MESSAGE
OF
THE HONORABLE
DONALD RUSSELL
GOVERNOR
To The General Assembly
of South Carolina

COLUMBIA
JANUARY 15, 1964
LT. GOVERNOR McNAIR, SPEAKER BLATT, MEMBERS OF THE SENATE, MEMBERS OF THE HOUSE OF REPRESENTATIVES:

This January, 1964, brings us face to face with a New Year—but, a New Year plagued largely by the same old problems. Though much progress was made in 1963 and previous years, we in South Carolina still labor under the grievous handicap of a per capita income at or near the bottom. Functional illiteracy casts its dismal and disheartening shadow across the lives of practically one-fifth of our adult population, and automation on our farms and in industry makes imperative the quest for new plants and new jobs for an accelerating population.

These are real problems which demand our attention today and which cannot be brushed aside. But I would not be misunderstood, for I have unbounded faith in South Carolina, in her future and in her will to progress. I cite these difficulties in no spirit of either frustration or despair. It will not do for us to hobble our energies with false pity, or to abandon ourselves to idle despondency, any more than that we should seek to shield ourselves from the stark realities of our present low economic and educational position.

I cite these difficulties in order that we may better recognize the task before us and better chart our course for the future. To paraphrase the language of Pericles, the great Athenian leader, it is no disgrace to be poor or illiterate; it is a disgrace not to do something about it.

And that must be our goal and resolution as we enter this New Year. Ours must be the will, not to excuse, but to act. We must labor to remove the blight of illiteracy from our state; we must improve and broaden the educational opportunities of every child and adult in this state; we must enlarge job openings and increase per capita income. We shall not accomplish all these in a day, but we must be unceasing in our perseverance towards this goal. By so doing, we shall cease to apologize for shortcomings and take pride in achievements.

I am confident that all these can be done. I know the members of this General Assembly, I know the people of South Carolina. Both have the will and the capacity to achieve these goals.
Of course, to accomplish this, substantial sums must be expended by the taxpayers of this state year after year. We must recognize, though, that just as our per capita income is low, so inescapably are our public revenues. Burdened by great public needs and circumscribed by limited resources to meet such needs, our actions must be governed by the most exacting observance of certain sound principles of prudent fiscal management.

(1) First: We must chart our progress, not in terms of ever-increasing taxes, but in terms of expanding state revenues based on new industries, new jobs, better wage levels, and quickened economic activity. This is no time for tax increases. The burden of taxes today, federal and state, is heavy enough and can well become an impediment to further economic growth.

(2) Second: We must largely operate on a pay-as-you-go basis. The idea of passing on to future generations our own obligations and of postponing until tomorrow the financial responsibilities of today is wrong morally and wrong economically. For this reason, we recommended last year and shall recommend again that our school bus replacements be financed out of current surplus and not with bonded indebtedness. To finance with bonded indebtedness any obligation is to increase substantially the ultimate burden on the taxpayers of this state. Even in those cases where the issuance of bonds is clearly required, the burden on the taxpayer of bonded indebtedness is substantial. Thus in the last 13 years, under our sales tax program, we have issued $198-million in school bonds to pay for that amount of necessary and urgently needed public school buildings. But those bonds, with their accumulations of interest, will ultimately cost the taxpayers of this state $243.9-million. In short, the taxpayers of this state, in taxes, will pay $243.9-million for $198-million worth of school buildings. It is clear then that a general policy of meeting our obligations out of current revenue and living within our income—keeping our expenditures always within the reasonable bounds of revenue estimates—is sound business for our state. Such policy should only be departed from in situations of the most pressing immediacy affecting the welfare of the people.

(3) Third: With limited resources, it is all the more incumbent upon us to give increasing attention to governmental economy, efficiency and reorganization. With our accumulation of
public needs, waste in public resources is intolerable. Every dollar of public expenditure must yield for the state a full dollar's return. We have too many basic needs to sacrifice one dollar to waste or unnecessary extravagance.

The Budget and Control Board is making significant progress in a program of wise governmental economy. Measures are now underway, many of which can be carried out under the Reorganization Act of 1950, to reduce the administrative cost of government and to insure that the future expense of government in South Carolina, while it rises, will not rise unnecessarily. We hope to lay the groundwork for many generations of sound and business-like government. Measures which will effect this end are now being implemented. The audits by outside firms, the cost of which has been defrayed by a sum authorized by the legislature last year, have been most helpful in our examination of state agencies and should insure more economical administration. An overhaul of purchasing practices as a result of recommendations made by a competent consultant from private business is now being developed.

A special services division of the state government to serve all state agencies in printing, data processing and other fields, is in the process of being established. To house the special services division, the Budget and Control Board has been fortunate to obtain an option on a suitable, existing building on a four-acre site in mid-Columbia. Funds for its purchase—$250,000—are included in the request for the Sinking Fund Division, and I hope that request meets with your approval.

In the event that, after study, we need additional legislation to accomplish these ends, I shall not hesitate to send to you special messages during this session which will enable us to effect the centralization of purchases and special services, the strict use of state-owned automobiles, and other economy measures which may be desirable.

The studies and proposals on streamlining the government have already met with considerable success and can, in some instances, be translated into dollars and cents. For example, it is conservatively estimated that savings from a centralized purchasing system and the use of more state contract items will eventually amount to at least 5% on $40-million of state purchases annually—or $2-million.
It is also estimated that with rare exceptions—specifically approved by the Budget and Control Board—the cost of state automobiles will not exceed $2,500 each. This figure can be attained through fleet purchases made in accordance with standardized specifications.

The central communications system which is being planned for all government buildings in the capital city area will effect immediately an annual saving of $20,000 when it is installed.

The centralized special services division, warehouse storage, computer system, and records management system will free 20,000 square feet of $20-per-square-foot office space in the new state office building. Those functions will be transferred to the new Columbia site of the special services division, which will cost us approximately $2.50 per square foot.

Needless to say, the elimination of duplicate rental and purchase fees on computers, data-processing, and printing devices will save additional thousands of dollars.

I believe that the efforts of this administration and of the Budget and Control Board in this entire field accord with the desire of the General Assembly for economy in state government and for the maximum utilization of every tax dollar.

Nor should we stop here. One of the primary reasons for the spiraling costs of government is the proliferation of new agencies and bureaus. Some of these are necessary. If possible, though, existing agencies should be employed to carry out new programs. Such a policy contributes to both efficiency and economy in government. As I said in my first appearance before you last year, we should not hesitate to discontinue any agency or bureau that may become unnecessary. In that connection, in a first step towards pruning away agencies that can well be dispensed with, I recommend that the Nuclear Energy and Space Agency either be placed in abeyance or expressly abolished. Particularly do I urge that the provisions of this Act which authorize the issuance of public obligations to aid private business be repealed. I do not believe that public credit should ever be used to support private business. This is contrary to our concept of free enterprise and represents a misuse of public credit.

The industrial development task assigned to the Space Commission is now being properly handled by the State Develop-
ment Board. In fact, experience has shown that the Commission often duplicated the tasks assigned to the Board, and that the industrial development of this state should be centered in a single agency, staffed by competent personnel.

The Nuclear Energy and Space Commission is also empowered to assume from the federal government the regulation of certain radioactive materials. I question that it is wise for the state at this time to assume either the expense or the serious responsibility of such regulatory duties, involving as they do the recruitment of highly trained personnel and the acceptance of a deep responsibility in a field where federal "know-how" is definitely superior.

Lastly—and this is our most important guideline—as with individuals, so with government, we must establish an order of priority in expenditures. To achieve that proper discipline of fiscal responsibility, we must weigh a variety of highly desirable projects, placing them in proper order. No state is rich enough to afford everything at once. And with a state of limited resources such as ours, the need to establish and adhere tenaciously to such an order of priority is all important. We cannot afford any frills; ours must actually be a choice among necessities. We must not dissipate our limited resources on anything which is not required for the progress of our state and for the general welfare.

I have no doubt what is and must for the foreseeable future be our first order of priority.

Our first order of priority must be public education at all levels.

It has been well said that "education is inextricably involved in the quality of a state." That is unquestionably true. We shall never overcome our problems—we shall never satisfy the demands of our people for a better life and a higher standard of living—unless we give first priority in both our public expenditures and in our planning to public education. We must eliminate the blight of illiteracy and under-education, we must nurture and cultivate to the fullest the talents of our gifted youth, if we are to share in tomorrow's progress.

This last summer South Carolina conducted an aggressive program to combat the "drop-out" problem among our youth.
Every segment of our society—you of the General Assembly, the news media, the service clubs and the school administrators, and many others—joined forces in what became a crusade. But this is only a small part of the problem. It is not sufficient just to get a child back in school. That is, in a way, the smallest part of the problem. We must educate him and that depends on our school program and our teachers and on the leadership which you and I give to the cause of public education.

Moreover, increasingly our industrial growth will be determined by the educational level of our people. As industry demands more and more educational background for its employees, new and added considerations will be directed towards the adequacy of our educational effort. Unless we grasp this fact and prepare our people for it, we shall fail and fail dismally in our public responsibility.

There can thus be no disputing the primacy of education in South Carolina's future and it is but right that public education should be given the first priority in our public expenditures.

The Budget and Control Board recognized this priority in its report. The estimated increased revenue in fiscal 1964-65 was fixed at approximately $7-million. The actual increase assigned for educational purposes in its recommendation to the General Assembly exceeded by several hundreds of thousands of dollars this estimate, indicating a slight reduction in cost for the rest of state government in favor of expenditures for public education.

The report of the Ways and Means Committee, while not following entirely the specific recommendations of the Budget and Control Board, also recognized the priority to be accorded public education. We need not quarrel over changes in detail, provided basic concepts are adhered to and common goals are arrived at. Men with equal devotion to public education may in good faith differ over the particulars of a program. But I hope that we can all hold fast to three basic principles embodied in varying degrees in both reports:

First, that the total sum of new state money recommended for the public schools should be retained. Not one penny less should be placed into our educational budget this year. We have earmarked all we can for educational purposes, but we cannot
afford to appropriate any less. To do otherwise would be false economy. The future of our state and its citizens would be unfairly jeopardized.

Secondly, the long-needed elimination of enrollment as a factor in state aid should be effected. As I said last October at the Governor’s Conference on Business, Industry, Education, Agriculture and the Government, our attention must be fixed not so much on enrolling children in school as on keeping them there. By basing state aid on average daily attendance—how many children actually come to class each day—we shall have given school attendance an added, needed emphasis—a financial emphasis. And I believe, in so doing, we shall have taken a significant step forward in solving the severe problem of the “drop-out.”

Thirdly, we must not be content with merely pumping more money into the school system. Increases in public support for education should be coupled with a reasonable guaranty of educational advance and improvement. Our added appropriations should offer some assurance that our children will have better educational advantages. After all, our schools exist and are maintained for the benefit of our children and our program must never lose sight of that vital fact. While I am pleased to see the teachers given an increase in the report of the Ways and Means Committee, I regret that such report does not go as far as the Budget and Control Board in its emphasis upon class size in the elementary grades. I am, however, encouraged that the report does recognize the value of reducing class size and that this factor is taken into account in the recommended appropriation. I earnestly hope that we shall all continue to evidence equal interest in increased teacher’s salaries and reduced class size, especially at the elementary level.

I have often expressed the reason for my conviction that a substantial part of our increased aid to education this year should be tied to a mandatory reduction in the average class size. The Budget and Control Board recommended—and with this recommendation I am in full agreement—that we should seek as our goal a reduction in the average class size from 31.6 pupils to 26.5 pupils in the elementary grades, with the local school districts accepting one-third of the cost of such change.
I favor such a program for two reasons. First, I feel that local school effort must be increased and the best way to promote this is to condition state aid in some small part at least on local effort. Secondly, I believe the importance of elementary grades in the "learning life" of the child has all too long been overlooked. As I have emphasized before, education is a sequential process.

One cannot build firmly without a sound foundation. It is in the elementary school that the child learns to read and to spell properly, that he is first acquainted with the concepts of arithmetic, and that he learns the habits of study. It has been well said that the best teaching must be done on the lowest level at the most susceptible age, rather than necessarily on the highest, when habits have already been hardened. Consequently, it follows that there is little need to build a vast superstructure of education, whether traditional or vocational, at the high school or at the college level, if we have failed to build a firm foundation at the elementary level through an adequate mastery of the reading skills. In short, until we build a sound program in the elementary grades in South Carolina, there will be no sound program in education, in the broad sense, in our state. For these reasons, the Budget and Control Board made its recommendations.

At your session last year you took another constructive step which will mean increasingly more to the improvement of public education; you created a special committee, under the chairmanship of Senator James P. Mozingo, to study the public school system of this state. That committee has pursued its work with diligence, patience, insight and enthusiasm. A number of its recommendations will be forthcoming during this session of the General Assembly and others will follow. I believe that it is paramount that South Carolina have such an objective and informed group reviewing the educational system of the state continuously. Therefore, I recommend to you that the life of the Special Committee on Education be extended and that its appropriation be renewed.

An area of specialized education which has received our attention during the past year has been the nursing education program in South Carolina. In this instance, not only are we concerned with providing educational opportunity for those young people who wish to enter the nursing profession, but we
are also concerned that the patients in the hospitals of our state receive adequate attention from highly trained and qualified personnel. We cannot depend on other states to train our nurses for us; we must train them ourselves, and convince them to build their careers in South Carolina.

A Special Committee on Nursing, appointed during 1963, has studied quite thoroughly the status of nursing education in South Carolina and has proposed certain far-reaching improvements. It has been ascertained that local communities are not now—and will not be—able to support by themselves, in conjunction with general hospitals, adequate nursing training programs. Consequently, I propose that the state move vigorously into this field to render assistance to the local nursing schools which desire that assistance.

The Governor's Special Committee on Nursing proposed, and I hereby concur today and recommend to you, that funds for liberal arts courses in diploma schools of nursing throughout South Carolina be made available to the University of South Carolina Extension Division. Under this program, the Extension Division will assume the responsibility for providing instruction in liberal arts courses for diploma schools of nursing which satisfactorily meet criteria established by the Board of Nursing for South Carolina. Such criteria will be specifically designed to lead to national accreditation by July 1, 1969.

In order to provide the courses which have been deemed necessary, the Extension Division will require an additional appropriation of $102,000. That appropriation has been recommended to you by the Budget and Control Board, and it is my sincere hope that the legislature will act favorably upon that recommendation to improve the care of patients in South Carolina's hospitals and to offer educational opportunity to those young people who wish to enter this noble profession. I believe that if the state does undertake the responsibility for underwriting a portion of the cost of instruction in these schools of nursing, there is no question that South Carolina will have embarked upon a long range program of improvement in nursing education which can only rebound to the benefit of all the citizens of this state and which will assure to our citizens nursing care in the years ahead.

The second key recommendation made by the Governor's Special Committee on Nursing, and one which I commend to
you today, is the creation by statute of a nine-member committee on nursing—two from the House of Representatives, two from the Senate, and five appointed by the Governor—to lend support and leadership to the nursing profession in South Carolina and to encourage implementation of the statewide program set forth by the Special Committee on Nursing.

My final legislative recommendation to you today in the field of education is that the Budget and Control Board be designated as the authority to dispense federal funds available for the construction of higher educational facilities under statutes recently enacted by Congress. We have discussed with appropriate federal agencies, the composition of the body which will be eligible to receive and dispense federal funds under the higher education facilities construction act, and I believe that the Budget and Control Board meets the requirements of the federal government. The Budget and Control Board, representative as it is of all the people of South Carolina, is the appropriate agency to establish priorities among public and private institutions for the distribution of these funds. The Board is made up of three members who are elected directly by the voters of South Carolina—the Governor, the Comptroller General, and the State Treasurer. The other members are from this honorable body—the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. In my opinion, we cannot gather a more representative body than the Budget and Control Board, and the necessary legislation will be submitted to you to designate that Board as the allotting authority for federal construction funds to higher education institutions.

There are many other things which we would like to do in the cause of education in South Carolina. These plans are being held in abeyance until adequate funds become available.

I think it is appropriate for me to mention to you that we have made an impressive beginning in an adult education program with funds available to South Carolina under the Manpower Development and Training Act. We have received an unprecedented sum of money—$5.6-million—to be had over the next eighteen months to erase illiteracy and establish adult vocational training centers. This program will succeed only because imaginative, creative and enthusiastic people in state agencies devised a plan by which South Carolina could utilize these
funds to meet the peculiar needs of our state. Federal agencies cooperated in every respect in fashioning the program, which is even now getting underway. I believe that STEP (Special Training for Economic Progress) is a milestone in South Carolina's history and that it will enable us to make significant progress in the field of adult education with a program which is adequately financed. We have thousands of adults unprepared in skill or basic education to become wage-earners in our modern society. Many more will be displaced by automation. These people must not become the forgotten part of our population. We owe a duty to them and to our state to see that they are qualified to be a part of a prosperous state, adding to our per capita income and reducing our welfare costs. That is what this program is intended to do for thousands of our ill-circumstanced citizenry—to take them off the relief and unemployment rolls and to place them in productive jobs, where they can hold their heads high and earn their own way. For these reasons, I look for substantial and far-reaching results from the STEP program, announced on December 31, 1963.

Even with attention given to the primary grades in South Carolina by the reduction of class sizes, and even with this adult education program which has recently been launched, there are still many needs which must be met. I forewarn you today that we have already earmarked increases in future revenue for public education in one form or another. As the Gressette Committee recently underscored, there is no question about the fact that vocational education in the state's high schools will have to receive additional attention. The federal legislation changes the emphasis to a considerable degree in vocational education and updates the course offerings under that program. In addition, the Vocational Education Act of 1963 allots considerably more funds to South Carolina than have been available in the prior history of the program. I have already requested the Mozingo Committee, working closely with the State Department of Education, to submit to us recommendations in connection with this field. Additional attention may be required from the state government to implement adequately a program of vocational education in South Carolina's high schools. In the event that, after further study, we make such a determination, we will, at the appropriate time, send messages to the General Assembly,
seeking to provide a fine, outstanding program with diverse opportunity for the young people of this state.

While there does not appear this year to be adequate revenue to award significant across-the-board increases to our loyal state employees, I do recommend to you that retirement benefits for public employees in South Carolina, including teachers, be substantially liberalized. A legislative committee appointed by the 1963 session of the General Assembly, under the chairmanship of Senator Rembert Dennis, has made a thorough study of the retirement system in South Carolina and deserves the commendation of the people of this state. The committee has concluded its deliberations and has reported to the Budget and Control Board that the retirement benefits in South Carolina are not commensurate with generally accepted standards, or with our neighboring states. While, as I have said, we regret that we cannot give general across-the-board increases this year, we have allocated in our report from the Budget and Control Board the necessary funds to liberalize benefits of the retirement system—increasing them an average of twenty per cent—in line with the excellent recommendations of the Dennis Committee. The unfortunate discrimination against women in our existing retirement system will be eliminated and the benefits will be self-adjusting to take into account future inflation. All in all, it is a plan which commends itself for its fairness.

The ultimate cost to the state in these liberalized benefits will be $4,250,000. But we can take this increase in steps, and the initial increased cost in the state's contribution for next year will be $1-million. There is, also included in the budget an additional $250,000 to cover a further adjustment in benefits payable to those who have retired from the state system who are not eligible for primary social security payments. I recommend to the legislature that sufficient funds be appropriated for improved retirement benefits as proposed by the legislative committee.

While I unhesitatingly recommend this liberalization of retirement benefits for career state employees, public employees and teachers in South Carolina, I would caution the legislature to remember that when we adopt this proposal we are committing not only $1-million for the next fiscal year, but we are ultimately committing the state government to a $4,250,000
annual appropriation to meet the cost of this increase in retirement benefits. Despite this substantial expenditure which will ultimately come from the state's revenues, I recommend to you that our loyal state employees, our fine teachers, and our devoted public employees, be given this added incentive to make a career of governmental service to the people of South Carolina.

I believe that all of you recognize by now, and happily so, that South Carolina's industrial expansion during 1963 was a record. We brought into this state $264,000,000 in diversified, new industry and expansion of existing industry. I am proud of that record. I am proud of what loyal and efficient state and local agencies have done to accomplish that record, and I look forward to a better year in 1964.

A peculiar and significant characteristic of the new industry coming into our state is that it brings with it jobs which require a greater capital investment. While $10,000 in capital only a few years ago could result in the creation of a single job, today, the average capital investment per job amounts to more than $18,000. We greet this trend with recognition of the problems which automation inevitably brings, but we also realize that these jobs which are being created by a higher capital investment are jobs which require more skill, a greater degree of education, and which—correspondingly—pay a higher wage to workers. We are happy to welcome such industries to South Carolina.

Basically, as the record I have just discussed makes clear, I believe that our industrial development program is in sound hands and in good shape. I do recommend to you one measure to enhance our economic, industrial and educational development. The Budget and Control Board has recommended that $25,000 be appropriated to the State Development Board for the creation of a Development Research Division.

In several of our sister states, industrial development has been stimulated measurably by the combined and cooperative research effort of the several universities and colleges of the state. While we do not have such an arrangement, I believe strongly that the Board should have an administrative unit, properly staffed, affiliated with no particular institution, and in close touch with the direction of industrial and governmental expansion, which can properly work with all the universities and colleges of our
state to mobilize fully our complete research facilities and talents for the industrial development of South Carolina.

It might well be, too, that this unit could, if the institutions of the state felt it wise, become a clearing-house for common discussion of the research projects of the various institutions. This would be particularly valuable in the case of the state-supported institutions. It could provide a basis for joint research enterprises by these institutions. This has been done in many areas, where the institutions are far better circumstanced than we are. Dr. Clark Kerr, President of the University of California, commented on these developments with these words:

"Thus the Big Ten and the University of Chicago, through their Committee on Institutional Cooperation, are merging their library facilities, creating a 'common market' for graduate students, diversifying their research laboratories on a common-use basis, and parceling out foreign language specializations. Something similar is happening in the University of California's system and between Berkeley and Stanford. Harvard and M.I.T., Princeton and Pennsylvania, among others, run joint research enterprises."

The reason for this development was pointedly summarized by President Nathan Pusey of Harvard University recently:

"The instruments of modern science—the computers, the cyclotrons, and the accelerators—and the buildings to house them are beyond the capacities of even our wealthiest universities."

Research is important both to our industrial development and to our educational institutions. But the important point is that, in view of the costs of research to an institution, we should endeavor to eliminate the dissipation of resources, energies and talents in our several state institutions in duplicating and overlapping research projects. Perhaps this unit in the State Development Board might become the common meeting ground where the several institutions could meet and voluntarily outline and delineate the special research roles of such institutions, thereby avoiding duplication.

In any event, this unit is vital to the service that the State Development Board must render to business and I strongly recommend its approval. I am confident it would be of tremendous benefit to our state's industrial development.
A unique situation facing us is the future of the State Park system in South Carolina. A special committee of the House of Representatives has traveled throughout the state since the conclusion of the last session of the General Assembly seeking the opinion of South Carolinians on the operation of state parks. I am sure the General Assembly will review and give consideration to the recommendations of this committee, especially to such extent as will preserve the state’s interest in its park system.

I would also mention briefly that I favor the commendable efforts of many public-spirited citizens in seeking to secure an adequate adoption law for this state. I hope we can achieve such during this session.

My final recommendations to you in this message concern the prospective surplus which, it appears, will be available at the end of the current fiscal year. That surplus, according to present estimates, will amount to $3.3-million. While I believe that a portion of it might usefully be returned to the counties, there are certain mandatory state expenditures which should be made from that surplus. Accordingly, I hope that you will see fit to make provision in a deficiency appropriation for $2-million for the cash purchase of school buses during the current year.

The John G. Richards Industrial School has certain capital improvements which must be made. We can no longer tolerate the conditions which exist in that school, such as over-crowding in the dormitories; the absence of any indoor recreational facilities; and inadequate feeding facilities. Therefore, I recommend to you—and all of these recommendations concerning the John G. Richards Industrial School have my fullest support—the construction of a gymnasium at the John G. Richards School at a cost of $170,000; the remodeling of the kitchen and cafeteria, increasing the size of each, and two staff rooms at a total cost of $85,000; and the construction of a new dormitory and equipping that dormitory at a cost of $80,000. The funds for these badly needed improvements at the John G. Richards Industrial School are available in the surplus at the end of the current fiscal year, and I hope that the legislature will see fit to grant these improvements to that school. I might say that my recommendations concerning this institution come after a personal inspection trip to the John G. Richards Industrial School. I have found these needs to be genuine and real, and I earnestly commend them to you for your consideration.

I know that your hearts and my heart beat with a deep dedica-
tion to this state and to its progress. You share with us an abiding interest in the welfare of our people. Joined together by devotion to common goals, I am confident that we shall chart a course of progress for South Carolina.

I can assure you that we shall continue to study the existing structure of state government to be certain that we achieve the most economical, the most business-like, the most efficient instrumentality of government which can possibly exist to serve the needs of the people of South Carolina. We, with you, intend to serve those needs; we, with you, intend to spend where a need for spending is indicated. We, with you, intend to cut-back, to conserve, to save, and to preserve the taxpayers' dollar wherever we can consistent with the public interest.

In addition, I have made a substantial number of recommendations regarding the educational system of this state. Education remains the number one problem facing South Carolina. There are many things which need to be done—many needs which can be clearly documented, but which we cannot meet because of the cost involved. Let us place this foremost in our minds. Let us earmark in advance the funds which will be available in the coming months and years for public education. Let us renew our dedication to providing opportunity and challenge for every South Carolinian, both young and adult. Let us bend our every energy and all our resources toward increasing the pace of industrial development in South Carolina so that our people may enjoy a higher standard of living and so that the revenues which come into state government for the performance of essential public services shall continue to rise at an ever-increasing pace. Let us give within our means, benefits and rewards to those loyal state employees and the teachers in this state who have demonstrated their spirit of public service and their willingness to sacrifice in the interest of the people of South Carolina.

We begin this New Year with hope and confidence. In reaching for our goals, we pledge our whole-hearted cooperation with the members of this General Assembly, who have so consistently demonstrated both their ability and their love of state.

May we, the executive and legislative branches of our government, with mutual respect and common aims, press relentlessly forward in this year of 1964, that all our citizens may, through our efforts, enjoy a better life. May we not tire until every child and every adult in this state shall receive the educational, economic and cultural advantages to equip them to become self-respecting members of a growing and ever-more prosperous society.