

#### MAINE PUBLIC DOCUMENTS

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## **Inaugural Address**

18,

OF

# FREDERICK G. PAYNE

## Governor of Maine

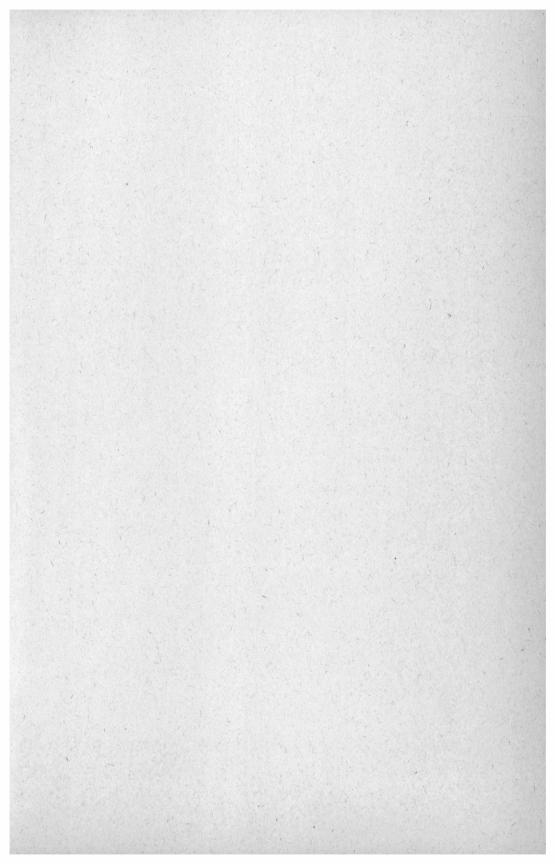
TO THE

## NINETY-FIFTH LEGISLATURE

## STATE OF MAINE



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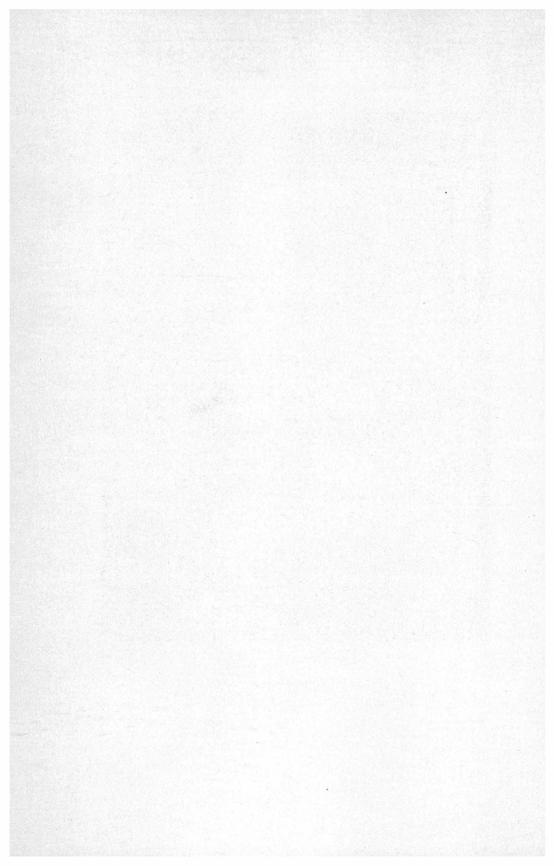
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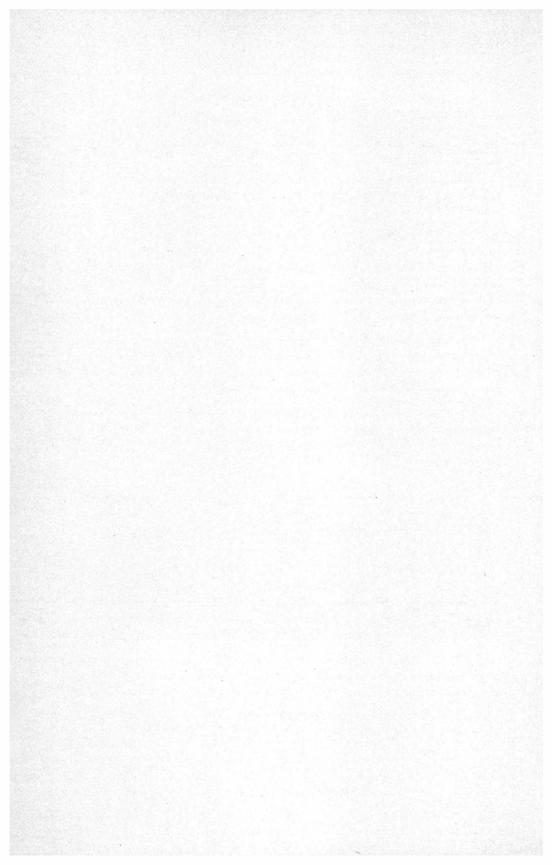


## JANUARY 4, 1951





FREDERICK G. PAYNE GOVERNOR OF MAINE



## Address

#### Mr. President and Members of the 95th Legislature:

We gather here today for the opening of the 95th Legislature amid troublesome times which threaten the basic principles upon which this great democracy was founded.

It is not within the proper province of your Chief Executive to discuss the national or international outlook. We should take cognizance of its seriousness, however, by praying to God, each in his own way, for peace — lasting peace. As individuals and as a State government, we must do all in our power to contribute unselfishly to a strong national defense program.

Problems facing the State government, important as they are, nonetheless seem of small magnitude when we consider that the structure of our existence is menaced. Yet, during this period of crisis, we cannot remain a stagnant governmental body.

In today's discussion, as in a subsequent budget message, we must distinguish between demands for funds to finance highly desirable capital improvements and the availability of monies to operate this multi-million dollar business at levels currently set forth by law.

While we should not overlook the urgency of demands for new construction, new roads and new bridges, we must weigh the pleadings for them in the light of strife in Korea and danger on other fronts.

World conditions being what they are raise serious doubt in many minds as to the feasibility of embarking now on a capital improvements program. It may not be possible under restrictions of the Federal government to move in this direction even should funds become available.

Setting aside for the time being of a major capital improvements program does not eliminate the urgency of approaching and solving apparent deficiencies in normal functions of State government.

While some needed and desirable construction projects can wait, the health and well-being of the individual knows no bounds — time or finances. We would be doing a disservice to our Nation in its hour of peril if we ignore the plight of our sick, our needy and our children. We can be of little value to the National effort unless we are physically strong and mentally alert.

Dangers facing the Nation from without make it the more imperative that we strengthen our educational system because it must be our purpose, now more than ever before, to bring to the minds of our youth the advantages of living in a nation that guarantees the freedoms at our daily command.

We must augment the system of education as now constituted to teach these freedoms so that our youngsters can believe more firmly in America and, in turn, become better Americans.

This is no time to retrench in the fields of education, aid to the sick and to the needy.

It is therefore urgent, if we are to support the National effort, to put our own house in order. It is upon this theme that I address you this morning.

The day of reckoning, of which so much has been made in the past, definitely is upon us.

No longer can we be blind to the humane, if not the moral and legal obligations, to our youth, to the sick and needy, to education.

We must pause and take account of stock.

We must determine now, not two years nor four years hence, whether the course charted for us by past legislatures is the one now to be followed.

Is it not possible that changing conditions require a new approach to our problems?

We shall talk of money — the need of money. The topic is as distasteful to me as it is to you, especially in this period when the dollar does so little. It is essential, nonetheless, that we discuss finances.

At the outset have my assurance that there is no stronger advocate of governmental economy, either in theory or in practice, than your Chief Executive. Yet, please believe me, the problem facing the State of Maine today cannot be solved by shouting "economy." Neither will weasel words nor political expediency in any form provide a solution. It is going to take action — positive action of a nature not previously known in this State.

The problem, simply stated, is this: Two years ago the Legislature gave your Chief Executive insufficient dollars to do the job laid down for him by law — a job which he, under oath to God, promised to do. Your Governor reported back to the Legislature in February, 1950, that the dollars allocated were falling far short and they, in their wisdom, provided additional funds.

Today, I stand before this Legislature and report that we are spending more than we are taking in and still are not doing the job required of us by law.

Yes, friends, the hour of decision is upon this legislative body.

The people demand and your Chief Executive concurs that this 95th Legislature either provide sufficient dollars to finance adequately requirements of the law, as laid down by previous legislatures, or revise and amend laws to fit the pattern of available monies.

On this score, let it be noted that your Chief Executive strongly opposes any move which, in a final determination, will mean greater suffering among the ill, further neglect of the needy or serious retrenchment of advances in education.

It is unrealistic to refuse to face the facts.

The absence of sufficient dollars to finance State government at the present level of services does not add up to fair play.

On the one hand we have laws governing the actions of individuals and the operations of the nearly 500 municipalities which constitute this great State. We insist, for example, that the individual pay certain tax obligations. We refuse, and rightly so, to allow him to ignore any of these requirements. On the municipal level, we insist that cities and towns pay a State property tax. We do not allow any community to ignore this obligation.

Bluntly speaking, we as a State demand our pound of flesh.

In return, what are we doing?

Simply this: We by-pass laws right and left, depending upon the availability of money. If we, as a State, haven't the dollar to pay an educational subsidy, as demanded by law, we pay what we have and let it go at that. If we haven't the money to meet moral and legal requirements with respect to the mental and tubercular ill, we spend what we have and ignore all else.

In other words, we demand that the individual live up to the law or suffer penalties; we insist that municipalities adhere to the statute under threat of redress yet we, the State, remain blind to responsibilities vested in us by these self-same laws.

The spirit of fair play, if nothing else, dictates that we correct this obvious inequity. Let us be certain always of self-adherence before we threaten sanctions.

This discussion of the inadequacy of dollars to do the job concerns itself only with the job as outlined by existing law. It was my opinion two years ago — it is today — that we perform faithfully and well the tasks assigned us presently before we embark on new or expanded ventures.

As you consider legislation please be constantly mindful that to give complete adherence to law as now constituted will require dollars not to be found within present income or to be found in the future from our presently established revenue sources.

Time does not permit a detailed discussion of all instances where dollars are lacking to meet requirements of the statutes yet "the story" of education, institutions and health and welfare describes well the over-all situation.

For a century and a half our schools have served and strengthened our people — our way of life. In the tension and turmoil of the present, we should not overlook the fact that our great hope for the future rests with the children and the schools.

Neglect or failure to provide for them will limit our resources for the crucial struggle ahead and seriously handicap the generation which must assume the heavy tasks of an uncertain tomorrow.

The State, by statute, is committed to definite levels of aid to communities for support of education. Growing enrollments and spiraling costs are increasing these obligations each year.

Through a supplemental appropriation granted at the Special

Session, we paid full subsidies in 1949 but in 1950 we paid an average of less than ninety-six cents on each dollar obligation.

This is not sound practice nor is it a defensible relationship with cities and towns which must balance revenues against expenditures. These municipalities have a right — the law so reads — to anticipate a State payment of 100 cents on the dollar and they arrange their spending on this basis. Our settlement of something less than ninety-six cents forces many a municipal finance plan out of balance.

We should accept a firm program of State aid and fulfill it conscientiously. It should be noted, we now pay at the State level only a little over twenty-two per cent of the costs of public schools against a national average of forty-three per cent.

Let's now discuss institutional needs.

Measured by the average standards of living and by what the average citizen expects of his State institutions, the over-all evaluation of all 13 institutions rates only fair.

The institutional needs can be summed up thusly: Improvements in highly skilled medical personnel; sufficient nurses and attendants adequately trained; improved diets; an active rehabilitation program and a reduction of overcrowding by expansion of facilities.

Each is imperative!

At the Augusta State Hospital, Bangor State Hospital and Pownal State School, the relationship of medical and nursing service to patient population is far below that set by established standards.

At Augusta, for example, on a recent check we had eight doctors for 1689 patients; at Bangor, six doctors for 1107 patients; and at Pownal, three doctors for 1281 patients.

Also, it is obvious that working conditions must be improved for those in the attendant grade because our labor relations at this time are not on a satisfactory basis. This relationship will and does reflect on patient care.

On food in these three institutions, we now spend approximately 40 cents per day per patient. This dietary standard obviously is lower in our mental institutions than our citizens desire to provide. In tubercular institutions, the shortage of highly trained doctors is acute. We are not providing adequate professional services. We also lack sufficient bed capacity.

By statute and over a period of many years, citizens of Maine have insisted the State be responsible for treatment of the mentally ill and those afflicted with pulmonary tuberculosis. The average citizen has no other institution to turn to for the necessary treatment.

We are falling short of this responsibility.

Turning to several categories of our health and welfare programs, we are by-passing the intent of the law.

With present limitations of equipment and staff, it is not possible for the Health and Welfare Department to conduct a proper program of case-finding, nor what is believed to be equally important, to care for families where the breadwinner is under long and costly treatment for tuberculosis.

For our total health service, we are spending only about \$1.00 per capita against a national average of \$1.80.

Under the program of public assistance, which includes old age assistance, aid to dependent children, and aid to the blind, no funds are available for hospital and medical care of recipients.

The fact is, private hospitals are being made to assume an unfair share of our State obligation. We pay these hospitals slightly more than \$4.00 a day for care of the medically indigent. Hospitals are running at a deficit and no longer can afford to accept State cases, excepting emergencies, as the financial return is far below their actual out-of-pocket cost of about \$11.00 per patient day.

When it is pointed up that budgets established by the department for the aged and our children make no provision for the care of the teeth, the eyes or for any bodily condition necessitating medical care or medication, it must immediately be seen that the State can in no wise say it is complying with the statutory requirement which talks of appropriations "compatible with decency and health."

We also are falling down in providing care for children who have been committed to our custody by the courts. We place them in foster homes, but provide insufficient funds to assure adequate care. These are glaring general examples and support a contention that if the intent and letter of the law are to be met, additional appropriations will be required.

Education, health and welfare and institutions have been cited because the substantial portion of monies derived from general taxation, under our present system, is expended in these categories.

It is a historic truth, embarrassing to admit but nonetheless obvious, that down through the years we have failed to provide for these functions to the full extent of the law.

It is high time we do so, or change the law if we are to keep faith with the people.

Is there one among you who would retrench on the small advances we have made in education?

How many, in the face of higher living costs, are in favor of reducing grants to our aged or to the blind?

Do you recommend we cut aid to dependent children?

Do you feel we should do less than we do now in furnishing essential health services to the people of our State?

Is it fair to continue to ask private hospitals to finance the care and treatment of our indigent citizens?

Do you consider it a good investment to continue to have those afflicted with tuberculosis denied sanatoria admission for want of quarters, doctors and nurses?

Are you satisfied that the mentally ill are being sufficiently assisted in their struggle to recover?

Do you recommend an across-the-board retrenchment in the institutional services department?

To be perfectly frank, your Chief Executive does not subscribe to any of these curtailments. Conversely, it is his recommendation that services be strengthened at least to a point where it will not be incumbent on any official of State to subscribe to an oath to administer a law which cannot be met for want of funds.

These, fellow citizens, are your problems—my problems—problems of the people.

They are not new problems. They have been with us for years. Either we have not dared face them or have refused to face them. It is my belief that the time has come for decision. No longer can we afford to dodge them. Corrective steps are imperative.

For this reason the facts—the pertinent facts—as distasteful as they may be, are being placed before you.

In your deliberations, please be mindful that these three departments utilize better than 80 per cent of all general fund income. To effect any economy in our governmental operations that would permit even the semblance of living within present known revenues will mean the elimination of some of the major programs already mentioned.

Let us now discuss additional governmental operations.

#### Highways

The Highway Commission has formulated a definite program for the scrutiny of this Legislature. If adopted, it will enable the State to correct known deficiencies in our major highway system at a date earlier than present financing will permit.

The proposal involves bond financing, the amortization of which can be handled out of current income. Adoption of the program is recommended consistent, however, with the availability of materials, equipment and manpower.

If, in the judgment of this Legislature, the accelerated plan for construction of the highway system is desirable, approval now can be given for floating a bond issue at such time as the national emergency does not preclude usage of the funds.

#### **Unemployment Compensation**

It is suggested that thought be given to a study aimed at determining whether unemployment compensation coverage should be made available to State, county and municipal employes. Workers in related private industry categories are included but currently this same protection is not available to employes in either State, county or municipal government.

#### Military and Civil Defense

Conditions are changing so rapidly with respect to military preparedness and civil defense planning that it is impossible at this point to set forth specific programs covering our needs in these fields.

It is imperative, however, that we remain alert, costly as it may be, to any strengthening required of us in the emergency at hand. From time to time while you are in session, you will be advised of steps necessary to meet policies of the Federal Government.

#### Veterans

Both the American Legion and the Veterans of Foreign Wars at June conventions adopted resolutions advocating the creation of a State Research and Development Fund which would be used to develop further employment opportunities. Present world conditions may preclude immediate steps along this line but the proposal should be given serious study in post-emergency planning.

Our State Division of Veterans Affairs is performing a splendid service to our veterans. It must be adequately financed if all demands placed upon it by existing statutes are to be met.

All our laws granting State benefits to veterans of World War I and World War II should be amended to include veterans of the Korean Campaign.

#### **Governmental Practices**

Efficiency and competency in government is a standard demand of the people and rightly so. The degree of this efficiency and competency, however, is in direct ratio to the State's salary scale when measured with going rates in private industry with which we compete for our personnel. For this reason, it is urged that the report and recommendations of the Public Administration Service be given your earnest study and consideration, as well as any overtures which may be made by employes themselves to cover the increased cost of living.

Your administration has eliminated considerable duplication of effort in governmental operations and, as a result of continuing studies, greater progress can be anticipated.

The advent of a new office building would greatly enhance the

opportunity to effectuate greater efficiency and permit possible consolidation of some services, all resulting in greater economy of operation.

It is recommended that favorable action attend a measure authorizing the use of funds for the microfilming of certain State records and the destruction of the originals.

Such action would be in the interest of economy. We have at present the equivalent of 5,000 four-drawer files that can be reduced 99% by this process. The storage space that would be saved is greatly needed.

#### Pollution

The law governing pollution in our lakes, streams and rivers needs strengthening. There will be offered at this session revisions to meet the situation. Favorable consideration is suggested, for our needs are great in this problem.

#### Education

The broad aspects of education already have drawn my comment, yet additional phases warrant mention.

The University of Maine, our only land grant college, is being inadequately financed under present conditions. A detailed discussion of this oversight will be contained in the budget message. Let me indicate, however, that we are extremely fortunate in having capable, hard-working public servants heading the institution and serving as trustees.

The State Board of Education, created by the 94th Legislature, has done remarkable work. Members are thorough and competent and deserve our everlasting appreciation.

Two years ago it was recommended that formulas for subsidy distributions should be simplified to eliminate the mass of complicated computations now required. A detailed study has been made and the State Board of Education will place before you definite recommendations for a simple, equitable and flexible plan of State assistance for educational costs.

A proposal of "equal pay for equal work" for male and female teachers should be approved.

#### Labor and Industry

We are headed into a period of manpower shortages. Every lost hour of production will be a tragic loss to the country in the critical days ahead. It is essential, therefore, to maintain our industrial safety activity at consistently high level to minimize lost time because of accidents.

We should scrutinize our industrial safety laws to determine if need exists to broaden them. If manpower shortage is evident, thought should be given to relaxation during the emergency of our age and hour limitations as presently established.

Our record of labor-management relations is one of the best in the nation and deserves high praise. This spirit of cooperation is one of the greatest assets we possess.

The State Board of Arbitration and Conciliation has performed its work admirably for which it has been commended publicly.

Study should be given to the need of a State mediation service.

#### Social Security and Welfare

Amendment of the Federal Social Security law to provide assistance to the physically disabled presents this Legislature with decision whether to take advantage of the government's liberalization of welfare coverage.

Today, cities, towns and the State are paying the bills and are classifying the recipient as a pauper. By joining with the Federal government, which will share in the expense, we merely take them out of the pauper status and place them in a more humane category.

It seems that we can do no less for these unfortunates.

Adoption of the program would not require at the outset a heavy expenditure as most of those who would qualify now are being supported, in part, through State or local funds.

#### Institutions

It is recommended that full consideration be given to a measure that Maine join with New Hampshire and Vermont in establishment of a so-called Tri-State Compact for the care of defective delinquents.

They present a challenging problem, but there are insufficient numbers of them in each state to warrant separate institutions. It is my belief that it would be a sound approach for the three States to jointly finance one institution to handle persons in the defective delinquent range, including, as it does, sex perverts and those requiring specialized care and treatment.

#### Highway Safety

None among us can be proud of the annual loss of life and damage to property on our highways.

The division of traffic and safety, Maine State Police, is doing admirable work but its effectiveness is reduced by lack of finances. It is urged that consideration be given to the allocation of additional highway funds to expand highway safety work.

There will be presented a so-called Uniform Code Bill. The measure pertains to motor vehicles and has merit.

It also is desirable that the present law be amended to preclude the use of any open commercial vehicle for school bus or public conveyance purposes.

The school bus law needs revision. It establishes worth-while standards but provides no penalty for those who fail to comply.

#### Water Power

In any consideration of amendment to the so-called Fernald Law to permit the export of surplus hydro-electric power, we must be certain that the needs and rights of our State and its people are fully protected at all times.

There will be presented at this session a measure calling for continuance of the Passamaquoddy Authority. It is recommended the bill be approved. Any other action will mean the end of the Authority, a step neither feasible nor warranted.

#### Development

In many respects, we have yet to scratch the surface on possibilities of developing this State, industrially or recreationally; but we are on the move.

Within recent days there came to my desk a report showing a substantial increase in the last two years in new industries already

established or in the process of formation. They have or will provide employment for additional thousands of our people.

Not only does the advent of new industry reflect itself in pay rolls, which bring prosperity, but the Board of Equalization notes that property valuation in Maine increased more than \$56,000,000 in the two-year period.

The Development Credit Corporation, a product of the 94th Legislature, has incited local communities to rely more and more on their personal initiative to gain new industries. Results already have been obtained.

Recreationally, we have taken forward steps but still have much to do. We must not relax a single effort in research, marketing, development and conservation of our products of the sea, agriculture and forestry. These are essential to our future and play a very important part in present emergency planning.

Development of State parks is of paramount importance. The financial report of Sebago State Park, where we expended money for development, is indicative of the fact that State parks can be selfsustaining.

Is it not feasible to develop, at the earliest possible moment, other State Parks and place them on a self-sustaining basis?

Reid Park at Georgetown, Fort Knox at Prospect, and Camden Hills lend themselves admirably to this possibility.

Neither should we be blind to the possibilities afforded at Baxter State Park. A small expenditure for development there brought nearly double any previous attendance last summer.

Of necessity, the rapidity with which we approach park development depends on the national emergency.

#### Finances

A thorough examination of our financial picture is a proper subject for discussion in the forthcoming budget message.

It is sufficient to note here, however, the fact that general fund income is not keeping pace with outgo. It is basic, therefore, to realize that you, as legislators, will have to arrive at one of three decisions with respect to a fiscal policy: 1. resort to deficit financing, which I oppose; 2. provide additional revenue; 3. curb expenditures in sums sufficient to balance the budget.

#### Reports

The report of the Tax Revision Committee deserves your earnest consideration. It represents the endeavors of a group of men and women, who served voluntarily. This Committee has made a great contribution in its effort to solve our financial problems. High praise goes to the members and to their capable chairman, Dr. Charles F. Phillips, President of Bates College.

Likewise, the report of the Liquor Research Commission reflects the great study given to the problem of the alcoholic. Again, we have the excellent work of another voluntary group which has made constructive approach to a menacing, challenging subject.

#### Conclusion

As you prepare for deliberations, a word of caution is offered.

It is not my recommendation that this Legislature, at the outset, consider new activities, regardless of their merit. Rather, it is incumbent upon you to make certain that activities already spelled out by law are fulfilled in a manner to reflect credit upon the State. Only in this way do we keep faith with the people.

In suggesting that new revenue is imperative, unless we are willing to retrench from present standards, please accept my conviction that we cannot remain stagnant. We must be a progressive government.

The State of Maine by not adhering fully to existing laws is not providing the full service package it sets forth to its people. Continuation of this practice is not tolerable.

Acting under provisions of the Statutes, a budget message soon will be presented to you and through you to the people of Maine. It will blueprint clearly and factually my recommended solution.

Trade

Governor of Maine