

RAILROAD MANAGEMENT

A NEW OUTLET FROM THE LACKAWANNA VALLEY.

THE BUILDING OF THE NEW-YORK, SUSQUEHANNA AND WESTERN RAILROAD—LIBERAL CONTRACTS MADE WITH EXTENSIVE COAL-PRODUCERS—A GREAT BENEFIT TO THE CITY OF SCRANTON.

SCRANTON, Penn., June 29.—The building of the New-York, Susquehanna and Western Railroad, from Stroudsburg to Scranton, is no longer a matter of doubt. Articles of consolidation were filed a few days ago in Harrisburg, and the company, of which Mr. F. A. Potts is President, has secured sufficient coal lands north and south of this city, in the Lackawanna Valley, to guarantee an annual output of a million and a half tons of anthracite. The last contract was effected yesterday with Mr. John Jermyn, one of the wealthiest individual operators in this region, for 400,000 tons a year. This will be mined from the tract of a thousand acres recently leased by Mr. Jermyn from Pancoast & Price, of Philadelphia, and its development will begin at once. Mr. Jermyn estimates that it contains sufficient coal to continue this contract for a hundred years. The company has a contract with Mr. H. S. Pierce for the delivery of 200,000 tons from a five-hundred-acre tract lying adjacent to Jermyn's property, in Priceville, north of Scranton, and next to this the New-York, Susquehanna and Western Company owns 600 acres, from which 200,000 tons will be produced annually. The property of Jones, Simpson & Howell, 500 acres in extent, is close by, and the owners have contracted for 200,000 tons here, while favorable reports have been made from a seven-hundred-acre tract owned by Winton & Dolph, which will yield 200,000 tons. In addition to these, the company owns 2,500 acres of valuable property, formerly operated by the Pennsylvania Anthracite Company, south of Scranton, from which it expects to produce 400,000 tons a year. Various other coal lands in the vicinity of this place are available, and may possibly be secured.

The work of building the New-York, Susquehanna and Western Road to Stroudsburg and bridging the Delaware is now going on rapidly, and two corps of engineers are surveying separate routes to Scranton. It has not yet been decided whether the road shall enter north or south of the city, but it will connect with all the company's lands along the valley, and may possibly be extended into the Wyoming Valley, where other interests are being negotiated for. A gentleman largely interested in the project gives assurance that the road will be constructed "as rapidly as men and money can build it," and, as an earnest of the company's sincerity, it has furnished some individual operators with money to develop their coal lands. The building of breakers will begin simultaneous with the construction of the road, and it is expected that everything will be in running order in the course of a year or 18 months. The terms of the contracts made with local operators give general satisfaction, and are spoken of as being fair and liberal. They guarantee to the operators 50 per cent. of the price of coal at tide-water. The present terms of the old-established companies are only 40 per cent., and in many cases they are less than this, and are looked upon as unfair and unjust. The "fixed charges" on the New-York, Susquehanna and Western road from Scranton to Jersey City will not exceed \$7,500,000—a very moderate debt when it is considered that the Morris and Essex alone carries \$40,000,000. The general policy of the new road, as proclaimed by its officers, will be of such a liberal nature as to commend itself to the public for a share of the passenger and freight traffic of this region. The road will be built with steel rails, the contract for which has already been made with the Lackawanna Iron and Coal Company of this city, whose extensive works are now running night and day to supply orders from all parts of the country.

Simultaneous with the pushing forward of this project the work of building the New-York, Lackawanna and Western Road—an extension of the Delaware, Lackawanna and Western—is being carried on with great energy between Binghamton and Buffalo, and it is estimated that the 200 miles of double track will be completed by the 1st of September. Mr. W. F. Hallstend, the General Superintendent of the Delaware, Lackawanna and Western, has immediate supervision of the work, and is constantly on the ground. It is now settled that it will connect with Jay Gould's Wabash system, and turn the tide of traffic through this city to New-York. The erection of new iron and steel mills here on an extensive scale is also contemplated and will soon assume practical shape, so that it will be seen that the industrial prospects of Scranton are decidedly favorable to its continued growth and prosperity.

The New York Times

Published: June 30, 1881

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