

INAUGURAL ADDRESS

OF

SILAS A. HOLCOMB,

GOVERNOR,

TO THE

LEGISLATURE OF NEBRASKA.

TWENTY-FOURTH SESSION,

1895.

INAUGURAL ADDRESS.

Fellow-Citizens of the Legislative Department of the State of Nebraska:

I have been called by my fellow-citizens of Nebraska to serve them as governor of the state. In your presence I have just taken the prescribed oath of office and, agreeable to time-honored custom, I will now address you briefly before entering actively upon the discharge of the important duties of the office.

I am indeed deeply impressed with the grave responsibilities I have assumed. I am fully aware of the manifold and arduous duties attaching to the office to which I have just been inducted. Were I called upon to encounter at one time all the perplexing difficulties to be met, well might I be appalled at the magnitude of the undertaking, but, encouraged by an earnest desire to faithfully administer the duties of the office, I am hopeful of being able to master these difficulties singly as they arise with a reasonable degree of satisfaction to the people of the state, of whom I am but an humble servant.

It shall be my disinterested and unselfish purpose to direct my entire efforts to the faithful and impartial observance of the constitutional provision which declares "that the supreme executive power shall be vested in the governor, who shall take care that the laws are faithfully executed," to the end that good government may prevail and the rights of each and every citizen be zealously guarded and protected.

In assuming the onerous duties of this office, I am able to content myself with the thought that there is a right way and a wrong way to decide each perplexing question, and, with a firm determination to ascertain the right and then adhere to it, I hope the burdens may be lessened, the work simplified, and the duties fully discharged.

Although possessing various political beliefs, we, as legislators and executive, should have but one great object in view—to discharge the duties incumbent upon us in a business-like manner for the common good of all. Each of you as a legislator has been elected as the ad-

vocate of the principles of some political party, but to-day you represent all the people of your district. In my capacity I shall earnestly endeavor to be the governor of all the people. As the representatives of political ideas you will probably have but one duty to perform—the election of a United States senator; in your capacity as representatives of the people of your district you will doubtless have many matters of great importance to consider.

The pronounced majority of one political party in both branches of the legislature will doubtless insure the election of a representative of the state in the senate of the nation without unnecessary delay.

In disposing of the business of my fellow-citizens in the capacity of governor, I solicit your counsel and hearty co-operation. I apprehend that our relations will be mutually cordial and agreeable and redound to the good of the entire people, whom we alike serve.

Possessing no knowledge of the condition of the various departments of the state government, other than that enjoyed in common by all our citizens, it is not my intention, nor do I deem it to be my duty, to enter into a detailed discussion of the management and requirements of these departments. In his message, my distinguished predecessor, Governor Crouse, has given you much valuable information and advice to aid you in the discharge of your duties. Its comprehensiveness and completeness in detail commend it to you as legislators and to me as his successor for our careful consideration.

UNTRAMMELED SUFFRAGE.

The preservation of the sanctity of the ballot is necessary to the perpetuation of self-government. It is by the ballot that the voice of the people is heard and their will registered touching all matters connected with the affairs of state. A failure to give to each elector the privilege of casting his ballot without fear or prejudice, according to the dictates of his conscience, is to that extent a failure of popular government. Each citizen possessing the right of franchise should have untrammelled freedom in expressing by his vote his individual sentiments agreeable to his own conception of duty as a citizen, without regard to his station in life, his education, his occupation, or the degree of intelligence with which he has been endowed by his Creator. It is your duty to sacredly guard this right to your fellow electors

and to reduce to the absolute minimum any infringement of it. Especially does it seem to me that the employes of the larger corporations should, by wise legislation, have such protecting care thrown about them that they may in the exercise of the right of suffrage act without any fear whatsoever from the displeasure of their employers whose political convictions may be different from their own.

It is undenied that the Australian ballot law was a needed reform and has done much towards purifying elections in Nebraska, but I am confident it would grant a privilege without mischief if the law should be amended by you so that the elector can designate, where it is possible, his choice of candidates and at the same time express by his ballot his political convictions.

I would respectfully suggest that each political party having a fair percentage of the vote in any district should have representation on the election board, and that not more than two judges should be selected from any one political party.

There can be no more important subject for the careful consideration of law-makers than the protection of the purity of the ballot, and I would most respectfully call your attention to our existing election laws, and invite a comparison with those of other states, to the end that amendments may be made rendering bribery and undue influence of the voter more nearly impossible, and facilitating the more rapid and accurate counting of votes.

DROUGHT SUFFERERS.

I regret the necessity demanding a careful consideration of the actual want of a great number of our people caused by the drought of last year. Nature has bountifully blessed Nebraska. Her climate is unexcelled, and her soil responds generously to the labor of the husbandman. For years prior to 1890 there was an uninterrupted era of good crops. Rapidly the domain of the rancher was encroached upon by the farmer. From various states came an energetic class of good citizens to make their homes in western Nebraska. Generally they were poor and depended upon the first season's crop to supply themselves and families with all the immediate necessities of life, and until 1890 they never relied in vain. Then came one season when the accustomed rains failed to fall, and hot winds swept over the country,

carrying devastation to the fields of growing grain. Since then there have been alternating good and poor crops, culminating in the general drought of 1894.

While this drought extended practically over the entire country, it was particularly disastrous in the western portion of the state. Distressed by combats with previous partial crop failures, many farmers with only moderate means were wholly unprepared to meet the drought. Many had been unable, on account of the short time of their residence, to store up grain sufficient to meet the exigencies of this extraordinary occasion. Some removed from the state, but the great majority, possessing the utmost faith in the country, remained, determined to hold on to their possessions in the drought-stricken district. If patience and long suffering make people deserving, the harvest of 1895 should be bountiful.

Our great state is able to take care of its own poor, and many of the county boards have, with commendable energy, provided work with compensation for the able-bodied needy in their own counties, but there is still necessity for quick relief to be extended to many portions of the state, so that all her people may be comfortable during the present winter and have an opportunity to seed and work their ground for the coming harvest. I know some claim that the legislative body has no right to make the people donate to the needy and that such work should be left to individuals who are charitably inclined, but every government is in duty bound to provide at public expense the necessities to sustain life to its own needy inhabitants, and especially is this the case when the needy are without fault on their part.

The relief commission created by the law of 1890 is still in existence. It was revived and the vacancies filled by my predecessor, Governor Crouse, and has been actively engaged in the work of assisting the deserving needy by distributing food and clothing furnished by charitably inclined people from every section of the country.

These commissioners have doubtless expended considerable money in the work, relying on the legislature to make provision to indemnify them for necessary expenses incurred, and their services will be required until seed is sown in the spring for another crop. In order to effectively carry on the work of assisting the deserving drought sufferers with the least possible expense, I would respectfully suggest that the laws of 1890 be remodeled and that relief appropriations

sufficient to supply the necessities of these people during the winter be placed in charge of the commissioners for distribution, under such safeguards as may be deemed wise in order that only the needy receive aid and that no unnecessary expenses be incurred.

I feel confident that the great railways of the state will assist the distribution with free transportation, or, at least, with greatly reduced rates.

I would further suggest that legislation be had so that each county in the more severely afflicted portions of the state may be able to vote bonds, which may be made a very proper mode of investment for a large sum of the now idle permanent school fund, in order to provide ready means to secure seed to sow and grain for stock for the coming crop season.

If, on investigation, it is deemed wise and practicable, it will be well to consider whether special assessments may not be levied on the land where the seed is furnished, or by some other means require of the beneficiary to repay in installments the value of the grain furnished, together with interest commensurate with the rate the bonds bear.

It is well to bear in mind that the people thus to be favored are not asking for charity. They are a hardy set of farmers who have been struggling against adversities over which they had no control, and they ask temporary assistance merely to tide over the present difficulty and will gladly make repayment for all the seed and grain thus furnished.

This subject I regard as one of pressing importance, demanding your first energies in your work as legislators, in order that suitable enactments may be made as speedily as possible and at the same time with due consideration of the work to be done, so that the result of your labors shall meet the exigencies of the occasion and also receive that degree of deliberation and care which should characterize all legislation. I trust, gentlemen, that you will at once direct your attention to this subject and make such disposition of it as in your wisdom you may deem proper.

IRRIGATION.

One of the most important subjects that you will have to deal with during this session, and one far reaching in its results, is irrigation. The subject has been gradually growing in favor with the people,

especially west of the one hundredth principal meridian. Its merits have been investigated and proven by actual tests, and it is now an accepted fact that very large areas in the western portion of the state, where the small amount of rainfall renders the maturity of crops precarious, can, by a proper system of irrigation and because of the excellence of the soil, and the otherwise favorable climatic conditions, be made to yield most bountifully and with unvarying certainty. The subject is a live one. Too much care cannot be given to the enactment of laws to meet every requirement of our local conditions in this regard.

The great waterways in the state and on its borders have heretofore, in early spring run bankful of water. In the early summer they have joined with the waters of the Mississippi and Ohio and many seasons have spread devastation over the fertile bottoms of Illinois, Missouri, Kentucky, Tennessee, Arkansas, Mississippi, and Louisiana, while the vegetation of a portion of Nebraska was in many places withering and dying for want of water. The government has seen fit to expend millions of dollars in the construction and maintenance of great levees to protect the property and lives of the people residing along the rivers in the south. Would it not conserve a double purpose and be productive of inestimable good to both sections if the government would direct its efforts toward turning the waters of the western tributaries of the Mississippi river into great reservoirs, and thence into irrigating ditches for the development of sections of the country which now produce very little?

A proper system of irrigation would doubtless make the fertile plains of Nebraska and similar states produce an inexhaustible supply of the sweetest vegetables and best cereals, and thus by spreading the water in the springtime would reclaim the great river bottoms of our southern neighbors and make them the kings of corn and cotton countries.

I am not familiar with the practical workings of irrigation, but your body contains some members who have given considerable time to the investigation of the subject and a few who have had years of practical experience in irrigation. They will doubtless render valuable service in advising and framing practical legislation. From the investigation I have been able to give to this important subject, I do not hesitate to recommend a district irrigation law, to be framed from

the good which may be found in Wyoming and California laws on the subject, and to be guarded by a clause enabling the users of the water to control its distribution and price so that it may be to them a source of pecuniary benefit rather than an engine of oppression in the hands of speculators. A good law on this subject, so framed as to protect the rights of those directly interested in irrigation, will substantially encourage the work, and droughts and consequent suffering will no longer menace the welfare of the people.

RAILROAD LEGISLATION.

The fundamental law of the state declares that the railways in Nebraska are public highways and shall be free to all persons for the transportation of their property and persons thereon, under such regulations as may be prescribed by law. It gives to the legislature power to pass laws from time to time establishing a reasonable maximum rate of charges for the transportation of passengers and freight. It also declares that the legislature shall enact laws to correct abuses and prevent unjust discrimination and extortion in charges by express, telegraph and railroad companies.

The railroads of this state have been one of the most important factors in bringing about its rapid development, and it is of utmost importance to all citizens of Nebraska that this great interest be sustained and encouraged. To the construction of the present extensive system of railways in Nebraska may be ascribed in a great measure the material prosperity of the state.

It is an erroneously conceived idea, and quite prevalent, that the interests of the railways and the people of the state are inimical. In fact, the success of each lies principally in the prosperity of the other. The earnings of the railroads depend on the amount of business the people are able to do, and the people in turn must look to the railways for the transportation both of their surplus commodities to market and of the articles of consumption they must obtain from others. Between the two there should naturally exist the utmost degree of reciprocity.

Notwithstanding the feeling known to exist among the people that they have been burdened by oppressive rates on transportation, I am certain that there is no demand on their part for any unjust action

that would tend to cripple the great highways of commerce. The people are willing to deal justly by the railway corporations, and in turn demand only fair treatment in the matter of charges for freight and passenger transportation.

The subject has been one of constant friction and annoyance between the people and the railroads for several years past. In various ways and at different times attempts have been made at legislation for the purpose of settling this question, but so far they have been without complete success.

The board of transportation as it now exists under the law is entirely unsatisfactory and is generally regarded as of little value to the people. Railroad commissioners elected by the people, with power to regulate all charges of this character, would, in my judgment, nearest approach a proper solution of this difficult problem. This, however, cannot be done without amending the constitution. There has been one submission of the question to the people and it failed to receive the requisite vote, yet I am persuaded it was more the result of the excitement attending the political campaign, causing the people to overlook this important question, than it was of disapproval or want of real interest in the matter on the part of the people.

I am of the opinion that if a constitutional amendment creating a board of railroad commissioners, with ample power in the premises, could be submitted to the people it would receive their approval by an overwhelming majority, and I believe this vexed question would be nearer settled satisfactorily in that than in any other manner.

Different attempts have been made to enact into law a maximum freight rate bill, culminating in the passage of house roll No. 33 during the session of the preceding legislature. This bill was approved by the governor, and but for the process of injunction issued out of the federal court would now be in operation. You are each doubtless somewhat familiar with the history of the case and the recent decision handed down by Judge Brewer of the United States circuit court. The question now naturally arising is whether the decision shall be accepted as final or provisions be made for appealing the case and thereby obtaining final decision on this very important matter in a court of last resort. The points in controversy are of vital interest to the people of Nebraska. It would doubtless be better if an early and final decision by the highest judicial tribunal of the land could be

obtained, in order that there might be a full, fair and accurate understanding as to the respective rights of the people and the railroad companies touching the questions involved.

I have no intimate knowledge of the history of the case, of the issues raised therein, or of the evidence adduced on the hearing of the cause. From reading the opinion of the learned judge deciding the case, I understand that every disputed question is found in favor of the state, save the one of the alleged unreasonableness of maximum charges as fixed by the bill. With all due respect to the distinguished judge and thoroughly appreciating the difficulties as expressed by him surrounding a question of this kind, I am inclined to the belief that the conclusion reached is based on an erroneous conception as to the proper basis for estimating the costs and earnings of the roads. In the first place it occurs to me that justice and equity would indicate that the proper basis for the purpose of fixing fair and just rates would be a present reasonable value of the roads rather than what may have been expended in their construction by useless extravagance, bad management, or the increased expenditures at such time as compared with the present.

Another element in this case which seems to be worthy of consideration, and which I fail to find any notice of in the decision of the honorable judge, is that of the reasonableness of the expenditures for operating the roads, and which are taken out of the gross earnings, thereby reducing the net earnings. If these operating expenses are unreasonable, it reduces the amount which goes to meet the demands of the bondholders and stockholders.

It would seem that if the stockholders come into court alleging that the rates fixed by the bill are too low, they should be required to make a full and complete showing, not only as to the net earnings of the roads, but also the income from all sources and all expenditures and for what purpose made. Free transportation, rebates, if any, and other like sources of expenditure or failure to collect revenue rightfully belonging to the road are all elements to be considered in order to arrive at a wise and just decision in a case of that kind. With the information you have already received and after consultation with those who have had charge of this case, if you, in your wisdom, deem it expedient to acquiesce in the decision rendered by Judge Brewer, I have no doubt of your ability to enact a law which will be fair to the

people, just to the railroads, and at the same time violate no constitutional rights of either.

FREE TRANSPORTATION.

The subject of granting free transportation to persons holding the more important offices in the state has occupied the attention of the public mind more or less and has been a fruitful theme of discussion in Nebraska for several years. I understand that the state of New York, with her great mileage of railroads, has very recently adopted a constitutional provision prohibiting the issuance to or the acceptance by the different elective officials in that state of free passes to travel on railroads. It may well be questioned whether Nebraska by legislative enactment to accomplish a similar purpose may not very properly emulate the example of New York.

It is a custom of long standing and universal practice for railroad officials to grant free transportation to state officers and members of the legislature. I do not apprehend that these passes are given with the intent of unduly influencing official action or legislation favorable to the corporations, nor do I believe the users of this transportation feel that they are placed under any obligation that would render them incapable of honest and unprejudiced action. They are doubtless given as a matter of courtesy and accepted as such. The motive involved is perhaps different from that in the case of the individual who carries free transportation because of his alleged political influence, or the indiscriminate use of free transportation at political conventions and during campaigns, whereby a fair and impartial expression of the will of the people is prevented.

I am of the opinion that the very general issuance of passes to individuals is pernicious in its influence, has a tendency to debauch the public mind, and should be opposed to the same extent as the possession of free transportation by those in official life. In either instance there must naturally follow a corresponding reduction in the net earnings of the railroads and an incidental increase in the cost of transportation to the individual citizen not so favored. I can see no difference in principle in discrimination in passenger traffic than in freight traffic. The system is wrong in principle, and I respectfully recommend to your careful consideration the propriety of enacting a law to prevent the issuance of free transportation and its acceptance by

officials or persons in private life, save the *bona fide* employes of the railroad companies.

ARBITRATION.

The oft-recurring difficulties between the larger institutions and corporations in the state and their employes seem to demand the attention of law-makers. Some mode of arbitration looking towards a settlement of these difficulties in their incipiency—long before they have assumed undue proportions, threatening the peace and welfare of the state—and preserving to both employers and employes their rights under the law, would seem to be a satisfactory solution of the matter.

INTEREST ON STATE WARRANTS.

There is now and has been for some time past a large floating indebtedness existing against the state, evidenced by registered warrants on the state treasury. These warrants are of undoubted security, thereby making them much sought for as an investment by those engaged in that business. Under the law they draw interest at the rate of 7 per cent per annum, causing them to command in the market as soon as registered a premium of from 1 to 2 per cent. It occurs to me a great saving might be made to the state and an injury done to no one if the interest on state warrants be reduced 1 to $1\frac{1}{2}$ per cent. I am led to believe that state warrants drawing interest at the rate of $5\frac{1}{2}$ or 6 per cent will always be worth their face value as an investment.

NECESSITY OF ECONOMY.

It is needless for me to attempt to impress on you the necessity for the greatest possible economy in the public business consistent with the proper administration of the affairs of state. By economy is not meant such parsimony as will curtail the usefulness of state institutions or render less efficient any branch of the state business, but such watchful care in the expenditures as will reduce to the minimum the burdens of the taxpayers, which have been rendered especially oppressive by the present depressed conditions in all branches of business.

CONCLUSION.

The press of other business has prevented me from giving more attention to subjects you will probably have to consider during your session. If occasion requires, I shall communicate further by special message.

I am desirous of extending to you as legislators all means within my power which may in any way assist you in enacting wise and just legislation. And I trust when the work of this session is done it may redound to the good of all the people of the entire state. I trust that your work during the short time your labors will be required will fully demonstrate the wisdom of the people in selecting you as their representatives in the legislative department.

Relying for guidance upon the All Wise Ruler of the destinies of nations, let us take up the work to which we have been called by our fellow-citizens and discharge our duties honestly, fearlessly and faithfully.

SILAS A. HOLCOMB.