

The putting aside even of \$300,000.00 a year in the Sinking Funds of the State, and the reinvestment of the increment from year to year, as it accrues, at the rate of 6 per cent. per annum, would in the short space of ten years amount to over \$4,000,000.00, a sum more than sufficient to discharge that part of the debt of this State for the ultimate payment of which special taxes are now collected from the people.

This is the promise that was made shortly before I entered upon the discharge of the duties of this Department. Two years have scarcely passed since then, and I have now the satisfaction of presenting to you an exhibit, which I believe will prove not only satisfactory to the people, and from which they will understand that we are making an earnest endeavor to make our promise good ; but also sufficient evidence to warrant me in saying that the fulfillment and realization of that promise is not only within the range of possibilities, but, with economy on the part of the Legislature, can be looked forward to with reasonable assurance.

The present easy and healthy condition of our State finances can be not only readily maintained, but it will go on improving, so long as the general prosperity of the people continues and the wealth of the State increases, if we all do our duty.

While we are at present able to fulfill the requirements of the law relating to the various Sinking Funds of the State, provide over half a million of dollars a year for the education of the people, give proper sums to charity and also to meet the expenses incident to the public service so as to give an efficient administration of public affairs, yet, after doing all this, the margin left is too small to warrant us in making any extended public improvement, or engaging in new enterprises requiring the expenditure of money, without undoing the work which we feel has been well begun, and is now progressing, so far as we can discover, to a satisfactory conclusion.