

in the General Sinking Fund, and \$162,399.18 in the Treasury Relief Sinking Fund. These investments cost the State, in cash, \$208,114.40, and the premiums paid to the holders of these bonds, for the privilege of redeeming them before maturity, amount to \$19,825.22.

The State debt, for which interest has to be provided, is \$11,269,031.78, of which \$401,529.18 have been, in fact, paid in advance and deposited in the Sinking Funds, leaving the outstanding debt \$10,867,502.60. The State's interest in valuable works of internal improvement are held for, and when sold, applied to, the payment of this debt. They have been, and are, at any time, adequate for this purpose. The debt holders are satisfied with this security, because it is substantial, real and not imaginary. To hold this security, and at the same time to buy up her debt in advance, at a heavy premium, have never been made to any extent practicable or possible by her Legislature. To do so, would require the imposition of such a heavy tax upon her people, as would wake them up to the folly and extravagance of such a system, and cause them to mark with their speedy condemnation the perpetrators of it. Whenever, therefore, the Legislature, which is the immediate, frequent and often repeated representative of the people, shall, in its wisdom and in obedience to their will, direct the payment and extinguishment of the existing State Debt, ample means are provided and ready at hand for that purpose. The latest expression of public sentiment in this regard, was to let well done alone, and to cease bickerings and contentions upon the subject. The Legislatures of 1880 and 1882, both plainly declared the present policy of the State to be, to reserve her securities, and to fund her debt, as it shall become due; at a lower rate of interest. Under the "Defence Redemption Loan," Act of 1882, ch. 289, the "Defence Loan" of 1868, which amounts, in round numbers, to three millions of dollars, bearing 6 per cent. interest, which falls due in January,