

while there is not even a remote probability of the debt ever being liquidated in this manner. Under these circumstances, I submit the matter for your consideration, whether this unproductive property, consisting of wharves, warehouses and a leasehold interest should not be disposed of, and the present system abandoned for another based upon a similar footing with that pursued in the sale and purchase of other agricultural products. The system of inspections and the present mode of appointing Inspectors, need not be repealed, but the State should be no further connected with the management thereof, than to receive the taxes on their commissions, the excess of their fees of office, leaving the purchase of all necessary buildings and other matters for the proper prosecution of this trade to individual enterprise. This department would be saved the unnecessary labor of examining, auditing and preserving the annual accounts of the several Inspectors, and the people of the State benefitted by a separation from all systems of this kind. Our financial operations would be less complicated and more productive. The fostering of one branch of industry to the prejudice of another should never be encouraged, but all alike should, after the reception of the State's assistance in their incipient efforts, be left to their own unaided exertions for support.

The receipts from the Inspection of Grain have increased since the modification of the original law made on the 8th day of March, 1864. Although not sufficient to pay the salaries of the officers in full, it has been such as to warrant the probability that after our commercial difficulties shall have ended a revenue will be received more than sufficient to pay all expenses and salaries. The gross amount of receipts returned for the fiscal year of 1864, was \$6,435.90, from which, after deducting \$884.53 for expenses, there was left applicable to the payment of the salaries of the Inspector General, and four Inspectors, \$5,591.91.

During the present year, there has been imposed upon this Department by the Acts of 1864, chapters 15, 246 and 373, the payment of bounties to Volunteers in the service of the United States. The enlistments were made up of white persons, free colored and others of African descent, formerly slaves. The sums due the two former have been paid to the