

GOVERNOR'S MESSAGE.

Gentlemen of the Senate, and of the House of Representatives:

The duties pertaining to the legislative branch of the Government have again called us together, and whilst giving you information of the affairs of the State, and recommending to your consideration such measures as shall be deemed expedient, it is a source of gratification to say, that the return of the time of our meeting has brought little to deplore. The seasons, if not in their usual profusion, have yielded a sufficiency of the solid comforts of life. In the unprecedented acquisition to our population, with its consequent increase in wealth; in the enhanced value of real estate; the ample reward of labor; the liberal compensation for the products of the soil, and the bustle and activity seldom before enjoyed. And whilst in other portions of the Union scenes of irreverence for public law and good order, highly discreditable to our national character, have been exhibited, the citizens of this State have maintained their uniform respect for the authority of the laws which protect the life, liberty and property of each. For these and many other favors attendant upon our onward course, we are indebted to a kind and a generous Providence.

This is your first session in the new Capitol; and from a conviction that the occasion will not fail to inspire feelings of exultation with you, I will not withhold, on my part, the offering of a hearty welcome and congratulation. It is an edifice worthy of the State, and being dedicated to the public interests, within these walls, the representatives of the people will annually assemble to perform some of the most important duties ever delegated to man. The people, through their representatives, will here speak their wishes, utter their complaints, and obtain remedies for their wrongs. And it should be the constant care of all who fill our stations, that their official acts, in spirit and precedent, shall tend to the perpetuation of our liberties, our State and national institutions.

In the return of the assessments, under our present system, we have evidence of the usual increase, and an assurance that the revenue will equal the demands upon the Treasury. The payments made from several sources, have enabled the Treasurer to meet all demands, without resorting, as yet, to the loan of the small sum authorized for the benefit of the State House. The aggregate receipts, since the last report, amount to \$107,714.63, and the payments towards the building of the Capitol, and for all other purposes, for the same period, amount to \$103,901.43, which, with the balance reported in the last report, leaves at the close of the last year leaves in his hands an unexpended balance of \$3,813.20. The Annual Report of the Auditor will be made.

The operations on the line of the Wabash and Erie Canal have been conducted the past season, with energy and great success. The middle division, extending from the St. Joseph dam to the Forks of the Wabash, about thirty-two miles, has been completed for about \$232,000, including all repairs to this time, being something less than the estimated cost by Mr. Ridgeway. Upon this portion of the line, the navigation was opened on the 4th day of July, on which day our citizens assembled to witness the mingling of the waters of the St. Joseph with those of the Wabash, uniting the waters of the Northern chain of Lakes with those of the Gulf of Mexico in the South. On this division, boats have been running without the interruption of a day, since the letting of the line from Huntington to La Fayette. The line from Huntington to La Fayette, which has progressed, with much spirit, and with the exception of the locks, is almost complete. Thirty-five sections have been finished and accepted, and without some preventing cause in the seasons of the next year, its navigation will be opened by the 4th day of July next.

The line from La Fayette to Georgetown, about twenty-two miles, was put under contract in the month of September, since which, most of the sections have been commenced.

The large amount of additional duty imposed on the Board and Engineers by the law providing for the surveys, made the past season one of great labor, and particularly to Mr. Williams, the chief engineer, whose presence was needed at so many points in planning and directing the field service.

Economy and public policy require, that an additional portion of the line from Georgetown to La Fayette shall be placed under contract the ensuing year, and that the Commissioners shall be authorized and directed to let out that part of the line east of Fort Wayne, when it shall be ascertained that Ohio has commenced that part which she has undertaken to construct.

Owing to the great demand for landed property, to supply the wants of the new population in the vicinity of the canal, the sale of the canal lands the past summer, have been unusually active. The sales, since the last report of the commissioners, have amounted to \$175,740.31.

The experience we have had in converting these lands into available means, and the rapid rise in the value of lands in that section of the State will now justify the assertion, that the unsold lands with the selections yet to be made, will be sufficient to complete the canal to its original termination, and that the people will never be called upon to pay any portion of its cost.

Towards the close of the last session's deliberations, the legislature appointed Col. O. H. Smith, of Fayette county, their agent to visit the seat of government of Ohio, for the purpose of obtaining from the legislature of that state, then in session, permission to construct that portion of the White-water canal, which, pursuing the valley of that river, passes a short distance through her territory. That duty was promptly performed by Col. Smith, in delivering his communication covering the Joint Resolution of the General Assembly to Gov. Lucas, who submitted it to the legislature of Ohio. The subject was referred to a committee which, I regret to say, seemed to act under the impression that the White-water canal would be a rival of their Miami canal, and by withholding their assent, the business of the White-water country would be forced into the Miami canal, and made tributary to Ohio, and her people, consequently, unfavorably. That report, however, was not concurred in, and it is believed that, at the ensuing session of the legislature a more liberal and enlightened policy will prevail and we shall obtain the desired permission. But if, contrary to all reasonable and just expectations, the narrow and selfish policy recommended by the committee at their last session, should influence the subsequent action of the state, still we are not without a remedy, and a recent extension of the canal, by Col. Stansberry, our principal Rail Road Engineer, it is ascertained that a much cheaper and shorter communication can be opened by means of a Rail Road commencing at or near Brookville, and connecting with the Lawrenceburgh and Indianapolis Rail-way, at a distance of ten or twelve miles from the river. The loss of time and trouble consequent upon the transshipment from the one mode of conveyance to the other, would, however, render the construction of the canal to the Ohio much preferable.

The communication of Col. Smith, in relation to the subject, is herewith laid before you.

In accordance with the authority granted them by law, the Fund Commissioners have borrowed for canal purposes at an interest of five per cent, the sum of \$65,257 dollars. Upon the loan made early in the season they received a premium of two per cent, and upon those made subsequently, they received as high as seven per cent. premium; consequently, the rates of one hundred and seven dollars for one hundred dollars on our bonds at five per cent. interest. They have also borrowed the further sum of four hundred and fifty thousand dollars, the Bank capital, at five per cent. interest, for which they received a premium of four and a half and five dollars on the hundred. Their report will be laid before you in proper time.

Of the three per cent. fund accruing to the state on account of the sales of the Public Domain at the United States Land Office, the receipts, at the treasury, the past year, amount to twenty-four thousand three hundred and ninety-eight dollars, leaving the sum of five thousand and five dollars to be supplied from future receipts, to satisfy a balance of eighty-nine dollars sixty-seven cents due to each county under the last appropriations. The sales at the United States land offices, within this state, during the past year, must amount to one and a half millions of dollars; consequently, the dividend of three per cent. to be received by this state the ensuing year, and probably for some time afterwards, will be larger than at any former period. After meeting the unsatisfied claims upon this fund, it is for the legislature to say whether it will be advisable to anticipate our annual receipts by a loan for the purpose heretofore recommended, or make some other disposition of it. In its application the claims of the new counties, having roads yet to open, should not be overlooked.

Among the other sources of contribution to the treasury, the past year, the Saline lands have produced by sales, rents, and interest on unpaid installments, the sum of 4,636.53.

The newly selected Michigan road lands were exposed and sold at public outcry, in the month of September, and commanded an average of one dollar and seventeen cents per acre, amounting to \$1,304.27; and subsequently, the private entries at three dollars per acre, amounted to \$809.04. Of the old selections, the sales since the last annual report of the commissioners, brought \$10,917.00, the entire receipts for the year amounting to \$32,030.31. These sums would have been paid to the fund, leaving an unexpended balance of four thousand two hundred dollars in the hands of the commissioner, which, with the proceeds of the 16,561 acres remaining unsold will constitute the means applicable to future improvements.

That great thoroughfare—the Michigan road—is the avenue through which we receive the accession daily made to our population in the new districts, from the great state of Michigan; and the heavy rains of the season, have so greatly injured the road, that the convenience and interest of the public require that some repairs should be made. The remaining lands, at the minimum price, will command \$20,000, and it will remain for you to say, whether you will anticipate their proceeds, or apply other means in maintaining the usefulness of the road.

The commissioners superintending the erection of the State-house, have performed the various duties confided to them, it is believed, in such manner as will be satisfactory. In the changes made, they have aimed at permanency and durability, combining a just taste in the style and finish. On account of the unfinished state of the grading, and the daily conveyance of materials to the ground, they have not deemed it advisable or safe to enclose the completion of the interior of some of the offices of the building, of the pavements of the porticos and of the railings to be built on the outside of the pillars of the Senate Chamber and Representative Hall, separating those apartments from the lobbies. The report of the commissioners will soon be submitted for your examination.

The appointment of a Keeper, by the Governor, as contemplated by law, has not yet been made. The person to be appointed, it is believed, should visit the building every day during the recess of the legislature, and to protect it from injury he should be present every day during the session, as at that time it will be most exposed. The compensation of seventy-five dollars per year, allowed by law, will not induce a competent individual to render so much service, and it is suggested, that the agent or Keeper shall also be the Doorkeeper of one branch of the legislature, and made responsible, if from neglect the building should be injured or defaced.

The projected improvements at the rapids of the Wabash river, under the joint superintendence of the Commissioners, on the part of this state and of Illinois, have not progressed so successfully, as desired, in consequence of the repeated freshets of the Wabash and White rivers, during the past season. Contracts for the construction of the dam, at the rapids, and for other purposes, have been made at the points below the Grand Rapids, designated by the name of "Black's Cutoff," the "Grand Chain," Coffee Island, and the White River Rapids, which, when finished, will be a charge of about nine thousand dollars to the joint fund exclusive of superintendence. The report of the Commissioners, embracing a detail of his proceedings, will be submitted to your consideration.

As sometime must elapse before the remainder of the 24,000 dollars appropriated on the part of Indiana can be expended, would it not be more expedient, to loan it out at interest, on safe and sufficient security than to permit it to remain idle? It is probable that the Commissioner may need the aid of Legislative authority to use materials, from private property, and to protect the work from damage or injury for which suitable provisions are recommended.

The condition of the State College at Bloomington, has much improved during the year, while every thing seems to indicate for it a continued and increasing prosperity. It is indeed gratifying to observe that the cause of education is in the fostering care of the same spirit which is now prompting the people of Indiana to put forth their energies in behalf of Internal Improvements. The institution at Crawfordsville, in the north-west and the one at Hanover, in the south-east, part of the state, built up and supported by private capital, furnish, in their usual growth and advancement, the proudest commentary on that enlarged benevolence of heart which must exist in the bosoms of their founders. The success of these institutions has suggested to my mind, the propriety of your complying with that requisite of the constitution which provides for the establishment of a University. This can be easily accomplished by clothing the Bloomington College with that character. If, by so doing, you will induce the State to compete with all competitors with the private institutions named, or with those that may hereafter be established, you will allay the jealousy, and put down the spirit of opposition which probably exists, or may exist among them; and on the contrary create a reciprocity of interests mutually beneficial to all. These views, however, are submitted with great deference to the better and more matured consideration of the Legislature. The report made by Charles Keiser, the visitor of the State Prison, is submitted for your examination. In the management of its affairs, no material change has been made since your last meeting.

Under the laws regulating the Prison, the duty of farming or leasing it, with its inmates, for a term of years, will devolve on the Governor next spring; and as some have doubted whether the spirit and object of our penal laws are complied with, in permitting the superintendent to remove the convicts from the prison to operate in brick yards, and at other places in the town and its vicinity, it will be well for the Legislature to express an opinion on the subject. If the practice be sanctioned for the future, it will, no doubt, lessen the charges on the treasury for a period, but whether, in the end, it would not be better, as regards the safety and morals of the convicts, to confine them in their workshops, within the walls, will be for you to determine.

As this institution is so far removed from the eye of the Legislature and of the executive officers, I would advise that it be made the duty of one or more of the state officers, to ascertain whether, and if so, for what sum the prison and prison grounds can be sold, and upon what terms a new and more capacious one can be built at or near the seat of government, either on account of the state, or on private account, for a term of years; that the officers be authorized to make the necessary arrangements to remove the convicts from the prison to operate in brick yards, and at other places in the town and its vicinity, it will be well for the Legislature to express an opinion on the subject. If the practice be sanctioned for the future, it will, no doubt, lessen the charges on the treasury for a period, but whether, in the end, it would not be better, as regards the safety and morals of the convicts, to confine them in their workshops, within the walls, will be for you to determine.

The circle, with the building designed for the residence of the executive of the state, has been enclosed with the best fence the appropriation would procure. That house, in its location and plan, is not well suited to the purpose for which it was originally intended, and as the public offices will soon be removed to the capital, would advise a sale of the property for one year for payments, the proceeds to be applied in erecting and furnishing a suitable family residence for the governor on part of the reserve at the western termination of market street.—A private building of sufficient size and convenience for the residence of your governor can never be rented at this place, and without a suitable one he cannot acquit himself with the members of the other branches of the government, and with visiting strangers in that manner which states and the honor of hospitality require. The proceeds of the house on the circle will be sufficient for the creation of the new one and will furnish it as far as it should be furnished without costing the state any further sum for the next thirty years.

Since the last report of the agent, the Treasury has released about nine thousand three hundred dollars from the sales heretofore made of the public property at the seat of government. Ohio has released the amount of 10,000 dollars will soon reach the Treasury through the hands of the agent. The report of that officer will, in due time be submitted.

Upon the plot of the town there are several squares marked and set apart for public purposes; but not having been specifically designated by law for those purposes, no one has exercised any care or authority over them. It will be well for the legislature to make some final order on the subject. The block of timbered land on the eminence west of the capital, marked on the plat as public ground, if intended by the Legislature for that purpose, should be granted to the corporate authorities of the town, on condition that they enclose it, preserve the timber, ornament and improve it. You will act in this matter for future generations, who the population of this place shall amount to thousands, when a forest tree will not be seen for many miles. Most of the large cities of the United States, have such ground for the purposes, both of utility and ornament.

The commission created by a law of last session for the assessment of damages to private property on the canal line has been organized, and is now filed by an executive appointment of Messrs. Graham of Jackson, Talbot of Putnam, and Wallace of Fountain counties. The appointment of a commissioner by the Governor as authorized by law to take releases on the White Water line of canal, was made to Gen. Morgan of Rush county, who has performed the duties assigned him, by filing the releases of the major part of the land holders on the line, with the Secretary of State.

The operations of the State Bank through the Branches have had a most healthful and beneficial influence on the enterprise and various pursuits of our citizens, and to an extent greater, it is believed, than had been predicted by its friends. These accommodations have been extended to every class of our citizens as far as the resources of the institution under its charter, would justify, experience has already satisfied the officers, that the time is not far distant when it will be found that the capital is entirely insufficient for the rapidly increased business and population of our State. Indeed, in some of the

districts the deficiency is already felt and acknowledged. It has generally been the practice in Banking institutions to have some of their transactions based upon the deposits entrusted to them and in that way such funds, instead of remaining idle are actively employed. When you shall have examined the reports which will be laid before you by the officers of the Bank, you will find that there is a large average amount in deposits from individuals in each branch. But in consequence of the prohibition in the charter, these large sums are of no service to the individuals, to the bank nor to the public. It is believed this limitation in the charter only serves to restrict the bank in its accommodations and business without any corresponding advantage, as the public are abundantly secured against all danger of overissuing in the bank, by that clause which limits their issue of paper to twice the amount of the capital paid in. Indeed it is difficult to see how any damage can accrue in permitting the Bank to loan as far as it has the means, provided the restriction remain as to the issue of paper. Many banking institutions, in other states, where such restrictions do not exist, allow a small interest on deposits, on which business transactions are based. Such a course would call in large sums now inactive, and induce many to save and deposit a portion of their earnings. For our canal fund deposited in New York, a Bank of that city is now paying four per cent., but while this unusual prohibition in our charter exists, our own banks cannot do for us that which foreign banks are doing.

The incentive offered to agricultural enterprise by the law of the last session providing for the appointment of members of a State Board of Agriculture and for the organization of auxiliary county associations, I am glad to say, is like to accomplish all the good the advocates of the measure promised themselves. In most of the counties the agitation of the subject has excited a spirit of emulation and competition which has already caused the introduction of many fine specimens of stock, seeds, and implements of husbandry. Such examples will hardly fail to have a beneficial influence on the agricultural pursuits of the country.

Under the provision of a law of the last session, the canal commissioners were directed to procure examinations, surveys, and estimates to be made upon several proposed routes for canals, and submit the results to the Legislature at the commencement of its present session, with the view of furnishing you proper data for the adoption of a judicious system of Internal Improvement for the State. To accomplish so much within the time prescribed, the Board found it necessary, immediately, to procure the service of competent gentlemen, having the advantage of practical skill in the science of civil engineering. Accordingly a member of the Board engaged the services of Dr. Whipple of Pennsylvania, of Mr. Goodwin of Illinois, and of Capt. Cleveland of Ohio, whose well established reputations and experience as scientific and practical Engineers, gave the strongest assurances of their qualifications. Whilst this preparation was making, the chief Engineer, Mr. Williams, as early as April went to the field, and in furtherance of the work made several experimental lines. The examinations commenced and progressed with the greatest industry, until their progress was arrested by sickness, which, for a time, threatened the success of the work.

Although the estimates are as yet incomplete, I am gratified in being able to say, that enough is known to satisfy us that the route from the Wabash Canal, by the way of the Mississippi and White river to Indianapolis, and thence down the valley of White river, by the way of Princeton to the Ohio river, at Evansville, is not only practicable, but of easy and cheap construction. The same is also ascertained as regards the continuation of the route from La Fayette to Terre-Haute. The proposed route from this place by the Driftwood fork of White river to Jeffersonville, after a careful examination, has been found to be too doubtful and expensive to be undertaken.

The facility and cheapness of the line, from the seat of Government to Evansville, having been satisfactorily ascertained, and other facts relative to the topography of the state being developed by the surveys already made, it was thought advisable, while the necessary force was in the field, to run an experimental line of levels from White river at or near the mouth of Red river to the Wabash at Terre-Haute, a distance of about forty miles—the result of which has satisfied the Engineers and the Board that the Wabash can be united with White river and the Ohio, at Evansville, at comparatively, a small expense.

The law of the last session, authorizing the several surveys and estimates for Rail-ways and Turnpike roads, under the direction of the Governor, has been executed as regards the field operation; and the necessary estimates and drawings are in such a state of forwardness as to allow the superintending officer to present his report in a few days. The great length of these surveys, traversing a large portion of the state, and extending in length to upwards of seven hundred miles, suggested the necessity of adopting such measures as would bring the requisite forces into the field as early as the month of April; and as there were no gentlemen of acknowledged skill in rail road engineering unemployed in the western country, assistance was sought from the Atlantic States. For that purpose, Caleb B. Smith Esq. was requested to proceed to Washington City before the adjournment of Congress, with letters to our delegation, requesting them to unite in an application to the War Department for the necessary number of officers, and in the event that the request for the assistance should not be complied with, he was authorized to go into the adjoining States and employ such a number of engineers as would ensure the completion of the work in time for the present session. The application at Washington was met by an assurance from the Secretary of War that Col. Stansberry and two assistants would be detailed for the purpose. The work requiring at least four separate parties. Mr. Smith entered into a written agreement, with Col. Stansberry herewith submitted, authorizing him as the superintending officer, to organize four parties, including the two assistants promised by the Secretary of War, the State paying him two dollars and fifty cents per day. In pursuance of this agreement, Col. Stansberry proceeded in the organization of the several parties, but in consequence of the Secretary of War subsequently declining to detail the assistants without assigning any reason for it, he, Col. Stansberry, was obliged then to select others to supply their places. The parties were organized and reached their place of destination the latter part of April and the first week in May. The one upon the Lawrenceburgh line was conducted by Mr. Adams of Connecticut, the one on the Madison and Lafayette line by Col. Schenck of New York, the one on the Evansville line by Mr. Collins of Baltimore, and the one on the New Albany and Crawfordsville line by Mr. Watts of Pennsylvania, the whole acting under the orders of Col. Stansberry. The party under Mr. Adams reached this place in August and was preparing for the survey of the Columbus and Jeffersonville route, when, in consequence of sickness among the officers it was disbanded. That route was then confided to Mr. Coyle, the second officer under Mr. Collins, for which purpose a new party was organized. Col. Schenck terminated his examinations at Lafayette in October. Major Watts closed the survey of the New Albany and Crawfordsville route, and commenced his examinations on the New Albany and Vincennes road when its progress was interrupted by the lamented death of his assistant, Mr. Paul, and soon after he was so much disabled by sickness as to make it necessary for him to abandon the field. The party under Mr. Collins after closing its operations at Terre-Haute returned to Vincennes, and finished the survey of the New Albany line to the termination of the survey by Major Watts.

The surveys have been necessarily expensive, but it is believed that the fund of accurate Topographical information that has been obtained as to a

very considerable portion of the State, and of its susceptibility of improvement will be invaluable as the basis of subsequent Legislation.

Justice and inclination require me to say that Col. Stansberry, the officers commanding the parties, and their assistants have performed their several duties with a zeal and ability that command my entire confidence and approbation.

Believing the measure well calculated to advance the best interests of the state and one that public sentiment called for, I deemed it my duty, at the last session of the legislature, with some earnestness, to urge the propriety of adopting a well digested plan of Internal Improvement. It was then contended that the construction of public works, on a scale that would benefit every portion of the state, was within the reach of proper efforts—that our sister states, whose examples were most successful, commenced under circumstances less favorable than ours—that whilst the state can command any desirable amount of capital at five per cent interest, it would be our true policy to promote such improvements as will prove beneficial to the country and yield a profitable return for the investment—that such a course would not impoverish the state nor the people, but would enrich both; and that any increased taxation for a time, to meet the interests on loans, would be more than counterbalanced by the increased business, enterprise and wealth. The experience derived from the work in which we are engaged and the prosperous condition of other states, have confirmed me in the correctness of the opinions heretofore advanced, and I again recommend the subject to your favorable consideration.

The examinations made the past summer, by the Canal and Rail Road Engineers, will place you in possession of such facts and information in reference to the several routes, and of the susceptibility of the general face of our territory, as will allow you to act advisedly in the selections you may make. Of the several kinds of the improvements proposed, it is believed that of canals should have preference over rail ways or turnpike roads, on the ground that canals are cheaper, more permanent, and better adapted to the convenience and habits of people, and to the character and products of the state. But in designating the several branches or parts of a general and connected plan, should you adopt one, you will find, that in consequence of the peculiar shape & formation of the surface of the state, it must embrace in its parts, a combination of canals, rail ways and turnpikes, each having a beginning, connection with, or termination at the Lake, the Wabash canal or the Ohio river, the Wabash canal constituting the main artery or trunk of the plan. And in discriminating between the relative value of each proposed work, that which will accommodate the greatest amount of population, commerce and business generally, should be adopted. That of making a selection is a duty within the province and sound discretion of the legislature, therefore the task of making an Executive recommendation is relinquished, not entirely on account of its delicacy and responsibility, but because the reports to be made by the engineers are not yet so complete as to allow an examination and time for a decision.

The first steps in most of the important works undertaken have met with opposition from those who entertained fears of taxation, bankruptcy and ruin, but of all the public works in other states, there are none that have been abandoned or that have proved burdensome or unpopular with the people, even under the highest rate of taxation; on the contrary, they have uniformly become sources of wealth and comfort, monuments of public spirit and enterprise, and objects of just pride and exultation with the people. These triumphant successes have settled the question as to the practicability and utility of public works, and encouraged by these examples, our citizens have manifested their willingness to enter with spirit upon a system that will contribute not less to their own prosperity, than to the credit of the state.

If, after you shall have had a full and free conference upon the subject, you agree with me in the opinion, that public policy, public interest and public sentiments, require of you a liberal expenditure in the improvement of the condition of the state and of the people, it will be for your better judgement to determine the extent of the investment: I will not however, withhold the opinion, that you may safely expend the amount of ten millions without calling on the present or future generations for the payment of any portion of the principal under the process of taxation. But to sustain an enterprise of such magnitude, a suitable provision should be made for the payment of the interest on the capital, one million of which would be needed the first year and about an equal sum annually until the work shall be finished. The additional revenue required to meet the interests on the loan would increase the whole amount of tax now paid by our citizens, one half: that is he who now pays one dollar would have to pay the further sum of fifty cents each year.

To one who has not looked into the process, by which this fact is ascertained, it may appear strange that so small an increase in the rate of taxation will meet the interest on so large a sum. It is nevertheless certain that an addition of one half on the present and annual increase in lands and other property, with the tolls that will be coming in after the first few years, will be amply sufficient. Of the vast increase of property liable to taxation, some idea may be obtained by comparing our population of 347,000 in 1830 with our present number of not less than 600,000; and we have unerring evidence that the 4,650,000 acres of land returned for taxation last year, will be increased to 8,000,000 in 1840.

Relying on the correctness of these estimates, one enquiry only remains to be made, and that is, will our citizens cheerfully pay the same additional tax? Or in other words, should the state by a wise policy, open a market, with increased prices for produce and wages of every kind, will they pay a cent or two for each additional dollar thus put into their pockets? Of this you can best determine.

If after your mature examination of the subject, you think it advisable to embark, I beg leave earnestly to remind you of the policy and necessity of organizing a Board of public work with all needful powers to plan and carry on the improvements authorized.

In my last annual communication I noticed the very laudable exertions of the Lawrenceburgh and Indianapolis rail road company, & it is with great pleasure that I have since witnessed the zeal and perseverance with which they have commenced their work, giving satisfactory evidence of their determination to accomplish the enterprise. That route is destined to constitute a link in the great line of proposed rail way from Charleston, South Carolina, to the Ohio River at Cincinnati, and to the Lake. This public spirited association of our fellow-citizens do not intend to press their equal claims to pecuniary aid from the state. They ask from her to take no share in the work; but they ask that the great service of the public: They desire her to give them credit to the amount of five hundred

thousand dollars, which they will satisfactorily secure the state, by real estate of fixed and convertible value in double the sum, to be secured at the expense of the company, and as may be directed. Of their ability to do this, without the shadow of danger to the state, I am convinced from my own knowledge of the estates of the members of the company, and, therefore, cheerfully recommend their request to the consideration of the Legislature.

Not intending to elicit any action on your part at this time, but for the information, as well as the gratification of the members of the Legislature, I lay before you two pamphlets with the proceedings of the citizens of Cincinnati and of Charleston, South Carolina, and also, the messages of the governors of Georgia, and North Carolina, all of which are in reference to the construction of a rail way from Cincinnati to the city of Charleston. Considering that this is the nearest and most direct route to the sea board, every step that may be taken to render it, available, cannot but become a matter of deep and abiding interest to the people of Indiana.

The law of last Session, providing for a change in our revenue system, does not require the clerks of the several counties to report the returns of the assessors to the Auditor of State before the first day of December, consequently I am not able to present you with a view of the result of the valuations. From the best information I can obtain however, it is believed that the disparity anticipated in the value of real estate in the old and new districts of the state, does not exist. If, upon a comparison of all the returns, his opinion shall be found to be correct, there can be but little reason to question the policy or justice of a change. The expenses of our State Government have been hitherto, borne, principally, by the land holders, while other large, and generally, much more productive investments of capital have contributed little or nothing to the State Treasury. Although some of our citizens object to the number of articles included in the law, it is confidently believed, it can be so shaped as to render it agreeable to their views—particularly when they see that the tax upon land will be reduced in proportion to the amount that is charged upon other subjects of taxation—such property as now pays nothing, and which can only be brought in by the change proposed. No good and satisfactory reason can be assigned why capital invested in Town property, Bank stock, Merchandise or money at interest should not be subject to the same rate of taxation as an equal amount invested in land.

There is to be found in the legislation of several of the late sessions of the General Assembly a departure from general rule and analogy, from which evil may arise, and which is at war with that principle in our government which requires that the operations of all laws shall be equal and general. I allude to the want of uniformity in the organization of our courts doing county business; to the modes of appointing township officers; and to the civil jurisdiction of justices of the peace. In some counties justices of the peace transact county business, in others, that duty is performed by commissioners elected for that purpose. In some instances, township officers are chosen by the people, in others, they are appointed by the courts doing county business. In some counties, justices of the peace have civil jurisdiction throughout the county, in others, they are restricted to the townships in which they reside, with, perhaps, a stream or an ideal line for its boundary. These and similar examples should be arrested and the one or the other principle should prevail. Our laws should be equal and uniform, resulting from that compromise of opinion out of which has grown the best principles of our republican form of State and National Governments, and, particularly, that which declares, that in legislation the majority shall rule.

In a casual conversation with a gentleman last year in the service of the United States, I learned, that in making some Geological examinations near the line of the National road he had discovered indications of coal and other valuable minerals which determined me to suggest the propriety of a geological and topographical survey of the state with a view of looking into her mineral wealth and resources, and also of publishing under the sanction of the legislature a correct map. But as our new territory had not then been subdivided into counties and brought under civil jurisdiction the recommendation was postponed. That objection having been removed by the legislature of last winter, I respectfully recommended the subject to your consideration. In all countries where mineral deposits have been discovered they have become leading items of commerce and wealth. In the mountain districts of Pennsylvania, Virginia, and Maryland, their iron, coal, marble, and gilson will be the chief articles of commerce and of support to the public works. From the many indications and discoveries made, we have much reason to believe that this state abounds in such deposits; but without the aid and application of geological science they will never be perfectly developed. Should you think the measure advisable, the surveys for the two purposes can be confided to the same hand, or that for geological purposes can be conducted alone.

By an act of Congress, of March, 1808, the sum of two hundred thousand dollars was annually applied to the manufacture of arms for the militia of the several states. Since this State came into the Union near four million of dollars have been expended under that act. The quota of arms allotted to Indiana, under the general distribution among the states, has, as yet, been distributed among the militia; but where these arms are, or what has been done with them, no one can tell; nor, has the Quarter Master General been able to get any satisfactory information from the officers on the subject. It is believed, from other sources of information, that the light companies in many instances have been broken up, the arms delivered to them destroyed, converted to private use, or carried to other states by persons removing. In this way our loss in public property, of this kind, must amount to twenty or thirty thousand dollars. According to an estimate recently made at the ordnance department, about one thousand muskets are due this state; of which, about fifty boxes, with accoutrements, have, within the last month, arrived at Madison. These arms are worth, at first cost, near fourteen thousand dollars; and as the impolicy of distributing them, as heretofore, has long since been so apparent as to induce many of the states to provide a safe depository, instead of delivering them to the militia, would it not be advisable for Indiana to adopt a similar policy, at least, until we can get some further account of those already distributed?

The session before the last, I endeavored to point out some of the prominent defects in our probate system, and as a remedy, proposed that the business should be transferred to the circuit courts, and that in consequence of the increased duties, the judges' salaries should be raised to one thousand dollars. Satisfied with the recommendation then made, I beg leave now to reiterate it. In point of expense, it may safely be said, that the increased salary of the circuit judges will require less from the treasury than is now paid to the probate judges.