

UC's Saxon warns of tax needs

5/24/83

SACRAMENTO (AP) — University of California President David Saxon says if the state's economy doesn't improve dramatically, "then taxes must be increased."

In a speech Monday to the Comstock Club, a Sacramento business and civic group, Saxon said that despite budget cuts, the University of California is still "the best institution across the board" in the nation, but that it must have more funds to retain that stature.

Specifically, more money is needed to keep faculty salaries competitive with those of other universities, and to make needed repairs and improvements in buildings and equipment at

the nine UC campuses.

"I doubt very much that California is going to meet its needs without increased revenues. Ideally, that would be achieved through a booming economy. If not, then taxes must be increased," Saxon said, adding that he has "no favorites" among which taxes to increase: "Anything that generates money."

Saxon said he was sympathetic to Gov. George Deukmejian's efforts to avoid a tax increase by controlling state spending, but that the latest round of \$55 million cuts Deukmejian ordered to avoid a tax hike goes too far in the UC's \$1 billion-plus budget.

"The governor's action is not only a

blow to the university's real and well-documented needs, but it is a blow to the university's morale as well," Saxon said. "The university is not just another state agency. The functions it carries out are indispensable to California's health and vitality, now and in the future."

The UC president added that "despite more than a decade of inadequate funding, despite governors who neither fully appreciated it nor adequately supported it, the University of California has remained an amazing, productive and creative force in California life."

He said the UC's research and academic programs have contributed

to the state's wealth "many times over" their costs and made California the nation's leader in computers, agriculture and other fields.

"Higher education in California needs a steady base of support, despite the ups and downs of California's economy, despite the unpopularity of new taxes, despite the possibility of fewer students in a state that has historically tied levels of support to levels of enrollment," Saxon said.

"We must restore university salaries to competitive levels. We must deal with the deterioration of the university's physical plant."