

# Mountain Sentinel.

"WE GO WHERE DEMOCRATIC PRINCIPLES POINT THE WAY;—WHEN THEY CEASE TO LEAD, WE CEASE TO FOLLOW."

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## GOVERNOR'S MESSAGE.

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

FELLOW CITIZENS:

The Legislative branch of the Government, meets under circumstances calculated to produce deep emotions of gratitude. The events of the past year cannot fail to afford assurance of the continued mercy of the Almighty Father of the Universe, and of the blessings He has dispensed to the people of this Commonwealth. While in other parts of our country, and in distant lands, pestilence has made fearful ravages; leaving in its track the wretchedness of destitution and the tears of crushed affections; a healthful climate, in the disposal of a righteous Providence, has preserved the citizens of the State comparatively free from the miseries of the destroyer. During a period of war, famine and civil commotion in the old world, bringing in their train, desolation and want blighting the hopes, paralyzing the industry, and ruining the prosperity of the people; our beloved Commonwealth, in union with others, under the National Constitution, has enjoyed the delights of peace, and her citizens, in the exercise of industrial pursuits, have found contentment and competence. To the Author and Guardian of our being, whose beneficence caused all things to work together for our good, our dependence and gratitude are especially due.

The recent efforts for the establishment of liberal political institutions in Europe, have excited in the people of this country the warmest sympathies. The conflict between the oppressor and the oppressed, whatever may be the incidents or results, having for its objects a Government capable of protecting and extending political and social liberty, must be regarded by the people of the United States with the deepest solicitude. In the enjoyment of institutions which recognize the inherent rights of man, and are founded on the acknowledged principle that all political power is a trust to be exercised for the benefit of the citizen; they cannot witness the struggle between despotism and freedom, without ardent hopes and sincere prayers for the triumph of liberal and enlarged justice. It is impossible to behold a people long the subjects of tyranny and oppression;—enlightened by our example, and solicitous for equal enjoyments;—rising up beneath the burthens which centuries have heaped upon them;—casting aside the reverence for power, and pride of regal splendor; looking forward to the establishment of human rights; to the elevation of the moral and social condition of society; and placing their lives and fortunes on the hazard of a struggle for these objects; without, on our part, an earnest and anxious desire that they may succeed. That struggle has been unsuccessful. The arbitrary Governments, in whose midst the noble band of patriots erected their standard, have succeeded with their immense force in maintaining tyrannical authority, and the brave men who fought for freedom, have either perished under the barbarous exactions of despotic will, or they wander in foreign lands, exiles from homes that no longer afford security. It is not the policy of our National Government to mingle in the controversies of foreign nations, nor is it desirable that it should by acts of hostility or friendship, break up the commercial relations which exist for mutual advantage; but it is, nevertheless, no violation of international law to enter our solemn protest and warning, against acts of cruelty and barbarism upon heroic men and defenceless women. It is not wrong for our Government to unite with others, in the expression of indignation against the violation of national faith and national law, involved in the demand, for sanguinary purposes, of the brave defenders of human rights.

The consideration of the Legislature is respectfully invited to the financial condition of the Commonwealth. The present funded debt is as follows: 6 per cent loans, \$2,041,022 51 5 per cent do 37,336,716 90 4 1/2 per cent do 200,000 00 \$30,577,739 41

Unfunded debt to wit: Relief notes in circulation, without interest, \$653,169 00 Interest Certificates outstanding 179,422 41 " unclaimed, 4,445 38 " on certificates to be added when the same shall be funded or paid, 11,294 34 Domestic creditors on settlement, 85,104 88 \$933,434 51

Amount of canal, railroad, and motive power debts, contracted prior to Dec. 1, 1848, and unpaid by the appropriations of the last session, 63,239 53 Total indebtedness of the Commonwealth Decem-ber 1849, \$40,574,413 51 The funded debt on the 1st Dec. 1848, was \$30,393,350 24 Unfunded debt, 1,081,066 69 Amount of canal, railroad and motive power debts, contracted prior to Dec. 1, 1848, 367,042 38 \$40,842,379 31

Amount of public debt paid during the year 1849, exclusive of the sum paid Commissioners of the sinking fund, \$267,965 86 Amount appropriated during the year 1849 toward payment of public debt, \$495,479 39

In exhibiting the operations of the Treasury for the last fiscal year, the sum of \$130,000, borrowed on special loan for the avoidance of the Schuylkill Inclined Plane and included in the aggregate of the public debt in Dec. 1849, should be added to the above stated sum of \$495,479 35. The amount of receipts at the Treasury during the year ending Dec. 1 1849 is, \$4,433,688 65 The amount of expenditures during the same period is 4,084,771 80 Balance in Treasury on Dec. 1, 1848, 577,290 39 " " " 1849, 926,207 24

Amount paid to Commissioners of the sinking fund to Jan. 1, 1850, \$227,513 53, with which was purchased the funded debt, and transferred to the Commonwealth 253,000 00 Difference between the indebtedness of the State on the first of December 1848, and December 1, 1849, 267,965 86 Total amount of public debt paid during the year, \$521,465 86

Common Schools, 200,000 00 Interest on Loans, 2,005,000 00 Guarantees of Ins., 32,560 00 Interest, 32,560 00 Domestic Creditors, 10,000 00 Damages on Public works, 20,000 00 Special Commis-sion-ers, 2,000 00 State Library, 2,000 00 Public Buildings and Grounds, 2,000 00 Penitentiaries, 15,000 00 House of Refuge, 5,000 00 Nicholson Lands, 300 00 Escheats, 2,000 00 Abatement of State Tax, 40,000 00 Council Fees and Commissions, 2,000 00 Miscellaneous, 5,000 00 Incurred Plane, (Schuylkill,) 270,000 00 North Branch Canal 150,000 00 Common's Sinking Fund 293,000 00 \$4,031,800 00

The foregoing estimated balance in the Treasury, at the end of the fiscal year 1850, would appear to justify the appropriation of \$40,000 toward the completion of the Western Reservoir at Johnstown, as hereinafter recommended. It would also authorize the appropriation of a sum not less than \$300,000, in addition to the amount already appropriated, to be expended in the completion of the North Branch Canal.

The Legislature at its last session authorized the re-issue of the relief notes then in circulation, and suspended their cancellation for three years. The amount of the whole issue now outstanding is \$653,165 00 The amount paid into the Treasury and supplied by a new issue is 443,537 00 Balance, \$209,627 00

The above balance has been destroyed or has failed to reach the Treasury during the year. These notes, the redemption of which being amply secured, and affording a safe and convenient local currency, have the confidence and the favor of the citizens. It is therefore recommended that authority be given to proper officers, to keep them in good condition, by a new issue, in lieu of such as may become mutilated and defaced.

In addition to the suggestions made to the last Legislature on the subject of the monied affairs of the State, it is deemed proper to call your attention to the fact, that a portion of the funded debt is over due—a part bearing an interest of six per cent—and a part falling due the year 1850, as follows:

The amount of five per cent funded debt overdue, except bank charter loans, is \$354,519 10 The amount of six per cent funded debt overdue, is 1,752,335 06 The amount of five per cent funded debt falling due on or before Dec. 1, 50 is 959,211 15 The amount of unfunded debt now due, 85,104 88

Amount demandable at the Treasury during the year, \$3,191,171 19

Provision should be made at an early day for arrangements with the creditors holding these claims. To permit them to remain in their present condition, would not only evince an indisposition to pay our just debts, but would also operate injuriously to the holders of the stock, by compelling sales at a price below their par value. The annual demands upon the Treasury, with the present means of the State, will not permit the payment of these loans; and the only practicable mode which suggests itself seems to be the negotiation of new loans, stipulating an extension of the time of payment. It is believed that such loans could be negotiated at a rate of interest not exceeding 5 per cent. Should authority be given in the arrangements suggested, to stipulate that the said stock should be exempt from taxation, the inducements to investments therein would create such competition as would be highly advantageous to the Treasury. Justice and honesty require that these debts should be promptly paid, or arranged to the satisfaction of the parties interested, and any provision which the Legislature may deem proper on the subject, will meet the cordial approbation of the Executive.

The establishment of the sinking fund, by the appreciation of State stocks, and the consequent increase of confidence in the ability of the State to meet her engagements; with a replacement by a new issue of the old and defaced relief notes, has had the salutary effect of enabling the Treasury department with slight expense in the exchange or transmission of means, to meet the payment of interest on the public debt in par money, as also to pay other creditors of the State in good funds. The

payment of the public liabilities in the manner aforesaid, and the adoption of a system to extinguish eventually the public debt, must bring to their par value, the stocks of the Commonwealth. If it is estimated that \$13,049,000 of the public stocks are held in this country, and the addition in their value, by these simple operations demanded alike by sound policy and honesty, will increase their marketable worth in the hands of the citizens \$1,950,000.—To the efficiency of the State Treasurer, the Auditor General and other officers charged with the collection and disbursement of the public moneys during the past year, is justly attributable in a high degree these favorable results.

The beneficial results of the sinking fund cannot be doubted. The payments from various sources to the Commissioners, during the past year have been as follows:

From collateral inheritance tax, \$180,212 41 " Premiums on charters, 35,969 40 " Eating and oyster houses and restaurants, 5,867 20 " Billiard and bowling saloons and ten-pin alleys, 2,985 50 " Theatre, circus and menagerie licences, 2,210 00 " Distillery and brewery licences, 384 00

Amount received for the year ending Dec. 1, 1848, \$227,629 01

The estimated payments for the same purpose, for the year ending Dec. 1, 1850, are as follows:

From collateral inheritance tax, \$200,000 00 " Interest on stocks purchased, 15,000 00 " Premiums on charters, 40,000 00 " Theatre, circus and menagerie licences, 3,000 00 " Distillery and brewery licences, 1,500 00 " Billiard and bowling saloons and ten-pin alleys, 5,000 00 " Eating and oyster houses and restaurants, 15,000 00 " Balance in Treasury after deducting appropriations herein before recommended, 91,500 00 \$371,000 00

The opinion is confidently expressed that the estimated receipts above stated will be found to approximate the truth, should an adherence to the policy pursued by the last Legislature, in relation to premiums on charter, and other financial measures be authorized and continued.—Should such be the case, the above sum, at the present rates, would extinguish upwards of four hundred thousand dollars of the funded debt, during the present fiscal year. The sources from which the sinking fund is supplied must necessarily increase. The tax on collateral inheritance, and on theatre, circus and menagerie licences, prior to the act creating a sinking fund, yielded to the Treasury about the sum of \$45,600 annually. By the provisions of that act, these have been increased to the sums above stated, and the other sources of revenue have been created by recommendations heretofore made to the Legislature.

With these means for the supply of the sinking fund, together with such additions as the probable resources of the Treasury, from time to time may justify, it is susceptible of easy calculation to determine, how nearly approaches the period when the State taxes may be repealed, and the burthen of the people removed. So manifestly important are these results upon the industrial pursuits of the citizens, and the interests and honor of the State, it is suggested for consideration whether good policy would not require the transfer of all balances in the Treasury at the end of each year to the Commissioners of the said Fund.

Every consideration that can impose itself on a government demands the payment of the public debt. The local advantages of our Commonwealth—the salubrity of our climate—the vastness of our mineral deposits—the fertility of our soil—and the prosperity and happiness of the people, alike require the repeal of a system of laws, which compel emigration—prevent the settlement of uncultivated lands—drive capital from our borders, and paralyze the industry of every class of our citizens! Should these balances remain in the Treasury unappropriated to the said Fund, the history of the past will remind us that prodigal expenditures will be made so objects of diminished importance.

The subject of the revision and equalization of the laws for raising revenue, is again earnestly pressed upon the attention of the Legislature. Great injustice arises under existing enactments, from the want

of adequate means to prevent or to punish individuals making false returns of property subject to taxation. The conscientious citizen, scrupulously exact in the performance of his obligations to society, may well complain of laws which suffer the dishonest to elude with impunity the payment of an equitable share of the public burthens. The tax on lands, mortgages, and moneys at interest, is assessed so unequally, that great reason for complaint exists throughout the State. To remedy to some extent this evil, it would be well to require Prothonotaries of the several counties, to collect from the Plaintiffs in Judgments the tax thereon assessed, and if necessary to compel payment by legal process. A similar provision with regard to mortgages, giving the Recorders the authority before stated in relation to Judgments, would embrace these two items of taxation, and would doubtless compel the payment of a large amount of revenue, now fraudulently withheld.

The laws subjecting to a tax the commissions issued to the officers of this Commonwealth, should be extended to embrace commissions to non-residents. The justice of taxing the citizens of the state, and of permitting non-residents who hold commissions under the government, to enjoy the emoluments free from taxation, cannot readily be perceived.

No effectual mode has been devised to compel the agents of foreign insurance companies to make a semi-annual exhibit of the amount of funds employed by their respective companies within this Commonwealth? A law having an effect of this character, is highly necessary, and would be productive of decided advantage. In the enactment of such a law, it would be well to make the certificate issued to agents of said companies, subject to taxation.

Incorporated companies of various kinds, deriving their character elsewhere, have agencies in the state and transact business therein, and yet no accurate account is taken of the money employed or of the value of profits of their investments. Were the proper departments required to make a list of these incorporations, and authority given to ascertain the amount of the investments, the rate of dividends declared, or the profits made, and a tax was levied on such dividends, or profits, as well as on the capital stock employed, a large revenue to the Commonwealth would be the result.

While money borrowed by citizens, boroughs, and incorporated districts, is subject, by existing laws, to taxation, it is not perceived why money borrowed by incorporated companies should be exempt from similar assessment. To make an equitable distribution of the public burthens, should be the special object of the Legislature, and care should be taken that no exemption should be allowed to any class of citizens over another where the property employed is the same. Attention to the foregoing objects of taxation, will not only increase the revenue, but is demanded alike by Justice and sound policy.

Next in importance to the public debt and the equalization of taxes, is the management of the public improvements.—The vast expenditures annually made for the repair and supervision of these works, and the amount of revenue derived therefrom; so materially affecting the condition of the Treasury, render them objects of peculiar interests. It is believed that an increased amount of net revenue should be derived from these works. The enormous appropriations of the last year, for their maintenance in repairs, & towards the payment of debt therefore contracted should have placed them in a sound condition, and would authorize the conclusion that a small expenditure during the present season would be sufficient. In the absence of the annual report of canal commissioners, no specific amount for these objects can be given by the Executive.

The system for the management of these improvements, invites unnecessary expenditures, and removes responsibility from the proper department. Were the number of canal commissioners increased to five;—the state divided into districts for the election and supervision of each Commissioner,—the direct and immediate charge and control of the district imposed upon one of these officers, requiring of him the performance of the duties now executed by superintendents and supervisors, and stipulating for the annual alteration of the said Commissioners; much practical information of interest to the State would be acquired; a direct responsibility for the well ordered condition of the Public Works, and the economy of expenses would be secured; and the large discretionary powers now vested in superintendents and supervisors, in the adoption of plans and payment of money for repairs, would be placed in officers directly accountable to the people. In relation to this subject, legislation should be clear and specific, as

discretionary power over the money of the citizen must be deprecated by right thinking men. The method adopted in the management of the Public Works is evidently defective. Repairs on the canals and railroads are made in a way to prevent all competition. Were the several services performed by contract, and awarded to the lowest bidder giving the required security can there exist a doubt of favorable results to the public interests.

The State does not derive an adequate share of the profits arising from the use of the Columbia Railroad. The construction of the road;—its maintenance and supervision, and the supply of the motive power, involving great expense and risk, demand from the profits of the road a larger return than finds its way into the Treasury. An evil so detrimental to the public interests calls for a speedy remedy. It is suggested that the Canal Commissioners should be required to invite proposals for furnishing the Motive Power on the said road, stipulating in detail the services to be performed; and the nature of the security to be given. The object being to procure competition in the supply of the Motive Power, encouragement should be given to individuals, willing to undertake the duty of running one or more locomotives on the road, whether belonging to the State or the individual bidder. Should the locomotives belonging to the State, be furnished to the bidders, the contract should stipulate the terms on which they should be used.

The transportation of passengers should be done by contract with the lowest bidder. In the agreement it would be necessary that the Canal Commissioners should fix the kind of cars and such other details, as would secure the accommodation of the passengers, and faithfully guard the public interest. In the transmission of burden cars, an arrangement might well be made with their owners, by which the State would receive instead of the present tolls, a portion of the freight charges. The consequences would be advantageous to both parties. These changes in the present system, would, it is believed, largely diminish the expenses of the motive power; would authorize a reduction in the rate of tolls; produce an increase of business upon the road; furnish with profitable labor many citizens now refused employment by reason of the monopoly held by the State over the motive power on the road; prevent the expenditure necessary for the purchase of new locomotives; save to the State the immense sacrifice in the old engines; accommodate the travelling public by a lower rate of fare; and would advance the public interests by lessening the annual outlays and increasing the income from the road more than \$200,000.

Discriminations in the tolls on the Public Works against portions of our citizens by means of a system of drawbacks and maximum rates of tolls, are unjust and improper. The labor and property, in common with others, were incumbered in the construction of improvements; their industry and wealth have for years assisted and continue to sustain them; and it is difficult to perceive upon what principle of public policy, a Tariff of tolls is maintained, discriminating against their interests. The demands of trade cannot excuse a palpable wrong of this character, while a reduction of tolls on the whole line of improvements would produce an increase of business, and secure the desired foreign trade. The practice of contracting debts for repairs, and for the purchase of materials beyond appropriations for these purposes, should be prohibited by severe penalties. Nothing can be more destructive of all accountability, or offer stronger inducements to extravagance, than such a power over the public money. An officer guilty of an act of this kind, violates the trust committed to him, and should be forthwith dismissed from the public service. Debts already contracted in this way should be paid, for the labor in behalf of the State has been performed, and it would inflict an injury on those who could not have a knowledge of the wrong, to withhold from them the value of their services, but immediate measures should be adopted to prevent occurrences of a like nature in future. A practice of this kind, authorized in some means are by subsequent appropriations, of the Legislature, for the payment of the debts thus contracted, cannot fail to mislead the people, and embarrass the public officers in their estimates and recommendations. The large appropriations for the payment of old debts, made at the last session of the Legislature, show the extent to which this practice has been carried, and should admonish us to guard against a recurrence of the evil.—In providing by legal enactment against the mischief here stated, authority might be given to the Canal Commissioners,