



How the sick policy will impact Gamberetti's Italian Restaurant.

The increase of hours to be paid out base on last year's payroll.

11500.00 paying extra payroll for sick leave, at average wage of 10.00. Dishwasher, servers at minimum wage and host and kitchen up to 13.00 per hour.

Employers match to these would approximately be

879.00 ss, 20 wbf and 196 state unemployment totaling 1095.00

Total upfront costs would be 12595.00 Other cost will arise, accounting cost to keep track, the use of other small business that we use will likely increase in price to cover their costs i.e.: window cleaner, carpet cleaner, pest control, bakery, etc.

Small business restaurants run on a small profit margin 1-10 percent yet we still need to compete with large chains. My margin last year was 3.5 % . As we need to have a profit to stay in business adding additional costs that do not help myself or my employees seems to counterproductive.

Why does it not help my employees to have sick leave ? The restaurant industry has longer hours than most business this allow for trading of shifts to happen very easily. Servers trade shifts as they do not want to lose tips, this is the their income not the hourly wage. Kitchen also trade shifts to not lose hours so they could benefit on one hand but to

cover the cost they have to come from somewhere. Raises do go out yearly to the kitchen staff, this would have to be reviewed and could impact them. I talked with each kitchen member and they would much rather see increases in wage then to have sick pay as they can easily trade the shift and not impact their check. Losing a raise or seeing the increase less will impact them harder.

We will also be looking at hours and how to reduce them to help cover the cost, so again my staff lose while not gaining anything of value to them.

The state of Oregon is the 3rd highest minimum wage, so how do we continue to compete with other states or not just pick up our business and move to where we can make a profit.

My staff are incredible, and I care deeply and would love nothing more to pay them 15.00 per hour and give them sick and holiday pay. I cannot do this and make a profit, I cannot compete with other restaurant that can make the margins in their favor. Chains can pay less in other states and cover the margin here, they also have large purchasing power, I do not. When we have a freeze on tomatoes I have to pay the higher cost as I do not have a contract to keep them at a lower price for the year no matter of availability. My variables can make a good year or put me under. Last year most small business had losses due to snow in February we lost 20,000. Take the margin right down to that 1-2percent if not a loss. As a newer business under 5 year I am hoping to get to that higher profit margin not to go backwards. We were looking at a possibility of a second restaurant but have put that on hold to see how this impact and that of increased minimum wage. I believe passing both will put us out of business. I

have read all the argument stating that a higher minimum wages helps small business, we are already one of the highest wages but my profit margin is not larger than other states. I hope to have a long and profitable business here in Oregon and thank you for taking the time to listen to me and the voice of my staff,

Sincerely Treva Gambs

Owner/ Manager