

Governor Neil Goldschmidt, Prepared Remarks  
Associated Oregon Industries  
Salishan, October 3, 1988

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When I ran for office, I talked about opportunities -- the ones we had missed and the ones that lay before us...

Missed opportunities have consequences.

We must never forget that this state lost one job in 10 during the recession -- 100,000 altogether -- with a net population loss of 65,000.

Oregonians had a taste of poverty and we didn't like it.

Our aim was to put more money in Oregonian's pockets, and that meant taking advantage of opportunities -- not missing them. With the help of the business community that's what we set out to do.

John Kenneth Galbraith once said that nothing is so admirable in politics as a short memory.

I disagree.

Friends and partners need to remember where they have been together.

- Over a half billion dollars in tax savings for people who had been getting poorer over the past few years -- Oregon income and corporate taxpayers.
- Revised and improved corporate code.
- Together, we began the job of reforming workers' compensation. And with your help we will keep working toward a fair and affordable system for the employer who pays the premiums and for the injured worker who receives the benefits.

We were not afraid to invest in our future.

After years of maintenance deferred and investment postponed, we aimed our limited resources at targets of maximum impact...

- \$100 million in libraries, research laboratories and classrooms at our colleges and universities.

We know that government should make due with what it has; but we also know that government should get what it is due...

- That is why we invested \$3.6 million to beef up the Revenue Department's collection and audit divisions -- to crack down on tax cheaters who are sponging off honest citizens. And what's the return on that investment so far? Over \$14 million in delinquent taxes, with another \$13 million expected by July of '89.

We know that state government has to be more efficient and more responsive to the taxpayers who foot the bills...

- DMV express offices are open at convenient hours for quick transactions. They symbolize what government is learning and what business has known all along -- that time is money.
- Investors and business owners can now cut through red tape with help from the State Economic Advisory Team, made up of representatives from 19 state agencies.
- Small business is finally getting the star treatment it deserves...Small Business Development Center in the Economic Development Department...It's headed by Sandra Suran, who is here today.
- Oregon is the first state to put insurance, banking, and securities under one regulator.
- And we finally assembled citizens of broad views on the board that oversees the use of state and private timberlands, which determine so much of what Oregon has been and will be.

We made a commitment to fairness and opportunity in this state -- a commitment to every region that they would own a piece of our comeback.

- Fifty percent of Oregon's economy is in just three counties. Thirty-three other counties are sharing the remaining half. It isn't healthy for Oregon and it isn't fair to keep a state or a nation divided between the haves and the have nots. That is why we pursue regional economic development strategies.
- Strategies for 20 of 36 counties have been approved so far, ranging from agricultural marketing in Marion and Polk counties, to an Oregon Trail tourism center in Northeast Oregon, to a research park in Lane County.

We are not afraid to act. And together, we did the tough things that needed to be done.

And now instead of missing opportunities, we are capitalizing on them.

In the past year and a half, Oregon has become one of the fastest growing states in the country.

Help-wanted signs are back...

- o Over 80,000 new jobs were added to the economy.
- o Oregon ranks sixth among states in total personal income growth -- higher than California and Washington.
- o And we should outperform the U.S. during 1988 in both employment and personal income.

It didn't happen by accident.

It happened because people like yourselves were not afraid to try the different approach, the unexpected combination, the unlikely alliance needed to create a sound economy.

- o Since we're at Salishan, let's talk about tourism -- an industry that is breaking records that date back to the mid-1970s. The number of visitors at the ten state welcome centers from June through August reached over 340,000, an increase of 28 percent over the same period a year ago.
- o Hotel/motel tax revenue for the 21 cities and counties that could be compared exceeded \$39 million this summer, an average increase of 17 percent over last summer.
- o Why? A good part of the credit goes to a new tourism council...a new director of the Tourism Division who had been in charge of NIKE advertising in Canada and Europe...a new partnership with a Portland ad agency...and \$2 million added to the state marketing budget.
- o Some \$14 million in lottery money has been used to leverage over \$36 million in matching funds for tourism projects...Newport Aquarium and the Oregon Convention Center.
- o \$200,000 winter tourism marketing program will promote events around Oregon during the next six months.

Any state can improve its business climate.

And just about every state is out promoting its tourist attractions.

Colorado and Ohio and Arizona and the rest have a lot going for them. But folks, God is not going to move them to the Pacific Ocean.

Oregon shares that ocean with 28 Pacific Rim countries that by the year 2000 will account for 75 percent of the world's population, and almost half the gross world product.

This is where commerce will happen in the Pacific Century.

And that is why we now have permanent trade offices in Tokyo, Seoul, and Taipei.

Hyundai of South Korea just selected Portland as the premier import center for their automobiles -- expected to pump at least \$20 million a year into the local economy.

Japanese manufacturers plan to invest \$700 million in Oregon facilities, and eventually create up to 12,000 new jobs.

And although rail deregulation has meant trade problems with the Atlantic coast...

New international opportunities mean more trade with the Pacific Rim.

And Oregon is ready for take-off into the Pacific Century.

Ready because in 1987 Delta Airlines began direct non-stop service from Portland to Tokyo; and six months later started non-stop service to Seoul and Taipei.

We are ready because we invest in our port system...to deepen the channel and increase cargo handling at the Port of Coos Bay...and rehabilitate the export dock at Newport...and upgrade and restore ports all down the Columbia and the coast.

We are ready because we invest in highways through the Access Oregon program...to improve and build roads so farmers from the valley can move their products to coastal ports.

And Oregon is ready because we are NOT AFRAID TO INVEST IN THE FUTURE.

We established the Oregon Advanced Computing Institute, a \$10 million parallel processing research institute. It is not just another building, it is an environment made for creative, inventive minds, one that will attract the best scientists and engineers to Oregon.

We have more electronic firms per capita than any other state except two -- California and Massachusetts.

NEC, Fujitsu, and Epson have all recently broken ground on major expansions.

And exciting new BiIN Computer, a joint venture company organized by Intel and Siemens, is the latest tall timber in Washington County's Silicon Forest.

Great things are happening all across Oregon, east and west of the Cascades, from the Columbia in the north to the Rogue River Valley in the south.

We are blessed to live in a time as fully charged with opportunity as that granted to Lewis and Clark and the pioneers who followed them.

But how do we create opportunity? How do we raise long-term growth rates, create more jobs and improve our standard of living?

A new economy is struggling to take shape in Oregon and the United States.

In the past, when we talked about economic development, we talked about taxes...we talked about workers' compensation...we talked about government regulation.

But in the Pacific Century, economic development will be defined by one word: people...

People who are highly skilled, educated and able to adapt to rapid change. Men and women capable of creating the ideas that create wealth.

Oregon has got to be prepared.

But let me tell you how this state will NOT meet the challenge of the Pacific Century...

- o Ignore a school dropout rate of 25%
- o Do nothing about an illiteracy rate of anywhere from 20 to 40 percent of all dislocated workers
- o Resign ourselves to a parole violation rate approaching 50 percent, *up from 36% ten years ago.*
- o Disregard a survey that shows drug and alcohol use is up among Oregon's children
- o Turn our backs on the children who are beaten and neglected at home and then dumped at the schoolhouse door, unable to learn.

Do all of these things, and I guarantee you this: Oregon will not be a fit place to live much less do business.

It is a legacy we must refuse to pass on to our children.

This is what the next session of the Legislature will be about: Removing the restraints that handcuff our attempts to invest in people, and to create a workforce second to none in the world.

First on the list is a school finance system that now hangs like a millstone around the neck of our economy.

We won't compete in the Pacific Century by cutting programs essential to our children's ability to learn and work and compete...

We won't compete unless every child in every school district is guaranteed a quality education at a price the taxpayer can afford.

AOI has provided strong leadership on this issue -- in your report on Education in Oregon.

And some of you have worked with local school boards and struggled with the problem at closer range than I have.

That is why I urge you to listen carefully to Bob Ridgely's presentation on the work of the School Funding Reform Commission. It has proposed a number of significant, doable steps toward a more fair and equitable system; steps that take us away from the safety net, and create a more positive atmosphere for dealing with educational excellence.

Second, a moment on crime and corrections.

Last week a man tried to stop a robbery at a Portland tavern. He was shot dead for his efforts. The man who killed him was out on parole at the time.

The talk on the streets is that violating parole is no risk at all...because there is no threat of the lock and key.

That is why our parole violation rate approaches 50 percent.

Each time we recycle these crooks through the system without so much as a slap on the wrist, we are in effect telling them to go ahead and try again.

And that man in Portland paid for it with his life.

The brutal fact is this: over the years, while our attention and our budget priorities were somewhere else, this crime problem was sneaking up on us.

We have made progress. New prison beds are under construction around the state. And we have done it within existing resources.

But it is not enough.

For the last year, the Governor's Task Force on Corrections Planning has thoroughly studied our prison space and program needs for the future.

Ten-year projections indicate that we will need to increase our prison capacity by anywhere from 1900 to 2700 beds. It will be very, very expensive.

But getting it done is not a question of whether there is enough money in next year's budget.

It is a question of whether we can be certain the money will be there the year after that and the year after that -- to operate the facilities that we can afford to build.

We must never again let our attention wander nor allow recession or other legitimate budget needs to erode the one promise to ourselves that we must keep -- that our communities will be safe places in which to live and work.

I intend to keep that promise.

Not by stealing money from education...

Not by tossing more mentally ill people on the street...

And not by gutting an economic development program that is helping create jobs across Oregon.

We will keep the promise by passing a responsible, sensible corrections package out of the next legislature. One that gives us the bed space we need to guarantee swift, certain punishment -- and one that gives us a guaranteed, dependable source of revenue now and into the future.

We are committed to building more prison cells, because they are needed. But will we have the imagination and the energy to fight the child abuse and drug addiction that will keep those cells filled to overflowing?

Let me give you just one example of the crisis we face with our children.

The fastest growing expense in the Children's Services Division of your state government is the demand for foster care -- it has increased by 25 percent since 1985.

Many of these foster homes are for children between the age of birth and three.

Why?

Because drug addicted parents are incapable of caring for their children -- many of whom inherited their mother's drug addiction in the womb.

Over 250 cases of babies born drug addicted have been reported to CSD since 1986.

In Multnomah County, the number of drug-affected babies born this year is 50 percent higher than last year's rate. CSD believes the figures are underestimated.

Rural areas are beginning to report drug-exposed newborns and the number will rise as doctors become familiar with the symptoms of addiction in newborn children.

These are babies poisoned at birth. Tremors...fever...restlessness...high-pitched, inconsolable crying -- the child is at risk for physical and personality problems throughout childhood.

I know this is not a pleasant subject. But I would like to make two points:

First, you might not like me tugging at your heartstrings. But you should be mad as hell at someone else tugging at your purse strings.

There is only one road to adult self-sufficiency: the road that leads to the schoolhouse door.

But addicted and abused children cannot learn. And when they grow up they cannot work.

And one way or another, we all foot the bill.

Dropouts are seven and one-half times as likely as high school graduates to be dependent on welfare and twice as likely to be unemployed and living in poverty.

Prison construction costs over \$60,000 a bed; to keep one person in prison for a year costs \$14,000.

As business persons -- as leaders in your community -- you have got to face up to the potential loss of one-fourth of our youth who will never become productive citizens.

The second point I want to make is this: we can significantly reduce the odds of that happening.

Fewer early pregnancies; improved prenatal care for young and poor expectant mothers; early detection and treatment of child health problems; improved parenting skills...

We can aim our resources at the early years from zero to six -- before failure and despair get a stranglehold on young lives.

We can do it if we are willing to invest ourselves in the solution.

I have seen it happen in community after community all over Oregon.

I have seen heroes stand up and say, "I will take responsibility for this child...I can help."



Many times these heroes have been business persons...members of this organization, who provide jobs for teenagers...and sponsor youth organizations.

We can join compassion with long-term self-interest. It is certainly cheaper than the price we already pay for neglected health, unemployment and crime.

And we can deliver to you in the business community a workforce that is truly second to none in the world -- chemical-free, well-educated, skilled and motivated.

I don't need to tell you that Oregon is competing in a world of high risks and tough competitors.

We must think globally. But we cannot get there by concentrating on the next quarterly dividend or the next election.

It takes a long-term strategy. One based on wise investment of our limited resources -- investment in people; investment in economic infrastructure to lay the foundation for growth.

Oregon will never be the biggest. But we can be the smartest.

These are the things we can do for ourselves:

- Give our children a great start at life
- Improve our education
- Expand research and development
- Modernize our mills
- Become a more responsive, keener, sharper society.

If we do these things, if we make the tough choices, if we are NOT AFRAID TO ACT, then even greater things will happen in Oregon.

Looking ahead to the Pacific Century, I see an Oregon that is "internationalized"...a state in which every child learns a second language starting in kindergarten...a state at ease with new markets, new cultures, and new people.

I see an Oregon that adds value to our raw materials... that takes the lead in developing new products for export to world markets.

I see an Oregon at the forefront of the information explosion -- developing the next generation of computers that will avalanche our society with innovation.

I see a people empowered to create their own opportunities, and, through common purpose, to lift themselves.

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A people free to preserve the best of Oregon's traditions and values: community, neighborhood, friendship, tolerance, and a reverence for the land that touches our deepest spiritual beliefs.

**Remarks**  
**Portland City Club**  
**May 15, 1987**

When I was first elected mayor in 1972, there was a danger that Portland might be going the way of the older cities of the East. But through a cooperative effort, and with the help and support of many of the people in this room, we reversed the decline. All of the actions we took, whether in housing, transportation, or economic development, had one central goal -- to create a community where people can thrive and where they can feel good about their city and themselves.

In recent years, there was a danger that Oregon was headed for permanent decline and stagnation. Sometimes, statistics can tell us a great deal -- between April 1980 and July 1986, Oregon's population decreased by almost 50,000. The reason is simple: there weren't enough jobs. Our unemployment rate was above the national average, while our per capita income was below. Businesses closed and moved out of the state. We no longer felt we had control of our economic destiny.

We weren't brought to this condition by any natural calamity -- by drought or floods or earthquakes. There are a multitude of views as to how it happened. Some students of economics pointed to the cyclical nature of the economy. They said there was nothing we could do about the economic slump so we might as well grin and bear it.

This idea is flawed when it expressed itself in our public life as a theme: "If it ain't broke, don't fix it." It is still flawed. Someone once said, "When ideas fail, words come in very handy."

Well, no amount of words can excuse passive acceptance by a well-educated citizenry of its own society growing comparatively poorer. Nor can all the statistics in the world convey the sense of helplessness and fear in many of our communities. Our task now is not to fix the blame for the past, but to fix the course for the future.

**Remarks**  
**Washington County Forum**  
**January 11, 1988**

During recessions, we don't need or use an expenditure limitation - we just cut budgets to match lower revenue. But when we need to some catching-up, in better times, we can't. Because the so-called spending limit is tied to the previous recession's budgets. Basically, it's a flat tire on our economic recovery.

In this last Legislature, we began picking up the pieces from the recession. We invested 65 million dollars in our campuses. We put an added 30 million into aid to local schools. We approved 17-hundred new correction cells, to get the criminals out of our neighborhoods. We corrected a very serious problem at Fairview Hospital and began community programs for the mentally retarded.

We did each of these necessary catch-ups outside the expenditure limit. Schools. Prisons. Universities. The handicapped...

**Remarks  
Governor's Tourism Conference  
March 14, 1988**

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Last September, 3000 National Guard officers and their wives from around the country came to Oregon for a convention. During their stay in Portland, they took several day trips -- to the coast, the Columbia Gorge, the mountains.

I asked them what they thought of Oregon. They told me four things:

- o First, we are stunned by how clean the state is;
- o Second, we have never seen so many friendly people;
- o Third, it doesn't cost very much to have a great time in this state;

And finally, they said, "Why don't you talk about what you've got here? . . . Why don't you want to sell it?"

An Oregon newspaper in the mid-1970s surveyed its readers and found that 65 percent agreed that the Legislature should not spend any more money for tourist promotion.

That attitude has changed . . .

Prior to the last session, Oregon's spending on tourism ranked 42nd in the nation. But with \$2 million in lottery funds and \$2.5 million in general funds allocated for tourism promotion, our national ranking has gone up to 31st -- not great, but a definite improvement.

Potentially, our ranking could climb much higher through regional economic development strategies that focus on tourism.

1987 was a good year for tourism in Oregon.

And 1988 is off to great start. The winter marketing campaign resulted in nearly 9,000 responses coming into the Tourism Division during the month of January -- a 38 percent increase compared to the same time last year.

Some people say that a healthy tourism industry just means longer lines at the Shakespeare Festival. Some say it provides only minimum wage jobs.

They are wrong.

The carpenters and electricians who built Sunriver and Black Butte earn more than minimum wage. So do the real estate agents, and investors, and managers . . .

The president of a major Japanese company came to Portland for the Davis Cup tennis playoffs. He rented a car and drove around the region, went back to Tokyo, and essentially said to the management of the company, "If we ever put a business in the United State, I want you to go to Oregon. Check it out." They did, they liked it, and they invested in Oregon.

Our goal is to keep in Oregon, for at least a few extra days, the people who come for conventions or meetings . . .

Can we package things for them to do? Can we make it easy for visitors to be among us?

Because every time we bring in intelligent, thoughtful, discriminating people to see Oregon -- every time we do it -- they want to find a way to live and work and invest among us.

**Governor's Tourism Conference  
Pendleton  
March 14, 1989**

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...Obviously, the "Things Look Different Here" slogan is working.

You've already heard a great deal about the success of Oregon's tourism industry. Last year was the best in the state's history.

You've heard the numbers -- room tax revenues were up 15%, welcome center counts were up 26%, and inquiries in the state travel office were up 102% over 1987.

The numbers tell us the state and the tourism industry is getting better at selling its product. More aggressive, more sophisticated marketing combined with efforts to better handle visitors once they arrive.

**Remarks  
OACIS Kickoff, Beaverton  
December 13, 1988**

I was born and raised in Eugene, in a county and a state that finances its services through a resource-based economy.

We cut trees, and we paid our bills for public education and when the sawmills shut down, our schools suffered.

We took fish from the ocean and the rivers. And when the dams nearly destroyed the fish runs, our coastal communities felt the pain.

We grew wheat, and when global markets sneezed, our farmers caught cold.

Throughout Oregon's history, we have lived and died by the sword of the raw materials we take from the earth and the water.

But for the future, we must look to other, new resources to diversify our economy, maintain our livability, and create good jobs that keep our best and brightest children in Oregon . . .

We have begun Oregon's own version of the race to the moon: to take the lead in advanced computing -- to become one of the major centers in the nation for this type of technology.

If we marshal our resources properly, we will succeed.

OACIS is Oregon's Apollo project; a unique public/private partnership in high technology among industry, government, and higher education.

A partnership that will foster research, innovation and new ideas. It's a partnership that can strengthen and enrich each of the participants.

On December 1, I announced my 1989-91 recommended budget. I want to report to you that we have proposed to dedicate \$3 million in new state support for OACIS.

And today I am pleased to announce the first set of OACIS research projects...

Remarks  
Oregon Shines: Strategic Plan Press Conference  
May 19, 1989

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Today, we offer Oregonians a strategic plan to guide the state and its economy into the 21st century.

The remarkable thing is that we can again talk about a bright, shining future for Oregon. Two years ago, Oregon was just beginning its strong economic recovery. Our energies were devoted to coming back; to getting the state back on track.

The Comeback isn't complete yet. We can't rest until it reaches all Oregonians.

But we have come back far enough to look ahead. We have restored our capacity to dream great dreams, and to plan for those dreams to become reality.

This plan is nothing less than a declaration that Oregon can again capture the imagination of the entire nation, this time for the energy and creativity we put into shaping our economy.

This plan does not close the book on the Oregon Comeback. But it does open a new, exciting chapter.

Over the past 12 months, dozens of Oregonians came together to think about the future of our state, and to identify the steps they believe are critical for our future success.

Their work is drawn together in this report.

Out of this effort, I am more confident than ever that we Oregonians face an extraordinary opportunity. If we do our job well, over the next two decades we can achieve what other regions only dream about -- a prosperous, diverse economy amid a rewarding quality of life, sustained by sound public services and a healthy natural environment.

We will continue the Oregon tradition of wise use of our natural resources.

But we will add more value to these resources, do more processing of them to produce more jobs here.

We won't be the biggest economy on the West Coast, but we CAN be the smartest. Quality, not quantity, is our goal.

Oregon can distinguish itself in three ways to build the foundations for economic growth.

First, it is absolutely clear that the productive quality of workers -- our human resource -- will be the foundation for sustainable economic growth that provides well-paying jobs into the future. We propose to invest in Oregonians to build a work force that is measurable one of the most competent in America by the year 2010, and equal to any in the world by 2010.

Second, regions that are open to international opportunities will prosper much more than those that do not. Accordingly, we Oregonians must adopt an International Frame of Mind -- an international orientation in our business and cultural life that distinguishes Oregonians as unusually adept in global commerce.

Third, Oregon's natural environment and superb quality of life is a key competitive advantage that we must preserve and enhance as we grow.

In addition we must accept the challenge facing every state, to provide the elements of an economic climate conducive to business growth.

First, we must contain costs of business in Oregon. For example, industry after industry in this plan stressed the importance of reducing workers compensation rates. We started on this two years ago, and we will keep at it until the system is fair and equitable.

Second, we need to invest in public facilities and services. We need to take a hard look at how well we are maintaining our basic facilities.

Finally, we must work together to form partnerships...

**Remarks  
HB 2371 Bill Signing  
April 28, 1989**

On June 27th, Oregonians will have the opportunity to take a major step toward halting the current crisis facing our lumber industry.

On that day, we also have the opportunity to send a strong message to the federal government. . . the message that we're tired of our public logs being sent overseas to foreign mills, keeping foreign workers employed while our own mills can't get enough trees to keep their doors open. We won't tolerate the pillaging of our public forests for foreign gain any longer! Whole communities are being uprooted and families torn apart because of this timber supply crisis.

Over a billion board feet of raw logs was shipped out of this state in 1988 while our mills closed for lack of raw materials. Nearly half of all logs cut from state lands are exported.

THIS (pointing to a truck load of finished lumber) is what we ought to be sending to Japan -- not our logs!

We've lost thousands of jobs over the years in the forest industries and we stand to lose many more. Those jobs affect all of us. Log exports mean higher unemployment. Log exports mean decreased demands for goods and services. Log exports weaken the Oregon economy.

This Governor believes that any President of the United States who thinks that he is helping people in our communities earn a decent living by shipping logs off federal lands and prohibiting us from the sale of logs off of state lands for export is just plain wrong.

On June 27th, Oregonians will have the chance to say to the President and to Congress, "No great power ever stayed strong by exporting raw materials and letting somebody else do the manufacturing. Stop log exports from public lands."

**Remarks**  
**Chamber of Commerce of Medford: Jackson County**  
**July 10, 1989**

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It's getting so bad that in Oregon you're an adult when you no longer believe in Santa Claus, the Easter Bunny, the Tooth Fairy, or reforming the workers' compensation system.

If Pinnochio were defending this system, a family of spotted owls could live on the end of his overgrown nose.

It's been said that, "Men and nations behave wisely once they have exhausted all the other alternatives." We have exhausted the alternatives in this issue; it's time to act wisely.

My administration's position has not changed since we first presented it to the Legislature in January:

- 1) Get control of skyrocketing medical costs;
- 2) Give injured workers the right to return to their former jobs within 90 days;
- 3) Fine-tune the standards for rating of disability.

One proposal was added after the problems at SAIF worsened: "Compromise and release," which would give workers a lump sum payment up front, in exchange for permanent closure of the case.

We didn't get this done in time. I am committed to reforming this system; but I will not be party to a smoke and mirrors program that tells the people we did something when in fact we did nothing.

We attacked the problem in '87; we need to keep attacking again and again until we beat it into submission.

That is what I said when I became Governor . . .

That's what I said six months ago . . .

And I am going to keep on saying it until this system is fair and affordable...

**Remarks**  
**Oregon Truckers Association**  
**September 22, 1989**

- o Our parents and grandparents invested in our future; they invested in roads and highways. We have to do the same.
- o Infrastructure is the leading edge of economic growth, it can't be an afterthought. In Seattle, the economy has overrun their infrastructure. We are trying to avoid that in the Portland area. But the needs are great.



- o We need to make sure our economy is robust across the whole state, not just in Portland. The only way to get there is through transportation -- we need your industry and the infrastructure to allow you to operate efficiently.

- o I know you pay a significant portion of state and federal highway user taxes, and I know that you have had a hard time accepting the most recent gas tax increase passed by the Oregon Legislature.

- o Let's talk about where the money is going:

The Access Oregon program funded by the last gas tax increase will spend \$130 million statewide in its first 3 years to improve routes important to the state's commerce.

Highway to Coos Bay to be finished over the next six to seven years.

Same vision for Astoria -- that port and that region have tremendous potential that we can open up.

We can take these roads and put them to work -- and that means more work for you.

- o Unfortunately, even with those revenue increases, the state was still able to fund only 1 out of every 4 projects on the State Highway Improvement program lists. The original proposal was for 2¢ increases in each of the next three years. I said I would accept only one year, and that we would then take a look at the product we are getting for those dollars.
- o We need to invest in our future, but we also need to keep evaluating just what product we are getting and whether more is really needed. And we need to involve your industry more fully in that process.
- o Our agendas are the same. Your industry is key to Oregon's economic future. And a healthy state economy is the key to yours. Full trucks and full warehouses go hand in hand. We can grow hand in hand. And we can keep the dialogue open as we continue to make public investment decisions.

**Remarks**  
**Regional Strategies Celebration**  
**June 19, 1989**

For the past two years we have done a lot of catching up. Even the words "Oregon Comeback" tell us that our work has been getting Oregon back on track.

That job still isn't finished. My recommended budget, and the work of this Legislature, show how much of our agenda is still about fixing problems from the past.

But with today's celebration we are at least part way home; we are investing in ourselves again; we have earned our confidence; and we will not rest until every county in this state is part of the Oregon Comeback . . .

I think it's important to remember what it was like before we had the Regional Strategies Program: the most powerful delegation in the Legislature was the one that got the lottery funds for economic development. And more often than not, that meant more dollars for the valley.

Fifty percent of Oregon's economy is in just three counties. Thirty-three other counties are sharing the remaining half. It isn't healthy and it isn't fair to keep Oregon divided between the haves and the have nots.

With this program, we said to the people of every region of this state, "You are going to own a piece of our Comeback; and your children won't have to leave home to earn a living."

That is why we pursue regional economic development strategies.

And now we're investing over \$8 per person in the Regional Strategies Program west of the Cascades, and over \$14 per person east of the mountains.

There's another difference between then and now; people are talking to each other -- across community, county, and regional lines. You may not always like what you hear from across the table and it may take a little longer this way. In fact, Judge Carlson in Morrow County said that the regional strategies money wouldn't begin to cover all the time he had put in on the plan -- but after it was done, it was all worth the trouble.

All but six strategies are in multi-county regions. Other important partnerships have been established or reinforced through this program among the public and private sector and all levels of government. I'd like to specifically acknowledge the U.S. Forest Service, the Employment Division, The Oregon State Marine Board, the Oregon Department of Transportation and the universities for their role in the success of the program.

Our goal is to build on that success. We can only do that with your help and that of the Oregon Legislature, who as we speak may be acting on the fate of the program. My hope is that another \$25 million in lottery revenues will be made available by the Legislature to continue the program.

But for right now, it is enough to know that Oregon is a place where people still believe they can take the future in their own hands and shape it to their will. And that is no small accomplishment.

Your commitment and the commitment of Oregonians across the state, by working together and talking together, have made this day possible.

Ladies and gentlemen, you dared to do the impossible, and this state is better for it.

Associated Oregon Industries  
"Pacific Century Now"  
Salishan  
October 3, 1989

I would be willing to bet that over its 75-year history, workers' compensation has been an issue before every session of the Legislature.

We took a bite out of the problem in 1987 -- the most significant reform in over two decades:

- o Set new standards for the evaluation of disabilities -- to bring some uniformity to the process...
- o Appeals process was changed -- previously, just about every case went to the State Court of Appeals -- we were on our way to having to create a new panel of judges just to handle the additional volume of cases...
- o Established expedited claim service for prompt disposition of claims.

We needed that kind of product again; we didn't get it last session.

There has been a great deal of talk about my role in this discussion during the last session. I admit to one thing -- I am not neutral on the problems facing this state; I take stands and I mean what I say.

My administration's position has been on the table from the start:

This is a safety issue. Workers should not be injured in the numbers we are seeing...

2,000 loggers suffer serious injuries each year; with 22 fatalities so far this year -- the same number as in all of 1988.

Any system that says an Oregon worker's arm or leg is worth less than half of a Washington worker's arm or leg -- or one-eighth of a Connecticut worker's -- when the cost to the employer is eighth highest in the country -- is intolerable.

The injured worker thinks he's been had...the employer thinks he's been had...and I know that every Oregonian has been had by a system that kills incentive and hurts our ability to compete.

I want a workers' compensation system that works for you and the injured employee -- not for the lawyers, chiropractors, medical doctors -- or any other special interest group that is making money at your expense.