

DAN W. TURNER

Forty-fourth General Assembly

Des Moines, Iowa, January 15, 1931

TO LINE LUNS, TOI

State of Jowa 1931

INAUGURAL ADDRESS

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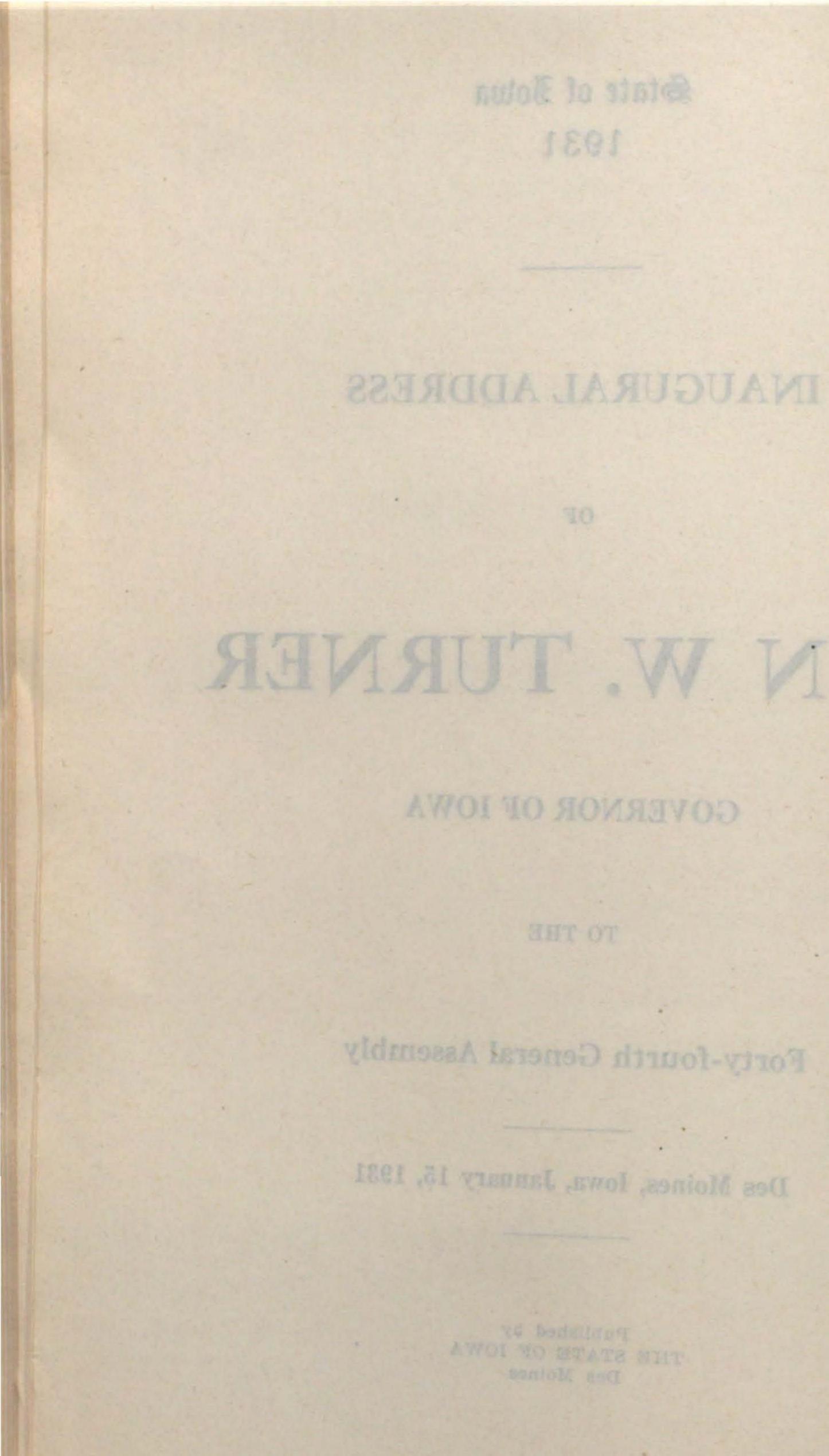
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GOVERNOR OF IOWA

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TO THE

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GOVERNOR'S INAUGURAL ADDRESS

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DAN W. TURNER, GOVERNOR

and in the development of a contented people, I have men called.

Members of the General Assembly and Citizens of Iowa: By the will of its electorate, our beloved Commonwealth of the State of Iowa has conferred upon me the highest honor in its power to bestow.

One has to experience the weight of this obligation to feel the full impact of its significance. To you, who listen to my voice, it is but the witnessing of the inauguration of another Governor. To me it is the assumption of a grave responsibility. And yet, this inauguration concerns every citizen of Iowa. Realizing, that in the conscientious fulfillment of the functions of my office is involved, to some degree, the prosperity and happiness of our people, I am resolved in all my deliberations and in all my executive acts, your welfare will be the primary consideration. In virtue of my induction, I no longer belong to myself. I belong to you. Every Iowa home, and the interest of every individual Iowan, irrespective of station, color or creed, becomes my personal concern.

This day is significant to you, as to me, because it solicits your loyal participation. It serves the high purpose of impressing us with the fact that every task is an exalted one if it contributes to the common good. It brings its recurrent conviction that whilst I, as your Chief Executive, continually devote myself to your wellbeing, it is only as each of us performs his daily work in the true spirit of industry, patriotism, and loyal citizenship, that we shall reach the commonly coveted goal, and share a mutual benefit.

The high esteem in which I hold the people of my native state, the deep sense of a helpful comradeship in a common cause, the conviction that you worthily merit the best in leadership, increases my determined devotion to this task. The hope that the full measure of our expectations may be realized is inspired by the assurance of your valued assistance. I realize the magnitude of the official obligations with which I am commissioned. With a deep

sense of humility, I am conscious of the limitations of individual human endeavor. I would be destitute of feeling if I were not deeply affected by the abundant evidence which my fellow citizens have given me of their confidence by entrusting me with this high office, the functions of which I now assume with a gratitude I profoundly feel but cannot adequately express.

To the task of guiding our favored Commonwealth in its continued growth, in the prosperity of its farms, cities and industries. and in the development of a contented people, I have been called. I shall not have fully realized the high ideals that now inspire me, nor completely achieve the ambitions that now actuate me, should I look back over my term of office with a single regret that I have, at any time, or to any person, been delinquent to the trust you have so generously reposed in me.

To me it is the assumption of a grave responsibility. And yet, this inauguration concerns even of lown. Realisting that

it is but the witnessing of the inazguration of another Governor.

The business of government is the concern of the people. It becomes more involved as the country grows older. As the demand for laws increase, the machinery of government becomes more complicated. tive acts, your welfare will be the primary considers

To meet the natural needs of organized society and not overburden the statute books with unnecessary legislation is your Iowan, irrespective of station, color or creed, becomes my .meldorq

It is not my purpose on this occasion to deal in detail with the many questions that shall be considered in this session. I desire, however, to comment briefly on those problems that are imminent and of grave importance.

The cost of government has steadily mounted since the pre-war period. Taxes have increased in ratio. In many taxing districts of the state taxes are twenty per cent higher this year over last year. In fifteen years the cost of government in Iowa has more than doubled. During the years of this century taxes have more than quintupled in our state. The day of retrenchment is at hand. Not a dollar should be appropriated out of the State Treasury unless deemed by you indispensable in carrying on the state's business. Every demand on the State Treasury should be rejected unless backed by reasons based on necessity. We cannot and will not neglect the wards of the state, but there is room for economy official obligations with which I an commissioned. With a deep

in many directions. You have the power to curtail expenditures. It is your stern duty to exercise it.

Consider the importance of reducing cost of government. If taxes can be reduced and the tax burden spread out equitably among the people, we are justified in the belief that the load will be lightened on real and other visible property.

County, municipal and school governments have equal respon-The Budget Department, inaugurated to induce economy, has

sibility with you in this effort toward economy and retrenchment. valuable features but its recommendations are purely advisory, carrying neither legal nor moral weight.

I would recommend that this Department be abolished and the power of the Budget Director be invested in the State Board of Assessment and Review. The principle of the budget is a sound principle and if consistently adhered to will have a vital influence in holding down governmental expense, not only in recommendations of appropriations necessary to be made, but in aiding us to arrive at the hoped for goal of receiving one hundred cents value in the expenditure of each dollar of the taxpayer's money. Whatever else we do, let us have economy.

Before entering into a discussion of possible and proposed remedies that will be brought to your attention in the effort to relieve visible property of part of the unjust burden it now bears I had thought it would not be inappropriate to set forth here some of the reasons that have prevailed with the people in the demand for tax revision.

Ninety-six per cent of all direct taxes are derived from the general property tax. Intangible property, representing approximately one-half the wealth of the state, shoulders less than four per cent of the tax burden. Out of each one hundred dollars of the farmer's income the sum of twenty-eight dollars is required to pay taxes. Tangible property, real and personal, including the farms and homes, buildings, merchandise, live stock and machinery, property the assessor can see, bears nearly ninety-seven per cent of the tax burden, invisible wealth, less than four per cent, while earnings and incomes have no share in the cost of government. Under our ancient system of taxation the citizens who enjoy in-

TAXATION

comes not derived from ownership of property are in a special privileged class, immune from taxation altogether. Let the rule of justice obtain. Favoritism for any group should be abandoned. The total income of the people of Iowa in normal years is approximately one and a half billion dollars annually. The income from real estate is less than twenty-six per cent of this amount. This property, yielding only one-fourth of the state's income, under the present tax system, pays nearly ninety per cent of all state and local taxes. Debate is unnecessary to prove the contention that the tax laws must be revised. The tax burden should be distributed more justly among our citizens. The income tax is based on the sound principle that taxes should be paid according to the ability to pay. Provision for state income tax should be written into the laws of Iowa. The law when written should exempt wages and earnings needed to provide families with necessities, to enable them to educate their children and live in some degree of comfort. Rates ought to be high enough in the upper brackets to permit the citizens of substantial incomes to contribute their share toward the cost of government.

It is essential that you incorporate in this law a mandatory provision guaranteeing a reduction in the state millage tax, corresponding in amount to the total raised through the income tax. It must be a replacement tax. Before entering into a discussion of possible and preposed re-

INHERITANCE TAX thought it would not be mappropr

The principal purpose of an inheritance tax is to supplement the general taxes and relieve to some extent the tax burden borne by the great mass of people of the state. The fact that it is so designed, and furthermore that it is an instrument of revealing considerable property which has been concealed from ordinary taxation, has naturally caused opposition from those whom it affects. farmer's income the sum of twenty-eight dollars is requir

The present Inheritance Tax Act produces an annual revenue of approximately \$1,200,000.00, which is about one mill in the general tax levy. The statute as it now stands covers both direct and collateral heirs although the exemptions permitted to the direct heirs are so great that the returns from that class of beneficiaries are not commensurate with the property passing.

I recommend that these exemptions be reduced, and that the rate of tax upon the collateral beneficiaries be increased so that the more distant relatives and those who are strangers to the blood would pay a higher rate of tax. A reclassification of collateral heirs would permit this without any injustice to those who are closer related to the decedent.

The changes recommended, which include some other changes of a more administrative nature, would, according to the estimates made by the Inheritance Tax Department of the State Treasurer's office, increase the annual revenue to approximately \$2,250,000.00. The inheritance tax is eminently a just tax, so recognized by practically all authorities on taxation and should be made more

thoroughly a principal source of revenue rather than a supple-overy taxing district of the state. A rard-stick of measurement

CORPORATION TAX ta notible value or engine margin shall sh

should be provided some certain standard established and adhered

Corporations should be included in such income tax. To tax the individual and allow the corporations to go free would work a palpable injustice on the former. Such evasion of our duty cannot be justified in any effort made for genuine tax revision. I think you should earnestly consider the wisdom and fairness of a tax on the income of corporations. The corporation with small earnings will welcome this form of taxation and new industries will be encouraged to locate in our state having the knowledge that when earnings are moderate the tax is light.

The larger industries enjoying greater earning power are amply able to pay a tax that will be their just contribution to the Commonwealth, which fosters and protects them and furnishes a large share of their patronage.

Iowa is one of only six states in the Union failing to provide for some form of corporation tax. Any effort made for genuine tax revision will include such a tax. I am confident a careful survey will convince you that earnest

thought should be given to the inadequate methods now in use in the assessment and taxation of Power Corporations, Public Utilities and Telephone and Telegraph Companies.

Under the Constitution of this state Public Utilities cannot be released from the general property tax. This fact must necessarily

be kept in mind in considering a tax on the gross profits of these companies, or an income tax on net income, or whatever plan in your estimation seems best. In most fine specificher touteib mour edit would pay a higher rate of tax. A reelastication of collateral

ASSESSMENTS

The laws relating to the assessment of property should be revised. Brindley's survey shows that property is assessed all the way from ten per cent to one hundred and ten per cent of its actual valuation. The law now prescribes that property shall be assessed at its actual value. In point of fact, custom has neutralized and failed to follow this rule. In the majority of the counties the attempt is made to assess property at fifty to sixty per cent of its value. As a result, glaring inequalities exist in practically every taxing district of the state. A yard-stick of measurement should be provided-some certain standard established and adhered to. I hope it will be clearly set forth in the revised law that intangible value or earning power shall enter into assessment valuation of property.

The Board of Assessment and Review created in the last General Assembly has taken initial steps to establish a standard of measurement in assessments. The powers of this Board should be amplified rather than curtailed.

The county assessment system is strongly urged by many business men, farmers and students of the tax question. It is now in operation in thirty-three states. The claim made for it is that it minimizes the likelihood of favoritism in the assessment of property and links up the units together into one uniform system. This subject deserves your earnest thought and investigation.

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JOINT LEGISLATIVE TAX COMMITTEE AND BOARD OF ASSESS-MENT AND REVIEW

On this whole subject of tax revision, I commend to your attention for serious study and thought the report to this General Assembly of the Joint Legislative Tax Committee and the State Board of Assessment and Review.

This Legislative Committee, working in conjunction with the Board, has been engaged over a period of eighteen months in painstaking and studious investigation of the whole tax problem.

They have devoted much time in digging to the bottom in their examination of this important subject. The result of their work is embodied in the report which will be laid upon your desks. This document represents labor-consistent, thorough and conthe various rates in force in the municipalities of the statestizatiourts

The facts therein set forth are incontrovertible and while opinions may vary as to certain conclusions reached, particularly regarding rates and exemptions, there can be no difference in judgment regarding the substantial value brought to the discussion of the tax problem, through the efforts of your colleagues and the State Board. as a doinfor stilling and yd hoden oping ant poivres consumers are, without) protection against extertionate rates, inor

do they have the requisite lonowledge to determine whethich the mute of motors sidt tim REVISION THAT REVISES for as beganden .

I leave the subject of revision of our revenue laws with this closing thought. In the face of the present exigency, thorough and genuine tax revision is demanded. It is a "condition and not a theory" confronting us. If I am any judge of the temper of the people nothing less than a thorough revision of the entire tax system will meet with their approval. To fail them now would be plain evasion of our duty. Half-hearted revision is little better than no revision. Let us be sure when we have finished in this session with this great undertaking that wealth and income now escaping are required to make their fair contribution to the cost of government. panies are exempt from taxation and may also be offered and solo

In order that the public interests may best be served, public utilities, including transmission lines and telephone and telegraph companies, must be made subject to regulation and supervision by the state. Iowa is one of the few states which have permitted the public service corporations to operate without adequate law regulating and controlling their activities. Recent Federal hearings have disclosed that in many instances the utilities which furnish electric service to the public have established rates which have been based upon inflated values. No company should be permitted to fix a rate based upon a fictitious value.

In this state rates vary in the different communities, determined

oid privileges and cannot firstified and I recommend that the

to the public without any supervision whatsoever. These are spe-

by contracts made with the municipalities. On account of the utilities' elaborate and intricate financial set-up and their involved corporate structure it is obviously impossible, under our present system, to secure fair and uniform rates. A survey and study of the various rates in force in the municipalities of the state discloses the fact that there is no relation between the cost of production (plus a reasonable profit) and the rate charged. This is grossly regarding rates and exemptions, there can be no differenting

Public utilities are rapidly extending their services to the country-side and our rural population is required to pay for such service the price asked by the utility which is serving them. The consumers are without protection against extortionate rates, nor do they have the requisite knowledge to determine whether the rate charged is reasonable and fair. We cannot permit this system to continue longer in our state. We must see to it that the public is guaranteed a fair and reasonable rate for the services rendered. This question ought to be given serious consideration at this session and a law enacted which shall provide for state regulation of all public utility companies so that the public shall be guaranteed just rates measured by cost of production. An adequate method should be provided for arriving at and determining the value of the properties of public utilities located within the state. This will assist in the matter of rate making and will be of benefit in

connection with the taxation of these companies.

At the present time certain securities of the public utility companies are exempt from taxation and may also be offered and sold to the public without any supervision whatsoever. These are special privileges and cannot be justified, and I recommend that the law exempting them from taxation be repealed and that all securities of public utility companies be made subject to the Blue-Sky Law.

Municipal ownership of utilities should not be discouraged. Improved machinery for generating electric current on either a large or small scale, and at a low cost, make it practicable in some instances to erect municipal plants, to be paid for out of the earnings thereof. However, this cannot now be done because there is no statutory provision therefor.

A statute should be enacted in this session granting authority

In this state rates vary in the different communities, determined

to cities and towns to contract for municipal utility plants to be paid for from earnings of said plants. the property of the property o

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There is no provision in law giving either the state or municipalities within the state authority to stand between the people and the large telephone and telegraph companies now operating within the state, in the vital question of establishing fair rates for service. Eight years ago the governor of the state in his biennial message called attention to the monopoly enjoyed by these large telephone utilities and the necessity of protection for the people, but his sound advice went unheeded. The situation is even more acute now.

ow. These quasi-public, franchise privileged corporations should be subjected to regulations in law that will insure the consumers of the service furnished, fair rates based on an intelligent survey of operation costs and capital invested.

In any instance wherein individuals or corporations hold control of public necessities it is the imperative duty of the state to establish regulation thereof. No method other than state control has been devised giving assurance of protection against exorbitant rates levied by unfettered monopoly. established and maintaine

construction cost of the main arteries of travel is necessarily high

A new factor is about to enter our economic and industrial situation. Large organizations are engaged in constructing lines of pipe for the conveyance of natural gas and petroleum products from distant fields for consumption and distribution in this state. Their advent will materially affect our existing systems of transportation and other domestic industries. If legislation is sought by these organizations for the purpose of obtaining corporation and franchise privileges within the state it will be the duty of the legislature to adequately protect citizens whose property rights may be affected.

No franchise rights should be granted unless proper regulatory laws are enacted to safeguard the rights of the citizens of this state and means should be devised of exacting from these new

TELEPHONE AND TELEGRAPH

of aldizzogini villen PIPE LINE TRANSPORTATION carry that class of construction beyond t

properties such taxes as will constitute their just share of the tax said for from earnings of said plants. burden.

ROADS

Iowa has taken a leading place among the states of the Union in the important work of designing and constructing a state-wide system of good roads. This road building program has been determined by our people and can now be considered a settled policy of the state. We should continue with that work in as expeditious a manner as is consistent with good business and sound financing. We have adopted the plan of paying the cost of our primary roads from funds contributed by the people who use them. We must steadfastly hold to this plan. It was on this solemn promise the various counties furnished the funds to make possible the great achievement in highway improvement. By this token we shall vigorously oppose any effort made to divert primary road funds from the purposes now defined in the law. It is our absolute duty to use every safeguard insuring property owners that the cost of these improved highways shall never result in a tax on property.

In continuing with our road building program, we must ever keep in mind that the benefits to our people, for whom roads are established and maintained, must be properly apportioned. The construction cost of the main arteries of travel is necessarily high. It will be found to be impractical and financially impossible to carry that class of construction beyond the main channels of travel and down to every community entitled to improved roads. Therefore, some less expensive plan of surfacing must be employed on many of the roads in order that a more complete system of serviceable, all-season roads may be built. The value of good roads, universally acknowledged, will be more apparent when a system of all-weather highways connect farms with markets, and communities with those centers of trade and the main arteries of travel, to which they desire access.

You will be confronted with the duty of redistricting our state into fewer Congressional districts. There is still a justifiable hope

legislature to adequately protect cutizens whose property rights may be affected. REDISTRICTING de atdair seidenard of

In either event there must be a reduction from the present num-

that in the Congressional reapportionment Iowa may be represented by ten members in the House of Representatives. But should Congress persist in granting aliens representation, the delegates in that body from Iowa would be reduced to nine members. ber which will require a new districting for Congressional representation from Iowa. Doi: to the monte but of the montest and out of

In the creation of the new districts an arbitrary arrangement of the political divisions of the state, in disregard of the natural or proper boundaries as indicated by geographical position, should not be made.

Districts should be geographically compact and uniform in population to the degree of practicability.

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CONSOLIDATION OF DEPARTMENTS

In the interest of economy there should be consolidation of some of the departments of state government. This can be accomplished without impairing efficiency. Early in the session I will call to your attention several possible departmental consolidations that should, in my opinion, be effected. I earnestly hope you will give careful thought, followed by action, to this matter of consolidation, involving increased efficiency and decreased cost of government.

INDUSTRIAL CONDITIONS AND UNEMPLOYMENT

A PRISON LABOR

Industrial stagnation with resulting unemployment is a world condition, in which our own nation is the least sufferer, with less unemployment in Iowa than in other states. This does not mean that there is no problem confronting us and that the most serious consideration should not be given to adjustment, so that every citizen, willing and capable, should have the opportunity of a well ordered and well conditioned means of livelihood. An idle man is not an asset to a community, and of small value to its business interests. His labor power is a total loss in the creation of the material things necessary to a happy and progressive commonwealth. Continued idleness breaks personal morale, and means either state or voluntary charitable support in the end. This must be averted insofar as possible. To say that we are better off in our unemployment than other states or nations during a time of great general distress is poor consolation to people out of work. must be that be reduced to mort ybod tadt at eater

The causes leading up to our present industrial situation and consequent problems of unemployment can be largely attributed to the mechanization and development of industry, which kept in mind the matter of production only and almost entirely disregarded distribution. New methods and means of conducting all our industries have produced economies in man power further reducing employment.

These displaced workers should be given aid in the seeking of new employment. This aid should be given without cost to either the person seeking employment or the employer. As a means to this end an extension should be made of the present State-Federal Free Employment Service so as to make possible the best attainable disposition of the willing but idle person into the employment opening fitted to his capacity.

In the meantime our great natural resources, and our industrial opportunities should be fully developed so that greater employment will follow, and that our people may not only be producers but consumers and assets in a distributive market.

PRISON LABOR

Prison labor is one of our most pressing problems at this time. There is universal agreement that the prisoner should be kept busy at some productive work. Modern enlightened thought is that the work should not only be productive but that it should give a training that will fit the prisoner for employment by which he can earn a livelihood upon release.

There is no disagreement in this regard. There is, however, difference of opinion as to the method of disposal of the product and the beneficiary thereof. In this lies our major problem at this time. Contracts for the employment of approximately 1,000 prisoners are in effect. These contracts run to private persons or corporations. The Congress of the United States passed an Act to become effective during the early part of 1934, which makes impractical the shipment between states of prison made goods.

This will render difficult the disposal of such goods by a private contractor, and therefore, unless provision is made for employment of the prisoners now engaged in contract work, our state will face a serious condition of idleness in prison institutions. This constitutes an urgent problem and one of immediate necessity. we should not dorget that the commin schools doserive mutanost

VOCATIONAL EDUCATION

Ample facilities are provided for those of our people who can afford to take advantage of higher educational privileges. It is equally important that full opportunity be provided for the efficient training of those who are to perform the manual tasks of the world. The problems of the farm are daily becoming more intensive, and more adequate training in all the elements for successful farming should be encouraged. The experiments, investigations, farm economies and sciences must, of necessity, be the task of the higher institutions, but the results thus obtained must be brought through vocational instruction to the boys and girls who do the active farm work.

The rapid changes in industry have displaced hundreds of workers who must be given an opportunity to earn a livelihood in new lines of work in which they have no experience or training. For these there must come a fundamental training along general industrial lines that will make possible a readier adaptation to other lines of work, and for the person who expects to follow more highly skilled vocations, there should be given an opportunity of training for fitness in his chosen field.

There is also the adult who had no opportunity of definite education, or who perhaps now realizes neglected opportunities, and who has sufficient energy and ambition to become a more valuable . person to society. He should have his chance. Vocational education aims to cover these fields, and has made good progress during the decade of its existence. Encouragement should be given so that its program can spread to every locality and to each person seeking its advantages.

our energy and best intelligence to the task of working out eco-

Iowa is the peer of any state in the Union in the opportunities offered our young people to obtain higher education. The many

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fine colleges of the state, together with the state's own renowned institutions of higher learning, afford scholastic opportunities to our sons and daughters, not exceeded by any state and equalled by few. and intitani noting ai vanabi in protibute anorras a sant

While we have a justifiable pride in our colleges and universities. we should not forget that the common schools deserve our utmost concern and devotion. Not only because they are the foundation of our Commonwealth, but also for the reason that the great majority of our citizens receive their only educational advantages in the common schools.

It is entirely probable that many localities have set up a more elaborate educational program than their financial abilities justify. All school officials or governing boards should conscientiously scrutinize their school costs to the end that all possible economies may be effected and that expenditures shall, wherever possible, be reduced to the minimum, without impairing the quality of the higher institutions. Into the results thus obte instruction.

The report of the Superintendent of Public Instruction shows that during the last year 65,476 pupils were enrolled in the first grade of our public schools, while 35,925 graduated from the eighth grade and 21,011 received high school diplomas. Nearly four times as many children were enrolled in the grades as in the high school. Let no one interpret these facts as minimizing the value of high school and college training, but we must emphasize the necessity of first providing the essentials of a common school education and of making them equally available to all. training for stines in his chosen fold.

AGRICULTURE

Farming is our greatest industry. Among all the states of the Union Iowa stands first in value of farm lands, farm equipment and farm products. Our state, bounded on either side by the great rivers of the continent, comprises a valley characterized by dark loam soil, unequalled in fertility by any area of land of equal size in the world. Having been blessed by Providence with fruitful acres and propitious climate, it only remains for us to apply our energy and best intelligence to the task of working out economic justice for the farm. First, in standing back of our Congressmen in every effort to stabilize on a fair price level the products of the farm. Second, in providing an impartial tax and

assessment system which should reduce the taxes upon the farm and here, this Forty-fourth General Assembly, has unquestioned authority and opportunity to render to agriculture a distinct service. In no other way can the farm be accorded equality and opportunity with business and industry. Moreover, in degree and as a direct result, when agriculture prospers all business in Iowa, manufacturing, wholesale, and retail, is stimulated and encouraged. It is a truism so trite that it needs no repetition here-that when the farmers are doing well, the beneficial result is immediately reflected in better business conditions throughout our state. The great farm organizations under virile and sagacious leadership are rendering invaluable service to the state, through unremitting efforts, intelligently directed in behalf of our state's greatest industry. They are entitled to our cooperation, that agri-

culture may come into its own in the greatest agricultural state CHARLS SYSTEMS IN BUSINESS in the Union.

The growth in recent years of chain business presents a new MANUFACTURES

Iowa has many manufacturing industries, some of them the greatest of their kind in the world. These industries add in material degree to the sum total of the state's resources. They employ our labor and purchase large quantities of Iowa products in raw opinion often decides issues. The individual citizen will lairatam

James A. Garfield said fifty years ago: "Place the factory beside the farm and both will prosper." A practical way to encourage these industries and what will constitute a drawing power to influence new manufacturing industries to locate in Iowa would be for Iowans to buy whenever possible Iowa manufactured and processed products. This rule holds good in all the fabric of business, linking up the manufacturer, the wholesaler, and the retailer with the ultimate consumer. Our economic problems are not all dependent on legislative enactments for solution. The effort to keep the Iowa dollar in Iowa depends on our realization of the value of cooperation in retaining in our state the wealth created here.

Over eight thousand Iowa citizens, the majority of them heads of families, depend upon the mining of coal for a livelihood. We

will have a depressing effectAOD AWOI clopment of our state. In

should encourage this industry. We ought to strive to bring our mining population back to the 1910 basis when eighteen thousand men were mining coal in Iowa.

By tests made on a basis of thirty-six representative samples of coal from different Iowa mines, it was found that Iowa coal furnishes more heat units per cost than other coal.

Let us use every means to encourage Iowa consumption of Iowa products. The more Iowa coal used the more men employedthese miners in turn buy Iowa farm and manufactured products. They patronize the retailers, who are the customers of the wholesalers. Thus, we see forcibly illustrated the value of patronizing our own industries. A more striking example in this respect could not be given. Inded giv heteralb viersbilletmi et with gnithimitan

- CHAIN SYSTEMS IN BUSINESS

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The growth in recent years of chain business presents a new eeconomic problem and one that is regarded with deep anxiety by many of our citizens.

The laws governing interstate commerce make it difficult for the state, through legislation, to deal with some classes of these large chain organizations. However, where laws do not apply, public opinion often decides issues. The individual citizen will seriously ponder the apparent lack of cooperation in community enterprises on the part of any chain system not locally controlled. These systems should not be permitted to escape their share of community responsibility. Methods of taxation should be devised also to compel them to carry their fair share of the tax burden. possible lows manufactured, and processed products. This rule

CHAIN BANKING Teleselorive and Territos?

Chain banking presents problems of a different kind. This state has been developed through extension of credit to citizens intent on home ownership and community enterprise. Any system that curtails credit to the frugal, industrious citizens who are ambitious to till the land, own their homes, or engage in business, will have a depressing effect on the development of our state. In the last analysis credit must be determined by the financial inoff families adepend upon the mening of con a livelihood of West

culture may counci into sits own in the greatest agricultural state

terests in the community where a bank is located and not be determined by persons outside the state.

CHAIN FARMING

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Chain farming is now in its incipiency in Iowa. The time may come when it will be our chief concern. I do not believe chain farming can take root in this state when conditions are such that our people are encouraged to live on the land-conditions that hold out substantial hope of a fair price for their products, and taxes that are not oppressive. I doubt the validity of the claims made of lower cost of production through corporation farming methods. But, granting chain farms will produce crops, it is an assured fact that they will not produce yeomen citizenry. The individual farmer is interested in schools, churches, and community building. The whole question of the standard of our citizenship is involved in the system that shall obtain in the business of farming. I hold to the family unit system—it has proved excellent in the production of both citizens and crops.

CONSERVATION

Our streams are rapidly degenerating into open sewers, recen

lakes and streams.

No state can hope to retain a devoted and happy populace which does not in due measure provide for the preservation of health and beauty in its surroundings.

The people of Iowa have a right to expect that out of nature's bountiful endowment of rivers, lakes, and wooded hills, sufficient areas may be preserved for their recreation and enjoyment. Thoughtless encroachments of commerce and private ownership have polluted many of our streams, drained our lakes and cut off our approach to those natural playgrounds of our people. Our scattered efforts toward conservation need coordination under an expertly devised state-wide and continuing program immune to the favoritism of changing political forces.

To this end, I call the attention of the Legislature to the need of a budgeted program, extending over a term of years, made by competent experts, to provide the state of Iowa with parks, game refuges, bird havens, fish hatcheries, and recreation areas, based on a complete and extensive survey of the entire state. We are in

need of a program toward which all the conservation forces of the state may bend their energies and resources in a coordinated effort. Too much money is being wasted in haphazard efforts which benefit a few instead of the whole state.

Without increasing expenditures, but by coordinating and directing the funds now provided, toward a definite state-wide plan we will attain a more efficient and orderly progress toward a common goal. farming can take root in this state when and

The establishment of such a program is in accordance with the most successful methods employed in progressive state management. Linked up with this subject of a definite program, we should consider that many students of conservation believe a more efficient and economical administration of the state fish and game department could be had through a Commission.

This plan has to recommend it the fact that in the states where it is in operation it has proved successful. The conservationists backing the Commission plan are animated by unselfish motives and a keen desire to improve our methods in propagation of fish and game, protection of bird life, and in preventing pollution of the lakes and streams.

Our streams are rapidly degenerating into open sewers, receiving the waste drainage of private industry and the sewage of municipalities. I trust the Legislature will make sure there is ample legislation to enable the administrative branch of government to terminate this practice of stream pollution.

Without entering into a more thorough discussion of the subject at this time, I commend it to you as deserving your careful study and thoughtful investigation. areas may be preserved for their recreation and enjoyment

Chapter One, Acts of the Forty-third General Assembly, grants each member of the General Assembly the right to file a statement of expenses to the maximum amount of five hundred dollars, the amount so listed to be paid out of the state treasury. This law should be repealed. There is a principle involved here that will be apparent when careful analysis is made of this statute. Without going thoroughly into the matter I will call attention to a contingency that might easily arise in connection with this law

EXPENSE ACCOUNT off our approach to those

that I believe should cause grave concern regarding it. Any succeeding Legislature, by changing two words in the law, could raise the amount designated as a maximum to any figure desired. You can easily imagine a time when the expense money might exceed the salary. It does not measure up to our conception of what constitutes sound public policy. If I were you I would repeal it.

This law was supported, as I agree, by many honorable men with none but honest motives, the fact remains, this type of law is unsound in principle and may in future be subject to abuse.

CHILD WELFARE ON SALE STATISTICS

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The influence of women in government has been greatly widened and strengthened during the decade just drawing to a close. Their presence at the polls in equal numbers with men, proves a sincere interest in governmental affairs and attests a true perception of the obligations of citizenship. The record of their competency in many offices of public trust is undisputed. They are keenly interested in all the economic questions pressing for solution. To the problems that center about the home, that deal with child health and protection, they bring exceptional understanding and the value of experience. The character of our civilization can be faithfully gauged by the interest we evince in all questions pertaining to the junior citizens of the state and the insistent and varied problems included in child welfare work. To promote conditions that will safeguard the health of the children and insure them opportunities of education and surround them with influences that will aid in their spiritual development, is a duty so close to the hearts of our people that it resolves itself into a sacred privilege.

I grant you that the chief responsibility is with parents, and that home influence will ever be the strongest factor in raising children to be worthy citizens of the Republic. Nevertheless the community must share this obligation by providing them with clean, wholesome environment and facilities that encourage moral and mental development.

In this connection we will give special thought to the deficient,

backward and delinquent children, and wherever possible set their feet on the path toward happy, normal and useful lives. make the amount designated as a maximum to any faute desired.

PROFESSIONAL LOBBYISTS

The right of the people to be heard on any measure under consideration here, is unquestioned. We represent an intelligent and patriotic constituency and we should welcome their counsel and invite their opinion. The citizen, the corporation, the organized group, should each be accorded a fair hearing and equal consideration. But the professional lobbyist, prostituting his talent for hire. should be ejected from the presence of honest men with the same contumely we are prone to visit on other enemies of the commonwealth. His methods are nauseous. He has no principles. He is the paid creature of any and every mercenary interest venal enough to hire him. He is insidious enough to devise ways and means to impose himself upon every right-minded organization in his lust for gold. He is ever the agent of special privilege seeking through underground methods to stifle good measures and promote bad ones. The professional lobbyist is affable and genial, but the smooth exterior is a cloak for sinister purposes. When he approaches you he under-estimates both your intelligence and your character. He is not interested in the well being of the people whom we represent.

Our constituents for the most part will not be seen here. They are home attending to their work. We constitute their only representation during the deliberations of the General Assembly. They trust us, their representatives, to go about the business of looking after their interests, uninfluenced by the crafty inducements of the professional lobbyist. shalt of his Hiw tadt soomonflar dtiv modt

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I feel constrained on this occasion to take up the subject of law observance, coupled with the problem of law enforcement. When all those citizens, generally denominated good citizens, render strict observance of all laws the vexing problem of law enforcement will be well on the road to solution.

To obtain general law enforcement it is necessary in the premise

to have the great body of public opinion awake to the necessity of unwaivering observance of each and every law. This accomplished we can deal with complete self-respect, with the vital question of law enforcement. Without going into the intricate subject of causes for the marked increase in crime, we acknowledge the fact, firmly resolved to meet it with all the forces at our command. If, in any respect, the laws are inadequate, strengthen them. If, in any locality, law enforcement officers are derelict in their duties they should be removed. The law provides machinery to obtain such commendable results. The automobile and hard surfaced roads have undoubtedly aggravated the problem. All the more necessary it is that every citizen accord moral, and, if need be, physical support to those agents of the law whose sworn duty imposes upon them the obligation to meet the crime situation with grim resolve and unwaivering courage. We are greatly encouraged by the resolute efficiency of our law enforcement machinery during the testing time of the last few months. Twenty-five bank robbers have been apprehended and in nearly all instances our officers have proved competent and courageous in the discharge of their duties. The press of the state can render a signal service in the vital matter of crime prevention by giving prominent space when crimminals are apprehended equal to space devoted to the story of the commission of the crime.

The marked increase in loss of life and injury due to accidents on our highways, warrant you in taking steps to strengthen the laws regulating traffic.

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first month and proceed as expeditionsly as possible with the work

of the Assembly

PROHIBITION

The Prohibition Law is the subject of much discussion. Many pronounce it a failure whose memories do not go back to the days when legalized sale of liquor by common consent was held directly responsible for broken homes, poverty and crime. It is unnecessary for me to enter into a defense of Prohibition in the presence of representatives sworn to support the Constitution of the United States, and the State of Iowa, representatives in a Commonwealth where dry sentiment has been in the ascendency for over fifty years. I wish, however, briefly to analyze propaganda set forth that can have no effect except to encourage lawlessness and breed

crime. Prohibition was placed in the Constitution of the United States by an amendment that was ratified by forty-six of the fortyeight states of the Union. It is a fundamental law of the land. Neither Congress nor a state legislature can legalize the manufacture, sale or transportation of intoxicating liquors for beverage purposes. A law contemplating nullification would be declared by the courts as unconstitutional and void. Moreover what Iowans should keenly realize is the fact that Iowa's prohibition laws are stronger than the Volstead Act, therefore, it is beside the question in this state to complain of prohibition. No matter how much the Volstead Law might be weakened, the situation in our state would be no different. We would still be operating under our state laws. Let us, therefore, loyally maintain our own state ideals and laws by personal observance, and render unqualified support to our officials in the fulfillment of the duties of their office.

The talk of a referendum in this connection is futile and misleading. There is now no provision in law, either Federal or state, for a referendum and no vote of the people under existing laws would bind the legislature of the state, its law enforcing officers, or its citizens.

LENGTH OF SESSION

It is my earnest hope that the work of the session will get immediately under way. Several days in time can be saved if we can eliminate the red-tape which generally consumes time the first month and proceed as expeditiously as possible with the work of the Assembly.

If we wish to prevent inevitable congestion in the closing days of the session and if we hope to avoid a plethora of ill-digested legislation it behooves us to start immediately on the work of the session and in the consideration of the multiplied problems facing us.

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An address of this nature must of necessity deal with problems and emphasize responsibilities. Such a statement, however, does not alarm but rather calls us to the heroic task of determined progress. Certain injustices exist that, happily, can be remedied. We will be strengthened and heartened in this undertaking if we consider the many advantages peculiar to our Commonwealth. Our innumerable material resources, our diversified interests, both agricultural and industrial, our ability to supply the demands of other areas; all should contribute to a rapid return to stabilized prosperity.

More important than any material resource is the character of our citizenry. Sound in judgment, resourceful in action, resolute in conviction, honest in purpose, generously cooperative in every righteous cause, sternly insistent on justice where their rights are concerned, these are the characteristics of our people—the sturdy citizens of a great Commonwealth. Can we, then, doubt either the genius or ability of such a citizenry to meet and solve the problems, economic or moral, as they may arise.

I believe it is entirely appropriate here to pay tribute to the veterans of the Civil War. We honor them for their unselfish devotion to duty during the great crisis of the sixties. The youngest of them now are about 85 years of age, but the weight of years has not dimmed their love for their country. Theirs is not only a record of valor "in times that tried men's souls," but of nearly three quarters of a century of faithful citizenship in a united nation, so peculiarly the product of their loyalty.

Following in their footsteps of allegiance to the highest ideals of the Republic are the veterans of the Spanish War, and our younger comrades of the great World Conflict. We can but realize that the priceless possession of freedom has been won for us at an incalculable cost.

We revere the traditions of the past, the noble records written upon Iowa's historic pages, and from them we draw the inspiration that insures the achievements of the future. The pioneers of the last century with courageous hearts, laid the abiding foundations of our state. In national crises, our soldiers defended our liberties and possessions. Forming the stable substance of our Commonwealth is that vast democracy called the people, whose collective patriotism, loyalty and industry permeates the whole social and economic structure and secures its permanency.

Members of the General Assembly, epochs of history are measured not in years, but in momentous events. We are the recipients of a clear mandate from a noble constituency, which, if faithfully carried out, will mark this an epochal session in achievement.

Grave responsibility we are impelled to shoulder, it is true, but with the obligation comes the opportunity of a great work for the common good.

In this high office, into which I am this day inducted, and in the administration of the executive functions with which I am invested, I will seek the valued counsel of my colleagues in office. I will be gratefully attentive to the voice of citizens in all walks of life, for I would understand their problems and share their ambitions. But, above all, I recognize that Divine Wisdom without which nations crumble into the dust of a forgotten past. With a humble and contrite heart, I reverently supplicate the God and Father of us all to be my Guide and Counsellor.

You, the people, are the sovereign state, and I your servant. To you, to my state, to my country, and to my God, I, this day, make my solemn dedication.

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