

Final Message

OF

Gov. Adolph O. Eberhart

Gentlemen of the Senate and House of Representatives:

In accordance with the custom established in this state, I have the honor to communicate to you such information and recommendations as seem appropriate at the close of this administration. Recognizing the fact that to the incoming governor belongs the privilege as well as the responsibility of communicating such information and recommendations, I shall follow an established custom in this state, and in addressing the legislature on this occasion shall confine myself largely to policies already established and work not yet completed.

REORGANIZATION OF STATE DEPARTMENTS.

Unquestionably the most important problem that will come before you for consideration will be the report of the Efficiency and Economy Commission. In preparing a complete plan for the reorganization of all state departments and the elimination of numerous boards and commissions, it is needless to remind you that great difficulties are necessarily encountered. In view of that fact a report complete in its provisions and perfect in every respect is entirely beyond the range of human possibilities. However, the report of this commission is prepared after most careful deliberation by a commission composed of many of the ablest men in the state. The first action of this commission was a unanimous agreement that no member thereof would accept from the state any compensation whatsoever for his expenses or services. That unselfish action in itself entitles the report to special consideration. It is conceded that while the report necessarily contains defects, no member of the commission has had any selfish motives in the preparation thereof, and all have acted with the only one important purpose in mind, to place before the legislature not only the specific facts involved,

but also such a complete detailed plan of reorganization, as in their judgment would simplify and make more efficient all the administrative activities.

The enactment of this important plan into law is a matter entirely for your consideration and must be left to your wisdom and experience, being guided wholly by what you believe to be for the best interests of the state. It seems, however, that there can be very little difference of opinion as to the adoption of the three great principles recommended in this report; first, a reorganization that will provide centralizing and definite fixing of responsibility; second, the establishment of an effective civil service or merit system; third, a budget system for making appropriations.

Efficiency in business administration is dependent on the definite fixing of responsibility and effective co-operation, neither of which is possible under the present multiplicity of boards, commissions, and other administrative agencies. That such reorganization will encounter serious opposition is conceded, and you should give this matter, therefore, the most earnest consideration. I respectfully recommend that a special committee be appointed by the presiding officers of each body to consider this plan, and that at least a month be given to public hearings, so that all concerned can appear before these committees meeting in joint session and be heard. Since the first part of the session is devoted largely to organization and preparation, it would seem best that these two committees should immediately proceed to arrange for these hearings so that active work in the preparation of the necessary legislation can be begun before half of the session is passed.

As to the merit system in appointments there can be but little serious objection provided the legislation is properly safeguarded. The experience in the Dairy and Food Department, as well as the Labor Department, has been entirely favorable to the merit system. In all other departments during my administration, I have endeavored to retain the expert service, irrespective of political qualifications, and the results have always been satisfactory. The most valuable political asset of an administrative officer does not consist in the building up of a purely political organization, but in the achievement of results that appeal to the good judgment of the people. I firmly believe that an extension of the merit system to all expert service required by the state will place all its business on such a basis as will result in greater efficiency as well as economy.

In order to place before the people of this state an intelligent method of making appropriations a complete statement of resources and necessary expenditures under what is known as the budget sys-

tem is indispensable. It should be understood that the budget is not merely a statement of the needed appropriations for the coming biennial period. It is a comprehensive statement of all the resources of the government, as well as the necessary expenditures and the reasons therefore covering a certain period. This budget should be submitted to the Governor in advance of the legislative session so that he could confer with the various heads of departments and prepare the necessary recommendations thereon to the legislature. The present logrolling method is not only entirely indefensible but impractical and oftentimes extravagant. It is a well known fact that the great majority of the members of the legislature cannot possibly act intelligently upon the report of committees authorizing appropriations for approximately \$20,000,000 within such a short period of time as is now allotted for the consideration of appropriation measures. In addition thereto the present method gives no opportunity for the members of the legislature to consult their constituents in regard to the expenditure of public funds. The people now demand an opportunity to be consulted before appropriations are made and that request should be granted by the establishment of the budget system.

Under our constitution the Governor has authority to strike out such items in the appropriation bills as in his judgment seems best. This enables the Governor to control appropriations only to a very limited extent because all the large appropriations for maintenance of institutions are made in one bulk sum, and the veto of any such item would put the institution itself out of existence. If the Governor shall have effective authority over appropriations, he should not only have the right to strike out the entire item when necessary, but also reduce appropriations that in his judgment are too large. No other method will make the Governor's authority effective.

ENFORCEMENT OF CORRUPT PRACTICES ACT.

An effective primary law cannot exist without a correspondingly effective corrupt practices act. While the present act is stringent in its terms, it does not provide sufficiently for its enforcement. Our experience has demonstrated that the enforcement of the corrupt practices act must be specifically placed in the hands of certain officials who must be given positive instructions, authority and funds to prosecute all violations.

AGRICULTURAL AND INDUSTRIAL TRAINING.

The policy of agricultural and industrial training in this state has been so firmly established that very little reference thereto is needed. Satisfactory results have been achieved in every section of the state, and these results are well known to every legislator. The example set by Minnesota is now being followed by many other states in the union. The last legislature provided for the appointment of an educational commission, the report of which is now before you. It contains much information and many important recommendations in regard to the educational work of this state, the enactment of which will have a tendency to stimulate further agricultural and industrial training as well as equalize the burdens thereof.

SOCIAL AND CIVIC CENTERS.

In this field of rural activity Minnesota has also assumed leadership. The consolidated school has been the means of organizing nearly every social activity and securing for the country the advantages for culture and refinement which the large city only heretofore has afforded. The organization of farmers' clubs and other co-operative associations in these civic centers have all had a tendency to advance the interests of the farmer and I respectfully recommend that this work be especially encouraged.

PUBLIC HIGHWAYS.

During the past two years there has been more activity in the betterment of public highways than during any other period in the history of the state. While certain amendments to our present laws will be needed, you should be very careful in the consideration of these changes so as not to interfere with the good work already accomplished, but on the other hand to give the same a still greater impetus.

STATE PUBLICITY AND DEVELOPMENT.

The wonderfully rapid development of Minnesota and the publicity which it has attracted have created a demand for Minnesota farms throughout nearly every section of the United States, and as a result our farm values have nearly doubled. It is needless to detail to you the value of such publicity and development, and the funds invested by the state for this purpose are yielding the largest possible returns.

UNIFORM LEGISLATION.

Under our unlimited expansion of interstate transportation and communication, it has become necessary to secure a greater degree of uniformity in legislation. Unless the various states will make provision therefor, the federal government will be compelled to assume a large number of the powers and duties that are now exercised by the various states. Business as well as social legislation must be made more uniform because the multiplicity of laws enacted by the various states is a great obstacle to business development as well as to social reform.

PREVENTION OF CRIME.

Much has been accomplished during the past years in removing causes that contribute to the commission of crime. No state in the nation has better managed penal or charitable institutions, and the recognition these institutions are now given, not only in this country but abroad, must be a source of pride to every citizen of the state.

In the maintenance of our insane hospitals there should be a law enacted which will require a contribution to the support of the institution from those who can afford the same. Such a law barely failed of passage at the last session of the legislature, and I hope you will not fail to enact it into law at this time.

I wish to impress upon you as strongly as possible the advisability of establishing the penal farm. The average lockup and jail is a failure because it gives no opportunity for the offender to work. I respectfully recommend that a law be enacted to authorize counties, cities and towns to jointly co-operate in the establishment of penal farms so as to give all short term prisoners a chance to earn a livelihood and to contribute to the support of those dependent upon them. The cost of transportation to such farm would only be a trifle when compared with the advantages afforded to the community, the prisoners themselves and their families. I wish also to recommend a repeal of the law providing for the transportation of criminals and insane persons under the present per diem and mileage system. The sheriffs should be amply compensated for their work by a definitely fixed salary and the transportation of criminals and insane persons should devolve upon especially fitted parole officers devoting all their time to that service. There is no excuse for the existence of the fee office anywhere, but it is a crime almost in itself to compel law enforcing officers to be dependent for their livelihood upon fees paid. This has equal application to the present boarding system in our county jails. The

boarding of prisoners should be paid for by the county commissioners as other bills are allowed on a net cost basis, and the sheriff certainly should never be made dependent for a portion of his salary upon the profits accruing from boarding prisoners while confined under his jurisdiction. Another important provision which should not be overlooked at this session is a law authorizing the employment of prisoners in the improvement of public highways and state farms.

PUBLIC HEALTH.

There are very few people in this state who are aware of the fact that Minnesota occupies a leading position in providing for the construction and operation of tuberculosis hospitals. Minnesota has thirty-two counties that have made provisions along this line while New York comes next with only twenty-nine counties. That the other counties will follow in a short time is almost certain because these institutions will soon establish the fact that the white plague can be stamped out, provided every incurable case is segregated and every curable case given proper treatment. The economic value to the state of saving 2,500 lives annually cannot be estimated, and the value to the state in the saving of expense for treatment is alone almost incalculable. Employment of inspectors and trained nurses in the public schools, as well as in congested districts of the city, should be extended. Industrial and agricultural training, social center activities and improved public highways have to a great extent stemmed the tide of migration from the country to the city, but the congested portions of the cities will always continue to be the greatest source of poverty, disease and crime. Public parks and playgrounds for the children and rigid health inspection and sanitation will always require attention at your hands, and the expenditure of public funds for such purposes is an investment that will always bring the largest possible returns to the taxpayers.

SUMMARY OF ACHIEVEMENTS.

In concluding my five years of administrative work in this state, it is proper that I should give you a brief summary of the work accomplished. In doing so I desire to give credit to all who have assisted in bringing about these results. Time will not permit me to enumerate them, but I have on every occasion given credit where credit is due. The five year period just passed records a period of achievement in this state which I believe is unparalleled anywhere. Lest we forget I beg leave to enumerate the following achievements covering only that short period:

The primary law for the nomination of state and national officers;

Non-partisan selection of judicial, legislative, county and city officers.

The merit system extended to the Labor Department and the expert service in other departments;

Mothers' pensions;

Adult probation law;

The indeterminate sentence and parole systems;

Abolition of capital punishment;

Abolition of corporal punishment;

A practical workmen's compensation law;

Added 133 teachers, 4,337 students, and \$4,500,000 worth of buildings to the state university;

The university budget system resulting in maintaining all expenditures within appropriations;

Bringing the university in direct contact with every rural section of the state through the extension department, which this year conducted 2,298 meetings with a total attendance of 326,740 as compared with 273 meetings and 100,288 attendance five years ago;

The boys' and girls' acre yield corn contest with 700 entries for 1913, and 45 prize winners securing an average yield of 88 bushels per acre, and with 3,100 boys already entered for the 1914 contest:

Elimination of political considerations in the appointment of university regents and judges of the various courts;

Establishment of industrial branches of training in 286 schools throughout the state in which at least 100,000 of Minnesota's 456,000 school children are given the advantages of a practical education:

The best constructed and equipped prison in the world, costing approximately \$2,250,000 with its farm machinery manufacturing activities;

The most modern and successful industrial school for girls in the United States;

Twenty-one well equipped armories constructed or provided for, which will permanently increase the efficiency of the national guard. More than \$100,000 has been contributed for the buildings and sites of these armories by the various municipalities;

Added \$10,183,800 worth of buildings to all state institutions;

The consolidated school as a social and civic center for the development of rural life;

Eight hundred and thirty farmers' clubs and 2,007 co-operative business organizations doing approximately \$60,000,000 worth of business annually;

Four district development associations covering nearly the entire state and maintained by private enterprise to assist in agricultural and industrial development;

The county agricultural agent system with 25 successful agents now in the field;

Solution of the rural credit system by securing co-operation between the farmers and business men in financing stock importations, 25 carloads of graded and thoroughbred stock being already imported;

Alfalfa established as one of the great staple products of the state with a total acreage of approximately 30,000 acres;

Acreage of corn production nearly doubled and the average yield per acre increased 5.2 bushels, thus placing Minnesota permanently among the leading corn growing states;

A definite policy of forestry development;

Organization of the public highway system with 3,200 miles of state highways improved and plans furnished for 721 bridges;

Extension of state drainage system with the reclamation of 623,400 at the low average cost of only \$1.39 per acre, and the construction of 428 miles of roads in connection therewith;

Abolition of the antiquated system of poll tax labor;

Publicity for Minnesota's agricultural and industrial resources in every nook and corner of the United States;

More actual settlers were attracted to Minnesota than was obtained by all surrounding states combined, resulting in the increase of Minnesota farm land values nearly 100 per cent;

Friendlier relations and better co-operation between country and city;

Established state control of railroad rates by a complete valuation of railroad properties and the final adjudication of the Minnesota rate cases in the United States Supreme Court by means of which merchandise rates were reduced 18 per cent, commodity rates reduced 10 per cent, and \$2,305,081.31 in refunds returned to shippers up to September 30, this year;

A thorough and complete system of inspecting weights and measures throughout the entire state;

Collected through the Attorney General and Public Examiner \$2,122,224.92 in back taxes, penalties, timber trespass, foreign inheritance and miscellaneous cases, and \$701,049.40 in addition thereto is now under process of collection;

Increase in number of state banks between November 16, 1909 and October 31, 1914, 38 per cent, capitalization 40 per cent and deposits 85 per cent;

Increase of national banks during that period in number 2 per cent, capitalization 35 per cent, and deposits also 85 per cent. During this entire five-year period only four state banks have failed and in those instances depositors realized from fifty to eighty-three and a third per cent;

Established a system of taxation as complete and practical as that of any state in the union, and the only one this state has ever had. Under this system all property in the state is now taxed on a more equitable basis than ever before and as a result all taxes will ultimately be lowered;

Issued 17,729 orders to protect labor by safeguarding machinery, installing safety devices, and providing better sanitary conditions, practically all of which have been complied with. As a result fatal accidents have been reduced from 251 in 1910 to 149 in 1914 or 40 per cent, and non-fatal accidents have been reduced in a similar proportion;

One hundred and fifty-seven thousand dollars has been paid to employes under the Workmen's Compensation Act in 2,468 cases, and 1,160 other cases are in process of satisfactory settlement. The net results have been the best co-operation between labor and capital ever experienced in this state;

Surpassed every other state in making appropriation to stamp out tuberculosis by the building and maintenance of tuberculosis hospitals; 32 counties have already made provision for such hospitals, 3 of which are already completed and 9 under process of construction;

The investment and administration of the state's school, internal improvement, and swamp land funds until it now aggregates a total of \$34,000,000 without the loss of a single cent;

Five years of administration without a charge of incompetency or misconduct against a single state official;

A complete revision and codification of the state educational laws by an educational commission;

And finally a definite, comprehensive, and practical plan for the organization of all state departments in the interest of efficiency and economy, the merit system of appointments, and the budget system of appropriations.

Such is the history of unparalleled achievement in Minnesota during the short period of five years now ended. To have had

even a small share in the accomplishment of such results is glory enough for anyone, to have had a large share therein is the greatest honor that can come to a public servant. But these great achievements, important as they are in public service, do not always bring the greatest satisfaction. It is rather the ordinary every day acts of kindness and helpfulness to the troubled and needy that make public life worth while. The cheerful greeting of the street urchin, "Hello, Mr. Governor," the sincere expressions of gratitude from hundreds of those who have been given help, aid and advice, the numerous greetings and expressions of good will coming from the homes of the afflicted, sometimes in the form of a postal card with the message, "Every day we ask God to bless our Governor," sometimes in the form of a little handiwork performed during spare hours, of little value in itself, but of inestimable value in conveying appreciation and gratitude,—these constitute the most ample compensation for all hardships encountered and any unjust criticisms made.

The value of public service can be measured only in terms of successful achievement for the benefit of all the people and in friendships that will not vary with the rapid changes of political fortune. Measured thus I cannot help but feel that my administration has been worth while. I shall close it with more staunch and loyal friends throughout the state than has ever been my good fortune to possess before.

To the various officials connected with this administration I desire on this occasion to express my deepest gratitude. No governor in all the past history of the state was more fortunate in his appointments than I have been. Not a single charge of incompetency or misconduct against a state official will cloud this period of unparalleled achievement. It has been an unbroken period of loyalty and efficient co-operation.

Recognizing the fact that favorable public sentiment is essential in the enactment and enforcement of law as well as in the adoption of all important reforms, I wish to express my earnest appreciation of the important service rendered in this connection by the press of the state. Personally my relations with the newspaper men have been most agreeable, and I can express my appreciation of their valuable co-operation in no higher terms than to state that during my entire administration they have never yet betrayed my confidence.

Words fail me on this occasion to express my gratitude to the people of Minnesota for conferring on me the greatest honor that

can be conferred on any citizen of the state. I have tried to give in return the best there was in me, and while this honored position has netted me nothing in financial return, it has given me a training and experience which for the purpose of future achievement is worth more than half a lifetime. Mistakes and shortcomings I gladly acknowledge. They have been the most important source of my valuable experience.

Grateful to all the people of the state for the confidence reposed in me, I now surrender my important trust to Governor Hammond, my worthy successor, bespeaking for him that same loyalty and co-operation so essential in successful business administration, and to me it shall always be the greatest source of pride and gratification that I can surrender that trust on this occasion with clean hands.