

Inaugural address  
of

William H. Wills

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**Inaugural Message**

*Members of the General Assembly:*

My message to you today, and through you to the people of Vermont, serves a dual purpose: it contains a report of my stewardship during the past two years, and an outline for the future containing suggestions for your consideration.

Our meeting here today is historic. This general assembly which has convened is one of the few "war legislatures" in the history of our State. We meet with our Country at war and with the world aflame. But of even greater significance is the very fact of our meeting in this democratic way so that the voice of the people may be heard, through their elected representatives, telling how they wish to be governed.

Two years ago I addressed a General Assembly during times of peace for our Country. We met in the hope that war would not involve us; we met with the fear that it would. All doubt however was removed from our minds thirteen months ago at the time of the treacherous attack by the Japanese. A call to arms was sounded to us all. Since that time every effort has been towards the achievement of ultimate victory.

It now becomes the duty of you as the legislators for the people of the State of Vermont to provide the machinery necessary for the readjustment that we must make, whereby the functions of our State government can be geared to the new demands set upon it, both on the fighting and the home fronts. It will become my duty to see that the laws you enact are faithfully executed.

The fundamental principle of promoting the common good should be the foundation upon which the relation between us in the executive department and you in the law making branch of government is based.

This is the testing time for representative government. To succeed, we must have faith in one another, we must respect each other's view, and, finally, be guided by our common interests in a common cause. The worth of a State is the worth of the individuals comprising it.

So, lest our own rights be lost, we must have a determination renewed and strengthened to govern ourselves so well that we shall never be ruled by a tyrant or a despot.

We are engaged in total war against our enemies. Total war means that states as well as individuals must temporarily relinquish to the Federal government rights to which they have been accustomed, and to which under our republican system of government, they are the rightful possessors.

These relinquishments are and must be temporary. With victory, they must be returned unimpaired to the individuals and to the states.

In the final analysis, it is for the conservation of these very things which constitute our free society that we fight today. That for which we fight must not be destroyed in the struggle for its preservation.

Many of you, I know, are here attending this session at considerable personal sacrifice. You are needed at home. You are needed in your business and on your farms. One of the most critical shortages existing in our Country today is that of man power. I believe I reflect the temper of the people when I tell you that, in view of these considerations, they expect that this General Assembly will devote its entire time to essential matters and will leave those of lesser importance until such time as we are not engaged in a war for our very existence.

In line with the foregoing and to help expedite the work of the session, I shall lay before you the tenth biennial budget together with my budget message early next week.

I turn, now, to those elements of your State government primarily concerned with the war and our defense.

**Vermont Council of Safety**

Long before December 7, 1941, the day that Japan attacked our country, Vermont had set up a civilian defense organization which was functioning and in readiness to take over all the State's civilian protection activities.

Due to this foresighted policy no time was lost on that score.

Since then every branch of civilian defense which the federal, military and civilian authorities have devised for the protection of the civilian population has been perfected and put into operation by your State government through the Vermont Council of Safety.

Tribute is due to all those who have participated in this program. I want you to know, and I want the people of Vermont to know, that in my humble opinion no group of men and women, all over the State, has ever endeavored to serve the State with greater interest, efficiency, self-sacrifice, and fidelity, than the workers under the Vermont Council of Safety.

It has been and is a most difficult task of organization and education. Without fanfare and without waste of public funds, there has been put into execution a program which, I believe, can be compared with any in operation in our sister states and the one in Vermont will not be found wanting.

To those who say or to those who think that the Civilian Defense activities are "much ado about nothing" I say, nothing could more delight the enemy we fight than such an attitude. Our work is not done. It is the measured opinion of military analysts that as the situation becomes acute for the Axis powers the danger of air attack on the continental United States increases rather than decreases. The reasons for such an air attacks are numerous, but the most important one right now seems to be that it would mean everything for morale building purposes for the German people in their time of need. The unexpected is the realm in which the enemy operates. Let us be ever vigilant.

### **State Guard**

As you all know, the last session of the legislature authorized me to organize and maintain such military forces as I might deem necessary to defend the State during the absence of the National Guard which had been inducted into the Federal service.

The sum of \$35,000 was appropriated to purchase uniforms and equipment for the military organization to be formed. The first regiment of the State, the Vermont State Guard, consisting of 12 companies, was completely organized on May 28, 1941. Clothing, uniforms and equipment were purchased by the State. A quantity of arms was furnished by the Federal Government

Since the organization of the first regiment, 18 additional companies, originally organized as Home Defense and Reserve Companies, have been brought into the Vermont State Guard proper, making 30 companies in all. By virtue of an allocation of funds the Emergency Board, these 18 companies were clothed in cotton uniforms and were otherwise equipped by the State, and they are now in the process of being provided with proper winter clothing by the Federal Government.

On December 10, 1941, certain units of the State Guard were called out for duty at the demand of the Commanding General of the First Service Command in Boston. Guards performed their duties for a period of 10 days and one company remained on duty for a month. During the period of active duty there were no serious accidents nor cases of illness.

The total strength of the State Guard is now 113 officers and 1,409 enlisted men. Here, again, can be found men giving freely of their time for the common good. The members of the State Guard are giving up anywhere from 1 to 3 nights a week for training. Most of the officers and many of the non-commissioned officers have given up a week of their vacation period to attend the Tactical School of the First Service Command in Massachusetts, where they received proper and modern training in present day methods of defense.

I wish to commend the officers and men of the State Guard for the efficient manner in which they have performed their duties, for the high spirit they have shown in training, and for their readiness to meet emergencies as they have arisen.

Vermonters may well be proud of their State Guard, and the communities in which these companies are located should give them all encouragement and aid possible.

### **Emergency Powers**

War conditions and problems of state in war time have caused intricate questions of state and federal cooperation to arise. It is fortunate that in most if not all instances we of Vermont have been able to comply with these requests when made although many times it has been almost impossible to do so. Vermont is one of the few states which have not had either a special or regular session of the legislature since the declaration of war. Consequently there have not been granted to its governor emergency powers to carry out these activities.

Were it not for the spirit of voluntary cooperation which has constantly grown in the cities and towns of Vermont as each day brought us greater realization of our danger, and brought continually increasing emergency requests for cooperative action on the part of the State and departments, it would have been necessary to call for many special sessions to ask for specific legislative authority to cope with these problems as they have arisen. Even so, there have been instances where we have been unable fully and completely to meet the requests made of us.

It now appears that as the war continues and as extraordinary demands are made upon the State for affirmative action in fields involving the common defense, compliance with the demands within the framework of our statutes will be totally inadequate since existing law could prevent and forbid such requested action.

I recommend that this legislature clothe the chief executive, therefore, with emergency powers; such powers, incidentally, as have been conferred upon the chief executives of many of our sister states and which have permitted them immediately to meet extraordinary situations as they have arisen.

A bill has been prepared, of which copies have been, sent you, to accomplish this end Vermont both in relation to the governor's authority and that of the Council of Safety. In suggesting its enactment I realize fully that only the bitter fact of war could justify any governor in asking for such authority. I promise you that I shall administer it with the degree of conservatism commensurate with the great trust which the power imposes, and to relinquish such emergency powers the moment victory is achieved.

You will note that the bill makes no provision for an appropriation, Application would made to the Emergency Board, your agency, should occasion arise requiring finds with which meet an existing situation, Thus the legislative body's "power of the purse" is in no wise infringed.

### **Highways**

Our highway program and aid to the towns for highway work in Vermont is financed almost entirely by use of funds made available from license and registration fees and the revenue derived from the State gasoline tax.

In December, 1941, it became apparent to me that there probably would be a reduction in these revenues on account of the changes brought about by the war effort, which would result in a deficit in the highway funds at the end of the fiscal year ending June 30, 1943, if all the appropriations for highways were expended. Therefore, I asked the State Highway Board in December, 1941, not to let any more construction contracts on its highway program. That request was complied with.

In April of 1942 it appeared quite certain that highway revenues would be further reduced, and on the 13th of that month I addressed a communication to all highway officials and other interested parties, through the public press, concerning the effect of various war demands upon the Vermont highway program. I asked the towns voluntarily to withhold applications for highway funds until after July first, at which time more reliable information was expected to be available.

I asked the Motor Vehicle Department to prepare and submit to me as soon as possible after July first a statement of estimated revenues of the fiscal year ending June 30, 1943. I also asked the Highway Department for a statement showing expenditures to cover commitments and appropriations to be made out of highway funds for that year.

A careful study was made by the Motor Vehicle Department in an endeavor to arrive at a reasonable estimate of funds which would be collected by that Department and which would be available for highway purposes. Their study indicated an estimated revenue of some \$3,000,000 for the fiscal year ending June 30, 1943, as compared with \$5,568,229 which was the sum realized for the fiscal year ending June 30, 1942. These estimates clearly indicated that if no action were taken we would end the year with a deficit of around two million dollars.

Believing that all highways should be maintained, if possible, through this emergency as they are essential to the war effort and our civilian economy, I asked the Highway Board to obtain a revised estimate of revenue for the fiscal year ending June 30 1943. Their estimate showed that the expected revenue together with the \$600,000 unexpended funds — due to the suspension of the State Highway construction program — would provide sufficient funds to carry on the essential highway maintenance, provided all construction work by the State and towns were discontinued.

Not wishing to have to bring to you at this time a statement showing an anticipated deficit of nearly two million dollars in highway finances in this fiscal year, and believing that it was possible for the State to proceed with a reduced program on a pay-as-you-go basis, I placed this information before the Board of Allotment. With this information this Board (authorized by Section 3 of the Acts of 1939) allocated funds for maintenance from appropriations made by the 1941 Legislature in the sum of \$2,245,000 covering maintenance as follows:

State Aid Bridges .....	\$ 50,000.00
Forest and Park Roads .....	5,000.00
Maintenance of State Aid Roads.....	450,000.00
Maintenance of State Roads and Bridges (plus assessments from towns under section 4702 P. L. as amended) .....	1,100,000.00
Supervision, Engineering and Office Expenses.....	140,000.00
Town Highways .....	500,000.00

This total allocation is approximately \$2,000,000 less than appropriations.

On July 15<sup>th</sup> I addressed a letter to all town selectmen, municipal officials and members of the 1941 Legislature and asked for their cooperation in a reduced highway program. The response to this communication was most gratifying, the sentiment being that the State should not go into debt in order to carry on highway construction on the state system or in the towns. The State Highway Department has cooperated by making all possible savings, and the number of employees has been reduced by 97 persons.

I recommend that the Appropriation Act for the fiscal year ending June 30, 1943, be amended by this Legislature in accordance with the amounts allotted by the Board of Allotment so that there will be no deficit in the Highway fund June 30, 1943.

The details of the highway program including estimated revenue and suggested appropriations for 1944 and 1945 will come to you in the budget and explanations in the budget message.

### **University of Vermont and State Agricultural College**

At the last regular Legislative Session an act was passed directing me to make a complete investigation of the affairs of the University of Vermont and State Agricultural College and to report to the next session. This investigation was carried on with all possible expedition. My investigation was completed and on June 9th, 1941, the reports of the experts were released to the Press for the information of the people generally. Thereupon I appointed a Public Advisory Committee which proceeded to consider the University situation and make plans for its financial rehabilitation. In accordance with the recommendations of this Committee, I called a Special Legislative Session and in September, 1941 presented to it the plan recommended by that Committee. The plan finally adopted in the Special Session, No. 3 of the Acts of that Session, provided for financial assistance to the University \$520,000. Of this amount, \$260,000 was appropriated for immediate payment and an additional \$260,000 was conditionally appropriated for payment after July 1, 1942, to match gifts to be made in an equal amount by alumni and friends of the University. The entire appropriation of the State was further conditioned upon an agreement by the University to use none of the money so appropriated except for payment

of operating expenses above operating income and \$68,880 required under the Legislative Act of the Special Session to be used for the payment of interest, annuity payments on contracts outstanding September 16, 1941, and pro rata payment of principal of notes outstanding September 16, 1941, or renewals of such notes.

The initial payment under this legislation, \$260,000, was made to the University on September 22, 1941. The alumni and friends of the University, as evidenced by certification delivered to the State Auditor and which, he assures me, has his approval, have contributed an amount in excess of \$260,000 to June 30, 1942. This contribution was made in form to satisfy the State Auditor for all the requirements and conditions of the legislative appropriations as it concerns the second \$260,000.

Since the Special Session and under the present management, the operating budget of the University and State Agricultural College in the current year has been reduced between \$100,000 and \$125,000 below the general budget of 1940-41. It now appears that the University will have an excess of income from all sources over expenses of approximately \$100,000 at the end of the year June 30, 1943. Thus only \$160,000 of the current appropriation of \$260,000 voted at the Special Session will be used and \$100,000 will be saved for use by the University in the coming biennium.

The present favorable situation has resulted in part from the following important factors:

1. The reductions in staff made possible by enlistment, Selective Service and employment in war industry.
2. The consolidation of administrative positions.
3. A better than expected retention of students.
4. Income for services to units in connection with the war effort.
5. No unusual cause for repairs.
6. Rigid control of all expenditures.

For the coming biennium, it is expected that the discrepancy between income and expenses will be \$150,000 each year as follows:

1. College of Agriculture .....	approx.	\$10,500	loss per pupil.....	\$160.00
2. College of Arts and Education.....	approx.	59.500	loss per pupil.....	77.00
3. College of Engineering .....	approx.	7,500	loss per pupil.....	53.00
4. College of Medicine .....	approx.	72.500	loss per pupil.....	133.00
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		\$150,000		

Therefore, it is expected that the University of Vermont and State Agricultural College will request an appropriation of \$50,000 for 1944 (which, in addition to the \$100,000 referred to above, will make available for that fiscal year a total of \$150,000) and an appropriation of \$150,000 for 1945 or \$200,000 for this biennium and I recommend the appropriation of this amount to be expended subject to the conditions set forth in section 3 of No. 3 of the acts, Special Session of 1941, approved September 16, 1941.

This, of course, is in addition to the regular appropriations, which have been made for many years, for special services. These latter appropriations are provided for in the regular budget.

Details of the operation of the institution for the current year will be furnished you, together with the auditor's report as required by law.

As regards the organization, Dr. John S. Millis has filled the office of President since his election in November 1, 1941. He took the helm at a most critical period and at a time when grave doubts existed as to whether or not the alumni had the ability or even the courage and faith to rally to the assistance of the University with financial support sufficient to make operative the plan of rehabilitation. All those who have followed closely the affairs of the University appreciate that he is rebuilding the institution on firmer, more enduring and also more efficient lines.

The progress made in rehabilitating this age old institution for youth is the direct result of the untiring efforts of the President, the Trustees, the Administrative and teaching staff and of the loyal support of the alumni body and the people of the state through their legislative representatives.

### **Agriculture**

In normal times agriculture is the foundation of the State's economic welfare. Under present wartime emergency conditions, when production of food must be maintained at all hazards, its importance in the general war effort cannot be over estimated. Our armed forces, our industrial workers, our military allies overseas, and the civilian population at home all must be provided with a generous supply of nourishing food. Ultimate victory depends just as much upon this factor as upon the production of armament. To this end every encouragement should be given, and every possible effort should be made to facilitate, food production and to remove the handicaps which have hampered our farmers during the past year.

Vermont agriculture must maintain and if possible increase its production of fluid milk and other dairy products. Owing to increased cost of operation brought on by the acute shortage and high prices of farm labor too many farmers have already been forced out of business; too many dairy animals have already been sold for slaughter. Farmers have found it impossible to produce milk under wartime conditions and sell it at peacetime prices. Agriculture cannot be expected to carry on in this inequitable manner. It is my intent to continue those efforts designed to arrest the decrease in milk production now taking place, and properly to compensate Vermont dairymen for their long hours of arduous labor.

The threatened acute shortage of meat, moreover, adds a new incentive for encouragement of the poultry and egg producing industry. It is obvious, too, that the production of such food crops as potatoes and apples takes on enhanced importance under present conditions. Measures to protect and improve such crops and toward better grading and handling in the process of marketing them thus becomes increasingly important.

### **Bang's Disease**

The present law relative to Bang's disease appears to be functioning satisfactorily. It is based on control of this disease by test and calf vaccination and there is now little doubt that this method provides the most efficient means of control known to veterinary science. Reacting cattle may be retained upon the farm and are gradually replaced by young cattle rendered immune to infection. The program is practicable because production of milk and breeding programs are not interrupted; it is economical because only nominal sums are required for indemnities. The ultimate expense to be borne by the State will be relatively insignificant compared with the huge appropriations expended for indemnities in the program for the eradication of bovine tuberculosis. Dairy being Vermont's leading agricultural pursuit, it seems logical that this program is deserving of appropriations sufficient to supply the demand from cattle owners and at the same time to prosecute the work to successful completion.

Budget figures will show a recommended increase under this heading.

### **Farm Labor**

As farmers enter a new year they are being asked by their Federal Government to produce probably about two percent more milk, and fifteen to twenty percent more poultry products than a year ago. To do this job and do it well, Vermont farmers must have the necessary labor that is needed for such a job.

They need two kinds of labor. First, regular year-round labor, and secondly, seasonal labor. Recent action by the War Manpower Commission and the Selective Service System, whereby essential workers will be kept on farms and in some cases new year-round workers will be made available for farmers, will be of great help meeting the regular farm worker's problem. However, we should always be on the alert for new sources of such help.

As to seasonal farm workers, methods must be devised whereby we can assure Vermont farmers of a supply of such help to assist them in sugaring, spring's work, haying, silo filling, apple picking and other seasonal jobs, or production will be pretty apt to fall below the demands that are being placed on Vermont farmers.

It seems to me that farmers of Vermont are now being asked to do more with less. They are being asked to produce the most products they have ever produced, with probably the smallest force of farm workers, the smallest amount of materials, and the smallest amount of services they have ever had.

I have felt and now feel that the State of Vermont should take an active part in helping farmers in this endeavor, especially in helping them to secure as much labor as possible.

You are undoubtedly familiar with the work of the special Farm Labor Committee named by me during the summer just past. This committee was created to study and to point the way whereby necessary farm help could be secured for Vermont farmers, and to coordinate the many diverse attempts being made to meet this problem.

The Committee, after thorough study, has recently proposed a plan for getting such seasonal workers onto farms. This plan calls for the use of Vermont high school students and Volunteer Land Corps boys and girls. This type of help will not be as good as the workers that have been available for such work in the past. However, these workers are now employed in full-time jobs in war industries or they are in the armed forces. Some substitute will have to be used for them and Vermont and Eastern city youth seemed like the best to the committee.

This Governor's Farm Labor Committee stated in their report, a copy of which will be placed on your desks, that \$25,000 would be needed yearly in 1943 and 1944 to carry out such a program. I recommend that this amount be made available for this purpose.

### **Industry**

Vermont industry has been called upon and has responded by playing a vital part in our Country's war effort. The industrial production volume for 1942 alone is estimated substantially to exceed Two Hundred Million dollars.

It was to increase Vermont's potential industrial capacity that I recommended that the last Legislature establish the office of Industrial Agent. Such an office was set up by them and the agent's report to the General Assembly outlines the effective work which has been accomplished as a result. You will note that during the ten months of actual operation eighteen new industries were established in the state. These, on November first, employed 1,311 persons with an estimated annual payroll of \$1,503,093.

While it is difficult to figure the dollar volume of war and civilian business procured for Vermont through work started by the Industrial Agent or through contacts and help that office furnished, we know it will amount to several millions of dollars.

It was only after long consideration that I took the step of suspending active operation of the Industrial Agent's office and released the Agent to War Production Board to head its Vermont office. However, it was so important that all industrial efforts be consolidated during the war crisis that I decided last January it was the best thing to do. Through cooperative action by the WPB and the executive office, the State's industrial interests have been well taken care of in the past year.

It appears inevitable that the era after the war will bring even greater industrial problems than now exist. We must be prepared to meet these problems. One way to do this is to appropriate necessary funds so that the active work of the Industrial Agent's office may be resumed whenever it is determined necessary. This I recommend that you do. The budget has been so arranged.

### **Labor and Unemployment Compensation**

The most fortunate community is to be found where management and labor are not only enlightened but appreciative of the other's position and problems. Experience in Vermont would indicate that here we have such a community.

I can report to you that both have been particularly cooperative when I have had occasion to intervene in the few differences of opinion that have existed. Again I say, we are, indeed, fortunate.

Today in Vermont both labor and management are striving toward one common objective— winning the war. This is as it should be.



The Department of Industrial Relations and the Unemployment Compensation Commission are state departments having much to do with the problems of the laboring man in Vermont. They have maintained friendly relationships with both employers and workers and have received fine cooperation from both groups.

The unemployment trust fund, a reserve made from prescribed payments by the employers, presently is in excess of \$6,000,000; it will undoubtedly exceed \$7,000,000 before the end of 1943. As you are aware, this fund is in the nature of "wage insurance." It is inevitable that the post war period will see an upheaval in employment, and this will mean a tremendous withdrawal from the fund; it is conceivable that even, the relatively large amount now on hand could be halved in one year of severe business depression.

These are not ordinary times, I repeat, and we must proceed with deliberation. However, I believe that some liberalization of benefit payments is advisable.

The Compensation commission informs me that providing the present level of benefits is maintained it would be feasible to lengthen the duration of payments without impairing the solvency of the fund. I recommend that this be done.

### **State Aid for Education**

The State Board of Education deserves the appreciation of the people of the State of Vermont for the wartime adjustments in education being carried out by the Department of Education and the local schools. Vermont has been among those states which immediately put into operation an aggressive; farsighted wartime program in education without sacrificing the generally accepted practices in this.

Our schools have performed an impressive variety of wartime services, which include adoption of an accelerated normal school program, administration of adjustments to provide the best teachers available, cooperation with war agencies in civilian defense activities, rationing, transportation, evacuation, sale of war bonds and stamps, the "School at War" program, salvage, the Liberty Ship Naming Contest, civilian cooperation, consumer education, rehabilitation, training of war production workers, the High School Victory Corps, the youth-farm labor program, the model aircraft project, aeronautics, radio, Victory Gardens, nutrition, school lunches, "Share-the-Meat" program, and child care.

Education in Vermont is on the offensive. While our schools are engaged in an all-out program for victory, I know that our educational leaders are looking into the future. They hope to so prepare our present generation of pupils that the latter can carry the complex burdens of a post-war world in such a way that the principles upon which our firm of government and way of life are founded will be preserved and perpetuated.

### **State Aid for Education**

Rural boys and girls of Vermont are entitled to school opportunities equal to those furnished the children of larger communities. To provide for the future welfare of the State, more of these opportunities should be extended to them.

If rural communities are to retain their teachers, and it an adequate number of desirable young men and women are to continue to be encouraged to prepare for rural school teaching, rural salaries must be raised. Yet, many towns are unable to do without additional State aid.

The equated pupil State aid allowance under No. 92 of the Acts of 1935 of \$15.00 can and should be increased to \$16.50.

This can be accomplished with no increase in the budgetary total over the budget total figures of 1941. This plan will come to you in the budget message. .

The total amount of appropriations recommended for the Department of Education for this biennium has not been increased over the present biennium.

I further recommend that Section 4338 of the Public Laws be so amended that, there may be counted toward the aid to the rural school district the average daily attendance of those whose excuse is approved by the State Board of Education so that school boys and girls during the emergency may be allowed to assist in the victory farm labor program and that neither the school nor the child be penalized.

## **Public Welfare and Institutions**

One of the outstanding pieces of legislation passed by your predecessors of the 1941 Legislature was the joint resolution creating the Commission to study existing laws of Vermont relating to children and child welfare services, the family and the home, and to report to this session of the Legislature with recommendations as to suggested revisions and additional legislation they believe is needed.

This commission was appointed promptly, has made a thorough study of the social laws, and has made an exhaustive report which will be in your hands shortly.

It will be a grave mistake if the members of this body fail to use this report as their guide for a long-term program in this legislative field

The Board for Control of Mental Defectives, established last session, represents another progressive step by virtue of the fact it has brought into a working relationship three State department leads vitally concerned with this highly important field of work — the Department of Public Welfare, the State Department of Education, and the State Board of Health. The results already accomplished demonstrates the worth of this action.

I expect that proposed legislation will be presented to you for your consideration dealing with a placement system in homes under proper supervision from the Brandon State School. Because of the crowded condition at this institution, many of those who should have custodial care are currently denied its benefits.

Enlargement of quarters at this institution is out of the question for the duration of the War, at least, and some such care of our mental defectives must be worked out. I can assure you this subject of our mental defectives must be met not only from an humanitarian standpoint but from a plain sense of duty on the part of the State looking to the future of Vermont. These unfortunate children are not only a social problem but an economic problem as well, and it is vital that we face this fact now.

The care of our unfortunates through the Welfare Department and our institutions should be of primary concern to us all and must have our support.

I have recommended increased appropriations in the biennial budget for the work of this department and I trust they will have your support.

## **Old Age Assistance**

The increased cost of fuel, food, rents and services has presented a serious problem for those on small fixed incomes and allowance. It has been particularly hard on our elderly people dependent in whole or in part on Old Age Assistance. The fact that the Old Age Assistance Department now pays a relatively small monthly grant presents special problems at this time.

It seems socially unjust to deprive an applicant on the waiting list of assistance to which he is entitled and for which he is as eligible as those now receiving assistance. Moreover, it is not a good financial policy to require a town or city to assume the support of an aged individual, who is both eligible for and entitled to old age assistance from the State and Federal Government. With this and the increased cost of living in mind, I have recommended an increased appropriation for Old Age Assistance.

## **Works Projects Administration**

As you are aware, the Work Projects Administration will discontinue assistance to other Federal agencies and to state and local governments in Vermont on February 1st, 1943. Just before I left my office, I received a communication from Harry W. Watling, State Supervisor of the Surplus Marketing Administration to the effect that Community School Lunch and Child Day Care Center Programs will be continued, as far as materials are concerned.

I mention this since many of the projects such as School Lunches, Commodity Distribution, Citizenship Education classes, Sewing Projects, Homemaking Projects, Free Library, and others, have received State financial assistance through the appropriation for work relief.

Some of these projects may be deemed so essential that the State should assume full responsibility for their continuance. I suggest that this matter be referred to a committee of this General Assembly for thorough study and recommendation to this Session of the Legislature before February 1 so that appropriate action can be taken on any of them which are deemed essential to the welfare of the State.

Anticipating my recommendation in this connection, I have had a preliminary survey made and the data compiled is available for your use.

### **State Employees**

Here your State government has been confronted with a most difficult problem, in view of the disproportionately higher salaries offered by the Federal Government, by private industry, and with 119 of our employees leaving our ranks for war service up to this time. In one institution alone there has been an 80 percent employee turnover this last year.

The last legislative session directed the Governor to establish a plan of classification and compensation for each position and type of employment within the State government with certain exceptions, and to prescribe rules and regulations relating to their employment.

An office of personnel administration was set up within the Executive Department and the foregoing has been accomplished.

In addition to this, legislative direction has been followed by the Emergency Board respecting a retirement system. This matter has been and is being further explored so that within this biennium, it is my hope, a retirement system will be in operation throughout the State government. Thus, the loyal service that has been and is being daily rendered by Vermont's State employees will be recognized and a sense of security, otherwise lacking, will be given them.

### **Aviation**

During the present biennium, through the operation of the Aeronautics Board in allocating State funds for assistance to cities and towns in the purchase, of land for airport purposes, two new airports have been established and four of the old ports and fields have been increased in size.

This is encouraging progress, and yet most of the expenditure has gone towards the establishment of large airports. Too little progress has been made in the establishment of the smaller fields, which surely will be needed after the war is finished. It is my hope that communities in this state will take advantage of State assistance that is now available for purchase of land suitable for airports, even if they do not have means at hand to develop these fields at the present time.

The last Legislature appropriated \$65,000 to assist in developing aviation in the State, of which there remains approximately \$37,000. I recommend that this unexpended balance be reappropriated for the biennium.

The development of aviation within the State will become increasingly important as time passes due to the tremendous advances being made in this field under the stress of war.

### **Soldiers' Voting Laws**

Our primary and election laws in force and effect at the present time do not afford an opportunity for all of our voters in the armed forces to vote by absent voter ballots, particularly those stationed at places outside of Continental United States, and those within the limits of Continental United States who may be participating in military exercises or maneuvers or who are subject to military orders which might prevent them receiving their ballots in time to be returned to their local polling places. All of these voters should have an opportunity to vote, and I strongly recommend that the committees on suffrage and elections make a careful study of these laws for the purpose of recommending the enactment of necessary amendments to our primary and election laws to provide an opportunity for all of our legal voters in the armed forces to vote.

### **Conservation and Development**

*Publicity*

In normal times Vermont has made a place for itself in the list of states for recreation. This last year, of course, that business has fallen off due to travel restrictions and conditions caused by the war. However, we should not let the name Vermont be lost sight of as a recreational center by stopping our publicity entirely.

We should put out publicity on a war basis. We must keep Vermont in the minds of the people, looking forward to a time when any records we have made in the past will be far excelled. A plan of modified publicity now is necessary for after-the-war benefits.

### *Fish and Game*

The Fish and Game Service is taking advantage of war conditions by conducting a farsighted program of educating the youth of the State in sound conservation practices. This program is bound to pay excellent dividends in the years to come.

Vermont recreational business is one that will revive after the end of the war and our fish and game are vital in this connection. It, therefore, appears to be prudent to continue the propagation program now being followed. Despite serious handicaps of personnel and fish food the program is as comprehensive as possible consistent with conditions.

### *Forestry*

The timber resources of our nation are being drawn on at a higher rate than ever before in our history. Immense quantities of timber are needed both in the supply lines, and for the use of our armed force, and those of our allies. On the civilian front also, consumption of timber, in the form of wood and wood products increases, despite the fact that construction for civilian use has been drastically curtailed.

More and more, wood is being substituted in civilian and military goods for the metals that have been allocated to war production. Scarcity of oil has increased the demand for wood fuel, and we may expect an even greater demand next year. More of our forests must be cut and made into pulp to replace Scandinavian or other European pulp we cannot now obtain. The impact of this increased demand for wood and timber is being felt as solidly in Vermont as in any other timber growing state.

Due to our efficient organization for detecting and fighting forest fires, all fires in recent years have been held to relatively small areas and to slight damage. But, with the increased cutting in our woods and forests with the mountain piles of slash and their wide distribution our forest fire hazard is on the increase.

The great value of our timber crop has been alluded to, but our forests and wood lots furnish us with other values, which, if they were measurable in dollars, might easily exceed, year by year, the dollars received for the trees. With this in mind, I recommend to this Legislature that its appropriate committee give careful study to all forestry problems including taxation, and propose such changes or additions to our laws as in their opinion are needed to provide prudent management, and wise use of our timber resources, and to assure that the benefits accruing from the existence of forests will not be denied future generations of Vermonters.

### **State Office Building**

The last General Assembly, realizing the urgent need for additional facilities for the efficient transaction of the State's business, and subscribing to the reasons outlined to them in my last message, made provisions for a new State Office Building. Pursuant to this action, a commission was established, an architect retained, plans drawn and land acquired only to have the war intervene so that this project could not be completed under conditions which have existed.

Of the \$600,000 set aside for a State Office Building, approximately \$47,000 has been spent for the acquisition of the Howland and Smilie properties and the reimbursement of the architect for his fees. The Howland House, incidentally, is occupied by several State agencies so that full advantage is being taken of the space it affords.

The pressing need for this building still exists. The location is now owned by the State. The detailed plans are ready to be followed. So that this need may eventually be filled, as well as having a ready made project with

which to take up in part the slack caused by unemployment bound to follow in the after-the-war period, I recommend that the balance of this fund be made available as of June 30, 1943, for the next biennium.

### **Gasoline Tax**

Vermont is implementing the war effort in many ways. Not the least of these is to be found in the facilities offered for large scale pilot training programs such as the one now in operation at the Burlington Airport where student officers from the Army, Navy and Marine Corps receive their training.

In this connection and so that we may continue to receive the benefits which flow from this ever-expanding, large-scale undertaking, I recommend that you amend existing statutes relating to the State gasoline tax so that it will not apply to those used by those pilot training programs sponsored by the government of the United States.

### **Unappropriated Surplus**

Governments with an unappropriated surplus in the General Fund are in a vulnerable position. This State is in that position today.

We have an unappropriated surplus in our General Fund as of June 30, 1942, of \$1,463,066 — the largest in our history.

Of the total surplus there is \$150,000 invested in Missisquoi Bridge bonds maturing in 1961 which is, of course, not available at this time. Deducting this amount from the unappropriated surplus leaves the sum of \$1,313,066, which is available for appropriation. It is no disgrace for a state to find itself in this position.

There is, however, in times such as we are in, a very grave responsibility for those who are with it. You and I must prepare for the declining resources which may and probably will come in the later phases of the war. There is also that same phase to watch in the post war period, and this surplus should provide a cushion to help meet these situations.

Therefore, I recommend that you appropriate \$1,000,000 of this surplus to apply on the payment of our liability to the enlisted or inducted men and women in the service of our country.

Our promise to them, under No. 179 of the Acts of 1941, upon their honorable discharge will amount to approximately \$3,000,000. This, of course, will vary according to the length of the war and total number in the service because each such person is entitled to \$10.00 per month when honorably discharged but not to exceed \$120.00 overall. This action on your part will save borrowing a like amount when these payments are due.

From this surplus the University of Vermont and State Agricultural College will ask for an appropriation for the period 1944 – 45 of \$200,000.

I also recommend from the unappropriated surplus for the operation of the Farm Labor Committee the sum, of \$25,000 each fiscal year of the biennium.

### **Our Soldiers**

I want to pay tribute on behalf of all our people to the men and women from this State in the armed forces of our Country.

In February 1941, the first contingent, which was the Vermont National Guard, left the State to be in readiness to defend our country if attacked, and since then many more have been inducted through Selective Service or by enlistment. Thousands of these men are now fighting in the four corners of the earth — many of them have been called upon to make the supreme sacrifice in their Country's service. We are proud of them all and their contribution to the great cause for which we are all fighting.

These men are your sons and your neighbor's sons — boys from your home communities, and they seem pretty close to us all.

I would like to suggest at this point that we stand for a moment in silent prayer for those boys who have given their lives for us and for the safety and welfare of those on the fighting front.

## Closing Message

Repledging our loyalty to our Country, to the President of the United States, the Commander in Chief of our armed and naval forces; always seeking Divine guidance in our undertakings, we reaffirm our loyalty to our soldiers and sailors who fight and die for us, to the united spirit of Americans everywhere — forgetting all personal and political differences that in other times divide our people.

So this historic war session of our last legislature let us face the future with courage, strong in the faith that right will win this world struggle for freedom for all people and that the processes of democracy of which we are here a vital part, will prove under fire that governments of free people will survive.

The Governor having concluded the reading of his message, was escorted to the Executive Chamber by the committee appointed by the Chair.

The Supreme Court was escorted from the hall by the Sergeant at Arms.

The Joint Assembly dissolved.

Rawson C. Myrick  
*Secretary of State, Clerk*