

10/20/1988

OREGON

ENVIRONMENTAL QUALITY

COMMISSION MEETING

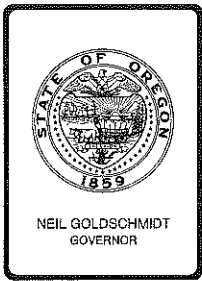
MATERIALS



State of Oregon
Department of
Environmental
Quality

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Environmental Quality Commission

811 SW SIXTH AVENUE, PORTLAND, OR 97204 PHONE (503) 229-5696

PUBLIC NOTICE

The Environmental Quality Commission will be holding a retreat on October 20-21. The Commission will discuss a variety of environmental issues. The retreat will be held at the Flying M Ranch and will begin at 1:00 pm on Thursday October 20 and end at 2:30 pm on Friday October 21.

The Flying M Ranch is located at 23029 NW Flying M Road, Yamhill, Oregon 97148. Their phone number is (503) 662-3222. Those wishing to attend all or part of the conference may make room reservations by calling the Flying M. The Flying M has restaurant facilities available and attendees may order from the menu. Prices for breakfast range from \$4-6, lunch \$5-7, and dinner \$10-15.

As of September 30, 1988 the following spaces are available:

There are 8 "motel" rooms, \$49 for a single queen, \$59 for two queens.

There are 4 cabins available: one cabin will hold 10 people and costs \$80, three cabins will hold 6 people each and cost \$70.

The agenda for the retreat will follow this announcement. If you have any questions, call Monica at 229-5301.

A G E N D A

ENVIRONMENTAL QUALITY COMMISSION RETREAT
October 20-21, 1988
Flying M Ranch

Thursday, October 20, 1988

10:30 Review of August 22-23 EQC Retreat

12:00 Group Lunch

Luncheon Speaker: Ed Whitelaw, Professor of
Economics, University of Oregon, and
President, ECO Northwest

A Quality Environment -- Oregon's Greatest
Natural Resource

1:00 Panel Presentation and Discussion --

Environmental Quality and Economic Development
-- Partners or Rivals

- Ed Whitelaw, Professor of Economics, University
of Oregon, and President, ECO Northwest
- Dick Reiten, Director, Economic Development
Department

3:15 Break

3:30 Panel Presentation and Discussion --

Water Management in Oregon

The opportunities that coordination presents
to develop a comprehensive quantity and
quality management program in Oregon --
Problems and Possibilities.

- Becky Kreag, Administrator Resource Management
Division, Water Resources Department
- Bruce Andrews, Deputy Director, Department of
Agriculture
- Jim Brown, State Forester, Department of
Forestry
- Jim Ross, Director, Department of Land
Conservation and Development
- Rollie Rousseau, Deputy Director, Department of
Fish and Wildlife
- Fred Hansen, Director, Department of
Environmental Quality

5:30 Dinner

6:30 Point/Counter-point/Group discussion:

DEQ in the 1990's: Lessons of History and Prospects for the Future.

- Tom Donaca, Associated Oregon Industries
- John Charles, Oregon Environmental Council

Friday, October 21, 1988

7:30 Breakfast

8:30 Strategic Planning Discussion

- Update on Developments
- Discussion of Concepts
- Development of a Schedule

10:30 Opportunity for the Public and Interest Groups to express their views to the Commission on the future direction of Environmental Quality in Oregon.

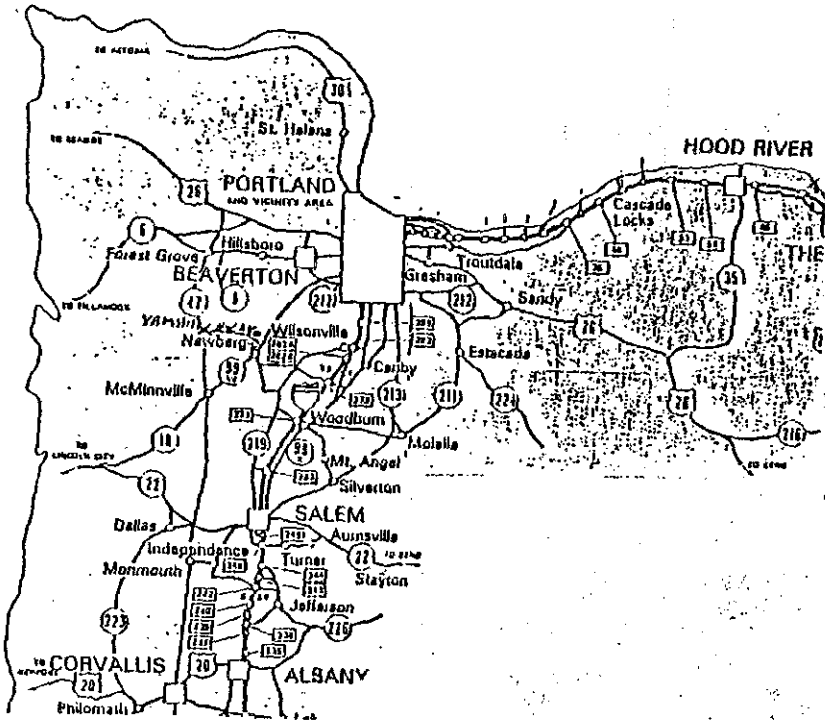
Participants should arrive and sign up before 10:30.

Presentations will be limited to 5 minutes to allow time for a wide range of views to be expressed.

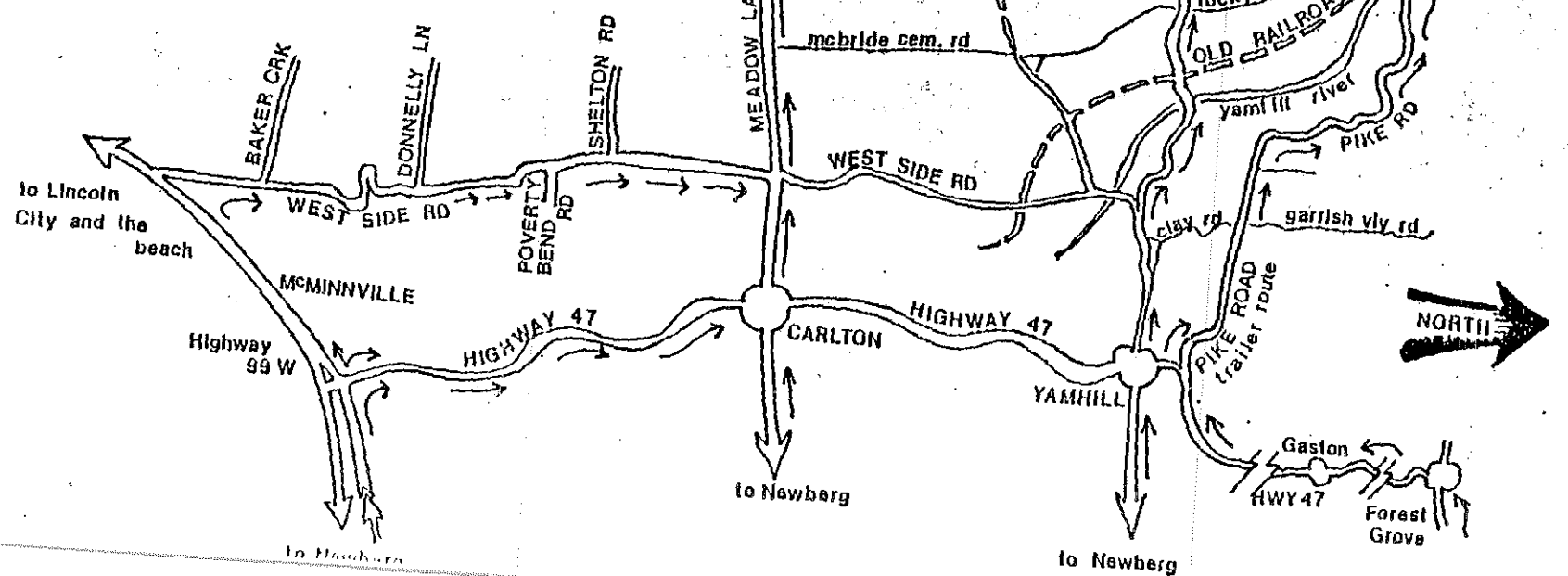
12:00 Lunch

1:00 Complete Discussions and Wrap-up

2:30 Adjourn



LEGEND:
 — solid line, PAVED RD
 - - - dashed line, GRAVEL RD
 as of Sept. 1987



MEMORANDUM

SUBJECT: EQC Retreat
TO: Participants
FROM: Monica
DATE: August 18, 1988

These are the names of the conference participants, the travel arrangements, and the lodging assignments. Let me know if you have any problems with these arrangements.

SILVER FALLS CONFERENCE PARTICIPANTS:

Donny Adair
Tom Bispham
Wallace Brill
Emery Castle
Mike Downs
Fred Hansen
Stephanie Hallock
Al Hose
Michael Huston
Bill Hutchison
John Loewy
Dick Nichols
Nick Nikkila
Monica Russell
Genevieve Pisarski Sage
Hal Sawyer
Lydia Taylor
William Wessinger
Carolyn Young

TRANSPORTATION:

Please meet on the sixth floor at 8:00 am Monday August 22.

Van:	John Loewy	Fred's car:	Fred Hansen
	Carolyn Young		Lydia Taylor
	Monica Russell		Bill Hutchison
	Hal Sawyer		Mike Downs
	Stephanie Hallock		
	Dick Nichols		
	Michael Huston		

Private:	Tom Bispham	Wallace Brill
	Al Hose	Emery Castle
	Nick Nikkila	Genevieve Sage
	William Wessinger*	Donny Adair

Silver Falls
p. 2

LODGING:

Alder Lodge

Rm #1 Michael Huston

Rm #2 Donny Adair
John Loewy

Rm #3 Wallace Brill
Emery Castle

Rm #4 William Wessinger
Hal Sawyer

Rm #5 Mike Downs

Rm #6 John Charles

Cedar Lodge

Rm #13 Lydia Taylor
Carolyn Young

Rm #14 Stephanie Hallock
Monica Russell

Rm #15 Genevieve Sage

Rm #16 Fred Hansen

Rm #17 Bill Hutchison
Dick Nichols

Rm #18 Al Hose
Tom Bispham

mlr

REQUISITION FOR SUPPLIES, EQUIPMENT, OR SERVICE

DELIVER TO: DEPARTMENT OF ENVIRONMENTAL QUALITY Section: <i>Office of the Director</i> Address: <i>811 SW 6th Ave Portland OR 97204</i>	VENDOR PREFERENCE: <i>Flying M Ranch 23529 NW Flying M Road Yamhill OR 97148</i>
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Fund Code: <i>490-9-07-01-00-91</i>	Fiscal Year: _____	Commodity Code: _____ Price Agreement No. _____
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F.O.B.		DATE WANTED:	TERMS OF PAYMENT			
Item No.	STOCK NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE
		<i>EOC/DA Retreat</i>				
		<i>Flying M Ranch</i>				
		<i>Oct 20-21</i>				
		<i>14 Rooms</i>				
		<i>Meals</i>				
		<i>Meeting room</i>				
		<i>Confirmation Deposit</i>				
		<i>1/2 total of \$ 657.40</i>				<i>\$328.70</i>

PREPARED BY <i>Monica Russell</i>	TELEPHONE NO. <i>229-5300</i>	DATE <i>10/4/88</i>	PLUS SHIPPING/HANDLING
APPROVED - PROGRAM DIRECTOR <i>[Signature]</i>	DATE <i>10/4/88</i>	ESTIMATED TOTAL COST <i>\$328.70</i>	

OTHER APPROVAL (WHEN REQUIRED) DATE _____	<input type="checkbox"/> Contract Release Order No. _____ <input type="checkbox"/> Purchase Order No. _____ <input type="checkbox"/> Purchase Request No. _____ <input type="checkbox"/> Other _____
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CAPITAL OUTLAY REQUESTS, New Requirement <input type="checkbox"/> Replacement Requirement <input type="checkbox"/> DEQ Property No. Being Replaced _____ PDR No. _____	PURCHASE OFFICER APPROVAL _____ DATE _____
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FLYING M RANCH

23029 NW Flying M Road
Yamhill, Oregon 97148
662-3222

Date Oct 20-21
Day of week Thursday Friday
Organization WCC
Contact person Yvonne Russell

Address 811 SW 6th Ave
Phone 339-5300
Count 25 people +
Time 10:30 - 10:30 Where in hall

SEMINAR MENU

All Prices Include Gratuity

BREAKFAST — \$5.20

1. Pancakes, diced ham & scrambled eggs with your choice of ham, bacon or sausage and coffee or tea.
2. French toast with your choice of ham, bacon or sausage, and fresh fruit, coffee or tea.
3. Homemade biscuits, country fried potatoes, scrambled eggs with tomatoes cheese, and fresh scallions, with your choice of ham, bacon, or sausage and coffee or tea.
4. Homemade sweetrolls, scrambled eggs, fruit, juice, and coffee or tea.
5. Ground steak, served with scrambled eggs, hash browns & toast, coffee or tea.

LUNCH — \$5.80

1. Swiss steak, served with scalloped potatoes, vegetable, bread, coffee or tea.
2. Teriyaki chicken served with rice, vegetable, bread, coffee or tea.
3. Lasagne served with garlic bread, coffee or tea.
4. Sandwich with salad bar or soup.
5. Homemade country stew with buttermilk biscuits.

DINNER — \$13.00

1. Roast Prime Rib
2. Chicken Greco
3. Fresh White Fish in shrimp sauce.
4. Salmon (grilled, baked or poached, one choice only).
5. Roast Top Sirloin

**Above dinner entrees served with vegetable, tossed salad, twice baked potato*, & dinner bread, coffee or tea.*

MINIMUM DEPOSIT: 40 people or less, \$100.00; 41 to 65, \$200.00; 66 and over \$300.00. Deposit is due within 10 days after banquet has been confirmed. Balance is due the date of the banquet. Each group is responsible for collection from individuals for their banquet. You will receive one bill for the total banquet cost. Deposit is non-refundable if function is cancelled in 14 days or less of scheduled date. Billing will be based on last confirmed count or actual number served, whichever is greater.

SPECIAL ARRANGEMENTS

Total is \$657.40
Deposit 328.70

TRAIL RIDES...

Sit back, relax and let one of the Flying M's horses do the walking. You don't have to be an experienced rider. Many of our guests have never been on a horse before.

We're registered outfitters and guides, and we offer a variety of trail riding experiences—from hourly rides in the ranch vicinity, to two- and four-day adventures that feature nightly fireside entertainment and good ol' country cooking.

Riding trails follow the river and wind a dozen miles or so up the canyon to just below Trask Mountain. Overnight rides include journeys to the top of Trask Mountain, offering a seemingly endless view of the broad Willamette Valley. Our four-day ride to the Oregon Coast follows portions of the old Portland-Tillamook stage line across the Coast Range, and includes a day of riding along beautiful coastal beaches. (Please call or write for detailed information and schedules on our overnight trips.)

Join the Mitchell's clan for a vacation that will be long remembered.

"When you have a good time, we have a good time, too!"



SWIMMING...

The swimmin' hole at the Flying M is *big*—as long as a city block and 200 feet wide.

TENNIS...

Surfaced court, regulation size, for your enjoyment.

STEAK FRY RIDES...

A special favorite is our evening steak fry ride. Head down the trail on your horse (or hitch a ride on the hay wagon) to a beautiful picnic site where we serve up generous-sized steaks grilled to perfection, along with all the fixin's. A perfect way to end a warm summer day.



For Reservations, Phone or Write

FLYING M RANCH

(503) 662-3222

Bryce and Barbara Mitchell
and Family

23029 N.W. Flying M Road • Yamhill, Oregon 97148

FLYING M RANCH

A WARM WELCOME AWAITS YOU
10 MILES WEST OF YAMHILL, OREGON

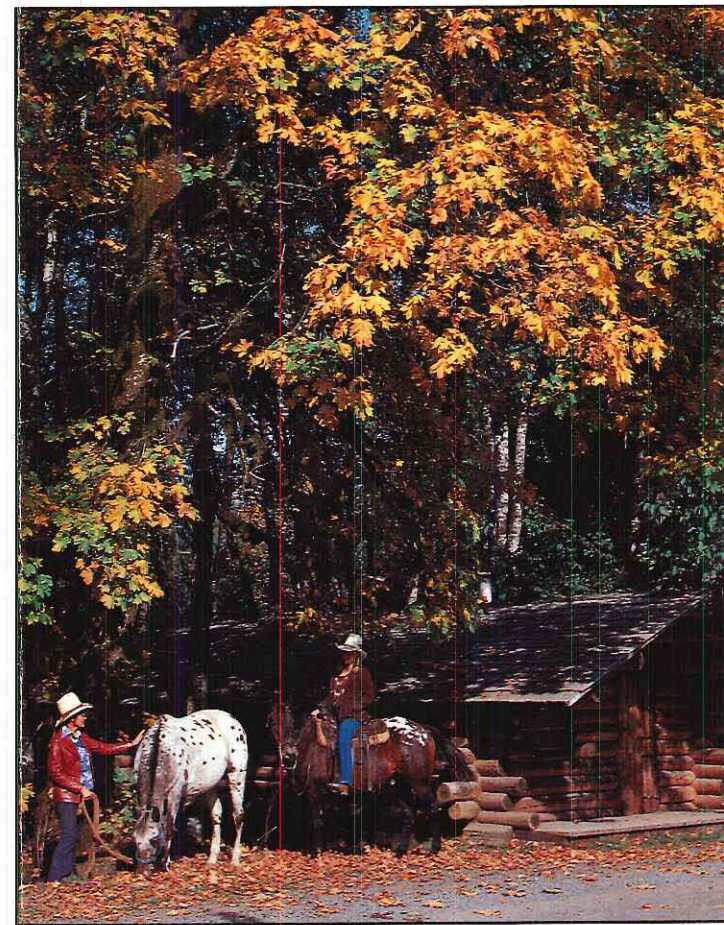
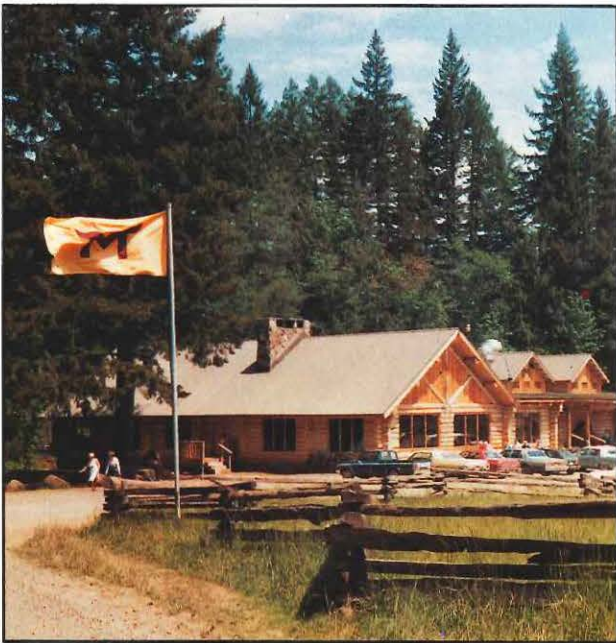


Photo by Walt Dyke

FLY IN OR DRIVE IN



THE FLYING M LOG LODGE...

Heart of the Flying M Ranch is the rustic lodge reconstructed in 1984 and 1985 with Douglas fir logs from the neighboring Wirth Ranch. Located in the Oregon Coast Range near the base of 3,500 foot Trask Mountain, the lodge rests at the edge of a meadow where the North Yamhill River and Hanna Creek join under leaning alders and maple trees cloaked in moss. A wooded ridge rises like a wall behind the lodge.

To reach the Flying M by car, drive west ten miles out of Yamhill. The road climbs out of the oak country past old farms. Follow the road signs to Fairdale and Oak Ridge Road.

Enjoy the sights, sounds and history of Oregon's early days in the area called home by pioneers and Indians.

AIRPORT...

Flying M Ranch's turf airstrip welcomes pilots. The 2200 foot runway is one way at an elevation of 425 feet. It is 251° radial from Newberg VOR. Fuel is available at Newberg and McMinnville Airports.



DINING AND BANQUET ROOMS...

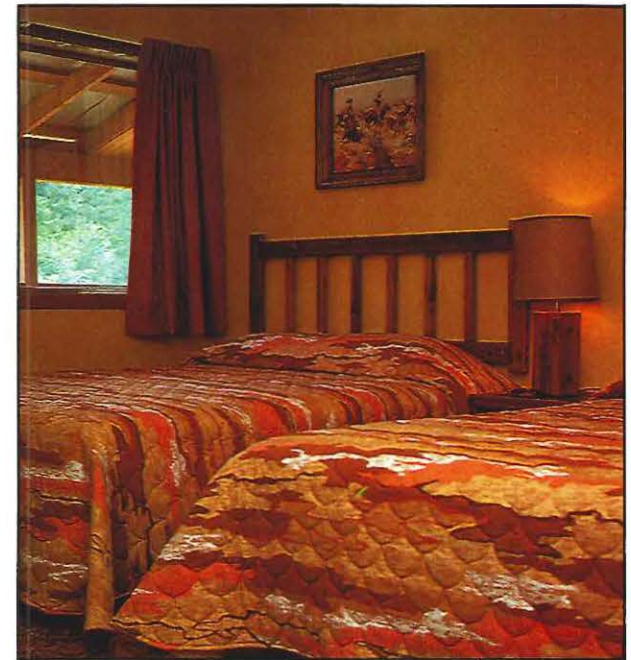
Our restaurant, divided into two sections by a massive stone fireplace, seats 180 guests. The Trask Room looks out across the airstrip and mountains to the south. The north view dining room lets you peek through leaning alder and dogwood trees into the sparkling clear waters of the North Yamhill River.

For banquets and meetings, the Joe Sieber Room seats 200 and the E.J. Linke Room seats 70. We offer a fine menu selection, either buffet style or sit-down service.

SAWTOOTH ROOM...

A unique lounge. The bar is made from a six-ton log. Some of the lounge tables surrounding the dance floor are made from crosscuts of Myrtle, Cedar, Walnut and Maple wood.

Secluded miles of quiet woods and streams when you want to "get away from it all," or the companionship of trail rides and family fun: Flying M Ranch suits the time of your life, any time.



BUNK HOUSE MOTEL...

You'll enjoy the rustic charm of our 24-unit Bunk House Motel. Each room has two queen-size beds and private bath.

CABINS...

Several cabins are available for nightly rental. They have cooking facilities and sleep from four to eight people.

The Green Blueprint

DEPARTMENT OF ENVIRONMENTAL QUALITY
 RECEIVED
 AUG 9 1988

OFFICE OF THE DIRECTOR

The environmental community is determined to greet the new President-elect with a detailed program for change. Its leaders have learned lessons from a longtime opponent.

BY ROCHELLE L. STANFIELD

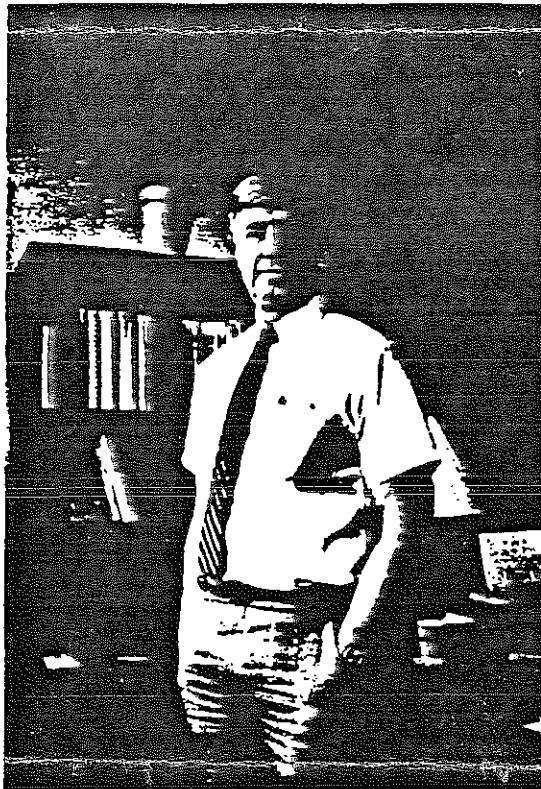
In the weeks that followed Election Day 1980, the conservative Heritage Foundation taught the special-interest world—particularly environmental groups—a fundamental lesson in the exercise of influence.

The disciplined troops at Heritage, armed with their think tank's 1,100-page *Mandate for Leadership: Policy Management in a Conservative Administration*, marched first onto Ronald Reagan's transition teams and later into key posts in the Reagan Administration. Brandishing detailed prescriptions for reducing the intrusions of government, these ideological soldiers positioned themselves bureaucratically to slash the fiscal 1981 and 1982 budgets and redirect federal policy.

Eight years later, environmental lobbyists, while hard at work to reverse some of the Heritage Foundation accomplishments, recall the lessons of Heritage with awe. "Their success was vividly imprinted on our minds," J. Michael McCloskey, the Sierra Club's chairman, said recently.

"They were very thorough," said Tina C. Hobson, who is executive director of the Fund for Renewable Energy and the Environment in Washington. "If we could do something very effective and efficient and targeted, we might be able to influence [the new Administration] and also in some cases recommend new assistant secretaries and give them something to work with."

Over the years, the environmental lobby has had much success at influencing Congress, but much less with the executive branch. And so, last November,



Richard A. Hiltman

Project director Clay E. Peters
A blueprint for more than just five years

environmentalists quietly mobilized a Heritage-like campaign. More than 100 Washington-based lobbyists, litigators and scientific specialists from about 20 organizations are now meeting in nearly three dozen task forces to draft a "blueprint for the environment."

Their goals are ambitious. The primary objective is to present the President-elect's transition team with green notebooks filled with specific recommendations for administrative actions "that are workable and logical and—our highest desire—that could be adopted quickly," said Clay E.

Peters, the blueprint project's executive director.

Also, the project plans a "talent bank"—computerized lists of Democratic, Republican and independent environmentalists willing, qualified and ready to step into high-level political positions.

Participants acknowledge that they confront a range of obstacles not faced by the Heritage Foundation in 1980. They have neither the financial resources nor the philosophical single-mindedness of Heritage, for example. And neither George Bush nor Michael S. Dukakis, the likely presidential nominees, could be expected to give them the open-arms reception that Reagan bestowed on his ideological soulmates at Heritage.

"It's not as if the candidate for President was John Muir [the 19th-century conservationist who founded the Sierra Club]," said Rick Hind, an environmental lobbyist with the U.S. Public Interest Research Group. "Analogies to the Heritage Foundation could set unrealistically high expectations for our project."

Whether the diverse collection of environmentalists can sustain the discipline required to produce a Heritage-like document is also problematic. Already, some members of the blueprint steering committee are talking about changing the product into "a broader document, [a] more public [one] that is more widely distributed and has more of an educational value with a longer-term horizon to it," as McCloskey described it. Steering committee members now say they want to produce both specific recommendations and a general summary for the President-elect and the press.

Some also point out that Heritage's

ministration. "If they've got their wits about them, they're going to take these ideas and suggestions as a starting point and do their own analysis and internal deliberations."

No such document existed in early 1977, when the Carter Administration took over. But even if it had, said David G. Hawkins, an attorney with the Natural Resources Defense Council who served as assistant EPA administrator for air and radiation under Carter, his office probably wouldn't have had the flexibility to implement an environmental blueprint anyway.

"The 1977 Clean Air Act amendments were passed two months after I walked in the door, and so we had an agenda that kept us busy for more than the entire four years," Hawkins said recently. "My ap-

cratic Blueprints. *National Leaders Chart America's Future*, edited by Robert E. Levin (Hippocrene Books Inc.), only one—by actor and environmental activist Robert Redford—deals with the environment, and it is ambiguously titled, "Search for the Common Ground." But a book being prepared for fall publication by Mark Green, a New York consumer advocate and unsuccessful 1986 Democratic senatorial candidate, will include an environmental chapter by William Drayton, a Carter-era EPA official.

Partly to draw attention to environmental issues, partly to have an attractive package to present to the President-elect on Nov. 9 and partly to make sense of what could be as many as 700 disparate recommendations, the blueprint project now plans to supplement its insider note-

books later on with a widely distributed summary document.

"It will outline basic principles, half a dozen themes or concepts that will relate to quality of life," Peters said. "We're not talking only about the next five years ahead but how to operate this country and this planet on a sustained basis in perpetuity."

Beyond such vague notions of tying together all the loose ends with a cogent, quotable statement, the blueprint steering

committee hasn't spelled out how it will decide what to put in the summary and in what order to put these items. "Some prioritization obviously will be in order, and the steering committee will play a leading role trying to sort those things out," Stael said.

That sorting-out process could provoke the divisiveness that project participants are trying to prevent. Three years ago, 10 major environmental organizations got together on *An Environmental Agenda for the Future* (Island Press, 1985), which, participants recall, engendered conflicts and resulted in a diluted final document. In fact, the Environmental Defense Fund decided not to participate in the blueprint project because of the fund's experience with the *Agenda* project, according to spokesman Brian Day.

The potential for acrimony is multiplied with the blueprint project because

twice as many organizations are taking part and because many of their leaders have not worked together as closely as had the authors of the *Agenda*.

Notwithstanding the potential for disagreement, many of the blueprint project participants believe the environmental community stands to gain from the project regardless of what happens to the recommendations.

"It helps to get the environmental organizations thinking about the next steps that have to be taken [in environmental protection] and getting their act together," Speth said. "That in itself is valuable."

The exercise of developing the specific recommendations is a healthy one, others said, because it extends the environmental lobby into the executive branch of government. "It organizes an agenda for the environmental community so they aren't just reactive," Hawkins said. "We have been through a period where a large part of the environmental agenda has been reactive. This will provide an opportunity to have a more affirmative agenda."

Ironically, the Heritage Foundation also recognizes negative aspects of the Reagan Administration's environmental policy. *Mandate for Leadership II*, published in 1984, states bluntly: "Yet, on balance, the Reagan Administration has failed badly at EPA."

Stuart M. Butler, one of the authors of that book and coordinator of the environmental chapters of *Mandate III*, to be published this fall, faulted early Reagan appointees for, as he said in an interview, "coming in and essentially discarding the possibility of working with environmental organizations. That created needless hostility. Obviously, any new Administration, we would hope, would learn this important lesson and not go about it in the same way." Butler added that the version of the Heritage Foundation document that is scheduled to come out in November will stress constructive and innovative techniques of involving Congress and other interest groups as well as the White House.

Working with Congress is essential to implementing change, others agree. "Most of the problems conservatives have with environmental controls can't be fixed by regulation but require legislation," said Joseph A. Cannon, a former assistant EPA administrator in the early Reagan years who now operates a steel company in Utah.

Speth, whose World Resources Institute is not formally taking part in the blueprint project said, "I think its long-term impact will depend in part on how seriously they take some of the complexities and difficulties rather than just compiling wish lists."



Richard A. Hixon

Natural Resources Defense Council's Thomas B. Stoel Jr.
We'll have more strength on legislation than Heritage did.

proach to the job was to do Congress's agenda first and get to other agenda items as time permitted."

Getting specific administrative actions adopted may not be the environmental lobbyists' first job, anyway. While many of them insist that the environment is going to be a hot topic for the next Administration—and it did get attention during the recent California and New Jersey presidential primaries—others say they are going to have to fight hard to arouse the next President's interest.

"Environmental groups have a long way to go to push the visibility of the environment as a priority with either party," Hobson said.

The blueprint project is only one of many efforts to provide free advice to the next President, few of which give much attention to environmental issues.

Of 46 essays just published in *Demo-*

THE VICE PRESIDENT
OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE

Monday, May 16, 1988

VICE PRESIDENT BUSH AND THE ENVIRONMENT

Fact Sheet

George Bush today outlined his views on environmental policy.

General principles

- o We all have an obligation to protect our environment. Not only can government make a difference in preserving our environment, but so can the voluntary efforts of private organizations and dedicated individuals in every part of our country.
- o We want environmental regulation based on good research and sound data that is vigorously and uniformly enforced.
- o In the long run, environmental protection and economic development are not only compatible, they are intertwined.
- o We should strive for cooperation, rather than confrontation, among competing interests in the environmental arena. George Bush believes it is in the economic self-interest of industry to avoid polluting by recycling wastes, minimizing wastes at the source, or changing to a non-polluting process.
- o We should encourage industry to identify and provide innovative technological solutions to environmental challenges.

Agenda for action

- o Toxic wastes
 - George Bush called for speeding up the cleanup of toxic waste dumps. We must push harder on enforcement, streamline and accelerate the process, promote voluntary settlement procedures, reduce regulatory barriers to new and innovative cleanup technologies, and bring the states more actively into the effort.
 - As President, George Bush will direct federal agencies to ensure that future activities of federal facilities meet or exceed environmental standards.

o Solid waste

- There is no single solution to this problem. We must provide incentives for minimizing waste, target research and development in this area, and promote recycling. We must provide safe, environmentally-sound ways to dispose of waste that cannot be recycled.

o Groundwater

- Once groundwater is contaminated, the damage can be almost irreversible. That is why we must give a high priority to groundwater protection, with federal leadership and state implementation.

o Clean air

- Despite good progress in reducing emissions from cars, factories, and power plants, approximately 80 metropolitan areas are still not meeting federal clean air standards. George Bush called for looking to the marketplace for innovative solutions, like the use of oxygenated fuels. As head of the Presidential Task Force on Regulatory Relief, Bush has taken the lead in encouraging greater use of ethanol and methanol, which hold the promise of significantly reducing smog and acid rain caused by automobile emissions.

o Acid rain

- We can no longer afford simply to study the problem of acid rain. We must begin to take effective action. George Bush called for a national commitment to continue to reduce emissions of sulfur and nitrogen oxide. He supports efforts to develop new clean-coal technology and other pollution control incentives. We should pursue initiatives that have emerged from our dialogue with Canada, and, if they do not produce results, establish specific emission reduction goals that promise steady progress toward cleaner air.

o International cooperation

- Our nation is well-equipped, especially in technical expertise, to give strong international leadership to global environmental problems, like extinction of species, massive soil erosion, and destruction of tropical rain forests. International environmental cooperation will be a foreign policy priority in a Bush Administration.

o Stratospheric ozone

- George Bush is proud of his role in getting the Administration to take the lead in developing and promoting a multilateral agreement to reduce the use of chloroflourocarbons around the world. This treaty sets a major precedent. For the first time, we have a multilateral treaty that commits countries to take effective action against a worldwide environmental problem.

o Mission to Planet Earth

- George Bush called for establishing a global observation system in space, which could help us develop a fundamental understanding of the Earth system. First proposed in a report headed by former astronaut, Dr. Sally Ride, this "Mission to Planet Earth" would provide scientists with the ability to answer fundamental questions about our environment.

o Outdoors

- George Bush supports many of the recommendations made last year by the President's Commission on Americans Outdoors, for example, the encouragement of public-private partnerships for recreation, the creation of greenways and strengthening of urban parks, and protection of rivers, streams, and wetlands.

THE VICE PRESIDENT
OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE
Monday, May 16, 1988

CONTACT: 202/456-6772

EXCERPTS OF REMARKS FOR
VICE PRESIDENT GEORGE BUSH
WASHINGTON BUSINESS LUNCHEON
SEATTLE, WASHINGTON
MONDAY, MAY 16, 1988

I think of Seattle as one of America's most environmentally conscious cities -- perhaps because of the extraordinary beauty of your surroundings. And so I want to talk to you today about the environment -- about how we can better protect and enjoy the great gifts of nature that God has bestowed upon us.

Let me say right at the outset that I don't think we've been doing enough to protect our environment in recent years. We need to do more. The condition of our land and water and air affects the health and quality of life of each and every one of us.

We have been blessed in this country with a bountiful land. Fertile soils, abundant water, great forests, productive fisheries, teeming wildlife, rich mineral resources -- these have been our heritage.

Ours is also a land of incomparable natural beauty -- of vast open spaces and magnificent mountains, of majestic rivers and shining lakes, of rolling plains and splendid sea coasts. These, too, are part of our heritage and have helped shape and inspire the American spirit.

We hold this natural bounty in trust for future generations of Americans. It is not ours to squander and despoil, but ours to use and manage wisely -- not only for our own benefit, but for the benefit of our children and our children's children.

For this reason, the protection of the environment and the conservation and wise management of our natural resources -- this whole notion of stewardship -- must have a high priority on our national agenda.

I love to hunt and fish, and I've been lucky enough to experience much of America's great outdoors. Just yesterday, I went fishing on the Rogue River in southern Oregon. Four hours under a cloudless sky, running the white water and drifting in the still blue pools, flicking my lure for steelhead and salmon while the ospreys and herons wheeled overhead.

All of us have moments and places that have a special hold on our memories and our hearts. For me, one such moment came last summer, seeing the magnificence of the Grand Tetons through the eyes of our 10-year-old grandson. And always, I cherish my time each summer chasing bluefish in the choppy blue waters off the rocky coast of Maine.

In the same way, somehow, pollution is uniquely personal -- for when we think about pollution, we think first of man's insults to the places we love: plastic 6-pack rings floating in the ocean, trash washing up on the shore.

We still have much to do.

I am proud of the leadership shown by Republicans on protecting the environment. It was a Republican President, Teddy Roosevelt, who declared 80 years ago that nothing short of defending this country in wartime "compares in importance with the great central task of leaving this land even a better land for our descendants than it is for us."

And it was under President Nixon 20 years ago that we moved forward with landmark legislation on clean air and water and created the EPA.

We have made great progress in protecting our environment. Make no mistake about it. We have made very real headway in cleaning up our air and water. And we have done this at the same time that our population has grown and our economy expanded. It has been an effort that all Americans can take pride in.

The United States also has long been the world leader in the establishment of national and state parks, the protection of wilderness areas, the conservation of wildlife, and the creation of a system of national forests and other landmarks -- preserving reminders of the wildness that once was America.

Likewise, we have done much to conserve our cultural and historic heritage, the historic structures and sites that are the visible symbols of our American past.

In this, as in so many other areas of our life, it has been not only government that has made the difference, but the voluntary efforts of private organizations and dedicated individuals in every part of the country.

There are some in the environmental movement who paint a picture of ecological disaster, who say our situation is all but hopeless.

Well, we've proved that isn't so. We've proved that once the American people put their minds to it, these problems can be solved. The solutions are not always easy or cheap. These are typically complex problems, the products of our complex, thriving, technological society.

But given sound research, innovative technology, hard work, sufficient public and private funds, and -- most important of all -- the necessary political will, we can achieve and maintain an environment that protects the public health and enhances the quality of life of us all.

I stress the word all because no one pays a higher price for a degraded environment than the poor of our central cities. It is there that air pollution exacts its greatest toll on health and lead contamination is at its worst. It is there that the lack of open space and decent outdoor recreation opportunities blight the lives of young and old alike.

We all have a stake in a healthy environment. We all want an EPA that is committed unequivocally to environmental protection. We want environmental regulation based on good research and sound data, developed with a clear eye and an open mind, and vigorously and uniformly enforced. And under my leadership, that's what we'll have.

A new administration is a time for change, a time for renewal. I will put the very best people we can find to work on our environmental agenda.

I believe that most corporations want to be good environmental citizens, that they see the need for sustainable development. It is in the economic self-interest of industry to avoid polluting by recycling wastes, by minimizing wastes at the source, or by changing to a non-polluting process, just as it is in the economic self-interest of farmers to avoid excessive use of chemicals that can contaminate both surface and ground waters.

In my view, environmental action has too often been marked by confrontation among competing interests. The fact is that more often than not, there is a common ground if the parties will make an effort to find it.

Over the long run a process of cooperation and consultation will produce the most protection for the environment in the fastest time and in the most cost-effective way.

Of the many major environmental issues facing us today, some have long been with us, and some are just emerging. Some seem almost intractable. Most are much more complex than they were a decade ago.

The challenge for industry is to identify and provide innovative technological solutions. Breakthroughs that we can already identify -- such as biodegradable plastics made from corn -- and others that we can only guess at -- for example, in biotechnology -- hold great promise for cleaning up the environment.

The challenge for government is to encourage, not stifle, these new approaches to our problems, and to work just as hard at anticipating and preventing problems as we do in reacting to them.

A Bush administration will enforce environmental laws aggressively, putting the responsibility for cleanup where it belongs -- on those who caused the problem in the first place -- but we will also understand that micromanagement from Washington leads only to paralysis.

Let me highlight now a few critical problems that are part of our unfulfilled agenda:

There is hardly a community in the land that is not afflicted with the problem of toxic waste. We have put major funding into the Superfund program, yet it is seriously lagging. Any further delay where there is a threat to public health is simply intolerable. We must speed up the cleanup of toxic waste dumps.

There is a need to push harder on enforcement. There is a need to streamline and accelerate the process, to promote voluntary settlement procedures, and to reduce the regulatory barriers to new and innovative cleanup technologies.

Unfortunately, some of the worst offenders are our own federal facilities. As President, I will insist that in the future federal agencies meet or exceed environmental standards: The government should live within the laws it imposes on others.

The problem we have created is so large and so hugely expensive that we cannot expect to correct it overnight, but attack it we will, as rapidly as we can.

Closely related to the problem of toxic waste is the growing threat of contamination of our nation's groundwater. More than half of the American people depend on this source for their drinking water.

The safety of our groundwater is threatened by cancer-causing chemicals from toxic waste dumps, industrial wastes, agricultural runoff, and septic systems. Once groundwater is contaminated, the damage can be almost irreversible. We must give a high priority to groundwater protection, with federal leadership and state implementation. We must take action now.

Clean air has been on our environmental agenda for decades. We have made good progress in reducing emissions from cars, factories, and power plants. We have the toughest automobile emission standards in the world. But nearly 80 metropolitan areas are flunking federal clean air standards.

As our regulatory objectives grow more stringent, regulation becomes more costly and disruptive. We should also look to the marketplace for innovative solutions.

For example, repeal of the Fuel Use Act has resulted in greater use of clean natural gas, reducing both sulfur and nitrogen oxide emissions. Similarly, approval of the Canadian Free Trade Agreement will bring more natural gas on the market.

The use of oxygenated fuels, such as ethanol and methanol, holds the promise of significantly reducing smog and acid rain caused by automobile emissions. As head of the President's Task Force on Regulatory Relief, I've fought to reduce regulatory barriers to these fuels.

This is an important but little-recognized initiative. Here in Seattle, you are showing the way with 10 methanol-powered buses on the road. In the Denver area, drivers are required to use oxygenated fuels in gasoline blends during winter months.

With regard to acid rain, we can no longer afford to simply study the problem -- we must begin to take effective action. There must be a national commitment to continue to reduce emissions of sulfur and nitrogen oxides.

I support our \$5 billion program to develop new clean-coal technology and other pollution control incentives. We should pursue the initiatives that have emerged from our dialogue with Canada, and if they do not produce results, establish specific emission reduction goals that promise steady progress toward cleaner air.

Like acid rain, many of our most serious environmental problems respect no borders. Some can only be addressed effectively by worldwide cooperative efforts and with an understanding of the international political sphere.

For example, evidence is continuing to mount that the stratospheric ozone layer -- essential to protecting all life from destructive ultraviolet radiation from space -- is being dangerously depleted by the emission of chlorofluorocarbons and other gases from man-made products.

I am proud to have played a role in getting our administration to take the lead in developing and promoting a multilateral agreement on this matter, and I am pleased to see other nations beginning to ratify the Montreal Protocols.

American companies have already begun to take action. I applaud the decision of du Pont and Dow and other companies to withdraw CFCs from the market in the near future.

Some of the most acute of the world's environmental problems occur in the Third World, where growing human populations are increasingly out of balance with their natural resource base.

These problems include the rapid spread of deserts, the extinction of species, and massive soil erosion. The destruction of tropical rain forests may contribute to climate changes that cause drought in other parts of the world.

Other international challenges confront us as well -- pollution of the oceans and global climate change -- the so-called "greenhouse effect."

We are all passengers together on a boat that we have damaged -- not with the cataclysm of war, but with the slow neglect of a vessel we thought was impervious to our abuse. In the last analysis, we all have a stake in maintaining the ecological health of the planet. International environmental cooperation will be one of my foreign policy priorities.

We must spread the word that economic development and environmental protection are not just compatible, they're intertwined. In the long run, economic development must be sustainable development. Conservation, as Gifford Pinchot once said, provides "the greatest good for the greatest number over the longest time."

We can also join together on expeditions into space to look back at our Earth, to discover what it is we are doing to ourselves, and to alter our self-destructive course.

Such a "Mission to Planet Earth," as proposed by a NASA commission headed by Sally Ride, would establish a global observational system in space, aimed at developing a fundamental understanding of the Earth system.

We must remember as we chase our dreams into the stars that our first responsibility is to our Earth, to our children, to ourselves. Yes, let us dream, and let us pursue those dreams, but let us first preserve the fragile and precious world we inhabit.

Finally, let me say a word about the world we see and treasure firsthand -- about our own outdoors. I have long sought creative new ways of protecting our outdoor and recreational resources. As a congressman from Texas, I sponsored legislation to create a 150,000-acre national park in an ecologically critical area of east Texas.

More recently, I was a strong supporter of the Wallop-Breaux amendment, which provides money from user fees on fishing equipment to manage and enhance sport fishing opportunities -- perhaps the most important legislation benefitting the 60 million sport fishermen in this country.

I support many of the recommendations made last year by the President's Commission on Americans Outdoors -- for example, the encouragement of public-private partnerships for recreation; the creation of greenways and the strengthening of urban parks, to provide open spaces close to where people live; the protection of rivers and streams and our fast-disappearing wetlands.

The Commission also recommended the encouragement of an outdoor ethic -- "a new appreciation of air, land, water, and all living things."

There is, after all, much that we can do ourselves, individually, to benefit the environment: We can reduce our municipal solid waste problem with a greater commitment to recycling. We can improve the outdoor experience simply by picking up the trash we see and not leaving any of our own behind.

Nature was once the great enemy of Man -- a ferocious and fearful force, to be conquered, tamed, and harnessed to our needs. Now we find that we must protect her from ourselves.

Walt Kelly was talking about polluters when he penned his famous words, "We have met the enemy, and they is us."

Let us resolve today to find a truce with that enemy within. Let us seek once again a world where our air and water are metaphors for purity and not threats to our very lives. Let us join together to protect the glorious but fragile beauties of America.

Thank you very much.

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NEWS & ANALYSIS

State of Oregon
DEPARTMENT OF ENVIRONMENTAL QUALITY

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AUG 8 1988

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POSTMASTER: Send address changes to
Environmental Law Reporter
Suite 200, 1616 P Street NW
Washington, DC 20036
(202) 328-5150
Second class postage paid
at Washington, DC and
at additional mailing offices

Publisher J. William Futrell
Editor-in-Chief Barry Breen
Associate Editor Laura H. Kosloff
Associate Editor Barnett M. Lawrence
Managing Editor Elizabeth Simon
Assistant Editor Shannon J. Kilgore
Contributing Editor S. Lynn Stewart
Editorial Assistant Lisa M. Ritter
Documents Editor M.J. Marvin
Subscription Manager Linda Steflovic
Typesetter Linda Johnson
Legal Intern Heidi E. Zimmerman

Subscription rates:
New and Renewal \$695
Back-volumes (1971-87) paper-\$1800;
microfiche-\$275

Environmental Law Reporter
(ISSN 0046-2284) is published monthly
Weekly Updates are published three times
per month between main issues
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Environmental Law Institute
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NEWS & ANALYSIS

DIALOGUE

Editors' Summary: With virtual certainty, one of the two Dialogues that follow is the environmental views of the next president. Choosing between them is one of the most important environmental decisions that Americans collectively will make over the next several years.

This month, we publish side by side the environmental views of George Bush and Michael Dukakis. Both manuscripts are the most recent comprehensive statements received from the candidates as of late June 1988. To make the comparison as fair as possible, we have not edited either piece for substance, rather editing only to make the manuscripts uniform with our standard style for punctuation, grammar, and the like. In the case of Mr. Bush's manuscript, delivered originally as a speech to a Seattle audience, we have also eliminated the customary greeting and farewell to the audience and we have generalized such audience-specific phrases as "Here in Seattle."

Otherwise, for both candidates what you see is, come Inauguration Day, what you will get.

George Bush on the Environment

by George Bush

I want to talk to you today about the environment: about how we can better protect and enjoy the great gifts of nature that God has bestowed upon us.

Let me say right at the outset that I don't think we've been doing enough to protect our environment in recent years. We need to do more. The condition of our land, water, and air affects the health and quality of life of each and every one of us.

We have been blessed in this country with a bountiful land. Fertile soils, abundant water, great forests, productive fisheries, teeming wildlife, rich mineral resources—these have been our heritage.

Ours is also a land of incomparable natural beauty: of vast open spaces and magnificent mountains, of majestic rivers and shining lakes, of rolling plains and splendid sea coasts. These, too, are part of our heritage and have helped shape and inspire the American spirit.

We hold this natural bounty in trust for future generations of Americans. It is not ours to squander and despoil, but ours to use and manage wisely—not only for our own benefit, but for the benefit of our children and our children's children.

For this reason, the protection of the environment and the conservation and wise management of our natural resources—this whole notion of stewardship—must have a high priority on our national agenda.

I love to hunt and fish, and I've been lucky enough to

experience much of America's great outdoors. Recently, I went fishing on the Rouge River in southern Oregon. Four hours under a cloudless sky, running the white water and drifting in the still blue pools, flicking my lure for steelhead and salmon while the ospreys and herons wheeled overhead.

All of us have moments and places that have a special hold on our memories and our hearts. For me, one such moment came last summer, seeing the magnificence of the Grand Tetons through the eyes of our 10-year-old grandson. And always, I cherish my time each summer chasing bluefish in the choppy blue waters off the rocky coast of Maine.

In the same way, somehow, pollution is uniquely personal. For when we think about pollution, we think first of man's insults to the places we love: plastic 6-pack rings floating in the ocean, trash washing up on the shore.

We still have much to do.

I am proud of the leadership shown by Republicans on protecting the environment. It was a Republican president, Teddy Roosevelt, who declared 80 years ago that nothing short of defending this country in wartime "compares in importance with the great central task of leaving this land even a better land for our descendants than it is for us."

And it was under President Nixon 20 years ago that we moved forward with landmark legislation on clean air and water and created the Environmental Protection Agency (EPA).

We have made great progress in protecting our environment. Make no mistake about it. We have made very real

headway in cleaning up our air and water. And we have done this at the same time that our population has grown and our economy expanded. It has been an effort that all Americans can take pride in.

The United States also has long been the world leader in the establishment of national and state parks, the protection of wilderness areas, the conservation of wildlife, and the creation of a system of national forests and other landmarks—preserving reminders of the wildness that once was America.

Likewise, we have done much to conserve our cultural and historic heritage, the historic structures and sites that are the visible symbols of our American past.

In this, as in so many other areas of our life, it has been not only government that has made the difference, but the voluntary efforts of private organizations and dedicated individuals in every part of the country.

There are some in the environmental movement who paint a picture of ecological disaster, who say our situation is all but hopeless.

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But given sound research, innovative technology, hard work, sufficient public and private funds, and—most important of all—the necessary political will, we can achieve and maintain an environment that protects the public health and enhances the quality of life of us all.

I stress the word *all* because no one pays a higher price for a degraded environment than the poor of our central cities. It is there that air pollution exacts its greatest toll on health and lead contamination is at its worst. It is there that the lack of open space and decent outdoor recreation opportunities blight the lives of young and old alike.

We all have a stake in a healthy environment. We all want an EPA that is committed unequivocally to environmental protection. We want environmental regulation based on good research and sound data, developed with a clear eye and an open mind, and vigorously and uniformly enforced. And under my leadership, that's what we'll have.

A new administration is a time for change, a time for renewal. I will put the very best people we can find to work on our environmental agenda.

I believe that most corporations want to be good environmental citizens, that they see the need for sustainable development. It is in the economic self-interest of industry to avoid polluting by recycling wastes, by minimizing wastes at the source, or by changing to a nonpolluting process, just as it is in the economic self-interest of farmers to avoid excessive use of chemicals that can contaminate both surface and groundwaters.

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Over the long run a process of cooperation and consultation will produce the most protection for the environment in the fastest time and in the most cost-effective way.

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There is hardly a community in the land that is not afflicted with the problem of toxic waste. We have put major funding into the Superfund program, yet it is seriously lagging. Any further delay where there is a threat to public health is simply intolerable. We must speed up the cleanup of toxic waste dumps.

There is a need to push harder on enforcement. There is a need to streamline and accelerate the process, to promote voluntary settlement procedures, and to reduce the regulatory barriers to new and innovative cleanup technologies.

Unfortunately, some of the worst offenders are our own federal facilities. As president, I will insist that in the future federal agencies meet or exceed environmental standards: the government should live within the laws it imposes on others.

The problem we have created is so large and so hugely expensive that we cannot expect to correct it overnight, but attack it we will, as rapidly as we can.

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I support many of the recommendations made last year by the President's Commission on Americans Outdoors; for example, the encouragement of public-private partnerships for recreation, the creation of greenways and the strengthening of urban parks to provide open spaces close to where people live, and the protection of rivers and streams and our fast-disappearing wetlands.

The Commission also recommended the encouragement of an outdoor ethic—"a new appreciation of air, land, water, and all living things."

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Mike Dukakis on the Environment

by Michael Dukakis

A bundant natural resources and the splendor and varied beauty of our land are America's great heritage. But today's polluted rivers, lakes, and harbors, dirty air, and toxic and hazardous waste contamination threaten to destroy that heritage. They are painful and expensive reminders of past failures to protect our environment.

Some say we can have either a clean environment or a thriving economy, but not both. But I see our challenge very differently. We can't have sustainable economic development without careful and sensitive protection of our natural resources. And we won't have the resources to make badly needed investments in our environment unless we create a strong, vibrant economy.

We must now, at last, begin to use our economic strength in harmony with the environment to restore and protect our natural resources for generations to come.

For seven years, the current administration has undermined our national environmental commitment to long-term conservation. Instead we've seen short-term exploitation. The appointments of James Watt, Anne Gorsuch, and Rita Lavelle; the budget slashing at the Environmental Protection Agency (EPA); bargain-basement sales of natural resources; and the weak enforcement of our environmental protection laws all demonstrate that the present administration simply doesn't care about the environment.

We must do better and we *can* do better.

A Dukakis administration will reverse the short-sighted and environmentally destructive management of our land, air, and water. It will set an example of environmentally sensitive and cost-effective stewardship for states, communities, and private industry to follow. My appointments to the Departments of the Interior and Agriculture and EPA will share my commitment to responsible and effective environmental management and conservation.

Toxics, Pollution, and Public Health: It Is Time to Act

The pollution of our air, water, and land by toxic discharges continues at an alarming and unacceptable rate. Over 250 million *tons* of hazardous waste are generated *annually*. Americans everywhere are being exposed to toxic pollutants that threaten our health, imperil our ecosystems, and impose huge costs on society. Acid rain, contaminated drinking water, and ground level air pollution levels that exceed federal standards in over 60 cities nationwide are the signs of the failed environmental policies of the present administration.

As governor, I have helped lead the fight against acid rain, including passage of legislation requiring Massachusetts to reduce emissions in the absence of federal acid rain legislation. Massachusetts has enacted one of the most effective state superfund laws in the nation, forcing polluters to pay for over 80 percent of all cleanup costs to date. Since 1983, we have tripled both the budget and

the manpower of the state hazardous waste program. We have promoted source reduction and recycling as the critical first steps in attacking the solid waste problem, and we are committed to recycling one-third of the material in the state's waste stream.

As president, I will:

- Establish and enforce strict environmental standards for air and water quality and ensure that an adequately funded EPA vigorously enforces our environmental laws and makes the polluters pay.
- Work with the Congress and through EPA to stop the acid rain pollution of North American skies and waters. I will establish national standards to reduce emissions of sulfur dioxide and nitrogen oxide—the two major components of acid rain.

Acid rain is a national problem that we must work together as a nation to correct. Any truly responsible national acid rain control program must consider and mitigate negative economic impacts through cost-sharing mechanisms, while at the same time promoting environmental benefits. I look forward to the challenge of bringing all sides together and working to find a solution that is acceptable to all parties.

Even under existing Clean Air Act regulations, proper regulation of tall stacks by EPA could already have cut sulfur dioxide emissions by nearly five million tons per year.

- Require safe disposal of hazardous, solid, and radioactive wastes; ensure prompt cleanup of existing waste sites, and reduce the generation of additional hazardous chemicals.

• Establish and promote the use of certified public toxics auditors (CPTAs). CPTAs will perform a similar role for environmental protection to that of certified public accountants in financial regulation: they will assist their clients in complying with the environmental laws and assure the public that our health, safety, and the environment are being adequately protected. I will encourage business to use CPTAs, possibly by establishing a limited amnesty for past penalty liability for firms that have environmental audits performed, get into compliance with environmental laws, and stay in compliance.

• Work with Congress to establish a new *National Toxic Catastrophe Prevention Act* (NTCPA). The NTCPA will be designed to prevent accidents such as those at Bhopal, India, and Institute, West Virginia, by requiring firms handling especially dangerous materials to improve their internal risk management and accident prevention programs. And I will improve the capacity of EPA and other agencies to respond to crises, such as the recent oil spill that threatened drinking water in communities near Pittsburgh.

- Initiate high-level talks with insurance companies seeking to restore the market for liability insurance covering environmental harms. Businesses, accident victims, and the environment will all benefit from the greater availability of insurance.

- Encourage source reduction and recycling on a national

level and assist states and regions to establish stable national markets for recycled material.

- Fully implement and strictly enforce the Resource Conservation and Recovery Act. These actions, combined with a source reduction program, will provide the economic incentive for industry to redesign production processes and products to reduce dramatically the use and production of toxics.

Protecting America's Land

The sad legacy of the current administration's failed environmental policy is no more visible than on the scarred face of our land: devastated old growth forests; destroyed wetlands and wildlife preserves; a headlong rush of commercial exploitation of our national parks, forests, and wilderness areas; and eroded hills and fields and once-fertile agricultural land now wasted.

National Parks, Forests, and Wildlife Refuges

We must manage federally owned lands in the long-term public interest. This means protecting national forests and grazing lands from excessive grazing and cutting. It means conserving wilderness areas, old growth forests, and fragile wildlife habitats. And it means managing national parks in the interest of the people, not the private concessionaires.

As governor of Massachusetts, I launched the largest open space acquisition program in the history of Massachusetts, including the nationally renowned Urban Heritage Parks program. Massachusetts, the sixth smallest state in area, now has one of the largest state park systems in the nation.

As president, I will:

- Work with Congress to designate the Arctic National Wildlife Refuge a Wilderness Area.
- Implement the central recommendations of the President's Commission on Americans Outdoors.
- Act aggressively to preserve endangered species.

The current administration has tried to turn the national forests, *public* lands, into opportunities for private profit. As president, I will end this giveaway. I will:

- Halt below-cost timber sales in national forests.
- Direct the Forest Service to take immediate measures to protect old growth forests.

Coastal Areas

I will continue to oppose offshore drilling in critical environmental areas and productive fishing grounds, as I did for Georges Bank off the New England coast.

I strongly support state Coastal Zone Management programs and expansion of the Coastal Barrier Resources System. We must protect coastal barriers through a strengthened federal flood insurance program. We must expedite cleanup of our estuaries and harbors through EPA's bay and estuary program. I will also fight ocean pollution by vigorously prosecuting polluters.

Wetlands

We must not only protect existing wetlands, but restore

part of the vast endowment of wetlands that America has lost. I support strong enforcement of the wetlands protection provisions of the Clean Water Act, the cornerstone of an effective national policy on wetlands management.

Agricultural Land

Preserving our nation's farmlands is not only an environmental issue but an economic issue. In Massachusetts, we've invested in one of the most aggressive farmland protection programs in the nation. Congress has made progress towards conserving America's farmland and reducing soil erosion and wetlands filling by passing the Sodbuster, Swampbuster, and Conservation Reserve provisions of the 1985 Farm Bill. I strongly support these programs.

A good producer is a steward of the land who maintains its productivity and cares for our soil and water resources. Because family farmers and ranchers live on the land, we can best preserve this natural wealth for future generations by guaranteeing that they continue to be the mainstay of our agricultural system.

Energy

Today America has *no* energy policy. We can continue this way only at great peril.

We need a national energy policy that protects our environment, promotes our national security, and contributes to the economic growth and opportunity of every region of our country. We must decrease our vulnerability to interruptions in the supply of Persian Gulf and other foreign oil. We must use cleaner fuels, like natural gas, and better technologies, like clean coal. And we must promote alternatives to fossil fuels and significantly increase energy efficiency and conservation.

As governor of Massachusetts, I initiated pilot programs for conservation that have created jobs while saving the state energy and money. I initiated a successful statewide zero-interest loan program for homeowners to encourage insulation and weatherproofing. Working with our legislature, we passed a statewide Appliance Efficiency Act while the president vetoed similar federal legislation. My administration created a Center for Excellence in Photovoltaics to promote research, development, and marketing for this new solar energy technology.

My national energy program will include:

- Energy efficiency and conservation: they are the most cost-effective and easiest-to-implement ways to enhance our energy security.
- Vigorous support for alternative and renewable technologies, including ethanol, solar, wind, and small hydroelectric plants.
- Increased emphasis on natural gas, "clean coal," methanol, geothermal, and other cleaner resources of which we have sizable domestic supplies.

Nuclear Power

Once advertised as a source of electricity that would be "too cheap to meter," nuclear power has instead proven to be the most expensive way ever invented to boil water.

As president, I will appoint Nuclear Regulatory Commissioners whose first priority will be to protect citizens,

not the nuclear power industry. I will ensure that the nuclear waste disposal site selection process is carried out responsibly and intelligently. And until safe methods of waste treatment and disposal are devised, until sufficient waste facilities are sited and approved, and until a new generation of reactor design and safety control is developed, *I will oppose the construction of new commercial reactors.*

International Environmental Issues

Environmental problems do not respect national boundaries. Acid rain, global warming from the greenhouse effect, stratospheric ozone depletion, the destruction of tropical rain forests, and the pollution of the oceans are problems that require cooperative, international solutions. The president of the United States, using the power of his office, must bring together leaders from around the world to address and solve these problems.

As president I will immediately call for an *international environmental and conservation summit* to bring together world leaders to confront these urgent problems.

I support the recommendations of the World Commission on Environment and Development. We must help developing countries avoid environmentally destructive economic development practices that may provide short-term benefits but are not sustainable over time.

I would immediately rescind the current administration's misguided Mexico City Policy, which forbids private organizations receiving Agency for International Development funding from providing a full range of family planning services to families who need them. Uncontrolled population growth in developing countries contributes to desertification, deforestation, climatic disruption, and the destruction of plant and animal habitat. America should help solve, not exacerbate, these problems.

Restore Environmental Leadership

The first step toward meaningful environmental protection is presidential leadership. Leadership means that the tone must be set from the top—that the president not only expects but demands vigorous and visible enforcement of our environmental laws.

Leadership means hiring experienced, practical, and honest public servants to manage federal environmental policy—starting with the appointment of a tough and effective EPA administrator.

Leadership means working in partnership with local and regional governments, private industry, and our educational institutions to promote meaningful progress in environmental protection.

Leadership also means being willing to commit resources to make a difference on environmental issues. I have demonstrated this willingness in Massachusetts and will continue to do so as president. However, the current administration will leave the next president both a huge budget deficit and an EPA whose purchasing power has been cut, in real dollar terms, to a level equal to that at the end of the Ford Administration, before the nation passed many of our laws to protect against toxic pollutants.

As president, I will find the resources within current federal budget levels to:

- Institute a program of Competitive Environmental Protection Demonstration Grants to state governments that propose more efficient and effective means of improving environmental quality.
- Establish a pilot program of voluntary, subsidized surveys of homes for household environmental risks such as radon, pesticide residues, carbon monoxides, and toxic chemicals.

Investing in the environment doesn't impose costs on the American people, it *saves* us all money. It saves us health care costs, it saves us future cleanup costs, and it saves us the hundreds of millions of dollars the federal government has been spending every year on environmentally unsound subsidies to a variety of industries.

By investing in the environment, we enhance the quality of life for millions of Americans, provide recreational opportunity, protect water supplies and air quality, and uphold our responsibility to future generations to preserve for them the magnificent heritage of America's beauty.

A quarter century ago, John Kennedy said, "It is our task, in our time and in our generation, to hand down undiminished to those who come after us, as was handed down to us by those who went before, the natural wealth and beauty which is ours." We must fulfill that vision. And we can.

ELR Staff Changes

This issue is the last for our Managing Editor, Elizabeth Simon. She leaves after nearly four years and will now become the Publications Manager of the American Psychological Association.

Elizabeth has enriched the Environmental Law Reporter's pages immeasurably. Leading the ELR production staff, Elizabeth has been a guiding light as we continue to modernize our daily work, incorporating advances in computer technology and making it work for us, rather than vice versa. She has wisely managed many of ELR's business relationships, including the all-important contacts with printers, suppliers, and the post office. Elizabeth has played a major, continuing role in achieving our now-enviable record for publishing on schedule. Recently, she has helped us take on expanded publishing efforts, including our rapidly growing books program.

Perhaps most of all, Elizabeth has done what managing editors are supposed to do: manage. She has made sure that details are not forgotten, that deadlines large and small are adhered to, and that tasks that are crucial but not immediately glamorous are accomplished carefully nonetheless (frequently doing her own share of these and more). And all this with a professionalism mixed with sincere thoughtfulness that will be missed by all of us who have worked with her.

In a very real sense, this issue is not Elizabeth's last after all—what she brought us will long be a part of ELR. We wish Elizabeth the best and know she deserves it.

LOOKING TO THE FUTURE:
THE IMPLICATIONS OF DEMOGRAPHIC TRENDS
FOR THE STATE OF OREGON

By

Ann Hanus
State Economist
Office of Economic Analysis
Executive Department

July 12, 1988

EXECUTIVE SUMMARY

Our changing population will influence nearly every aspect of our lives. It will affect such areas as the composition and quality of the work force, social and health care needs, education, and housing. Further, demographics will be a driving force in our state and national economies.

An overview of past, current, and future population trends for the U.S. and Oregon is presented. The aging of the "baby boomers," decline in fertility, increased longevity, and immigration are the driving forces of demographic projections.

Next, the implications of these trends on the labor force, social and health care systems, education, and housing are revealed. Certainly many other areas are affected, but highlighting these areas will illustrate the profound nature of our changing population.

The crystal ball of the future is demographics. It yields clues about the issues that we will face -- and the ones that are already here. An aging work force combined with the current "birth dearth" will affect issues ranging from the composition and quality of the work force to rising health care demand, education, and housing. An overview of past, current, and future population trends will be given, followed by a discussion of the implications of these trends.

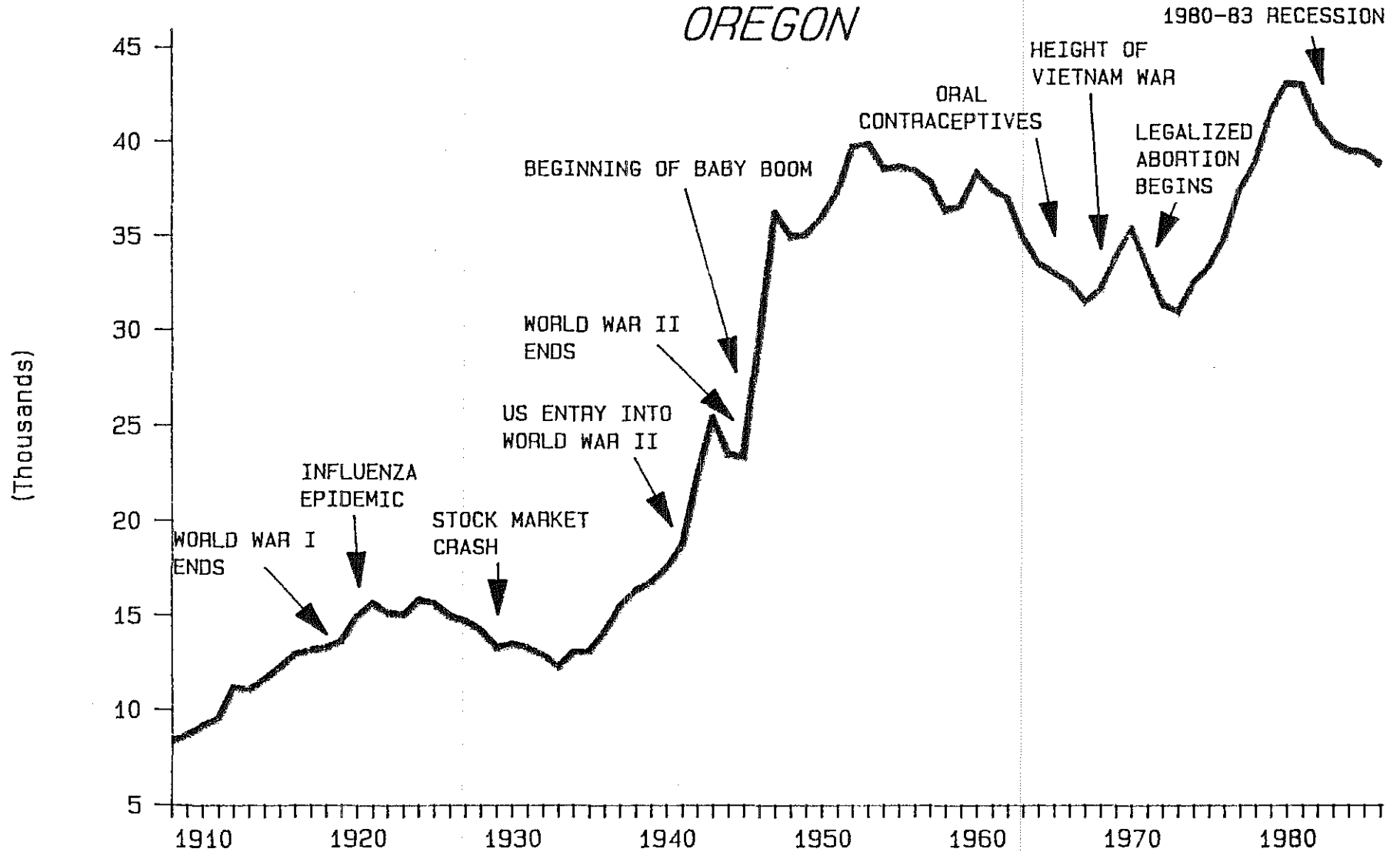
Overview of U.S. and Oregon Population Trends

Oregon's population trends mirror the U.S. We experienced the "baby boom" of the 1950's and early 1960's, and saw the number of births fluctuate due to wars, influenza, and the availability of birth control and abortion (Graph 1). Oregon differs from the U.S. by having a slightly greater proportion of males, smaller household size, and a more homogenous population (i.e., fewer minorities and less diverse ethnicity). Overall, Oregon should mirror future U.S. demographic trends. Over two-thirds of the state's residents live in the Willamette Valley ranging from Portland to Eugene.

The regions with the highest percentage of elderly tend to be coastal counties, as well as, Marion, Josephine, Jackson, Wasco, Sherman, Gilliam, Wheeler, Crook, and the far eastern counties of the state (Graph 2). The counties with the greatest proportion of youth are Jefferson, Malheur, Morrow, Yamhill, Columbia, Umatilla, Harney, Union, and Clackamas.

Graph 1

NUMBER OF LIVE BIRTHS, 1908-86 OREGON




-3-

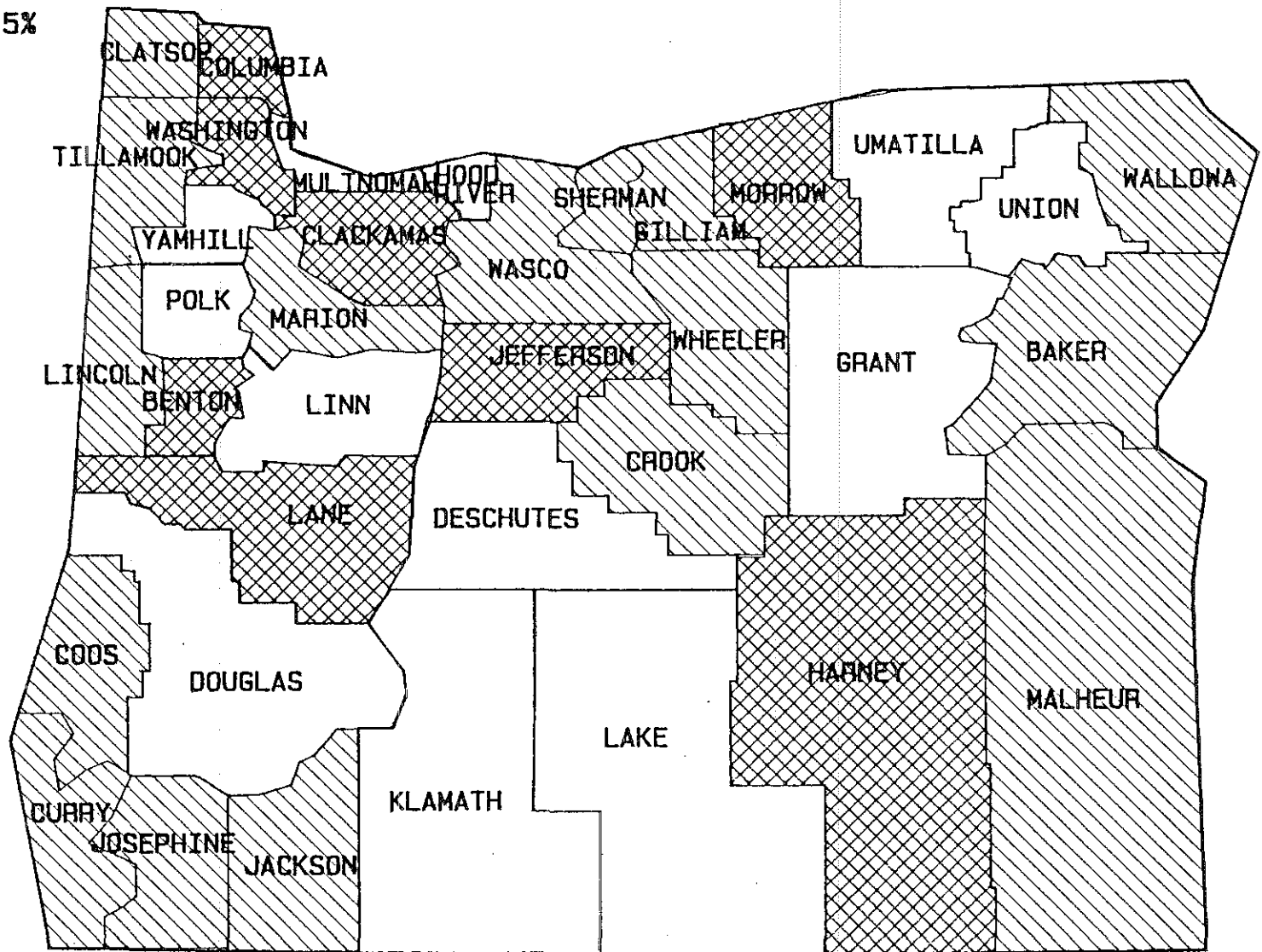
Graph 2

PERCENTAGE OF ELDERLY (65+) BY COUNTY BASED ON 1986 POPULATION DATA

 UNDER 13.0%

 13.0 TO 14.5%

 OVER 14.5%



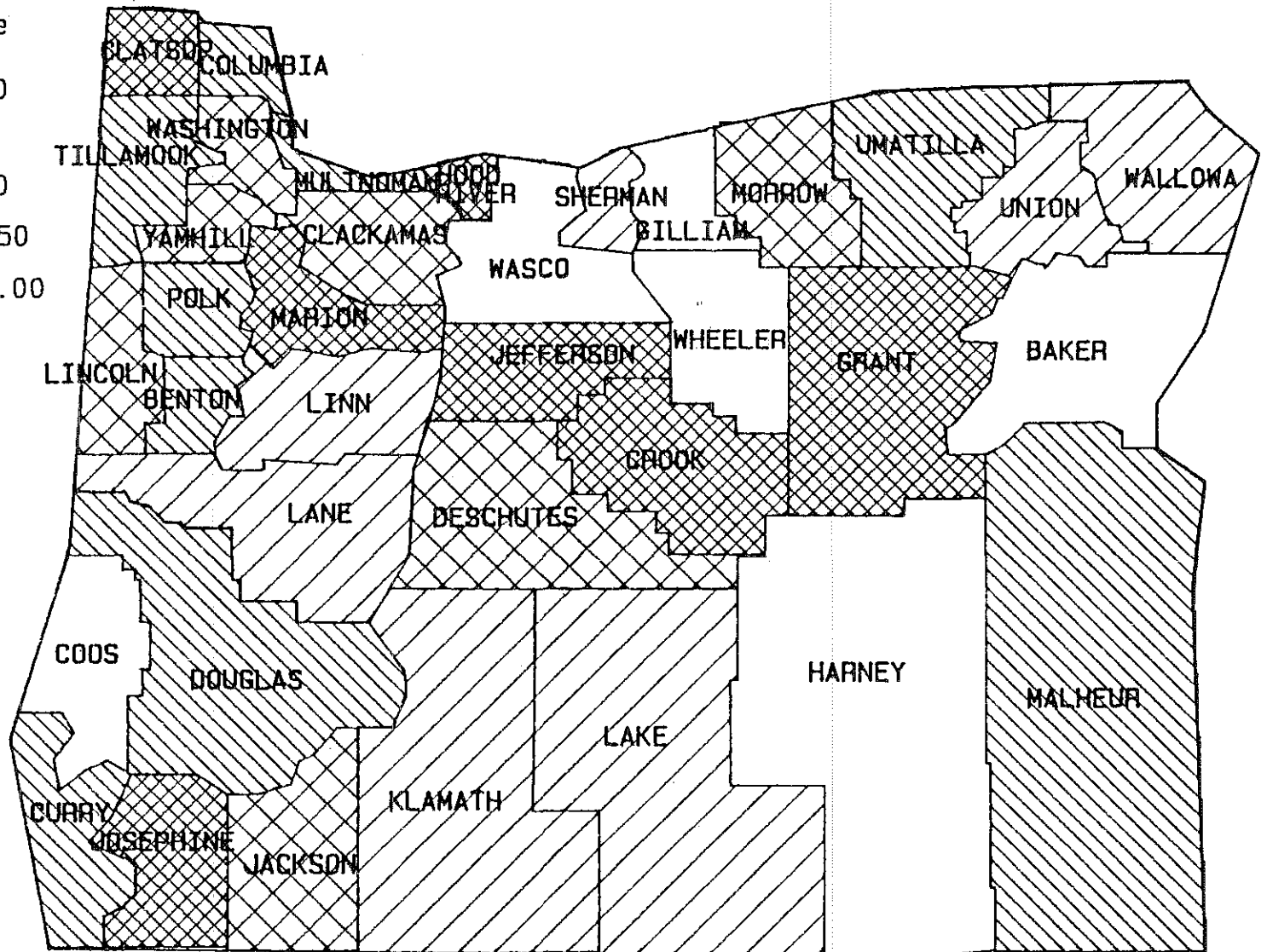
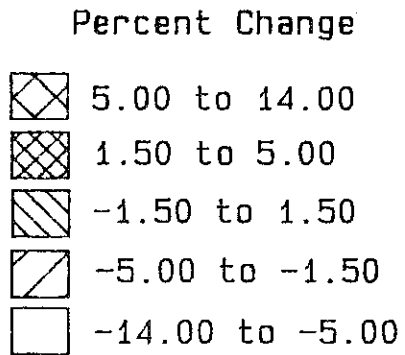
Salazar et. al., found that net migration of the 65 years and older age group is important in Jackson, Lincoln, and Jefferson counties. In these counties, net immigration accounted for more than 80 percent of population growth from 1970 to 1980.¹

Oregon's population has fluctuated in response to business cycles. We rose rapidly during the 1970's but witnessed a loss of population during the early 1980's (Graph 3). Eastern Oregon, Lake, Klamath, Coos, Linn, Lane, Wasco, Sherman, Gilliam, and Wheeler counties numbered among the losers. Contrary to popular belief, the state's population fluctuations were due mostly to changes connected with in-migration rather than out-migration. In other words, the loss of population during the early 1980's occurred because fewer people migrated into the state, and births were not sufficient to compensate for the loss.

Since the late 1960's, the U.S. has recorded relatively large declines in death rates after more than a decade of very slow declines. During the 1960's, just over one year was added to life expectancy during the entire decade. By the time we reached 1980, a full year was added to life expectancy between 1980-1984. The large death rate decline is attributed to a large drop in cardiovascular disease and deaths due to influenza. Cancer has not declined. Infant mortality has declined, but it slowed during the 1980's.

There is still considerable room for improvement in American mortality on the basis of comparisons with other countries and even among states in

GRAPH 3
 PERCENTAGE CHANGE IN POPULATION 1980 - 1987



Source: Center for Population Research and Census
 Portland State University

the U.S. Compared to other industrialized countries in 1980, U.S. life expectancy ranks 15th for men, 8th for women. Infant mortality ranks 13th. Life expectancy is highest in Hawaii (77 years old), and lowest in Louisiana (71.7 years old). Oregon life expectancy is 74 years old.

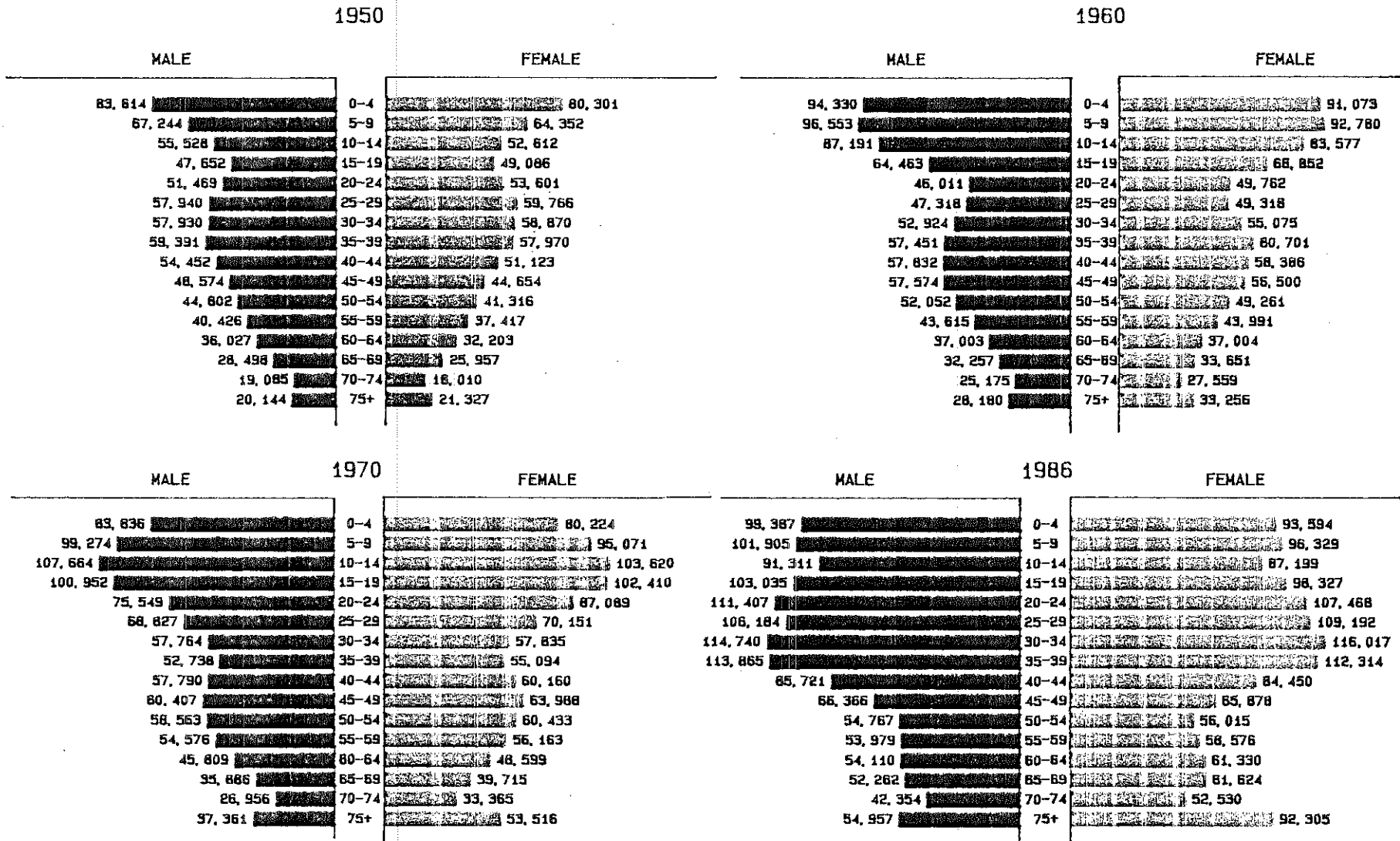
White women can expect to live the longest, followed by black women, white men, and black men. For those 75 and over, women outnumber men 7:1 in Oregon.

As life expectancy climbs, children will know not only their grandparents, but also their great-grandparents (mostly grandmothers) as four living generations become common.

The current demographic outlook centers on the movement of the baby boom. This generation was born between 1946 and 1964 and is now between the ages of 23 and 42. The baby boom generation represents about one-third of the U.S. population and totals 70 percent more people than were born during the preceding two decades. Graph 4 illustrates the movement of Oregon's population across age and sex cohorts from 1950 to 1986. Notice how the baby boom bulge moved through the years.

By the year 2010, the baby boom generation will begin to reach age 65, and society and the economy will have to adjust to a large elderly population.² Indeed, by the year 2030, the baby boom will be transformed into the "Great Grandma Boom".

GRAPH 4
OREGON POPULATION BY AGE



For the next 25 years, the elderly population will continue to increase steadily, but not dramatically. The oldest members of the baby boom will be nearing age 60, and the youngest members will have just passed age 40. A pause in the growth of the elderly occurs in the 1990's because this will be the time when the depression babies -- a time of low population growth -- begin to turn 65.

Then from the years 2010 through 2030, growth will virtually halt for any age group other than the elderly. In terms of the percentage of voting public, the elderly rise from 20 to 25 percent by 2010. By the year 2020, the U.S. will have nearly as many people over 60 as under 20 years of age. Furthermore, the size of the elderly population will be at least 2-1/2 times the size of the elderly population in 1980.

Although the baby boom is growing older, the principal cause of the aging of the American population is the decline in fertility. At the turn of the century, the U.S. fertility level was estimated at eight children per woman; today it stands at 1.9. The 1.9 level means that we are beneath the level (estimated at 2.1) to keep our population constant. While the baby boomers are spawning a baby boom echo with the number of newborns hovering at a post-baby boom high, the fertility rate has hit a historic low.

This year should be the peak year for the baby boomlet according to the Census Bureau's middle series projections. American women, though, have not been keeping up with the Bureau's projections. According to Bureau projections, births to teenagers should decline through 1995, reflecting

the lower birthrate of the mid-1970's. The number of births to women aged 20-29 should peak this year and account for 60 percent of births. The number of births to women 30-34 will rise through 1990 and for those aged 35-39, births will increase through 1995. After that, however, births to women in their 30's -- about one-fourth of all births -- should decline as the baby boom enters middle age.³

Many demographers believe that fertility levels will remain low and could drop further. Previously, many demographers felt that fertility depended on cohort size. That is, if a man can secure a good job, the woman will stay home and have babies. The entrance of large numbers of women into the work force, together with modern contraceptives which became widely available in the 1960's and 1970's, have afforded women the choice to be more financially independent and to control their fertility.

Labor Force Implications

The labor force will be shaped primarily by three factors: the aging of the baby boomers, the shortage of entry level workers due to the birth dearth, and the influx of women into the work force. If the number of immigrants increases significantly, this influx could offset somewhat the shortage of entry level workers. Higher proportions of Hispanic and Asian immigrants may alter the ethnic composition of Oregon as well as the nation.

The Census Bureau, putting together current fertility and mortality trends, believes that the population and labor force will continue to

grow, but more slowly than in recent decades. More women will enter the work force, but the rate of increase will taper off. Together, women, minorities, and immigrants will account for about 80 percent of the new additions to the U.S. work force between now and the year 2000.⁴

More than half of all husband/wife families have two or more earners, with the wife's income making a substantial contribution to her family's well-being. The average working wife contributes 28 percent of her family's annual income; among wives who have year-round full-time jobs, the average contribution is 40 percent.⁵ Fully 54 percent of wives with preschool-age children are now in the work force; only 30 percent were in the work force in 1970.⁶

Bureau of Labor Statistics projections indicate that prime-age workers will constitute a larger share of the labor force in the years ahead, and the average age of the work force will rise. Japan can give a glimpse into the future, since Japan is aging faster than any other country in the world. They are living longer and had a baby boom in the 1930's when no one else did. They have a mandatory retirement age of 55 and are facing a substantial burden to care for their elderly. Sweden and West Germany have older populations, but they also have high taxes and a large percentage of their Gross National Product for retirement benefits.⁷

A slower rate of labor force growth suggests tighter labor markets, especially for entry level workers. On the other hand, baby boomers face strong competition among themselves for jobs, and evidence of this competition is apparent in unemployment rates. Traditionally, 25-34 year

olds have experienced an unemployment rate that was lower than the rate for all workers. This has been less so in recent years as the baby boomers completely took over that age category. The decline in the number of teenagers, however, has reduced some of the upward pressure on overall unemployment.

Marple's recent newsletter underscored these comments. Michael J. Parks reported that:

Finding executive-level or middle management talent is not a problem for major employers in the Pacific Northwest. Companies are deluged with applications, increasingly from people seeking to migrate, especially from California.

But just try to find a good executive secretary or file clerk who can alphabetize -- or a data entry operator, engineer, or computer programmer. Shortages approach crisis dimensions for some employers and force them to make compromises on skills and pay they wouldn't have dreamed of years ago. Companies increasingly have to reach outside the Pacific Northwest to fill technical openings...

"It's truly frightening just how few qualified people we can find for \$5-\$7 an hour to perform clerical jobs that require any combination of keyboard skills, arithmetic skills, or the ability to follow written directions," grouses the human resources director of a Seattle Insurance company.⁸

The baby boom is a key player. It shaped employers' perspectives about the entry level work force in the 1970's, and it will mold the mid-level work force. Further, when its members move toward retirement, it will reshape the role of the older worker.

The leading edge of the baby boom has just turned 40 and will not be retiring for another 30 years. Over that time, employers will face a curious demographic twist in their internal labor markets. According to Carnevale and Gainer, that twist involves a tripartite split in labor

market conditions. First, there is likely to be a decline in both the quantity and quality of entry level employees. At the same time, there is likely to be a glut of mid-career baby boomers whose careers will plateau, giving rise to worrisome frustration in the work place. An added complication will be the growing number of older employees who will block the higher rungs on career ladders because firms cannot afford to retire them.⁹

The increase of middle-aged workers may put great pressure on seniority systems, with traditional expectations of advancement based on age being undermined by demographics. Also, older workers who lose their jobs will have a particularly difficult time matching previous salaries when they find new jobs.¹⁰

Due to the scarcity of educated entry level workers, employers will face increased costs of upgrading prospective hires through training and development, and providing compensation and career development packages to attract the best talent. "Cost creep" is likely to be another problem if employers create too many "good" jobs in order to satisfy demands for advancement and engage in alternative work arrangement to siphon off employee frustration.¹¹ Yet, employers may find themselves less able to create more "good" jobs if competitive pressures are high to keep costs down.

Carnevale and Gainer warn that attempts to create policies that advantage either entry level, mid-career, or older employees are likely to coalesce separate age groupings into self-conscious interest groups that foment internal tensions destructive of team productivity.¹²

Employers may try to encourage older employes to retire early in order to provide financial resources and promotions for mid-level and entry level employes. Continued early retirement, and entry level shortages could create contrary incentives favoring retention of older employes.¹³

A benefit of the tighter entry level market may mean that more opportunities will attract "at risk" youth into the labor force. The biggest road block for them will be illiteracy. Tighter labor markets should foster greater use of the abilities of minorities, women, and the handicapped. A narrowing of occupational and earnings gaps could also occur.

An aging work force may imply greater experience, stability, reliability, and productivity, but it may increase the rigidity of the economy. An older, more stable work force will be less likely to move than a younger one. As the baby boomers reach the middle years of mortgages and children in school, their willingness to pull up stakes in response to new opportunities or changing conditions will decline. Similarly, this more mature work force may be harder to train and retrain than today's employes -- at the very time when such training is essential.

Basic educational competencies and literacy will become ever more important. For children, this may mean much greater emphasis on early childhood education. Among teenagers and young adults, it may require a concerted effort to eliminate illiteracy. Adults will need lifelong training and retraining.

Secretary of Labor William E. Brock estimates that in the early 1990's, probably 75 or 80 percent of new jobs will require some kind of post-secondary training experience. The risk of creating two classes of workers -- one highly skilled, highly employable, and greatly advantaged economically; and the other class almost unemployable and poor -- is great.¹⁴

Studies have revealed that the labor market's response to the rising educational level of an expanding labor force was a relative weakening of the labor market position for high school graduates, compared with those with higher levels of education. Although unemployment rises and falls for all educational groups over the course of the business cycle, the higher educated group tends to suffer less unemployment.¹⁵

Commissioner Janet Norwood questions whether the jobs that will likely be generated in the future will accommodate the emerging labor force. On the one hand, the projected strong growth in highly skilled professional, managerial, and technical occupations will make it easier for the growing proportion of college educated workers to find the jobs for which they will be searching. On the other hand, the shift away from factory operative and labor occupations may make it more difficult for persons with less education to find a job.¹⁶

Since there will continue to be significant worker dislocation, more ways should be explored to assist workers in adjusting to the dislocation and to being reemployed more quickly. Disincentives that hinder adjustment to a new job or career should be reviewed. For example, the effect of the private and public pension systems on labor mobility should be addressed.

Although growth in the work force will slow, two-income households may encourage skilled, higher paid individuals to retire early, just at the time that their skills are coming into short supply. Increased use of unemployment and disability insurance systems may also result. Today, about one-third to one-half of those who retire early say they did so because of health or lack of employment prospects. If this same proportion holds, the growth in elderly will strain disability systems.¹⁷

The Carnegie Forum on Education and the Economy has suggested that employers could enable people in mid-career who have identified teaching as an interest, to get fully trained while still working for the employer. These people would become fully credentialed. The employers could provide early retirement, making it possible for them to be employed by the schools working full-time as fully qualified teachers. For employers, this would mean a somewhat lower rate of retirement pay than otherwise, but the person going into teaching would have both the full-time teaching salary and the retirement from the employer. The school district, however, would be able to pay a beginning teacher salary to somebody who was very highly qualified, many of them with strong math and science backgrounds.¹⁸

Social/Health Care Implications

A greater proportion of women in the work force will mean that programs geared toward assisting their needs will be required. Child care, flexible work rules, pensions that accommodate absences for pregnancy leave,

job sharing, and special training will be considered. Adult day care will become necessary since fewer women will be home to care for aging (and increasingly long-lived) parents. Older workers who themselves have dependent parents, may be less likely and less able to retire early.

Demographic transformations are underway that are eroding families' capacity to meet some of their dependent members' needs. For example, more marriages end in divorce and more children become distanced from their fathers and the economic support they provide.

These same demographic changes are altering and clouding traditional notions about family responsibilities. As "blended" families become the norm, responsibilities between family members become more complex, ambiguous, and more open to dispute. For example, is a father equally responsible for his natural children and his stepchildren -- and they for him, if the law mandates that children must help pay for their parents' nursing home care? Which parents? What children? And to what extent?¹⁹

Perhaps the central factor affecting the link between families and their dependents is marital dissolution. This is more than a matter of high divorce rates. Recent research confirms a pronounced shift in the pattern of divorce. Younger couples today not only divorce more readily, but also do so earlier in their marriages.²⁰

Looking back at the generation of children, born in the 1950 to 1954 period (who are now adults in their mid-30's), 19 percent of the whites and 48 percent of the blacks spent some part of their youth in a

one-parent family. Those figures will be much higher for the generation born in 1980, assuming that current trends continue. Among this year's six-year olds, as many as two out of three white children and 19 out of 20 black children may spend part of their first 18 years in a single-parent family. These white six-year olds would live 31 percent of their youthful years with one parent (compared with eight percent now in their mid-30's). Today's black six-year olds would live 59 percent of their youth with one parent versus only 22 percent for blacks in previous years.²¹

A reduction in the number of youth may translate into lower crime rates, since a significant proportion of crime is committed by people under age 30.

The aging work force may strain Social Security, and private retirement and benefits systems. Peter G. Peterson states that:

The more "pessimistic" projection (to use the strange term applied by the Social Security Administration to the projection involving longer life-spans) implies that our labor force will grow by only 6,000,000 people while our elderly population will grow by 46,000,000. Today, each retired Social Security beneficiary is supported by the payroll taxes of 3.3 workers. By the year 2020, the ratio will have declined to, at most, 1:2.3. The official pessimistic picture shows the cost of all FICA-funded Social Security benefits rising to an obviously unacceptable 36 percent of every worker's taxable pay by 2040, from 13 percent today.²²

Some researchers feel that such fears are unwarranted. Cowgill shows that most modernized countries of the world, all with relatively aged populations, have quite low dependency loads, much lower than developing nations.²³ In addition to the elderly, the total dependency ratio includes children, nonworking spouses, unemployed

workers, and the severely disabled. Children have always constituted the major proportion of dependents in societies. While that burden has been sharply reduced in industrialized countries, children still represent a major dependency burden in developing countries.²⁴ Historically, total dependency ratios in the United States have been declining, and projections show that they are likely to continue to decline in the future.²⁵

Viewed from a cost measure, though, government expenditures are three times greater for older dependents than for children.²⁶ By the year 2000, those 80 years old and over are projected to be the largest single entitlement group in the United States.²⁷ Since the aged will be the most rapidly growing age group and the most costly, the burden on the working population to support young and old dependents is a major policy issue for social and health care programs that are financed by payroll taxes.

How readily the further aging of the population is accommodated will depend crucially on the rate of growth in the economy. If economic resources expand rapidly enough, future generations of working-age people might not find it unduly burdensome to share with their parents even a somewhat larger portion of the future Gross National Product. Slower growth would, of course, increase the strain involved in maintaining the living standards of the elderly.

As a result of the fiscal pressures that will be faced to care for the elderly, political scientist Robert Hudson argues that at least three political outcomes will arise. Major new policy initiatives or appropriations for the aged, beyond those provided for under existing legislation, will meet with new and perhaps overwhelming resistance. Agencies servicing the elderly will be subjected to more insistent demands for accountability. Finally, the political influence of the aging and groups organized on their behalf, may be put to a new and sterner test.²⁸

As more people live longer, chronic diseases, mostly common conditions of middle- and old-aged, will emerge as major causes of death and disability. Dramatic improvements in life expectancy do not mean that people will enjoy good health.

The aging effect is quite different for hospital care compared to nursing home care. Total short stay hospital days will double, increasing from 274 in 1980 to 549 in 2040, with more than half of the increase due to the aging of the population. Forty percent of the days of care in 2040 are projected for those aged 75 and over. In 1980, only 20 percent were in that age group. Further, the number of nursing homes will show a 3.5 fold increase by 2040, assuming that current patterns of use continue.²⁹

A distinction should be made between those aged 65 to 85 years old and those over 85 years old. The former group can be very active, financially secure, and healthy. Those over 85, however, tend to be poorer

and very demanding on the health care system. Further declines in mortality are likely to result in large increases in disability, dependency of the elderly, health care, and health care expenditures, because more people will suffer from chronic diseases.

Since there will be a large demand for health care services, there may be shortages of geriatrically-trained physicians, nurses, and nurses aides. Problems associated with staff retention and turnover among relatively low paid nurses aides will be common, especially as the number of entry level workers shrink.

The rate of childlessness may be increasing for people born since the mid-1930's or so. Elderly people without children may require more long-term care services than those with children.

Among the majority of Americans who are not currently receiving help, those who have no one to care for them if they become sick are older and more likely to be women, than those who have someone to care for them. They are also much more likely to be childless, to have no siblings, and no spouse. They are twice as likely to be living alone.³⁰

Medicaid tends to emphasize nursing home care over in-home services and community alternatives. The aging of the population is likely to have particularly serious impact on the need for long-term care services, ranging from limited assistance with the tasks of daily living to skilled medical care provided in nursing homes or other institutional settings. Dealing with this situation and devising new alternatives will challenge the nation in the years ahead.

The Congressional Budget Office offers several different federal approaches to long-term care that could be considered. More families could be encouraged to care for frail, elderly, or disabled relatives in their own homes, either through direct payments or tax credits. Mechanisms could be developed that would permit people to contribute, in advance, to cover the costs of long-term care while spreading those costs among all potential users; e.g., private long-term care insurance. Also, the public role could be expanded by mandating long-term care insurance, perhaps combined with a dedicated tax to pay for it.³¹

The trend toward increased use of part-time and temporary workers may leave these workers in poor financial shape at retirement if their jobs offer little or no fringe benefits or pension coverage. These workers could place increased demands on entitlement programs when they retire.

Educational Implications

Demographics will influence primary, secondary, and post-secondary schooling. Not only will the type and methods of training change, but who will be attending schools and the facilities that will be needed will be affected.

Congressman Scheuer warned at his hearing on demographic changes that:

As the philosopher Santayana told us, "A failure to pay attention to these population trends that are clear today will condemn us to repeating the mistakes of the past," mistakes we made that if we had watched cohorts of infants being born we would have realized that five years hence we needed more elementary schools than we had, and six years after that more secondary schools, and four years after that more universities, and so that whole cohort of the population explosion, as we call it, after World War II for four, or five, or six, or ten years went through crowded school systems. We woke up late.

"We started building schools but much too late. And at the time we were building schools, if we had looked at the cohort of kids born that year, we would have figured out very quickly that we had left the baby boom and we were entering the baby bust. So we were building elementary schools at a time when, if we had looked at the birth statistics, we would have found there was a declining need for kids entering the school system three, four, or five years from then. So we had then, not only an over-construction of school facilities, but an over-teaching of teachers..."³²

The fact that we are at the peak of a baby boomlet now means that we should examine our inventory of primary and secondary schools. Further, we should analyze whether sufficient numbers of teachers are being trained and are available to meet this demand. Some areas of Oregon, particularly the Portland area, may face higher demand than regions not experiencing rapid growth. Costs for primary and secondary schools may begin to rise sharply when the baby boomlet enrolls in school. Like the post-World War II baby boom, this near term increased demand and costs may be temporary.

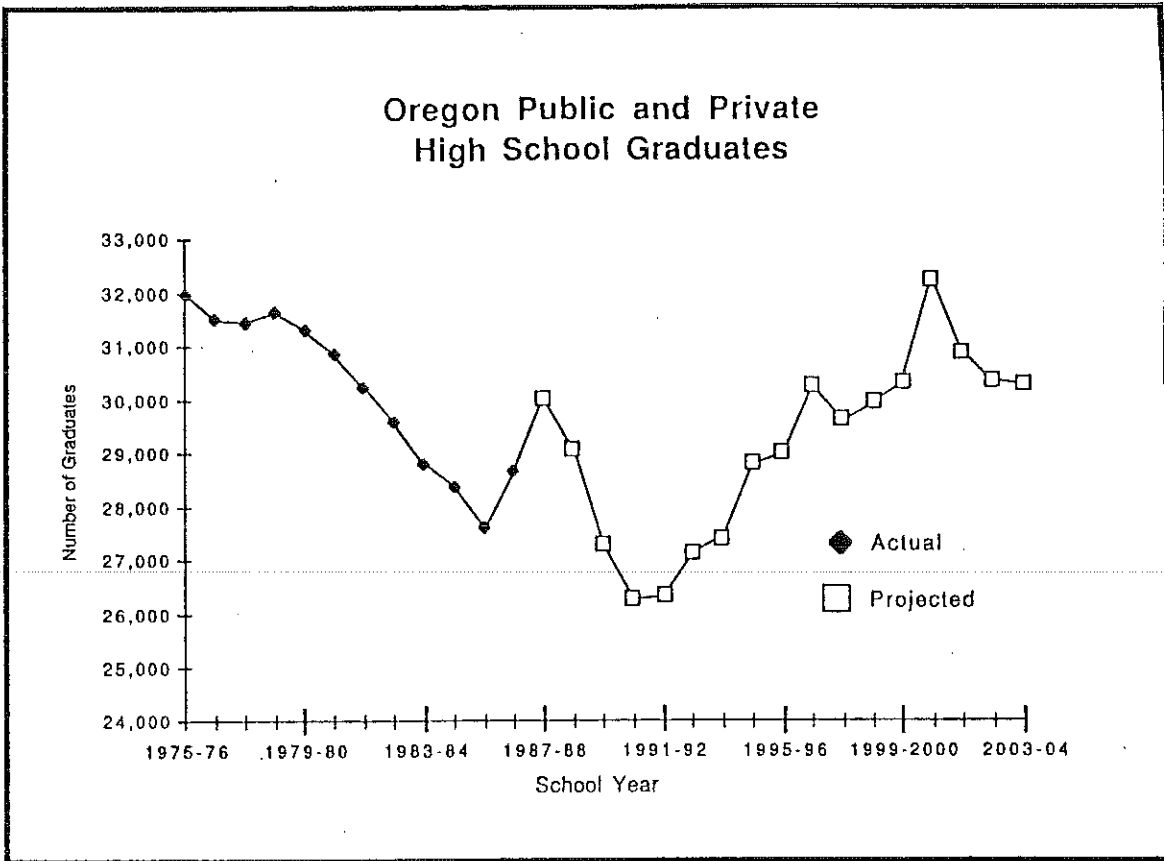
On the other end of the educational spectrum, colleges and universities are dealing with the baby bust. The number of U.S. high school graduates peaked at 3.2 million in 1977 and began a 15-year slide. High school graduates were down 16 percent from 1977 to an estimated 2.7 million in 1987. By 1992, the number of high school graduates will drop another 11 percent to 2.4 million. Higher education has seen its market change from a seller's to a buyer's market.³³

Despite the loss of half a million high school graduates in the last decade, total U.S. enrollment in two- and four-year colleges rose from 11.5 million in 1977 to 12.4 million in 1986. Although colleges have had to recruit aggressively for more students, they have benefited from structural economic shifts. As the U.S. economic base tilted away from manufacturing and toward more services, the demand for professionals and technicians grew.

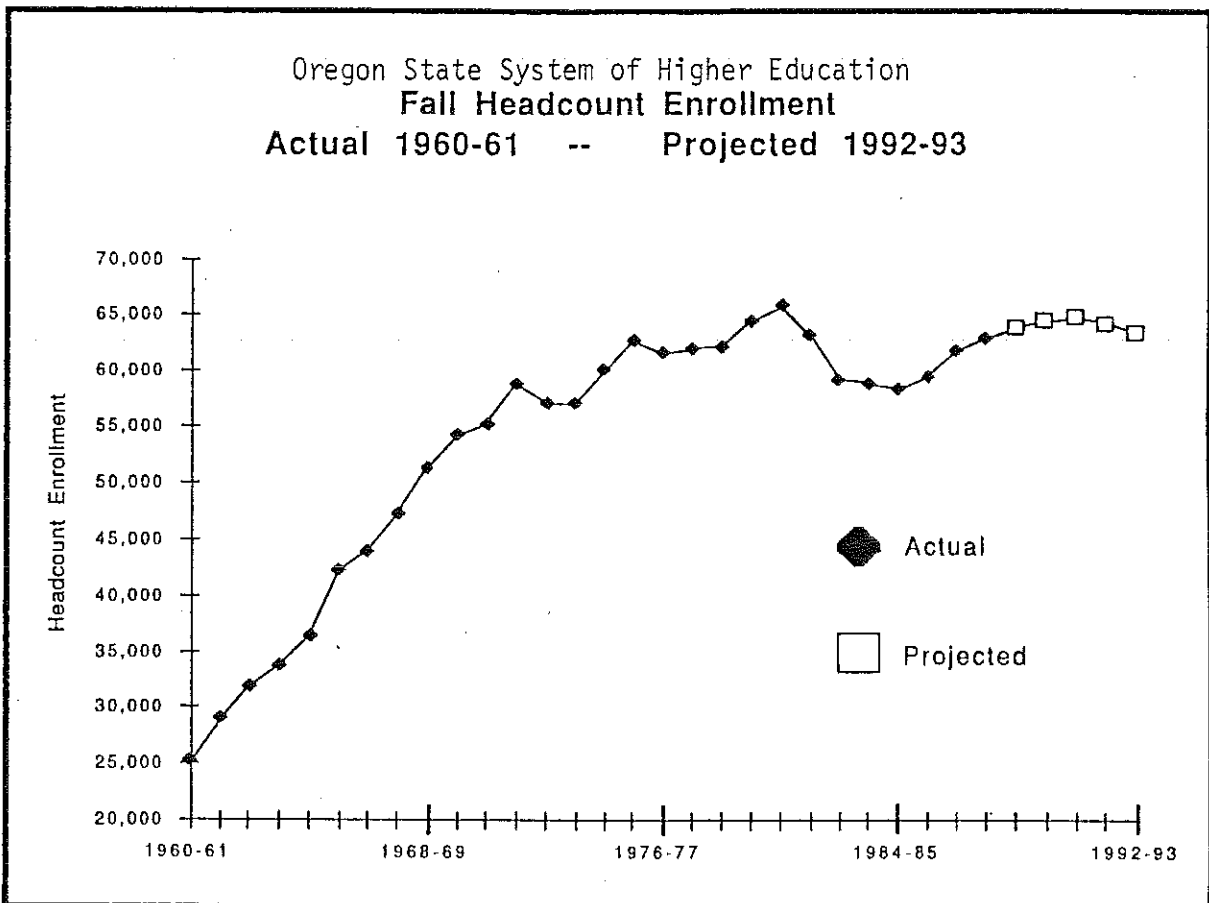
Oregon experienced a drop in high school graduates beginning in the mid-1970's (Graph 5). The Department of Higher Education forecasts the number of high school graduates will rise as the baby boomlet ages. On the other hand, fall head-count enrollment did not fluctuate as greatly as the number of graduates. The recession took its toll in the early 1980's, but since then enrollments have begun to rise (Graph 6).

According to the American Council on Education, over 75 percent of freshmen say that getting a better job is an important reason to go to college. As more people equate college with career boosts, student bodies become more diverse. The most rapidly growing groups of college students are those aged 25 and older and women. Less than half of students now earn their college degree in the traditional four years.³⁴

GRAPH 5



GRAPH 6



Although the Bureau of Labor Statistics (BLS) expects the U.S. to undergo slow growth or decline in manufacturing jobs, the recent export boom may reverse the trend of prior years. Indeed, some researchers argue that BLS projections only cover net growth of jobs. Manufacturers may need to replace a bulge of older workers who are reaching retirement age. With the baby bust reducing the number of 12th graders, the glut of blue collar skills may soon become a drought.³⁵

As noted earlier, lifelong training and the fundamental need for basic educational skills will become necessary. Employers are recognizing the high costs of teaching the basics to young adults. It is increasingly important for workers to be able to learn new skills and change jobs during their careers.

Housing Implications

Housing and the lumber and wood industry will be directly impacted by demographics. The demand for wood products is strongly linked to the demand for housing and the remodeling market. Harvard economist William Apgar predicts that home building activity will decrease each year through the end of the century as demand for new housing shrinks. He notes that the major force driving housing demand is the creation of new households. He believes that, nationwide, the decline in the number of young households will send down the number of first-time buyers, sales, and the need for new rental housing.³⁶

Apgar predicts that housing starts will average 1.5 million for each of the next few years compared to 1.6 million in 1987 and over 2.0 million per year during the late 1970's. In the early 1990's, housing starts will fall to 1.3 million and remain there, or slightly below, through the year 2000.³⁷

While the number of units may shrink, baby boomers that are in their 30's and 40's with children will be looking to trade up to a nicer home or improve their existing one. This means that while fewer homes will be built, more expensive homes with amenities will be demanded. In other words, the housing market will shift to a "trade-up" market aimed at the more affluent and less at the entry level, mass market. Increased demand for homes that suit the elderly will also be prominent.

Home ownership should expand from 72 percent of households (1984-1990) to 85 percent in the 1990-2000 era. Through the balance of the 1980's, households aged 35-44 will dominate, but in the 1990's they will progress into the 45-54 year old sector. Householders at their 50th birthday approach an 80 percent home ownership rate.³⁸ As people enter retirement age, however, they will be more inclined to have smaller homes requiring less maintenance.

Sternlieb and Hughes maintain that the shift in demographics may also present a window of opportunity as the older housing stock becomes available to younger couples. It could provide a potential for a vast upgrading of America's housing stock, particularly for low and moderate income households. They believe that new governmental initiatives will be required to bring this to fruition, however.³⁹

Individuals choosing to retire and live in rural areas of the state may present problems in delivering basic community services such as sewer, transportation, police, and fire services. Earlier, it was noted that 80 percent of the net immigration during the period 1970 to 1980 for Jackson, Lincoln, and Jefferson counties were people over 65 years old. Last summer's fires also highlighted the hazards of living adjacent to forests and the difficulties that this presented to fire fighters. The influx of elderly may also influence the fate of school levies if the newly arrived migrants do not feel tied to the community, since their source of income and relatives are grounded elsewhere.

Finally, household finances are linked to demographics and vary according to age of householder and type. Thus, the income life cycle starts at relatively low levels for young people. In 1984, all households under 25 years of age had a median income of under \$14,000. Income increases as households age, peaking during the 45-54 year age span (\$34,482 in 1984). Incomes then descend as early and full retirements take their toll. Married couples stand at the upper rungs of the income ladder while female headed households under age 35 are at the bottom rung.⁴⁰ Savings rate should begin to rise since the baby boomers are entering the peak saving years of their life cycle.

The demographic relationship to income is far from all-determining. The scale of income depends on the vigor of the economy. In Oregon, per capita income rose above the U.S. average in the late 1970's but plummeted during the recession of the early 1980's. It is now below the national average and has not begun to close the gap.

Conclusion

The changes in our population will permeate into nearly every aspect of our lives. Demographics will influence the nature of the labor force, the course of the economy, and our social and health care systems. If we understand the implications, we can establish policies and take actions to help mold the future.

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FOOTNOTES

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