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REPORT

ON THE

JOINT STANDING COMMITTEE

ON RAILROADS,

ON THE

RESOLUTION INSTRUCTING SAID COMMITTEE TO INQUIRE
WHETHER ANY RAILROAD COMPANIES HAVE COM-
BINED TO PREVENT THE CONSTRUCTION OF
ANY OTHER RAILROADS, &c., &c.

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REPORT.

GENERAL ASSEMBLY, }
May Session, 1852. }

The Joint Standing Committee on Railroads having attended to the duty imposed upon them by a resolution of this General Assembly, instructing them to inquire whether any Railroad Companies in this State have combined to prevent the construction of any other Railroad already chartered, and whether any Railroad Company has leased the road of another Company to the injury of the public interest, ask leave to report:—That after a careful inquiry of two weeks from the passage of said resolution, your Committee could not learn that any Railroad Companies in this State were likely to give information on the subject of their inquiry, except the New Haven and Northampton Company, (known as the Canal Railroad Company,)—The New York and New Haven Railroad Company—The Hartford, New Haven and Springfield Railroad Company, and the Hartford, Providence and Fiskill Railroad Company; and your Committee requested the officers of those Companies only to meet them on the day assigned for attention to this matter. Your Committee were pleased to find, that the officers of those Companies promptly complied with their request, and freely and fully answered the questions propounded to them by the Committee: sundry contracts were also exhibited by the officers of the Canal Railroad and the New York and New Haven Railroad Companies, made between those Companies; and between the

New York and New Haven, and the Hartford, New Haven and Springfield Railroad Companies; and your Committee will now give so much of the information which they obtained as comes within the scope of their instructions.

It was shown to your Committee that the Canal Railroad, from the city of New Haven to the village of Plainville, was leased by that Company to the New York and New Haven Railroad Company in January, 1848, with the express stipulation that the lessees should "manage and operate said Canal Railroad in a judicious, proper, and discreet manner, in good faith, so as fairly to develop its resources, and produce therefrom the greatest amount of nett earnings." It appeared, also, that sometime after the execution of the above named lease, the Canal Railroad Company proceeded to construct and extend their road from the village of Plainville to the north line of this State in the direction of Springfield, in Massachusetts, with branches to the villages of Collinsville and Tariffville; and that when said road was nearly completed—the grading being mostly done and the iron and other materials provided for the superstructure,—the work was stopped by an injunction granted by Judge Ellsworth upon the petition of a person claiming to be the owner of a lot of land over which the Commissioners had located the road, upon the ground that said Company had diverged from the route designated by their charter. Under these circumstances, the Canal Railroad Company soon after leased to the New York and New Haven Railroad Company, the remainder of their road and branches above the village of Plainville, with all the materials for the completion of the same, together with all the rights, privileges and powers to finish said road to the north line of the State—the Canal Railroad Company expressly engaging not to build said road, but conveying to said New York and New Haven Railroad Company liberty to do so at their pleasure; and the said New York and New Haven Railroad Company were bound to return said road at the expiration of the lease, finished, complete, and in good order, provided the legal im-

pediment occasioned by the injunction was removed, which your Committee find was removed by the last General Assembly. It is proper here to observe, that subsequently, the Canal Railroad released the New York and New Haven Railroad Company from their obligation to return the road finished and complete at the expiration of the lease, and consented to receive it back in the same condition in which it then stood, with the same amount of materials of equal quality ; and that the estimated cost of completing the road (\$2,000) which the contractors paid the New York Railroad Company for liberty to discontinue the work, was by said Company paid to the Canal Railroad Company as a consideration for being so released, leaving the New York Railroad Company at liberty to complete the road or not at their pleasure ; thus giving the New York and New Haven Railroad Company, and that Company only, the right to finish said Canal Railroad. It also appeared to your Committee, that after each of the above-named leases were executed, (which are to run until the 1st of July, 1869,) a contract was made between the said New York and New Haven Railroad Company, and the Hartford, New Haven and Springfield Railroad Company, for the same period, whereby, on condition that the latter would give up their day line of steamboats to New York, and for other considerations, the said New York and New Haven Railroad Company was bound *not* to finish the Canal Railroad during the life of said contracts, and *not to connect* with said road if built by any other Company or person ; and further, to pay to said Hartford, New Haven and Springfield Railroad Company, fifty cents for every passenger, and three cents per ton for every mile they might carry any freight, which should come on to said Canal Railroad from said extension if built during the continuance of said leases and contracts. Your Committee find that after the last of these contracts had been formed, the further construction of said road was abandoned, and all the iron and cross ties were removed ; also, that the embankments and excavations made

in the line have remained untouched, to the damage of those through whose lands they run (some of whom had *given* to said Canal Railroad the right of way) and to the great disappointment of the people residing in the valley of the Farmington river, who had been several years striving to obtain a direct Railroad communication with Boston and other places to the East with which they have much business intercourse; which communication they confidently looked for when the Legislature of this State granted to the Canal Railroad Company the right to construct a road to the north line of the State.

Your Committee also found that the New York and New Haven Railroad Company contracted with the Hartford, New Haven and Springfield Railroad Company *not to run in connection with any other road*, in such a manner as to compete with the said Hartford Road, and that said New York Road does not ticket through from New Haven to Hartford by the way of the Canal Railroad, which they might do to the convenience of the public, over the Hartford, Providence and Fishkill Railroad from Plainville, if it were not for their said contract.

Your Committee were informed by Mr. Burrall, Vice President of the New York and New Haven Company, that it would be a violation of the contract between the above-named Companies if the said New York and New Haven Railroad should ticket through from the city of New York to the city of Boston, over the New Haven and New London Railroad, or over the Air Line Railroad, when said roads are built. It is proper to state, that both the New York and New Haven, and the Hartford, New Haven and Springfield Companies, justified the contracts made between them, on the ground that they were thereby able to prevent injurious competition by either Steamboats or Railroads, and that it was good policy for the public that they should do so. Your Committee, however, could not regard the matter in this light, but they consider it an unwarrantable exercise of the power granted them by the Legislature, and that they ought

not thus to defeat the intention of the Legislature to afford Railroad facilities wherever and whenever it might please the Legislature to grant them. Your Committee will further state, that the people in the valley of the Farmington, in connection with the Canal Railroad Company, before the latter leased their extension Road, repeatedly petitioned the Legislature of Massachusetts for liberty to build a Railroad from the north line of this State, at the terminus of said Canal Railroad, to the Western Railroad at or near Springfield; and that the petitioners were always opposed and defeated; and Mr. Pond, the President of the Hartford, New Haven and Springfield Railroad Company, confessed to your Committee that his Company had aided in defeating said petitioners. He also admitted that the person who bought the lot and prayed for the injunction which was granted by Judge Ellsworth, was employed by him for that purpose, in order to stop the progress of the Canal Railroad.

In conclusion, your Committee find that the lease of the Canal Railroad, with all its rights and franchises, to the New York and New Haven Railroad Company, enabled the latter to unite and combine with the Hartford, New Haven and Springfield Railroad Company, and to aid the latter in their endeavors to prevent the extension of said Canal Railroad to Springfield; which endeavors have thus far been successful to the great disappointment and inconvenience of the people of the section through which said Canal Railroad runs.

Your Committee also find that the New York Railroad Company have not run the Canal Railroad under their lease in such manner as to best promote the convenience of the people on its line, for, in the opinion of your Committee, much of the necessity for a Railroad now prayed for by the people of New Britain, to run from that town to the Hartford Road at Berlin, would not exist if the trains on said Canal Railroad had connected at convenient hours with the trains of the Hartford, Providence and Fishkill Railroad at Plainville, from whence it runs through said town of New Britain; which Mr. Bunce, the President of said Hartford,

Providence and Fishkill Railroad Company, informed your Committee he should be glad to do; and your Committee think that such would be the case if the Canal Railroad was operated as an independent road. Your Committee do not find that there has been any intention on the part of the New York Railroad Company to run the Canal Road to the inconvenience of the people on its line; and Mr. Burrall, the Vice President of said New York Road, informed your Committee that he had but recently had his attention called to the subject, and he should be glad to furnish the necessary accommodations so far and as early as possible. The want of this connection now compels the people of the towns below Plainville who wish to go to Hartford, if they would avoid great delay, to come down the Canal Railroad to New Haven and there take the Hartford Railroad, so that your Committee do find, that the lease of the Canal Railroad has been, in the language of the resolution, "to the injury of the public interest." Your Committee are also of opinion that the agreement between the New York and New Haven Railroad Company, and the Hartford, New Haven and Springfield Railroad Company, which secures to the latter privileges which no other Road running from New Haven to Boston can enjoy, gives to said Hartford Road a monopoly which the Legislature never intended any Company should have, and that the people living on the lines of the New Haven and New London Railroad, and the Air Line Railroad, will not, when said Roads are constructed, enjoy the same facilities that they would if no such contract had been made between the said New York and New Haven, and Hartford, New Haven and Springfield Railroad Companies.

By order of the Committee,

LUTHER MEAD, Chairman.

Gaylord Bros.
Makers
Syracuse, N. Y.
PAT. JAN. 21, 1908

