THE LEGISLATURE

SECOND DAY.

Governor's Message--- No Other Proceedings of Importance---Josiah Turner Expelled from Democratic Caucus-Party Well Organized---No Bolt This Year.

. Sun Special Dispatch. RALEIGH, N. C., January 9, 8:50 p. m .-Nothing of special interest or of general importance transpired in either house to-

The Governor's message was read at 12 o'clock. Copies had been sent you by excellent corps of instructors was em- to point out the many and most important mail and by express.

The general caucus of the Democratic party last night expelled Josiah Turner. of Orange, he having bolted the action of the caucus in the Speaker's election. All other independents have been recognized as in good party standing.

There will be no bolt or attempt at subversion of party will this year. The caucus will express the will of the Democratic party and all members will abide by it. The election of Mr. Moring, a bolter of 1872, as Speaker, has no significance unfavorable to Gov. Vance. On the contrary the friends of the Governor regard it as a peace offering on the altar of party, and fixing as it does all Merrimon men in caucus, it strengthens party organization in which is the great hope and strength of charge of Mr. Robert Harris, a native col- value of lands from which it is ruthlessly

GOVERNOR'S MESSAGE.

We print to-day the full text of the Governor's Message to the General Assembly :

To the Honorable the General Assembly of North Carolina: In compliance with the Constitution and the time-honored custom of my predecessors, I have the honor to greet you as the representa tives of the people and to confer with you in regard to the state of our Commonwealth. To an Executive 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 most heartly with you in devising 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 Statesand in a great measure of the civilized worled-have been for some 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 believe I can truthfully say that she has suf

cheap. The industry of our people has ginning as excellent. The chief difficulty they have erected an elegant and much their farms, stock and agricultural imple- a people so conservative as ours is in se- cost of \$7,576.55, and have still to their railroad or a turnpike, or draining a

including labor, have ruled low. pre-eminently an agricultural State, your erous dams and obstructions of the streams; institutions of the State. I also recomlegislation should be directed towards the and public sentiment is in many places mend the repeal of section 29, chapter 6, improvement of that interest mainly. In prevented from bearing upon the owners of Battle's Revisal, under which the State this connection I beg to call your attention of these obstructions by the sneers of the pays for transporting all patients to and to the fact that the first and perhaps great- ignorant and the incredulous. This will from the Asylum, to whom the clerks of est ne of an agricultural people, thinly disappear when the results are seen, and the Superior Courts will give a certificate scattered over a wide extent of territory, is the laws passed in aid of this important that they have not praperty sufficient to that of good highways and easy transpor- matter will then be helped in their execu- pay their own expenses. Under that act tation for persons and products. As a tion by a wiser popular opinion. The trout the State is often imposed upon shamefully. general rule, from the lowland belt west- ble with regard to the preparation of a It is the nature of public charities to invite ward the highways of our State are as bad proper hand book has been the actual im- such abuses, custom legitimates them and as, if not worse than any to be found in possibility of getting statistics. The duties | they become a base for greater abuses. The the Atlantic States. The old system of required of tax listers under the 6th section | only safe way is to use the knife promptly locating them and keeping them in repair, of the act establishing the Department, on their first appearance. It is known adopted by our fathers more than a hun have been in seven cases out of ten evaded that much of the laws, as they now stand, dred years ago, is still in use, though its or openly and defiantly refused. Additional on the statute book in relation to each of utter inefficiency for nearly that length of legislation is needed to make this law the Asylums and the Penitentiary, was time has been apparent. Of the inconve- effectual. And in this connection I beg abrogated by the decisions of the Supreme nience, cost and depressing tendency upon permission to remark generally, that the Court in the litigation concerning their all industry which such roads occasion, I vital defects of our laws lies in the ma- management about 1872, and some legislaneed not step to remind you; I shall only chinery provided for their execution. The tion has been had since in consequence beg your earnest attention to the necessi- general tenor of our legislation is excellent, thereof. The laws now have to be read ty for a change, and express my decided as all who philosophicially examine our with the decisions of the Court to arrive opinion that no permanent prosperity need statutes for a hundred years past will con- at the meaning. Implication also has to be expected unless this grievous evil is fess; but a large portion of them-often of be resorted to in order to supply deficienremedied. Certain great leading thorough- a most beneficent character-lie dormant cies. This makes it extremely inconvefares through the most convenient cen- and inoperative. There is no power given nient for the Board and all concerned, who tres, and all pouring into the nearest rail- to the Chief Executive, or any head of a semetimes have to consult counsel before road lines, might be cheaply and thorough. Department, to quicken the diligence or performing a plain duty. I recommend ly constructed by convict labor, the coun- rebuke the criminal neglect of his subordi- that the various acts regulating these inties through which they pass supporting nates; and many of our best laws take the stitutions be re-enacted striking out those discharging into these, I advise that some | they may be regarded, and are alive or dead | the whole simplified and connected so as

I am happy to be able to state that an | subjects concerning which excellent ones | lum has been fully commensurate with the increased interest is manifested among all are already in existence. It is not a good appropriations. The report of the Com- the Blue Ridge by this time, as was conclasses in popular education. This is I believe mainly due to the action of the last Legislature in appropriating money for the establishment of Normal Schools. It is not a good appropriations. The report of the Commissioners will give all the particulars. No been done better or more cheaply and when finished, all its surroundings considues. The report of the Commissioners will give all the particulars. No been done better or more cheaply and when finished, all its surroundings considues were found in the nature of the countries will give all the particulars. No been done better or more cheaply and when finished, all its surroundings considues were found in the nature of the countries will give all the particulars. No been done better or more cheaply and when finished, all its surroundings considues were found in the nature of the countries will give all the particulars. No been done better or more cheaply and when finished, all its surroundings considues were found in the nature of the countries will give all the particulars. No been done better or more cheaply and when finished, all its surroundings considues were found in the nature of the countries will give all the particulars. No been done better or more cheaply and when finished, all its surroundings considues. In accordance with the law the Board of laws I can see no better way than ered, it will, in the opinion of many, be

what different systems, a regard being had statistics required under the act establishto the circumstances of each race. It was ing the Board of Agriculture, as before considered that the white race had al- remarked, but also to get proper and timeready many educated teachers who simply ly returns from the county school boards needed instruction in the art of teaching, and managers; whilst several counties in while the blacks needed teachers in the last election for Congressmen failed to structed in both the elements of learning send full and proper returns of the votes and the art of teaching. For the one cast, and some even failed to return any therefore a six weeks school was held at at all; and so on through the list. It is Chapel Hill during the summer vacations, to the last degree discouraging to those and for the other a permanent school was | who earnestly desire to do something for established in Fayetteville. Both have the public good to find that those whose been remarkbly successful-at the first special duty it is to help will not do so, and session of the white school 225 teachers can refuse to do so with impunity. attended, and at the second one—the past summer, more than 400 teachers were pres- reau, I desire to call your attention to the ent, representing about sixty counties. An | subject of our forests. I will not undertake ployed, the University gave the use of its functions which they fulfill in the economy Board finally located the Asylum near buildings, its liberties, laboratories and of nature, and which the investigations of Goldsboro, as being near the centre of our apparatus. The railroads very generously scientific men are every day bringing to colored population, and purchased a beaugave reduced rates, the agent of the the attention of the world, but will con- tiful site containing 170 acres on the rail-Peabody fund supplemented the appropri- tent myself with referring to them as a road and Little river, within one mile of ation with a handsome donation, and every source of wealth, health and fertility, and the town, for \$5,000, a large part of which rise greatly in the market. By the reports yet the funds in his hands have not been dollar that could be spared was used to to the fact of their rapid and wasteful de- is farming land. A design has been acequalize the benefits of the State's bounty struction. Depleted as they are, our for- cepted and the foundation of the building by paying the travelling expenses of the ests are to-day perhaps, worth more in- laid, as will appear by report of the Commore indigent. Lectures by distinguished trinsically, properly managed, than the missioners. It now remains for you to citizens of the State on popular themes lands they stand upon; whilst the value of provide the means to erect the buildings, were delivered almost daily with the best | those especially which shadow the highresults. The undoubted effort of the lauds round about the sources of our riv- The care of our insane is a heavy and growwhole was to arouse an enthusiastic inter- ers is simply incalculable considered with ing burden, but humanity and the constiest in behalf of popular education among reference to rainfalls, destructive floods, a large portion of our people, and to excite | &c. The proof of this is plain to any one | done at State expense. Let us not try to a spirit of honest pride in their noble call- who has observed the condition of these invade a plain duty, but face it manfully, ing among all the teachers present, which valleys whose hillsides have been entirely using due care to prevent extavagance earnings, deducting everything, and in-small items which could be so postponed tion presented, I deemed it to be my duty to will, it is hoped do much good. The stripped of timber and converted into accompanying report of President Battle | that shame of Southern agriculture-old

real welfare of our colored citizens. lant for so christian a people as ours, who are so 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 favor. BOARD OF AGRICULTURE. The establishment, by the last Legislature, pursuance of the Constitution, of a Department of Agriculture was a very important step indeed to the welfare of this more than \$100,000 in two years! This State. As was to have been expected the is caused obviously by the fact that, fered as little if not less, by these hard law has in some respects proven defective, times than her sisters. Looking at the and will require some amending at your whole State and comparing her condition hands, but in the main it is an admirable with others, we have abundant reason to one. It is the first special effort ever made be thankful and take courage for the in the direct interest of agriculture and has future. The public health has never been been hailed by our farming people with better; whilst the pestilence has played great satisfaction. So far this Bureau has with pitiless fury among the homes and cost the people nothing, the tax on the pleasant places of our Southern and Wes- license to sell fertilizers having yielded ern neighbors, especially of our great sufficient revenue for all its purposes. As been well managed by their respective daughter Tennessee. The profoundest soon as possible after the passage of the quiet and 7 most reverential obedience to law in 1877, the organization of the Board | The Deaf and Dumb and Blind Asylum legal authority have prevailed throughout of Agriculture was completed by the elec- makes perhaps a more satisfactory exhibit our borders while rioting, robbing and tion of the two intelligent farmers who than it has ever done since its establishdefiant lawlessness have disturbed the now occupy seats in it, a Commissioner ment. With a large increase of pupils peace of many States north and west of was elected, a Secretary and Treasurer there has been a decrease of 16 per cent. us, accompanied both by arson and blood- chosen, and work began immediately. For in the total of expenses. As you will see the results of the first two years I refer by the Superintendent's report, with a re-. The crops of the last two seasons have you to the accompanying report of the duced appropriation from former years, been excellent and the means of subsis- Commissioner, Col. L. L. Polk, which sets | the Board of this Institution have saved tence have never been more abundant and out everything in detail, I regard the be- \$15.056.12 out of the amount, with which

been notably increased and diversified; in the way of doing any new thing among needed addition to the main building, at a ments show considerable improvement; and | curing their prompt co-operation., It was | credit in their Treasury \$7.489.57. while the production of our cash staples found very difficult at first to awaken an | . Though results have not been quite so has steadily enlarged, the amount of bread- active interest in the operations of the satisfactory with the Insane Asylum, yet, stuffs purchased abroad has visibly dimin- Bureau, but the impression once pro- on the whole, it has done well. Notwithished. This is an undoubted evidence of duced is lasting and enlarging. Special standing the number of its inmates have progress. But manufacturing enterprise attention has been given to the analyzing increased, and some extraordinary and and the legal class of speculation requir- and classification of fertilizers, including costly improvements have been made, exing more capital have not equally advanc- marls; to the restocking of our rivers with penses have been kept down, and it has ed, owing to the financial derangement re- fish, and the preparation of a hand-book lived within its appropriation. I recomferred to, in consequence of which there of information-concerning the State and mend that the Board be authorized to has been some distress among our mechan- its resources. Much good has been effect- | build on the grounds a separate residence ical population, and prices of all products, ed, I am sure, and an interest excited for the Superintendent, and that his pay that will lead to still more. A serious be fixed in cash as are the salaries of all swamps might be drained in the same Remembering that North Carolina is drawback to fish propagation is the num- the other principal officers of the various

Education established one for the whites' the imposition of heavy penalties for at the University and decide to locate one the omission or refusal, on the part of the United States. I trust that a snffi our Western mountains, unaided by all the laws of our Western mountains, unaided by all the laws of the United States and those of the States.

As to the work on the Agricultural Buis referred to for particulars. The colored | fields; and yet, in the face of the increas-Normal School at Fayetteville was put in | ing value of timber and the decreasing ored man of excellent character and ca- swept, the destruction goes on. Man pacity, supervised by a board of local counties already feel the evil keenly, and managers selected from the best business not many years hence, if some remedy citizens of the town who took a great in- be not applied, the outcry will be general terest in its welfare. It has been managed I confess I do not see any way clear to with unexpected success. The first session | that remedy. I am aware of the difficulty opened with fifty-eight pupils, about forty and the danger of interfering with the of, whom have re cived certificates as owner's legal wright to do what he pleases teachers, some of high grade; the second with his own. If he sees proper to cut year began with seventy-four pupils, and down all his timber, dry up the springs is now in progress. The same donation which feed our streams, and precipitate his was made to this school by the Peabody | soil into their channels, changing their Fund as to the white school, and the same | currents and deluging all the low lands scheme adopted to equalize its benefits. | below him, and impoverishing himself and The report of Mr. Harris to which you are his children, I can't see how he is to be referred will be as surprising as I am sure | hindered. But the people of other nations it will be pleasing to all who desire the are finding means by bonuses, exemption from taxation and other devices to restore I sincerely hope the appropriation for the forests and denuded lands; and many both schools may be renewed, and the law of our counties are adopting laws, with be made to embrace both sexes. For though | regard to enclosing the lands, the effect of females have attended both schools by per- which is to reduce the expenditure of timmission, yet the Board of Education did not | ber for farming purposes to the minimum. feel at liberty to expend any State money | As guardians of the interests of an agriin their aid, which appeared a little ungal- cultural people, I commend the whole subject to your serious attention. Lam requested by the Board of Agriculture to say that they concur in the recommenda-

tions of the Commissioner. I call your special attention to the report of Dr. Ledoux, director of the Fertilizer Central Station. It is gratifying in the extreme, you will perceive, that the quality of the fertilizers sold in the State has steadily improved, and the marked value of the improvement amounts to knowing their wares were to be subject to a rigid scientific test, the dealers were careful to make them come up to the mark, and many others have quit the mar-

ket altogether.

PENAL AND CHARITABLE INSTITUTIONS. I am happy to say that the affairs of the penitentiary and the two asylums have boards, and are in a satisfactory condition.

the convicts. And as to the other roads | chance of local favor or disfavor with which | features declared void by the Court, and

other method for their construction and re- as they may be Proof of this is found in to be easily understood by all. the number of new statutes in relation to The work on the Western Insane Asy-

rents. Unwilling to do nothing toward an | mer. object so much needed, I appointed a Board of Commissioners, as the act required, and requested them at least to select a location and make a begining. After which I respectfully recommend be done. tution are alike imperative that it shall be and waste in the manner of doing it.

THE PENITENTIARY. The penitentiary system of dealing with attention. The main idea of such a system as heretofore agreed upon. support the institution. The plan adopted official report of the work. at present is much more than doing this if employed upon the walls and buildings, earned handsome wages over and beyond their keep. The returns from those engaged on the various railroads show greater wages, valuing their works 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 minimum fixed by the Legislature at which the companies should be charged.

VALUE OF CONVICT LABOR. From this we may draw some valuable

1. That convict labor is almost if not quite as valuable for road construction as hired labor.

2. That convict labor is more valuable used in this kind of work than employed at trades and mechanical work in close confinement. *

3. That the health and general tone of the convicts is better in outdoor work. Influenced by these considerations I am induced to say, that in my opinion, it is our policy to provide labor for them on public works altogether, after the completion of the Penitentiary buildings, leaving within its walls only such as from feebleness or the nature of their crimes cannot be sent outside. In addition to the completion of the roads begun by the State, and to which labor has been already assigned, there are a number of local railroads and turnpikes greatly desired in many parts of the State, and valuable swamp lands to be drained, at which convicts might be employed with great profit to the State, the counties or communities supporting the convicts. I think that whenever any county or community will obtain a charter for building a swamp, or dyking a river, and will undertake to support the hands they should be given the convict labor There are many fertile valleys of greater or less extent, remote from railroad facilities, such as the great valley of the Yadkin from Salisbury to Patterson, where well-to-do farmers, am sure, would be induced to attempt the building of narrow-gauge railroads if they were given the necessary labor: and many excellent turnpikes would be constructed as feeders to our railroads, and many rich manner. In this way the increasing cost of the Penitentiary would be kept down, and a vast benefit to the people be accom-

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 Weldon. At one time the Egypt of our State and a source of great wealth to our people, those splendid and inexhaustible lands are and the whole region will be lost to the State for generations if something is not done to reclaim st. If the counties or citizens interested will undertake to support the convicts and their guard, I recommend rebuild those levees and thus rescue that important portion of our State from ruin, and enable the citizens thereof to recover as I am informed.

RAILROADS.

The public works have been pushed forward with energy and economy. I regret exceedingly that the management has not been able to have the cars on the Western North Carolina railroad running across

for the blacks at Fayettsville, in a build- any public efficer, to perform any duty cient appropriation will be made to finish our Western mountains, unaided by all the found it practically impossible to do the ing tendered by the colored people of that which he is required to perform. It has the wing new so near completion, and modern appliances and materials now used work, owing to the omission of the act to Court of Guilford county, one Hoskins furnish it for the reception of patients. in such operations, and which cost more previde neccessary means for its execu-This can be done at an early period of the summer of 1879 and will give much the summer of 1879 and will give much relief to many distressing cases which cannot find room in the Asylum at Raleigh.

This can be done at an early period of money than the company could command. Owing to the geological peculiarities of the formations through which the track is ployed, nor implements to be parchased out, vast slides of earth and rock, some of the United States for the Western For reasons well known to all who are them as great as fifteen acres of surface, law in this respect will enable the work to acquainted with the state of the Treasury, have been continually falling into the be done promptly. but little has been done toward providing | track as fast as it could be removed. But an Asylum for the colored. An appropri- the track is now almost done, daylight is ation of \$20,000 was made by the last nearly through the great tunnel. In a Legislature, but no tax was levied to raise few weeks from this day the engine will money, and at an early day the Treasurer pass the summit, and the track can be notified me that he would not pay my war- completed to Asheville easily by midsum-

> Owing to the condition of the Treasury. I did not purchase the whole amount of iron which I was authorized by law to buy, though greatly tempted to do so by proper deliberation and examination the the low price for which it was offered. About twelve miles of rail only were purchased, the cost of the whole being a little over \$75,000. The remainder of the appropriation will furnish the iron necessary to reach Asheville, unless it should of Major Wilson, President, it will be sufficient to meet all the objects provided of the Superior Court of Guilford county, and seen that the earnings, by his estimates as by law. The reason is simply that the last annum per hand, gross. The cost of sup- Railroad has been expended, none of the then holding the Guilford Superior Court, porting, guarding and overseeing them \$20,000 appropriated to the Colored In. that officer was of opinion that he could proceed no further in the matter, and so decided. nearly as can be ascertained their net paid out of this year's taxes. All other the important and delicate nature of the ques-\$121.50 per hand.

> our criminals is comparatively new in this structing that road by the convict labor to the special appropriations, and is to State. After a full discussion by counsel, the State, and as it is now by far the most has been a success. I hope it will be con- some extent attributable to the lengthening costly of all our institutions, and is almost | tinued, the number kept up, and every | of the fiscal year from October to January. daily becoming more so, everything per- necessary step taken by your body to It is to be regretted, and I have no doubt taining to it is deserving of your earnest finish the road to its Western connections is very surprising to the Finance Com-

the work being done by the convicts was tern Railroad, makes a very flattering re- the Treasury. The rule for every county, al similar to that obtained by Hoskins. paid for in cash. The number of convicts port of the progess of the work done by town and township is different, and the now on hand and their distribution is shown the convicts on his line. Having deter- values of property situated in the by the report of the very competent and mined to extend it in the direction of same locality and of the same charenergetic Board of Directors and Superin- Greensboro, the company began work at acter, are as variant and unequal tendent, sent herewith. The able force or near Egypt in March, 1878, with 100 as the avoided, arbitrary, and often indifkept in the enclosure has been constantly convicts, and there is a good prospect of ferent opinions of the assessors may chance to the Supreme Court of the United States, soon seeing this road completed to Greens- to be. Very little property is assessed to and by placing a cash valuation upon the boro. It will open out a fine section and anywhere within the neighborhood of its can be finally decided. Transcripts of the work done, it will be seen that they have be a great benefit to the country through value, but that does not matter; the essenwhich it passes, to Fayetteville and to tial idea is to have the assessment bear

have earned net about \$ per head. Dallas, in Gaston county, and the grading to Newton, on the Western North Carohave earned more than four times the lina Railroad. From that point to Lenoir, the greater part of the grading is done, and the work is being pushed with energy. They have been furnished with fifty convicts, and the number has been kept up. I cordially commend this enterprise to your

> It is reaching out in a direction perhaps been suspended, just as it has attained the crossing at the Blue Ridge, into the beautiful valley of the French Broad. Two have a guaranty that uniformity could be ferred. Under a resolution of the Legisla hundred hands had been - kept with that company under a contract made before I came into office, at a small hire, 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 Atlantic and North Carolina Rail-

road has been environed with difficulties

ever since my accession to office, some of

mortgage bonds, on the ground of usury,

was followed by a counter suit in the Federal Courts to foreclose the mortgage and sell the road. These have at length been compromised, on terms which it is thought will enable the road to live and meet its interest promptly hereafter, the accumulated interest being funded, and ime of payment extended, the bondholders surrendering \$10,000 of bonds and coupons to be canceled. When it came into the hands of the present Board, it was apparently in the last extremity of exhaustion. Its road-bed, track and bridges, worn out and unsafe, its rolling stock run down, its employes unpaid, its interest really twelve months in default, and a floating debt of about \$27,000 due-all this has been changed. The road bed, bridges and rolling stock, are now much improved; the floating debt has all been fast becoming a wilderness by reason of paid, employes are paid off weekly, arrangethe destruction of the levees which con- ments made to adjust its bonded debt, an fined the Roanoke within its banks. In old tax debt due the United States, comthe demoralized state of labor there and promised at \$6,500 is being paid at the rate the reduced condition of the planters, it of \$500 per month, \$1,500 being already has been found impossible to replace them, paid; and the President reports \$10,000 in the Treasury on the 1st of January to meet the interest when the first instalment becomes due in July next. Its gross receipts for 1877 were about 12 per cent. greater than the year previous, and up to that sufficient force be furnished them to date of report were still greater for 1878. These are certainly very gratifying results, and give positive assurance that the road can take care of itself, if run on business princitheir prosperity, and increase greatly the ples and by business men. It is a source ion as expressed to your predecessors remains public wealth. It is entirely practicable of much regret to me that the plan adopted by the Board and approved by me to reach this end caused such local opposition, and subjected all concerned to the vow my readiness to co-operate with you to

> just impressions will be removed. ANGOLA BAY.

perty was pursued without due regard to

private interests. 1 believe and earnestly

hope that when results are seen, these un-

NAVIGABLE WATERS.

It is gralifying to see that the General Government has begun to take an interest in the imprevement of our navigable waters. Surveys of the Neuse, the Yadkin and the Catawba are in progress or contemplation; and if reported upon favorably. I would suggest a resolution of your statutes of the United States, and honorable body in this behalf would materially strengthen the hands of our rerpesentatives in Congress in obtaining the nec-

cessary appopriations. FINANCIAL. The Treasurer's report will engage your earnest attention. You will see that whilst the utmost economy has been practised. engineer, of 427 hands (about the average Legislature increased the appropriations number furnished him) have been nearly without increasing the taxes. But little \$100.000 per annum, or \$200.000 for the over half of the \$140,000 appropriated to years 1877-78, being about \$236.00 per buy iron for the Western North Carolina argument before the Hon. William R. Cox. Their health has been excellent. As given to the Western Insane Asylum was cluding the sick, the women and all others | have been carried over into this year's ac- assist the deliberations of the Supreme Court not at work on the road from any cause, is | count in order that the Treasurer should | with argument from counsel learned the law On the whole the experiment of conciency, it will be noted, is only in regard views entertained by the government of the mittees of the last General Assembly, against William Deaver appealed at the is to punish offenders with hard labor, The squad of hands employed on the who thought the tax bill would yield Spring Term, 1877, of the Superior Court of either to reform or deter them and others Georgia and North Carolina Railroad has sufficient revenue; and so it would, from the commission of crime. The finished grading to the town of Murphy, and more, under a better scheme of assesseconomic problem is to make this labor in Cherokee county. I have received no ment. I cannot conceive it possible to devise one which would operate more Col. L. C. Jones, President of the Wes- unequally, unjustly or prejudicially to

> Wilmington. The hands on this road the same uniform proportion to the true the State's counsel that there may be difficult value of the property taxed. Unless this ties growing out of the peculiar Constitution The Chester & Lenoir Narrow Gauge is secured, one man pays a vastly Railroad Company has finished its line to 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 dedefeat 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 scrupulons neighbor. A remedy for this evil is nore important to the welfare of the State | demanded alike by justice and good policy. than that of any other railroad, except the What that semedy shall be your wisdom Western North Carolina. It not only points towards the most remarkable and of taxes but an equalization of taxes, and obtaining immunity from prosecution unpoints towards the most remarkable and of taxes but an equalization of taxes, and extensive iron and copper mines in the a faithful collection of those which are South-Cranberry and the Ore Knob- levied. My own opinion is that the Treasbut also the salt, lime and plaster deposits | urer, Auditor, or other State officers, be of Washington county, Virginia, the cheap authorized to act as a State Board of Asimportation of which would probably do sessors. with power to supervise and equalmore to renovate the agriculture of our | ize the assessment of the county officials | State than anything which could perhaps | whose lists should be submitted to it; and be devised. I regret to say that work on | it should have authority to summon witthe Spartanburg & Asheville Railroad has nesses, hear testimony, &c., and if the county assessors were chosen by this State | are all set out with particularity in said deci-Board it seems to me we would almost sions, reported in 79 N., to which you are re-

> secured. So, too, some disposition should be made relative to the lands sold for taxes and bought in for the State. For ten years case now stands for trial. It is alleged, howthese lands have been accumulating, until, ever, that a compromise was made between 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 re- or does not, and so refused to interfere with demption has expired, and the State's title the due course of law. I respectfully ask is absolute. In most cases the owners continue happily in possession, whilst their which were called to the attention of the defaults go to swell the taxes of their neighlast Legislature: a suit begun in the State bors. I refer to the Treasurer's report for Courts to impeach the validity of the a statement of the annual expenditures of the government, which is clearly set forth as to need no comment from me.

The public debt, it will be seen by the Treasurer's report, amounts to \$16,960,-045 principal and \$10,160,182 25 interest. This is known as the recognized debt, as General Assembly, I also applied to the Seccontradistinguished from the special tax bonds. What shall be done with it is a question that deserves your best consid- taken by military authority in 1865, or to peration. It is out of the question for us to attempt to pay it at its face value. Indeed I do not conceive that there is any moral obligation on us to do so; nor do our creditors expect it of us. Quite one-half of our prop erty upon which our bonds were based was wantonly destroyed by consent of a large ma-jority of those who held them, and no court of conscience upon the earth would permit a creditor to destroy ene-half 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 correspondence will show. Besides this, no attempt to open negotiations with us has been made. But I have grounds and important work, has are the labors of the to believe that very reasonable terms of the latter Board to direct the labors of the latter Board to direct the labors of the Geologist in those channels in which the made of the latter Board to direct the labors of the latter Board to direct indeed can be 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. So far as the special tax bonds are concerned my opinunchanged-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 States' use and accepted by her. For one I imputation that the great desire of the Board and myself to save the State's property was pursued without due regard to something which sooner or later will have to be done alike for the sake of our good name your favor this cherished memorial of the and our future prosperity. PEDERAL INTERPERENCE WITH STATE COURTS

I also call your attention to certain mat-It is also a scource of regret that the ters which have occurred since your last

court of the United States for the Western District of North Carolina, their petition under oath, in which they set forth that they were officers of the Internal Revenue Department of the United States, and that the acts charged against them in the bill of in-dictment I have mentioned were committed under color of their office; they therefore prayed that the prosecution against them should be removed from the State Cours to 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 rayer of the petition having been granted, a copy of the order removing the case was, on the fitth of March, 1877, served upon the clerk when, at the ensuing Spring Term of that court, the case was called, the defendants obected to further proceedings in the State Court, upon the ground that the court no From his decision the Solicitor for the State appealed to the Supreme Court. Recognizing not be compelled to borrow. This defifirmed the opinion and judgment of the lower

> Summit and had obtained from the Circuit Court of the United States an order of remov-The decision of the Supreme Court was the Impressed with the importance of having the earliest possible settlement of a question of so great moment, I directed the State's counsel to carry, by writ of error, both cases where alone such questions of such a nature cases have accordingly been prepared and forwarded, and the cases are now depending in the Supreme Court. I am advised, however, by of the Federal Supreme Court, which will prevent an adjudication in these cases of the question I desired to have presented. I have arisen in other States, and that public attention and discussion has been excited thereby. 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 honorsder the criminal laws of this State are seeking

question was presented to the Supreme Court

at the same time in the case of the State

Rutherford county, from the judgment of the

Hon. John M. Cloud, the Judge presiding,

Deaver and another had been indicted for a

conspiracy to extort money from one Henry

well, in Wake Superior Court in 1874, against been tried, as was alleged, before Judge Watts in 1875, and taken by certiorari to the Su-August last, was then decided upon and case remanded for a new trial. The circumstances ture 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 pretenses, and the parties acting for Swepson and the Western Division of the W. N. C. R. R. Co., 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 , remarks, as manifestly improper upon a case

STATE PROPERTY HELD BY 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 both been refused, contrary, as it seems

to me, to both law and public comity.
In accordance with a resolution of the last books of the Executive office of this State, mit me to make a copy to supply the place of the 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 hereby submitted. My opiuion in regard to these matters being intimated in the correspondence itself, I make no further comment.

STATE GEOLOGIST. The State Geological Survey having been made a co-worker with the Board of Agriculture, its usefulness has been thereby greatly increased to the people. In order that it may be made still more to meet the popular needs, I recommend that it be placed under the direction of the Board of Agriculture, of which the State Geologts is ex-officio a member, instead of the Board of Education, as at pressuad of the Board of Education, as at pressuad of the Board of Education. ent. I am satisfied that the dessatisfaction which has for a long while existed with a portion of our people towards this most valuable and important work, has arisen from a failure jority of the public feel most immediate in-terest. The Board of Agriculture, consti-tuted 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 wisdom and patriotism of our fathers,

To the unceasing energy and perseverance of Adjutant-General Jones we are indebted