

The mortgage which the State holds on the Susquehanna and Tidewater Canal for \$1,000,000, continues among her unproductive assets. The Philadelphia and Reading Railroad Company has possession of this canal, under a lease in which the Railroad Company stipulates to pay the State her annual interest of \$60 000 on this mortgage. The Act of 1880, chapter 440 authorized the Treasurer of the State to accept debenture guarantee scrip, with interest coupons attached, of the Railroad Company, for arrears of interest to July 1st, 1879, and the check of the Treasurer of the Company for \$9,000 interest due on said scrip to same date, in settlement with the Company. The scrip and check were forwarded to the Treasurer in advance of the passage of the law, but no settlement has been made, because the check has been protested for non-payment.

The gross receipts of the Tobacco Warehouses
were less last year than the year before by... 13,405 80

The disbursements, exclusive of salaries of the
Tobacco Inspectors, were less by..... 4,155 38

The Act passed by the Legislature of 1878, chapter 386, abolished the office of Supervisor of Tobacco Warehouses, whose salary was \$2,500 per annum, and reduced the salaries of the Inspectors from \$2500 to \$1800 each, of the Chief Clerks from \$1200 to \$1000 each, of the Shipping, Receiving and Weighing Clerks from \$900 to \$800 each, and the per diem of Screwmen from \$2.50 to \$2.00 each, and of laborers from \$2 00 to \$1 50. This Act took effect on the first day of March last. Since then the duties of Supervisor, so far as the examination of accounts is concerned, have devolved upon the Comptroller. I respectfully submit the following exhibit from March 1, to September 30, 1880:

STATE TOBACCO WAREHOUSES.

To gross receipts from March 1st to Sept. 30th, 1880.....	\$50,239 18
Less expenses from March 1st to Sept. 30th, 1880,	43,954 95
Receipts above expenses.....	<u>\$6,284 23</u>