Pittsburgh Gazette.

D. F. WILLIAMS, A. L. BAYER, S. RIDDLE. WEEKLY EDITION.

S. RIDDLE & Co., EDITORS and PROPRIETORS.

PITTSBURGH:

THURSDAY MORNING, JAN. 7, 1858.

REPUBLICAN NOMINATIONS.

ALLEGHENY—ELECTION, TUESDAY, JAN. 12.

MAYOR,

James Miller,

Director of Poor—A. DAVIDSON.

FOR ASSEMBLY,

JOHN SCOTT, of Robinson Township.

For complete returns of the late election see first page.

THE MAYORALTY.—We confess that we had no very deep gratification in at so much as we look at the figures, but we feel inclined to rejoice. The gallant Republicans of the city swept every ward but one (the Third,) and there they struggled manfully against overwhelming odds, and brought down the majority on Mayor to 61. The Republicans of every ward did nobly; but we must make especial mention of the 5th, where they have effected a complete revolution, and carried everything before them. They have the especial honor of having given more votes to Mayor Weaver than they did to Fremont, notwithstanding they lacked the tremendous pressure of excitement which enabled them to poll the vote they did in 1856.

The vote of the city is much lighter than the vote of 1856, but it is the largest vote ever cast at a Municipal election in Pittsburgh. The anxiety to poll a vote of condemnation on the administration brought out a great many who otherwise would have staid at home.

One thing worked much against us—the prevalence of local dissatisfaction in most of the wards, growing out of disputes about School Directors, Aldermen, &c. In spite of this, however, the party rallied with energy and spirit, and succeeded in carrying though the regular nominees, with but few exceptions. Indeed, the spirit manifested under the circumstances was exceedingly creditable.

For the Councils, it will be seen, the democrats carried but one member of the Select and seven of the Common. Their entire vote, on joint Ballot, will be but 10, out of 48

We append a comparison of the vote for President in 1856 and the vote for Mayor, by which it will be seen that Mayor Weaver's majority is 269 greater than that given to Fremont.

	Fre-mont.	Buch-anan.	Wea-ver.	Magee.
1st Ward,	425	234	307	102
2d do.	393	267	381	145
3d do.	393	267	381	145
4th do.	618	290	493	644
5th do.	640	621	542	429
6th do.	534	367	478	280
7th do.	294	116	183	107
8th do.	340	193	256	113
9th do.	367	150	227	61
Total,	3853	2879	3149	1915
Fremont's maj.,			974	
Weaver's "			1284	

LEGISLATIVE NOMINATION.—The Republican County Convention, yesterday, was very fully attended, and the best spirit prevailed. Col. JOHN SCOTT, of Ross township, a veteran in the cause, was nominated for Assembly, to fill the vacancy caused by the death of Mr. Backhouse. Col. Scott was a member of the legislature in 1832-3, and was also elected Register in 1848, which office he filled acceptably for three years. He is well known to the people of the county, and wherever known is much esteemed as a man of probity, intelligence, integrity and sound judgment. He possesses, in high degree, the confidence of all who know him, and will, if elected, (as he no doubt will be,) make an excellent and trustworthy representative.

The day for this election has not yet been fixed, but it will probably be some day at the latter end of this month.

Our friends in the country must now go to work, and prepare for bringing out a full vote. The Buchanan men intend to make a rally on their candidate, in behalf of the administration, eighty-five cents, ($188,798 65;) to relay the South Track of the Columbia Railroad, ninety-one thousand four hundred and five dollars and forty-six cents, ($91,405 46;) to enlarge the Delaware Division, forty-six thousand two hundred and sixty-three dollars, ($46,263 00;) for motive power in 1856, eighty-one thousand six hundred and four dollars and twenty-four cents, ($81,604 24;) for repair in 1855 and 1856, forty-nine thousand five hundred and sixty-four dollars and seventy-eight cents, ($49,564 78;) for the redemption of loans, eight hundred and twenty thousand ninety-seven dollars and three cents, $820,097 03;) damages on the Public Works, forty-six thousand five hundred and fifty-two dollars and sixty-five cents, ($6,552 65;) old claims on the Main Line adjusted under the several Acts of Assembly, forty-six thousand five hundred and forty-eight dollars and fifty-seven cents, ($46,648 57;) and for that will be usual and Farmers' High School. The interest on the Treasury.

The issue of Specie Payments by the Banks, and for the Relief of Debtors," the State Treasurer will be enabled to pay the interest due in February, in specie or its equivalent. The credit of the Commonwealth has been fully and honorably sustained. The promptness with which every legitimate demand upon the Treasury has been met, has inspired public confidence in our securities; and although recent and extensive financial revulsion may embarrass the operations of the Treasury, and reduce, to some extent the revenue, yet the ability of the State to meet her engagements and maintain her credit, under an honest and economical administration of her finances, is undoubted. The honor and credit of the State must and can be preserved intact.

The Commissioners of the Sinking Fund, report the sum of four hundred and fourteen thousand nine hundred and twenty dollars and twenty-nine cents, ($414,920 29) as now in the Treasury to the credit of that fund. This amount will be applied to the redemption of Relief Notes yet in circulation, and to the payment of the funded debt of the Commonwealth.

The Commissioners of this fund, on the 7th day of September last, reported to me that the sum of one million forty-two thousand eight hundred and fifty-seven dollars and sixty-four cents, ($1,042,857 64) of the debt of the Commonwealth, was held by them, as follows—viz:

Loans of 19th of April, 1853, over due,	
temporary,	$400,000 00
Loans of 9th of May, 1854, over due, temporary	164,000 00
Certificates of stock, loans of April 11, 1840, 6 per cent,	66,501 00
Certificates of stock, loans of various dates, 5 per cent,	9,316 64
Relief Notes cancelled and destroyed.. " in Treasury, set aside for cancelation	373,040 00
	30,000 00
Total,	$1,042,857 64

As required by law, I directed the certificates and evidences of this indebtedness to be cancelled; and on the 19th of September, 1857, issued my proclamation declaring the same fully extinguished and final discharge, of one million forty-two thousand eight hundred and fifty-seven dollars and sixty-four cents ($1,042,857 64) of the public debt.

In addition to the amount reported to be in the Treasury to the credit of the sinking fund, and applicable to the payment of the public debt, the Commissioners of the fund now hold the sum of seven and one-half millions of dollars, ($7,500,000 00) bonds of the Pennsylvania Railroad Company, pledged by law to the payment of the funded debt of the Commonwealth.

By the 4th section of the 11th article of the Constitution, as amended and ratified by a majority of the qualified voters of the State at the general election held on the second Tuesday of October, 1857, it is made the duty of the Legislature at its first session after the adoption of this amendment to create a Sinking Fund, which shall be sufficient to pay the accruing interest on the present public debt and any additional debt thereafter constitutionally created, and annually to reduce the principal thereof by a sum not less than two hundred and fifty thousand dollars; ($250,000 00,) which "Sinking Fund shall consist of the net annual income of the public works from time to time owned by the State, or the proceeds of the sale of the same, or any part thereof, and of the income or proceeds of sale of stocks owned by the State, together with other funds or resources that may be designated by law. The Sinking Fund may be increased from time to time by assigning to it any part of the taxes or other revenues of the State, not required for the ordinary and current expenses of government, and, unless in case of war, invasion or insurrection, no part of said Sinking Fund shall be used or applied otherwise than in extinguishment of the public debt, until the amount of such debt is reduced below the sum of five millions of dollars," ($5,000,000.)

This being the first session of the Legislature since the adoption of this amendment, the duty therein enjoined devolves upon you, and should be promptly and faithfully discharged.

The funded and unfunded debt of the State, including temporary loans, on the first day of December, 1856, as per Reports of Auditor General and State Treasurer, was as follows, viz:

FUNDED DEBT.

	$ 511,781 00
	38,866,994 50
	388,200 00
	900,000 00
	$39,866,975 50

UNFUNDED DEBT.

	$ 445,180 00
	35,775,212 52
" "	383,200 00
" "	100,000 00
Total funded debt,	$39,706,592 52
Relief notes in circulation $146,420 00	
Int'st certi'tes outstand'g 23,472 82	
" unclaimed 4,448 38	
Domestic creditors 802 50	
Total unfunded debt,	175,145 70
Total debt Dec. 1, 1857,	$39,881,738 22
Total debt Dec. 1, 1856	$40,701,825 25
" " 1, 1857	39,881,738 22
Decrease during late fiscal year,	$ 820,097 55

These statements exhibit the gratifying fact that during the past fiscal year, the public debt has been reduced eight hundred and twenty thousand, ninety-seven dollars and fifty-five cents. During the same period large appropriations and payments were made on account of our public improvements, for old and unsettled claims adjusted under the act of last session, and for other extraordinary purposes.

The condition of the Treasury prior to the suspension of specie payments by the banks justified the appropriation of at least two hundred thousand dollars more in payment of the public debt, and arrangements were made by the Treasurer, under the direction of the Commissioners of the Sinking Fund to liquidate that amount; but after the suspension, and the consequent financial embarrassment of the country, the proposed payment, from prudential motives, was proposed. Had this payment been made, in addition to the payments already reported, the statements and calculations submitted in my last annual message in relation to the early payment and final extinguishment of the public debt, would thus far have been sustained by their actual verification. The causes that prevented their realization, it is believed, will soon cease to affect injuriously the revenues of the Commonwealth. Actuated by that indomitable energy that has ever characterized the American people—faltering for a moment, but not disheartened by the adverse circumstances that surrounded us—roused to more vigorous action by disaster and defeat, our progress cannot long be checked, nor our prosperity long be interrupted. Confidence, the sensitive, yet powerful agency that binds in unity and strength the great financial, commercial and industrial interests of our country and the world has been suddenly impaired, producing financial and commercial distress, and affecting the revenues of the Commonwealth; but with the advantages resulting from the rapid development of our resources during the last quarter of a century—the immensely valuable increase of our agricultural, mining and manufacturing industries and consequent—the abundant harvests of the past year—our completed improvements, and all the elements of material wealth in our midst, its restoration at an early period is not problematical. Returning confidence will be the herald of returning prosperity. Notwithstanding, then, the present embarrassment and gloomy condition of the country, after a careful consideration of the present and prospective condition of the finances and resources of the Commonwealth. I cannot restrain to reaffirm my belief, "that the time is not far distant when Pennsylvania will stand redeemed from the oppression of her public debt; and her people may be relieved from a taxation imposed to meet the accruing interest and maintain the faith and credit of the Commonwealth," and that "by practising strict economy in all departments of the Government—avoiding extravagant expenditure—refusing to undertake any new schemes of internal improvement, and holding to a rigid accountability the receiving and disbursing agents of the State, the realization of these views may be anticipated with confidence."

The corroborative of the opinion now and heretofore expressed, a brief review of the operations of the Treasury during the past three years, as connected with the payment of the debt of the Commonwealth, may not be inappropriate. In my first annual message to the Legislature the fact was stated, that during the three years intervening between December 1, 1851 and December 1, 1854, the public debt had been increased to one million, five hundred and eighty-four thousand, three hundred and eighty-nine dollars and thirty-four cents; and that those three years the public debt has been decreased, by actual payment and without resorting to the expedient of temporary loans, one million, eight hundred and sixteen thousand, eight hundred and fifty-seven dollars and fifty-two cents. If to this be added the sum of four hundred and fourteen thousand, nine hundred and twenty dollars and twenty-nine cents ($414,920 29) now in the sinking fund, and applicable to the payment of the funded debt, the reduction will be two millions, two hundred and thirty-one thousand, seven hundred and seventy-seven dollars and eighty-one cents, (12,231,777 81.)

These facts are not only gratifying but encouraging. It has already been stated that there is in the Sinking Fund the sum of seven millions; five hundred thousand dollars—bonds of the Pennsylvania Railroad Company, bearing interest at the rate of five per cent. per annum, payable semi-annually and pledged to the payment of the funded debt. If this amount be added to the reduction before stated, we have presented to us a virtual, if not an actual decrease, of the State debt of nine millions, seven hundred thirty-one thousand, seven hundred and seventy-seven dollars and eighty-one cents, ($9,731,777 81,) showing the total funded and unfunded debt of the State on the first day of December, 1857, to be then thirty-one millions, nine hundred and sixty-six thousand, eight hundred and eighteen dollars and forty-one cents, ($31,966,818 41.)

In anticipation of the sale of the Main Line and the decrease in the public debt, the State tax, by an act of the last regular session, was reduced from three to two and one-half mills on the dollar; a reduction equal to one-sixth of the tax imposed for State purposes prior to that act. These facts speak for themselves. Well may the people be congratulated on such an auspicious beginning in the process of liquidation, and well may they with confidence anticipate the day of their deliverance from State taxation. Financial and commercial embarrassment may postpone—nothing but unwise legislation and the imprudent or dishonest management of our finances, can prevent the early realization of their well founded anticipations.

The condition of the public works, their general operations, the receipts and expenditures during the past fiscal year, will be presented to you in detail in the Reports of the Canal Commissioners.

The total receipts at the Treasury from the public works for the year ending, November 30, 1857, including receipts from the State tax up to the first day of August last, were one million, five hundred and eight thousand, five hundred and ninety-eight dollars and sixty-five cents, ($1,308,598 62.) The aggregate expenditure upon the same period were one million, three hundred and twelve thousand, seven hundred and five dollars and sixty-seven cents, ($1,312,705 67;) the expenditures exceeding the revenues four thousand, one hundred and seven dollars and two cents, ($4,107 05.)

The receipts at the Treasury from the several Divisions were as follows, viz:

Main Line, to August 1, 1857	$796,550 33
Susquehanna and North and West Branch Divisions	287,718 95
Delaware Division	224,329 34

The receipts from the Delaware Division are less than those of the previous year. The completion of rival Railroads and other causes, have lessened the receipts from this important division of public works; and it is feared will continue to decrease them. Its management has been satisfactory, and compared with other divisions of the public improvements, economical. The net revenue, at the Treasury, was $174,000 87, a decrease of $90,003 53, as compared with the receipts of the preceding year.—In addition to the ordinary expenditures, the sum of $46,263 was paid for the elargement and improvement of this division.

The North Branch Extension of the Pennsylvania canal, although so far completed in the fall of 1856, that boats freighted with coal and other products, were successfully passed through its entire length from Pittston to the Junction canal, yet in consequence of a large portion of the "Horse Race Dam" having been carried away by the freshet of last spring, business on the canal was suspended the greater part of the past year. It was repaired during the summer and in the fall business was resumed along its entire length. Soon after, the same dam was again extensively injured by a sudden and heavy freshet, and the greater part of the canal rendered unsafe for business. An appropriation will be required to reconstruct the dam.

This canal, although useful and valuable, appears to be doomed to failure and disaster. Its errors are fruits of former mismanagement and fraud in its construction. Every effort has been made to repair the errors of its early management, and to complete and render useful this division of our public works. Under proper management it can be successfully accomplished. In pursuance of the act of the 16th day of May, 1857, providing for the sale of the Main Line of the public works, after giving the notice required by law, I caused the said Main Line to be exposed to public sale at the Merchant's Exchange, in the city of Philadelphia, on the 26th day of June last, and sold the same to the Pennsylvania Railroad Company for the sum of seven millions five hundred thousand dollars, the highest price bid for the same, and the minimum price fixed in the act.

After a full compliance by the purchasers with the conditions of the act authorizing the sale, and the delivery of their bonds in number and for the amounts equal to and failing due at the periods provided for the payment of the respective instalments, the Secretary of the Commonwealth, on the 31st day of July, under the great seal of the State, conveyed to the Pennsylvania Railroad Company, their successors or assigns, the whole Main Line of the public works between Philadelphia and Pittsburg, together with all the right, title and interest, claim and demand, of the Commonwealth of Pennsylvania to all property, real, personal and mixed, belonging to or used in connection with the same by the Commonwealth: and the purchasers having given notice of their readiness to take possession of the said works, possession of the same was accordingly delivered to the Company on the first day of August last: of which notice was given to all Superintendents and Agents of the Commonwealth, by proclamation bearing date the 31st day of July, 1857, as required by the law authorizing the sale.

The bonds of the Pennsylvania Railroad Company, in the sum of seven and one half millions of dollars, were received by the State Treasurer and are held by him for the Commissioners of the Sinking Fund; the entire proceeds of the sale being required by the 12th section of the act to be paid to the Sinking Fund and applied to the payment of the State debt.

I cannot forbear congratulating the people of the Commonwealth on the consummation of this sale. Public sentiment as expressed through the ballot-box, and in other forms equally significant, demanded it—public policy and the interests of the Commonwealth required it. It is done. The many approve; few complain, those most, who have gained an unenviable reputation by a reckless disregard of the public interests, as exhibited in the extravagant, useless and prodigient expenditures of the public money for selfish or partizan purposes.

The sale of the Main Line has directed public attention to the importance and necessity of disposing of the remaining divisions of the public improvements. The reasons and policy that required and justified the sale of the one, apply with equal force to the sale of the other. The propriety of separating the State from the care and control of the public works, is not only evident to all who have given the subject a candid and impartial consideration, but the necessity is clearly established, by the history of their construction and management. They have failed to be a source of revenue to the Commonwealth, and if retained by the State will require an expenditure in their repair and management largely exceeding any revenue, that under the most favorable circumstances can be derived from them. In any phase of the question, this separation is desirable, but in connection with the payment of the public debt, and the reduction of State taxation, it becomes the policy of the State, and its interest to startle and the earliest practicable period. The whole of our public works, for a fair consideration, upon terms just and liberal to the purchasers, and at the same time amply protective of the rights and interests of the people, should be authorized by the Legislature. Such sale, with the application of the proceeds to the payment of the public debt, would secure its still more rapid extinguishment. The subject is recommended to your unbiased consideration.

The law incorporating the Pennsylvania Railroad Company imposed a tax of three mills per ton, per mile, on all tonnage passing over the road, as an equivalent for any decrease in the revenues of the Commonwealth that might arise from the anticipated completion of the road, with the business of the Main Line of the public improvements. This tax is not imposed upon the Company, but upon the tonnage, and is paid by the owners of the freight transported over the road; the company acting as agents in its collection and payment to the State. It is virtually a tax upon the trade and commerce of the Commonwealth, and upon the commerce of other States whose productions seek an Eastern market over this road; and thus by increasing the rate of charges and the cost of transportation the produce of the west is forced upon the competing railroads of other States and to other markets than our own. The necessity that required this tax, as regards the Commonwealth and her improvements, has ceased. Its continuance can only be justified as a revenue measure. It should be the policy of the State to invite the transmission of the products of other States through her territory to her own markets, and, therefore, the propriety of relieving the trade and business of the Commonwealth and country from this tax upon it, is respectfully submitted for your consideration.

In consequence of the suspension of specie payments by the Banks of this and the other States of the Union, and the financial embarrassment and general prostration of business, I deemed it my duty to call, as authorized by the Constitution, an extra session of the Legislature, to meet at Harrisburg on the sixth day of October last. Although the relief provided by this extraordinary session of the General Assembly, was not as ample as the exigency of the case required, yet it was productive of many beneficial results, and served to allay the intense excitement and alarm that pervaded the entire community. By the act providing for the resumption required to payments by the Banks, all bank notes per cent. on existing the privileges of not only defrayed all the expenses of the session, but will leave a balance in the Treasury, not less than thirty-five thousand dollars, a result certainly not injurious to the financial condition of the Commonwealth.

My views expressed in former communications on the subject of banks and banking capital, in their relations to the currency and the general interests of trade, remain unchanged. However diverse our opinion may be on this subject, it must be admitted by all, that the banking and credit systems are so intimately interwoven with the business and commerce of the country, that their sudden separation or a rash innovation, would produce consequences of fearful magnitude. That the present system of banking is perfect, is not pretended; that it could be essentially modified and improved, will not be denied. The present derangement of the currency may and will suggest the necessity of reform, not only in the system itself, but in the management of our banking institutions.

Unlimited credits by corporation or individuals have and will ever be an unmitigated evil. They contribute to bank expansions, rash speculations, extravagant living, and excessive overtrading; always sure to be followed by ruinous revulsions. What the remedy should be, I do not deem it my province, under existing circumstances, to suggest; but to be permanent and effectual, it must accord with the natural and necessary laws of trade. The currency of a country forms no exceptions to these laws, and should be left to their operation and control, so far as may be consistent with the public good. It is, therefore, that a system of free banking, based on undoubted public securities, and coin in such proportion to circulation and deposits as may be deemed sufficient to secure their conversion into specie, on demand, with proper limitations and restrictions, is deemed preferable to the present system. Its introduction would correct many existing abuses not only in the system itself, but in the present mode of banking. These questions, however, with the remedies necessary to prevent a recurrence of the evils under which we now suffer, together with the nature and extent of the relief, if any, that may yet be required by the Banks of the Commonwealth, to enable them to resume the payment of their liabilities in specie, are all referred to the wisdom of the Legislature. They are practical and important business questions, and as such should receive your intelligent consideration.

The present condition of our Commonwealth and country deserves at least a passing remark. A severe financial revulsion has occurred, inducing a suspension of specie payments by the Banks, not only of this Commonwealth, but of all the States of the Union, deranging the currency and affecting disastrously all the great interests of commerce and the industrial pursuits of the citizens. Labor is without employment, and thousands of strong active men are now asking for work or bread. The causes assigned for these evils are almost as various as the interests or prejudices of those who undertake their explication. To whatever cause or causes they may be referred, it is neither just, nor proper to charge all our present financial and commercial distress to the Banks and their management. Other causes have contributed, other causes have operated still more directly and powerfully to produce these results; and among them first in importance and influence is the present system of tariff and duties, adopted as the policy of the General Government in 1846. The abandonment of the protective policy, as embodied in the Tariff act of 1842, was resisted by Pennsylvania with a unanimity almost unparalleled in her history. Her representatives in both branches of the National Congress strenuously opposed the repeal of that act. The evils under which we are now suffering were predicted, as a consequence of such a repeal. But other councils prevailed, the act was repealed, and the industry of the country exposed to a ruinous competition with the cheap labor of foreign nations. The disastrous effects of the repeal, were postponed by the operation of causes well understood by every intelligent citizen. Famine abroad produced an unprecedented demand for our breadstuffs, and the gold of California, although it may have added to the excitement of our progress, and contributed its full share in producing existing financial and commercial embarrassment, in millions, supplied the means of paying the overwhelming balances against us on our foreign importations. Under the present system of low duties, the excess of imports over exports has been beyond the most extravagant wants of the country. They have been enormous and ruinous—destructive of domestic industry, and involving the home manufactures and home labor, in one common ruin. We have imported more than we could pay for, and much more than we needed. Pennsylvania abounds in iron ore. Iron and its manufacturers are justly regarded as important elements of her material wealth; and from her abundance, if properly fostered and protected by a wise national policy, could supply the markets of the world: and yet, since the passage of the act of 1846, we have imported iron and steel and their manufactures, more than two hundred millions of dollars in value; paid for in gold or our bonds and stocks, now held by foreign capitalists—the interest on which but adds to the burdens imposed upon us by our foreign indebtedness. The same is true of many other [illegible] branches of home industry. Many [illegible] in value of cotton and woollen goods [illegible] ing the same period, [illegible] been imported, [illegible] have been made to our own workshops [illegible] have been employed [illegible] American, [illegible] French or German [illegible] practical working of [illegible] cents exhibit the fact, [illegible] years the imports of foreign merchandize exceeded our exports one hundred and eighty-four millions, two thousand seven hundred and sixty-eight dollars; and as a consequence, the drain of the precious metals was correspondingly great. The amount of specie sent out of the country during that period, was two hundred and thirteen millions three hundred and eighty-four thousand three hundred and eighty-four dollars—specie imported, twenty-six millions nine hundred and twenty-seven thousand four hundred and twenty-seven dollars; leaving a balance against us on specie account of one hundred and eighty-six millions four hundred and thirty-six thousand nine hundred and fifty-seven dollars. This depleting process, aggravated by excessive importations, unsettled the currency and induced an inflated paper circulation, resulting in bank suspensions and financial embarrassment. But the evil does not end here. An inflated paper currency, by cheapening the price of money, increases in this country the cost of production, and thus whilst the American Manufacturer is exposed, under a system of low duties, to a ruinous competition with the cheap labor of Europe, he is paid for his goods in a currency less valuable than that paid to his foreign competitor. As a necessary result the home fabric is driven from the market and the home manufacturer ruined. The operation of these causes, stimulated by low duties, is sufficient to destroy the industrial energies of any people.

With these facts before us, it is no matter of surprise that our mills, factories and furnaces have been closed, that thousands of honest laborers thrown out of employment; that commerce has scarcely an existance; that bankruptcy and ruin are around us, and our general property paralyzed. To avoid these disasters, for which we have been periodically exposed, reform not only in our system of banking, but in our revenue laws, becomes indispensable.

If the principle of the act of 1842 had been preserved—even if its rate of duties had been reduced, our specie by millions would not have been exported, foreign coffers to build up and sustain the foreign manufacturer; home industry would be prosperous, and the cry "we want work," issuing from a thousand lips, in our large cities and manufacturing districts, would not now be heard, nor would a foreign debt of nearly five hundred millions of dollars, exist to startle and alarm us. That system that practically prefers *foreign to home* labor—that keeps our workshops in Europe, instead of building and supporting them here—that takes our gold to pay the wages of the British laborer, whilst our own are without employment and without bread—that fills the country with foreign mercandise to the exclusion of the home fabric—that taxes the British rail upon the road through our iron districts and by our rolling mills, whilst they are silent and deserted, and that invites to speculation and extravagance, is at war with every true American interest and should be at once abandoned.

The period of low duties has always been marked by excessive importations—large exports of specie—overtrading—bank expansions and suspensions, and financial and commercial revulsions. Under the protective policy these peculiar and startling characteristics of free trade have all been wanting. The history of the country establishes these facts. A well regulated tariff, adjusted to protect the productive industry of the country, is not only the true policy of the Government, but is a better regulator of the currency, and a more certain security against bank expansions, than any system of pains and penalties yet devised for the control of banking institutions, or the operations of capital. To this we should return. Pennsylvania is yet true to her ancient and long cherished convictions of its propriety and necessity. She may have been misled. Political and partizan pressure may have forced her from her true position. This was her misfortune, not her fault. She sees and feels the wrong, and with an emphasis intensified by her injuries, will demand redress; protection for herself and the great industrial interests of her people.

The agricultural interests of the country should ever be fostered and sustained by the State. They are first in necessity and usefulness, and constitute the basis of State and National prosperity. Upon their progress and development depend the success of our mechanical, manufacturing and commercial interests.

Agriculture, in its varied and multiplied relations, is the unfailing source of [illegible] ional wealth, and to its promotion all [illegible] State and County Associations, [illegible] such to advance this important branch of productive industry; have collected and circulated much valuable information: and encouraged by their practical agriculture. Science and art have nobly performed their office in the formation of volunteer companies: the entire system should be remodeled, and placed in a position to become alike honorable and useful to the State.

The Select and Common Councils of the City of Philadelphia, by an ordinance passed the 7th day of April, 1856, and officially communicated to the Legislature at their last general session, proposed to convey to the Commonwealth of Pennsylvania a lot of ground, in that city, for the purpose of erecting an Arsenal thereon. By the act of the 6th of May, 1857, the Governor was authorized to accept from the Mayor of Philadelphia, under the seal of the Corporation, the conveyance in fee simple of the lot of ground proposed to be donated to the Commonwealth, for the purpose indicated. The conveyance was duly executed by the Mayor on the 26th day of June, 1857, and delivered and accepted on the 21st day of July following, as directed by the act. The fourth section of the same act authorized the Governor to apply the proceeds of the sale of the Arsenal in Philadelphia ($20,000 00,) to the erection of an Arsenal on the lot of ground thus granted to the Commonwealth. In pursuance of the authority conferred, a contract was made with a skillful and experienced Architect, for the erection and completion of the proposed Arsenal; to be large and commodious, and adapted to the purposes intended. The building was immediately commenced under the direct supervision of the Adjutant General, and is now completed and ready for the reception of the Arms, Military stores and equipments of the Commonwealth. It is of brick, three stories high, one hundred and eighty-two feet front on Filbert street, and fifty feet in depth. The foundation walls of stones, are solid and massive. The cost of construction did not exceed the appropriation. It is a substantial and elegant structure and will be a safe depository for the public arms—an ornament to the city, and a credit to the Commonwealth.

One of my predecessors, in his annual communication to the Legislature, immediately after the close of the late war with Mexico, recommended the erection of a monument to the memory of those citizen soldiers, from Pennsylvania, who died in the service of their country in that war. It is due to them, that some public acknowledgment of their patriotic services should be made by the State. Concurring in the sentiments expressed in the communication to which reference has been made, I would also invite your attention to the propriety erecting, in the public grounds of the Capitol, a suitable monument to their memory—and a bass honor those who by their undaunted bravery and invincible valor, honored our noble Commonwealth.

The publication of the Geological Report of the State, under the superintendence of Prof. Rogers, is rapidly approaching completion. The engravings and illustrations are nearly completed, and the first volume now in press, which he expects will be ready for delivery soon after the meeting of the Legislature, and the second and last volume before its adjournment or immediately thereafter. The style and general execution of the work will be equal, if not superior, to that of any similar publication by our sister States. It will fully sustain the reputation of the distinguished Geologist, by whom the surveys were made, and who has devoted so much care and attention to its publication. The large geological map of the State, which will accompany the volumes, will not be finished before the close of the year. Great care has been taken to make it perfect in all its details. The whole work will be a valuable addition to geographical, as well as geological science, and will be alike useful to the citizens of the Commonwealth, and honorable to its author.

The resolutions proposing amendments to the Constitution of the Commonwealth, were published as directed by that instrument. In accordance with the provisions of the Act of the 14th of May, 1857, the proposed amendments were submitted to the people for their ratification or rejection, on the second Tuesday of October last. The returns of said election has been received, and will be delivered to the Speaker of the Senate, as directed by law, when the fact of their adoption by a large majority will be officially ascertained and announced.

The fourth section of the first article of the amended Constitution, requires the Legislature at their first session, after the adoption of this amendment, to divide the City of Philadelphia into Senatorial and Representative Districts, in the manner provided in that section. This duty devolves upon you, and should be performed with fidelity and due regard to the interests and rights of the people of that city.

Relieved from that imputation of selfishness, I cannot forbear presenting for your consideration, a subject that should claim your earliest attention. I refer to the erection of a house at the seat of Government, for the use of the Governor of the Commonwealth. The want of a public mansion has been seriously felt by all who have been called to occupy that official station. Whilst almost all our sister States have provided residences for the accommodation of their Chief Magistrates, Pennsylvania, for reasons not creditable to her as the "Keystone State," has refused to unite in the expression. Year after year, for the erection of such a building, has been urged on the first day of the session of the Legislature, by the Governor to much incon[illegible] subjects the Governor to the necessity of [illegible] times taxations and annoyance, and in that event [illegible] compelled to be shut up in the rooms of a hotel, or crowded with his family into some small and obscure dwelling, unlike unfitted for domestic comfort, or the exhibition of the [illegible] and courtesies of social life. It should be remembered that the Governor of the Commonwealth is regarded as the representative of the people, socially as well as politically, and therefore he should be enabled by every proper appliance, to represent truly their social virtues and character. This he cannot do, to the extent desired, on the very meagre salary he receives; and I do not hesitate to affirm that no one occupying this office can, without drawing largely on his private income, exercise the hospitalities or maintain the dignity properly associated with the position. I have avoided all useless expenditure, and yet the salary received has been wholly insufficient to defray the expenses necessarily incurred. This should not be permitted. Every consideration of public policy, every honorable impulse of proper State pride, require that the Chief Executive Officer of the Commonwealth should be provided with a suitable residence at the seat of Government, and with a salary adequate to the expenditure incident to his high official position.

In my last annual communication to the General Assembly, my sentiments were fully expressed in reference to reform in the naturalization laws, and the admission of applicants to the right of citizenship—to the preservation of the purity of elections, by the prevention and punishment of fraudulent and illegal voting; and the enactment of a judicious registry law—a system as the great centre truth of American republicanism—the great law of American nationality—to the rights of the States, as Independent Sovereignties, and the power and duty of the General Government to prevent the extension of the institution of slavery to the free territories of the Union—to the wrongs of Kansas, as exhibited in the violation of the doctrine of popular sovereignty, by the General Government, in its attempts, by the military power of the country and otherwise, to defeat the will of the majority in that territory; wrongs still existing and aggravated by recent outrages on the rights and privileges of that people, and approved by high National Executive authority. To the views then presented, you are respectfully referred.

By the organization of the Constitutional term, my official connection with the Government of the Commonwealth will soon cease. The powers under the Constitution, vested in me by the people, will be transferred to another of their own selection; and with my warmest wishes for his success, I will, relieved from the cares and anxieties of official place, retire to private life. In the discharge of the duties devolved upon me, I have endeavored to the extent of my ability, to promote the interests and honor of the Commonwealth, and the virtue, the happiness and prosperity of her citizens. If not successful, I have at least labored with sincerity of purpose; and in surrendering the trust committed to me, by a generous people, my only regret will be that I have not been able to serve our noble Commonwealth with a zeal and ability equal to the interest I feel in her progress and welfare. Whatever of merit or demerit may attach to my administration, whatever may be the opinion entertained of my conduct of the affairs of State, I can at least claim from my fellow-citizens, with a full consciousness of its right, the award of good intention, and will enjoy in my retirement the proud satisfaction of knowing that no act of mine, or of my administration, in tendency of fact, injured or corrupted the public morals, retarded the prosperity, or tarnished the fair fame of my native State. I will surrender to my successor the cares and responsibilities of the office I now hold with greater cheerfulness than I assumed them; and will return, without a murmur, to the society and companionship of those who can approve without selfishness, and censure only at the bidding of truth and friendship. To the judgment of impartial history I commit my administration and its acts, without a fear of the result; and when time shall have softened the asperity of partizan feeling—healed the bitterness of disappointment and corrected the errors of prejudice, truth will sustain the judgment and justice approve the record.

Our beloved Commonwealth, rich in all the elements of material greatness, her broad and fertile fields—her lofty mountains, filled with inexhaustable mineral wealth—her rivers and her streams—her internal improvements, her furnaces, rolling mills and factories—her colleges, academies and her noble system of Common Schools—her churches and charitable institutions—her population, enterprising, energetic, intelligent and prosperous—all these are justly the pride of every true-hearted Pennsylvanian. Our mighty republic, "the free heart's hope and home," the Constitution and the Union of the States—the civil and religious privileges of the people—the right of conscience and freedom of worship—the great and essential principles of liberty and free government, here enjoyed; and our American Nationality, founded in a true and single devotion to home and country, are objects that fill with patriotic emotion, the heart of every American citizen. May they be cherished and defended, until patriotism ceases, to be a virtue and liberty be known only as a name.

The true glory and greatness of a nation consists not alone in the number, privileges or intellectual superiority of her people, her material wealth or physical strength, her political position or form of government. "Righteousness exalteth a nation," and happy is that people whose God is the Lord." Our fathers trusted in Him, and were not disappointed. Recognizing Him as the Sovereign Ruler of Nations and Men; invoking a continuance of His watchful care over the interests of the Commonwealth, and His blessing upon your official labors—may your acts and istration of the government, in their character and results, be such as patriotism demands, and honor, truth and conscience can sanction and approve.

JAMES POLLOCK.

EXECUTIVE CHAMBER,
Harrisburg, January 6, 1858.

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