
Franklin D. Roosevelt — “The Great Communicator”

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Series 1: Franklin D. Roosevelt’s Political Ascension

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1932 January 6

Albany, NY - Message to the Legislature

I come before you at a time of domestic
crisis which calls for ~~the~~ the complete
laying aside of party animosities and a unity
of leadership and action to as great a degree
as if we were engaged in war. But
since the Civil War have the people of this
State ^{and of this nation} faced problems as grave, situations
as difficult, suffering as severe. The
economics of America, and indeed of the
whole world are out of joint: and only
the most skillful and concerted care will
mend them. That is why I come before
you not as a Democratic governor, but as
the Governor of all the citizens of the State
to ask you to cooperate and counsel
with me not in your capacities as representa-
tives of assembly or senatorial districts but
rather as a great legislative body

acting and speaking for ~~the~~ ^{all} parts of the
 State, instead of seeking not local advantages
 but rather the most ~~general~~ ^{general} interests and
 highest order of our common ~~possibilities~~ ^{possibilities}.
 We face the necessity of ~~using~~ ^{using} ~~the~~
 resources of nature for the good reason that
^{new} old values have disappeared; new comparisons
 of the relation of production of property and
 of man's remuneration for his work, for the
 good reason that many of the old fore-
 positions have been shown false. ^{no more arguments}
 It would be useless to place the
 blame for our present situation on any
 individual, any group or any of our
 acts. What we can do is in a spirit-
 of humility and of generosity draw from
 the recent years what we do in
 the process of rebuilding the economy

And social structure upon a secure foundation.

In many groups of human beings known as nations the structure of government has been so inflexible that only revolution could enable reconstruction. We are fortunate that our fathers provided systems both State and Federal which provided for peaceful change by intelligent and representative leadership. A most changing conditions of human society.

Let us face the facts. In the field of private endeavor we have retained ^{in large degree} the ^{personal} liberty of the individual, but we have lost in recent years the economic liberty of the individual — this has been swallowed up in the specialization of industry and of agriculture, and has meant that the cog can move only if the whole machine is in perfect gear.

We thus see an overproduction of food and clothing and close at hand many millions of men and women who lack the medium of exchange - money - with which to ward off starvation and nakedness.

We know now from bitter experience that the theory that a nation could lift itself up by its own bootstraps was not sound; that the beautiful thought that more people were engaged in manufacturing this that and the other article the more these articles would be used could be carried too far; that just because a piece of paper was labelled a share of stock or a bond did not of necessity give it value; that an increasing concentration of wealth and the power that wealth confers did not guarantee an intelligent or a fair use of that wealth or power.

We know that many of those who ran after false gods are heartily sorry for their sins of omission and commission; that many of the leaders of American thought in government and in business appreciate the errors of their teaching. That is well: and nothing is to be gained by making them the scapegoats.

Nevertheless more than two years have gone by and these leaders have as yet shown us no plans for the reconstruction of ~~our home~~ of a better ordered civilization in which the economic freedom of the individual will be restored. Business and industry have been failing to salvage the old structure. They need not just to be let alone. The public asks that they be given a new leadership which will help them and at the same time give

6

definite recognition to a new balance based on the right of every individual to make a living out of life.

It is true that in any State of this Union of States the complete solving of those economic problems which are national in scope is an impossibility without leadership and a plan and action by our national government. Perhaps that will come, but in the meantime we in this State have a very positive duty to do what we can to help ourselves.

For example the problems of banking are to a greater degree Federal than State, yet we in New York can and ought to start to apply the lessons learned during 1930 and 1931. Thoroughly unsound even if wholly legal practices have been growing for a generation. Many banks became mere land selling houses. Many bankers

forgot that it was of doubtful effect to
 sell their own securities to disposition and to
 trust funds for which they themselves were
 trustees. Many billions of securities were
 sold to the public at prices un-
 justified even by the speculation that we
 had reached an inevitable antithesis,
 a permanent Utopia. Conventionalities,
 shogers, holding companies, investment
 trusts were listed in every corner of the
 land - a pyramiding unswayed since the days
 of the Mississippi bubble.
 Today we recognize the uncertainty and
 the danger. The air is out of the bubble.
 The great speculators have in large measure
 stopped for the very good reason that
 there is no more money to trade. But
 that is the very thing for us to act.

This action must come from the Legislature of the State, for the good reason that the people through their representatives have at all times framed it necessary to place limits and regulations and restrictions on those who handle other people's money.

First, we need now have to give to the department of Science and the Department of Agriculture of assistance and advice in meeting a situation which is a ~~known~~ ~~known~~ ~~known~~ and without precedent. With this I am ready.

Friend, successful business of the

part must be eliminated by law from now on. The ethics of banking need restatement, and savings must be managed as savings and not confused with commercial or checking deposits.

Third, there must be revision of the laws relating to the sale of securities to the public. It is time to differentiate between prospects and true values, or at least to tell an unschooled public the whole truth about the contents of what in the past has been a package sold because of the bright colors on its wrapper.

Fourth, we must by law maintain the principle that banks are a definite benefit to the individual community. That is why a concentration of all banking resources and all banking control in one

that it is in a few hands is contrary to a sound public policy. We want strong and stable banks and at the same time we want to keep control of our own money in our own community.

I come now to another problem of the moment over which unfortunately the State can have little control. For many generations the great art of common-carriers, the railroads have formed the backbone of that form of wealth which seeks stable investment. Banks, insurance companies, charities, hospitals, churches, trust funds, all, rightly or wrongly, have placed confidence in the permanence of the underlying mortgages of the railroads.

Many people of late have seen the serious effects of a nation wide depression on their traffic. They are heavy sufferers in addition from a new competition by great trucks on highways built by the State. In view of the fact that the Taxes paid by the railroads have helped to build these highways and that the trucks and buses now use them almost tax free, a better equalization of Taxes is called for in all fairness. I shall ask ~~for~~ in my budget message for a tax on heavy motor vehicles commensurate with their use of the costly highways of the State.



STATE OF NEW YORK
EXECUTIVE CHAMBER
ALBANY

HERBERT H. LEHMAN
LIEUTENANT GOVERNOR AND ACTING GOVERNOR

STATE OF NEW YORK

MESSAGE
OF
GOVERNOR
FRANKLIN D. ROOSEVELT
TO THE
LEGISLATURE

JANUARY 6, 1932



ALBANY
J. B. LYON COMPANY, PRINTERS
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THE GOVERNOR'S MESSAGE

STATE OF NEW YORK

EXECUTIVE CHAMBER

ALBANY, N. Y., January 6, 1932

Members of the Legislature:

I come before you at a time of domestic crisis which calls for the complete laying aside of partisanship and for a unity of leadership and action as complete as if we were engaged in war. Not since the dark days of the sixties have the people of this State and of this Nation faced problems as grave, situations as difficult, suffering as severe. The economies of America, and indeed of the whole world are out of joint; only the most skillful and concerted care will mend them. That is why I come before you as the Governor of all the citizens of the State to ask you to cooperate and counsel with me, not in your capacities as representatives of individual assembly or senatorial districts but rather as a great legislative body acting and speaking for all parts of the State, united in seeking not local advantages but rather the most courageous and hopeful solution of our common problems.

We face the necessity of employing new measures of value for the good reason that many old values have disappeared; new comparisons of property and of man's remuneration for his work, for the good reason that many of the old proportions have been proven false.

It would be useless as well as ungracious to place the blame for our present situation on individuals, or groups, or on any specific acts. What we can do is to learn from the recent years in a spirit of humility and of generosity what to avoid in the process of rebuilding our economic and social structure upon a surer foundation.

In the many groups of human beings known as nations the structure of government has been so inelastic that reconstruction has been possible only by revolution. We are fortunate that our

fathers provided systems, both State and Federal, which permit peaceful change by intelligent and representative leadership to meet changing conditions of human society.

Let us face the facts. In the field of private endeavor we have retained in large degree, perhaps, the personal liberty of the individual; but we have lost in recent years the economic liberty of the individual—this has been swallowed up in the specialization of industry, of agriculture and of distribution, and has meant that the cog can move only if the whole machine is in perfect gear. We thus see on one hand an overproduction of food and clothing and close by many millions of men and women who lack the medium of exchange—money—with which to ward off starvation and nakedness.

We know now from bitter experience that the theory that a nation could lift itself up by its own bootstraps was not sound; that the cheering thought that the larger the number of people engaged in manufacturing commodities the more these commodities would be used, could be carried too far; that just because a piece of paper was labelled a share of stock or a bond did not of necessity give it value; that an increasing concentration of wealth and of the power that wealth controls did not guarantee an intelligent or a fair use of that wealth or power.

We know that many of those who ran after false gods are heartily sorry for their sins of omission and commission; that many of the leaders of American thought in government and in business appreciate the errors of their teaching. That is well; and nothing is to be gained by making them the scapegoats.

Nevertheless, more than two years have gone by and these leaders have as yet shown us few plans for the reconstruction of a better ordered civilization in which the economic freedom of the individual will be restored. Business and industry have been toiling and are toiling to salvage the old structure. They need more than just to be let alone. The public asks that they be given a new leadership which will help them and at the same time give definite recognition to a new balance based on the right of every individual to make a living out of life.

It is true that in any state of this Union of States the complete solving of those economic problems which are national in scope is an impossibility without leadership and a plan and action by our national government. Perhaps that will come, but in the meantime we in this State have a very positive duty to do what we can to help ourselves.

For example, the larger problems of the national financial system, and therefore of banking, are to a greater degree federal than state, yet we in New York can and ought to start to apply here the lessons learned during 1930 and 1931. Thoroughly unsound, even if wholly legal, banking practices have been growing for a generation. Many banks became mere bond-selling houses. Many bankers forgot that it was of doubtful ethics to sell their own securities to their depositors and to trust funds for which they themselves were trustees. Many billions of securities were sold to the public at prices unjustified even by the expectation that we had reached an immutable millennium, a permanent Utopia. Consolidations, mergers, holding companies, investment trusts were touted in every corner of the land, a pyramiding unequalled since the days of the Mississippi Bubble.

Today we recognize the unsoundness and the danger. The bubble has burst with all its rainbow glory. The public has burned its fingers in the flame of wild speculation and has learned now to fear the fire. While it still fears the fire is the time for us to act.

This action must come from the Legislature of the State, now as in the past. The people through their representatives have at all times found it necessary to place curbs and regulations and supervision on those who handle other people's money.

First, we need new laws to give to the Superintendent of Banks Banking and his department the benefit of assistance and advice in meeting a situation which is abnormal and without precedent. The inflexible provisions of our banking law do not permit adequate handling of emergencies. An advisory council could provide, under proper retrictions, flexibility with safety. With this I am confident that we can give additional protection to the deposits of millions of our people who are depending on their savings and to the wheels of industry which require banking facilities to meet their payrolls.

Second, unsound practices of the past must be eliminated by law from now on. The ethics of banking need restatement; savings must be managed as savings and not confused with commercial or checking deposits.

Third, there must be revision of the laws relating to the sale of securities to the public. It is time to differentiate between prospects and true values, or at least to tell an unskilled public the whole truth about the contents of what in the past has been a package too often sold only because of the bright colors on its wrapper.

Fourth, we must by law maintain the principle that banks are a definite benefit to the individual community. That is why a concentration of all banking resources and all banking control in one spot or in a few hands is contrary to a sound public policy. We want strong and stable banks, and at the same time each community must be enabled to keep control of its own money within its own borders.

Motor
trucks

I come now to another problem of the moment over which unfortunately the State can have little control. For many generations the greatest of common-carriers, the railroads, have formed the backbone of that form of wealth which seeks stable investment. Banks, insurance companies, charities, hospitals, churches, trust funds, all, rightly or wrongly, have placed confidence in the permanence of the underlying mortgages of the railroad. Many people of late have seen the serious effects of a nation-wide depression on railroad traffic. The railroads are heavy sufferers, in addition, from a new competition by great trucks and busses on highways built by the State. In view of the fact that the taxes paid by the railroads have helped and are helping to build these highways and that the trucks and busses now use them almost tax-free, a better equalization of taxes is called for in all fairness. I shall ask in my budget message for a tax on heavy motor vehicles commensurate with their use of the costly highways of the State.

Summing up, therefore, the present situation in so far as the State can give assistance to credit, to bank deposits, and to the strengthening of the general financial structure, it is incumbent on us to do everything in our power to protect the present and to rebuild for the future along far sounder lines.

Un-
employ-
ment

The actual present conditions of life which face at least over two million of the citizens of our State compel a reiteration of the principle to which we are committed—that the people of the State of New York cannot allow any individuals within her borders to go unfed, unclothed, or unsheltered. From that fundamental springs all of the work of relief now in progress in the State.

I report to you regretfully that the conditions of unemployment are as yet no better than those we faced during the recent special session of the Legislature. On the other hand I report to you gladly that the measures which we adopted at that time for unemployment and distress relief are, with few exceptions, going forward in the right spirit and with measurable success. To the Temporary Emergency Relief Administration goes great credit

for the businesslike and, at the same time, humane progress which under their leadership has been made in every county. To the great majority of local government units and to the hundreds of thousands of individual citizens who are giving money and services, must also go credit for coming forward unselfishly in this emergency.

It is as yet too early to determine whether further relief on the part of the State will be a necessity. We all hope that the worst is past. Much can still be done by individual citizens through community effort. Examples such as already given by the city of Rochester can well be followed by other communities.

In other words, government and citizenry have combined to meet the emergency. That does not mean that we can think only in terms of this winter. We must look ahead.

A study of the past decade gives us at least one clue to the difficulties of today. It is a simple fact that by far the greater part of the present suffering, of the present inability on the part of hundreds of thousands to obtain any work and, therefore, to obtain food, clothing and lodging, lies in the larger communities of the State. A few of the smaller cities, because of low per capita wealth, need special assistance. But the fact remains that in the smaller cities and in the villages and the country districts, even though the shoe pinches in many households, the actual suffering and destitution is far less severe than in the big cities.

In other words, we seem to have established that the distribution of population during recent years has got out of balance, and that there is a definite over-population of the larger communities in the sense that there are too many people in them to maintain a decent living for all.

Great problems of distribution of the necessities of life are involved but we have sufficient studies to know that an immediate gain can occur if as many people as possible can return closer to the sources of agricultural food supply.

This is not a mere "back to the farm" movement. It is based on the fact that the pendulum has swung too far in the direction of the cities and that a readjustment must take place to restore the economic and the sociological balance.

I am a great believer in the larger aspects of regional planning and in my judgment the time has come for this State to adopt a far-reaching policy of land utilization and of population distribution. Let me illustrate from two extremes. At one end of the scale we are actually solving the problem of the unprofitable farm-

Popula-
tion
Distribu-
tion

ing operation conducted on land unsuited to agriculture. This land, representing perhaps twenty per cent of the area of the State, will be gradually returned to its most profitable use,—forestry, hunting or recreation. At the other extreme lie the industries in great metropolitan centers where land values, taxes and living costs are so high as to make the cost of production too high to compete with areas where the overhead is far lower. In between these two extremes lie tens of thousands of square miles and thousands of communities where agriculture may be made profitable enough to sustain life on a reasonable basis and where industries may with proper relationship to agriculture itself thrive more soundly than in the metropolitan areas.

From many of the larger centers of population I receive appeals from families who, springing from an agricultural background, have tried the ups and downs of city life and who are now ready to exchange its uncertainties for the comparative assurance of a livelihood given by the smaller community.

We cannot tell until we try to find out, how many urban families in this State would be glad to return to the smaller communities even with the full understanding that in so doing they would in all probability never become millionaires.

To that end I ask that you confer with me, in order that I may lay before you the studies made on this subject by an unofficial committee appointed by the Governor, and in order that we may try to work out a definite plan to restore a more normal population balance between the great cities and the rest of the State.

From a consideration of the distribution of population it is a logical step to the problem of excessive local taxation and its cause—excessive cost of local government.

Local
taxes

From every corner of the State arise justified complaints of the taxes on real property, whether the property consist of stores, of city homes or of farms. We hear few complaints in regard to state taxes because the state taxes are not on real estate, but are on intangibles such as stock exchange sales, incomes, gasoline sales, etc. After three long years during which I have tried in every part of the State to make people understand that real estate taxes have absolutely nothing to do with the state government, the public is at last coming to realize that the increase in real estate taxes is due wholly to the increase in the cost of local and not state government.

These taxes on real estate are too high. I make that categorical assertion. By the same token I make the categorical assertion

that the cost of government is too high. The answer to the problem of excessive real estate taxation is reduction in the cost of local government. The answer does not lie in having the state government collect general taxes and distribute these general taxes in the form of cash to the local communities for their local expenditures. That is unsound.

Local government has in most communities been guilty of great waste and duplication; of unnecessary improvements; and of thoroughly unbusinesslike practices. For three successive years I have begged the Legislature of this State to appoint a commission to study the simplification of local government, but for three successive years the Legislature has done nothing. I have given up trying to persuade the Legislature to do this. I am having a complete study made by experts in the field, on my own initiative. I expect shortly to lay before your Honorable Bodies, facts, figures, and recommendations in regard to local government, as a result of this study, which will make clear the difficulties of the past and the present and will point out remedies sufficiently definite to give to this Legislature at least a point of beginning for definite reform.

It is very satisfactory to me to know that the overwhelming majority of counties, cities, villages, improvement districts, and towns, within this State, are not only wholly solvent but are in the happy position of having mortgages on the future far below any statutory or even safe debt limit. There are, however, a few isolated instances of communities which have borrowed money beyond a reasonable limit, and I shall shortly send you a message asking for legislation to prevent a recurrence of this practice. It is safe to say that these exceptions to the general rule are so few as to be almost negligible, but I am so proud of the economic soundness of government in this State that I seek a condition where every unit of local government will be financially above reproach.

I come now to the financial status of the state government itself. State
finances
First of all I congratulate you, the members of the Legislature, and the people of the State, on the fact that the credit of the State of New York is higher than that of any other unit of government, whether it be national, state or local, in the whole world. In this period of credit weakening, the obligations of the State of New York stand higher than those of any other governmental unit. This is due to the policy which has prevented us from borrowing too heavily, from borrowing on other than permanent improvements which will far outlast the term of the obligations, and to

the constitutional mandate that in each and every succeeding year the budget of the State for current expenses must and shall balance. Therefore, we have not mortgaged the future. The State is solvent, and with your help I propose that this sound structure be maintained.

The details of proposed expenditures and receipts of money will, of course, be given in my budget shortly to be presented to you.

It is true that this year, in common with all governments, the receipts from taxes have not come up to the estimates. We have therefore a prospective deficit during the current fiscal year, and we shall have another deficit during the next fiscal year. The sum of these two deficits represents the amount which must be raised by additional taxation. It is my thought that these taxes shall be treated primarily as emergency measures, and it is my hope that at the end of the fiscal year ending June 30, 1933, it will be possible to discontinue these emergency taxes.

I have already suggested to you a tax on heavy motor vehicles, and I now request that you give immediate consideration to three further taxes, in order that the four may be enacted as soon as possible without waiting for the closing days of the legislative session. These taxes are increases in the existing taxes (1) on personal incomes, (2) on gasoline, and (3) on the transfer of shares of stock. By enacting these taxes within the next few weeks and by making the payment of them begin this spring instead of waiting until July first next, the total amount received from them will be sufficient to meet the deficit. One of the impelling reasons for selecting these existing taxes for increase is that the machinery for their collection has already been set up and that the overhead for their collection is small.

Distinct progress is being made by the State in carrying out its state land survey. It has completed two years of work and has made a soil survey of the entire county of Tompkins and parts of the counties of Steuben, Orleans, Rensselaer, Broome, Monroe, Genesee, Nassau, Suffolk, Cayuga and St. Lawrence.

The Legislature during the past two years has provided the necessary funds for this work, and I shall again recommend to your Honorable Bodies a further appropriation to carry it on.

The survey has already been directed into channels which will provide the basis for future state planning dependent for complete efficacy upon accurate knowledge of land conditions. This survey is already formulating plans for future public service and public utility development and road construction for some of those regions

State
Land
Policy
and
Reforesta-
tion

which it has determined to be so adapted to agriculture as to justify the conclusion that it will continue to be used for farming. When the study is entirely completed, accurate data will be at hand to indicate definitely which lands of the state can profitably be continued in cultivation, which lands of the state should be devoted to reforestation, and which lands of the state should be used for industrial purposes. I look forward to the time when this information will provide the basis for planning future state and local developments dependent upon the proper and economic settling of population—for example, the location and kind of roads to be built through the rural areas of the state, the establishment of additional school facilities, the laying out and planning of electric and telephone services. This will provide the highest maximum efficiency in planning farm-to-market roads, rural electrification and telephones, and scientific allocation of school facilities, as well as a more scientifically coordinated system of assessment of rural lands.

As a part of this land utilization program, the people of the state have adopted the so-called reforestation amendment providing for annual appropriations of money for the purchase and reforestation of over one million acres of land better suited for forestry than for agriculture. This amendment was overwhelmingly approved by the people last Fall, and provision is being made in my budget to carry out the mandate of the electorate along these lines. The reforestation program should be carried out in conjunction with the land survey, so that as little time as possible will be consumed in translating into proper state action the scientific information and data which will be furnished to us. The expenditure of money will almost immediately bring economic returns in prevention of waste.

The State is making good progress in carrying out the new and comprehensive prison policy. With current appropriations and those to be made by this Legislature and the next, we shall be in a position by the date set—1935—to eliminate the antiquated and insanitary housing of prisoners which was such a disgrace to our modern society. The new Attica prison is already in partial use, the new medium security prison at Wallkill is under contract, and I am asking this year for the starting of two additional institutions—one to take care of mentally defective prisoners and the other to house the younger type of delinquents.

Equally important has been the progress in the classification, segregation and paroling of prisoners, but the more we give intelligent administration to this problem, the more we find a definite

Prisons

need for changes in the present law dealing with first offenders and the length of their sentences. I incline more and more to the enactment of an indeterminate sentence law, the foundation of which will be the individual case rather than the application of definite terms and rules laid down by the Legislature and the courts. While the establishment of the Parole Board has given a more substantial justice, we must definitely follow this up with an extension of the system of probation and with adequate provision for indeterminate sentences. The Commission to Investigate Prison Administration and Construction will shortly make definite recommendations along these lines to your Honorable Bodies.

Admin-
stration
of Justice

At last the State seems to be making progress toward the day when we can drastically improve our present administration of justice. After a long delay, which was wholly unnecessary, the Legislature last year provided for a commission, and this commission is at work with effective diligence. It has recognized that any important improvement in the administration of justice must come not through piecemeal tinkering with rules of procedure, but through a genuinely fundamental rearrangement of the structure of the administration of justice itself. This commission plans to submit a preliminary report this year and a year hence will ask for definite remedial measures. They seek to bring the administration of justice into harmony with modern conditions, to simplify procedure, to cut the cost to the litigant, to eliminate useless functionaries, and even unnecessary courts, to the end that justice may be easier to obtain, quicker to obtain, and cheaper to obtain. Their task covers both the criminal and the civil law, and I trust that an enlightened public opinion, not only of the Bench and Bar but especially of the great body of lay citizens, will encourage and support recommendations which, to those who are wedded to ancient precedents, may seem radical.

Old Age
Pension

In January 1929 I suggested an immediate study of the problem of the security of elderly people against want, and in 1930 a special legislative committee made report and recommendations thereon. I had hoped that their recommendations would include a plan by which a contributory system would be set up in addition to taking care of our present old people. It was my thought that in this way the financial burden on localities and on the State would, while at first heavy, be greatly reduced over a period of years through the coming into operation of an annuity fund built up in large part by contributions made during the working years of the individual citizens. I regretted the omission of

any recommendation along these lines and today we have what is in effect a straight old age pension system without contributions. Many complaints have come to me from localities regarding the operation of this system and calling attention to the increasing amounts which have to be raised through county budgets. I have requested of the department of social welfare a survey and cheekup, in order to give assurance against excessive payments and especially to prevent the giving of aid to aged persons whose near relatives can and should take care of them without placing the burden on the county or on the state. It is of the utmost importance to prevent abuses of what was intended to be a great step towards the relief of those who, through no fault of their own, had come upon difficult times in their later years.

I suggest, furthermore, that your Honorable Bodies give immediate study to the establishment of a contributory system in order in future years to relieve the increasing burden upon the county and state treasuries. You already have the necessary data. By so doing we shall not in any way lessen the assistance given to the thousands of worthy cases; rather we shall encourage thrift and foresight among the younger citizens of the state.

On the last day of the regular 1931 session the Legislature sought **Con-**
by concurrent resolution to redistrict the State into forty-five con-
gressional districts in accordance with the reapportionment which
will go into effect at the November elections this year. The At-
torney-General has held that this concurrent resolution was invalid
and ineffective, and that redistricting must be accomplished through
the enactment of a law and the approval thereof by the Governor.
The opinion of the Attorney-General has been upheld by the
Supreme Court and by the Appellate Division.

It is not my purpose to enter into any discussion of the constitutional contentions of either side to the controversy, but I respectfully call your attention to the suggestion which I made to the Legislature of 1931—that there seemed no valid reason why the legislative leaders and the Governor could not in conference agree upon a redistricting act which would be essentially fair to the citizens of every part of the State, regardless of geographical or political party lines. I cheerfully renew this suggestion. We have three months in which to arrive at a fair redistricting and I trust that we can avoid any necessity of electing representatives at large to the Congress this autumn.

I shall await your pleasure.

**Water
Power**

The Power Authority, created last year, has made definite progress in the performance of the duties imposed upon it by law, not only in working out the respective rights and interests of the four parties principally concerned, namely,—United States, Canada, Province of Ontario, and the State of New York, but also in a further study of the economic and engineering problems and in negotiation of contracts for power distribution.

In conjunction with the mandate placed upon it by Section 5 of Chapter 772 of the Laws of 1931, directing it to provide a reasonable share of the power to be generated on the St. Lawrence for the use of municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electricity, I desire to recommend to your Honorable Bodies the adoption of a statute similar to the one which was proposed by me last year, but which failed of adoption, authorizing municipalities of the State to form public utility districts, with the consent of their voters, for the purpose of generating, distributing and selling electricity.

Labor

There still remain several reforms which I have urged in previous messages and which seem to me to be the very minimum which the laboring classes of our state are entitled to insist upon. These include:

- (1) Extension of the workmen's compensation law to cover all occupational diseases.
- (2) The state regulation of fee-charging employment agencies.
- (3) The declaration by law that the labor of human beings is not a commodity.
- (4) The establishment for women and children of an advisory minimum fair wage board.

I believe that if possible the laws relative to state contracts on all public work should be amended so as to insure, in so far as is possible, the actual payment of wages legitimately earned to employees where contracts are defaulted.

I believe also that the law passed in 1930 abolishing ex-parte injunction in labor disputes should be extended to include the guaranteeing of a jury trial for persons accused of violating such injunctions.

**Election
Law
Changes**

Year after year former Legislatures have completely and brazenly ignored recommendations by the Governor and demands from the public for safeguarding and improving our election

machinery. I ask the pointed question: Why is it that in the counties of Nassau, Oneida, Suffolk, Westchester, Niagara and Monroe, election supervision is wholly in the control of members of one party? If bi-partisanship control is right in the other fifty-six counties of the state, why is it not right in these other six counties? I hope that this Legislature will have the courage and fairness to take action on this matter. I hope, too, that this Legislature will act to limit campaign expenditures for all elections and to require the publication of all campaign receipts and disbursements before as well as after election. You and I know that the spirit of the election law is constantly being violated in every part of the state.

It is possible that new amendments to the Federal Constitution may be referred to the several states for action, and again I suggest that you provide for a referendum of such amendments to the voters of the State in place of the present method of ratification or rejection merely by legislative action. As at present constituted, I have grave doubts as to whether your Honorable Bodies will, during this session, give any consideration whatsoever to a fairer basis of representation in the Legislature of our State. The present districting of representatives in the Senate and Assembly is in many districts so grossly unfair that it has become a parody on the American principle of equal representation. The same thought applies to my requests in previous years for recognition of the right of the people, under proper safeguards, to initiate proposals to amend the State Constitution, and to elect their Governor for a four-year term in non-presidential years. Nevertheless, I again recommend action in the interest of fairness and a decent appreciation of the fundamentals of representative government. I do this with the faint but undying hope that the majority party in the Legislature may perform a miracle.

In times of stress and emergency like these we should avoid two evil extremes. At one end is the school of thought which believes that American industry and American business can pull itself out of the slough unaided by government. Its optimism forbids what it calls governmental interference. Its confidence in the success of individual action rejects efforts on the part of the State and Nation to lead back to better times. Too many national leaders in business, finance and politics adhered to this view—and for too long a time. Fortunately, though tardily, their views have

changed. Even if such a return, without the aid of united community effort, which we call the State, were possible, it would have cost too much in human suffering and misery.

At the other extreme is the pessimism which looks upon the future with fear. It despairs not only of American business and industry but dares despair even of American government and American character. To these timid souls the threat of a different social idea can always present itself as perpetually imminent.

Where shall we ourselves be?

We should not seek in any way to destroy or tear down—except in order to replace unsound materials with new. The American system of economics and government is everlasting. Rather should we seek to eliminate those methods which have proved mistaken, and to apply to business and to government, principles in which the rights of the average citizen are given a higher spiritual value. The times and the present needs call for a leadership which insists on the permanence of our fundamental institutions and at the same time demands that by governmental and community effort our business and industry be nourished and encouraged back to a basis made more sound and more firm by the lessons of the experience through which we are passing. Let us not seek merely to restore. Let us restore and at the same time remodel. To those millions who now starve we owe a duty as sacred as to those thousands who died in France—to see to it that this shall not come again. This is the duty of all of us—leaders in business, finance, agriculture, labor and government.

The mistakes of the past among men and among nations, the effects of which now beset us, call for leadership broad enough to understand the problems not only of our nation but of their relationship to other nations, the problems not of New York alone but of all the other forty-seven states, the problems not of the cities alone but of the small communities and rural districts as well—a leadership practical, sound, courageous and alert. Let us, you and I, dedicate ourselves here and now to a fulfillment of this objective. Let us by our example show to the people of the State our complete confidence in the future of our commonwealth and our nation. We know that the tragedies of the present will help in the rebuilding on a sounder basis for the days to come.

(Signed) FRANKLIN D. ROOSEVELT



