PUBLIC MEETING.

At a County meeting, held at the American Hotel in the borough of Gettysburg, on Wednesday the 25th day of September, 1839, JAMES MAJORS was called to the chair, and WILLIAM W. PAXTON appointed Secretary. When upon motion, Thadeus Stevens, James Cooper, John Slentz, Robert S. Paxton, Robert F. McConaughy, John Tate and Samuel Witherow, were appointed a committee to report upon the condition of the State Debt and the Internal Improvement System.

The Committee made report as follows:

The State Debt has swollen and is swelling to such an enormous size, that it equals to awaken the serious attention of the taxpaying people of Pennsylvania. So fallacious have been the estimates of the Engineers, and so frequently so deceptive the reports of the Canal Commissioners, from the origin of our Internal Improvement system, that little reliance can be placed upon their statements as to the amount still necessary to complete our public works.—Before the state embarked in what has proved a burthensome, if not ruinous system, the engineers and canal commissioners estimated the whole expense of completing all our canals and rail roads—the branches as well as the main lines—at not more than $8,000,000. Every successive report from that time to this, has largely increased the amount; until now, when the State debt is more than six times the whole cost originally estimated, the works still require more than treble the sum first calculated to finish them.—The termination of the increase of the public debt, recedes as you approach it; and like the horizon, seems always equally distant from you, no matter how far you have travelled towards it.

Had the *truth* been originally known to the people and their representatives, the perilous enterprize would never have been undertaken, to the wasteful and extravagant extent that it was. Could the remaining truth as to its final cost still be disclosed, further expenditures would immediately be arrested, and a vigorous effort made to restore the credit of the state and redeem her from debt.

A plain statement of the present embarrassed condition of the commonwealth, the probable increase of her debt, the means and prospect of its repayment, and the only remedy left to rescue her from ruin, will be briefly considered.

PRESENT AMOUNT OF DEBT.

When Gov. Ritner was inaugurated, the whole amount of money actually borrowed, was within a fraction of $25,000,000; and the state owed to contractors and laborers, about $1,000,000 more. When Gov. Porter was elected, the permanent state debt was $24,230,000 32, being $100,000 less than at the commencement of Gov. Ritner's administration.

Since Porter's election, the legislature have authorized loans to the amount of nearly $7,000,000. The present authorized state debt is therefore above $32,000,000. The new works necessary to complete the old lines, such as avoiding the inclined planes at Philadelphia and Columbia; removing the North tract at the Eastern end of the rail road; Reservoirs at Hollidaysburg and Johnstown; connecting the canal at Pittsburg with the Beaver division, and finishing the Wiscioco canal, cannot cost less than $6,000,000. Although the estimate is but $3,000,000 each for the North Branch and Erie canals, yet it is not doubted by well informed men, who have examined them, that they will cost at least $6,000,000 each. In this calculation nothing is allowed for the West Branch, Kittanning feeder, Gettysburg rail road, or for sidewalks or improvements.

If the work continues to be prosecuted, the debt will have attained the above height of $50,000,000 in 3 years. The annual interest at 5 per cent per annum, will be $2,500,000. It is an interesting inquiry whether the whole or how much of that sum can be paid from the proceeds of the public works.

If an accurate estimate be made of the amounts heretofore expended in the repairs and supervision of the public works, it will be found that they have considerably exceeded the toll received: and yet the time past embraces a period when the works were new, and have required comparatively little work upon the finished lines. But much of that work has now become decayed and dilapidated, and requires renewing, as it will, periodically in every area or few years; so that much larger sums will be required than for ordinary repairs.

During Gov. Ritner's administration, it is true, that the ordinary repairs amounted to but $300,000 per annum. But every thing then was conducted with an economy that is not likely to be generally practised. The present board of canal commissioners demanded about $1,500,000, and received about $1,200,000, for repairs, new work upon finished lines, and damages for the current year. We have no reason to suppose that the ordinary repairs, new work on finished lines, and the cost of supervision, especially since the number of agents and their pay have been enormously increased, will, upon an average be less than $1,000,000 per annum. The ordinary expenses of government, together with the annual appropriation to purposes of education, will be about $750,000; making the whole expense of carrying on the government and keeping up the public works, $1,750,000.

The tolls on canals and rail roads, including toll on motive power, never yet amounted to $1,000,000 per year, although they would probably have exceeded that sum last year, had it not been for the breach above Huntingdon. The largest amount which they can ever be expected to produce, unless a continuous rail road should be completed to Pittsburg, cannot reach one and three quarters of a million of dollars.—Hence it is evident that no part of the toll can ever be applied to pay the interest or the principal of the state debt.

Loans must, consequently be annually made of $2,500,000 to pay the interest alone—in other words, the state must pay *Compound interest* on $50,000,000; the interest compounded not at the end of every year, but at the end of every six months, as the interest on state loans is payable semi-annually. If it were payable annually instead of half yearly, the principal sum would be doubled in a little more than eleven years; so that, as things are now managed, in about eleven years, the debt of this commonwealth will be $10,000,000; and in twenty-three years, TWO HUNDRED MILLIONS OF DOLLARS!

How can this enormous debt be arrested or satisfied?

The immediate abandonment of all the work not completed except the main line, would prevent the expenditure of $12,000,000. This could be done without any disadvantage to the State, although it might produce some local inconvenience. The North Branch canal never will do business enough to keep itself in repair. It has been represented to the head of the Wyoming valley (quite through the coal region) for several years; and yet its tolls have been insufficient to keep it in repair and pay the superintendence. Nor will its completion to the State line, bring any more business up on the lower division. The northern counties are poor, & being mountainous, must always remain so. They do not, and never will raise any thing for exportation. Lumber constitutes almost their whole exports, and that is, and will continue to be, carried down the river and not on the canal. It is believed that the measure was calculated to hasten the completion and promote the usefulness of those works, it would receive my sanction without reference to the amount of money appropriated. True economy demands that the main lines of our canals and rail ways, now under contract or partially completed, should be pushed on with the least possible delay, to the points of their original destination. But it seems to me that this bill is calculated materially to retard their progress, by dissipating the funds of the commonwealth upon a great variety of objects, which, however meritorious in themselves, and interesting as local improvements, are not part of the main lines, but lay the foundation for a vast increase of public debt. The bill contains the following items:

1. *Appropriations to State Works.*

Erie canal,	$400,000
North Branch canal,	400,000
West Branch canal, from Tangascootack to Simonahmning,	100,000
Canal from Kittanning to the mouth of the Kiskiminetas,	75,000
Inclined plane at Columbia,	67,500
West Branch canal, Tangascootack line,	33,943
Gettysburg extension of the Columbia railroad,	150,000
Reservoirs at Hollidaysburg and Johnstown,	25,000
Marietta extension of the Columbia railroad,	40,000
Survey, to avoid the Portage inclined planes,	5,000
Shaver's creek feeder,	5,000
Outlet lock at Dunlap's island,	10,000
Examination of the North Branch canal from Nanticoke to Lackawana,	500
To connect Wisconisco feeder,	20,000
Cuthush feeder, Delaware canal,	20,000
Outlet lock at New Hope,	3,000
Bristol and Philadelphia steam tow boat,	7,000
Survey to avoid Schuylkill inclined plane,	5,000

2. *Subscription of stock to company Canals and Railroads.*

Danville and Pottsville railroad,	150,000
Bald Eagle and Spring creek navigation,	70,000
Cumberland valley railroad,	140,000
Monongahela navigation,	85,000
Pittsburg and Laughlinstown railroad,	140,000
Beaver and Conneaut railroad	60,000
Franklin railroad,	40,000
Lewisburg, Penn's Valley, and Hollidaysburg railroad,	50,000
Chester and Delaware railroad,	20,000
Codorus navigation,	10,000
Norristown and Valley, or West Philadelphia railroad, if either be adopted by the State, to avoid the inclined plane at Schuylkill,	120,000
Union canal company	400,000

3. *Surveys for Railroads.*

From Chambersburg to Pittsburg, by Laughlinstown and Ligonier valley; and from Harrisburg, by the valley of the Juniata, to Pittsburg,	12,000
From the State line in Susquehanna county, by the mouth of Tunkhannock, to the Nanticoke dam,	2,000
From the town of Franklin to Erie,	2,000
From Westchester towards Port Deposit,	1,500

4. *Subscriptions to Turnpike Companies.*

Pittsburg and Butler,	5,000
Butler and Mercer,	5,000
Butler and Freeport,	5,000
Brownington, Harrisville, and Franklinton, (when incorp'd,)	5,000
Perkiomen and Reading,	15,000
Downingtown, Ephrata, and Harrisburg,	6,000
Washington and Williamsport	10,000
Warren and Franklin,	5,000
Bedford and Hollidaysburg,	10,000
Susquehanna and Waterford,	25,000
Washington and Pittsburg,	10,000
Washington and West Middleton,	8,000
Susquehanna and Tioga,	5,000
Mercer and Mendville,	5,000
Elizabethtown and Indiana,	10,000
Birmingham and Elizabethtown,	5,000
Pittsburg Farmers and Mechanics',	5,000
York Haven and Harrisburg Bridge,	6,000
Armstrong and Clearfield,	5,000
Armagh and Johnstown,	2,000
Harrisburg, Carlisle, and Chambersburg,	20,000
Willow Grove and Doylestown,	10,000
Somerset and Johnstown,	4,000
Somerset and Cumberland road,	4,000

5. *Subscriptions to Bridge Companies.*

Monongahela at Williamsport,	10,000
Jersey shore,	5,000
Tunkhannock,	10,000
Saltsburg,	4,000
Shannon,	5,000
Elizabethtown,	10,000

6. *Appropriations to State Roads.*

Saltsburg and Curwensville,	3,000
East and West,	18,000
Franklin and Butler,	10,000
Pittsburg and Beaver,	10,000
Pittsburg and Brownington,	5,000
Butler and Newcastle,	5,000
Waynesburg and Cumberland road,	4,000
Kiskiminetas and Virginia line,	4,000
Robbstown, Brownsville, and Virginia line,	3,000
Steen's tavern and Connellsville,	500
Waynesburg and Virginia line,	2,000
Monongahela bridge and Virginia line,	3,000
Greensburg and West Alexandria,	2,000
Monongahela bridge and Uniontown,	3,000
Virginia line and Monroe,	3,000
White horse tavern and Virginia line,	6,000

Of which the amount of appropriations to the State work is, $1,399,943
Subscriptions to company canals and railroads, 1,298,000
Appropriations for surveys of new works, 17,500
Subscriptions to turnpike companies, 189,000
Subscriptions to bridge companies, 42,000
Appropriations to State roads, 85,500

Total appropriations and subscriptions, **3,031,943**

I cannot sign this bill for the following reasons:

1st. Its main feature is the distribution of a great portion of the present resources of the commonwealth among works not owned by the State, and its consequent withdrawal from the prosecution of the public works, upon which the present decrease of the State debt.

2d. It bestows on capitalists and speculators the money of the State, which is the property of the whole people, thereby enriching individuals and sections, to the injury of the rest of the community.

3d. It not only thus fritters away the means which should now be otherwise applied, but, by enabling the companies who are the recipients of its liberality to commence new works which they will not be able to complete, it embarks the State so far in those works that she will, at no distant day, be compelled to increase her debt still further for the purpose of finishing them, or lose what is now proposed to be given.

4th. It will inevitably increase the State debt, to at least, from $45,000,000, as will appear by the following short statement:

The Erie extension of the main line will cost,	$3,000,000
The North Branch extension,	3,000,000
The Gettysburg railroad,	1,300,000
Tangascootack and Simonahmning canal,	1,000,000
West Branch and Allegheny canal,	4,000,000
Bank and Franklin canal,	2,000,000
Red bank and Freeport,	1,200,000
Wiscoisco feeder,	200,000
Avoiding inclined planes on Columbia railroad,	500,000
Total for *State works*,	**15,200,000**

The company works commenced by this bill will cost as follows:

Freeport and Newcastle rail'd*	$1,600,000
Pittsburg and Laughlinstown railroad,	1,500,000
Chambersburg and Laughlinstown railroad, (which must be constructed to complete the connexion,)	3,000,000
Lewisburg, Penn's Valley, and Hollidaysburg railroad,	2,500,000
Beaver and Conneaut railroad,	460,000
Total for company works	**9,060,000**

Of this last sum, before the different works are completed, the State will, beyond a doubt, be compelled to advance not less than one half, or else the whole, say, $4,590,000
To which add the above cost of State works, 16,200,000
Making of debt which this bill will produce, 20,790,000
To which add the present State debt, 24,330,000
Total debt which will exist when the system contemplated by this bill is completed, **$45,120,000**

It is presumed that the above estimates, if they should vary from the actual cost of the works, will be found to fall below rather than exceed it. They are all derived from the reports of engineers, which are found in most cases to be far short of the ultimate expense, or from a comparison with the known cost of similar works.

*Owing to the haste in which the bill was necessarily examined, this work was included in the list of company works authorized to be commenced by the bill. It was not considered as such when it passed the two houses, and the appropriation is therefore to be deducted from the amount of money intended to be given to companies. This will reduce the estimated amount of debt in 1841 to $43,820,000.

If it should be objected to this calculation, that part of the above cost of State works has either been already incurred, or is provided for in this bill, and therefore should not be included, the reply is, that the portion already laid out will not, in all probability, be equal to one fourth of the amount which their actual expense will exceed their estimated cost; and that the portion provided for by this bill is *borrowed* money—or at least such as the State may, before long, be called on to repay. It may therefore be fairly assumed, as a calculation within probability, that the passage of this bill will cause an addition of twenty odd millions of dollars to our present debt of about twenty-four millions—making a gross debt, at a date no more remote than 1841, of FORTY-FIVE MILLIONS. I am not prepared to sanction this, nor to become an agent in saddling such an incumbrance upon the farms and industry of Pennsylvania.

5th. If this bill and the other proposed measures of the Legislature become laws, the State will be left without a single dollar of unappropriated money in her treasury, at the commencement of the next session. Though the last Legislature replenished the public coffers with near four millions, and the present has received a like sum, your successors will nevertheless be compelled either to abandon the prosecution of the public works, or to borrow money to carry them on, and pay interest on the debt. No aid is to be calculated on from the national treasury. On the contrary, care should be taken to keep the State in a condition to meet the demand for repayment which may be made on her from that quarter.

6th. It seems to be a total departure from our ancient policy. That policy is to husband our means for the present, and, while we push on our unproductive public works with all prudent speed, to be profitably employed, to apply the balance to the reduction of the State debt. If this course be pursued, only for *two years*, the expenditure of the commonwealth will be brought so far within her income, that there will remain a surplus over her receipts will enable her to undertake and complete, without embarrassment, works of any magnitude. But if, on the other hand, the income, have ever large, is constantly kept below the amount of expenditure, her apparent riches will only increase her real difficulties.

7th. Its passage will have a most disastrous effect upon our present undertakings. In consequence of the rise in the price of labor and provisions within the last two years, and of the amount of work commenced in other States, the expense of constructing public improvements has increased fifty fifty per cent. If the present bill be passed, the large amount of money authorized by it will have an additional effect of the same kind, and will cause every contract in the commonwealth to be thrown up and re-let at an advance of at least fifty fifty per cent. over the prices of last year. This is a grave consideration. It must be borne in mind that while the amount of public burthens is increased by this kind of legislation, the amount of means to sustain it remains the same; and that a million of debt must be paid with a million of dollars, before we can pay a million for the construction of sixty miles of canal, or twenty.

8th. Not only will its consequences be injurious to the finances, but to the morals of the State. The general belief that the passage of the bill has already unsettled the conduct of whole sections of the State, and has given a new stimulus to the overexcited spirit of speculation. If this state of things be fomented and continued, there is no limit to the injury which may result. While the gambling spirit of speculation is confined to the large towns, society may live and flourish without material detriment; but if it once infect and derange the productive industry of the country, the public property will be shattered in its very cleadle. If the mania which now rages among those who speculate in the surplus property of the country, once seize those who alone render property valuable, it is in vain to all hope of continued prosperity. I fear that such will be the tendency of the legislation proposed by the present bill. A few years fortunately devoted to our exclusively, will be unduly and immensely benefitted. The mass will either become dissatisfied, or embark in the vain attempt to achieve like good fortune. Instead of the long legged murmuring or hoping at the door of fortune, the plough of industry will stand idle in the furrow.

9th. Its signature would be a violation of every principle and pledge connected with the financial affairs of the commonwealth, upon the faith of which the admission of Pennsylvania into the Union was made, the citizens of Pennsylvania. It is admitted that the measures of government should vary with the necessities of the times, always keeping the great fundamentals of right in view. But when, as in the present case, no change of circumstances takes place sufficient to render a change of practice necessary, the pledges and principles, both expressed and implied, of a public agent, whether made by himself or his friends, should be kept with the same good faith as those of a private citizen.

Two of the objects contended for by those who selected me to administer the executive functions of the government, were, *the decrease of the State debt, and the vigorous prosecution and early completion of the public works of the commonwealth.* Both will either be defeated or retarded by the present bill if it become a law.

When such a state of things is produced, the path of duty is plain. Although the veto power should be cautiously used when no constitutional scruples exist, yet cases like the present, of great magnitude and importance, will arise, affecting so deeply the paramount interests of the State, as imperatively to demand its exercise. If my fears are correct as to the great increase of the State debt, of which this bill, if passed, will be the parent, I should feel it to be an abandonment of duty to the people, were I to omit any constitutional means to arrest it. Our enormous public debt must have a tendency to retard the increase of our population and productive industry, if not to diminish them. Although such debt is used in *form* a judgment upon the property of the people, yet in effect it is an absolute lien. The faith and the property of the commonwealth, and of every citizen in it is pledged for its redemption. It is obvious that the lands of a community incumbered with a lien of fifty or an hundred millions of dollars, are worth less than the unincumbered property of other States. Hence, if the amount of debt be increased beyond the common advantages to be derived from the undertakings that produced it, it is plain that prudent men will be unwilling to purchase and hold property which must remain subject to its repayment. Such incumbrances will finally and unavoidably rest upon the most meritorious class of people, the farmers and mechanics. Capitalists and traders may easily withdraw their transitory wealth from our jurisdiction, when the day of taxation shall arrive; but the lands and buildings of the mechanic, manufacturer, and farmer admit of no removal. Such a state of things would add to all other burthens which hasty legislation may impose upon the community.

If this bill is intended as a distribution of our portion of the surplus revenue among the people, it seems to me to be unequal and unjust. The sums appropriated to the different parts of the State bear no proportion to their population or taxable property. But if it should be contended that the object of this deposit to the General Government, it must be raised by taxation upon all, without exemption. And yet an equitable application of it may be made for the equal benefit of every citizen of the commonwealth, without actual distribution among the taxpayers. The sums appropriated to those works of internal improvement which have been already authorized and pledged her faith to complete, or if applied to the reduction of the State debt already contracted, or set apart for common school purposes, every citizen would have a direct interest in, and derive immediate advantage from it. In this manner the equality is contemplated by the provisions of this bill.

I regret exceedingly that many valuable provisions are connected with the objection able portions of the bill, in such a manner as to compel me to reject the necessary of returning the whole. The appropriations to the commonwealth's canals and railroads, and to some of the turnpikes, if they stood alone, would be most willingly approved, but accompanied as they are, it is impossible. Permit me once more respectfully to remark, that the practice of combining in the same bill subjects of a local character in their nature and merits, is extremely embarrassing to the executive and highly injurious to the public interests.

There is a *delusion* flitted in prosperity before us, it we do not prevent its arrival by embarrassing the present. The times are unpropitious for speculation, either by individuals or states. The project under consideration is a risk of this kind. It is the hazarding of money which should be otherwise applied, on the mere contingency of the continuance of the present state of trade and commerce, at a moment when every mail brings fearful proof of the instability of both. It is the adventuring of all the means of the Commonwealth on the bare hope that the same fortunate circumstances which so recently filled her treasury will replenish it. I concerns me clearly to consider all the chances of such an event, before we place the State completely at its mercy. To my mind they appear very slender. The means of payment appear stronger, we should not depend on extraneous and occasional aid. Our resources are at home—in our citizens—in our character—in our manufactories and in our valleys. Let us not be tempted beyond our steady pace to prosperity by accidental circumstances, or retarded by their failure. While the credit of the State is made to depend solely on the prudent and punctual management of her affairs, and her wealth flows from her own inexhaustible and unborrowed resources, no outward changes can materially affect her.

With these objections, I hasten to return the bill, that the Legislature may have time to re-consider it before the adjournment, if it be deemed expedient to be approved, may be enacted immediately to provide liberally for the prosecution of works which all agree to be important and necessary. Instead of borrowing money, or taking from the people, the means of employment, the surplus revenue should be applied to the reduction of the State debt, which