

for I am fully persuaded that this work, destined ultimately to relieve your constituents from the greater portion of the taxes now paid by them, will in less than two years from its completion, commence to return some equivalent for the immense treasure expended in its construction.

I transmit for your information the annual report of this company, bearing date the 7th of June, 1847, and prior to the consummation of the arrangement for the completion of the canal. Should I am deceived in the prospect before us, I shall be disappointed if my successor before the expiration of his term of service, does not have the privilege to recommend the decrease of the direct tax, or the repeal of some one or more of the other taxes, the imposition of which was imperative required by the extreme necessities of the State.

It has been my unpleasant duty, to seize upon every expedient by which money could be placed in the treasury of the State; it will, I trust, be his more agreeable duty, to recommend the repeal of those taxes which in his judgment have proved most oppressive to the people.

I must be permitted, gentlemen, before I proceed to the consideration of other matters to which I shall ask your attention, to take a retrospective view of the condition of the State in 1844, and of her relative condition at the present time. A few sentences will suffice for this purpose - Governor Thomas in the able message which he transmitted to the legislature which convened in December 1844, announced the facts, that the amount of interest on the public debt, amounted at the close of the fiscal year on the first of December 1844, to \$1,450,961 ³²/₁₀₀ - that the revenues laws then in force were not observed and if fully enforced, that they were wholly inadequate to arrest the progressive increase of charges against the treasury. Many of those who stood high in the confidence of the State, openly avowed even in her legislative halls, the opinion, that the State was unable to pay her debts, and that it was therefore inexpedient and unnecessary oppressive to the people, to legislate upon the subject of her debts, except upon the assumed hypothesis of her inability to pay. Hence the introduction in the legislature of a class of measures designed to coerce the creditors of the State, to take her claims upon the works of internal improvement constructed by her, in discharge of her liabilities, &c. &c. I by no means design to impute improper motives to those gentlemen who advocated such measures, my sole object is to show the desperate condition of the monetary affairs of the State, in the opinion of many of her best and ablest citizens.

Having consented to serve in the position I now occupy with the hope of restoring the credit of the State, and with the determination of devoting my whole time and energies to that object it became my duty, to suggest the means by which