certainly foreign mortgages should be taxed. The sensible thing to do is to tax all mortgages, both foreign and domestic, as an interest in real estate. Being as-sessed as an interest in real estate they would then be assessed.

at nome. The present law discriminates against domestic capital and in my opin-

ion it is forcing the residents of this state to invest their capital in securities and lands of other states. The present

Another amendment that is needed to the revenue law is one that will permit the reduction of bona fide indebtedness.

Under the present law a man who is in debt is taxed for all that he possessed and for all that he owes. The debtor class of property holders should not be compelled to bear extraordinary burdens

of taxation. Notwithstanding the fact that almost every other state permits the deduction of bona fide debts in some

refusal to pay this year's tax will place

them delinquent over one million dollars. Their action in this respect is not fair to the other taxpayers of the state and is

wholly unwarranted when past conditions in the state are considered. The government gave bountifully of its land, and the people of this state, in a great many instances, voted bonds to help build these

ilroads. Besides this there never has en any restriction whatever upon them the matter of freight rate regulation.

They have always up to the present time

ioin the collection of a tax levied against

of a tax levied upon property within tion of a tax levied upon property within the state.

The Burlington railroad for the pur-

and every branch line an itemized state-ment in detail of all the business trans-actions of the several lines, together with the value of the stocks and bonds of each

present law in this respect.

WARNS AGAINST ANY EXTRAVAGANCE

WARNS AGAINST ANY EXTRAVAGANCE

Years of Prosperity Time When the State Debt Should Be Reduced—

Revenue Law Should Be

Materially Strengthened.

Materially Strengthened. Materially Strengthened.

Governor Sheldon's message to the legislature was delivered to the two houses on Thursday, December 3d, and was as

To the Senators and Representatives, Thirtieth Session of the Legislature of Nebraska:

I am pleased to greet you upon this occasion. I appreciate beyond expression the confidence the people of Nebraska placed in me at the last election. It is not fair to the residents of our state appreciate deeply the high honor thereby conferred upon me and I wish to thank conferred upon me, and I wish to thank my friends throughout the state for the loyal and enthusiastic support they gave me during the campaign. I feel especially grateful for the assistance and support of the loyal republicans and the independent voters who belong to other political parties than the one to which 1 have the pleasure of belonging and by which I was nominated.

To the members of the legislature I desire to offer a few suggestions, which, I have and trust will be taken in the same.

The cities, towns and villages of this hope and trust, will be taken in the same kindly way, and with the same good will, as they are given.

The cities, towns and vinages of the state in almost all instances have a high rate of taxation. It is important, therefore, that property therein be equitably assessed. At present the resident property therein be equitably assessed.

against extravagance and bound not to raise any more taxes for current expenses than will be necessary to conduct our state government under the most rigid economy. The total estimates for current expenses during the next blennium made by the heads of the several institutions are so large that it will be necessary for you to investigate thoroughly the needs of these different institutions before making the appropriations. junketing is expensive, a junketing is expensive, and in the past has not given beneficial results. It is, therefore, sincerely recommended that a joint committee be appointed for the pur-pose of visiting the several state insti-



GEORGE L. SHELDON. Nebraska's New Chief Executive.

tutions and inquiring into their actual needs before the appropriations are made.

The indebtedness of the state should be decreased while the state is prosperous. By an act of the last legislature provision was made for payment of the outstanding indebtedness of the state. That rysion was made for payment of the outstanding indebtedness of the state. That act will insure the payment of the debt within a few years if future appropriations are kept within reasonable bounds. The current expenses must be kept within in the income of the state. It will not do to increase the public debt at this time.

The constitution of the state will not the premaint is a property with the information furnished the state board of equalization and assessment is a difficult problem. There is no ment is a difficult problem. permanent school fund to be invested in any other securities than reg-istered county bonds of this state, and United States and state securities. The field for investment of this fund should be held for investment of this fund should be enlarged. There are other forms of investment equally as safe that would increase the interest return to the fund. If it were invested in municipal bonds, school bonds, or in Nebraska mortgages, the state would be benefitted on account of the interest being paid at home.

The one-mill levy will reduce the floating indebtedness of the state about \$300,-000 each year. A large part of this floating.

the interest being paid at this respect. The question of equitable taxas this respect. The question of equitable taxas this respect. The question of equitable taxas this respect according to its value, regardless of its character, is certainly to be desired in any well governed society. All property should bear its just proportion of the burden of taxation. Personality should not be considered. It is neither a crime to be wealthy nor one to be poor.

is paid off. Times and conditions change. Therefore it will be for the best interests of the state that this section of the constitution be amended so that future legislatures may determine from time to time what class of additional securities shall be available for the investment of this fund.

The new revenue law of 1903 has brought about one of the most uniform assessments of property ever had. But there is still urgent need for amendments which will provide for a more equitable distribution of the burdens of taxation among the property holders of taxation among the property holders of the state. Under the present law real estate that is mortgaged is assessed for taxation purposes at the first conduct and for the management of their institutions directly to the governor. The laws of this state should be amended so that in case of the should be should be amended so that in case of the should be should be amended so that in case of the should be shoul

Again, under the law, if the mortgage is held by a non-resident of the state, and a great many of them are, no tax is levied against it because mortgages are construed to be personal property. Personal property is supposed to be assessed where the owner of the property resides. If domestic mortgages are to be taxed, then

Hands. For 30 Years It Was Leslie's Popular other famous writers and beautiful

Monthly. Ida M. Tarbell, who wrete Lincoln and the famous "Story of Rockefeller"; Their periodical grows better every William Allen White, the well-known month. The January number is ex-Kansas editor; F. P. Dunne, creator of "Mr. Dooley"; Ray Stannard Baker, with a description of an extraordinary and Lincoln Steffens are under the experiment in brotherhood now being "The Negro Crisis," suggests that the leadership of John S. Phillips, now editing The American Magazine.

Never before has such a brilliant group been gathered together, and organization, is a wonderful leader,

Perhaps the illustrations in St. Nicholas are taken a little too much body of the January St. Nicholas from for granted—they are so unfailingly these artists' work and from photoabundant and super-excellent. In the graphs, without counting the forty-four January number, which strikes a fair cuts, enriching the departments of Na- of the paper. average, there is, for instance, a full page reproduction of Ruben's painting

ture and Science and the St. Nicholas League. of his two sons. The frontispiece, "On New Year's Day," was drawn for St. Nicholas by Blendon Campbell; and Companion. Don't put off until tomorrow the matter of subscribing for The Youth's twelve colors and gold. among the other contributing illustrat-

stories and great timely article by

The new editors are making good.

conducted in America-The Theosopi-

cal Institution at Point Loma, Cal.

Katherine Tingley, the power in the

pictures by great artists.

Whatever your age, six, sixteen or

ial, clever men who, by their persistent and able efforts, are able to accomplish much for the interests they represent. The fact that during all of the previous history of this state no law has been passed which has regulated freight rates in any particular bears witness to the effective work and influence of a strongly organized railroad lobby. It is expected that this legislature will pass such measures as will forever put an end to ring rule in Nebraska. It is to be hoped, therefore, that there will be passed not only an rule in Nebraska. It is to be hoped, therefore, that there will be passed not only an anti-pass law, and a primary election law, but that there will also be passed a law that will prohibit professional lobbying.

The use of the telephone as a means of communication is becoming reneral in communication is becoming general in Nebraska. There are complaints in many parts of the state of unreasonably high rates and poor service. It is, therefore, recommended that the railroad commission, in addition to control of railroads, be also authorized by law to control telephone companies and regulate the rates thereof. out of the state non-residents may be expected to raise the rate of interest as they no doubt will do when there is no longer competition by domestic capital. During the past ten years we have been bountifully blessed with good crops and prices. The people of this state have been paying off their indebtedness and accumulating capital which should be invested at home. The present law discriminates arainst domestic capital and in my animarainst domestic capital and in my animarainst demestic capital and in the capital capital and in the capital capita

thereof.

In regard to the railroad legislation that you are about to enact, permit me to offer these suggestions:

First—It is recommended that a law be passed prohibiting any rulroad company from charging in the future any more between points within this state than were the charges on the first day of January, 1907; compelling them also, to furnish to the railroad commissioners all traffic and classifications in force on that traffic and classifications in force on that

date. system plainly imposes a double tax upon mortgaged property, when the mortgages is held by a resident of this state and to that extent it increases beyond measure Second-Inasmuch as the constitutional Second—Inasmuch as the constitutional amendment providing for the railroad commission does not definitely define the powers and duties of that commission, a law should be passed immediately that will clearly, simply, and unmistakably define its powers and duties. Besides defining the duties of the commission, there should be conferred upon it the power to prohibit rebates, special rates, and discriminations of every sort to any pareriminations of every sort to any particular person, company, firm, corporation or locality; and power to change, or alter or locality; and power to change, or alteg, any or all schedules, classifications or tariffs that are in force on any railroad in this state at any time, so that the rates, fares and charges shall be reasonable, just, and equitable. Let this law be written so plainly that it can not be misunderstood, and with such deliberation that it can not be set aside by the courts. Third—It is recommended that you deprive the railroads of the right to enjoin the enforcement of a rate made by the the enforcement of a rate made by the commission pending an appeal to the state

Fourth-It is further recommended that assessed. At present the resident property holders pay a much greater proportion of the city, town and villages taxes, according to the value of their property, than do the railroads which have their you pass a joint resolution memoralizing congress to pass a law that will deprive common carriers from enjoining the en-forcement of rates made by a state commission between points within a state pending an appeal to the feredal courts. terminals within the corporate limits. The railroads receive benefits from the cities, towns and villages and in return should nding an appeal to the feredal courts.
sincerely believe that it will be for
best interests of the state that you give your immediate attention to the actment of laws that will do away w professional lobbying, that will abol pay their proportion of the city, town and It may be a debatable question whether It may be a debatable question whether the great corporations of this state have in the past been paying their full share of the taxes. But the Union Pacific and Burlington railroads have refused to pay in full the taxes which have been regularly assessed and levied against them for the years 1904, 1905 and 1906. They are already delinquent about three quarters of a million dollars for 1904 and 1965. The refusal to pay this year's tax will place the free pass nuisance, and that will de-fine the powers and duties of the railroad fine the powers and duties of the railroad commission, so that the commission can get to work at once. There is great need in this state for a reduction of freight and passenger rates. The people need the relief. The commission will naturally await the action of the legislature. For these reasons it is essential that this work be done as quickly as a careful consideration of the subject will permit.

The people of Nebraska are to be congratulated upon the fact that they have become awakened and are determined to govern themselves. We have been elect-ed to carry out a definite program. It is to be hoped that the new deal will be a just one. Let us work together in harmony. It is suggested that all members of the republican party keep before them the platform that was adopted at the last republican state convention. Let us not forget to fulfill our promises and our pledges.

They have always up to the present time charged what they pleased. It requires patriotism at times to support and maintain a stable government. These great corporations, by their conduct, apparently lack that noble quality. It is not strange that their conduct has vexed a patient people. No doubt they would ask for the protection of the state if their property were in danger, yet they deny the right of the state government to assess and tax their property as it assesses and taxes all other property. Everything that can be done will be done to enforce the collection of these delinquent taxes and railroad property in the future, so far as I am concerned, will continue to be assessed at whatever seems to be equitable and just. I realize somewhat the grave responsibilities that are about to be placed upon me, and appreciate the importance of the work that lies before me. Having been elected without obligations, except the trust I owe the people of this state as their public servant, I shall endeavor in the administration of the Mairs of the the administration of the affairs of our state to be guided by what seems to be for the best interest of Nebraska and for the general welfare of her people. I bear no malice no malice toward anyone, not even to the great corporations that have so strenuously opposed, and which probably will continue to oppose, the establishment of common justice in this state. Their rights must be protected, but when they abuse their privileges as they have done their property, because they are denied that privilege. But railroads, being non-residents of the state, seek relief through in the past they must be held to strict account. The welfare of our state demands that they must not be put out of of Nebraska politics.

pass a law depriving them of this privelege they probably will continue this practice. It is, therefore, recommended that a joint resolution be passed memoralizing congress to pass a law that will deprive a non-resident from enjoining the collec-I realize fully that this reform move-ment not a crusade against wealth, but ment not a crusade against wealth, but rather a movement against graft and greed, and abuse of power. It has for its object the establishment in this state, from one end to the other, of government by the people and for the general welfare of the state. Legitimate interests must be protected. Conspirators against the common good and violators of the law must be prosecuted. The law of the land must prevail.

I hope and trust that I shall have the loyal support and the wise counsel of the good citizens of this state, with the light of their intelligence, and with the wishes ment is a difficult problem. There is no disposition on the part of any one to assess them unreasonably, but there is a of their intelligence, and with the wishes that God may grant me. I hope and trust my administration may meet the expecta-tion of the people of this state who have disposition to assess them equitably and for what they are worth, Railroads which operate branch lines in Nebraska should be compelled to furnish for each

The National for January is a "snappy" number, "Affairs at Washington." by its editor, Joe Mitchell Chapple, is exceptionally strong in character; and several additional pages are added to this department, giving to the reader an insight into the affairs at the Na tional Capital such as can be obtained from no other publication. "Cuba's Malady" is the title of one of the most timely articles of the month, and is written by John Vavasour Noel, who has been in Cuba for some time, and has made a study of the conditions that led up to the intervention by the United States. Kate Restieaux contributes an interesting article upon John Greenleaf Whittier, the great American poet. Charles Warren Stoddard furnishes one of the best stories he has written for many months, under the title of "Caprice." Bright Side of Packingtown," by Mary Humphrey, gives the reader an intelligible idea of conditions, and is so widely distribution of the burdens of taxation among the property holders of this state. Under the present law real estate that is mortgagel is assessed for taxation purposes at its full value to the owner of the land without any deduction whatever for the amount of the mortgage. In addition to this, if a mortgage is held by a resident of the county or of this state the mortgage is also assessed at its full value. There is no good reason why a piece of real estate that is encumbered with a mortgage should be burdened with greater taxation than a piece of real estate of the same character and value that is not mortgaged.

Again, under the law, if the mortgage is ing an Engineer," by C. C. Johnson; "The Poor Man's Cow," by Miriam Sheffy; "A Comedy in the Air," by Charles Mcllvaine; "His Client," by F. Binney de Forest; as well as other

The American Magazine Has Changed with the very best novels and short iam Allen White, the famous Emporia (Kansas) editor and novelist, compares Emporia and New York City. Of course the article is compact of wit and wisdom. Ida M. Tarbell, proceed-ing with her story "The Tariff in Our Times" tells about the outbreak of separation of whites from blacks may

become necessary. F. Marion Crawford begins a new serial, "Arethusa, a Princess in Slavthey are not only contributing them- reminding one of Mary Baker G. Eddy ery," being a love story of old Conselves, but are filling the magazine in the ability she has exhibited. Will- stantinople.

> bertine Randall Whelan. There are acter, enlarges the understanding and no less than eighty-two pictures in the instills ideas of true patriotism. Full illustrated announcement The Companion for 1907 will be sent to any address free with sample copies

New subscribers will receive a gift of The Companion's Four-Leaf Hang ing Calendar for 1907, lithographed in

Subscribers who get new subscriptions will receive \$16,290.00 in cash ors are such names as Reginald Birch, Harrison Cady, C. M. Relyea, Culmer Barnes, C. D. Weldon, George Varian, I. W. Taber, Florence Storer and Alpromotes cheerfulness, develops charter of the same of the same

ANNUAL MESSAGE

GOVERNOR MICKEY'S LAST WORD TO LEGISLATURE.

SUGGESTS WHAT SHOULD BE DONE

Urges Legislation in Behalf of People, and Pleads for Strict Economy in Appropriations -Able Document.

Following is Governor Mickey's message delivered to the legislature January 3d: To the Members of the Thirtieth Session of the Legislature of Nebraska -Gentle

The organic law makes it the duty of the chief executive to call the attention of each recurring legislative body to the general condition of state affairs and to public service require. In discharging this duty I desire primarily to congratulate the members of this assembly on the exceedingly prosperous conditions which prevail in their respective districts—conditions of thrift and competence which have never been equalled in the history of the state. Without attempting an analysis of the cause, it is apparent that a goodly heritage is ours. ic service require. In discharging

a goodly heritage is ours.
You are assembled at a time when history is being rapidly made. Never before has there been an era when the fore has there been an era when the public conscience was so quickened to a sense of justice and when there was such a general demand for the purging of the inequalities which have been tolerated in our civil system. The time is ripe for improvement along ethical lines. Abuse of special privileges and opportunities must give way to justice. Organized society has drifted to a higher plane and the inquiry of the times is "how can the greatest good be conserved and guaranteed to the greatest number?" This, I take it, is the present day spirit and I take it, is the present day spirit and I trust it is the dominating sentiment which will control the actions of each of you through this entire session.

The Revenue Law.

The condition of our state revenues is apidly assuming a more satisfactory shase. The hostility which the new revenue law engendered in the campaign of rapidly two years ago has almost entirely disap peared, and the measure is now generally regarded as both wise and beneficent. It is equal to the necessity of raising suffiis equal to the necessity of raising sufficient funds to meet the economical administration of state affairs and the gradual extinguishment of the floating debt, two ends which must be met. A needed amendment, however, is one which will require the railroads to report to the state board of equalization and assessments the actual amount of earning of each road within the state as one of the bases of assessment. Freight rates in each road within the state as one of the bases of assessment. Freight rates in Nebraska are considerably higher than in the states to the east, and yet the earnings of the roads doing an interstate business are reported to the several states in the ratio which the total mileage bears to the mileage within each state. This is a manifest injustice to Nebraska. If the railroads persist in charging our people higher rates than they do the people of love and Elimins. railroads persist in charging our people aigher rates than they do the people of lowa and lilinois, then the earnings reported to our state board should be correspondingly larger and the assessment should be affected accordingly. The new law has now been in active operation three years, and during that time has been under the rigid scrutiny of all interests. With the exception of two of our railroad systems, the Burlington and the Union Pacific, it has met with unqualified endorsement. The railroads mentioned regard themselves seriously aggrieved in the matter of the amount of tioned regard themselves seriously aggrieved in the matter of the amount of their assessments and the consequent enlarged taxes. They have gone into the courts to test the legality of the action of the state board of equalization and assessments, so far as it affects them, and though they lost their suit in the United States district court they have appealed to the United States supreme court, where the issues are now pending. The amount involved is twenty per cent of the total taxes due from the two roads of the total taxes due from the two roads to the several counties, with the exception of those counties where the amount in controversy is less than \$2,060. For the years 1904, 1905 and 1906 the total of taxes thus withheld is about \$1,000,000. Approximately \$100,000 of this sum belongs to the state, and the remainder to the several counties, school districts and municipalities. Manifestly the failure to collect such an amount of tax is working municipalities. Manifestly the failure to collect such an amount of tax is working great hardship and embarrassment to many county treasuries. Firmly believing that the railroad assessments as made by the state board are not more than the law makes obligatory, and are not out of proportion with the assessment of other forms of property. I confidently look to the highest court in the nation for a vindication of the state's right to assess any and all corporations upon the actual value of their property and the issuance of an order compelling the payment of all deferred taxes.

ferred taxes.
The State Debt. A fairly satisfactory progress has been made during the past biennium in the reduction of the state debt. On November 30, 1904, the outstanding general fund warrants aggregated \$2.253.386.40. On November 30, 1906, the same item had been reduced to \$1,916,681.31, a total reduction for the biennium of \$236,705.09. Of this latter amount, \$273,946.80 is directly chargeable to the redemption fund act created by the last legislature, providing a one mill levy for the gradual extinction of the floating debt. It will thus be seen that the excess of receipts over expenditures for the biennium, aside from the redemption fund, was only \$62,758.29, indicating that in the matter of appropriacating that in the matter of appropria-tions the previous legislature left but lit-tle margin between receipts and disbursetle margin between receipts and disbursements. It is evident that had it not been for the executive veto of a number of large but unnecessary appropriations the debt would have been increased during the past two years rather than decreased. The one mill redemption fund has really been in operation but one year, so far as having any effect upon the receipts of the state treasurer's office is concerned, the 1906 taxes having not yet been paid. When the taxes for the past year begin to come in, however, it is believed there will be marked improvement in the matter of debt reduction, unless legislative expenses and appropriations more than offset the increased receipts. The tax owed to the state by the Burlington and Union Pacific railroads, estimated at \$100,000, and payment of which they are resisting in the courts, will also be applied to the debt when collected, making another material reduction. ing another material reduction.

The estimates now in the hands of the state auditor for the maintenance of all branches of the state government during state auditor for the maintenance of all branches of the state government during the next biennium, payable from the general fund, total the enormous sum of \$3,416.143.84, the largest estimate ever submitted to a Nebraska legislature. The estimated general fund receipts for the biennium are \$2,926.674.72, a sum \$489.469.12 too small to pay the estimated bills. It requires no argument to prove that the pruning knife must be applied to these overgrown estimates. The treasury must be protected from the threatened onslaught. It will not do to make appropriations even equal to the estimated receipts, let alone in excess of them. There must be a gradual debt reduction, not only through the operation of the redemption fund, but also through a wise and economical administration of affairs and the state demands that you make good. The attacks of those who have designs on the treasury, will be most aggressive and persistent, but you must stand firm for the interests of the taxpayers and the integrity of the treasury.

the interests of the taxpayers and the integrity of the treasury.

Pure Food Law.

After many years of effort congress has finally passed a pure food law, very comprehensive in its scope, affecting all food products and also drugs and chemicals which enter into the compounding of medicines. The federal law applies only to interstate business. It between the traffic in impure food products across state lines, but does not prevent the manufacture and sale of such products within state interest it is evident that if the people of Nebraska are to receive full benefit from the present agitation for pure, wholesome and truthfully branded food the national enactment must be supplemented with a rigorous state law embodying the same features. Otherwise Nebraska will become the nome of numerous factories for the production of injurious food supplies, all of which can be sold with impunity within the state so long as we have no state law to the contrary. I recommend that the best effort of your respective houses be given to the framing and passing of an adequate law which will give to our people ample protection along the lines indicated.

Shortage of Permanent School Fund.

On June 20, 1906, the supreme court rendered a decision which, in all probability, finally disposes of the suit brought by the state to recover from the bendsmen

of former State Treasurer J. S. Bartley. The state lost, though the decision referred to was based on a mere technicality. This famous case has run the gauntlet of the courts for a number of years and it now appears that there is no possibility of recovering from the bondsmen any portion of the Bartley shortage. Such being the fact, it remains for the state treasury to adjust itself to the consequent conditions. Section 3, Article 3 of the constitution reads as follows:

"All funds belonging to the state for educational purposes, the interest and income whereof only are to be used, shall be deemed trust funds held by the state, and the state shall supply all losses thereof, that may in any manner accrue, so that the same shall remain forever inviolate and undiminished."

It is therefore obligatory upon your body to make provision for the restitution

hody to make provision for the resultution of the depleted funds, either by authorizing the drawing of a warrant upon the general fund for the amount, payable to the treasurer, or by authorizing a special levy upon the grand assessment roll covering one or more years, sufficient to meet the requirements. The items and amounts of such shortness are sellers. of such shortage are as follows:
Permanent school fund....\$259.842.87
Permanent university fund.... 9.775.93
Agricultural college endowment

Normal endowment fund......

Total Extravagant and unnecessary appro-priations are very largely due to the per-distent efforts of individuals who, through selfish interests or mistaken zeal, make a practice of frequenting the legislative obby and halls, and even the floors of lobby and halls, and even the hoors of the respective houses, seeking for oppor-tunity to influence members in behalf of their pet measure. The custom is vicious and works great injury to the state treasury. I suggest that the public interest requires that you adopt a rule early in the session which will protect the legislative chambers and halls from the influence of the lobby, under penalty, and that

the rule be rigidly enforced.

Railway Commission and Freight Rates.

The previous legislature provided for submission to the voters of an amendment to the constitution creating a state railway commission of three members. This amendment was adopted by a large majority at the late election, and at the same time the first board of commissioners was duly elected. With reference to the powers and duties of the commission the joint resolution submitting the the joint resolution submitting the amendment reads as follows:

"The powers and duties of such com-mission shall include the regulation of rates, service and general control of com-

mon carriers as the legislature may pro-vide by law," etc.

It will be necessary for your honorable body to define in detail the duties of this commission and to confer upon it ample authority to effectively deal with the subjects which will come before it. You are to fix salaries of the members and make provision of such clerical help as may be needed, presumably one secretary to the board. You should make it certain by legislative requirement that the person selected for the important position of secretary shall have had practical experience in connection with railroad man-agement and rate making, able to meet the railroad officials upon their own ground and thus capable of rendering the more valuable assistance to the boa The people are looking to this commiss for relief from railroad oppression. neasure of success achieved by the board will very largely depend upon the choice of a secretary. He should be an expert. The railroads have been a supreme fac-tor in the development of Nebraska and no one will gainsay their right to reason able returns upon their actual invest-ments. It is also right that the people should be protected against unjust dis-criminations and extortionate rates. The remedy of national legislation is being vigorously applied and it remains for the several states to be equally active. If fevor such legal restraint as will operate against discrimination and will guarantee equal privileges to all. Now that the peo-ple have established a railroad commission and have authorized you to clothe it

sion and have authorized you to clothe it with ample power, marked improvement along these lines is confidently, expected.

Education.

The growth of our educational system in all its branches has been phenomenal and highly satisfactory. Our people are alive to the importance of good schools and have ever shown a willingness to provide for the needs of such institutions whenever the need-has been made manifest. At the present time the state is supporting by direct taxation the universupporting by direct taxation the universupporting by direct taxation the university and two normal schools, in addition to five junior normals, a school for the blind and for the deaf and dumb. I have no doubt but that your honorable body will carefully consider the requirements of all these institutions and will make such appropriations as will further their progress and be in line with the growth and development of the state.

Institutional Comments.

I am pleased to call your attention to the fact that the penitentiary is nearly self-supporting in the department of maintenance. The current biennial report of the warden shows that for the six months ending November 30, 1906, the percapita cost of maintenance was \$66.97. During that time the per capita earnings of the convicts were \$50.99, making the net maintenance cost to the state but net maintenance cost to the state but \$15.08 for each inmate, a little less than nine cents per day. The physical condi-tion of the prison is first-class and it stands today as a model institution of its

kind.

The three insane asylums of Nebraska have each been created by different statutes and are known by different names. That at Lincoln is known as the "Nebraska Hospital for the Insane," the one at Hastings is designated "Asylum for the Incurable Insane," while the one at Norfolk is styled the "Insane Asylum at Norfolk is styled to entitue to arise in the future, with respect to their control, management and legal status. I deem it important that the chapter of our statutes dealing with the insane be revised, that the three asythe insane be revised, that the three asylums be placed on exactly the same footing, that they be styled respectively the "Lincoln Hospital for the Insane," the "Hastings Hospital for the Insane," and the "Norfolk Hospital for the Insane," and the there be no distinction in the character of the position of the state of the state

acter of the patients received at either institution, and that the state be con-veniently districted so that each asylum veniently districted so that each asylum shall receive the patients coming from its 'own district. The word "incurable" is almost brutal in its suggestion and it should be omitted from the title of any and all of the asylums.

Within the limits of this message it is not practicable or necessary to call your attention to all the varying needs and conditions of the different institutions. For detailed information your attention is cited to the blennial reports of the respective superintendents. To these you should give careful perusal and thorough consideration.

should give consideration.

Anti-pass Law.

During the past two years a very general sentiment has developed against the issuance of free railroad transportation. Such action on the part of railroad officials is rightly regarded as unjust discimination and as being subversive of the public weal. Both the great political parties have declared against the practice in their state conventions and have pledged themselves to definite action. I recommend that at as early a date as is practicable you add to our statutes a recommend that at as early a date as is practicable you add to our statutes a rigid anti-pass law, applicable to all cases save those of bona fide railroad employes, the members of their immediate families, and care-takers of live stock. With the exceptions noted, a heavy penalty should be imposed both on the party who issues a pass and the party who solicits the same.

Direct Primary.

I urge your honorable body to give to the state some form of a direct primary law, but with such limitations as will make it popular and effective. It should rigidly guard against the selection of candidates who may have received a plural-

rigidly guard against the selection of candidates who may have received a plurality of the votes cast but not a majority, and should in all respects safe-guard the principle that the majority have the right to rule.

Labor Bureau.

The results accomplished by the bureau of labor and industrial statistics are not satisfactory and are not commensurate with the cost of maintenance. So far as I have been able to observe the entire history of the bureau has been a disappointment. If you think best to continue the department I recommend that the services of the clerk be dispensed with, as the deputy commissioner and the stenographer constitute ample office force.

the stenographer constitute ample office force.

Law Enforcement.

I have a firm conviction that the chief executive should have more specific power conferred upon him in the matter of law enforcement. Section 6. article 5, of the constitution reads: "The supreme executive power shall be vested in the governor, who shall take care that the laws be faithfully executed." While the foundation is well laid the statutes are not sufficiently broad to give to the governor, the power which is often needed to correct abuse. A number of complaints have reached me of refusal on the part of county attorneys to prosecute offenses, even when the necessary complaints, etc., have been placed in their hands. On account of such neglect of duty the lawabiding sentiment in the community has been outraged and great wrong has been done to the rights of established society. The governor is powerless to in-

terfere because he has no control over county attorneys. I recommend the cre-ation of a statute providing that in all criminal cases and in civil matters wherein the state is interested, where proper complaint has been made to the county attorney and where ne neglects or refuses to prosecute, that the governor be given power to either command such county attorney to immediately institute vigorous and faithful prosecution, or in the property of the bire appeals to county thereof to bire appeals to the property of the lieu thereof to hire special counsel to take charge of the case at the expense of the county, or to do both, and in event of the continued neglect or refusal of such county attorney to act that the governor be given absolute power to remove him from office for hwith. Such a law would prove of the greatest importance to the cause of good government and would remedy a defect which now plain-

The Parole Law. My observation is that the parole law, section 570 of the criminal code, is a wise addition to the statutes and that its addition to the statutes and that its practical workings are humane and beneficial. The highest result sought to be attained by confinement in the peniten-tiary is reformation rather than revenge, an impeuts to correct habits of life rather than the mere visitation of condign punishment. The power of parole, if dis-creetly exercised, can be made the means of a permanent uplift to the pentinent one, at the same time relieving the state of the direct care of such. In the four years of my tenure of office there have been very few violations of the terms of parole, it being impossible to entirely guard against imposition. If the laws governing pardons and pa-

roles are too liberal then hedge them about with such limitations as you think proper, but so long as they exist in their present form, with full power vested in the governor, the presumption is that such laws mean something a id that the governor will exercise the power con-terred upon him when the c cumstances surrounding the case warrar action.

surrounding the case warrar action.

The More important Leg ation to Be
Drafted by Joint Co. alttee.

I believe the public in ests will be
best subserved if all bil affecting the
more important matters of legislation
could be formulated an i introduced by
a joint committee of the two houses. This suggestion is especially pertinent to such subjects as direct pr mary, anti-pass, freight rate and railroa. legislation. Any other course is likely to result in a multi plicity of bills upon the same subject, a divided support, and either no legis-lation at all or the final adoption of a faulty measure. State Treasurer's Bond.

The attorney general holds that under our present law governing the giving of indemnity bonds each of the individuals or guaranty companies signing such a bond are liable for the whole amount. The law does not permit of a division of the entire amount of the risk between individuals or companies, each taking a part and being responsible for no more. One bond must cover the whole amount and each party signing it is liable for all the risk. This construction, and it is undoubtedly correct, makes it very difficult for the state treasurer to give a amount as is required (\$1,000,000) for the reason that but few of the bonding companies will sign a joint bond. In view of these facts I recommend that the law governing official bonds be amended so as to permit of the division of large risks between several companies, each giving its individual bond for such part of the risk as is apportioned to it and being esponsible for no more, and that the mount of risk permitted to any company e limited to twenty-five per cent of its apital and surplus.

capital and surplus.

State Suits Involving Heavy Loss. The suggestion of President Roosevelt in a recent message to congress that a law should be passed to prevent courts from setting aside just decisions for mere technical errors in pleadings, instructions and evidence, recalls some of the civil cases wherein the state of Nebraska was on technical grounds a defeated party, and brings to public attention the necessity for providing a remedy against public losses like those revealed in the litigation of civil cases instituted by the

If the people can not get relief by means of a statute like that suggested by President Roosevelt, provision should be made to amend the constitution to meet present

The Junkin Act.

The power of the state to curb trusts, monopolies and conspiracies in restraint of trade has been demonstrated by the enactment and enforcement of the Junkin Act. This is a law passed by the last legislature entitled "an act to protect trade and commerce against unlawful restraints and monopolies, and to prothe giving or receiving of rebates on the transportation of property, and to provide a penalty for the violation thereof." Shortly after this act went into effect I Shortly after this act went into effect I directed the attorney general to bring a suit against the Nebraska Grain Dealers' association, which has resulted in a sweeping decree issued by the supreme court perpetually enjoining the members thereof from monopolizing the grain business and controlling the prices of grain. The effect of the suit was to give the producers of grain the benefit of one and one-fourth cents per hundred which had been unlawfully charged for elevator service, and to restore competition in the grain business throughout the state. A similiar action was brought against the Nebraska Lumber Dealers' association the result of which is now pending in the supreme court. The bill carried with it an appropriation of \$10,000, to be expended under the joint direction of the governor and the attorney general, and of this amount \$2.542.02 has been used.

Supreme Court and Commission.

Supreme Court and Commission. During the past two years the supreme court, limited by the constitution to three members, has been assisted in the consideration of cases by a commission of six members, and the nine so working together have reduced the docket so that cases now coming from the district courts can be heard and determined within a little less than a year. The commission system is a makeshift to add to the ju-

system is a makeshift to add to the judicial force without contravening the constitution. The system is rather cumbersome, not entirely satisfactory and should be tolerated only until such time as the constitution can be amended to provide for a court of sufficient membership.

I recommend that you submit to the electors an amendment to the constitution providing for a supreme court of five members, to be increased to seven members as the public service may require and at the discretion of the legislature, at a salary in proportion to the responsibility and dignity of the office. Such an amendment would no doubt be sanctioned by all parties and could be made a part of the ballot and carried as was the railway commission amendment at the last election.

Public sentiment is greatly stirred at the present time by reason of the abuses incident to the employment of child labor. Every child has an inherent right to an opportunity for self-improvement and the best interests of society in general demand that that right should have concrete expression. The employment of children of tenders years in factories, stores, theatres, concert halls, saloons, and in even worse places, is a crime against youth and if persisted in will have a serious eect upon the body politic. I

and in even worse places, is a crime against youth and if persisted in will have a serious eect upon the body politic. I recommend that an adequate law be enacted upon this subject and that there be coupled with it such a compulsory education section as can be made effective.

Railroad Passenger Rates.

With the abolition of free transportation, which I assume this legislature will accomplish, will naturally come increased earnings of the passenger departments of the several railroads. As these corporations are already earning sufficient income upon their stocks and bonds it follows that the people should have the benefit accruing by reason of the disappearance of the pass. Assuming that the anti-pass law will be rigidly enforced, its is a safe conclusion that a reasonable reduction in present rates can be made without doing intustice to the railroads. I believe the selling of mileage books good for 1,000 miles or more at the made of two cents per mile, and trip tickets at two and one-half cents per mile, would be fair and just, and I suggest these rates for your consideration.

The governor appends two statements—one giving the estimated receipts for the fiscal period commencing April 1. 1907, and ending March 31, 1909. These are based on 85 per cent of the amounts levied for all purposes under the grand assessment roll of 1906, and sundry other collections based on actual receipts during the last two years. These total 35,161,559,02. This sum is divided among the various funds as follows: General. \$2,926,674,72; school. \$1,330,044.45; university, \$877,765,79, normal school. \$18,162,22; state library, 36,098.50; hospital for insane, \$2,512.33; penitentiary, \$300.

The other statement is an estimate of expenditures for the same fiscal period. For new permanent improvements the amount is \$517,615.84, and for actual current expenses \$5,635,278, which, with the state school apportionment of \$1,840,937,67, to be disbursed during 1907 and 1908, makes a total of \$5,493,881.51.

"Permit me to say that the public welfare has been largely committed to your hands for the coming two years. I sincerely hope that the state may be richly benefitted by your deliberations. and that you may each have Divine guidance in the discharge of every duty.

"JOHN H. MICKEY."

FOLLY OF THE WILD GOOSE

Born Foolish, It Gets Worse Yearly, Says a Maine Hunter.

"Mebbe," said old Jed Darling. mebbe, a wise Creator may have made some kind of bird or animal that is a bigger fool than a wild goose. but if so He never made enough to cause people to worry any.

"Not only is a wild goose a blamed fool from birth, but it grows fooler and fooler as it gets older. It is the only critter that refuses to learn sense from age and experience.

"It is scared half to death by a bleating calf tied out to a crowbar in an open field, but a whole flock of geese will sit out in the middle of Coldstream lake and let an otter swim up under water and drag the members down one after another, and not a goose in the bunch will have sense enough to get scared and fly away.

"I have seen a flock of geese get scared and fly clear out of the state because a playful fox terrier ran along the edge of the lake, but when a flock of geese is feeding on the roots of new clover a fox or a raceoon can roll over and over and pitch somersaults right into the middle of the group and pick out the fattest one and not a goose will show signs of fright until the one which has been captured lets out a squawk when it is bitten to death.

"The way the boys have been killing wild geese along the shores of Coldstream lake this fall is something scandalous. The old hunters and fishermen hereabouts have a saying that when the bullfrogs go into the mud for the winter they never dig deeper than the length of a goose from the tip of its bill to its breast bone, which is just 211/2 inches for every goose that lives.

"No matter what kind of soil it is, and no matter how hard or how easy the digging is, every frog in New England makes it a rule to burrow 211/2 inches and then turn around head to the outside and settle down for its winter nap. No matter how hungry a goose may be or how soft the mud is, no goose was ever known to dig an inch with its shovel bill for the sake of getting a frog to eat, though all geese will peck their way into half frozen ground when they want a mess of raw turnips for breakfast.

"Because they know to the fraction of an inch how deep the frogs burrow in winter, and because they know the length of a goose's neck, the boys have made a contrivance for catching wild geese that works every time.

"First off the boys spear a number of fat bullfrogs from their winter apartments, taking pains to drag the bodies of the frogs across the surface of the meadows where the geese feed. Later they make round holes in the mud that are about two feet in depth, after which they bait a strong hook with a live frog and attach it to a stake, the top of which must be driven until it is 211/2 inches below the surface of the groun

"The rest is easy. The geese smell the frog odor about the field and follow it up until they come to one of the holes, when they reach down the regulation distance, find the frog with a hook in it, swallow the whole outfit and are anchored until the boys come along and kill them and set the

trap again. "The strangest thing about it is that no goose will ever negotiate frog bait that is set less than the regulation depth under ground. If a baited hook were left on top of the ground, or ten inches below the surface or even 20 inches down, it might stay there all winter and not a goose would look

at it. "In fact, the length of a goose's neck when stretched out straight has become a standard of measurement in several of the up river towns. When a fisherman goes to a blacksmith to order a new eel spear or frog spear he specifies that the total length of the iron from tip of spear to the beginning of the wooden handle shall be 211/2 inches, no more and no less. Again, when the length of a boy's leg reaches gooseneck altitude, measuring 211/2 inches from hip to heel, he has passed from the period of boyhood and puts on trousers."

No Chance for Argument.

"George," said Mrs. McSquillop to her liege lord, who was toasting his shins before the fire, "I suppose you get the credit for sweeping the snow off our front walk."

"I reckon I do, Cynthy," responded George. "And you know you don't do a lick

of it. You know I do it myself." "You do, Cynthy. There can't be any doubt about that."

"Well, what sort of a man do you think you are?"

"I'm a blamed small specimen of a man, Cynthy," said George, still serenely toasting his shins. "I have

no doubt I am meaner and more contemptible than you think. Lord, love you, Cynthy, you can't get into any argument with me on that proposition. I'm the laziest, good for nothingest oneriest man in the neighborhood. If it wasn't that I've got such a good wife, I'd go and blow my worthless brains out. Supper ready yet, dear?"

Rest Content.

No restlessness or discontent can change your lot. Others may have other circumstances surrounding them, but here are yours. You had better make up your mind to accept what you cannot alter. You can live a beautiful life in the midst of your present circumstances .- J. D. Miller. D. D.

Wanted to Know.

"I hope," said the fond parent kindly, "that you fully realize the value of the prize you are getting in my daughter. "I can't say that I do," replied the

young man. "What is she worth in round figures?"-Milwaukee Sentinel. Started in For Himself.

'.cquaintance-Were you ever bun-

Skinflint-Was I? Why I was buncoed so many times that it taught me the game.-Detroit Free Press.