

The proposed increase to the minimum wage is bad for Oregonians overall for two reasons:

1. It will place rural Oregon further behind the metro areas. Hermiston residents, and most residents of Eastern Oregon, enjoy a high quality of life at a relatively low cost of living. For example, the average home sale price in Hermiston last year was \$155,000 according to our local MLS; and I can tell you that this can easily buy a quality 1,600SF home. This low cost of living is one of our only major selling points when appealing to large-scale employers looking to locate in the Northwest. To be completely honest, while we do have excellent transportation and energy infrastructure, so does our neighbors in the Tri-Cities just across the border in Washington. We were just recently one of two finalists for an AutoZone Distribution Center, which would have employed 200 people, but it chose to locate in the Tri-Cities instead because the company felt that there was more available workforce there <http://www.tricityherald.com/news/local/article55156875.html>. If you raise the minimum wage even to \$12.50 over here, the Hermiston area can completely say goodbye to even vying for those types of prospects.
2. You will ultimately hurt the very people who you are trying to help. As I mentioned earlier, we have a high quality of life here for a relatively low cost of living. Many of our “low income” residents work decent jobs at places like distribution warehouses and potato chip factories for between \$12 and \$18 per hour as entry-level employees. The companies that those people work for compete in a global marketplace, and just because the minimum wage will rise to \$12.50 per hour, it doesn’t mean that these companies will be able to adjust their employees’ pay by a corresponding amount. That means that all of these workers won’t be able to treat their families to dinner, or see a movie, or go bowling like they used to be able to because the cost for those typical minimum wage employers will rise too much.

In closing, this tiered minimum wage change will really exacerbate existing differences between rural Oregon, and metro-Portland; and ultimately harm rural Oregonians in order to solve a problem that isn’t currently affecting them. If metro-Portland needs to have a higher minimum wage; please don’t throw the baby out with the bathwater and ruin Eastern Oregon to solve this urban problem.

Thanks,

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