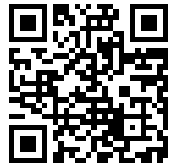

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Louisiana - Governor
Message of
W. P. Kellogg
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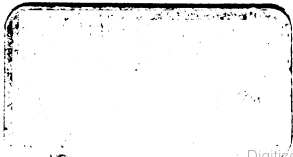
Message of Wm. Pitt Kellogg.

Jan. 13, 1873.

May 10, 1873 (to the people of Louisiana)

Jan. 5, 1874

STATES
DOCS



INAUGURAL ADDRESS



OF

GOVERNOR WM. PITT KELLOGG

TO THE

GENERAL ASSEMBLY OF LOUISIANA.

JANUARY 13, 1873.

NEW ORLEANS:

PRINTED AT THE REPUBLICAN OFFICE, 94 CAMP STREET.

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INAUGURAL ADDRESS

OF

GOVERNOR WILLIAM PITT KELLOGG.

In assuming the arduous duties which devolve upon me as the chief executive officer of the State, I do so under a profound sense of the magnitude and importance of those duties, as well as the grave responsibilities I am to incur in discharging them. It is my purpose to devote my best efforts and whatever of ability I may possess to perform faithfully all the duties and obligations imposed upon me by the constitution and laws of the State.

A retrospect of the history of Louisiana during the few years that have elapsed since the termination of the late civil war presents much that affords no gratification to the minds of her people. It is not to be concealed that no effective means have been adopted to supply the greatest needs of the people, or to restore the State to its legitimate condition of progress and prosperity. Possessing abundantly all the elements necessary to insure agricultural and commercial wealth and independence, the State, nevertheless, languishes in all her material interests. With impaired credit, diminished commerce, and accumulated taxation, the embarrassments are serious and call loudly for relief.

Immigration to our borders has been slow and inconsiderable, notwithstanding all the advantages of soil, climate, staple products, cheap lands and facilities for commerce. Our great mart of commerce, the natural outlet of trade from the vast valley of the Mississippi to all countries of the earth, is weakened in its capacity to control its legitimate business, and is forced into competition with cities of the interior less favorably situated for commercial competition, yet more blessed with material prosperity. Capital from abroad is but sparingly introduced here, where, under favorable circumstances, it would be highly remunerative to its holders and would be freely supplied. With these facts palpably before us,

to what shall we attribute our stationary, if not retrograding condition? Political agitation may, and doubtless has, contributed in no small degree to this state of affairs, but this can by no means be assigned as the principal cause. The question forces itself upon us, have the resources of Louisiana been properly marshaled and her energies judiciously directed? A negative answer, I think, must be given. Improvident and unwise legislation—not to characterize some of it by more forcible terms—has been chiefly instrumental in involving the State in its present financial embarrassments. What are the remedies to be resorted to? They are plain and obvious. Rigid economy in expenditures, the abolition of useless offices, a strict accountability enforced against all public agents; in short, the adoption in the administration of public affairs of the same appliances necessary to restore the fallen fortunes of an individual honesty, industry and economy. Upon these principles the people of the State demand, and they have the right to expect, their public servants to act. This demand, so far as the executive department and its influence extends, will be strictly complied with.

It can not be expected on this occasion that all topics of public interest will be treated in detail. A fuller consideration of the proper subjects of legislation will be more in place in communications I may hereafter have to make to the General Assembly.

NEW ORLEANS.

There is no subject of greater moment to the people of this State than the prosperity of the city of New Orleans. As the metropolis of the State, the *entrepot* of the valley of the Mississippi, its interests are the interests of the State; its credit is the credit of the State. The great need of the city is railroad connection, placing it in closer relations with the vast trade of Texas, as well as the trade of the distant portions of our own State, to which it is by right entitled. This great purpose it will be the duty of the Legislature to foster and encourage. Prompt action should also be taken to remove from the city many oppressive burdens imposed upon it by the legislation of the past. The city should have the control of its own finances, and not be compelled, as it now is by legislative enactments, to incur annually heavy and unnecessary expenditures, much beyond its current resources.

INTERNAL IMPROVEMENTS.

I regret that we do not find more that is encouraging in the progress of internal improvements in the State. On this subject there can be no diversity of opinion. Before the war the policy of the Southern States seemed to be not to seek appropriations from the federal government for internal improvements. Hence a comparatively small portion of the money appropriated by Congress for this purpose was expended in the South, while large appropriations went to the Northern States, where they were eagerly sought, and did much to develop works of great benefit to the commerce of those States. Since the war, however, many of the Southern States have in this regard reversed their policy. To Louisiana especially the national government has extended aid with a liberal hand. Large appropriations have been made by Congress for the improvement of the mouth of the Mississippi river, of Bayou Teche, the Calcasieu, the Atchafalaya, the Tangipahoa, Ouachita, Tchefuncta and Red rivers. One-half of the estimated requisite appropriation for the removal of the raft from the Red river was passed during the last session of Congress. All these improvements, I am glad to say, are in progress or about to be commenced. Congress also appropriated a large amount of the public lands to aid in the building of a railroad from New Orleans to Shreveport. It is believed from present indications that at an early day the work will be entered upon and pushed to a satisfactory conclusion. Every effort should be made to secure the completion of this most essential work. The Legislature of the State during the past four years has largely subsidized a projected railroad from New Orleans westward to the Sabine. The early completion of this road and of the road to Shreveport is essential to the prosperity of New Orleans and the State at large; no effort must be spared to bring about this result. Legislative action is likely to be asked in regard to the New Orleans, Mobile and Texas railroad. Time, it is understood, is required and will be asked for by the company to enable it to fulfill the conditions and stipulations it entered into with the State. The benefits that the State at large, and New Orleans especially, are to derive from so important an enterprise are greatly prejudiced by the failure of the company to push on the work. Good policy requires that every proper facility asked by the company should be extended; but in making conces-

sions the Legislature should exact a guarantee amply sufficient to indemnify the State against any future failure in the construction of the road. Much controversy exists regarding the real financial status of this road; and to the end that the precise condition of the company in all respects may be ascertained, I suggest that the Legislature authorize the appointment of a committee of citizens in whom the community have confidence to examine into the facts and make an early report.

COMMERCE WITH MEXICO.

The allowance for a subsidy for a line of steamships between New Orleans and the ports of Mexico and Spanish America is a subject of vast importance to the State. A bill has passed the Senate of the United States, and is now before the House, looking to that object. There is apparently a growing disposition on the part of the general government to secure closer commercial intercourse with Mexico. Increased facilities of commerce by way of New Orleans, it is clear, will go far to attain this desirable result. I recommend that the General Assembly memorialize Congress to pass the bill now before them, or some other of like import.

CUBA.

Entertaining a lively sympathy for those who are suffering in Cuba from a bondage worse than that under which our newly enfranchised citizens formerly suffered, and believing that every dictate of humanity as well as every bond of interest is in harmony with the abolition of slavery in that Island, I recommend that the General Assembly memorialize Congress to adopt such policy as will the most speedily attain this result.

THE LEVEES.

The State of Louisiana has a larger alluvial territory than any other State bordering upon the Mississippi, and hence has a greater interest than any of them in an efficient levee system. To restrain the waters of this mighty stream within its proper channel is an almost herculean task. It has long been conceded to be appropriately a national work. During my labors in a different department of the public service I was in a position to ascertain the views of the national legislature on this important subject, and I found them to

be in consonance with this opinion. The Legislature of this State, however, by the incorporation of the Levee Company in 1871, having adopted on a very large scale a plan of its own for the construction and repairing of levees, the consideration of the subject by the national government was postponed. I recommend that the Legislature authorize the appointment of a committee, to be composed of citizens, fully competent to examine and report upon the character and sufficiency of the levees constructed and in process of construction by the company, and the degree of energy with which the work is being conducted. In a matter of such magnitude and importance, and likely to constitute so great a drain on the State treasury, it is all important that the people should know from the most reliable sources whether this gigantic undertaking is really to be successful, and confer upon the State the results promised. The public interest imperatively demands that no half way measures shall be tolerated in the execution of works for which the people so lavishly bestow their money.

FINANCE.

The financial condition of the State is a subject of profound solicitude, and will be discussed in future communications. The funded debt of the State, as reported by the Auditor, amounts to \$21,801,800; the unfunded debt, including certificates of indebtedness, Auditor's warrants, and amount due the fiscal agent, amounts to \$2,291,607 90, and the interest on the funded debt amounts to \$1,572,153 14 annually. The revenue to be derived from the present rate of taxation, licenses and other sources for the current year will be sufficient to pay all the necessary expenses of the State government, to pay the interest overdue, and that which will become due on the funded debt during the present year, to pay the legislative expenses, and to provide for the redemption of the past due bonds. There is no good reason why the rate of taxation, after the current year, should not be steadily reduced. The delinquent taxes amount to \$3,028,917 21, due on the assessments of 1870 and 1871. These taxes should be paid, and the requisite legislation should be had to secure their collection. From the best evidence obtainable it is evident that the delinquent list is in a great measure composed of those who are most able to pay. The poor man pays his taxes, and the rich should not be exempted.

If the taxes now due were paid, the future and necessary expenses of the State would be provided for, and the State would be put upon a cash basis. The policy of drawing warrants when there is no money in the treasury to meet them is most pernicious. A State warrant, in contemplation of law, is a check, and should not be drawn unless there is money in the treasury to meet it.

No appropriations whatever should be made except such as are actually necessary to carry on the State government, and to observe full faith with all the holders of State obligations. There must be rigid economy in the expenditures of the General Assembly, the expenses of which ought not to exceed \$200,000.

TAX COLLECTION.

The laws regarding the manner of assessing and collecting taxes, both of the State and the city of New Orleans, should be carefully revised, and one system of assessment should serve for both city and State. The rate of assessment on property in the country parishes and in New Orleans is unequal. This unjust discrimination should not continue. The compensation received by tax collectors and assessors, especially in the city of New Orleans, is exorbitant, and I recommend that it be reduced. There has been, during the last two years, a shameful neglect on the part of tax collectors to account for their collections, and in many cases the securities furnished have proved worthless. Some effective measures should be at once taken to remedy this evil.

EXECUTIVE PATRONAGE.

The executive is invested with a large amount of patronage—in my judgment, too much. It would be better for the executive and better for the State if a large proportion of this patronage were remitted back to the people to whom it properly belongs. The dispensing of patronage is at once a most delicate and responsible task. Party services, doubtless, when honorably performed, entitle an applicant to consideration, but the claim should also be founded in capacity and integrity. Feeling myself responsible in a great measure for the good conduct of every public officer, I shall hold each to a strict accountability for the faithful and proper discharge of his official duties.

RELATION OF CAPITAL AND LABOR.

In a republican government such as ours, where all power is lodged in the people, and the will of the people is expressed through the ballot-box, it is absolutely essential that that will should be freely and fairly expressed. The right of suffrage is the highest immunity of citizenship, and this right should be sternly guarded. Under a system of law according equal political justice to all, securing the individual rights of every person, without regard to nationality, color, race or religion, it is to be regretted that there is a disposition to prevent the newly enfranchised citizen from freely exercising his right to vote. This is calculated to engender antagonism between capital and labor. Labor and capital were in the same hands before the war. They have now become divorced by the enfranchisement of the colored men. How can antagonism be avoided? The solution is easy. Give every laborer the opportunity to acquire capital by fair means; see that the law protects him against imposition; see that his wages are faithfully paid. Urge him to husband his earnings and invest them in some permanent form. The moment a man owns a house and lot or an acre of ground he becomes a capitalist in interest and so will become a capitalist in sentiment. Protect him in that interest; above all, protect him in the exercise of the ballot, the guarantee and safeguard of his rights. In this way antagonism between labor and capital may be avoided, and the object which more than any other I desire, will be attained—harmony between the races.

THE LATE ELECTION.

The late general election in this State is likely to become a matter of public investigation, and I have therefore but few words to say on the subject.

Briefly, I charge that the pretended election claimed for the Fusion ticket is utterly without foundation in truth or justice. I charge this, although the late Governor of this State, through the instrumentality of registrars and commissioners of election specially selected and designated by him for that purpose, prevented by previously concocted stratagems, many of the Republican voters of the State from registering and voting. The various stratagems and evasions resorted to I am prepared to establish by the fullest proof.

I charge that promises of offices were made to secure fraudulent returns, and that ballot-boxes in numerous instances were opened and tickets changed. I affirm that the Republican party carried the State by the actual vote cast, and that an attempt to show a different result was made even after the election by means of robbing and stuffing ballot-boxes. It can and will be proven that the canvass was entered into by the Fusion party, headed by the late Governor, with the avowed purpose of carrying the election against President Grant and the Republican party, by the adoption of any means necessary for the purpose. I am prepared to show that partisans supporting the Fusion ticket frequently declared during the canvass that the success of that ticket was certain, irrespective of the ballots cast, declaring that the Governor had the election all in his own hands; that he could elect or "count in" any candidate he pleased. I am prepared to show that the obstacles thrown in the way of the Republican voters of every class, were especially directed against one class of them, on account of their color and previous condition, it being notorious that, with very rare exceptions, the voters of that class favored very decidedly the Republican ticket. All these charges I am prepared to maintain. My opponents failing to receive any countenance from the different legal tribunals, both State and Federal, that have been appealed to, have resorted to the novel experiment of sending abroad a traveling committee, aided by eminent counsel, to exhibit indignation before the people, and, if possible, obtain their sympathy by ex parte statements and concealment of the real facts of the case. They indicate a desire that an investigation be had. I have at all times expressed my readiness to join them in this. I would not hold an office to which I did not believe myself elected. I desire that the fullest investigation may be gone into of this whole controversy to the end that the action taken by the courts and by the national administration may be vindicated.

In taking the solemn oath of Chief Magistrate, it is with a sincere desire to do all in my power essential to secure the peace, prosperity and fullest development of the State. To this end I ask the aid and sympathy of all good citizens; I demand, as I have right to expect, your earnest co-operation, and I invoke the generous smiles of an overruling Providence.

Louisiana - Governor. 1873. (Wm. P. Kellogg)



1873, Aug. 1.
Dist. 4
Hon. Chas. E. Smith
of Boston.
(H. U. 1873)

ADDRESS

TO THE PEOPLE OF LOUISIANA,

BY GOVERNOR WM. P. KELLOGG.

Louisiana - Governor 1873. (Wm. Pitt Kellogg)

STATE OF LOUISIANA, }
Executive Department, }
New Orleans, May 10, 1873. }

A partisan press has teemed with such misrepresentations regarding myself and the government I in part represent, a gentleman who assumes to be entitled to the office I now hold has been so prolific in his addresses to the public in advocacy of his assumptions from his own peculiar and personal standpoint, the so-called Committee of Two Hundred has been so industrious in the publication of views not only calculated to mislead the public in the formation of opinion, but to seduce it into actions that tend toward anarchy and further bloodshed, an organization of malcontent and disappointed politicians, especially in New Orleans, have labored so hard to carry out their treasonable programme of tax resistance, with the avowed purpose of overthrowing the lawfully established government of the State, the public have been so studiously prevented by the press, and what was called the Fusion Legislature, from coming to a knowledge of the efforts that have been made to effect an adjustment of political difficulties that ought to have been satisfactory to all, except disappointed office seekers, that in justice to myself I deem it a duty to address you.

I waive other than a mere reference to the coalition formed with the late executive, before the recent election, by which it was agreed that as a reward for betraying the Republican party, and turning the State over to the Democracy, he was to be sent to the United States Senate—a coalition which shocked the moral sense of the people at home and abroad—the fraudulent means used to effect the objects of that coalition—the open and unblushing frauds perpetrated at the ballot boxes—the mutilated and fraudulent returns, some of

them concocted in this city days after the election—the often repeated declaration throughout the State that the Fusion candidates would be declared elected, no matter whether they received a majority of the votes cast or not—the avowed intention to carry the election by any means—all these things are so unquestionable and notorious that I need only appeal to the candor and conscience of the leaders of the opposition in two-thirds of the parishes of the State to confirm them. It is also only necessary to allude to the machinations of the politicians who last spring and summer threw away the opportunity of co-operating with Republicans upon the basis of reform of State abuses, or to the glaring inconsistency and short-sighted expediency of the men who in June last refused to put forward the best Republicans, and educated colored men of large property, and acknowledged intelligence, but who, after forming the Fusion ticket, at their barbecues and public meetings practiced social equality to gull the colored people into support of themselves, and into voting against the illustrious chieftain whose genius, both in war and peace, had secured to them the immeasurable blessings of freedom and equality of citizenship.

Are men who, to gratify a lust for office, were ready to enter into a partnership of fraud with an executive whom for years they had denounced as infamous, who were willing to retain and take advantage of the election and registration laws, which they had condemned as unbearably oppressive and unjust, and who now band themselves together behind the bulwark of their wealth to avoid payment of their just share of the burdens of the government, while the poor are left to shift for themselves—are such men fit to lead a party or to administer a government? Is a party that can raise no

voice of indignation against the barbarous massacre at Colfax—no matter what its opinions of its origin—fit to govern a people composed in half at least of the race massacred, or is it entitled to the consideration and sympathy of good men, to whatever race they may belong? Civilized mankind will say it is not. I submit that these self-constituted leaders are no more exponents of the real wealth and intelligence of the white race in Louisiana than are the negroes whom their representatives murdered, and whose assassination they decidedly approve. I can but believe that a majority of the white people of Louisiana prefer living in harmony with their colored neighbors, and are willing to accord to them their legal constitutional rights. Wearing of a vain resistance to the dominant party of the Union, as well as to the federal administration, I believe they do not wish to prolong war under the guise of peace. But an intolerant and fictitious public opinion, manufactured by designing politicians, and a partisan press, prevent them from giving expression to what their good sense and better judgment suggest.

Firmly believing that I received a majority of the votes cast at the late election, and was elected in spite of the most stupendous frauds—a fact which many of the more candid Fusionists have repeatedly admitted to me—I appealed to the courts to assert my rights. While the suits were pending, knowing that if I could obtain access to the returns I could easily establish the fact of my election, I offered, through one of my counsel, an old and distinguished citizen, to abide by any reasonable arbitrament, expressing a willingness to leave the counting of the returns to three or five disinterested and unprejudiced citizens. This offer was declined, and the reason assigned was that Governor Warmoth would not agree to it. Subsequently, by one of his own judges, a decision was rendered against the illegal action of the then Executive in the matter of the returning board. This judge was deposed by violence, and another judge commissioned and installed in his place, before the votes had been counted or any returns made; but finally the issue both in the federal and State courts was decided in favor of the returning board, which declared myself, the Republican State ticket and a Republican Legislature elected.

During all the excitement which preceded my installation as Governor I was

desirous, and at all times expressed a willingness, to favor an adjustment, on a fair and equitable basis. After I was inaugurated, the chairman of the Republican State Committee made an offer to leading members of the Fusion party to seat forty-five members of the lower house, and a number of Senators. This proposition met the approbation of many of the leaders of the party. It was rejected, in part, on the alleged ground that we would not reseat the six expelled Senators who had deserted their seats and betrayed their constituencies by going into the Fusion assemblage.

At all times after this there was a disposition on the part of leading men of the Republican party and of the Legislature to make any reasonable adjustment.

It will be borne in mind that the composition of our Legislature, alleged to be inimical to wholesome legislation, was the strong objection made to our government. Without admitting the justice of this objection—which, indeed, is abundantly disproved by contrasting the action of the present Legislature with that of past Legislatures, or even with that of the body styling itself a legislature which met at Odd Fellows' Hall, which passed no reform measures—we yet were willing to concede to the opposition such a representation as even they admitted would enable them, acting in concert with Republican members known to be in favor of reform, to secure the passage of such measures as would tend to correct existing abuses, to restore public credit, and to develop the internal resources of the State. The proposed adjustment would have given a white majority in both branches of the Legislature, and, as they themselves conceded, would have enabled the opposition, if so disposed, to prevent all questionable legislation, had any such been attempted, and to insure economy, reform and the advancement of the material interests of the State. Repeated conferences were had with the authorized committees of the Fusionists, at their own instance, with a view to an adjustment, and I believe they will do me the justice to say that they were convinced of my sincerity in desiring such a consummation.

During the last days of the session a committee authorized by the Odd Fellows' Hall assemblage waited upon myself and others, and finally it was understood that a proposition to seat forty-five Fusionists

in the lower house, and eleven Senators, would be satisfactory to the majority.

With commendable patriotism and self-sacrifice, members of the lower house, sufficient in number to make up the required forty-five, with those Fusionists returned by the legal board, came forward and signed a written pledge to resign their seats in favor of those claiming to represent their respective districts then sitting in the Fusion assemblage. A written pledge was also made by a majority of the Senate that they would seat nearly or quite the required number of Senators, in addition to those returned by the legal board, it being conceded, for the purpose of this proposed adjustment, that the contesting Senators had received a majority of the votes cast in their respective districts. We had satisfactory assurances from our friends, both in Washington and here, that this adjustment, if effected, would be approved.

I was well aware that my action in this matter would tend to bring upon me the suspicion of my own party, and every kind of discontent and misconstruction from both my friends and opponents, but I was willing to risk all this, if, by so doing, I could reasonably expect to restore harmony and prosperity to the State. Yet, while I was doing this, in the interests of the State, certain prominent Fusionists were endeavoring to negotiate a trade with Lieutenant Governor Antoine, by which he and other colored men were to desert me and join them.

Right at this juncture it was insisted, among other things, that the old Warmoth Senators who had seceded from the Legislature, and had subsequently been expelled, should be re-seated, and in a caucus of the opposition the question was sprung that no proposition would be entertained that did not include the readmission of these Senators. It was generally admitted that several of them had been fraudulently declared elected in 1870, that they did not represent the districts from which they were accredited, that their legislative career had been such as gave no reasonable assurances that they would work in the interest of reform or that they had the prosperity of the State at heart. Yet, the combined efforts of these men, their urgent appeals to their associates in Odd Fellows' Hall, added to the votes of those who were opposed to any adjustment at all, resulted in the adoption of a resolution by the Fusion body that no

adjustment would be acceded to that did not include these expelled Senators. Here again the influence which has been the bane of Louisiana made itself felt, and these Warmoth Senators, who had seceded from the legal Legislature, in order to carry out the original compact looking to the destruction of the Republican party, contributed largely, at least, to the defeat of an adjustment so nearly reached.

An appeal to arms was made. The opposition—though they had specifically declared, through the person claiming to be their Attorney General, that they only desired to inaugurate their government so as to obtain a legal status and make a case for the courts—procured arms and munitions of war, and made a systematic effort to organize a militia for the avowed purpose of overthrowing the established government. This militia was scattered by the local authorities, and the next day the Odd Fellows' Hall assemblage was dispersed.

More recently, when the Committee of Two Hundred took the matter of adjustment in hand, I met their sub-committee by invitation, together with leading men of my own party, both white and black, and the result was a proposition to seat forty-five Fusion members in the lower House and ten Fusion Senators, including those already in the Legislature and those returned by the legal returning board, with an additional assurance that there should be a fair hearing in all contested cases. The sub-committee, I believe, reported in favor of this proposition, but the Committee of Two Hundred replied that "the proposition of compromise submitted to them through their sub-committee was not such as they deemed proper to recommend."

It will be thus seen that all efforts in the direction of an adjustment have failed. None of these proposed concessions were made because we had the least fear of the overthrow of our government, but because we wished peace; because we wished to satisfy the opposition as far as possible regarding the Legislature. If the failure to effect a satisfactory adjustment be a calamity, as many insist and many more admit, the fault does not rest with myself, nor with the Republican party, nor with the national administration. The responsibility lies with the Fusion assemblage, and with the Fusion pretenders to office and their allies and abet-

tors. Every effort on our part to effect an adjustment which would be satisfactory to the whole people, white as well as colored, was taken as an evidence of weakness. Charges of bad faith were made against acts which could have had no possible motive except to allay public excitement and restore public confidence. It would even seem from recent events that a continuance of agitation in a more violent form has been almost the only result of the efforts of the State government and of the Republican party to give the much needed and much desired repose to the people; and it has become evident that nothing short of the complete abdication of the State government will satisfy those Fusion leaders, who live upon tumult and keep alive dissension to further their own selfish ends.

While desirous, therefore, that there should be a fair hearing in all cases of contest growing out of the late election, whether in the courts, or when the Legislature shall again meet, I am compelled to discard all idea of present adjustment, and, without turning to the right hand or to the left, I shall proceed in the discharge of my constitutional duties, as Governor of the State, until I am deposed or dispossessed by rightful authority. It is impossible for me to believe that the people of this State prefer anarchy to order, war to peace, ruin to prosperity, and no government at all, if they can not get that which presumes without any of the machinery, appliances, or authority of a government, to call itself the government of their choice, to that which is to-day the existing government of Louisiana. The present government represents a party known to be in the majority in this State. It is the only one recognized by the national executive. It is declared to be the legal government by the courts of the United States and by the inferior and Supreme courts of this State. The Senate of the United States, by its action, practically approved it as the rightful government of Louisiana. The members of Congress holding certificates of election under it have been placed upon the roll of Congress as the legal members for Louisiana. The Mayor and Council of this city, the judges, sheriffs, coroners and other officers of the city, and throughout the State, hold commissions and exercise authority under it. There is no one anywhere in this State, that I am aware of, exercising

legitimate official functions as a State officer under any other authority. The opposition have neither the substance nor the shadow of a government of any kind, and there is not now, nor has there ever been, the slightest chance of their recognition by the political or judicial power of the nation. Whatever may be the views of some people as to the *de facto* or *de jure* status of the present government, all must admit it is the only government in the State, and must remain so, at least till the national authority shall determine otherwise. Upon myself, therefore, and the other officers of this government, falls the responsibility of sustaining it in the interests of public order, and for the prevention of anarchy. The very men who are now clamoring against the State government would be loudest in their denunciation if we failed in the discharge of our duties and allowed lawless violence, such as so recently disgraced this city, to prevail unpunished. Disagreeable as that duty is, it is my purpose to enforce the laws and to maintain the authority of the State, and much as I may shrink from the exercise of harsh remedies, I feel bound to apply them wherever necessary. The people are paying their taxes, burdensome as those taxes were made under the late administration, with remarkable alacrity. The State has already paid off \$160,000 of overdue interest left as legacy by the outgoing administration, and will soon, I trust, be in a position to pay its current coupons. Every dollar received for interest is scrupulously appropriated to that purpose, and the State officers are further endeavoring to restore to the interest fund, where it belongs, that considerable portion of the delinquent taxes which by a law passed under the late regime, was applied to the payment of registered warrants. The tax resisting movement, though systematically organized, has proved a failure. In one district alone of the city the collections since the first of March have been more than double the amount paid into the treasury for licenses for the whole of last year, and the collection is still going on. Startling disclosures are daily being brought to light of the gross inequalities and frauds which characterized the assessment and collection of taxes and licenses under the late administration. The efforts put forth to organize armed resistance in the country parishes have been equally unsuccessful; and the recently uttered threat of the late executive that he would compel President

Grant to station troops in every parish where a disturbance could be created if he attempted to sustain in Louisiana a government friendly to his administration, has resulted, so far, only in the *Mascos* of Tangipahoa, Livingston and St. Martin.

There are three classes who are mainly responsible for the agitation which now afflicts the State. First, a body of worthy citizens unversed in politics, some of whom did not even vote at the last election, who have been blindly misled into the belief that no portion of the present State government was elected. Second, disappointed politicians dependent upon office for their livelihood. Third, the men connected with the *monopolies* and fraudulent schemes originated under the late administration, and whose only chance of protecting their interests, now threatened by my administration, and of preventing the shameful robberies perpetrated upon the people from being brought to light lies in agitation and anarchy. The public disorders and the sentiments of ostracism and antagonism engendered by these three classes, aided by a subsidised partisan press, are a standing menace preventing capital and labor from coming here. The tide of immigration turns aside from the tempting climate and productive soil of this State, and the army of European laborers, warned away by lawlessness and insecurity,

passes on to Texas or the West. The State is yearning for the aid of foreign capital to renew its levees, foreign labor to revive its agriculture. But it is absurd for any community that encourages lawlessness to hope for the confidence of the capitalist or the aid of the industrious laborer. Nothing can save the State but the enforcement of laws that will insure to all citizens security in the peaceful exercise of all their rights. Prosperity can only come to Louisiana when laws are enforced, when turbulence is put down, when hostility of races ends, and when all citizens are willing to accord to each other what the law and justice and good policy demand.

It is my earnest desire to establish a just and economical government, to restore public credit, to reduce the present taxation, and to promote the internal improvements which the State so much needs. I, therefore, appeal to all good citizens to support me in the execution of the laws, the preservation of the peace and the suppression of that lawless violence which has so injuriously affected the interests of the city and State. To this end, I am determined to employ all the resources of the State, and to invoke, if necessary, the power of the general government.

WILLIAM P. KELLOGG,
Governor of Louisiana.

Louisiana - Governor... 1874.

1874.



ANNUAL MESSAGE

OF

HIS EXCELLENCY

1874.

GOVERNOR (WM. PITT KELLOGG,)

TO THE

GENERAL ASSEMBLY OF LOUISIANA,

SESSION OF 1874.

NEW ORLEANS:
PRINTED AT THE REPUBLICAN OFFICE, 94 CAMP STREET
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1874, April 28.
Bequest of
Hon. Chas. Sumner,
of Boston.
(G. H. 1682.)

ANNUAL MESSAGE
OF HIS EXCELLENCY
GOVERNOR WM. PITT KELLOGG.

STATE OF LOUISIANA, EXECUTIVE DEPARTMENT,
New Orleans, January 5, 1874.

To the Senate and House of Representatives of the State of Louisiana:

In compliance with a constitutional duty imposed upon me, I submit this, my message, containing information relative to the State, together with my views and recommendations on certain subjects concerning the public welfare.

During the year that has passed since you last convened, a kind Providence has given the people of this State comparatively good crops. We have been in a great measure exempted from financial disaster; and while contiguous States and cities have suffered from the scourge of pestilence, every community in the State, with one exception, has been singularly exempt. With a few exceptions, which I regret to note, good order has prevailed throughout the State. The great and pressing need now is, relief from the burden of heavy taxation which is so depressing to all the material interests of the State. It is your great privilege to be in a position to contribute largely toward this relief, to inaugurate many needed reforms, and to correct many abuses in the legislation of the past. Your adversaries say that little or nothing can be expected of you in this regard. Many other persons, non-partisans, would gladly find good reason to approve your course, while your friends, both here and elsewhere, the supporters of the great party you represent, expect you to do much to merit commendation, and trust you will do nothing to deserve censure. Shall these reasonable expectations be realized? The record of your acts during the present session will tell.

FINANCE.

THE SITUATION IN JANUARY LAST.

The financial situation at the beginning of the year was one of extraordinary difficulty. The treasury was empty. The total amount of taxes collected during the previous year was less than

the amount returned delinquent. Against the various exhausted funds a mass of unpaid warrants had accumulated, aggregating nearly \$2,250,000. This disgraceful result of the maladministration of the resources of the State during several years past, was left as an inheritance to be added to the other embarrassments of the present administration. The interest on the heavy bonded debt of the State had fallen in arrear to the extent of nearly \$300,000. All receipts from the immense delinquent lists, including taxes due the interest, school and other funds, were tied up by Act No. 81 of 1872, and devoted exclusively to the payment of the old outstanding warrants, and at the same time those warrants were in effect a lien on all current receipts to the general fund. A system of espionage, which it seemed impossible for the treasury to shake off, had been established by the dealers in those warrants, whereby they were informed the instant a dollar was turned into the treasury, and, presenting their warrants, demanded and received the same in payment thereof. It thus seemed likely that nothing would be realized from current receipts to meet the necessary and legitimate expenditures of the government, and it was even difficult to distribute the funds received among the holders of the old warrants except in the manner agreed upon by the organization which had virtual control of the treasury. I need not enlarge, in this connection, upon the hostility at that time manifested toward all the departments of the State government. It is sufficient to say that the resistance to the enforcement of all laws and the payment of all taxes was especially embarrassing to the financial officers of the State.

PRESENT CONDITION.

The present situation is not without its discouragements, yet compared with that of one year ago, it affords just grounds for congratulation. Resistance to the payment of taxes and the execution of the laws has been happily abandoned. The collections of revenue, exceeding \$4,000,000, have been larger in amount, and, I may safely affirm, have been effected with less loss and expense to the State than for many years past. On an appeal to the courts, act No. 81 was unhesitatingly pronounced unconstitutional, which action of the judiciary, I trust, will be supplemented in your body by the instant repeal of that extraordinary piece of special legisla-

tion. The action of the courts restored the delinquent taxes to the funds for which they were levied, and being followed by energetic and judicious measures on the part of the officers charged with the collection of the revenues, soon resulted in a marked change for the better. The large amount of overdue interest was paid early in the year, and since then the current interest has been paid promptly at maturity, with the exception of interest on some \$6,000,000 of bonds held in abeyance subject to the action of the courts. The collections on account of the interest fund have been sufficient to pay that amount also, in case it shall ultimately be decided that the bonds enjoined are a legitimate indebtedness of the State. A rigid inspection and supervision of the business of tax collectors has been maintained, and they have been required to make their settlements in person with the proper officers, instead of through brokers, as in many instances heretofore.

WHAT HAS BEEN DONE.

It is well known that in practice warrants could not be paid as issued, and were not paid to the original holders, but were sold on the street at their "market value," and collected in full by middle men as money came into the treasury. The Auditor, taking advantage of this state of affairs for the benefit of the State, inaugurated a system by which the funds received were distributed in a more equitable and satisfactory manner, and at the same time a saving of over \$200,000 was realized to the State, which would otherwise have been paid to speculators, without benefit to the original holders of the warrants. These warrants were canceled, and are now in the treasury, the volume of outstanding warrants being of course reduced by precisely that amount. By this means and by a scrupulous care in the issuance of warrants, and by confining the issue during the latter portion of the year to expenses of officers and other necessary expenses of the State, we will be able to begin the new year with \$193,000 outstanding warrants of 1873, instead of over \$500,000.

WHAT SHOULD BE DONE.

In this connection I desire to call your attention to several matters which appear to me to be of most vital importance :

1. The absolute necessity of hereafter confining your appropria-

tions rigidly within the revenues. This is the first principle of our financial redemption, and unless it is adopted instantly, in principle and practice, and adhered to, we may cherish small hopes of permanent improvement in our condition.

2. It is believed to be a wholesome legal principle, that the revenues of each year must take care of the expenditures of that year and no other. I believe this to be sound policy and am satisfied it would be of great benefit to the State, tending to relieve confusion, to restore order, and to check improvidence in the future, if this principle was positively recognized by statute.

3. It should be specified among the duties of the Auditor of Public Accounts that he shall in no case issue a warrant unless the funds are then in the treasury to pay the same on demand. When this is done we shall no longer see State warrants hawked about the streets and hear no more of combinations to obtain preferences at the treasury. It will do away with temptation to speculate on the credit of the State and relieve us of a host of evils which have been equally annoying to the officers of the government and discreditable to the State. I am quite persuaded that the recognition of these principles by statute will produce most salutary results. They are certain, clear and just in themselves, and will be a perpetual admonition to economy which can not well be disregarded. I commend them most earnestly to your considerate action.

PUBLIC DEBT.

From the report of a committee of prominent citizens appointed by me to examine and classify the debt of the State (a copy of which I herewith transmit), and from the statement of the Auditor of Public Accounts, it appears that the contingent debt of the State is as follows:

Balance of subscription of the State in 1853 to railroads.	\$2,108,000
Bonds which may be issued to the Mississippi and Mexican Gulf Ship Canal Company, under act No. 116, of 1869.....	120,000
Bonds which may be issued to the New Orleans, Mobile and Texas Railroad Company, under section one, of act No. 26, of 1869.....	2,075,000
Bonds which may be issued to the same company, under section seven, of act No. 31, of 1870.....	2,250,000

Bonds which may be issued to the New Orleans, Baton Rouge and Vicksburg Railroad Company, act No. 143, of 1869, number of miles 500, at \$12,500 per mile. . . .	6,250,000
Bonds which may be issued to establish a charity hospital at Shreveport, under act No. 149, of 1869	100,000
Obligations to subscribe 1000 shares of stock of Mississippi Valley Navigation Company of the South and West, act No. 84, of 1870.	100,000
Total	\$13,003,000

Contingent liabilities under acts passed by the Legislature subsequently to the adoption of the amendment of the constitution limiting the State debt :

Act 106, passed in 1870, (printed with the laws of 1871,) entitled "An act to incorporate the Arkansas and Delta Railroad Company, and granting aid to the same."	\$375,000
Act 28, 1871, granting aid to the Southeastern Railroad Company	375,000
Act 29, 1871, creating the Mississippi River Navigation Company, and granting the aid of the State thereto.	250,000
Act 31, 1871, to build a State House, and providing for the issue of bonds therefor.	1,500,000
Act 40, 1871, to incorporate to the Alexandria and Fulton Railroad Company, and to grant State aid thereto.	1,875,000
Act 41, 1871, to promote the interest of commerce by establishing the Louisiana Warehouse Company, and guaranteeing the bonds thereof.	1,500,000
Act 106, approved October 25, 1871, "Relative to the New Orleans and Northeastern Railroad Company, and to facilitate and aid the construction of said railroad," etc.	1,212,500
Act 43, 1873, provides in section nine of the act for the issue of bonds to the Levee Company.	1,000,000
Total	\$8,087,500

Total contingent liabilities **\$21,090,500**

In some cases these laws are void, but their existence upon the statute book is calculated to reflect discredit upon the State. I,

therefore, earnestly recommend that all laws, or parts of laws, extending the credit of the State to any of these corporations, or involving any contingent liability on the part of the State, be immediately repealed. This can be done by one sweeping act, which I trust you will immediately pass.

An act was passed in 1836 to loan the bonds of the State to the Citizens' Bank, to the amount of \$12,000,000. The third section of the act provided: That for the guarantee of the bonds to be emitted by the State in favor of the Citizens' Bank, and of the interest thereof, and for which the State pledges its faith, all the securities granted by the act of incorporation of said bank, and especially by the third and fourth sections of said act, to the holders of its bonds, are hereby transferred to the State, and the holders of the bonds which may be issued in virtue of this act, etc. The bank has paid the interest on the bonds, and has redeemed the greater part of them, leaving \$4,297,333 33 still outstanding. It is believed that the principal and interest of these bonds are fully secured, and that the State will not be called upon to pay either.

The bonds loaned the Consolidated Association by the State many years since have been cancelled, except \$531,447, which may be reckoned in the same category as those loaned the Citizens' Bank, and for which the State can in no probable contingency be liable.

Thus the debt of the State for which the State can, in any probable contingency, be liable, is as follows:

Interest bearing obligations of the State outstanding January 1, 1874.....	\$22,427,300 00
Outstanding general fund warrants (old)	1,531,185 16
Outstanding general fund warrants (new), January 1, 1874	193,615 42
Certificates of indebtedness (old).....	131,785 42

Total funded and unfunded debt of the State... \$24,283,836 00

It is this debt with which we have to deal.

The subject is one which will require in your deliberations the highest exercise of sagacity and firmness, in order that justice may be done as far as possible to both debtor and creditor, and at the same time the State be relieved as far as practicable of an incubus which threatens to destroy the prosperity of the commonwealth. It is the weight of a heavy debt and consequent heavy taxation,

together with the exhaustive expenditures of the State Government, that have done so much to impair our credit, to retard the development of our commerce, and to deter capital and labor from seeking in the inexhaustible soil, the beneficent climate and the abundant natural advantages of our State, a most profitable field of employment.

PROPOSED FUNDING.

It is idle now to dwell upon the origin of this debt, or to review the misfortunes or profligacy of expenditure by which it was incurred. The problem is before us for solution, and it must be dealt with. In my judgment, it can be best solved by the passage of a well digested funding bill, accompanied by appropriate constitutional amendments. The main features of the bill should be the conversion of the whole bonded and floating debt of the State into consolidated bonds, having forty years to run, and bearing a uniform rate of interest. The exchange to be made at the rate of sixty cents in consolidated bonds for each dollar of bonds, warrants and certificates of indebtedness now outstanding.

The constitutional amendment should provide that as soon as the debt is reduced below \$25,000,000 it shall remain limited at the lowest point attained until reduced to \$15,000,000 beyond which point it shall never be increased—the consolidated bonds to be recognized in the constitution and the rate of taxation for all purposes limited to fourteen and a half mills—and a provision also by constitutional amendment for the payment of the interest on the consolidated bonds as it accrues without further appropriations from the Legislature. Consultation with many large holders of our bonds and with experienced financiers has confirmed me in the opinion that with such a funding bill and with a constitutional amendment of the character indicated, our whole debt can be readily funded at the rate mentioned.

WHAT WOULD BE GAINED.

The substantial results of a successful execution of this policy will be best illustrated by a reference to official figures.

The total debt of the State, funded and unfunded, as appears by the official records in the Auditor's office, is as follows:

Bonds outstanding January 1, 1874.....	\$22,427,300 00
Auditor's warrants (old).....	1,531,185 16

Auditor's warrants (new, 1873), January 1, 1874,	
about	193,615 42
Certificates of indebtedness (old).....	131,785 42

Total..... \$24,283,886 00

The present rate of taxation for all purposes is twenty-one and a half mills. The existing debt of \$24,283,886, funded at sixty cents on the dollar, would leave us with a new debt of \$14,570,331 60. If any portion of the bonds now being tested in the courts are declared illegal, the new debt will be considerably less than this latter sum. The interest tax at present is eleven and a half mills; the rate necessary to pay all the interest on the new debt represented by consolidated bonds is five and a half mills. It should be remembered, also, that this estimate is based upon our present greatly reduced assessment. If five and a half mills on our present low assessment will pay the interest on the consolidated debt, it is apparent that as soon as the relief brought by the reduction of our burdens begins to be felt and property appreciates, as it necessarily must, a less rate than five and a half mills will pay the interest on the consolidated bonds. The interest tax may then be still further reduced, or, remaining at five and a half mills, the surplus may be applied to the redemption of consols until the whole debt is extinguished.

A statement of our condition now and after funding the debt and incorporating in the constitution the provision herein recommended would show the following comparative results :

Old debt.....	\$24,283,886	
		Mills.
Old interest tax.....	11½	
Old school tax.....	2	
Old general fund tax.....	4	
Old levee construction and repair tax.....	4	
		<hr/>
Total tax for all purposes (old).....	21½	
New debt.....	\$14,570,331 60	
		Mills.
New interest tax.....	5½	
New school tax.....	2	
New general fund tax.....	4	
New levee construction and repair tax (recommended to be reduced one mill).....	3	
		<hr/>
Total tax for all purposes (new).....	14½	

The law, as it now stands, allows the various parishes to assess a tax for parish purposes equal to one hundred per cent. of State tax, and no more. Most of the parishes assess up to the limit of the State tax; hence a reduction of seven mills State tax will be equal to a total reduction of fourteen mills taxation, parish and State.

RECOMMENDATIONS OF THE NEW DEBT.

The new debt thus proposed to be created will be certain in amount, of undoubted legality, and within the will and ability of the people to pay; whereas much of the old debt is believed to be of uncertain legality and more uncertain equity, entailing a rate of taxation which is ruinous to our prospects of prosperity. The new consolidated bonds, being guaranteed in the constitution, and held against a people able and willing to pay interest and principal, will be worth much more intrinsically than the old indebtedness for which they will be exchanged.

Our bonds do not now average more than fifty cents on the dollar. The purchaser of our six per cent. bonds at this time really receives twelve per cent. on his investment. Of this twelve per cent. six per cent. represents his actual outlay, and six per cent. is the insurance he receives on his investment, or the premium we pay on our discredit. To relieve the State and to cause our creditors as little loss as possible, is the problem before us. If it be said, "This is repudiation," we reply that, however much we may desire to continue to pay the interest on our present bonded debt, we can not do so. We propose to do all in our power. We have the inclination to pay in full, but we lack the ability. Our creditors can hold their bonds if they choose, but we believe we are offering them a far better security.

We have a debt of twenty-four millions, worth say twelve millions. If this debt be appreciated to par, the holder realizes an advance of fifty per cent. Under this scheme our new consols should go to par, or nearly so. If we continue our efforts to pay the whole interest we shall fail, and our bonds will go even lower in value; but if we can bring our debt within our ability to pay, we can greatly appreciate it, and thus not only benefit ourselves, but our creditors, by preventing the latter from continuing to lose until we are ultimately forced into virtual repudiation.

RATE AND METHOD OF FUNDING.

It is suggested by the New Orleans Chamber of Commerce and by many private individuals, that the debt might and should be funded at a lower rate than sixty cents on the dollar—say at fifty cents, and even forty. But the justice as well as the strength of our case lies in the fact that we propose to pay our creditors all we can, and ask of them a full and final settlement on that basis. I can see no difference between forcing them to take less than we can pay and absolute repudiation. If the only consideration is what we may force them to take, we could as justly propose to them to fund at twenty-five or ten cents on the dollar. A careful calculation, which is as accurate as a mere estimate can be, shows that we can pay interest and principal at the rate of sixty cents on the dollar, and live and prosper under the rate of taxation necessary to pay that amount; and since we can do it, I think there is no question that we should do it.

I am convinced from consultations with all classes of creditors, that perfect uniformity in the new consolidated bonds is a matter of great importance. The unfunded debt bears no interest at all; the funded debt bears interest at various rates. In a scheme which proposes to obliterate the whole mass of debt and substitute a new one, it will be utterly impossible to discriminate in favor of the various shades of merit which either exist or are alleged to exist in favor of one class of claims over another. Naturally the holders of each class think the particular indebtedness they hold is equitably entitled to some sort of priority; and these considerations have been strongly urged upon me by each interest, with a view to obtain a preference for their claims. But it seems clear to me that we shall come nearer exact justice to all parties by making the consolidated bonds uniform in the rate of interest as well as in all other respects; that is, making them all bear interest at seven per cent. per annum.

So far as I have been able to ascertain no one considerable bondholder has refused, after due consideration, to regard this proposition in a friendly spirit. It seems to be the opinion of all business men that such a settlement would involve no dishonor to the State, and would be a positive advantage to the bondholder in this, that one bond worth par and that can be readily hypothecated is better for a capitalist to hold than two bonds worth fifty cents on the dollar, which can not be readily sold or used.

DOUBTFUL BONDS.

Assuming that our whole debt is valid, and that it can be funded at sixty cents on the dollar, the new debt will be less than \$15,000,000. The legality of a considerable portion of our bonded debt is now being tested in the courts. It has been my desire to have the question thoroughly examined, and if any part of the debt is illegal, to have its fraudulent character established in the Supreme Court. Our efforts in this behalf will be continued, notwithstanding unfounded assertions that this is repudiation. If illegality is established, the State will be justly and properly relieved of a portion of its heavy burden. If, on the other hand, the bonds in question are shown to be valid, there will be no further doubt in regard to them, and they may be funded with the others. Of the \$2,500,000 issued to the Chattanooga Railroad Company, now in litigation, the State government feels justified in exhausting every legitimate means to defeat the payment of either principal or interest, unless the consideration on which they were issued, that is, the completion of the road to Texas, is realized to the State. If that is secured, it is conceded that the expenditure will prove a wise one. But until the road is completed, those bonds should not, and I think I am justified in saying will not be paid at all, if such payment can be avoided.

NECESSITY OF ACTION.

I am not careful as to what name may be given to this proposed funding scheme. To my mind it is only a question of a settlement in full now on these, the best terms we can offer, or continued intolerable distress and perhaps ultimate enforced repudiation. There should be equity and justice for the debtor as well as the creditor. I am not willing to advise the continuance of a rate of taxation which is not far removed from confiscation; especially in view of the fact, that for a large proportion of our indebtedness the people of the State have received no adequate consideration, and for some portion no consideration at all.

Upon your judicious action in this matter will depend, in a great measure, the future of the State. With the debt and taxation reduced within manageable limits, and with the other reforms indicated realized by appropriate legislation; with careful husbandry of our resources, and honest and vigilant scrutiny of all laws passed by your body, we may reasonably hope for a speedy return of prosperity, peace and good order to this embarrassed commonwealth.

I transmit herewith a draft of such constitutional amendments as I recommend in connection with the proposed funding measure. The details of the measure itself will be laid before you at an early day.

INTERNAL IMPROVEMENTS.

NEW ORLEANS, MOBILE AND CHATTANOOGA RAILROAD.

I regret to inform you that the liberal aid and donations of the State to secure railroad communication with Texas, have resulted in disappointment.

By virtue of act No. 26, approved February 17, 1869, the State agreed to guarantee the second mortgage bonds of the New Orleans, Mobile and Chattanooga Railroad Company to an amount not exceeding \$12,500 per mile of its main line of railroad in Louisiana, which said company might construct from New Orleans westerly to Texas. Under this act \$750,000 of the bonds of the company have been guaranteed, and the State is now, and has for some time been compelled to meet the interest thereon.

By virtue of the fourth section of act No. 31, approved February 21, 1870, the State agreed to guarantee for said company similar second mortgage bonds, not exceeding \$12,500 per mile for each mile of its road to be built from Vermilionville to Shreveport, and which might be constructed within five years from the date of the acceptance of the act by the company.

The seventh section of the same act, as an inducement to the speedy completion of the railroad from New Orleans to Houston; made an absolute donation to the company of \$3,000,000 in bonds; \$750,000 to be issued on the completion of the railroad to Donaldsonville, \$750,000 on the completion of the road to Vermilionville, \$750,000 on the completion of the road to the Sabine river, and \$750,000 on its completion to Houston. The right to this donation was to be forfeited, unless the road was opened for traffic to the Sabine river in three years from the date of the acceptance of the act. The State has issued to the company \$750,000 of these subsidy bonds.

By act No. 95, approved April 20, 1871, it was attempted to commute the obligation of the State to guarantee for said company its second mortgage bonds by the absolute issue of \$2,500,000 of bonds in payment of a subscription by the State to 25,000 shares.

of the company of \$100 each. Under this act \$2,500,000 of bonds were delivered to the company on the twenty-second of April, 1871.

There is no record in the Auditor's or Treasurer's or other offices of the State of the issue of these bonds, nor is there any receipt from the company for these bonds on file or evidence that the conditions of the law under which they were issued have been complied with.

SALE OF THE ROAD.

It will thus be perceived that the New Orleans, Mobile and Texas Railroad Company has, in subsidies or otherwise, received aid to the extent of \$4,000,000 as an inducement to construct a railroad to Texas. The company actually agreed to finish the line from New Orleans to the Sabine by March 5, 1873.

After completing the road to Donaldsonville, on the Lafourche, a distance of about seventy miles, and performing some work on the line from Donaldsonville to Grand river, a distance of about twenty miles, the company became insolvent, abandoned the work, and in June, 1873, was sold under judicial proceedings in the United States Circuit Court. This sale, if valid, effectually destroys any hope of the State as a creditor to recover the \$750,000 of subsidy bonds, which, by the provisions of the act, were to be returned in case the company failed to complete the road to the Sabine river within the time limited; it also annihilates the interest of the State as a stockholder, to the extent of \$2,500,000, in case the courts should adjudge the \$2,500,000 of bonds issued under act of April 20, 1871, to be valid.

PROCEEDINGS INSTITUTED.

I have employed special counsel to institute suit for the purpose of annulling the sale made in June, 1873, under the proceedings in the United States Circuit Court, and to assert the rights of the State, as a creditor, to the extent of the \$750,000 of bonds given as a subsidy. Under these proceedings, the road from New Orleans to the Sabine river has been sequestered, and is in the hands of a receiver appointed by the Superior District Court for the parish of Orleans.

Notwithstanding these proceedings, I was disposed to abandon them, provided, those who claimed the ownership of the road from

New Orleans to Texas could give any satisfactory guarantee for its completion within a reasonable time. I, in common with what I believe to be the sentiment of the community, entertained doubts of their ability to fulfill their promises. Nevertheless, with the view of eliciting the opinions of those interested in the welfare of the State, and obtaining their advice, I arranged for an amicable interview between the present claimants of the road and a committee of prominent citizens and merchants of this city. After several meetings the parties came to no agreement—no satisfactory guarantee of the completion of the road to Texas having been offered.

RECOMMENDATIONS.

So important do I consider the completion of our Western connections, I would most willingly abandon all the claims of the State in favor of any parties who would undertake to build the road within a reasonable time, and could give a reliable guarantee for the execution of their engagements. Unless these guarantees are given within a reasonable time, considering the vital importance of the enterprise, not only to New Orleans, but to the entire State, I recommend that authority be given to purchase the road on account of the State, and transfer it, on favorable terms, to some new organization, composed of our own citizens or others, who will undertake to complete it. The State, as second mortgage creditor, has a right to purchase the completed portion of the road from New Orleans to Donaldsonville for the price of \$12,500 per mile. It is not supposed any purchaser will be found willing to bid \$25,000 per mile, the amount of the first and second mortgages.

BONDS NOT TO BE PAID.

I have determined, as I have already stated, to resist by all lawful means the payment of the \$2,500,000 of bonds issued to the railroad company under act approved twentieth of April, 1871. I do not regard them as valid obligations of the State; the money which which has accumulated in the treasury to meet the interest on these bonds, will go far to enable the State to purchase the road from here to Donaldsonville at the price of \$12,500 per mile, should this be determined upon.

THE BACKBONE RAILROAD.

By act No. 43, approved December 30, 1869, the New Orleans,

Baton Rouge and Vicksburg Railroad was chartered and the State authorized to issue second mortgage bonds to the amount of \$12,500 per mile. This company was also authorized to build branch roads. Congress by an act approved March 3, 1871, entitled an act to incorporate the Texas Pacific Railroad Company, practically recognized this road as a branch of the Texas Pacific Railroad, and in aid of the building of the road from New Orleans to Shreveport via Baton Rouge and Alexandria, granted to this company every alternate section of public land designated by odd numbers in a belt of forty miles on each side of the proposed route. This land has been withdrawn from sale by the general government under the provision of the act. It is made a condition in the act that the company shall complete the road from New Orleans to Vicksburg within five years from the passage thereof. By act of the Legislature No. 100, of 1872, the New Orleans, Baton Rouge and Vicksburg Company are given a more specific right to build a road from New Orleans to Shreveport via Baton Rouge, and are authorized to issue first mortgage bonds to an amount not exceeding \$30,000 per mile. This act abrogates the provision of the original charter granting the indorsement of the State to the second mortgage bonds of \$12,500 in case the company issues \$30,000 per mile of first mortgage bonds. To avoid all question in this regard, I recommend that an act be passed repealing so much of the original charter as authorized any guarantee on the part of the State to indorse the second mortgage bonds of the road. It is difficult to ascertain the condition and prospects of this company at the present time. I am informed that they are now making an effort to combine with other interests to build the road before the grant made by Congress lapses. This grant approximates nearly 1,600,000 acres of public land, and ought to afford a sufficient basis, when the importance and advantages of the proposed route are considered, to secure the early completion of the road. The company, by the act of 1872, are required to build the road to Baton Rouge, on the east side of the Mississippi river. The railroad now built to a point beyond Donaldsonville might be utilized in forming a connection to a point on the river opposite Baton Rouge, and thence to Shreveport, by which it seems to me, the company might comply with the conditions of the act of Congress, and secure the land grant from Baton Rouge. Should the company ask that the act of 1872 be amended so as not

to require them to build on the east side of the river, I suggest that you give such request your careful consideration. Railroad connection placing New Orleans in closer relations with the vast trade of Texas, as well as the trade of the distant portions of the State, is what is most needed. No effort should be spared to bring about this result.

THE LEVEES.

During the past year nearly 3,600,000 cubic yards of levees have been built in this State. The report of the commission of engineers, herewith submitted, shows that they have ordered ninety-seven levees to be constructed this season, and have had to decline building many more, which they have turned over to the Levee Company to repair. These new levees will amount to 730,000 cubic yards, but both from this report and from the report of the board of State engineers, it appears that at least a million cubic yards could be advantageously ordered. The maintenance of the levees of the Mississippi, is a subject of national importance, and the State of Louisiana, holding a larger alluvial territory than any other State bordering upon that river, is vitally interested in this question. The works required are so vast, the benefits to be derived so widely extended, that it has long been thought an appropriate subject for national aid. As I stated in my inaugural address a year ago, I was in a position during my labors in a different department of the public service to ascertain the views of the national legislature on this important subject, and found them to be in consonance with this opinion; but the Legislature of this State, by the incorporation of the Levee Company in 1871, having adopted on a very large scale a plan of its own for the construction and repairing of levees, the consideration of the subject by the national government was postponed. I take this occasion to renew the recommendation I then made, that the Legislature authorize the appointment of a committee, to be composed of citizens, fully competent to examine and report upon the character and sufficiency of the levees constructed and in process of construction by the company, and the degree of energy with which the work is being conducted. In a matter of such magnitude and importance, and likely to constitute so great a drain on the State treasury, it is all important that the people should know from the most reliable sources whether this gigantic

undertaking is really to be successful, and confer upon the State the results promised.

In the meantime I recommend that the four mill levee construction and repair tax authorized by the acts of 1871, be reduced to three mills. This amount, I am assured, will be amply sufficient to provide for the construction of the levees ordered, and all probable necessary repairs.

RED RIVER.

When representing the State in the United States Senate, believing that the work was practicable, I urged successfully an amendment to the river and harbor bill, making, among others, an appropriation for the removal of the raft from Red River, and the improvement of Tone's Bayou.

The removal of this raft by the United States, and the closing of Tone's Bayou with the same logs, has been a great feat of engineering. What the actual result will be, in respect to navigation and the height of floods, remains to be seen.

Referring to the obstructions presented by the falls at Alexandria, together with the probable closing of the mouth of Old River, concerning which petitions have been received, I will state that I have sent these petitions to the State engineers, with instructions to make a special report on the subject. But, as these works appear too extensive for the State in her present condition, and as Red River is a national river, bearing the products of several States, and as the general government has shown a disposition to improve its navigation, it is to be hoped it will continue the work. I recommend that your body memorialize Congress in this regard.

CHEAP TRANSPORTATION.

The people of the State are to be congratulated upon the favorable light in which the attention of the entire country has been directed to the Mississippi River by the propitious agitation of the cheap transportation question in the West. One result of this agitation was manifest in the recent well timed visit to our State of the Senate Committee on Transportation. There is every reason to hope that this movement will ultimately so strengthen the hands of our Representatives in Congress as to render comparatively easy the hitherto difficult task of obtaining for the State that considera-

tion from the general government to which it is justly entitled. The universally favorable discussion of the Fort St. Philip canal project is, I trust, but the certain prelude to the construction of the canal itself. I recommend that, without unnecessary delay, you grant the right of way and expropriate the necessary lands for the construction of the canal. Its completion will be the signal for an unprecedented influx of capital, enterprise and labor, which must infuse new life into every part of the State.

MAINTENANCE OF ORDER.

EFFECTS OF VIOLENCE.

To secure a permanent increase of prosperity, obedience to law must be enforced—riots, massacres and assassinations must cease. Capital, naturally so sensitive, shuns a community where turbulence and violence are tolerated. The tide of emigration has heretofore stopped at our very borders, though in climate, productiveness of soil and natural resources Louisiana possesses advantages over almost every Southern State. Occurrences such as the attempted riot in New Orleans on the fifth of March last, the massacre at Colfax, the resultless parade of resistance to law in St. Martinsville, and the unpunished assassinations of officers of the law and worthy citizens in the northern and western parishes of the State, have spread the ill name of Louisiana far and wide.

VIGILANCE COMMITTEES.

The enforcement of the law is the sole safeguard for every citizen. Only by obedience to the law can he secure permanent and efficient protection for life and property. There are officers delegated for this purpose in every parish of the State. If they fail in their official duties they should be held to a strict accountability, and whenever appointees of the executive, I will certainly do my duty in this regard as soon as the facts are made known to me. All so-called vigilance committees should be discouraged and put down. The violent meting out of punishment by irresponsible persons to alleged criminals is often an act of greater criminality than the offense charged against the persons punished.

THE COLFAX MASSACRE.

Among the worst deeds of violence which have disgraced the

State, the massacre at Colfax, in April last, when a lawless and irresponsible mob, without any authority whatever, slaughtered in cold blood more than one hundred colored people, stands out in bold relief side by side with that other causeless slaughter in New Orleans, in July, 1866, which shocked the moral sense of the entire country. Proceedings have been taken to punish the Colfax rioters.

DEFECTS OF LAW,

But the working of the present criminal law is defective, and needs amendment.

Measures will probably be presented to you providing for such changes of venue and other judicial regulations as will insure the prompt punishment of acts of violence in the few distant parishes where crime and disorder still prevail. I ask for these measures your early consideration and action, so that peace and order may be effectually established throughout the State.

MILITIA AND POLICE FORCES.

At the commencement of the year the State militia was in a disorganized condition, but its reorganization has been actively prosecuted. The National Guard or First Division, Major General Longstreet commanding, consists of over 2000 officers and men. Other commands are in course of organization, which will increase the force to 3000 men, who can be relied upon in every emergency. The State has received, during the year, from the United States Government, Gatlin guns, mountain howitzers, Springfield breech-loading rifles, Spencer carbines, and ammunition and artillery harness, enough to cover the quota due the State of \$30,711 55, and has now a more complete outfit of arms, equipments and ammunition than for years.

By act No. 37 of your last session the Metropolitan Police force was mustered in as part of the militia of the State. This measure, far from impairing the efficiency of the brigade as a police force, has been found to materially improve their discipline, and to render them much more available for the maintenance of peace and order and the suppression of crime.

Among the services rendered by the brigade may be named the following:

On the fifth of March, 1873, the day on which the law authorizing

their incorporation was signed, the brigade was called upon to defend the Jackson Square police station, the Supreme Court, and the several District Courts of the parish of Orleans from the attack of a mob, and also to recapture the seventh precinct station house, then in the hands of a body of armed men. How well they performed these duties is a matter of record.

On March 6, a detachment of the brigade took possession of Odd Fellows' Hall, and dispersed an assemblage known as the McEnergy Legislature.

On April 19, Colonel Flanagan, with a detachment of sixty officers and men, proceeded to Amite, parish of Tangipahoa, to prevent violent interference with the legally elected officers of that parish.

On the twenty-fifth of April, Colonel Flanagan, with a detachment of about 125 officers and men, proceeded to Port Vincent, parish of Livingston, where the parish officers were prevented by an armed body from taking possession of their offices.

On May 1, Brigadier General A. S. Badger proceeded to St. Martinsville, parish of St. Martin, with a detachment of 150 men and one piece of artillery, for the purpose of suppressing disorder and of aiding civil officers. A large force under command of Alcibiade De Blanc, styling himself Colonel of the St. Martin militia, evacuated the town upon their approach. The Metropolitan detachment occupied the courthouse and installed the legal officers, and Mr. De Blanc's command dispersed.

On October 4, Captain Joseph, with one officer and twenty-five men, were sent to Covington, St. Tammany parish, to afford protection to the authorities at the opening of the parish court.

On the nineteenth of October last a detachment of Metropolitan cavalry, consisting of Captain Snow, Lieutenant Vankirk and twenty-five men, reported to Deputy United States Marshal, T. W. DeKlyne, as a posse comittatus. They embarked on the steamboat Ozark, for the parishes of Grant, Rapides and Catahoula, and aided in the execution of United States warrants for many of the Colfax murderers.

In all these expeditions the objects for which they were undertaken were accomplished, and the behavior of the troops while on duty has been at all times such as to merit high commendation.

You will probably be asked to reimburse the city of New Orleans for amounts paid the Metropolitan Brigade while on service as State

militia; also to make appropriation for the pay of the brigade as militia. These claims seem to me to be just, and I commend them to your favorable consideration.

NEW ORLEANS.

LEGISLATION REQUIRED.

The interests of New Orleans are so closely interwoven with and so important to the welfare of the State at large, that I bespeak for the requirements of the city a very large share of your attention. In the year that has passed the commerce of New Orleans has increased, but not to the extent it should have done. There are many hindrances in the shape of unnecessary inspectors, vexatious port charges, licenses and monopolies which should be removed or lightened as far as possible by legislative action. In particular I recommend the abatement, by some appropriate legislation, of the grievance known as the towboat monopoly, which is generally recognized as an incubus, not only on the commerce of the port of New Orleans, but on that of the whole Mississippi Valley. There is much scope for beneficial legislation with regard to the general interests of the city, and a number of measures adapted to this end will, I understand, be laid before you.

EXCESSIVE FEES.

The fees of notaries public, clerks of court and sheriffs, as at present allowed by law, or at least as charged, are enormous and oppressive. So serious is this grievance that it practically bars the way to the courts in many instances. Rather than incur the heavy penalties of litigation, people prefer to submit to wrongs which the courts of justice were created to redress. A law which reduces these costs and fees will, I am certain, meet with the approval of all classes of citizens. The maintenance of prisoners in the Parish Prison, which is now imposed by law on the sheriff at an extravagant rate of remuneration, should be restored to the control of the city. A saving of nearly \$50,000 a year would thus be effected. The compulsory fees paid for the prosecution and conviction of criminals and the charges of the city coroners are also excessive. The coroners should be paid by fixed salaries, and the fees of the criminal sheriff and district attorney should be either limited or reduced.

CRIMINAL COURT.

Many complaints are made regarding the administration of criminal law in New Orleans. While crime generally is perhaps held as fully in check now throughout the city as in years past, still it cannot be denied that, to an extent altogether unwarranted, criminals go unpunished. It has long been apparent that one criminal court is insufficient to try and dispose of all the criminal business of a city containing so large and heterogeneous a population as New Orleans. I recommend that an additional criminal court be immediately created; one to have jurisdiction in cases of misdemeanor, and the other court to take exclusive cognizance of all cases of treason, murder, felony or crimes punishable with death or imprisonment in the penitentiary. This will not necessarily entail the expense of an additional court, as probably one of the existing district courts can with advantage be dispensed with.

AGRICULTURE.

RESOURCES OF LOUISIANA.

The agricultural resources of Louisiana are extraordinary. Her products are of peculiar value, and the fertility of her soil with the genial favor of her seasons produces larger values upon comparatively less labor than perhaps any similar extent of arable territory in the world. These products may be set down in chief at the following estimates of weights and values, based chiefly upon the census of 1870.

	Value.
Cotton, 350,832 bales.....	\$35,000,000
Sugar, 100,000 hogsheads.....	12,500,000
Molasses, 75,000 barrels.....	4,500,000
Rice, 55,000 hogsheads.....	2,500,000
Total.....	<u>\$54,500,000</u>

Here is an aggregate value of more than \$50,000,000. It is gratifying to note the increase of the rice crop. As a crop in which the agencies of earth and air leave little for labor to do, it especially commends itself to the landowner. The increase of the rice crop from 4,000,000 pounds in 1850 to nearly or quite 40,000,000 pounds in 1873 shows the adaptation of our lands to this species of cultivation.

The recent financial panic has affected the Northern States more than the South. The latter have gone through their greatest financial difficulties, and their products must steadily increase.

SUBDIVISION OF LANDS.

Not least among the propitious indications of the future is the growing tendency of the colored people to acquire lands and to become proprietors as well as tillers of the soil. On the success of this movement their future greatly depends. It is a creditable effort to raise themselves from the condition of hired laborers to that of tenants or independent cultivators of their own land. Thus incorporated into the body of direct taxpayers, they become the bone and sinew of the State, and in a great measure the hope of reform. The extensive subdivision of the lands among the masses has been a source of strength to all nations that have adopted it. The States of the Northwest, where every tiller of the soil is at the same time its proprietor, teem with prosperity and wealth. The pertinacity with which many of our landed proprietors have clung to the whole of their vast estates since the inauguration of free labor has been disastrous to themselves and to the State. It is a cheering fact, therefore, that they are beginning to recognize the wisdom of directly interesting the laboring classes in the prosperity of the State by encouraging them to become possessors of homes of their own, or interested in the products of the land. Holders of large tracts of uncultivated lands are becoming weary of holding them, and in many cases are wisely adopting the system of disposing of the bulk of their lands in small lots, on long credit, to poor men who will immediately develop them. Now is the golden opportunity, it seems to me, for the laborer to obtain a piece of exhaustless land, and in proportion as he improves his property, just in that proportion will his future competency be assured, and a community of interest be established between all classes. Patriotic citizens, and friends of human progress everywhere have been anxiously looking forward, through the weary years that followed the war, to the establishment of harmonious relations between the races on a rational and enduring basis. I am glad to say that the day when demagogues of either race can stir up enmity and dissension, by appealing to the ignoble prejudice of color, is drawing to a welcome close. White men and colored men, native citizens and foreign born, are becoming aroused to a just estimate of the baleful effects of class antagonism.

PUBLIC LANDS.

The public lands of Louisiana offer a tempting field to the emigrant. There are over 8,000,000 acres of State lands available for cultivation. Three million acres have been sold, and over 5,000,000 acres remain now for sale. During the past year 47,000 acres were sold. Four hundred and thirty-one homesteads have been granted since the passage of the homestead law. It is suggested that the price of the State lands as fixed by the first section of act No. 104 of 1871, namely, twelve and half cents per acre, is too low. The intention of Congress in donating this land to the State was that a revenue should be derived from it to aid in building levees and draining the swamp and alluvial lands of the State. This purpose is not attained. The price of the State lands might with advantage be raised to fifty cents per acre.

EDUCATION.

THE PUBLIC SCHOOL SYSTEM.

There are 250,000 children in the State of an age suitable for education. It is estimated, at the present cost of the public schools, three dollars per head a month in the city and two dollars per month in the country, that it would require an annual revenue of \$1,500,000 to confer upon all these children the advantages of the public school system. The school revenues from all sources last year were \$700,000. The income which might be derived from the school lands is lost for want of supervision. Several funds which should be devoted to the support of the public schools have been improperly diverted. I urge that immediate measures be taken to restore to the school fund the free school bonds alienated by act No. 81 of 1872. Steps should also be taken to recover, if possible, the McDonogh fund, which was left as a sacred trust to promote the education of the children of the State. The report of the State Superintendent of Education, which is herewith transmitted, gives full particulars of the workings of our public school system.

THE AGRICULTURAL COLLEGE GRANT.

By act of Congress approved July 22, 1862, the general government gave to the State of Louisiana 210,000 acres of land scrip, provided the State accepted it and applied the proceeds arising

therefrom to the establishment of a college to be devoted to the interests of agriculture and the mechanical arts. The State, by act No. 62, acts of 1869, accepted the donation, and created a commission to receive the scrip from the United States and dispose of it according to the provisions of the donating act. The scrip was sold and the proceeds invested in State bonds; as the interest accrued it was collected and invested in other State bonds, and this course pursued until the beginning of the present year, when the aggregate amount reached \$327,000. To this may be added one year's interest on this amount, which is now due but uncollected. The commission holds these bonds subject to the order of the General Assembly. This matter must be acted upon during the present session of the Legislature; for should the State fail to apply the fund as directed by Congress, prior to July 1, 1874, it will lapse to the United States.

It is suggested that this grant might be utilized with great advantage in connection with the existing Louisiana State University at Baton Rouge. That institution is now heavily in debt, and very insufficiently provided with accommodation since the destruction of the University buildings at Alexandria.

GENERAL TOPICS.

EXCESSIVE EXPENDITURE.

The expenditures of the State government have for years been much larger than was necessary or justifiable. The expense of the executive department ought not to exceed \$140,000. That of the judiciary ought not to exceed \$210,000, each parish being required to pay its own parish judge. Miscellaneous expenses should not exceed \$500,000. The legislative expenses ought not in any event to exceed \$150,000, making the total expenditure of the State government \$1,000,000. I earnestly urge upon you the importance of confining your appropriations within this limit.

DAY OF ELECTION.

I recommend the correction of the mistake or oversight by which the day fixed for general elections in this State occurs one day earlier than that of the United States. The propriety of holding our election on the same day fixed in all the other States is universally conceded, and I think we should conform to the general rule.

MODIFICATION OF VETO.

I also suggest a modification of the veto power of the Executive. Many acts are passed through the General Assembly which are, in the main, wholesome and necessary, but often contain some one or more objectionable features. In such cases, as the law now stands, the Governor must either waive his conscientious objections to certain sections, or else, by vetoing the whole, retard or defeat legislation which may be beneficial. This difficulty may, I think, be removed by giving the executive the power to veto any portion of a bill which he deems objectionable and approve the residue.

NORTH LOUISIANA AND TEXAS RAILROAD BONDS.

Since the adjournment of the Assembly 576 bonds of \$1000 each have been issued to the North Louisiana and Texas Railroad Company. The validity of the act authorizing this issue was questioned and the matter carried to the Supreme Court, where a decree was rendered favorable to the company and sustaining the validity of the act. Under that decision I considered that I had no discretion in the premises. That the Executive should not wait, in the execution of the laws, of which the Supreme Court is the constitutional interpreter, for compulsory writs from the courts. Under the best legal advice obtainable and in the conviction that the decision of the Supreme Court was imperative as far as my functions were concerned, the bonds were signed and issued.

BONDS AND SUBSCRIPTIONS TO STOCK.

Numerous applications have been made to me to subscribe stock authorized by previous acts of the Legislature, or to issue bonds authorized by statute; and having determined that the interest of the State required that I should refuse to bind the State by any new obligations, I gave public notice that I would not subscribe any stock or issue any more bonds unless compelled by a court of last resort.

ASSESSORS AND TAX COLLECTORS.

The assessment and collection of the revenue is attended with a large unnecessary expense, and yet it is not efficient, it being estimated by well-informed persons that there is throughout the State not less than \$50,000,000 of taxable property which is not assessed

at all. Your attention is respectfully called to the subject, in order that you may, if possible, devise means whereby some, at least, of the present cumbersome and costly machinery may be dispensed with, and a more general and correct assessment secured. I see no reason why the assessment and collection may not be made by the same officers. A reform in this particular alone would result in a saving to the State of more than \$100,000 annually. Or if it is thought desirable to continue two sets of officers for assessing and collecting taxes, I would recommend that in the parish of Orleans, at least, the assessments for city and State be made by the same officers. The fees and emoluments of tax collectors, especially in New Orleans, should be greatly reduced. I earnestly hope this matter will receive your early attention.

STATE HOUSE.

I recommend the immediate repeal of the act passed during the session of 1871, relative to a State House, and that the purchase of land on which to build the capitol be declared void.

MONOPOLIES.

The subject of monopolies should receive your earnest consideration, and efficient action should be taken, in order to remove the serious grievances complained of. Some of these corporations have become very oppressive in their exactions, realizing enormous revenues at the expense of the commercial welfare of the city and State.

LICENSES.

If the funding scheme proposed succeeds fully, it is fair to assume that in a short time values, and by consequence, assessments, will have appreciated so much that, without increasing the rate of taxation on property, we will be enabled to dispense with the present onerous license tax, which, being a tax on business and industry, should be removed as soon as it can be safely done.

THE STATE ASYLUMS.

A careful investigation is needed into the management and condition of the deaf and dumb, the blind, and the insane asylums. At the latter institution the patients are reported to be in a pitiable condition, without sufficient food or clothing. I trust this will at once be remedied.

ACCOMPANYING DOCUMENTS.

I transmit herewith the official reports of the various State officers required by law to report to the Legislature through me. Matters of grave importance are treated in several of these communications. The Board of Health make a number of recommendations on subjects committed to their charge, which should have your attention.

GOVERNOR'S CONTINGENT FUND.

I transmit a report showing the purpose for which the contingent fund, appropriated to the use of the Governor, has been expended.

REGISTRATION AND ELECTION LAWS.

The registration and election laws should be carefully revised, and probably an entirely new registration will be found necessary, especially in New Orleans, where the registry books, which are in a very disordered condition, show about 50,000 voters, when it is evident the correct number must be many thousands less. Every possible safeguard should be thrown around the ballot box, and the manner in which elections are to be held should be removed from even the suspicion of possible unfairness. I recommend that the present law be so changed as to render the compensation of supervisors, clerks and commissioners of election a charge upon the parish in which the election is held, instead of upon the general treasury, as at present.

THE ABSENT MEMBERS.

During your last session, owing to unfortunate political complications, several members of the Legislature absented themselves during the entire session. I commend the action of your body in not declaring the seats vacant or seating contestants.

The status of the present State government is beyond question. Its authority is recognized by the highest political power of the nation, and by all the courts, State and federal. All the officers of the city and State hold commissions and exercise authority under it. There is not now, nor has there ever been, the slightest chance of any other government being recognized. The laws passed by your body, whatever may be the difference of opinion regarding its legal status, will be binding upon all the people of the State, whether those laws be good or pernicious.

Conscious as they must be that any further opposition to the existing government is futile, it is to be hoped these gentlemen will now see that they can best serve their constituents and the State by taking their seats without further delay. There are various measures of reform I have urged upon the consideration of the Legislature. The votes and influence of these gentlemen will be very important to aid in securing these needed reforms. Should they continue to absent themselves, and it should appear that their votes would have prevented bad legislation or would have secured the passage of measures in the interests of the State, they will have incurred a grave responsibility, for which they will be justly held to strict account by their constituents. If they fail at an early day to take their seats, upon them must rest the responsibility of the result of their conduct.

AMNESTY AND CIVIL RIGHTS.

The President has recommended general amnesty. The Legislature of this State was one of the first to pass resolutions in favor of this wise clemency.

Toward the close of your last session a civil rights bill was passed, which soon after the adjournment received my signature and became law. So far as State legislation can protect the rights of all citizens, irrespective of race, color and previous condition, all has been done that can be done. It remains now for the courts to enforce the law, and for the executive department to sustain the courts. I may safely say that the Executive will do his whole duty in the premises.

CONCLUSION.

Several subjects requiring legislation in the public interest, not referred to in this message, will be laid before you in communications I may hereafter have to make to the General Assembly. In conclusion, permit me to say, that each member of your body has a golden opportunity to make a record that will secure the commendation of all good citizens. Upon your action will depend, in great measure, the future success of the State government and of the Republican party.

If, by your votes and influence, you sustain whatever will promote the public welfare, you will secure the respect of all good citizens, and earn the gratitude, not only of your party, but of the entire State.

WILLIAM P. KELLOGG, Governor.

