GOVERNOR KRASCHEL’S MESSAGE

MR. PRESIDENT, MR. SPEAKER, MEMBERS OF THE FORTY-EIGHTH GENERAL ASSEMBLY:

I congratulate you upon being chosen to discharge the 1939 legislative duties of our Iowa state government. The functions of state government are the most important in a democracy. The United States of America, an association of the states, is no stronger than the states themselves.

The Iowa constitution wisely provides that the people shall choose a general assembly every two years for the purpose of making such changes in the laws of the state as may be necessary. State government is an ever changing set of statutes that requires careful attention, if the best results from the democratic form of government are to be obtained.

The laws of Iowa require the retiring governor to report on the condition of the state, and to make such recommendations as he deems proper. Down through the years these messages of retiring governors have provided much valuable information. They have been based upon their experience. I am mindful that you are more interested in the inaugural address of the incoming governor than you are in my remarks. Governor-elect Wilson’s party is in complete control of both branches of your legislature; and his proposals to you will bear great weight. The public having already decided as between the campaign pledges and proposals made by Governor-elect Wilson and myself, my remarks will be confined to factual information developed during my incumbency which I trust may be of value to you in your deliberations.

My active connection with state government includes four years as lieutenant governor from 1933 to 1937 and two years as governor from 1937 to 1939. 1933 was an important year in Iowa government, because it marked a complete change in the trend of legislation, due to the unprecedented depression of 1932. Emergency measures were required to save the businesses and earnings of our people. Much new legislation was enacted during the ensuing four-year period; therefore, I cannot report accurately without some reference to that period, because it exerted tremendous influence upon the two years I have served as governor. During those four years, there was but little difference of opinion between political parties and elected officials as to the need and direction of legislation. The citizens of the state and their duly elected representatives displayed unusual harmony and courage in the solution of their problems. During my incumbency as governor, there developed more differences of opinion which culminated in a change in state government. I view these facts dispassionately, because I do not consider it vitally important who possesses governmental authority so long as the public will is respected, and the welfare of two and a half million souls adequately protected.

EMERGENCY RELIEF

In the field of emergency relief, Iowa has made remarkable gains. I have been a member of the Iowa Emergency Relief Committee since 1933 and have personally observed the changes in policies necessary to meet the ever changing need. The keystone of the present policy is that state aid for relief should be granted on the basis of need and need only. Where real need exists, red tape should be eliminated, and relief granted promptly, but under no circumstances should it be granted where a satisfactory showing of need cannot be made. Such a policy is satisfactory to the relief clients and pleasing to the taxpayer who provides the money. The second most important policy now in effect is recognition of the rightful authority of local officials to select their own employees in the local relief offices. The only restriction to that policy is the state’s insistence that employees be qualified for the work to be done. During the past twelve months, we have reduced the personnel in the state office from 119 to 71 with a saving per month of $4,500. A contemplated change now under consideration would result in additional savings of $2,000 per month representing payments to county administrators and an additional reduction of some thirty of the personnel in the state office. This proposal also involves the payment to local authorities of a lump sum and the auditing of their expenditures by the state rather than the payment of all certified claims through the state office. These reforms have been tested in Polk County during the last year and have resulted in a saving of $50,000 a month in relief costs.

Unfortunately, many counties, particularly in the industrial centers and coal mining regions, will require emergency relief for some time to come, but the unusual opportunities in Iowa for people to earn their own living are being asserted increasingly, and relief costs in Iowa should continue to decrease.

We have had three legislative appropriations for emergency relief, one for the year 1934 in the amount of $3,000,000, one for the years ’35 and ’36 of $4,000,000 each, and one for the years ’37 and ’38 of $2,000,000 each.

On January first, of this year, there remained a treasury balance of $2,233,000 for relief; so if the remaining six months of this biennium require no more than the average of the past two years, there will be approximately a million dollars to turn back to the general fund on July first, 1939.

CONDITION OF THE TREASURY

On January first, 1933, the Iowa treasury contained $472,000 in available cash. The public sinking fund was $22,000,000 in the red. Four years later, on January first, 1937, when I assumed the duties of governor, the treasury balance was $4,590,000, with $900,000 of obligations outstanding, while on January first of this year, the comparable treasury balance was $9,560,000. There are about $3,000,000 in outstanding obligations, which leaves a net balance of approximately $6,000,000 in the form of available cash in solvent banks. The state sinking fund will by April 1, 1940, have paid all its obligations representing public deposits in closed banks. Unemployment compensation funds in the amount of $11,508,000 are available for benefit payments. This improved financial condition of state affairs is due primarily to three factors: First, rigid economy in the operation of all departments of government; second, a complete revision of the taxing methods which added the sales and income taxes; and third, the ability of citizens to pay taxes because of improved business conditions. The sales and income tax laws were in effect when I assumed office as governor in 1937, but during my administration, the allocation of receipts from these sources was changed—first to meet the cost of relief, two million dollars a year has been set aside, secondly, five and one-half million dollars has been provided for the payment of old age pensions, which, when matched by federal funds, has enabled us to pay to all needy aged persons the amount which it was intended they should receive under the Iowa Old Age Assistance Act, and, thirdly, the remaining balance amounting to $12,000,000 has been applied in refunds on property taxes of home owners who qualify under the Iowa homestead tax preference law.

On January first, 1937, 29,900 persons were receiving old age assistance checks. During the past two years, this number has been increased to more than 50,000, and the average monthly pension check increased to more than $19.00. The sound financing of Iowa’s Old Age Assistance Act and the enactment of the homestead tax preference law have placed Iowa ahead of all other states in the protection of its aged and the encouragment of home ownership.

Take note that with the exception of money spent for relief, old age pensions, and conservation, every dollar of new taxes, including liquor profits, excepting the beer tax, are actual property replacement taxes, either by application upon homestead taxes or by being turned into the general state fund, thereby making possible, a corresponding reduction in the property levy for state purposes. The beer tax has been paid into the sinking fund. The finances of the state, while appearing to be complicated to those who have not given this subject study, are comparatively simple. Revenues that are not specifically ear marked by the legislature for certain purposes are sufficient to meet all obligations. Iowa’s budget is not only in complete balance, but there is a substantial surplus.

In six years we have made notable progress. We have emerged from the devastating effects of the depression which closed nearly one-half of our banks and established an all-time low for farm prices. From financial ruin and despondency we have, in six years, in spite of two near crop failures, emerged solvent and hopeful. We are the envy of most states, and it is now appropriate that we face the future with confidence.

For a while, we were stunned and discouraged, and only the aid of the federal government gave us courage to go forward. Federal aid for direct relief, payment of one-half of our old age pension costs, W.P.A. funds for work relief, P.W.A. grants for public building investments, together with lower interest rates on federal loans on farms and homes, and finally, the farm program with its corn and wheat loans and millions of dollars in benefit payments, resulting in a higher price level for farm products, were given us by a strong centralized and sympathetic federal government. No other government in the world is so genuinely concerned about the welfare of the citizens in the respective states as is the United States of America. No other kind of government is acceptable to the people of America.

The advantages of our budget and financial control act are well known to every student of government. This law went into effect July 1, 1933. During the ensuing fiscal year, it was necessary to stamp in excess of $17,000,000 of warrants for want of funds, more than five million of which were primary road requirements which included bond retirement. Since that time we have had an effective pre-audit that has enabled the governor, through the comptroller, to have complete control of the state’s expenditures. This year’s property levy for state purposes is two mills, or a full reduction of $3,000,000, under 1937. We have repealed the fifty cent head tax, the three dollar road poll tax, and the two dollar head tax for old age assistance. It is the opinion of the comptroller’s office that all departments should be fully supported by a direct appropriation made by the legislature, and that all fees, licenses, profits and miscellaneous taxes, even from the departments themselves, should pass directly into the general funds of the state.

BANKING

On September 28, 1938, Iowa had 543 state banking institutions with total deposits of $378,000,000. During the two years of my administration, we have had but four bank failures. Two were insured by the Federal Deposit Insurance Corporation; hence, depositors were promptly paid one hundred per cent of their deposits and the liquidation of the other two banks promises complete repayment of the amount of deposits. Of the 513 state banking institutions that went into receivership during the depression years, all have been liquidated, and the receivers discharged, excepting ninety-six. There have been 135 of these receiverships closed during the past two years. There are also 142 small loan companies and 208 credit unions operating within Iowa under the jurisdiction of the banking department. The banks of Iowa have never been in a sounder condition, and the majority of the deposits are guaranteed by the Federal Deposit Insurance Corporation. We are indebted to our bankers of Iowa for making Iowa the only state where demand deposits of public funds are producing revenue for the state.

STATE INSTITUTIONS AND CAPITOL IMPROVEMENT

I should point out that the economy program since 1933 has not only delayed necessary capitol improvements, but in the case of the Board of Control and the Board of Education has reduced appropriations to the point where their operations are seriously affected. We have all recognized the necessity of undertaking a program of construction that would modernize and make fireproof the hospital facilities in our state institutions, the office facilities here at the State Capitol, and insure certain necessary improvements at Iowa State University, Iowa State College, and Iowa State Teachers’ College. To neglect this program is to invite an unnecessary disaster.

My recommendations to the Forty-seventh General Assembly included an increased budget for the care of our unfortunates in our insane hospitals and juvenile homes. It was my opinion then that our hospitals should be institutions designed for the cure of all curable patients and that the custodial care for those who are incurable should be improved. In order to accomplish these objectives it will be necessary for the state to maintain a highly competent medical staff, well trained nurses and attendants.

The present salaries paid in our insane institutions are a disgrace to our state. Attendants receive from $32.00 to $45.00 per month; registered nurses receive from $60.00 to $70.00 per month, and doctors receive from $125.00 to $208.00 per month No other person is paid more than the salaries I have quoted, excepting the Superintendents of each institution, and their salaries are wholly inadequate compensation for the services we expect. It must be remembered that these people are engaged in the most disagreeable work that comes within the scope of their profession and their hours of labor each day are much longer than the hours of any other work day in the state.

The Forty-seventh General Assembly failed to adopt my recommendations, so upon the adjournment of the session, I caused a survey of these institutions to be made by the American Mental Hygiene Association. I also asked the Department of Health and State Planning Board to make independent surveys. The Iowa Federation of Women’s Clubs made this subject a major program for the year 1938, and they cooperated with these agencies in making the surveys. All of these reports sustain the contention that Iowa has failed to maintain the high standard of efficiency necessary to meet the requirements of modern hospitalization.

In the case of our educational institutions of higher learning, we have for years rightfully boasted of their being the best in the land, and it is far cheaper to maintain that high standard of excellence than to permit the institutions to deteriorate and at some future date pay the cost of rebuilding them. During this period of economy, our institutions have lost many valuable faculty members because of higher salaries paid elsewhere. We cannot expect leaders in the field of education to spend their lives in an institution, even though it be an Iowa institution, at salaries below what they can command elsewhere.

It is cheaper to retain good faculty members than it is to out bid other institutions for them. The only attraction for qualified instructors, excepting salary, is the desire to be identified with a growing, expanding institution with a high rating; hence, it truthfully can be said that it is sound economy to maintain our high rating and pay the present-day costs.

Approximately, twenty-five thousand Iowa boys and girls graduate from our high schools each year, and it is our duty to provide advanced educational facilities for most of them; therefore, the time has definitely arrived for our state to reverse its trend of destructive and false economy in the maintenance of those two important groups of state owned institutions. We have not only failed to make progress, but we are failing to maintain our former standards. Reasonable budget increases for the maintenance of these institutions will probably require an increase in the levy for state purposes, but it can be accomplished without new forms of revenue or disrupting the present taxing structure.

In fact, if this legislature is willing to take the responsibility of putting the property levy for state purposes back where it was in the first year of my administration, it will make available a total of $4,000,000 a year above present expenditures without requiring the levying of any new taxes. The $4,000,000 total will be made up of the $3,000,000 reduction in the state property levy and the million dollars to be returned from relief surplus July 1, 1939, and of the beer tax of $1,200,000 after April first, 1940, when all claims against the sinking fund have been paid. I should like to see the time come when it is unnecessary to make a property levy for state purposes at all. But if the necessary increases in the budget and the building program be inaugurated now, the state levy must be increased or some new forms of revenue created. It is not my privilege or desire to make specific recommendations as to expenditures, but I merely point out that if, in your judgment, these expenditures are desirable, they can be financed within the present taxing structure without increasing the property levy for state purposes above what it was at the beginning of my administration.

HIGHWAY COMMISSION AND ROAD BUILDING

The largest spending body in Iowa state government is its Highway Commission. For many years, Iowa’s road program lagged behind national progress. Then the legislature set up the present system and provided fixed revenues from the gasoline tax and the motor vehicle fees. It has enabled us to match all federal funds available for road construction, and during the period of its operation Iowa has made the most remarkable progress of any state in the Union. The long continuity of its competent management is the principal reason. Within the year, our chief engineer, Mr. F. R. White, was awarded the highest honor to road builders of the nation. Roads have a local interest in every community, and our system of a commissioner from each twenty counties enables them to be in personal contact with each community. Therefore, our people are better informed about this department of state government than any other. When the state bond issue was declared illegal, a system of cooperation with the counties was worked out whereby primary road funds were used to pay interest on and retire bonds issued by the counties, which resulted in the counties lending their credit to the state for road building purposes. The certainty of primary road receipts and the careful management have made county primary road bonds among the best investments of the nation. They are today enjoying an interest rate of 21/2%. Practically all the counties of the state have generously used their credit in this manner and there is now outstanding $80,000,000 of these bonds, all of which will be retired in eleven more years. Within that period, we will complete all of our primary construction requirements, save only the improvements and expansion that changing conditions will demand.

The most pressing need for road construction is found in the field of secondary roads or farm-to-market roads. This type of construction need not be as expensive as the primary system, but the large mileage involved makes it a major state problem. Our satisfactory experience with the primary road system should prompt us to set up similar control over farm-to-market road construction and to provide a permanent source of revenue for its completion. This problem never will be solved until we meet it frankly and deal with it as a major long time program requiring proper financing.

Among my recommendations to the Forty-seventh General Assembly was a plan for secondary road construction and the financing thereof. It was approved by the Federal Bureau of Roads, but the adoption of that and all substitute plans failed, so upon the adjournment of the session, I delegated the question to the State Planning Board. They have made a comprehensive survey of this question, and their report is ready for your consideration. There is approximately $1,350,000 of federal funds available to Iowa for this purpose, but it will be necessary to take action to match these funds on or before July first, of this year.

The controversy that has developed over this subject causes me to present herewith my personal views. It is my opinion that the cost of any expansion in our surfaced road program beyond the primary system should be borne by those who use our highways, and the cost should be evenly distributed in proportion to the use made of them and special notice be taken of those who use the roads for profit.

The railroads’ loss of freight business is responsible for the abandonment of railroad lines and the constant reduction of taxable value of the railroads. This condition results in a reduction of tax receipts of the various counties. The financing of all-weather roads in those counties for local purposes and to supplement the primary system is certainly a responsibility of those interests that have profited by the loss of railroad business. Every industry opposes tax increases, but if the truck taxing laws are revamped in a manner to provide the revenues necessary for this program, the benefits from more all-weather roads accruing to every truck owner will more than compensate for any increased tax. The unfair distribution of truck taxes requires a revision of the law even though there is no attempt to increase the revenue. The per ton mile tax now levied against certificated carriers is so much greater than the tax levied against contract carriers that there is a persistent attempt to evade the per ton mile tax. Thousands of Iowa trucks are registered in adjoining states for the purpose of evading our jurisdiction and taxation. It must naturally follow that an equitable readjustment of truck taxes would greatly increase our revenues, by bringing all Iowa owned trucks within our registration regulation. Iowa has invested $360,000,000 in its present primary system which is being used by Iowa owned and profit producing foreign freight carriers. The tax paid for this privilege is proportionately less than the tax paid by the passenger automobile. I can reach no other conclusion than to recommend that the business interests that use our highways for profit should, in great part, finance any new program of expansion beyond the primary system itself.

Iowa properly has refrained from diverting gasoline tax, motor license fees and taxes to any other purpose than road building. Many states have used these sources of income for relief, old age pensions, and other general expenditures. It seems to me that so long as such revenues are used exclusively for the expansion of our present system, and if these revenues are fairly collected from all of the road users, that the users can well afford to pay the total cost of the program.

I am of the opinion and recommend that the primary road funds should, under no circumstances, be diverted in whole or in part to any other purpose than the completion of the primary system, its maintenance, and the payment of all outstanding bonds and interests to which these funds are pledged. As early as 1931, The Honorable Dan W. Turner, Governor-elect of Iowa, in his message to the legislature, stressed this point. Governor Herring took the same position. Every chief executive, in the light of experience, has come to appreciate and protect the permanent and soundly financed programs of government.

SAFETY OF HIGHWAYS

Safety on Iowa highways is an increasing problem which has caused the public to sponsor and organize an educational program of safety. The state is assisting in this educational program by providing the highway patrol and eliminating as many hazards in the construction of highways as possible. 1938 produced tangible results by reducing the death toll by 87 under that of 1937, but this record can be improved upon. We have this month entered into a contract for protecting three hundred of the seven hundred railroad crossings on primary roads with electric signal protection devices, which afford the best protection, other than the more expensive underpass and overhead crossings. To await construction of overhead and underpass crossings would delay any form of protection at some points for many years.

Fifty-six people were killed on Iowa grade crossings in 1938.

In our zeal to surface mileage, we have frequently built our highways too narrow. In our search for a cheaper construction on what we often term the secondary primary roads or less used connections between main highways, we have inaugurated the more general use of bituminous construction at a considerable saving over cement construction. Bituminous roads, in all cases, are built twenty-two feet wide, which is two to four feet wider than our cement roads. We have also developed an eighteen foot type of concrete paving, which in some cases can meet the competition of the 22 ft. bituminous construction, and we are buying it today at from eight to ten thousand dollars a mile less than we paid a few years ago for standard cement roads of twenty foot width.

This highway safety program, showing tangible results, now should be aided by you and maintained in its non-partisan character, so that the growing problems arising from increased travel on roads may be solved.

THE IOWA LIQUOR CONTROL COMMISSION

During my incumbency as Governor, the liquor monopoly has presented no problems of state. The wisdom of the legislation has proven sound. Temperance is being promoted. Its non-partisan operation has proven successful and efficient, and it is free from criticism by both political parties. The liquor products sold within our borders are of the highest quality, the sale prices are the lowest of any in a like field, and the profits have been greater in proportion to the sales than in any of the other monopoly states. These profits have contributed materially to the present condition of your state treasury.

CONSERVATION

The field of conservation commands more local interest than any other department of state government, excepting those necessary services which have been in operation for many years. In six short years, conservation has moved from comparative obscurity to major importance. The federal government by providing C. C. C. camps and W. P. A. projects has enabled us to make remarkable gains. The number of state owned parks has increased from 42 containing 8200 acres in 1933, to 75 containing 20,000 acres in 1938. Eighteen artificial lakes have been constructed which afford splendid recreational facilities. Most of our streams are being protected from pollution by the installation of sewage disposal plants in the larger cities, and a gigantic sewage protection system is being installed at Spirit and Okoboji Lakes.

In 1935, the legislature inaugurated a plan of appropriating $250,000 a year additional for sponsoring these federal activities and as a supplement to the Conservation Commission’s activities generally. From this fund has been purchased the land necessary to insure camps for federal reforestation projects and park development. It has supported a large state nursery at Iowa State College, and during the last two years has provided the funds for sponsoring a liming program in the more eroded areas of the state. Expenditures for the construction of new lakes cannot be justified if we are to sit idly by and permit them, and our natural lakes to fill up with silt. In many cases, six to twelve feet of silt have been deposited in our lakes because of erosion on their water shed. The restoration of such lakes involves the removal of the silt, which can only be accomplished by an expensive dredging program and the protection of the water shed area from erosion. The planting of trees and the seeding of grass are all included in today’s conservation plans. In the near future, I predict that the state conservation department, with the assistance of the federal soil conservation program, will be an extremely important factor in the preserving and increasing fertility of soil in private ownership. Clear water streams and lakes for fish habitation, and luxuriant growth of grass and bird cover for wild life, can only be had by a wise soil use program. We cannot maintain recreational resources in Iowa on publicly owned land without the cooperation of the private land owners. This is a field of inquiry worthy of your effort and study.

Conservation and education are essential in the training of our youth. Wholesome sports go hand in hand with spiritual and mental education. All of the youths’ organizations of the state require these state services, and the state requires well trained youths if the state is to prosper. Iowa’s 4-H Clubs, the largest of all youth organizations in the state, is an outstanding example of the importance of proper training. Iowa’s great State Fair is great because of the 4-H Club activities, and I should like to recommend to your consideration that the state, when considering capitol improvements, make provision for a proper fireproof 4-H Club dormitory, kitchen, and dining room on the State Fair grounds.

It is to be remembered that it was the Iowa State Fair Board that carried out the direction of the Forty-seventh General Assembly to sponsor a territorial centennial this year. Throughout the years, the Iowa State Fair has been well managed and it stands out today as the greatest annual agricultural fair in America. Permanent improvement on the fair grounds for such worthy purposes as 4-H Club development is a sound investment for the state to make.

LABOR

Iowa has in former years been fortunate in avoiding disputes between employer and employee. The progress of industry within the state brings with it the problem of labor relations which we must meet. Legislation should be enacted that will provide an equitable basis for settling disputes without loss of time occasioned by the delay of courts, strikes or lockouts. These methods belong to the past.

REORGANIZATION

Governmental reorganization is a continuing program. Added duties of government and changes in the service rendered make it necessary to overhaul the machinery of government from time to time if we are to maintain efficiency and economy. The most effective opposition to proposed changes of this nature comes from those who engage partisan politics, and from the pressure of job holders. You of the Forty-eighth General Assembly are clothed with sufficient power to overcome this opposition. The party in power possesses a working majority in both branches of the legislature that is in harmony with the executive department, and since governmental organization is part of your program, I wish to suggest for your consideration certain changes which my experience has proved to be feasible.

Beginning with the governor’s office, I would like to suggest a four year term for the governor and sufficient increase in his appropriation to enable the employment of a staff sufficient to maintain a close contact with each and every department of government. The governor is held responsible for all departments under his appointive control, but since his appointees to each of these boards constitute a minority in a single term, it is highly important that he be enabled to develop a supervision within his own office over the activities of all these departments. The burdens of the governor’s office have increased in recent years to such a point that it is physically impossible for him to meet the demands upon his time without delegating part of them, and such delegations should be to his trusted personal appointees.

Each incoming governor has certain obligations to redeem. Integrity in government begins with keeping campaign promises. This fact does not present a problem to the incoming administration, because the governor and a majority of both branches of the legislature belong to the same political party, but when there is a lack of political unity, it is difficult for a governor to follow his mandate as to promises made; hence, the advisability of a four year term for governor and two legislative sessions during his term of office. I also hold to the belief that if the sessions of the legislature could be held at the end of the first and third year of a governor’s term, a more orderly procedure would be developed. He would have an opportunity under this plan to test and prepare carefully proposed legislation and to avoid the confusion of making appointments during his first and only session of the legislature as is now the case.

Since the activities of various state departments are definitely a part of a governor’s administration, I hold to the belief that he should be permitted to appoint each of the elected state officials and that those appointees should constitute his cabinet. A governor is held responsible by public opinion for the success of these departments over which he has no control. I am of the opinion that such a plan would remove many conflicting personalities from our campaigns and shorten the ballot, thereby permitting the electorate to decide clearly as between the governmental proposals of the respective parties as expressed through a responsible and authoritative head. As a retiring governor, I can also, with good grace, propose that a suitable home supported by the state should be provided for the governor.

I am sure that you will agree with me on the advisability of increasing the salaries of legislators. It is the experience of every former legislator that their salaries are barely sufficient to pay their necessary expenses while attending the sessions. Many members are required to employ someone to do their work at home while attending the session, and, if you add to this the expense and time of a political campaign, I am sure that it cannot be disputed that every legislator renders his service to the state without pay. Certainly, Iowa is able to pay a fair compensation to the men and women who are willing to neglect their business and give of their time to this important state function.

The objective of political campaigns is to afford the people an opportunity to be informed on the respective issues, proposals, and policies of the major parties and candidates. I would, therefore, like to suggest for your consideration a change in our election laws authorizing the state to pay certified publicity claims for major parties in state-wide campaigns up to a limit which, in your judgment, would be sufficient to thoroughly inform the people about the issues involved. If such legislation were enacted, it would then be proper to outlaw the collection, solicitation or payment of campaign funds from individuals or corporations under penalty of a penitentiary sentence. This method would make available in an ethical manner the information that the public wants, and, at the same time, protect them against the unethical use of campaign funds, which is invited under our present system.

COUNTY OFFICES

State government with its expanding services to every community should be more closely studied by all citizens. Too often the local campaign of county officers commands the major interest of voters, and the state ticket with the important policies of state government involved are given but secondary consideration. There are some counties in the state of Iowa that are certain to deliver a majority to the state candidates of a certain party, regardless of what they stand for or regardless of what they may say.

I, therefore, solicit your consideration of a plan to elect county officials without regard to party label. Our improved facilities of travel permit wider acquaintanceship among neighbors and most county candidates are known personally to every voter. They should be judged by their ability to serve, rather than by party affiliation. If that plan be adopted, it would permit the voters of every community an opportunity to study the issues of the state campaign without influence by the local election. The reorganization in state government leads to efficiency—better control and more orderly procedure. The saving in tax dollars is negligible. The real saving in tax dollars by governmental reorganization will come in the reorganization of county government, but reorganization of county government will never be accomplished in Iowa until it ceases to be a matter of concern to the political parties. Therefore, the two principal benefits from the election of county officers without a party label are to permit a more careful consideration of state government by the electorate and the opening of the way for reorganization in county government.

BI-PARTISAN JUDICIARY

It is undisputed that the operation of a bi-partisan judiciary is the enlightened method of selecting judges. Our courts ought not to be subservient to the will or dependent upon the success of any party. To the end that this plan may become the law of this state, I urge you to investigate and consider the question of a bi-partisan judiciary in Iowa.

PLANNING BOARD

For some years, we have maintained an Iowa State Planning Board, the costs of which, prior to 1937, were borne by the federal government. The National Resources Board of the federal government deemed it advisable for each state to maintain such a research and fact-finding body, and, until July 1, 1937, it paid all the costs of maintaining such a board in all of the states.

The Forty-seventh General Assembly created the Iowa State Planning Board, and, inasmuch as the federal government was at that time providing the funds appropriated, no state funds were set up for its use. On July 1, 1937, the federal government withdrew its funds, insofar as the personnel of the Board itself was concerned. The federal government is, however, still allocating W. P. A. employment for that purpose. Beginning with July 1, I have allocated conservation funds sufficient to continue the important work of the State Planning Board up to and including February 1, of this year. This non-partisan, fact-finding body has rendered the state a valuable service, and, up to the present time, no better system of state planning has been devised. Its survey on farm tenancy, farm-to-market roads, truck regulation, truck taxes, teachers’ annuity, soil conservation, and Iowa industries will be made available to you during this session.

It is in possession of much valuable data, all of which is available to interested parties at all times. If the service of this organization is to continue, it will be necessary for this legislature to provide the necessary finances.

I have assigned many legislative proposals to the State Planning Board for study. Affirmative legislation is desirable on all of these subjects. In addition to the subjects assigned to the Planning Board, there should be added “aid to dependent children”, which is an important question that deserves immediate attention. I have refrained from expressing my personal views on these subjects that are being studied by the Planning Board with the exception of the financing of farm-to-market roads.

Among the questions assigned to the State Planning Board is farm tenancy, a report on which is before you now. I wish to urge early and careful consideration on this subject. There is no problem before the state of Iowa that is more alarming than the rapid growth of farm tenancy. I shall not inject my personal views into this question to the point of making specific recommendations other than to say that a uniform relationship between owner and tenant that will tend to lengthen the term of leases and protect the interests of both parties is desirable. Comfortable home life is the greatest asset of farm life, and home life cannot be accomplished by tenant farmers who are constantly on the move. Land owners are not inclined to make the necessary investment in home facilities unless they are assured of more permanent occupancy by the tenant. This question has been given special attention by a farm tenancy committee that has reached into every county of the state, and I respectfully urge this session of the legislature to take some constructive action, looking toward the solution of the problem.

CONCLUSION

In the last analysis, all problems of business and government are social problems. They involve questions of human relations. The normal, human desires, ambitions, and impulses of each individual in America, multiplied by 130,000,000, is our governmental problem. The ever-changing, ever-increasing complexity of these human tendencies have caused us, in recent years, to establish the old age pension system, social security, and public assistance programs upon a nation-wide scale. They are intended to guarantee social and economic equality. These services have become established, proved, and justified in the minds of our citizens as part of our governmental duty. We cannot and should not turn back. These programs are the obligation of society, and, since government is only the instrument of organized society, government is the means of making effective these new services. The recognition of these new obligations, in addition to giving service to those who are in need, brings us nearer to the fulfillment of the Christian obligation we owe to our neighbor.

The people of Iowa are extremely fortunate, because we live in a state of unlimited resources. These resources are evenly distributed throughout the state, and we have an evenly distributed population of sturdy, dependable stock. During the short ninety-two years of our existence, our governmental problems have been comparatively simple, and they will continue to be less complicated than are the problems of our sister states. The intent of this message is to cut through the temporary, confusing problems of today and deal with the more fundamental problems of state government. It is designed to help protect our people in their independence; to assist in protecting their business and business opportunities; to aid in conserving the vast natural resources of the state, and to urge retention of state goverment control in the hands of our people so that it can be operated as a practical business and social agency and not fall under the domination of selfish interests or persons.

It is not sufficient for us to maintain and enjoy a democracy for today only. It must be safeguarded and improved and made ready for expansion when the demand arises; it must be made something that the people will prize as a vital part of their life and as the hope of the future; something that they will not turn from in a crisis, as they have done in foreign countries. Democracy must live here. It must live abroad. It will live so long as it protects the people in their liberties and we must remember that means preventing any class of citizens from imposing upon their weaker or less fortunate neighbors.