Higher Education Budget

Board Hikes Money Needs

By RALPH OLIVE
Of the Register Guard

PORTLAND (Special)—Estimates show that the Oregon State System of Higher Education will need at least $116,617,796 for its 1963-65 operating budget.

Of this amount, $90,037,614 will have to come from state funds, a boost of $21,058,253, or 30 per cent, over the appropriation of $68,952,361 made for the current biennium. In addition to the state appropriation, the board expects $26,580,182 to come from various other sources—mainly student fees—and from grants and gifts.

These figures were discussed Friday and Saturday during an informal work session of the State Board of Higher Education in Portland. Board members discussed the tentative budget with Chancellor Roy E. Lieuallen, budget director Richard Collins, and other members of the board's staff. The board will formally consider budget requests at a Sept. 11 meeting. The board's recommendation will then go to Gov. Mark Hatfield, and in turn to the 1963 Legislature.

Part of the board's two-day session was devoted to review of a proposed $45 million construction and land purchase program for the 1963-65 biennium.

It was apparent that actions of the last Legislature left a strong impression on the minds of board members. Both the governor's office and the Legislature cut down the board's requests for the 1961-63 biennium, when enrollments in the fall of 1961 exceeded all expectations, the state's campuses had to turn to makeshift measures to provide classes and services. Now, looking to the new biennium, board members are faced with the following problems:

- Making up for the ground lost during the current biennium.
- Providing services that will be demanded as enrollment continues to grow.
- Doing all of this as economically as possible.

Enrollment in the state system for 1962-63 is estimated at 31,171, 7.6 per cent over the 28,961 of 1961-62—which was a 15 per cent jump over the 25,194 of 1960-61.

In addition to the tentative figure of $116,617,796 for the operating budget, the board considered a supplementary set of budget proposals, which would provide funds for additions to present programs, and for expansion of existing programs.

Among the supplementary needs suggested are: Expansion of graduate study in the Portland area; establishment of the master's degree program in teaching at Portland State College; more library books; a closed circuit television teaching program at Portland State, and a stepped-up summer school program for all campuses.

Here are the major budget suggestions for the main part of the budget:

	Total budget requested for biennium.	Estimated non-state income.	State appropriation required.
Instruction, research and general services	$ 86,831,400	$17,142,780	$69,688,620
Teaching Hospital, University State Tuberculosis Hospital and Outpatient clinic, UO Medical School	9,309,852	1,576,600	7,733,252
Crippled Children's Division, UO Medical School	2,172,360	458,102	1,714,258
Dental clinics, UO Dental School	508,475	508,475	None
Federal Cooperative Extension, Oregon State University	7,109,454	2,852,948	4,256,506
Experiment stations, research, OSU	10,289,363	4,041,277	6,248,086
Estimated cost of maintaining present academic staff salary scale for Medical School teaching hospitals and clinics, Federal Cooperative Extension, and Experiment Stations, Research	396,892	None	396,892
TOTALS	$116,617,796	$26,580,182	$90,037,614

(AP Wirephoto)

Father of the Bride Prince Souvanna Phouma, newly-chosen premier of Laos coalition government, poses with his daughter, Anne-Marie, and her bridegroom, Count Hubert de Germiny, after their wedding Saturday in Paris. Souvanna flew to Paris for the ceremony shortly after the formation of the coalition government which it is hoped will put an end to civil war hostilities in Laos.

Fire Runs

(From 10 a.m. daylight Saturday until 10 p.m. daylight Saturday.)

Eugene

2:03 p.m.—Gas valve leak in alley behind the Eugene Hotel.

3:20 p.m. — Electric short in a car at 724 Crest Dr. Minor damage.

6:15 p.m.—Flue fire at 257 W. 15th Ave. No damage.

7:48 p.m.—Steam scare at 251 Kinney Loop when radiator hose in car broke.

9:18 p.m. — Papers burning under house at 547 W. 10th Ave.

Springfield

None.

Santa Clara

1:05 p.m. — Resuscitator call to 3090 River Rd.

Citizens Group Supports Standard Time Amendment

The Eugene-based Citizens Council on Voters Rights has abandoned its petition for standard time and thrown its support to a similar measure backed by the Oregon State Grange council spokesman Florence Reed Cook said Saturday.

The council petition actually never got started Mrs. Cook said. It was abandoned in February when the Grange began circulating petitions to make standard time a constitutional provision, she said.

The council petition would have made standard time mandatory by means of statute, instead of constitutional amendment, and contained provisions for penalties for violation, Mrs. Cook said.

Lacking Grange support for its petition, the council decided to back the Grange petition, instead, she said.

Next Thursday is the deadline for filing initiative petitions to put issues on the November ballot. Some 53,000 signatures are required to put a constitutional measure on the ballot.

The status of the Grange time petition couldn't be determined Saturday.

In addition to the two time proposals, six other petitions aimed at the fall election were taken out. Sponsors of at least one—the Korean Veterans bonus—have given up.

Resources Committee Sets Hearing July 27

SALEM (AP)—The legislative interim committee on natural resources will hold a hearing at Astoria July 27 on timberland policies of Oregon's major lumber companies.

The committee will meet in Olympia, Wash., Sept. 14 with the Washington legislative committee on fisheries to discuss mutual problems.

12-Year Wall Street Boom Ended; Rally Under Way

By ED MORSE
Of the Associated Press

NEW YORK (AP)—The 12-year-old bull market balloon burst in the first half year of 1962 and Wall Street is trying to pick up the pieces.

Some of the wreckage was being salvaged in the third week of June. Stocks rallied after sinking to the peaks reached twice in 1956 and once in 1957—a "triple top."

That recovery, though the biggest gain in two years, was midget-size compared with the giant fall from December's historic heights.

Began in 1949

The bull market, it is generally agreed, began in 1949 and ended last December. The chief argument for buying stocks was as a hedge against inflation. President Kennedy's program for "non-inflationary" growth, therefore, has been cited as a factor in the stock slide.

After 12 weeks of irregular action in early 1962, the market began its descent in April.

The "Black Monday" collapse of May 28 may have been the loud noise after the balloon had been punctured. Most of the damage had already been done.

In five days before "Black Monday" the market suffered its worst weekly decline in history.

$150 BILLION LOSS

Statisticians have estimated that this spring's decline involved the loss of $150 billion in stock values—equal to about half of the U.S. national debt.

President Kennedy's rollback of the steel price increases has been cited by some Wall Streeters—but denied by the administration—as the "trigger" of the 1962 stock collapse. Stock prices, however, had been weakening earlier.

Industrial stocks weakened as a slackening of steel buying was anticipated because of the prospects of an early steel peace. Previously, buying was heavy as a hedge against a possible strike. With peace in the industry, steel output fell from a 27-month high in February to a 16-month low in June.

Steel Price Break

The market actually broke through its first 1962 "floor"—at about 690 in the Dow Jones Industrial average—on news that U.S. steel had raised prices. It was the first significant market breakdown.

Stocks firmed initially on news of Kennedy's successful rollback of steel prices. Then, as the President's policy drew more and more adverse comment, the market skidded at an increasing rate.

Meanwhile, there was investor concern about a halt to inflation, the country's loss of gold, future competition from the European Common Market, narrowing profit margins, continued hard-core unemployment, the SEC investigation of the security markets, a slowing of the business recovery and, finally, public debate about whether a recession was coming.

No Correction Near

But there were no important indications that a "correction" of the whole 12-year bull market was close at hand.

The Dow Jones industrial average last week recovered 22.09 at 561.28.

The Associated Press average this week advanced 7.00 to 209.50, its biggest weekly gain since the week ended June 11, 1960, when it rose 8.20.

Volume this week was 25,774,760 shares, compared with 20,812,150 the week before.

While the stock market suffered one of its worst setbacks since 1929, bond prices advanced moderately during the first half of 1962. Bonds moved higher for most of the first four months and then fell back late in May and June. Both corporate and U.S. government prices were at their lowest for the year in January.

The Northwest salmon industry centers in Seattle.