

State of Iowa

1925

---

INAUGURAL ADDRESS

OF

**JOHN HAMMILL**

GOVERNOR OF IOWA

TO THE

Forty-First General Assembly

---

Des Moines, Iowa, January 15, 1925

---

Published by  
THE STATE OF IOWA  
Des Moines

## GOVERNOR'S INAUGURAL ADDRESS

JOHN HAMMILL, GOVERNOR

### INTRODUCTION

*Mr. President, Mr. Speaker, Senators and Representatives of the  
Forty-first General Assembly, Ladies and Gentlemen:*

In taking this most solemn obligation required by our constitution and laws preparatory to assuming the duties of the office to which the suffrage of a great commonwealth has called me, I do so with a deep appreciation of the great responsibility imposed. The people of Iowa have been kind and generous and I desire to express to them my sincere thanks for the high honor they have conferred upon me. It is my desire to conduct the Governor's office and the management of the State's business in a manner that will secure the best possible results for the people of our state. In order that this hope may be realized, it is my purpose to counsel with those who manifest an interest in public affairs and who have the welfare of the state at heart. I expect to seek, and secure if possible, the benefit of the knowledge, training and experience of those who are expert in the various departments of our state government and who are well versed in every activity in which the state is interested. I shall look to the Divine Master for guidance and I earnestly request the cooperation of all to the end that I may succeed in giving an administration that will result in great good to our citizens and in the advancing of the many interests of our state.

The Representative stands to act for those who elect him. The people have chosen you to represent them in this Legislative Assembly, with a stern mandate that your best efforts and energy and thought shall be concentrated, devoted and dedicated to the common good. Having been privileged to occupy a seat in the General Assembly, I appreciate the important position of the Legislator. May your deliberations here be pleasant and profitable; may real

good come as a result of your labors and may the deepest mutual confidence exist between the Legislature and the Executive Department. May all our relationships be open, frank and sincere. The true Executive will carry into effect the laws he finds upon the statute books. The people of the state have entrusted you with supreme authority and sovereign power to determine the character of our laws which vitally affect their welfare. The responsibility is grave, sacred and solemn and in the exercise of that privilege you should bring to bear on all of your acts and deliberations, a vision unclouded by selfishness and improper motive. Others may suggest, but you alone can act. That action should be prompted by unselfishness and a courageous desire to render service. A reverent dedication of your best self and effort to the work at hand will result in acts reflecting credit on yourself and conferring benefit on the commonwealth.

It is a matter worthy of note that our industrial and financial skies are brightening after the disastrous economic effects of a great war. It has been a period which has tried men's souls. The shrinkage of property values, and the depression of agricultural prices have swept away in many instances the accumulated savings of a lifetime. Financial problems involving the deepest concern and gravest consequences have pressed heavily upon the people and have cast a shadow of fear and deep anxiety upon the majority of homes in Iowa. Because these problems have been everywhere present throughout America, there has developed a deep unrest in society, and in this condition of depressed hopes, disheartenment and discouragement, the people are appealing for some kind of help and relief. They are not quite sure that government can bring the relief desired but they are demanding that all governmental agencies shall render every possible help, and by all means shall make as light as possible the burdens of taxation.

I cannot in the short time which has been allotted to me, enter into a general discussion and present to you all of the various questions of interest to the State which it might be proper to consider in a message to your Honorable body, but I shall refer to some of them briefly, and recommend your careful consideration of the splendid and thoughtful message which our retiring Chief Executive transmitted to you Tuesday. I also wish to extend heartiest felicitations to the retiring Governor and wish to congratulate him and all of his co-workers upon the splendid record made during the past four years.

#### AGRICULTURAL PROBLEMS

Let us look upon the situation in agriculture in this nation,—it is accepted by all as the basic industry of our land. One hundred years ago an artisan and laboring man with a trade was as independent as the average farmer in Iowa is today, but coming with the invention of machinery, and the development of the industrial system of the laboring man, the artisan has passed out and become a cog in the wheel of industry to which he belongs and the industry has been developed, manufacturing an article, carrying it by way of a train to its sales agency, to all the corners of the earth.

The largest group of any industry in America is that of the producers on the farm. That is an industry as much as a factory, but there is no homogeneity in the way of distribution of farm products. A farmer loves his individuality and he has retained not only the right to work upon his farm and develop what he has, but he has insisted on marketing his products himself. The result has been a fluctuation in prices on farm products which we do not have in the manufactured article much to the detriment of the farmer.

We are all familiar with the fact that the farmer dumps his crop on the market in the fall and too frequently, prices are forced down and then, when the farm products have all been delivered, prices fluctuate up and down and the farmer does not get the real benefit. Other industries do not flood the market. Their products are stored until the demand is there to buy it. That should be the case with the farmer, but it cannot be done when all the farmers act individually. Some way must be devised to combine their selling power of their products to feed the market from time to time as these products are needed. I believe that the greatest cause of the fluctuation in prices of farm products today, is that there is not an intelligent, orderly and continuous marketing during the twelve months of the year.

In 1910 the farmers of Iowa had mortgages upon their property of about \$26.83 per acre. In 1920, ten years later, they had mortgages on their farms to the extent of \$63.19 per acre. That indicates something of the trouble the farmer has experienced during the past four years, especially following five or six years of inflation and it cannot be corrected in a minute. Price stabilization is what is needed. The farmer, himself, through cooperative methods must be the dominant force in the method of marketing of agricultural products and then he will become the force that will stabilize the prices of his own products. Let us take stock in what

has been done elsewhere in regard to things produced by agricultural classes and see whether or not it can be carried to a successful conclusion in the northwest. I have never flagged in my interest and faith in the proposition of cooperative, orderly marketing—marketing of farm products in a given way by the farmer to some big business concern organized among the farmers themselves for the marketing of their own products. Let not their right thereto be given away. The artisan has passed out and becomes a cog in the wheel of the great industry. Let not the farmer pass out and become a cog in a great marketing institution which does not belong to him. The cooperative institution will have to be made, in some cases, not a state proposition, but a regional and probably a national organization. I have a lot of sympathy for the farmer and a lot of pride in the farmer and I want to tell you, gentlemen, if there is any man in this Assembly who thinks the average farmer in the United States wants anything but a square deal and a fair chance, that he wants to be subsidized by the government, that he wants to be made to pity himself, you are mistaken. The business of farming, gentlemen, is just as honorable as any business in the world. I am deeply interested in trying to work out his problems.

There is a lot of talk about providing more money for the farmer; more credit. Debts must be paid. What the farmers want to hear about is not where they can borrow more money but how they can pay what they already owe. No doubt, in some instances, you can help a man out of debt by lending him some more money for his specific purpose, but generally speaking you do not get a man out of debt by getting him in more. Cooperation in marketing crops alone will not avail if there is no cooperation in planting. What is the use of having an association to sell produce when the country is flooded. There must be cooperation in what to plant as well as how to market.

Through organization some plan must be devised by which the producer can shorten the selling cost of marketing. This in my judgment is the solution of the farm problem. All investigations will in the end lead to the same conclusion. The spread between farm and consumer prices is the place where more money can be found for the farmer, and why continue to deceive him into believing he can get it from any other source. The production problem will in the main take care of itself, and the marketing problem is the one which needs organization. Let us study this problem and if necessary convert part of the agricultural bureaus of the various

states into sales organizations. It is about time the agricultural west did some organizing. By proper organization, farm products could be apportioned and distributed according to market needs. Scientific marketing is in part based upon holding back part of the supplies for release as the product is necessarily needed for consumption. In order that this may be done, there must be an intelligent study of the problem in a scientific way. Facts must be ascertained, costs of production determined, and success and failures in the past here and elsewhere should be known with scientific thoroughness. All the facts bearing upon balanced production and economical marketing should be made available to the people of Iowa. The Agricultural Experimental Station has already made some progress along this line, but their activities should be greatly enlarged and speeded up in order to hasten the solution of these vital questions.

This section of the country, including Iowa and other states, has been punished severely by economical conditions of the last few years. It happens that this year some of our neighboring states have been greatly benefited by a combination of good weather and good markets. A big wheat crop and high prices have been a boon to wheat growers. Territory to the south of us was not afflicted by early frosts, and most of their corn ripened and has been put on the market at high prices. The territory to the east and north of us has had the benefit of more or less wide diversification of agriculture, including especially profitable dairy production, but Iowa again this year, has been afflicted. This time through the failure of the corn crop to mature. With all of these difficulties and with the fact that they have continued in Iowa longer than in some other agricultural sections, the Iowa farmers have maintained their faith and worked on against great odds. It truly seems that with our great wealth of fertility and with the wonderful record of successful agriculture through many years of the past, and with the fact that the chance of unfortunate weather has been against us, it is almost an absolutely safe prophesy to make that another year, agriculture in Iowa must come back to her own. The farmers of Iowa will be rewarded for the long period of toil and hardships with normal crops and fair prices.

DEPARTMENT OF AGRICULTURE

The wisdom of the Fortieth General Assembly in establishing the

Department of Agriculture and consolidating several departments and commissions that were operating separately and reorganizing them under one head, has been demonstrated. The consolidation of the departments not only has resulted in economy and efficiency but has given due recognition to agriculture. It was also in the mind of the Legislature that the placing of the departments under one head would result in the reduction of the cost of operation and increase the service. The first year's work under the new department has demonstrated that the legislation accomplished its purpose. This provision of the law places common sense and business methods in the administration of the department.

I commend to your thoughtful consideration any measure that may have for its purpose the strengthening of the Department of Agriculture consistent with good business efficiency.

#### IOWA AT THE INTERNATIONAL LIVE STOCK EXPOSITION

Iowa should take pride in the winnings of the Iowa State College at the International Live Stock Exposition held in Chicago. In the keenest competition open to the world and participated in by the prominent breeders and feeders and by all the leading Colleges of Agriculture, Iowa State College won 140 ribbons and about \$3,000.00 in prizes on its exhibit of live stock. The exhibit of live stock from Iowa State College was the cause of much favorable comment from officials, judges, exhibitors and spectators at the International. It was stated by some of the officials that the Iowa State College winnings this year on fat steers of three breeds has never been equalled at the International Show.

I want also to call your attention to the winning of the Boys' Club Stock Judging Team of Franklin County, under the leadership of V. B. Hamilton, County Agent. This team was the champion at the National Dairy Show in Milwaukee and as a result of that contest, they won highest honors in the United States in judging dairy stock. In the last three years, this honor has been taken twice by teams from Maryland and once by a team from Illinois. Each of these teams has been given a trip to Europe by friends in the state who were proud of their boy representatives, and who wanted to give them an opportunity to represent their state and the United States in the International Live Stock Judging contest and to study live stock and agricultural conditions in Europe.

Iowa cannot afford to do less. The International Live Stock Judging contest this year will be held at London in the month of June, 1925. I, therefore, recommend that you appropriate the sum of \$5,000.00 for the purpose of defraying the expenses of this team to Europe.

#### DEVELOPMENT OF ARID LANDS

The Congress of the United States and the various Legislatures and Farm Organizations are continuously presenting the deplorable condition of the farmers. Yet at the same time Congress is making appropriations for the purpose of developing arid land in competition with the agricultural lands now in existence and at the expense of an already tax burdened people. This is not a time to incur additional public expense to bring into use additional land through costly irrigation enterprises, nor is it a time to encourage people to take up homesteads, which at the best in these days, are on land of low productivity. The public should be relieved of the burden of paying taxes to support these enterprises.

It would be appropriate for this Legislature and for the Legislatures of other agricultural states to memorialize Congress to suspend the development of irrigation enterprises and the increase of homesteads until agricultural conditions throughout the country are such as to justify these new sources of food production.

#### HIGHWAYS

Very substantial progress has been made in the development of highways in the State of Iowa. Beginning a few years ago with no organization, it was necessary to build from the bottom up, and it is one of the most important enterprises carried on in the state. It is not necessary here of course, to speak of the importance of highways both from an economical and from the standpoint of the many advantages and contributions which highways make for the development of the State and enlarging of the opportunities in the lives of the people. Very substantial progress has been made in the state in the building of roads since commencing this program. Many miles of federal aid and state aid projects have been com-

pleted, but, with the completion of these and other roads that are to be built in the future, comes additional responsibility in the way of maintenance, and if proper maintenance of roads is not instituted, money expended for their construction will in a large degree be wasted. In 1921 Congress passed a bill making it mandatory upon the states to assume the responsibility of maintaining roads constructed through federal aid. And, as a matter of fact, the federal law requires that proper action be taken by the several states in this respect, or federal aid will be discontinued. What must be done in the revision of our state primary road law in order to meet the requirements of our federal aid road law, I wish to advise you as follows:

(a) *Requirements of federal aid law.* Section 2 of the federal aid road law provides among other things "the term 'state funds' includes for the purpose of this act, funds raised under the authority of the state or any political subdivision thereof, and made available for expenditure under the direct control of the state highway department."

Section 7 of the federal aid highway act provides "that before any project shall be approved by the Secretary of Agriculture for any state, such state shall make provisions for state funds required each year by this act for construction, reconstruction, and maintenance of federal aid highways, which funds shall be under the direct control of the state highway department."

Section 12 of the federal aid highway act provides "that the construction and reconstruction of the highways or parts of highways under the provisions of this act, and all contracts, plans, specifications, and estimates relating thereto shall be undertaken by the state highway departments subject to the approval of the Secretary of Agriculture. The construction and reconstruction work and labor in each state shall be done in accordance with its laws and under the direct supervision of the state highway department, subject to the inspection and approval of the Secretary of Agriculture and in accordance with the rules and regulations pursuant to this act."

From the above quotations it is apparent that the federal aid law contemplates and requires that the federal government shall deal only with the state highway department and that the state highway department shall have full control of the construction and maintenance work on federal aid roads and the funds created therefor by the state, so that the state highway department can deal

with the federal government in a responsible capacity.

(b) *Requirements of our State Primary Road Law.* Section 4697 Code of 1924 provides "when the board of supervisors of any county shall decide to begin the improvement of any division of said primary road system \* \* \*."

Section 4700 Code of 1924 provides "as soon as the approved plans and specifications are received by the board of supervisors, they shall proceed to advertise for bids for the construction of said improvement."

Section 4702 Code of 1924 provides among other things, "all claims shall be \* \* \* filed with and audited by the board of supervisors and then forwarded to the state highway commission for final audit and approval."

Section 4731 Code of 1924 provides among other things, "the board of supervisors is hereby given plenary jurisdiction subject to the approval of the council, to purchase or condemn right-of-way therefor and grade, drain, gravel, or hard surface any road or street which is a continuation of the primary road system of the county \* \* \*."

From a reading of the above quotations from the law, it is apparent that the power to construct and maintain the primary roads in this state, is vested in the board of supervisors and not in the state highway commission. Therein our law is in direct conflict with the federal aid law.

(c) *Time given states to amend their laws.* It was recognized by members of Congress and others who were interested in the passage of the federal aid road law, that in several of the states there would be conflicts between the federal aid law and the state laws and that it would be necessary to allow considerable time to the states in which to amend their state laws so as to conform with the federal aid law. Accordingly, Section 24 of the federal aid law provides "that in any state where the existing constitution or laws will not permit the state to provide the revenues for the construction, reconstruction, or maintenance of highways, the Secretary of Agriculture shall continue to approve projects for said state until five years after November 9, 1921, if he shall find that said state has complied with the provision of this act in so far as its existing constitution and laws will permit."

This is the provision of law under which we are now receiving federal aid. In view of the conflict between our state law and the federal aid law, the Secretary of Agriculture will after November

9, 1926, have no power to approve a federal aid project in this state and we will, therefore, after that time, cease to receive federal aid.

*Summary.* Briefly stated, our state law conflicts with the federal aid law in that the federal aid law requires that the construction and maintenance of federal aid roads shall be under the direct control of the state highway department, while our state law places the initiation of construction projects, the letting of contracts therefor, and the maintenance of the federal aid roads, under the direct control of the board of supervisors. In order to fully comply with the federal aid law, we must so amend our state law as to place the direct control of construction and maintenance work on the primary roads, and the funds created therefor, under the state highway department.

Under our state law, the primary road funds are allotted to the counties on the basis of area. In order to comply with the federal aid law, it is not necessary that the county allotment feature of our law be done away with. As I understand it, we can fully comply with the federal aid act and still continue the practice of allotting our funds among the counties. However, such a practice would not operate to the best advantage of the highway improvements of this state. In order to secure the maximum amount of benefit in this state from the primary road fund, we should discontinue the practice of allotting our funds among the counties and should handle said funds as a single state fund for the improvement of the primary roads of the whole state.

I call your attention to the road plank of the Republican platform adopted in July, 1924, which is as follows:

"The people of Iowa want and must have roads greatly improved. To that end we urge the Iowa Legislature to meet all requirements of the federal statutes for obtaining and preserving Iowa's portion of federal aid. We recommend that the state be authorized and empowered to improve and maintain the primary roads of Iowa."

As further bearing on this subject, and showing the attitude of the national political parties with reference to roads and to the continuation of federal aid for road work, I wish to say that the platform adopted by the Republican National Convention at Cleveland in June, 1924, contains the following:

"The federal aid act, adopted by a Republican Congress in 1921, has been of inestimable value in the development of the highway systems of the several states and of the nation. We pledge a continuation of this policy of federal

cooperation with the states in highway building. We favor the construction of roads and trails in our national forests necessary to their protection and utilization. In appropriations, therefore, the taxes which these lands would pay if taxable, should be considered as a controlling factor."

The platform adopted by the Democratic National Convention in New York City in June, 1924, contains the following paragraph with reference to roads:

"Improved roads are of vital importance, not only to commerce and industry, but also the agriculture and natural life. We call attention to the record of the Democratic party in this matter and favor continuance of federal aid under existing federal and state agencies."

As a general proposition, I am not very enthusiastic about federal aid, yet to abandon federal aid in connection with our highways at this time would be a short-sighted policy which the people of this state would resent and repudiate. I, therefore, urge upon you the necessity of early action in complying with the provisions of the federal law in reference to maintenance of highways.

During the past two years construction work on the primary road system has proceeded at such rate that the funds available were not sufficient to meet the construction costs as they became due. The special assessment feature of the primary road law should be done away with and all assessments which have been levied against adjacent and abutting property for the paving of primary roads should be refunded. Whenever the traffic on a road becomes so heavy that paving is required, the improvement of such road is a community problem and not an individual one. The present primary road fund is not sufficient to maintain the primary road system and at the same time finance a primary road construction program that should be followed. Additional revenue from some source must be provided. It is believed that the most practical source for such additional revenue would be through the levying of a tax on gasoline. Roads must be built and maintained. That costs money. The money must be raised by some form of public license or taxation. Years ago it was just and proper to raise all road funds by a general property tax on the farms and homes. In the days of horse drawn vehicles, it was a farm to market highway, used almost solely by the neighbors and paid for by the neighbors by general property tax. Today, with the automobile, the motor truck and bus, the road is not a neighborhood or town road, but a county, a city, a state, a national highway, used

by everybody from everywhere. Under these changed conditions, with the general property tax at a prohibitive point, it is simply common sense and common fairness to say that the people who use the roads and get most of the benefits from them, the motor vehicle owners, should pay a share of the cost. Gasoline used for agricultural and industrial purposes should be exempted from the tax. There are thirty-six states which have a gasoline tax at this time. The gasoline tax is not a sales tax. Its purpose is not to raise money by tax on sales, but to raise it by tax on road use.

A law of this character would force motorists, who are the principal users of gasoline to pay a tax as nearly as may be in proportion to their use of the public roads. In keeping with this idea, the funds should be segregated from other funds of the state for the use of the state and local highway agencies in building and maintaining the public roads.

A program which contemplates the issuing of a large bond issue at this time for highway purposes should receive your very careful and thoughtful consideration before its adoption. I personally question its advisability.

Assuming that there could be placed to the credit of the primary road fund, which includes automobile license fees, federal aid revenue and one-third of the funds derived from a proposed gasoline tax of two cents per gallon, these three factors will yield an estimated total annual sum of \$11,500,000.00 for the primary road fund, and from three to three and one-third million dollars additional funds for county roads.

It costs the people no more to raise a fund to be used entirely for road building than to raise a fund to be used partly for road building and partly for paying the interest on bonds. I am inclined to the opinion that the citizens of Iowa would feel more kindly to a gasoline tax or any other special method of raising road funds if assured in advance that the funds would not be diverted to other purposes than building roads.

We must improve Iowa roads and the work should be carried on as rapidly as possible consistent with the ability of the people to pay. Large obligations that are a burden and excessive, ought to be guarded against by the public the same as by individuals.

#### OUR STATE EDUCATIONAL SYSTEM

We take pride in our public system of education, because of the high rank which our public schools and institutions of higher

learning have attained among those of the nation. The high average intelligence and morality of our people is very gratifying and commendable. Good as these conditions are, Iowa must keep in the forefront of educational progress. Advantages of a generation ago cannot meet the needs of the present time and to a lesser extent the needs of generations to come.

The present is a critical period in the history of education. It requires wisdom, courage, and vision in order that progress may be made. We are familiar with the fact that there developed a period of extravagance in 1919-1920. Costs went up by leaps and bounds. We are far from being established on a basis fair to all industries and sorts of services rendered. Taxes likewise advanced until they have become a burden almost greater than the people can carry. There should be cooperation in careful expenditures for all public purposes including those for the support of education. Nevertheless, the solution of the tax-problem should be accomplished without detriment to the efficiency of our schools. Are not our country children and rural folks generally entitled to just as good educational, social and recreational opportunities as provided anywhere in the State? There should be no favored classes as far as educational opportunity is concerned.

There is urgent need of training of workmen in the trades and industries, whose ranks are fast being depleted. The scarcity of skilled labor is becoming alarming, especially in the building trades. At a meeting of the American Construction Council held in New York City, October 2-3, 1924, the most brilliant contribution of the session was the address of Dr. Prosser, Director of the Dunwoody Industrial Institute of Minneapolis, on the subject: "The Necessity for Proper and Adequate Teaching Material in the Training of Apprentices." Dr. Prosser said, "In the Building Trades, we are today not training enough young men to take the place of twenty-five per cent of the death rate alone, to say nothing of those who retire from old age, accident, etc." The avenues for training of future workmen should not be closed. Either the system of apprenticeship should be revived and the apprentice given a fair chance to learn his trade, or classes and schools of a practical and technical character should be encouraged by the state for the preparation of tradesmen.

It is worthy of note that the extended use of the school plant for community activities is gaining ground rapidly. This is right.



There is a distinct advantage in having buildings and grounds, taxing areas, and a population included in the district, sufficient to successfully carry out well organized programs for community enjoyment and betterment. The matter that transcends all other questions affecting the welfare of our people is the power of education and community activities to touch the life of every individual in a helpful and wholesome way and that makes a place a good one in which to live.

The extension service of our state colleges and university should be utilized to the fullest extent, thus carrying the superior training offered by these institutions to those unable to attend college.

The office of school treasurer should be abolished and provision made authorizing the county treasurer to pay all warrants drawn on school funds. It is a useless office and waste of the people's money.

Our schools and colleges should be divorced from political influences. Political affiliation should not be considered in the selection of school administration officials. To this end, the office of State Superintendent of Public Instruction should be classified with the heads of our state colleges and State University. I, therefore, recommend that the State Superintendent of Public Instruction should be selected by the State Board of Education.

The State Board of Education has been perplexed, if not bewildered, at the increasing complexity of the problem that confronts it. At the beginning of each biennium it was thought that the peak of attendance had been reached, but the number of students attending high school and college constantly increases. Only a few years ago, the total attendance at Iowa high schools was 35,000. Two years ago it was 85,000. Today it is probably somewhere between 85,000 and 100,000. An increasing number of high school graduates are entering our colleges annually.

It has been suggested that the attendance at our institutions of higher education be limited in numbers because of lack of accommodations and cost of maintenance. I, for one, believe that an opportunity should be afforded every young person in our state to attend college who desires to do so.

The State Board of Education was created to co-ordinate our institutions of higher learning and to make them cooperating units in a well thought out system of higher education for the state of Iowa. This co-ordination should be done in a statesman-

like manner, and if carried out to a successful conclusion, would result in a piece of educational work gratifying to all concerned. Institutional pride, selfishness, and sentimentalism should not dominate the management of our state institutions. This was in the mind of the legislature which created our present plan of one board for all of our institutions of higher learning. The Board, after their appointment, made an honest, painstaking effort to put that purpose into effect, but outside influences induced the General Assembly without any effort to compromise, to reverse itself, which in effect was an order to maintain the status quo.

Avoidable duplications undoubtedly still exist, that in the interest of economy, as well as educational efficiency ought to be remedied and another attempt should be made to carry out the original purpose for which this Board was created.

Our public schools and colleges are the most democratic institutions we have. People from all classes and walks of life may meet here on a common basis. The public schools, the state colleges, and the State University form a grand series of terraces of educational opportunity which should be supported liberally in order that none who seek entrance therein shall be deprived of the most efficient training possible within the financial ability of the people to reasonably provide. The best preparation our state and nation can foster in the making of citizenship is a sound body, a clear mind, a pure heart, ability to do something well, and faith in the love promulgated by the Prince of Peace.

#### IOWA COLLEGE FOR THE BLIND

I want to call your special attention to the work that is being done at the Iowa College for the Blind. The state is doing a splendid work at this institution but it is somewhat nullified by reason of the fact that the boys and girls leaving the institution lose their way because there is no friendly hand to guide them from day to day. Blindness forces a barrier that a man or woman finds it most difficult to overcome. Only the most courageous strike out boldly and undertake to pass over those barriers alone; many, very many, see nothing but failure ahead. The blind need the friendly guidance of the eyes; our whole social fabric is built up with the idea that there are eyes to guide.

The state should do something to improve the condition of our boys and girls when they leave school. They should be

helped to situations and occupations. I know that there are those who will argue that we are making sufficient provision for the adult blind in the possibility of the county pensions, but the self-respecting blind would rather be self-supporting without the pension, if that were possible, and surely the maximum granted would scarcely support a man or woman in decency without other means of support. To my mind wherever the state can make a man or woman self-sustaining, they are making a better citizen and such person's relationship to society and to the state and nation is greatly improved.

#### IOWA CHILD WELFARE COMMISSION

In November, 1923, my predecessor in office named an Iowa Child Welfare Commission to examine into the experience of more than thirty states of the Union in handling the problem of the handicapped child, those who are dependent, neglected or delinquent, as well as the feeble-minded and illegitimate. It is a movement nation-wide which has for years engaged the best thought and trained research of the nation. Standards have been worked out and there is available for our guidance and instruction the experience of many states, beginning with the work of the Ohio Commission in 1911.

The Iowa Commission, the members of which have served without pay, was granted an appropriation at the extra session of last year to cover its expenses. The members of the Commission are men and women known throughout the state, and well fitted to give this important subject the study it deserves. They have spent a year in surveying the conditions in the state, in consultation with judges, social workers, probation officers and others, inviting suggestions, gathering case material, surveying the population of the state juvenile homes, examining the laws of other states and the work of like commissions.

The Commission has, pursuant to directions in the act covering its expenses, prepared and placed in our hands its printed report, embodying the legislation which it recommends for enactment.

I earnestly urge your careful examination of this report. It comes from a body of men and women whose devotion to the social well-being of the state will no more be questioned than

will their fitness by experience and training to present a sane and efficient program for our consideration.

A study of the report of this Commission must convince the most skeptical that considerations both economic and humane demand that Iowa move forward with the long procession of American states taking advantage by legislation of the best methods in this important field.

I would bring to your favorable consideration the legislation recommended by the Commission. It is largely based upon the experience of sister states in the Mississippi Valley and legislation already in successful operation. In brief it covers provision for official contact by the state through a trained executive in and under the Board of Control, with the handicapped childhood of the state; the licensing of child placing and child caring persons or institutions, for the protection of the child, the foster parent and the state; the licensing of maternity homes for like reasons; the permissive creation of local welfare boards for better investigation of all cases of poor relief or commitment of children to state institutions; the requirement of judicial sanction in cases of adoption as is already done in all other states in the Union save Louisiana; the machinery for better administration of the law governing mothers' pensions, in aid of the courts and to protect against imposition; provision calculated to better inform the state as to its feeble-minded and for custody in certain cases; and amendment to the marriage law with a view to preventing issuing licenses to persons who are or have been in the custody of the Board of Control under guardianship for mental defects or in institutions for the insane or feeble-minded.

The Commission presents its proposals as an interlocked program, each measure requiring study in the light of, and as linked to, its sister bills. I invite your special attention to this feature of a report which I find satisfaction in commending to your most favorable consideration. The cause, that of the unfortunate childhood of the state, is one of the most sacred in our keeping and can but appeal to the most humane impulses of our people.

#### CHILD LABOR AMENDMENT TO THE CONSTITUTION

There is now pending an amendment to the Constitution of the United States to vest in the federal government power concurrent with that of the states to limit and prohibit the labor of

children under eighteen years of age, which will be submitted to you for ratification.

All admit a workless childhood would be a calamity—nobody proposes any such thing; that is not the purpose or effect of child labor legislation, either state or federal.

Some opposition has arisen in the minds of farmers. Every student of rural child-labor problems knows that prohibition and regulations properly applicable to Industrial employment would be impracticable with regard to the home farm. We find the American home farm of today an excellent environment. However, greed and avarice should not be permitted to exploit the labor of children to their injury and to the hurt of the commonwealth. Invariably, where we have child labor, we find it is the cause of ignorance and poverty. The public conscience of many of the states revolted against the exploitation of children. By the approval of this amendment, you do not seek to legislate—you simply confer upon Congress the power to legislate, concurrently with the states. The amendment would not limit child labor. It simply vests in Congress the power to limit or prohibit conformably with the dictates of public conscience and the needs of the public welfare. Where we find child labor, we find illiteracy. If it exists in one section of the country, its results will reach every other section of the country. If Congress is not empowered by constitutional amendment to act, the evil will continue to grow. The only recourse open is to amend the Constitution, for the sake of the children who will be driven into the industries of the country to their own injury. The children of America must be conserved. If we would preserve America and increase the honors we wear, it is our duty to see that no child shall be born without hope. To do this, we must preserve the birthright of every child in this land, thus making it impossible to buy or sell it for a pittance. We must protect property but the children of America are worth more than property.

The ratification of this Amendment will be in the interest of humanity.

#### STATE PARKS

The progress that has been made toward conserving nature's beauty tracts for state parks is worthy of much commendation.

It is well that these tracts be preserved as far as possible in their natural condition for their real scenic value and as the habitats for the native plants and animals. Many of these spots of land are useless for other purposes. They will become more and more interesting to tourists and to students of natural science. They have an aesthetic and ethical value that no state should ignore.

#### TAXATION

During the last few years we have heard frequent complaints as to the burden of taxation. While they have come from all parts of the community, the most vociferous have been those of the farmers, who contend that they are over-taxed in comparison with other classes of the community. As far as the weight of federal taxation is concerned, there is probably little truth in the contention. The taxes which have been bequeathed to us by the great war are composed in great measure of taxes on incomes and earnings; with the comparative paucity of great incomes among farmers, our system of graduated taxation falls primarily on the wealthy business men and the large property owners. The situation is, however, very different in the case of state and local taxation which is imposed primarily upon property. It is here that the chief complaints as to inequality are urged. What, then, is the solution of the difficulty? All sorts of cure-alls have been proposed. Fortunately, the farmer turns a deaf ear to most propositions. The single tax propaganda, for instance, is much less effective in the United States than it was a generation ago; and the proposition to put the entire weight of taxation upon land naturally does not appeal to the farmer.

On the other hand the farmer has turned his thoughts toward making the general property tax more effective. He argues that since personal property slips out of the assessment list and then escapes its proper burdens, the way to remedy the situation is to enforce the general property tax more rigidly by a listing system and thus to lighten his own burden. This is where the farmer makes his mistake. He is attempting the impossible. He cannot bring personal property back into the assessment lists by legislation. The tax system is always the consequence of a general economic system. Under the economic changes that are taking place in this country, with the transition from tangible to intangible personality, it is impossible to keep personal property

in the assessment list. The sole result of more rigid laws designed to effect this end, is to increase not revenue but concealment and perjury. This has been the universal history of mankind. What is taking place in the United States today has occurred in every other civilized country. England, Germany, France and Italy have long since—in some cases generations ago—relinquished the effort to impose a tax on personal property. Everywhere in the world, with the exception of the United States, the general property tax has been abandoned as the principle source of revenue. Any effort made by the farmer to tax mortgages or to assess intangible personality, will only react upon himself by making the situation worse instead of better. What, then, is the way out? We must do exactly what the European countries have done. We must induce the great mass of American commonwealths as they become more and more industrialized to abandon the general property tax and supplementing it by taxes on personal incomes and business earnings. Instead of attempting to impose prohibitive and impossible rates on intangible personality, the attempt was made to reach the non-agricultural sources of wealth by giving up property as the criterion of wealth and substituting taxes on profits and on earnings. The business man should accept the income tax because it recognizes that his property is measured more accurately by his profits under an income tax than by the amount of his stock in trade under a property tax. The public would find that a tax on earnings would reach the immense class of professional earnings which are entirely exempt under a general property tax. Under this plan, we would find that the tax on business incomes would be paid primarily in the towns and cities where business is carried on rather than in the country. The tax should be moderate so as not to unduly increase the burden already imposed by the federal government.

The farmer is over-taxed. Under actual conditions in most parts of the United States he bears an unequal and unjustifiable burden. But the remedy in the situation lies in accommodating the tax system to a changed and modern economic system.

Our tax laws should be revised. One only needs to study the system in some of the other states to be convinced that many of our laws are antique. We have laws that were passed in 1853 and 1858. These laws are still in our statutes. We have made progress and have outgrown this system. The commission ap-

pointed by the Thirty-ninth General Assembly to study the tax question did a splendid work and I commend to your thoughtful consideration the report of this Commission.

The people of Iowa feel that something should be done along this line, and I trust that you will give the subject your careful consideration and thus solve a problem which has been pressing for attention in Iowa for some time.

#### TAXATION REDUCTION

Public sentiment is strong against excessive federal taxation and many think it was a decisive influence in many states in the late election. It is, however, remarkable with what submissive subjection the tax paying populations of American cities shell out their cash for local taxes. The National Industrial Conference Board declares both state and local taxes are assuming dangerous proportions, along with constantly increasing indebtedness. While the national indebtedness is being continuously reduced under pressure of public opinion and good government, exactly the contrary condition exists in the cities, counties and states of the union. In twelve years the indebtedness of these political units has increased from \$3,822,000,000 to \$10,500,000,000. In two years, (since 1922) this local indebtedness has increased approximately \$2,000,000,000 in the face of necessity for retrenchment. In Iowa, about ten cents out of every dollar of taxes collected is under the control of the legislature. Whereas, ninety per cent out of every dollar is controlled by the county, municipal and school boards. If taxes are running rampant, the expenses should be curtailed until the price of labor and the price of material comes down. I think the time is nearly at hand when we will have to put a halt to these bond issues which our children will have to pay and adopt the motto 'pay as you go.' National sentiment applauds and praises their huge reduction in federal indebtedness and taxation and carries its desire through by defeating those who would increase taxation, or even leave it as it is at present. Cities, counties and states show no disposition to punish and retire from office those who are adding enormously to local taxation and indebtedness. As Mark Twain said of the weather, "The extravagance of local government that has its hands in the pockets of citizens is something everybody com-

plains of, but nobody does anything about." Yet the people have the same potent weapon to stop the excessive costs of their local governments that they have to force economies which are national — the Ballot.

Tax reduction can only result if revenues are kept ahead of expenditures.

There should be an intelligent administration of all departments of government which will result in economy and efficiency to the end that taxes may be reduced, and every dollar spent in a public way should buy as much for the public as though it was the dollar of an individual. Needless or unnecessary employees or machinery must be eliminated. Departments of government must keep within their budget if we are going to reduce taxes. The heads of various departments instead of fighting for larger shares in the tax money, should do their very best to see which one could make the best showing in his department for the money allotted thereto, and all employees should cooperate in seeing how far they can make their department appropriations go. It isn't how much money a department has to spend that counts. It is what is done for the taxpayers in return for the money expended. Of course, it would be fine if each department had all the money they think they need for the proper maintenance of their department. But there isn't that much money in the world.

The greatest need of all is a definite and well considered plan of administration that will reduce costs and increase efficiency; that will forward the work of internal improvements, and will give the taxpayers one hundred cents worth of service for every dollar they pay in the shape of taxes. The people are not demanding the impossible; they are demanding a business administration for the benefit of the whole state instead of a political administration founded on a desire to advance some individual's political fortune. Let us work together harmoniously and with a single purpose of meeting as far as humbly possible the desires of the people, to confer great benefits upon the state at large. They do not expect us to do more and we cannot do less and be true to the commission given us.

#### BUDGET LAW

The wisdom of a Budget Law for the United States has been demonstrated during the past few years. Iowa has followed in the

footsteps of the national government and today has a Budget Law. It has met with considerable opposition but its worth and value to the taxpayer is becoming more and more apparent. As one writer has said "A Budget Law is a notice to the public to take personal interest in the public business; it is a notice to the office holder that the public is watching and demanding honesty and efficiency. It is a notice to contractors that their bids must be on the square and their work done in the best manner possible." The value of the Budget Law is proven. It places the affairs of the state on a business basis. Our people realize the necessity of having a tax program that is based upon the earning capacity of the taxpayers. This is assured under the operation of the Budget Law.

Let me impress upon you the necessity of economy in the expenditure of all public funds.

#### BANKS

One of the difficult problems of this period is the handling, safeguarding and salvaging of the assets of the closed banks. The failures in most cases have been due to the fact that moneys have been loaned in excess of the limit fixed by the statute. The banker, in many cases, did not seem to care where he got his money, how long he would have it, or to whom he loaned it. The banking laws should be amended limiting loans to relatives, and officers, providing for more strict examinations of banks, and for a personal liability of all officers connected with the making of an excess loan, or loan in the prohibited class, for the benefit of the depositors for the amount in excess of the limit fixed by statute—or loan prohibited.

The Legislature acting through the Thirty-first General Assembly passed a statute providing that when any person, partnership, company or corporation, which of course would include banks, goes into the hands of a receiver, public funds in the hands of such receiver shall be entitled to preference and shall be paid prior to the claims of general depositors. This law is neither equitable nor just. Particularly, when you take into consideration the fact that bonds are required for these deposits and the state supervises the conduct of the banks. The law results in freeing bonding companies from liability after they have taken fees from the public

for guaranteeing to protect deposits. This law should be repealed as one of the first acts of the Legislature.

CREDIT

Our farmers and business men are entitled to a relief from excessive interest rates. There are country banks that are paying five, six and seven per cent for money on certificates of deposit. Where do they get it? From the rich farmer and others. Then they loan it to the poor farmer at eight per cent. These interest rates must be reduced. There is no reason why the country banks should pay these rates of interest. It is the business of the country bank to cooperate as well as the farmer. Get together and reduce the rates you are paying on certificates of deposit and correspondingly reduce the rates to the borrower.

I recommend to the Banking Department that they adopt a rule requiring all banks that pay more than five per cent on deposits to carry such obligation as a loan instead of a deposit.

CONSOLIDATION OF BOARD OF PAROLE WITH BOARD OF CONTROL

Under the Iowa law we have a Board of Control and also a Board of Parole, consisting of three members on each Board. The Board of Control has general charge of the penitentiary and reformatory, furnishes the prisoner work, looks after his health, regulates his employment and compensation, sees that he is fed wholesome and nourishing food, looks after his property if he has any, but has nothing to do with paroling the prisoner. The Board of Parole has charge of paroling the prisoners from the penitentiary and reformatory only. The Board of Control has charge of the paroling of the prisoners in the woman's reformatory, also the paroling of boys from the Training School at Eldora, and the girls from the Training School at Mitchellville.

I am convinced that there is a great deal of duplication of work between these Boards. In the office of the Board of Control, there is a complete history kept of each prisoner in the penitentiary and reformatory. I understand the Board of Parole also keeps a complete history of each prisoner. There is a secretary and complete organization for each of these Boards maintained at the State House. Why this duplication? In my opinion, this is wholly unnecessary.

There is also duplication in work in other ways. For instance, the Board of Control is required by law to inspect the penitentiary

and reformatory at least twice each year. It occurs at various times that the Control Board and the Parole Board are at these institutions at the same time. This work could just as well be done by one Board.

Why not abolish the Board of Parole and have the work taken over by the Board of Control? I think it would be advisable to add an additional member to this combined Board, which in my opinion, should be a woman. I am convinced from my study and investigation of this matter in Iowa and in other states, that the work of these two Boards can be done by one Board without impairing the efficiency of this important work.

EMPLOYMENT OF PRISONERS AT THE PENITENTIARY AND MEN'S REFORMATORY

The last session of the Legislature extended the right of the Board of Control to July 1, 1927, to make contracts for the employment of prisoners confined to the state institutions. These men must be employed not alone in the interest of the state, but in the interest of the men themselves. Advanced social conscience demands that the first requirement of penal institutions shall aim at the maximum character improvement of its inmates. To this end, prison idleness is unthinkable, but I believe care and study can devise some proper measure both of educational training and of prison employment the production of which shall be devoted primarily to State use and not for general sale. Every effort should be made to adopt prison made production to the necessity of the State's own use and it would be particularly unfair to private industry to unnecessarily compete with State goods which are the production of involuntary labor. The condition as to the employment at this time is not the fault of the present management of our institutions, for it requires legislative appropriations to correct this situation by providing equipment for other means of employment. The responsibility for the continuance of this condition at the penitentiary or men's reformatory rests squarely upon the members of this Legislature. I trust that the Legislature, the Board of Control and those interested in prison welfare, as well as all forms of outside industry will unite in order to formulate a practical program of enlightened prisoner treatment without undermining the spirit of resourcefulness in private enterprise.

EQUAL RIGHTS

The women are to be highly commended and complimented on the thorough-going interest which they are taking in public affairs and the careful and conscientious consideration they are giving to problems of the State and Nation. They have become students of government and where they have been appointed to public positions, both in the state and in the nation, they have rendered a splendid account of their stewardship. There have been but few exceptions where women officials have failed to render efficient service.

I urge that you do not overlook the importance of the adoption of the Amendment to the Constitution removing every discrimination there existing against the enjoyment by women of every right and privilege now possessed by man.

LAW ENFORCEMENT

All our laws must be impartially enforced, not only as between individual offenders, but among the laws violated. As long as certain acts are made criminal under the laws of our state or country, the violator should be prosecuted for the crime committed and punished in accordance with law, whether the criminal be a burglar, a thief or a bootlegger. There has been a tendency on the part of our people to wink at violations of the prohibition law, and to regard such violations as less criminal than the breach of other laws on our statute books, and if that spirit is to continue, it is bound to result in a weakening of character and a lowering of state and national ideals. The Attorney General has called my attention to some difficulties in connection with the enforcement of the laws against intoxicating liquors and these laws should be strengthened whenever necessary to the end that we will have prohibition in fact, as well as in name. One of these is the law relative to the abatement of nuisances and the requirement upon conviction that an order of abatement be entered. I also call your attention to the fact that in re-writing the liquor laws, the old presumption that possession of liquor was presumptive evidence of intent to sell was left out. This should be restored as its absence has made it difficult for the County Attorneys of the state in the enforcement of the law.

If we are going to permit a minority, even though well organized, to refuse obedience to any law except as meets with their approval,

we will find very soon that democracy is a failure, self-government impossible, and our boasting of liberty but a mockery.

There should be thorough cooperation between the state and the federal government for a rigid and continuous enforcement of the laws against intoxicating liquors and habit-forming drugs, and I would urge upon you that you enact whatever legislation that may be required to insure full cooperation and thorough-going enforcement of these laws, as well as all other laws on our statute books.

Our criminal laws are being violated daily. I sometimes wonder whether those charged with the enforcement of the law are using all of the up-to-date means within their power to apprehend criminals. The use of the automobile has given us the traffic violator and has given the criminal a means of escape before unknown. The criminal is quick to adopt all of our modern methods and keeps pace with the development. Our officers charged with the enforcement of the law should likewise avail themselves of every means of apprehending criminals, and unnecessary delays in our courts and technical defenses should be eliminated in order that we may have a strict enforcement of all laws, thus building a sentiment of respect for the obedience thereof, and safeguarding the citizen against the lawlessness of the criminal. The greatest aim of government as Gladstone put it "is to make it as easy as possible to do right and as hard as possible to do wrong."

Let us as individual citizens keep in mind our responsibility for law enforcement and observance of our laws, remembering that the foundation of all law and order lies in the greatest of American institutions—the Home. It is the base upon which the whole structure of society rests, being the most sacred place of all things earthly. If the law of the home is not properly enforced, the laws outside of the home will be broken.

The shirking of individual responsibility is already showing results, and if permitted to continue will divert and render unavailable to the community the orderly and just administration of the law.

The Government and the law need the participation in public affairs of all of our people to the end that they may have confidence in the Government and the law. No state or nation can live unto itself alone. Like the individual it is part and parcel of the world, and every individual and every state must take up the burden of seeing to it that there is good government and that there is wide participation in governmental affairs on the part

325802

STATE LIBRARY COMMISSION OF IOWA

Historical Building

of all the people. When all is said and done, life consists not in what we may gain for ourselves from a commercial standpoint, but, in the service we render to the people of the state and of the world.

Awaken public interest upon the part of all the people. Convince them that the Government is what they make it, and that they need to serve national purposes, rather than those of any particular section or group, and you will lay a foundation for confidence in governmental agencies. Let justified confidence prevail among our people. Legislation should be the untrampled and truly expressed will of the people.

To the accomplishment of these ends, I ask your assistance, and I beseech that such assistance be made manifest with a devotion to the accomplishment of results with a consistency like unto that of the North-Star, of whose true, fixed and lasting quality there is no fellow in the firmament.

"There is a spirit that works for the common good, that places the interests of the many above that of the few. Such a spirit promotes true happiness, adds fulness to life and living. It is an attribute to all success. It is service."

We must be persistent in our ideals to the end that we may be consistently excellent at all times. The demands upon true womanhood and manhood are no less strenuous now than they have been in the past to protect innocence and punish crime. Our constitution and laws are being defied in many quarters today. There is need of real moral stamina. The world never stood in greater need of it than it does today. We must not permit contempt for law to grow. We must check the prevailing lust for what are called pleasures of life and the disregard of the rights of others. We must not permit selfishness to continue to dominate such a large mass of humanity. To do this is to permit the entering wedge which may eventually destroy the principles of life, liberty and the pursuit of happiness for the children of this great Republic. We must place our faith in God. We must become the champion of the school and of the law. These are our duty, but what a mighty privilege it is. To faith in God and to education must we look for betterment of the conditions existing today. A realization of the situation will make us all better and more constructive citizens.

State of Iowa

1924

REPORT

GOVERNOR OF IOWA

Pardons, Suspensions and Commutations of Sentence

Remission of Fines

From January 1, 1923 to December 31, 1924

STATE LIBRARY COMMISSION OF IOWA