

Farewell address
of
Charles M. Smith
As it appears in the
Journal
of the
Joint Assembly.

1937

Thursday, January 7, 1937
Farewell Address

Members of the General Assembly:

INTRODUCTION

Again, it falls to the lot of the retiring governor to deliver a message to the General Assembly.

It has always seemed to me that this function is entirely superfluous. You are more interested in what is coming than in what has happened. You are more interested in what is expected of you than the accomplishments of past legislatures. You have important matters coming before you. I look back to the sessions which have been held since the flood, 1927, 1929, 1931, 1933, 1935 and now I am very glad to have this experience with you, even though short. This gives me an acquaintance with six consecutive legislatures. I think there are some among you who have had much the same experience. The pleasantest, happiest thing about service here is the friendship made with people from over the state.

FINANCES

A large part of a legislature's endeavor regards finance. Without sufficient income the activities of the state cannot be continued for long. It provides a constant study for every legislature to supply revenue and spend it wisely.

At the close of the special session a year ago some of us had fears that we had not provided revenue enough to balance the budget and various measures were proposed, but the committees of the houses thought it was ill advised to pass any of these measures. Experience has demonstrated that they were right. With economy and a fortunate increase in revenue the budget was balanced. And out of this situation came a resolution which set up a commission to study the state's financial system with a possibility of reducing the cost of government, developing new sources of revenue and finding inequalities in the present tax plan. Under this resolution I appointed a commission of seven. This commission will submit its report. A great amount of thought and study has been given by its members to this difficult question. I know we are greatly indebted to them.

A summary of the figures appearing in the report, of the State Treasurer shows that for the year ending June 30, 1936, the decrease in the net debt was \$817,523 and the reduction in the bonded and floating debt during this fiscal year was \$463,000 leaving a balance of \$354,000 which was the excess of general fund receipts over general fund expenditures. This of course is an excellent showing and gives us all satisfaction.

Under authority of No. 43 of the Acts of 1935 refunding ten-year serial bonds totaling \$1,500,000, carrying interest at $1\frac{3}{4}$ %, were issued in March, 1936, and were sold at a premium of \$15,300. This was a very advantageous rate, probably the lowest in the history of the state for bonds. This arrangement gets this indebtedness which had been a long time accumulating into good form and it will be liquidated in ten years if all goes well.

AGRICULTURE

I am happy to report that the appropriation made at the last session enabled Vermont to complete the testing of her cattle for bovine tuberculosis and Vermont has now been declared a modified accredited state by the Federal Government.

This is the result of a steady, wise policy on the part of former legislatures. It means everything to our great dairy industry. We can be proud of this achievement.

There are many fine endeavors in the agricultural department which I would be glad to take up if time permitted. I must, however, mention the excellent work of the Extension Service. You are all very conscious of the results of this work at the Agricultural College which enters intimately into the life of great numbers of our people both old and young.

PUBLIC WELFARE

One of the great departments is that of Public Welfare, which presides over our State Institutions: the State Hospital at Waterbury, the Industrial School at Vergennes, the State Prison at Windsor, Riverside Reformatory at Rutland, the State School at Brandon, Kinstead in Montpelier, the Washington County Sanitorium at Barre and the Vermont Sanitorium at Pittsford.

This is a very complex job. Involved in this department are the problems from the seasoned criminal at Windsor to the very dear ministrations to the children at Kinstead. I commend to your attention the report of the very able committee which investigated the Industrial School at Vergennes. Some of their suggestions have been carried out and others have not been because of lack of funds, but there is a very sweet and wholesome atmosphere about the school. The boys and girls are being helped, not through physical punishment. Of all our institutions this one makes the greatest appeal.

I also commend to your attention the reports of the Prison Industries Board and William B. Cox, Executive Secretary of the Osborne Association, in regard to Windsor. Lack of employment is a serious problem there. A useful employment is very helpful to the morale of the inmates.

A start has been made by the authorization of the last legislature, providing for the manufacture of automobile license plates and highway signs. Of course a considerable number of men are employed at the great State Farm, but this problem of unemployment is a vital one. There were many other recommendations which have been carried out, others were too costly. Instead of the expense involved in employing a full-time psychiatrist, as suggested, an arrangement was made with the State Hospital for service of this kind, and this seems to be working out well. It is necessary to watch for mental troubles among these prisoners. Some need to go to Waterbury to remain, others are treated and returned to Windsor.

It seems to me that, as I have watched these institutions, we are very fortunate in the conduct of them.

The state met with a distinct loss in the deaths of Dr. E. A. Stanley who served the state so well for eighteen years as superintendent of the State Hospital and Miss Lena Ross who had achieved a national reputation for her successful work at the Reformatory at Rutland.

HIGHWAYS

The special appropriations from the Federal Government have been made more with the object in mind of providing work relief than in building roads, with the result that the amount of road work accomplished with the money available has not been as great as it otherwise would have been.

According to figures available November 1st, 1936, the progress of the Highway Department in using funds available from the Federal Government was such that on that date Vermont had the smallest unused balance of any state in the Union. This policy has provided a large amount of work relief.

The situation with which many of the states have been faced during the years of depression in their highway work indicates the wisdom of Vermont's pay-as-you-go policy.

During the last two years 171½ miles of superior-to-gravel roads have been built.

It has been the aim of the Highway Department to provide better conditions for winter driving.

In 1935 seven hundred and thirty-five miles of road were added to the State Highway System.

MOTOR VEHICLE DEPARTMENT

I recommended to the last legislature a reduction of 15% in registration fees for pleasure cars and an act was passed carrying out this suggestion. It is significant to note that the increase in income from the gasoline tax has exceeded the loss in the amount of registration fees by \$186,678 for the fiscal year ending June 30, 1936.

It seems to me the change which was made in the registration date has been very acceptable to car owners also.

FLOOD CONTROL

This is a problem which has come to the fore in recent years. What has been accomplished has demonstrated its worth.

The larger and more vexatious problem of the Connecticut River is a problem indeed. This is fortunately in the hands of a very able committee which has an unusual understanding of this subject. At the annual meeting of the New England Council last November, faced by a large number of representatives from Massachusetts and Connecticut, I had the temerity to tell these delegates that we have a desire to be friendly, but not too friendly, as this matter raises questions which are very vital to Vermont.

CHAMPLAIN BRIDGES

Under No. 212 of the Acts of 1935 the Missisquoi Bay Bridge Commission was appointed and authorized to construct as speedily as possible and to maintain and operate a highway bridge and approaches across the Missisquoi Bay, between Swanton and Alburg. The financing of this project met with some difficulty but after considerable work on the part of the Commission it was found that a sum of one hundred thousand dollars was necessary in addition to a bond issue raised from private subscription and by Federal grant. The state invested this amount from the General Fund in second mortgage bonds and the work is now under construction.

Under No. 210 of the Acts of 1935 the previous act authorizing an agreement between the State of Vermont and the State of New York was amended and authorized the construction of a new bridge between Alburg and Rouses Point. This bridge together with the Missisquoi Bay Bridge will provide a direct and modern connection between Vermont and New York State for the northern section of both states.

CONSERVATION AND DEVELOPMENT

One of the most attractive developments that has taken place lately is the establishment of our state parks in the forest, by lakes and on some of our mountain tops, with fine, safe highways leading to them. This, of course, has been done with a minimum of expense to the state and a maximum of good judgment and planning by the Forestry Department. I have heard it said that Vermont excelled in this sort of recreational development. A reasonable amount of it is just what we need to set forth and make available the loveliness of our state.

Another interesting and important project with which you are all familiar is the acquisition by the Federal Government of the Green Mountain National Forest Area, and by the state of the State Forest Area. This, of course, is a plan for all time. Careful legislation has been enacted to guard the state's interest.

The last legislature very wisely, it seemed to me, doubled the appropriation for publicity. At one of the meetings of the New England governors the proposal was made that each of the New England states join in an advertising plan made up of contributions of \$100,000 for each state. Of course, I was obliged to object to such an agreement as that amount looks larger to us and is much larger than to our wealthy neighbors. The result was that under the New England Council, the states raised \$100,000 apportioned on the basis of wealth and recreational activities. Our contribution, taken from our publicity appropriation, was \$6,700. It has seemed an excellent investment.

SOCIAL SECURITY

We have been confronted with an entirely new problem the last two years in the expansion of social security through the enactment of the Federal Social Security Law. We have studied and debated the different phases of this question. Perhaps it presents more difficulties to a state of our resources than it does to many other states.

It seemed best for us to do something of this nature and I recommended an old age assistance law. I felt that old age assistance was the simplest and most direct way in which we could participate, although, of course, expensive. The legislature at the regular session two years ago, passed our old age assistance act, under which some 4,100 aged persons are receiving monthly payments. This was made possible through the cooperation of the Federal Social Security Board to the extent of 50%.

At the special session a year ago, we enacted legislation to enable Vermont to participate in the Federal distribution of funds for the blind, crippled children and mother's aid.

Recently I began to worry about our action regarding the unemployment insurance law and I found it was quite a common source of concern over the country. I consulted with a considerable number of our leaders and learned that they were unanimous in the opinion that Vermont would make a mistake in not passing a bill in conformity with legislation outlined by the Social Security Board. This led to action which I would have preferred to avoid, but it seemed best to call the recent special session. The legislature enacted an unemployment compensation law which has been approved by the Federal Social Security Board. This seems to be a good piece of legislation and it will be of assistance to employers, employees and municipalities. This is the opinion of some of our largest employers.

CONCLUSION

In conclusion I would venture that some of our good neighbors and friends over the country may look upon Vermont as slow and somewhat backward, but this is not so. From the various enactments which I have hurriedly touched upon and others which will occur to you, it can readily be seen that Vermont is one of the progressive commonwealths. All who are interested and stop to consider are extremely proud of the way Vermonters hold fast to their traditions and the best things among our hills, and yet adapt themselves to the changing times.

We are fortunate in our leaders. We have splendid men scattered over our state who are willing to devote themselves unstintingly to the welfare of the state. This is a fact which has given the greatest pleasure to their executive.

As I said at the beginning, I am very glad to have met with you and I wish you all a Happy New Year.

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

The Joint Assembly dissolved.

RAWSON C. MYRICK,
Secretary of State, Clerk.