

Honorable Paul Holvey, Chairman

House Business and Labor Committee

Chairman Holvey and members of the Committee,

My name is Helle Ruddenklau. My husband and I are family farmers and also own a small trucking company. I had stayed neutral on the issue of raising the minimum wage, as I generally believe in paying people well for the work they do. However, as I've looked into this issue a little further, I've changed my mind, and I now strongly oppose raising the minimum wage. The minimum wage is not meant to support a family. It provides a way to get started in the workforce; to learn what is meant by working full time; to learn punctuality and showing up every day. Many people need time to learn those skills and it is not fair to make an employer pay somebody a "living wage" during that process. These first jobs provide that kind of training. They are also a way for an entry level worker to gain a foothold in a new industry. Finally, they provide a way for a small business owner to slowly grow beyond the "mom and pop" operation size. These are baby steps which are necessary on the way to bigger and better things.

If the minimum wage is too high, I believe employment opportunities will decrease. Small businesses will not be able to rapidly increase the output required to bring on an employee and their growth will be stifled. Also, many businesses will not offer jobs to employees who come without experience. The expense to train them will be too high. This will especially hurt young people just starting out in the workforce.

Finally, this will stifle wage growth for higher wage earners. In order for a company to absorb the increased outlay in payroll, older employees will have to wait longer for a pay increase. It will also lead to discord, as entry level workers will now make as much as people with more experience. Being able to offer an employee a pay raise is a nice incentive leading to good employer/employee relations. By making the starting pay too high, you remove that incentive or reward for good employees. If an employer cannot afford to pay more than the new higher minimum wage, there is no prospect for wage growth for employees to look forward to. What kind of workplace does that lead to?

I don't condone businesses who only pay the minimum wage to the bulk of their employees, but I don't believe this is the right way to correct this issue. The workers themselves need to be proactive and try to find employment with a company that offers better wage growth opportunities. The other option is to get more training to make yourself more attractive to an employer who pays higher wages.

Oregon already has a higher minimum wage than most of the nation and one which has kept pace with inflation to keep purchasing power essentially even. Leaving the minimum wage where it is, allows responsible employers to create a pay system which rewards employees as they become better workers.

Please don't increase the minimum wage. I think it will ultimately hurt the people it is meant to help and further damage the small businesses of this great state.

Sincerely,

Helle Ruddenklau

Ruddenklau Farms

Amity, OR