

and direct it into the proper channels. In brief, they determine in large measure the mental and moral character of our citizenship. From the public schools of our country have come our leaders, our great men, those who have left footprints on the sands of time. Our public schools have been our salvation in the past. They are the star of hope for the future.

OREGON AGRICULTURAL COLLEGE

THE Oregon Agricultural College stands at the head of land grant colleges in the United States. For twenty years no educational institution has had more able management. The entire state has benefited and vastly improved through its activities.

UNIVERSITY OF OREGON

OUR state university at Eugene is one of the great educational institutions of America, made so largely by the leadership of its late president. Under new management its power and influence should continue.

NORMAL SCHOOLS

OUR normal school at Monmouth has 1,000 students. This is a very fine institution for the training of grade teachers. In order to provide needed buildings and equipment, more money must be given for this institution than is collected by the millage tax. I recommend the full appropriation that was approved by the budget commission.

The new normal school at Ashland has exceeded the anticipation of its friends, and new buildings and equipment are necessary.

The new normal school located at La Grande should have an appropriation of at least \$175,000 for the construction of the necessary buildings. These normal schools are necessary to train properly the teachers who

work so faithfully in the grades with the thousands of future citizens of our country.

STATE LIBRARY

THE importance and value of the state library is equaled only by the common grade schools. It is reaching, helping, assisting and inspiring thousands of people in home and communities isolated and distant from the educational centers of the state. I recommend the full appropriation approved by the budget commission for this deserving and valuable state activity.

WOMEN IN PUBLIC LIFE

SINCE women have been given the privilege of voting, and have taken their places in various vocations in the business world, I have watched with deep interest the ability displayed by those who have been placed in charge of important functions of government. I wish to testify that my observations are that they have made good, and I know of no position in the affairs of state government that a woman cannot fill creditably, provided she has the proper training and peculiar qualifications for the work. There are several outstanding examples that may be seen by calmly and impartially appraising the work performed by women of Oregon, i. e., secretary of the state fair board, district judge, superintendent of the girls' training school, regents of the university and agricultural college, and state librarian. No quixotic spirit of gallantry is needed to commend them for their loyal service to the state. Simple justice dictates that we accord to them our sincere appreciation and thanks for their loyal, unflinching devotion to duty; for their ever present sense of responsibility, and for the able, efficient manner in which they have acquitted themselves in managing the various departments of state.

For four years my every official act has been con-

trolled by my earnest desire to do that which was best for all the people. Fear of opponent, friendship, or hope of reward have in no way swayed me or affected my decisions. Bitter and unjust criticism has been the cause of much worry and many headaches, but has in no way affected my official course. I faced threat of recall because I would not bow to a powerful group that demanded certain action from me. I knew at the time that their full power and strength would be used to prevent my reelection. I felt their effectiveness in the campaign just closed. In my inner consciousness I knew I was right, and I held for the verdict of the future.

I believe that in the years to come my administration will be given credit—

For arousing interest in hydro-electric development;

For an earnest effort to bring about a state reformation program;

For beginning the movement to collect the money necessary for state activities from sources other than a tax on visible property;

For arousing the people to the necessity for more equitable assessment laws;

For creating public sentiment for law enforcement, including prohibition;

For changing the policy in regard to guaranteeing interest on irrigation bonds and the use of state credit;

For initiating a program that will eventually make the penitentiary self-supporting;

For changing the highway program from a bonding policy to a "pay-as-you-go" plan;

For changing road construction from "black-top" to oiled macadams, and

For an active, earnest interest in all matters pertaining to education.

I am laying down my work as governor of this state with ill will toward none, with friendship for all. I again reaffirm my faith in American institutions. I am grateful for the opportunity to live in this wondrous age of human activity, in a country of which we are all a part and parcel, reaching from ocean to shining ocean, using one language, of practically one religion, with free public schools and libraries everywhere, without tariff walls at state boundaries, and with modern means for the transportation of freight and intelligence that are the marvel of all the centuries.

I extend to my successor the kindest of greetings. It is my sincere hope that his administration may be as successful as I believe the future historian will proclaim mine to have been. Let me close my message to you, and the final moment of my term as governor of Oregon, with these thoughts:

I hold that man alone succeeds,
Whose life is crowned by noble deeds,
Who cares not for the world's applause,
But scorns custom's outgrown laws;
Who feels not dwarfed by nature's show,
But deep within himself doth know
That conscious man is greater far
Than ocean, land or distant star;
Who does not gloat his wealth by gold,
His worth by office he may hold,
But feels himself, as man alone,
As good as king upon a throne;
Who, battling 'gainst each seeming wrong,
Can meet disaster with a song,
Feel sure of victory in defeat,
And rise refreshed the foe to meet,
Who only lives the world to bless,
Can never fail—he is Success!

Governor Patterson Favors "Strengthening, Stabilizing and Improving" Laws

(CONTINUED FROM PAGE ONE)

Gentlemen of the State Senate and House of Representatives:

YOU have been favored with the able presentation of the message of Governor Pierce, in which he has given you the benefit of information he has assembled and convictions he has derived from his wealth of experience as chief executive of our state. His recommendations deserve our careful consideration, because they reflect a wide acquaintance with all the affairs of state and a thoughtful study of the problems of government.

As his successor, I can not make a contribution from experience so broad and comprehensive, but in accordance with the command of the Constitution of the State of Oregon it is my duty and my pleasure to present for your consideration a brief statement recommending measures and policies which, I believe, will make for the best interests of the state and the increased prosperity of her people.

I appreciate very sincerely the honor which has been conferred upon me by my election as Governor of Oregon. I feel, however, that my election does not, in any way, represent a personal tribute, but that it has resulted from the demand of a majority of the voters of the state for a sound, economical, efficient administration of the work of the state—an administration founded on business principles and performed in a businesslike way.

You, gentlemen of the Thirty-fourth Legislative Assembly, were elected to the offices you hold as a result of the same desire for economy and efficiency which directed the votes of the electors on November 2. Your presence here demonstrates the fact that the people of your districts trust you to carry out such a program. Your election and mine entail a definite mandate from the people—a mandate for carefully considered, thoughtful legislation, aiming at economy effected by the only possible means: namely, a reduction, through efficient management, of the cost of government. I hope we may work together effectively and conscientiously throughout this session to discharge the responsibility which the people of the state have placed upon us.

Oregon has, through its state constitution and through the action of successive legislative assemblies, provided a body of laws which safeguards the rights of its citizens and which provides an adequate and efficient organization for the conduct of the business of the state. Legislation which finds a place in our statutes should embody fundamental principles and permanent values. Laws which apply only to temporary emergencies or local contingencies or which attempt to regulate in too great detail the activities of the state may tend to become restrictive rather than protective in nature. They may entail for their proper enforcement an organization so elaborate as to become, in itself a burden. To my mind, therefore, the legislative assembly now convening should concern itself primarily with strengthening, stabilizing, clarifying and improving the body of laws now in existence in Oregon, adding to them only such additional statutes as prove themselves to be of urgent present need and assured permanent worth.

TAXATION

NO matter is of greater public concern than the laws regulating the levy and collection of taxes. Our present law is based on the theory that all property, whether real or personal, should be assessed at its actual value. Personal property which, by law, assessing officers are required to assess, has, however, carried only a small portion of the tax burden of the state. As a result of public opinion of such long standing as to establish a tradition, some personal property has escaped assessment and much has been given a low valuation.

If the assessment and taxation laws, as they now stand in our statutes, were fully and fairly enforced, as they should be enforced, and if the assessing officers of the state were supported by public opinion in plac-

ing a just and proper valuation on personal property, much would be accomplished toward equalizing the burden which now falls too heavily on real property.

The Thirty-third Legislative Assembly provided for a committee to study the questions of assessment and taxation, with a view to finding new sources of revenue and a fairer distribution of the tax burden. The report of this committee has not been in my hands for a sufficient length of time to permit me to assimilate properly the information it contains. I hesitate, therefore, to offer any recommendations until the members of your body, as well as myself, shall have had the full benefit which will be derived from a careful study of the report of the committee. I may take occasion to advise with you again, later in the session, on the question of tax legislation.

Careful consideration may prove that some amendments and additions to our present tax laws would operate beneficially, but I repeat my former assertion that the assessing officers of the state should, in no way, be released from their present duty fully and fairly to enforce the laws which now exist and which may be enacted, to the end that all personal property shall contribute to the public revenue on a basis proportionate to the demands imposed on real property.

BUDGET OFFICER

IN our national government, the President is the budget-making officer. Likewise, in many states of the Union the Governor is the budget-making official. Under the laws of Oregon, the Governor now has the power to veto any appropriation made by the legislature, or any single item in any appropriation bill. I believe, therefore, that it is a logical delegation of responsibility to constitute the Governor the budget-making official for this state. This would place under his supervision the work of drafting the budgets for the various state departments and institutions, which is now carried on under the direction of the Board of Control. In this way the Governor would assume the sole responsibility for state expenditures—a responsibility which could be diverted only by the over-riding of his veto by a two-thirds vote of the two houses of the legislature.

In the housing of the wards of the state and in the custody of the delinquents and criminals, careful attention should be given to the visualization of these requirements for a definite future period. These anticipated needs should be ascertained and construction so timed and the cost thereof equitably distributed over the period that the burden may not fall heavily upon the taxpayers during any one year or biennium.

Budgets for all tax-levying bodies should be made with reference to a well-considered program covering a period of years, and not as though all of the improvements required in the state should be provided for in a single year. Appropriations made at each biennial session of the legislature should be made only as a part of such general program. As an example of appropriations made without their relation to a carefully developed state program, your body, at each session, is confronted with a demand for armories from various sections of the state. A definite program for the erection of armories in the state would be a step toward economy and efficiency. At the present time, each locality which desires a new armory conducts its own campaign, and each application is considered on its individual merits, regardless of the needs existing in other communities. My suggestion is that a survey shall be made by the military authorities of the state, who shall consider the merits of the claims of cities petitioning for the erection of new armories in their proper relation to the requirements of the whole state. The different locations should be ranked in the order of the urgency of the state's needs. A future building program could then be shaped to care first for the most immediate and present needs, and to give consideration to the other cities in fair order, to the extent of the funds available for the construction of armories.

CENTRAL PURCHASING AGENCY

THE State Board of Control now purchases all supplies for the state hospitals, the penitentiary, and a number of other state institutions. The institutions

of higher learning, however, and a majority of the state officers, boards and commissions, purchase separately all supplies, furnishings and equipment. I am advised that a cursory examination of the prices paid for standard articles now used by the various state activities in many instances reveals a wide discrepancy.

Experience has proved that those institutions and activities of the state now required to purchase their supplies through the Board of Control do so to the financial advantage of the state. I, therefore, urge the enactment of a law which shall authorize the centralization of all such purchases within the existing Board of Control, already effectively functioning, or in a body to supplant that agency with broadened powers and duties. I believe such a policy will result in a material financial benefit to the state, through the application of the same wisdom in the conduct of state affairs as any private corporation accords to the conduct of its business. Centralization, in this instance, will not embarrass or materially restrict any of the state functions now existing under the law, and will prove logical and desirable in the interests of efficiency and economy.

SELF-SUSTAINING ACTIVITIES

REALIZING that a multitude of funds not only added to the complexity of the state's finances but permitted available moneys to lie idle, while, for the functioning of some of its activities the state was, in effect, compelled to pay interest on borrowed moneys, the 1915 session of the legislature enacted a law diverting into the general fund all moneys collected for state purposes by state and county officers, with the exception of such moneys as are paid into the state treasury for fiduciary purposes or required by law to be placed to the credit of certain trust funds.

While the operation of this law at various times has relieved the state of paying interest on general fund warrants, further benefit, I am convinced, may accrue to the state by directing that a proportion of the moneys so paid into the state treasury shall become a part of the general fund of the state and available for the payment of the general expenses of the state. In the administration of the laws imposing licenses or other fees, and in the operation of the activities for whose benefit such moneys may be used, the state is put to a considerable expense for service, for which it receives no remuneration. The cost of this service is absorbed or included in the expenses of those functions and activities of the state which are supported by legislative appropriations from the general fund revenues. It would seem reasonable and logical, therefore, that the state should be reimbursed for additional outlays in connection with the functioning of such of the activities of the state as are maintained from such receipts.

Action of this kind on the part of the legislative body will not embarrass or curtail the activities of any such state functions, but, by the diversion of a small portion of such receipts, will contribute to that necessary financial relief now so important, and will, in a measure, aid in relieving the state of an existing deficit.

A bill was submitted to the people at the general election of November 2, 1926, providing for the payment of a portion of the fees, licenses, and taxes collected by the state into the general fund. It failed of approval, I am convinced, from lack of a proper conception of its purposes, and because of the high percentage of receipts required.

Your careful and serious attention is directed to this proposal, to the end that the finances of the state may be improved without embarrassment or hindrance to any of the existing functions of government, or without increasing any fees, licenses and taxes imposed and collected under the existing laws of the state. In this way no duties will be imposed on any department of state without remuneration.

BRANCH OFFICES

I AM not sure that the interests of the state are being best served by having maintained in Portland branch or separate state departments, but if it is necessary, as shown by proper investigation, to maintain such state activities in Portland, they should, in the

interest of economy and public convenience, be confined to one building, or to fewer buildings than are now occupied. The State Board of Control should have authority to contract for all space leased to house state departments.

PENITENTIARY

A PUBLIC or private institution can not function efficiently unless its administrative officers have a reasonable degree of security and permanence of tenure. We have witnessed the appointment and removal of six wardens at the state penitentiary within a period of six years. No private business could prosper with an annual change of management, no matter how able the managers.

In the interests of economy and efficiency, I ask that you place the state penitentiary under the direction of the Board of Control, which now has the management of other state institutions. I advocate this policy to the end that the management of the state penitentiary may be removed from politics; that the tenure of its administrative officers may depend solely on merit, and that efficiency may be the only consideration in the conduct of this institution.

The penitentiary is now so crowded that the prisoners can not be properly segregated, and, as a result, young men who have been committed for their first offense against the law are in close and constant contact with hardened and habitual offenders. When the boys' training school near Woodburn is finished and the present property near Salem now used by the training school is no longer needed for the purpose for which it was acquired, provision should be made, by legislative enactment, if necessary, for the use of this latter plant in connection with the state penitentiary. This would provide a means whereby those who are not hardened criminals may be segregated and given opportunity and encouragement for such reform and training as will tend to make them useful and law-abiding citizens on their release.

The parole board should be abolished and recommendations for the parole of prisoners should be made by the Board of Control.

EDUCATION

NO aspect of the development of Oregon is more important than that which has to do with education. Here we invest not in our present prosperity but in our future welfare and stability. The state can not neglect its educational interests without immediate and apparent detriment to its well-being.

Oregon has invested generously in public schools. We have kept step with our neighboring states in steadily raising the standards of school equipment, scholastic requirements, and teacher training. We have in the last twenty-five years added to our elementary schools two hundred and sixty standard high schools. If the inculcation of a desire for further knowledge is a sound criterion of the success of elementary education, and I believe it is, then Oregon's educational efforts are bearing fruit, for Oregon ranks fourth among the states in the percentage of eighth-grade graduates who continue their education in the high schools. Oregon also stands high among the states in the number of high school graduates who enter college.

There should be no disposition to decrease this present hearty support of education in Oregon. In so far as is consistent with a policy of sound economy, educational support should be maintained and increased. The people of the state, themselves, demonstrated their approval of a progressive school policy when they added, through popular vote, a third normal school to the teacher training institutions of the state.

No retrenchment should be made which will interfere with the efficiency or retard the progress of our school system. Economy in education should be practiced only as it can be effected through a business-like and efficient treatment of the problems of school finance. The high standards of our public schools and institutions of higher learning must be maintained.

(Continued on Page 11.)