## THE GOVERNOR'S MESSAGE.

To the Honorable the General Assembly of North Carolina:

and the time-honored custom of my predecessors I have the tonor to greet you as the representatives of the people and to confer with you in regard to the state of our Commonwealth. To an ex-ecutive desirous of serving well his State, the meeting of the General Assembly is always the occasion of rejoicing, as it not only brings to his aid the wise counsels of legislators fresh from their constituents, but relieves him of much embarrassing responsibility; I therefore gladly welcome you to the capital and promise to co-operate

means to promote the public good. It is known to you that owing to causes which I need not here attempt to elucidate, the people of the United years past, and still are, passing through a period of most remarkable financial trouble, producing everywhere much distress and even disaster. Of course North Carolina has shared these calamities and her prosperity has been retarded, as has that of others. But I besuffered as little, if not less, by these courage of the future. The public the peace of many States north and and bloodshed.

The crops of the last two seasons rangement referred to, in consequence prices of all products, including labor,

have ruled low. pre-eminently an agricultural State, found in the Atlantic States. The old use, though its utter inefficiency for near-better way than the imposition Of the inconvenience, cost and depress-

construction and repairing be devised. help will not do so, and can refuse to do I am happy to be able to state that an so with impunity. increased interest is manifested among all classes in popular education, This bureau, I desire to call your attention is, I believe, mainly due to the action of to the subject of our forests. I will not the last Legislature in appropriating undertake to point out the many and money for the establishment of normal most important functions which they schools. In accordance with the law | fulfill in the economy of nature, and the board of education established one | which the investigations of scientific for the whites at the University, and men are every day bringing to the atdecided to locate one for the blacks at tention of the world, but will content Fayetteville, in a building tendered by myself with referring to them as a the colored people of that place. They source of wealth, health and fertility, were established on somewhat different and to the fact of their rapid and wastesystems, regard being had to the cir-ful destruction. Depleted as they are, cumstances of each race. It was con- four forests are to-day, perhaps, worth sidered that the white race had already | more intrinsically, properly managed, many educated teachers who simply than the lands they stand upon; whilst needed instruction in the art of teach- the value of those especially which ing, while the blacks needed teachers | shadow the highlands round about the instructed in both the elements of learn- sources of our rivers is simply incalculing and the art of teaching. For the able considered with reference to rainone therefore a six weeks school was falls, destructive floods, &c. The proof held at Chapel Hill during the summer of this is plain to any one who has obvacations, and for the other a permanent school was established in Fayetteville. Both have been remarkably successful-at the first session of the white | shame of | Southern agriculture-old school 225 teachers attended, and at the | fields; and yet, in the face of the insecond one-the past summer, more creasing value of timber and the dethan 400 teachers were present, represerved ereasing value of the lands from which senting about sixty counties. An exi it is ruthlessly swept, the destruction cellent terps of instructors were em, goes on. Many counties already feel ployed, the University gave the use of the evil keenly, and not many years its buildings, its libraries, laboratories, and apparatus. The railroads very gen- the outery will be general. I confess I erously gave reduced rates, the agent of | do not see my way clear to that remedy. the Peabody fund supplemented the I am aware of the difficulty and the appropriation with a handsome dona- danger of interfering with the owners' tion, and every dollar that could be legal right to do what he pleases with spared was used to equalize the benefits his own. If he sees proper to cut down of the State's bounty by paying the all his timber, dry up the springs which traveling expenses of the more indigent. feed our streams, and precipitate his ployed at trades and mechanical work foreclose the mortgage and sell the Lectures by distinguished citizens of soil into their channels, changing their the State on popular themes were de-livered almost daily with the best re-sults. The indicated in the last results and deluging all the low lands of the convicts is better in outdoor will enable the road to live and meet and his children, I can't see how he is whole was to arouse an enthusiastic in- to be hindered. But the people of other | tions I am induced to say that, in my cumulated interest being funded, and terest in behalf of popular education pations are finding means by bonuses, among a large portion of our people, exemption from taxation and other de-and to excite a spirit of honest pride in vices to restore the forests and denuded their noble calling among all the teach- lands; and many of our counties are ers present, which will, it is hoped, do adopting laws, with regard to inclosing much good. The accompanying report | the lands, the effect of which is to reof President Battle is referred to for duce the expenditure of timber for particulars. The colored normal school | farming purposes to the minimum. As at Fayetteville was put in charge of Mr. Robert Harris, a native colored tural people, I commend this whole man of excellent character and capacity, supervised by a board of local managers selected from the best business citizens of the town, who took a great interest in its welfare. It has been managed with unexpected success. The first session opened with fifty-eight pupils, about forty of whom have received ing in the extreme, you will perceive, certificates as teachers, some of high that the quality of the fertilizers sold grade; the second year began with sev- in the State has steadily improved, and enty-four pupils and is now in progress.

The same donation was made to this school by the Peabody fund as to the white school, and the same scheme fact that, knowing their wares were to fact that, knowing their wares were to should be same scheme. adopted to equalize its benefits. The be subject to a rigid scientific test, the

law be made to embrace both sexes, been well managed by their respective swamps might be drained in the same and approved by me to reach this end manner. In this way the increasing caused such local opposition, and subols by permission, yet the board of tion. The Deaf and Dumb and Blind cost of the penitentiary would be kept jected all concerned to the imputation in

which appeared a little ungallant for so Christian a people as ours, who are so of pupils there has been a decrease of 16 well aware that as a general rule our female teachers are better than the males. The excellently worded memorial of the teachers themselves, which accompanies the report of President Battle, is especially commended to your

BOARD OF AGRICULTURE.

The establishment by the last Legislature, in pursuance of the constitution, of a department of agriculture, was a fare of this State. As was to have been expected the law has in some respects proven defective, and will require some amending at your hands, but in the main it is an admirable one. It is the first special effort ever made in the direct interest of agriculture and has been hailed by our farming people with great satisfaction. So far this bureau has cost the people nothing, the tax on the license to sell fertilizers having yielded sufficient revenue for all its purposes. As soon as possible after the passage of the law in 1877, the ormost heartily with you in devising ganization of the board of agriculture was completed by the election of the two intelligent farmers who now occupy seats in it, a commissioner was elected, a secretary and treasurer chosen, States-and in a great measure of the and work begun immediately. For the civilized world-have been for some results of the first two years I refer you to the accompanying report of the commissioner, Col. L. L. Polk, which sets out everything in detail. I regard the beginning as excellent. The chief difficulty in the way of doing any new thing among a people so conservative as ours is in securing their prompt colieve I can truthfully say that she has operation. It was found very difficult at first to awaken an active interest in hard times than her sisters. Looking the operations of the bureau, but the at the whole State and comparing her condition with others, we have abundenlarging. Special attention has been ant reason to be thankful and take given to the analyzing and classification of fertilizers, including marls; to the health has never been better; whilst re-stocking of our rivers with fish, and the pestilence has played with pitti ess | the preparation of a hand-book of inforfury among the homes and pleasant mation concerning the State and its replaces of our Southern and Western sources. Much good has been effected, neighbors, especially of our great daugh- I am sure, and an interest excited that ter Tennessee. The profoundest quiet | will lead to still more. A serious drawand most reverential obedience to legal | back to fish propagation is the numeranthority have prevailed throughout ous dams and obstructions of the our borders, while rioting, robbing and streams; and public sentiment is in defiant lawlessness have disturbed many places prevented from bearing upon the owners of these obstructions west of us, accompanied both by arson | by the sneers of the ignorant and the incredulous. This will disappear when the results are seen, and the laws passhave been excellent and the means of | ed in aid of this important matter will subsistence have never been more then be helped in their execution by a abundant and cheap. The industry of | wiser popular opinion. The trouble our people has been notably increased | with regard to the preparation of a proand diversified; their farms, stock and | per hand book has been the actual imagricultural implements show consider- possibility of getting statistics. The able improvement; and while the pro- duties required of tax-listers under the duction of our cash staples has steadily sixth section of the act establishing the enlarged, the amount of breadstuffs department, have been in seven cases

purchased abroad has visibly diminish- out of ten evaded or openly and defianted. This is an undoubted evidence of ly refused. Additional legislation is needed to make this law effectual. And prise and the legal class of speculation | in this connection I beg permission to requiring more capital have not equally | remark generally, that the vital defect advanced, owing to the financial de- of our laws lies in the machinery provided for their execution. The general of which there has been some distress | tenor of our legislation is excellent, as among our mechanical population, and all who philosophically examine our statutes for a hundred years past will confess; but a large portion of them-Remembering that North Carolina is cften of a most beneficent characterlie dormant and inoperative. There is your legislation should be directed to- no power given to the chief executive wards the improvement of that interest | or any head of a department, to quicken mainly. In this connection I beg to the diligence or rebuke the criminal call your attention to the fact that the | neglect of his subordinates; and many first and perhaps greatest need of an of our best laws take the chance of the agricultural people, thinly scattered local favor or disfavor with which they over a wide extent of territory, is that | may be regarded, and are alive or deac of good highways and easy transporta- as that may be. Proof of this is found tion for persons and products. As a in the number of new statutes in relageneral rule, from the lowland belt tion to subjects concerning which exwestward the highways of our State cellent ones are already in existence. I are as bad, if not worse than, any to be is not a good thing or a healthy sign, perhaps, for a people to multiply greatsystem of locating them and keeping by their list of criminal offences, but for them in repair, adopted by our fathers the curing of this serious defect in the more than a hundred years ago, is still in administration of our laws I can see no ly that length of time has been apparent. heavy penalties for the omission or re fusal, on the part of any public officer, ing tendency upon all industry which to perform any duty which he is requirsuch roads occasion, I need not stop to ed to perform. It has not only been remind you; I shall only beg your earn- found impossible to get the statistics est attention to the necessity for a required under the act establishing the

change, and express my decided opinion | board of agriculture, as before remarkthat no permanent prosperity need be ex- ed, but also to get proper and timely pected unless this grievous evil is remedied. Certain great leading thorough and managers, whilst several counties fares through the most convenient cent in the last election for Congressmen tres, and all pouring into the nearest rail- | failed to send full and proper returns of road lines, might be cheaply and thor- the votes cast, and some even failed to oughly constructed by convict labor, return any at all; and so on through the the counties through which they pass list. It is to the last degree discourage supporting the convicts. And as to the ling to those who carnestly desire to do other roads discharging into these, I ad something for the public good to find vise that some other method for their that those whose special duty it is to

As to the work of the agricultural ped of timber and converted into that hence, if some remedy be not applied, guardians of the interests of an agricul-I call your special attention to the

report of Mr. Harris, to which you are referred, will be as surprising as I am up to the mark, and many others have quit the market altogether.

PENAL AND CHARITABLE INSTITUTIONS.

I sincerely hope the appropriation for both schools may be renewed, and the both schools may be renewed.

Employed an encounty and have an acceptance of the content of the

its establishment. With a large increase per cent. in the total of expenses. As you will see by the superintendent's rean elegant and much needed addition to the main building, at a cost of \$7,576.-55, and have still to their credit in the

Treasury \$7,489.57. Though results have not been quite so satisfactory with the Insane Asylum, very important step indeed to the wel- yet, on the whole, it has done well. Notwithstanding the number of its inmates have increased, and some extraordinary and costly improvements have been made, expenses have been kept down, and it has lived within its appropriation. I recommend that the board be authorized to build on the grounds a separate residence for the superintendent, and that his pay be fixed in cash, as are the salaries of all the other principal officers of the various institutions of the State. I also recommend the repeal of section 29, chapter 6, of Battle's revision, under which the State pays for transporting all patients to and from the asylum, to whom the clerks of the Superior Courts will give a certificate that they have not property sufficient to pay their own expenses. Under that act the State is often imposed upon shamefully. It is the nature of public charities to invite such abuses, custom legitimatizes them, and they become a base for still greater abuses. The only safe way is to use the knife promptly on their first appearance. It is known that much of the laws, as they now stand on the statute book, in relation to each of the asylums and the penitentiary, was abrogated by the decisions Supreme Court in litigation concerning their management about and some legislation has had since in consequence The laws now have to thereof. be read with the decisions of the court to arrive at their meaning. Implication also has to be resorted to in order to supply deficiencies. This makes it extremely inconvenient for the board and all concerned, who sometimes have to consult counsel before performing a plain duty. I recommend that the various acts regulating these institutions be re-enacted, striking out those features declared void by the court, and

the whole simplified and connected so as to be easily understood by all. The work on the Western Insane Asy um has been fully commensurate with the appropriations. The report of the commissioners will give all the particilars. No work ever undertaken for the State has been done better or more cheaply, and when finished, all its surroundings considered, it will, in the ppinion of many, be the most desirable institution of the kind in the United States. I trust that a sufficient appropriation will be made to finish the wing ow so near completion, and furnish it for the reception of patients. This can be done at an early period of the summer of 1880, and will give much relief to many distressing cases which cannot find room in the asylum at Raleigh.

For reasons well known to all who are acquainted with the state of the treasury, but little has been done toward providing an asylum for the col-An appropriation of \$20,000 was made by the last Legislature, but no tax was levied to raise money, and at an early day the treasurer notified me hat he could not pay my warrants. nwilling to do nothing toward an obect so much needed, I appointed a poard of commissioners, as the act rejuired, and requested them at least to select a location and make a beginning. After proper deliberation and examinaion the board finally located the asyum near Goldsboro, as being near the center of our colored population, and surchased a beautiful site containing 170 acres on the railroad and Little river, within one mile of the town, for \$5,000, a large part of which is farming A design has been accepted and the foundation of the building laid, as will appear by the report of the commissioners. It now remains for you to provide means to erect the buildings, which I respectfully recommend be done The care of our insane is a heavy and growing burden, but humanity and the constitution are alike imperative that it shall be done at State expense. Let us not try to evade a plain duty, but face it manfully, using due care to prevent extravagance and waste in the manner of

THE PENITENTIARY.

The penitentiary system of dealing with our criminals is comparatively new in this State, and as it is now by far the most costly of all our institutions, and is almost daily becoming more so, everything pertaining to it is deserving of your earnest attention. The main idea of such a system is to punish offenders with hard labor, either to reform or deter them and others from the commission of crime. The economic problem is to make this labor support the institution. The plan adopted at present is much more than doing this if the work being done by the convicts was paid for in cash. The number of convicts now on hand and their distribution is shown by the report of the very competent and energetic board of directors and superintendent, sent herewith. The able force kept in the enclosure has been constantly employed upon the walls and buildings, and by placing a cash valuation upon the work done, it will be seen that they have earned handsome wages over and beyond their keep. The returns from those engaged on the various railroads show greater wages , valuing their work by engineers' estimates. These estimates are very liberal toward the company for whom the work is done, yet it will be seen that the convicts have earned more than four times the minimum fixed by the Legislature at which the companies

VALUE OF CONVICT LABOR.

From this we may draw some valuable conclusions: 1. That convict labor is almost if not

'2. That convict labor is more valuable used in this kind of work than em-

in close confinement. opinion, it is our policy to provide labor | time of payment extended, the bondfor them on public works altogether, holders surrendering \$10,000 of bonds after the completion of the penitentiary buildings, leaving within its walls only such as from feebleness or the nature | board, it was apparently in the last exof their crimes cannot be sent outside. tremity of exhaustion. Its road-bed, In addition to the completion of the track and bridges, worn out and unsafe, roads begun by the State, and to which its rolling stock run down, its employes labor has been already assigned, there unpaid, its interest really twelve months are a number of local railroads and in default, and a floating debt of about turnpikes greatly desired in many parts \$27,000 due-all this has been changed. of the State, and valuable swamp lands to be drained, at which convicts might be employed with great profit to the debt has all been paid, employes are State, the counties or communities suppaid off weekly, arrangements made to porting the convicts. I think that adjust its bonded debt, an old tax debt whenever any county or community due the United, States compromised at will obtain a charter for building a \$6,500 is being paid at the rate of \$500 railroad or a turnpike, or draining a per month, \$1,500 being already paid; swamp or dyking a river, and will un- and the president reports \$10,000 in the dertake to support the hands they should treasury on the 1st of January to meet be given the convict labor. There are the interest when the first installment many fertile valleys of greater or less becomes due in July next. Its gross reextent, remote from railroad facilities, ceipts for 1877 were about 12 per cent. such as the great valley of the Yadkin greater than the year previous, and up from Salisbury to Patterson, where to date of report were still greater for well-to do farmers I am sure would be 1878. These are certainly very gratifyinduced to attempt the building of nar- ing results, and give positive assurance PENAL AND CHARITABLE INSTITUTIONS. row gauge railroads if they were given that the road can take care of itse f, if the necessary labor; and many excelrow gauge railroads if they were given that the road can take care of itse f, if the necessary labor; and many excellent turnpikes would be constructed as feeders to our railroads, and many rich feeders to our railroads, and many rich to me that the plan adopted by the board office of the Circuit Court of the United

DYKES FOR THE ROANOKE.

As a further illustration of this idea, I beg leave to call your attention to the situation of that rich and once productive region, the Roanoke country below Veldon. At one time the Egypt of our state and a source of great wealth to our people, those splendid and inexhaustible lands are fast becoming a wilderness by reason of the destruction of the levees which confined the Roanoke within its banks. In the demoralized state of labor there and the reduced condition of the planters, it has been found impossible to replace them, and the whole region will be lost to the State for generations if something is not done to reclaim it. If the counties or citizens interested will undertake to support the convicts and their guard, I recommend that sufficient force be furnised them to rebuild those levees and thus rescue that important portion of our State from ruin, and enable the citizens thereof to recover their prosperity, and increase greatly the public wealth. It is entirely practicable as I am informed.

RAILROADS. The public works have been pushed forward with energy and economy. regret exceedingly that the management has not been able to have the cars on the Western North Carolina Railroad running across the Blue Ridge by this time, as was confidently expected when your predecessors adjourned. No energy or determination has been wanting, but insuperable obstacles were found in the nature of the country and all the objects provided by law. The the insufficiency of funds. Naked labor can make little progress in such work as cutting a railroad track through our Western mountains, unaided by all the modern appliances and material now used in such operations, and which cost more money than the company could command. Owing to the geological peculiarities of the formations through which the track is cut, vast slides of earth and rock, some of them as great as ifteen acres of surface, have been continually falling into the track as fast as t could be removed. But the work is now almost done, day-light is nearly through the great tunnel. In a few weeks from this day the engine will pass the summit, and the track can be completed to Asheville easily by mid-

summer. Owing to the condition of the treasury, I did not purchase the whole mittees of the last General Assembly, amount of iron which I was authorized by law to buy, though greatly tempted to do so by the low price for which it was offered. About twelve miles of rails only were purchased, the cost of in the market. By the reports of Maj. y \$100,000 per annum, or \$200,000 for the years 1877-78, being about \$236.00 per annum, per hand gross. The cost of supporting, guarding and overseeing them has been for the same time about \$98,000. Their health has been excellent. As nearly as can be ascertained their net earnings, deducting everything and including the sick, the women and all others not at work on the road from

any cause, is 121.50 per hand. On the whole the experiment of constructing that road by the convict labor has been a success. I hope it will be continued, the number kept up and every necessary step taken by your body to finish the road to its Western con-

nections as heretofore agreed upon. The squad of hands employed on the Georgia and North Carolina Railroad has finished grading to the town of Murphy, in Cherokee county. I have received no official report of the work. Col. L. C. Jones, president of the Western Railroad, makes a very flatreport of the progress work done by the convicts on his line. Having determined to extend it in the direction of Greensboro, the company began work at or near Egypt in March, 1878, with 100 convicts, and there is a good prospect of soon seeing this road completed to Greensboro. It will open out a fine section and be a great benefit to the country through which it passes, to Fayette-ville and to Wilmington. The hands on this road have earned net about \$

per head. The Chester & Lenoir Narrow Gauge Railroad company has finished its line to Dallas, in Gaston county, and the grading to Newton on the Western North Carolina Railroad. From that point to Lenoir, the greater part of the grading is done, and the work is being pushed with enery. They have been furnished with fifty convicts, and the number has been kept up. I cordially commend this enterprise to your favor. It is reaching out in a direction perhaps more important to the welfare of he State than that of any other railroad, except the Western North Caro-It not only points towards the most remarkable and extensive iron and copper mines in the South—Cran-berry and the Ore Knob—but also the salt, lime and plaster deposits of Washington county, Virginia, the cheap importation of which would probably do more to renovate the agriculture of our State than anything which could per-haps be devised. I regret to say that work on the Spartanburg & Asheville Railroad has been suspended, just as it has attained the crossing at the Blue Ridge into the beautiful valley of the French Broad. Two hundred hands and been kept with that company under a contract made before I came into office, at a small thire, which contract was respected by my board until last September, when finding the company in a failing condition, and unable to pay, the hands were withdrawn, and placed on the Western North Carolina work, beyond the ridge.

The Atlantic & North Carolina Raiload has been environed with difficulties ever since my decession to office, some of which were called to the attention of the last Legislature: a suit bequite as valuable for road construction | gun in the State courts to impeach the validity of the mortgage bonds, on the ground of usury, was followed by a counter suit in the Federal courts to These have at length been comand coupons to be canceled. When it came into the hands of the present

education did not feel at liberty to expect the desire of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the board and they were officers of the internal down, and a vast benefit to the people that the great desire of the board and they were officers of the board and they w pursued without regard to private inthat when results are seen, these unjust impressions will be removed.

ANGOLA BAY. It is also a source of regret that the work of cutting a canal through Angola Bay was not undertaken as provided by law. The board were ready to do so at my request, and offered the convicts; but found it practically impossible to do the work, owing to the omission of the act to provide the necessary means for its execution, there being authority for neither a survey to be made, overseers to be employed, nor implements to be purchased by the board. A little amendment to the law in this respect will enable the work to be done promptly.

NAVIGABLE WATERS. ble waters. Surveys of the Neuse, the or contemplation; and if reported upon favorably, I would suggest that a resolution of your honorable body in this behalf would materially strengthen the hands of our representatives in Congress in obtaining the necessary appropriations.

FINANCIAL.

The treasurer's report will engage your earnest attention. You will see that whilst the utmost economy has been practiced, yet the funds in his hands have not been sufficient to meet reason is simply that the last Legislature increased the appropriations without increasing the taxes. But little over half of the \$140,000 appropriated to buy iron for the Western North Carolina Railroad has been expended, none of the \$20,000 appropriated to the colored insane asylum, whilst \$15,000 of the sum given to the Western insane asylum was paid out of this year's taxes. All other small items which could be so postponed have been carried over into this year's account in order that the treasurer should not be compelled to borrow. This deficiency, it will be noted, is only in regard to the special appropriations, and is to some extent attributable to the lengthening of the fiscal year from October to January. It is to be regretted, and I have no doubt is very surprising to the finance comwho thought the tax bill would yield

sufficient revenue; and so it would, and more, under a better scheme of assessment. I cannot conceive it possible to devise one which would operate more the whole being a little over \$75,000. | unequally, unjustly or prejudicially to The remainder of the appropriation will furnish the iron necessary to reach Asheville unless it should rise greatly the values of property situated in the same locality and of the same charac-Wilson, president, it will be seen that ter, are as variant and unequal as the the earnings, by his estimates as en- avoided, arbitary, and often indifferent cases have accordingly been prepared simply respites. Counting those in congineer, of 427 hands (about the average | opinions of the assessors may chance to anywhere within the neighborhood of its value, but that does not matter; the essential idea is to have the assessment bear the same uniform proportion to the true value of the property taxed. Unless this is secured, one man pays a vastly higher tax than his neighbor, and one township or county than the adjoining township or county, and it is in the power-and often happens in practice—of the county assessors and commissioners to defeat the will of the Legislature by lowering the assessments. It becomes also a heavy tax on honesty, and compels the conscientious man to pay sometimes double or treble the tax paid by his less scrupulous neighbor. A remedy for this eyil is demanded alike by justice and good policy. What that remedy shall be your wisdom must devise. We do not want an increase of taxes but an equalization of taxes, and a faithful collection of those which are levied. My own opinion is that the treasurer, auditor, or other State officers, be authorized to act as a State board of assessors, with power to supervise and equalize the assessment of the county officials whose lists should be submitted to it; and it should have authority to summon witnesses, hear testimony, &c., and if the county assessors were chosen by this State board it seems to me we would

almost have a guaranty that uniformity could be secured So, too, some disposition should be made relative to the lands sold for taxes and bought in for the State. For ten years these lands have been accumulating, until, as the report of the Secretary of State informs me, there are now in his office sheriff's deeds for 1756 tracts and lots of real estate, representing taxes to the amount of nearly \$17,000, on which the time for redemption has expired, and the State's title is absolute. pily in possession, whilst their defaults go to swell the taxes of their neighbors. refer to the treasurer's report for a statement of the annual expenditures of the government, which is so clearly set

forth as to need no comment from me. The public bebt, it will be seen by the reasurer's report, amounts to \$16,960,-45 principal and \$10,160,182.25 interest. This is known as the recognized debt, as contradistinguished from the special tax bonds. What shall be done with it is a question that deserves your best consideration. It is out of the question for us to attempt to pay it at its face value. Indeed I do not conceived that there is any moral obligation on us to do so; nor do our creditors expect it of us. Quite one-half of our property upon which our bonds were based was wanttonly destroyed by consent of a large majority of those who held them, and no court of conscience upon the earth would permit a creditor to destroy onehalf of his security and claim full payment out of the remainder. But we can and should pay something. The

resolution of last session constituting the Governor, Treasurer and Attorney-General, a committee to confer with our creditors, gave no power to make or accept any proposition whatever; and so an invitation to visit New York to confer with the holders of our bonds was declined as the accompanying cor-respondence will show. Besides this no attempt to open negotiations with us has been made. But I have grounds to believe that very reasonable terms indeed can be obtained if we evince a determination to settle the question and be done with it. I refer exclusively to what is known as the "recognized" debt. In order that it may be made still more So far as the special tax bonds are concerned, my opinion as expressed to your predecessors, remains unchanged—that they are not binding either in law or good morals, unless it may be as to a very small fraction honestly appropriated to the State's use and accepted by her. For one I vow my readiness to. co-operate with you to the full extent of my power in devising the method and bearing the burthens of an honorable adjustment of all our indebtedness, as something which sooner or later will have to be done alike for the sake of our good name and our future pros-

FEDERAL INTERFERENCE WITH STATE COURTS.

I also call your attention to certain matters which have occurred since your last session, and which give rise to questions of difficulty and grave importance, involving a serious conflict between the laws of the United States

and those of the State. At the fall term, 1876, of the Superior Court of Guilford county, one Hoskins and two others were indicted States for the western district of North

terests. I believe and earnestly hope them in the bill of indictment I have mentioned were committed under color of their office; they therefore prayed that the prosecution against them should be removed from the State Court to the Chernit of the state court to the state cou to the Circuit Court, in pursuance of an act of Congress now embodied in section 643 of the Revised Statutes of the United States, and which provides that criminal prosecutions commenced in any court of a State against any officer acting by authority of any revenue law of the United States, on account of any act done under color of his office, may at any time before trial be removed for trial into the Circuit Court next to be holden in the district where such prosecutions are pending. The prayer of the petition having been granted, a copy of the order removing the case was, on It is gratifying to see that the general | the 5th of March, 1877, served upon the government has begun to take an inter- | clerk of the Superior Court of Guilford est in the improvement of our naviga- county, and when, at the ensuing spring term of that court, the case was called, Yadkin and the Catawba are in progress | the defendants objected to further proceedings in the State Court, upon the ground that the court no longer has jurisdiction of the case. Upon argument before the Hon. William R. Cox, then holding the Guilford Superior Court, that officer was of opinion that creased to \$600. His duties are now he could proceed no further in the matter, and so decided. From his decision the solicitor for the State appealed to the Supreme Court. Recognizing the important and delicate nature of the question presented, I and a small sum levied as an equivalent deemed it to be my duty to assist the for exemption from duty for the benefit deliberations of the Supreme Court of the school fund, as provided in the with argument from counsel learned in | constitution. the law. I accordingly employed counsel to aid the Attorney General in presenting to the court the views entertained by the government of the State. After a full discussion by counsel, the Supreme Court, with one dissenting original are kept and enrolled. Some that were passed by your predecessors ment of the lower court, and dismissed the appeal. The same question was presented to the Supreme Court at the same time in the case of the State against William Deaver appealed at the spring term, 1877, of the Superior Court of Rutherford county, from the judgment of the Hon. John M. Cloud, the judge presiding. Deaver and another

> removal similar to that obtained by Hoskins. The decision of the Supreme Court was the same in both cases. Impressed with the importance directed the State's counsel to carry, by writ of error, both cases to the Supreme Court of the United States, where alone such questions of such a nature can be finally decided. Transcripts of the and forwarded, and the cases are now ending in the Supreme Court. I am advised, however, by the State's counsel Federal Supreme Court, which will prevent an adjudication in these cases of the question I desired to have presented. I have reason to believe that similar difficulties have arisen in other States, and that public attention and

had been indicted for a conspiracy to

extort money from one Henry Summit

and had obtained from the Circuit

Court of the United States an order of

discussion has been excited thereby. I therefore refer it to your honorable body to decide whether I shall further prosecute the cases now depending in the Supreme Court of the United States; or whether it more comports with the dignity and gravity of the question, that you should instruct your Senators and request your representatives in Congress to call the attention of that honorable body to the fact that persons indicted under the criminal laws of this State are seeking and obtaining immunity from prosecution, under a Federal law enacted for the only purpose of protecting the collections of the internal revenue of the United States.

An indictment inaugurated by Governor Caldwell, in Wake Superior Court in 1874, against G. W. Swepson and M. S. Littlefield having been tried, as was alleged, before Judge Watts in 1875, and taken by certiorari to the Supreme Court and being continued there until August last, was then decided upon and case remanded for a new trial. The circumstances are all set out with particularity in said decisions, reported in 79 N. C., to which you are referred. Under a resolution of the Legislature ratified on the 16th of February, 1874, I employed counsel to assist. An amended bill against both defendants was found for obtaining money under false pretences, and the case now stands for trial. It is alleged, however, that a compromise was made between parties acting for Swepson and the Western Division of the W. N. C. R. R. Com'y, which by implication binds the State not to prosecute. I did not wish, if I possessed the right, to take the responsibility of deciding whether it does or does not, and so refused to interfere with the due course of law. I respectfully ask your will in the premises, and forbear further remarks as manifestly improper upon a case now before the

courts.

STATES. The property of the State, once called the Confederate Hospital, now known as the United States barracks in this city, has been occupied by the United States ever since 1865; and although the troops have long since been removed, possession or payment for its use have othebeen refused contrary, as it seems ome, to both law and public comity. In accordance with a resolution of the last General Assembly, I also ap- so interesting, valuable and readable. plied to the Secretary of War to restore the official letter-books of the executive this State taken by military authority in 1865, or to permit me to make a copy to supply the place of the Raleigh who sent it to us in advance original in this office. Both requests were refused. The correspondence between the Secretary of War and myself in relation to the barracks and the letter-books, is herewith submited. we been forced to wait for the coming My opinion in regard to these matters of the Raleigh papers. A reading of being intimated in the correspondence tself, I make no further comment.

The State geological survey having been made a co-worker with the board day morning; but a reading of the of agriculture, its usefulness has been whole is necessary to enable one to put thereby greatly increased to the people. to meet the popular needs, I recommend that it be placed under the direction of the board of agriculture, of which the State Geologist is ex officio a member, instead of the board of education, as at present. I am satisfied that the dissatisfaction which has respects creditable to its distinguished for a long while existed with a portion author. To the great majority of the of our people towards this most valuable and important work, has arisen from a failure of the latter board to direct the labors of the geologist in but these we cannot undertake to disthose channels in which the majority cuss in the present issue of the paperof the public feel most immediate For the present we merely allude to interest. The board of agriculture, constituted as it is, can surely do this; and if so, good results may be anticipated.

THE UNIVERSITY. The success which has attended the efforts to revive the university is gratifying in the extreme. The number of students is constantly increasing, a large proportion of whom receive tuition free—the course of study is practical and thorough, the corps of professors is ample and excellent, and the administration of President Battle has proven able and untiring. I commend most | caucus afterwards "pented" itself and heartily to your favor this cherished memorial of the wisdom and patriotism

of our fathers. Curolina, their petition under oath. To the unceasing energy and persevelar turn in which Turner's manifests in which they set forth that rance of Adjutant-General Jones we itself.

and a secretary of the second

are indebted for the nucleus of an excellent volunteer militia organizationthe State Guards. Two brigades of white and eleven companies of colored allowance from the general government. The great majority of them are excellent, industrious young men, the flower of the communities where they live, and not likely to sympathize in any way with lawlessness and riot. In case of emergency they would be invaluable for maintaining order and enforcing the laws. To all appearances the col ored companies are equally well disposed and deserving of encouragement. earnestly call your attention to the memorial from the officers of this organization suggesting the means of surporting it and promoting its efficiency The cost of uniforms, loss of time and expense of rationing themselves when assembling for parades, reviews, &c., fall quite heavily on them.

The State Guard really do all the duty and fill all the functions of the whole militia contemplated in the constitution. and should be encouraged and supported liberally. I respectfully recommend that the Adjutant-General's pay be inconsiderable, and are daily increasing n laboriousness and usefulness, Provision also should be made for a

speedy and cheap enrollment of the militia by the tax-listers, or otherwise

ACTS OF THE LEGISLATURE. Complaint is frequently made by the Secretary of State and others, at the careless and insufficient manner in which many of the acts and laws in the that were passed by your predecessors were lost entirely, to some the amendments were lost, and could not be supplied from the journals, being often mere scraps of paper pinned to the originals which were lest in handling, together with other inaccuracies, which made it difficult to prepare proper copies for the printer. I trust your committees and clerks will remove all further trouble in these respects. It is of sufficient importance to be looked after

closely. EXECUTIVE CLEMENCY.

Much criticism has been made upon this and preceding administrations in regard to the exercise of executive clemency toward criminals. In accordhaving the earliest possible settlement | ance with law, I herewith submit a list of a question of so great moment, I of those to whom elemency has been extended by me, with a brief statement of the reasons which influenced my action in each case. It will be seen that the number amounts in all to 106, of which 13 were commutations and 3 were finement at the beginning of my term and those convicted of offences during the past two years, the whole number that there may be difficulties growing of offenders cannot fall short of 3,000, out of the peculiar constitution of the of which those pardoned and commuted would be one and one-half per cent. per annum. It is quite possible that in some cases I have been imposed upon, though in most cases of importance I have made it a rule to consult both judge and solicitor, and obtain their approval. And it may also be that in some cases I have yielded to the importunity of friendshuman nature could scarcely avoid this in a government like ours-but in the vast majority of the cases acted on, I exercised this grand and majestic attribute of the collective sovereignty of the people, with a sincere desire to promote the public good, and in the fear of that God who is to pardon our transgressions, as we trust. The subject of the proper exercise of this prerogative is so grave, the responsibility—especially in capital cases—is so great, that the criticism of those unacquainted with the facts is often dangerous as well as unjust, as tending to force executive action one way or the other contrary to judgment or conscience. I have tried to avoid this; but it is hard to hold the balance even amid such complicating clamor. If error there has been-and undoubtedly there was some—I am glad

to believe that it was on mercy's side. The reports of the Secretary of State, Auditor, and Superintendent of Public Instruction are herewith sent and commended to your attention. They evince economy and faithful work on the part of those officers. The Auditor requests to me to say that he reserves his special suggestions for the various committees of your honorable body, before which he will appear from time to time.

The superintendent's report shows an encouraging increase in the receipts and expenditures of the school fund and in he attendance of pupils. I also send in a communication and

report from the Grand Lodge of Masons in this State relative to the Oxford Asylum for Orphans, and commend it to your attention, in connection with section 8, art. XI, of the constitution. And now, gentlemen, having briefly reviewed the condition of affairs and made such suggestions as I deem calculated to aid you in the performance of your important duties, I commend

you to the Spirit of all Wisdom, praying that your labors may be such as will redound to the welfare of the great peoole whose servants we are. Very respectfully, Your fellow-citizen,

Z. B. VANCE. THE GOVERNOR'S MESSAGE.

We surrender this page to-day to the Governor's message, and wish we could fill it every day in the year with matter ciated thoughtfulness of a friend in sheets, enabling us thereby to print it twenty-four hours earlier than we would have been able to have done had the document will show how intelligently its leading ideas were covered by our Raleigh special, printed yestera proper estimate upon its ability, its comprehensiveness and the evidences of statesmanship which mark the document in so peculiar a manner. The message is written in a singularly vigorous and attractive style, and is in all suggestions which its contains this journal has all along been fully committed. the document in these general terms. To-morrow we shall review it more at length. Meantime we commend its careful perusal to every person to whose hands this paper shall come.

The Raleigh News fairly blasts the Democratic caucus of the lower house of the General Assembly for having admitted Jo. Turner to its first day's deliberations, and its strictures are quite just. It is gratifying to know that the expelled him. No traitors must be admitted into the camp-particularly none whose treachery takes the particu-