630.39	73,323,493.76	6,184,136.63	
Grand Total	$315,579,881.50	$305,860,365.73	$9,719,515.77	

* Includes $3,348,771.49 maturing within one year.

DECEMBER 31, 1951 and 1950

Liabilities		1951	1950	Increase	Decrease
Capital Stock:					
Authorized (Shares $50.00 Each)	$87,407,500.00				
Less Unissued and Nominally Issued	2,966,300.00				
Outstanding		$ 84,441,200.00	$ 84,441,200.00		
Premiums and Assessments on Capital Stock		365,713.93	365,713.93		
Total Capital Stock		84,806,913.93	84,806,913.93		
Long Term Debt:					
Funded Debt Unmatured	$141,985,550.00				
Held By or For Carrier	30,152,700.00				
Outstanding		111,832,850.00	113,871,300.00		$2,038,450.00
Equipment Obligations		24,427,282.05*	19,684,942.45	$4,742,339.60	
Total Long Term Debt		136,260,132.05	133,556,242.45	2,703,889.60	
Current Liabilities:					
Audited Accounts and Wages Payable		5,312,336.85	4,550,312.89	762,023.96	
Miscellaneous Accounts Payable		1,222,155.04	1,505,038.56		282,883.52
Interest Matured Unpaid		352,000.70	353,042.81		1,042.11
Dividends Matured Unpaid		6,092.09	6,479.97		387.88
Unmatured Interest Accrued		1,320,666.51	1,356,588.58		35,922.07
Accrued Accounts Payable		757,913.85	225,997.58	531,916.27	
Taxes Accrued		2,569,070.59	2,753,058.83		183,988.24
Other Current Liabilities		506,275.34	551,649.70		45,374.36
Total Current Liabilities		12,046,510.97	11,302,168.92	744,342.05	
Deferred Liabilities:					
Deferred Payments, Grade Crossing Eliminations		2,125,821.02	2,233,550.71		107,729.69
Liability for Exchange of Leased Lines Stock		37,900.00	76,850.00		38,950.00
Other Deferred Liabilities		54,339.46	50,841.03	3,498.43	
Total Deferred Liabilities		2,218,060.48	2,361,241.74		143,181.26
Unadjusted Credits:					
Other Unadjusted Credits		740,633.68	510,304.93	230,328.75	
Total Unadjusted Credits		740,633.68	510,304.93	230,328.75	
Surplus:					
Unearned Surplus:					
Paid-In Surplus		40,375.34	40,375.34		
Other Unearned Surplus		78,396.09	76,124.18	2,271.91	
Total Unearned Surplus		118,771.43	116,499.52	2,271.91	
Earned Surplus—Appropriated		59,615.06	40,000.00	19,615.06	
Earned Surplus—Unappropriated		79,329,243.90	73,166,994.24	6,162,249.66	
Total Surplus		79,507,630.39	73,323,493.76	6,184,136.63	
Grand Total		$315.579.881.50	$305,860,365.73	$9,719,515.77	

* Includes $3,348,771.49 maturing within one year.

INCOME ACCOUNT for the years ended December 31, 1951 and 1950

	1951	1950	Increase or Decrease Amount	Increase or Decrease Per Cent
Revenues:				
Transportation of Anthracite Coal	$ 9,728,868.71	$11,318,450.11	$ 1,589,581.40*	14.04
Transportation of Bituminous Coal	4,458,165.51	4,302,975.95	155,189.56	3.61
Transportation of Merchandise	57,287,229.45	49,068,968.32	8,218,261.13	16.75
Transportation of Passengers	9,725,061.13	9,814,056.62	88,995.49*	.91
Transportation of Mail	3,001,742.94	2,940,456.33	61,286.61	2.08
Transportation of Express	603,751.09	595,007.97	8,743.12	1.47
Transportation of Milk	534,856.84	538,450.94	3,594.10*	.67
Other Revenue from Transportation	2,144,537.64	1,976,206.30	168,331.34	8.52
Incidental Revenue	2,137,027.05	1,788,995.05	348,032.00	19.45
Total Revenues	89,621,240.36	82,343,567.59	7,277,672.77	8.84
Expenses:				
Maintenance of Way & Structures	9,957,661.55	9,333,483.22	624,178.33	6.69
Maintenance of Equipment	16,442,211.77	13,910,005.01	2,532,206.76	18.20
Traffic Expenses	2,108,144.14	1,836,354.72	271,789.42	14.80
Transportation Expenses	40,228,752.60	36,065,528.37	4,163,224.23	11.54
Miscellaneous Operations	433,090.21	393,953.59	39,136.62	9.93
General Expenses	2,722,966.11	2,455,979.47	266,986.64	10.87
Total Expenses	71,892,826.38	63,995,304.38	7,897,522.00	12.34
Net Revenue from Railway Operations	17,728,413.98	18,348,263.21	619,849.23*	3.38
Less Railway Tax Accruals	9,303,068.75	9,089,736.80	213,331.95	2.35
Railway Operating Income	8,425,345.23	9,258,526.41	833,181.18*	9.00
Equipment Rents—Net Cr.	18,712.35	Dr. 275,215.71	293,928.06	——
Joint Facility Rents—Net Cr.	46,299.32	64,674.25	18,374.93*	28.41
Net Railway Operating Income	8,490,356.90	9,047,984.95	557,628.05*	6.16
Other Income:				
Income from Lease of Road and Equipment	34,703.51	36,697.20	1,993.69*	5.43
Miscellaneous Rent Income	124,922.50	170,753.73	45,831.23*	26.84
Income from Nonoperating Property	551,212.12	373,207.31	178,004.81	47.70
Dividend Income	286,445.20	107,804.20	178,641.00	165.71
Interest Income	997,806.76	137,787.95	860,018.81	624.16
Income from Sinking and Other Reserve Funds	7,932.50	7,757.50	175.00	2.26
Miscellaneous Income	18,894.81	30,525.32	11,630.51*	38.10
Delayed Income Credits	1,867,216.30	——	1,867,216.30	——
Total Other Income	3,889,133.70	864,533.21	3,024,600.49	349.85
Total Income	12,379,490.60	9,912,518.16	2,466,972.44	24.89
Miscellaneous Deductions from Income:				
Miscellaneous Tax Accruals	379,849.59	333,451.54	46,398.05	13.91
Miscellaneous Income Charges	132,148.28	156,426.05	24,277.77*	15.52
Total Miscellaneous Deductions	511,997.87	489,877.59	22,120.28	4.52
Income Available for Fixed Charges	11,867,492.73	9,422,640.57	2,444,852.16	25.95
Fixed Charges:				
Interest on Funded Debt, Fixed—Page 29	4,851,308.95	4,843,409.97	7,898.98	.16
Interest on Unfunded Debt	58,925.35	72,485.44	13,560.09*	18.71
Amortization of Discount on Funded Debt	29,891.93	73,407.62	43,515.69*	59.28
Total Fixed Charges	4,940,126.23	4,989,303.03	49,176.80*	.99
Income after Fixed Charges	6,927,366.50	4,433,337.54	2,494,028.96	56.26
Other Deductions:				
Interest on Funded Debt, Contingent—Page 29	555,503.00	590,588.98	35,085.98*	5.94
Total Other Deductions	555,503.00	590,588.98	35,085.98*	5.94
Net Income	$ 6,371,863.50	$ 3,842,748.56	$ 2,529,114.94	65.82

* *Decrease*

OPERATING REVENUES for the years ended December 31, 1951 and 1950

	1951	1950	Increase or Decrease Amount	Increase or Decrease Per Cent
Transportation—Rail Line:				
Freight	$71,474,263.67	$64,690,394.38	$ 6,783,869.29	10.49
Passenger	9,725,061.13	9,814,056.62	88,995.49*	.91
Baggage	10,062.14	9,198.64	863.50	9.39
Parlor and Chair Car Revenue	17,418.84	15,998.69	1,420.15	8.88
Mail	3,001,742.94	2,940,456.33	61,286.61	2.08
Express	603,751.09	595,007.97	8,743.12	1.47
Other Passenger-Train	120,060.41	123,594.31	3,533.90*	2.86
Milk	534,856.84	538,450.94	3,594.10*	.67
Switching	1,212,924.66	1,157,765.80	55,158.86	4.76
Water Transfers—Freight	91,724.77	46,242.44	45,482.33	98.36
Water Transfers—Passenger	205,233.34	162,451.39	42,781.95	26.34
Water Transfers—Vehicles and Live Stock	470,735.95	446,754.03	23,981.92	5.37
Water Transfers—Other	16,377.53	14,201.00	2,176.53	15.33
Total Rail-Line Transportation Revenue	$87,484,213.31	$80,554,572.54	$ 6,929,640.77	8.60
Incidental:				
Dining and Buffet	$ 340,530.26	$ 322,441.87	$ 18,088.39	5.61
Station, Train and Boat Privileges	171,717.86	176,066.75	4,348.89*	2.47
Parcel Room	2,624.00	2,667.00	43.00*	1.61
Storage—Freight	160,335.85	76,632.98	83,702.87	109.23
Storage—Baggage	1,038.12	1,111.70	73.58*	6.62
Demurrage	534,473.78	380,346.47	154,127.31	40.52
Communication	1,760.29	1,865.85	105.56*	5.66
Rents of Buildings and Other Property	227,709.69	232,775.90	5,066.21*	2.18
Miscellaneous	696,837.20	595,086.53	101,750.67	17.10
Total Incidental Operating Revenues	$ 2,137,027.05	$ 1,788,995.05	$ 348,032.00	19.45
Total Railway Operating Revenues	$89,621,240.36	$82,343,567.59	$ 7,277,672.77	8.84

* *Decrease*

STATEMENT of EARNED SURPLUS—UNAPPROPRIATED
For the year ended December 31, 1951

	Debits	Credits
Credit Balance, December 31, 1950		$73,166,994.24
Miscellaneous Credits:		
Excess of Par Value over Cost of Bonds Reacquired		403,344.50
Release of Surplus Applied to Sinking and Other Reserve Funds (Contra)		2,763,539.30
Other		302,212.48
Credit Balance Transferred from Income		6,371,863.50
Surplus Applied to Sinking and Other Reserve Funds (Contra)	$ 2,783,154.36	
Dividend Appropriations of Surplus	422,206.00	
Miscellaneous Debits	473,349.76	
Credit Balance, December 31, 1951	79,329,243.90	
TOTAL	$83,007,954.02	$83,007,954.02

COMPARATIVE STATEMENT OF FREIGHT TRAFFIC MOVEMENT
For the years 1951 and 1950

COMMODITY	1951 (TONS)	1950 (TONS)	INCREASE (TONS)	DECREASE (TONS)
Products of Agriculture	2,222,043	1,952,469	269,574	
Products of Animals	472,485	467,397	5,088	
Products of Mines	12,803,766	13,105,390		301,624
Products of Forests	522,672	456,865	65,807	
Manufactures and Miscellaneous	9,836,161	8,469,965	1,366,196	
Total Tonnage	25,857,127	24,452,086	1,405,041	

OPERATING RESULTS and STATISTICS
For the years ended December 31, 1951 and 1950

	1951	1950	Per Cent of Increase or Decrease
Locomotive-Miles:			
Freight-Train Locomotives	3,970,180	3,865,200	2.72
Passenger-Train Locomotives	2,273,397	2,297,017	1.03 D
Switching Locomotives	3,497,956	3,408,939	2.61
Total Revenue Locomotive-Miles	9,741,533	9,571,156	1.78
Train-Miles:			
Freight Trains	3,334,881	3,239,164	2.95
Passenger Trains—Steam	1,989,159	1,989,659	.03 D
Passenger Trains—Electric	1,811,408	1,805,670	.32
Mail, Express and Milk Trains	189,805	191,991	1.14 D
Total Revenue Train-Miles	7,325,253	7,226,484	1.37
Car-Miles:			
Loaded Freight Cars	152,047,705	144,967,671	4.88
Empty Freight Cars	61,814,286	61,916,652	.17 D
Caboose Cars	3,596,455	3,541,905	1.54
Other Cars—Passenger Cars	777,224	790,905	1.73 D
Total Revenue Freight-Train Car-Miles	218,235,670	211,217,133	3.32
Passenger Cars—Steam	6,879,955	6,821,509	.86
Passenger Cars—Electric	8,918,042	8,966,261	.54 D
Sleeping, Parlor and Observation Cars	2,329,835	2,371,013	1.74 D
Other Passenger-Train Cars	10,372,837	10,962,305	5.38 D
Other Cars—Freight Cars	3,027	15,537	80.52 D
Total Revenue Passenger-Train Car-Miles	28,503,696	29,136,625	2.17 D
Tons of Revenue Freight Carried	25,857,127	24,452,086	5.75
Tons of Company Freight Carried	926,049	966,444	4.18 D
Ton-Miles of Revenue Freight	4,501,946,262	4,116,671,402	9.36
Ton-Miles of Company Freight	119,618,738	128,905,318	7.20 D
Ton-Miles, All Freight	4,621,565,000	4,245,576,720	8.86
Freight Train-Hours	215,986	209,942	2.88
Gross Ton-Miles (Cars and Contents), All Freight	9,933,166,000	9,369,971,000	6.01
Average Revenue per Ton-Mile (Cents)	1.59	1.57	1.27
Average Distance Hauled per Ton (Miles)	174.11	168.36	3.42
Average Net Tons per Revenue Train-Mile	1,410.64	1,336.25	5.57
Average Tons per Loaded Car-Mile	30.40	29.29	3.79
Average Number of Cars in each Freight Train	65.44	65.21	.35
Average Gross Tons (Cars and Contents) per Revenue Locomotive-Mile	2,756.27	2,670.09	3.23
Average Gross Tons (Cars and Contents) per Revenue Train-Mile	3,030.34	2,948.34	2.78
Average Gross Ton-Miles per Train-Hour	45,990	44,631	3.04
Revenue Passengers Carried	18,541,572	19,461,143	4.73 D
Revenue Passengers Carried One Mile	429,319,875	443,060,285	3.10 D
Average Revenue per Passenger-Mile (Cents)	2.27	2.22	2.25
Average Distance Hauled per Passenger (Miles)	23.15	22.77	1.67
Average Number of Cars in each Passenger Train	7.14	7.31	2.33 D
Average Passengers per Train-Mile	113	117	3.42 D
Average Passengers per Car-Mile	24	24	.....

D—Decrease.

TAX ACCRUALS FOR YEARS 1932 TO 1951, INCLUSIVE

Calendar Year	Total Tax Accruals	Taxes per Dollar of Gross Revenue	Taxes per Dollar of Revenue after Operating Expenses
		Cents	Cents
1932	$ 5,216,791.03	11.23	55.54
1933	4,715,876.23	10.88	55.08
1934	4,292,969.72	9.63	47.25
1935	3,805,004.73	8.51	49.07
1936	4,016,989.78	8.08	38.10
1937	5,061,295.05	10.09	46.45
1938	5,124,180.31	11.60	62.75
1939	5,140,501.51	10.19	43.13
1940	5,348,324.03	10.31	42.89
1941	7,161,631.51	11.72	40.28
1942	12,034,942.48	16.59	49.98
1943	12,728,833.79	15.64	50.17
1944	14,600,932.27	18.48	66.06
1945	8,053,303.65	11.15	69.61
1946	5,151,585.48	7.41	46.55
1947	8,053,613.02	9.92	46.48
1948	10,532,130.72	11.52	46.64
1949	7,881,694.53	9.79	50.88
1950	9,089,736.80	11.04	49.54
1951	9,303,068.75	10.38	52.48

Tons of NEW RAIL laid in replacement and Tons of ROCK BALLAST applied during the years shown below

Year	Tonnage 141 lbs. to Yard	Tonnage 132 lbs. to Yard	Tonnage 131 lbs. to Yard	Tonnage 118 lbs. to Yard	Tonnage 105 lbs. to Yard	Total Tonnage All Weights	Total Tonnage Rock Ballast
1938	.....	.....	1,807	.....	.....	1,807	150,000
1939	.....	.....	6,469	.....	.....	6,469	128,000
1940	.....	.....	5,274	.....	.....	5,274	150,000
1941	.....	.....	6,573	.....	.....	6,573	172,000
1942	.....	.....	8,620	.....	.....	8,620	175,000
1943	.....	.....	10,474	.....	.....	10,474	140,000
1944	.....	.....	9,274	.....	.....	9,274	149,583
1945	.....	.....	7,482	.....	767	8,249	166,774
1946	.....	.....	8,257	.....	331	8,588	119,620
1947	.....	.....	6,265	1,850	7	8,122	171,806
1948	151	4,559	180	2,173	635	7,698	180,350
1949	.....	7,581	12	.....	462	8,055	129,475
1950	.....	3,598	17	898	653	5,166	212,019
1951	.....	4,264	1	569	.....	4,834	184,451

STATEMENT of WELFARE EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1951

Unemployment Insurance	$ 204,796.93
Pensions	2,551,090.54
Group Insurance	84,006.57
Moses Taylor Hospital	73,286.86
Railroad Y. M. C. A.'s	28,864.89
Total	$2,942,045.79

PENSIONS

The Pension System was inaugurated June 1st, 1902. A statement of the cost for the last 20 years follows:

Calendar Year	AMOUNT
1932	$579,161.18
1933	602,284.34
1934	646,703.24
1935	623,070.77
1936	650,030.59
1937	958,107.32
1938	686,832.58
1939	738,135.85
1940	805,937.59
1941	868,658.96
1942	$ 960,248.37
1943	1,206,629.81
1944	1,183,712.27
1945	1,167,641.37
1946	1,364,847.19
1947	2,333,835.52
1948	2,448,223.97
1949	2,380,700.52
1950	2,385,868.30
1951*	2,551,090.54
	$25,141,720.28

* Includes $2,458,174.22 paid as taxes to U. S. Treasury for benefit of railroad pension fund for employes.

GROUP INSURANCE

Pursuant to the Group Insurance Plan effective February 1, 1922, the Company paid $84,007 as its proportion of the premium for 1951. The number of insured and the insurance carried at the close of the year, together with other important facts, follow:

Number of Insured December 31, 1951	7,531
Total Insurance December 31, 1951	$14,491,000
Deaths during 1951	217
Paid account of death claims during 1951	$ 306,000
Premium paid by employes	$ 270,949
Premium paid by Company	$ 84,007
Number of death claims—February 1, 1922 to December 31, 1951	5,688
Number of disability benefits February 1, 1922 to December 31, 1951	222
Amount paid account death claims—February 1, 1922 to December 31, 1951	$ 9,803,750
Amount paid account of total disability claims—February 1, 1922 to December 31, 1951	$ 433,350

MILES of ROAD OPERATED December 31, 1951

	Miles of Road
Delaware, Lackawanna and Western R. R.:	
Hoboken, N. J., to Buffalo, N. Y., via Boonton	395.46
Paterson Jct. to Paterson, N. J.	1.92
Montclair Branch—Roseville Jct. to Montclair, N. J.	4.20
West End Jct., Jersey City to Denville, N. J., via Morristown	34.44
Harrison—Kingsland Cut-Off	5.75
Summit, N. J., to Gladstone, N. J.	21.52
Chester Branch—Chester Jct. to Succasunna, N. J.	3.62
Phillipsburg Branch—Port Morris Jct. to Phillipsburg, N. J.	35.21
Sussex Branch—Netcong to Branchville, N. J.	21.39
Hampton, N. J., to Slateford Jct., Pa.	22.87
Portland, Pa., to Bath, Pa., and Branches	33.59
Bloomsburg Branch—Scranton to Northumberland, Pa.	79.06
Hanover & Newport Branch—Plymouth to Newport Center, Pa.	5.43
Syracuse Branch—Binghamton to Oswego, N. Y.	115.95
Cincinnatus Branch—Cortland Jct. to Cincinnatus, N. Y.	18.31
Utica Branch—Chenango Forks to Utica, N. Y.	83.76
Richfield Springs Branch—Richfield Jct. to Richfield Springs, N. Y.	21.73
Black Rock Branch—East Buffalo to Black Rock, N. Y.	10.32
Ithaca Branch—Owego to Ithaca, N. Y.	34.24
	948.77

TRACKAGE RIGHTS

New York, Ontario & Western R. R.	Mines in Pa. to Jct. with D., L. & W. in Pa.	7.98
New York, Ontario & Western R. R.	In City of Utica, N. Y.	.21
New York, Susquehanna & Western R. R.	Mines in Pa. to Jct. with D., L. & W. in Pa.	5.51
Pennsylvania R. R.	Northumberland, Pa.	.86
Central R. R. of N. J.	Lake Junction, N. J., to Hopatcong, N. J.	.83
	Total	964.16

MILES of ALL TRACKS OPERATED December 31, 1951

	Miles of Road	Second Main Track	All Other Main Track	Yard Tracks and Sidings	Total
Pennsylvania	250.12	134.73	61.43	241.06	687.34
New Jersey	220.68	113.14	51.15	248.56	633.53
New York	493.36	234.38	.....	344.94	1,072.68
	964.16	482.25	112.58	834.56	2,393.55

EQUIPMENT, December 31, 1951, OWNED or LEASED

	Units Purchased or Built During the Year	Retired from Service During the Year	Number in Service Dec. 31, 1951
Locomotives:			
Steam—Freight		53	47
Steam—Passenger		8	16
Steam—Switching		8	46
Diesel Electric—Road	16		51
Diesel Electric—Switching	8	1	61
Total	24	70	221
Freight Cars:			
Coal Cars (including Gondolas)	800	719	7,264
Box Cars		47	7,756
Refrigerator Cars			293
Covered Hopper Cars		21	674
Container Gondola Cars			80
Stock Cars		79	11
Ice Cars		23	7
Flat Cars			41
Caboose Cars	10	22	170
Total	810	911	16,296
Passenger Cars:			
Coaches		15	147
Milk Cars		10	84
Baggage and Express Cars			161
Motor Cars—Electric			141
Motor Trailers—Coach			120
Motor Trailers—Passenger and Baggage			15
Motor Trailers—Passenger and Mail			3
Motor Trailers—Club			4
Parlor Cars			5
Sleepers			28
Passenger and Baggage Cars			12
Passenger and Mail Car			1
Baggage and Mail Cars			15
Dining Cars		1	6
Buffet Lounge Cars			7
Postal Cars		1	4
Total		27	753
Company Service Equipment:			
Miscellaneous Work Equipment		20	380
Air Dump Cars			84
Locomotive Cranes		3	19
Snow Plows and Snow Flanges			18
Pile Drivers and Light Steam Derricks			2
Heavy Steam Derricks	2	2	5
Scale Test Cars			2
Business Cars			3
Spreaders (Dirt)			3
Work Floating Equipment			7
Total	2	25	523
Floating Equipment:			
Ferry Boats			9
Tug Boats and Steam Lighters		2	13
Barges, Lighters, Floats and Grain Boats	6	8	163
Total	6	10	185

FUNDED DEBT and EQUIPMENT OBLIGATIONS

DESCRIPTION	Authorized and Issued as of Dec. 31, 1951	Pledged as Collateral	Reacquired and Held in Treasury	Held for Delivery	Outstanding in Hands of Public	Interest Accrued in 1951 — Fixed Interest — Per Cent	Fixed Interest — Amount	Contingent Interest — Per Cent	Contingent Interest — Amount
Pennsylvania Division:									
First Mortgage Bonds Series A, due May 1, 1980	$ 4,371,000.00				$ 4,371,000.00	4¾	$ 208,493.35		
Refunding Mortgage and Collateral Trust Bonds, due May 1, 1985:									
Series A	3,058,400.00		$ 77,000.00	$ 600.00	2,980,800.00	5	154,917.90		
Series B	3,585,800.00		14,000.00	1,800.00	3,570,000.00	4½	163,531.63		
Morris and Essex Division:									
First Refunding Mortgage Bonds, due December 1, 2000	35,000,000.00				35,000,000.00	3½	1,225,000.00		
Construction Mortgage Bonds:									
Series A, due November 1, 1955	10,000,000.00	$ 6,517,000.00	338,000.00		3,145,000.00	5	157,241.83		
Series B, due November 1, 1955	15,000,000.00	9,772,000.00	546,000.00		4,682,000.00	4½	218,153.35		
Series C, due November 1, 1975	10,000,000.00	10,000,000.00							
Certificates of Deposit	2,400.00				2,400.00				
Collateral Trust Bonds, due May 1, 2042	12,582,450.00		793,000.00	15,150.00	11,774,300.00	4	488,292.57	2	$230,049.00
New York Lackawanna and Western Division:									
First and Refunding Mortgage Bonds, due May 1, 1973:									
Series A	13,207,000.00		332,000.00		12,875,000.00	4	515,000.00		
Series B	9,903,000.00		194,000.00		9,709,000.00	4½	436,905.00		
Series C	5,393,000.00		176,700.00	3,100.00	5,213,200.00	5	260,815.00		
Income Mortgage Bonds, due May 1, 1993	2,663,100.00		64,500.00	2,100.00	2,596,500.00			5	127,270.00
Lackawanna of New Jersey Division:									
First Mortgage Bonds, Series A, due May 1, 1993	7,514,000.00		570,500.00	9,150.00	6,934,350.00	4	282,240.03		
First Mortgage Bonds, Series B, due May 1, 1993	2,562,000.00		139,000.00	3,050.00	2,419,950.00			4	95,720.00
U. C. & S. V. Division:									
Mortgage Bonds, due May 1, 1992	3,255,800.00		288,800.00	1,600.00	2,965,400.00	3	90,497.78	2	59,020.00
Warren Division:									
First and Refunding Mortgage Bonds, due August 1, 2000	1,394,000.00				1,394,000.00	3½	48,790.00		
Mortgage Bonds, due May 1, 1992	1,429,150.00		157,400.00	2,800.00	1,268,950.00	4	52,443.34	2	24,803.00
Oswego and Syracuse Division:									
Mortgage Bonds, due May 1, 1993	1,064,450.00		132,400.00	1,050.00	931,000.00	4	37,601.80	2	18,641.00
Total Mortgage and Other Funded Obligations	$141,985,550.00	$26,289,000.00	$3,823,300.00	$40,400.00	$111,832,850.00		$4,339,923.58		$555,503.00
Equipment Trust, Series D, due November 1, 1956	$ 2,125,000.00				$ 2,125,000.00	2	$ 47,453.32		
Equipment Trust, Series E, due December 15, 1956	2,000,000.00				2,000,000.00	2⅛	48,521.83		
Equipment Trust, Series F, due August 15, 1957	1,680,000.00				1,680,000.00	2⅛	37,931.95		
Equipment Trust, Series G, due January 15, 1958	1,040,000.00				1,040,000.00	2¾	29,883.33		
Equipment Trust, Series H, due March 15, 1964	3,150,000.00				3,150,000.00	2½	81,637.50		
Equipment Trust, Series I, due April 1, 1964	2,730,000.00				2,730,000.00	2½	69,562.50		
Equipment Trust, Series J, due April 1, 1965	1,862,000.00				1,862,000.00	2⅜	45,012.85		
Other Equipment Obligations	9,840,282.05				9,840,282.05	Various	151,382.09		
Total Equipment Obligations	$ 24,427,282.05				$ 24,427,282.05		$ 511,385.37		
GRAND TOTALS	$166,412,832.05	$26,289,000.00	$3,823,300.00	$40,400.00	$136,260,132.05		$4,851,308.95		$555,503.00

EQUIPMENT OBLIGATIONS

Reacquired and Held in Treasury	Held for Delivery	Outstanding in Hands of Public	Interest Accrued in 1951			
			Fixed Interest		Contingent Interest	
			Per Cent	Amount	Per Cent	Amount
.....	.....	$ 4,371,000.00	4¾	$ 208,493.35	.....	.....
$ 77,000.00	$ 600.00	2,980,800.00	5	154,917.90	.....	.....
14,000.00	1,800.00	3,570,000.00	4½	163,531.63	.....	.....
.....	.....	35,000,000.00	3½	1,225,000.00	.....	.....
338,000.00	.....	3,145,000.00	5	157,241.83	.....	.....
546,000.00	.....	4,682,000.00	4½	218,153.35	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	2,400.00	.....	.....	.....	.....
793,000.00	15,150.00	11,774,300.00	4	488,292.57	2	$230,049.00
332,000.00	.....	12,875,000.00	4	515,000.00	.....	.....
194,000.00	.....	9,709,000.00	4½	436,905.00	.....	.....
176,700.00	3,100.00	5,213,200.00	5	260,815.00	.....	.....
64,500.00	2,100.00	2,596,500.00	.....	.....	5	127,270.00
570,500.00	9,150.00	6,934,350.00	4	282,240.03	.....	.....
139,000.00	3,050.00	2,419,950.00	.....	.....	4	95,720.00
288,800.00	1,600.00	2,965,400.00	3	90,497.78	2	59,020.00
.....	.....	1,394,000.00	3½	48,790.00	.....	.....
157,400.00	2,800.00	1,268,950.00	4	52,443.34	2	24,803.00
132,400.00	1,050.00	931,000.00	4	37,601.80	2	18,641.00
$3,823,300.00	$40,400.00	$111,832,850.00	.....	$4,339,923.58	.....	$555,503.00
.....	.....	$ 2,125,000.00	2	$ 47,453.32	.....	.....
.....	.....	2,000,000.00	2⅛	48,521.83	.....	.....
.....	.....	1,680,000.00	2⅛	37,931.95	.....	.....
.....	.....	1,040,000.00	2¾	29,883.33	.....	.....
.....	.....	3,150,000.00	2½	81,637.50	.....	.....
.....	.....	2,730,000.00	2½	69,562.50	.....	.....
.....	.....	1,862,000.00	2⅜	45,012.85	.....	.....
.....	.....	9,840,282.05	Various	151,382.09	.....	.....
.....	.....	$ 24,427,282.05	.....	$ 511,385.37	.....	.....
$3,823,300.00	$40,400.00	$136,260,132.05	.....	$4,851,308.95	.....	$555,503.00

COMPARISON OF EXPENSES— 12 Months ended December 31, 1951 and 1950

I. Maintenance of Way and Structures	1951	1950	Increase	Decrease
Superintendence	$ 416,394.69	$ 402,459.63	$ 13,935.06	
Roadway Maintenance	461,505.21	553,380.17		$ 91,874.96
Tunnels and Subways	14,367.66	14,031.02	336.64	
Bridges, Trestles and Culverts	441,775.00	325,769.66	116,005.34	
Ties	612,409.68	657,581.06		45,171.38
Rails	204,973.95	312,931.61		107,957.66
Other Track Material	474,524.95	394,349.23	80,175.72	
Ballast	311,644.79	332,299.80		20,655.01
Track Laying and Surfacing	2,311,325.07	2,285,530.91	25,794.16	
Fences, Snowsheds and Signs	39,639.03	35,036.27	4,602.76	
Station and Office Buildings	442,284.71	328,208.06	114,076.65	
Roadway Buildings	14,790.92	15,207.14		416.22
Water Stations	22,728.62	27,987.24		5,258.62
Fuel Stations	62,968.94	29,616.33	33,352.61	
Shops and Enginehouses	181,750.97	154,512.81	27,238.16	
Wharves and Docks	119,293.00	113,165.44	6,127.56	
Coal and Ore Wharves	56,451.79	55,024.57	1,427.22	
Communication Systems	156,457.58	116,181.41	40,276.17	
Signals and Interlockers	600,217.07	534,290.28	65,926.79	
Power Plants	3,001.75	6,578.27		3,576.52
Power Transmission Systems	124,249.00	158,495.55		34,246.55
Miscellaneous Structures	3,694.91	2,348.60	1,346.31	
Road Property—Depreciation	1,587,385.52	1,573,011.45	14,374.07	
Retirements—Road	257,181.07	106,844.97	150,336.10	
Roadway Machines	165,001.17	151,984.93	13,016.24	
Dismantling Retired Road Property	77,783.16	53,259.53	24,523.63	
Small Tools and Supplies	188,841.19	181,977.08	6,864.11	
Removing Snow, Ice and Sand	274,171.08	272,077.22	2,093.86	
Public Improvements—Maintenance	69,436.75	57,227.82	12,208.93	
Injuries to Persons	213,017.36*	32,615.52	180,401.84	
Insurance	103,356.96	91,602.62	11,754.34	
Stationery and Printing	10,908.55	10,999.51		90.96
Other Expenses	16,712.77	17,891.97		1,179.20
Maintaining Joint Tracks, Yards and Other Facilities—Dr.	27,645.27	27,669.83		24.56
Maintaining Joint Tracks, Yards and Other Facilities—Cr.	110,228.59	98,664.29		11,564.30
Total	$ 9,957,661.55	$ 9,333,483.22	$624,178.33	

** Includes Accrual of Estimated Cost of Injuries Occurring in 1951—$115,000.00.*

II. Maintenance of Equipment	1951	1950	Increase	Decrease
Superintendence	$ 404,758.70	$ 369,326.09	$ 35,432.61	
Shop Machinery	195,276.14	181,346.19	13,929.95	
Power Plant Machinery	140,584.24	122,657.66	17,926.58	
Shop and Power Plant Machinery—Depreciation	133,350.70	141,393.72		$ 8,043.02
Dismantling Retired Shop and Power Plant Machinery	10,124.98	5,478.47	4,646.51	
Steam Locomotives—Repairs:				
Freight	738,991.41	728,043.51	10,947.90	
Passenger	452,512.20	532,465.76		79,953.56
Yard Switching	479,583.96	428,541.06	51,042.90	
Other Locomotives—Repairs:				
Freight	1,173,350.52	836,420.41	336,930.11	
Passenger	336,048.21	396,934.96		60,886.75
Yard Switching	485,412.07	373,154.34	112,257.73	
Freight Train Cars—Repairs	5,366,135.99	4,095,325.31	1,270,810.68	
Passenger Train Cars—Repairs	1,816,044.62	1,402,367.03	413,677.59	
Floating Equipment—Repairs	940,099.83	763,078.43	177,021.40	
Work Equipment—Repairs	218,651.29	168,966.75	49,684.54	
Miscellaneous Equipment—Repairs	65,782.52	40,850.06	24,932.46	
Dismantling Retired Equipment	18,740.58	21,135.26		2,394.68
Retirements—Equipment	15,178.45*	4,094.22*		11,084.23
Equipment Depreciation:				
Steam Locomotives	253,309.45	349,854.59		96,545.14
Other Locomotives	851,764.00	704,373.86	147,390.14	
Freight Train Cars	1,240,004.35	1,210,342.41	29,661.94	
Passenger Train Cars	469,069.15	474,604.70		5,535.55
Motor Equipment of Cars	99,006.00	99,006.00		
Floating Equipment	212,400.74	218,510.51		6,109.77
Work Equipment	75,766.38	69,328.97	6,437.41	
Miscellaneous Equipment	46,028.48	33,788.40	12,240.08	
Injuries to Persons	129,037.42†	52,623.37	76,414.05	
Insurance	65,658.81	53,603.00	12,055.81	
Stationery and Printing	14,062.96	11,619.02	2,443.94	
Other Expenses	16,800.88	17,424.04		623.16
Joint Maintenance of Equipment Expenses—Dr.	9,033.64	11,535.35		2,501.71
Total	$16,442,211.77	$13,910,005.01	$2,532,206.76	

III. Traffic				
Superintendence	$ 540,114.78	$ 505,465.68	$ 34,649.10	
Outside Agencies	1,132,355.91	1,057,560.20	74,795.71	
Advertising	274,886.64	124,044.85	150,841.79	
Traffic Associations	67,602.40	60,775.35	6,827.05	
Industrial and Immigration Bureaus	23,918.47	22,240.43	1,678.04	
Insurance	567.04	675.82		$ 108.78
Stationery and Printing	67,042.44	63,597.32	3,445.12	
Other Expenses	1,656.46	1,995.07		338.61
Total	$ 2,108,144.14	$ 1,836,354.72	$ 271,789.42	

** Denotes Credit*

† Includes Accrual of Estimated Cost of Injuries Occurring in 1951—$105,000.00.

12 Months ended December 31, 1951 and 1950

	1951	1950	Increase	Decrease
II. Maintenance of Equipment				
Superintendence	$ 404,758.70	$ 369,326.09	$ 35,432.61	
Shop Machinery	195,276.14	181,346.19	13,929.95	
Power Plant Machinery	140,584.24	122,657.66	17,926.58	
Shop and Power Plant Machinery—Depreciation	133,350.70	141,393.72		$ 8,043.02
Dismantling Retired Shop and Power Plant Machinery	10,124.98	5,478.47	4,646.51	
Steam Locomotives—Repairs:				
Freight	738,991.41	728,043.51	10,947.90	
Passenger	452,512.20	532,465.76		79,953.56
Yard Switching	479,583.96	428,541.06	51,042.90	
Other Locomotives—Repairs:				
Freight	1,173,350.52	836,420.41	336,930.11	
Passenger	336,048.21	396,934.96		60,886.75
Yard Switching	485,412.07	373,154.34	112,257.73	
Freight Train Cars—Repairs	5,366,135.99	4,095,325.31	1,270,810.68	
Passenger Train Cars—Repairs	1,816,044.62	1,402,367.03	413,677.59	
Floating Equipment—Repairs	940,099.83	763,078.43	177,021.40	
Work Equipment—Repairs	218,651.29	168,966.75	49,684.54	
Miscellaneous Equipment—Repairs	65,782.52	40,850.06	24,932.46	
Dismantling Retired Equipment	18,740.58	21,135.26		2,394.68
Retirements—Equipment	15,178.45*	4,094.22*		11,084.23
Equipment Depreciation:				
Steam Locomotives	253,309.45	349,854.59		96,545.14
Other Locomotives	851,764.00	704,373.86	147,390.14	
Freight Train Cars	1,240,004.35	1,210,342.41	29,661.94	
Passenger Train Cars	469,069.15	474,604.70		5,535.55
Motor Equipment of Cars	99,006.00	99,006.00		
Floating Equipment	212,400.74	218,510.51		6,109.77
Work Equipment	75,766.38	69,328.97	6,437.41	
Miscellaneous Equipment	46,028.48	33,788.40	12,240.08	
Injuries to Persons	129,037.42†	52,623.37	76,414.05	
Insurance	65,658.81	53,603.00	12,055.81	
Stationery and Printing	14,062.96	11,619.02	2,443.94	
Other Expenses	16,800.88	17,424.04		623.16
Joint Maintenance of Equipment Expenses—Dr.	9,033.64	11,535.35		2,501.71
Total	$16,442,211.77	$13,910,005.01	$2,532,206.76	
III. Traffic				
Superintendence	$ 540,114.78	$ 505,465.68	$ 34,649.10	
Outside Agencies	1,132,355.91	1,057,560.20	74,795.71	
Advertising	274,886.64	124,044.85	150,841.79	
Traffic Associations	67,602.40	60,775.35	6,827.05	
Industrial and Immigration Bureaus	23,918.47	22,240.43	1,678.04	
Insurance	567.04	675.82		$ 108.78
Stationery and Printing	67,042.44	63,597.32	3,445.12	
Other Expenses	1,656.46	1,995.07		338.61
Total	$ 2,108,144.14	$ 1,836,354.72	$ 271,789.42	

* *Denotes Credit*

† *Includes Accrual of Estimated Cost of Injuries Occurring in 1951—$105,000.00.*

COMPARISON OF EXPENSES— 12 Months ended December 31, 1951 and 1950

	1951	1950	Increase	Decrease
IV. Transportation—Rail Line				
Superintendence	$ 881,538.36	$ 792,990.22	$ 88,548.14	
Dispatching Trains	251,127.63	226,592.97	24,534.66	
Station Employees:				
Agents, Clerks and Attendants	3,434,045.11	3,093,933.98	340,111.13	
Labor at Stations	4,253,211.02	3,557,752.90	695,458.12	
Weighing, Inspection and Demurrage Bureaus	81,798.73	71,234.35	10,564.38	
Coal and Ore Wharves	398,466.01	354,554.80	43,911.21	
Station Supplies and Expenses	1,147,594.45	1,016,496.73	131,097.72	
Yardmasters and Yard Clerks	1,414,870.82	1,238,487.97	176,382.85	
Yard Conductors and Brakemen	3,265,305.41	3,014,761.83	250,543.58	
Yard Switch and Signal Tenders	226,896.81	276,006.62		$ 49,109.81
Yard Enginemen	885,503.60	680,803.78	204,699.82	
Yard Motormen	1,512,550.48	1,234,912.92	277,637.56	
Yard Switching Fuel	684,825.37	688,745.86		3,920.49
Water for Yard Locomotives	31,675.94	33,166.24		1,490.30
Lubricants for Yard Locomotives	52,796.38	45,480.79	7,315.59	
Other Supplies for Yard Locomotives	19,066.67	13,649.40	5,417.27	
Enginehouse Expenses—Yard	413,068.18	386,374.68	26,693.50	
Yard Supplies and Expenses	72,479.09	68,390.08	4,089.01	
Operating Joint Yards and Terminals—Dr.	67,217.28	66,746.69	470.59	
Operating Joint Yards and Terminals—Cr.	101,757.13	88,399.95		13,357.18
Train Enginemen	854,979.16	1,041,819.25		186,840.09
Train Motormen	1,974,399.56	1,577,934.81	396,464.75	
Train Fuel	3,491,935.46	3,483,875.33	8,060.13	
Train Power Produced	65,403.94	52,964.92	12,439.02	
Train Power Purchased	649,428.21	666,398.54		16,970.33
Water for Train Locomotives	113,333.47	118,962.09		5,628.62
Lubricants for Train Locomotives	183,691.65	163,451.24	20,240.41	
Other Supplies for Train Locomotives	90,691.64	69,835.95	20,855.69	
Enginehouse Expenses—Train	803,121.79	829,650.96		26,529.17
Trainmen	4,087,056.66	3,650,486.86	436,569.80	
Train Supplies and Expenses:				
Cleaning Cars	523,898.97	480,389.56	43,509.41	
Heating Cars	88,510.45	90,794.64		2,284.19
Lighting Cars	66,532.15	57,107.25	9,424.90	
Lubricating Cars	307,072.65	256,612.76	50,459.89	
Icing and Watering Cars	134,997.16	123,459.91	11,537.25	
Y. M. C. A.	8,510.62	7,822.60	688.02	
Detouring Trains	288.50	6,323.06		6,034.56
Train Supplies	101,492.07	91,797.65	9,694.42	
Other Expenses	560,356.20	492,777.61	67,578.59	
Signal and Interlocker Operation	862,742.16	827,446.09	35,296.07	
Crossing Protection	440,610.45	546,263.06		105,652.61
Drawbridge Operation	135,561.79	123,807.75	11,754.04	
Communication System Operation	135,271.88	124,272.97	10,998.91	

	1951	1950	Increase	Decrease
IV. Transportation—Rail Line—Continued				
Operating Floating Equipment:				
Superintendence	$ 173,138.52	$ 156,568.90	$ 16,569.62	
Wages of Crews	1,917,612.38	1,639,012.51	278,599.87	
Fuel	421,479.14	384,221.40	37,257.74	
Lubrication	13,343.19	11,617.52	1,725.67	
Other Supplies and Departmental Expenses	151,656.85	114,640.65	37,016.20	
Other Expenses	58,548.07	45,367.82	13,180.25	
Elevation and Longshore Labor	1,089,576.89	667,277.26	422,299.63	
Stationery and Printing	132,842.25	123,713.82	9,128.43	
Other Expenses	31,382.30	54,262.97		$22,880.67
Operating Joint Tracks and Facilities—Dr.	58,724.21	50,017.83	8,706.38	
Operating Joint Tracks and Facilities—Cr.	97,716.75	90,641.33		7,075.42
Insurance	79,562.14	43,409.23	36,152.91	
Clearing Wrecks	75,845.63	62,461.56	13,384.07	
Damage to Property	24,527.69	43,464.32		18,936.63
Damage to Live Stock on Right of Way	2,195.50	12,113.83		9,918.33
Loss and Damage—Freight	713,947.89	682,257.17	31,690.72	
Loss and Damage—Baggage	1,194.55	939.42	255.13	
Injuries to Persons	708,725.35*	407,885.77	300,839.58	
Total	$40,228,752.60	$36,065,528.37	$4,163,224.23	
VI. Miscellaneous Operations				
Dining and Buffet Service	$ 433,090.21	$ 393,953.59	$ 39,136.62	
Total	$ 433,090.21	$ 393,953.59	$ 39,136.62	
VII. General				
Salaries and Expenses of General Officers	$ 290,162.12	$ 271,055.30	$ 19,106.82	
Salaries and Expenses of Clerks and Attendants	1,610,387.08	1,423,479.66	186,907.42	
General Office Supplies and Expenses	123,046.08	111,079.55	11,966.53	
Law Expenses	295,484.38	300,201.37		$ 4,716.99
Insurance	408.86	335.63	73.23	
Pensions	176,409.26	161,620.79	14,788.47	
Stationery and Printing	81,523.59	62,191.95	19,331.64	
Valuation Expenses	6,314.49	11,491.38		5,176.89
Other Expenses	155,650.66	130,041.94	25,608.72	
General Joint Facilities—Cr.	16,420.41	15,518.10		902.31
Total	$ 2,722,966.11	$ 2,455,979.47	$ 266,986.64	
Total Operating Expenses	$71,892,826.38	$63,995,304.38	$7,897,522.00	

** Includes Accrual of Estimated Cost of Injuries Occurring in 1951—$360,000.00.*

	1951	1950	Increase	Decrease
IV. Transportation—Rail Line—Continued				
Operating Floating Equipment:				
Superintendence	$ 173,138.52	$ 156,568.90	$ 16,569.62	
Wages of Crews	1,917,612.38	1,639,012.51	278,599.87	
Fuel	421,479.14	384,221.40	37,257.74	
Lubrication	13,343.19	11,617.52	1,725.67	
Other Supplies and Departmental Expenses..	151,656.85	114,640.65	37,016.20	
Other Expenses	58,548.07	45,367.82	13,180.25	
Elevation and Longshore Labor	1,089,576.89	667,277.26	422,299.63	
Stationery and Printing	132,842.25	123,713.82	9,128.43	
Other Expenses	31,382.30	54,262.97		$22,880.67
Operating Joint Tracks and Facilities—Dr.	58,724.21	50,017.83	8,706.38	
Operating Joint Tracks and Facilities—Cr.	97,716.75	90,641.33		7,075.42
Insurance	79,562.14	43,409.23	36,152.91	
Clearing Wrecks	75,845.63	62,461.56	13,384.07	
Damage to Property	24,527.69	43,464.32		18,936.63
Damage to Live Stock on Right of Way	2,195.50	12,113.83		9,918.33
Loss and Damage—Freight	713,947.89	682,257.17	31,690.72	
Loss and Damage—Baggage	1,194.55	939.42	255.13	
Injuries to Persons	708,725.35*	407,885.77	300,839.58	
Total	$40,228,752.60	$36,065,528.37	$4,163,224.23	
VI. Miscellaneous Operations				
Dining and Buffet Service	$ 433,090.21	$ 393,953.59	$ 39,136.62	
Total	$ 433,090.21	$ 393,953.59	$ 39,136.62	
VII. General				
Salaries and Expenses of General Officers	$ 290,162.12	$ 271,055.30	$ 19,106.82	
Salaries and Expenses of Clerks and Attendants..	1,610,387.08	1,423,479.66	186,907.42	
General Office Supplies and Expenses	123,046.08	111,079.55	11,966.53	
Law Expenses	295,484.38	300,201.37		$ 4,716.99
Insurance	408.86	335.63	73.23	
Pensions	176,409.26	161,620.79	14,788.47	
Stationery and Printing	81,523.59	62,191.95	19,331.64	
Valuation Expenses	6,314.49	11,491.38		5,176.89
Other Expenses	155,650.66	130,041.94	25,608.72	
General Joint Facilities—Cr.	16,420.41	15,518.10		902.31
Total	$ 2,722,966.11	$ 2,455,979.47	$ 266,986.64	
Total Operating Expenses	$71,892,826.38	$63,995,304.38	$7,897,522.00	

* *Includes Accrual of Estimated Cost of Injuries Occurring in 1951—$360,000.00.*

STATEMENT OF OPERATIONS for the years shown below

Year	Gross Revenues	Operating Expenses	Taxes	Equipment and Joint Facility Rents—Net Debit	Net Railway Operating Income	Additional Income—Net
1932 . . .	$46,447,856.42	$37,055,579.39	$ 5,216,791.03	$ 163,531.70	$4,011,954.30	$1,766,399.42
1933 . . .	43,339,278.82	34,777,127.07	4,715,876.23	365,975.43	3,480,300.09	1,968,691.92
1934 . . .	44,592,529.70	35,506,790.68	4,292,969.72	288,589.41	4,504,179.89	1,460,620.18
1935 . . .	44,722,233.11	36,968,499.33	3,805,004.73	361,120.72	3,587,608.33	1,078,059.15
1936 . . .	49,728,115.95	39,184,541.43	4,016,989.78	164,066.77	6,362,517.97	1,215,916.21
1937 . . .	50,175,003.90	39,279,811.41	5,061,295.05	204,996.00	5,628,901.44	1,217,670.82
1938 . . .	44,188,480.96	36,022,909.71	5,124,180.31	531,769.92	2,509,621.02	1,217,248.91
1939 . . .	50,454,438.28	38,535,006.89	5,140,501.51	750,241.57	6,028,688.31	1,273,977.09
1940 . . .	51,891,975.22	39,814,991.82	5,348,324.03	383,035.10	6,345,624.27	1,311,878.98
1941 . . .	61,111,360.69	43,331,770.87	7,161,631.51	492,160.83	10,125,797.48	1,175,224.18
1942 . . .	72,544,984.75	48,464,633.28	12,034,942.48	396,592.76	11,648,816.23	918,593.80
1943 . . .	81,380,394.58	56,009,061.53	12,728,833.79	1,461,219.43	11,181,279.83	881,195.79
1944 . . .	79,029,144.44	56,926,747.29	14,600,932.27	1,081,353.08	6,420,111.80	848,991.73
1945 . . .	72,245,847.36	60,676,468.86	8,053,303.65	1,168,174.06	2,347,900.79	912,861.55
1946 . . .	69,481,551.40	58,413,674.37	5,151,585.48	807,033.88	5,109,257.67	670,606.28
1947 . . .	81,154,430.18	63,825,738.00	8,053,613.02	952,832.45	8,322,246.71	675,069.63
1948 . . .	91,426,345.24	68,844,763.67	10,532,130.72	686,646.67	11,362,804.18	492,680.11
1949 . . .	80,476,507.68	64,985,728.78	7,881,694.53	430,891.33	7,178,193.04	520,648.96
1950 . . .	82,343,567.59	63,995,304.38	9,089,736.80	210,541.46	9,047,984.95	374,655.62
1951 . . .	89,621,240.36	71,892,826.38	9,303,068.75	CR. 65,011.67	8,490,356.90	3,377,135.83

Income Available for Fixed Charges	Interest on Funded Debt—Fixed	Rent for Leased Roads and Equipment	Other Fixed Charges	Interest on Funded Debt—Contingent	Net Income	Net Income Per Share $50 par
$ 5,778,353.72	$ 1,770.00	$ 7,700,247.15	$618,783.97	.....	D $ 2,542,447.40	D $1.51
5,448,992.01	900.00	7,708,875.15	733,079.20	.....	D 2,993,862.34	D 1.77
5,964,800.07	900.00	7,606,227.09	330,285.80	.....	D 1,972,612.82	D 1.17
4,665,667.48	33,288.77	7,510,039.91	54,643.65	.....	D 2,932,304.85	D 1.74
7,578,434.18	175,592.45	7,507,628.11	28,060.99	.....	D 132,847.37	D .08
6,846,572.26	171,293.36	7,578,694.84	33,356.49	.....	D 936,772.43	D .55
3,726,869.93	162,359.99	7,452,330.05	67,133.84	.....	D 3,954,953.95	D 2.34
7,302,665.40	220,440.36	7,498,492.37	92,717.46	.....	D 508,984.79	D .30
7,657,503.25	260,039.46	7,083,255.42	108,931.19	.....	205,277.18	.12
11,301,021.66	223,598.22	7,083,255.42	322,470.13	.....	3,671,697.89	2.17
12,567,410.03	154,001.67	6,964,950.42	298,973.19	.....	5,149,484.75	3.05
12,062,475.62	172,019.57	6,987,781.42	213,915.81	.....	4,688,758.82	2.78
7,269,103.53	142,794.39	6,987,781.42	51,346.31	.....	87,181.41	.05
3,260,762.34	2,902,858.61	3,481,100.08	55,588.65	$113,359.91	D 3,292,144.91	D 1.95
5,779,863.95	4,929,882.72	200,115.40	62,559.30	551,090.48	36,216.05	.02
8,997,316.34	4,889,581.81	5,909.91	275,364.43	569,134.31	3,257,325.88	1.93
11,855,484.29	4,829,418.46	—	205,469.93	564,361.57	6,256,234.33	3.70
7,698,842.00	4,771,217.24	—	141,269.31	562,145.98	2,224,209.47	1.32
9,422,640.57	4,843,409.97	—	145,893.06	590,588.98	3,842,748.56	2.28
11,867,492.73	4,851,308.95	—	88,817.28	555,503.00	6,371,863.50	3.77

D—Denotes Deficit.

s for the years shown below

Income Available for Fixed Charges	Interest on Funded Debt—Fixed	Rent for Leased Roads and Equipment	Other Fixed Charges	Interest on Funded Debt—Contingent		Net Income		Net Income Per Share $50 par
$ 5,778,353.72	$ 1,770.00	$ 7,700,247.15	$618,783.97	.....	D	$ 2,542,447.40	D	$1.51
5,448,992.01	900.00	7,708,875.15	733,079.20	.....	D	2,993,862.34	D	1.77
5,964,800.07	900.00	7,606,227.09	330,285.80	.....	D	1,972,612.82	D	1.17
4,665,667.48	33,288.77	7,510,039.91	54,643.65	.....	D	2,932,304.85	D	1.74
7,578,434.18	175,592.45	7,507,628.11	28,060.99	.....	D	132,847.37	D	.08
6,846,572.26	171,293.36	7,578,694.84	33,356.49	.....	D	936,772.43	D	.55
3,726,869.93	162,359.99	7,452,330.05	67,133.84	.....	D	3,954,953.95	D	2.34
7,302,665.40	220,440.36	7,498,492.37	92,717.46	.....	D	508,984.79	D	.30
7,657,503.25	260,039.46	7,083,255.42	108,931.19	.....		205,277.18		.12
11,301,021.66	223,598.22	7,083,255.42	322,470.13	.....		3,671,697.89		2.17
12,567,410.03	154,001.67	6,964,950.42	298,973.19	.....		5,149,484.75		3.05
12,062,475.62	172,019.57	6,987,781.42	213,915.81	.....		4,688,758.82		2.78
7,269,103.53	142,794.39	6,987,781.42	51,346.31	.....		87,181.41		.05
3,260,762.34	2,902,858.61	3,481,100.08	55,588.65	$113,359.91	D	3,292,144.91	D	1.95
5,779,863.95	4,929,882.72	200,115.40	62,559.30	551,090.48		36,216.05		.02
8,997,316.34	4,889,581.81	5,909.91	275,364.43	569,134.31		3,257,325.88		1.93
11,855,484.29	4,829,418.46	—	205,469.93	564,361.57		6,256,234.33		3.70
7,698,842.00	4,771,217.24	—	141,269.31	562,145.98		2,224,209.47		1.32
9,422,640.57	4,843,409.97	—	145,893.06	590,588.98		3,842,748.56		2.28
11,867,492.73	4,851,308.95	—	88,817.28	555,503.00		6,371,863.50		3.77

D—Denotes Deficit.

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS

67 BROAD STREET
NEW YORK 4

Accountants' Certificate

The Delaware, Lackawanna and
Western Railroad Company:

We have examined the balance sheet of The Delaware, Lackawanna and Western Railroad Company as of December 31, 1951, and the related statements of income and of earned surplus-unappropriated for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and of earned surplus-unappropriated present fairly the financial position of the Company at December 31, 1951, and the results of its operations for the year then ended, in conformity with the accounting requirements prescribed by the Interstate Commerce Commission.

Haskins & Sells

New York, February 21, 1952.

The Delaware, Lackawanna and Western Railroad Company

December 31, 1951

Board of Managers

M. Hartley Dodge
Roy C. Gasser
Paul Moore
Roy E. Tomlinson
Arthur A. Houghton, Jr.
Willard F. Place
Robert W. Lea
Wm. White
William H. Moore
W. Paul Stillman
Robert G. Fuller
Lewis G. Harriman
Lee P. Stack
Ralph D. Jennison

Executive Committee

Roy C. Gasser
Paul Moore
Robert G. Fuller
Willard F. Place
Wm. White

Officers

President	Wm. White	New York, N. Y.
Assistant to President	E. B. Moffatt	New York, N. Y.
Vice-President—Traffic	C. F. Farmer	New York, N. Y.
Asst. Vice-President—Traffic	H. C. Schmidt	New York, N. Y.
Vice-President—Operation	P. M. Shoemaker	New York, N. Y.
Vice-President & General Counsel	D. I. Mackie	New York, N. Y.
Chief Engineer	G. A. Phillips	Hoboken, N. J.
Secretary and Treasurer	J. G. Enderlin	New York, N. Y.
Comptroller	P. D. Jonas	New York, N. Y.
General Solicitor	R. L. Davis, Jr.	New York, N. Y.
General Superintendent	W. G. White	New York, N. Y.
General Supt. of Motive Power & Equipt.	F. T. James	Scranton, Pa.
Freight Traffic Manager	J. S. Sikora	New York, N. Y.
Passenger Traffic Manager	W. H. Dominick	New York, N. Y.
Manager of Purchases and Stores	C. F. Bayer	New York, N. Y.

Board of Managers
December 31, 1851

John I. Blair
Frederick R. Griffin
Daniel S. Miller
George W. Scranton
Henry Hotchkiss
John Howland
William E. Dodge
J. B. Williams
Drake Mills
George Bulkley

