THE GOVERNOR'S MESSAGE.

Reviews North Carolina's Volunteer Troops and Eulogizes our Dead.

STATE PRISON BEHIND $125,000

The Governor Recommends Increased Appropriations for State Colleges and Charitable Institutions.

To the Senate and House of Representatives:

In April of last year, 1898, a state of war betwixt the United States and the Kingdom of Spain was declared by Congress, in pursuance of the policy of this country to secure to the people of the Spanish West Indies the blessings of civil and religious freedom. In the first call of the President for troops to prosecute the war, the quota demanded by the national government from the State of North Carolina was two regiments of infantry and one battery of artillery. This battery of artillery was subsequently, by direction of the Secretary of War, substituted for and expanded into a battalion of infantry of three companies, and, by direction of the national War Office, was recruited from the negro population of the State. There were two white regiments formed, officered by my appointment, and mustered into the volunteer army of the United States.

Upon the second call of the President for troops, the quota of North Carolina was directed by the Secretary of War to be used in recruiting the several companies of the First and Second North Carolina Regiments to the maximum prescribed by the rules for the organization of the volunteer army of the Union. After filling the First and Second North Carolina Regiments up to the required maximum, it was found that enough men of the State's quota under the second call for troops were left to permit the expansion of the colored battalion, mentioned above, into a full regiment of ten companies, and by direction of the War Department at Washington, this was done.

North Carolina has reason to be proud of the record made by her sons in this war so rightfully declared and so quickly brought to a successful conclusion. The First North Carolina Regiment was mustered into the service of the United States among the very first in all the country. In the battle of Santiago, it was North Carolina that gave up one of the bravest and best in all the land when William E. Shipp was stricken down. He was recognized in the army and throughout the country as an officer of exceptional merit. Among those who fell at Cardenas, was another North Carolinian, Worth Bagley, who was the first commissioned officer killed in the war. Upon the occupation of Cuba by our army, the First North Carolina Regiment was the first to enter the capital city of Havna, and the first to bear the flag through its thoroughfares.

The report of the Secretary of State, of the Auditor and Treasurer and of heads of the different departments of the State administration are submitted herewith. These reports are very full and acurate, and the attention of the General Assembly is called to the recommendations contained therein, that such of those recommendations as may approve themselves to the wisdom of the Legislature may be enacted into law.

The following exhibit shows the receipts and expenditures of the public moneys for the two fiscal years ending November 30th, 1898. For the details of these receipts and expenditures you are referred to the report of the State Treasurer, transmitted herewith:

GENERAL FUND.

Dec. 1,1896 to balance in Treasury		$ 88,353.03
Nov. 30, 1897, to receipts for fiscal year ending to-day		1,308,691.81
Nov. 30, 1898, to receipts for fiscal year ending to-day		1,337,552.40
Total resources for Treasury 1897-'98		$2,734 597.24
Nov 30, 1897, disbursed for year ending to-day	$1,294,597.24	
Nov. 30, 1898, disbursed for year ending to-day	1,254,592.09	
		$2,594,317.33
Nov. 30, 1898, balance in hands of Treasury at end of fiscal year 1898		$185,272.91

It thus appears that the available fund in the Treasury at the end of the year 1898, is $185,279.91, as against $88,353.03, at the end of the year 1896, showing a net increase for the two years of $96,9_6.88, in the fund available for public purposes. During these two years the Treasury has paid $135,500 in what may be termed extraordinary appropriations, which were as follows:

Institution for the Education Of the Deaf and Dumb and Blind	$ 57,500.00
The State Normal and Industrial College	25,000.00
North Carolina University	10,000.00
Institute for the Education of the Deaf and Dumb, (Morganton)	20,000.00
College of Agricultural and Mechanic Arts	5,000.00
College of Agricultural and Mechanic Arts (colored)	10,000.00
State Normal Schools (colored	8,000.00
Total	$135,500.00

The Geological Survey has continued its work of examining and reporting on our various mineral, timber and water power resources, and it is said to have been instrumental already in bringing several millions of capital into the State. During the past two years it has also carried on an investigation concerning the character and extent of the materials suitable for road building, in both eastern and western counties, and the result of this investigation will be embodied in a forthcoming report.

In conjunction with the United States Department of Agriculture, investigation is now being carried on as to the rate of growth under different conditions of the most important timber trees of the eastern counties. In conjunction with the United States Geological Survey, it is continuing the work of preparing the large topographic and geologic map of the State, this work having been nearly completed for the mountain counties. In conjunction with the United States Coast Survey and with the co-operation of the authorities of the several counties, the survey is also establishing at all of the county seats in the State a magnetic meridian post and a standard measure for surveyors' chains, in the expectation that this will lead in the future to the more accurate survey of all lands and boundary lines.

It has been estimated by the experts connected with both the government and the State forestry surveys, that in eastern North Carolina especially, during the present century, more timber has been destroyed by forest fires than has been cut and sold as lumber. Twelve months ago a single forest fire along the border between North and South Carolina is said to have destroyed, in two days, one million dollars' worth of property and 15 lives. It is not as yet clear how these destructive fires may be prevented in North Carolina, but I beg to call your attention to the fact that, during the past few years, legislation has been enacted in Maine, New York, Pennsylvania and some other States, which has, without any great cost to these States, resulted in greatly diminishing both the number and the destructiveness of these fires.

A more widespread and intelligent interest in the betterment of the public roads of the State is everywhere apparent. This interest has been steadily growing during the last decade, and it is evidently one of the most vital economic problems now before the people. There is need of better and more uniform legislation in the interest of this movement and at an early day a report will be presented to you embodying an abstract of the different county and State road laws now in operation, and also much information concerning methods of road-building. There is also great need in this State for more intelligent and experienced road engineers and supervisors, so as to avoid a wasting of money and labor in carrying out worthless plans for work. The plan of employing short-term convicts on the roads has proved economical and satisfactory in a number of counties in this and other States, and the system could be well extended. Of course no amount of legislation will of itself radically change the existing conditions, but perhaps laws providing for the working of the public roads may be enacted so as to stimulate and direct better work in this direction. It is coming to be generally recognized that the use of wide tires on all wagons and other draft vehicles will greatly aid the keeping of the public roads in better condition. It is desirable that legislation looking in this direction should be enacted in North Carolina.

The report of the Board of Agriculture, transmitted herewith, gives in detail the operations of that Department for the last two years, and the attention of the General Assembly is directed to the recommendations contained therein. The Department has done some very valuable work since its last report to the General Assembly, but it is believed that its efficiency would be greatly increased if the farmers' institute work, in which this Department engages, could be made to reach a greater number of our farmers.

The State Museum, under the control of this Department, is one of the most extensive and the best arranged institutions of its kind in the country. It is not only honorable to the men who have gathered and arranged its specimens and to the State to which it belongs, but it would be creditable to any State in the Union.

The State Agricultural Society has done good work during the last two years. The fair in 1898 was the most largely attended exhibition of the products of our people's industry that has been held within the history of the society. It is hoped that the General Assembly will continue to treat this society generously, by doing whatever it may be necessary to do to increase its efficiency and prosperity.

The statement of the condition of the University sent herewith is one made to the Governor by the president of that institution in an informal way. The report in full of the University will be made to the General Assembly at a later day. It is a matter for profound gratitude that the University has now the largest attendance upon its classes that it has ever had in its long and useful history.

The appropriations made to this institution heretofore have been wisely and economically used, and I recommend to the Legislature to make such additions to the appropriations to its treasury as may be demanded by its increased attendance, and as may be justified by the condition of the public finances.

It is believed that no other educational institution in the State is doing a better work for the whole mass of the people than that now being so successfully prosecuted by the Normal and Industrial College at Greensboro. Indeed, its work seems limited only by the accommodations which have been thus far furnished to it by the General Assembly. All the buildings now upon the campus have been occupied by students, and the overflow from these has extended to the private houses of the town. The unexampled growth of this institution makes the petition which its managers prefer to the General Assembly for additional buildings, to be the call of a pressing need.

The report of the board having control of the College of Agricultural and Mechanical Arts is substituted herewith and exhibits the operations of that institution for the last two years. The equipment and appointments of this school are extensive and modern, and well adapted to the work that it undertakes to do. It is a matter of surprise and regret that it has not been able to secure a much larger attendance of students than it now has in its classes.

The Colored Agricultural and Mechanical College at Greensboro has not been as largely patronized by our colored population as the amount of money expended upon it would seem to demand. It is hoped that the General Assembly may find some way to induce a larger attendance upon its classes than has yet been realized.

The reports respectively of the Western, the Central and Eastern Hospitals for the Insane, are transmitted herewith, and your attention is called to the recommendations therein contained. These recommendations are made by experts in the matters and things to which they relate, and will be more valuable in informing and directing the Legislature than will anything that might be advised by non-experts.

The reports of the boards having control of the schools for the education of the deaf and dumb and blind are transmitted herewith, and the recommendations in these reports deserve careful consideration and study at the hands of the people's representatives. I recommend to the General Assembly to take such steps at this session as they may deem necessary to gather into these several schools all those unfortunates, who ought to be in one or another of these institutions.

The operations of the State penitentiary for the past two years have consisted mainly in farming. The management, as I am informed, has not been able to secure labor contracts for the convicts except to a very limited extent, and the institution has been compelled to rely mainly upon the production of cotton as the money crop with which to realize for the payment of its expenses. The crops have been large in amount, but sadly deficient in pecuniary value. The low price of cotton has seriously reduced the earnings of this institution. It was contended by the management during the year 1896 that the institution was self-supporting. This was denied by the succeeding management, who contended that it was not self-supporting in that year, and never had been. An experienced accountant was employed by the prison board, who reported that the institution for the years 1893, 1894, 1895 and 1896 ran behind more than $100,000. The experiment of raising rice to a limited extent, on the tide water lands of the Cape Fear, was attempted during the year 1898, and according to my best information, has been successful. The superintendant thinks that this experiment shows an encouraging profit.

The plantation on the Roanoke river, known as the Halifax farm, has been held by the penitentiary under a lease, which expires with the year 1899. The work of it has never been profitable to the State. It is recommended that it be surrendered to its owners. The plantation known as the Caledonia, on the Roanoke river is held under a lease which expires at the end of the year 1901. The State holds an option on this land at a stipulated price. I would recommend that some provision be made for the purchase of this property.

The most enlightened statesmanship, the dictates of common humanity and the teachings of Christianity unite to urge the lawmakers of this State to establish one or more reformatories for the care and reformation of young criminals.

Since the inauguration of the present Governor, on the 12th day of January, 1897, that is for the two years 1897 and 1898, there have been issued fifteen commutations, and one hundred and seven pardons. A report of the same and the reasons therefor will be submitted to the General Assembly at this session.

The Governor refers to the lease of the North Carolina Railroad and the suit of the Southern Railway growing out of said lease, in which the court rendered a decree in favor of the Southern Railway. He says the gross earnings of this company have increased, the material condition of the road has been improved, dividends of 2 per cent. have been earned and paid to the stockholders, and it would seem that the property has increased in value. He refers to the action of the Railroad Commissioners to reduce telegraph rates and the injunction obtained by the Western Union to prevent the reduced rates from going into effect; also the reduction against one of the great railroad systems of the State in the matter of passenger rates. This reduction is also resisted by the railroad, which has obtained an injunction against it in the United States Court. In both these cases counsel have been employed to represent the interests of the State and to test the question involved.

In refering to the expenses of mobilizing and mustering the troops into service the governor said it looked hazardous to pay out money which was needed for State purposes and take the chance of getting it back from the government at Washington. It was decided to make a colorable payment of them, by the Auditor drawing warrants on the State Treasury and the Treasurer holding the funds to secure the State, until the payment was made by the United States. But for the caution exercised in this matter, our Treasury would have paid out some $26,000 to carry on a war which, by the constitution and laws, is exclusively a matter of national concern and control.

The incorporation of many of the companies of the State Guard into the volunteer army of the United States has made a reorganization of the Guard necessary. This work of reorganization has been already commenced, and is being prosecuted as rapidly as thoroughness will allow. I recommend that additional appropriations be made for this service.

The Soldiers' Home seems to have been managed for the last two years with faithful intelligence and economy, and the inmates have been tenderly cared for, so far as the management has had funds and facilities with which to provide for their wants. I recommend an increase in the appropriations for this institution, if the condition of the public funds will justify such action.

It has been charged in the public press of other States that North Carolina has been under negro government, and that the Governor of the State has appointed large numbers of colored pnrsons to office. I have appointed in two years to civil office 818 persons, of whom not more than eight were colored.

In the history of the State, since the civil conflict, its credit was never so good as it is and has been during the year 1898. While this is being written, the State Treasurer has an offer of 106¾ for North Carolina 4 per cent. bonds.

The increase in the revenues collected by the Secretary of State reflects much credit upon the ability and diligence of that officer. The following table shows collections in that office for eight years:

Payments into the Treasury for two years ending Nov. 30, 1892	$ 90 518.18
2 years ending Nov. 30, 1894	102,398.50
2 years ending Nov. 30, 1896	120,970.96
2 years ending Nov. 30, 1898	186,539.79

It is believed that the cost attendant upon the public printing could be very greatly lessened if the State would purchase a printing plant for the Institutions for the Education of the Deaf and Dumb and have work done by the inmates of those institutions.

The report of the board of public charities is presented herewith, and the attention of the General Assembly is called to its recommendations.

From the bi-ennial report of the State Board of Health, which I herewith transmit, the board is of real service to the people of the State, in a quiet way saving many lives and much sickness and suffering. I would also recommend a small addition to the present insufficient appropriation for the purpose of insuring a more thorough and complete oversight of the water supplies of the State, both public and private, than is now practicable.

The report of the Superintendent of Public Instruction, which will be laid before the General Assembly, is a very full and thoughtful discussion of some questions relating to our public schools. Its suggestions and recommendations are commended to your honorable bodies for such action as may be deemed wise and expedient.

While the last two years have not been prosperous to the farming classes of the State on account of the low prices commanded by most sorts of farm products, there has been a large increase in the number of cotton manufacturing plants within our borders. It has been stated, and I have seen nothing to contradict it, that North Carolina is now the second State in the South in cotton manufacturing. It is hoped the General Assembly will do whatever ought to be done, not only to foster the growth of manufacturing in our midst, but also to promote the prosperity and happiness of all our people.

[Signed] DANIEL L. RUSSELL.

Ryan's Blocking Tactics.

A special from Baltimore says Wm. L. Marbury, counsel for Thomas F. Ryan, of New York, who is endeavoring to block the sale of the Seaboard & Roanoke, parent corporation of the Seaboard Air Line system, to the syndicate headed by Mr. John S. Williams, filed a bond in the circuit court for $200,000 for an injunction to prevent the transfer of 3,000 shares of stock pooled with Messrs. Louis McLane and Leigh R. Watts, which Mr. Ryan claims the owners agreed to sell to him at $125 a share two years ago. Judge Wyckes approved the bond and signed the order for an injunction.

It's a wise barber who never illustrates his stories with cuts.