



OREGON HOUSE REPUBLICANS

## *Research Briefing*

April 2, 2008

### **RESEARCH BRIEFING:**

#### **GOVERNOR'S LEADERSHIP ON THE ECONOMY: WHAT, ME WORRY?**

##### **Gov. Kulongoski 'Optimistic' About Economy**

"While the rest of the country wrings its hands over the stumbling economy, Gov. Ted Kulongoski cracks a 'What, me worry?' grin. Oregon, he says, will be spared the brunt of the downturn and should be back on pace for modest growth within a year." (Kulongoski Predicts Economic Growth for Oregon, Harry Esteve, *The Oregonian*, 3/21/2008)

"I believe that Oregon's economy is on the right track." (Gov. Ted Kulongoski, Governor Optimistic About Economy, Sarah Skidmore, *The Associated Press*, 3/22/2008)

##### **A Quick Look at the Governor's 'Right Track' Economy**

"A group of economic measures called the Oregon Index of Leading Indicators dropped 6.5 percent in February, slightly better than the 10.5 percent drop a month earlier, state officials announced this morning." (Oregon Economic Indicators Show Decline in February, Michael Rollins, *The Oregonian*, 4/2/2008)

"Oregon's per capita personal income grew at a slower rate than 37 states in the U.S. last year and was 10 percent below the national average, according to a study released Wednesday by the Washington D.C.-based U.S. Bureau of Economic Analysis." (Oregon Sees Slow Income Growth, Jeff McDonald, *Bend Bulletin*, 4/2/2008)

"The unemployment rate for Oregon was 6.4 percent and 5.2 percent for the United States." (Wallowa County Registers Highest Unemployment Since March 2006, *East Oregonian*, 3/31/2008)

"In February, 123,533 Oregonians were unemployed, compared with 113,738 in February 2007." (Oregon's Unemployment Rate Holds Firm, News Release, 3/21/2008)

"According to the Oregon Employment Department, Klamath County hospitality and leisure industries, including hotels, restaurants, bars and golf courses, lost 710 jobs since July. About 600 area jobs were lost during the same period last year, before seasonal hires were made." (Hospitality Industry Declines - Hospitality, Leisure Sector Sees Decreasing Employment, Megan Doyle, *Klamath Falls, Herald and News*, 3/31/2008)

"The news spread quickly Tuesday. Champion Homes of Oregon, one of Silverton's largest employers, was closing, eliminating 160 jobs." (Economic Development Important in State, Opinion, *Statesman Journal*, 3/27/2008)

“Trans-Ocean Products Inc. is closing its Salem plant in June, laying off 57 employees.” (Trans-Ocean Closes Oregon Plant, The Associated Press, 4/2/2008)

“RV manufacturer Country Coach Inc. said Wednesday that it was laying-off 8 percent of its work force - estimated to be about 100 people - effective immediately, because of difficult market conditions. Country Coach lays off workers.” (Country Coach Lays Off Workers, Tim Christie, Eugene Register-Guard, 3/13/2008)

“The Portland area, once a star performer in an otherwise gloomy U.S. housing market, crossed into the same dismal territory in January when home values dropped for the first time since record-keeping began in 1987, according to a report released Tuesday.” (Portland Home Values Take First Dip, Ryan Frank, *The Oregonian*, 3/26/2008)

**With Economy on the Right Track, Governor Foresees New Taxes, New Spending**

“By this time next year, Kulongoski expects the state to be pumping more money into schools, highways, health care and even savings.” (Kulongoski Predicts Economic Growth for Oregon, Harry Esteve, *The Oregonian*, 3/21/2008)

“In his sixth State of the State speech delivered Friday before the City Club of Portland, Kulongoski said he intends to ask lawmakers to increase the state's cigarette tax to raise money to cover 116,000 children who currently have no health insurance. In November 2007, Oregon voters soundly rejected Measure 50, a proposed constitutional amendment that would have raised the state tax on a cigarette pack by 84.5 cents.” (Oregon Governor to Revive Healthy Kids Initiative, Michele Cole, *The Oregonian*, 3/22/2008)

“The governor proposes increasing the \$10 minimum to a sliding scale between \$25 and \$5,000, based on the sales a corporation has in Oregon.” (Oregon Governor to Revive Healthy Kids Initiative, Michele Cole, *The Oregonian*, 3/22/2008)