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In Case You Missed It **Time to admit rural Oregon is in crisis**

Time to admit rural Oregon is in crisis: Editorial Agenda 2015
[The Oregonian Editorial Board](#)

Rural Oregon has had worse years than 2015. [Employment increased](#), though at a slower pace than in urban areas. Even the most depressed counties have unemployment rates below 9 percent, which though still much less than optimal represents the strongest rural job market since the recession started. And there were a handful of policy achievements – including legislative funding for projects to expand agricultural use of Columbia River water and tax changes to help keep rural Oregon attractive to technology companies seeking sites for data centers.

Yet, optimism remains hard to find in most of Oregon's less-populated regions. And high-profile policy decisions in 2016 could drain what little positive momentum there is. The geographic majority of Oregon is inextricably linked to natural resources. While it's impossible to return to the timber-driven economy of the 1970s – a point that too many rural Oregonians are reluctant to concede – it's equally impossible to imagine an economically healthy rural Oregon without significant contributions from resource industries.

Those realities put rural Oregon in conflict with the increasingly environmentally-driven Portland area that holds the bulk of the state's political power. Is compromise, and progress, possible in that atmosphere?

[House Republican Leader Mike McLane of Powell Butte](#) framed the question for legislative and business leaders at the [Oregon Leadership Summit](#) earlier this month. Targeting his remarks at Portland-area business and political leaders at the Oregon Convention Center, he asked: "Are you concerned about rural Oregon or do you believe we're in crisis? Because that's different... If it's a crisis we have a rich history in Oregon of coming together and solving it."

Certainly, Portland priorities ruled during most of the 2015 legislative session. Urban Democrats' insistence on the low carbon fuel standard, which is likely to increase the cost of gasoline at the pump, doomed negotiations for a transportation funding package. Increased gasoline costs disproportionately hit rural residents, who have to drive longer distances to work, shop, attend school, etc. And all parts of Oregon need a viable plan for maintaining and improving roads and bridges. Other bills that passed the Legislature, such as mandatory sick leave, will put a disproportionate burden on the small businesses that dominate rural Oregon.

The past year also saw momentum increase for a higher minimum wage. A \$13.50 or \$15.00 minimum wage, likely to be pursued in 2016 through either legislative action or ballot measure, would make it even more challenging to operate a profitable rural business.

Meanwhile, ideas that would have helped rural Oregon, such as [a bill sponsored by Sen. Ted Ferrioli, R-John Day](#), offering land-use policy exceptions to rural communities in certain circumstances, failed to gain traction. Similarly, a bill died that would have made tax credits available to businesses [adding employees in rural areas](#). The rejection of these bills would have been more palatable had there been a serious discussion about other ways to boost rural employment.

One of the biggest blows for rural Oregon this year took place outside the Legislature. Two major shipping lines withdrew from the Port of Portland, leaving the state without regularly scheduled container-shipping service. The withdrawals [increased the cost of importing and exporting products](#) that are shipped in containers. It's a particular blow to Oregon farmers and agribusinesses that export products such as compressed hay, berries and processed potatoes. And it comes at a time when producers of bulk agricultural commodities, [such as wheat](#), are faced with weak prices.

Meanwhile, projects that would deliver jobs to rural communities, such as a proposed Nestlé bottled water plant in Cascade Locks and the Jordan Cove liquefied natural gas facility in Coos Bay, have bogged down in litigation and have received inadequate support from state leaders.

Another missed opportunity unfolded in the Klamath River Basin. A compromise to allocate water in the basin, years in the making, [fell apart](#) late this year after U.S. Rep. Greg Walden, R-Oregon, injected unrealistic demands for preservation of dams and ceding federal lands to counties into negotiations at the last minute. Oregon needs elected officials who are willing to push for the best possible deal for rural Oregon, but insisting on provisions that have no chance at congressional approval is counterproductive. All sides should [continue to work on an agreement](#) when Congress reconvenes in January.

Does all of that add up to the crisis that McLane described? If you look only at economic statistics, maybe not. But if you consider the loss of hope, accumulated over decades, it should. The Legislature and other Oregon leaders should act accordingly in 2016.

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