

# GOVERNOR AYCOCK'S MESSAGE.

Strong State Paper Read In Both Houses of General Assembly

STATE OFFICERS MAKE REPORTS

The Governor Makes Suggestions on Many Problems That Will Come Up For Consideration.

The message of His Excellency, Hon. Chas. B. Aycock, governor of North Carolina was transmitted to the house and senate of the General Assembly on Thursday at noon. It is a comprehensive document, dealing at length with the problems confronting the State. The substance of the message is appended herewith:

## INTRODUCTION.

The Honorable, the General Assembly: I welcome you with much pleasure to the Capital of the State. With the beginning of your labors my own are appreciably lessened. You come to your work fresh from the people with a knowledge of their wishes and with a sincere desire to meet their just expectations and demands. The year just passed has been one of great prosperity to the people of the State. Farmers have produced good crops and received reasonable prices for them. Industries have increased and manufacturers have been kept busy. Labor has had steady employment at fair wages and the State has probably never enjoyed a period of more general success. The State Government, however, has been embarrassed by a want of sufficient revenue to meet the appropriations provided for by the last General Assembly. It will be one of your first duties to devise means by which the expenditures of the State will come within the revenue. I am of the opinion that the Revenue Law now in force under the new assessments which will be made next June will supply all the demands for current expenses. The Revenue and Machinery Acts of the last Legislature were much criticised at the time of their passage, but experience has shown that with a few modifications they are perhaps as good as can be made under our Constitution. The adjustment of taxation so that the burden shall fall equally upon all and in proportion to the ability to pay is one of extreme difficulty; if indeed it is not altogether impossible. There has been much complaint of the inequality of assessments in our State. Farmers and merchants complain that the corporations do not pay their proper part of the taxes for the support of the Government, while some of the corporations insist that they are taxed in excess of the taxes levied upon other property. The laws now in the statute books provide for equality of assessment, but by equality of assessment it is not understood that those who have secured franchises from the State and thereby enjoy special privileges should be exempt from payment of taxes on the value of the franchises and privileges which they enjoy. Mr. Justice Miller in a case before the Supreme Court of the United States declared that "it has been a consideration, perse not yet fully attained, to find a method of taxing this species of property which will be at the same time just to the owners of it, equal and fair in its relations to taxes on other property, and which will enforce the just contribution that such property should pay for the benefits which more than property generally receives at the hands of Government."

The law now on our statute books for the taxation of railroads follows the line of this decision. That law provides the method for ascertaining the value of the property of the railroads and the method provided seems to me to be fair and just. This law has the advantage of having been passed upon by the Supreme Court of the United States in cases going to that court from other States. Much of the value of corporations is intangible and no tax law which ignores this intangible property is just to the owners of tangible property assessed at its true value. The law now in force recognizes this fact and provides for the assessment of this intangible property and lays down rules by which it can be done with reasonable accuracy. These rules proceed upon the idea that "whatever property is worth for the purposes of income and sale it is also worth for taxation." No just man demands more than this and no fair-minded man can justify anything less.

There is much property other than railroad property undervalued for taxation. When the law says that property shall be assessed at its true value in money any custom or rule of assessing it at less than its true value ought to be abandoned. Obedience to the law by those charged with its execution is essential to the maintenance of good government. By obedience in matters of assessment of all property ample revenue will come to the State for every legitimate purpose, and those who are already paying upon full values will enjoy that equality which by right belongs to every citizen in bearing the burdens of government. The Machinery Act passed by the last Legislature makes ample provision for securing this end. I, therefore, recommend that

both the Revenue and Machinery Acts now constituting our law in reference to taxation shall remain as they are with the modifications recommended by the Treasurer and Auditor. Much time is consumed by each Legislature in passing a new Revenue and Machinery Act. Before the people become accustomed to the new law another is enacted, creating constant uneasiness, misapprehension, and criticism. The officers and people alike begin now to clearly understand the present law. It is wise, therefore, as a matter of economy of time to the Legislature and for the benefit of the tax payers to make few changes in the existing law.

**THE SOUTH DAKOTA SUIT.**  
The State has been sued in the Supreme Court of the United States by the State of South Dakota on ten bonds secured by an alleged second mortgage on the State stock in the North Carolina Railroad Company. All of the bonds of this class have been adjusted long since except about two hundred and fifty, of which those sued upon are a part. They are held or controlled by Schaffer Brothers, brokers in New York, and the ten bonds sued upon were assigned by them to South Dakota without consideration and for the purpose, as North Carolina contends, of evading the Eleventh Amendment to the Constitution of the United States, and for the purpose of drawing into the jurisdiction of the court the bonds held by the said brokers. This is the first case of this character ever brought by one State against another and it is confidently contended by North Carolina that no court has jurisdiction to enforce public obligations in the hands of an assignee which could not be enforced by the assignor. The principle involved is of serious importance, not only to this, but to all the States of the Union, and if the suit can be maintained it will be a dangerous departure and one seriously infringing upon the sovereignty of the States. I have employed counsel for the State who in conjunction with our able Attorney General are representing.

**STATE TAX COMMISSION.**  
The report of the State Tax Commission is a very interesting document and well worthy of your serious study. Some of the recommendations contained therein are new to our people and may not meet with ready acceptance. It is certain, however, that the commission has given diligent study to the problems presented to them for consideration under the act creating the commission. I trust that the views presented will not only arouse interest on the part of the General Assembly, but will cause a general study of the subject of taxation by all our people. Much revenue is undoubtedly lost to the State, counties, and towns by refusal to properly list personal property in these communities where the combined tax rate is so high as to become fined tax rate is so high as to become vided which this can be remedied and thereby cause a full listing of property at its true value, a long step will be taken towards the adjustment on an equitable basis of the burdens of taxation. The recommendation of the commission that a tax should be levied for State purposes on distilleries, rectifying establishments and saloons seems to be well founded. The State has heretofore levied a tax on saloons for the use of the school fund only. It would seem that an additional tax should be levied for State purposes. There is no reason apparent why distilleries and rectifying establishments should not also contribute to the support of the State Government.

**EDUCATION.**  
I commend to your careful consideration the very full and able report of our Superintendent of Public Instruction. I concur in the main in the recommendations which he has so thoughtfully made. But for the fact that some of your Honorable Body have come to the Legislature instructed by the conventions which nominated you to secure the adoption of an amendment to the Constitution by which the taxes paid by the whites shall go to the education of the white children and the taxes paid by the negroes shall go to the education of the negro children. I should make no mention of any race question. I had confidently hoped that this matter would not be before you. We have just eliminated by our Constitutional Amendment the negro from any large participation in the government of the State. It was my fortune to be the candidate at the time when it was adopted of that party which supported the amendment. In my speech of acceptance made to the convention which unanimously nominated me for the office of Governor I used this language, "While universal suffrage is a failure, universal justice is the perpetual decree of Almighty God, and we are entrusted with power not for our good alone, but for the negro as well. We hold our title to power by the tenure of service to God, and if we fail to administer equal and exact justice to the negro whom we deprive of suffrage, we shall in the fulness of time lose power ourselves, for we must know that the God who is love trusts no people with authority for the purpose of enabling them to do injustice to the weak." The reception which this statement met at the hands of that great convention will ever be to me a pleasant memory. This declaration with me was not mere sentiment. It was the expression of deep conviction. In my

inaugural address I substantially reiterated this statement. I said to the last General Assembly, "You will not have ought to fear when you make ample provision for the education of the whole people. Rich and poor alike are bound by promise and necessity to approve your utmost efforts in this direction. The platforms of all the parties declare in favor of a liberal policy towards the education of the masses." The platform on which I ran for office contained this provision, "We heartily commend the action of the General Assembly of 1890 for appropriating one hundred thousand dollars for the benefit of the public schools of the State, and pledge ourselves to increase the school fund so as to make at least a four months' term in each year in every school district in the State. There is in that platform declaration no suggestion of any purpose to take from the negro any part of the school fund which he was then enjoying. Almost from the time of my entering upon the office of Governor to the present I have gone through the State making speeches advocating universal education. When the Democratic convention assembled in Greensboro they endorsed this educational policy in the following language: "We renew our pledges for the extension and improvement of the public school system of the State, so that it may keep pace with the needs and conditions of our people. We point with pride to the great impetus and progress in this great work during the last two years, and call attention to the fact that this year for the first time in the history of the State, every school district has been able to maintain a public free school for four months, as required by the Constitution." When the Republican convention met in the same city it used this language—"Intelligence being the corner-stone of the State, and the education of the masses being dependent solely upon our public schools, we fear the support by public taxation of at least a four months school in every school district in the State." It appears, therefore, that both parties represented in your Honorable Body are pledged to at least a four months' school in every school district in the State and this, of course, includes the negro districts. I am not unmindful of the fact that the education of the negro has been somewhat disappointing, and there are many of our people who really believe that education is injurious to the negro.

The Governor argues that education does the colored man good. He sustains this proposition by facts that show the education of the negro to be beneficial to society in general.

**THE UNIVERSITY.**  
The Governor speaks of the University as the acknowledged head of our public school system and recommends favorable consideration of its needs.

**STATE NORMAL AND INDUSTRIAL COLLEGE.**  
The recommendations concerning this institution are for increased facilities, as its growth demands.

**A. AND M. COLLEGE.**  
The Agricultural and Mechanical College is highly commended for its usefulness. Our people must be for many years largely engaged in agricultural pursuits. Hence we should foster all institutions looking to their betterment.

**DEAF AND DUMB INSTITUTION AT MORGANTON.**  
This institution has done in the past two years the best work since its organization. Here are now in attendance two hundred and thirty-seven deaf children. Superintendent Goodwin after a careful investigation is of opinion that there are four hundred and fifty deaf children in the State who ought to be in the school. To get them into the school without a compulsory law can only be accomplished awakening interest among all our people in the education of this class of our citizens. Every community ought to see to it as far as possible that the deaf children shall have the benefits of the excellent training given at this institution. Many of the children there are being taught to speak and to read what he says from the lips of the person with whom they talk. To what extent this can be carried is not yet certain, but the problem is being worked out carefully and scientifically, and so far with excellent results. The boys and girls who complete the course at this institution become almost without exception self-sustaining. The State engages in no greater work than the teaching of these unfortunates, and I am sure it will be gratifying for you to know that nowhere are the children better taught. Our Deaf and Dumb Institution ranks with the best in the world. You will find in the Report of the Directors, the Superintendent, and other officers of the Institution full information as to the work accomplished and the needs for the future.

**DEPARTMENT OF STATE.**  
The Governor praises the work done by the Secretary of State, and says he needs our assistance during the session of the Legislature.

**THE TREASURY DEPARTMENT.**  
The work of the Treasury department is fully set forth in documents accompanying the message.

**AUDITOR'S DEPARTMENT.**  
The Auditing department is covered by reports submitted with message.

**TREASURY DEPARTMENT.**  
This department is fully covered by accompanying reports.

**THE BOARD OF AGRICULTURE.**  
This board has done excellent work during the past two years extending the scope of its usefulness as the needs of the State manifest themselves. I transmit herewith the report of the Commissioners of Agriculture and commend the same to your careful consideration. I concur in the recommendations therein made.

**THE NORTH CAROLINA CORPORATION COMMISSION.**  
This commission is doing work of far more value to the State than is generally understood and its beneficial results

would be greatly enlarged if the people in the State understood that all complaints made to the Commission in reference to any matter in regard to transportation whether of persons or of property will receive a prompt and careful investigation. If those who are disposed to complain about the Commission would complain to it much good would be done. During the past year the passenger rate was made the same on the branch lines of the Southern, Atlantic Coast Line and Seaboard Line railroads as theretofore existed on the main lines. This reduction in itself amounts to a considerable sum to the travelling public. The reports accompanying this Message set out in detail the work of the Commission for the past two years.

**CHILD LABOR.**  
The Governor argues that the State has a right to regulate the working of children in mills and factories, and should exercise this right by wise legislation.

**PENSIONS AND SOLDIERS' HOME.**  
During the past two years the State has paid out to the soldiers and widows in pensions \$330,597.50, and in the support of and additions to the Soldiers' Home \$1,000.00. It is admitted that North Carolina sent more soldiers to the Confederate Army than any other State. The amount paid to the widows of these soldiers and to the survivors of that gallant army must appear to everyone pitifully small. These old men and the widows of those who have passed away have been much honored on the platform and in the press and the State has done what she has felt able to do to make their lives more pleasant as they approach the end. The debt which we owe to them can never be paid. The sum which we pay to them is but a small part of that which they merit. Their bitter necessities will appeal to you and I cannot doubt that such provision will be made as you find the State able to bear.

**CULLOWHEE HIGH SCHOOL.**  
This school located in Jackson County on Cullowhee Creek, a tributary of Tuckasee River, is doing a most excellent work at extremely small cost. During the past year I had the pleasure of visiting this excellent school and inspecting the work there being done. I know of no investment which the State has made in the way of education which has brought larger results in proportion to the amount expended. A full report of its condition and work will appear from the accompanying documents.

**COLLEGE OF AGRICULTURE AND MECHANIC ARTS FOR THE COLORED RACE AT GREENSBORO.**

I commend to your careful consideration the strong and clear report of the Board of Directors of this Institution. This board has been confronted with many difficulties. When they took charge of the institution its plans were found to include too large a literary course and too small agricultural and industrial courses. With a view to training the colored population for the work which they must needs do the literary department has been subordinated to the industrial and agricultural. I believe under the wise management of the present Board of Directors this institution will soon become of great service to the State. The needs of the institution will fully appear in the report named.

**THE OXFORD ORPHAN ASYLUM.**  
This institution managed under the joint control of the State and Grand Lodge of North Carolina, A. F. and A. M., is maintaining its reputation for excellent work. It is doing a great service to the orphans of the State. I commend it and its wants to your favorable consideration.

**THE OXFORD ORPHAN ASYLUM FOR THE COLORED.**

The reports from this institution show increasing usefulness. Its needs are set out in the accompanying documents and deserve consideration at your hands.

**DEAF, DUMB AND BLIND INSTITUTION.**  
This institution for the past two years has done most excellent work. The attendance has increased from the two hundred and sixty-six on December 1, 1900 to three hundred and thirty-one on December 1, 1902. The attendance at present is the best ever registered in the school, but there still remain out of the school many blind children who ought to be brought into it. The Board of Directors have wisely determined that during vacation their superintendent shall visit the homes where blind children are to be found and seek to influence the parents or guardians to permit them to be sent to this institution. The superintendent engaged last Summer in this work with the result above set out. The blind always appeal to us. There is a deeper pathos about this affliction than almost any other. The State owes to the blind the duty of bringing light to them. It is hoped that the parents of the State will respond to the efforts made in this direction and put all the blind in the school. Many States compel their attendance, but I believe that the course of the board of directors in going to the homes and laying the advantages of this institution before the parents and guardians will perhaps obviate the necessity of a law compelling attendance. The report of the board of directors and the superintendent and other officers of the institution accompanying this message will give you the detailed information as to the work for the past two years and the needs for the future.

**NORTH CAROLINA STATE GUARD.**  
Accompanying this message will be found the report of the Adjutant General of the North Carolina State Guard. I concur in the recommendations of the Adjutant General. It is gratifying to know that the general condition of the State Guard shows de-

clined improvement. There is no more powerful agency for the preservation of the peace and good order of the State than is furnished by our citizen soldiery. They respond promptly to every call for their services and give freely of their time in any service which the State demands. They are entitled to the fostering care of the State and the grateful appreciation of all lovers of peace and quiet.

**THE STATE BOARD OF HEALTH.**  
From the report of the Secretary of the State Board of Health, which is herewith transmitted, it appears that much work of the character expected of such boards has been accomplished during the past two years. This includes among other things sanitary inspection of the State's Institutions; of all public water supplies, and of suspected private supplies on request; advice and instructions to municipalities; health officers and individual citizens; the collection of vital statistics and the dissemination among the people of varied information as to the preservation of health. The educational effect of this work is apparent in the improved public sentiment on this very important subject.

**THE PENITENTIARY.**  
The Governor expresses gratification at the good showing made by the board of penitentiary directors.

**STATE HOSPITAL FOR THE INSANE.**  
This institution makes a good showing. Its needs should be carefully looked after.

**GEOLOGICAL SURVEY.**  
The State Geological Survey has done a great deal to promote the welfare of the State. It should be amply provided for in the prosecution of its work.

**BOARD OF PUBLIC CHARITIES.**  
The work of the Board of Public Charities has been a labor of love. The members of this board have accomplished a great deal, and deserve the gratitude of every individual in the State.

**BOARD OF EXAMINERS OF STATE INSTITUTIONS.**

Under an act of the last General Assembly I caused to be mailed to each member of the General Assembly during the month of November, 1902, a printed copy of the report of the Board of Examiners of State Institutions. This board was created by the last General Assembly and the report shows the result of its first work. Full and detailed information in regard to each of the institutions investigated is to be found in said report, together with the recommendations of the board for legislation.

**PARDONS.**  
The Governor transmits a list of pardons granted, with his reasons for granting the same.

**SALE AND MANUFACTURE OF LIQUOR.**

The Governor devotes a section of his message to a consideration of this subject. His recommendations are for a uniform law, giving the highest restriction to the business.

**LYNCHINGS.**  
The recommendations are for the elimination, as far as possible, of the cause of lynchings, and the removal of the cause.

**PUBLIC ROADS.**  
A section of the message is devoted to the question of public roads, with appropriate suggestions.

**GENERAL THOMAS F. TOON.**  
On the 19th of February, 1902, General Thomas F. Toon, Superintendent of Public Instruction for the State, fell on sleep. His record is one of which the State may well be proud. He entered the Confederate army a young man as a private and without outside influence, by merit alone, won promotion after promotion until he became a Brigadier General. He freely offered his life for the independence of his section. He finally gave it in behalf of the education of the children. He was engaged in canvassing the State in advocacy of larger educational facilities when he was attacked by pneumonia. He ended his life as he had spent it, in patriotic service for the State. As soldier, as citizen, as officer, he was always faithful and gave to the cause which he espoused his full devotion. He died as he lived without other fear than that which we are told is the beginning of wisdom.

**LOUISIANA PURCHASE EXPOSITION.**  
The recommendation is that a suitable exhibit be provided for at this exposition.

**STATE DEBT.**  
A paragraph is devoted to the State's indebtedness, with recommendations.

**CONCLUSION.**  
There are many matters not noted in the message which will claim your attention. Perhaps no General Assembly has ever assembled in the State in time of peace that has had greater opportunity for real service to the State. You will not forget the dread of our people of debt and their opposition to excessive taxation, nor will you fail to appreciate the great undertakings which the State has entered upon and the larger future for which we all so earnestly hope. Money wisely and prudently expended now in behalf of these things which tend to develop the State will prove a beneficial investment. Economy should not be overlooked nor should parsimony in the expenditure of money for our larger growth hinder our development. There is but one way only to serve the people well and that is to do the right thing, trusting them as they may be trusted, to approve the things which count for the betterment of the State.