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"Harmony in
Diversity"

PORTLAND CITY CLUB BULLETIN

"Active
Citizenship"

VOLUME XIII

PORTLAND, OREGON, NOVEMBER 4, 1932

NUMBER 27

FRIDAY, NOVEMBER 4

HOTEL BENSON; 12:10

SPEAKER

HARRY W. STONE

Director, Portland Y. M. C. A.

SUBJECT

"Europe In 1932"

Whether we like to admit it or not, the world is interdependent economically, politically and socially. The repercussions of a "hunger riot" in Britain are felt by the American social structure.

We ask, how is England weathering the storm? And Germany? Is a world recovery underway? Our own experience is limited but here is an opportunity to benefit from the first hand observations of Harry W. Stone who has just returned from five months of study and travel in fifteen European and Asiatic countries.

AND ALSO

AN OPEN FORUM

TO DISCUSS

**REFERENDUM ON ROGUE RIVER CLOSING
STATE WATER POWER AND HYDRO-ELECTRIC CON-
STITUTIONAL AMENDMENT**

The reports on these two measures were printed in last week's *Bulletin*.

**CHARTER AMENDMENT SUBSTITUTING PRIMARY
ELECTION FOR PREFERENTIAL VOTING
CHARTER AMENDMENT ELIMINATING "LAME DUCK"
OFFICIALS
POLICE AND FIREMEN'S SALARY TAX REPEAL AMEND-
MENT
CHARTER AMENDMENT ON THE LONG TERM LEASING
OF CITY PROPERTY**

These reports are printed in this week's *Bulletin*.

COME EARLY

This excellent program coupled with the necessity for giving election measures proper consideration requires special procedure as follows: Promptly at 12:30 the open forum will begin. Any member desiring to speak from the floor will be recognized subject to the two minute limitation. At 1:00 debate will be suspended with the introduction of Harry W. Stone. At 1:30 debate will be resumed. Plan now to come early.

Special Notice!

**NO MEETING WILL BE HELD FRIDAY, NOVEMBER 11,
DUE TO ARMISTICE DAY**

Special Notice!

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

CORRECTION OF "LAME DUCK" FEATURE OF CITY ELECTION APPROVED BY COMMITTEE

A Report by the Government Organization and Public Finance Section

To the Board of Governors of the City Club:

Your committee has made a thorough study of the Portland City Charter amendment entitled "An Act amending Section 123 of charter providing that persons elected mayor and commissioner on November 8, 1932, shall take office July 1, 1935, and persons elected auditor and commissioner November 6, 1934, take office July 1, 1933, and thereafter all officers shall take office January 1, 1937, for the full period of four years."

History Reveals Cause

This is known as the "lame duck" amendment. Perhaps a little study of history is in order. Section 123, Portland City Charter, 1913, provided that the municipal election should be held on the first Monday in June every two years, and that the elected officers shall take office July 1, 1913. On June 4, 1917, the people voted an amendment to the Oregon State Constitution, Laws 1919, page 6, providing that the elections in all municipal corporations shall be held on the same date as the biennial elections of the state of Oregon. This amendment takes precedence over the city charter in so far as the date of election, and provides that "all provisions of the charters and ordinances of incorporated cities and towns pertaining to the holding of elections shall continue in full force and effect

except so far as they relate to the time of holding such elections." The result is that the municipal elections are held in November of the even year and the persons elected do not take office until the first of July of the following year. This leaves over seven and a half months to elapse between the date of election and the time of induction into office.

CONCLUSIONS AND RECOMMENDATIONS

Your committee feels that this amendment should be favored for the reason that the people are entitled to have their mandates enacted into law and their newly elected representatives placed into office without delay. A period of a month and three weeks lapsed time between the election and the time of taking of office should be sufficient for those in office to clean up matters on their desks and turn the reins over to the newly elected officials. Government must be kept responsive to the wishes of the electorate.

Respectfully submitted,

D. A. NORTON,

WILLIAM C. PALMER, *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 November 4, 1932.

CHARTER AMENDMENT ON LONG TERM LEASING LACKS REAL SOLUTION OF CITY'S PROBLEM

A Report by the Government Organization and Public Finance Section

To the Board of Governors of the City Club:

Your committee appointed to study the proposed amendment to the City Charter to enable the city to lease municipal property, begs leave to report as follows:

The purpose of this amendment is to enable the city to lease property for long terms which it does not need for the conduct of city business. The amendment provides that the rental shall be based on an appraised value of the land at the rate of 4% if the land is 60% used by the lessee and at the rate of 7% if left unimproved. On leases up to 35 years in duration, valuations are to be readjusted by appraisal every seven years. On leases from 35 years to 99 years, re-appraisal is required every 10 years.

The City Owns Many Lots

Property owned by the city is principally of two kinds,—residential and industrial. Obviously this amendment would affect only industrial. The city of Portland is at this time the owner of approximately 9,000 lots within the boundaries of the city limits, or about one-tenth of the vacant land in the city, according to the statement of city officials. The cause of this condition seems to be due to the financial method of making city assessments. Improvement bonds are a direct obligation of the city of Portland instead of direct obligations of the property improved. The courts have held that state and county taxes are prior to city liens and where property becomes tax delinquent the city with

its own funds must buy in the property upon which it holds an improvement lien in order to protect that lien.

Financial Results of the Amendment

This amendment along with the empowering act to allow the city to sell land under long term contract is designed to aid the city in liquidating its real estate holdings. The financial results of this amendment, if it is passed, would be to keep the city in the real estate business for many years to come. Instead of forcing the sale of industrial property it would make the city the owner of many parcels of land at least for the terms of the leases.

Day of Reckoning Is Postponed

Your committee has talked with city officials in the City Attorney's office and the Treasurer's office. They state that the assessment collection fund arising from the sale of bonds to provide money for the payment of back taxes against improved property is almost exhausted. Even

though considerable industrial property was leased the income from this property in rent and taxes would only aid in a small way in replenishing the collection fund. The total of the delinquent taxes and liens in many cases exceeds the value of the land so that the city must take a loss sooner or later. The leasing of property merely postpones the day of reckoning.

Leasing Features Are Impractical

Your committee has interviewed several real estate men in regard to the practical leasing features of this amendment. While we have had some favorable comment it is the opinion of several that the restrictions imposed by the amendment make it impractical,—

1. Re-appraisal leases are in bad repute among tenants because they have in many cases bankrupted the lessee.
2. Under the interest on appraised value plan

Continued on Page 4

**SUCCESSFUL DEMOCRATIC GOVERNMENT REQUIRES
THE SERVICES OF AN INTELLIGENT AND
INFORMED ELECTORATE**

The City Club is again carrying on those two important features which are designed to inform its members and the community on election measures.

**1. A BROADCAST OF FACTS ON ELECTION MEASURES
OVER STATION KEX, SUNDAY AFTERNOON
NOVEMBER 6th AT 4:30 P. M.**

Other important civic information will be broadcast every Sunday evening at 8:30 p.m. after the election.

**2. DISTRIBUTION OF THE CITY CLUB SUMMARY OF
ELECTION MEASURES WITH THE CLUB'S RECOM-
MENDATIONS**

Since no meeting will be held on Friday, November 11, due to Armistice Day, the funds for that week's *Bulletin* have been assigned toward the publishing of the *City Club Summary of Election Measures*. The Summary will be available at today's meeting. As proper distribution depends on co-operation of the members of the Club every member is urged to distribute ten copies or more.

HERE IS YOUR OPPORTUNITY

The voters of Portland are advised to think first, then vote. But first, reliable facts are needed so the electorate has some basis for judgment. People thought the world was flat until someone went out and investigated.

You may increase the number of informed voters at the polls on November 8th by urging your friends to listen to the City Club broadcast and by distributing the summary of election measures. Call at the Club office for as many copies as you can use.

PORTLAND CITY CLUB BULLETIN

Published Weekly by

THE CITY CLUB OF PORTLAND

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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."

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1005 Spalding Building ATwater 5809

LONG TERM LEASING AMENDMENT

Continued from Page 3

there is no correlation between the rent required and the lessee's income or ability to pay.

3. The activity of the lessee in improving the land might bring about an increase in appraised value and an increase in rent to which the lessee would not be willing to agree.

4. There is so much industrial land available by purchase or at a fixed rental that the real estate men do not feel that they could persuade anyone to lease city land with a possibility of rent increases of an undetermined amount.

Other Pacific Coast cities have used city owned property to good advantage by leasing it or selling it at very low prices to incoming industries. This amounts to a subsidy to new manufacturing firms in order to induce them to locate in those cities.

The City Is Not Protected

Another feature of this amendment may involve difficulties. Your committee has a legal opinion that as soon as the land is put under lease it again must go on the tax rolls. If the lessee becomes delinquent in its rental so that the lease is broken the city would again have to pay up the delinquent taxes assessed since the beginning of the lease, in order to preserve its equity. The Council should require that the lessee post a bond guaranteeing payment of taxes.

CONCLUSIONS

- That this amendment would merely postpone the liquidation of city owned property;
- That difficulty would be encountered in leasing the land in competition with more attractive offers from private owners because of the restrictive requirements of the amendment;
- That a short empowering amendment leaving the details of the leases to the City Council would have been more effective in putting this land to use;
- The city should be protected by bond guaranteeing the payment of taxes.

RECOMMENDATION

Your committee recommends against the proposed amendment on the grounds of its ineffectiveness and lack of real solution of the city's problem.

Respectfully submitted,

BOYD MACNAUGHTON,

WILLIAM C. PALMER,

IVAN W. ELDER,

WM. L. BREWSTER JR., *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 November 4, 1932.

POLICE AND FIREMEN'S SALARY TAX REPEAL AMENDMENT FAVORED BY COMMITTEE

A Report by the Public Safety and Defense Section

To the Board of Governors of the City Club:

Your committee appointed to make a study of the amendment to the City Charter repealing the tax salary increase of policemen and firemen begs to report:

Agitation for increased wages for police and firemen began shortly after the war; between then and 1926 the monthly base rate had been changed from \$110 to \$155. In May, 1926, because of inability of the Council to increase further the wages, due to the 6% tax limitation, a proposed amendment to the Portland Charter was submitted by initiative petition containing more than 38,000 signatures. At the election the vote was 36,575 for and 20,533 against, and the act became effective May 21, 1926. The exact wording of the short title on the ballot at that time was:

"An act to amend the charter by adding thereto a new section to be numbered Section 190-1B, authorizing the Council to levy during the year 1927, and each succeeding year thereafter to and inclusive of the year 1946, an additional special tax for each of said years not exceeding one and one-fourth mills on each dollar valuation in each of said years, to provide a fund for the payment of increases in annual salaries for the Bureau of Fire and the Bureau of Police."

The full text of the amendment passed at that time follows:

"The Council shall during the year 1927, . . . (all intervening years) . . . and the year 1946, at the same time taxes are levied for the payment of the expense of the City, levy upon all property in the City of Portland, not exempt from taxation, a special tax in addition to the regular and other taxes provided by the Charter of the City of Portland, not exceeding 1 1/4 mills for each of the years above set forth on each \$1.00 of assessed valuation, to provide a fund for the payment of increases of salaries above the salaries now provided for the Bureau of Fire and the Bureau of Police, said tax to be divided as follows: 3/4 of a mill for the Bureau of Fire and 1/2 of a mill for the Bureau of Police.

"The special tax herein provided is hereby specifically authorized for each of said years, and shall not be computed as a part of the revenue raised each year by general taxation, which is subject to the tax limitation of Section 11, Article XI, Constitution of the State of Oregon, and said special tax herein provided for each of said years shall be in addition to all other general taxes which may be levied according to law."

In pursuance of the authority granted by this amendment, beginning in 1927, the city has levied a special tax from which the pay of firemen and policemen is augmented. A portion of their pay is produced from general taxation and the increased pay is derived from this special tax. This extra pay, in the years 1927 to 1932 inclusive, has aggregated \$2,300,000 in round numbers. The outlay for salaries in the police and fire departments has not been in the ratio of 1/2 to 3/4; it seems to be the aim to keep the per diem rate of patrolmen and fire fighters the same. To prevent discrimination the Council has likewise sought to effect the same increases in both departments. Thus, all of the revenue derived from the 1/2 police millage has been utilized but the full 3/4 millage available for the firemen was not required. The extra pay millage for 1932 is 1.16 on assessed valuation of about \$340,000,000, or \$393,950.

Tax Commission Has No Control

It is doubtful whether the voters in 1926 realized the full import of Section 190-1B. The short ballot title made no reference to the fact that the special tax authorized was not to be included as part of the revenues raised each year subject to the 6% tax limitation. But granting that this misapprehension might not have existed, it is doubtful whether the voters realized that they were deliberately taking out of the hands of the Tax Supervising and Conservation Commission any control of the regulation of firemen and police pay for twenty years. We quote from a letter of October 20, 1931, written by George A. Pipes, Chief Deputy Attorney for Multnomah County, to the Tax Commission:

"Since the expenditure for the increase of these salaries does not go into the general tax, it is not an expenditure over which the Tax Conservation Commission has any jurisdiction . . . The Tax Commission does not function in a matter upon which the people have made their decision by popular vote."

Your committee sought to ascertain whether the Council could not summarily cut the salaries of police and firemen by one of two methods, or by both.

Legal Opinions Conflict

First, might not the Council reduce the amount of extra pay? Instead of paying extra money derived from the full 1 1/4 mill levy, reduce the increase to 1 mill or 3/4 mill? The wording of the act is "the Council shall . . . levy upon all property . . . a special tax . . . not exceeding 1 1/4 mills . . ." It is the opinion of some constitutional lawyers of high standing that the words "not exceeding" do not clothe the Council with any discretion as to the amount of the extra pay but are mandatory in their effect, and the Council can be compelled to pay the full 1 1/4 millage extra pay. The City Attorney's office is of the opinion that the words are to be construed as permissive, and the firemen and policemen contend that they do not interpret the act as mandatory. Witness the following campaign literature sponsored by the Fire and Police Association, 218 Postal Building:

"The law they seek to repeal is purely an enabling act providing a means whereby fire and police can be given a living wage in normal, prosperous times. The law DOES NOT fix wages and DOES NOT tie the hands of the City Council in fixing wages downward now or any other time. The Council has already fixed fire and police wages downward."

What their position would be in normal times should the Council not vote the full 1 1/4 mills is problematical. In any event it will require court decision to determine whether the words "not exceeding" are to be interpreted permissive or mandatory.

Wage Base Is Fixed

Second, if the Council must pay the full 1 1/4 millage increase, might not the salary or wage base be reduced? Note the language of Section

190-1B: "... to provide a fund for the payment of increases ... above the salaries now provided ...". In other words, such salaries as were provided for at the date of the amendment are fixed. It would seem the Council can make no cut, nor can the Tax Commission function, according to its own admission to the committee.

Thus confronted with no other means of relief available, the East Side Taxpayers' League and the Multnomah Tax Economy League have submitted, by initiative petition, this amendment which repeals Section 190-1B of the City Charter.

Principle Is Wrong

It is not the intention of this Committee to discourage any group of workers in exerting every effort to better working conditions and securing for themselves a reasonable and living wage; but for police and firemen, in accomplishing this, through amendment to the charter, to burden the taxpayers with a fixed charge for twenty years, and thus create themselves into a preferred class, seems wrong in principle and the evil should be remedied.

Budget Facts, compiled by the Tax Commission, reveals the following for 1932:

	<i>Police</i>	<i>Firemen</i>
Total number of employees.....	462	521
Total wages.....	\$1,042,164	\$1,252,122
Increase in total wages over 1918.....	2 3/4 times	2 1/10 times
Amount produced by 1 1/4 mill levy.....	\$157,580	\$236,370

Out of 396 men in the Uniform Division of the Police Bureau, 349 receive \$2,232 or more annually. Of the 396, none except a bus inspector and an auto washer, receives less than \$2,000 per annum. According to statistics published by the National Municipal League for 1932, in cities of 250,000—500,000 population, none pays patrolmen a maximum salary equal to the \$2,232 received by 349 of the Portland police annually.

In the fire fighting division, out of a total of 487 men, 453 receive \$2,232 or better annually; all of the 487 receive \$2,000 or better, except 3 hosemen, who receive \$1,990. If the proceeds of the special millage for 1932, \$393,950, were eliminated, and the men were paid only what is produced by the general levy, the percentage of reduction would be about 17%; less than the cuts taken by District No. 1 school teachers, and much less than the cuts suffered by innumerable industrial employees. In addition the city contributes to the police and firemen's pension funds.

Cut Is Less Than 4%

The claim is made by the police and fire employees that they have already taken a cut in wages. In six months, October 1931 to March 1932, they donated one day's wages per month (3 1/3%) to charity, none of which went into the general fund. Beginning June 1932 and running through the next fiscal year, a cut of 3% to 14% is effective for all city employees. Firemen and police, therefore, are taking approximately a 4 1/4% cut now. The amount of this reduction is in a special fund under the control of a committee of nine, eight city employees and

the Commissioner of Finance; a transfer was authorized lately of a portion of this fund to the general fund of the city. Figured on an annual basis, police and firemen during the last year have taken less than a 4% cut.

It is also to be borne in mind that the council is not wholly dependent on the 1 1/4 millage revenue to increase salaries. For example, the total budget for 1932 is short about \$300,000 of the maximum possible to be spent after adding the increase under the 6% tax limitation. This \$300,000, or any part of it as the Council saw fit to spend, could have been available for increased wages of firemen and police over and above their base rate of 1926, even though the 1 1/4 millage amendment were not in the charter.

Protection Is Not Threatened

Salaries of police and firemen should not be fixed by Charter, thus placing them in a preferred class, but should be for the Council and its Bureaus to regulate, the same as other City employees. School teachers were compelled to take a cut because the voters refused to vote the special levy last Spring; other employees must bear their share of the necessary reductions. It is hinted that a reduction will cripple the police force and create a serious fire hazard and increase insurance rates. However, it is inconceivable that any of the fire and police force will fail to do his full duty, merely because he is compelled to take a reduction similar to that suffered by workers everywhere.

Present economic conditions demand retrenchment everywhere. Multnomah County is asked to levy in 1933 an increase of \$100,000 over 1932. Of \$2,668,500 bonds already authorized, at least \$2,150,000 are to be offered for sale in 1933 and the voters in the coming election are to pass on another \$900,000 or so, to be spent in 1933. Our governing officials should have the support of the people in said officials' endeavor to keep governmental costs down. The firemen and police claim it was necessary in 1926 to go to the people to obtain a mandate from the people to the council to *increase* salaries then. Economic conditions in 1932 are different. It is just as logical now to go to the people for a mandate to the Council to *decrease*. If Section 190-1B is repealed, it will be construed a mandate to the Council to RETRENCH all along the line.

RECOMMENDATIONS

The committee therefore recommends that the act be repealed. In voting on Section 190-1B, the voter is admonished to vote No. 502, "Yes"; a "Yes" vote repeals the salary increase measure; a "No" vote continues the existing unsound order.

Respectfully submitted,

O. C. ROEHR,
J. P. NEWELL,
B. V. WRIGHT,
THEO. P. CRAMER JR.,
M. R. O'BLISK,
WALTER S. KLEIN, *Chairman*.

Approved by Elmer Goudy, Chairman of the Public Safety and Defense Section.

Accepted by the Board of Governors and ordered printed and submitted to the membership for consideration and action on November 4, 1932.

OPERATION OF PREFERENTIAL VOTING IN PORTLAND SURVEYED. RETENTION OF SYSTEM AN OPEN QUESTION

A Report by the Government Organization and Public Finance Section

To the Board of Governors of the City Club:

A study of the history of preferential voting discloses three principal systems: the Ware system; the Bucklin system; and the Nanson system.

A GENERAL SURVEY

The Nanson system, sometimes known as the "English system" was first advocated by Professor E. J. Nanson of the University of Melbourne, Australia, and was adopted by the West Australian Parliament for senate elections. A limited preferential system had previously been in service in Queensland as early as 1892, but in Queensland the alternative vote was limited to constituencies selecting a single member. The Nanson method advocates a grading system. For example, the first choice is given more credit than the second choice, and the second choice is given more credit than the third choice, etc. It is a complicated theory apparently based upon mathematical calculations and so far as ascertainable no community has this system in vogue at the present time.

Bucklin System Dates To 1793

The Bucklin system was first proposed by Condorcet in 1793. It is said to have been used for the first time in Geneva, Switzerland. The adoption and application of the Bucklin system is relatively recent. It was first adopted at Grand Junction, Colorado under the leadership of Honorable James W. Bucklin, and was later accepted with local variations in Spokane, Washington, Portland, Oregon, Cleveland, Ohio and in certain North Dakota municipalities. In general this system is that, in the event of no majority upon the first choice, the adding together of first and second choices, and then if no majority the adding of first, second and third choices, etc.

Briefly, the main features of the Ware system are as follows. If there is no majority of first choice ballots received, then the candidate receiving the least number of first choices is dropped and his ballots are distributed according to second choices. Then if there is no majority, the candidate receiving the least number of votes is eliminated and so on down the line until a majority is reached. This system has been in operation but very little.

Theory and Purposes Explained

Theoretically, the corner stone of the preferential system of voting is: that, in most cases, election by a majority of the voters and not by just a minority can take place only when some reasonable effort has been exhausted to give the electors a free opportunity to express their opinions and preferences as to the relative merits of the various candidates. One protagonist of preferential voting advocates it because it "combines in one election the direct primary and final ballot and thus eliminates costs, destroys political bitterness, makes impossible political machines, elects by majority and not by minority." The same theory is advanced by the

author in an article in *5 National Municipal Review*, page 103, stating that the purpose behind the majority preferential ballot is that it gives "the safest and simplest known means for protecting, in the choice of public officials, the majority interest against machine, special or too advanced interests."

Merits Are Summarized

Mr. Oswald Ryan, in his book, *Municipal Reform (1915)* page 135, says: "The merit of the preferential ballot is that, if there is a majority choice, that choice may be given expression, and that, if the majority of the voters do not have a given choice, that candidate who meets with the approval of the greatest number of voters will be chosen." Also on page 139 he says: "Again, the preferential ballot, by doing away with the necessity of the primary election, conserves the energies of both voter and candidate."

HISTORY AND OPERATION IN PORTLAND

The Bucklin system of voting was adopted in Portland in conjunction with the charter that became effective July 1, 1913. Thus, at the outset it is evident that Portland's method of electing its municipal officers accepted a system of voting that was extremely new at the time, having first been adopted by an American municipality only four years previously. Thus no opportunity was given for extensive study or analysis of the Bucklin method as a practical working system. It seems, therefore, that after the expiration of nearly twenty years, it might be decidedly proper for the voters of the people of Portland to stop for a moment to take inventory of the effect and practical operation of the preferential method of balloting.

Mechanics Are Explained

The preferential system of voting in force in Portland applies to the election of the Mayor, Auditor and City Commissioners. The procedure is substantially as follows: The elector is entitled to cast as many first choice votes as there are offices to be filled and whether he is entitled to cast second or third choice votes depends upon the ratio of the number of candidates to the number of offices to be filled. According to Section 129 of the Charter:

"When the number of candidates is more than three times the number of offices to be filled, each voter shall have the right to vote for as many first choice candidates as there are offices to be filled, and as many second choice candidates as there are offices to be filled, and as many third choice candidates as there are offices to be filled."

When the number of candidates is more than twice but not more than three times the number of offices to be filled, the voter may cast only first and second choices. When the number of candidates is not more than twice the number of offices to be filled, the voter may vote only the first choice. So much for the method of voting.

What Is a Majority?

The method of counting the ballots is dependent on first understanding the definition

of majority. As defined in the Portland City Charter the word "majority" is the *smallest whole number in excess of one-half of the quotient obtained by dividing the total number of first choice votes for any office by the number of officers to be elected thereto*. Thereafter, with this in mind, the count is made as follows: Any candidate receiving a majority of first choice votes for any office shall be elected. If the full number of candidates to be elected do not receive a majority of first choice votes for such office, a canvass is then made of second choice votes received by those candidates who are not elected by first choice votes. The second choice votes are then added to the first choice votes and the candidates receiving a majority by such addition are thereby elected. If, by a count of either first choice votes, or first and second choice votes, as above provided, more candidates than there are offices to be filled shall receive a majority, the candidate or candidates having the highest vote are elected. If the full number of candidates to be elected do not receive a majority by adding first and second choice votes, a canvass is then made of the third choice votes received by those candidates for office who are not already elected. The third choice votes are added to the first and second choice votes and the candidates (equal in number to the number of offices remaining unfilled) receiving the highest number of votes by such addition are elected.

PORTLAND'S EXPERIENCE

This brings us logically to the next proposition as to the effect of the actual operation of the preferential system of voting in the Portland elections.

In the 1913 election when this system was inaugurated there were 63 candidates running for four commissionerships. This would mean that each voter would be entitled to vote four first choice, four second choice and four third choice votes. The actual vote was as follows: First choice, 165,854; second, 113,976; third choice, 96,202. At no time since has there been such a proportionately large number of second and third ballots cast.

Second and Third Choices Elect Two

This particular election was the first of the two instances in Portland, where the result of the election was changed by the operation of the second and third choice votes. Ralph Clyde received 11,486 first choice votes, 2,169 second, and 1,224 third, making a total of 14,879. C. A. Bigelow received 8,436 first choice votes, 6,406 second, and 3,467 third, making a total of 18,333. This resulted in the election of Mr. Bigelow even though Mr. Clyde's plurality of first choice votes was more than 3,000. The only other instance where the second and third choice votes operated to change the result was in 1917, when 16 candidates were competing for two commissionerships. At that time John Mann received 12,339 first choice votes, 4,272 second, and 1,953 third, totalling 18,564. Dan Kelleher received 13,302 first choice votes, 3,362 second, and 1,572 third, making a total of 18,236. This resulted in the election of Mr. Mann.

Percentage of Second and Third Choice Votes Has Declined

In the same election there were 92,698 first

choice votes cast, 37,578 second choice votes and 22,564 third choice votes cast. Thus we see that already four years after the adoption of the preferential system that the voters are commencing to forego the privilege of casting second and third choice ballots. No purpose could be accomplished by giving a long line of complicated statistics. But, needless to say, that during the last few years there has been a tendency for a proportional number of second and third choice votes to decrease; and in the 1924 election where seven were running for the office of mayor, there were 88,576 first choice votes cast. The respective percentage of the total votes being respectively 57.4%, 24.9% and 17.10%. In the 1928 election when four were running for mayor, 106,687 first choice votes were cast, 29,263 second choice votes and 20,982 third choice. The respective percentages of the total ballot as among the various choices being 68%, 18.6% and 13.4%. In the 1930 election when ten were running for two commissionerships there were first, second, and third choice votes cast respectively as follows: 137,064, 40,232, and 25,655. The respective percentages being 67.5%, 19.8%, and 12.7%.

CONCLUSIONS

What is the first reaction to a situation that emphasizes that the voters do not avail themselves of the privilege of casting second and third choice votes? That the system is not a success. And to a certain extent this is true, because the preferential system of voting is founded at least in part on the theory that the voters are acquainted with the merit and ability of the respective candidates. As a practical matter the average voter has no such accurate information as to the qualifications of the candidates as the system pre-supposes. On the other hand, we are of the opinion that the comparative merits of the preferential system of voting as against other methods entitled it to consideration for the following reason:

The preferential system combines in one election the primary and final ballot, the result of which is a substantial savings of costs to the taxpayers. The system gives an opportunity for majority expression as against the rule of a small minority. We feel that an effort should be made to educate the people as to the true merits of the preferential system.

The Question Is Open

The committee having reviewed all the available facts concerning Portland's experience with the preferential system of voting believes there is substantial evidence both for and against retention of this system in Portland. Having produced basis for judgment, we therefore recommend that definite decision on the charter amendment abolishing the preferential system and substituting a primary election be left to the City Club membership and the voters.

Respectfully submitted,

D. A. NORTON,

WILLIAM C. PALMER,

STEPHEN W. MATTHIEU, *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 November 4, 1932.