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"Harmony in
Diversity"

PORTLAND CITY CLUB BULLETIN

"Active
Citizenship"

VOLUME XIII

PORTLAND, OREGON, OCTOBER 28, 1932

NUMBER 26

FRIDAY, OCTOBER 28

HOTEL BENSON; 12:10

JOINT MEETING WITH THE OREGON HISTORICAL SOCIETY

SPEAKER

DR. ROBERT CARLETON CLARK

*Head of the History Department, University of Oregon
Director, Oregon Historical Society*

SUBJECT

"Why History Needs to be Rewritten"

"Within another generation," predicts Harry Elmer Barnes, "we shall see an enormous revolution in the subject-matter, teaching and writing of history in this country." Thus, another subtle intellectual metamorphosis, more fundamental than Russia's great experiment, has begun.

Dr. Clark, eminent Oregon historian, author of "A History of Oregon" and "History of Willamette Valley," and now engaged in writing a new American history, is well qualified to point out to the layman the necessity and far reaching significance of a changing historical method.

AND ALSO

AN OPEN FORUM

TO DISCUSS

CONSTITUTIONAL AMENDMENT LIMITING THE VOTE ON BOND
ISSUES TO TAXPAYERS

REFERENDUM ON ROGUE RIVER CLOSING

STATE WATER POWER AND HYDRO-ELECTRIC CONSTITUTIONAL
AMENDMENT

THE HIGHER EDUCATION CONSOLIDATION BILL

The reports on these measures are printed below and will be presented for action today. The time limit of two minutes on all speeches from the floor is still in effect.

COMMITTEE FINDS LIMITING VOTE TO TAXPAYERS UNNECESSARY AND WRONG IN THEORY

A Report by the Social Welfare Section

To the Board of Governors of the City Club:

In November, the voters of the State of Oregon will be called upon to adopt or reject House Resolution Number 5, which will amend Article II, Section 2, of the Oregon Constitution so as to provide that: "The legislative assembly, or the people through the initiative, may by law require that those who vote upon questions of levying special taxes or issuing public bonds shall be taxpayers."

At first, your committee was of the opinion that the proposed amendment might be a worthwhile one, but after a careful examination of the problem, it has come to the unanimous conclusion that the proposed amendment is not

only unnecessary, but that it is also highly undesirable.

The Trend Toward Democracy

The whole history of the United States has been a process of getting more democratic, and this trend towards democracy has taken the form of an extension of the suffrage. Before the Revolutionary War, the right to vote in a province or colony was claimed in very much the same way that one would claim the right to vote as a stockholder in a corporation. Hence, the landed property qualification was the one outstanding requirement throughout the colonies; the property tax theory being based upon the

Continued on Page 3

Tune in KEX at 4:30 P. M. Sunday

PORTLAND CITY CLUB BULLETIN

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City Club dues are \$1.00 per month, payable semi-annually on May 1st, and November 1st. There is no initiation fee.

The regular Friday luncheon meetings are held in the Crystal Room of the Benson Hotel.

CITY CLUB PURPOSE

"To inform its members and the community in public matters and to arouse them to a realization of the obligations of citizenship."

THE CITY CLUB BOARD OF GOVERNORS

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WILLIS K. CLARK

RUSSELL W. BARTHELL *Executive Secretary*

APPLICATIONS FOR MEMBERSHIP

The following applications for membership, having been approved by the Board of Governors, are hereby recommended to the Club.

If no objections are filed with the Board of Governors or the Executive Secretary prior to November 11, 1932, these applicants will, under the Constitution, stand elected.

- J. FRIEDENTHAL
President, Columbia Knitting Mills
Recommended by Joseph Shemanski
- R. J. BEATTY
Assistant Manager
The Canadian Bank of Commerce
Recommended by Anson S. Frohman
- C. E. RAWLINSON
Accountant, Price Waterhouse &
Company
1412 Public Service Building
Recommended by Ivan W. Elder
- W. BIDDLE COMBS
General Agent and Partner
The Combs Insurance Agency
501 Pittock Block
Recommended by Dr. H. R. Lucas

OPEN FORUM FEATURED BY TRUCK BILL DEBATE

By a scant margin of four votes the committee report opposing the Freight Truck and Bus Bill was adopted by the membership at last Friday's open forum meeting. Debate featured by penetrating argument and sparkling humor preceded the vote. W. S. U'Ren, J. P. Newell and B. E. Palmer, Jr. directed a concerted attack on the committee report which was ably defended by L. R. Wheeler and chairman C. G. Ehle. A high point was reached when it was moved that the report be amended by eliminating the section headed "Recommendations" and substituting the following:

"The City Club, while recognizing that this bill contains certain defects which ought to be remedied by the Legislature, under the mandate of the bill itself, nevertheless believes that this measure has great constructive value in that it opens the way to the establishment of highway transportation on a permanent and equitable basis. The City Club therefore recommends that the bill be approved."

When the smoke had cleared a standing vote indicated that the amendment was rejected and the report approved by a count of 46 to 42.

The open forum began in the spirit of critical analysis with Professor McKinley's pointed objection to the Tax and Debt Control Amendment and the Tax Supervising and Conservation Bill. Both were finally approved by a vote of 54 to 24. The City Club also went on record as approving the Referendum on the Sale of Property Acquired through Delinquent Tax Assessments and that on the Payment by the City for the Use of Water. The Special Tax for Musical Concerts and the Repeal of the State Prohibition Enforcement Law were opposed.

RADIO BROADCAST NOW 4:30 P. M. SUNDAY

The time of the City Club radio broadcast has been changed from 8:30 Sunday evening to 4:30 Sunday afternoon until after the election.

During the past nine months one hundred and fifty City Club members have given valuable time and carried on painstaking inquiries in order to furnish reliable information on the twenty-three measures that the people must decide at the November election. Picture yourself or any other voter with the time and patience to carry out this work alone.

There are thousands of Portland citizens who are swamped with misleading propaganda and discouraged by the size of the blanket ballot. They would welcome reliable and accurate information on election measures. Why not help them out? Tell your friends to listen in while Doc, Dad and the Judge present the results of City Club investigations.

REMEMBER—KEX AT 4:30
SUNDAY AFTERNOON

NOTICE:—No meeting will be held on Friday, November 11, due to Armistice Day.

LIMITING VOTE TO TAXPAYERS

Continued from Page 1

right of men to vote by virtue of their possessing a material interest in the community. But even before the Revolutionary War, a movement for the abolition of ownership of not only real property, but also of any property, as a necessary requirement for voting, gained great momentum, and the great democratic movement culminating in the election of Andrew Jackson marks the almost complete abolition of taxpaying qualifications as a requisite to voting.

Some Restrictions Remain

However, payment of taxes as a requisite to voting on certain types of legislation may still be found in the constitutions of the following states: Colorado, Pennsylvania, Rhode Island, South Carolina, and Texas. There are also numerous towns, cities, school and water districts which make the payment of taxes a requisite to voting, and in at least ten states, voting is restricted to those who pay a poll tax.

The proposed constitutional amendment is the result of our Supreme Court's decision to the effect that the two statutes passed in 1929, limiting the right to vote at any election upon a question of levying a special tax or issuing public bonds to taxpayers upon real or personal property situated within the said district, were unconstitutional. Similar provisions in state constitutions to the proposed amendment have been recognized as valid by the Supreme Court of the United States. (See Exhibit.)

The proposed amendment does not define the term "taxpayer," but that deficiency may be remedied by a legislative enactment. It is reasonable to suppose, however, that the same definition would apply as is now applied in school elections on special levies and bond issues: One who is liable or subject to pay a tax on property in the district or who owns stock in a corporation owning property in the district.

The Amendment Is Unnecessary

The proposed amendment is unnecessary. A record of the eight special levies submitted at school elections in District No. 1, where voting is limited to taxpayers, reveals the fact that only two (1932) had failed to pass. Yet, during the same period, there have been nineteen special levies and bond issues submitted to the voters of the City of Portland and Multnomah County, where no taxpaying qualifications are required for voting; and of the nineteen measures thus submitted, nine have been defeated. (See Exhibit.)

The Theory Is Fallacious

We submit that the proposed amendment is wrong in theory:

First, it runs counter to our whole democratic tendency of extending the suffrage. The evils of our present day governmental system have been attributed to the lack of interest manifested in governmental affairs, by those qualified to vote, and yet the proposed amendment has as its purpose the limiting of the number of qualified voters on certain specific types of legislation.

Second, the recent tendency resulting in concentration of ownership of real property in the hands of a comparatively few individuals and

corporations organized for the purpose of owning and managing property, will limit the number of qualified voters to a much smaller group than those to whom the improvements would be most important and who in the end would necessarily have to bear the greater portion of the taxpaying burden, and it is possible that many needed improvements might not be made if the parties who must bear the tax in the first instance were the sole ones to decide whether or not the project should be approved.

Future Generations Must Pay

Third, even those who pay a direct property tax pay only a small portion of the bonds upon which they vote, but the great bulk of the money necessary to retire the bonds at their maturity is supplied by a new generation of taxpayers.

Fourth, everyone, regardless of whether or not he owns property, pays taxes, directly or indirectly, to every branch of our government through the payment of rent and the purchase of countless commodities.

Fifth, it is elementary among economists that, although the people who own property and pay taxes merely happen to be the channel through which the portion of the social wealth necessary to support the government reaches the government treasury, those who augment the social wealth, whether they pay taxes or not, are the ones who ultimately support the government.

RECOMMENDATIONS

For the above reasons and for the further reason that the proposed amendment is unnecessary, we recommend that the proposed amendment be defeated.

The necessity for the conservation of space has required the exclusion of many interesting facts and figures collected by your committee, but in order that they may be available for those interested in this problem, an exhibit has been placed on file with the City Club, which contains much of the information collected by your committee.

Respectfully submitted,

C. C. COLT,
VICTOR S. RISLEY,
CHARLES M. SANFORD,
GUS J. SOLOMON,
ROBERT A. FARRELL, JR., *Chairman.*

Approved by James J. Sayer, Chairman of the Taxation Section.

Accepted by the Board of Governors and ordered printed and submitted to the membership for consideration and action on October 28, 1932.

ART MUSEUM TO OPEN

Marking an important development in the cultural life of Portland the work on the new Art Museum is nearing completion and plans are being made for a large opening reception on Saturday, November 19th. The many fine possessions of the Museum will be properly exhibited for the first time and Portland citizens may discover objects of great beauty and value which they have never before been able to enjoy.

John A. Lee, chairman of the education and recreation section, has appointed Stuart R. Strong to represent the City Club on the program for the Art Museum opening.

CLOSURE OF ROGUE RIVER TO COMMERCIAL FISHING OPPOSED BY COMMITTEE

A Report by the Education and Recreation Section

To the Board of Governors of the City Club:

The committee appointed to consider the referred legislative measure closing the Rogue River to commercial fishing recommends a vote against the measure, i. e. that the river be not closed.

REASONS

The question at issue has been before the people repeatedly within the past twenty years. It rose from the conflicting interests of residents upon the upper and lower parts of the river. The former wished to preserve the Rogue as a great sports fishing stream and believed that this could not be done if commercial fishing were allowed. The latter depended almost wholly upon commercial fishing for support and took the ground that the two interests were not incompatible.

Although this picture has been somewhat changed since completion of the Coast Highway which has opened the lower river to tourists and sportsmen, it is still essentially correct.

Sentiment upon the lower river appears to have undergone a considerable change but it is still true that closure of the river would throw a considerable number of people out of work and render a large investment in salmon canneries valueless. It does not appear to the committee that the evidence that commercial fishing is a major threat to continued good fishing upon the upper Rogue is sufficiently convincing to justify this action so long as a considerable part of the residents of the lower river are opposed thereto.

RECOMMENDATIONS

Although not strictly included in the specific

question at issue, the committee feels that its report would be incomplete without reference to other factors which seem to threaten the continued existence of sports fishing on the Rogue. Muddy water due to placer mining, warm and low water due to storage and deforestation, low oxygen content due to pollution are some of these factors. It is our belief that the Rogue is potentially most valuable to the state and to the residents along its course as a sporting stream, and that these values are seriously threatened from a number of directions and by a number of special interests each legitimate in itself. The committee therefore recommends that the City Club urge upon the Fish and Game Commission the initiation of measures for an early and complete study of the whole Rogue River problem by competent specialists with a view to the formation of a program of legislation designed to control all factors affecting the use of the river in so far as such control is found necessary.

Respectfully submitted,

CHARLES P. WILSON,
H. J. ANDREWS,
ELMER GOUDY,
B. A. THAXTER,
L. A. ANDRUS,
A. O. WAHA,
J. MASON DILLARD,
A. A. KNOWLTON, *Chairman.*

Approved by John A. Lee, Chairman of the Education and Recreation Section.

Accepted by the Board of Governors and ordered printed and submitted to the membership for consideration and action on October 28, 1932.

DEFECTS POINTED OUT IN WATER POWER AND HYDRO-ELECTRIC CONSTITUTIONAL AMENDMENT

A Report by the Government Organization and Public Finance Section

To the Board of Governors of the City Club:

The proposed State Water Power and Hydro-Electric Constitutional Amendment would accomplish the following objects:

1. Perpetuate by constitutional provisions the present policy of the state that title to its water power resources shall remain in the state in perpetuity and the right of the state to control and develop these resources.

2. Authorize the state to lend its credit and incur indebtedness to an amount not exceeding 6% of the assessed valuation of all the property in the state for the purpose of controlling, developing and selling or leasing water power and acquiring, constructing and operating hydro-electric power plants, transmission and distribution lines.

3. Require that any board or commission created or empowered to carry out the above objects and purposes shall consist of three members and be elected without party affiliation or designation.

We endorse the principle that title to water

power and water power sites should remain in the state; and likewise we agree that the state should control water power development and regulate the rates and charges for the use of water and water power and for the sale of electric energy. Insofar as the amendment merely declares these objects it but lays down accepted principles. But we do not believe any necessity exists for the insertion of such a declaration of policy in the Constitution. The amendment must therefore be judged on the merits of the other objects which it would accomplish.

Cheap Power Is Claimed

The second object which would be accomplished by the proposed amendment would be to authorize the state, through the Legislature, to incur indebtedness and issue bonds not exceeding 6% of the assessed valuation of all the property in the state. With the proceeds of these bonds, the state, through the commission hereinafter discussed, would acquire, either by purchase or by original construction hydro-electric power plants, and transmission and distribution

lines and distribute and sell the electric power thereby acquired. These bonds the legislature could authorize without the necessity of further affirmative action by the voters.

Those who favor the proposed amendment are not entirely in accord as to the manner in which such plants would be acquired or in the objects to be accomplished thereby. The original sponsors of this measure desire to enable the state to aid Power Utilities Districts now or hereafter formed under existing laws in the acquisition of low-cost electric power. Others, through this amendment and subsequent legislation, would have the state engage in some super power project for the purpose of furnishing power to large portions of the state, and hope thereby through cheap power to encourage the establishment within this state of new industries. It has also been suggested that the proposed amendment is necessary, or at least desirable, so that should the Federal Government build a major power plant on the Columbia River the state would be in a position to purchase cheap power from the Federal Government for distribution to Oregon consumers directly on three Power Utilities Districts.

Proponents Desire State Aid

At the 1930 general election a constitutional amendment was passed authorizing the creation of "Peoples Water and Power Utilities Districts." A City Club Committee report recommending an adverse vote on this amendment was published in the *City Club Bulletin* of October 3, 1930 and was thereafter adopted by the members of the Club. Pursuant to this amendment the 1931 Session of the Legislature passed Chapter 279 of the Laws of 1931. Under this legislation power utilities districts may be created in any territory within the state, contiguous or otherwise, by a majority vote of those residing within each portion of territory proposed to be embraced within any district. Such districts have the power to acquire, develop, distribute and sell water power and electric energy either within or without the territorial limits of the district. Sponsors of the proposed amendment point out that in some portions of the state, particularly in the rural sections, the construction of power plants and the distribution and sale of electric power cannot be accomplished under the present laws at the desired low rates to the consumers. It is argued that the state should acquire and operate power plants each of which should be large enough to serve several utilities districts, the contention being that economy in the development and sale of power would result not only from larger plants possible thereby, but also from the lower rates of interest which the bonds of the state would command.

Committee Rejects Proponents Conclusions

We have given the arguments presented by the proponents seeking the above object our careful consideration, but we cannot agree with their conclusions. We do not believe that bonds should be issued by the entire state to furnish cheap power for only a small portion thereof. The fact that under existing laws the extent of territory which may be embraced by a utilities district is unlimited and that accordingly two or more districts may combine and erect a single plant

would indicate that if cheap power could be obtained by public ownership it would have been attempted under existing laws. The experience of the state heretofore in guaranteeing the finances of local projects has not been encouraging. Prospects of success on this proposed venture are far from certain. Power utilities districts may under existing laws issue bonds up to 10% of the assessed valuation of the property within their districts. If this is not sufficient to enable a district or a group of districts to furnish power to their inhabitants, we submit that in any such portion of the state power development and distribution should be left to private enterprise.

Nor can we endorse the proposals of other enthusiasts that the state should go into debt at this time for major hydro-electric development. The comprehensive development of the Columbia River, including the development of hydro-electric power, and the desirability thereby of securing within this state the location of industries which would consume large amounts of electric energy have been the subject of serious study and encouraging reports for many years. We particularly refer to both the majority and minority reports of this Club on the Columbia Valley Association printed in the *Club Bulletin*, May 16, 1930. But the consensus of opinion both in this Club and elsewhere has been that this development must include navigation and irrigation as well as power, that the amount of capital required far exceeds even the stupendous sum proposed in this amendment, and that the project is essentially one to be undertaken by the Federal Government. With these conclusions we agree.

Experiment Requires Great Expense

Regardless of the purpose for which the state might engage in the power business, whether to aid Power Utilities Districts in acquiring cheap power, or to engage in super hydro-electric development of the type above mentioned, the chances that all or a large portion of the proposed bond issues will ultimately be paid by the tax payers are too great to warrant the experiment, particularly at this time. The total bonded debt within this state, including that of all local units, is approximately \$180,000,000.00. This amount could under the proposed amendment be increased by an additional \$60,000,000.00. The present is the time to retrench, not to expand, public expenditures.

We do not in this report endeavor to pass upon the perplexing question as to whether public ownership of utilities actually results in cheaper rates to the consumers than are provided under private ownership. On this subject we have endeavored to reach some satisfactory conclusion, but the factors to be considered are so numerous and complicated, that it is impossible to state with confidence either that the rates would be lower to that they would not. But for the reasons stated our conclusions would be the same even though the doubts which we entertain on the advantages of public ownership over private ownership were removed.

Elective Commission Is Improper

In addition, the proposed amendment provides that any board of commission created to administer the laws enacted to carry out the purposes of the amendment must consist of three members and be elected without party designa-

tion. We do not believe that an elective commission would be the proper body to carry on this work. The duties involved are highly technical in nature and men with the necessary qualifications would probably not be induced to campaign for election and often would not be elected even though they consented to run. In addition to the provisions which we have discussed, which would be administered by this commission, it would be empowered "to fix rates and charges for the use of water in the development of water power and for the sale and/or disposal of water power and/or electric energy." The duties of the Public Utilities Commissioner insofar as they relate to the regulation of rates for electric energy would accordingly be taken over by this new elective commission. The past experience in this state with such an elective commission for rate regulation was not satis-

factory. The experiment should not be repeated; or if it be repeated, it should not be made mandatory for the future by placing this requirement in the Constitution.

RECOMMENDATION

We therefore recommend a negative vote on the proposed Constitutional amendment.

Respectfully submitted,

L. A. ANDRUS,
ALBERT RIDGWAY,
GUY N. HICKOK,
HENRY S. MEARS,
NICHOLAS JAUREGUY, *Chairman.*

Approved by John W. Shuler, Chairman of the Government Organization and Public Finance section.

Accepted by the Board of Governors and ordered printed and submitted to the membership for consideration and action on October 28, 1932.

AUTHORITY OF EXPERTS SUPPORTS COMMITTEE'S REJECTION OF HIGHER EDUCATION CONSOLIDATION

A Report by the Education and Recreation Section

To the Board of Governors of the City Club:

Proposed by initiative petition, the bill moving University, Normal and Law schools, and establishing Junior colleges explains its purpose on the official ballot at the November 1932 election as follows:

"To move the University of Oregon from Eugene to Corvallis and consolidate it with the Oregon State Agricultural College under the name of Oregon State University; move the normal schools from Ashland, La Grande and Monmouth to Eugene and consolidate them under the name of Oregon State Teachers' College; establish Junior Colleges at Ashland and La Grande, dispose of Oregon Normal School property at Monmouth; move the University Law School to Salem; all said institutions and medical school at Portland to be conducted as units of said Oregon State University; make university president ex-officio secretary of board of higher education."

FINANCIAL ECONOMY

The introductory sentence of this bill implies lower taxation for the support of Oregon's higher educational institutions in this phrase: "For an act to provide for the unified and more economical conduct, management, maintenance, operation and control of all institutions of higher education and learning publicly supported and conducted by the State of Oregon." In the main, the arguments for and against the passage of this measure have been concentrated largely around the factor of educational expense. Very little attention apparently has been given to the effect of the bill upon educational standards in the State. From all the conflicting testimony that has been assembled, one striking fact stands forth—that the preliminary judgments as to increase or reduction in operating expense, presumably to be reflected in taxes, are based largely on hypothetical conditions of which no one can have adequate and accurate knowledge except trained educators and administrators with first-hand experience under both the unified and the separatist system of education.

Theoretical vs. Practical Considerations!

One general tendency in the maintenance of public education is so apparent in the committee's study of the problem as to merit expression. That is the fact that any virile system of higher education managed by energetic men

inherently tends to develop the quality of asking as much from the state as it believes there is a reasonable possibility of getting. Be the higher schools unified or separated, there is always a plan or a program mapped out for years ahead. At every legislature and at all times, the ambitions of any growing university are far in advance of the funds for meeting them. These facts are borne out by a review of the plans and the askings of both the University and the State College. With the world advancing as rapidly as it is, with the progressively more rapid development in the arts and the sciences, it would be a strange educational institution which would not at all times have a dozen places to put each dollar of legislative appropriation. Boiled down into hard every day English, it is human and natural for a great educational institution which is supposed to lead and not to follow, to ask as much of the state as the traffic will bear.

Whether the University and the State college are consolidated upon one campus or whether they are continued as individual institutions at Eugene and Corvallis, there is much reason to believe that there will be sufficient development at all times to absorb as much financial support as the state will grant. Theoretically, and from evidence presented, it is probable the one unit could operate more economically. From the standpoint of actual expenditures, it would appear to this committee that the matter of continued individual operation or operation as a consolidated unit at Corvallis has so little effect upon the taxpayers' costs, that this question need have no bearing whatsoever upon the conclusions reached in this matter.

EDUCATIONAL STANDARDS

Expert opinion upon the effect the consolidation would have upon the educational standards of the University and State College, and most important of all upon the State, is so diversified that the layman is entirely confused and bewildered in the maze of conflicting statements. In favor of a consolidated institution confined to one campus is a group of eminent educators. These men speak in generalities. On the opposite

side is a much smaller group. But supporting the conclusions of this latter group is the expressed opinion of the State Board of Higher Education charged with the conduct of the schools, and the recommendations of the Survey of Public Higher Education in Oregon as made by the Office of Education of the United States Department of the Interior. The conclusions of the two latter groups were directed toward solution of a specific problem and did not deal with abstract theory. There is reason to believe that the Survey Board had the idea that one great university is the ideal, but after taking into consideration all the practical questions, recommends that the two state institutions retain their separate identities in the State of Oregon.

The Bill Consolidates Normal Schools

The bill proposes the removal of the Normal schools at Ashland, La Grande and Monmouth to the site of the University at Eugene, and their consolidation under the name of the Oregon State Teachers' College. This college is limited to the instruction and training of teachers for the public elementary schools, and to the training of Junior High School teachers if the State Board of Higher Education so directs. Under this proposal the Monmouth plant will be abandoned; the plants at Ashland and La Grande will be utilized as Junior colleges. The bill in itself provides for no improvement in the training for elementary teachers in the State. One argument advanced in favor of the development of a Teachers' college at Eugene, is that it would be instrumental in hastening the day when adequate teacher training is introduced into the state, because the presence of one Teachers' College with adequate facilities for expansion would lead to better training at less expense.

Junior Colleges Are Established

The bill authorizes and directs the State Board to establish Junior colleges in the Normal school plants at Ashland and La Grande. There is no present recognition of the Junior colleges as such in Oregon, though there are approximately seventy-five Junior college students enrolled in the State Normal schools. The tendency is toward the development of Junior college work in accordance with the plans suggested by the Educational Survey. There is no doubt that the Junior college is a growing and efficient factor in the country's educational system. The consolidation bill definitely recognizes and gives it a place in the state education scheme and provides for the state support of the Junior college. Experts are not agreed as to whether state support, or local district support, or a combination of both is the most equitable and efficient method of financing Junior colleges. The State Board of Education, cognizant of educational and economic conditions in the state, is in the most favorable position to find the solution to this problem.

Law School Moved To Salem

The bill provides for the removal of the Law School to Salem and makes the Supreme court library available to its students. Availability of such a library is recognized as an important adjunct to law training. The proper maintenance of two law libraries, one at Salem for the Supreme court and one at Eugene for the Law School is

an expensive operation. Whether the advantage of concentrating upon one library at Salem would outweigh the probable expense of new Law School plant at Salem involves so many technical factors that this committee confesses its inability to arrive at a conclusion. The trend in law education is toward a three or four year course with a pre-law preparation of perhaps two years. It is probable that the pre-law course would continue to be given at the University, while the advanced training with the accompanying necessity for a Supreme court law library could be obtained at Salem.

RESULTANT FACTORS

There are certain resultant factors, indefinite as to degree and scope, but none the less real and important, which must be considered in connection with this bill.

1. Opponents of the bill claim that large increases in plant facilities will be needed, particularly at Corvallis. Proponents see a saving because fewer buildings will be required. A careful study of the Survey Commission's recommendations leads to the belief that certain additions to plants will be required on all the various campuses when economic conditions permit. The committee cannot see that the change in institutions as proposed by this bill would modify by an appreciable degree the sum total of the building demands.

2. In the light of recommendations of the Survey commission, it seems apparent that the inadequacy of plant, laboratory and classroom space on the various campuses at Eugene, Corvallis, La Grande and Ashland, is as much a fact under present separate operation as it would be under consolidation. This inadequacy is one of quality and adaptability rather than of amount.

Student Quarters Require Expansion

3. Students' living facilities, especially for women, for an augmented student body at Corvallis would undoubtedly have to be expanded. As a matter of fact, there is a plea for expansion under the present system of individual operation. The Survey Commission recommends dormitory space at both Ashland and La Grande. Whether this is designed for Normal students or Junior college students is immaterial. It will cost money in either case.

4. Opponents of the bill feel that the placement of an increased student body in a smaller city will restrict opportunities for students who must work their way through school either wholly or in part. At first thought there may seem to be some basis for this objection. On the other hand the consolidation in itself would augment the population of Corvallis. The presence of an increased student body would increase faculty numbers and needs for service. Additional business expansion would in some degree provide additional opportunities for the self-sustaining student. The committee recognizes the importance of opportunity for the self-sustaining student.

Property Values Would Be Impaired

5. The proposals of this bill, if enacted into law, would undoubtedly cause a substantial loss in property values, both to the state, to the cities and to individuals. An investment totalling \$712,464.00 at Oregon Normal at Monmouth would be abandoned. The Survey Commission

recommends an immediate additional investment of \$500,000.00 at Monmouth to make the plant efficient. Need for this would be removed in case Monmouth were junked. Nevertheless, the fact remains that private property and municipal credit would suffer a terrific blow through abandonment. Monmouth municipal bonds outstanding amount to approximately \$126,500 00.

There is a bonded indebtedness of \$336,550 00 on dormitories at the University of Oregon which is to be retired by earnings. Substitution of a temporarily smaller student body in Eugene in event of establishment of a Teachers' college in place of the University, would create a real problem for the state in providing for the retirement of these bonds held by citizens of the state. There would be some loss on \$600,000.00 of mortgage indebtedness against privately owned student housing properties. No one can make an accurate estimate of this loss.

So far as the committee can judge there would be no loss or impairment of values in property or bonded indebtedness at Ashland and La Grande by changing the Normal schools to Junior colleges.

Approximately \$4,000,000.00 of Eugene municipal obligations would probably be unfavorably affected if the University were to be moved to Corvallis. There will undoubtedly be some loss on faculty owned residences at Eugene. This will probably apply to similar property at Ashland and La Grande. The extent of this loss cannot be estimated.

Technical Schools Would Not Suffer

6. The plea has been made by opponents of this bill that the consolidation of the college of liberal arts, which is at Eugene, with the agricultural and technical colleges at Corvallis, would mean the so-called submergence of the agricultural and technical schools. The committee can find small justification for such a stand. Among the outstanding technical and agricultural schools in the country are those which exist in the unified systems of operation. Certainly agriculture and engineering have not been submerged in such outstanding institutions as the University of Illinois, the University of Wisconsin and the University of Minnesota. It would seem apparent that the place of the technical and agricultural schools in a unified state university would be exactly what they deserve. If they are conducted by high-grade energetic men, experience tends to prove that they will maintain their relative position so far as importance and efficiency are concerned.

CONCLUSIONS

Summarizing the research of this committee, the following facts may be reviewed:

1. Either separate operation or unified operation on the same campus would, in the long run, tend to cost as much as the state would be willing to spend. The question of expense, therefore, may be disregarded.

2. The effect of this bill upon the educational standards of the state and its citizens must transcend any personal, private or sectional advantages that may be gained or lost through the passage of the bill. Experience demonstrates that the State of Oregon has been more liberal than the majority of states in its support of public higher education. There is reason to be-

lieve that this liberality would be continued under either form of operation.

3. The demand for buildings and additional plant facilities always has the tendency to outstrip the ability to pay. In any event, the recommendations of the Survey Commission will undoubtedly be made the basis for additional demands. There remains little doubt in the minds of the committee that those demands will absorb the revenue that can be supplied whether operation is on a unified campus or whether it continues as at present.

4. The committee doubts the wisdom of the plain implication contained in this bill that the state acknowledge exclusive financial obligation for the Junior college program. Commitment to such a course should be preceded by additional and exhaustive study by men qualified through experience and education.

5. While the ideal set-up of institutions of higher learning is probably a consolidated university on one campus, it is also a fact that high standards can be achieved and maintained in the divided form. Your committee can find no record where a state having started with the divided system has, after the passage of time, changed to the other. There are no precedents to go by. The necessity of furnishing a decidedly preponderant burden of proof must lie on the side of those sponsoring this measure. From evidence furnished your committee, there does not appear the assurance that Oregon can now make the proposed change with safety and advantage. Practical considerations dictate the conclusion that the development of the state's higher educational institutions rests with the State Board of Higher Education which is charged with the responsibility for their welfare and efficiency, not only during a heated pre-election period, but during every day in the year.

RECOMMENDATION

It is in the existence of the state, as a political entity, that the citizens thereof recognize the security of person and property. A change as suggested by this bill indirectly involves the impairment of property values. Whether there would be educational advantages in consolidation sufficient to offset consequent property losses, it is difficult to say. The comparison would not be easy even if the facts in each case were well established, which they are not. Furthermore, it appears a fair assumption that the Educational Survey Commission and the State Board of Higher Education have weighed the relative values in regard to higher educational standards against immediate property losses in making their recommendations. Both bodies have approved of the continuance of the present plan of operation. This committee is willing to accept the conclusions of these two groups of experts. It therefore recommends against the adoption of this initiative measure.

Respectfully submitted,

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GEORGE W. SCHOEFFEL, *Chairman.*

Approved by John A. Lee, Chairman of the Education and Recreation Section.

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