Bill Regulating Picketing and Boycotting by Labor Groups

To the Board of Governors of the City Club:

The committee appointed to study the proposed bill regulating picketing and boycotting by labor groups and organizations, submits the following report:

No measure submitted to the voters of Oregon in recent years has provoked so great a storm of controversy, fear and suspicion as has this bill.

Persons Interviewed by the Committee

Competent and accredited spokesmen for the major parties involved have been afforded equal opportunity to be heard. Men interviewed include representatives of the A. F. of L., the C. I. O., the I. E. U., Inc., the Oregon State Grange, and local employers and businessmen. The committee is indebted to these representatives for a fuller understanding of the bill itself as well as an appreciation of the depth of conviction with which the opposing parties differ.

It is impossible to cover details of all the arguments on and ramifications of such a far-reaching and complicated subject within the confines of this report, but an effort will be made to touch on salient points.

Public Attitude Toward Labor

Labor unions during the past 100 years have been instrumental in improving working conditions, shortening the hours of labor and increasing wages. Benefit from this has accrued...
PORTLAND CITY CLUB BULLETIN
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"To inform its members and the community in public
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C. Herald Campbell - Editor
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CITY CLUB BOARD OF GOVERNORS
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EDWARD O. SISSON
C. HERALD CAMPBELL . . . . Executive Secretary

Proposed for Membership and
Approved by the Board of Governors
If no objections are received by the
Executive Secretary by November 11 the
following applicant will stand elected:
ROBERT T. JACOB
Attorney and Tax Counselor
917 Public Service Building
Recommended by Dr. Clark G. Black
and A. H. Averill

THREE REPORTS ADOPTED
At the meeting of October 21 the City Club
membership adopted by a vote of 60 to 33 the
committee report recommending a negative vote on the Bill Regulating the Sale of Alcoholic Liquors.
Adopted by a unanimous vote at that same
meeting were reports recommending a negative vote on the Citizens Retirement Annuity Bill and the Townsend Plan Bill.

BUSINESS PSYCHOLOGY LECTURE
"The Psychology of Personnel Relationships in
Business and Industry" by Alexander Heron,
Director of Industrial Relations for the Crown-
Zellerbach Corporation and Rayonier, Inc., will
be the subject of the lecture of the Oregon Mental
Hygiene lecture series. This lecture will be given
at 8:00 o'clock Tuesday evening, November 1st,
at the Benson Tech Auditorium. Tickets for the
lecture are 25 cents and can be secured at
606 Pittock Block or before entering the auditorium on the night of the lecture.

COUNTY DOG MEASURE ON BALLOT
Because it was placed on the ballot at the last
minute, a county proposition "For and Against
Dogs Running at Large" received no study by a
Committee of the Oregon Code 20-2310-11, 100 legal voters of the
county signed petitions to place the proposition
on the ballot. The proposition has no ballot number and reads:

"For Dogs Running At Large......YES
For Dogs Running At Large......NO"

For the information of Club members the
following excerpts are quoted from the provisions
of the Oregon Code which will become effective
if this proposition receives a majority of "NO"
votes:

20-2312—"If a majority of all votes cast shall
be against permitting dogs to run at large . . . it
shall be unlawful for dogs to run at large . . . and
when any dog is found running at large and
away from the premises of the owner thereof,
without a muzzle thereon, as hereinbefore pro-
vided, the owner . . . shall be subject to a fine of
$10 for the first offense and $25 for each
and every subsequent offense."

20-2315—"It shall be unlawful for any dog . . .
to run at large or off the premises of the owner
. . . thereof . . . in any county . . . which may,
by vote . . . come under the provisions of this
act, without said dog having a shepherd's muzzle
made of wire or metal . . . fastened around his
nose and neck . . ."

20-2316—"When any dog . . . coming under
Section 20-2315 shall be found running at large
or off the premises of the owner or keeper there-
of, without a shepherd's muzzle properly fastened
thereon, or not in company of the owner or
keeper, it shall be the duty of every chief of
police, constable, sheriff or deputy of either, to
kill all dogs found running at large without
having such muzzle securely fastened thereon
. . . or in the company and under the control
of the owner or keeper . . . A fee of one dollar
shall be paid out of the dog fund for each dog
so killed."

This measure will apply to Multnomah county,
the City of Portland and all towns in this county,
if the majority of votes cast are NO. A "YES"
vote will defeat the measure.

CIVIC GROUPS HEAR REPORTS
City Club reports on election measures are
being presented to other civic organizations by
C. Herald Campbell, Executive Secretary of the
Club. In the past week the Secretary has ad-
dressed the Women's Legislative Council, com-
pared of representatives of all state-wide women's
groups interested in legislation; and the District
Nurses Association, an organization of registered
nurses with a total membership of over 900.

The Secretary is available for speaking en-
gagements before other groups who might wish
the studies of the City Club on election measures
presented. Call the City Club office, BR. 1443,
for further information.

"The test of truth is its consequences in
action."—John Dewey.
SPECIAL TAX LEVY FOR COUNTY RELIEF PURPOSES
A Report by the Section on Legislation and Elections

To the Board of Governors of the City Club:

Your committee appointed to study the Multnomah County special tax levy proposal of $732,490.44 for relief purposes to be submitted to the legal voters of the County on November 8, 1938, submits the following report:

This committee has had conferences with representatives of the State Relief Committee and the Tax Supervising and Conservation Committee of Multnomah County, and has made a review of various data and public records bearing on the subject matter.

Requirement for Special Levy

The expenditures of Multnomah County have been gradually increasing over an extended period of time, the tax levy for 1921 for general and debt purposes of the County being $1,955,299.63 (5.80 mills) as compared with a tax levy for 1938 of $3,494,062.46 (11.74 mills). The expenditures of the County and the portion raised by general taxation for the past few years have been as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditures</th>
<th>Portion Raised by</th>
<th>Per Cent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General Taxation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1935</td>
<td>$3,703,540</td>
<td>$2,363,684</td>
<td>63.82</td>
</tr>
<tr>
<td>1936</td>
<td>3,984,037</td>
<td>2,911,561</td>
<td>73.08</td>
</tr>
<tr>
<td>1937</td>
<td>4,155,930</td>
<td>3,008,529</td>
<td>72.39</td>
</tr>
<tr>
<td>1938</td>
<td>4,500,750*</td>
<td>3,479,058**</td>
<td>77.29</td>
</tr>
</tbody>
</table>

* Approved budget.
** Estimate for Levy purposes.

The Board of County Commissioners is limited by law in the increase in tax assessment and has increased its proposed budget for the year 1939 to the full extent possible. Budget increases other than for relief and welfare purposes are principally in respect of a provision for estimated discount on taxes for two years of $107,500 and an increase for bridges and ferries of $101,000. The provision for an allowance of discount on taxes is estimated at 1.8 per cent of total taxes assessed. The inclusion of a provision for both of the years 1939 and 1938 for this loss in revenue was considered necessary by reason of the elimination from the 1938 departmental request of $55,000 for this purpose and a corresponding increase in the 1938 budget allowance for all types of relief and assistance, although this portion of the revenue from taxation is not collectible.

In addition thereto, the County Commissioners have estimated that necessary relief expenditures required under our state laws will show a substantial increase. The 1938 budget provided for expenditures of $832,000 from County funds whereas the requirements for 1939 are estimated at $1,375,000. This budget for 1939 has been prepared by the Multnomah County Relief Committee and has been checked and approved by the State Relief Committee. The portion of relief requirements to be included in the special levy proposal has been determined in the following manner:

Total estimated requirements for relief purposes for 1939: $1,374,617.30
And there has been included in the budget within the 6% limitation: $744,711.17
Leaving a balance which the County desires to raise by special levy outside the 6% limitation: $629,906.13
And there has been added a provision for losses through delinquencies in payment of taxes and discounts on taxes on this special levy only: $102,584.31
Amount of special levy proposed: $732,490.44

Necessity of Request for Special Levy

Limitation of Tax Levy; Neither the state, county nor other body which has power to levy a tax may exercise that power to raise a greater amount of revenue for purposes other than payment of bonded indebtedness and interest thereon than the total amount levied in any one of the three years preceding plus 6 per centum thereof, unless specifically authorized by a majority of the legal voters voting upon the question (provision of State Constitution, Article II, Section 11—Tax and Indebtedness Limitation).

Relief Requirements: In order to meet increasing obligations for social welfare as covered by the federal and state laws, the County is required to raise additional revenue which is not obtainable through general taxation. Expenditures and budgets for future expenditures for relief purposes from funds raised by Multnomah County are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Relief Budget for Multnomah County</th>
<th>To Be Expended from County Funds</th>
<th>Balance To Be Expended from State and Federal Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1937</td>
<td>$2,688,000</td>
<td>$691,000</td>
<td>$1,997,000</td>
</tr>
<tr>
<td>1938</td>
<td>3,639,000</td>
<td>832,000</td>
<td>2,807,000</td>
</tr>
<tr>
<td>1939</td>
<td>4,640,000</td>
<td>1,375,000</td>
<td>3,265,000</td>
</tr>
</tbody>
</table>
State laws passed by the Oregon Legislature in 1935 and 1937 provide for expenditures for relief through the State Relief Committee and require that counties levy taxes to provide funds to supplement state funds for this purpose. The relief requirements and the portion to be raised by the County are indicated below:

<table>
<thead>
<tr>
<th>Relief Programs</th>
<th>Federal Government</th>
<th>State</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relief for needy persons</td>
<td>None.</td>
<td>Not less than one-half.</td>
<td>Not more than one-half.</td>
</tr>
<tr>
<td>Old age assistance, 65 years of age</td>
<td>50%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Aid to the blind, maximum $30</td>
<td>50%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Aid to dependent children—Up to $18 for one child</td>
<td>1/3</td>
<td>1/3</td>
<td>1/3</td>
</tr>
</tbody>
</table>

1939 Budget for County Expenditures

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$561,541.65</td>
<td>610,312.50</td>
<td>19,608.75</td>
</tr>
<tr>
<td></td>
<td></td>
<td>183,154.40</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$1,374,617.30</td>
<td></td>
</tr>
</tbody>
</table>

Chapter 164, Oregon Laws 1937, provided as state funds for relief of needy persons under the above relief programs for the biennium 1937 and 1938, by the appropriation of the unexpended funds of the 1935 appropriation, $5,000,000 revenue from liquor and $1,500,000 of the general fund. As stated before, County funds are made available only by levy and collection each year of a tax upon all taxable property.

Disadvantage of Special Levy Upon Property for Relief Purposes

Property, real and personal, has been required to care for the primary obligation of state and local governments through annual assessment of taxes. It is logical that the expenses of protection of property through the police and fire departments and certain general administrative functions not recoverable through special fees and licenses, should be borne by taxes against property. Other functions are properly provided for by taxation as their activities are necessitated by reason of concentration of property and people into communities. Education has gradually become a public responsibility and property through taxation has had to assume this obligation also.

The burden upon property has increased greatly over the years and this in spite of the 6 per cent limitation. An important factor in this increase has been the charitable and welfare programs. In addition to amounts included in the budget, the voters of the County in 1931 and 1932 authorized bond issues totaling $2,400,000 and the interest requirements and installments on principal to be met in 1938 total $230,000. This item is outside of the six per cent limitation. The social welfare programs have increased to such an extent since the enactment of the state laws of 1935 and 1937 that it is time to consider whether property should continue to carry the load or whether other means of obtaining revenue should be provided.

The ability of property to pay is diminishing as evidenced by the delinquency in taxes. Relief has been granted by the state Legislature by initiation of excise and income taxes to provide for the state functions of government formerly provided through taxation of property, and payment of delinquent taxes of prior years has been placed on an installment basis if current taxes are paid. This last provision, however, has distorted our comparisons of the ability of property to pay taxes, as the collections are applied in greater amounts to current taxes and the probability of collection of delinquent taxes is extended to the remote future.

The magnitude of the relief program has been indicated in preceding paragraphs, and the special program of old age assistance is commented upon further in the following section of this report.

Under the present state laws covering relief, it is obligatory for the county to furnish a definite proportion of the funds for public assistance other than general relief. The state law provides that the state shall furnish not less than one-half of the funds for general relief. If the additional funds considered necessary for relief in 1939 are not raised by a special levy, the state could assume a greater part of the load for general relief without change in the present relief laws.

It is therefore the sense of your committee that the protection of property from excessive taxes by means of the 6 per cent limitation provision as demanded by the people of this state should be considered, and the state should furnish a greater part of the funds for relief expenditures required by state laws.

Advisability of Seeking New Sources for Funds for Relief Purposes

General relief, aid to the blind and dependent children and old age assistance have been adopted as state programs by the legislature. The expenditures therefor are increasing as the various programs get into operation, the beneficiaries become familiar with their rights and benefits, and the program becomes liberalized. The obligation for old age assistance has greatly increased, in part due to the reduction of age limitation from seventy years to sixty-five years. Even under the conservative and well managed administration, the expenditures from county funds have increased as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Multnomah Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1936</td>
<td>$288,042.88</td>
</tr>
<tr>
<td>1937</td>
<td>333,957.37</td>
</tr>
<tr>
<td>1938</td>
<td>523,857.25</td>
</tr>
</tbody>
</table>

The state Relief Committee estimates that old age assistance has now extended to cover ap-
HOUSING AUTHORITY QUESTION
Reports by the Section on Legislation and Elections

MAJORITY REPORT
To the Board of Governors of the City Club:
Your committee appointed to study the Housing Authority question referred to the voters by the Council of the City of Portland, submits the following report:

The question put to the voters of Portland by the City Council is: "Shall the Mayor and City Council of the City of Portland, Oregon, take the necessary steps to put into operation a Housing Authority in said city under the provisions and authority of Chapters 441 and 442, Oregon Laws 1937, and the United States Housing Act of 1937?"

Provisions of State and Federal Laws
The USHA and the Oregon Laws state that their purpose shall be to eliminate unsafe and insanitary housing conditions; to eradicate slums; to provide for decent, safe and sanitary dwellings for families of low income at rents they can afford to pay (which rents are insufficient to cause private enterprise to build); to reduce unemployment and stimulate business activity. The acts further state that local projects shall be operated on a non-profit basis.

The acts provide that if the City Council shall find that insanitary or unsafe dwelling accommodations exist or that there is a shortage of safe or sanitary dwelling accommodations available to persons of low income at rentals they can afford, the Council shall then by resolution, direct the Mayor to appoint five commissioners who shall serve without compensation, constituting a local housing authority, to serve for one, two, three, four and five years, respectively, and appointed thereafter for five year periods. The USHA will loan up to 90 per cent of the total cost of a housing project, (permissible amortization period up to 60 years), the balance to be provided by the local authority, through the sale of self-liquidating bonds without obligation on the part of the city.

Subsidy and Demolition Requirements
An annual subsidy of not more than $3.5 per cent of the total cost of the project will be made by the USHA, the city to provide an annual subsidy of 20 per cent of that provided by the USHA through tax remissions or exemptions. The state act provides that properties owned by the local authority shall be tax free. The subsidies are to be sufficient to make up the difference between economic rent and a rent sufficiently low to make available proper dwelling accommodations for persons of low income.

The act requires the demolition or repair of an unsafe or insanitary dwelling unit for every new dwelling unit in the housing project except for the duration of a housing shortage. Persons eligible as tenants must have a net income (gross receipts less allowable deductions for dependents not living with the family in the project, alimony, business expenses for which no reimbursement is made, interest on personal indebtedness, social security assessments) of not more than five times the rental (six times if three or more dependents). Rental, for purpose of selection of

MINORITY REPORT
To the Board of Governors of the City Club:
The minority member of your committee appointed to study the question of a local housing authority, submits the following report:

He agrees with the statement of facts presented in the majority report with certain exceptions to be later dealt with. Regarding the conclusions he agrees with the first paragraph and disagrees with the second.

Additional Facts Listed
Certain pertinent facts are not included in the majority report. They are:

1. That a committee of three members of the City Council itself was appointed after the joint report of the City Planning Commission and the Housing Code Commission, and that Commissioner Clyde voted in favor of the appointment of an authority; Commissioner Bean in favor with restrictions; and Commissioner Bennett opposed. Before reporting the Council committee received a report, which will be later referred to, from its Special Committee of three, including the City Attorney, the Technical Director of the Planning Commission and Mr. Folger Johnson, an architect, a member of the Planning Commission.

2. That Portland is the only city in the United States that has referred this matter to the voters, and that neither the federal nor the state law contemplates such a referendum. The statute puts the duty of determining the need for an authority to function on the City Council and on it alone.

3. That the information obtained from the City Council from its own expert officials, departmental committees and others, during its prolonged handling of the matter, has not been published or made available to the electorate. The voters need to have such information furnished to them in printed form to enable them to make an intelligent decision on this question, so that voting would not, in the words of the majority report, be "based on emotional conviction," but on "facts directly related to the local problem."

4. That a letter dated January 27, 1938, from the United States Housing Administration reads in part as follows: "We do not wish to see your Planning Commission undertake a survey which, in a sense, may be a duplicate of information already available. The Real Property Inventory of 1934, conducted by the Bureau of Foreign and Domestic Commerce, clearly indicates the need for slum clearance and housing. From the summary of this inventory we find that there is a total of 74,638 residential structures of which 11,920 or 15.8 per cent are classified as being in bad condition, in need of major or structural repairs, or unfit for habitation. We find that of the 96,225 dwelling units, 20,713 or 21.5 per cent in 1934 rented for less than $15.00. Of these 6,418 dwelling units or 7.3 per cent were reported as crowded or overcrowded, or greatly overcrowded (over three persons per room). There were 1,081 dwelling units with no running water; 1,290 had neither gas nor electric light; 6,119 had no private indoor water closet; and 8,098 had neither bath

Continued on page 84
Background of Local Situation

The housing venture was brought before the City Council early this year in the form of a joint report of the City Housing Code Commission and the City Planning Commission. At a joint meeting of these two bodies the members present by an affirmative vote of seven to four recommended the appointment of a Housing Authority, accepted and transmitted to the Council a report of a joint committee which suggested two courses of action open to the Council: (1) that the City Council make available approximately $25000 to be used by the City Planning Commission in order that they may make a thorough and complete investigation and report to present to the Council; or (2) that the housing authority be created at once. The Council then referred the matter to the voters.

The housing problem was then brought before the Council in the form of a petition signed by twenty-five residents of Portland demanding that an authority be created. The Council, after several hearings, defeated a resolution to create an authority. The fact that some undesirable housing conditions exist and that there are a number of deserving families whose incomes are not sufficient to rent proper dwellings was undisputed. The opponents stated that a housing project would materially affect the income from present low rent houses and that an ample supply of low rent dwellings was available.

All the arguments of proponents and opponents do not appear in this report because they are too voluminous to reproduce and because they are largely based on emotional conviction and not on facts directly related to the local problem.

It is estimated that at least 200 units are necessary to make a housing project feasible and that the operation of 250 to 300 new dwelling units would be more economical. The housing commissioners, when appointed, have full and complete authority to do as they see fit. (A commissioner may be removed by the Mayor for inefficiency or neglect of duty or misconduct in office.)

Considerations Regarding Demolition

In the matter of demolition the authority would receive credit for those dwellings on the site of the project that are unsafe or insanitary. Demolition of condemned dwellings off that site would be necessary in any local project. Power to condemn is limited under the City Charter to units 60 per cent or more physically depreciated. During the past eight years there have been an average of 160 permits yearly for dwelling demolition of these having been condemned. Unit for unit demolition must be completed within a year after the completion of the project unless further extension is granted. It is possible that the authority could not receive credit, on the basis of the above averages, for a sufficient number of demolitions to comply with the terms of the act, in which case the USHA subsidy could be withheld.

The committee recognizes that demolition of bad housing would tend to decrease juvenile delinquency and improve public health and morals. However, projects as planned by proponents of public housing do not contemplate demolition of bad housing at a rate any higher than that now achieved by the city, so, regarded strictly from the standpoint of demolition, a housing project would not tend to reduce juvenile delinquency, or other social evils.

Amount of Tax Remissions

It has been noted earlier in this report that the U. S. Housing Act requires the city to provide an annual subsidy through tax remissions equal to 1/5 of that provided by the USHA, while the state act provides that all properties of local authorities "shall be tax free." Interpreted literally, the latter provision would mean that the city's annual contribution to a project would equal not 1/5 the federal subsidy, but 90 per cent of it.

Arguments For a Survey

Whether or not a housing project in the City of Portland would be economically feasible can be determined accurately only after a survey and investigation of such local factors as the extent of bad housing at present; the incomes and rents of families in bad housing; the extent of decent, safe, and sanitary dwellings now available in the city at rents the lower income group can afford to pay; suitable sites and their costs; plans and estimated costs of a housing program; and rent to be charged.

The Real Property Inventory, conducted by the U. S. Department of Commerce some four years ago, is being used in other cities as a basis for establishing the need of a housing project, and is apparently being accepted by the USHA, as valid evidence. Nevertheless, competent local builders, architects and realtors do not feel that a local project can be justified or should be undertaken on the basis of a four year old survey made without reference to a local housing project.

Responsibility of City Council

The City Council should have insisted upon an adequate survey being made and should have appropriated sufficient funds to permit the Planning Commission to make a survey. If the findings of such a survey indicate a need for a housing project for Portland and the possibility of successful operation, the Council could create the authority; if not, the matter could be dropped. The United States Housing Authority "will require technically competent presentation of facts" before a local project receives approval, so even if a majority of votes favor the measure now on the ballot, the council should authorize the Planning Commission to make a thorough survey before creating a new corporate body.

It is clearly evident that it is the responsibility of the City Council to obtain the local data essential to the intelligent determination of this question. The committee is aware that if this measure is rejected at the election, there is the possibility that the City Council instead of proceeding to decide the question on its merits, will look upon a negative vote as a "mandate" to consider the matter closed.

We realize that the appointment of a local Housing Authority does not necessarily mean the
tub nor shower." Evidence of a large number of sub-standard Portland properties accompanied by photographs, was presented to the City Council under affidavit by the proponents in the hearing of the petition. This evidence was undisputed by the opponents. Evidence was also given by real estate men and others as to the shortage of safe and sanitary dwelling accommodations in Portland available to persons of low-income at rentals they can afford. So much for facts omitted.

Criticisms of the Real Property Inventory on the ground that it was made four years ago, are unjustified. The absence of new building of low-rent dwellings since 1934 and the small amount of demolition since then make the statistics in the Inventory still reliable.

Ten apartment buildings, six being in East Portland, all taken together, have one water closet in every 9 apartments, one bath to every 4— which means that 3 out of every 4 have no running water. In these 10 buildings there are 48 inside rooms (without outside light or air.)

Now regarding statements not agreed with.

Restrictions on Local Authority

It is not agreed that the housing commissioners have full and complete authority to do as they see fit. The Special Committee of three already referred to, including the City Attorney, reported that "the city can effect practical control over a housing authority in many ways," which it enumerates and which are set forth in Section 4 of Chapter 441 and Section 13 of Chapter 442, Oregon Laws of 1937. A letter dated the 19th inst. from the Deputy Administrator of the United States Housing Authority reads: "any housing program undertaken by your city would necessarily require the full cooperation of the city as each important step is taken. It would not be possible for the Portland Housing Authority to construct a project within the city without action by the Portland City Council. I call this to your attention so that you may know that the city is not waiving all its control over proposed projects when the housing authority is created." As stated in the majority report the law also provides in Section 7 of Chapter 442 that any commissioner may be removed by the mayor after hearing, for inefficiency or neglect of duty or misconduct in office. This also certainly qualifies their full and complete authority to do as they see fit. The housing commissioners are unpaid and are chosen because of their unselfish public spirit and high reputation in the community. They are therefore most unlikely to be swayed by political influence or pressure, either from those interested in any way in sub-standard property, or from the building trades. In both state and municipal experience in Oregon unpaid commissions have rendered most valuable, efficient and honest service.

Survey Declared Unnecessary

It is not agreed that it is the duty of the City Council to make any survey regarding the feasibility of a project. Both federal and state laws put this duty on the Housing Authority and not on it alone. And the General Counsel of the USHA has stated in a letter dated January 27, 1938, addressed to the Technical Director of the City Planning Commission: "Future improvements, not even tentative earmarking of funds for an authority, can be made by the USHA until your city has organized its Housing Authority."

The whole tenor and purpose of the law is that the local authority should take charge from the point when the need for an authority to function is determined by the City Council. The authority must be organized. The five new commissioners would thus learn their problem from its foundations and would handle the business from the beginning. Only in this way can efficiency be insured.

Further Exceptions to Majority Report

It is not agreed that at least 200 dwelling units are necessary to make a housing project feasible. It must be remembered that a project may include the acquisition and remodeling of existing buildings in an area in which a project is to be developed. In this case, unit-for-unit demolition is not required, nor is it required when the project reduces crowding or overcrowding. Proponents of public housing do not plan projects that is a function of the housing authority and of nobody else. It is not a valid argument to anticipate possible difficulties regarding demolitions. The admissibility of demolitions for credit, or the sufficiency thereof, are matters for pre-arrangement between the local authority and the USHA. The Special Committee, already mentioned, reported in reply to a question put by Commissioner Bean: "It is believed that 250 units could be eliminated during the required two year period judging from the past history of demolition and the opinion of the fire marshall."

It is not agreed that there is a loss to the city by exemption of projects from taxes. The assessment value of the improvements in the 10 apartment buildings above mentioned is only one-third that of the land. The annual taxes average $7.92 per apartment on the improvements. Thus, the demolition of such heavily depreciated buildings involves little loss to the city in tax revenue. But the clearing of them increases the rental and assessment values of surrounding properties, and so increases the tax revenue to offset the small loss. Moreover, the city's expenses for fire, police and health protection are reduced by the removal of dangerous and insanitary structures. This may result in a clear gain to this city, as has happened in many other cities.

Arguments for Affirmative Report

That completes the exceptions to the majority report. In general comment it may be said that, while pensioners are not excluded as tenants, the scheme is designed to reach the semi-skilled and unskilled workers in the upper layer of the low-income group. These workers can not afford adequate, sanitary homes under present conditions, but can pay a low rent regularly and can therefore insure to the authority a sufficient revenue to make ends meet with the help of the government subsidy. Los Angeles has 25 million dollars earmarked. San Francisco 15 million dollars, Oakland has a project for 556 four-room units at an average cost of $2,733 per unit. Clackamas County has
Labor leaders also object that this section would protect against the retaliation of union labor and employer who exercised unreasonable employment policies.

Section 4, it is claimed by its sponsors, "will prevent the use of union funds for unlawful purposes and will give the union members the legal right to inspect the books of their own organization." Union labor leaders object that this section would "take from labor organizations the right to determine their own financial needs." They point out that this section "does not identify the agency which would have the power to pass upon what funds the union might raise." It is claimed that in most unions the members now have the right to inspect the records of the organization.

Section 5, in very broad language, prohibits any organization or person to directly or indirectly prevent, hinder or molest any person seeking employment. Proponents claim this provision will insure "the youth of Oregon an opportunity to secure employment without molestation" and will do away with the domination of union overlords.

"This section" say union leaders, "will encourage strike breaking. It would make it unlawful for any citizen to counsel another against becoming a strike-breaker."

Section 6 vests in the Circuit Courts of the state the responsibility of enforcing the act, including the issuance of restraining orders and temporary and permanent injunctions. This injunction power is restored by Section 1 and 8 which, together, virtually repeal the state Norris-LaGuardia act in this respect.

Industry which has been injured by labor violence claims this injunction power is needed as a protection against the arbitrary action of labor groups, that an injury suffered through such action can not be redressed after the act. Labor leaders, on the other hand, are bitterly opposed to "government by injunction" wherein the court may issue a temporary injunction restraining the other side in advance of the final hearing.

General Comments

The inordinate nature of the claims and counter-claims on this measure should be clear to the reader by this time. Proponents claim the bill will prohibit "the labor overlord and racketeer from usurping' the rights of labor; that it will "prevent these disastrous maritime strikes which have cost the people of our state more than 800 million dollars," and bring industrial peace to Oregon.

Labor leaders claim that the bill has as its purpose "the complete destruction of the organized labor movement in Oregon"; that it was conceived by the traditional enemies of labor, although the pretense is being made that it was initiated by farmers"; that it would make true collective bargaining impossible, and would make Oregon "the industrial black spot of the nation."

Most of the representatives of labor interviewed by the committee condemned the measure as a whole and in all its parts. A few, however, said that the outlawing of jurisdictional disputes had some merit, as did the limitation of strikes and boycotts, and the requirement that unions keep accurate and open books. But all felt that sympathetic strikes and boycotts were necessary in some instances to the securing of the rights of labor.

The proponents on the other hand state that the far-reaching and damaging effects of strikes and boycotts upon the general public as well as upon those directly involved renders it imperative that the grounds for use of those weapons should be defined, restricted and regulated.

The true solution of the problem involved will probably be the setting up of governmental machinery for orderly conciliation, followed, in case of failure to agree, by compulsory arbitration. This initiative measure, if it passes, should be followed by such legislation. With such legal machinery in operation there should be no excuse for damaging strikes and boycotts.

The bill will repeal the Oregon prototype of the Norris-LaGuardia act and permit courts to issue injunctions as before the act was passed in 1933, but we believe labor was never wrongly hindered by injunctions in this state. Unions themselves have sought injunctions in labor disputes.

CONCLUSIONS

The history of the law on the general subject leads us to believe that it is within the police power of the state to prohibit picketing and boycotting without infringing constitutional rights, and what can be absolutely prohibited can be regulated reasonably—short of prohibition.

The bill is by no means perfect. Some parts of it have been criticized as being unconstitutional but we believe that if given a sensible and reasonable construction it will be held constitutional. If experience in the future shows that the bill should be improved it is within the power of the legislature to amend it. Past experience, however, has shown that the legislature is reluctant to act upon such controversial issues without some previous expressions from the public.

On the whole, we believe that the bill will check coercive labor practices, protection from which is properly due the public, the laborer and employers alike.

We believe that, notwithstanding the negative arguments, the bill will be sensibly and broadly interpreted, will serve a useful purpose in giving a more reasonable definition of labor dispute, in tending to protect the rights of innocent third parties and that it will help to regain our lost markets and general losses due to jurisdictional disputes.

RECOMMENDATION

The committee therefore recommends an affirmative vote on the bill regulating picketing and boycotting by labor groups and organizations.

Respectfully submitted,

George Greenwood, Jr.
Stuart R. Strong
H. M. Tomlinson
Jesse G. Warrington
M. K. McIver, Chairman

Accepted for transmission to the Board of Governors by Fletcher Rockwood, Chairman, Section on Legislation and Elections.

Accepted by the Board of Governors October 25, 1938, and ordered printed and submitted to the membership for consideration and action.
establishment of a project. However, once appointed, a local authority could not be restrained by the Council from establishing a project and it is probable that the authority would consider its appointment, in the face of an affirmative vote on this measure, a mandate to proceed with a project. To the majority of your committee, this indicates forcibly the responsibility on the Council of determining the need and feasibility of a project prior to naming the authority.

CONCLUSIONS

There is not presently available sufficient reliable information upon which to base an affirmative decision on the merits of a housing project for Portland.

The possibility that the fear of competition on the part of present owners of low rent dwellings might discourage private capital from the construction of new dwellings; the probability of increased taxes on private property as a result; the questionable extent to which the demolition of unsafe or insanitary dwelling units will be hastened, and the lack of restrictions on the Authority by the City Council all indicate that a local housing project would not be feasible.

RECOMMENDATION

The majority of the committee recommends that the vote on the Housing Act be "NO."

Respectfully submitted,
Andrew Comrie
Cullen T. Rust
Victor Risley, Chairman

Accepted for transmission to the Board of Governors by Fletcher Rockwood, Chairman, Section on Legislation and Elections.

Accepted by the Board of Governors October 24, 1938, and ordered printed and submitted to the membership for consideration and action.

TAX LEVY FOR COUNTY RELIEF

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proxiately 25 per cent of persons over sixty-five years of age residing in this state.

CONCLUSIONS

If the load on real property is to be lightened, it will be necessary for the state to assume a greater part of the responsibility of providing funds. There is at present an interim committee of the legislature which is considering ways and means of raising funds for relief purposes and this committee will undoubtedly have recommendations to submit next January for additional sources of revenue and possible changes. It is our opinion that any provisions for the relief programs other than amounts now included in the County budgets should be considered a state program and that no further action should be taken until the recommendations of the interim committee of the legislature have been submitted.

It is also well to consider whether we should continue to confine our studies solely to the relief problems and the means of providing funds for the ever increasing program, or whether we should give some study to constructive programs which will alleviate the necessity of so much relief and public assistance.

RECOMMENDATION

The committee therefore recommends a

HOUSING—MINORITY REPORT

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already appointed its authority. Portland is lagging. In case of a "No" vote in the election, the City Council would be deterred, and the benefit to business and employment in our city, of extensive new building, would be delayed still further.

Oregon has already been taxed $6 4 million dollars—its share of the 800 millions appropriated by Congress for the USHA to invest in first mortgages on local housing projects. Such projects represent a real and lasting addition to the wealth of a city. They are not in the pork-barrel class of needless new post offices, and similar wastes of public money inflicted on the taxpayers by the fears of legislators concerning re-election and by the narrow localism of the voters.

Many groundless fears are being expressed in Portland as to the effect that subsidized housing will have on private enterprise building. In England and Wales government subsidized building by local authorities gave such an all-around stimulus to business recovery that the unsubsidized home building by private enterprise expanded rapidly. And the building and loan societies actually increased their assets, and their annual new business, 700 per cent in seventeen years.

The majority report says that if the ballot measure is rejected the Council may consider it a mandate to consider the matter closed. This admission makes a "NO" vote appear illogical. The logical recommendation is to have the authority established and let it decide for itself whether or not a project is financially feasible.

CONCLUSIONS

The measure should be adopted: (1) because Portland will thereby secure its share of the benefits to provide which it has been taxed along with the rest of the nation, and (2) because subsidized housing is a genuine recovery measure which will immediately expand business and employment and improve public health and morals.

RECOMMENDATION

The undersigned recommends a "YES" vote in favor of the establishment of a housing authority for Portland.

Respectfully submitted,
A. B. Harrison.

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Accepted by the Board of Governors October 24, 1938, and ordered printed and submitted to the membership for consideration and action.

negative vote on the proposed County Special tax levy of $732,490.44 for relief and public assistance.

Respectfully submitted,
Paul D. Hunt
L. A. West, Jr.
H. W. McIntosh, Chairman

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Accepted by the Board of Governors October 24, 1938, and ordered printed and submitted to the membership for consideration and action.