

# MAINE STATE LEGISLATURE

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Legislative Record

OF THE

Eighty-Second Legislature

OF THE

STATE OF MAINE

1925

KENNEBEC JOURNAL COMPANY  
AUGUSTA, MAINE

**HOUSE**

Thursday, January 8, 1925.

The House met according to adjournment, and was called to order by the Speaker.

Prayer was offered by the Rev. Mr. Fenn of Augusta.

Journal of previous session read and approved.

From the Senate: The joint select committee of the 82nd Legislature on return of votes for Governor in the several cities, towns and plantations of this State for the political years 1925-1926 has attended to its duty and begs leave to report that the whole number of votes cast for Governor was 253,877; Ralph O. Brewster had 145,251; William R. Pattangall had 108,626.

On motion the report was accepted and ordered placed on file in concurrence.

From the Senate: Ordered, the House concurring, that the joint rules and orders of the 81st Legislature be the joint rules and orders of this Legislature, except that the same be amended by inserting in the first section containing the list of committees after the words "on Library" the words "on Maine publicity."

In the Senate read and passed.

In the House read and passed in concurrence.

**Communications From The Heads  
Of Departments**

Office of Secretary of State  
Augusta, Maine, Jan. 8 1925.  
To the Spcaker of House of Representatives:

I have the honor to herewith transmit the returns of votes cast in the several cities, towns and plantations on the 8th day of September last for the representatives to the Legislature.

Respectfully,  
(Signed) FRANK W. BALL,  
Secretary of State.

On motion by Mr. Oakes of Portland referred to the committee on elections after the appointment of committees.

**Orders**

On motion by Mr. Martin of Augusta, it was

Ordered, that the adjournment of the House be until ten o'clock of the following morning unless otherwise directed.

On motion by Mr. Jordan of Westbrook, it was

Ordered, that the Fish and Game Department be granted the use of the hall of the House of Representatives for the evening of Wednesday, January 21st.

The CLERK: There has been filed this day with the Clerk of the House the Petition of Asbury M. Blake contesting the seat now occupied by Walter C. Winn, which appears to have been properly certified to on the 22nd day of December, 1924.

On motion by Mr. Wing of Auburn, it was voted that this be referred to the committee on elections after the appointment thereof.

Papers from the Senate, out of order.

From the Senate: Ordered, that a committee of three on the part of the Senate, with such as the House may join be appointed to wait on the Honorable Ralph O. Brewster, and inform him that he has been duly elected Governor of the State of Maine for the current political years of 1925-1926.

In the Senate read and passed.

In the House read and passed in concurrence, and the Speaker joined on the part of the House the following members: Messrs. Littlefield of Kennebunk, Mrs. Allen of Hampden, Robinson of Scarborough, Cole of West Gardiner, Wing of Kingfield, Melcher of Rumford and Davis of Dexter.

**RECESS**

**After Recess**

House called to order by the Speaker.

Subsequently Mr. Littlefield of the committee reported that the committee had performed the duty with which it was charged, and that the Governor-elect will immediately attend upon the convention.

The report was accepted.

A communication was received from the Senate, through its Secretary, proposing a joint convention of both branches of the Legislature forthwith in the hall of the House for the purpose of administering the oaths to the Honorable councilors-elect to qualify them to enter upon the discharge of their official duties and for the further purpose of administering to the Honorable Ralph O. Brewster, Governor-elect, the oaths required by the Constitution

to qualify him to enter upon the discharge of his official duties.

Thereupon the Clerk of the House was instructed by the Speaker with the duty of conveying to the Senate the concurrence of the House in the proposition for a joint convention.

Subsequently the Clerk reported that he had performed the duty assigned him.

The report was accepted.

At this point the Senate came in and a joint convention was formed.

### In Convention

The President in the Chair.

On motion by Senator Wadsworth of Kennebec, it was ordered that the rules be suspended by unanimous consent and that a message be sent to the Councilors-elect informing them that the two branches of the Legislature were in Convention assembled, ready to administer to them the oaths required by the Constitution to qualify them to enter upon the discharge of their official duties.

The Chairman appointed as such committee Senator Wadsworth of Kennebec.

Subsequently that gentleman reported that he had performed the duty assigned him and that the Councilors would attend forthwith.

The report was accepted.

Thereupon the Councilors-elect entered the hall of the House and took the oaths of office prescribed by the Constitution.

On motion by Senator Maher of Kennebec, it was ordered that a committee of ten be appointed to wait upon the Honorable Chief Justice and Associate Justices of the Supreme Judicial Court of this State, inviting them to attend this Convention which has been formed for the purpose of administering to the Honorable Ralph O. Brewster, Governor-elect, the oaths required by the Constitution to qualify him to enter upon the discharge of his official duties.

The order received a passage, and the Chairman appointed as members of that committee, on the part of the Senate: Senators Maher of Kennebec, Powers of Aroostook, Cram of Cumberland; and on the part of the House, Representatives Nichols of Portland, Holmes of Lewiston, Hamilton of Caribou,

Thompson of Rockland, Martin of Augusta, Bartlett of Bangor and Atwood of Portland.

Subsequently, Senator Maher from the Committee reported that he had delivered the message with which the committee was charged, and that the Chief Justice and his Associates would be pleased to attend forthwith.

Thereupon Senator Maher of the Committee escorted Chief Justice Cornish, Associate Justice Philbrook, Dunn, Morrill, Wilson, Deasy, Sturgis, Barnes and Active Retired Justice Albert M. Spear into the Convention Hall.

On motion by Senator Allen of York it was ordered that a committee be appointed to wait upon the Honorable Ralph O. Brewster, Governor-elect, and inform him that the two branches of the Legislature are in convention assembled in the hall of the House of Representatives, ready to administer to him the oaths required by the Constitution to qualify him to enter upon the discharge of his official duties and to receive from him such communication as he may be pleased to make.

The Chairman thereupon appointed as members of that committee on the part of the Senate; Senators Allen of York, Barwise of Penobscot and Speirs of Cumberland; on the part of the House, Representatives Wing of Auburn, Cummings of Portland, Leland of Sangerville, Frost of Belfast, Ineraham of Bangor, McDonald of East Machias and Palmer of Island Falls.

Subsequently Senator Allen from the committee reported that the committee had performed the duty with which it was charged and that the Governor-elect informed him that he would attend upon the Convention forthwith.

The report was accepted.

The Governor-elect and suite then entered the hall of the House of Representatives, the audience rising and applauding, and the Governor-elect took and subscribed the oaths required by the Constitution to qualify him to enter upon the discharge of his official duties, prior to which the Secretary of State made the usual proclamation of the Governor's election.

The Governor then addressed the joint convention.

Mr. President, Senators and Representatives:

Custom and the constitution alike seem to require from me at this time an expression regarding the affairs of the State. Mere opinion would be of little value without the facts and reasoning upon which the conclusions are based. If we shall seem to go afield from our subject it may yet be the shortest way to our goal.

#### Party Government

Under the written constitutions which are the peculiar contribution of America to the science of government we have developed through the sometimes painful experiences of a century and a half a system of party government as the most effective and perhaps the only means by which the will of a great nation of a hundred and ten millions of people can find orderly expression. In recent days party government has tended to break down before a system of blocs characteristic hitherto of the governments of continental Europe. There it has produced an almost complete paralysis of their governmental life—a government of negation rather than construction. In this country similar groups have formed on the lines of some sectional or special interest, or under some popular leader, and constructive governmental policies have failed. A road program failed for this reason to be developed in our State two years ago and we now face a crisis in our highway affairs.

The fruits and the traditions of Anglo-Saxon government for centuries argue very strongly for a two-party system, with one great party in power responsible for the conduct of the affairs of the State, and the other party in opposition, criticising keenly and alertly and honestly all the mistakes of its opponent. This is the meaning of responsible party government as distinguished from the personal government toward which we have seemed to tend in recent days.

Among our more recently enfranchised citizens particularly there has been a tendency to place the person above the party. Women have exercised a very salutary influence in their insistence upon men of the highest character in public affairs. This is altogether right. But it will be very unfortunate if in our emphasis upon the person we shall forget that after all there are great principles of government also at stake, and that we must also concern ourselves with these if our views are to find effective expression.

A century of American experience seems to have demonstrated that it

is practicable to be a good citizen and at the same time to recognize a proper loyalty to a party. Abraham Lincoln was not ashamed to be called a Republican and at proper times and in proper places to recognize his obligation not only to his nation but to the party which had given him the great power that he used so wisely and so well.

We have been sent here as representatives of one or the other of the great political parties in this State. These parties have for generations commanded the allegiance of Americans who have builded this country to a position of pre-eminence in the affairs of the world. We shall consider carefully before we abandon this tested party system for the anarchy that seems inevitably to ensue when the advocacy of principles degenerates into the petty personalities with which our politics has recently seemed to be rife.

We can contribute in no small measure ourselves to stabilizing the unsettled conditions of our time if in these days immediately ahead we shall demonstrate our loyalty not only to our State and Nation but also to the principles of the party under whose banner we were elected to the offices whose responsibilities we now bear. No political platform can represent exactly the views of any individual unless the party is submerged in the candidate and the platform thus constitutes merely a personal reflection of his views. Anglo-Saxon traditions call for compromise in order to progress, and these party platforms constitute a contract by whose obligations we are bound unless prior to the election we have manifested our dissent.

These platforms may seem meager in their directions on the pressing problems of our day but it is only by a sincere endeavor to interpret them in our acts that we can restore party government to the place of first importance it long occupied in our governmental life. This is the contribution which we are privileged to make to the stabilization of conditions in our national life today. A party that will not stand by its banners abundantly deserves defeat. America will have journeyed a long way toward dissolution when it becomes a government merely of men.

This may seem to emphasize at considerable length a subject with which we are not especially concerned. An examination of our current political thought, however, reveals a disintegration of political parties that is giving thoughtful Americans increasing concern.

By an overwhelming majority the Republican party has been given a mandate to carry on the affairs of the State in accordance with the

principles and by the candidates it has upheld. This constitutes no necessary reflection upon the personnel or the integrity of the party in opposition, but simply means a vote of confidence in the conduct of the affairs of the State during recent Republican administrations. It is significant that these have been conspicuously characterized by economy in governmental affairs.

It is the opinion of most competent observers that thousands of citizens formerly associated with the Democratic Party voted for the Republican ticket in the recent elections in this State animated by a conviction that the principles it represented were of paramount importance at this time. Such a departure from ordinary political lines places an unusual obligation upon the representatives of the Republican Party to remain steadfast to their faith.

#### **Less Law**

Of the making of many laws there seems no end. Our country suffers from legislative indigestion, if we may employ the term. "Less law" might well be our motto with profit to our State. It has been a maxim of the Legislature that each member is entitled to one law. A crowding of our statutes is the inevitable result. Equal stress on repeals for a period would insure a stricter observance of the laws that should survive.

#### **Division of Governmental Powers**

In our generation the efficiency of the highly centralized business executive has cast a reflection upon our political red-tape. As a consequence there has been a growing sympathy for an executive autocracy in our land. Executive usurpation has been aided by legislative neglect. Under our plan of government the executive has certain quasi-legislative functions defined by custom and the constitution. It is not well that these should be enlarged. We may well study the example of our fathers in coordinating the activities of the legislators and the executive in carrying on the State. A friendly adjustment of our viewpoints will recommend our own unselfish purpose and serve the interests of our State. It is my earnest hope that we may have definitely turned the corner back toward the harmonious cooperation of other days.

#### **Contingent Fund**

Maine existed for a century without a State Contingent Fund. It was inaugurated a decade ago and has developed out of all bounds. The Executive Department may, for reasons which seem sufficient to itself, refuse to expend appropriations that the Legislature has made. Large sums thus become available in the so-called

Contingent Fund. Other projects which the Legislature has expressly refused to sanction may then be declared emergencies and carried into effect. Apart entirely, however, from the abuses to which such a financial method might be subjected in the hands of a designing Executive in our State, there is a broader lesson of governmental experience, as it has been developed in England and America down to this day.

The control of the purse is the control of the government. This principle was established at Runnymede over eight hundred years ago. The Chief Executive of our State now enjoys extraordinary powers in connection with the disbursement of public funds. If in addition the Executive Department shall develop constantly enlarging powers with relation, not merely to the expenditure but also to the appropriation of public funds, the Legislature will tend to become superfluous and a possibly benevolent executive autocracy will result. A proper jealousy by each department of the powers entrusted to its care is one of the first duties of an official under the constitution of our Nation and our State.

Some provision for a Contingent Fund to meet real emergencies in view of the very great enlargement of the State's functions in recent years may now be wise, although the Federal Government exists without one, but in my judgment such a fund should be strictly limited and scrupulously safeguarded by legislative enactments from the evils incident to its abuse and a very particular accounting should be required as to the manner in which it is used.

Such a fund should be a product of specific legislative appropriation in order to comply with the provisions of our constitution on this score, and might well be limited also to the proceeds of lapses from other funds as an incitement to economy in the administration of the finances of the State. From my observation of the State's business in recent years it would seem that \$300,000 a year should be ample for such a purpose, although such a sum has been greatly exceeded in expenditures from this fund in recent years.

The cash position of the State Treasury is not a comfortable one at the present time. On December 1, 1920, there was cash on hand to cover the various reserve funds which are in the nature of a trust. On December 1, 1924, there was a deficit in cash to cover these reserves of \$840,243.36.

The State Contingent Fund on December 1, 1924, amounted to \$1,283.37.

#### **Economy**

If we are to regard the pledge of our platform in State and Nation and the lessons most forcefully taught by

the incidents of the recent campaign, it seems clear that economy was the key-note that brought success. To that we shall dedicate ourselves if we follow the example and precept of the National leader who symbolizes this teaching as has no other man in public life in our generation.

President Coolidge has made it clear by his public utterances and his private practice that America or its economic side needs, above all else, to return to the simple living and high thinking of another day if we are not to journey the path of luxurious living to the same inevitable decay that has awaited other nations drunk with material success.

The frugality and simplicity that characterized our forefathers as they painfully produced this State and Nation from the wilderness of their day teach in no uncertain terms the necessity of sacrifice to success. We shall never suffer for foregoing the pleasures that now teem on every hand. All the lessons of history teach that nations have perished, debauched with success.

Economy then in finance may well be our watchword as we establish the policy of our State for the two years immediately ahead. Some individuals will argue that such parsimony can never bring success. Their policy is not found written, however, in the platform of either of the political parties in this State, and this would indicate rather clearly that it does not command the confidence of large groups of our population. On the other hand, each platform does pledge the strictest economy in governmental affairs consistent with the proper conduct of the affairs of the State, and this may reasonably be interpreted into a mandate not to spend unnecessarily on any hand and to curtail wherever that shall be prudently possible. Such seems fairly the obligation of both the great parties in this State today, and the State will profit if they shall vie with one another in translating these words into deeds.

Unfortunately or otherwise it is the fact that a large portion of the State revenues have already been dedicated to various ends by statutory enactments carrying on from year to year. Such enactments may in certain cases be wise but the practice is not to be encouraged as it materially cripples the hands of the Legislature as the sessions recur, and tends to avoid that recurrent responsibility to successive Legislatures that is one of the keenest incitements to faithful public service in the several departments of our State.

#### Budget

The Budget Committee very courteously invited me to sit with them during their public hearings

upon the estimates for the next two years. It was the opinion of all concerned, however, that it would not be wise for me to participate in their executive sessions. The Budget law has certainly demonstrated its wisdom in the time that it has been in effect and the report of the Budget Committee, which will shortly be in your hands, deserves your most careful attention as the considered recommendation of men of long experience in public affairs and thoroughly familiar with the needs and finances of the State.

#### Taxation

From 1887 to 1909 the tax rate of the State was between 2½ and 3 mills for the entire period. Then the rate began to climb, reaching its culmination in 1919 in a rate of 7½ mills as a result apparently of the expenditures incident to the close of the World War. Each mill represents approximately \$700,000.00, so that we are dealing in substantial amounts as this figure varies. Two years ago it was 7¼ mills, and this last year it has been 6¾ mills. A continued reduction of this rate would be the single greatest service we could render the citizens of our State, not only in the amount of money which it would save to them, which is not of negligible importance, but more particularly in the example which it would set to the municipalities of our State in a retrenchment of governmental expenditures at this critical time.

The agricultural interests of our State have faced one crisis after another in the liquidation incident to the close of the World War. Agricultural prices have declined while industrial prices have tended to remain firm and labor has retained the more favorable position it then gained.

It would be very poor policy for our State at this time to increase in any way the burden of taxation upon the agriculture or the industries of our State, desirous as we are of their prospering in these years immediately ahead in order that they may recover something of their strength and vitality sapped by the sacrifices incident to the war.

#### Railroads

The railroads of our State seem to be ground between the upper millstone of governmental regulation and the lower millstone of an increasing competition from other factors in our transportation life. It is a situation that must give every thoughtful citizen very grave concern, as we realize the vital part that transportation plays in the functioning of modern civilization so dependent upon supplies from other lands. It is evident that these great systems, built up by private initiative and enterprise, must be saved for useful service if our Nation and

our State is to continue to grow. The problems of their welfare present considerations that are exceedingly complex. They stagger the mind of the average citizen ramifying, as they do, through every department of commerce, agriculture, industry and finance. They must, however, be faced with all the intelligence we may bring to their consideration, and with all the knowledge we may glean from the sometimes partial presentation of their case.

In their beginning railroads were taxed on a valuation basis at municipal rates, exactly like all the other property of citizens in our State. Some decades ago, at the request of the railroads, this system was changed to an excise tax based upon a percentage levied upon their gross receipts, except that property outside the right of way is still taxed locally and this constitutes about 10% of their present tax in so far as the State is concerned. This method in its inception produced a very substantial lightening of the burden of taxation upon the railroads of our State. Subsequently the percentage was increased until it has now reached its maximum of 5½ per cent. Meanwhile gross receipts of our railroads were practically doubled in volume by general increases in rates during the decade just past. For the year ending June 30th, 1924 there was collected from the railroads of the State, under the provisions of this excise tax, the sum of \$2,385,716.04. The commitment for the current year, ending June 30, 1925, amounts to \$2,021,573.96, or a decline of over \$350,000 from the gross collection for the previous year. This decline is accounted for by certain arrears of taxes in other years that have been collected in the year just past, but are not to recur. The loss in revenue is, of course, a very serious one to the State.

The railroads now propose an alteration in the system of taxation which would mean, according to their estimate, a reduction of \$620,791 in their return to the State, or a total decline in revenue in the ensuing fiscal year of nearly \$1,000,000 from this source.

The railroads base their request for this alteration upon the great increase in their annual tax incident to the rate increases which, it is contended, are related in on way to their ability to pay. Of the two main systems serving our State, the Bangor & Aroostook Railroad has prospered in spite of the agricultural distress in the region which it serves, while the Maine Central Railroad during recent years has not paid dividends upon its common stock. It seems a somewhat anomalous situation that the prosperous railroad should have traffic earnings of only \$11,000 gross per mile, while the shareholders who are

in difficulty possess a road with gross earnings of \$17,000 a mile.

It is also to be observed that the gross income of the Maine Central Railroad Company during the year 1923 available for its capital investment of \$60,000,000 amounted to \$2,338,285.82, or a net return of four per cent. Through a series of internal arrangements, however, that work very much to the disadvantage of certain groups of investors in this road, some of the investors receive very ample returns at comfortable guaranties, while others receive nothing at all.

For instance, one of its smaller branch lines is capitalized at \$63,000 a mile as against the average capitalization for the entire system of \$50,000 a mile. On this very high capitalization certain of its security holders are receiving each year a return of eight per cent and the regular return on the entire large capitalization of this branch averages well over six per cent. The return of net operating income for the entire system is \$1800 per mile, but the investors in this subsidiary are paid a return of over \$4100 per mile. This is, of course, a matter which is of primary concern to the several groups of investors in the affiliated lines, but the public is entitled to inquire, when relief at its expense is sought, whether the failure to pay dividends on certain stocks is a result of insufficient gross earnings, or whether it is due to an inequitable distribution of the earnings as a result of improvident contracts made in the past. If the latter is found to be the case, it is a grave question as to what extent the public should be obliged to pay the penalty for the mistakes that have been made.

The present tax is attacked as the highest excise tax, with one exception, in the United States. Only a very few states, however, use this system for a levy. Thirty-four states use the system of ad valorem valuation treating railroad properties by the same general system by which other properties are taxed. The tax return per mile of road in Maine is practically the same as the average tax per mile of road throughout the United States. Certainly in so far as the Maine Central Railroad Company is concerned conditions upon its lines are not so different from the average through the United States, if we consider the great number of miles in the south and west that serve a more sparsely settled region with far less industrial development than exists in the southern and central part of the State of Maine.

It is said, however, that conditions here are different from elsewhere in the United States and comparisons of taxes with the other New England states are stressed by the advocates of a change. The following table shows the taxes paid per mile of



road by the railroads in the several New England states in 1921:

Maine .....	\$1023
New Hampshire .....	817
Vermont .....	576
Massachusetts .....	1604
Rhode Island .....	2965
Connecticut .....	1778
Average tax per mile in New England .....	1460.50

There is much to be said in favor of the proposition that public utilities should not be taxed at all, as they are obligated to serve all of the public who may apply upon terms regulated by government commissions to allow only the expenses of operation together with a reasonable return upon the property devoted to the service. At one time strong arguments were advanced for the adoption of this view. As our civilization became more complex, however, and public utilities multiplied it became apparent that such a course would result in a very inequitable distribution of the governmental burdens in any state, since many citizens might be served by no public utility at all and still obliged to make up the exemptions from taxation provided for the corporations that were involved.

The other theory of taxation contemplated that public utilities should be taxed like the property of other citizens and that those using the utility would then pay taxes for the property that served them as distributed in the rates. Many of the states have modified this plan to arrange for an equitable assessment by a central authority and to secure uniformity in the treatment of the roads, but subject to this variation the predominant practice in the United States today is what is known as an ad valorem tax.

The property of all other citizens including many of the public utilities within our State, shares the privileges of government and bears the burden in proportion to the valuations of the properties they possess. This is the historic basis for the distribution of the tax burden.

The Maine Central Railroad Company in 1923 had a capital investment of \$59,367,609.92. For rate-making purposes its valuation has been fixed by the Interstate Commerce Commission at approximately \$70,000,000 and the rates have been fixed with the decision that they should earn five and three-fourths per cent upon this increased valuation.

At the average rate of tax of \$38.28 laid upon other property in the State in 1923, this railroad would have paid upon a valuation based upon its book investment the sum of \$2,272,591.73. Upon its valuation for rate-making purposes, it would have paid a tax of \$2,679,600. The railroad actually paid to the State and to the several cities and towns the sum of \$1,041,696.38, or a saving, to the railroad, under the excise tax over the valuation basis, of

\$1,230,895.35 or \$1,638,003.62, according to which basis of valuation is used. On any basis of valuation that could reasonably be fixed comparable with the general practice throughout the State of Maine it is not conceivable that the tax upon this railroad would be appreciably less than the tax that is now imposed. These comparisons seem of importance as illustrating the burden that it bears in comparison with the burden of taxation resting upon the property of other citizens in our State, and of many public utilities as well. No other citizen is excused from taxes because his property does not pay.

In recent years the Public Utilities Commission of our State has had before it petitions for rate increases by the Maine Central Railroad Company. In some cases these have been denied. In one recent case a lower rate than the one existing has been ordered and the defendant road has refused to carry into effect the decree, with the result that mandamus proceedings are now pending to compel the road to comply with the order of the constituted authority of our State. These several findings seem to constitute a judicial determination of the adequacy of the rates, if proper operating economies are carried into effect. From these judicial determinations of adequate revenues a political appeal is now sought. You will consider carefully to what extent you are in a position to review the findings of this court.

The year 1923, upon the results of which the chief claim for a change is based, was in some respects extraordinary as maintenance of equipment alone upon the Maine Central Railroad required \$835,621.45 more than in the preceding year upon practically the same volume of traffic or an increase of over twenty-five per cent. This is not likely to recur. As the result of the savings upon purchases of coal during 1925, this road will save approximately \$300,000. Petitions are pending for a revision of the divisions now existing with the trunk lines to the west, which would materially increase the revenues of the chief road involved in our State. The division of rates between the two leading railroads in this State and the Boston & Maine Railroad Company has also been open to serious question as to its equity in so far as the Maine Central Railroad Company is concerned. This division is a matter within the jurisdiction of the Interstate Commerce Commission and it is probable that relief would be afforded if proper action should be brought.

It is not practical for us at this distance from the problems with which they are faced to determine the feasibility of operating economies upon the chief railroad within our State, but we may properly take into account the items hereinbefore

mentioned as significant of explanations that are due. We may also properly consider the opinions of a very substantial and responsible group of the stockholders of this road demanding reformation in its management in the interests of the salvation of the road.

These considerations may well give us pause before we attribute its difficulties exclusively to the taxation system of Maine, which does not seem to burden this property at all in proportion to the burden borne by the property of many other citizens of our State.

We may also fairly take into account the following statement submitted to the stockholders of the Maine Central Railroad Company by its president, by order of the Board of Directors, in the spring of 1924 in submitting their annual report:

"It is our opinion that the operating results, possible in the year 1924, will provide for dividend payments on preferred stock regularly beginning December 1st 1924, as they become payable. \* \* \* We believe it will result in improved market value of the common stock at once and will make it possible to resume dividends on the common stock at a much earlier date (now expected in the early part of the year 1925) than would be otherwise possible. \* \* \*"

Dividends upon the preferred stock of the Maine Central Railroad Company were actually resumed in the fall of 1924 and up to November 1, 1924, the surplus after charges showed an improvement of \$400,000 over the same period in 1923.

This is an attempt to present a fair appraisal of the situation and of the equities of the case insofar as the railroads themselves are concerned entirely aside from the other problems with which we are faced. Assuming prudent investment and competent management, we are vitally concerned that our railroads shall earn a reasonable return.

It is on this basis that we shall all desire to approach the problem, but a practical consideration must also be kept in our minds. The adoption of the proposal of the railroads would mean a decline in our State income for 1926 of approximately \$1,000,000. This amounts to almost 1½ mills upon the valuation of the entire State. It is manifestly impossible to levy such a tax upon the agriculture, the industries, and the homes of our State.

It is equally impossible to levy a tax upon the automobile users of the State for general revenue purposes, as all possible revenues from them must necessarily and properly be dedicated to the facilities that they use, with such contributions to highway construction from general taxation as may seem to be proportionable to the benefits that are received

by property generally from the improvement of our roads.

#### Taxes Upon Intangibles

This leaves it manifest that the only alternative is the tax upon intangibles that has been proposed by substantial interests within our State. It is to be remembered that tax reduction upon our railroads is not to be reflected in a lowering of their rates, as it is frankly stated by the railroads that any saving upon their disbursements must necessarily go to their shareholders.

In the early days taxes were levied upon property very generally in our State upon the theory that each citizen should contribute in proportion to the property that he possessed. Insofar as the privileges and the burdens of ownership of real estate were concerned it was acquired subject to the burden of the tax, and its use was determined with reference to this prospect. Personal property of a tangible nature as it was created and acquired came into being subject to the same burden to a somewhat less extent. Most property was then in sight.

As our economic system developed increasingly large amounts of the possessions of many of our citizens were represented by shares of stocks and bonds in companies scattered all over the United States. These citizens in many cases might pay only a poll tax within a municipality, although enjoying an income out of all proportion to that of many of their fellow citizens paying a heavy tax. This situation has grown increasingly acute, especially since the great increase in the possessions of certain of our citizens incident to the conditions following the World War. Meanwhile a great mass of our citizens plod wearily upon our farms, struggling to support a home and clear it from a mortgage. They have grown in many cases less able to bear a tax as a result of the liquidation since the close of the World War.

It would seem evident, therefore, to the disinterested observer that intangible property must share an increasing part of the tax burden in proper ways. It is to be remembered that this property is not exempt from taxation, but is invisible in most cases to the eyes of the assessors, and for this reason escapes the tax that is in theory assessed upon it.

If this property were generally assessed at its full value and taxed at local municipal rates it would practically amount to confiscation, as its revenue does not probably average above four to five per cent, while the average municipal tax rate in our State amounts to four per cent.

As a result of this development several states have levied a tax upon intangibles or the income derived therefrom. Our State some ten years ago adopted a constitutional amendment designed to validate such a tax,

but five years ago rejected an amendment designed to authorize a tax upon incomes within our State.

It is undoubtedly true that we have already acquired a considerable number of citizens attracted by our freedom from an income and intangible tax and that they pay substantial taxes within our State. One of our sister states by constitutional amendment has recently prohibited a levying of income or inheritance taxes, as a measure well designed to promote its prosperous growth.

It seems to me a serious question whether we should now be well advised to institute a new form of taxation with the complications that must ensue in the enforcement of such a levy. New officials must finally be employed and inquisitorial methods must result if compliance with the tax is to be enforced as we perforce pursue our investigation into the possessions of each one of the citizens of our State.

In my judgment we might more wisely move at this time in the direction of a further strengthening of our tax laws to reach more intangible property in accordance with the existing system at the local municipal rate. One municipality in our State today is reaching about \$8,000,000 of this property in this way, constituting over one-half of the property taxed in this class in the entire State. This result is reached without any widespread complaint as to the equity of the levy. Our State Board of Assessors might well be given power to assess intangible property to the various municipalities in our State where as a practical matter they may determine its location. The local assessors will, it seems likely, be able to make a reasonable distribution of the levy upon the citizens possessed of this property within their town. If such a levy results in gross inequity a general intangible tax will then be easily be brought to pass.

Assuming \$500,000,000 in taxable intangibles with the exemptions that would presumably be allowed, with an average annual return of five percent, which is undoubtedly a high estimate, and a levy upon this income by a state tax of six percent, the gross return would be \$1,500,000 without allowance for collection expense. At the present time, intangible property in our State in the form of money at interest and bank stocks is actually paying taxes of \$750,000 to the municipalities and the State. The most casual examination of the assessment records of our municipalities shows that the great majority of towns and cities make no effort whatever to reach property within this class, although they are authorized to do so under existing law. It is not credible that a dollar is more elusive in one town than in another in our State. If the local assessors stimulated by the State assessors, by a

very simple change in our present law, should simply double the existing assessments at local municipal rates upon intangible property in the various municipalities, the fruits to the public and the sharing of the tax burden by this property would be exactly the same as if an entire new system of taxation should be instituted at this time.

It could not, of course, be contemplated that any citizen would be assessed for the full amount of intangible property he possessed, as this would amount to confiscation at a local municipal rate. It may well be contended that such a step is an evasion of the issue and has no logical defense. Anglo-Saxon government, however, has frequently progressed by illogical solutions that were found in practice to work. Such a step would throw more of the tax burden upon the intangible property of our State, which is the object that we seek, under and in accordance with the existing law, and the long prevailing system of taxation. It would avoid our instituting a new system of taxation which is still in the experimental stage, insofar as the states are concerned, and a system that must necessarily be offensive in the disclosures and investigations that it will require among all our citizens irrespective of whether they are possessed of property in this class. It is fully as distasteful to the average American to say that he has no property as to tell the amount that he has.

#### **Tax Exempt Property**

The last Legislature provided for a commission to investigate the amount of tax exemptions allowed under existing law. It was contemplated that this report should be available by December 1, 1924, for public consideration prior to the convening of the Legislature. Through the inadvertence of someone, the date in the law was actually made 1925 instead of 1924. The commission apparently contemplates a report at this time, disregarding the period literally allowed by the law, but it has not found it expedient to make the report available at the time contemplated by the framers of the act.

It is generally known, however, that these exemptions, at least in some communities, have become very large and have added materially to the tax burden of other property in our State. Some further strengthening of our present laws relating to certain classes of exempt property seems evidently needed to prevent grave abuse.

#### **Highways**

Highways were once a local convenience, but they have now become an indispensable element in the growth and prosperity of any state. Under modern conditions no state can

expect a normal and healthful development if it does not make reasonable provision for these arteries of travel and commerce. The railroads have suffered greatly from the competition the highways have produced. It is recognized on every hand that this must continue, subject to regulations which shall prevent unfair competition of a temporary character or at a public expense. It is to be remembered that the great part of our State highway expenditures are furnished by the automobile owners of our State. The bond issues that have furnished the funds for the construction of our State highway and bridge system are being retired exclusively from automobile fees, and the interest charges and the maintenance of our highways and of the supervisory commissions and departments are all paid from the same source.

The only contribution from general taxation in recent years to highway construction has been in connection with the now existing grant of \$500,000 a year to second class or State Aid roads, and approximately \$570,000 a year under existing legislation to the third class roads, with \$100,000 in special aid resolves, or a total of slightly over \$1,100,000. It seems undoubtedly true that property interests in our State generally have benefited to this extent from the development incident to the construction of the highways.

A turning point has been reached in our highway program, as the bond issue of \$10,000,000 authorized some years ago for highways and bridges has now been exhausted. Approximately 1050 miles out of the designated State Highway system of 1620.3 miles has been constructed, leaving 580.3 miles incomplete. It is estimated that the remaining roads should prudently cost an average of \$20,000 a mile, or a total of \$11,600,000. In addition the bridge program is steadily requiring more funds. The Commission estimates that \$600,000 a year will be required for the next six years, or a total of \$3,600,000, in carrying forward the bridge program under existing provisions of law, providing for county and town aid, looking toward the probable eventual construction of over 5,000 bridges in the bridge system of our State. Bridges are our peculiar problem incident to our great water-sheds, but these also constitute one of our chief charms, as anyone familiar with the arid plains of the West will testify.

It is obvious that an increasing portion of such funds as may be available must be devoted in our State to proper maintenance of the highways that we have. It is undoubtedly true that a hard surface highway under similar conditions can be maintained at one-half to one-quarter of the cost of the gravel-surface road. From that standpoint it would be good business to macada-

mize immediately a great portion of the first-class highways of our State which are bearing an increasing density of traffic. This must inevitably, however, mean two things: first, that the bond issues must be retired from taxation of automobile owners, or added to the general tax burden of our State; second, that the completion of this program will inevitably see an increase in traffic that will present the same argument with increasing force, and further bond issues will be as logical as they are today.

A further bond issue of \$12,600,000 has been proposed. This sum would be expended over the next six years. This plan contemplates expenditures on our roads of \$7,300,000 in 1926, and \$7,800,000 in 1927, as against \$5,800,000 for 1923, or an increase of \$2,000,000 a year for highway purposes.

Under this program it is believed that the present State Highway program of approximately 1,600 miles would be completed in 1931, at which time the annual interest charges and retirement features of the bonds outstanding would require \$1,796,740 per year, which is equal to the total annual amount derived from our automobile fees up to two years ago. If there should for any reason be a recession in our receipts other sources of taxes would be obliged to meet the obligations of the State.

Very few intelligent citizens deny the necessity of good roads. The Republican party platform pledges us to a continued conservative development of our highway system. The Republican platform expressly recognizes and recommends a continuance of the more liberal policy regarding third class roads. To that we are pledged. It seems to me that thoughtful citizens of our State must now seriously ponder the wisdom of a continuance of bond issues for roads that are not of a permanent character. The Republican platform lays down the principle that future generations "should pay for such portion of permanent road construction as will ensure to their benefit. The budget recommendation of the State Highway Commission states that certain of our roads have now been built for six, eight or ten years and must practically be reconstructed at an expense exceeding their original cost. This brings squarely home to us the problem of the permanence of the roads that we are building in this State. Our annual interest charges now are almost \$500,000 a year. Such a fund devoted to reconstruction or maintenance would go far towards solving the problem with which we are faced.

It seems to me a serious question as to whether we should not wisely now buckle up our belt, recognizing the recurrent problem with which we shall be faced of inevitable continued expansion of our highway system and the problems with which it is involved, and settle now definitely upon

a policy of paying as we go. Such a policy is easy to change at any time if bond issues shall be demonstrated to be wise, but it will not be possible for future generations to solve the problem presented by our bond issues except by payment of the bonds. As responsible citizens we must make sure that we are not placing our descendants in the position of the man who mortgages his home to buy an automobile and at the end of six years finds that the automobile is gone and all that remains is an appetite and a mortgage. Such a policy of finance will be exceedingly detrimental to the best interests of our State.

Let us take a broad look at the days that lie ahead. It is perfectly evident that more money must be available for maintenance and for the reconstruction problems that are sure to come. It is also perfectly evident that we cannot curtail our program of aid to second and third class roads, the beneficiaries of which have already waited so long for the first-class roads of our State to be completed.

General taxation is now furnishing \$1,000,000 a year for our road program, and this can probably be continued without dissent. It would not seem equitable, however, that this amount should be increased, since a great portion of the benefit of improved highways accrues to the users of our roads.

The tax upon gasoline is peculiarly adapted to our problem since so large

a proportion of the traffic on our highways originates in other states and pays very little in license fees or direct taxes within our own. There is probably no other source of revenue from which we can so readily derive an equitable proportion of the highway costs from the visitors within our gates, with so little objection from the people that contribute because of the equity of the tax.

Bond issues for road construction in the days ahead seem almost certain to prove a delusion and a snare. Several states have already gone upon a policy of "pay as you go," and they can comfortably each night go to bed with the definite assurance that their descendants will not pay for their "dead horse." In our own State forty-year bonds have been issued upon ten-year roads. Such a policy can lead to but one end.

You may seriously consider a policy that will carry forward our highway program from year to year without further issue of bonds, except for bridge construction which, it has been demonstrated, is of a more permanent character.

Here is submitted a program without a bond issue that will not increase the general tax burden of our State, will provide more funds for our highway program than have ever been available in any single year in the past, and will distribute the burden of its financial support upon those who profit by its use, whether coming from within or without our State:

**Proposed Road Program, Without Bond Issue, Except for Bridges**

Object	Amount	Source	
Construction of State		2c gas tax	\$1,000,000
Highways		Federal Aid	500,000
Maintenance and Recon-	\$1,500,000	½c gas tax	250,000
struction	1,750,000	Automobile fees	1,500,000
Overhead Expense of			
Highway Commission,			
Registration Dept. and		Fees	250,000
Enforcement Dept.	250,000	Fees	430,000
Interest	430,000	Fees	119,000
Retirement of Principal	119,000	Mill tax	200,000
State Aid Highways	1,000,000	Appropriation	300,000
		Municipalities	500,000
		Balance Mill tax	400,000
Third Class Highways	650,000	½c gas tax	250,000
Special Legislative Re-			
solves	100,000	Mill tax	100,000
Bridges	450,000	Bonds	300,000
		Municipalities	150,000
	<u>\$6,249,000</u>		<u>\$6,249,000</u>

Here is a State Highway program carrying on the aid to second and third-class roads exactly in accordance with the liberal policy that now exists, but simply calling for a limitation of the law to prevent an appearance of additional grants for which funds are not available. This provides \$250,000 more for maintenance and reconstruction than has been used in any year heretofore. \$1,500,000 was the amount used during this last year and in previous years this had never exceeded \$1,000,000. This provides \$1,500,000 a year for new construction which, on the Commission estimate of \$20,000 a mile, would mean seventy-five miles a year, and is perhaps as much as the supervisory force available can prudently handle from year to year with the added problems of maintenance and reconstruction and bridge work with which they are now faced. By this plan a bond issue of \$3,000,000 for bridges is contemplated to be spread over ten years. This would provide \$300,000 a year for our bridge program, with \$150,000 additional from the counties and municipalities, making a total of \$450,000.

This entire program could be carried out and continued indefinitely into the future without obligating future generations for construction that they would never see, and without adding in any way to the burden of general taxation now resting upon the citizens of our State. This would provide more funds for our highways than has ever been expended in the past.

The only alteration in our tax system would be the adoption of the three-cent tax upon gasoline. This might well contain appropriate exemptions. This tax seems to have met with very general popular approval as the soundest method of distributing the burden of the construction and maintenance of our roads. Arkansas now has a four cent tax upon gasoline, while nine states have a three-cent tax, listed as follows: Arizona, Florida, Georgia, Kentucky, Mississippi, North Carolina, Oregon, South Carolina and Virginia. Nineteen states and the District of Columbia have a two-cent tax or a two and a half cent tax. This indicates the favor with which this tax has been received.

It is never popular to levy a tax burden as against a bond issue that defers the payment to another day. Any legislator voting for such a program can feel perfectly sure, however, that he is making no mistake. Every cent received will be prudently used in the extension of our highway system or its proper maintenance and reconstruction. Meanwhile he will be guaranteed against the profligate expenditure characteristic of so many governments in our day falling before the fetish of bond issues that defer the problem of payment to a generation

that may never see the improvement for which they are obliged to pay.

It will also be borne in mind that there is a limit to the amount of construction that can economically be performed within our State, because of the limitations of the season, of the equipment and of adequate supervision by the State authorities concerned, burdened as they are with the increasing problems of maintenance and with constantly increasing demands from various localities in connection with bridge and highway work.

If in addition to such a program it is desired to submit an additional bond issue for the construction of roads this should not, in my judgment, exceed the sum of \$3,000,000, payable within fifteen years, to be issued at the rate of \$500,000 a year during the next six years. In so far as my own personal opinion is concerned it would be strongly against the advisability or the necessity of such action on your part. Whether the people shall adopt or reject such a constitutional amendment, however, will then not need to be a matter of critical concern, as the program can go forward without regard to the action that they may take. The bond issue will simply supplement and expedite the construction as it proceeds, and other funds available may be used to some extent for reconstruction work if new construction shall not make a more pressing demand.

With such a policy we shall be well fortified to meet whatever emergencies may arise in the days that lie ahead. What transformations in traffic conditions may face us we little wot. What loss of revenues through the destruction of our railroad transportation we can only now dimly guess. It is the part of prudence to exercise of that self-restraint and Yankee thrift exemplified by our forefathers for a century, that we should not expand our bond issues excepting in very great and very real emergencies. There is every reason to believe that the crisis we shall face in 1931 in the adoption of a large bond issue at this time will be infinitely worse than the difficulties which we individually or as a State may face if we shall adopt a program such as this in the present day. We can then return to our constituents and explain our action, confident that it will commend itself to the judgment of sound business men as a course of conduct such as they would adopt in their own private business faced with such a problem such as ours.

In my judgment we must now not merely give an increased emphasis and increased financial support to the proper maintenance of our highways, but we must also decentralize to some extent the highway administration of our State. More and more the towns

have awakened to the value of the trained supervisory personnel that the Highway Department affords. In my judgment they will shortly be ready to take the step to secure trained personnel for supervision in various localities in our State. The State might wisely encourage this course by contributions in moderate amounts toward the salary of competent supervisors employed by groups of towns that might voluntarily associate themselves for this purpose.

The two great avenues of wastefulness in our road problem today are in the lack of an efficient handling of the vast amounts expended by the various municipalities in our State, and in the inefficient supervision of the maintenance work upon our highways. The towns and cities during the past twelve years have themselves appropriated over \$35,000,000 to highway work. Both the localities and the citizens of the State as a whole would be tremendously benefited by the more prudent expenditure of these funds. These expenditures have been steadily mounting, reaching in 1924 the enormous total of \$3,748,230.72. More competent road commissioners all over our State must be the final solution of our highway problems, which are as yet in their infancy as our traffic constantly expands. Twenty-five thousand miles of highways must be intelligently developed and maintained for the maximum service of all the citizens of our State and our visitors from other lands.

At present if a road commissioner does not observe the instructions of his road plans it is not a crime, but a mistake. With an experienced commissioner the State Highway Commission would be very greatly relieved in the burdens it now faces of consultation and advice on road problems in every town. The maintenance and construction work could be very much more effectively handled in the field with the close cooperation that could be developed between the Highway Department and the local supervisor. He would be still responsible solely to the locality that chose him for the expenditure of the funds they should severally appropriate for road work. A very analogous situation has worked out to the wonderful advantage of every interest concerned in connection with our school system, and the appeal is even more persuasive for a prudent expenditure of the money upon our roads, because the enormous waste of inefficient handling is so immediately apparent to every traveler on the highways of our State.

#### **Kennebec Bridge**

If it is practicable within reasonable limits as to the cost it seems to me that the development of our State would be very generally benefited, and the counties of Lincoln and Knox made

very much more substantial contributors to our governmental expenses if the Kennebec river should have another bridge at a serviceable location. The construction of such a bridge must obviously be handled apart from our general law relating to bridge construction, because of the magnitude of the undertaking in comparison with other projects and the impracticability of the customary share of the expense being borne by the adjacent counties and municipalities. This has advantages and disadvantages from the standpoint of everyone concerned. It is not helpful to stress the duties or the obligations of one or another section of our State as distinct from an appeal to the proper interests of our citizens as a whole in the continued conservative development of our highway system.

As a practical matter before it will be prudent for anyone to proceed with such an undertaking, there must be available accurate and official data as to the attitude of the War Department regarding the bridging of this navigable stream, the position of the Maine Central Railroad Company as to participation in its use, and the completed costs ready for use of the bridge and its approaches and the highways it shall serve at the most feasible location.

To many of those earnestly interested in the construction of this bridge it seems that the surest way to progress is by the early appointment of a thoroughly representative commission properly authorized to collect all necessary data and to make report. It is estimated that careful surveys and soundings of the character that would be desired would cost from \$25,000 to \$40,000. It is possible that some savings might be effected if cooperative action could be secured between the engineering department of the State Highway Commission and the Maine Central Railroad Company. It is regrettable that such action was not taken two years ago, as all the information would now be available and it would be possible to proceed. It seems doubtful whether or not the necessary information can be secured during the period that the Legislature will be in session. Confusion would seem likely to result, with possible prejudice to the entire undertaking, if a bond issue should be submitted to the people before accurate data were available as to these matters of preliminary concern.

Those most directly concerned with the need for such a bridge will also consider whether so large an undertaking is likely to receive popular approval unless its cost is to be distributed to a substantial extent upon those who will be primarily served.

In Florida two very important highways, with a much greater volume of traffic than now flows over the Bath

ferry, have in recent years erected toll bridges to complete missing links. At Jacksonville it was planned to pay for the bridge in twenty years from the tolls that were collected on the basis of the estimates of normal increase in traffic. The traffic, however, increased out of all bounds and now, at the end of four years, funds are available to provide for the retirement of almost the entire issue of bonds. The remarkable success of this project has brought about a great toll bridge connecting St. Petersburg and Tampa. These two projects seem to have shown conclusively that toll bridges under proper circumstances do not throttle the development of traffic upon our roads. It is not readily apparent why it is more vicious to pay tolls for crossing a bridge than for crossing a ferry, with the delays that so inevitably ensue.

It would, however, seem a very doubtful policy to permit private enterprise to participate in any way in a public project such as this. The possibilities of regulation by the Public Utilities Commission of construction costs and maintenance and depreciation charges are not encouraging to this solution. A limitation of time for private profit might well mean materially shortening the possible life of the bridge.

In my judgment a toll bridge at any reasonable cost, with the tolls no more burdensome than those now in effect, and with appropriate reductions for frequent use, would very easily and very quickly pay for itself through the stimulation in traffic that would result, without taking account at all of the increase in taxable values in the counties most directly affected by the bridge. Meanwhile it would be possible at any time to free the bridge from tolls when the people should so elect.

In any problem of this character progress and success are much more certain when we try earnestly to get the other fellow's point of view.

#### Education

"Blessed is the land that has no history" is a maxim that seems to apply to the happy condition of our educational system because of the little discussion it requires.

Our primary and secondary schools are being strengthened and expanded each year. In our interest in education we are distinguished perhaps more profoundly than in any other way from the traditions and the customs of other lands. The State School Fund constitutes nearly one-half of the direct levy of taxes within our State. The various localities are contributing very largely to the increase of the school funds as they develop a desire for better educational facilities of their own. Such indications are healthy and the close contact between the State and the various mu-

nicipalities in education is a cause for congratulation.

An emphasis upon fundamentals and a firmer hand against the dissipation of time in extra-curriculum activities or other interruptions of the school routine seem to the layman interested in education the wise course at this time.

In recent years the State has been making substantial grants for the aid of secondary education. Very glaring inequities have grown up in the distribution of these funds. Some communities receive nothing at all, and others receive as low as \$5.03 per pupil, while in other cases the grant per pupil goes as high as \$33.33. These grants at present are not determined on any definite basis of educational need.

The most elementary considerations of justices to towns and to pupils in the different sections of the State, particularly in the smaller communities, would lead to re-adjustment that would to some extent equalize these grants.

#### University of Maine

The University of Maine is more and more coming to be recognized as an integral part of the educational system of our State. During the past ten years the appropriations by the State for its support have increased at the following rate:

#### State Appropriations for the University of Maine

1915—\$140,000.00;	1916—\$171,250.00;
1917—\$141,250.00;	1918—\$127,500.00;
1919—\$148,750.00;	1920—\$170,000.00;
1921—\$240,000.00;	1922—\$217,500.00;
1923—\$247,500.00;	1924—\$460,000.00.

The State and University have considerable cause for gratification in the progress it has made in recent years under the leadership of president Little. The pledging of funds by the Alumni to the amount of \$500,000.00 for the construction of an Armory constitutes a significant landmark in the service of the University to the State. It demonstrates that the graduates of the University have that same pride and loyalty to their Alma Mater that is characteristic of the other colleges of our State. It also shows that they are willing to sacrifice to bring the University to the place which they wish it to occupy in the training of our youth and that they are not willing its maintenance should be exclusively a matter of State concern, as they recognize the limitations of economy that must often prevail in public affairs. The State is reassured in bearing its share of the load in knowing the value that its Alumni attach to the training they have received.

We can have a most cordial sympathy for the University authorities in desiring to extend equality of opportunity to the young womanhood of our State. It is right also that the



quality of education should be equal, if possible, to that of the other colleges in Maine. Progress toward this goal is likely to be made most rapidly by an insistence on the proper qualifications of those who shall enroll and by an emphasis on the importance of the subjects that are basic to higher education at all times.

It is not feasible at present to give a college education to all children of our State. Since selection must be made it is proper that we should confine it to those who are best prepared. Since the curriculum must also be limited in order not to expand the courses beyond the instructors we can prudently supply, it is also necessary that we take into account the character of training needed for service within our state and the extent to which other colleges are supplying this need that are privately endowed.

Our agriculture, our industries and our highways are objects of very great concern to our State. A supply of trained men for the development of these resources will serve the interests both of our citizens and our State. This is by no means the limit of the activities of the University but these must, necessarily, be matters of primary concern. It is probable that a strong College of Arts and Sciences affords an excellent foundation upon which technical training may be built. The foundation, however, should not dwarf the superstructure which we propose to erect thereon.

#### **Public Funds and Sectarian Schools**

The prohibition of the use of public funds for denominational schools has been a matter widely debated within our State during the past two years. A few denominational schools are at present receiving a grant of public funds. These are with one or two exceptions of secondary grade. A great system of private elementary schools has grown up in our State and in many of our sister States and is rapidly expanding. Approximately 20,000 children are now being educated outside the public schools in the State of Maine. In the City of Portland this last year the public school system practically ceased its growth while the rival system added several hundred pupils to its schools.

During the past ten years there have been repeated attempts to secure grants of public funds to aid in the support of these denominational elementary schools. Representative citizens of our State have believed that such contributions were warranted because of the savings that were thus effected to the public school system of the State. This is an opinion which they are entitled to hold and to champion.

No diversion of public school funds to these purposes has been made except in one section of the State where

the two systems are for all practical purposes merged with the denominational system using public school facilities for the religious training of the child.

Many believe that the diversion of public funds to religious education is utterly out of harmony with American ideals and will inevitably disrupt the State. If this principle should become established. Thirty-three states, faced by conditions very similar to our own, have adopted constitutional amendments designed to prohibit such a grant. The people of our State seem to have afforded rather ample evidence that they would welcome the submission to them of a constitutional amendment prohibiting any such diversion of public funds. Such a referendum will satisfy a great body of our citizens who are seriously concerned over this question and remove a threatening problem from the educational situation in this State.

#### **Public Dependents**

In recent years, with an unselfish sacrifice that does them great credit, many of our citizens have given an increasing amount of their thought and their money to the cause of those unfortunate members of our society who are not entirely able to look out for themselves. It indicates a spiritual awakening among our citizenry that their thoughts should be turned in such measure to the misery of their fellow-men. Private agencies are doing remarkable work in relief. Governmental relief-work has expanded tremendously in the last decade. In justice to future generations of dependents its abuse must not be permitted and its limits should be carefully defined. The care of the growing children who are dependents of the State by a State agency with substantial contributions by the localities concerned has established its wisdom in the results it has achieved. In connection with the care of the other charges of the State, it seems possible that we have departed too far from the principle of local aid. Institutions for the care of the defectives must be maintained by a central authority, but some fair portion of this expense should be laid upon the local community in order to prevent the possibility of its abuse. If a locality can profit by transferring a charge to the State the classification of unfortunates by the locality is very unlikely to prejudice the interests of the State. No reason is apparent why a locality should save money by having a poor person declared insane, and yet that is the result of the laws we now have in effect.

The more nearly we can approach to the principle of local responsibility for the care of our dependents with proper protection against abuses that were well known to exist, the stronger bulwark we shall have built against the increase of paternalism and socialism under a charitable guise. The same principle applies to Federal action. The problem is to wisely estimate the various factors in order to draw the proper line.

#### Federal Child Labor Amendment

The Secretary of State of the United States has transmitted to the Executive Department of the State of Maine a certified copy of a Joint Resolution passed on June 2, 1924, by the Senate and House of Representatives of the United States, proposing an amendment to the Constitution of the United States, which shall give Congress the power to limit, regulate and prohibit the labor of persons under eighteen years of age." The proposed amendment is as follows:

"Section 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under eighteen years of age."

"Section 2. The power of the several States is unimpaired by this Article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress."

In accordance with the provisions of our Federal constitution this proposed amendment has received the endorsement of two-thirds of the members of the Senate and House of Representatives of the United States, and is now in order for consideration by the legislatures of the several States. Three-fourths must ratify in order that the amendment shall take effect.

Very heated controversy has developed regarding this amendment. Its origin, its purpose and its character have been very bitterly attacked.

In determining their action upon this amendment the Republican members of the legislature may well investigate the reasons which impelled the Republican National Convention to commend in its platform the action of Congress in submitting this amendment to the several states. There seems to be a considerable conflict of opinion as to the facts upon which the appeal for this legislation is based. If you are not able to resolve these controversies satisfactorily to yourself by the thorough investigation that you shall make, and are thus compelled to take the opinion of someone as to the wisest course to pursue, you may consider whether or not Calvin Coolidge is in an excellent position to know what are the conditions of child labor throughout the United States, and also whether or not he is in a position to pass as disinterested and dispassionate a judgment as any-

one upon the merits of this proposal and its relation to our needs.

Every member of Congress from the State of Maine has also supported this amendment together with practically all of the Republican members of Congress and very many Democrats. The Associated Industries of the State of Maine endorsed the proposal of a Federal amendment within this past year, and now distinguish their objection solely upon the ground that the age limit is too high. The age limit was determined by the consideration of certain employments where the moral or physical hazard make it undesirable that persons under eighteen should be employed. It was not practicable nor customary to specify these exceptions in an amendment to our fundamental law. Maine is common with many of its sister states now "limits, regulates and prohibits" the labor of certain persons up to the age of eighteen years and even above that age, so that such an age limit is obviously not a departure from our practice if the principle of Federal action in such a matter is accepted, and it was this principle which the Associated Industries of our State endorsed.

There are undoubtedly selfish interests who oppose this amendment, but that does not seem necessarily an argument either for or against the law. It should simply make us more careful to examine the validity of the opinions that are presented on the ramifications of the law.

This seems simply the preliminary skirmish in a far more fundamental conflict that impends. Within our generation we are likely to determine whether the family shall be allowed to keep the child from the public school. We shall be faced with the problem of whether democracy can continue if increasingly large groups of our children shall be segregated for education. This social problem is as profound in its implications as the slavery question which the last century solved. It is only when honest men may differ that profound political problems come to the fore. Our Anglo-Saxon civilization has grown great under the most jealous regard for individual rights but the first obligation of any government is to see that itself shall survive. It is a serious question how long Anglo Saxon institutions can continue if over half our population shall come to be educated outside the public schools. This condition we shall face within the present generation if the next two decades shall duplicate the developments of the last. Compulsory public school attendance can probably only be gained by an amendment to our Federal fundamental law.

All thoughtful Americans accept the doctrine of the utmost individual liberty consistent with the welfare of the whole. The application of this formula to the situation in our coun-

try in our day is likely to parallel in its magnitude and its consequences the most gigantic issues which America has thus far faced. Those interests which are most determined and most united in their opposition to any such regulatory step on the part of the State, are keenly awake to the implications of the amendment with which we are now concerned. The amendment does not itself involve the education or the welfare of the child, other than the regulation of the labor that the child may be permitted to perform and a fair construction of the amendment reasonably limits its scope to this extent, and to the employment for hire on products going outside the home. It does recognize, however, the principle of the concern of not merely the State but the Federal government with the welfare of the child if the family is not prepared to recognize its responsibility in consonance with the interests of the nation. The thousands of dependent children now under the care of the State of Maine constitute mute testimonials to the irresponsibility of many parents in their relation to their child. The implication of many arguments would lead us to the conclusion that the control of the parent is always wise, although every court in our State will testify to the abuses that they have been obliged to redress in the care of parents for the young. Every law upon our statute books protecting a child is an invasion of the sanctity of the home. The family ceased to be the sole dictator some centuries ago.

The Sheppard-Towner Act for assistance in maternity and infancy presented similar considerations. We welcome Federal aid for higher education, for blueberries, for pigs, and for roads. Why is it so disturbing when the Federal government shows a little concern for the child? Federal paternalism is suddenly an ogre at our door.

There is no doubt of the earnest opposition of many distinguished and honest Americans to tendencies such as are here involved. They might well proselyte among their associates for a religious application of the principle that is at stake. The most highly centralized and most permanent autocracy the world has ever known is in the fore-front of the battle arguing the virtue of the utmost local self-control. "Divide and conquer" was a maxim that brought world conquest two thousand years ago. "United we stand; divided we fall," was the teaching that gave America birth and has enabled it thus far to survive. Why is it so vicious that a school should be in any way concerned with Washington and at the same time so virtuous that a school should be entirely run from Rome?

One of the most conspicuous residents of our country whom we formerly deemed a citizen of a sister state,

on successive days demand recognition from President Coolidge as the ambassador of a foreign temporal power, and denounced this amendment as subversive of American institutions, concerning which he elected to judge. These interests appreciate the value of a preliminary success in the great issue which is so rapidly overshadowing our American national life. Thoughtful citizens may well await the issue with confidence and without recrimination toward any who may attack the position they feel obliged to take. The lines are slowly forming and we may all prepare ourselves most wisely for the decision we must ultimately make by re-dedicating ourselves to a study of the meaning of America in the life of the world. In the lessons taught by the Pilgrims, by our forefathers in the revolutionary issues of '76, and in the lives and teachings of Americans in the middle of the last century, which gave the great figure of Lincoln to the world, we can find the guidance to solve the problems with which our generation seems surely to be faced.

"With malice toward none with charity for all, with firmness in the right as God gives each to see the right, let us strive on to finish the work that we are in."

#### National Guard

This country is never likely to have a large standing army. The chief defense in so far as military forces are concerned must continue to be the National Guard. This is primarily and chiefly a force for Federal defense and, consequently, for Federal development and support. It is available, however, for State use on proper occasions and the State takes a proper pride both in the service traditions and the present personnel of its National Guard.

In 1914 there were 1448 officers and men in the National Guard and the annual appropriation by the State was \$59,000.00. In 1921 there were 1319 officers and men in the Guard and the appropriation for the ensuing year, 1922, was \$117,466.67. The last report of the Adjutant General shows 2076 officers and men in the National Guard at this time. In the National Guard of the United States there are now 178,000 officers and men. On a population basis we should furnish a personnel of 1246. We are thus furnishing almost double our proportionate share. The Federal Budget recommendations do not indicate provision for any increase in the Guard during this coming year.

As a matter of State pride and National defence alike we shall desire that our Guard be maintained on a basis equal to that of other states comparable with us in population and resources.

It is a matter for gratification that the next encampment of the National

Guard is to be held within our State. This will afford an opportunity for our citizens to learn something of the sacrifices that the officers and men of the National Guard are making in our behalf. Adequate provision for their encampment will increase the probability of their training permanently within our State. This is an object very much to be desired.

#### **Agriculture**

Agriculture is the foundation of the prosperity of any state, but this is peculiarly true of Maine because of our great area in comparison with our neighboring states and because of the comparatively cheap agricultural land which we possess in close proximity to the great consuming industrial centers of the east. There seems considerable warrant for believing that the tide of agricultural development is now likely to turn toward the east as railroad rates and cheap farm land alike unite to argue for the east to feed itself.

No industry progresses without the most careful knowledge, not merely of its markets but of the sources from which they are supplied. The dangers of over-production are thus checked far in advance. Industrial centralization has gone a long way toward the handling of this problem, which in our early days brought recurring panics to our land. The farmer has been the last to organize, because of his inbred traditions of independence and isolation nurtured by the soil. Labor and capital have long since united to protect their proper rights. Indications are not wanting that agriculture must inevitably follow the same course. Co-operative marketing by producers' associations seems clearly the only solution to the problems of both the producer and the consumer crushed alike under the distribution load. It is tragic to produce articles which cannot possibly be consumed, and it is equally folly for the price of the producer and consumer to be pushed needlessly apart by unnecessary costs of distribution.

The Department of Agriculture of our State is devoting all its talent and resources to the assistance of the farmers in the problems with which they are faced. The University of Maine was founded primarily to educate young men and women in the possibilities of agriculture in Maine and to that mission it is prepared to devote its resources as rapidly as the boys and girls shall find that no greater contribution to the permanent well-being of our State can be made than to re-vitalize the agricultural interests of Maine.

It is estimated that over one-half of our food stuffs at present come from outside the borders of our State. With a population of 700,000 throughout the year, increased at certain seasons to well over 1,000,000, it is im-

possible to realize the benefits to our State if we should all resolve to buy primarily Maine products to supply our needs. If the agriculture and the industries of Maine should become the primary object of concern of every citizen of our State we should go far towards solving our difficulties in the years immediately ahead. We should keep more of our money within our State to assist in sharing our own burdens in the endless cycle it would thus create. We can well approach much more nearly to that self-sufficiency that was the key to the independence of our hardy ancestors of a century ago. Home markets are the key to foreign trade.

#### **Forestry**

Forestry has been and will continue to be one of the great sources of wealth within our State. Its conservation must be a matter of our very intimate concern. Fifteen million acres of our State, or nearly three-fourths of its area, is forest land. These forests not only furnish an enormous supply of forest products for the use of our industries, but what is almost equally important they protect our water power and add greatly to the attractiveness of our State as a place in which to live.

Maine leads all the states of the country in the production of wood pulp and the consumption of pulpwood. The pulpwood cut is two and a half times that of the State of New York and the area of spruce-fir forests in the wild lands of the State is more than four times that of New York. This means that Maine has been and will probably continue to be in a position to support its present industry for a long time to come. The total stand of spruce and fir in Maine approximates 50,000,000 cords and this is yielding a little in excess of 1,000,000 cords a year for the mills of Maine. We have been highly blessed in a bountiful supply of this valuable timber, and in the development of industries which are calculated greatly to increase our wealth. Their prosperity means much to our State.

The most interesting and most important development of the immediate future is likely to be in connection with our hard woods. No reliable estimate is available as to their extent, but we do know that upon a large part of our 15,000,000 acres of forest lands hard wood is to be found. We also know that the hard wood supplies in the region of the Great Lakes and in the Appalachian region is rapidly approaching exhaustion, and that the great hard wood industries must shortly turn to Maine for some portion of their needs. With proper information available and presentation of our advantages it seems reasonable to suppose that some of these industries may be brought to our State. To this possibility we may well direct our atten-

tion in the years that are just ahead.

Meanwhile Maine has done a great work in coping with the worst enemy of our forests by the system in has inaugurated to minimize the fire hazard in our State. Its protective system is probably as fine as that of any state in the country, and it is being continually improved with the aid of the State tax assessed exclusively upon these lands for their protection and development. The insect pests of recent years are a grave cause of concern, and must receive the serious attention of both our State and Federal governments to make sure that their danger is met.

It has been a popular assumption for generations that the wild lands were open to the citizens of our State. Recent developments have created some question on this score. Reasonable restrictions upon the exercise of this right have been placed from time to time by the State authorities in the interests of the conservation of our forests and our game. It seems imperative that it be determined without further delay as to whether our citizens generally have a right to go upon the wild lands of the State subject only to such regulations as may be made by the legislature in the exercise of the police power or whether the owners of the wild lands have absolute control.

If a permit to use these lands must be secured from the owners we have practically created in this State a great game preserve of far more vast extent than ever existed in the countries of the Old World. Such a decision would revolutionize the habits and the thought of Americans in this regard. It has long since been established that the game is the property of the State but such title is of little value if the right to capture may be denied.

This is a question of legal rights and of proper legislation and is not a matter for invective or abuse. No good cause will be served by condemning any of the citizens of our State for holding opinions contrary to our own. It rather behooves us to use every power within our control to protect our wild lands from any abuse by those who may go upon them in pursuit of game or recreation in order that we may show that we recognize the very vital concern of the State in our wild lands and in the welfare of our citizens dependent upon them for a livelihood.

Meanwhile it is of extreme importance that there be an early and amicable determination by a competent tribunal as to the rights of the State and its citizens in visiting the wild lands of Maine.

#### **Development of Maine**

Every citizen of our State is concerned with our growth and prosperity. In only two ways can our tax burden

be lightened. One is by a severe retrenchment of our public expenditure which might be well calculated to cripple seemingly essential activities of the State. The other way is by bringing more persons and more property to share this burden with us and thus lighten our own. Very many of the objects of public expenditure are equally substantial whether the population of our State is seven hundred thousand or a million. If we shall accordingly increase our population we shall materially lighten the burden upon us all.

Is it possible to bring about such a development? For a half century we have stood almost still as the tide of immigration has flowed strongly to the west, taking much of the best blood of Maine to carve out the empires that have created there as that great territory has developed. There is much to indicate that today that region is approaching the point of saturation, at least in so far as its advantages over us in development are concerned.

Maine potatoes, Maine apples and Maine sweet corn are a product that is unique, and can command a market of their own if concerted action shall insure their proper place. There is much to indicate that in some other vegetable products such as peas our soil and our climate produces a product equally appealing to the discriminating taste, and even that we may be able to raise beef to feed our eastern market in competition with the West.

A few years ago it seemed inevitable that our industries must gradually decline as a result of our location in a far corner of the country. Railroad strangulation and cheap water transportation seem literally to have turned our country inside out, so that Maine and the entire Atlantic seaboard are now, nearer to the Pacific coast than all the great region drained by the Mississippi, with which we thought formerly it was hopeless for us to compete. The State Pier seems destined to play an important part as an artery connecting us with the greatest transportation system the world has ever known.

In certain products this has been brought home very persuasively to us as we have found ourselves enjoying a differential in commerce with the Pacific coast. So decided has the advantage become that several of the great railroad systems of the country connecting the Mississippi valley with the Pacific coast are now seeking relief before the Interstate Commerce Commission from the competition of eastern industries on the West coast making use of water transportation. This is convincing evidence of one advantage that we enjoy. To what extent cheap power may be a factor in our growth seems still a debatable

question, but it is significant that cheap power is advertised as one of the attractions in some of the most rapidly growing industrial sections of our country, which would indicate that it is a factor of importance in their growth.

#### Water Powers

Development of our water resources by private capital under adequate and proper State control seems to me the course best calculated to stimulate their use in accordance with our American traditions of private initiative as against public ownership. This was the pledge of the last Republican platform together with a pledge to continue our long established policy of preventing the exportation of hydroelectric power from our bounds by every legitimate means that we possessed. The Republican platform also pledged the protection of such interests as the State may still possess in water power or storage sites capable of development. A study of our policy in connection with our forest lands and of the Federal water-power policy, developed under the leadership of President Roosevelt in recent years, leads me to the very strong conviction that it is the part of simple prudence for our posterity to make long term leases rather than sales of the rights that we possess. These leases may contain adequate provision for the protection of the capital investments that will be involved, with an assurance of reasonable return under conditions existing in our day, leaving to future generations the determination of the policy that they will adopt in dealing with the vast natural resources bestowed upon us with such a prodigal hand.

The hazard incident to developments in the early days very likely required great stakes as the price. In our day the prospects are far more stable and may reasonably be placed upon stricter terms, which shall yet protect private enterprise in reasonable profits upon its undertakings in so far as the property of the State is concerned.

The Dead River Storage Bill illustrated the considered opinion of men holding diverse points of view as to a policy that was wise in so far as both the State and the power interests of Maine were concerned. There has seemed to me no occasion to doubt the wisdom of the solution that was there found for one of the most acute problems with which we were then confronted. This bill was modeled upon the Federal Water Power Act as applied to conditions existing in the State of Maine, and merits the most careful investigation of citizens seriously interested in power or storage development within our State.

#### Resources

California and Florida have shown in recent years that material develop-

ment flows from visitors within their midst. They have attracted visitors without limit by reason of their recreational advantages and have then persuaded great numbers of these visitors to remain. Other communities have demonstrated the same lesson in lesser ways. There is very much to lead us to the conclusion that Maine may profit by the example that they have set, as our recreational opportunities in summer are unique, and the possibilities of development of our winter attractions are only beginning to be realized, while in spring and fall our hard-surfaced roads have made almost all sections of our State accessible with the varied attractions they present.

We have heard constantly of California as a great recreational state, but during the decade when it was advertising itself to the world as a playground it increased its industrial production by more than \$1,500,000,000 per annum. Florida is doing exactly the same thing at the present time, and has doubled its agricultural production in the past five years while it was displaying its attractions as a great vacation state by stimulating consumption of its products at home and abroad through the National advertising it has received. With a similar Yankee thrift we may bring people to our midst and persuade them to remain, as we convince them of the attractions of Maine throughout the year.

We believe that our agriculture and our industries merit the fullest investigation, and consideration of them may be gained from numberless visitors of almost unlimited means if we shall bring them to our midst by properly stimulating the already tremendous traffic that we enjoy. The direct returns from our visitors now aggregate in excess of fifty million dollars a year from over seven hundred thousand people. It is the opinion of all competent observers familiar with the advantages here and elsewhere that this traffic may be enormously increased by rather simple lessons that lie at our door.

Proper information regarding our resources and attractions may wisely be compiled and published by the State as one of the most elementary contributions to persuade visitors to remain within our midst. The compiling of such information could easily be done by departments existing here in the State House at the present time and the expense of its publications should be moderate, and could well be defrayed from the proceeds of a tax levied upon the signboards of our State which would at the same time restrict and regulate their location and provide a fund for telling the story of Maine. This would prevent any burden upon our general tax revenues for this purpose. Funds for advertising and other

publicity it would seem well not to take from the treasury of our State. Appropriations could more wisely be handed by agencies expressly devoted to this end in proper cooperation with other private agencies already existing in our State. The creation of additional bureaus under the control of your present Chief Executive is not a course that he commends. It would also be useless to advertise our State unless service was to be given when our prospective investors should arrive, and this reception must necessarily be accorded by the communities all over our State to which these visitors will go, attracted by their charms.

It is the thought of many interested in this matter accordingly that the various communities of our State, under the authorization of the legislature wisely provided in our statutes some years ago, may in their several town meetings and city government meetings appropriate funds within certain limits as they may deem wise for publicity regarding the State of Maine. Appropriate activities could be carried on under the direction of such agency as the several towns and cities participating shall create for this purpose. All such funds could thus be used exclusively for publicity regarding the attractions and resources of the State of Maine.

The various agencies already existing in our State, in agricultural associations, Chambers of Commerce, and other similar civic organizations such as the Maine Publicity Bureau could then supplement with service the traffic that should result by distributing broadcast to all inquirers the literature compiled and furnished freely by the State of Maine. The State would be relieved of the burden of distribution, simply furnishing appropriate literature to all who might apply, and listing the agencies of a semi-public nature that would be glad to follow up with more detailed information the possibilities that were thus displayed.

#### **Honest Elections**

Certain incidents of this past year have brought home very clearly to our people the indifference that would be generated in our electorate by the thought that elections were not honestly carried on. As a result of the confusion created by the debauchery of the ballot box, and by an over generous participation of members of one party in the primary of another, a very regrettable situation arose. Those citizens who have opposed the direct primary almost from its inception, some honestly and some selfishly, immediately seized upon the situation to advance their cause. Both party platforms two years ago declared for a referendum upon the primary law. My exception to that proposal as a delegate and a candidate was publicly noted at the time. Both party platforms failed to include

any declaration for or against the primary law in the platforms adopted this last spring, although the original draft of the Republican platform contained a plank calling for a referendum, but this plank was struck out before the platform was adopted. This might be construed as a declaration in favor of leaving things as they are, although it hardly seems to me such an inference would be warranted in so far as the platform is concerned. It would rather seem that each individual member of either party in his official capacity was free to make up his mind on this question entirely in accordance with his own judgment as to what was best.

In my judgment the direct primary has freed us from many of the very serious evils incident to the convention system, and the difficulties which it has brought have been far less serious in extent. It seems to me that you stultify not merely yourselves but the people of your community who selected you if you contend that the intelligence or the integrity of our representatives has declined because of the voice which the people now generally exercise in their selection. The women who have recently entered our electorate in such numbers are a very potent influence in the primary but their influence would be practically negligible in a convention. Many citizens of our State will greatly regret to see their influence lessened at this time.

Many thoughtful citizens are of the opinion that it would be wise to give the direct primary a fair trial by appropriate changes that shall strengthen and enforce certain of its provisions, particularly by requiring enrollment in practically all towns throughout the State, and by strengthening the provisions to prevent the participation in a primary of too recent converts to the standard of the party they seek to espouse. Otherwise we shall simply reward the corruption that was practiced by certain influences in the recent primary in this State by taking the very course that those interests would most desire if they could have their way. A new enrollment all over the State substantially in advance of the next primary might be warranted to purge our lists at this time.

From my observation of conditions over the State it seems to me extremely doubtful whether a sufficient case has been made out to warrant a referendum upon this law in the degree of popular interest that has been shown in favor of a change. The provisions of the constitutional amendment providing for an initiative will afford ample means for a referendum upon this measure whenever a widespread popular sentiment shall exist in favor of its repeal. Meanwhile we may perhaps safely await that demonstration of popular inter-

est in this movement and may address ourselves to strengthening the provisions of our present law and to mending the defects in our laws regarding registration and enrollment. Several of these were revealed very clearly in the recent storm through which we have passed.

#### Law Enforcement

Under the leadership of Neal Dow, Maine took its stand as the pioneer prohibition State. The whole nation has followed its example in enacting the principles of prohibition into its fundamental law. Prohibition now faces its supreme test, as the forces of lawlessness with a seductive appeal to the less thoughtful of our citizens seek to undermine this law. It is imperative that all our citizens shall come to realize that our constitution and our laws must stand or fall as a whole. There can be no divided loyalty. Our flag simply symbolizes our Constitution, and no citizen can rightly claim to be loyal to that flag who is not loyal to the Constitution, for which alone that flag stands. Individual respect for law must be inculcated by bringing home to each citizen a realization that the burglar has as much right as another to elect the laws that he will violate, and that the whole structure of our civilization will fall if it shall have accepted that a citizen may violate a law he does not like. It is also time to recognize both in our law and our practice that the patron of the bootlegger is an accessory to the crime.

Maine in recent days has been disgraced among the sisterhood of the nation by the revelation that several of its chief executive officers have been conspiring to violate our Federal laws. The most elementary considerations of self-respect should at least persuade a state to be reasonably assured that its officials are free from crime. States' rights cease when our officials disobey the Federal laws.

It is obvious that with over 3,000 miles of boundary adjacent to territory that is wet we shall require Federal aid in the enforcement of the Prohibitory Law. But the Federal authorities have a right to expect the very fullest measure of cooperation from such officials as our meager resources will afford in the warfare they are conducting against this crime.

#### Prison Reform

Criminal conditions in our State are such as to give the thoughtful citizen increasing concern. Several of our county jails are filled to overflowing, and the splendidly equipped new prison at Thomaston had scarcely been completed when it was necessary to add thirty additional rooms. A proposal is pending for the construction of a new Reformatory for Men with an industrial building that will cost approximately \$300,000 and accommodate 164 men. Such of these

men as can be accommodated since the fire are now living in quarters exactly like the barracks in which your present executive lived during the recent war as an enlisted man with the exception that shower-baths and toilet-facilities and a smoking room are provided in the basement for these charges of the State. The conditions are very much better than those existing in most of the lumber camps of our State.

It seems clear, however, that some more permanent arrangement must be made in the not distant future and additional quarters must be provided. The stock upon the Reformatory farms are cared for by these men under conditions much more favorable than those existing on ninety-five percent of the farms in our State. It is difficult to determine to what extent this is economically wise, but it is to be considered how far such conditions may incline men to agricultural life in our State under conditions much more adverse.

Prisons exist primarily for the protection of society from citizens or aliens who will not obey its laws, and secondarily for reform. Criminals seem in many aspects to be the children of society. It has been my observation with children that "coddling" spoils both the child and the parent and the home. If executive clemency shall supersede the functioning of our constituted authorities in the trial and punishment of crime, we shall have started back on the long road toward the autocratic governments of other days from which we have painfully emerged. Society and the pardoning power must exercise a presumption in favor of the courts, not the criminal, if orderly government is to continue.

Meanwhile the heart of every citizen must be in sympathy with those who are seeking earnestly the cause of reform, both of the prisons and the prisoners, but never at the expense of the larger good. Society is entitled to protect itself or it must soon cease to exist. The startling increase in crime in our country and the crowding of our prisons indicates that the time has come for serious and sober thought.

Unfair competition of prison industries must not be allowed. All the states outside New England have already arranged by sectional conferences for the allocation of prison industries to supply the needs of the activities of the several states. A New England conference will soon be called, and its recommendations will be entitled to great weight.

It is probably good business and good sociology to compensate the prisoners from any surplus that they create but not at state expense.

#### Conclusion

You will understand that the resources of the Executive Department are entirely at your command. Full



and unprejudiced information is the first requirement to prudent action in the interest of our State. Mutual respect and esteem will enable us and the State alike to progress.

Our country is faced today with an increasing distrust of men in public life. Citizens passing by on the other side delight to indulge in flings at men who are trying to serve their state. They little realize that they are undermining the wall that supports their own most cherished rights. Constructive and intelligent criticism of governmental policies is welcomed by every public man, but destructive and malicious gibes at officials in general may constitute a more serious menace to the State than the Bolshevism the critics so much abhor. When citizens generally lose hope of restoring the integrity or intelligence of their government, American democracy will be at end.

We are enlisted in an endeavor to establish confidence in the administration of our State. Shortsighted or selfish action will add fuel to the already threatening flames. Inaction in personal animosities or political ambitions at the expense of the State will furnish added evidence for the indictment upon which our American political system is now being tried.

It is our privilege for a season to demonstrate the capacity and the patriotism of American citizens in carrying forward the proud heritage of popular government bequeathed to us by other men. To that end we may well devote our energies with a singleness of purpose that shall carry conviction to the interests that we serve.

In this address there has been stressed matters of primarily economic concern. We must take thought of our finances, our highways, our agriculture, our industries and our forestry. To the conservation and development of these material resources we are pledged. Yet it will be well if we are under no misapprehension as to the things of most profound importance in the life of our land. We are here today because other men and women in other days cherished a deep and abiding faith in the power of the spirit to overcome the things of the flesh. The Pilgrims penetrated this savage wilderness in the search for liberty to worship God as they thought right. All through the hardships of colonial days and the sacrifices that gave this nation birth there runs the dominant note of a profound conviction in the supreme power of the unseen. If we or our children shall falter in the faith bequeathed to us by these hardy men of other days, we shall sound the death knell of our nation because its foundations are built on God.

Let us conserve and develop the rich resources of this great State but let us always be mindful of the devotion of our fathers and mothers that has alone made possible the

prodigal advantages we enjoy in this great State today. Let us revitalize our allegiance to the things above the flesh for only thus can we establish our kinship with the men who made Maine great. The rich heritage of our resources will be to our children not bread but a stone if it shall not be leavened with the deep religious faith that animated our ancestors as they turned our forests into farms. For a time the proud privilege is given to us to help or to hinder our people amidst the menacing tendencies of this day. Whatever of calm consideration, whatever of deliberate search for truth, whatever singleness of purpose in the service of our State, whatever of vision of the things that are eternal we may bring to our task day by day will be our contribution to the enrichment of our great heritage and to its continued consecration to the service of our God.

The Governor and suite then retired, followed by the Chief Justice and Associate Justices of the Supreme Judicial Court.

The purpose for which the Convention was assembled having been accomplished, the Convention was dissolved and the Senate retired to the Senate chamber, amid the applause of the House.

### In The House

The Speaker in the Chair.

From the Senate: Ordered, the House concurring, that 5000 copies of the Governor's Message be printed for the use of the Legislature.

In the Senate, read and passed.

In the House, passed in concurrence.

From the Senate: Ordered, the House concurring, that a joint select committee of three on the part of the Senate, with such as the House may join be appointed to consider the Governor's message and report a reference of its several subjects to appropriate committees.

In the Senate, read and passed.

In the House, passed in concurrence.

From the Senate: Ordered, that when the Senate and House adjourn, they adjourn to meet on Tuesday, January 13, next, at 4.30 in the afternoon.

In the Senate, read and passed.

In the House, passed in concurrence.

On motion by Mr. Peaslee of Bath, the House adjourned until Tuesday afternoon next, January 13, at 4.30 P. M.