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## Faculty decides to save salaries

By DEBBIE HOWLETT  
Of the Emerald

The State Board of Higher Education is not looking at across-the-board cuts, but instead is focusing on each institution to cut wherever board members decide is best, several Association of Oregon Faculty members said Monday.

"The AOF will support revenue raising programs — not cuts in salary or programs," said James Tattersall, economics department head.

"The AOF should make a strong case for no more cuts at all," agreed Larry Pierce, political science department head.

The University branch of the Association of Oregon Faculty met in the EMU Monday afternoon to discuss Chancellor Roy Lieuallen's four proposed 5-percent cuts that identify ways to reduce the higher education budget by 20 percent.

The discussion centered on the impact of possible unpaid furloughs and salary freezes next year for state system personnel, as well as program reductions and tuition increases included in the four "package" cuts proposed last week by Lieuallen.

The AOF is "not fully in agreement" with Lieuallen over how to overcome the projected shortfall of \$47 million, Tattersall said.

"The salary level is at such a non-competitive level, a cut would be very

damaging," Tattersall said. A poll of salary levels at 76 major universities indicates the University is ranked 52nd and Oregon State University 65th, he said.

"There is a lack of appreciation for the significance of (salary cuts)," Tattersall said.

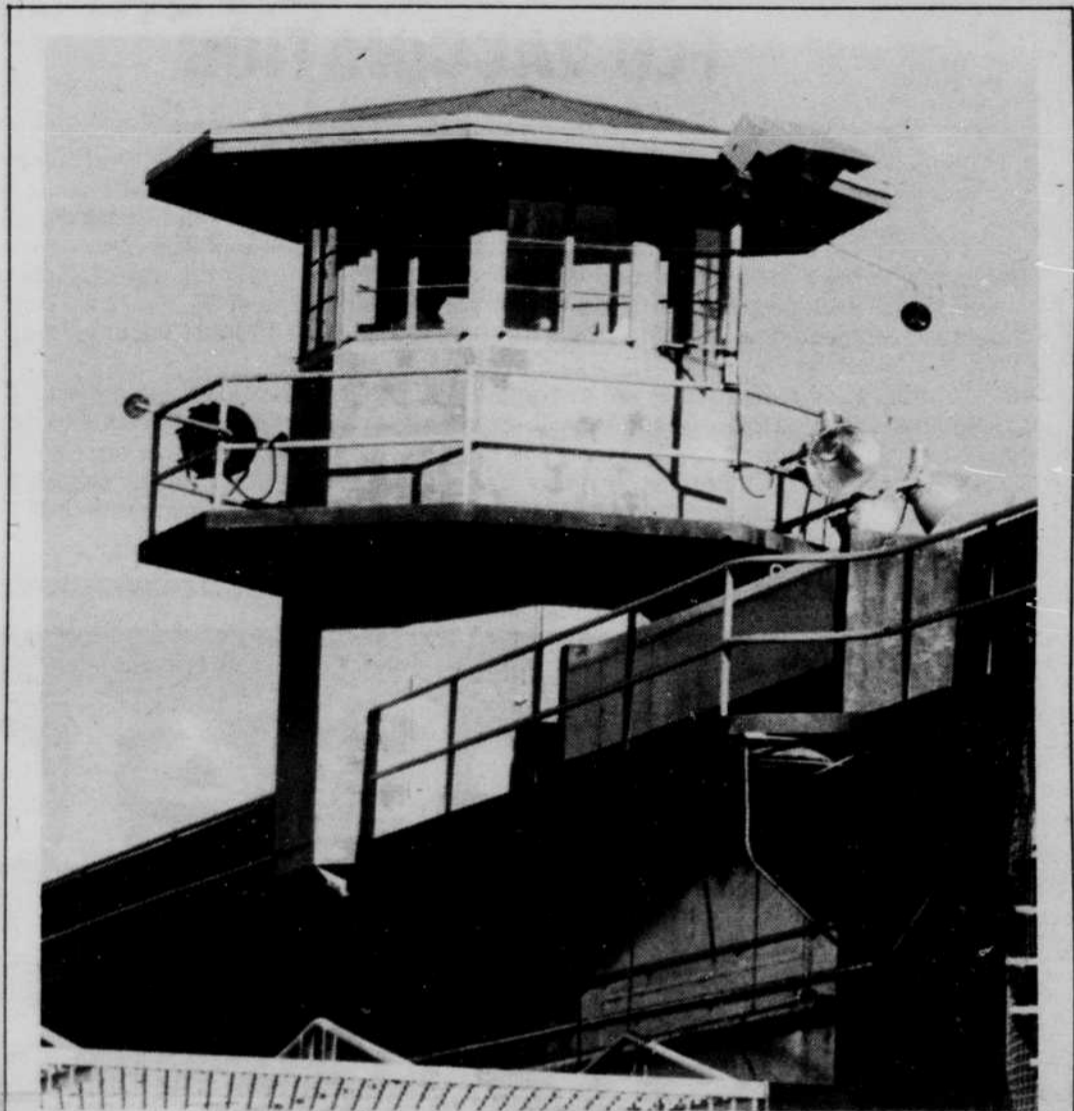
Several of the 50 educators who attended the meeting were concerned that salary cuts were too high a priority in Lieuallen's packages.

They said if faculty must absorb some of the deficit through salary reductions, then all other state employees should be asked to do the same.

The faculty also questioned whether the pay cuts should come in the form of forgoing the scheduled 1982-83 increase, or a several-day unpaid furlough which would be accomplished by reducing the Full-Time Equivalency 3 percent to .97 percent.

University Pres. Paul Olum told the group that with regard to administrative problems, the furlough plan would be technically easier, while changing the FTE might require a declaration of financial exigency.

The faculty decided the AOF should first take the position of not cutting the higher education budget at all. Instead, revenues should be found through "revenue enhancement methods," they said, and if cuts have to be made, the Legislature should look state-wide.

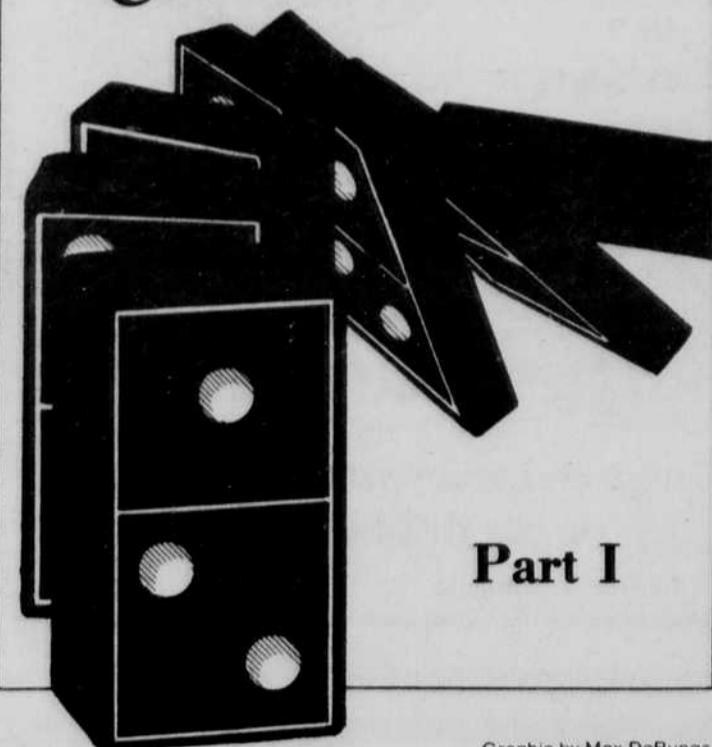


## Beyond the walls

An Emerald photographer ventures into the cells within the Oregon State Penitentiary and remarks on his visit with pictures and words. See Page 7.

## University consumers pad Eugene's purse

### The economics of enrollment



Part I

By DONALD COULTER  
Of the Emerald

*What happens to a university town when its university approaches bankruptcy? This article is the first of a four-part series exploring the University's relationship to the local economy.*

Grim may be too mild a word to describe the general economic outlook for the University and the surrounding community.

Despite predictions for record enrollment this term, registration at the University dropped by more than 4 percent from last year. In addition, the Oregon State System of Higher Education is facing a 20-percent budget cut next year, which might include the closure of several University departments and schools.

By now, these cold facts are common knowledge to anyone associated with the University, and campus-area businesses also have felt the effects.

According to figures compiled by the University, students spend an estimated \$42 million on off-campus housing, food, clothing and entertainment. That money is the life blood of many University-area merchants. Even businesses outside the campus area depend heavily on University-associated dollars.

Those merchants may suffer as professors are laid off and students are forced to leave the University because of increased tuition.

Among the merchants already feeling the sting is Dale Turpin, manager of McKay's Supermarket on 1960 Franklin Blvd. He attributes about 30 percent of the store's business to the University and says that customer volumes are directly related to student enrollment.

Turpin says the registration decline this fall is "certainly" noticeable, as fewer students roam the aisles of his store. And while customer volumes already are down, Turpin worries about the future.

Further cuts in the University's budget "will have a major effect," Turpin says. "We just aren't going to be

able to offset the loss of students."

Kevin McBirney, owner of the Kona Cafe near the University Book Store, says his business actually is slightly better than last year at this time.

It takes a larger registration drop for the Kona to feel the pinch, because it is a small restaurant, he says. Still, McBirney admits the University's future is crucial to his business.

"We get some trade from the hospital (Sacred Heart) and the shops in the area, but most of our business comes from professors and students," he says.

"If the college folds, I fold."

Off-campus housing also may feel the effects of major budget cuts.

Hugh Pritchard, general manager of Jean Tate Realty, says school closures would "compound problems" that campus-area realtors already face.

"The impact of school closures would ripple down to the economy," he says. "It would come on the heels of everything else."

In response to the recession and increasing housing costs, students have been "doubling up" over the past year, Pritchard says. For example, in living situations where two students rented a two-bedroom apartment, the same apartment now is being rented by three students — creating more vacancies in the University area.

Despite the added vacancies department and school closures would create, Pritchard doesn't think rents will drop.

"Housing prices have been very flat for the last few years. I doubt they will go up or down very much in the future."

Ruby Brenne, of the Eugene Chamber of Commerce, agrees that school closures would hurt.

"The University is a powerful force," she says. "It's the largest single employer in Lane County. I'm just very relieved that there wasn't a 10-percent cut this year."