

MAINE STATE LEGISLATURE

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Legislative Record

OF THE

Eighty-Eighth Legislature

OF THE

STATE OF MAINE

1937

KENNEBEC JOURNAL COMPANY
AUGUSTA, MAINE

SENATE

Tuesday, April 6, 1937.

Senate called to order by the President.

Prayer by the Rev. A. T. McWhorter of Augusta.

Journal of yesterday, read and approved.

From the House:

The Committee of Conference on the disagreeing action of the two branches of the Legislature on "Resolve Relating to Ice Fishing in Eagle Lake and St. Froid Lake in Aroostook County" (H. P. 863) (L. D. 854) reported that they are unable to agree.

In the House, report read and accepted.

In the Senate, the report was read and accepted in concurrence.

House Bills and Resolves in First Reading

"An Act Making Mortgages Insured and Debentures Issued by the Federal Housing Administrator Eligible for Deposit Purposes" (H. P. 1482) (L. D. 529).

"An Act to Permit Loan and Building Associations to Issue Prepaid Shares" (H. P. 1483) (L. D. 561).

"Resolve for Screening the Outlet of Lower Shin Pond in Penobscot County," (H. P. 861) in new draft (H. P. 1794) (L. D. 931).

"Resolve Regulating Deer Hunting on Swans Island in the County of Hancock" (H. P. 357) (L. D. 918).

"Resolve in Favor of Megunticook Lake Anglers' Club" (H. P. 463) (L. D. 919).

"Resolve in Favor of Magalloway Plantation for Building a Fish Screen on Pond Brook" (H. P. 665) (L. D. 920).

"Resolve in Favor of Building and Equipping a Feeding Station at or near Brownfield in the County of Oxford," (H. P. 866) in new draft (H. P. 1792) (L. D. 930) under new title, "Resolve Relating to Establishment of Feeding Station at Brownfield".

"An Act to Create Reservoir No. 1 Game Preserve and Game Preserve Reservoir No. 2," (H. P. 1496) (L. D. 551) in new draft (H. P. 1790) (L. D. 928) under new title, "Resolve Relating to Hunting and Fishing in Reservoirs of Water Supply City of Belfast".

"Resolve Relative to Fishing in York County," (H. P. 994) in new

draft (H. P. 1791) (L. D. 929) under new title, "Resolve Relative to Fishing in Cumberland, Knox and York Counties".

"Resolve for Screening Abrams Pond," (H. P. 1411) in new draft (H. P. 1797) (L. D. 934) under new title, "Resolve for Screening Certain Waters in Hancock County".

"Resolve Opening Little Androscoggin River to Ice Fishing," (H. P. 464) in new draft (H. P. 1796) (L. D. 933).

"Resolve Relating to Fishing in Walker's Pond in Brooksville and Sargentville," (H. P. 1507) (L. D. 648) in new draft (H. P. 1795) (L. D. 932).

"An Act Relating to Carrying Capacity of Certain Motor Vehicles" (H. P. 1420) (L. D. 572).

"An Act Relating to the Length of Motor Vehicles" (H. P. 1438) (L. D. 632).

"An Act Relating to Tenure of Office of Officers" (H. P. 1546) (L. D. 570) in new draft (H. P. 1793) (L. D. 916).

"Resolve Providing for State Pension in Favor of Carrie Ramsdell Fisher of Ripley" (H. P. 373) in new draft (H. P. 1798) (L. D. 935) under new title, "Resolve in Favor of Carrie Ramsdell Fisher of St. Albans".

From the House:

The Committee on Public Health on bill, "An Act Relating to Overnight Parking of Trailers, Auto-homes, and House-cars," (H. P. 1441) (L. D. 582) reported the same in a new draft (H. P. 1779) (L. D. 911) under the same title and that it ought to pass.

The report was read and accepted in concurrence and the bill given its first reading.

Thereupon, Mr. Owen of Kennebec presented Senate Amendment "A" and moved its adoption:

"Senate Amendment A to Legislative Document 911, An Act Relating to Over-night Parking of Trailers, Auto-homes, and House-cars. Amend said bill by striking out therefrom Section 186-B and Section 186-C."

Mr. OWEN of Kennebec: Mr. President, may I say in explanation that when this bill came in to the Committee it was a very drastic piece of legislation but when it was reported out we had taken out some of the very drastic features and made it what we thought was a workable piece of legislation in regard to parking. However, since that time it has appeared to some

persons that misapprehension might be had by persons outside of the state of Maine and that they might be misinformed into thinking that we had very drastic laws against trailers and that we didn't want them in the state of Maine. And although the time will soon come when we will need some legislation in regard to parking laws some of the Committee felt that it might be best to wait a while longer. We have heard this winter that during the present season there were 180,000 families in the state of California living in trailers and when they come to Maine we will need some laws, but we think it is best not to discourage them for the present.

Thereupon, Senate Amendment "A" was adopted and under suspension of the rules the bill was given its second reading and passed to be engrossed as amended by Senate Amendment "A" in non-concurrence.

Sent down for concurrence.

"An Act Relating to Temporary Permits for Motor Vehicle Contract Carriers" (H. P. 1311) (L. D. 484).

"An Act Relating to the Taking of Crabs," (H. P. 893) (L. D. 309) in new draft (H. P. 1799) (L. D. 917).

"Resolve Relating to the Digging of Clams in Millbridge" (H. P. 1570) (L. D. 921)

"Resolve Authorizing the Forest Commissioner to Convey Certain Property" (H. P. 1581) (L. D. 925).

"Resolve Authorizing the Forest Commissioner to Convey Certain Interest of the State in a Certain Lot of Land to the Van Buren Trust Company" (H. P. 1582) (L. D. 926).

"Resolve Authorizing the Forest Commissioner to Convey Certain Lands" (H. P. 1578) (L. D. 922).

"Resolve Authorizing the Forest Commissioner to Convey Certain Property" (H. P. 1579) (L. D. 923).

"Resolve Authorizing the Forest Commissioner to Convey Certain Interest of the State in Land in Somerset County to A. L. Gaudet of Rockwood" (H. P. 1580) (L. D. 924).

"An Act Relating to Snow Removal and Sanding of Highways" (H. P. 1607) (L. D. 546).

Which reports were read and accepted in concurrence, the bills and resolves read once and tomorrow assigned for second reading.

The Committee on Inland Fisheries and Game on the following resolves:

Resolve for Screening Three Cornered Pond (S. P. 229)

Resolve for Screening Rangeley Lake in the County of Franklin (H. P. 293)

Resolve for Screening Pleasant Pond in Turner (H. P. 459)

Resolve for Screening Tacoma Chain of Lakes (H. P. 989)

Resolve for Screening of Little Big Wood Lake (H. P. 1008)

Resolve for Screening Cathance Lake (H. P. 1014)

Resolve for Screening Greeley Pond, Commonly Called Torsey Pond, in the Towns of Readfield and Mt. Vernon (H. P. 1162)

Resolve for Screening of Lake Wassookeag (H. P. 1269)

Resolve for Screening Cochnewagen Lake in the County of Kennebec (H. P. 1277)

reports the same in a consolidated resolve (H. P. 1788) (L. D. 927) under the following title, "Resolve for Screening Certain Lakes and Ponds, in the State," and that it ought to pass.

In House report was read and accepted, the resolve passed to be engrossed.

The same Committee on the following Resolves:

Resolve Relative to Fishing in Great and Long Ponds (S. P. 225)

Resolve Relative to Fishing in Great Pond (S. P. 226)

Resolve Relative to Fishing in Grand Lake (S. P. 228)

Resolve Relative to Fishing in Pushaw Stream (H. P. 73) (L. D. 29)

Resolve Opening Certain Waters to Smelt Fishing (H. P. 170) (L. D. 63)

Resolve Relative to Fishing in Clemons Ponds (H. P. 184) (L. D. 64)

Resolve Relating to Fishing in the Waters of Rangeley Lake Region (H. P. 292) (L. D. 93)

Resolve Relating to Trout Fishing at Upper Dam (H. P. 353)

Resolve Relating to Trout Fishing in Sunkhaze Stream System (H. P. 354)

Resolve Closing Swans Island in the County of Hancock to Fishing (H. P. 356)

Resolve Opening Mill Pond and Great Pond to Ice Fishing (H. P. 358)

Resolve Relating to Fishing in Bartlett Brook (H. P. 360)

Resolve Relating to Fishing in Rolfe Brook (H. P. 361)

Resolve Relating to Fishing in Little Sebago Lake (H. P. 362)

Resolve Regulating Fishing in

Certain Waters in Franklin and Oxford Counties (H. P. 455) (L. D. 156)

Resolve Relative to Allen Pond in Greene (H. P. 456)

Resolve Relating to Smelt Fishing in Androscoggin County (H. P. 457)

Resolve Relative to Pleasant Pond in Turner (H. P. 458)

Resolve Opening Pleasant and Mud Ponds to Fishing (H. P. 460)

Resolve Relating to Fishing in Hay Lake (H. P. 609)

Resolve Relative to Fishing in Brown Brook (H. P. 611)

Resolve Relating to Fishing in Shaw Pond (H. P. 612)

Resolve Relating to Fishing in Certain Waters in the Towns of Harrison, Naples and Bridgton (H. P. 664)

Resolve Relating to Fishing in Atwood Pond (H. P. 857)

Resolve Relating to Fishing in Certain Waters in Piscataquis County (H. P. 858)

Resolve Relating to Fishing in Mattagamon Lake (H. P. 859)

Resolve Relating to Fishing in Jerry Pond (H. P. 860)

Resolve Relative to Fishing in Silver Lake (H. P. 864)

Resolve Relative to Fishing in Denny's River (H. P. 857)

Resolve Relative to Fishing in Panther Pond (H. P. 868)

Resolve Relative to Fishing in Little Sebago Lake (H. P. 869)

Resolve Relative to Fishing in Mousam River (H. P. 992)

Resolve Relative to Fishing in El Pond (H. P. 993)

Resolve Relative to Fishing in Spencer Pond (H. P. 995)

Resolve Regulating Fishing in Metalluc, Mosquito and Mill Brooks (H. P. 996)

Resolve Establishing Bag Limits on Certain Franklin County Waters (H. P. 998)

Resolve Relative to Fishing in Cathance Lake (H. P. 999)

Resolve Relating to Pickerel Fishing in Sunhaze Stream, Birch Stream, Little Birch Stream, and Baker Brook (H. P. 1002)

Resolve Relative to Fishing in Little Bog River (H. P. 1003)

Resolve Relative to Fishing in Big Bog River (H. P. 1004)

Resolve Relating to Fishing in Pierce Pond (H. P. 1005)

Resolve Relative to Fishing in Little Big Wood Pond (H. P. 1006)

Resolve Relative to Fishing in Mud Pond (H. P. 1009)

Resolve Relative to Fishing in Attean Pond (H. P. 1010)

Resolve Relative to Fishing in Big Wood Pond (H. P. 1011)

Resolve Relative to Fishing in Barker Pond (H. P. 1012)

Resolve Relative to Fishing in Brown and Marriners Pond (H. P. 1073)

Resolve Opening Mill Cove Brook and Pumping Station Brook, and Ed Rowe Brook to Smelt Fishing (H. P. 1264)

Resolve Relating to Fishing in Aroostook River (H. P. 1267)

Resolve Regulating Fishing in Torsey Lake (H. P. 1268)

Resolve Relating to Fishing for White Perch in Cochnewagen Lake (H. P. 1278)

Resolve Relating to the Name of Jug-o-not Stream in the Town of Monmouth (H. P. 1281)

Resolve Relating to Fishing in Pemadumcook Lake (H. P. 1406)

Resolve Relating to Fishing in Sandy Stream (H. P. 1407)

Resolve Relative to Fishing in Greenlaw Stream (H. P. 1408)

Resolve Relative to Fishing in the East and West Inlets of Squa Pan Lake (H. P. 1409)

Resolve Relative to Fishing in Umbagog Lake (H. P. 1413)

reports the same in a consolidated resolve, (H. P. 1786) (L. D. 936) under the following title, "Resolve Regulating Fishing in the Various Waters of the State," and that it ought to pass.

In House report was read and accepted, resolve passed to be engrossed.

In the Senate, the resolve was given its first reading and tomorrow assigned for second reading.

"An Act Relating to Payment of Damages Done by Dogs or Wild Animals," (H. P. 1473) (L. D. 559) in new draft (H. P. 1750) (L. D. 861) under new title, bill "An Act Relating to Payment of Damages Done by Dogs or Wild Animals and to the Registration and Licensing of Dogs".

Comes from the House, report read and accepted, House Amendments "A" and "B" read and adopted, House Amendment "C" read, and the bill as amended, together with House Amendment "C" recommitted to the Committee on Agriculture.

In the Senate, the bill was recommitted in concurrence.

The Committee on Inland Fisheries and Game to which was re-committed "Resolve Relative to

Fishing in Certain Somerset County Waters," (H. P. 1074) reported the same in a second new draft (H. P. 1766) (L. D. 896) under the same title, and that it ought to pass.

Comes from the House, report read and accepted and the resolve as amended by House Amendment "A" passed to be engrossed.

In the Senate, on motion by Mr. Worthen of Penobscot tabled pending acceptance of the report in concurrence.

The Committee on Legal Affairs on Bill "An Act to Incorporate the Southwest Harbor School District," (H. P. 1741) (L. D. 848) reported that the same ought to pass.

Comes from the House, report read and accepted and the bill as amended by House Amendment "A" passed to be engrossed.

In the Senate, the report was read and accepted in concurrence and the bill was given its first reading, House Amendment "A" was read and adopted in concurrence and the bill as so amended was tomorrow assigned for second reading.

The same Committee on bill "An Act to Incorporate the Berwick School District," (H. P. 1108) (L. D. 363) reported that the same ought to pass.

Comes from the House, report read and accepted and the bill as amended by House Amendment "A" passed to be engrossed.

In the Senate, the report was read and accepted in concurrence and the bill was given its first reading, House Amendment "A" was read and adopted in concurrence and the bill as so amended was tomorrow assigned for second reading.

The majority of the Committee on Judiciary on bill "An Act Relating to Trailers and Semi-Trailers," (H. P. 1443) (L. D. 584) reported that the same ought not to pass.

(Signed)

Fernald of Waldo
Hinckley of South Portland
Varney of Berwick
Bird of Rockland
Philbrick of Cape Elizabeth
McGlauffin of Portland
Weatherbee of Lincoln
Thorne of Madison

The minority of the same Committee on the same subject reported that the same ought to pass.

(Signed)

Laughlin of Cumberland
Willey of Cumberland

Comes from the House, the majority report, "Ought not to Pass" accepted.

In the Senate, on motion by Mr. Willey of Cumberland, tabled pending acceptance of either report.

First Reading of Printed Bills

"Resolve Authorizing Sale of Certain Lands to Eugenia A. Powers." (S. P. 482) (L. D. 915)

Which resolve was read once, and tomorrow assigned for second reading.

Reports of Committees

Miss Martin from the Committee on Federal Relations on "Resolve in Favor of the United States of America," (S. P. 312) (L. D. 588) reported that the same ought to pass.

Which report was read and accepted, the resolve read once, and tomorrow assigned for second reading.

The majority of the Committee on Public Utilities on bill "An Act Authorizing Counties, Districts, Cities, Towns and Plantations to Establish, Acquire, Own and Operate Public Utilities," (S. P. 210) (L. D. 296) reported that the same ought not to pass.

(Signed)

Willey of Cumberland
Goudy of Cumberland
Graves of Hancock
Parsons of Hartford
Noyes of Franklin
Batchelder of Parsonsfield
Webber of Auburn
Martin of Oakland

The minority of the same Committee on the same subject reported the same in a new draft (S. P. 496) under the same title, and that it ought to pass.

(Signed)

Packard of Houlton
Tabbutt of Columbia Falls.

Mr. WILLEY of Cumberland: Mr. President, while I am, as a member of the Committee, ready to take up this matter this morning and move the adoption of the report, I notice the absence of Senator Corrigan who introduced this report and in his absence I move the matter be laid upon the table.

Thereupon, the report and the bill were laid upon the table pending acceptance of the report.

Passed to be Engrossed

"Resolve Relating to a Retirement Pension for Burleigh E. Bean, of Waite." (H. P. 194) (L. D. 906)

"Resolve Providing for a State

Pension for John Mains of York." (H. P. 306) (L. D. 903)

"An Act Granting Additional Powers, Rights and Privileges to Penobscot Chemical Fibre Company," (H. P. 1066) (L. D. 357)

"Resolve Authorizing the Forest Commissioner to Convey Certain Interest of the state in Hurricane Island." (H. P. 1125) (L. D. 372)

"Resolve Granting Authority to the Forestry Department to Sell Certain Lands." (H. P. 1182) (L. D. 438)

"Resolve Relating to the Protection of Clams within the Town of Freeport." (H. P. 1314) (L. D. 461)

"Resolve to Repeal a Resolve Providing for a State Pension for Beatrice E. Gilbert, of Bar Harbor." (H. P. 1374) (L. D. 905)

"Resolve Authorizing the Erection and Maintenance of a Dam across the West Branch of Pleasant River." (H. P. 1509) (L. D. 652)

"An Act Relating to Plumbing." (H. P. 1730) (L. D. 842)

"An Act Relating to Open Season on Fur-bearing Animals." (H. P. 1765) (L. D. 894)

"An Act Relating to Business Hours for State Stores." (H. P. 1778) (L. D. 902)

"Resolve Correcting a Clerical Error in the Apportionment of Representatives." (H. P. 1780) (L. D. 904)

"An Act Relating to Outdoor Advertising." (H. P. 1781) (L. D. 910)

"An Act Permitting Testamentary Trustees to Hold Securities Held by Testator at Time of his Death." (H. P. 1782) (L. D. 909)

"An Act Relating to the Practice before Probate Courts." (H. P. 1783) (L. D. 908)

"An Act Permitting the County Commissioners of Androscoggin County to Issue Bonds for South Bridge." (H. P. 1784) (L. D. 907)

Which bills and resolves were read a second time, and passed to be engrossed in concurrence.

"An Act Relating to Highways." (S. P. 120) (L. D. 129)

"Resolve Relative to Fur-bearing Animals on Plymouth Pond." (S. P. 227) (L. D. 942)

"An Act to Incorporate the 'Calais Safety Deposit Company' ". (S. P. 486) (L. D. 937)

"An Act Relative to Operation of Motor Vehicles for Transporting Property for Hire." (S. P. 487) (L. D. 940)

"Resolve in Favor of Augustus D. Phillips of Northeast Harbor." (S. P. 488) (L. D. 938)

"Resolve in Favor of E. O. Brown of Vassalboro." (S. P. 489) (L. D. 939)

"An Act Relating to Enforcement of Divorce Decrees." (S. P. 490) (L. D. 941)

Which bills and resolves were read a second time and passed to be engrossed.

Sent down for concurrence.

Orders of the Day

On motion by Miss Laughlin of Cumberland, the Senate voted to take from the table, Bill, An Act Relating to Support of Dependents of Soldiers, Sailors, and Marines of the World War, (H. P. 1286) (L. D. 466), tabled by that Senator on April 1st pending second reading.

MISS LAUGHLIN: Mr. President, I move this bill be recommitted to the Judiciary Committee and my reason for this is that the report from the Judiciary Committee on the original bill was "ought not to pass," unanimously, and then somebody from the Veterans' organization wanted an amendment offered to the bill, so I moved that the bill "ought to pass" so as to offer the amendment. They have presented the amendment to me and it is, in effect, a new and complete new draft of the bill, and therefore, it seems to me it would be saving time and we could act more intelligently, if we simply recommitted the bill to the Judiciary Committee.

The motion prevailed, and the bill was recommitted to the Committee on Judiciary in non-concurrence.

Sent down for concurrence.

On motion by Miss Laughlin of Cumberland, the Senate voted to take from the table, Senate Report from the Committee on Judiciary "ought to Pass in New Draft," (S. P. 485) (L. D. 970), on Bill, An Act to Provide for a System of Personnel Administration in State Employment, etc. (S. P. 279) (L. D. 505), tabled by that Senator on April 2nd pending acceptance of the report; and that Senator yielded to Senator Martin of Penobscot.

Thereupon, on motion by Miss Martin of Penobscot, the report of the committee, "Ought to Pass in New Draft," was accepted.

On motion by Mr. Ashby of Aroostook, the bill was laid upon the table, pending first reading.

MR. ASHBY of Aroostook: Mr. President, by request, I would like

to have the rules suspended that I may introduce a bill relating to radio interference. This is a bill drawn up under the direction of the Federal Radio Commission by the State Radio Commission and was given to me to introduce by the president of the Civic League, Mr. Smith,—you know who I mean. Anyway, this bill is to prevent interference with radio reception in the State of Maine, by leaks in big company lines.

Mr. WILLEY of Cumberland: Mr. President, without any attempt to hinder the introduction of the measure without unanimous consent, I would ask to have the presentation withheld until I can have a chance to read it.

The PRESIDENT: Does the Senator from Aroostook, Senator Ashby, wish to defer the introduction of this measure?

Mr. ASHBY: Mr. President, at the request of the distinguished gentleman from Cumberland, Senator Willey, I will defer until tomorrow.

The PRESIDENT: We are proceeding under Orders of the Day.

Mr. FERNALD of Waldo: Mr. President, I would suggest the Secretary read the notices.

On motion by Mr. Hussey of Kennebec, the Senate voted to take from the table, Senate Report from the Committee on Appropriations and Financial Affairs "Ought to Pass in New Draft," same title, on Bill, An Act to Appropriate Moneys for the Expenditures of State Government and for other Purposes for the Fiscal Years ending June 30, 1938 and June 30, 1939, (S. P. 164) (L. D. 242), tabled by that Senator on March 31st pending printing; and on further motion by the same Senator, the report of the committee "ought to pass in new draft" was accepted.

Mr. FERNALD: Mr. President, in order to get this matter properly before this body, I move the indefinite postponement of the bill, Legislative Document 899, An Act to Appropriate Moneys for the Expenditures of State Government and for Other Purposes for the Fiscal Years ending June 30, 1938 and June 30, 1939.

In other words, members of the Senate, we are here today to discuss in an orderly, sane, reasonable and quite proper manner, the bud-

get for the State of Maine for the ensuing two years, or, in other words, we are to discuss the pros and cons of whether or not we shall impose upon the people of Maine, in the form of taxes, instrumentalities of government, costing for the biennium \$19,437,949. It will be my purpose this morning and this afternoon to bring to your attention certain phases of our state budget, to point out to you that it is quite within the spirit of our budget and our budget system as set up in 1931 under the Code, that such small matters as involving \$19,000,000 should be discussed openly and before the Senate of Maine in order that we may inquire into various sections of the budget, various phases of the budget, various policies the budget attempts to set up.

Now, in order that we may all be talking about the same thing, let's find out what the budget is. Mr. C. F. Bastable, an English economist, who emphasizes the rudimentary character of the financial control that prevailed prior to the Revolution of 1688, and the necessity for the development of more adequate methods of supervision and control that subsequently existed, says,—I will quote him—"The budget means the financial arrangements of a given period, with the implication that they have been submitted to the legislature for approval. With the statement of receipts and expenditures is combined a legislative act establishing and authorizing certain kinds and amounts of expenditure and taxation."

Mr. Stourm, a leading French economist and authority upon the budget, defines it thusly in his book on "The Budget." I refer to the English translation, seventh edition, page 4. "The budget of the state is a document containing a preliminary approved plan of public revenues and expenditures."

Professor W. F. Willoughby in his book, "The Problem of a National Budget, at page 4, says and he applies the term to the whole series of steps involved in the financial operations of planning, collecting and spending.—"It is the document through which the chief executive, as the authority responsible for the actual conduct of governmental affairs, comes before the fund-raising and fund-granting authority and makes full report regarding the manner in which he and his subor-

dinates have administered affairs during the last completed year; in which he exhibits the present condition of the public treasury; and, on the basis of such information, sets forth the program of work for the year to come and the manner in which he proposes that such work should be financed."

Professor Frederick A. Cleveland, —and I might point out that Professor Frederick A. Cleveland, is known as "the father of the American budget," and he became known and famous for that because in 1910 President Taft appointed Professor Cleveland, Dr. Cleveland, to head his committee on efficiency and economy, and from that movement in 1910 started the movement—and in the theories of government as set forth by Dr. Cleveland in his report to the President—came a gradual recognition in the various states of the union that in order to carry on our state government in an orderly, efficient and economical manner, it was necessary for a budget to be prepared and for somebody to be responsible for that budget, and so we have a gradual growth in the various states in the union of the budget system which resulted, in 1931, in the adoption of that system in the state of Maine. Professor Cleveland, I recall, had a very fine philosophy of government and I remember in his lectures on the budget, of his characterizing this government of ours, these institutions that we have, that we here as legislators, are to increase or decrease. Professor Cleveland characterized these institutions and this government of ours as a community club of the U. S. A. And if we today could think of the problem before us, the problem of the budget, dispassionately and without any rancor and without any personal feeling or without any friendship, consider it as the workings or as the institutions of a community club, I believe the problems of this legislature would be simplified, and as a matter of fact, if we had begun to think of this government as it really is, as a community club, weeks ago, we could have "folded our tents," as the Arabs in the past did, "and silently stole away." But we are here and we are here to face the problems of our government and the problems of the budget.

There are three fundamental phases of the budget. The formula-

tion of the budget is the first one. Secondly, the action on the budget; and third, the establishment of suitable administrative organs and procedure through which budgetary control may be secured."

Now, I would like to quote from a man who people interested in higher learning, have seen fit, from time to time, to quote, and that is Harley L. Lutz of Princeton University. The second edition of his book on "Public Finance," on page 709 says, "the true function of the legislature, in the consideration of the budget, is to act as the critic of the administration, scrutinizing carefully the past record and the proposed plans, criticizing them, and extending approval or disapproval on the basis of this examination."

Now, I believe, with that authority and others that I will quote, that it indicates to you that perhaps the unusual procedure of discussing \$19,000,000 on the floor of the Senate is not necessarily a reasonable and logical thing. Now there are three types of budget. There is the legislative type and there is the executive type and there is the commission type. I would like to quote from Dr. William H. Shultz in his book, "American Public Finance and Taxation" at page 97, in this chapter on "Economy and Control" in which he states that "When properly prepared and thoroughly discussed before the legislative body, it is a most valuable source of public information." Speaking, was Professor Shultz, on the budget.

Now, let's look at some of our problems before us in connection with the state budget. We had a very enjoyable time here in January for 25 days. We came back in February for 28 days, and wandered through March for 31 days and are making a start on April for six days, which makes a grand total of 90 days or 12 6/7 weeks, and we are still going strong. I see, in our budget, that we have set up here for legislative expense, \$210,000, which is not unusual. Now thus far, 208 bills have passed through the portals on my left. 57 of them were private and special laws and 38 were resolves and 112 were public laws. Now, 27 of these, or 13% of them have increased the tax burden of the people of Maine, and as I pointed out a few days ago, I believe, if I am correct, and I have

not heard it denied in the last few days, that only one of these, or less than 1% has decreased the tax burden of the people of Maine.

Now, let's see what the theory of this budget was in 1931. After all, we are talking about something new in the State of Maine because it has been only a few years that we have been working under this type of controlled budget, a budget on which somebody is supposed to be responsible for something. We have had it in 1933, in 1935 and now we have it in 1937. I am quoting from "State Administrative Consolidation in Maine,—Report on a Survey of the State Government Conducted for Governor William Tudor Gardiner," by the National Institute of Public Administration. This was published in 1930. Speaking on the budget at page 54 under the section of "Budgetary and Accounting Methods," "but this should not absolve him"—meaning the Governor—"of complete responsibility for the financial plan. The governor may name an advisory committee from the legislature without any formal legislation. A more important matter to be provided for by legislation is the requirement that a new governor upon assuming office shall be responsible for the budget that is presented to the legislature. The outgoing governor should not be allowed to prepare the budget for the incoming administration.

After a new governor is elected in September, he should acquaint himself with the state's finances and determine the fiscal policies which he wishes to outline in the budget. By arranging for the submission of the budget to the legislature about February 1st instead of early in January as now required by law"—speaking of the old law, of course, "a new governor should have plenty of time to get his budget ready."

Now, going over to page 56 of the report, down to the bottom of the page and the top of page 57 under the section heading "Legislative Procedure on Budget"—and this is important because this is about the first time that we have carried out the legislative procedure on the budget, at least the theory of it, as set forth in the Code which we substantially adopted in 1931 as far as the budget is concerned—"A definite time"—says the report—"A definite time should be set aside for the discussion of the budget and the bud-

get bills on the floor of the legislature. At least two full legislative sessions should be given to this discussion in consecutive weeks. The members of the legislature who might be opposed to certain of the budgetary proposals would then have an opportunity to criticize the governor's program. Provisions should be made for bringing the governor or any of the department heads on to the floor of the legislature and interrogating them on the budget. After the discussion on the floor the legislature should be allowed to amend the proposed appropriation bills either upward or downward, but if upward then not to exceed the means anticipated to finance the appropriation."

I think that demonstrates the theory of the budget, the spirit of the budget, as instituted in this state in 1931. I think it fully justifies, in the mind of anybody who might criticize a procedure of discussing the question of a budget involving 19 million dollars.

We might go a little further. The first biennial report of the Department of Finance in 1934 at page 5: "All the state's activities should be under constant survey for any possible consolidation that might make for efficiency and economy. The above was taken from Governor Gardiner's inaugural in 1929. After surveying state affairs he became aware of the necessity for a real financial statement with a provision for fiscal control. He desired to bring up to date and to carry forward the study of state business made in 1921 and 1922 by a legislative group known as the Code Committee. It was necessary to find funds to take care of such a study and Governor Gardiner, through the Spellman Fund, received an unrestricted gift of \$20,000 which enabled him to employ the National Institute of Public Service to make this study. The result of this survey appears in a pamphlet of 214 pages, which I have quoted."

Now, let's go over to page 7 of this report: "With the adoption of the administrative code"—which was in 1931—"the set-up of the budget and the procedure of budget control were materially changed. Under the old law before the Code, the budget committee was composed of the Governor, the State Treasurer, State Auditor, the Senate and House Chairman of the existing Appropria-

tions Committee. The duties of this committee were to prepare a budget based on the needs and requirements of the various state departments and institutions and present their findings to the legislature. Here their duties ceased. The new law, the Gardiner Code, provides that the Governor and Governor-elect, with the assistance of the budget officer shall prepare an executive budget and in addition there shall be an advisory commission on the budget. This method provides for a continuation of responsibility of the advisory committee throughout the session of the legislature. The law further provides a system of control after the appropriations are made, under the supervision of the Governor and Council and the budget officer. This method permits the fixing of responsibility for the budget and its recommendations in the hands of the Chief Executive, supervision until its adoption by the legislature and control of all expenditures during the life of the appropriation act as passed by the legislature."

All of which indicates clearly that we are working in this state under an executive budget with strict responsibility for such budget in the Executive, as compared with the other type of budget, the commission form or legislative form.

Now let us look at our problem a little bit. There are three problems that are seriously before us today in regard to taxation. Some tell us that it is the sales tax; some tell us that it is the income tax; and some tell us that it is a combination of the income and sales tax. The Republican members of the legislature will caucus tomorrow night and if caucuses ever decide anything this caucus will decide, at least to those who are interested in passing any one of the three measures suggested, that it will be impossible to pass a sales tax, and that it will be impossible to pass an income tax, and that it will be impossible to pass the combination. Now, where does that leave you? It leaves you just where you are now.

The point is that this discussion on the budget should have come Thursday instead of Tuesday because I am inclined to think that the members of the Senate would be more interested in the proposals that I have to make and the suggestions that I have to make with

regard to the budget after the caucus has turned down the three proposals than they are now, because every one of you is hoping that George will find a solution and that we can go home. But George isn't here. George had his day in court on February 22nd when he cut down the cherry tree; but there are no more cherry trees. But if you will bear with me and we can retain at least the substance of the suggestion until after the caucus, I feel that they may have a greater appeal. At least, that is my point in presenting these matters to you so that you may be able to consider them after you have divorced yourselves from the proposition that you are going to impose upon an already overburdened and overtaxed people, any more taxes; because they are not going to stand for it, and when you people get down to reason and to rationalized thought you will not stand for it. Because, after all, we have to go back home and explain our actions and it is going to be pretty hard to go back and explain a sales tax to everybody, it is going to be awfully hard to explain an income tax to everybody, and it is going to be equally hard to explain the straddle to everybody, when there is no need of it, when we don't need those taxes.

Now, just for a moment let us consider the state of Maine as a whole and forget that we represent this community or that community, or this interest or that interest, and recall that Maine has a land surface of 19,132,800 acres, or nearly 20,000,000 acres, and of that nearly 20,000,000 acreage 15,000,000 acres or 75% of it is composed of timber and woodland, which leaves most of us right out on the ridge and right out on the fringe of 2500 miles of shore line, spotted and dotted by 5,000 lakes and streams.

Our internal organs of government are organized on the basis—if we may call in an organization of 16 counties. We have 22,401 miles of highway which, when you consider it from a financial point of view, is a tremendous load for any people constituted in wealth, location, economic situation and otherwise as is Maine. It is a tremendous burden in itself. We have a population, according to the census of 1930, of 797,423 people. Look back ten years before that and our population was only 4% less, or 768,014. Go back

still further to 1910 and the population was 742,371. If you want to go back still further to 1900 you will find that we had 694,466.

Now let us look at another angle on this proposition, still sticking to our good old state of Maine. In 1936 the state valuation was \$661,209,219.00, and we trace right back in the figures and we find that that was practically the same valuation that the state of Maine had in 1922, for in 1922 we had \$672,767,742.00 in valuation. In other words, for fifteen years, as far as the valuation is concerned we have been standing still. I don't know whether you like it. I don't like it. But the fact remains that what we owned in 1922 isn't worth any more today than it was then, figuratively speaking and in general terms.

Now, let us look a little further. The rate of taxation for state taxes in the state of Maine in 1936 was seven and a quarter mills. Well now, let us go back to that period when we started standing still as far as the state valuation is concerned, back in 1922, and on that same basis we find that the state tax was six mills. Well, there is a difference between those two periods, 1922 and 1936, of twenty-one per cent increase. The rate of taxation for our state tax increased twenty-one per cent in fifteen years. Our state valuation stood still. Our population increased four per cent.

Now, let us look at something else. The average rate of municipal taxation in cities, towns and plantations in each community was .04779 or about forty-eight mills. That is 1936, for the state as a whole. Now take your cities, your twenty cities, and you will find that for the same period, 1936, the average rate was 43.9 mills. Well now, that is all right. But now let us go back to this period when we were standing still and look at the record and we will find that in 1922 the average rate of municipal taxation in the cities and towns and plantations in each county was .03577 or a decrease of .01202, or twelve mills. Now, when you figure that on a percentage basis that is quite a change, that is over 20 per cent. And the same applies to your cities. Their average in 1936 was .0439. In 1922 it was .043304, about 33 mills, or a difference of about 11 mills; and 11 mills is about 25 per cent of 43.9 mills. Now that is where we have

been going as far as population, state tax and state valuation is concerned. We have been increasing the burden, decreasing the value and not giving anything in return.

Now, to show another trend. Here are the figures from 1922 to 1936 for the cash expenditures for the federal money for towns and state. These figures are presented for the purposes of showing the trend in these government boards here at Augusta and they are used only for that purpose, and I will only give you the large numbers. In 1922 they were about \$16,000,000. On July 1, 1935 and 1936 that same figure taken on the same item, showing in 1922 \$16,000,000, fifteen years later, or today or last year, 1936, shows \$35,461,000. Now that is more than twice the difference. It has more than doubled in fifteen years. Yes, it has more than doubled and you have a million and a half thrown in.

Now, I asked an audience in Waterville a while ago, are you twice as happy as you were fifteen years ago; is the property, the goods and things that you have, worth twice as much to you now as they were fifteen years ago? We have gone crazy on taxation—and why? Because we have failed to come down here into the legislature and fight against increased appropriations; and I am just as responsible as you are. We have discontinued to come down here and work for the common good as strongly and as definitely as we have in the past, with the result that every private interest and every department head has come into this legislature and they have inveigled us and seduced us into granting unto them greater sums of money to spend. And I think right here it would be a good point to read something that will do us all good:—

"If YOU can keep your head when all about you
Are losing theirs and blaming it on you,
If you can trust yourself when all men doubt you,
But make allowance for their doubting too;
If you can wait and not be tired by waiting,
Or being lied about, don't deal in lies,
Or being hated don't give way to hating,
And yet don't look too good, nor talk too wise;

If you can dream, and not make
dreams your master;
If you can think, and not make
thoughts your aim;
If you can meet with Triumph and
Disaster
And treat those two imposters just
the same;
If you can bear to hear the truth
you've spoken
Twisted by knaves to make a trap
for fools,
Or watch the things you gave your
life to, broken,
And stoop and build 'em up with
worn-out tools:

If you can make one heap of all your
winnings
And risk it on one turn of pitch-
and-toss;
And lose, and start again at your
beginnings
And never breathe a word about
your loss;
If you can force your heart and
nerve and sinew
To serve your turn long after they
are gone,
And so hold on when there is noth-
ing in you
Except the Will which says to them:
"Hold on!"

If you can talk with crowds and
keep your virtue,
Or walk with Kings—nor lose the
common touch,
If neither foes nor loving friends
can hurt you
If all men count with you, but none
too much;
If you can fill the unforgiving min-
ute
With sixty seconds' worth of dis-
tance run,
Yours is the Earth and everything
that's in it,
And—which is more — you'll be a
Man, my son!"

Now, continuing with the budget. I think that we should remember and recall the words of wisdom as spoken to us on January 7th by our Governor when he said in his inaugural: "Your solution of some of them may determine the policies of the state for years to come." And realizing, as we must by this time, that we are dealing with an executive budget for which the executive is responsible, and responsible to the electorate of Maine in September of 1938. Now, I don't believe that this idea that I am proposing here with

regard to the budget is anything new with me. I don't believe that I am the only person who realizes and knows that the solution of our problems of taxation are not in the increasing or the bringing forth of new taxes. I believe that a great many thinking, working and hard headed business men and people back home realize that the time has come when we must stop.

Now, let us look a little further here. Let me read from the Portland Press Herald of Monday morning, April 5th: "And what about resuming at once, instead of making the matter a recess investigation, exploration of the matter of economy? All that the legislature so far has been able to find to lop off were items totalling \$30,000 in a two years' budget of \$19,000,000. Surely paring could be done with a sharper knife." And that is what I say to you that on this budget we must pare and we must pare with a razor if necessary.

Now, let us not confine ourselves entirely to the Portland Press Herald. The Portland Evening News, March 23: "The issue is, does the state want economy and Old Age Assistance, to which both political parties are committed; or are we to have sales, income and other taxes, increased and lavished public spending, with a financial debacle in our state finances, already officially described as desperate. The latter would not only make adequate and permanent Old Age Assistance impossible, but would seriously impair our state-wide business and industry throwing back on real estate an ultimate tax burden greater than ever." And that is true when we realize that, even if the stampede for home should become so great that we would have to impose in our lack of wisdom a sales tax upon the people of Maine, in two years you would be faced with reverting the cost of the new governmental instrumentalities that you have super-imposed upon the people; you would have to revert the cost of all these new fangles back upon the people.

The people would turn down your sales tax and they would come back and expect you to continue to give to them the things that an excessive amount of money had made possible for them to have, and to have under the sales tax, which would be cowardly to the people, unfortunate

to the business men, and lead to a period of repressed activity on every hand in our state.

Now, we have another little proposition here. Thursday morning, April 1st—well, that was April Fool's Day, wasn't it?—the Portland Press Herald said, "In Yesterday's News"—in their editorial comment—"The mountain labored and brought forth a mouse, is a saying suggested by announcement that the state budget of nearly 19 1/2 million dollars has been reduced by \$31,000. So flies away any hope of getting economy, a subject much talked about for a time at Augusta but eventually dismissed with a vote to 'consider' it during the recess of the legislature. One might as well be philosophical about the matter and recognize the truth; economy is not popular. We now have such a multiplicity of things to engage personal enthusiasm that anything like retrenchment produces a clash of interests." And that is the problem that we are confronted with here, a clash of interests or whether or not we are to stand for the favored few, the privileged that are able to levy upon this increased burden of unnecessary government, or are we to stand with the man at home who pays the freight and pays the taxes? That is our clash of interest and it is for us to balance that interest, and with the rule of reason, there is no doubt of what the ultimate outcome will be. The ultimate outcome will be that we will retrench or we will return home to stay forever, so far as political leaders are concerned.

Reading further, "Most people are ready enough to vote down the other fellow's pet project, but unwilling to have anybody threaten his own. Further than that, we have now government, and, of course, legislation by blocs, and we have been caught up with rather vague but no less expensive drives for somebody's more abundant life and for moral betterments. In this the legislature follows the lead of Congress." I hope we will begin to diverge our course away from the lead of Congress and become "no-men" rather than "yes-men." "Probably all our hopes for economy were falsely founded; probably we are far behind the times. So long as anybody has a nickel he must expect to pay through the nose for expanded state and national programs that would

have sent the solons of a quarter of a century ago mumbling to their beds shaken with a palsy. But they were so far behind the times that even to mention them is to profane the modern spirit. Better the Polyantha attitude that finds in a saving (on paper so far) of \$31,000 out of a \$19,000,000 two years budget cause for rejoicing. That is approximately a saving of one six hundredth of the total. There is economy for you!"

A discussion of the budget of 1937 necessarily turns our minds back to previous addresses under the same system. I'd like to read to you a portion of an address given in 1933, which was the first year we really had the budget system as we now have it. It was in the inaugural address of Honorable Louis J. Brann, Governor of Maine, to the Eighty-sixth Legislature, Page 5. "Problems will arise in this legislature involving the financial integrity of the State. Giant forces are changing the entire social, political and governmental set-up of the world. Business is no longer profitable. Unemployment is prevalent everywhere. Wages have been reduced. The reduced income of the citizen makes it difficult to pay taxes. The welfare departments of cities and towns are pressed as never before to care for the unfortunate. The income of the State declines sharply and persistently. In these times, standards of yesterday become uncertain. What was clear and accepted becomes complex and bewildering."

Right there, when we come to the word "bewildering," I would refer to another Governor who was evidently "bewildered." 1937. Page 4 of the inaugural address of Honorable Lewis O. Barrows, "We have taken our solemn oaths to perform our duties to the best of our abilities, but the intricate financial problems which come to us unsolved from the preceding administration seem at times bewildering."

Continuing with Governor Brann: "We find ourselves squarely up against conditions, new in government, calling for clear thinking and wise action. Today we meet in a partnership of government, and above all in the confidence and hope that the State will benefit therefrom. Is it not the wish of the people of Maine that we, assembling as stewards of a great trust, ser-

vants of an upright people, put above and beyond all else, the common welfare? We no longer represent a party, but the people. There must be a limitation of a partisan zeal and a determination to work out together a program predicated solely upon the well-being of the whole people. We must merge our efforts to this end. We may be forced to part with some things that we have grown to like. Like one going on a long journey, we must pack only the essentials. We will have to 'travel light'."

And that is the problem we have before us today. We have got to cut out—we have got to relegate to the waste basket a great many of the frills of the many departments that we have here at the State House and travel light.

"Today, my friends" — quoting again from Governor Brann—"Today, my friends of this Legislature, the State of Maine marches along the high road of stern necessity." And that is true today as it was in 1933. 'We march along the high road of stern necessity. The State has not been derelict in its responsibility. The State has established and maintained great highways; extensive undertakings, both for enjoyment and profit. The State has brought the light of education to its children, supporting among other educational opportunities a university of high standing; has sought to preserve wild life; has studied the problems of sea and shore fishermen; has protected our great forests; has provided security, and contributed in many ways to a greater well-being and happiness of all its citizens. But there has come a time when we must think of the fundamental structure of the State in terms of present economic conditions."

I, right here, want to repeat that as it is very applicable today, that the time has come "when we must think of the fundamental structure of the State in terms of present economic conditions."

Continuing with Governor Brann: "Can we agree upon certain fundamentals? That we must limit public expenditures to public needs. That new governmental activities cannot be undertaken. The money simply cannot be found. That the people demand reform in the policy of public expenditures; lower cost of government; the

elimination of waste and all other frills and non-essentials of government. That we cannot stint on necessary human relief. That no precedent in our statehood quite provides the present remedy.

That no department, appropriation or salary is sacred, immune or untouchable when the financial condition of the State warrants temporary or permanent retrenchment."

That is very important and it is well put,—"that no department, appropriation or salary is sacred, immune or untouchable when the financial condition of the State warrants temporary or permanent retrenchment." Now, it's go a little further—

Mr. FORTIN of Androscoggin: Mr. President, I arise to a point of personal privilege, to respectfully ask the Senator from Waldo, Senator Fernald, if he will yield the floor for me to respectfully ask the Senate to excuse the Senators from Androscoggin County that they may fulfill a luncheon engagement with His Excellency, Governor Barrows. We would like to have Senator Fernald defer until we return because we would like to hear every word of his talk.

The PRESIDENT: Will the Senator from Waldo, Senator Fernald, yield?

Mr. FERNALD: The Senator from Waldo does not choose to yield. Now, continuing, "The State of Maine Problem in 1933", as reprinted from an authority in Lewiston, the Lewiston Daily Sun. Quoting, "Everyone will agree that State expenses must be reduced. The general idea will meet no opposition; but when it comes to specific reductions, there will be in many cases loud opposition. A two million dollar cut cannot be made without some very drastic reductions. Many towns, cities, and states in the country are in a serious plight because they did not cut their expenses when their incomes began to decrease. The biggest need everywhere is for less public spending, so that taxes can be kept at a point where the taxpayer can pay. Maine is not yet in a bad plight, but it is facing grave danger. There must be an unselfish understanding and a hearty cooperation on the part of the Governor, the Legislature, and the people of the State generally in meeting this unprecedented situation, which requires drastic and un-

pleasant cuts in State expenses all along the line. New expenditures and added tax burdens are not the solution. The solution lies only in a drastic cut of Government expenditures. The State must live within its income and make all necessary sacrifices. Maine can solve its problem and maintain its splendid financial standing."

Now, going a little further in discussing the state budget, it is interesting to refer to a report to Governor Louis J. Brann and the Executive Council by the Recess Commission on Taxation, appointed by the Legislature and Governor Louis J. Brann, by authority of the Eighty-sixth Legislature, which report was published in December, 1934. The members of the Recess Commission, as stated on the second page of the report, were Senator Andrew Jackson of Portland, Chairman; Representative John F. Blanchard of Wilton; Representative Harvey A. Tompkins of Bridgewater; Leslie E. McIntire of Waterford; and Dr. Kenneth C. M. Sills of Brunswick. I would like to quote very briefly from the report handed down by these distinguished citizens of Maine. That is at Page 122 of the report. "Tax burdens cannot be permanently lessened by the levy of new taxes and the development of new ways of applying the money, while the manner in which the government is organized to spend the money is neglected. If the existing organization and structure of government are such as to involve, necessarily, high costs in the performance of governmental services, permanent relief from onerous taxation can only be secured by correcting these basic defects. This is not an argument for delaying all action until a clean sweep can be made. In the state of Maine, with its fixed, traditional local governmental structure, extensive reforms will come slowly and with difficulty, and such improvement in the tax system as is clearly and obviously indicated by the facts should be made without delay." That was speaking in December, 1934. Continuing—"It is considered essential, as part of the solution of the long-range problem, however, that these matters of local structure, function and procedure should be recognized as part of the problem and that they be

given extensive, careful study by some competent agency."

And may I, in that connection, turn back again to the inaugural address of our governor, Lewis O. Barrows, given January 7th, 1937, when he said, on page 10: "Let me remind you that in your deliberations you may encounter strong and organized opposition to any change. Every citizen is entitled to the expression of his views and should receive courteous consideration. However, we are faced with cold, statistical facts and not mere theories."

Mr. WENTWORTH of York: Mr. President, I arise to ask the Senator from Waldo, Senator Fernald, if he will yield that I may make a motion to recess until four o'clock this afternoon.

The PRESIDENT: The Senator may yield or not, as he sees fit.

Mr. FERNALD: The Senator from Waldo does not choose to yield. Now, to go back to the address of Governor Brann in 1935—let me quote as follows: "Two years ago upon this occasion I said: 'Today we meet in a partnership of Government. We no longer represent a party, but the people.' This applies with equal force today. In such times as these, election to important public office such as yours and mine, constitutes a direct challenge by the people to their chosen representatives to put aside personal prejudices, sectionalism and partisanship, in the interest of the common welfare. The administration of government, ever a sacred obligation, has become increasingly difficult and exacting. We shall, I trust, approach and deal with the important problems of these two years in a spirit of patience and sympathetic understanding. The problems of State will call for the exercise of sober, dispassionate judgment. We have demonstrated during the past two years that savings in government can be made. Total expenditures of the State during the past two years have decreased \$10,877,829.97. No essential activity of the State was unnecessarily curtailed. There was no mystery in this reduction of governmental costs. The State simply did not spend. The State returned to frugal ways. This procedure was attended with some disappointments. The curb on spending must remain during the next two years. The old fashioned virtues of thrift

and economy must be employed. We must not increase the tax rate. May I state that again. We must not increase the tax rate."

Coming to the next page and continuing with Governor Brann: "With the valuation of the State steadily declining and the income of the State either declining or uncertain, the strictest economy must be practiced and only necessary expenditures authorized.

"Credit of State. The fortunate aspect of the picture is that the State has been able to maintain its credit. Two per cent bonds of the State dated December 1, 1934, were sold at a premium. The basis of income to the holder is one and fifty-seven hundredths per cent. The temporary loan of the State was placed on the basis of one-half of one per cent for six months. The State has never before, in its entire history, borrowed as advantageously or issued bonds upon as low a return basis State Debt. We have reduced the funded debt of the State. The reduction for the past two fiscal years is \$1,850,000. The saving to the State for interest alone is \$74,000."

Now, that leads to another observation on our budget, but before I get to that I want to take up the budget messages of three governors, three different budget messages. In 1933, our first budget message given by Governor Brann, he said, "Taking the last closed fiscal year as a basis of comparison with the present budget estimates of the expenses of the two fiscal years with which we are concerned, the total gross cost of state government should be reduced at least fifty per cent or one-half. The submission of the budget is not the end of the efforts for economy. Savings and economies must be constantly put into practice."

Now, going to the budget address of 1935 of Governor Brann, let's look at the final statement by the Governor, made January 24th, 1935: "In plain words, we can follow no other course than that of not increasing the tax rate and compelling the costs of government to correspond with its income."

Let's go to our own Governor, in his budget message of 1937, on the next to the last page: "At the same time the estimates of expenditures for departments and institutions will require the exercise of every possible economy in administra-

tion." That is quoting from Governor Barrows. Skipping down to the next paragraph, and that is quite important to remember in connection with further comments that I will make, quoting from Governor Barrows: "No recommendations have been made for the requirements of any new activity." Let me call this to your attention, from Governor Barrows—the next page of the budget message: "In making appropriations for new activities of state government, it is well to again call to your attention that receipts from present sources of revenues are entirely exhausted in present departmental and institutional recommendations and in any new measures that you may enact, it is essential at the same time to enact new revenue-producing laws."

Now, where does that leave us?

Mr. FORTIN of Androscoggin: Mr. President, may I ask the Senator from Waldo a personal question?

The PRESIDENT: The Senator from Waldo may yield for the purpose of answering, through the Chair, a question, if he so desires.

Mr. FERNALD: I again do not choose to yield, Mr. President. Now, a discussion of our budget, as one will readily see, has certain political ramifications and consequences that necessarily come out of a discussion and consummation of such a policy. From just the casual perusal of the two budget messages of the two governors, one a Democrat and one a Republican, one can note that in the two there is a clash of thought, or at least, I think we may well point out that so far as the printed record is concerned, Governor Brann is well entrenched so far as talking economy goes. We are entering into a campaign next year. The issues are going to be taxation, economy, reduction in the expense of government, and we, as members of the Republican Party, have got to answer certain challenges that will be made to us upon our budget and upon the fiscal policies that we enact upon the statute books of Maine this month. And why do I say that? Because that same challenge has been made to a Republican candidate for Governor in the past, and quite successfully.

Now, you are all familiar with the last campaign. I have here a campaign document that was quite widely disbursed and distributed and sent around to the electorate of Maine. Speaking on the candidacy

of a candidate, a Democrat, for high office, we have in this document this statement, speaking of this Democratic candidate: "His tireless energy and able judgment in any crisis has proved to be nothing short of amazing. Better still, the first two years of his administration as Governor of Maine had affected a saving of eleven million dollars or one-third of our total cost of State government to the taxpayers of Maine."

Of course, those of us who are familiar with state government and familiar with the administration and savings alluded to, know well the fallacy of that statement, but the fact remains that the Republican Party in the last campaign, at least to my way of thinking, never effectively and militantly challenged that proposition so that they got it across to, in large part, the people in the State of Maine.

Continuing the campaign literature of the Democratic candidate: "Instead of a deficit in the State Treasury there are actually more recoverable items in the Treasury than there is money owed."

The State's cash balance is three times as great today as when Governor Brann took over the office of Chief Executive. While disbursements for the fiscal year ending June 30 exceeded receipts by \$659,337.49, more than \$1,000,000 of these disbursements were made recoverable and due from other anticipated revenue or income including \$225,327.90 for Federal Aid and Highway Construction, \$177,955.41 Building Construction for which bonds will be issued and \$616,908.47 for Highway and Bridge Loan Construction for which bonds are authorized and may be issued at the pleasure of the state.

"Money in the Welfare Department was expended under the careful supervision and direction of Governor Brann and the State Welfare Department. He invites the most careful examination of the expenditures of the Welfare Department or any other department in the state of Maine. His policy ever since he entered the governorship has been that no one in Maine shall go hungry or without a room over his head. He has kept his word. Governor Brann, being an appreciative man, has not hesitated to mention by name and thank those who have helped him in keeping Maine finances on a sound basis."

Now I point that out, members of the Republican party, to show you and try and demonstrate to you the proposition that we are up against in two more years, because that same propaganda is going to be on the printing presses and on the doorstep of every man, woman and child during the next campaign. And we want to have an issue to answer it and to answer it squarely to the people of Maine and show them a budget that has met the issue of economy squarely, frankly, militantly and head-on.

Now, here is a little more of this stuff that you are going to have thrown at you. They might just as well have saved some of this that they didn't need in 1934 and used it for the next campaign. They put ten thousand of these down in bleeding Waldo to lick me but I am still hanging on:—

"Voters of Waldo county: Maine must vote for its own interests. Your ballots on September 10th must be cast for those candidates who can best advance the interests of your state and county. Do not be influenced by the hosts of out of state republican speakers who have neither interests nor knowledge of conditions here. This is a state election and must be decided on state issues alone. Your present governor has given Maine a sound business administration, reduced state expenses over one-third, reduced state debt nearly \$2,000,000, increased cash balance of state over \$3,000,000. Vote for a continuance of this administration. Reelect for governor Louis J. Brann. He has served you faithfully and well. With a democratic national administration assured for the next two years, the welfare and the best interests of Maine can best be promoted by the election to Congress of a Democratic Senator and Democratic Congressman."

And then, in a square over on the left they show the figures where they propose to maintain the reduction of the cost of state government. And on the other side they show the State Books, Balance, Reduction in Indebtedness, and the State Cash Balance.

Now, gentlemen, this may look all right but some of the members of this Senate who haven't had much else to do but refer me to Anthony Adverse had better take that book and read it after the next election,

because they will have plenty of time to do it.

Now, we are confronted in the next two years with a problem. You can dodge the issue and you can do anything you want to, but you are going to have this same propaganda thrown at you in two more years; all that Governor Brann did when he was governor, how he reduced the state debt and took care of the hungry and never let the roof leak, and all that stuff.

Now, I am not maintaining that his statements are true and it is not my duty here to answer these statements, because the responsibility for the answer to these statements made in 1934 and 1936 rested with the Republican party in 1934 and 1936, and that responsibility they shirked and that responsibility they failed to carry out because they failed to point out, in those two campaigns, the true story of the condition that existed here at Augusta. They failed to point out the conditions that you and I now are confronted with, the condition of the deficit and so on.

Now, we have got to do something here to get reelected. And on the other hand there is something greater and finer than reelection, and that is to do our job. And does the thought ever occur to any of you—I suppose I shouldn't ask this question because the answer is obvious, but there is no answer to the argument for economy.

Now, we want to put this state, this administration, in a position where they can go forth in the next campaign with an issue, and with an issue to which there is no answer, and that is the issue of economy. And we can not do it if we pass this budget as outlined in Legislative Document 899 and all the little side-shows that go along with it; \$3,000 here and \$4,000 there, and \$6,000 to label eggs fresh. The thought occurred to me that most of us in the state of Maine are able to distinguish a fresh egg from a rotten egg without it being labeled. At least, I have never heard of anybody dying from eating a rotten egg and I have very seldom heard a man admit that he got hold of any rotten eggs. But nevertheless, we have set up a Commissioner or Inspector, or something, to label eggs and it is costing us \$6,000. It is a new governmental activity, and when that bill went through, contrary to the dictates and to the ad-

vices of your governor, no new tax measure went along with it. And I refer to his statement in his budget address again, and this can be repeated and repeated and it is still good gospel in government and still good sound sense: "In making appropriations for new activities of state government it is well to again call to your attention that receipts from present sources of revenue are entirely exhausted in present departmental and institutional recommendations and in any new measures that you may enact, it is essential at the same time to enact new revenue-producing laws." And you can go out there on the blackboard and find a lot more that will go along with this egg-laying proposition.

Now, did the thought ever occur to us to, along with our foresight, use a little hind-sight? And I pick up at random the budget bill or the appropriation bill of 1883. Now, that was some time ago. In fact, that was fifty-four years ago. As a matter of fact, that generation made it possible for us to be here today. And here at page 500, Chapter 362 of the Acts and Resolves of the State of Maine for 1883, we have a few items that I would like to call to your attention. There are a lot of others but I will point out just some of them to you: "On the Public Debt, \$51,000; Normal Schools, \$19,000; Free High Schools, \$26,000; Houlton Academy, \$120; Hebron Academy, \$60; Foxcroft Academy, \$60; Maine Central Institute, \$600; Oak Grove Seminary, \$300; Salaries of Clerks in Secretary of State's Office, \$1800; Salaries of Clerks in State Treasurer's Office, \$2200; Salary of Clerk in Adjutant General's Office, \$500; Payroll of the Council, \$4,000; Contingent Fund of Governor and Council, \$5,000; Bounty on Animals, \$1500. This all goes to indicate the modest and economical and thrifty manner in which our state government has been run in the past and as a matter of fact we will recall that our history of the growth of population in 1883 was not materially smaller than it is now.

Mr. ASHBY of Aroostook: Mr. President, I raise the point of the quorum.

The PRESIDENT pro tem: The Chair will state that a quorum is present.

Mr. ASHBY: That is my mistake, Mr. President. I miscounted.

Mr. FERNALD (resuming): Now,

this Legislative Document 899, An Act to Appropriate Moneys for the Expenditures of State Government and for Other Purposes of the Fiscal Years ending June 30, 1938 and June 30, 1939, should be considered very carefully. I was asked last night by a very distinguished republican, a very distinguished leader and former member of this Senate, if I believed in party platform. The thought occurred to me that we might refer, in our discussions on the budget, to one or two matters of economy that we have spoken about in our past campaigns and we find that in the Republican National Campaign Text-Book of 1920, when our standard bearers were Warren G. Harding and Calvin Coolidge, that we pointed with pride to our record of economy of the administration—

(At this point Senator Wentworth of York was escorted to the Chair, the President retiring.)

Mr. FERNALD (resuming): We find also in the Republican Campaign Text-Book of 1928 this statement at page 399, characteristic of previous statements of economy and so forth made by the republican party: "The successive tax reduction measures of Republican Congresses induced capital back into the channels of productive enterprises and played no small part in the unprecedented increase of industrial activity during the last seven years. Lower taxes meant lower production costs, which, in turn, meant lower wholesale and retail costs and a corresponding increase in the purchasing power of wages."

Mr. POTTER of Penobscot: Mr. President, I raise the point of a quorum not being present.

The PRESIDENT pro tem: A quorum not being present, the Chair will ask the Sergeant-at-Arms to produce a sufficient number of members of the Senate so that a quorum will be present.

(The Sergeant-at-Arms retired.)

The PRESIDENT pro tem: A quorum now being present, the Senator may continue.

Mr. FERNALD (resuming): I find in our own party platform in 1934 at page 13, "The last Republican state administration created a state budget system by which the expenditure of the appropriations is controlled and receipts allocated to specific purposes. We believe that this system of control, which was created as a safeguard against the

dangerous increase in governmental costs, should be restored. Funds sufficient to provide for necessary state expenditures must be raised by legislative action." And in 1936, the Republican platform says at page 16, "We favor strict economy and thrift without neglecting the proper functions of government."

We have heard in the past a great deal of discussion about "Maine, the Vacationland," but I am sure that it would make for a greater economy financially and a happier state if we could say, "Maine, the Taxpayers' Vacationland." I think that would be a great slogan for our great state today, at a time when all governmental agencies are at the crossroads. We have heard a lot about taxes; tax this, tax that. Now I think what we want to do is shift from taxation to thrift.

At the proper time and under the proper rule of procedure I hope to present to this Legislature for its consideration, specific, concrete and definite amendments to the appropriations bill, which I believe are conservative and which amount to \$1,112,590. That is for the biennium. Now that seems to be a tremendous saving, a tremendous cut to suggest from our budget, but we are living in tremendous times with tremendous things evolving themselves about us, and if we don't become tremendously interested in these things a great many things will happen to our social and economic life in Maine that will become tremendously important, not only to you and to me but to our children and our children's children. And when we legislate on this budget we legislate for the future and for the future prosperity of Maine and for its citizens.

At the proper time, may I repeat, I will offer suggestions of economy of \$1,112,590. And again I repeat that that may appear to you to be a tremendous cut but not when you consider that this budget that is before us proposes to spend in the next biennium \$19,437,949. Now, if you take five or six per cent of that you will find that is just about the saving that I propose to make on this particular legislative document 899 and I am prepared to go forth and go forward and defend each and every one of those proposals, and I think that off-hand and without any tremendous amount of mental fatigue, that it is not beyond the imagination, of the aver-

age person at least—at least the average person who is paying the tax bills—to conceive that in this government we might save five or six per cent. As a matter of fact I believe that honest and concerted effort for a reasonable length of time, if such has been made and such had been done and we had had the opportunity to discuss this problem and this problem alone divorced from other matters that have, we might say unfortunately, entered into our discussion of the budget, that more than five or six per cent might be cut.

Now, I believe that making this cut of five or six per cent is the difference between doing a good job and doing a bad job, because if we do go home and pass back to the people a sales tax or an income tax or some combination or some mongrel of a tax bill that we might strike upon in the late hours of the Legislature we will repent, and we will repent at our leisure.

Now, the Governor in his budget address on February 2, 1937, said—and mind you, this budget that we are discussing is a budget, and I want to repeat again what I said before—"In making appropriations for new activities of state government, it is well to call to your attention that receipts from present sources of revenues are entirely exhausted in present departmental and institutional recommendations and in any new measures that you may enact it is essential at the same time to enact new revenue-producing laws."

Well, let us see how that follows through. He said before in the same budget message, "No recommendations have been made for the requirements of any new activity." Let me point out to you, the appropriation in this budget bill for the Augusta State Airport, the sum of \$26,000 for the biennium was never the regular part of any previous organized budget presented to the Maine Legislature. We have only two preceding budgets, the budget of 1933 and the budget of 1935. Look them over. Isn't that a new activity? And are we going to superimpose upon the people of this State a sales tax, just to satisfy the local ambitions of certain sections of this State? It doesn't make any difference whether it is Augusta, Portland, or what-have-you. Do you think we are justified in superimposing an income tax upon

the people of Maine to maintain a state airport at Augusta which we don't need? Don't get the idea that if this appropriation doesn't go through they are going to move the airport. The same sod will be there and the government will still spend W. P. A. money on it, and you can still land there in your airplane.—it doesn't make any difference whether you are an employee of the State of Maine or an individual.

Let me read again from the budget address of the Governor: "No recommendations have been made for the requirements of any new activity." Still, we get a request for \$26,000 for the State airport. We get a request on Page 6 of this Legislative Document 899, under the Maine Development Commission, for \$20,000 for the New England Council, and \$25,000 each year—\$50,000 for the World's Fair. Now I maintain—I may be in error—I maintain Governor Barrows, notwithstanding that the appropriation for the New England Council and the appropriation for the New York World's Fair, or \$70,000—they are matters not in the budget of 1935 or the budget of 1933. Let me point out, and really I rather dislike to oppose the appropriation for the New York World's Fair for the very reason that it was introduced in this legislature by one of my best friends in the legislature. But when we come down to the point of levying taxes, it is not a question of friendship, but a question of business from the point of view of the state. This money we are appropriating is money we are taking from the taxpayers of the State of Maine in 1937 and 1938, and is to be spent on a proposition that will not open its doors until 1939—to be exact, April 30, 1939. Now, we are all for the World's Fair, and we will all go to it, but I do not believe at this inopportune time, this period of financial crisis, we can afford to spend \$50,000 of hard-earned money for that proposition.

Well, let's start back to Page 2 of Legislative Document 899. Let's kind of take these items apart and see what makes them tick. It is well for us first to consider the 1937 budget and then consider the 1935 budget, because for an analysis of this question, a proper analysis of it, you have got to look back and see the way that these various departments—the services they have rendered in the past and see what it

cost, and compare it with the requests of the present, and see whether or not the difference in the increased appropriation is worth the increased service they propose to render. Let's check that with the 1935 report. Let's also check it with the other budget we have—the 1933 budget. After we have taken these three budgets, let's go back a little farther.

Now, the Adjutant General's department, beginning in 1911 expended—26 years ago—\$54,173.35. 1913: \$52,429.84. 1915: \$75,976.56. In 1917: \$99,005.17. In 1919: \$98,494.45. For the 12 months period ending June 30, 1922: \$285,271.55. For the 12 months period ending June 30, 1923: \$123,005.72. The 12 months ending June 30, 1924: \$121,581.93. For the 12 months ending June 30, 1925: \$573,346.38. For the 12 months ending June 30, 1926: \$673,163.75. That takes us off the blue print. Now, for the year ending June 30, 1924 the expenditure was reduced to \$121,581.93. In 1925: \$118,140.38. For the year ended June 30, 1926: \$157,362.75. For 1927: \$119,439.69. In 1928: \$128,265.70. 1929: \$110,304.17. 1930: \$130,411.79. 1931: \$125,811.19. 1932: \$200,492.64. 1933: \$139,992.66. 1934: \$133,817.64. June 30, 1935: \$138,153.96. 1936, the year ending June 30th: \$137,796.50. Now in their budget request they asked for \$152,100 in 1938 and for 1938 and 1939: \$145,100. The budget recommendation was \$130,000 for both years. That is carried over in this bill, No. 899.

Now, it is my contention, and I will offer an amendment at the proper time, that due to the economic condition of the State, due to the financial condition we are in, that department would be able to function and carry on its necessary governmental activities if we reduced their appropriation \$10,000 a year, which is a modest sum, but as you add up these ten thousands and five thousands and three thousands—when you total them all up, they make \$1,100,000; and I will offer that amendment at the proper time and I will let you vote on it and let you vote it down if you will, but let no man say afterwards that “the thing came in and it was all mixed up and I could not vote on it.” You are going to have an opportunity to vote “yes” or “no”—you can stand up or you can sit down. We want to think the things out and trim a little here and there,

and when we have done that we have saved ourselves an income tax, a sales tax, a luxury tax—and a lot of headaches. Well, so much for that.

Well—the question of the airport—that can be eliminated—which is \$26,000 for you. That question has been frankly and dispassionately presented to you. There is no need of a repetition of the argument. You are familiar with it. I do not believe we want to embark the State of Maine upon uncharted seas in the way of aviation, at least in the way of aviation fields. If we do it, the minute we start subsidizing Augusta we have got to subsidize Bangor, Houlton, Presque Isle and others—no limit to it. You know what happened when you came in here at special session, at the request of a very distinguished gentleman, the Governor of Maine, to enact legislation to eradicate Bangs' disease—it was not going to cost much—the government was going to pay this and that—but you have got quite a bill to pay because you got your neck out, and you have got a proposition and you have got to solve it. The same thing will follow with aviation or any other proposition. We have not organized government and the functions of state government in such a manner that they can be carried on as efficiently and economically as things can be carried on under private enterprise. I do not believe we have arrived, in the State of Maine, to a point of efficiency, the establishment of the merit system with qualified and trained personnel, so that we can bid with private industry in the carrying on of activities.

Let's go down to the Department of Audit. In the good old horse and buggy days of 1911, it was a very modest department. They spent the sum of \$8,775.79. It increased from that to \$12,000 for 1913. \$14,000 for 1915. \$17,000 in 1917. \$22,000 in 1919. \$26,000 in 1922. \$27,000 in 1923. \$34,000 in 1924. \$30,000 in 1925. \$34,000 in 1926. (these are in round figures). They come to us today in this budget with a request for \$27,000. Now, I believe that we can pare for them and not pare too strongly—\$5,000 a year, and they will still get along and we will still have an auditing department and they will still do business at the same old stand, and still render to the people of Maine all the neces-

sary functions of government. There will be some frills that we will have to be deprived of. There will be some things we will want that we cannot have. There will be some little services that we cannot have, but we will at least avoid a sales tax or income tax or what-have-you.

Now, coming down here to the Commissioners of Uniform Legislation. I only need to cite to you or to any member of the Judiciary Committee that every year they come in with uniform legislation, and every year it goes out "ought not to pass" and we pay \$500 and \$1000 to do that. Well, I think instead of paying people to go out of their way to draw laws for us and bring them in here, we'd better pay people to stay away from here and not bring in laws. I think there is \$1,000 that we can dispense with \$1,000 when you consider \$19,000,000, doesn't amount to much, but you know the little story about "Little drops of water", and, after all, the average old age pension in the State of Maine is \$20.00 a month and the federal government pays half of it, and so it is about \$120 a year it costs the State of Maine to pay one old age pension, and with \$1000 you can take care of seven or eight old people, and I think it is more to the point to take care of seven or eight needy people—just as needy as the 402 who are now receiving old age assistance—than it is to pay some competent lawyer to draw up some laws to clutter up the calendar, add to our printing bill, and then have them thrown out in the dying days of the legislature. It is only a small matter.

Now, we come to the Department of the Executive. The request is here for \$42,500. I believe that can be decreased \$7500 each year, or \$15,000, and I will tell you how. If I follow this budget—and I am not a bookkeeper or a budget authority—but that \$42,500 includes the compensation, salary, etc., of the Governor and Council. Now, we all have various feelings and notions, theories, conceptions, as to the usefulness of the Governor's Council. Some of us would abolish that archaic trading post. Others would modify it by inserting in its place competent state officials, all paid for by the state, and elected by the state; by that, I mean the attorney

general, state auditor, commissioner of agriculture, state treasurer, and there is one more elected by the legislature, making a very splendid governor's council, if we still need to carry on that fetish of colonial times. On the other hand, there is a third point of view, and that is that the governor's council does serve some useful purpose.

The law provides now that during the session of the legislature the compensation for the governor's council shall be the same as for the members of the legislature. The thought occurred to me,—but before we get to that—then after the legislature adjourns and goes home, all of a sudden the value, or at least, the compensation for the services rendered by the council, materially increases. I do not quite understand the reasoning of it. They are the same men. They sit in the same chairs and walk in the same corridors and advise with the same governor, and I guess they do the same constructive work that they do when the legislature is in session. The thought occurred to me that instead of paying them \$20.00 a day and I guess we'd better put it "comfortable expenses," why not put them on the same par and the same equality as members of the legislature in special session, which is \$5.00 a day and travel. Now that probably doesn't seem to amount to much, but during Governor Baxter's reign the yearly average for the council was \$7,400 a year. A summary of the council's expense account from January 1936 to 1937 shows total disbursements of \$19,634.56. If time would afford it, it would be very amazing and very enlightening to go into the details. Over a period of 10 or 15 years the expense has jumped from something over \$7,000 to nearly \$20,000. Now, I have never heard it said or at least seriously contended that the services rendered by the governor's council are any more important now than they were 15 years ago, and as a matter of fact, under the Code which was adopted a few years ago, the functions and duties of the governor's council were materially lessened because the theory was that it was the beginning of the end, and when conservative Maine got a little more—I do not like to use the word "liberal,"—a little more up to date, probably they would continue on the way out and probably be finally

dispensed with, because there are only three dissatisfied states that now continue with the governor's council. I think there could be a saving there of \$15,000 for the two years. Realizing, as we do, that these gentlemen on the council are public spirited, and that with the honor connected with the job, the same salary that goes to the members of the legislature in special session should well repay them for the effort that they expend.

Now, the Bureau of Accounts and Control. They ask for \$40,000. Way back in the dark ages of March, when we were discussing the Economy Committee of five, and the Economy Committee of fifteen, and the joint standing committee, etc., there was a proposal made that through elimination in the Bureau of Accounts and Control of an unnecessary item, we could save \$13,000 a year. Well, the committee of 15 or what-have-you decided, in their very pointed report,—but the suggestion was too radical, ill-advised, ill-timed, etc., and could not be put into effect. But later an act came along in the usual routine of things and eliminated the item, so that it would seem to me that if we are going to eliminate an expense of \$16,000 a year from the Bureau of Accounts and Control, that we might reduce that budget at least \$10,000 a year or \$20,000 for the two years. It seems to me it would be in keeping with a well balanced idea. So we should make for a saving of \$20,000 for the biennium. There is another \$10,000 I didn't figure. We are making money fast.

Now, we come to the Department of Forestry. I think the discussion of the Department of Forestry should entail a discussion of four departments — Forestry, Inland Fisheries and Game, Sea and Shore Fisheries, and Maine Publicity. Now I do not have any authority of any particular consequence in the field of the management of those departments except perhaps those effective at the moment.

There is no doubt that Maine could follow along in the steps of other states, consolidate, combine, and save \$125,000 a year or \$250,000 for the biennium. We have heard that argument. It has been presented. There has never been any real serious contradiction of the proposition. We all realize that there must be considerable duplication. We

realize that the Inland Fish and Game department have about thirteen chief wardens, about ninety deputy wardens. We all realize that the Sea and Shore Fisheries Department have some twenty-five or thirty wardens. We also know that masterful pieces of publicity on Sea and Shore Fisheries and other things are being dispensed to the public of Maine by people who are employed as wardens but who are in fact newspaper men, at least in one department.

Undoubtedly, publicity is used in other departments. It seems to me that combined effort could be consolidated with a department like the Maine Publicity Department and save a lot of duplication and a lot of unnecessary postage. I don't believe the Forestry Department would have to go out of business if they were told that their departmental operations should be confined to \$25,000 instead of \$30,835. I think a true valuation by a competent outside authority of the tax burden as applied to timberland, wild land, people in the unorganized towns, from the point of view of equalizing their tax burden with other states, would demonstrate that under the present set-up they are very, very well taken care of and that if the land owners had to chip off two or three thousand dollars more to help maintain the operations of the Forestry Department it wouldn't embarrass them, impede them or overtax them.

It seems to me that under the present period of financial stringency we might lessen the tax burden a little bit by having this department, at least curtail some of its frills and unnecessary activities.

Now, the Department of Health and Welfare, the various agencies of that department. We all realize that it is the first duty of the state to care for the needy and the deserving, and the hungry and the homeless. And every one of us is agreed that we want to do that. I think we all agree that it is unfair to pay old age assistance to 402 people in the state of Maine and let another 4,000 or 6,000 go unpaid. I think every one of us realizes that those who are going unpaid today are just as needy and just as deserving as those who are receiving it, those who are more fortunate.

Now, I believe that this legislature, if it perfects economies that it can perfect, there will be funds

necessary and ready to take on an added load of the old and aged in the field of pension system. And I believe that is one of the first things that this legislature wants to do in the near future, to provide for those people; and when we provide for them we are taking from the Health and Welfare roll a great many people, so that I believe there would be a compensation coming back to us by the granting of proper and substantial amounts of money for old age assistance to every needy and deserving person, with the result that from the large appropriation that is now being provided for by the Health and Welfare Department, \$200,000 a year could be lopped off.

And there is another thing to be considered—and this is no criticism of anybody—in that I think we should look forward to the point where we should begin to decentralize our social and welfare activities and get the handling of the poor and the unfortunate back with the towns themselves. And when you do that you are going to cut down the expense considerably I think that is a basic theory of government that the Republican party should stand for now as it used to stand for in the past.

Then, under the Department of Health and Welfare we have spent a great deal of money in one county where conditions have been poor, but I think you will find that with the rise in the potato market, with the bettering of conditions, and if we don't hamper this return of economic prosperity in the state of Maine by additional taxes, you will find that great sums of money that have had to be spent in other counties for the practical maintenance of whole villages will be done away with. So I think that taking it all into consideration that \$200,000 could be taken off that appropriation, the total appropriation for the department and everybody taken care of comfortably.

Now let's get down to the State Prison. They are asking for an appropriation of \$135,000 for each year or \$270,000 for the biennium. Now, I am going to be conservative on this. With the proper amount of co-operation, coordination, and pulling together, a conservative estimate would be that you could lop \$15,000 a year off the management of that State Prison. But you have got to cut out this horse-play and by-play

and politics in running your State Prison if you are going to do it. If a Republican administration can not run that prison with a democrat down there, the thing to do is to say, "Johnson, you are a democrat; we have a deserving Republican and we are going to take care of him; you have got thirty days." There is no question but what that prison can be run \$15,000 more efficiently than it is now.

The Department of Inland Fisheries and Game. With the thought in mind that the suggestion that was made by the "Committee of Fifteen on Economy", that the question of consolidation, saving in government and so forth, would be perfected under the direction of the Governor and Council forthwith; with that thought in mind—and I have got my fingers crossed when I say it—I think the Department of Inland Fish and Game have an appropriation of \$120,000 each year which could be reduced to \$100,000 and save \$40,000 for the biennium and not curtail the activities. Because any person who has even glanced at the set-up realizes that when this set-up is made, if it is made as a worthwhile proposition, that the department along with Sea and Shore Fisheries and Maine Publicity, will be so reorganized that there will be a possibility of that saving. And I think that would work out all right without the curtailing of any activities.

Now we come to the insurance of state property. They asked for \$80,000 for the two years. Well, there are two points of view about that. There is the point of view of the person who is interested in selling insurance that we should continue to muddle along with the same method that we are now. Over and opposed and against that proposition are the methods that have been worked out and adopted in some of the older states in the union whereby at least thirty-one of them have said, "Maine, you are wrong and we will handle our state insurance in another manner." No, if the odds on the proposition were 45 to 3 as they are on the Governor's Council proposition, and if Maine was with the Forty-five, I would not ask that a people as conservative as the people of Maine adopt the policy that is adopted by the three. But where we have a proposition adopted by thirty-one states and by a great many cities

such as Kansas City and large places like that, and some towns in Maine, by the way—the town of Bar Harbor two years ago, at least, was working under that procedure—it seems to me that \$80,000 could be saved there without depriving—well, I can't say that because when I realize that \$80,000 has got to be divided eight ways into eight key policies of \$10,000 apiece and then somebody gets a twenty per cent cut on that for selling the insurance—why, there is that element that you have got to overcome. But did you ever stop to think that a corporation as big as the state of Maine with its valuation and property and with 1300 diversified buildings and properties—and I will wager that the state of Maine is a bigger and wealthier corporation than a great many of the companies with which we are placing our insurance—the whole thing reduces itself down to good business or bad business and it shouldn't be necessary for me to stand here and argue with you as to good business principles, because you people know the story and know what is good business for the state and for yourselves. Now, I am not arguing that an individual should adopt that policy, because the principle, the question, is altogether different from the point of view of an individual. I myself, the same as you, insure. Why? Because our properties are not so diversified and some of us do not have the necessary capital to pay for a loss if it should occur whereas that is not true of the state.

Now, the Maine Development Commission. I don't see how we, in the face of an increased tax, in the face of the imposition of an income tax and a sales tax, can justify the expenditure of \$50,000 for the World's Fair in New York, which Fair will not take place until April 30, 1939. I think that is adopting a frill in government that is unnecessary, unbusinesslike and uncalled-for at this time, with the conditions of the state treasury and the conditions of our tax problems as they are. I think we all agree to that. I think we have got to go back to the old standard and let the Maine Development Commission muddle along with \$100,000 a year. Of course, it is going to be kind of hard for them after they have been spending more money, but we have got to get back to nor-

malcy and get our feet on the ground and realize that the state of Maine, the wealth of Maine, the population of Maine, can not keep strides with the increasing demands of these department heads. It is \$200,000 this year. Next year it will be \$300,000 and the next year it will be bankruptcy, if we keep on going this way.

Now here is the Department of Public Utilities—\$81,000 a year. Well, they were managing to muddle along in 1924 with \$75,000 and with \$60,000 in 1925, and \$80,000 in 1926; and I don't know but that our electric light bills are just as high now as they were then. It seems to me if we cut them \$6,000 each year, or \$12,000 for the biennium, and give them \$75,000, that they ought to get along pretty well. At least, that was all right for them in 1924 and I don't know of any of us who are any happier or any wealthier or who feel that our public utilities are any better than they were in 1924. Besides, I have a sneaking feeling that if you saved \$6,000 a year by eliminating one or two swivel chairs the department would still go along just as it is now and the people would save \$12,000. I don't know as the efficiency of that department would be decreased any and it is just a casual observation that most of us are able to make if we walk up to the next floor.

The Department of Revisor of Statutes—\$4,500 a year. That is \$9,000 for the biennium. My suggestion is that we cut that a thousand dollars each year, and I will tell you why. The Revisor of Statutes is getting \$4,500. I think we should decrease that to \$3,500 and decrease his duties accordingly, because I think that if we continue to increase and elaborate upon that office as we have in the last three or four years we are going to find that instead of having a two-chamber legislature we will have to add two more chambers to the legislature to take care of all the bills that he writes down there. And I don't excuse myself either, because he writes as many bills for me as he does for anybody else. But I think it is wrong to have somebody down there to write a lot of useless bills that you and I put in there. What do we do? We get a letter from somebody down in Oxbow and they have some idea about gov-

ernment and we haven't time to write up the freak idea ourselves and what do we do? We send the letter down to Smith Dunnack and he spends the state's time and money writing up a bill and we put it in, and if it doesn't look too bad we put it in under our own name but if it is tough we put it in "by request" and we clutter up the committees of the legislature, and the poor, unfortunate, unsuspecting constituent back home comes in with his friends and appears before the committee and takes up our time, and when we get all through the committee reports it "Ought Not to Pass" and we are just where we started in. We are just perpetuating a vicious circle.

Now, in that connection here is a thought that is an old one, but there are some old things that are still good notwithstanding the present thought in the matter. Forty-eight years ago there was another special tax commission in Maine appointed by a resolve of the legislature and they reported—and it is interesting to note that there probably isn't another copy of this report, or at least there are very few copies of it for the reason that the thing was such a good report and brought out so many interesting and fine points that the reports just disappeared, were destroyed or burned up or something—but if you ever get a chance to read the report of the special tax commission of Maine of 1899 you will find some very interesting things. And that is in point with this proposition I am discussing in regard to the Revisor of Statutes and his appropriation in the budget of \$4,500 a year. My suggestion is \$3,500—cut him down a thousand and take away from him the duty of drawing up resolves for everybody. Get away from that. We don't want that.

This tax commission report reported at page 67: "Tax on Private and Special Acts of Legislature. Many states impose taxes or fees for private and special acts of legislation. There is much propriety in this. While it is a part of the duty of the legislature to enact certain laws for the benefit of private parties, yet its principal function is to enact general laws for the people. It has come to pass, however, in the multiplying conditions of business and the peculiar circumstances of communities that a very large por-

tion of the time of the legislature is spent in investigating the propriety of special legislation or in the passage, or the attempted passage of private bills. This consumption of time in special legislation narrows the time that can be devoted to the public business and causes much expense to the State for printing and in various other ways. It is very proper, therefore, that parties who are to be benefited by such legislation at the expense of the public, should contribute something to the State revenues.

The proposed bill imposes a tax of fifty dollars upon such special acts of legislation as are apt to consume most time and which often confer valuable franchises, and upon other private acts the sum of ten dollars." I don't know as we want to go as far as that but I think that report of 1899 points to our problem in the Department of Revisor of Statutes.

Now, let's come down to the Department of Sea and Shore Fisheries. They asked for \$75,000 a year in the budget and I believe in their request here they ask for a hundred or more—no, on looking it up they ask for a hundred and ten. They were modest. Well, let's look at the record here: 1924, \$65,000; 1925, \$62,000; 1926, \$65,000; 1927, \$65,000; 1928, \$72,000; 1929—that was the big year—\$75,000; 1933, \$68,000; 1934, \$52,000; 1935, \$63,000; 1936, \$66,000. Well, I think that we will have just as many lobsters and that the Sea and Shore Fisheries Department will get along just as well with \$60,000. That is what they have been able to keep going within the past. And we might save \$30,000 there. I don't see any particular point in giving them \$75,000 just because they ask for \$110,000. I think that every legitimate function of that department could be carried for \$60,000. The fact is, it was carried on in 1929 for that and in 1929 we were thinking in terms of lots of money.

Well, that would save \$30,000. Of course, that is just pennies from Heaven but you take all these pennies together and some day you might have a dollar.

Now, here is the Department of the Secretary of State. I think we could save \$12,000 there for the biennium. Cut down the \$41,000 to \$35,000. And there again, you know, as I have repeatedly stated, Mayor La Guardia said—and Mayor La Guardia is a Republican and he is

a pretty good administrator—Mayor La Guardia said publicly that more men are ruined by a swivel chair than by chorus girls. I think there is a moral in that for us here in Maine. I don't think there is any necessity for paying \$40 or \$50 a week for people to do things that a competent stenographer could better do for \$15 a week. It doesn't make any difference whether he is Roy Fernald's political friend or John Jones'. We have got to slash the budget and we have got to slash it everywhere, in every department, regardless of whom it affects, because the only alternative is more taxes and I don't think we are justified in imposing new taxes to keep on the payroll of the state of Maine people who aren't earning their money or performing a useful and necessary public function.

Now we come to the Department of the State Treasury. Well, we might differ as to that. Under the Code they didn't have quite courage enough to abolish the office but they said it ought to be done. They asked for \$24,000 a year. I don't think there is any question but what the door of the State Treasurer's office would still be open if they had \$20,000 a year to run it. I don't think they would close the door. I don't think the State Treasurer would resign. I don't think we would have to have a special session of the legislature to elect a new state treasurer and I think everything would go along all right and we would save \$8,000 for the biennium.

Now, we come to the department of the Superintendent of Public Buildings. \$93,000. Now the record shows that the job has been done cheaper than that and can be done cheaper than that. And after the quantities of governmental aid and federal aid that has been squandered in fixing up, or attempting to fix up public buildings, etc., and quantities still available, it seems to me we can cut it from \$93,000 to \$85,000, and save \$16,000 in the two years. Let me repeat, it will pay for a lot of old age pensions for a lot of people who need them, and do a lot more good than for unnecessary ornamentation of public buildings.

Now, here is a little item that rather amused me. I suppose it amused me because of the controversy over the labor situation in the

State of Maine. The State Board of Arbitration and Conciliation \$200 a year. Well now, if a State Board of Arbitration and Conciliation isn't worth any more than \$200 a year it ought to be abolished. But my impression is that the State Board of Arbitration and Conciliation could be made a worth while proposition not only for the laboring man of Maine but for industry of Maine, and with the continual unrest and controversy that is coming on between labor and capital, we should have in the State of Maine some place, some board, some arbitrator, some conciliator that could help us and that could render a service to the State of Maine. It is surely worth more than \$200. If it isn't worth \$200, abolish it and say frankly, "we don't want an arbitrator and we don't want a conciliator." Why, it costs more than \$200 to print it in all the pamphlets and books we print it in. Make it a worth while proposition and make it a going and workable board.

Now, let's come down to old Alma Mater, University of Maine. I graduated from the University of Maine and I struggled through and got two degrees, the faculty notwithstanding. Now, in 1924 we provided for them, with your money and my money, \$535,000, \$508,000 for the next year, \$487,000 the next year, \$563,000 in 1928, \$752,000 in 1930, \$745,000 in 1931, \$758,000 in 1932. The same in 1933, \$522,000 in 1934 and the same in 1935, \$552,000 in 1936. Well, I think if the condition of the treasury and the condition of the State is as it is pictured to us, if it is as the picture is painted, I think we should look at it and I think we are pretty liberal and I think we have been in the past. I want everybody to have an education, everyone who has a desire and ambition to go to college, and I do not think we have got to close the university of Maine if we make a little saving on the budget. If they spent \$552,000 last year and the budget calls for \$661,000—I do not think we should increase it \$110,000. \$110,000 is one fifth of \$552,000—I do not think we want to give them a 20% increase. It makes it too serious. Why not give them \$600,000? Cut the budget 10% and save \$132,000 in the two years. There will still be a University of Maine. They are not going out of business.

Some day somebody will create a wise idea of making a survey of

the University of Maine. If I had been a little more successful in some of my other surveys, I would have suggested that. I do not think any of our state institutions or state departments are beyond inquiry. I think a good, bright fellow who knows what it is all about, could go up there and show them a few things. I do not think all the brains in the State of Maine comes out of the University of Maine or is centered up there, and I sometimes think a little outside information could be helpful up in Orono, and I say this in all friendliness and in no spirit of antagonism. So far as I am concerned, I am proud to have graduated and proud to have been associated with the University of Maine, and all that, but it is not a question of loyalty to Alma Mater, but the question of duty as a state official who comes here to chop wood regardless of where the chips will fly. We have a chance to save \$120,000. It is better to save \$120,000 there than to impose a sales tax or an income tax, because you know the high and mighty of the University of Maine do not have to pay a federal income tax. Why should we pay a federal income tax and a state income tax right on top of it to perpetuate them in office when they do not have to pay even a federal tax? The thing just doesn't make sense.

Now, as I see this problem—I think it is to be regretted that this discussion on the budget came at this time rather than after the caucus because I think we are all hesitant, feeling—at least I think some of the new members feel—something will come out of the caucus tomorrow night, but without any boasting or egotism, experience shows us that political caucuses in the Maine legislature never solve anything, never decide anything—at least, never decide anything right.

Now, let's get to work. Maybe it isn't my plan that we want. But at least, we want somebody's plan. We want a plan for the people of Maine, a plan we can take back to our people, a plan we can take back to them on Sunday, a plan that we can face our constituents with when we go home Sunday, and not wait until some dark Tuesday and then when we see them on the corner have to put our overcoat collar up and slink off somewhere. We want to go home with a plan of this

state government, and go home with chin up and head erect and say, "John, here is the proposition. You are deprived of some of your frills in agriculture and some of your frills in education, and in this and that, but you have a sound budget, a business man's budget.—you and I, John, members of the town committee, can go to the people in 1938 and say, 'There is a budget of our governor, a budget that is not all full of frills. It is a budget that is cut, cut to the bone, and we are proud of it, and we want you to vote for the reelection of our governor and his executive budget in two more years, because if you return him to office in two more years he will take this budget that we struggled over, and after he and his council have surveyed and investigated it in two more years, they will be prepared and they will be equipped to make further economies.'" That is what we want to go home and say. We want to go home with something living—not something dead. We do not want to squabble all summer, squabble about putting a referendum on the sales tax or income tax, and be all summer explaining our position.

Let's go home with a business budget and say, "Here we are. We have cut until it hurt. We have done away with some of the things we wanted. Some of the others did away with some of the things they wanted, but we didn't bring back any new taxes, and we are proud of our record." That is what we want to offer the people of Maine. That is the type of platform we have got to offer the people if we want to be returned in 1938—and there is no man more anxious to be returned than I am. That is our job. If it takes until the first of May, let's stay here and cut this budget, and do our job and do it right. That is my position, Mr. President, and at the proper time I will offer the proper amendments to the bill.

Upon motion by Mr. Willey of Cumberland

Recessed until this afternoon at three forty-five o'clock.

After Recess

The Senate was called to order by the President.

On motion by Mr. Hussey of Kennebec, out of order and under suspension of the rules:

ORDERED, That a message be sent to the House proposing a joint convention to be held forthwith in the Hall of the House of Representatives for the purpose of listening to an address by Colonel Clarence D. Chamberlin.

Which was read and passed.

The Secretary conveyed the message.

The PRESIDENT: The Senate may be at ease pending the return of the Secretary.

Subsequently, a message was received from the House by Mr. Pease, its Clerk, concurring in the foregoing proposition for a Joint Convention.

The Senate then proceeded to the House of Representatives where a Convention was formed.

(For proceedings of joint convention, see House Report.)

In the Senate

Upon the return of the Senators to the Senate Chamber, the Senate was called to order by the President.

On motion by Mr. Graves of Hancock,

Adjourned until tomorrow morning at ten o'clock.