

erecting fine buildings for their care, but that is done from money arising from bond issues, while the maintenance of those institutions, necessarily much more expensive as their usefulness and capacity expands, must be borne from the general Treasury. Consider the increased appropriations to the State Board of Health with those of a few years ago, the Public Service Commission, the appropriation of \$300,000 per annum to State-aided roads, and the many other appropriations. I am not uttering one word of negation thereto, for I fully recognize the importance of them all, but how will the State maintain the pace it is going upon the present revenues? It cannot be done.

"The question naturally arises as to the proper solution of the problem. If our revenues increased in the ratio of our expenditures, of course the question would be easily answered, or if our appropriations could be diminished or maintained at the present level without impairment to the best interest of the State, the problem would likewise be readily solved. To levy a tax for maintenance, other than road maintenance, I conceive, will never be seriously considered. That class of property upon which such a tax would fall is now already over-burdened. Hence, the State must look for increased revenue from some indirect source, or sources, which is now escaping its fair and just proportion. It will be my pleasure to submit later on in these remarks some measures from which, in my judgment, additional revenues could be obtained that would more equitably distribute the burden of taxation."

"I cannot close this report without again calling attention to the fact that unless additional revenues are derived from some other sources than are now in view, the ordinary receipts of the State will not stand even the additional demands that now seem unavoidable in order to carry to successful completion the work already under way or the obligations already assumed by the State, and even these obligations cannot be met or maintained except by the exercise of the greatest economy and care of those entrusted with the expenditure of the State's money. An increase in the present State tax rate, which has been so rapidly advanced from 16 cents to 31 cents on each \$100 ought to be avoided, if it be possible to do so."

I cannot make more emphatic this statement. The warning