

POST WAR UNEMPLOYMENT

Not wishing to see a repetition of conditions such as occurred after the first world war, Governor Earl Snell, in his inaugural message, recommended the establishment of an agency by the State which would be devoted to solving insofar as possible the problem of unemployment which will confront the people of Oregon in the period after the termination of the duration.

Acting upon this proposal the Legislature created the State Post War Readjustment and Development Commission, consisting of 15 men, most of whom are specialists in various branches of the State Government and the others are a cross section of civil life, industry and labor.

Upon the shoulders of this group has been placed the responsibility of integrating the State, County and Municipal projects to be initiated for the period of time required by private industry to retool for peacetime production.

The initial obligation of this State Post War Agency is to see that the men and women in uniform from Oregon have priorities on any jobs that are in sight. The selective service act specifies that the boys who have been taken into the armed forces shall have their old jobs back--if they want them or better jobs if they are available. For the sacrifices they have made in the defense of our country they are entitled to every consideration.

Probably 10,000 or 15,000 of these veterans will desire to return to school, to resume their interrupted college education. The physically handicapped will have an opportunity to fit themselves into jobs they can perform. With the increased number of veterans all of whom are potential clients for hospitalization sometime during

the remainder of their lives, increased facilities are necessary. The Veterans Administration has given assurance that the facilities in Portland and at Roseburg, one a general hospital and the other for psychopathic cases, will be expanded, possibly by 600 beds. The after effects of jungle fever and tropical diseases must not be minimized and must be met realistically.

Immediately when the war is over the war industries will instantly stop and leave thousands upon thousands of war workers unemployed. In the agreement of every war contractor there is a clause cancelling the contract on the spot. The workers will stream out of the shipyards and the satellite plants and the gates will be closed and padlocked.

To meet this situation the State Post War Commission has prepared a program consisting of two parts. The first part is construction of public works which will produce as much employment as possible. It is calculated to spread over two or three years, by which time the war industries, it is hoped, will have readjusted themselves and be ready to manufacture commodities to meet a peacetime demand. In the final analysis, private industry must stabilize employment. The public works is a stop-gap.

The second part of the Commission's program is for the development of the natural resources of Oregon. This latter is long range. The first part is for the emergency period.

No one knows how many men and women will be severed from the payrolls of war industry. Possibly 130,000 or more. One guess is as good as another. Most of these will be in the Portland area, but there are smaller war industries scattered throughout the State.

There are at present 150,000 workers attracted to Oregon from every State in the Union. The magnet has been high wages. From Washington and California have come 65,000 from these two states alone. Perhaps 40 percent will return to their respective homes-- but that is another guess. It is certain that many will remain because they like the country and the climate and see opportunities for themselves. Others will be unable to leave for they will be flat broke, having saved nothing from their wages, and these may become charges on the public. Certainly they will not vacate the shelter provided by the War Housing Authority until compelled to.

The smart ones, who have saved money and realize that the high wage era has passed will return to their native states.

Every war worker is covered by the State Unemployment Compensation Commission. The employers pay a tax upon their payroll of about 2.4 percent. The trust fund from which to pay benefits when the workers are out of a job and cannot find another, now amounts to approximately Forty Million Dollars. This is the cushion for the unemployed for a brief period of time. Benefits are not limited to residents of Oregon. Every worker is entitled to his benefits regardless of where he lives and his benefit payments will be sent to Timbucto if necessary.

In the aggregate these benefits will represent many millions of dollars, but individually the amounts will be small. What is paid in Oregon will be spent in Oregon, but what is sent to Oklahoma, Texas or other states will never circulate here at home again.

In many war industries and certainly in the shipyards, 25 percent of the workers are women. They have their social security number and

unemployment benefits the same as the men. From information received by the State Post War Commission it would appear that at least 20 percent of the women workers will return to their domestic duties instead of seeking new jobs in the industrial world. They answered the urgent call of their country until the end of the war and having served well are content to once more become housekeepers. Their appearance in the industrial world was an adventure and they have no desire to follow it as a career. The other 5 percent are in the white collar or professional class and these will, presumably, look for work in other fields.

Among the present industrial workers are many elderly men, 65 years and older. These will have their social security numbers and will not compete for jobs with younger men. There may be 10,000 in this class. Another group which need not be reckoned with in the days of unemployment will be the army of youngsters, too young for military service, who should resume their education in high schools or college. It is estimated that there are approximately 7000 of these school age boys.

From every county in Oregon, as well as from 47 states, men and women have flocked to the Portland area to the war industries. They have come from farms, from small stores, from the filling stations. Inability to employ help and obtain merchandize for their shelves caused hundreds of small businesses to close their doors while the owner became a worker in an essential industry. From all of these Oregon counties reports have been received by the State Post War Commission that these people who have left Baker, Jackson, Lane, Klamath or other counties will return home to their farms or reopen

the business they were compelled to abandon temporarily. A considerable number of Oregon residents, judging from these reports, will be absorbed and will not be part of the unemployment load.

The greatest single opportunity in Oregon to reduce unemployment will be the farms. There are in excess of 60,000 farms in this State. There is a shortage of farm labor and especially on the dairy farms. If only one man is hired on each of these farms there are 60,000 removed from the unemployment roll.

For the public works program, the emergency construction work which will provide jobs, the State of Oregon proposes the improvement, repair and expansion of institutional buildings, such as the state hospital, the penitentiary, a new office building, and additional structures at the University of Oregon and the Oregon State College. Funds for some of these betterments ^{are} ~~is~~ already earmarked and available and in the hands of the state treasurer.

The Oregon State Highway Commission proposes the expenditure of approximately \$20,000,000 a year for three years, a total of \$60,000,000 on the road program. Engineers of the department have performed preliminary work, such as surveys and blueprinting already and this program will be the first initiated. The Highway Commission has toured the State conferring with every county court and inviting suggestions as to what each county considers its first, second and third choice for road improvement. Having assembled these data the highway commission will work out the best possible over-all program for the benefit of the state.

Another important works project will be reforestation. The inroads on the forests of Oregon made by the war have been terrific. To restore the forests will require the greatest tree planting program ever undertaken in this State. This plan is now being worked out by N. S. Rogers, the State Forester. The Federal Government will participate for the Federal Government owns 52 percent of the land area of Oregon, practically all in forests other than the grazing lands.

There is a complete program for the restoration of the grazing area in the Eastern and Central part of the State which will give employment to about 10,000 men and will cost approximately \$12,000,000.

Municipalities are making plans for needed betterments, such as extension of water systems, sewer systems, incinerators, sidewalks, and street improvements and a number contemplate the installation of sewage disposal plants which, in turn, will bring about stream purification.

All counties and political subdivisions are being urged to accumulate funds with which to finance, as far as possible, the various projects and not to depend on the Federal Government to tell them what they should have and provide the money. It is the ardent hope of the State Post War Commission that control over projects be retained locally and not surrendered to bureaucrats in Washington, D. C.

Army Engineers are ready, following the war, to resume construction on the Willamette Valley Project. This deals with flood control, navigation, irrigation and hydro-electric power. When completed this project will make land available for 25,000 new farms and will present a land settlement problem. Simultaneously, the reclamation service

proposes active work on the Deschutes Reclamation Project and there are two other similar projects proposed for Oregon, one known as the Long Tom Project, in Lane County and the other the Crooked River project in Central Oregon. It would appear that land settlement will be important, but it is criminal to place returned veterans on the soil unless they have had experience in farming, for farming is a profession which must be learned the hard way.

Although the gigantic ship building program will come to an end, possibly before the termination of the duration, assurances have been given by the Federal Maritime Commission that there will be a permanent shipbuilding industry on the Willamette River. There will be one yard but instead of the 130,000 workers now, the number will be substantially reduced, possibly to 8,000 for there will be no occasion for haste in building and no occasion for a swing shift or a graveyard shift.

Now is the time for each private industry to plan for the post war period. To decide what commodity it will produce and how it will be marketed and approximately the number of people it can employ. This planning is vital and should not be postponed, for no one knows when peace will come again and every industry, large and small, should take time by the forelock, have its house in order and be ready to face new conditions.

The long-range program of the State Post War Commission has in mind many things to take advantage of the natural resources. For example studies are being conducted for the utilization of the waste in the woods and at the sawmills. From this industrial waste can be produced wood sugar, wood flour, alcohol, and a variety of plastics as well as chemicals. There are possibilities in the sulphite liquor waste from the pulp mills which is now poured into the rivers of the state. The Alumina-bearing clays at Mollala and at Hobart Butte and smaller deposits

in Willamette Valley can be made the foundation of a light metal industry.

There is the prospect of expanding the growing of fiber flax and establishment of a large linen industry. Enlargement of the fruit and vegetable canning industry and the dehydration process. Glass can be made in Oregon for the essential elements, the raw material is here. Fertilizer plants are needed and with phosphate rock and the Bonneville power available all that is required is initiative.

Oregon is like the other 47 states, seeking some way of finding a satisfactory answer as to what to do with our veterans and our civilians un employed when the transition period occurs--as occur it will. Practically all of the hundreds of post war committees and agencies have the same pattern--immediate work as industry readjusts itself--and then the dependence upon private business to carry the load and stabilize the labor market.

How can America assume leadership in world affairs after the war, if we cannot meet and solve our domestic problems of unemployment and economics?