

the running expenses of the State government, such as appropriations to State and private institutions, governmental expenses, etc., amounting to \$2,763,912.16, showing a small increase over the years previous. For comparison I beg to submit the following, showing this revenue for the past three years :

1913.....	\$2,637,107 35
1914.....	2,671,795 45
1915.....	2,798,706 86

In my report to the Legislature of 1914, I gave this information for the years 1911 and 1913, in a statement therein given, in these words :

“I wish to submit the following statement, which will make the matter so plain that the figures will speak for themselves.” The conclusion reached by me then has most strongly been confirmed by the events of the past two years. Permit me to quote therefrom :

“Hence it is clearly demonstrated that while our ordinary revenues have increased in some particulars and decreased in others, they are practically the same as two years ago. How therefore, can the State provide for the increased appropriations already made and the demands now being so seriously advocated? A few years ago the Treasury was able not only to meet all its obligations in the running expenses thereof, but at the close of the Fiscal Year over and above its expenses to care for its loans, thereby relieving the taxpayer of this burden ; hence the low tax rate for 1907 and 1908, but that time has passed and we are confronted with the very serious condition of our revenues not being sufficient for our necessities. Had it not been for the very free use of the Executive veto by the present Governor and his immediate predecessor, our financial condition today would be far from comfortable. Of course this in no manner affects our bonded obligations or the revenues to the public schools, since they are cared for by direct taxation, but it has a very serious bearing upon the appropriations that shall come before your honorable bodies. In the natural growth of affairs the State has been compelled to meet those necessities and we are recognizing more and more the duty the State owes to its dependent insane, feeble-minded, the poor and unfortunate in our hospitals and asylums, as well as the education of our boys and girls. We are