" as delivered"

SPEECH BY GOVERNOR VIC ATIYEH STATE OF THE STATE ADDRESS MEDFORD January 31, 1986

## PREPARED TEXT

Nearly a century and a half ago, our pioneers overcame sickness,/accidents,/hunger/ and attack to bring their proud vision for their future to this land we call Oregon.

Their ingenuity led them to establish the Pacific Coast's <u>first</u> territorial government,/to print its first English textbook, and to publish the <u>first</u> newspaper West of the Rockies.

These early Oregonians wasted <u>no</u> time <u>talking</u> about what could <u>not</u> be done, but instead went about what <u>had</u> to be done by cultivating the land, by building their cities and by selling their harvests.

These were people who wanted their government close to them, the first Americans to give themselves the heady power of the initiative petition, the legislative referendum, and the recall.

All of this breathes the fire of independence so much a part of the character of Oregonians then and now.

The Oregonians of the 1840s would not recognize the landscape of the modern Oregon of the 1980s but they still would find the pride they brought with them across the plains and over the Rockies.

If one of these pioneers were to return today, wearing buckskins and carrying a long rifle, he might want to ask us some questions.

He might ask if Oregonians still have that toughness of spirit which fights back against adversity.

I would be proud to tell him, we have.

He might ask if Oregonians still can boast a government run by citizens like ourselves who stay in touch with the needs of the people.

I would be proud to tell him, we can.

He might want to know whether we still reach out to our neighbors, say when a wagon wheel breaks or a well runs dry.

I would be proud to tell him, we do.

In fact, I would tell him this generation of Oregonians has added a thing or two to the proud heritage he and his 19th century neighbors carved out of the Oregon wilderness.

I would explain to him that our economy still is based on what we now call "natural resources," on the productivity of our timberlands, on the bounty of our farms, and on folks coming to Oregon to see for themselves if what they have heard about this great land really is true.

No longer isolated, Oregon has become an integral part of the world community.

Like our pioneer forebearers who carved out their Oregon Trail we modern-day pioneers have extended that Oregon Trail to the nations of the Pacific Rim and beyond.

My friend the pioneer might shake his head sadly as I talked about scenes from our recent past; scores of anxious Oregonians standing in line for a single job despairing families exhausting their savings, once-prosperous businesses putting up the closed sign and locking their doors forever.

I would have to tell him, witnessing all of that made those the hardest days of my life.

But I believe he would nod his head with pride when he learned how you and I have responded.

This afternoon, I am proud to report to the people of Oregon what I would be proud to tell that pioneer.

I am proud Oregonians are fighting back, are winning, against a grim national recession they did not invite and were powerless to prevent.

Oregon government is helping its citizens by staying in touch with, and responding to, their needs.

And Oregonians like the pioneers who preceded them, are reaching out unselfishly to help one another.

Only a few years ago, the Oregon timber industry gave Oregonians a kind of birthright to make a good living in the woods/in a sawmill, or in a business where timber families traded.

But then the price of mortgage money went up, construction activity skidded, and we began to confront stiff competition from other lumber-producing regions of North America.

Moreover, buyers had bid top dollar for standing timber that lost value with each drop in the market price of finished lumber.

Chain saws fell silent, sawmills closed, and woods and sawmill workers went without paychecks, creating a devastating domino-like effect across the economy of this state.

Oregonians expected a speedy response from the government they had elected, and government did respond.

First, state government responded by modifying timber contracts on state-owned lands, saving nearly 2-thousand jobs.

Next, with our congressional delegation I took
Oregon's case directly to President Reagan, to Cabinet
secretaries and to other lawmakers, and I kept calling and
going back to the White House until the President was
persuaded to modify contracts on federal lands.

The commitment of state government to strengthening our basic resource industries has never flagged, nor will it so long as I am governor.

Only a few weeks ago, 220 millworkers in Lakeview were in danger of losing their jobs because of planned abandonment of a critical rail line serving four mills.

Rather than jeopardize the livelihoods of citizens in a part of Oregon that often wonders if Salem even hears them. I am proud to tell you state government responded with nearly a half-million lottery dollars to buy the rail line to keep those mills running.

Only a few days ago, a similar rail abandonment threatened the jobs of another 230 millworkers in Tillamook.

Again, we used lottery dollars to buy the rail line, not only saving 230 jobs but also creating 50 more.

During the darkest days of the recession hundreds of millworkers lost jobs when the Edward Hines Lumber Co. shut down at Burns.

A company called Snow Mountain Pine reopened the mill, but it needed a public access road to serve another plant that would employ still more Oregonians.

After the company asked the state for public-works money to help, I am proud to tell you state government responded in seven days.

As a result, as many as 170 Oregonians will be hired to work in the most modern laminated veneer plant/in the world.

Always, a few in our state insist on fanning a chill wind of negativism, pretending you and I have no reason to be proud that the state of Oregon is going back to work.

Let me say this to Oregonians: Do not let anyone tell you that you have not put up hell of a good fight.

Do not let anyone tell you that you should not be proud to have waged this struggle you are so close to winning.

However, no one should suggest Oregon today is without big challenges.

Indeed, the challenge we face is not only in bringing further recovery to our economy, but also restructuring where we work, what we produce, and where we sell it.

Oregon's farm families long proud of their worldwide reputation for produce of the highest quality have suffered from poor markets for their soft white wheat.

But these are the <u>same</u> enterprising farmers who sent the <u>first</u> U.S. wheat teams into the Orient and who successfully altered the diets of the Japanese.

And today scientists at Oregon State University are within two or three years of developing a strain of hard red winter wheat that can be grown in Oregon and sold both at home and abroad.

Our scientists, researchers and teachers in higher education are on the leading edge of those who are putting Oregon back to work.

Not only are they developing crops to make Oregon's farmers and ranchers more competitive, but they also are bringing into Oregon more than a hundred-million dollars a year for research on lasers, computers, medicine and other fields of study.

Later this year, Oregon will break ground for advanced research centers on our public campuses of higher education.

The scientists we have now, and the new ones we will attract, will help us to meet the single most critical need of the Oregon economy: diversification.

I was proud to break ground for three high-technology companies that are expected to invest more than 450-million dollars and create more than 4-thousand jobs in Oregon.

But do not be misled. The diversification of the Oregon economy is neither confined to high-technology nor is it limited to the metropolitan area.

Just ask those Oregonians who are going to work at the new plants of Equatorial Communications in Klamath Falls, of Colby Plastics in Pendleton or of Van Duyn candies in Eugene. Just ask Japanese leaders of diverse industries who are eagerly anticipating their second visit to Oregon in MACA this time without us even extending an invitation.

Just ask Oregon business owners who know state government has cut red tape, reduced paperwork, and traded senseless strangulation for common-sense regulation.

Bit is better to show you than to tell you.

Your state Commerce Department is responsible for issuing more than 140 different licenses.

The department has just consolidated eight forms into a single four-page form that looks like this.

Since last Monday, Oregonians seeking these licenses are being asked to provide only essential information and to complete only a part of this new four-page form.

For example, Oregonians no longer are being asked the county of their birth or the maiden name of their mother.

But before officials at Commerce combined and reduced those eight forms, they totaled 27 pages ... that looked like this.

This is an example of what I mean when I say we are cutting red tape in state government.

Oregonians also are proud to watch how their state government stays close to the citizens it is intended to serve.

To help communities attract new jobs, state government has signed cooperative agreements with local officials that now cover virtually all of Oregon.

For the first time, these practical, common-sense agreements assure local business recruiters that the state has joined them in partnership and that we are all pulling together.

Since 1979, we have awarded Industrial Development Revenue Bonds to save and to create more than 7-thousand jobs in 23 counties.

Since 1983 we have awarded 34-million dollars in Community Development Block Grants for 226 projects in all but two eligible counties to build public works to rehabilitate housing to build community centers, and to make loans to businesses to create jobs.

Of these grants, more than 10-million dollars has been lent to businesses to create more than 1,700 permanent, mostly full time jobs.

These jobs are in more than 30 small communities such as Seaside, Newberg, Roseburg, Dillard, Drain, Coos Bay, Pendleton and La Grande.

Not only that but I decided that rather than require this money to be repaid to Salem it should instead remain locally to establish permanent revolving loan funds available forever to stimulate local economies.

During 1985, more than 7,200 Oregon adults were put to work by our Job Training Partnership Act, a program the National Alliance of Business singled out as the top program in the country.

In recent months, we have awarded more than two-and-a-half million dollars from lottery proceeds to 20 projects that will save or create nearly a thousand jobs immediately and many more in the future.

But even as state government has reached out to every corner of Oregon, Oregonians have reached out to one another.

Seven years and 19 days ago, I delivered my first inaugural address in the House chamber of the State Capitol in Salem.

"The increasing role of government in our lives," I said then, "has been a temptation to abandon our sense of community.

"Instead of caring for one another, we hire government to do the job.

"Aging parents who gave us love must turn, in their need, to social workers.

"Children who need firm hands on their shoulders are committed to the custody of the courts.

"Our tax dollars have too often been used to buy escape from personal responsibility, and we are the poorer for it.

"When we trade the joy of helping others for the anonymous exercise of paying tax dollars to buy social services, we -- all of us -- are the losers.

"My friends, government can do many things, but it can't hire love."

Little did we know on that day in 1979 that what lay ahead would demand that Oregonians reach out to one another as never before.

Now, after weathering some of the grimmest days in our history, Oregonians can be proud they breathed the life of human compassion and community service into those words.

After a leak in the roof of a school gymnasium at Detroit ruined the floor, citizens volunteered their evenings for two weeks and saved taxpayers 5-thousand dollars by removing the old floor.

After the citizens of Sprague River in Klamath County decided they needed a community meeting hall, they pitched in and built one without a nickel of tax support.

After I asked Oregonians to serve on nearly 3-hundred state boards and commissions, citizens in each of our 36 counties responded to my challenge by answering, "yes."

But I must tell you, it is not often a governor can get involved as a volunteer.

I want to tell you about two of the projects where I was lucky enough to be able to do so.

When Oregonians began hurting in 1980, I asked my staff to work on the formation of the <u>first</u> statewide food bank in the nation, a resounding success we now call Oregon Food Share.

Thousands of generous Oregonians, individuals and businesses alike, continue to step forward to give tons of food, thousands of dollars and tens of thousands of hours of labor.

Let me give you another example.

Some of you know I am an avid flyfisherman, and that when I have a chance I like to fish my favorite riffle on the Deschutes.

When it became clear public access to a part of the lower Deschutes was threatened, I joined the Oregon Wildlife Heritage Foundation to raise money to buy property to protect access to 42 miles of the river.

I was proud as I watched 10-thousand Oregonians respond with more than a million dollars in donations, many of them in small checks and even dollar bills.

Oregonians do respond, whether the challenge is to preserve the environment or to reach out to people who are in need.

Because Oregonians do respond I can begin my final year as your governor with the knowledge much of the news for Oregon is good and getting better.

Oregon's seasonally adjusted unemployment rate of 7.4 percent is at its lowest point in nearly six years.

Since 1982 nearly 88-thousand Oregonians have gone back to work.

Mortgage-interest rates are the lowest they have been in this decade, making it possible for more Oregonians to buy and more Americans to build.

Building permits were issued for more than 10,600 dwelling units in 1985, an increase of more than 30 percent from the previous year.

We see solid signs of increased home sales.

The American dollar is reaching a more favorable rate of exchange with foreign currencies, making Oregon's farm and manufactured goods more competitive both at home and abroad.

The nation of Japan, mirroring a message I deliver each time I visit that great nation, is lowering tariffs that will make Oregon exports more competitive.

Millions of Americans are making plans to travel to Expo 86 in Vancouver, and to spend some of their vacation dollars in Oregon on the way.

Oregon's ports, for whom cooperation was unheard of only a few years ago, today are working together to attract contracts for Oregon workers to build oil-drilling rigs. on the coast.

The college-admission scores of Oregon's high school students are consistently among the nation's highest, attracting company officials who demand qualified workers for their plants and quality schools for their children.

Many of our wood products mills are reopening, and those that have remained open are working more shifts.

Our lumber output now approaches that of 1979, signaling a reawakening of this sleeping giant.

While some of our competitors in Canada and the South are depleting their supplies of timber. Oregon is maintaining its sustained-yield practices that will grow plentiful timber forever.

No wonder Oregonians are proud, no wonder they are fighting back, no wonder they have no patience for naysayers who talk only about what they have not done or cannot do.

New plants, thousands of new payrolls, environmental leadership, land-use planning, voluntarism, lower Workers' Compensation premiums, unitary-tax repeal, less government red tape, new overseas markets.

Just as the early pioneers planned and blazed their own trails, for more than seven years we have been building a freeway/to the future.

We will not fully realize all the dreams we have for Oregon during the life of this administration.

But I guarantee to you we will continue to follow our blueprint for a working and prosperous Oregon during each of the remaining 345 days left of this administration.

And I will also guarantee this to you: We will give to the new administration an Oregon more prepared for its future than ever before.

During the past seven years, many of the challenges we met were more difficult than we could have imagined, yet Oregonians are overcoming them with a strength some did not believe we had.

But many challenges remain, and they are not limited to those I have just described to you.

I want to give you a look at only a part of my agenda for your state government during 1986.

We must continue to strengthen our timber industry, support our farms and ranches, promote our reputation as a tourism destination.

We will strengthen these industries that have built this great state but at the same time we will diversify our economy by adding new industries and new jobs. This work, begun in 1979 with my declaration that Oregon was once again "open for business," will continue with the energy demanded to open payroll windows for thousands' more Oregonians.

Even as we create jobs, we must protect each of Oregon's 460-thousand students from the random closure of their schools.

Shortly, I will announce a plan that, with the grassroots support of Oregonians, will guarantee Oregon schools stay open without new taxes and without eroding local control.

We must shield consumers from unnecessarily high prices, protect citizens from losing essential government services and keep Oregon business competitive in foreign markets by finding a way out of the costly/confusing crisis in liability insurance.

By mid-year, my task force on liability insurance will make recommendations to restore common sense in this area while also ensuring fair compensation for those citizens with legitimate claims.

We must continue to take the Oregon story to new and growing markets, both on this continent and overseas.

I will continue to travel on behalf of Oregon workers, Oregon entrepreneurs, and Oregon youth who are seeking jobs, markets and opportunities to make them contributors to the growth of the Oregon dream.

You know, it is remarkable how much has been accomplished when I have spent an average of only two weeks a year telling the proud story of your state overseas.

We Oregonians like to see government live within its means, and we know reducing the federal budget deficit will benefit Oregon by reducing interest rates and reducing government competition for capital.

Nevertheless, we must cushion our state against the human impact of the Gramm-Rudman-Hollings act that could cost Oregon more than 50-million dollars in the budget year that begins next October.

I am working closely with federal budget officers/ and my own state agencies to prepare Oregon, even as I applaud this first step in slowing a frightening national debt that annually costs more than 137-billion of your tax dollars for interest charges alone.

To compete internationally, we must promote the excellence of Oregon ports among farmers, manufacturers and shippers.

My task force on Oregon's ports will recommend means to strengthen not only our coastal ports but also to enhance the road and rail access inland shippers have to them.

As railroad companies re-evaluate their operations, we must continue to defend Oregon's small communities from widespread threats of rail abandonment such as those we averted in Lakeview and Tillamook.

Many short lines are critically needed, and my task force is working to ensure jobs are not lost because rail abandonment keeps products from moving to market.

In the Oregon tradition that has protected our beaches, cleaned up our rivers and purified our air, we must protect the scenic and historic treasure of the Columbia River Gorge.

Even as your state Parks Division buys land in the Gorge to preserve open spaces, to protect lands near the old highway, and to promote public access to scenic vistas, I am pursing the goal of formal protection of the Gorge that is as old as my governorship.

A few minutes ago I showed you the 27 pages of state-licensing forms we no longer use.

They are evidence we must continue to streamline state government, creating for it an undisputed reputation as a place where citizens can expect to get clear answers to questions and common-sense solutions to problems.

I will continue to lend my personal support to our program of encouraging employee suggestions, to promoting management awards, to reducing paperwork, and to other ideas that save Oregonians literally millions of dollars each year.

On the 12th of next January, when the responsibilities of this office are passed to a 33rd governor, we will have given Oregonians more reasons to be proud than they have even today.

But as I review what the citizens of my state already have done, as individuals, as business people, and as supporters of their government//I am proud.

Today we are being rewarded with more people at work, more people able to buy homes, and more Oregon products more competitive in world markets.

Yet like the early pioneers we face many challenges in the days ahead, though we now have new reason to be confident in our ability to handle them.

A few minutes ago, I speculated on what you and I might say to the questions of a 19th century pioneer who MiGHT visited our state today.

You and I could be proud to tell him we still have the toughness of the frontier, we still demand prompt action from a government of the people, we still reach out to help each other in our time of need.

I believe he would be proud to stand beside you and to say, I am an Oregonian.

Pride.

It is that quality which prompted the manufacturer to put his name on the long rifles the pioneers carried, and it is that quality which makes us happy to show Oregon license plates as we travel across this great nation.

Because I believe you share my pride, I have had a symbol created that I want to invite you to join me in displaying.

This symbol, in our state colors of blue and gold, is a bumper sticker expressing the strong emotional feelings we have for our wonderfully unique state.

I had them printed because I am proud of each of you.

If you are as proud of yourselves as I am of you I invite you to take one of these stickers before you leave today.

But you <u>must not</u> tuck it away where you will forget it and where no one else will see it.

It is not designed to become a souvenir.

By taking one of these, you are saying to me you will share your pride in being citizens of this great state by displaying it on your car.

Because I am proud of my state because I am proud of the initiative of its people because I am proud of the prospects for its future, I invite you to join me in saying, "I'm proud to be an Oregonian."

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