

PORTLAND
City Club
BULLETIN

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*John Halley
Urban League
DeKun Bldg. / 1957
Portland 4 Oreg*

MEETING WILL BEGIN PROMPTLY AT 12:30 P. M.

PRINTED IN THIS ISSUE:

**REPORT
ON
THE NEGRO IN PORTLAND:
A Progress Report 1945-57**

The Committee: JOHN H. EYER, JACK HARGROVE, FRANCIS S. MURPHY,
GERALD ROBINSON, THE VERY REV. THOMAS J. TOBIN, DeNORVAL UNTHANK, M.D.,
HOWARD VAN NICE, JOHN WHITELAW, and E. KIMBARK MACCOLL, *Chairman*

To Be Presented, Discussed and Acted upon at This Friday's Meeting, April 12, 1957

ALSO ON THIS WEEK'S PROGRAM

Continuation of discussion and action on report on RAGWEED CONTROL IN OREGON which was tabled due to lack of time at the April 5, 1957, meeting before members could vote on it.



*"To inform its members and the community in public matters and to
arouse in them a realization of the obligations of citizenship."*

REPORT
ON
THE NEGRO IN PORTLAND:
A Progress Report 1945 - 1957

TO THE BOARD OF GOVERNORS,
THE CITY CLUB OF PORTLAND:

In May of 1955 you authorized the appointment of a committee to examine the status of Negroes in Portland and to determine what progress had been made in race relations during the ten-year period 1945-1955. As with the 1945 City Club committee, whose excellent report was so well received, your committee has understood its assignment to be two-fold: (1) to study the treatment of the Negro in the social and economic life of the city; and (2) to make recommendations for change in present practices and procedures which might lead to more just and harmonious race relations.

Since 1945, the Negro population in Portland has decreased from approximately 18,000 to about 11,000, which number represents about 3% of Portland's population. With the cessation of war in 1945 and the consequent reduction in wartime industrial activities and its heavy semi-skilled labor demands, many Negroes who had migrated into Oregon from the South headed for areas where economic opportunities appeared greater. The 1945 City Club report quite accurately predicted that a more-or-less permanent population of approximately 10,000 Negroes would remain in greater Portland and concluded that this group would have to be "harmoniously integrated into the community life."⁽¹⁾ We as a committee believed, therefore, that our report should analyze as thoroughly as possible the extent to which these remaining Negroes had been incorporated into the economic and social life of Portland, especially insofar as housing and employment opportunities were concerned.

We have discovered that some definite progress has been made, as it has throughout the country. But we also have found that prejudice and discrimination still exist in Portland, to the degree at least that most Negroes have not in any realistic sense been "harmoniously integrated" into Portland's community life.

Your committee feels that the existence of discrimination in housing and employment poses a definite moral dilemma for Portland's white majority. Almost all of the responsible church and civic leaders of the community have gone on record publicly in opposition to such practices for which there appears to be no ethical justification. We Americans as a people are prone to espouse principles—not the least of which is the right of every individual to equality of opportunity. In practice, unfortunately, we have not shared this right which we apparently hold so dear. It is "'the gap between our professions and our action [which] constitutes the Negro problem.' A Negro has not very often been permitted to be an American first and a Negro second."⁽²⁾

I. PROGRESS AND ATTITUDES

Recent Progress in the United States

Not since the raucous days of the post Civil War Reconstruction era has the American Negro been the topic of so much conversation. The combined efforts of the United States Supreme Court, the Federal Government, state legislatures and city administrations have clearly brought some progress in equalizing economic and social opportunities between

(1) City Club of Portland "The Negro in Portland," Portland City Club Bulletin, July 20, 1945.

(2) *Ibid.*, 53.

Negroes and Whites. Not all of this advance has been in the North. A recent study sponsored by the Fund for the Republic found nearly 1100 instances of desegregation in the South over a two-year period. "There is no longer a solid South of segregation," states the report. "The common notion that desegregation just can't work . . . is plainly contradicted by the findings."⁽³⁾

Most of the progress has been realized in the economic and educational realms. The per capita income of Negroes, in constant dollars, is approaching a figure triple his pre-war earnings.⁽⁴⁾ Telephone companies in the North, all white until a few years ago, now employ over 4,000 Negroes. Denver, which does not have a large Negro population, recently elected a Negro as President of the City Council. Denver also employs Negro bus drivers (long since a fixture in New York, Chicago and Portland, Ore.) Detroit banks in white neighborhoods employ Negro tellers. One of Detroit's oldest and most respected Episcopal Churches has had a Negro rector for over two years although only about 20% of the congregation is composed of Negroes. These are but a few examples of what has happened nationally during the past ten years.

Much of this advance is due directly to state fair employment practice laws. Beginning with New Jersey and New York in 1945, the following additional states have passed FEP legislation of varying effectiveness: Arizona, California, Connecticut, Indiana, Kansas, Massachusetts, Michigan, Minnesota, New Mexico, Oregon, Pennsylvania, Rhode Island, Washington and Wisconsin. By and large these laws have provided the impetus necessary to initiate practices that most employers were not willing or able to do voluntarily. In like manner the Federal Government has attempted in varying degrees since 1941 to enforce equality of employment opportunity in all industrial work performed under government contract or for the government directly. President Eisenhower's executive order of 1953, which declared that non-discrimination is government policy, created the Committee on Government Contracts to investigate charges of discrimination.

Despite these official actions, however, discrimination in employment has been far from wiped out. No employer wants to get the reputation of violating an FEP law, yet, upon close analysis, most employers are discriminatory in some manner. Since many employers frankly fear experiencing the employment of Negroes, they simply straddle the fence and get away with about as much discrimination as possible. Likewise some unions have been noticeably resistant to abandoning old forms of discrimination. Across the nation, the operating Railway Brotherhoods and most of the old line metal and building trades are pretty well closed to Negroes.

In contrast with the growth of equality in employment opportunities, equal housing opportunities for Negroes have not been realized. A recent national survey discovered that of "all obstacles facing the Northern Negro, prejudice in housing is the most serious."⁽⁵⁾ The Negro's biggest trouble comes when he tries to live in a white neighborhood. "So much is bound up in the place one lives—schools, friends, associations . . ." that it becomes an academic matter to talk about integrated educational facilities while most of the Negroes are forced to live in a restricted part of town. A *Fortune* study has noted that "in no area of his life has the Negro suffered such stubborn discrimination as in housing."⁽⁶⁾ Yet, apparently, such restraints have not kept Negroes from purchasing homes which have been available—homes which are usually considered the least desirable buys by the real estate trade. By 1950 one in every three urban Negro families owned its own home. And in the decade 1940-1950, while white home ownership in the cities rose a steep 84%, Negro home ownership rose 137%.⁽⁷⁾ During most of this time, furthermore, the prospective Negro home buyer generally confronted a 10 to 20% higher cost than the white, this being an increase built into the price of the home because of his known need and his suspected—quite unproved—financial irresponsibility.⁽⁸⁾ It was a piece of New Deal legislation which helped seal the segregation of Negro housing. From 1934 until the Supreme Court decision of 1948 which outlawed racial covenants, the Federal Housing Administration officially stressed racial unity as a requisite for top evaluations of neighborhoods.

(3) David Loth and Harold Flemming, *Integration North and South* (New York, 1956), 75.

(4) Emmet J. Hughes, "The Negro's New Economic Life," *Fortune*, September, 1956.

(5) "Jim Crow, Northern Style," *Look*, June 26, 1956.

(6) Hughes, *op. cit.*, 128.

(7) *Ibid.*

(8) *Ibid.*, 258.

Recent Progress in Oregon

The last decade has seen some realistic steps taken in Oregon to eliminate discrimination. Much of the advance has resulted directly from state and local legislation rather than from the voluntary efforts of private industrial and social institutions. Furthermore, most of the progress has been in the fields of education, employment and public accommodation rather than in housing.

THE RECORD

1947: The Legislature defeated a fair employment practices law.

1949: Fair Employments Practices Law enacted by the Legislature.

State law prohibiting discrimination in employment because of race, religion, color or national origin.

State law declaring it to be the public policy of Oregon that practices of discrimination against any of its inhabitants because of race, religion, color or national origin are a matter of state concern and that such discrimination threatens not only the rights and privileges of its inhabitants but menaces the institutions and foundation of a free democratic state.

1950: Commission on Intergroup Relations created by ordinance of the City Council:

City ordinance, granting the Commission the responsibility of investigating "problems arising between groups in the City of Portland which may result in tensions or discrimination on account of race, color, religion, or national origin or descent."

1950: The Portland City Council passed a comprehensive Civil Rights Ordinance which was referred to the people and subsequently defeated at the November 1950 election.

1951: Vocational Schools Law enacted by the Legislature.

State law prohibiting discrimination in vocational, professional or trade schools in Oregon.

Repeal of Oregon's Miscegenation Law.

Governor's Executive order directing the National Guard to pursue a strict policy of non-discrimination.

State Insurance Commissioner's order to insurance companies in Oregon requiring elimination of the surcharges formerly levied against non-white drivers.

1953: Public Accommodation Law

State Law prohibiting discrimination in places of public accommodation, resort or amusement and establishing the right of all persons to equal facilities.

Amendment of the State Constitution of Oregon deleting the word "white" therefrom with respect to reapportionment of population which was based, previously, on the *white* population.

II THE STATUS OF PORTLAND'S NEGRO POPULATION

Over fifty percent of Portland's 11,000 Negroes are concentrated in census tracts 22 and 23, better known as the Albina district (boundaries of which are Union Avenue on the east, Interstate Avenue on the west, Oregon street on the south, and Fremont Street on the north). A gradual expansion northward and northeastward into tracts 24, 25, 34 and 35 has been taking effect for some time. And, although it is probably true that Negroes are residing presently in all of Portland's 61 census tracts, over half of them are still concentrated in this one small area of the city which is about two miles long and one mile wide. A recent survey undertaken by the Community Council estimated that living conditions in the Albina district

are more crowded today than ten years ago due to the closing, after the war, of public housing developments at Guild's Lake and Vanport which housed large numbers of Negro war workers⁽⁹⁾.

It is the feeling of your committee that most white Portlanders are unaware of the social and economic problems which face the city's Negro population. Responsible public officials have made little effort to publicize the presence of segregated housing and general slum conditions which we have found *do* exist. The previous city administration showed little interest in the issues at stake, as evidenced by its appointments to the Portland Housing Authority and the consequent shift in attitude and policies of the Authority. No longer was the Authority primarily interested in promoting low cost public housing for low income families, particularly nonwhite families unable to find adequate housing. Urban renewal plans were never approved for the Broadway-Steel Bridge area, partly, your Committee feels, for the reason that no one was prepared to face up to the problem of relocating in adequate homes the displaced citizens, many of whom would have been non-whites. Neither the Mayor nor the Council showed sufficient willingness or imagination to formulate a constructive housing program and to request the necessary operating funds from the electorate. The city budget for such matters has been totally inadequate for years. Your committee found the two city agencies which should be most concerned about blighted housing conditions, the Health Bureau and the Building Division, to be grossly understaffed and unconcerned. Even if the city so desired, it has not the manpower to initiate inspections for code violations. Unless a particular violation is reported to the Council, unhealthy and generally unsafe conditions are apt to remain unnoticed by public authorities. Only last September, Commissioner Ormond Bean stated: "It worries me that the city's business has to be run on such a low budget. It's false economy."⁽¹⁰⁾

There has been no indication as yet what the new city administration plans to do about any of these problems. Interest in urban renewal plans has been rekindled by Mayor Schrank who feels strongly about the need for such a program. The problem of where to transplant Negroes who will be evicted from the Broadway-Steel Bridge area selected as the site of the Exposition-Recreation Center will present no easy solution, unless prevailing attitudes toward integrated housing in Portland become more favorable.⁽¹¹⁾

III HOUSING

In confining a majority of its Negroes to a restricted section of the city, Portland has forced them to live in crowded, ancient, unhealthy and wholly inadequate dwellings. Recent estimates are that 4400 of the 5000 homes (not all of which are Negro by any means) in the Williams Avenue or Albina area were built prior to World War I. Furthermore, little or no new home construction is taking place within the confines of what has become literally a Negro ghetto. There has been a noticeable lack of available funds for home improvement loans except in the last year or so, and then on a limited scale.⁽¹²⁾ The City Planning Commission, in its survey of the Broadway-Steel Bridge area for urban renewal, discovered over sixty percent of the housing to be substandard.⁽¹³⁾ Because of the shortage of available Negro housing, it was found not uncommon for a Negro family to live in a single substandard room.

Overcrowding, below-average living conditions, and the generally lower economic level of Negroes have conspired to produce disquieting symptoms of social disorganization. The

(9) Community Council, Group Work and Recreation Division, "Williams Avenue Y.W.C.A. Study," June 1956
(10) *Oregonian*, September 14, 1956.

(11) As of July, 1955, a total of 187 non-white families and 83 non-white single individuals resided within the Broadway-Steel Bridge site.

(12) During the past five years, bank loan policies appear to have been liberalized. Letters in the City Planning Commission files on urban redevelopment projects reveal that bank policies in 1952 prohibited loans on residential properties in areas zoned for commercial or industrial use and strictly limited loans on residential properties which were over 40 years of age. Portland's two leading banks disclaim such policies today.

In contrast with the banks many insurance companies still impose loan restrictions on residential properties over 40 years of age. Mortgage firms which use insurance money are therefore not apt to provide home improvement loans on 90% of the homes in the Albina district.

(13) What is considered "substandard" by American Public Health Association criteria may be judged legal by the Portland Housing Code. See: Portland City Planning Commission, *Quality of Housing Report, Broadway-Steel Bridge Area*, (July, 1955).

incidence of crime in the Williams Avenue area is greater than for the city as a whole; broken homes are common, and children are not infrequently the victims of family disruption. In Eliot school, which serves the neighborhood, 42½% of the children have only one parent at home.

Such conditions create a drain on the taxpayers' dollar⁽¹⁴⁾; the cost of social welfare, police and fire services is considerably above the revenues obtained through property taxes in this depressed district. The better housed and more prosperous citizens of Portland pay annually for the confinement of the Negro minority to an old slum neighborhood.⁽¹⁵⁾

The impact of segregation in housing reaches into almost every other aspect of Negro life. The existence of a Negro ghetto implies segregation in education, in fact if not in form, for the schools in the neighborhood reflect the preponderance of Negroes residing nearby⁽¹⁶⁾. Moreover, if Negroes are blocked from moving into better homes as their economic capacity warrants, an important incentive for self-improvement is taken away. Earnings which might have been devoted to payments on a new house are diverted into other, often less beneficial channels. Finally, confinement to an inferior and relatively unattractive neighborhood is a daily reminder of the prejudice of the white majority, and constant reinforcement of feelings of inferiority and resentment.

BASIS OF SEGREGATION

Portland's minority housing problem is caused by two factors: the relatively low income of Negroes and their resulting inability to acquire better places in which to live; and second, a pattern of resistance to non-white purchase of homes in predominately white areas of the city. The first cause is an economic one which depends for cure upon better education and employment opportunities. The second is a complex weave of community attitudes and fears, and financial and commercial practices. This section of the report deals only with the difficulties financially qualified Negroes have in finding homes suitable to their tastes and stations in life.

A primary source of residential segregation is the "myth" that property values will decline when non-whites enter a previously all-white neighborhood. This notion has been fostered, perhaps, by the low-quality housing in which most of our Negro citizens have lived. But it must be remembered that this inferior housing is all that has been available to most Negroes, and where they are permitted to go beyond the confines of their "assigned" district, it has almost invariably been in an area in which the property values have already been declining for some time. In short, the Negro has been traditionally allocated those neighborhoods which the whites no longer want because they have grown old or undesirable for some other reason.

Until 1952, the doctrine that Negroes depress property values was the official position of the Portland Realty Board. At present, this doctrine has been officially abandoned, but it is common knowledge in many circles that 90 percent or more of the real estate brokers in Portland will not sell a home to a Negro in a white neighborhood even though the prospective buyer can handle the deal financially. Your committee feels that such practices constitute a violation of state policy as declared in the Fair Employment Practices Act of 1949.

The real estate brokers defend this practice with a two-fold argument. They contend, first that they have a duty to help maintain property values and that sale to a Negro would violate this trust. Also, they point out that if they sell to Negroes in white areas, their business will be hurt by resentment from angered residents of the affected neighborhood.

The fear of reprisals could be eliminated, your committee believes, by either an order of the Governor or an amendment to the state real estate law requiring all brokers and salesmen to conform to Oregon's declared policy of non-discrimination. If such official action were taken the broker who sells to a Negro otherwise qualified could answer criticism by

(14) Mayor Schruck, speaking before the Albina Council on Feb. 20, 1957: "Law Enforcement in the Williams Avenue area is the most expensive in the city."

(15) Your committee has not been able to document this precisely, but we conclude from talking with city officials, health and social workers, that this is the case. A study by the Carnegie Foundation revealed that municipal expenditures generally are 2½ times greater in minority group areas than in non-minority group areas; that white slums contribute less than 6% to 10% of a city's tax revenue, they cost the city as much as 45% of its services budget to maintain them. See Elmo Roper. *The High Cost of Discrimination*, published by the National Council of Christians and Jews.

(16) The growth in concentration is evidenced by the fact that in 1947 only 9% of the Boise School children were Negroes; in 1955 the percentage had risen to 50%. Eliot School saw a rise for the same period from 35% to 80%.

pointing out that he is doing only that which is required by law. Moreover, no other broker or salesman could steal away business since all would have to comply with the law.

As to the argument that Negroes depress property values, most available evidence tends to disprove this claim. Studies have shown, however, that values may decline if white neighbors panic and flee, selling their homes at rock-bottom prices. In some instances, especially in the eastern United States, such "block-busting" has been instigated by brokers themselves in search of easy profits.

In Portland, available evidence includes a recent study conducted by the Urban League which concludes that the allegation that the introduction of non-whites into a residential area results in depreciation of property values is unsupported by fact and is "without valid foundation." The study consisted of comparing the market values of property in five test areas where non-whites had purchased homes with market values of property in the same period in five similar control areas where non-whites had not entered. Considering the test areas as a whole, the trend of property values generally followed an upward curve, the total average price gain in re-sales after the introduction of non-whites being 27.7 percent. At the same time, the total average price gain in the control areas was 28.7 percent. The difference of one percent appeared to be accidental and without significance.⁽¹⁷⁾

While the Urban League study did not exhaust the opportunities for gauging the impact of non-whites on property values in Portland, inasmuch as there has been considerable scattering of non-whites among the census tracts in the city, nevertheless the conclusions offered by the report are in harmony with the results obtained in similar studies in other cities.⁽¹⁸⁾ Moreover, there has been at least one small but successful attempt at an integrated housing development in Portland.

If in specific cases the entry of non-whites into a hitherto white neighborhood has lowered property values, your committee feels that this results not from any defect inherent in non-whites as property-owners, but rather from the ignorance, fear and hostility of white people already present in the area. Property values are, of course, ultimately subjective, and if neighbors of non-white believe the value of their properties has been hurt, and if they act on their beliefs by panic-selling for low bids, the market value of the properties in question is undoubtedly lowered. If on the other hand the neighbors of an otherwise qualified non-white accept him and live as neighbors in the manner recommended by our religious teachers and our historic American concepts of equality and human dignity, it is difficult for your committee to see wherein property values can be harmed.

Your committee feels that time and money could well be spent on a comprehensive study of the attitudes and fears held by Portland's white majority towards the city's Negro population. We have not accumulated sufficient evidence to enable us to treat the matter conclusively but we can cite two particular surveys as examples. The Urban League examined the voting records of the 1950 city referendum when the Civil Rights Ordinance was defeated. The heaviest negative response was shown to have come from those in the middle and lower economic classes. The areas populated by the most economically secure, *i. e.*, Council Crest, Grant Park, Eastmoreland, and the area surrounding the University of Portland, voted for the ordinance. The heaviest vote against was in the vast area north of Fremont Street. Attitudinal surveys conducted elsewhere have shown that the prevailing attitudes of a city may change from time to time. It is conceivable, therefore, that if Portland were voting today on a more comprehensive public accommodations law, an entirely different attitudinal pattern might result from that revealed by the 1950 election.

A recent study by the Urban League of residential attitudes towards Negroes as neighbors would seem to indicate that some shift in attitudes has occurred within Portland over the last seven years. Trained interviewers talked with a carefully selected sample of over 450 residents in six different areas. Among those residents living in close proximity to non-whites, more than two-thirds were found to be in favor of integration. Curiously enough, a majority of those opposing integration believed their neighbors would support their position while only a small minority of those favoring integration felt that their neighbors would agree with them. Persons who came in contact with Negroes in their work or their church or community activities, expressed a more favorable attitude toward housing integration than those

(17) The Urban League of Portland, *Non-White Neighbors and Property Prices in Portland, Oregon* (Portland, 1956).

(18) For a study of San Francisco, see Luigi M. Laurent, "Effects of Non-White Purchase on Market Prices of Residences," *Appraisal Journal*, July, 1952.

who had no such contacts. Younger persons, likewise, were found to be more favorable to housing integration and less inclined to hold prejudiced views toward the Negro.⁽¹⁹⁾

Among other causes of discrimination in housing is the fear on the part of builders that if they sell some units of a new development to Negroes, whites will refuse to buy the other houses. As long as the myth of declining property values is current, and as long as race prejudice exists in any sizeable degree, one cannot take issue with builders on this score. Because of high interest rates and construction costs, a builder must sell his homes quickly and liquidate his loan if he is to make a profit and avoid a ruinous loss. It has been suggested to your committee that the state consider the feasibility of insuring against loss any builder who may wish to follow an open occupancy policy while the process of education in inter-group relations proceeds.

Your committee was able to discover little evidence that financing is a bottleneck for non-whites attempting to find dwellings outside segregated areas. Most of the banks and mortgage lending agencies contacted denied practicing racial discrimination in the granting of loans. While your committee has been led to believe that some discrimination does exist it would seem that a qualified Negro applicant can obtain a loan to purchase or build a house.

APARTMENT RENTALS

As was the case in 1945, few apartments are available to Negroes outside of the predominantly Negro sections of the city. The same prejudice is encountered in the renting of apartments as in the renting and buying of homes. Rental agencies seem to share common ground with real estate brokers in these matters. Some Negroes in the Williams Avenue area rent rooms in old houses which have been converted into apartments. But, regardless of type, considering the dilapidated condition of many of the units, the rentals are apt to be high, thereby reflecting the desperate plight of the average Negro apartment seeker. Your committee found it hard to reconcile the known scarcity of apartment space for Negroes with the statement of the Oregon Apartment House Association that some 1000 vacancies existed in Portland on March 1, 1957, many of them in older buildings and at the lower rent levels (or well below the average of \$70.00 per month.)⁽²⁰⁾

PUBLIC HOUSING

The Portland Housing Authority integrated its operations in 1950 and has experienced little or no difficulty as a result. In a few instances, whites complained when Negroes were introduced as neighbors, but the Authority refused applications by the complainants for transfers on this account and none of the complainants left the Authority's projects. Actually, several of the complainants later apologized to the Director of the Authority when they discovered they could live happily with non-white neighbors.

As of March 4, 1957, the Authority maintained 423 active temporary dwelling units, in which there resided 181 white families and 137 Negro families. The average length of stay for the whites was 45 months, while for the Negroes it was sixty months. As of the same date, it maintained 485 permanent low-rent housing units, of which 437 were occupied by whites and 30 by Negroes. These units are located at the Columbia Villa and Dekum Court developments.

According to Mr. Floyd Ratchford, former director of the Authority, the ratio of colored to white families in Portland's public housing has risen rapidly in recent years because of the unavailability of low cost private housing for Negroes. An opportunity to alleviate the situation exists with respect to the disposition of the University Homes property. The Authority has complete plans for making the area into a planned racially-integrated private housing development. These plans have not been used to date; certainly steps should be taken to see to it that this valuable property is not turned over to builders for unregulated, segregated development.

More opportunities for integrated housing exist in the public housing field. Several Portland areas such as South Auditorium, Broadway-Steel Bridge, and Williams Avenue could qualify for federal aid under the Urban Renewal programs. The Housing Authority could acquire these tracts and cause them to be redeveloped along integrated lines.⁽²¹⁾

(19) The Urban League of Portland, *Residential Attitudes Toward Negroes as Neighbors*, (Portland, 1956)

(20) The Oregon Apartment House Association does not attempt to set any policy for its members; neither does it keep any information regarding the availability of space to Negroes. The Association reports, however, that some of its members have a few units which rent as low as \$35 per month and "some good units" in the \$40-\$42 per month range.

Your committee thinks that it is important to stress that public housing—or private—for the Negroes is not the crux of the problem. The objective should be "integrated housing." Modern new ghettos are only slightly less undesirable than the existing run-down, slum ghettos.

The Federal Housing Authority has, since 1949, operated under a policy of non-discrimination. Mortgagees are not permitted to record any restrictive covenants on the basis of race, color or creed, or execute any agreement, lease, or conveyance which imposes such restriction on sale or occupancy, during the term of an FHA insured loan.

Underwriting standards set forth by the FHA specifically exclude considerations of homogeneity and heterogeneity of neighborhoods as to race, creed or color, and specifically recognize the right of all persons to equality of opportunity in obtaining the benefits of FHA insurance.

Unfortunately, the FHA regulations do not ban discrimination in the sale of federally-insured homes, although such requirements could be imposed in exactly the same manner as fair employment practices are linked to government contracts.

IV PUBLIC ACCOMMODATION

Ten years ago, most of the hotels, restaurants, motels, skating rinks, amusement parks, bowling alleys and night clubs refused service to Negroes. By 1952 all of the major downtown hotels and restaurants except two had changed their policies but the former conditions prevailed in the other areas of public accommodation.

The Public Accommodation Law of 1953 brought a number of long-needed reforms. It outlawed all forms of discrimination in places of public accommodation, resort or amusement, but specifically excluded from coverage any institutions in their nature distinctly private. This legislation has been noticeably effective in and around Portland where few violations have been reported in the past three years.⁽²²⁾

The law provides that the person so discriminated against may file suit for damages, not exceeding \$500. There are no criminal provisions. Furthermore, the state does not now possess the power to investigate or initiate complaints. Your committee believes that widespread discrimination is still being practiced and will be so long as the injured party must file suit. For example: Instances have been cited to us of Negro tourists enroute by car through Oregon, who have been denied the use of available motel space and who have neither been willing nor had the time to file damage suits.

V ECONOMIC OPPORTUNITIES

THE ECONOMIC FRONT

The economic front has offered the American Negro the best chance for breaking through the stone wall of discrimination. During the past decade, Negroes have literally bought their freedom. They have not had to face the kind of unified and deeply entrenched opposition from economic forces that they have encountered from social forces. Operating in a period of prosperity, economic forces have created jobs for Negroes where none had existed previously.

But this very phenomenon—high prosperity—gives many economists cause for some anxiety today. Should the American economy falter, Negro workers would suffer much more deeply than white workers. "During the recessions of 1949 and 1954, unemployment rates were higher among Negroes than among whites in every major occupation and industry group" in the nation.⁽²³⁾ In every period of economic decline, Negroes are the first to be laid off. This is one reason why your committee, along with other groups who have studied the problem, feels it imperative that there be strong Fair Employment legislation on the books as a protection to minority workers.

(21) The acquisition of the Broadway-Steel Bridge Exposition-Recreation site will cause a sizable number of Negro families to be evicted. Your committee feels that the city is obligated to approve the area for urban renewal immediately and thus ensure the proper relocation of the displaced families.

(22) Satisfactory adjustment was secured in ten cases by the Bureau of Labor, 1953-1956, through persuasion methods. The Bureau feels that only a minimum number of complainants sought this kind of help.

(23) Hughes, *op. cit.*, 260.

THE FAIR EMPLOYMENT PRACTICE LAW

The Fair Employment Practice Act became law on July 16, 1949. It empowered the State Bureau of Labor "to eliminate and prevent discrimination in employment because of race, religion, color or national origin, by employers, employees, labor organizations, employment agencies or other persons and to take other actions against discrimination because of race, religion, color or national origin . . ." Oregon is the only state which has its Fair Employment Practices Division located within a bureau or department of labor. New Jersey's FEP division is in the Department of Education. Other states have established separate commissions. The present FEP staff strongly endorses the Oregon plan which it feels allows them to work more closely with labor and management, and with state and local governmental bodies at all times.

The law operates in the following manner: A person who feels he has been discriminated against may file a complaint with the Bureau of Labor. One of the FEP division staff members then proceeds to interview the respondent who has been charged with discrimination. If there is reasonable assurance that discrimination was practiced, the FEP division "proceeds to insure compliance with the law through conference, conciliation and persuasion." Violation of any of the provisions of the FEP act subjects the offender to civil and criminal penalties. If convicted, a violator may receive a sentence of one year in the county jail or a fine of not more than \$500 or both.

The first seven year report through December 31, 1956, shows that 185 complaints were filed against 126 different respondents. Ninety-one and one-half percent, or 169 of the complaints, were in Multnomah County. On investigation, the FEP division found only 86 cases of unlawful practice. Seventy-six cases were settled by conference and conciliation. Only ten cases required adjustment by public hearing, and nine were against the same organization: the Railway Brotherhoods.

STATE OF OREGON, BUREAU OF LABOR
Fair Employment Practices Division
COMPLAINT REPORT

From 7-1-49 to 12-31-56, inclusive.	Date: 12-31-56	
Total Filed		185
<i>Basis of Alleged Discrimination:</i>		
Race or Color		175
Religion		7
National Origin		3
<i>Respondent:</i>		
Employers		153
Labor Organization		24
Employment Agencies		6
Other		2
<i>Act of Alleged Discriminations:</i>		
1. Refusal to hire		115
2. Conditions of employment		11
3. Discharge from employment		25
4. Employment Agency referral withheld		5
5. Union membership withheld		19*
6. Conditions of Union membership		4
7. Unlawful pre-employment inquiry		3
8. Abetting discriminating in employment		3
<i>Disposition:</i>		
Pending		8
Closed:		
1. Unlawful employment practice found and corrected		86**
2. No unlawful employment practice found		78
3. Lack of jurisdiction		4
4. Withdrawn		9

*The nine complaints which required adjustment by public hearing were against the same respondents and were corrected by a single order after hearing.

**In 53 of the 86 cases in which unlawful practices were found and corrected, the complainant benefitted directly by being offered the job previously denied him, admitted to union membership previously denied him, etc.

As one of its major responsibilities, the FEP Division maintains a broad educational program, designed to prevent discrimination. Over 400 community organizations participated in the 1956 Forum on Intergroup Relations, held in Portland under FEP sponsorship. This function has become an annual affair since 1949.

Your committee is of the opinion that definite progress has been achieved in Oregon. The experience of the last seven years shows that laws prohibiting discrimination in employment can work smoothly and effectively as long as there is enough popular support to see them through.

In the words of Mark A. Smith, the FEP Division administrator, as soon as "people's fears have been removed and they find nothing drastic has happened, they begin to support the idea strongly. There isn't as much bigotry in this as one would assume. It is custom more than opinion or principle."

There is, however, one general weakness in most FEP laws, including that of Oregon. They depend for their implementation almost entirely upon individual complaints. "Not nearly enough Negroes who meet discrimination report it to us," states Smith. "We can't move without a complaint. We can't initiate. We have had only 185 complaints in 7½ years. We feel safe in saying that if we had had twice as many complaints brought to us in that time, we would have seen a great deal more progress."

ORGANIZED LABOR

The national organizations of most of the major labor unions long ago adopted policies of non-discrimination, but due to their structural looseness a good deal of latitude has been permitted local affiliates in carrying out such policies. For many years, furthermore, there has been a sharp distinction between prevailing practices in craft and industrial unions. The craft unions have exerted control over employment by selecting their own membership through apprenticeship programs and other devices, while the industrial unions have largely recruited only those employees selected initially by management. In practice, however, all labor employment qualifications and responsibilities are shared by both the unions and management to a lesser and greater degree.

Since 1941, a substantial number of Portland's Negro workers with union affiliation have won union jobs in certain of the building trades, the dry cleaning industry, the foundries, and the construction and the building service industries. But it is a known fact that a few unions in Portland still discriminate in one form or another. The Railway Brotherhoods have been the heaviest offenders. The seven year report of the FEP divisions shows 23 complaints filed against labor organizations. But even these figures are misleading. Many a Negro has never been sufficiently trained to qualify as an applicant for a particular job, so that the denial of the job could provide the basis for a complaint.

The complexities of the relationships involved are most clearly revealed if one examines the apprenticeship program, which is jointly operated by management and labor, with the administrative coordination of the State Apprenticeship Council in cooperation with the State Division of Vocational Education and Vocational Department of the Portland Public Schools. Committees representing management and labor for every trade make their own selection of applicants who will be allowed to apprentice in the various trades. Certain trades, however, have had no Negro members. Negroes are therefore given little inducement to enter the apprenticeship programs in these trades. In some cases school counsellors have not tried to encourage them in the knowledge that the unions would not accept them anyway. Your committee feels that this policy has been unwise. We understand, however, that certain changes are presently taking effect, at least within the counselling program. Yet we do not feel that any real progress will be made until the administrators of the program take a more determined stand with both the union and management representatives. Equality of employment opportunity with the objective of helping the Negro receive the necessary training, should be one of the primary purposes of the Portland apprenticeship program.

In several cases of union discrimination brought to our attention, the unions in question were industrial type organizations whose employee members were selected originally by management. As will happen occasionally, if management decides to place a qualified Negro on the payroll and firmly supports its decision, the union normally does not dare create an issue. Such an action was recently taken by the management of the Triangle Milling Company. The Grain Millers local raised a fuss over the hiring of a Negro. The FEP staff was summoned, the union retreated, a peaceful settlement resulted and further progress was thereby achieved.

BUSINESS

The 1945 report declared: "By far the principal deterrent to the Negro having available a wider field of possible employment is the position of the employer in refusing to place him on the payroll." (24) This statement is just as valid today as it was twelve years ago, your committee believes. A number of leading Portland firms in such fields as retail trade, public utilities, and banks, have failed to develop equal employment opportunities. Many of these institutions are prisoners of outdated customs and traditions. The Pacific Telephone and Telegraph Company has taken the lead among public utilities in employing minority peoples. This practice resulted from a national policy established by the Bell System. Your committee found, that with one or two exceptions, the national chains and large corporations, have shown more of a tendency to develop non-discriminatory employment policies because of patterns set up in other parts of the country. However, a large mail order house has consistently refused to hire Negroes although the national office has established no such policy. The railroads, in addition, have not attempted to employ Negroes as firemen and brakemen for train service due to the admitted fear of arousing union opposition. Among firms with headquarters in Portland, your committee discovered the greatest progress to have been achieved in major department stores and factories where skill runs high. In some of the local food and general merchandising chains, on the other hand, there has been no advance. (25)

Your committee sent a detailed questionnaire to 92 heads of Portland firms. Replies were received from 48 firms. Two stated that they do discriminate. Seven proclaimed firmly that they do not as evidenced by the fact that Negroes are employed in both skilled and unskilled positions. Eighteen declared that they do not discriminate (although they have no Negroes in supervisory positions, only in lower type jobs.) Nine professed non-discrimination policies while employing no Negroes. Only 28 out of the 48 firms employ any Negroes at all.

Fourteen of the 48 firms replying have no established policy regarding the employment of Negroes. Only one firm stated that it had changed its hiring policy since 1945 and presently hires Negroes. None of the remaining firms which replied anticipates any policy change in the near future, even though some of them will be violating the laws of Oregon by adhering to their present practices.

We have found it interesting to examine some of the statements included in the replies. In practically every case where few if any Negroes are employed, the company has declared that the applicants must possess "the necessary qualifications to meet the standards of the job." Usually the determination of qualification depends upon the subjective judgment of the personnel manager who may have a certain built-in bias which results from a stereotyped view of the Negro. One personnel director expressed the opinion that Negroes prefer to work with others of their own race and at low pressure jobs. Another cited what he called "personal experience" to the effect that few of the Negroes whom they had hired had been as dependable as the "white" or "yellow" workers in their employ. "We try to screen out the highest type [Negro] but in spite of this we get a higher percent of not dependable individuals than with other people."

Your committee has discovered it a difficult matter to distinguish between discrimination and disqualification in the employment field. If a business employs over 1000 men with no Negroes, that in itself is no proof of discrimination. We do know however, that in some businesses definitely evasive techniques have been used: Giving an applicant only five minutes to complete an examination that cannot possibly be finished in that time. And even if a Negro applicant receives a job, he has no assurance that he will not be discriminated against. Will he receive equal promotion opportunities commensurate with his ability and training? Will he be allowed the chance to take the kind of in-service training which will qualify him for promotion?

With about 50% of Portland's Negro high school graduates entering college today, it is imperative that business leadership face squarely the necessity of establishing policies which will encourage the hiring and training of able Negroes. Too often the lack of any policy is simply the reflection of a company's lack of any real interest in equal opportunities for Negroes, regardless of ability and training. In the last analysis, the decision rests with the head of each particular firm. Only he can establish the policy. The personnel manager will seldom assume the responsibility out of fear of arousing the ire of his superiors. Employers who do decide to hire Negroes for the first time or to hire additional Negroes in new capacities must adopt a firm attitude and be resolute in enforcing this policy regardless of any illusory objections that may be raised.

(24) City Club, *op. cit.* 59.

(25) Mark A. Smith, to the Committee, September 28, 1955.

THE PROFESSIONS

Negroes have probably encountered less discrimination in entering the professions than in entering other occupational categories. The Oregon Institutions of Higher Learning, including the Medical and Dental Schools, practice no discrimination as far as your committee has been able to determine. A job survey revealed many Portland Negroes employed in education, the Federal Civil Service, state and county social work, medicine and nursing, the ministry and law. Education and social work have attracted the largest percentage of able Negro college graduates in the Portland area. But for the expense involved in post graduate study, more Negroes could be expected to enter the professional world.

PUBLIC AGENCIES

State, county and municipal agencies have enjoyed the cleanest record among all employing groups in the Portland area with regard to discrimination. The year 1955 recorded no charges against any governmental department, while in 1956 only a very few were filed.

A recent hearing before the City Commission on Intergroup Relations established the fact that discrimination is being practiced by the Recreation Division of the City Bureau of Parks even though the Division presently employs four Negroes in a supervisory capacity. This is not the first time that this Division has been cited for practicing discrimination in its hiring policies, a similar judgment being reached by the Commission three years ago. As a result of the Commission's most recent finding, the complainant was hired by the city.

As of September 1, 1956, the City of Portland was employing over 115 Negroes, the largest portion of whom were performing manual labor. This represents a marked change from the 1945 total of 15. The Police Department listed 8 Negroes as members of the force, in contrast with 1945 when there were none. The Fire Bureau has been less willing to encourage Negroes to join their service which today numbers only one Negro. As of the same date, Multnomah County was employing over 50 Negroes, while in 1945 it had only one Negro janitor in its hire. The State counted over 40 Negroes on its payroll, including an Assistant State Attorney General, while the Federal Governmental agencies in Portland were employing over 275 Negroes. The Bonneville Power Administration has taken the lead in attracting Negro professionals, while other Negro professionals have gone to work for the Forest Service, the Corps of Engineers and the Veterans Hospital. One of the most encouraging developments in the past twelve years has been the increase from 2 to 46 in the number of Negro teachers employed by the Portland School district, many of them teaching in all-white schools.

VI INSURANCE AND CREDIT

INSURANCE

The policies of the major insurance companies have undergone radical change since 1945. Your committee was unable to find any major life insurance company refusing Negro business simply on the basis of color. The age, health, employment and general living condition of every applicant are factors which life insurance companies consider, and only on the basis of such factors might Negroes be downgraded as insurance risks.

Life expectancy tables no longer penalize the Negro to the extent that they did in 1945. The tables in use in 1945 were based on statistics gathered for the years 1930-1939. (26) Pacific Coast Negroes were considered shorter lived than whites by 12 years at birth, by 5 years at 25, and by ½ year at 65. The present tables based on the years 1949-1951, give the Pacific Coast Negroes 3½ fewer years at birth, 2½ fewer years at 25, and 4½ more years at 65. (27)

The two largest American life insurance companies, Metropolitan and Prudential among others, actively solicit Negro business. This represents a complete reversal in form from 1945. In the year 1955, Metropolitan estimates that it wrote \$400,000 worth of individual Negro policies in Portland with the average policy amounting to about \$2500. Many Portland Negroes, furthermore, are covered under group life and health insurance policies taken out for them by their unions and employers. Very recently the Golden State Mutual Life Insurance Company of California was licensed to do business in the State of Oregon. Golden State was organized originally as a Negro company but it has long written insurance for any qualified person.

(26) "U. S. Life Tables 1930-39 for White and Non-White by Sex" *Vital Statistics*, June 30, 1947.

(27) "Life Tables for the Geographic Division of the U. S., 1949-51" *Vital Statistics*, July 26, 1956.

Your committee was unable to find any discrimination practiced against Negroes by the general, fire or auto insurance companies. Negro business is actively sought by most all of these companies and their agents.

CREDIT

Your Committee discovered no evidence of discrimination practiced against Negroes in the granting of credit by either the larger retail establishments or the Portland Retail Credit Bureau.

VII SOCIAL OPPORTUNITIES

MEDICAL CARE

Adequate medical care is available to all Portlanders regardless of color or creed. Portland hospitals do not discriminate against Negroes. As in other parts of the country, once hospitals establish and firmly adhere to a policy of equal treatment few complaints are received from patients. Your committee discovered little new information to add to the findings of the 1945 report regarding hospitals. Convalescent homes, on the other hand, have radically changed their policies in the past twelve years. We were able to discover no cases of discrimination being practiced in Portland convalescent homes today.

SOCIAL AGENCIES

Your committee feels confident in stating that Portland's social agencies rate highest in the matter of serving Negroes without discrimination. In 1948, the Community Council, formerly the Council of Social Agencies, adopted a statement of policy which reads as follows:

"The Council believes in the equality of rights, opportunities and responsibilities of all people. In order to carry out this belief the following Statement of Principles has been prepared on inter-group participation in social services in our community.

1. The goal of social services in Portland and Multnomah County shall be to serve as needed all persons.
2. Facilities provided for particular groups should be available to others for special or emergency service and should not deprive persons of that group from needed services of any other agency.
3. Directing boards and committees of social agencies should be broadly representative of the persons serviced.
4. Agency positions in all classifications should be filled on the basis of qualifications of the candidates. As a general policy, staffs of agencies serving a considerable number from minority groups should reflect the groups served.
5. The Council of Social Agencies shall continue to be alert to the facts about current needs of minority groups and the efforts of social agencies to meet these needs."

RECREATIONAL OPPORTUNITIES

The recreational opportunities which are most available to Negroes are sponsored by either the city or social agencies. The Public Accommodations Act of 1953 opened to Negroes a number of privately-owned public facilities such as roller skating rinks and bowling alleys. However no major downtown social clubs or regional country clubs are accessible to Negroes for membership purposes. Such men's organizations as the Kiwanis, Rotary and Lions are restricted. The Optimists are beginning to integrate slowly. The Eastern Star chapters and the Elks and Masonic Lodges are segregated and maintain separate facilities for white and Negro members.

The parks and playgrounds of the city have long been available for the use of all residents regardless of race, color or creed. Your committee has no reason to assume that Negroes do not use them generally, although they are more apt like most people to confine their activities to those facilities located nearest to their homes.

While investigating the recreational opportunities available in the Williams Avenue district, your committee was struck by three facts: (1) the large number of programs in operation; (2) the high degree of dedication and devotion shown by the staff members; and (3) the limited amount of money available for these programs. The major facility is the Knott Street Community Center which is housed in the old Eliot School. Administered by the Bureau of Parks and Public Recreation, this ancient structure is the center of much activity, which for

example during the month of December 1956, included a playschool, various kinds of athletics for youths and adults; teenage dances; dramatic activities; and art and crafts for all ages. In that one month, over 6000 visits a week were made to the Knott Street Center, which had a staff of only six persons to supervise the whole operation. Due to the voters' rejection of the city wage increase proposal at the November 1956 election, the directorial staff was cut back in January 1957 from 4 to 3, although the full staff still numbers six. Your committee urges the Park Bureau not to cut back further the Knott Street Center directorial complement but, if necessary, to reduce expenses of other programs less vital to the social health of the city.

Other facilities operating organized programs available to Negroes in the Williams Avenue district, include the new Eliot School, Friendship House, and the North Branch YMCA. In the last five years, adult education classes have been offered at various times in all of these locations. Although not heavily subscribed to because of the cost to the individual participant, it is to be hoped that they will be continued and possibly subsidized by public and private sources.

Your committee wishes to underscore the fact that although more adequate recreational facilities are needed in the Williams Avenue area, such a development in itself would solve few long range problems. The present facilities in the Williams Avenue district do not promote inter-group relations because their programs are aimed at younger age groups which are largely Negro. Statistically the white people in the district are in the older age groups. Any new structures to be built should be located where they will encourage the strongest and most harmonious relations between Negroes and whites of all ages.

VIII EDUCATION AND RELIGION

EDUCATIONAL FACILITIES

The findings of your committee do not differ from those published in the 1945 report which stated: "There is no evidence of 'color' division, discrimination, or differentiation in either the educational facilities or the educational program offered by the Portland schools." The racial composition of the various school student bodies does however reflect the residency pattern which has been established in Portland. In twelve years, the percentage of Negro children at the Eliot School has risen from 35 to 80. At the Boise school, the percentage increase has gone from 9 to 50. In seeking to implement as fully as possible its policy of non-discrimination in social affairs, the school administration in 1949 outlawed high school fraternities and sororities and their attendant discriminatory practices. Some of these malpractices still exist in other forms, but they are slowly being eradicated.

Several of the parochial schools have performed valuable service in promoting healthy intergroup relations. One of the most notable is the Blessed Martin Day Nursery on North Williams Avenue. Although Catholic sponsored, the nursery encourages the enrollment of some fifty children of all religions and races, thus providing an excellent setting for pre-schoolers to obtain a firm foundation for establishing healthy attitudes in race relations.

The 1951 Civil Rights law forbidding discrimination in trade and professional schools has pretty well eliminated the unhappy conditions which prevailed in 1945. Your committee was unable to find any instances of discrimination being practiced in Portland's business colleges.

CHURCHES

As with the schools, the racial composition of most church congregations in Portland reflects the residency pattern of the areas they serve. Most churches have announced policies permitting Negroes to worship, but few have adhered to any uniform policy as regards Negro membership. And while both the Portland and Oregon Councils of Churches have openly supported the idea of racial integration, they have not developed any organized program designed to promote integrated congregations. The Protestant churches look on this matter as one that is largely denominational in character (as they do on most matters) and do not favor efforts to establish an over-all committee to actively promote and develop plans to effect closer integration. The Roman Catholic Church, on the other hand, has become more aware and intensely interested in the problems of racial integration. Several Roman Catholic parishes have developed their own action programs to deal intimately with the problems as they arise within the areas which they serve.

The church leaders with whom your committee talked feel that the progress achieved over the past twelve years is not enough to warrant any real praise. There are no churches

in Portland today, to the knowledge of your committee, with truly integrated congregations; they are pretty largely either Negro or white in composition. Portland's church leaders have talked much about the need for closer brotherhood among peoples, and in some instances, have put their professions into action. Many of Portland's churchmen played a significant role in arousing public support for the 1949 Fair Employment Practices Law. Some of these same leaders have testified publicly on occasions, such as the May 1955 hearing on segregated housing directed by the Commission on Intergroup Relations. Yet despite these evidences of concern, your committee feels that many churches have not taken positive enough stands against the racial injustices which may happen to exist in their neighborhoods and within the community at large. At the present time, several of Portland's leading eastside churches are faced with the gradual eastward expansion of the Negro population. Just what will result from their concern must wait to be seen.

One church, the Highland Baptist, has agreed not to relocate but rather to remain at its present location and face up realistically to the problem of integrated membership.

IX THE PRESS, RADIO AND TELEVISION LOCAL NEWSPAPERS

Your committee has found both the Oregonian and Oregon Journal to be fair and unbiased in their treatment of news pertaining to Negroes. Seldom if ever is an individual identified as a Negro in the course of a news story. Furthermore, each paper has hired a professional Negro journalist.

RADIO AND TELEVISION

To our knowledge, local radio and television stations have employed very few Negroes in positions above the janitorial level. At present we know of only two, both disc jockeys. As for program coverage of subject material dealing with integration, local stations have on occasion featured programs aimed at promoting inter-racial understanding. In 1956 the Junior Chamber of Commerce inaugurated a series of television and radio programs which are still continuing and which have focused their attention chiefly on the local scene. The programs have dealt with such subjects as housing, employment and education.

X CONCLUSIONS

1. We find that although noticeable progress has been achieved in Portland towards closer racial integration during the period 1945-1957, Negroes, as a general rule, are not accepted on equal terms by the Portland white community.

2. We find persons who have lived as neighbors and worked with Negroes more willing to accept Negroes on an equality basis.

3. We find that civil rights legislation "works" as evidenced by the success and public acceptance of such laws as the Fair Employment Practices Act and the Public Accommodations Act.

4. We find untrue the belief so long propagated and accepted that property values depreciate when Negroes move into previously all-white neighborhoods.

5. We find that Portland real estate brokers over the past twelve years have, as a group, changed little in their attitudes and policies. The real estate brokers represent the biggest single obstacle to Negroes in their quest for equal housing opportunities.

6. We find a combination of enforced segregation in housing and poor economic opportunities to have created Negro slum ghettos of the worst order right in the City of Portland.

7. We find that many businesses, a few unions and a scattering of governmental agencies do not grant Negroes the same employment opportunities accorded whites.

8. We find a few financial institutions practicing discrimination in granting loans and mortgages, and in approving the sales of homes, the construction of which they have financed.

9. Finally we find that the City authorities of Portland have been noticeably unconcerned with the problems faced by Negroes and other minority peoples and generally unwilling to assume leadership in formulating constructive programs as solutions to some of these problems.

XI RECOMMENDATIONS

On the basis of our findings and our conclusions, this committee recommends:

1. That the State exercise its power as declared in her laws, through an order from the Governor to all state agencies requiring that all licensees adapt their practices to conform with state policy.

2. That if there be any doubt as to the right of the Governor to exercise such power, appropriate legislation to effectuate it should be passed.

3. That the State study the practicability of assisting a builder anxious to construct an integrated housing development.
4. That the State enact legislation forbidding discrimination in the sale, lease or rental of publicly assisted housing.
5. That the Portland Housing Authority take steps to insure that the University Homes property and any other vacant properties owned by the Authority be developed as planned, integrated, low-cost housing centers and not sold to builders for unregulated, segregated developments.
6. That the Fair Employment Practices Division of the Bureau of Labor, be expanded into a general Anti-Discrimination Division of the Bureau of Labor, and that it be strengthened by:
 - (a) authorizing the Labor Commissioner to employ a deputy commissioner and such other personnel as may be necessary to execute the anti-discrimination powers conferred upon the Bureau of Labor;
 - (b) empowering his deputy commissioner to initiate complaints in the area of employment as well as in the area of public accommodations.
7. That the Public Accommodations Act be amended:
 - (a) by including in "place of public accommodation" trailer parks, camp grounds, and places offering services to the public, e. g. barber shops, beauty parlors, reducing salons, physical culture clubs, retail stores and repair shops;
 - (b) by providing for the investigation of complaints and the administrative enforcement of the amended law by the present FEP Division of the Bureau of Labor, expanded into the Anti-Discrimination Division;
 - (c) by attaching additional penalties to the law, providing for the suspension or revocation of license for willful violation of the law, and empowering the authorized government agent to recommend this penalty to the relevant licensing agency.
8. That the City of Portland grant the Commission on Intergroup Relations a budget and staff sufficient to perform the following functions:
 - (a) to carry out needed studies of intergroup relations in Portland and how they might be improved;
 - (b) to develop in coordination with the public and private schools, educational programs on the subject;
 - (c) to develop policies and practices, and coordinate the execution of same, with respect to city government functions as they affect intergroup relations;
 - (d) to act as conciliator and counsellor to those in disputes involving intergroup relations. Such an activity would involve the use of specially trained personnel expert in handling intergroup tensions.
9. That the City of Portland establish a Division of Housing within the Bureau of Health with the power to administer housing inspections and to enforce the housing code, thereby insuring the maximum physical, mental and social well-being of the citizens of Portland.
10. That some local organization undertake a comprehensive study of Portland's slum areas, to determine the economic and social cost to the city of maintaining such areas.
11. That Portland's business leaders and executives consider adopting policies of non-discrimination in employment for their own firms and personally ensure the enforcement of such policies when established.
12. That Portland's newspapers and radio and television stations give sustained coverage to race relations issues and to the problems encountered by minority peoples residing in Portland.
13. That Portland's church leaders, as well as civic, educational, and service organizations, including the City Club, assume a more dynamic role in making the city's white population more aware of its responsibilities toward Negroes and other minority groups.

Respectfully submitted,

JOHN H. EYER	DENORVAL UNTHANK, M. D.
JACK HARGROVE	HOWARD VAN NICE
FRANCIS S. MURPHY	JOHN WHITELAW
GERALD ROBINSON	E. KIMBARK MACCOLL, <i>Chairman</i>
THE VERY REV. THOMAS J. TOBIN*	

Approved April 1, 1957, by the Research Board for transmittal to the Board of Governors.
 Received by the Board of Governors April 8, 1957, and ordered printed and submitted to the membership for discussion and action.

*Father Tobin was unable to attend any formal committee sessions or take part in the report's preparation. He does, however, concur with the findings.

ELECTED TO MEMBERSHIP

LEOPOLD KAUFMAN, Retired Banker. Proposed by Albert F. Knight.

JAMES C. MALETIS, Attorney. Partner, Coo-kingham, Hanley and Maletis. Proposed by Gordon McBe.

MODERN CITY NEEDS UNIFIED FINANCE SET-UP

Modern city charters, calling for strong mayor-council or council-manager government, also require a single finance department, according to an article in "Municipal Finance," quarterly publication of the *Municipal Finance Officers Association*.

The article points out that because of the close and confidential relationship between the mayor or manager and the finance director, the latter should be appointed by that officer and be responsible to him. This centralized control gives the mayor or manager an agency with modern technical tools to provide the current and complete financial information he needs for making sound decisions. The director also aids the executive in long-term fiscal planning and in debt administration. Fiscal reporting of the executive's program is another part of the finance department's duties.

In the ideal city finance organization, according to this source, all divisions are located in one building in addition to being under one head. This helps coordinate the activities of the different finance offices, and promote efficient use of personnel and mechanical equipment.

The centralized finance department should include divisions for the following functions: Accounting, budgeting, purchasing and stores management, debt administration, auditing, housekeeping functions, assessing, treasury management, financial reporting, cost accounting, and utility collections. Its main objectives, states the article, are to organize according to function and to set up modern methods for carrying out these functions.

The size of the city, as well as its charter limitations, determines the framework for this organization. In smaller cities, many of the functions listed can be combined and performed by the finance director himself. The important thing, the article concludes is for the director to keep a constant check on the effectiveness of the methods in use and to recommend changes where needed.

PROPOSED FOR MEMBERSHIP AND APPROVED BY THE BOARD OF GOVERNORS

If no objections are received prior to May 3, 1957, the following applicants for membership will be approved:

H. P. MILLER, Chief Engineer, Crown Zellerbach Corporation. Proposed by Clarence Richen.

HAROLD H. RICE, Administrative Assistant, Rose City Transit Co. Proposed by H. N. Burnside.

NEW JERSEY STATE EMPLOYEES PREPARE FOR RETIREMENT

Older employees of the state of New Jersey are better prepared for the changes that come with retirement than are most persons, an article in *Public Personnel Review*, quarterly of the Public Personnel Association, indicates.

New Jersey's Civil Service Department began a "Pre-Retirement Program" after a survey showed that persons recently retired had difficulties that could have been avoided by planning.

State employees considering retirement meet in groups of 12 to 30 persons two hours a week for five weeks. They discuss:

- pensions and taxes,
- psychological reactions to retirement and each participant's plans,
- full and part-time employment after retirement,
- healthful living for older persons, and
- legal problems, such as insurance, leases, wills, transfer of real estate.

Meetings are led by a clinical psychologist, a spokesman for the State Employment Service, a doctor and a lawyer. Counsellors may be consulted about problems that cannot be discussed in a group.

Many former employees have reported that the pre-retirement program was valuable to them.

The Department offers advisory service to New Jersey cities and counties setting up similar programs.

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