Message of the Governor.

[illegible]

[illegible] the people of the country will be disturbed.

The year now closing has been mild [illegible] has been prosperous [illegible] has been protected from all great public [illegible] during the year [illegible] for a time [illegible] health [illegible] of our people [illegible] the crops [illegible] the year [illegible] the State [illegible] the Western Counties of this State [illegible] and it is expected that during the year [illegible] will be surveyed and much of the work put in the market. While I do not [illegible] the Western Counties of this State [illegible] Blue Ridge and the other to Dobbins [illegible] open to immigration and will present to [illegible] and benefit a region of the State which has lain [illegible] and which is equal to any in the world in natural resources. There is no work to which the people of the State are more [illegible] than by interest and inclination [illegible] every confidence that [illegible] will pass it to speedy completion.

[illegible]

We have great cause to be thankful to Almighty God for the manifold blessings which He is bestowing upon us, and we can confidently look forward, under His protection and guidance, to a continuance of prosperity and happiness which we have not heretofore enjoyed.

STATE DEBT AND FINANCES.

The State debt and finances will doubtless receive the thoughtful and careful consideration of the General Assembly.

The amount of the State debt on the 1st of October, 1868, was nineteen million two hundred and nine thousand nine hundred and forty-five dollars. ($19,209,945.) This includes estimated amount of past due interest to be funded under act of August 20, 1868, of two millions of dollars. ($2,000,000.) The above amount ($19,209,945.) is inclusive of bonds issued for internal improvements since May 20, 1861, and prior to the year 1866. The amount of these bonds is one million one hundred and twenty-eight thousand dollars. ($1,128,000.) And the estimated interest thereon due and to accrue, hundred and eighty thousand five hundred and ten dollars. ($180,510.)

The amount of interest which has accrued October 1st, 1868, and has been funded, is one hundred and twelve thousand one hundred and one dollars. ($112,101.) The interest maturing at subsequent dates during the present fiscal year is as follows: January 1st, 1869, three hundred and eight thousand one hundred and ninety-seven dollars. ($308,197.) April 1st, 1869, three hundred and four thousand one hundred and one dollars. ($304,101.) July 1st, 1869, three hundred and eight thousand one hundred and ninety-seven dollars. ($308,197.) Total for fiscal year ending September 30, 1869, one million thirty-two thousand five hundred and ninety-six dollars. ($1,032,596.) The amount of interest accrued and to accrue due April 1st, 1869, including interest on bonds four hundred and twenty thousand dollars, ($420,000) yet to be issued, bearing date October 1st, 1868.

The amount in the hands of the Public Treasurer on the 1st of October, 1868, was one hundred and thirty thousand three hundred and four dollars and eighty-four cents. ($130,304 84.) The amount from taxes including payments in advance [illegible] dollars and [illegible] cents. ($[illegible].) The taxes from railroad companies [illegible] paid, but we expect an appropriation of [illegible] dollars ($75,000) from this source.

The estimated public expenses of the State government during the present fiscal year will be three hundred and seventy-five thousand two hundred and forty dollars. ($375,240.) Add interest falling due during the fiscal year, one million thirty-two thousand five hundred and ninety-six dollars. ($1,032,596.) will leave the amount to be provided for one million four hundred and seven thousand eight hundred and twenty-six dollars. ($1,407,826.) To meet this the Treasurer will have fifty thousand thirty-four dollars and eighty-four cents. ($50,034 84.) after paying one hundred thousand dollars ($100,000) temporary loan, taxes received since October 1st, 1868, ninety-five thousand one hundred and ninety-six dollars and thirty-seven cents. ($95,196 37.) estimated taxes due, seventy-five thousand dollars; ($75,000.) proceeds of sale of North Carolina railroad bonds, one hundred and seventeen thousand six hundred dollars; ($117,600.) making a total of three hundred and thirty-seven thousand eight hundred and thirty-one dollars and twenty-one cents; ($337,831 21.) leaving the amount of one million and sixty-nine thousand nine hundred and ninety-four dollars and seventy-nine cents, $1,069,994 79.) to be provided for by taxation during the present fiscal year.

The stocks and bonds held by the State in corporations, and interest due from said corporations, is as follows: Stocks, eight million five hundred and thirty-four thousand five hundred dollars. ($8,534,500.) Bonds, four million two hundred and thirty-four thousand dollars. ($4,234,000.) Interest, four hundred and seventy-two thousand five hundred dollars. ($472,500.) Making a total of thirteen million two hundred and forty-one thousand dollars. ($13,241,000.)

I recommend that some mode be provided to ensure the payment of this interest, and of such interest as may be due the State in future from corporations.

The report of the Public Treasurer will contain full details of the public debt, with recommendations as to the best means for providing for interest. I have full confidence in that officer, and respectfully commend his statements and views to the consideration of the General Assembly.

The estimated value of all the property in the State, lands and their improvements included, is two hundred and fifty millions of dollars. ($250,000,000.) I do not regard this as an extravagant estimate, but assuming that it is, and putting it at two hundred millions, ($200,000,000.) it is clear that the people of the State are fully able to carry on their government and at the same time provide for the payment of the interest on their debt. An ad valorem tax of five per cent on two hundred millions would raise two millions. A tax of half per cent, I do not regard as a million. A citizen worth five thousand dollars clear of debt, would pay twenty-five dollars to the State, in order to raise the million that will be necessary—and so on in proportion. The interest on the State debt should be paid promptly and in good faith, and the taxes necessary to meet it should be levied. The constitution which we have all sworn to support, provides that the public debt "shall never be questioned." If we hesitate to meet the interest of the debt, or if we fail from any cause to meet it, we [illegible]

[illegible] to our solemn obligation. I believe that the respected Assembly will respond, and that the people of the State will cheerfully pay whatever amount may be necessary to meet the interest on the debt. I believe it will be popular to make such provision. But whether popular or not it should be done. The good faith of the State is pledged. Shall it be redeemed? I believe it will be. I believe it will be done. The people have spoken in favor of the Union [illegible] and the Constitution [illegible] and I believe it will be done. The people are prosperous to discharge the obligations of the State.

[illegible]

The people of the State are now fully convinced of the necessity of the Internal Improvements which the General Assembly of 1868 undertook to inaugurate. The people are now ready to pay their share of the expense. The work should be prosecuted with vigor. The Western Counties should be opened up. The Blue Ridge should be penetrated by railroads. The Piedmont Counties should be connected with the Western Counties. The Cape Fear should be made navigable. The Roanoke should be improved. The Chowan should be improved. The Neuse should be improved. The Tar should be improved. The Yadkin should be improved. The Catawba should be improved. The Broad should be improved. The Saluda should be improved. The Pee Dee should be improved. The Lumber should be improved