Shipments of Tobacco, inspected within the year, have not been made to the extent anticipated, whereby a very large portion of the Tobacco inspected remains in the warehouses, upon which the outage has not been collected.

This branch of the service requires, in my judgment, some further legislation.

An Act was passed by the Legislature of 1860, requiring the warehouses to be leased out by Commissioners appointed by said Act, and otherwise making material alterations in the inspections. That law remains unrepealed, and has never, that I am advised of, been declared by a Judicial Tribunal unconstitutional, yet the law has never been carried out, and the inspections have been continued to be made upon the laws enacted prior to the passage of the Act of 1860. By the Acts under which the inspection is conducted, the inspected Tobacco may remain in the warehouses a full year before storage can be charged upon it, and much of it so remains.

The handling of this Tobacco, very frequently in the course of a year, to reach parcels ordered for shipment entails a heavy expense for labor, and causes an actual loss to the State from the inspection of it.

The Reports of the Inspector General of Grain, since April, 1862, have shown such meagre receipts from this source, showing them totally inadequate to pay the Inspectors' salaries, or even a moiety thereof, that I have considered it unnecessary to encumber the Books of this Office, or the Tables of this Report, with them.

This is the result of the defects of the laws regulating the Inspection of Grain.

A proper law upon this subject dispensing with the inspection, but placing the weighing of all grain necessary to be weighed, in the hands of the State's officers, would afford, over and above the cost of weighing, and the salaries of the officers, a handsome revenue to the State; whilst but little, if any, additional expense would be incurred by the producer or seller for the additional security, afforded them, by having this duty performed by sworn State's officers.

The receipts from licenses to Auctioneers go directly to