



RE: SENATE BILL 1532

First of all I wish to thank you for taking the time to read what I have to say! As a small business owner I am beyond troubled by the possibility of passing SB1532 ask that you strongly consider the following.

1. Based on the CPI Oregon did not raise the minimum wage in 2016 for the first time in 5 years. How can we justify going from a zero need for an increase to an increase of such magnitude six months later not to mention continued for the next 6 years?
2. Minimum wage has long been a starting wage for the young and unskilled. According to the publishing's of January 29, 2016 titled Oregon Workforce and Economic Information as posted by the research division of the **Oregon Employment Department**, only 5% of the wages paid in 2015 were minimum wage. Out of those minimum wage workers they tend to be young and most do not have college degrees. 34% of the work force earned between \$9.25 and \$14.99.
3. Poverty is of concern to us all. According to a 2014 report on Multnomah County Poverty as published by the **Department of County Human Services** 31% of the **Oregon** Poverty level have less than a High School Education and another 17% have High School Diplomas. By increasing the minimum wage we will be paying un educated workers at the same rate as many that have either worked their way up with a current employer or received an education to learn a trade. Shouldn't our focus be placed on educating the unemployed and trade skills?
4. According to Eric Fruits, PH.D and President Chief Economist at Economics International Corp who published an article dated January 12, 2016 entitled IMPACTS OF INCREASING OREGONS MINIMUM WAGE Oregon has some of the worst unemployment in the US. Oregon has the 10th highest unemployment rate among states. He also sites Oregon has been among the top 10 for the past decade. It is his opinion that a steep minimum wage increase will only worsen the employment opportunities having the opposite effect on the Oregon poverty rate over all.
5. Even with Oregon's high level of unemployment according to the UNITED STATES CENSUS BUREAU Oregon ranked 3rd **lowest** poverty level in all 50 states in 2014.
6. The proposed minimum wage increase over the next 6 years is an increase of 70%. How many businesses do you know that can withstand an increase of that magnitude without repercussion? Along with the wage increasing the employer paid taxes increase as well as workers comp insurance that is based on wages paid out.
7. While I understand more than just the CPI might go into the annual decision making of our minimum wage increase from everything I have read it is the leading piece of the puzzle. Oregon's annual percentage of CPI increase has been below 3% since 2011.

8. Manufacturers such as myself will no longer be competitive in prices and will either be forced to move out of state, increase prices or close our doors all together. In the long run that doesn't just hurt the current employee making below the \$14.75 but Oregon's entire economy. While we now see so much support to "buy local" that will change to say the least. To survive we will all have to shop around for the best pricing which in many cases will again mean buying from out of state.

9. As a small business owner I have suffered through a poor economy and survived. While I may have not been able to pay my employees much over minimum wage I did not pay myself at all for the last 5 years just to keep my doors open. I value my employees and pay them according to the skill level they have and the duties in which they perform. A raise means a great deal to us all as it shows progress. If I am forced to pay this higher minimum wage it will mean my lowest man on the totem pole will make the same as my employee that has worked hard and shown great dedication through real tough times.

10. We are already amongst the highest in states minimum wage paid. Why would we even want to take the slightest risk on making such a drastic increase not knowing all of the damage it **might** do first???

Thank you for your time and consideration. Please make a wise decision on behalf of all Oregonian's.

Sincerely,

Sue Sanders
President
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