

MESSAGE

OF

WARREN GARST

GOVERNOR OF THE STATE OF IOWA

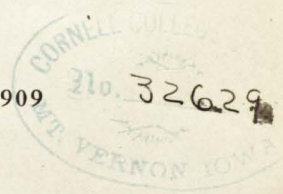
TO THE

Thirty-third General Assembly

JANUARY, 1909

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BIENNIAL MESSAGE OF THE GOVERNOR

To the Senate and House of Representatives of the Thirty-third General Assembly:

I congratulate you on the favorable conditions under which you assemble. Peace and tranquility in both state and national life bring about a condition encouraging to the best possible work on the part of a legislative body. Our State is particularly fortunate in the fertility of her soil and the abundance of crops, in the health and strength of the people and their enjoyment of all those blessings which come to an industrious and progressive people. Your labors will not be disturbed by contentions that might thwart the purpose for which you are assembled.

A somewhat prolonged experience in public life leads me to the conclusion that our state has been liberal in support of her institutions in a degree unexcelled by other states, and has yet sustained a conservatism which insists upon the expenditure of every dollar so there could be no rational ground for criticism. Meeting, as you do, under such favorable auspices, I have an abiding faith that you will continue this liberal conservatism in regard to all the matters that come before you.

The financial transactions of the State are shown in the printed reports of the State Treasurer and Auditor of State. These reports will show that the actual receipts of the state for the fiscal period ended June 30th last amounted to \$7,247,078, of which \$4,054,876 was derived from the state levy. The Treasurer reports a balance on hand of \$644,189. I am convinced that the accounts and funds of our state are admirably kept and that warrants have been drawn and money paid out strictly in accordance with the appropriations made. Our state is free of debt, taxation is not burdensome, we pay our way as we go, and our credit has been maintained, and thanks to the high character of those who have administered the affairs of the state, we are facing no vexatious problems in regard to finance.

The estimated receipts of the State, as computed by the State Auditor, for details of which I refer you to his report, will be for the biennial period ending June 30, 1911, about \$7,605,500. By

off-setting this with the regular continuing appropriations and all appropriations made and not yet expended, he estimates that you will have available for extraordinary appropriations about \$1,500,000. Further on in what I have to say to you, I shall make recommendations that will materially increase the revenues of the state, and if you adopt these measures you will be entitled to take into account, in making up your appropriations, these additional revenues.

GENERAL AFFAIRS OF THE STATE.

The affairs of the State can only be reviewed in general terms, and I shall not enter into details of the many things done in which we all take just pride; but I may at least point out clearly the direction of our progress as a help to you in meeting your immediate responsibility.

The Nation is passing through an era of change leading onward and upward to higher ideals in law and the administration of government, and to a better and sounder basis for the conduct of business. There has been an awakening to a sense of personal responsibility such as to sanction that which seems to some persons to be almost revolutionary; but that the people applaud the steps taken and a great majority have recently approved a program of further development of the best ideals, indicates they are sincere, earnest and firm in their demand that all the activities of our private and public life shall be made to harmonize with the eternal principles of right and justice.

An unbiased survey of the history of our beloved State shows that within the scope of our rights and the limits of our authority we have been meeting this demand of the people for the better things. You are to be congratulated, at least to this extent, that at a time when in some states and in the nation as a unit, men are still struggling for a right beginning, here in Iowa our contentions are all of the past and we have entered peacefully upon the agreeable task of making secure and permanent the advance which has been gained.

The perfection of our election system so as to give every voter the direct and independent participation in government contemplated by the founders of the republic was undertaken long ago. The polling places were cleared of the petty vote buyers and the voter was required to hide himself as he performed the most sacred duty of citizenship; but all this was insufficient so long as the selection of candidates was left to chance or the machinations of the

few. The principle of legal regulation of party nominations was adopted to firmly establish the right of free choice of the representatives and servants of the people. As a still further protection from some of the grosser agencies for political evil, the political pass was banished and direct corporation activity in politics was forbidden under severe penalties, and finally requirement was made for publicity of campaign expenditures. Iowa has gone far in the direction of guaranteeing a perfectly clean political system.

But regeneration of political methods has been only a part. There has been honest effort, with what success may well be left to the future, to improve all our laws, and especially those which touch our business and industrial life. This has led to modifying and strengthening the laws with reference to corporations, railroads, drainage, transportation, banking, highways, insurance and kindred matters; preservation of the public health as by requiring pure food, safety appliances, limiting hours of labor and regulating child labor; acceptance of a code that all experience has shown to be the best adapted to reformation of evil-doers; encouragement of agricultural and industrial education and support of fairs and expositions; adapting school laws to modern needs; aid has been given the poor victims of drug and liquor habits and a retreat has been provided for consumptives; and the too long delayed publication of a roster of Iowa soldiers has been commenced.

REBUILDING OUR INSTITUTIONS.

While these things were being done there has been no neglect of the imperative duty of virtually rebuilding our state institutions—educational, charitable and reformatory. Iowa has today fifteen institutions under the Board of Control that will compare favorably in equipment and management with those of any community of similar population in the world. At the three state educational institutions there has been laid at least the foundation for enduring greatness. At these eighteen institutions there is being expended annually for support about \$1,900,000. More than 6,500 young people are receiving instruction at the educational institutions and more than 8,500 persons are cared for at the other institutions. It is immensely to the credit of our people that they have authorized this expenditure and a matter of congratulation that the disbursement of this large sum is so wisely made that all criticism is disarmed.

It is proper to digress here and to state that which is more or less familiar to all of us that these institutions are of comparatively

recent development. The state of Iowa is now sixty-two years old. The territory passed over to the state a small structure used as a capitol and a cell house for a prison. The eighteen great institutions have been built by the State. In the first fifty years of statehood there was expended for permanent improvements on these institutions less than six million dollars; in the twelve years last past the expenditures aggregated more than nine million dollars—or, in other words, our state has invested 50 per cent more in twelve years than it did in its first half century. There is being invested now in land, buildings and equipment an annual average of about \$800,000—at least a part of which represents unwise investments of the past.

I submit that it is immensely to the credit of the State that provision has been made for these great institutions so necessary to the proper development of our life, and that we are building permanently and making investments that will continue for all time, returning to us annual dividends in the form of better citizenship.

STATE CAPITOL IMPROVEMENT.

I feel that you and all the people of the State ought to be deeply interested in the matter of providing a suitable setting for our magnificent State Capitol. It stands today a monument to the good judgment of those who planned it and provided for its creation, and to the faithfulness and integrity of the self-sacrificing men who devoted the best of their lives to its building. Iowa can never pay its debt to Finkbine, Dey, Foote, Wright, Foreman and others of the Capitol Commission. They did their full duty; and partly in their honor and partly that we may complete what they so well begun, it seems to me there is an obligation upon this generation that we make the surroundings and approach to this great structure comport with its dignity and architectural beauty. We have provided in part for the interior decoration; we have neglected the exterior and environment. I would recommend, therefore, a commission authorized to purchase land adjacent to the capitol grounds, with the right of condemnation where necessary, and with funds sufficient to secure such land as may be deemed necessary to provide a beautiful boulevard of approach and surroundings. An appropriation of \$150,000 would probably suffice.

In making this recommendation I realize that there are those among you who may feel I have gone far out of my way; but I would call your attention to the fact that a very large part of the total cost of the present Capitol represents ornamentation. We

ought to make the building and its surroundings beautiful. We ought to make the whole an object of pride to all our people, something that will be an inspiration to better citizenship and that will give Iowa higher standing in the family of states. I feel so deeply upon this question, I am loath to leave it for the more practical matters, but I have full faith that after mature consideration you will see your way clear to provide for this commission.

AGRICULTURAL AND MILITARY HALL.

In this connection I would suggest that we might well recognize at this time that our Capitol is not a sufficient workshop for all those who labor in the service of the state. It was not possible for those who planned the state house to understand how much work would be done by the officials and employees of the state. We should therefore take at least a first step looking to the erection of an agricultural, industrial and military hall. This might properly be similar in design to the historical hall and library. There should be ample offices for the Department of Agriculture, with its allied bureaus dealing with dairying, horticulture, stock breeding, veterinary, pure food and crop service; the Commissioner of Labor, Mine Inspectors and Geological Survey; the Board of Health, Dental Board and Pharmacy Board; the headquarters of the Iowa National Guard and a commodious armory. There should be a hall suitable for a drill room, for examination classes, and for public meetings. It is no exaggeration to state that more than half the business of the state is now done in offices wholly inadequate and that were originally intended only for storage rooms. Already the state has started the policy of surrounding the capitol with small office buildings, a policy which can best be avoided by planning now for one commodious building such as I have suggested. At least the site should be secured and plans be adopted so that the work may be done as soon as convenient.

SCHOOL LAWS AND EDUCATION.

A commission was appointed under authority of the Thirty-second General Assembly to investigate and report to you upon the need of changes in the school laws, and I believe that the report which will be laid before you will show that the commission has devoted itself industriously and thoughtfully to the task, so that great good will result. The chief problem was that of suggesting amendments to bring our educational system, especially that part

which relates to the rural schools, into conformity with modern ideas and enable us to get best possible results from the very large expenditure for schools. It needs little argument to show that codification of the school laws is advisable. The present laws are notoriously vague, defective and conflicting, due to the fact that they have been built up piece-meal. The effort to graft new ideas upon the old laws has been only partially successful. I am convinced the codification in line with the recommendations of this commission is essential. Among the important changes suggested by the Commission is that of substitution of the county district for the township district, better facilities for consolidation of rural schools, greater economy in handling school finances, and preservation of the best features of our present certification plan. Important changes are also suggested in regard to the county superintendency and the scope of the State Board of Education.

I urge you to read the commission report, and in this connection the admirable report of the Superintendent of Public Instruction. All their recommendations should be taken into consideration, for I feel sure that there is no more important matter to come before your body. In the formation of the bill you should bear in mind that the ultimate object sought is that of improving our school system so as to benefit the largest number. Having provided for compulsory school attendance, we should make good schools compulsory.

We maintain worthy educational institutions for the blind and deaf children of the state, but we do not give to these children the same protection we do to those of normal faculties. You should investigate and determine whether we should not require the attendance of blind and deaf children at schools that are provided for them.

TRAINING THE YOUTH FOR LIFE WORK.

Within recent years there has been an awakening throughout the United States to the importance of providing as a part of our public school system something that will more definitely give to our young people training in the useful occupations and better prepare them for their life work. The demand seems to be just now for manual training and for instruction in scientific agriculture and the domestic sciences. Some of this is being done in the town and city high schools, and it is found to be very helpful. Our State College has done much to give the young people this special training. But the fact remains that there is a very large proportion of children

who do not avail themselves either of the opportunities of our high schools or of our colleges. These young people become the bread-winners of the state. They need special training in useful occupations. I am convinced we must meet these conditions in a way little dreamed of by our forefathers. Something must be done for this large class which does not now remain in school but a few years. I believe we can well afford to take a step in the direction of the establishment of special schools in manual training, domestic economy, practical agriculture and giving military training. The provision for military training is important, because it is from this class that will be recruited our army of national defense when needed. But the chief value of these schools would lie in the fact that we would be preparing to meet the coming world competition in the arts and industries. There is no doubt whatever that this competition will be felt far more in the future than in the past, and we should give to our state a body of trained and skilled artisans capable of maintaining industries the equal of any in the world.

You are doubtless aware of the movement for co-operation of the federal government with the states in training the young people in useful occupations. The time is not far distant when we will be called upon to decide whether Iowa shall join in this co-operation. In other states schools of agriculture are already in operation. The success of the agricultural college extension work shows there is a real demand for this in Iowa. As a preliminary, we ought to begin to prepare our teachers to give instruction in agriculture and other industrial lines. This work should be taken up without delay at the state educational institutions. It has been suggested, and I believe with propriety, that the state might well assist private colleges and educational institutions in development of courses where this special training of teachers is made a feature.

This whole matter at least deserves your careful investigation, to the end that our state does not fall behind in a movement already of national proportions and which must inevitably add much of practical value to our school system.

INSTITUTIONS OF HIGHER LEARNING.

The people of Iowa are to be congratulated upon their State educational institutions. By reason of the liberality of your predecessors these institutions are being built up to the measure of greatness of our state. They are at a critical period in their history.

They are entering upon an era of expansion far beyond the dreams of their founders, in which will be realized the fondest hopes of the good men and women whose lives have been devoted to their upbuilding. The reports from these institutions that will be laid before you will show that the past biennial period has been one of wonderful progress and development at all three of these institutions; that the work of higher education of the youth has been better done than ever before; that the student enrollment has been increasing steadily and at a rapid rate; and that all are crowded to the full capacity of the equipment and teaching forces. We must go forward and provide for the thorough education of those who present themselves at the doors of these institutions. Our failure to do so would discredit us everywhere. However devoted and forceful may be those who are at the head of the various departments of these institutions, they cannot do justice to themselves or to the people unless they are provided with buildings, equipment and a sufficient faculty. Your obligation cannot be evaded. It is for you to decide whether or not the forward movement shall be continued.

In this connection, I wish to emphasize the thought that appropriations made for these institutions are not to be considered as in any sense an extravagance. These are in the strictest sense permanent investments upon which we may reasonably expect to secure profitable returns indefinitely.

In considering the question of support, it is well to know that in view of the increased cost of living it is absolutely necessary there shall be readjustment of salaries, if we are to maintain the high standard. Support and contingent funds must keep pace with the changing conditions of life. Everything should be done to strengthen and encourage those who are engaged in this noble work. There should be no deviation from the policy of affording facilities for the training of our own teachers, and the education of our boys and girls in the professions and for special industries.

THE STATE UNIVERSITY.

The University is properly the head and center of the whole educational system of the state. Our progress will always be measured to some extent by the success and standing of our University, which has already attained high rank among institutions of like character, but which is coming to a time when its power for good will be greatly increased. The growth of the student body continues at a rate which makes it imperative that there shall be

continual adding to the teaching force. There should unquestionably be additions to the support fund, and I invite thoughtful study of the report of the Board of Regents, so that you may act with full knowledge of the needs of the University.

An inadequate campus has always been a serious obstacle to the development of the University. I recommend the purchase of additional land, and suggest an appropriation of \$100,000 for securing acreage across the river to the west. I believe the state must ultimately acquire this property, and when it is connected with the old campus by a concrete bridge, the University will then have opportunity for expansion as it should. The opportunity thus made for giving the University more beautiful surroundings will be an inspiration to all who come within its influence.

In view of the fact that the University is becoming a great institution for the education of young people of both sexes, provision should be made for a women's building. I would recommend an appropriation of \$125,000 for this purpose, with the restriction that the cost should not exceed \$1,000 per capita for those accommodated.

STATE AGRICULTURAL COLLEGE.

I am convinced that nothing has so added to the educational, material—and incidentally the spiritual—welfare of Iowa people as the great school of Agriculture and Mechanic Arts at Ames. It is world-wide in the scope of its influence, and in an increasing degree must go on shaping the destinies of a large proportion of our people. I believe it is one of the most profitable of the agencies our state maintains, and it is not entirely from philanthropic motives we desire that its sphere of usefulness be enlarged.

Our 56,025 square miles of the most fertile land known give us in abundance of the things which go to the making of the better life, but the future has greater things in store for our people. Secretary Wilson says, that while for years there seemed to be a decrease in the capacity of our soil to yield, there has been a material increase in the past decade—no doubt due to the general awakening for the necessity of better crop conditions. He believes, and I think you will agree with him, that we may make our farms still more productive. In this work the college at Ames has an important part to play.

The campus at Ames is ample, but buildings and equipment are needed. Here, as elsewhere, there is also special need of a material increase in the support fund, so that better salaries may be paid and the faculty can be enlarged to meet all needs.

There is a demand coming from the fathers and mothers of the state that the equipment of the college be the best, and in view of the desire for training in domestic science, there should be better facilities afforded for instruction in this important branch of education.

You are called upon to deal with an institution enrolling 1900 in college courses, and giving indirect benefit to very many more. Through the agricultural extension work the influence of the institution is felt in every corner of the state, and it is at all times inspiring and helpful.

The report of the trustees discusses very fully the work and needs of the college, and you should familiarize yourself especially with that part which presents the need of better support and increase of faculty.

STATE NORMAL SCHOOL.

The Normal School has shown wonderful growth and its usefulness has been extended to the entire state because of the supply of trained teachers going into every part of our community. The report of the president and trustees of this institution calls attention to the demand that the Normal School provide for the training of commercial teachers for high schools, and suggests the organization of a force equipped with farm and laboratory to commence the work of preparing for instruction in scientific agriculture. The needs of the school should be carefully considered.

We should have greater facilities for the training of teachers, and I am of the opinion that the time has come when we should decide upon the location of an additional normal school. It certainly is not extravagant to desire the thorough training of substantially every teacher in the state. Of the twelve million dollars expended annually for the employment of inefficient teachers and the multiplicity of small schools. We should lessen this waste as rapidly as possible.

HISTORICAL DEPARTMENT AND LIBRARY.

Since the adjournment of the last general assembly the State Library has been moved into its new quarters, and the law library and the general library have been separated. The Historical Department, which occupies jointly with the State Library the fine building near the state capitol, has suffered an irreparable loss in the death of Hon. Charles Aldrich, its founder, and for many years its faithful curator. These events remind us that our laws in regard

to the Historical Department and library are conflicting and there seems to be necessity for a re-organization of these departments. I would suggest that you counsel with the library board as to the best method of placing this educational work upon a sound and enduring basis. The Historical hall should be completed. There should also be some provision for the acquisition of works of art that would be of influence in shaping the thought of our people.

Among the most valuable of the educational agencies of the state is the Free Traveling Library, under the direction of a State Library Commission, and its field of service has steadily grown. Its mission is the dissemination of good literature throughout the State by a practical method of lending books. By this means in the remotest farm houses good books are made accessible that stimulate to higher ideals and aid in the development of the material welfare of our state. This work has expanded rapidly which indicates that it is very much appreciated. The work of the Library Commission in stimulating sentiment in favor of local libraries has also been valuable. You should not neglect to make ample provision for continuing this work.

REGULATION OF THE LIQUOR TRAFFIC.

There is no doubt that the trend of the times is in the direction of the thorough control and reasonable restriction of the traffic in intoxicating liquors. The tendency to decrease rather than to enlarge the area in which the traffic is permitted under legal sanction meets the approval of the people generally.

I am a firm believer in local self-government, and each community should be left to the control of its own affairs just as far as possible without interfering with the interests of society as a whole. But I believe that the law should be amended so that the machinery for the enforcement of the regulations surrounding the saloons and the liquor traffic will be strengthened and be made effective in every community of the State. The Governor, and through him the Attorney General, should have the unquestioned power to fulfill the requirements of the constitution as to the enforcement of the laws. I feel sure that this would eliminate many of the abuses which have prevailed in the past.

I regret that the limit was placed at five years instead of at three years in the law requiring renewal of consent petitions. However, a year from coming July new petitions will be required before saloons can legally exist in any community, and I doubt not that it

will result in materially reducing the so-called saloon area of the state.

In quite another way, I believe there should be reform in our attitude toward the liquor traffic as shown in our laws. I would recommend that you memorialize Congress for a change in the Revised Statutes so that it would be definitely provided that the initiative for issuing a federal license for the sale of intoxicating liquors would be with the local community directly interested. In other words, the United States should recognize the right of each community to regulate or restrain in a reasonable way the sale of intoxicating liquors. The federal government should not legalize so far as it can do so, the liquor traffic in places where the people do not want it to be legalized or tolerated. And when a federal license is issued, the holder thereof should be compelled to post it in a conspicuous place and to confine his dealings to a definite place of business. I believe this would go very far toward reducing to the minimum the evils of the system, and I am sure that if the congress sets itself earnestly to the task, it will find a way to give to the people in this matter, as in others, a measure of self-government so vital to the people.

Our laws now recognize as an evil the traffic in intoxicating liquors, and we all know that the saloon and the saloon influence are baneful. I believe it should be your policy, in every move you make, to strengthen the barriers we have tried to place between the saloon power and our boys and men, and to give to society the fullest measure of protection.

There is no more legitimate business in the state than the dispensing of drugs. A very large per cent of these people comply strictly with the law, but there are exceptions that are so glaring in character that it seems almost necessary to throw additional safeguards around them. Men who are supposed to be dispensing medicine for the cure of the body often do that which is destructive of mind, body and soul. I would therefore recommend a most careful scrutiny of our law governing pharmacies, with the view to destroy, as far as possible, this nefarious branch of this very worthy business.

THE STATE'S LEGAL DEPARTMENT.

I desire to place especial emphasis upon the admirable and instructive report which has been made by the Attorney General with reference to the Legal Department of the State. If you will read this report, as you must, you will be led to the conclusion that this department ought to be expanded and strengthened and that by

so doing its usefulness will be enhanced many fold. The Attorney General recommends that it be made possible for the Governor to "take care that the laws are faithfully executed," by giving him the power, upon proper complaint, to remove Peace Officers, Mayors, and Prosecuting Attorneys. This may seem like a radical step but it is proposed as a measure to eliminate evils that are destructive to our whole social system. He suggests a re-organization of the Attorney General's department along the lines of the Department of Justice in the National Government and he gives reasons for this change which are worthy of your thoughtful consideration.

Other similar important recommendations are made by the Attorney General which I will not take time here to enumerate but I suggest to you that you cannot perform your full duty unless you have given this report a careful reading. That which he has in mind, I take it, is the better enforcement of the laws of our state, and there is no one thing upon which we should all agree so readily as that the laws which we have should all be enforced impartially as to persons and places.

The State is fortunate indeed in having in its Legal Department men who regardless of criticism and possible political effect, have gone on and looked after the affairs of the Commonwealth. I especially commend to the people of Iowa the magnificent work done by Mr. Byers, and his assistants, Mr. Lyon and Mr. Cosson. I feel that we all owe to these men a debt of gratitude and that they have reduced the law violating portion of our people to a degree not reached before in a quarter of a century and have aided materially in the better development of that which we hold most sacred, better citizenship.

RAILROAD COMMISSION AND TRANSPORTATION.

Iowa was one of the first states to clothe its Railroad Commission with power for the settlement of all controversies relating to commerce within the state transportation lines. The right of the state to supervise and regulate these matters has long been accepted as final and right, but there is insistence that with regard to rates, classification, assessment, taxation, discriminations and details of the service, there must be absolute fairness to all interests. The transportation problem, in its various state and interstate phases, is the greatest single problem confronting our people, and we should leave nothing undone that will further its early and satisfactory solution.

The State Railroad Commission has authority only within the state and over railroads and express lines, but there has been such changes in the business world and so great a development of conflicting interests, that a reasonable expansion of its powers seems to be necessary. The commission should have authority over the telegraph and telephone lines as much as over common carriers. The Commission should also have some measure of authority over the public utilities of the State, such as street car lines, waterworks, gas and electric plants; but care must be exercised so that there is left with the municipalities sufficient power for the proper police regulation of these private enterprises. Matters purely local must be left to the local communities.

To enhance the efficiency of the Railroad Commission the salaries of members should be increased to not less than \$3,500 a year and they be required to devote their entire time to the work. Instead of being elective, these officers should be appointive, the Governor appointing the members subject to confirmation by two-thirds vote of the Senate. Provision should be made, however, for continuing in office to the end of their present terms the members who have been elected by the people. The term of office of members should be extended to six years.

For the enforcement of our general laws for the protection of society we have provided officers to represent the people, and in our courts those who pass judgment have long since ceased either to investigate or to prosecute; but our state and interstate commissions dealing with transportation still try to combine both functions or leave to chance the complete preparation of cases they are called upon to decide. If these tribunals are to properly dispose of their work and be free to judge impartially, they must have before them full information as to all the questions involved, not on one side but on both sides, and to do this they must take on the character and methods of courts and be relieved of some of their responsibility for investigation and preparation of the cases. It ought to be apparent to all of us that in the development of the system new and larger problems have come up, and these are so complicated and difficult that their investigation should be entrusted only to men of special skill and having opportunity for thorough preparation. We desire that these questions be settled and settled right. We want only justice and fairness. The state should be placed on an equality with the corporation. We should not seek advantage nor neglect our rights. Until this is done we cannot expect

satisfaction from these tribunals having to deal with the controversies between shippers and common carriers.

I therefore recommend that you provide by appointment for an attorney on behalf of the state to have charge of all controverted questions before the Railroad Commission in which the rights of the people are in any way involved, and who shall also appear before the executive council in all matters involving any of the activities which are under the Railroad Commission. He should be required to devote his entire time to the study of those questions that are likely to come before either of these bodies for adjustment or adjudication, and should have at his disposal facilities for making thorough investigation and preparation of all cases. He should be appointed by the State Executive Council, subject to removal at will by that body, should give his entire time to the work and receive a salary of not less than \$3,000.

It may be thought that in entering upon the field of interstate commerce we are going beyond our duty as a state, but when it is understood that a very large proportion of the transportation business of Iowa is interstate in character, it is imperative that we make ample provision for protecting ourselves.

HIGHWAY AND CONSERVATION COMMISSION.

The crying need of our times appears to be betterment of the social conditions upon the farm. Agriculture is and ever will be the backbone of our prosperity, and agricultural conditions are dependent to a large degree upon the social conditions in the rural communities. It needs no argument to show that these will be greatly improved by the construction of good roads.

I would, therefore, recommend the reorganization of our State Highway Commission and making it a commission to deal more broadly with highway construction, waterways, forestry, and the conservation of all our natural resources. I believe that this commission should consist of five persons, including at least one skilled engineer and two recognized experts in agricultural affairs; the commissioners should be paid a per-diem of \$10 not to exceed sixty days each year; there should be a secretary of the commission devoting his entire time to the work, and offices should be maintained in the State Capitol.

This Highway and Conservation Commission should be empowered to investigate, plan for, and direct matters relating to the building of permanent highways, drainage, the development of rivers, the establishment of canals, water power, forestry, the dis-

position of noxious weeds and similar related subjects. The Commission should make a comprehensive report to be published for public distribution.

This commission should be empowered to appoint a State Superintendent of Highway Construction, who should have general charge of the construction of the roads where state aid is received. The Commission should approve all plans for construction as prepared by the County Highway Superintendents and indorsed by the Board of Supervisors.

This commission should be directed to make at once a complete investigation of our rivers and waterways and be authorized to secure expert testimony as to the possibility of the development of canals and waterways within the state; the commission should also determine and report upon the availability of our rivers for water power and the development of electricity where such rivers cannot be used for transportation purposes. The movement on the part of the federal government to develop our national waterways means that in a very short time we must decide in Iowa whether or not our streams shall be used for transportation or be preserved for their water power. This commission should furnish to the next legislature sufficient data so that action would not be delayed. The commission should in general have direction of all matters pertaining to the conservation of our natural resources.

CONSTRUCTION OF GOOD ROADS.

The people of Iowa annually spend about \$4,000,000 in road building. It needs no argument to convince our people that this money could be expended to better advantage than it is at present. The state should enter upon a policy of general aid to the local authorities in the construction of permanent highways and I would recommend an appropriation equal to thirty cents per capita of the population distributed among the counties on this basis and this should all come from the State saloon tax as provided for in a suggestion made elsewhere. According to the census of 1905 this would make available for highway construction \$663,015. This money should be used in the construction of permanent highways upon the basis of the state paying 45 per cent of the cost, the county paying 45 per cent, and the Township 10 per cent. Under certain conditions the Board of Supervisors might direct that County pay 55 per cent., leaving the Township free of special obligation where it was not directly benefited.

Provision should be made for a County Supervisor of Highways under appointment of the Board of Supervisors, he to be a civil engineer and who shall also act as the County Surveyor. He should have charge of the plans and specifications for highways where state aid is desired and the plans which he prepares should be approved by the Board of Supervisors, subject to the further approval of the State Highway and Conservation Commission.

This is an entirely new departure in road construction for our state but it is in line, as I believe, with the best systems that are in use elsewhere.

It has been suggested, and I believe with propriety, that if we are to enter upon this policy of State aid in the construction of permanent highways the local road levies might be changed. I would recommend that authority be given the counties to levy a tax of two mills and the townships three mills.

As drainage is one of the most efficient means of road construction, I recommend that the board of trustees or county boards be authorized, where it is thought desirable, to enter upon private property for the purposes of putting in sub-drainage, paying a reasonable compensation for any damage sustained by the property owner.

DEPARTMENT OF AGRICULTURE.

The general scope of usefulness of the Department of Agriculture has been so broadened that it is now regarded as one of the most valuable departments of the state. Its continued usefulness will depend upon the support it receives. The department should be encouraged to come into the most intimate relationship with the people of the state, and to become the avenue through which is collected all information regarding agricultural resources and dissemination of such information where it will be most valuable.

If afforded the facilities for doing so, this department is capable of doing a great work in advertising to the world the opportunities which abound in our state. We have the finest agricultural lands known, and with this and other natural resources there is practically no limit to the capacity of our state for support of a vast industrial population. The facts should be known, and the truth heralded to the world. This department should be equipped for engaging in publicity in a practical manner. The support fund should be increased.

The value of the State Fair, as a great summer school of agriculture and industry, cannot be over-estimated. The substantial

increase in equipment for the State Fair is appreciated by the people, and attendance is steadily increasing. It seems to me we must continue, at least for a time, the policy of building permanent structures for the State Fair. I would recommend an appropriation for a fire-proof amphitheater to avoid the constant danger because of the present structure. It is unwise to invite our people to be our guests at the State Fair and expose them to unnecessary risk.

The State Board of Agriculture is asking for some minor changes in the law with a view to increasing the efficiency of the work now done, and these askings deserve your thoughtful consideration.

BOARD OF CONTROL.

The report of the Board of Control has been printed and is before you for consideration. I feel that beyond calling your special attention to this report, I need say little. The people of Iowa are to be congratulated upon the fact that this board has maintained the high standard which marked the inauguration of such a great reform, and its management of the various state institutions has been such as to fully satisfy the people. At the institutions under the control of this board there are now cared for more than 3,500 persons, and more than 1,300 employees are under the direction of the board. By reason of the careful management and thorough business methods which this board employs the cost of maintenance of these institutions has been materially decreased, despite the enormous increase in the cost of all supplies. The purchase of farms has been a considerable factor in keeping down the expense of maintenance; at the same time there can be no doubt that our state wards are better cared for than ever before, and it is doubtful if there is a state in the Union where the management of the institutions is so entirely free from all political or local or selfish influence.

The appropriations asked for by this board are mainly for small items for the purpose of equipment or completing the buildings already under construction and for making material improvements in the grounds and work shops. The askings of the board seem to be modest and sensible.

The board renews its recommendation that it be relieved of the responsibility of reporting on the financial transactions of the State University, State College and Normal School. This is the one absurdity in the Board of Control law and its repeal should be immediate.

The board recommends the purchase of land for the establishment of an epileptic colony. I am not sufficiently familiar with the facts

to enable me to advise you in this regard, but the fact that the board recommends it indicates that there is merit in the proposition. The board also recommends additional buildings for the tuberculosis hospital and as this is the newest of our institutions, of course additions will be necessary from time to time.

Among other notable recommendations of the board which deserve your attention is that of the repeal of the law under which pension money is withheld from residents of the Soldiers' Home for infraction of the rules, as this is in conflict with the federal statutes; also that all children at the Orphans' Home be made wards of the state; also that there be a minimum allowance for support at the School for the Deaf and at the College for the Blind; also that no child under ten years be committed to either of the Industrial Schools, and also some simplifying of the laws regarding payment of certain claims at the Hospital for Inebriates.

PREVENTION OF TUBERCULOSIS.

Inasmuch as the public health is one of the largest assets of the state, measures which directly or indirectly benefit the health of our citizens should receive serious consideration. Our state recognizes the preventable nature of tuberculosis and that this terrible scourge is amenable to intelligent repressive measures. Not only have we an institution especially provided for those who are unable to properly care for themselves, but we have entered upon a policy of educating the people directly as to their dangers and duty, and pointing out to them what they can do to lessen the harm which comes from this cause. When we remember that more than 2000 lives are sacrificed annually to the white plague, and about 80 per cent. of these victims die between the ages of fifteen and forty-five, and when it is known that every one dying spreads the infection, it is not hard to compute the financial loss to our state. An educational campaign extended generally throughout the state has brought much enlightenment to our citizens and bids fair to aid greatly in exterminating the white plague. This work under the Board of Control has been efficiently conducted, and it would be wise to continue it with more ample funds, if necessary.

PRIMARY ELECTION LAW AMENDMENT.

I hope and believe the primary election law is indelibly upon the statute books, for in my judgment it is the only system of making party nominations that will stand the test of time; but we should not hesitate to amend the law as its weaknesses come to our atten-

ion. Already we have been compelled to resort to a special session of the legislature to amend the law to meet conditions not foreseen. The alphabetical arrangement of names upon the official ballot is found to be unfair to candidates and to the voters, and some form of rotation of names ought to be provided so that all candidates shall be on an equal footing. It were better to have no law than to thus fail of giving all candidates an equal chance. I am sure you will find a way to remedy this defect.

There has been considerable friction over the division of expense, and as it is immaterial to the taxpayer how this burden is distributed, I would suggest that the entire expense be borne by the counties, since the county boards have the best opportunity for scrutinizing the bills.

Uniformity in the printing of the bills should also be provided, to the end that the expense be not more on one community than another, and there would be a reduction in the total cost. The discrepancy in bills presented to the state indicates there should be limit to cost as a matter of safety to the taxpayers.

ADJUSTMENT OF OFFICIAL DUTIES.

Much progress has been made in the adjustment and re-arrangement of the duties of the various state officers and providing for a more perfect accounting system. One may now trace to its destination every dollar of taxes or fees received. The financial transactions of the State, large and small, are upon a business basis, but in order to do this new duties and responsibilities have been placed upon the state's servants. To lighten the burden, we might well go further by grouping together departments that are related, and in line with this thought I would urge these changes:

The Department of Public Accounts should be placed under the control of the Secretary of State.

The Department of Banking should be attached to the office of Treasurer of State.

The Department of Insurance should be a separate and independent department.

The task of compiling criminal statistics should be combined with similar duties of the Board of Parole.

All of these adjustments would be in the interest of more economical handling of the business of the state and would avoid duplication of work in many cases.

STATE INSURANCE DEPARTMENT.

I believe that the State Insurance Department should be independent and under the management of a Superintendent of Insurance, appointed by the governor, subject to approval by the senate, with an adequate salary and sufficient office force. This is in line with the recommendation of the Legislative Insurance Commission and of the State Auditor in various reports in the past. It would be simple recognition of the fact that our insurance interests have grown to such proportions that for the protection of the public, and the proper regulation of the business, Iowa should get in line with the other states having similar insurance interests.

Iowa is recognized as one of the great insurance states of the Union. My judgment is that this business can be extended almost indefinitely by proper legislation, bringing into the state a vast wealth from outside sources little dreamed of by those who have not given the matter special consideration. This all has a tendency to increase the wealth of the state and is ample justification for any slight additional expenditure that may be occasioned by such a department over our present antiquated and inadequate system.

REVISING OUR TAXING METHODS.

There has been a growing sentiment in the state in favor of a commission to investigate our very inadequate laws governing taxation. I would recommend the appointment of such a commission, numbering three members especially qualified by their general knowledge of the subject to be treated, who should be required to make a report to the next General Assembly. This would cost but a small sum of money and if the commissioners are responsive to the duty imposed on them their work would no doubt be worth many times its cost.

MORTGAGES, MONEYS, AND CREDITS.

A number of states have enacted laws requiring mortgages to pay a small recording fee in lieu of all other taxes, with the result that while they have received substantially as much revenue, the burdens fall more equally upon the holders of this class of property. It is well known that mortgages of all kinds and character pay but a ludicrously small tax, and the tax that is paid is generally from those who should not have the burden placed upon them. I believe that under the system I suggest rates of interest would be

so lowered that the borrower would receive even greater benefit than the lender, owing to the fact that under our present system the lender pays comparatively no tax while by the change no doubt the borrower would get a materially less rate. I would recommend that you place upon the statute books a law requiring that all mortgages recorded shall pay a fee of one half of one per cent in excess of the regular recording fee as now provided.

ANNUAL FEES FROM CORPORATIONS.

A bill should be passed similar to that introduced into the senate of the Thirty-second General Assembly by Ericson of Boone to require an annual report from all corporations and a filing fee. Men engaged in business seek to avoid financial responsibility through organization under our corporation laws. This is desirable and proper, but it seems to me that the exemption enjoyed is of such value that those who claim its benefits should be willing to pay for the same. This is no innovation, for we find that our corporations when doing business elsewhere are required to pay annual fees in many of the states. A law of this kind would probably add from one hundred fifty to one hundred seventy-five thousand dollars annually to our state exchequer and still be within the bounds of reason and fairness. I most earnestly recommend it for your consideration.

DIRECT INHERITANCE.

I recommend a direct inheritance tax substantially in the form of the bill which passed the senate of the Thirty-second General Assembly. This seems to me a fair and equitable proposition. It provides for the exemption of the first ten thousand dollars of individual inheritance, then a tax of one per cent on the second ten thousand dollars, and an additional one per cent on each added ten thousand dollars, until a maximum of five per cent is reached which is to be applied to all above fifty thousand dollars. In view of the fact that inheritances are made possible only through organized society it seems to me that the state has a right to exact these small sums which in the aggregate would add largely to the revenues of the state and be from a source where the burden would be felt less than in any other form.

TAXATION OF THE LIQUOR TRAFFIC.

The state has a law governing the saloons which are legally operated. At this time I desire to refer to their taxation or license fees. It is asserted that 85 per cent of the destitution, crime and degradation of the state is due to the nefarious traffic in intoxicating liquors. This imposes upon the people an additional expense, which is borne by the communities where no saloons are tolerated as well as by the others, and it is only fair that all counties should share in the revenue desired from mulcting the traffic. With the thought that the saloons may be reduced in number and be under better control and surveillance, I recommend that the law be amended so as to require the payment of an annual license fee of \$1,200, divided so that one-third goes to the municipality, one-third to the county and one-third to the state. With the present number of saloons this state tax would amount to about \$700,000 annually, and this should be set apart to be used for permanent road construction and other public improvements as contemplated in connection with the State Highway and Conservation Commission before referred to. I believe that with substantial unanimity the people of Iowa would indorse a measure of this character.

ASSESSMENT OF NATIONAL BANKS.

Under the Revised Statutes of the United States the stock of national banks is now assessed as other moneys and credits but to a large degree they escape taxation. You should memorialize the Congress to permit assessment and taxation of national banks the same as state and savings banks in the state of their location. It seems impossible for us to change our system and it is manifestly unfair that banks organized under our laws should be taxed on their capital and surplus while sister institutions, enjoying special advantages, should be permitted in many instances to go scot free.

TRUST COMPANIES.

There is a growing demand in Iowa for financial institutions which are capable of handling the larger financial transactions of our people, especially in the negotiation of bonds and stocks of large corporations. There is also real need for home companies that can act as trustee, administrator or guardian in probate matters. I would recommend a law making it possible to organize and establish trust companies, keeping in mind that the demands of

society require greatest care for the protection of the people. A short time ago it was called to my attention that when a railroad company organized in Iowa desired to sell its bonds it was offered in New York 70 cents on the dollar for 5 per cent bonds. When it is known that in October, 1907, Iowa people were lenders outside of the state to the amount of from one hundred fifty to two hundred million dollars, it would seem that there is abundance of money in Iowa for all purposes if the machinery was only at hand for bringing the lender and borrower together without going away and paying out so much of what belongs to our people.

PARDONS AND SUSPENSIONS.

As required by law, I submit to you a report upon pardons and suspensions of sentences, issued by the governor during the past two years. This report covers the work of my predecessor as I have taken up but very little of this during my brief term. This report shows that during the period seven pardons were issued, four upon the recommendation of the Board of Parole, two upon the motion of the Governor, and one by order of the General Assembly. Of suspensions or conditional paroles there were issued fifty-nine from the penitentiary, and thirty-eight from the county jails; also three suspensions upon recommendation of the Board of Parole, and one upon recommendation of the Board of Control. There were restored to citizenship from parole one hundred and nineteen persons, and in addition six restorations as recommended by the Board of Parole. Of those previously granted suspensions, the governor sent back to the penitentiary eleven convicts, and two to county jail. Of commutations of sentences of convicts, twenty-two were issued by the Governor and seven upon recommendation of the Board of Parole, to which were added eight upon recommendation of the warden to restore good time. Ninety-three fines were remitted, and two previously remitted were forfeited. To a large extent this responsibility will be removed from the office of governor in the future, but I am convinced that the duty has been performed conscientiously and with due regard to the interests of society.

In accordance with the law, I submit to you the names of prisoners convicted of murder in the first degree and sentenced to life imprisonment, who have applied to the Governor for pardon, so that you may take action and advise the Governor as to your wishes. Applications have been made by the following persons:

Will Adams, W. E. Alexander, W. P. Glyndon, Leonard W. Haley, W. M. H. Jones, Hugh L. Robbards, Thomas C. Robinson, Albert Parnitzka, John Penny, L. R. Van Tassel, Thomas W. Watson, C. H. Woodward.

BOARD OF PAROLE.

The working of the Board of Parole law seems to meet the expectations of its friends, but I would suggest that the board be given authority to consider cases before convicted persons are committed. Many cases have come to the notice of the Executive Department in which the ends of justice and the interests of society seem to require intervention before the stain of actual imprisonment. This latitude should be given the board. That section of the law requiring that paroled persons shall remain actual residents of the state, and requiring a specific term of employment, should be changed so that the board would have discretion in these matters. The board should also have authority to fix a definite future time when a sentence shall expire, or a parole be granted. The law providing for good time of prisoners should also be made to apply to prisoners whose terms have been fixed by the Board of Parole, so that this inducement to reform would be present in all cases.

COMPENSATION OF PUBLIC OFFICIALS.

While we as a state have perhaps the largest per capita wealth of any state in the Union, we are paying for most faithful and conscientious services what seems to me inadequate salaries. In civil life men doing the service and having the responsibilities of affairs of the magnitude of the work done by the Board of Control are receiving from five to six thousand dollars annually. We have been paying in the past the members of our Board of Control \$3,000—a rate that was established ten years ago when the cost of living was certainly twenty-five per cent less than it is today. I feel that this condition should not longer obtain; that the servant is worthy of his hire, and that the members of the Board of Control should receive annually \$3,500. The same is true of our Secretary of State, our Treasurer of State and the Auditor of State. These men are called upon to leave their homes, are subject almost incessantly of appeals for worthy objects of charity, and after the usual term of six years—unless they have outside sources of income—they have less property than when they entered public life. A railroad company or mercantile company asking for the same conscientious ser-

vice, and getting it, that these men render the state, would not think of hiring them for less than \$3,500. I therefore recommend most earnestly that you increase their compensation to this amount.

ROSTER OF IOWA SOLDIERS.

I would recommend that you make an appropriation to carry on the work of publishing the roster of Iowa soldiers. The report of the Commission in charge of this work shows that substantially half of the compilation has been completed. The appropriation made for commencing this work has been exhausted, and it was well understood at the outset that additional appropriations would be necessary to complete the work. There is nothing more to the credit of the state than this compilation and the printing of the military record of the men who went from Iowa to sustain the cause of the national Union.

PROTECTION FOR LABOR.

While there has been great progress in the perfection of our laws relating to labor in recent years I believe that we can still further improve them. The laborers in the gypsum mines in Iowa deserve the protection of our laws and these mines should be placed on a par with other mines of the state. The growth of our industries has been such that there is an increasing number of accidents to employees in factories and I would suggest that you provide for reports of such accidents to be made promptly to the State Labor Bureau. The child labor law, which has been in operation a few years, has justified its enactment but there is need of facilities for its better enforcement and to that end I would suggest a change in the law placing upon the employer the burden of proof that the law is strictly observed.

OTHER MATTERS.

Under an act of the last General Assembly two of the progressive cities of our state have dispensed with the cumbersome old methods of city government and have placed their affairs under the control of a commission. In my estimation this is the most important reform in municipal government that has ever been attempted anywhere. In my opinion the right of adopting this form of government should be extended to all of our first class and second class cities, without exception.

You would do well to investigate and consider suggestions made in the annual report of the Dairy and Pure Food Commissioner,

especially with regard to legislation to check the tendency to concentrate the creamery business in large companies at the expense of the smaller and co-operative creameries.

I have been impressed with the fact that in view of the very large number of visitors who annually come to our State Capitol there should be provided a guide to direct them and possibly some provision should be made for publication of the history of the Capitol and detailed description of its many objects of interest.

I recommend that you prohibit indefinitely the killing of quails in Iowa. It is conceded by all well informed persons that the farmer has no greater friend than the beautiful "Bob White" and he should be given a welcome to our farms and gardens and be encouraged to destroy the innumerable enemies of vegetation.

In view of the great dangers attendant upon the spread of tuberculosis among our domestic animals, and the need of firm measures to eradicate this disease, you may find it advisable to strengthen our laws and to place additional funds at the disposal of those who are fighting the evil.

The State Board of Health in their annual report make a strong showing for the necessity of larger funds to enable them to carry on the work in which they are engaged.

CONCLUSION.

The reports of State Officials and Chief Executive Officers of State Institutions and of Commissions and Boards are accessible to you for your guidance as to the details of the work that is being done, and the special needs of the various departments of state. In what I have said, I have not attempted to review these reports in full, nor to summarize for you the mine of information contained therein. Neither do I wish you to understand that I have attempted to cover all matters that require your attention; rather that I have pointed out some of the things which ought to be considered in connection with the desire which we all entertain for the best government and the cleanest citizenship.

I would again admonish you to remember that ours is a growing and developing commonwealth, and the needs of today and tomorrow may be vastly different from those of yesterday. Conditions change with the passing years, and new duties appear with the unfolding of the grander civilization. You have accepted trusteeship for the affairs of a great state. Your predecessors performed their duty well, and with motives of highest patriotism. As trustees with full responsibility for the financial administration of the state,

you owe it to your constituents and associates, whose confidence you hold, that you do not permit the needless or wasteful expenditure of their money. This obligation cannot be fulfilled by skimping our institutions, or pinching a few petty salaries; but it can be by maintaining the effective safeguards which make certain that full value is received for all disbursements. Yet you must remember that it is not sufficient that our state should have had a glorious past, or that the present is serene. The future must be faced courageously and your plannings must ever be, not for today alone, but for a tomorrow, stretching out into an endless future. Duty to ourselves must ever be tempered with duty to posterity. Wise investments of today will bring returns in increasing ratio. I have full confidence that you will be able to decide fairly between the emotional outcry against extravagance, behind which the agitator and demagogue so often shield themselves, and the clamorous demand for almost unlimited appropriations, which too often represent thoughtless selfishness. Between your duty to be economical and your impulse to be liberal, you will find many hard problems.

You, gentlemen of the Thirty-third General Assembly, represent a great corporation, composed of two and a quarter million of most intelligent people of the earth, they having a capital of approximately five billion dollars. You are called upon to make appropriations for the expenditure of taxes collected for public purposes, and it seems to me there should be one determining factor only; not how much is the cost, but whether that which you authorize is worth more than it costs to the corporation you represent. If the answer is affirmative, there would seem to be no chance for further argument.

It is a regrettable thing that many people look upon taxation as an evil. If all taxes were collected equitably and distributed fairly, it would be the greatest blessing of our civilization. Inadequate as the means are for the collection and disbursement of taxes, society could not dispense with this process until something better is provided.

It will be a part of your duty, in the limited time before you, to make provision as well as you can for a more equitable collection of taxes and the fairest disposition possible of the funds of the state. When this is done intelligently, as I know you will do it, the people will rise up and call you blessed.

WARREN GARST,
Governor.

January 12, 1909.