## AOI DIRECTOR

(Continued From Page 2)

cent limitation apply before or after the offset--such as the intermediate education district, the trailer fees, and the Western Oregon timber additional tax offset--made by the assessor against the levies certified to him by the various taxing districts?

b. Does it apply before or after the subtraction of the tax relief provided for by ORS 310. 705 to 310.755?

All 19 questions are serious; they are going to be answered only in the court. Should this measure pass, it will mean years of litigation. The uncertainty and the changing conditions that are brought about by litigation will make Oregon's tax structure a very unstable one for many years. And speaking for industry, especially for Associated Oregon Industries, I can say that there are few things that will deter Oregon's economic growth and development more than a highly uncertain and unstable tax structure, and that's what it would be.

One of the arguments used by the proponents is that our present 6 per cent limitation permits property taxes to double every 12 years. This is one of the reasons they want to repeal the present 6 per cent limitation and pass the 1-1/2 per cent. This is really not true in the first place, because most school districts in this State do not have an adequate tax base. If they had to rely on the 6 per cent growth, taxes would immediately drop in most areas of the State because they would have to go back to wholly inadequate bases. But even if it were true, obviously it doesn't mean that property taxes on any particular parcel of property will double in 12 years; it would only mean that total property taxes would double. A part of this increase would, of course, be picked up by new property.

This brings us to point six. The proposal ties its limitation of 1-1/2 per cent to the market value of property. The market value of property in Oregon has increased 143 per cent in the last 10 years. The growth, of course, is the result of increased values on existing homes, plants, and facilities, because of the construction of new homes, plants, and facilities. Since the 1-1/2 per cent limitation is tied to this fast-growing market value factor, it means the property tax would increase at a faster rate than under the 6 per cent limitation.

Let me illustrate--in the past 10 years total property taxes have actually gone up 91 per cent, but only after voters approved tax levies in excess of the 6 per cent limitation all over the State. Under the 1-1/2 per cent limitation property taxes, with the limitation tied to the rapidly increasing market value of property, could have gone up 143 per cent without any vote of the people. Now while the 1-1/2 per cent limitiation would immediately reduce property taxes for a majority of taxpayers, in the long-run, this higher rate of increase could mean higher property taxes than at present, and without the vote of the people. And should voters approve excess levies under the provisions of this new limitation, the rate of increase would, of course, be even more, when this growth factor is added to the new taxes enacted by the legislature to make up the immediate, short-range loss of $150 million or $130 million, whatever it would be, the ultimate result may be just the opposite of what proponents want: even higher taxes.

These were the six major defects that I have picked. Obviously, there are many other problems that we don't even have time to discuss. For example, the problem of elections, when they are held, the 20 per cent voter turnout figure, the possible impairment of Oregon's credit and all these other things.

Very briefly, I would like to refer to one other argument used by proponents of the measure that really needs to be discussed. They say that the State Tax Commission has told the public and has published the fact that corporations pay two-thirds of the property tax. Then they cite figures that prove--to them--that business and industry in the State are substantially under-appraised and should be increased. I have their figures and I have the State Tax Commission figures, and they don't match at all. I will tell you why.

Let me read what they say: "Business and industry claim they will receive 2/3 of the benefit under the property tax limitation. They claim to have 2/3 of the value; shouldn't they be paying 2/3 of the taxes?" they ask: "Let's look at the record based on Oregon's Tax Commission release of 7-24-68." Then they cite true cash value of the residental property in the State, the farm structures, machinery and livestock of the State and habitational rentals of the State--which total $7,569,000,000. They label this as 1/3 of true cash value and then say that if corporations are paying two-thirds, then it should be twice this, and they multiply the amount by two and come up with a figure of $22 million. Then they quote the State Tax Commission figures which show that business and industry--not just corporations--pay $13 million, so they are $8 million short.

This is patently false on the face of it: (1) farm structures, machinery and livestock are part of business and industry and constitute part of the two-thirds when you multiply it by two. Habitational rentals, included in the 1/3, are apartment houses, etc., and are just as much a business as a manufacturing plant or anything else. When the State Tax Commission said that business and industry pays two-thirds of the property tax, they were including those two factors. So when you subtract those out, then multiply by two, you come up with exactly what the State Tax Commission has said: that is, business and industry, including all businesses, pay 2/3 of the property taxes in this State. So the dissenters' $8 million figure is non-existent. It's a complete misrepresentation of the figures that the State Tax Commission has released. I think this is one point that should be made clear.

Finally, some proponents argue, and I've heard this quite frequently, that all of what you say is well and good; we believe you; it is going to create havoc. But we have a property tax problem and this will force the legislature to do something about it. Unfortunately, I submit to you, this proposal writes six problems into our constitution for the highly questionable resolution of one.

## OREGON CATTLEMEN

(Continued From Page 1)

PACKERS REPRESENTED

From one of the nation's largest packing plants, Wilson & Co., out of Chicago, will be Dr. B. C. Breidenstein, Manager of the Beef Evaluation and Processing Division of Wilson & Co. Breidenstein will outline the methods buyers use in seeking to identify the high cutout carcass, and how the producer, feedlot operator and meat packer can cooperate to improve the percentage of red meat yield.

Joining in this discussion will be a panel of OCA members well versed on beef improvement as one of the important keys to economic success for the producer.

What's new with the Oregon State university Agricultural Experiment Stations will be discussed in an address by Dr. James E. Oldfield, head of the Department of Animal Science. Successor last year to Dr. J. C. Miller, Dr. Oldfield will brief OCA members on problem areas in the Oregon State university research program which are of concern to the Association.

Also on the Saturday morning agenda is the report of the OCA Executive Vice-President, Donald Ostensoe. His remarks will be followed by OCA committee reports and resolutions.

No organized luncheon has been scheduled for Saturday. The OCA business session will continue at 1:30 p.m., considering old business, committee reports, new business, resolutions, 1969 convention bids, unfinished business, the report of the nominating committee and the election of officers, following which there will be an OCA Board of Directors meeting.

BANQUET AND DANCE

Saturday evening will be the farewell social event of the convention opening with a no-host social hour at the La Paloma Restaurant at 6:30 p.m. The President's Banquet and Dance will follow at 7:30 and will feature a steak dinner (what else?), program and entertainment, with dancing continuing until 2:00 a.m.

General Convention Co-Chairmen, Bert Hawkins and Dan Roberts of Ontario report that the Malheur County people have been looking forward for months to the visit of the Oregon cattlemen. Committees have been busily preparing for the event including Finance headed by Norman Hipp, Registration under the guidance of Roberts and Pat Ream, Room Reservations chairmaned by Dick Mason, with Donald Ostensoe serving as Convention Coordinator.

His address is expected to cover the national cattle picture, the broad areas of activity in which the ANCA is engaged, and the trends which lie ahead for the industry.

The Oregon Beef Council luncheon with OBC Chairman Jim Brooks of Madras presiding is slated for Friday noon. Speaker for the luncheon is John BcBoyle of Grangeville, Idaho, Chairman of the Idaho Beef Council, who will discuss the cooperative promotional efforts which have lead to some spectacular results in changing buying habits of the American housewife.

AGRI HEAD SPEAKS

Walter Leth, Director of the Oregon State Department of Agriculture, will lead off the Friday afternoon session. Leth is expected to discuss some of the trends in Oregon agriculture, particularly as they affect the cattle industry. Following his 2:00 p.m. address, the convention will return to committee sessions.

CowBelle Workshops are also on the Friday afternoon agenda at the Moore Hotel where the ladies will review the results of their efforts in Beef Education in the Schools, Beef for Father's Day and the Father of the Year programs, and Beef Gift Certificate promotions.

Friday evening has been left open for CCA members and wives to meet with friends from around the state and explore the nightlife of Ontario.

One of the highlights of the convention has been planned to lead off the Saturday morning general session at 9:30 a.m. The OCA Beef Improvement Committee will present a how-to-do-it program under the heading, "It's Here - Buying and Selling on the Rail."

All is in readiness for the 55th annual OCA convention, and the only action required now on the part of OCA members is to get their registration is to Pat Ream at the Prineville OCA office.

Those members who register by November 4 not only will save $2.00 on the $17 registration fee ($15 to those who register early), but they will also have a chance on a custom made saddle.

While late registrants will miss some of the goodies, they will still have a chance on the free trip to Hawaii given by OCA and permitting the winner to accompany the Oregon delegation to the ANCA meeting, leaving January 18, 1969.

Then there is also the "Brand Hunt" for prizes offered by numerous Ontario shops, just one of the many extras planned by the cattlemen and CowBelles to make OCA members feel warmly welcome during their visit to Ontario.

See you there November 6 through 9!

## BALLOT MEASURES

(Continued From Page 1)

MEASURE #7 - Changing property tax limitation (no). There is no doubt that property taxes are carrying too large a portion of the burden of supporting local government. There is no doubt that in an agricultrual area such as Malheur county the plight of the farmers is growing worse due to rising taxes, increased costs of machinery and services--all without a corresponding increase in the returns from sale of his products. There is no doubt that a lot of the frills that exist in schools and colleges could be dispensed with if the taxpayer demanded. But--there would be too much desruption until some other means of taxes could be provided for relief since the only time change could be approved by the people is at the general election in Nov. If the plight of the property taxpayers (largely farmers in our county) continues to worsen a measure of control is available through failure to pass the budgets of the governments who ask for money outside the 6% limitation, as now provided. Income is needed from many families using schools who do not contribute to the cost of operations.

## WEATHER

| DATE | MAX. | MIN. |
|---|---|---|
| Oct. 16 | 57 | 36 |
| Oct. 17 | 57 | 29 |
| Oct. 18 | -- | 33 |
| Oct. 19 | -- | -- |
| Oct. 20 | 60 | -- |
| Oct. 21 | 55 | 27 |
| Oct. 22 | 59 | 38 |
| Oct. 23 | -- | 33 |

.08. Precipitation was recorded on October 21.

RESERVOIR STORAGE

| | | |
|---|---|---|
| 10/21/68 | 125,880 | Acre Feet |
| 10/21/67 | 322,400 | Acre Feet |