

Why I OPPOSE Raising Oregon's Minimum Wage: Arwen's Story

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Stuck in the Middle



Arwen teaching science to a group of school children while working for the non-profit.

I was working for a local non-profit in Albany, OR when minimum wage was first increased (with a tie to the Consumer Price Index.) My job at that time required a minimum of 15 hours of continuing education credits a year as well as several mandatory certificates. New employees were unlikely to have all this training and were started at minimum wage. After 90 days, when you had your training complete, you would get a raise. After that, an annual raise based on your employee review. There was an incentive to work hard, and get additional training.

However, when minimum wage was increased, at the same time as many non-profits were struggling due to a decrease in revenue, those of us working above minimum wage did not get the raises we had earned. We were stuck in the middle. Because **the money budgeted for our raises went to the new employees who had no experience and little training.**

Eventually the non-profit had to restructure and lay off employees.

What many do not understand about raising the minimum wages is that it hurts the employees with tenure and experience. When the minimum wages increase their salaries do not. Businesses often end up increasing their prices to make up for the cost of increased wages. So that those who are middle wage earners end up with less and less in their pockets after pay day.

As A Business Owner

Before going to work for the non-profit my husband and I owned a small coffee shop. Here again we found ourselves stuck. The increasing cost of employment out striped our ability to increase our prices. Back then a large latte cost about \$2.50. It's no wonder to me that they cost almost \$5 now. (Also back then Albany had 1 Starbucks and 1 Dutch Bros.) We decided to close our shop before we were forced out of business completely.

In the year after we closed several other mom and pop coffee shops in Albany closed leaving mostly the large chains.

If Oregon's small and medium sized businesses (and non-profits) are going to survive **we cannot raise the minimum wage** as drastically as the governor's proposal would raise it.

Additional Resources

Kate Brown's minimum-wage proposal is reckless (OPINION)

http://www.oregonlive.com/opinion/index.ssf/2016/01/kate_browns_minimum-wage_propo.html#incart_river_index

Linn County challenges governor's plan to raise minimum wage

http://democratherald.com/news/local/linn-county-challenges-governor-s-plan-to-raise-minimum-wage/article_25e10da9-b61b-5d0c-b4c1-023538aebf70.html

A reckless wager (A global movement toward much higher minimum wages is dangerous)

<http://www.economist.com/news/leaders/21659741-global-movement-toward-much-higher-minimum-wages-dangerous-reckless-wager>