The State of South Carolina, like the other states of the South, has made many progressive strides during the past year. Our people are nearer to economic security and social well-being than they have ever been. Never before have they been so united in their determination to bring about the industrial and agricultural development, the educational growth, the public health improvements, and the sound governmental reforms that are needed for their happiness and prosperity.

South Carolina is definitely "on the move." We are determined that the obstacles which have stood in the way of the economic and social development of our State shall be overcome, and that South Carolina shall take her rightful place in the sisterhood of states.

The first two years of my administration as Governor have been dominated by the conviction that a sound, honest, progressive and efficient government can provide the best possible impetus for the development of our State and its resources. Such a State government may successfully assume an aggressive leadership in the stimulation of agricultural, industrial, commercial and social progress for all its citizens.

In the implementation of this policy, the General Assembly has made provision for a broad reorganization program,
and for continued support of the promotional activities of our Research, Planning, & Development Board. In addition, this policy has been further supported by educational and agricultural legislation designed to prepare South Carolina for the balanced economy which is our aim.

The reorganization of the Executive branch of the State Government is being studied by a State Reorganization Commission authorized by the 1948 General Assembly. This group will prepare proposed legislation to streamline and coordinate the 109 separate agencies now over-burdening our system. I am confident that the Commission will find the means to eliminate duplication and useless activities of the government to promote efficiency.

A Joint Committee on Reorganization of the General Assembly also authorized last year, has already submitted its report, and legislators are now studying its proposals to modernize the operation of the Legislature for faster, more efficient work.

A Commission on Revision of the 1895 Constitution, appointed in 1948, has begun the work of modernizing the Constitution and eliminating out-moded sections for later submission to the people. The work of this Commission is certain to prove beneficial to the State.

Other outstanding legislative accomplishments of the past year included the following:
A Constitutional amendment was passed to restrict the Governor's present power of pardon and parole, leaving only the commutation of death sentences directly in the hands of the Governor. In the November election, the people approved this amendment by a vote of 66,019 to 22,123, and its ratification is now before the General Assembly. The importance of this reform is clearly evident. It enables the General Assembly to safeguard the exercise of clemency, protect the sanctity of the judgments of the courts, and prevent the return of a pardon racket to South Carolina. Since I have been Governor, no clemency has been extended except upon the recommendation of the Probation, Parole and Pardon Board, and there have been no "back-door" pardons by the granting of leaves of absence. The new amendment will make this practice permanent and mandatory upon all Governors.

An increase in funds was made possible for the public school system, so that approximately $750,000 more will be spent this fiscal year for that purpose than was spent last year. The General Assembly also appropriated an additional fund of $1,714,000 for the present fiscal year for teachers' salaries to take care of those who have qualified for higher ratings.

South Carolina's participation in the plan for Regional Schools, developed by the Southern Governors' Conference, was approved.

A State Agricultural Marketing Commission was created to acquire sites and construct wholesale farmers' markets thereon, in order to insure our farmers better prices for their products.
Provision was made for the expenditure of $9,000,000 a year for three years on our farm-to-market road system, a program of vital importance to our rural areas.

These and several other matters of less importance, together with the long list of accomplishments of the 1947 session, mean that the 87th General Assembly will be long remembered as a progressive one, which faced many serious problems and accomplished a great deal toward their solution.

With so many important reforms under way, the 88th General Assembly, which convened January 11, has an equally great opportunity to render service of historic importance to South Carolina.

Among the measures which I recommended to the legislators in my annual message on January 12 were the following:

1. Ratification of the amendment restricting the Governors' pardoning power to commutation of death sentences.

2. Educational improvements, including: increased pay and restored sick leave for teachers; increased aid for school bus transportation, and school plant building aid; full support for the Regional Education plan; and coordination of our college system to eliminate duplication and inefficiency.

3. A number of improvements designed to improve the situation of our farmers, including: an animal disease prevention program; modernized insecticide laws; a cottonseed analysis laboratory; research projects in marketing and processing.
4. A broad labor program, including: a wage and hour law; health safeguards in industry; upward revision of workmen's compensation, and downward revision of insurance rates; and a labor welfare committee to study revision of our labor statutes.

5. Continued support of the industrial development program of our Research, Planning, and Development Board.

6. A comprehensive program for conservation of our natural resources, including soil, forests, power, seaports, state parks, and wildlife. Depletion of natural resources is today one of our most serious problems.

7. Four improvements in the interest of public welfare, including: increased public assistance; improved child welfare legislation; provision for inspection of custodial institutions; and an industrial school for Negro girls.

8. A broad program of mental rehabilitation, including: increased aid to the State Hospital; a clinic for the treatment of alcoholics; a training school for feeble-minded Negroes; a detention clinic for treatment of sex criminals.

9. Further measures for the continued better control of the liquor industry.

10. Approval of the proposed $5,000,000 state penitentiary to replace the present outmoded and inadequate plant.

11. A State Bureau of Investigation which would convert the present Constabulary into a modern crime prevention and detection organization.
12. A central purchasing agency for all state departments and institutions, which would save hundreds of thousands of dollars annually.

13. Elimination of the unwieldy and costly system whereby the General Assembly spends so much time enacting local legislation and passing county supply acts. In 1948 the Legislature considered 777 bills, of which only 191 were statewide. About 76% of the bills introduced, and 89% of those actually passed, were local bills that should be handled back home in the counties.

14. Establishment of a merit personnel system for state employees to promote efficiency in government.

15. Modernization of our general election laws to include a secret ballot, permanent registration, removal of the poll tax as a prerequisite for voting, and strengthening of voting qualifications.

With these and many other important matters to be considered, the 88th General Assembly will be a busy one. It is too early to forecast results, but many of the proposals listed have gained public support in recent months, and it is reasonable to assume that they all have an excellent chance of success.

Almost all of the recommendations I made this year were also made in my Inaugural Address in 1947, at which time a four-year program of improvements was launched.

South Carolina's effort to raise the economic level of her people is inextricably bound up with the task of solving our educational problems. Our economic development is inevitably dependent upon equipping our people, both white and
colored, to become productive citizens and carry their per capita share of the load. Higher income follows better education. Our State struggles under health, welfare, and educational burdens of nearly 2,000,000 people, only 60% of whom contribute substantially to our economic production and the payment of tax burdens.

The productive potential of our colored people is perhaps our largest undeveloped economic resource as a State. Increased production and greater purchasing power are needed if we are to raise our economic standards. Education is the means whereby we can most quickly equip our colored citizens to make their maximum contribution to the State's total economy.

South Carolina ranks 44th among the 48 states of the nation in school expenditure per pupil, spending $74.31 as against the national average of $136.41. However, as a state we spend 1.81% of our income on education as compared with the national average of 1.59%. Our effort is nearly 14% higher than the national average. It is, therefore, economic means, and not the will to do the job, which we lack.

We are increasing our educational effort at the same time that we are increasing our economic means. In addition to passing the most progressive and constructive school legislation in the history of the State, the last General Assembly provided for a survey of the public school system. That survey has been completed and made available to members of the 88th General Assembly to be used as a basis for further educational improvements. The survey is immeasurably valuable for the
wealth of information it contains which was never before available in its entirety. It is evident that much remains to be done to make our school system the important instrument in the life of our people that it should be.

In the field of economic development, we have made remarkable gains in a brief time. On every side the signs of progress are plainly evident.

Our farm cash income, which now rests on a broader production base, reached approximately $411,000,000 in 1948. South Carolina has now become the leading state in the production of fresh market peaches, and we are now second only to California in total peach production. Despite a sharp reduction in the peach crop last year, our income from this crop increased from $10,045,000 in 1947 to $10,292,000 in 1948. Other farm crops are making similar gains, particularly livestock.

The State's gains in industrial development last year were astonishing. During 1948, industrial plants began production in South Carolina which represented a total of $93,000,000 and which employ 13,000 persons. In addition, construction now underway or already announced totals $137,000,000 and will create many thousands of additional new jobs. This means that a total of $230,000,000 in new industries either began operation, began construction, or were announced last year.

Our payrolls now exceed half a billion dollars annually, and the jobs created by new industries last year should increase that figure by $28,000,000. The importance of these facts to our State is obvious.
According to the last census, South Carolina ranks first in the percentage of white population who are four-year college graduates. We are providing opportunities for these highly trained young people to remain in our State and provide the leadership we need, rather than seek better positions in other states, as so many have in former years.

This is particularly true of our vast textile industry, for which Clemson College now offers a thorough training program.

South Carolina is maintaining her dominant position in the textile industry, having shown an increase of over half a million spindles in three years. In that period, new textile plants have been built or announced amounting to $163,235,000, representing 139 new plants. Existing plants have been expanded at a cost of $77,738,000. The total for 312 new or expanded plants comes to the astounding figure of $240,973,000 in this brief space of time.

This vast expansion has been possible only because the industry recognizes the abilities and skills of our people, coupled with the friendly and cooperative attitude of the State Government. When an attempt is made to help an industrial prospect, every state department from the Governor to the clerks, is happy to prepare detailed information necessary to help the prospect reach a decision.

In pursuit of this policy, I have made numerous trips to other States for personal conferences with industrial
leaders. The executives of one of America's greatest concerns informed me that my visit with them was the first any state Governor had ever made. The policy requires energy and plenty of hard work, but it pays dividends.

It is clear that the eyes of the industrial world are turning southward. Our lower living costs, our great natural resources, and our energetic, friendly homogeneous people are combining to attract industry. In addition, we are now on the verge of enjoying the fruits of a decade's work to break down the unfair freight differentials of other years.

South Carolina is striving for leadership in the growing effort to create for the beautiful Southland a new era of economic well-being and social progress.

###