

I have just heard that Senate Bill 1532 passed yesterday and will be heard by the House Business & Labor Committee on Monday 2/15. I ask those of you with a vote to please vote NO.

I help run our small family business. We employ about 20 people and passage of this bill will have dramatic impact on our company from top to bottom. We have many employees paid over minimum wage, but below the proposed minimum wage increases. Those employees would get automatic "raises" to minimum wage despite not currently being minimum wage employees. They will now be "minimum wage" employees. We also have some employees who currently make a strong hourly wage for a small business, but that is just slightly higher than the proposed minimum wage hike. Those employees essentially receive a pay DECREASE with this bill. They are currently paid significantly higher than minimum wage (or similar) employees because they bring more value to the company. If their wage becomes just slightly more than a minimum wage employee, it is only fair that their pay be increased proportionately. That sounds great an all - but the only problem is that our business simply cannot afford to dole out pay raises across the board to our employees!

To deal with this wage increase, our company would have to do one of two things. One thing we would have to do is lay off employees in order to offset the wage increase. It's simple math. If our budget can only afford, say 10 employees at \$10/hr and they're all increased to \$14/hr - our budget can now only afford 7.14 employees. 2 or 3 employees would have to be terminated in order for our business to afford the wage increases to the other 7-8. This wage increase may end up being beneficial to employees who are fortunate enough to retain their jobs, but the increase will not be so nice for those who are forced to lose their jobs as a result of it. The other option we would have is to increase our pricing to offset the wage increase. I'm extremely confident that other companies will do the same thing. I've read that the point of raising the minimum wage is to help people deal with increased cost of living - but how does it help deal with the cost of living when the cost of living suddenly increases as a result of the minimum wage increase?

Another reason this minimum wage increase is bad for Oregon is that it waters down the talent pool for employers. Historically, if we hire a person at \$14.00 an hour, we are getting good quality employees that we can depend on and expect above average quality performance from - at least in comparison to a minimum wage employee. With SB1532, if we want a higher quality employee we are forced to compete against minimum wage "jobs" and we are faced with either offering that type of employee we are looking for in the ballpark of \$20/hr - which we can't afford - or settling for lower quality employees who will not be able to perform as well for our business. The quality of product and service our small business provides will suffer, and therefore the future existence of small family business will be put in jeopardy.

SB1532 is bad for Oregon, and in particular - small businesses like ours. Please vote NO. Thank you for your consideration.

Paul Manning

General Manager

Sharper Service Solutions