

GOVERNOR'S MESSAGE.

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

GRATEFUL:—No ordinary reasons for thankfulness to the Great God... crowed themselves upon the Representatives of the people, at this annual meeting.

Although peace and tranquility have reigned within the borders of this State, we are identified with, and deeply interested in the war with Mexico, in which the nation is engaged—a war which the prudence, forbearance, and desire of the people to retain friendly relations, could not avert; and which was eventually forced upon us, by the duty that rests upon every well regulated Government, to protect the rights of its citizens, and maintain the honor of the nation.

Our religion, our interests, and our institutions, are essentially peaceful. The people hold in their hands the sovereignty of the nation, and exact from their rulers obedience to their will. By their controlling influence, they sanction and preserve the cardinal policy of maintaining amicable relations with all other nations.

On the 1st Dec. 1847, it was, according to the Report of the Auditor General, as follows, viz:

Table of financial data including Funded Debt, Relief issues in circulation, Interest certificates outstanding, Interest certificates unclaimed, Interest on outstanding certificates, and Domestic creditors.

This payment, or reduction of the debt, within the last financial year, was effected by the cancellation, at the Treasury, of the one hundred and fifty thousand dollars of the relief issues, and by the receipt of State stocks in payment of old debts, which is allowed in certain cases by law.

There would have been two hundred thousand dollars of the relief issues cancelled, within the year, in accordance with the requirements of the law, but the payment of the interest which fell due on the first of February, last, left the Treasury so much exhausted, that the amount which should have been cancelled on the 31st March, was not then on hand.

Table comparing the balance in the Treasury on the 1st Dec. 1846 and 1847, showing receipts and disbursements, and ending with the aggregate balance on the 1st Dec. 1847.

December, 1847, over the same items on the 1st December, 1846.

This calculation shows, that the revenues assessed and accruing, within the financial year ending on the 30th Nov. last, were not only adequate to meet the demands upon the Treasury, within the year, but exceeded them by the sum of \$302,104 51, as above stated, and if to this sum added the amount of the debt paid within the year, to wit, \$100,000 00, we have the sum of \$402,104 51, as the excess of the revenues...

Table showing the estimated amount of receipts over expenditures of \$345,510 00, and the estimated amount of expenditures for the same period, including the cancellation of \$200,000 relief notes, at \$3,576,390 00.

These estimates, when taken in the aggregate, I consider entirely safe and reliable. During the last few years, the actual results have been more favorable to the Treasury, than were anticipated by the estimates.

The estimate of canal and railroad tolls, for the current year, is seventeen hundred thousand dollars, which, there is good reason to believe, is rather below than above the amount which will be received. The expenses of repairing the damages to the public works, by the floods of the past year, will principally fall upon the current year.

The amount of relief issues in circulation, on the first of December last, \$531,664, of which 50,000 were cancelled at the Treasury, on the 31st of Dec., leaving \$481,664 still outstanding.

There is good reason to believe, that the property of the people of the United States, particularly those connected with the agricultural interests, has been promoted, by the removal on the part of the British Government, of the high duties upon our exports of grain, and other agricultural productions, and the modification of our own tariff, by which the commercial exchanges of the two countries have been greatly augmented, without affecting, injuriously, so far as I am informed, any of the great manufacturing interests, or other industrial pursuits of our people.

It may now be safely assumed, that we have reached a period, in our financial history, when the permanent revenues of the Commonwealth exceed annually, the interest on the public debt, and the ordinary demands upon the Treasury, by at least half a million of dollars.

ing interest to the redemption of the five per cent. State stocks, at par, would discharge upward of sixteen millions, four hundred thousand dollars, of the debt in twelve years, and reduce it at the end of that time, twenty-three millions. It is believed that all the relief issues will be redeemed and cancelled, by the year one thousand eight hundred and fifty, and if the operations of the sinking fund are then commenced, on the funded debt, the result thus anticipated, will be realized in the year one thousand eight hundred and sixty-two, at which time, there is good reason to believe, the net income from the public works, will be more than sufficient to pay the interest on the balance of the public debt, and thereby relieve the people from all further direct taxation for this purpose.

Some may view this proposition as visionary, and delusive; but I regard it as entirely practicable, under a wise and prudent administration of the affairs of the State. The augmenting trade upon our public works, and the consequent increase of business in our commercial and manufacturing cities and towns, and the increase of population and taxable property, within our limits, cannot fail, under a proper enforcement of the revenue laws, to add to the means of the Treasury every year.

This policy, so just towards the public, while it may, to a moderate extent, diminish the present amount of banking capital, will strengthen public confidence in the other banks, and add to the stability and soundness of the currency. And as it may, also, increase the profits of existing banks, beyond a just compensation to the shareholders for their investments, and as the excess of gain is derived from the special privileges conferred upon them by the Legislature, I recommend, that the tax imposed by the act of the 1st April, 1835, upon dividends exceeding six per cent. per annum, be increased.

The policy indicated, will lead to the rigid execution of the law prohibiting the circulation of foreign notes, under the denomination of five dollars, as soon as the balance of the relief issues is cancelled. This will be a positive advance in the improvement of the currency, which should be then followed by a law prohibiting the circulation of all notes, below the denomination of ten dollars.

The cautionary enactments I have suggested, cannot fail to increase, rather than diminish the amount of a sound circulating medium, fully entitled to the public confidence. The effect will be to bring the specie of the country into active circulation, to furnish the people with a substantial currency, that cannot be impaired by bank failures, and to restrain the tendency of the banks to foster extravagance, in time of prosperity, and check the means of oppression in time of adversity.

A theory has been advocated and put into practice, in some of the States, called FREE BANKING. It is based, in part, upon specie, and in part upon state stocks, hypothecated with the Government. In other words banks become the creditors of the Commonwealth, by purchasing her bonds; these are deposited with the government, and the government endorses, and returns to the bankers, notes prepared for circulation, to an equal amount.

If this system of converting state stock into banking capital, and hypothecating it as a security for the payment of bank issues, were not a delusion, mortgages upon real estate might be used for the same purpose, which would afford an equal if not a better security for the payment of notes, and by this process, the whole value of the real estate of the country might be converted into banking capital, and the people into a nation of bankers.

Free banking, in its legitimate sense, is the right which every man enjoys, to lend his own money to whom he pleases. It is the exchange of money for securities, to repay with interest; it involves no fictitious increase of the circulation, but may be carried on to an indefinite extent, without affecting the currency. This is the free banking which has at all times supplied, and does now supply, the wants of a large proportion of borrowers, and commands itself to general confidence and approval, by its simplicity and adaptation to the circumstances of the people.

Nothing can contribute so much to the maintenance of our present prosperity, as a sound currency. Pennsylvania is rich in productions of almost every description required by the wants of mankind; and nothing is necessary to make her people the most independent in the world, but a proper regard for her true interests. To advance these, she must not be seduced from her devotion to sound principles, by the artificial contrivances of false economists, whose selfish theories are as delusive, as they are destructive of the public good.

its circulation, and secure to the people the currency which the wisdom of the framers of the Constitution of the United States provided, instead of creating new banks, or increasing the capital of old ones, our efforts should be directed to secure the solvency of those which already exist, and thereby render their circulation sound and reliable.

Impressed with the force of these considerations, I am convinced that the increase of the banking capital of the State, would be unwieldy and impolitic; and I respectfully recommend, that before any one of the existing banks is rechartered, a searching scrutiny be instituted into its affairs, its management, its credit, and its means; and if it be found that the notes have been suffered to deteriorate, that the accommodations have been bestowed upon favorites, and large speculators and dealers in money, instead of being diffused among moderate and safe customers; that the issues have at one period encouraged speculation by their excess, and at another oppressed honest industry, by their contraction; in short, that the legitimate objects for which the privileges were granted, have not been fair, faithful and judiciously managed, accomplished, then the charter should be suffered to expire by its own limitation.

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The present is the most propitious period, when there is an abundance of gold and silver in the country, to make a determined effort to increase

Mexican Congress and President Anaya. In the New Orleans Delta, of the 23d ult., we find a series of letters from "Mustang," their excellent correspondent at Mexico, from which we extract the following:

Mexico, December 13, 1847. I informed you, in my letter of the 4th inst., that the government at Queretaro were anxious and willing to make a peace; that if the dispatches to Mr. Trist had been three days longer reaching him, a treaty would have been concluded—of this there is no doubt.

The Commissioners on the part of Mexico have been in this city, and I am informed, have been endeavoring to arrange with Mr. Trist—Whether they have succeeded, no person as yet is apprised; but I hope, for the interests of our country, that he will, if he is so enabled, go home with the treaty in his pocket.

Generally speaking, they are a good body of troops, and after they have been taught the necessary duties, drill and discipline, will be good soldiers. However, there came along with them the greatest American curiosities that, as yet, have entered the city of the Aztecs—they were the observed of all observers, and excited as much lively interest as if President Polk and the American Congress had suddenly set themselves down in front of the Palace to organize and regulate a government and laws for the people of this benighted land.

There are only 500 men in the regiment, and summing them all up, they have only got 7,500 shots, which it will take them at least from eight to ten minutes to fire into the ranks of an enemy, when they are at a charge. But then they have got a name, and I am beginning to believe them to be a sort of semi-civilized, half man, half devil, with a slight mixture of the lion and snapping turtle, and have a more holy horror, of them than they have of the evil saint himself.

The Governor thinks the spirit of the age is opposed to the incorporation of manufacturing companies. The increasing value of our public works, he says, must negative the idea of disposing of them to a corporation.

The Pennsylvania Rail Road is under contract between Harrisburg and Lewistown; and measures to avoid the inclined plane at the Schuylkill, are recommended.

Within the last few years, many of the old accounts due the Commonwealth have been settled. For greater security, and to prevent the misapplication of money, a system of checks in the Auditor General and Treasurer's departments, is recommended.

The present Common School System is eulogized, and its perfection recommended. The final geological report is finished and ready for the press. Its publication is recommended. A law to secure the rights of property of married women is warmly recommended.

THE AMERICAN. Saturday, January 8, 1848.

FOR PRESIDENT, Gen. ZACHARY TAYLOR. Democratic Central Taylor Committee.

- List of names of committee members and supporters, including Hon. John C. Bucher, Hon. John M. Read, Hon. Richard Vaux, Robert Allen, Andrew Miller, Samuel D. Patterson, Frank Vanant, Joseph J. Lewis, Dr. William Gray, Henry W. Smith, Hon. Ellis Lewis, Charles W. Higgins, Hon. John Snyder, Col James Burnside, Robert J. Fisher, Oliver Watson, Jr., Gen J. K. Moorhead, Col Israel Painter, Thomas J. Power, Hon Edward Herrick, Hendrick B. Wright, Francis W. Hughes, James L. Gillis, James Paocock, Hon William Dock, Gen Simon Cameron, Benjamin Park, Gan Christian Seiler, Philip Dougherty, O. Barrett, Francis C. Carson, James Braly, Edward A. Lesley.

We are indebted to Geo. A. Frick, Esq. of the House, and V. Best, Esq. of the Senate, for early copies of the Governor's Message. The Governor's Message—The late hour at which we received the message, will not permit us to lay the whole of it before our readers, this week. We give the greater and most important part, with a synopsis of the remainder.

On the 5th inst., on motion of Wm. C. Lawson, Esq., Charles Augustus Kutz was admitted to practice in said courts. The Judge of the 8th Judicial District met at this place on the 6th inst., and appointed George Smith, Esq. of Columbia county, Revenue Commissioner for said district.

Nothing of much interest has as yet been transacted. The war of words will, however, now begin, as the holidays are over. Mr. Calhoun was to have commenced his great speech on his resolutions, on Wednesday last. He is opposed to taking any territory from the Mexicans, but is in favor of fixing the Texas boundary line at the Rio Grande.

The Congressional Globe and Appendix, published at Washington city, by Blair & Rives, is a most valuable publication to all who take an interest in the proceedings of Congress.

Philadelphia Daily Bulletin.—Mr. Cummings, the editor of the Bulletin, announces that he has associated with him James Paocock, Esq., late post master at Harrisburg, as editor and proprietor of the Bulletin. The Bulletin has heretofore been a spirited and well conducted paper, under the management of Mr. Cummings, and now, with the aid of Mr. Paocock, it will no doubt be further improved.

Dr. RORNEY H. AWE, formerly of this place, has been appointed Assistant Physician of the Ohio Lunatic Asylum, by the board of directors of that institution.

STEAMBOAT EXPLOSION.—The steamboat A. N. Johnson blew up on the Ohio, near Marysville, on the 29th ult., by which 60 or 70 persons were killed, and about 30 wounded.