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GOVERNOR'S MESSAGE.

Fellow Citizens of the Senate, and of the House of Representatives:

I congratulate you on the favorable auspices under which you have assembled to enter upon your legislative duties. At no period of our State history has the general prosperity of our fellow citizens been established upon a more solid and firm basis, than at the present time. The protection of law, and moral and intelectual improvement, are extended to, and within the reach of all classes of society; whilst our State Institutions for the culture and care of the destitute and unfortunate of every grade and condition, stand as proud monuments of the wisdom and humanity of their founders, and of the liberality and benevolence of our whole People, by whom they have been fostered and sustained. For these and all other blessings, we are under renewed obligations to that Divine Goodness that has protected and defended us as a political community, from the first entrance of our pioneer fathers upon the territory we inhabit until the present moment.

The unsettled state of the public mind in relation to the best method of securing a sound and uniform circulating medium, and of adapting our State Bank capital to the wants of the People and the moneyed institutions of our sister States, will claim at your hands a careful and thorough investigation.

The regulation of the currency is a matter so intimately connected with our future prosperity as a People, that it should be examined with a view to divest it of all extraneous influence, and give it that form that would best insure its uniformity and value. Party passion and political zeal are not calculated to assist in the examination of statistical realities, or financial truth; hence the necessity of bringing our minds into the investigation, untamerled and disconnected with either the opinions of individuals or of political associations. That this can be done to the extent hat would be most favorable to the best interest of the country, by either of the great political parties that now divide the People, is not, under the present excitement, to be expected; but that it may be sufficiently so as to prevent our commerce from being crippled, our manufactures from going into decay, and impart new life and energy to every branch of industry and useful employment, is most confidently looked for and expected.

Plausible theories and sophistical arguments, connot stand against sober realities and well established truths. We may talk about the danger of moneyed incorporations to liberty and equality of rights as much as we please, but the People, in a matter that so directly affects their best interests, will require something more substantial than mere declamation for the surrender of so important a benefit as that of a uniform and sound currency.

The fact that no country on earth has ever had such a currency as was ours, under the State Banks, controlled and regulated by the Bank of the United States, must force itself upon the minds of all business men.—until something is done giving us a substitute of equal certainty and value. If such substitute can be had, giving the same facilities to the business operations of the country throughout the United States that were enjoyed under the system above alluded to, it ought to be acceded to by all parties, without hesitation or reserve. But of its attainment in any other way than by retracing our steps, and Congress resuming the exercise of the power granted by the Constitution, and abandoning the doctrine of surrendering the regulation of the currency to twenty-six independent State Governments, is, to my mind, totally impracticable and delusive.

The Constitution itself was, in a great measure, the offspring of a disordered and fluctuating circulating medium;—and after forty years' experience in which the currency was controlled by Congress through the medium of a Bank of the United States, giving to the system uniformity of value in all parts of the Union, it is suddenly abandoned, upon the alleged want of power conferred by the instrument that grew out of its necessity,—and we are now gravely told that the States must provide their own currency, and that the Federal Government will do the same.

The very proposition to surrender to twenty-six State Sovereignties the regulation of the currency of the Union, carries on its face anarchy, inequality, fluctuation, and confusion. And if the British government were anxious to bring the commerce and manufactures of this country into subjection to English enterprise and capital, and compel the industrious and laboring classes to bow before the supremacy and power of her twenty thousand steam engines, (competent to perform the labor of four hundred millions of operatives,) she could not have a better text-book to accomplish that end than the system of finance that has been recommended for adoption by those who administer the affairs of the Government of the Union.

Such is the intimate connection in commerce and business that now exists between Great Britain and the United States, that if *we* cripple our credit, *she* stands ready to reap the advantage. And why should she not be as anxious to be our *banker* as our *manufacturer?* The mechanical labor of this country, has felt, and still continues to feel, the power and force of her steam engines and abundant surplus capital; and our commercial enterprise will be equally unfortunate, under the proposed system of independent subtreasuries. All this is apparent, when we look at the course f things under a shock in our monetary affairs. The introduction of a measure into Congress calculated to shake confidence in American credit, at once throws into the hands of foreign capitalists the securities that might have been more advantageously used at home, hereby giving a preference to foreign credit ver that of our own citizens of equal security nd safety.

American politicians may decry and break down the credit of our business men—English statesmen will cherish, foster, and sustain heirs,—and the practical operation will be, to sfer into the hands of foreign consignees the control and management of the whole of our mercantile operations and business; for, the competition between intelligent, liberal, and expanded commercial credit, on the one hand, and the timorous, distrustful, and contracted hard-money and no-credit system, on the other, renders the contest for supremacy too unequal to be for a moment sustained.

That we are ever again to have a financial system equal to that we have rejected and put down, is neither expected nor looked for by those who have carefully observed the tendency of capital for the last twelve months. The United States Bank of Pennsylvania, with the large institutions established and going into operation in the State of New York under their free banking law, will, I fear, be able to wield and control too large a capital and State influence, ever to allow the people of this country to enjoy the benefits of a Bank of the United States, under the direction and control of the People through their Representatives in Congress. That these institutions may do much to equalize the exchanges and give uniformity to the currency, is not to be questioned; but that they will feel any direct responsibility to keep up a healthy and sound circulating medium throughout every portion of our confederacy, unless it may add to their profits as bankers, is not to be anticipated.

"To say that a money corporation necessarily implies hostility to the public interest, appears to me to be taking high rank among the absurb theories of the day. It may become so by injudicious management, I admit. Banks originally were regarded in this country as public benefits. Their organization is entirely in accordance with the spirit of our institutions. The division of the stock into small sums enables persons with very small property, to enjoy a share in profits which commonly belong only to the very largest; and the distribution of the loans among the enterprising class who have not been favored by an inheritance of wealth, gives them a power to wield capital not often possessed, even by our wealthiest individuals. It is, surely, arguing rather too strongly against the capacity of the people for self government, to maintain that from the outset of our government, they have not known what they were about, when year after year, and in every one of the States, their representatives have been creating Banks on this associated plan. They still maintain the right to do so, and it is probably one of the last they would now be disposed to surrender. But the people in the separate States can do no more than to control those Banks, authorized by them as citizens of States, without insuring any uniformity of action. There is no power to control them all, unless it resides in the people of the Union as a mass—and there, I for one, do believe that it does reside."

"But it is often maintained that, however beneficial the original creation of Banks may have been supposed to the people, their present situation is very far otherwise, and calls for entire reformation. While admitting my belief that there are evils incident to the state of the present system, I am not so clear of the republican tendency of any proposed change. Discredit the present plan of joint stock banking or open it to that free competition which would very soon discredit all men operating upon borrowed or inadeduate capital, and you may introduce a sounder system; but you will open the way for those colossal private banking-houses established upon immense w a'th; which have controlled, for years, the pecuniary operations of the Monarchs of Europe. Now, the question is plainly reduced to this:—Which is most accordant with our republican institutions, one National and many State Banks created in shares, not for private benefits but for the public advantage, subject to the control of the people, through their representatives—or a few great bankers doing business entirely for their own account, irresponsible to the people, and yet at critical moments, able, very seriously to cripple their resources? The majority will answer this question as they like best; and in this matter they will have, and ought to have, their own way. But no reasoning yet applied to the subject, can convince me that the democracy of Washington and that of Madison, was not as deeply founded upon the intereats of the people which they protected, as that of others, who, in professing more care, do, by their practice, throw them entirely away."

Under this state of things, it is a grave question of State policy, what course the people of Ohio should take in the use and employment of Bank capital. The charters of our present institutions will mostly expire within the term of four years, and if we are to enter into the new theory of an exclusive metalic currency, the policy should be declared and understood, that the Banks may have time to close their business and wind up their affairs in a manner that shall cause the least possible pressure on the people.

If other counsels shall prevail, and a system of Bank credit is to continue, a question will then arise, what shall be its character, and how shall it be oganized and thrown into form? Our present system of independent Banks worked well under the influence of the Bank of the United States. And with that great balance wheel to control their issue and regulate their exchanges, it was certainly preferable to any system of Bank credit that has ever existed in this, or any other country. But this important auxiliary to independent State Banks, is no longer at our command; and as the rate of exchanges is a matter that lays a positive and direct tax upon the business operations of the conntry; and as there is but little probability that uniformity will ever exist under the management of thirty or forty independent state institutions, it is certainly worthy of consideration, whether something cannot be done to correct and amend this evil.

Free banking was attempted in Michigan, and failed; but it has been more successfully brought into use in the state of New York, under a better regulated system and under more favorable auspices. Its adaptation to the wants of this state, is at least, questionable, and ought not to be adopted without laborious and careful investigation. I do not believe that bonds and mortgages on real estate, within the limits of Ohio, would give the confidence necessary to sustain bank credit: and as to state stocks, they are not to be had in this market, as there are but few, if any, of our citizens, that make investments in permanent securities. The system may answer in countries where there are great wealth and concentration of capital, and where real estate will at all times command its value in money; but I fear its establishment in Ohio would be as signal a failure as it was with our younger sister Michigan.

Independent Banks, controlled by a bank of the United States, cannnot be had—free banking cannot be sustained in a state blessed with our equality of fortune, and comparatively new and remote from the concentration of capital and wealth. What is then to be done? Our present banks, although as solvent as any similar institutions in the United States, are not capable of placing the business men of this state on an equality with those of states possessing the bank facilities of Virginia, New York, and Pennsylvania; for it is a well known fact that the paper of our present banks, has not the same credit in all parts of our own state, and whilst the banks at Columbus ask a premium for drafts on Cincinnati or Chillicothe, the bank of Cincinnati will ask the same premium in return, thus shaving the circulation at both ends of the line. It is also well known that the paper of our Northern banks is rejected by some of the Southern banks, and is at this moment at a discount of one and a half per cent in Cincinnati. This state of things should not exist in a state so intimately connected in all its interest as is that of Ohio, and which could certainly be corrected under a well regulated system of bank credit.

It is also believed, that in addition to the aid that would be given to state exchanges, much might be done by a well defined system of bank credit, to regulate the exchanges with the commercial cities; for if our state banks are censurable for any one act of their policy, over all others, it is for their exactions from the business men of the state on money loaned, to be paid in the Eastern cities, and for the high premium demanded for Eastern drafts. In my last communication, I gave you the amount of Eastern funds sold, annually, by the brokers of Ohio, as officially communicated by themselves, which amounted to $13,402.875 18; that on this sum we paid over and above what was exacted under the bank of the United States, on an equal amount, $201,043 11—double this amount, and you will approximate the sum that has been paid within the present year, which will be $402,086 22. This sum, I am confident, will fall short of the true amount, and is a tax upon our people over and above what was paid when our financial system was under the regulation and control of the bank of the United States, and for which we have no equivalent.

These taxes and exactions are now beyond our reach, but it is the duty of the Legislature to prepare for the future, and learn wisdom from the past. This is a subject in which the people of our State feel a deep solicitude, and look to the Legislature to give them a system of Bank credit that shall secure them from loss by depreciation on bank notes and heavy exactions for eastern funds;—both are essential to place our commercial, agricultural, and mechanical interests, on an equal footing with those of our sister states; all of which is respectfully submitted to the deliberate reflections of the representatives of the people, with a confident hope that they, in their wisdom, will not disappoint the just expectations of our common constituents

In my last annual communication I called the attention of the legislature to the practice of exacting usurious interest on money loaned, as a growing evil that ought to be arrested by penal statute. I again recommend this subject to your consideration, with the hope that it will receive that favorable attention at your hands that its importance so loudly calls for.

There is nothing within the scope of your legislative duties that requires a more careful examination, than the defects in our financial system. The delinquencies in that department must be apparent to every person conversant with our state history, and the reports of our legislative committees.

A report of the committee of Finance, in the Senate, during the last session of our legislature, shows that the amount of lands now on our tax list, is some two millions of acres less than in 1824, and from inferences there drawn, the committee go on to prove that something near 7,000,000 of acres, liable to taxation within the limits of the state, are not charged on the tax list, and are at present unavailable to the state for purposes of revenue. From this report, it is evident that there is great inequality in the collection of the revenue, and manifest injustice in the partial manner in which the burthens of taxation fall upon the different descriptions of property, which go to prove most conclusively, that both justice and expediency require a radical change in the whole system.

The millions of acres of land that have fallen from the tax list, may, in part, have been the result of negligence in the Assessors but there are other causes, that may, and no doubt, have operated to produce the result. There was a large amount of lands put upon the tax list, prior to July 1828, that again reverted to the United States for non payment, and under the relief laws granted by Congress, were not again taxable until after the expiration of five years from the second entry. These lands must all now be liable to taxation, but as the Register had returned them once to the Auditor's office, a second return may not have been considered necessary.

There is, also, in the Virginia Military district, a large deficiency in the amount of lands taxed, when compared with the quantity contained within the limits of the grant, and this will continue to be the case, until the legislature shall compel the landholders to enter for taxation the real quantity they hold, instead of that called for by the patent under the warrant, survey and entry. By a law of Congress, passed March 2d, 1807, all locations were declared void that were made on land for which patents had been previously issued, and surveys made. By this law, the patent and survey held all the land, without regard to the quantity called for by the warrant. This law has, by some locaters, been much abused, and there are well authenticated cases, where the surplus is larger than the quantity called for by the warrant under which it is held. There are cases known in this district, where lands, held under tax titles, have been set off to the purchasers, equal to the amount called for by the patent—and yet there still remains within the survey, several hundred acres of surplus, for which no person pays taxes, and which cannot be located by new warrants; yet is under the law of Congress above recited, bona fide the property of the original owner, and cannot be reached by the state authority for purposes of revenue. This abuse, under the act of Congress, has not only defrauded the heirs of the officers and soldiers of the Virginia line, who holds warrants not yet satisfied, out of their just rights, but it defrauds the state out of its just portion of revenue, which has to be made up by increased burthens upon their neighbors. I would, therefore, respectfully submit, whether sound policy does not call for a revolution and assessment to be made of all the taxable property in the state; the lands to be returned under the certificate of the respective county surveyors, giving the true quantity agreeable to actual survey.

I have taken some pains to ascertain the amount of taxes paid by the people of the state, with the proportion they bear to our own. For this purpose a letter was addressed to the Governor of each state in the Union, requesting him to furnish the necessary information. I find however, that the information received is not as satisfactory as I anticipated, and that the system and subjects of taxation in other states, bear very little analogy to our own. This arises from various causes—the property subject to taxation, the manner of assessment, and the standard of valuation, all go to make it wholly impracticable to arrive at any definite and certain comparison.

The following, however, will show the tax on real estate in the several States of the Union hereinafter named:—In North Carolina, on every hundred dollars value of real estate, there is levied and paid six cents for state and connty purposes: In Kentucky, ten cents are levied on every hundred dollars worth of property, both real and personal, for state and county purposes: In Virginia, the tax is eight cents on every hundred dollars value of real estate, for state and county purposes: In Connecticut, the state tax alone is ten cents on every hundred dollars of valuation on real estate: In Indiana, the state tax is fifteen cents on every hundred dollars of valuation of property, both real and personal, one-third of which is expressly set apart, to pay the interest on their internal improvement debt: In Ohio, our state and county taxes, including those levied for Common Schools, is about fourteen mills on the dollar, or at the rate of one dollar and forty cents on each one hundred dollars valution.

I admit that our standard of value on real estate is deceptive, and is not more than one-fourth of its true value, which would bring our taxes at about thirty-five cents on each one hundred dollars of valuation.

This shows the different rates of taxation in different sections of the union. In many of the states, the state tax is merely nominal, their governments being supported from incomes on stocks of different descriptions—and in the State of Alabama, no state tax exists, the State government being supported by an income from bank capital. When this system of finance is properly understood, with the bearing it has through the deposite of the land-fund in these institutions, on the interest of the other states, I think you will all agree, that our sister is a most fortunate and highly-favored member of the American family. Ohio is laying direct taxes on the people, to sustain every interest connected with her state policy. Her government, her canals, roads, humane and benevolent institutions, and common schools, are all supported by a direct tax upon the property of her people. Whilst the proceeds of the sales of the public lands, which, in a former communication, I have brought to the notice of the Legislature, as belonging to the whole people of the United States, and most appropriately applicable to the support of Common Schools, are by an act of Congress, passed October 16th, 1837, loaned to the banks, including those of Alabama, on merely nominal interests, and through their agency paying the expenses of suporting and sustaining their state government, we of Ohio are quietly looking on and submissively acquiescing, by taxing our people to supply the deficiency growing out of this loan of out portion of this fund, to our more more fortunate and favored neighbor.

I do not wish to be understood as being opposed to the support of Common Schools. I have no such feeling or design; but I do wish to impress upon our people, that the fund that is properly theirs'—that belongs to them, by inheritance from their Revolutionary Fathers, and which is most fitly applicable to the righteous and holy purposes of education, is unjustly withheld from them by the strong arm of Federal Legislation and Executive influence and power. There is something humiliating in the idea, that the youth of this country should depend upon the precarious support of direct taxation, to give them that education that is necessary to make them useful exemplary members of society, and fit guardians and defenders of the liberties of this people, whilst the legacy of their fathers is unjustly squandered upon objects, in which they have no immediate and direct interest.

The condition of our Common School system will be communicated to you, in due time, by the enlightened and indefatigable Superintendant of that branch of our state policy. I need not say that we all have a deep interest in its success, which cannot be expected in any other way than by a strict and vigilant care of all its resources.

The following statement, from the books of the Auditor, exhibits the condition of the State Treasury and the different funds therein, up to 15th of November, 1838.

General Revenue,	$451,757 6 6	
Disbursements,	324,702 55 0	
Balance in Treasury,		$127,054 61 6
School Fund upon which the state pays interest,		1,165,684 96 0
Virginia Military School Fund, subject to distribution,		11,680 72 4
The amount of the Canal Fund,	642,612 03 7	
Payment to Fund Commissioners,	496,957 50 7	
In the Treasury of this fund,		145,654 53 0
National Road fund in the Treasury,		3,495 96 0
Tolls received on the Ohio Canal,		361,366 07 0
" " " Miami Canal,		74,583 27 0

Showing a gradual increase of our Canal tolls, over the last year, of $99,281 74, which gives us renewed evidence that when the anxiliary works, now in progress of construction shall have been completed, and shall connect the miner alregions of the Muskingum and Hocking valleys with our main canals, and that of Pennsylvania, at Pittsburg, that our people will be relieved from those burthens of taxation, that were necessary to bring these great works into successful operation.

The increase in our Canal tolls with the high price received for our surplus productions, growing out of the facilities of putting them into foreign markets by means of our public improvements, go to prove the wisdom of those who founded our system of internal communication. Nothing could warrant us in exacting from our people the high taxes now paid, but the confident belief that they are all fully remunerated in the increase prices for the productions of our soil, and the decreased prices on our daily consumption. Our system has progressed too far to stop, until every portion of the State is placed as near as local position will allow upon a perfect state of equality. This, however, should be done in such manner as to bring into active and useful operation, works already begun, so that capital may not lie dormant over scattered and unfinished portions of our public works. I will again call your attention to that inland portion of our State heretofore neglected in our system of improvement: with the hope that something may be done to infuse a confidence into the people of the counties named in my last annual Message, that their interests are not to be entirely overlooked and forgotten. A connection between our two great leading Canals should not be lost sight of. When the proper time shall come for the commencement of this work, I feel confident that its construction will serve a greater variety of interest, agricultural, mineral and commercial, than any single improvement ever projected by the State. A work that would be intimately connected with this in its beneficial results in furnishing a market for mineral wealth, would be a cut from the reservoir at St. Mary's, to intersect the Indiana Canal at the State line, in the direction of Fort Wayne, provided our sister State of Indiana, shall agree to meet us at the proper point, and water is found sufficient for the necessary supply. The Pennsylvania and Ohio Canal has progressed with great spirit during the present season, and it is confidently expected that it will be complete the ensuing year. This work is of great interest to both Ohio and Pennsylvania, and it would be doubly so, if the Canal were continued by the State of Pennsylvania, from the mouth of Big Beaver to Pittsburg giving a continuous line of Canal navigation between the main lines of communication in the respective States. That Pennsylvania will suffer this interruption to continue for any considerable length of time, would be a departure from the liberal policy that has always directed the councils of that ancient and enlightened commonwealth.

I am not prepared to give a full and satisfactory statement of the progress and condition of our public works of improvement. I, however, have been informed that sickness amongst the laborers on the Wabash and Erie, and the Miami Canals, has impeded the progress of both these works—but that health is now restored, and that all is again progressing with activity and spirit. The Muskingum improvement has been carried on with great spirit the latter part of the season. The locks are all founded and partly built, and the dam at Zanesville completed. and it is hoped that the next year will complete the work, and enable us to decide on the utility of this noble improvement. The Hocking improvement has progressed rapidly since the first of July, and it is expected that upwards of 30 miles will be completed and put into use within the ensuing year. I cannot see the necessity of keeping these improvements separate and distinct from the general improvemements or the State. The State is bound to the General Government and Indiana, for the completion of the Miami and the Wabash and Erie Canals, and it is not to be expected that she will now abandon the Muskingum and Hocking improvements; for I am convinced that every year's experience will go to prove the great utility to the interest of the State, of both these works. I would therefore, respectfully submit, whether all these works ought not to be put upon the same footing with the other improvements of the State, and pushed forward to completion as fast as the labor of the country will justify, so that the income from their use may be speedily made available to the State for purposes of revenue.

Under a law of the last session of the Legislature, the Governor was directed to appoint three persons to appraise the Miami Canal lands. This duty was performed, and the list of lands as appraised, has been returned and filed in the Executive office for the future disposition of the Legislature. There was no appropriation made to meet the expenses, and the appraisers have been paid out of the Governor's contingent fund, which should be reimbursed by an appropriation by the Legislature, and the amount of the expenses of appraisement charged to the proper fund.

The appropriation for the support and continuance of the Geological corps, failed at the last session of our Legislature. A portion of it, however, has been kept on active duty by the unexpended balance of the former appropriation. I hopet at this survey, so important to the development of the resources of the State, will not be suffered to stop short of its original design. A report will be made in due time, of the progress made during the present season, by the Principal Geologist, which will be laid before the Legislature.

On the 8th of February last, I made a communication to the General Assembly on the subject of our canal lands, asking the appointment of a person to proceed to Washington with power to close the whole matter at the Land Office. This request was acceded to by the Legislature by authorizing the appointment, which was made known to the Commissioner of the General Land Office by letter, dated April 9th, 1838, requesting that he would name a time when it would be convenient for him to attend to the business. This letter was not answered, and a second one on the subject has elicited no reply. The reason of this omission on the part of commissioner to answer these letters, I cannot divine; unless it grew out of my refusal to close this business on the premises admitted by my predecessor in his annual Message, to the General Assembly in 1836, and his letter to the commissioner of the General Land Office of the 18th of October of the same year, which was considered by that officer as closing the transaction.

A settlement on these terms, I felt confident would wrong the state out of at least 50,000 acres of land, justly due under the terms of the grant; but at that time my knowledge of the subject was not sufficiently perfect to enable me to decide, without obtaining maps and papers from the land office at Lima. To obtain these occasioned considerable delay; but they have been procured, and an examination of them, confirms me in the correctness of my former opinion. Hence the matter still rests as at my last communication upon the subject. Our titles are still in the hands of the grantor, whilst the danger of conflicting claims between titles derived from the United States and from this State is daily increasing. The quantity of land now located, in aid of the Wabash and Erie Canal, is deficent 51, 267 51-100 acres.

This subject will be handed over to my successor, with a confident hope that he will be able to bring to a satisfactory close this important state interest.

The following exhibit from the Warden of the Penitentiary, shows that its superintendence has been ably conducted, and yields a revenue to the state.

"Our penitentiary was never before in so flourishing a condition. The earnings and profits of the prison on the past year, exceed all expenses for its general support and for materials purchased, by more than. $23,000 00

In addition to this, the labor of convicts has been applied to the erection of additional work shops, and towards the completion of the west wing of the prison, amounting to 8,556 days. By attaching to this the value of 37½ cents per day, which the institution would more than have realized had the labor not been thus required, would make 3,208 50

Showing the actual earnings to exceed the expenses by rising 26,200 00

The expenses for the prosecution and transportation of convicts, have been paid as follows:

By prison,	1,541 83
Certified and paid by State Treasurer,	12,191 07
	$13,732 40

Leaving a nett gain to the state, after defraying this unusually large expense, of about 12,400 00

The prisoners are at present very healthy, though they suffered severely through the extreme hot and dry weather of last summer, from the prevalence, in an epidemic form, of the typus fever.

It will be observed that charges for the prosecution and transportation of convicts, the present year, exceed the same items of the year previous, by about $5,000. This additional expense has been overcome, and the revenue to the state increased at the same time."

The Luatic Asylum went into operation on the 30th of November, under the superintendence and direction of Dr. Awl, who has been examining similar institutions in the eastern states during the past summer, to qualify himself for this arduous and responsible duty. The numerous applications for admission into this institution, go to prove that the Legislature judged wisely in making this early provision for this unfortunate class of our fellow beings; whilst the character of the gentleman that has been appointed to take charge of its management, is a sure guaranty that all will be done that humanity and skill can accomplish, to alleviate the condition of its unfortunate inmates.

The institutions for the education of the Deaf Mutes, and the unfortunate Blind, are both progressing, under the most favorable auspices, as will be seen by the following extract from a communication made by Dr. Hoge:—

"The Institution for Deaf Mutes has been in fully as favorable a condition as in former years. Uninterrupted health and unfiring attention to duty have marked the condition and conduct of both teachers and pupils during the past year. The children and youth here assembled and instructed, exhibit so strong a contrast to those of the same class who do not enjoy the same advantages, as to excite the attention of every one who visits the Institution. The average number of pupils during the last year was about sixty-five—the number at present admitted is near seventy. Not quite all, however, are actually resident in the Institution. Preparations have been made for commencing mechanical arts.

The Institution for the instruction of the Blind, has prospered in a remakable manner. Few, if any cases of equal success, in such an undertaking, in so short a time, have been known. The progress of the pupils has been remarkable: and it is believed that, while their happiness has been immeasurably increased, their acquisition of useful knowledge, and the improvement of their mental powers, have equalled, if not exceeded, any thing that has been witnessed in our best regulated common schools. Such an institution is most worthy, on principles of true economy and benevolence, of the most cordial and ample support of this flourishing state. The number of pupils is now seventeen, and there is adequate provision for their comfort and instruction. During the last summer, has been erected, and is rapidly advancing towards its completion, in a neat and handsome style, and is expected to be ready for use in the close of the next summer."

All these institutions, so creditable to the benevolent liberality of a state not yet forty years old, will, I trust, continue to receive at the hands of our Legislature, that fostering care, to which their own merits, and the judicious management of those who superintend their affairs, so justly entitle them.

In my last annual communication, I recommended the substitution of imptisonment for life in the state Penitentiary, for capital punishment. I will not again trouble you with the views then presented in favor of doing away what I consider an antique relic of barbarism, that should fall before the enlighteded humanity of the present age.

It is true, that society might be placed in a situation in which their might be a necessity to continue the practice; but this is not our position, for the security of our state prison renders it almost as safe a depository for this grade of culprits, as the grave itself. To this it has been objected, that it would place too great a power in the Executive—and that bad men might again be thrown back on society, under the pardoning power. It is true, that might be the case, for we have no security that error may not, under the administration of human frailty, be committed; but it is equally true, that the innocent may suffer, and the discovery not he made until the deed is done, and it is to late to save innocent blood. I would, therefore, respectfully submit, whether it would not comport with the public feeling, and give equal security to society, to do away capital punishment by substituting confinement for life in the state prison.

The following extract from a letter from Samuel F. Maccracken, Esq., one of the Canal Fund Commissioners, will show the operations of that board during the present year:

"The Commissioners, in order to meet the requeitions made upon them by Board of Canal Commissioners, repaired last spring to the city of New York, and on the 21st day of April, contracted with Messrs. Prime, Ward and King, of that city, for a loan of seven hundred thousand dollars; on which they received a premium of six dollars, on each one hundred dollars of six per cent. stock contracted for, amounting to forty-two thousand dollars. At the same time, they contracted with the Urbanna Banking Company, for a loan of one hundred thousand dollars, payable in Ohio; on which