



# Press Release

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## Is Oregon Making Progress? State Futures Board Says “Yes, but...”

*Public safety, economy, environment, and social well-being measures all continue to show significant improvement. Education is downgraded and community development improves. Civic engagement does not improve.*

Salem (OR) — An analysis of the Oregon Benchmarks, 90 indicators of well-being for Oregon, indicates that the state continues to improve on many fronts but is slipping in some critically important areas.

Issued every other year, the report, entitled *Achieving the Oregon Shines Vision: The 2005 Benchmark Performance Report*, gave the state a “yes, but” for progress in improving the state’s economy, environment, public safety, and social well-being and community development. Education which had previously been deemed as making good progress was downgraded to the status of “yes, but.” Only one area, civic engagement, was assessed as not making progress overall. In every area of assessment, the group found some progress had occurred.

The Board identified seven trends that showed the biggest improvement and seven that were the biggest concern, one for each area of investigation. The seven biggest improvements are: 1) recovery of job creation capacity; 2) higher Internet usage; 3) voter turnout for presidential election; 4) reduction in hunger; 5) reduced juvenile recidivism; 6) lessened traffic congestion; and 7) more sustainable timber harvests. Areas of greatest concern are: 1) continuing fall of per capita income in relation to other states; 2) weakening of K-12 student achievement trends; 3) few Oregonians who understand the tax system; 4) more Oregonians without health insurance; 5) lack of additional progress in reducing reported crime; 6) worsening housing affordability; and 7) lack of progress in species protection.

Governor Theodore R. Kulongoski, who chairs the Progress Board, said "It is clear that we are retaining and creating jobs and making progress in our efforts to meet basic health, food and shelter needs." "The Oregon Benchmarks report provides a useful tool to guide our work to guarantee education and opportunity for all Oregonians."

“For the past 15 years, the Oregon Progress Board has monitored Oregon’s progress toward achieving the vision for the state set out in *Oregon Shines*,” said Progress Board Vice Chair Brett Wilcox. “I’m pleased that Oregon continues to make progress in key areas. Generally, Oregonians are better off today than they were in 1990. However, when we compare Oregon with other states, the picture is not as rosy.” For instance, Wilcox said, the state has made no progress in its standing compared to other states regarding per capita income.

Board member Senator Kurt Schrader said “As a legislator, I find this information very helpful for putting the many issues I am faced with in a broader context. The individual benchmark analyses provide me with a quick and easy review of how we Oregonians are doing on a broad range of issues important to the future of the state. I hope every Oregonian will take time to review this important report.”

“The Progress Board believes that having a long-term perspective is key to Oregon’s success in the future,” said Board member Diane Snyder, executive director of Wallowa Resources. “By looking back over the past 10 years, this report allows legislators and other policymakers to put today’s tough issues into better perspective and help determine what approaches are working.”

Board member and Benton County Commissioner Annabelle Jaramillo observed, “It is important to remember that these assessments reflect how well Oregon, as a state, is achieving the goals set out in the *Oregon Shines* vision. They reflect goals and aspirations we all share, not just government.”

Attached is a summary of trends in each of the seven areas assessed by the report.

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The Progress Board was created by the Oregon Legislature in 1989 to develop a strategic vision for Oregon and monitor progress toward that vision using a set of measures—commonly known as benchmarks—of economic, social, and environmental health for the state. Benchmark Performance Reports assess each benchmark for signs of progress.

The report is available online at [www.oregon.gov/DAS/OPB](http://www.oregon.gov/DAS/OPB). Reports can also be obtained by calling the Progress Board at 503-378-3201 in Salem.

# EXECUTIVE SUMMARY

## 2005 BENCHMARK PERFORMANCE REPORT

As pulse, temperature, respiration and other health indicators serve as vital signs for people, Oregon Benchmarks serve as vital signs for the well-being of the State of Oregon and are used to help set priorities and guide actions. Using trend data for seven categories of Oregon Benchmarks, this report provides insights into Oregon’s well-being. It is organized around the goals of Oregon’s strategic vision, *Oregon Shines*:

- 1) Quality jobs for all Oregonians,
- 2) Engaged, caring and safe communities and
- 3) Healthy, sustainable surroundings.

### In a Nutshell...

Is Oregon making progress overall? On balance - yes, but not without significant concerns. Table 1 shows that six of the seven benchmark categories are characterized, as a whole, as making progress toward their 2005 targets. Since the 2003 report, community development improved and moved into the making progress category. Education dropped from definitely making progress to making progress, but with concerns. The seventh category, civic engagement, remained at no progress.

Table 1 Is Oregon making progress? Comparison of the 2003 and 2005 reports.			
	2003 Report Status	2005 Report Status	Change
<b>QUALITY JOBS FOR ALL OREGONIANS</b>			
Economy	Yes, but	Yes, but	Same
Education	Yes	Yes, but	Worsened
<b>ENGAGED, SAFE &amp; CARING COMMUNITIES</b>			
Civic Engagement	No, but	No, but	Same
Social Support	Yes, but	Yes, but	Same
Public Safety	Yes, but	Yes, but	Same
<b>HEALTHY, SUSTAINABLE COMMUNITIES</b>			
Community Development	No, but	Yes, but	Improved
Environment	Yes, but	Yes, but	Same

A look across individual benchmarks reveals that a little over one-third are definitely on track to achieve their 2005 targets (indicated by “Yes” in the shaded box accompanying each of the 90 benchmark write-ups). About one-quarter are headed in the right direction but with a caveat or concern (“Yes, but”). Ten percent have little chance of achieving the 2005 target but show signs of improvement (“No, but”). Another one-quarter are definitely not expected to achieve their 2005 targets (“No”).

Finally, where possible, this report compares Oregon’s progress to Washington State and U.S. averages (shown at the bottom of many of the 90 individual benchmark write-ups). While not always “apples to apples,” or even “apples to oranges,” these comparisons are useful in judging how well Oregon is doing in the larger scheme of things. With 82 total comparisons to Washington, Oregon does better or equals Washington in 48 instances, or about 60 percent of the time. Against the 68 U.S. comparators, Oregon does better or equals the U.S. average over 65 percent of the time.

## Quality Jobs for All Oregonians (Chapter 2)

This goal is at the core of *Oregon Shines*. Without good jobs throughout the state, Oregonians will never experience the quality of life that is envisioned in the benchmarks. Quality jobs cannot survive without qualified workers. Monitoring Oregon's progress toward a world-class workforce that can compete in the 21<sup>st</sup> century global economy is at the top of the Progress Board's agenda. Two benchmark categories with eight subcategories measure progress in this area.

	<b>2003 Report</b>	<b>2005 Report</b>	<b>Change</b>
<b>Economy</b>	<b>Yes, but</b>	<b>Yes, but</b>	<b>Same</b>
Business Vitality	No, but	Yes, but	Improved
Economic Capacity	Yes, but	Yes, but	Same
Business Costs	Yes	Yes, but	Worsened
Income	Mixed	Mixed	Same
International	Yes, but	Yes, but	Same
<b>Education</b>	<b>Yes</b>	<b>Yes, but</b>	<b>Worsened</b>
K-12	Yes	Yes, but	Worsened
Post Secondary	Yes	Yes, but	Worsened
Skill Development	Yes, but	No, but	Worsened

### **Economy**

#### ***Making Progress? Yes, but***

*Biggest Improvement – Recovery of job creation capacity*

*Biggest Concern – Continuing fall of per capita income*

Oregon is creating jobs again – over 31,500 in 2004, alone. Jobs are being distributed more evenly across Oregon and real wages are up for both urban and rural workers in the past two years. Gains were also registered for new employers and for research and development. On the other hand, per capita income compared to the U.S. fell to a level not seen since the mid-1980s. Escalating electricity costs worsened Oregon's national rank for the cost of doing business. Despite the new jobs, the 2004 unemployment rate was over 130 percent of the U.S. Many Oregon workers were still not earning a decent wage.

In the 2005 report, about two-thirds of economy benchmarks are characterized as making progress compared to half in the 2003 report. Four benchmarks that were deemed as definitely not progressing in 2003 have moved up in rank.

Oregon betters or rivals Washington for 55 percent of economy comparators. And Oregon does better than or is similar to the U.S. average about 80 percent of the time.

### **Education**

#### ***Making Progress? Yes, but***

*Biggest Improvement – Oregonians using the Internet*

*Biggest Concern – Weakening of some K-12 achievement trends*

Third grade math, fewer dropouts, more adults with high school and advanced college degrees, and more online Oregonians are the state's current strengths. There has been little to no recent progress in third and eighth grade reading and a slower than desired increase in the percent of adults with college experience and degrees.

About three-quarters of all education benchmarks are characterized as making progress in 2005. That figure is down from over 90 percent in 2003. Three of five student attainment benchmarks worsened since the last report. Experts believe that some of this slippage is related to new federal requirements increasing the size of the student test-taker pool.

Of the 12 state-to-state comparators used for education, Oregon fares better than or is similar to Washington in six instances. Compared to the U.S., Oregon does better or is similar for five of seven education indicators.

### Engaged, Caring & Safe Communities (Chapter 3)

In 1996, Oregonians told the Progress Board that *Oregon Shines* needed to pay more attention to the well-being of communities. They did not want a healthy economy at the cost of their communities. The state’s recent economic hard times have been widely expected to negatively impact many of the benchmarks in this goal area. The three attributes of healthy communities identified in *Oregon Shines* are translated into three categories of benchmarks divided into 10 subdivisions.

#### Civic Engagement Making Progress? No, but

	<b>2003 Report</b>	<b>2005 Report</b>	<b>Change</b>
<b>Civic Engagement</b>	<b>No, but</b>	<b>No, but</b>	<b>Same</b>
Participation	No, but	Yes, but	Improved
Taxes	No finding	No finding	No finding
Public Management	Yes, but	Mixed	Worsened
Culture	No	No	Same
<b>Social Support</b>	<b>Yes, but</b>	<b>Yes, but</b>	<b>Same</b>
Health	Yes, but	Yes, but	Same
Protection	Yes, but	Yes, but	Same
Poverty	No, but	No, but	Same
Independent Living	No, but	No, but	Same
<b>Public Safety</b>	<b>Yes, but</b>	<b>Yes, but</b>	<b>Same</b>
Crime	Yes, but	Yes, but	Same
Emergency Preparedness	Yes	Yes, but	Worsened

*Biggest Improvement – Near record voter turnout in 2004*

*Biggest Concern – Few Oregonians who understand the tax system*

Despite extensive press coverage of Oregon’s fiscal problems, few Oregonians know the main source of state revenue nor the largest category of state expenditures. Oregon’s bond rating was downgraded. And, no significant progress has been made in increasing public support for the arts or library service, and volunteerism seems to be decreasing. However, voter turnout in 2004 was at a near-record high, surpassed only by the turnout in the 1960 presidential election. Oregon’s grade for state government management was upgraded.

As in 2003, Oregon showed the least progress in the area of civic engagement. Three benchmarks are characterized as making progress (“Yes” or “Yes, but”). Five of the seven benchmarks graded in this category are definitely not progressing.

Oregon outperforms Washington in four of eight civic engagement comparators and is better than the U.S. average for the two civic engagement benchmarks with national comparators.

## **Social Support**

### ***Making Progress? Yes, but***

*Biggest Improvement – Reduction in hunger*

*Biggest Concern – More Oregonians without health insurance*

Since the last report, Oregon shed the unenviable mantle of the highest hunger state, moving to 43<sup>rd</sup> in 2003. Also teen pregnancy continued to fall but not as fast as the U.S. Eighth grade smoking is also down. And despite the recession, poverty did not go up. However, alcohol and drug use among eighth graders remains high. Homelessness has not improved in a decade.

With two-thirds of social support benchmarks categorized as making progress, Oregon is about where it was in 2003, but much weaker in the definite yes category. Five fewer benchmarks were characterized as definite yes regarding progress.

Oregon compares poorly to both Washington and the U.S. in social supports. Of 20 state-to-state comparators, Oregon is better than or similar to Washington in just nine. Of 16 national comparators, Oregon is better than or similar to the national average in just six.

## **Public Safety**

### ***Making Progress? Yes, but***

*Biggest Improvement – Less juvenile recidivism*

*Biggest Concern – Lack of additional progress in reported crimes*

Oregonians are generally safer and more prepared for disaster than they were a decade ago. Juvenile recidivism continues to decline steadily. However, Oregon continues to be substantially higher than the national average for property crimes and the state has seen a recent increase in the percent of eighth grade students who report carrying weapons.

At 82 percent, public safety has the highest percent of benchmarks classified as making progress. However, public safety also saw the greatest single change in benchmark status from 2003 to 2005, with nearly half the indicators moving from definitely making progress to making progress but with concerns.

Oregon compares quite favorably in the state-to-state comparison in public safety with performance that is better than or similar to Washington in all six categories. However, the state lags behind the U.S. with only three of seven public safety indicators better than or similar to the national average.

## Healthy, Sustainable Surroundings (Chapter 4)

Continued population growth is a fact of life in Oregon. With an increase of nearly 800,000 Oregonians since the benchmark system was developed, finding the right balance between development and environmental quality is a constant and ever-increasing struggle. The 2004 citizen initiative on property rights, Measure 37, adds a new challenge to Oregon's ability to maintain that balance.

Two benchmark categories with eight subcategories measure progress in this area.

	<b>2003 Report</b>	<b>2005 Report</b>	<b>Change</b>
<b>Community Development</b>	<b>No, but</b>	<b>Yes, but</b>	<b>Improved</b>
Growth Management	No, but	Yes, but	Improved
Infrastructure	No, but	Yes, but	Improved
Housing	No, but	No	Worsened
<b>Environment</b>	<b>Yes, but</b>	<b>Yes, but</b>	<b>Same</b>
Air	Yes, but	Yes, but	Same
Water	Yes	Yes, but	Worsened
Land	Yes, but	Mixed	Worsened
Plants and Wildlife	Mixed	No finding	No finding
Outdoor Recreation	No	No, but	Improved

### **Community Development** **Making Progress? Yes, but**

*Biggest Improvement – Lessening traffic congestion*

*Biggest Concern – Worsening housing affordability*

Benchmarks relating to drinking water, vehicle miles traveled and commuting have all improved since the 2003 report. Housing issues are a persistent problem. Oregon's national ranking for home ownership is quite low, and a high percent of lower income families are paying more for housing than is considered affordable.

Three-quarters of all graded community development benchmarks are making progress. A number of transportation-related benchmarks improved between 2003 and 2005 but much of that improvement is probably due to recession-related reductions in demand.

Like public safety, Oregon compares quite favorably to Washington and to the U.S. in community development. Oregon is similar to or better than Washington for all 10 comparators and similar to or better than the U.S. average for six of eight comparators.

### **Environment**

#### **Making Progress? Yes, but**

*Biggest Improvement – More sustainable timber harvests*

*Biggest Concern – Lack of progress in species protection*

Since the last report, Oregon has made progress in moving toward more sustainable timber harvests on both public and private lands, and Oregon has been meeting minimum stream flow targets. Air and stream water quality are generally good. Marine, freshwater and terrestrial plants and animals are at risk at the same rate as the 2003 report with half of salmon and steelhead species and eight of 28 marine species at risk. The majority of Oregon's at-risk

species are not protected in conservation areas. Per capita state park acreage did not worsen since the last report although it is well below the 2005 target.

Environment saw some worsening in benchmark status. Three benchmarks slipped into the definite no progress category between 2003 and 2005. Nine of the 16 indicators are categorized as making progress.

Oregon is at or better than Washington State on three of six shared environment measures and better than or similar to the U.S. on all four national comparators.

## How Progress Was Assessed

In contrast to the 1999 and 2001 reports, the 2003 and 2005 reports replace letter grades for each benchmark with an answer to one basic question: “Is Oregon making progress?” An answer is given for each benchmark and, for stratified benchmarks, each benchmark part. With the help of issue experts, most targets were established by the Progress Board in 1996 at levels deemed to be “ambitious but realistic.” Answers are shown in the quarter-page analyses embedded in Chapters 2, 3 and 4.

Five answers are possible:

- *Yes* – definitely on track to achieve the 2005 target
- *Yes, but* – headed in the right direction, but with a caveat or concern
- *No, but* – little change of achieving the 2005 target, but with signs of progress
- *No* – definitely not expected to achieve the 2005 target
- *No finding* – lacks either a target or enough data to assess progress

Similar ratings were given to categories of benchmarks. A “Mixed” rating for a category of benchmarks means that there is an equal balance making progress and not making progress. Assessment of progress is both objective and subjective: objective in the sense that it takes into account the slope of the trend line for up to 10 years (a minimum of three); and subjective in that other factors are sometimes taken into consideration, such as strong, opposing short-term trends. For example, the chart for Benchmark #4 shows a steep downward slope for the long-

<b>2005 Report</b>	<b>Yes</b>	<b>Yes, but</b>	<b>No, but</b>	<b>No</b>	<b>Total</b>
Economy	12	2	3	5	22
Education	5	5	1	2	13
Civic Engagement	1	1	0	5	7
Social Supports	5	9	2	6	22
Public Safety	4	5	1	1	11
Community Development	3	3	0	2	8
Environment	6	2	3	4	15
<b>TOTAL</b>	<b>36</b>	<b>27</b>	<b>10</b>	<b>25</b>	<b>98</b>
<b>2003 Report</b>					
Economy	10	1	2	9	22
Education	9	3	0	1	13
Civic Engagement	1	1	1	4	7
Social Supports	10	3	1	8	22
Public Safety	9	0	1	1	11
Community Development	1	2	0	5	8
Environment	6	4	3	2	15
<b>TOTAL</b>	<b>46</b>	<b>14</b>	<b>8</b>	<b>30</b>	<b>98</b>

\* For stratified benchmarks, each sub-part is counted separately. Duplicative overall (“parent”) data series are not counted.

term trend in net job growth, but recent job gains were sufficient to reverse the answer from “No” to “Yes.”

Because this is the second biennium for using the “making progress?” assessment approach, this report can compare how ratings changed between 2003 and 2005. Tables at the beginning of each chapter pinpoint which subcategories showed improvement, worsened or stayed the same since the 2003 report. Please note that for consistency, the 2003 report labels “Qualified Yes” and “Qualified No” have been changed to “Yes, but” and “No, but” in this 2005 report.

Table 5 shows the number of individual benchmarks by progress status for both the 2003 and 2005 reports. A little over one-third are definitely on track to achieve their 2005 targets (indicated by “Yes” in the shaded box accompanying each of the 90 benchmark write-ups). About one-quarter are headed in the right direction but with a caveat or concern (“Yes, but”). Ten percent have little chance of achieving the 2005 target but show signs of improvement (“No, but”). Another one-quarter are definitely not expected to achieve their 2005 targets (“No”).

## How Oregon Compares

Where possible, this report compares Oregon’s progress to Washington State and U.S. averages. While not always “apples to apples,” these comparisons are still useful in judging how well Oregon is doing in the larger scheme of things. Table 6 shows that with 82 total comparisons to Washington, Oregon does better or equals Washington in 50 instances, or about 60 percent of the time. Against the 68 U.S. comparators, Oregon does better or equals the U.S. average about 65 percent of the time. For additional state-to-state comparisons, please refer to the *2005 Competitive Index* ([www.oregonbusinessplan.org/plan\\_view.html](http://www.oregonbusinessplan.org/plan_view.html)), a joint project of the Oregon Business Council and the Oregon Progress Board.

<b>Washington State</b>	<b>Better</b>	<b>Similar</b>	<b>Worse</b>	<b>Total</b>
Economy	5	6	9	20
Education	4	2	6	12
Civic Engagement	4	1	3	8
Social Supports	2	7	11	20
Public Safety	2	4	0	6
Community Development	4	6	0	10
Environment	1	2	3	6
<b>TOTAL</b>	<b>22</b>	<b>28</b>	<b>32</b>	<b>82</b>
<b>U.S. Average</b>				
Economy	5	14	5	24
Education	2	3	2	7
Civic Engagement	2	0	0	2
Social Supports	3	3	10	16
Public Safety	3	0	4	7
Community Development	4	2	2	8
Environment	2	2	0	4
<b>TOTAL</b>	<b>21</b>	<b>24</b>	<b>23</b>	<b>68</b>

\* If Oregon’s rank was within six places of Washington State, it was labeled “similar” to Washington. If the national rank was between 20<sup>th</sup> and 30<sup>th</sup>, it was labeled “similar” to the U.S.