State government made great forward strides in 1947.

Upon my recommendation, the Legislature passed an act imposing an additional graduated license tax on liquor which drained a large part of the dealers' immense excess profits into the State Treasury. As a result, the evil hand of the powerful liquor pressure group has lost much of its grasp on the State government.

Hand in hand with this step toward better government was the reform of the State penal system. I believe sentences imposed by the courts should be served. I therefore ended abruptly the vicious system of "leaves of absence" for prisoners at the State Penitentiary. I have pardoned no one during my administration, and have granted paroles only on the recommendation of the South Carolina Probation, Parole and Pardon Board.

At my request, the Penal Board elected Colonel Wyndham M. Manning, Superintendent of the State Penitentiary, and he entered upon his duties on May 1, 1947. Under the new administration, living conditions of prisoners have been improved; the income of the Penitentiary from its farms and industries has been materially increased; and waste and extravagance in administration have been amazingly eliminated. For example, in spite of the 25% increase
in the number of inmates, the cost of food has been reduced from $13,500 to less than $9,000 per month. The consumption of gasoline has been reduced by 40%, and other improvements of economy and efficiency are being developed. In the meantime, the Penal Board is considering plans to be proposed for a new and modern penitentiary suitable for segregation and rehabilitation of prisoners.

In conformity with my repeated campaign pledges to enforce the law, I am glad to report an improvement in that respect throughout the State.

A program to end dual-office holding was advanced in my Inaugural Message to the General Assembly and I am happy to report that this situation is about remedied. Only a few persons now hold more than one State office or position and I have requested that they comply with the requirements of the Constitution. I feel that they will do so soon.

The part which women should play in our Government has been fully recognized during my administration. I have appointed, and will continue to appoint, women to responsible positions in the State government.

An event of historical importance to South Carolina and to the entire South was the Supreme Court decision in 1947 on the Interstate Commerce Commission ruling that railroads had to equalize freight rates over the nation. I attended this hearing in Washington and
advised with the attorneys for the Southern Governors' Conference.

Our case was successful. The meaning of the case was that freight rates will cost the same for shipments anywhere in the nation when the decision is carried out. Since Civil War days the South has had to pay more than the North for shipping the same amount of goods the same distance. As Chairman of the Freight Rate Committee of the Southern Governors' Conference, I also suggested that the petition of the Northern rail carriers -- which would raise favorable rates enjoyed by Southern shippers in some few cases before equalization of freight rates was effected over the nation -- be fought vigorously.

This case was heard during December. I am glad to report that the Southern Governors' Conference was successful and that these rates will be kept/favorable level for the South until rates are put on a par everywhere. As a member of the Executive Committee of the National Governors' Conference, I have attended several meetings in such places as Chicago and Washington where the question of eliminating duplication of Federal and State taxes and other matters of great importance to our country were discussed.

South Carolina has assumed its full responsibility for our part in the Nation's preparedness program. We were allotted 113 National Guard units, including one complete air unit, under the new War Department plan. Our air unit and 97 of our ground units have already been activated. This progress gives us high rank in the nation.
The demobilization of the armed forces made available vast quantities of war goods which could be utilized to good advantage by the State. In May, we set up in the Research, Planning and Development Board a division to secure such material from the War Surplus Administration. Up to December 20, this division had assisted political subdivisions of the State to buy surplus goods of a value of $4,067,101 for an expenditure of $66,705, resulting in a saving of $4,000,396. In addition, South Carolina, together with other States, has persuaded the Army, Navy, and Air Force to give surplus goods free in the future to the States for the use of educational and health agencies.

Every step possible has been taken to encourage industry to locate in South Carolina. During the year many new industries have come into our State. Numerous contacts have been made with important corporations and we expect to secure a great many more plants as a result. In 1947, new plants valued at $8,896,000 started operations in South Carolina. Plants which are now under construction and are expected to begin operations in 1948 are valued at $45,000,000. From mid-1946 through 1948, 950 plants planned expansions to cost a total of $120,000,000.

In the field of agriculture, South Carolina enjoyed one of its most prosperous years in history. The total cash value of farm products, including livestock and poultry was $334,951,000. Of this,
cotton was responsible for $107,720,000, corn for $58,179,000 and tobacco for $55,853,000.

The Farm-to-Market road program was greatly accelerated during 1947. Approximately $12,000,000 was spent on secondary roads; 800 miles were paved and placed under contract for paving. In 1948, plans call for spending approximately $15,000,000 on farm-to-market roads. In this program, approximately 1,000 additional miles will be paved.

During 1947, the State made the greatest progress in a generation in the field of human welfare. At my suggestion, the salary schedule of teachers was raised to the highest level it has ever reached in South Carolina, and the Legislature wisely passed an act giving permanent State support to schools for 9 months of the year. Area Trade Schools, so vital for the era of industrial expansion which is coming to South Carolina, were set up to train skilled workers. The Public Welfare program was broadened and appropriations for State Parks were increased in line with the needs of the people for better recreational facilities. Concrete steps have been taken to provide seedling trees for a reforestation program of considerable scope as a means of building up one of our greatest natural resources.

Pursuant to my suggestion, the Legislature appropriated $10,260,000 for capital improvements at State institutions, including the building of a great teaching-hospital for the Medical College.
of South Carolina. In company with other interested citizens, I appeared before Congressional committees and made other important contacts in behalf of the Clark's Hill Project on the Savannah River. We are glad to report that a substantial appropriation was made for this project by Congress for the current fiscal year and that the contract for the dam has already been let. We expect to continue our efforts until this project has been completely realized.

The prospects for 1948 look bright.

In my Inaugural Address last January, the first measure I recommended was a reorganization of the State government. The imperative need for reorganization can be denied by no responsible person. A bill empowering a 13-member commission -- 5 Representatives, 5 Senators, and 3 appointed by the Governor -- to recommend reorganization plans to the General Assembly, was passed by the House of Representatives. It is now before the Senate. Speaking frankly and realistically, the Reorganization Bill may be fought bitterly by a few interested persons because it may cause some of their political pets to lose State jobs. These persons place their welfare above that of the State. I repeat the statement previously made publicly that I am willing for the Legislature to pass the bill and make it effective either immediately or following the expiration of my term as Governor.

Twenty-seven recommendations I made in my Inaugural Address
were enacted into law at the 1947 session. Many other recommendations, including the Reorganization Bill, are still pending. Some of the important measures especially worthy of passage by the General Assembly are:

1. Revision of the outmoded State Constitution.
2. Establishment of a State Bureau of Investigation.
3. Removal of clemency power from the Governor except in capital cases.
4. Establishment of a State merit personnel system.
5. Reorganization of the State Board of Health.
7. Regulation of employment of children.
8. Abolition of the poll tax.
9. Establishment of a secret-type or Australian ballot in general elections.
10. Comprehensive program for reforestation.
11. Adequate protection for fish and game.
12. Authorization for Legislators to act at County Seats on local matters.

The tide of reform in South Carolina is strong. It is predicted that many changes will be made. The will of the people can be made law.

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