



February 2, 2016

Senate Committee on Workforce and General Government
Oregon State Capitol

RE: SB 1532 - Raising Oregon's minimum wage - **Opposed**

Chair Dembrow & Committee,

I am Marie Bowers Stagg, a fifth generation farmer in Linn & Lane Counties. We farm primarily grass seed, wheat & meadowfoam. Like a typical farmer my job is a smorgasbord of everything; I run the baling crew, I do the planting, I drive fertilizer & spray truck along with many other tasks. I also do the books on the farm, which includes the payroll.

Our full time farm workforce consists of my husband, my dad, my mom, two non-family members and of course me. Full time employees are offered benefits and are paid a living wage, their skill set dictates what that wage may be. However we do depend on a seasonal workforce for harvest & preparing fields for planting.

During a harvest we hire about seven local students ages 14-21 to drive combines, balers and tractors. They are paid based on years and experience. We start a new employee, who is typically 14 or 15 years of age, at minimum wage. Pay raises are potentially given throughout the season if performance warrants it. If an experienced employee returns the following season they are given a raise at that point too.

Minimum wage has a real fiscal impact on the farm.

On our farm 50% of our expenses are composed of three specific things: fertilizer, rent and labor. In 2015 our hourly pay scale for employees ranged from \$9.25 to \$17.

I calculated the fiscal impact raising the minimum wage would have on our farm based on the hours worked by all hourly employees in 2015.

Currently, on a per acre basis our **cost for all employees is \$64/acre.**

At **\$13.25/hour** our cost would go to **\$76/acre.**

This **\$12/acre increase can be a breaking point**, particularly after a year like 2015 where yields were off by 50% in some places and price didn't seem to increase. In other terms, at current market conditions we would need to **increase our yields to produce at least 148,000 more pounds of annual ryegrass.** If we knew a way to do this in a short time frame, we would, but yield is dictated by many factors, minimum wage is not one of those factors.



My family has been hiring local students for over half a century. I have had middle-aged adults come up to me and tell me working for my family taught them how to work. They wouldn't be the person they are today without the experience they got from working on the farm. Yet, with these current minimum wage proposals these valuable life skills would be in jeopardy, as we would seek alternatives such as a foreign workforce.

My head baler driver, Natassia graduated from Oregon State University last spring and started veterinary school in the fall. She has worked for us every summer she has been in college. She is a true example of how working on a farm has helped her prepare for her future career, in financial terms as well as with skill sets.

According to Natassia, "Working for Bashaw Land & Seed has made it so that I don't have to juggle work and school at the same time. I work all summer and make what I would have made throughout the school year if I worked year round. This means I have time to study and get into vet school. I now have an education and don't need a lower skills job that would pay minimum wage. Also, working on the farm has taught me tons of transferable skills such as making snap decisions under pressure."

Natassia is one of the many seasonal employees my family has seen grow as a person and worker. It makes me proud that our farm can provide Oregon with such high quality employees. Yet, raising the minimum wage would make stories like Natassia's a thing of the past. I do not think that's what we want for Oregon.

If the minimum wage were to increase we will look at hiring our entire seasonal workforce from outside the country. In past years we have hired at least one worker from South Africa and New Zealand. Moving forward this may become our new normal to hire entire crews of foreign experienced workers and hiring local students would be a thing of the past.

I urge you to oppose the minimum wage increase; it would hurt Oregon farmers and Oregon's future workforce. Thank you for your time today.

Sincerely,

Marie Bowers Stagg