The Montrose Democrat.

E. B. HAWLEY, Proprietor. MONTROSE, PA., WEDNESDAY, JANUARY 10, 1872. VOLUME XXIX, NUMBER 2.

Business Cards.

C. E. BALDWIN,
ATTORNEY AND COUNSELLOR AT LAW, Great Bend, Pennsylvania. 3m.

B. L. BALDWIN,
ATTORNEY AT LAW, Montrose, Pa Office with James E. Carmalt Esq.
Montrose, August 30, 1871. tf.

LOOMIS & LUSK.
Attorneys at Law, Office No. 224 Lackawanna Avenue Scranton, Pa. Practice in the several Courts of Luzerne and Susquehanna Counties.
F. E. LOOMIS. WM. D. LUSK.
Scranton, Sept. 6th, 1871.—tf.

W. A. CROSSMON,
Attorney at Law, Office at the Court House, in the Commissioner's Office.
Montrose, Sept. 6th. 1871.—tf. W. A. CROSSMON.

McKENZIE, & FAUROT. C. C. FAUROT.
Dealers in Dry Goods, Clothing, Ladies and Misses fine Shoes. Also, agents for the great American Tea and Coffee Company. [Montrose, Pa., sp. 1, '70.

DR. W. W. SMITH,
DENTIST. Rooms at his dwelling, next door east of the Republican printing office. Office hours from 9 A. M. to 4 P. M. Montrose, May 3, 1871—tf

THE BARBER—Ha! Ha! Ha!!
Charley Morris is the barber, who can shave your face to order; Cuts brown, black and grayley hair. In his office, up the stairs. There you will find him, over Gere's store, below McKenzies—just one door.
Montrose, June 7, 1871.—tf. C. MORRIS.

J. B. & A. H. McCOLLUM,
ATTORNEYS AT LAW. Office over the Bank, Montrose Pa. Montrose, May 10, 1871. tf

DR. D. A. LATHROP,
Has opened an office, at the foot of Chestnut street, near the Catholic Church, where he can be consulted at all times.
Montrose, April 26, 1871. 1y

J. D. VAIL,
HOMŒOPATHIC PHYSICIAN AND SURGEON. Has permanently located himself in Montrose, Pa., where he will promptly attend to all calls in his profession with which he may be favored. Office and residence west of the Court House, near Fitch & Watson's office.
Montrose, February 8, 1871.tf

LAW OFFICE.
FITCH & WATSON, Attorneys at Law, at the old office of Bentley & Fitch, Montrose, Pa.
L. R. FITCH. [Jan. 11, '71.] W. W. WATSON.

CHARLES E. STODDARD,
Dealer in Boots and Shoes, Hats and Caps, Leather and Findings. Main Street, 1st door below Boyd's Store. Work made to order, and repairing done neatly.
Montrose, Jan. 1, 1872.

LITTLE & BLAKESLEE,
Attorneys and Counsellors at Law. Office the one heretofore occupied by R. R. & G. P. Little, on Main street, Montrose, Pa. [April20.
R. R. LITTLE. GEO. P. LITTLE. E. L. BLAKESLEE.

LEWIS ENOLL,
SHAVING AND HAIR DRESSING.
Shop in the new Post-office building, where he will be found ready to attend all who may want anything in his line. Montrose, Pa. Oct. 12, 1869.

O. McHANLEY,
DEALER in DRY GOODS, GROCERIES, CROCKERY, Hardware, Hats, Caps, Boots, Shoes, Ready Made Clothing, Paints, Oils, etc., New Milford, Pa. [Sept. 8, '69.

DR. S. W. DAYTON,
PHYSICIAN & SURGEON, tenders his services to the citizens of Great Bend and vicinity. Office at his residence, opposite Baptist Church, G't Bend village. Sept. 1st, 1869.—tf

A. O. WARREN,
ATTORNEY AT LAW, Rooms, Back Pay, Pension and Bounty Claims attended to. Office 2d door west below Boyd's Store, Montrose, Pa. [Aug. 1, '69

H. C. SUTTON,
Auctioneer, and Insurance Agent,
and for Friendsville, Pa.

C. S. GILBERT,
U. S. Auctioneer.
Aug 1 69 Great Bend, Pa.

ABI DAY,
U. S. Auctioneer.
Aug. 1, 1869. Address, Brooklyn, Pa.

JOHN GROVES,
FASHIONABLE TAILOR, Montrose, Pa. Shop over Chandler's Store. All work done in first-rate style. Cutting done on short notice, and warranted to fit.

W. W. SMITH,
CABINET AND CHAIR MANUFACTURER.—Foot of Main street, Montrose, Pa. Aug. 1, 1869.

H. BURRITT,
DEALER in Staple and Fancy Dry Goods, Crockery, Hardware, Iron, Stoves, Drugs, Oils, and Paints Boots and Shoes, Hats & Caps, Furs, Buffalo Robes Groceries, Provisions, etc., New Milford, Pa.

STROUD & BROWN.
FIRE AND LIFE INSURANCE AGENTS. All business attended to promptly, on fair terms. Office first door north of "Montrose Hotel," west side of Public Avenue, Montrose, Pa. [Aug. 1, 1869.
BILLINGS STROUD. CHARLES L. BROWN.

ABEL TURRELL,
DEALER in Drugs, Patent Medicines, Chemicals, Liquors, Paints, Oils, Dye-Stuffs, Varnishes, Window Glass, Groceries, Glass Ware, Wall and Window Paper, Stone-ware, Lamps, Kerosene, Machinery Oils, Trusses, Guns, Ammunition, Knives, Spectacles Brushes, Fancy Goods, Jewelry, Perfumery, &c.—being one of the most numerous, extensive and valuable collections of Goods in Susquehanna Co.—Established in 1818. [Montrose, Pa.

D. W. SEARLE,
ATTORNEY AT LAW, office over the Store of A. Lathrop, in the Brick Block, Montrose, Pa. [jan'69

DR. W. L. RICHARDSON,
PHYSICIAN & SURGEON, tenders his professional services to the citizens of Montrose and vicinity.—Office at his residence, on the corner east of Sayre & Bros. Foundry. [Aug. 1, 1869.

DR. E. L. GARDNER,
PHYSICIAN and SURGEON, Montrose, Pa. Gives especial attention to diseases of the Heart and Lungs and all Surgical diseases. Office over W. R. Dean's Boards at Searle's Hotel. [Aug. 1, 1869.

BURNS & NICHOLS,
DEALERS in Drugs, Medicines, Chemicals, Dye-stuffs, Paints, Oils, Varnish, Liquors, Spices, Fancy articles, Patent Medicines, Perfumery and Toilet Articles. ☞ Prescriptions carefully compounded.—Public Avenue, above Searle's Hotel, Montrose, Pa
A. H. BURNS, AMOS NICHOLS.
Aug. 1, 1869.

HUNT BROTHERS, SCRANTON, PA.
Wholesale & Retail Dealers in
HARDWARE, IRON, STEEL,
NAILS, SPIKES, SHOVELS,
BUILDER'S HARDWARE,
MINE RAIL, COUNTERSUNK & T RAIL SPIKE. RAILROAD & MINING SUPPLIES. CARRIAGE SPRINGS, AXLES, HAME AND BOXES, BOLTS, NUTS and WASHERS, PLATED BANDS, MALLEABLE IRONS, HUBS, SPOKES, FELLOES, SEAT SHIFTERS, BOWS, &c. ANVILS, VICES, STOCKS and DIES, BELLOWS HAMMERS, SLEDGES, FILES, &c. &c. CIRCULAR AND MILL SAWS, BELTING, PACKING TACKLE BLOCKS, PLASTER PARIS CEMENT, HAIR & GRINDSTONES. FRENCH WINDOW GLASS, LEATHER & FINDINGS FAIRBANK'S SCALES.
Scranton, March 31, 1869. 1y

IMPROVED HUBBARD!
PATRONIZE HOME MANUFACTURE!
CHANGEABLE Speed and Double Drive Wheel. It holds the Great New York State National Premium! Also the Great Ohio National Premium, held at Mansfield, in 1870, and
At the Pennsylvania, Maryland and Virginia State Premium!
The gearing is simple, compact, removed entirely from the drive wheel, and enclosed in a dust case, in the centre of the machine, effectually securing it from grit and dust.
The operation can be changed instantly from a high speed to a good third slower, without stop, thus adapting itself to bad places and light and heavy grass.
One cutting apparatus is perfect. No brake and one patent knife-head. It is beyond doubt the strongest Machine in the world, and can be depended upon, being perfectly reliable in every particular.
Montrose, May 3, 1871.—tf SAYRE BROS.

LEBANON Valley College, Annville, Pa. For catalogues, address L. H. HARMONY, A. M., President.

Poet's Corner.

AT THE DOOR.

In my daily round of duty,
One sweet vision, rayed with beauty,
Ever greets me;
One bright vision, seen before,
Of the hour, when Mary meets me
At the door.

Seasons carelessly may flow
Down time's tideless river,
Crowned with flowers, or cloaked with snow
But returning never;—
Naught to me is storm or sun,
Naught is wind, or weather,
So our confluent lives do run
On and on together,
Spring-tide blossoms flush and flower
For an hour;
Violet-spangled robes of June
Fade to soon;
Bloom of bowers and scent of hedges
Wait alike a sure decay;
But my darling's plighted pledges,
Day by day,
And evermore,
Blossom out in nameless graces,
Shine through life's extremest places,
Yielding Love's untainted store;
Each day's wreath of joys completing,
In the meeting,
And the greeting,
At the door.

Frowzy goblins of suspicion,
Sleepless, blind, insatiate,
Vainly clamor for admission
At the outer gate;
All the dim defiles of life
Echo with the noise of strife;
Troubles through life's dusty highway;
Trials ambush lane and by-way;
And his lot is more than mortal's
Who escapes Hate's hungry knife.
But, Love holds her chosen seat,
Far from din of mart and street,
And within her hallowed portals,
Hope and Trust unchallenged meet,
While, beside her door,
Faith stands guardsman evermore.

Brighter are the smiles of welcome,
Smiles, the dear home faces wear
Than are victory's proudest badges,
Which the breast of conquerors bear;
Sweeter far, the modest accents
Of home's love-taught cradle songs;
Than are triumph's blood-earned rivals,
For a million vassal tongues;
Neither would I weakly barter,
For the world's best gifts, and more,
Love's fond greetings, when my gudewife
Meets me at the door.

And when death, the grim old porter,
Springs the bolt which bars from rest
With the blest,
Whichsoever goes before
Shall but wait, with warmer greetings,
For Love's last and best of meetings
At the door. —[*Salem Register.*

North Perry, in the January Galaxy,

Another Year.

"Another year," she said, "another year,
These roses I have watched with so much care,
Have watched and tended without pain or fear,
Shall bud and bloom for me exceeding fair—
"Another year," she said, "another year."

"Another year," she said, "another year,"
My life perhaps may bud and bloom again,
May bud and bloom like these red roses here,
Unlike them tended with regret and pain—
Another year, perhaps, another year.

"Another year, ah yes, another year,
When bloom my roses, all my life shall bloom,
When summer comes, my summer too'll be here,
And I shall cease to wander in this gloom—
Another year, ah yes, another year.

"For ah, another year, another year,
I'll set my life in richer, stronger soil,
And prune the weeds away that creep too near,
And watch and tend with never ceasing toil—
Another year, ah yes, another year.

"Another year, alas! another year,
The roses all lay withering ere their prime,
Poor blighted buds, with scanty leaves and sere,
Drooping and dying long before their time—
Another year, alas! another year.

"And ah, another year, another year
Low, like the blighted dying buds, she lay,
Whose voice had prophesied without a fear,
Whose hand had trimmed the rose tree day by day,
To bloom another year, another year.

Take the Papers.

BY N. P. WILLIS.

Why don't you take the papers?
They're the life of our delight;
Except about election time,
And then I read for spite.

Subscribe! you cannot lose a cent,
Why should you be afraid?
For cash thus paid is money lent
At interest four fold paid.

Go, then, and take the papers,
And pay to-day nor pay delay,
And my word, for it is inferred,
You'll live until your gray.

An old neighbor of mine,
While dying with a cough,
Desired to hear the latest news,
While he was going off.

I took the papers and I read
Of some new pills in force;
He bought a box—and he is dead!
No—hearty as a horse.

I knew two men, as much alike
As e'er you saw two stumps,
And no phrenologist could find
A difference in their bumps.

One takes the paper, and his life
Is happier than a king's,
His children can read and write,
And talk of men and things.

The other took no paper, and
While strolling through the wood
A tree fell down, and broke his crown
And killed him—"very good."

Had he been reading of the news
At home like neighbor Jim,
I'll bet a cent that accident
Would not have happened him.

Why don't you take the papers?
Not from the printers sneak,
Because you borrowed from his boy
A paper every week.

For he who takes the papers,
And pays his bills when due,
Can live in peace with God and man,
And with the printer too.

Brevities and Witticisms.

—A dandy on shore is disgusting, but a swell of the sea is sickening.

—Every man who goes out West returns with his story of an arrow escape.

—You may find fashion in town, but you meet with more styles in the country.

—Why is a beefsteak like a locomotive? It is not of much account without its tender.

—An indignant Kentucky wife offered to swap her bigamous husband for a sewing machine.

—An old "settler"—The old lady who sent a farmer ten cents that had been due twenty-nine years.

—King says it is a dangerous proceeding to fool with a married lady who has a red-headed husband.

THE GOVERNOR'S MESSAGE.

To the Senate and House of Representatives of the Commonwealth of Pennsylvania:

GENTLEMEN:—You have, for a season, separated yourselves from private business and personal interests, and come from different sections of the State clothed with the powers of more than three and a-half millions of free, intelligent and independent people, to serve them in your representative capacity; and to determine upon public affairs, in such manner, it is hoped, as may deserve the blessings of God and the gratitude of men. It is becoming, therefore, to advance to these duties with minds untainted with party acrimony, unswayed by selfish or interested motives, and with fervent aspirations of praise and gratitude to the Great Preserver of nations, states and individuals, and to mingle our humble and devout supplications for His guidance and approbation in the accomplishment of the task assigned.

I am not insensible to the magnitude and importance of the subjects before me, nor to the responsibilities imposed; and approach them with diffidence and misgivings, conscious that some of them require more extended research than time and space could be allotted to their elucidation.

In compliance with the duty prescribed by the Constitution, I transmit, for your information and that of the people, a statement of the condition of the finances, schools, military and other matters of interest, with recommendations of such measures as are deemed of sufficient importance to be presented for your consideration.

FINANCES.

After thorough examination of the reports from the accounting departments, the following statement is submitted:—

Total amount in Treasury during year ending Nov. 30, 1871	$8,500,888 44
Total disbursements	7,024,079 85
Balance, Nov. 30, 1871	$1,476,808 59
Total public debt, Nov. 30, 1871	$29,980,071 73

The following statement shows the nature of the indebtedness of the Commonwealth, Nov. 30, 1871:

Funded debt, viz: Amount of over-due loans, $2,502,695 16; amount payable in 1872 and 1877, interest 6 per cent, $3,786,550; payable in 1872 and 1877, interest 5 per cent, $92,850; payable in 1877 and 1882, interest 6 per cent, $7,890,550; payable in 1877, interest 5 per cent, $3,399,700; payable in 1878, interest 5 per cent, $290,000; payable in 1879, interest 6 per cent, $400,000; payable in 1882 and 1892, interest 6 per cent, $9,271,850; payable in 1882, interest 5 per cent, $1,119,950; payable in 1882, interest 4½ per cent, $112,000—Total funded debt, $28,866,145 16.

Unfunded debt, viz: Relief notes in circulation, $96,347; int. certificates outstanding, $13,086 52; interest certificates unclaimed, $4,448 38; domestic creditors' certificates, $44 67—Total, $113,926 67.

The public debt, November 30, 1871, as before stated, $28,980,071 73.

The Commissioners of the Sinking Fund report assets remaining in their hands, as follows, viz:

Bonds of the Pennsylvania Railroad Company, secured by lien on the Philadelphia and Columbia Railroad, $5,900,000; thirty-five bonds of the Allegheny Valley Railroad Company, each for $100,000, guaranteed by the Pennsylvania Railroad Company, Northern Central Railway Company, and the Philadelphia and Erie Railroad Company, payable $100,000 annually, beginning January, 1875, with 5 per cent interest from January 1, 1872. $3,500,000—Total amount of assets, $9,400,000.

Amount of public debt, $28,980,071 73. Deduct amount of assetts, $9,400,000 00. Cash balance in the treasury, November 30, 1871, $1,476,808 59, making $10,876,808 59, leaves a balance of public debt of $18,103,263 14, unprovided for.

In obedience to the sixty-seventh section of the appropriation bill, approved May 27, 1871, the State has issued for the relief of citizens of Chambersburg and vicinity, for war damages adjudicated under former acts, certificates of loan to the amount of two hundred and ninety-nine thousand seven hundred and forty-eight dollars and ninety-one cents, which sum bears interest at six per cent, payable semi-annually at the State treasury.

The books of the Auditor General and State Treasurer show the total indebtedness of the Commonwealth, on the first day of December, 1866, was thirty-seven million seven hundred and four thousand four hundred and nine dollars and seventy-seven cents. Since then, and up to November 30, 1871, the sum of eight million seven hundred and twenty-four thousand three hundred and thirty-eight dollars and four cents has been paid. The reduction during the year ending November 30, 1871, is two million one hundred and thirty-one thousand five hundred and ninety dollars and seventeen cents. The average reduction during the last five years is one million seven hundred and forty-four thousand eight hundred and sixty-seven dollars and seventy-five cents.

It will be observed, in the table exhibiting the nature of the indebtedness of the Commonwealth, the amount of the loans now overdue is $2,502,695 16. This sum can, without doubt, be paid as rapidly as the holders will present it to the Commissioners of the Sinking Fund.—The bonds payable in 1872, and demandable in 1877, amounting to $3,879,400 00. These can also be paid within the five years prior to their maturity, at an average of $775,880 00 per annum.

For many years the general appropriation bills have been withheld from the Governor until about the time of adjournment, when he must either sign them without proper investigation, suspend the means to defray the operations of the government for the ensuing year, or call an extra session of the Legislature. It is earnestly desired that the appropriation bill be taken up, discussed and passed at an early period during the session, to enable the Executive to give it that thorough examination which its importance demands.

WAR CLAIMS.

In my message of January seventeenth, 1868, I informed the Legislature that "the balance in favor of the General Government for Pennsylvania's quota of direct tax levied in the several States for war purposes, and for cash from the United State, amounting in all to nearly two millions of dollars, has been settled in full by the allowance of claims for extraordinary expenses incurred by the State during the war. In consequence of the lapse of time since the remaining claims were contracted, the want of sufficient vouchers and explanations, and the difficulty of finding the parties, some of them being dead, by whom they should be made, render their settlement difficult, and in many instances doubtful, the accomplishment of which, however, will be vigorously pursued, and the result laid before the Legislature."

Lately public attention has been persistently directed to the subject of these claims, and their collection from the National Government; and in view of the action which it may be your duty to take in reference thereto, the following facts showing what these claims consisted of, the measures taken by the State for their recovery, and the success resulting therefrom, are submitted to aid you in your deliberations.

By a statute of Congress, approved July twenty-seventh, 1861, entitled "An Act to indemnify the States for expenses incurred by them in defense of the United States," it is provided "That the Secretary of the Treasury be, and he is hereby directed, out of any money in the Treasury not otherwise appropriated, to pay to the Governor of any State, or to his duly authorized agents, the cost, charges, and expenses, properly incurred by such State for enrolling, subsisting, clothing, supplying, arming, equipping, paying and transporting its troops employed in aiding to suppress the present insurrection against the United States, to be settled upon proper vouchers, to be filed and passed upon by the proper accounting officer of the Treasury."

By another act of Congress, approved August 5th, 1861, entitled "An Act to provide increased revenue from imports to pay interest on the public debt, and for other purposes," there was levied a direct tax upon the several States, Territories and the District of Columbia, of twenty million of dollars, with the privilege to those States of collecting and paying the quota of their tax into the Treasury of the United States, of a deduction or allowance of fifteen per cent. as compensation for the expenses attending the collection.

Pennsylvania's portion of this tax amounted to $1,946,719 33, the payment of which the States assumed.

The fifty-third section of the statute last referred to provides: "That the amount of direct tax apportioned to any State, Territory or the District of Columbia, shall be liable to be paid and satisfied, in whole or in part, by the release of such State, Territory or District, duly executed to the United States, of any liquidated and determined claim of such State, Territory or District of equal amount against the United States: *Provided*, That in case of such release, such State, Territory or District shall be allowed the same abatement of the amount of such tax as would be allowed in case of payment of the same in money."

Under the act of Congress referred to, of July 27th, 1861, claims on the part of the State against the United States were filed, amounting in the aggregate to $3,172,218 19.

It was in reference to the first and second instalments of the claims so filed, that my predecessor, Governor Curtin, informed the Legislature, January 7, 1863, that on the 14th of June, 1862, the quota of direct tax due by the State had been "paid to the United States, partly by a relinquishment of a portion of the sums claimed by this State from the government, and partly in cash, after deducting the fifteen per cent. allowed by act of Congress for prompt payment." The settlement thus assumed to have been effected, and which, on the information reported to him, Governor Curtin supposed to have been complete, was based upon an arrangement, as understood by the State authorities, shown by the following figures:

Amount of direct tax,	$1,946,719 33
Deduct 15 per cent,	292,007 90
	$1,654,711 43
Cash paid by the State to the United States, June 30, 1862,	350,000 00
Proportion of war claims set off by the State,	$1,304,711 43

It subsequently transpired, however, that at the date when Governor Curtin assumed the above settlement to have been completed, no portion of the State's claims had been "liquidated and determined" by the "proper accounting officers of the Treasury" of the United States, as required by the statutes of Congress, approve 27th July and 5th of August, 1861. Indeed, it was not until November 1, 1865, that any portion of the State's claims had been "liquidated and determined" by the United States officers, and even then the only sum allowed amounted to one hundred and twelve dollars and fifty cents. Still, on September 20, 1861, the United States made an advance to the State on account of the claims of $600,000, and for this cash advance the State stood debtor to the United States until the claims were "liquidated and allowed." So that on the books of the National Government the State appeared debtor for, $2,202,719 33, while the claims on the part of the State against the United States were understood, if properly supported, to be considerably in excess of this amount. To enable the State to have secured the benefit of the rebatement of fifteen per cent. on the quota of direct tax, amounting to $292,007 90, it was absolutely necessary, under the statutes of July 27, and August 5, 1861, that the money should either be paid out of the Treasury of the United States, or that the claims of the State against the National Government, which had been "disallowed and suspended" (except the credit of $112 50, above explained,) for five years should be "liquidated and determined" by the accounting officer of the government. It was under these circumstances that the Legislature of the State, in 1867, by joint resolution, authorized the Governor to appoint "a special agent to collect disallowed and suspended claims against the United States," "whose compensation for that purpose shall not exceed ten per centum of the amounts thus collected, and shall be paid out of such collections."

As thus authorised it became my duty to appoint a competent person to attend especially to the interests of the Commonwealth in the collection and adjustment of these claims, and under the authority conferred upon me, I appointed Mr. Geo. O. Evans, of Philadelphia, whose recommendations for efficiency and faithfulness were so strong, that I had no hesitation to place in his hands the agency required by the act of Congress of July 27, 1861, and the joint resolution of the Legislature. It was not expected that he would ever succeed in paying off a debt which seemed to be greater than the amount of the claims then on file; nor was it expected that he would succeed, under the best of circumstances, in obtaining more than a few hundred thousand dollars out of vouchers, which had for upwards of five years, been "disallowed and suspended," and deemed almost without value.

Mr. Evans, upon his appointment, immediately gave his attention to the duties assigned him, and through his success in paying the entire debt due the General Government, I was able to communicate to the Legislature of 1868, the partial settlement of the claims referred to. It is due to Mr. Evans to state, that that reference was of too meager a character to place the result of his services fairly and fully before the public. Through his labors, the claims of the State, which had for years been "suspended and disallowed," were "liquidated and determined" by the accounting officers of the National Government, and being thus "liquidated and allowed," the State for the first time became entitled, under the provisions of the act of August 5, 1861, to the above sum of $292,007 90, as the rebatement on the quota of the United States tax.

The credit thus secured to the State, deducted from her quota of the direct tax, left a balance thereon against the State of $1,654,711 43, and from this sum there was to be deducted the payment made by the State on account of this tax on June 30, 1862, of $350,000 00—reducing the liability of the State for direct tax to $1,304,711.43. This indebtedness, as also the cash advanced to the State on September 20, 1861, six months before the first instalment of claims had been filed on the part of the State, of $600,000 00, were paid by Mr. Evans by the collections which he succeeded in making upon the claims "liquidated and determined" in favor of the State, as already explained.

By act of Congress, the State was entitled to a rebatement of fifteen per cent. on her quota of the United States tax, provided it was paid before the first day of June, 1862, and of ten per cent, provided it was paid before the first of September of that year. The State had forfeited both of these proposed reductions for prompt payment by her delinquency in not paying the tax for five years. But, notwithstanding all this, Mr. Evans not only obtained for the benefit of the State, the rebatement of the fifteen per cent. on the amount of the tax, but a release of the interest which might have accrued on the entire claim of the United States.

The present condition of the claims against the National Government stands thus:

Amount of claims filed as before shown,	$3,172,218 19
Of which there have been allowed and collected,	2,910,469 11
The balance in suspense,	$ 261,749 08
Further claims on the part of the State can, I am informed, be fairly made, with good prospects of collection, to the amount,	$ 100,000 00
Making the amount of suspended and outstanding claims yet to be collected,	$ 361,749 08

CREDIT MOBILIER OF AMERICA.

By the fourth section of the act approved May first, 1868, taxing corporations, it is declared:

"That the capital stock of all companies whatever, incorporated by order under any law of this Commonwealth, * * shall be subject to pay a tax into the Treasury of the Commonwealth annually, at the rate of one-half mill for each one per cent. of dividends made or declared by such company."

The taxes received during the last four years from corporation stocks have annually exceeded one million dollars, and are now about the one-sixth part of the revenue of the State.

"The Credit Mobilier of America" is a corporation created by the Legislature of Pennsylvania; and under the vast powers conferred by its charter, it undertook the construction of that great national work, the Union Pacific railroad. The first contract was made with a Mr. Hoxie for two hundred and forty-seven miles, at the eastern terminus of the road, and east of the one-hundredth meridian, for the consideration of fifty thousand dollars per mile. This contract was assigned by Hoxie to the Credit Mobilier, and the road was built by that company. In the execution of the contract certain profits were made and dividends divided by the corporation; and the taxes due thereon to the State of Pennsylvania were voluntarily paid into the Treasury. Soon afterwards another contract was made with Mr. Oaks Ames, for the construction of six hundred and sixty-seven miles of said road west of the one-hundredth meridian, for an aggregate consideration of forty-seven million nine hundred and fifteen thousand dollars. This part of the road was constructed under the latter contract; and out of the profits arising therefrom about the sum of nine million dollars was declared as dividends, and paid to the stockholders of the Credit Mobilier. But when the State demanded her taxes on these immense profits, payment was refused by the corporation, on the grounds that the dividends though paid to, and received by, the stockholders of the corporation, and in the precise amounts and proportions in which they severally held stock in the company, were yet paid to them as individuals, and not as stockholders. To make good this defence sundry papers, agreements and contracts were produced, and especially a tripartite agreement between Oaks Ames of the first part, sundry trustees therein appointed of the second part, and the Credit Mobilier of the third, by which, and the accompanying parol evidence, it was contended the corporation was not responsible for the taxes claimed, amounting to about one million dollars. The accounting officers of the State, with counsel employed by the Auditor General, associated with the Attorney General, prosecuted the claim with zeal and ability, and on the two separate trials in the court of common pleas of Dauphin county recovered verdicts and judgments against the corporation.

The first was obtained November 23, 1869, for $407,483 39, and the second, December 23, 1870, for $610,301 03. The defendant took writs of error; and the Supreme Court reversed the judgments, and, in the opinion of a majority of the judges certain principles are declared which are considered fatal to a recovery by the State. If this corporation, created by the laws of Pennsylvania, by the legerdemain of a tripartite agreement, and other contracts and proceedings to which the Commonwealth was not a party, can thus evade taxation upon its capital stock, I can imagine no good reason why every other corporation may not, by a resort to the same ingenious contrivance, escape the payment of taxation on their capital stock, and thus over a million dollars annually be lost to the State Treasury. In view of this impending danger, I earnestly invoke your prompt and careful consideration of this whole subject, and recommend such action as will in the future effectually protect the interests of the Commonwealth.

CONSTITUTIONAL REFORM.

The people at the last election having proclaimed unmistakably in favor of a convention to revise the Constitution, it will doubtless be the pleasure of the Legislature to provide the necessary legal machinery to carry out the the popular will on this important subject. I cordially sympathise with this movement, and in my last annual message presented my views thereon so fully that a repetition of them is deemed unnecessary, but to which special reference is made. A careful revision of our fundamental law, by men qualified for that duty, is imperatively demanded by the highest considerations of public welfare.

Connected with this, in a considerable degree, are the questions of the establishment of a "Court of Appeals," and the appointment of a commission to revise the tax laws and to equalize taxation. Both of these measures are important, and are urged upon my consideration by intelligent men from the different parts of the State. But, inasmuch as the constitutional convention may, with propriety, undertake the re-organization of our judicial system; and as taxation should be based upon and made conformable to the requirements of the Constitution, I incline the opinion that general legislation on these subjects had better be postponed until the action of the proposed convention shall be known.

CONGRESSIONAL APPORTIONMENT.

The second section of the first article of the Constitution of the United States, as modified by the second section of the fourteenth amendment thereto, defines the principles and basis of congressional representation; and imposes upon each State the duty of dividing the same, every ten years, into Congressional districts, each containing as nearly as possible the ratio of inhabitants adopted by Congress, based upon the enumeration of the National census of 1870. No more important duty than this apportionment of the State into Congressional districts is likely to devolve upon the present Legislature; and I bespeak for it that careful and patriotic consideration which is required by the magnitude of the interests involved.

THE MILFORD AND MATAMORAS RAILROAD COMPANY.

About the close of the session of the Legislature in 1870, an act was passed and approved, entitled "A supplement to the Milford and Matamoras Railroad Company." The fourth section of this enactment seems to have been intended to take from the State, and give to the company, the ten thousand dollars bonus, paid into the State Treasury annually by the New York and Erie Railroad Company, under the fifth section of the act of 26th of March, 1846. Soon after the adjournment my attention was directed to the subject, and to guard against loss I caused the Attorney General to give notice to the New York and Erie Railroad Company that the State would look to that corporation for the payment of the annual bonus, as heretofore, notwithstanding the passage of the supplement referred to. I regard the latter as having been acted and approved, through inadvertence, in the hurry of a closing session, and a hasty inconsiderate legislation, at variance with the settled policy of the State, and highly prejudicial to the public interests; and I therefore earnestly repeat the recommendation in my last annual message for the immediate repeal of this obnoxious law, or at least of that part of it which relates to the bonus. The State having long since abandoned the policy of paying money out of her Treasury for the construction of railroads, there is neither equality or justice in allowing this enactment to remain in force.

EDUCATION.

Every citizen is deeply interested in the management and welfare of our common schools, and in the cause of general education, and should rejoice that in the prosperity of so great a trust he is charged with an appropriate share of responsibility. In proportion as the character of public instruction is elevated, the vast multitudes who emerge from our schools will be properly prepared for the active duties of life, and "the weighty responsibilities of American citizenship."

Thirty-seven years have elapsed since the common school system was introduced into Pennsylvania, and the general prosperity of the State, ever since, been commensurate with the advantage that have been afforded to its rapidly increasing population. Those who were instrumental in its introduction, and those who have devoted themselves to perfection its operations as to methods of teaching, the adaptation of buildings, and all other means of education, are fully appreciated and compensated by the gratitude of all good and intelligent people. But much yet remains to be done to perfect its ultimate purposes, and it must not be said of us, now upon the field of action, that we are permitting the good work to languish in our hands. No just complaint should be allowed as to its efficiency, or that its great and important ends are not being accomplished.

It was certainly the purpose of the founders of our common school system to give every child in the Commonwealth, without regard to its pecuniary or social condition, the advantages of sufficient education to enable him or her to engage in the successful transaction of the ordinary branches of business, and to obtain and maintain a respectability which ignorance can never acquire. Thus far this has not been fully accomplished; for I am informed there are at least seventy-five thousand children in the State who attend no schools of any kind whatever. It is unnecessary to inquire into the reasons for this shameful neglect. The evil exists and demands an efficient remedy. That remedy may probably be found either in compelling, or in holding out inducements to parents and others having in charge, whether rich or poor, to afford them the benefits, for at least a reasonable term of years, of our public schools.

Those who neglect this duty are unfit guardians, and deserving of severe reprehension. Parents are not the sole owners of their children. The latter are the property of the State, their prosperity of which materially depends upon their future usefulness. They are emphatically *her* children, and have an indefeasible right to demand her protection in their youth, that in advanced life they may, in turn, become her protectors. Let them be properly reared, trained and cultivated, and they will grow up to maturity loving the hand that fostered them, and feeling a deep and lasting interest in its welfare for the paternal care they received. And thus many who would otherwise be neglected may become an honor to themselves, and bright and shining lights in the moral, social, religious and political firmament of the Commonwealth. But let these be neglected, and what are the adverse results? Idleness and ignorance are the prolific sources of vice and crime. They will fill our alms-houses with youthful vagrants, our prisons with convicted criminals, houses of infamy with dissolute wretches, the purlieus of our cities with drunken, miserable, and half starved vagabonds, and cover our "Potter's fields" with the graves of those who might have been, with proper instruction, ornaments to society and serviceable to their country. These statements are fully sustained by the reports of prison inspectors, wardens, physicians and philanthropists who have given the subject careful consideration; and it has been clearly demonstrated that an exceedingly small percentage of the suffering beings who crowd our prisons and poor houses have received even the rudiments of an ordinary education, or moral instruction during their childhood. This condition of things admonishes those having charge of the public interests of a great responsibility, and that the application of effectual remedies admits of no delay. Therefore, such legislation is recommended as will remedy any defects in our school system that have hitherto failed to make it thorough, comprehensive and universal.

I would advise a more liberal policy to be adopted in regard to the compensation of teachers in the public schools, that the highest order of talent and the best qualifications for the responsible and important duties of instruction may always be secured.

On this occasion I have omitted the statistical statements exhibiting the condition of the different branches of the School Department, and respectfully invite your attention to the carefully prepared reports of the Superintendent for a detailed account of the Normal, Agricultural, Common and Soldiers' Orphans' schools and colleges, and to the suggestions and recommendations contained therein. I also recommend an appropriation of five hundred and twenty thousand dollars in aid of the common schools, and four hundred and eighty thousand dollars for the continuance of the soldiers' orphans' schools, for the school year terminating May 31, 1873.

NATIONAL GUARD.

The accompanying report of the Adjutant General will be found an interesting document. It is replete with valuable information in regard to which every citizen of the Commonwealth is deeply concerned. The present condition and efficiency of the military organizations of the State, recognized as the "National Guard," is in most instances such as to give general satisfaction. From a very small beginning, at the close of the war, they have assumed an attitude most creditable to the patriotic ardor of our young men, some of whom during the past year have been enabled to avail themselves of an opportunity to prove their usefulness in the field.

The effective force of the National Guard is at present nineteen regiments, and three battalions, comprising, with unattached organizations, three hundred and eighty-two companies, viz.: Eight artillery, twenty cavalry, and three hundred and fifty-four infantry. Of the regimental organizations, thirteen are in the First division, one in the Second, three in the Eighteenth, and two in the Ninth. The aggregate of enlisted men is sixteen thousand seven hundred and thirty-four, and the commissioned officers number one thousand one hundred and forty-two. The Fifth brigade of the First division, organized in accordance with an act of the last Legislature, is composed of three regiments of colored troops.

The entire force is handsomely equipped, and generally well drilled and disciplined, and prepared to meet any ordinary emergency in which its services may be