

Message of the Governor.

EXECUTIVE DEPARTMENT,

Raleigh, November 17, 1868.

To the General Assembly of North Carolina:

GENTLEMEN.—It is proper that at your first regular session under the new Constitution, I should lay before you "Information of the affairs of the State," and recommend to your consideration such measures as may be deemed expedient.

The people of the State have reconstructed their government on the basis of the equal rights of all. The State is quiet and tranquil. There is no ground for apprehension that treason will again be attempted, or that the peace of the country will be disturbed.

The year now closing has been richly endowed with harvests. The seasons have been propitious. A plentiful supply of bread has been produced for our whole population, so that want in this respect will not be felt during the coming year by any who will labor for a living. Products of all kinds have been gathered in abundance. The staples of cotton and tobacco are affording fair returns to the soil. We have preserved these while from timber and naval stores a considerable portion of our people are realizing good returns, as in former years. Our commerce is increasing. Our mineral resources are since more in process of development. Our railroads are recovering from the suppression under which they formerly labored, and promising better returns than heretofore in the State and to the Stockholders; while new lines of communication are being laid out, destined to penetrate and develop the great natural resources of portions of the State heretofore untouched by the hand of improvement. The State credit has been re-established on a solid basis, thus giving promise that at no distant day the bonds of the State will command as much in the market as those of the most favored and prosperous States.

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, for a condition 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, 1869, was nineteen million two hundred and nine thousand five hundred and forty-five dollars, (\$19,209,945). This includes estimated amount of post 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 improvement purposes since May 20, 1861, and prior to the year 1868. 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 unpaid is one hundred and eighty thousand five hundred and ten dollars (\$180,510).

The amount of interest which has matured, October 1st, 1868, and been paid in cash, 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 October 30, 1869, one million thirty-two thousand four hundred and ninety-six dollars, (\$1,032,596). The amount of interest above stated as due April 1st, 1869, includes interest on bonds four millions five hundred thousand dollars, (\$4,500,000), yet to be issued, bearing date October 1st, 1869.

The balance remaining in the hands of the Public Treasurer October 1st, 1868, was one hundred and fifty thousand thirty-four dollars and thirty-eight cents, (\$150,034.84). The amount from taxes, including payments in October, is two hundred and twenty-six thousand seven hundred and six dollars forty-two cents, (\$226,706.42). The taxes from several counties remain unpaid, but we cannot expect more than seventy-five thousand dollars (\$75,000) from this source.

The estimated probable 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 fiscal year of 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, (\$1,405,826). 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, (\$95,195.37), 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 thirteen million two hundred and forty-one thousand dollars, (\$13,241,600) 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 thousand dollars, (\$8,034,000); 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, (\$13,241,600).

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 for its corporations.

The report of the Public Treasurer will relate 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 one cent on two hundred millions would raise two million dollars. At half per cent, it would be one 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 met 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 to meet it, then we thereby "question" the debt, and do violence

to our solemn obligation. I believe that the General Assembly during its present session provide for a general and uniform system of public schools. The schools for the white and colored children should be separate, but in other respects they should be indiscriminate in the character of the schools, or in the education need, to support them.

The Board of Education and Trustees of the University will doubtless make reports to the General Assembly at an early day as to the condition of the educational interests en titled to them. Both these Boards are fully organized, and have transacted some important business.

EDUCATIONAL INSTITUTIONS.

The people of the State are fully committed to internal improvements that I deem it necessary to say but little on the subject. The case of the rebellion State has been extended to the Wilmington, Charlotte and Rutherford Road—in the Fayetteville and Western Road—in the Charlotte and Columbia Road—in the Tarborough and Williamson Road, and to the Western North Carolina Road. The work on the latter Road is being vigorously prosecuted by between Morganton and Asheville. A company has been organized, under an act of the General Assembly at its last session, for the Western Division of this Road, and it is expected that during the coming year the road will be surveyed, and much of the work put under contract. While I would properly estimate the importance of other improvements referred to, I could not overstate the value of the extension west of the Blue Ridge. These Roads, one to Piney Hook, and the other to Black Mountain, will open up immigration, and will greatly improve roads between the State and to the Stockholders; while new lines of communication are being laid out, destined to penetrate and develop the great natural resources of portions of the State heretofore untouched by the hand of improvement. The State credit has been re-established on a solid basis, thus giving promise that at no distant day the bonds of the State will command as much in the market as those of the most favored and prosperous States.

The Constitution provides that "there shall be established, in the office of the Secretary of State, a Bureau of Statistics, Agriculture, and Immigration, under such regulations as the General Assembly may prescribe."

The attention of the General Assembly is especially invited to that portion of the report of the Secretary of State herewith transmitted, which refers to this subject. No State in the Union presents greater inducements than ours does to immigrants. I feel sure the General Assembly concurs with me in the importance of encouraging immigration; and I trust that both will at once adopt such measures on the subjects as it may deem practicable and effective in their operation.

We have a salubrious climate, a varied and fertile soil, an abundance of the most valuable minerals, inexhaustible water-power, fine grazing lands, vast forests of timber of all kinds, a long sweep of sea-coast, and, in fine, everything material and physical, which in a country in some respects almost raw, can attract immigrants and fill the measure of their expectations. Our government is now settled on a solid basis. The laws are over all alike, and are faithfully and honestly administered. Society is peaceful and tranquil. Immigrants, therefore, will not only be welcomed by our people, but will be protected and respected, and a fair field will be opened to them, in common with those who are here, to improve their condition.

This is a subject which excites no small interest among the people. Those especially who live by their labor will continue to press the subject upon the attention of the General Assembly until suitable laws for their protection are enacted. A workingman himself, has a deep interest in whatever concerns the well-being of the State. Our present and future prosperity must be based on labor. Labor should not only be honored, but it should be protected and promoted by every practical means.

But while labor should be protected and honored, idleness should receive no countenance or favor. Every one should be required to pursue such honest calling for a living; and the presumption should be as it fairly and justly is, that an habitual idler with no known or visible means of support, is in a condition to be tempted to the commission of crime. It is idlers and loungers who, for the most part, fill our jails and workhouses, as they will fill the penitentiary. There is work of some kind for all to do, and all should be employed.

STATES LAW.

The law of creditor and debtor is of the first importance. The relations of these two classes should be plainly and carefully defined, and contracts should be promptly enforced. Our State government will not be compelled to impound every instrument of credit to complete operation until every impediment to the collection of debts is removed. Stay laws which give indulgence beyond the usual statutory period, or beyond the ordinary stay of execution on sufficient security, are, under any circumstances, of doubtful validity. The "stay-day" of payment, as it is termed, is a positive law in most cases to be held with added force by the debtor. A sound and judicious credit system should not be disorganized, but should rather be fostered and maintained, but such a system is impaired by general laws which may be sold to place the creditor for years in the hands of the debtor, with the certainty in many cases of the loss of the debt. The debtor may plead for indulgence and delay as long as he is responsible to do so, or as long as there is a well-grounded assurance that he will be able to pay; but to implant any justly procured from the creditor, who has a right to sue him, by first extending credit for his property or goods, and by subsequent indulgence and forbearance. Stay laws of various kinds have been in operation in this State for years. I say nothing as to their constitutionality, but even when the unfortunate condition in which we have been placed during this period is considered, it cannot be assumed that the debtor will be harshly treated if not required to meet his obligations. The losses incurred by the creditor are not confined to particular cases. They were general, affecting the whole people of the State in every walk of society. If a debtor cannot pay in the last resort, after reasonable indulgence has been granted to him, he is bankrupt. What renders him a bankrupt, whether the rebellion, or his own improvidence, or want of economy or fortune—is not material to the argument. We may lament his misfortunes and sympathize with him, but still the fact remains that he is still in possession of property which justly belongs to his creditors, some of whom may have been reduced to his condition by his failure to meet his obligations. The only refuge of such a person is to compromise with his creditors, or to enter a court of bankruptcy, or to make such an exhibit and disposition of his property and effects as will satisfy his creditors that he is fixed in an honest purpose to do them justice. I do not by any means concur in the opinion that an honest bankrupt has incurred any serious loss of character as a business man, or that he should be disgraced or avoided. Such a man, on the contrary, has displayed honesty, moral courage and candor which entitle him to the respect and confidence of his neighbors; especially when we remember that we have just emerged fr^m a condition in which nothing was solid, and in which nearly every one was involved in pecuniary disaster and distress. Failure in business or loss of property should not stimulate to renewed exertion. The honest, industrious and upright citizen, however reduced or depressed by misfortune, will always find friends to aid him in his efforts to improve his condition.

I recommend that the stay laws be repealed, and that creditor and debtor be placed on a footing similar to that which they occupied previously to the rebellion.

The people of North Carolina have long been a gift in favor of education. From the days of Yancey, Murphy, Stanly, Cameron, Gaston, Caldwell, and others, to the present, their enlightened statesmen of all parties have enjoined this as the first duty of the State—I am persuaded that the purpose to educate the rising generation is as firmly fixed now as at any former period. This is a subject on which all can agree. A rivalry can exist in this respect which will be generous in its nature, which will violate no sacred rule of charity, and which, honoring those who may engage in it, will confer immeasurable benefits and blessings on this and future generations.

I recommend, in the most earnest terms,

that the General Assembly during its present session provide for a general and uniform system of public schools. The schools for the white and colored children should be separate, but in other respects they should be indiscriminate in the character of the schools, or in the education need, to support them.

The Board of Education and Trustees of the University will doubtless make reports to the General Assembly at an early day as to the condition of the educational interests entitled to them. Both these Boards are fully organized, and have transacted some important business.

EDUCATIONAL INSTITUTIONS.

The Constitution provides that "the General Assembly shall provide by proper legislation, for giving to mechanics and laborers an adequate loan on the subject matter of their labor."

In the conflict always going on between capital and labor, the latter is more likely to suffer as the former, first, because money is capital in power, and secondly because capital is generally controlled by a greater degree of intelligence than that which characterizes labor. Labor cannot afford to remain neutral. Labor cannot afford to remain neutral against capital to enforce its rights, for the reason that it does not, like capital, retain within itself and own results. Labor should be protected in such manner as to prevent either from encroaching on the rights of the other. Contracts in writing should be encouraged, and should be strictly enforced. The master or laborer should be required to perform his contract with scrupulous fidelity, and on the other hand, no opportunity should be afforded to the contractor or employer to evade payment when the contract has been performed. The life of labor is steady employment and compensating wages, with the certainty of payment. The life of capital is steady enterprise and investment, unhampered by illness, infatuation, carelessness, or lack of skill in management. The former should be secured, while laboring, that the reward of his labor will be realized, and to effect this, there should be a law in every case until he is paid. The remedy should be plain, speedy and cheap. As a general rule the mechanic and laborer cannot afford to engage in suits at law and pay fees.

This is a subject which excites no small interest among the people. Those especially who live by their labor will continue to press the subject upon the attention of the General Assembly until suitable laws for their protection are enacted. A workingman himself, has a deep interest in whatever concerns the well-being of the State. Our present and future prosperity must be based on labor. Labor should not only be honored, but it should be protected and promoted by every practical means.

PERSONAL PROPERTY AND OTHER TAXES.

Although I respectfully insist on the fact that the Board of Revenue, Auditor, Treasurer, Superintendent of Public Works, Superintendent of Public Instruction, and the Attorney General, have not yet been presented to the General Assembly, it is important that the duties of these offices be determined as far as possible.

It is recommended that the post and revenue rates be altered. These and other public offices, A public office engaged to decide what is due to the State, and another to collect what is due to the State, should be well paid, but let me assure you that the services of these offices are of great value to the State, and that the compensation of these offices is not commensurate with the value of their services. In my opinion, the compensation of these offices should be increased, and the time for which they have been mentioned, so that after the necessary information is obtained, such offices should be put into the hands of the Publicity, may be taken away by the Legislature.

PROTESTANT.

It will be seen by the Report of the Commissioners herewith transmitted, that they have located the Protestant near Lexington, in Orange County. This is the only new town in the State.

There are many in Orange are in position to effect a change in the site, and consider it necessary to do so.

The commissioners of the Superior Court in Orange, in the last session, recommended to the General Assembly that the General Assembly should adopt a bill to amend the Constitution of the State, so as to prohibit the Legislature from changing the site of the town.

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REVENUE TAXES.

New Bill \$100,000.00

Old Bill \$100,000.00

Special Taxpayers

House \$100,000.00

Tax on slaves \$100,000.00

Other \$100,000.00

MISCELLANEOUS.

Barber \$100.00

Blacksmith \$100.00

Cobbler \$100.00

Cook \$100.00

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