

**Subject:** Written testimony Opposing Minimum Wage Increase

Please share this with the Committee Members:

As a small family business founded in 1985 I'm very concerned about the entire group of Bills at the Oregon Legislature proposing raising Oregon's Minimum wage. The Towing Industry is increasingly restricted to Auto Clubs and Insurance Companies as a revenue source. Combined with restrictions being placed on Towing Rates by the increasing number of contracts providing Towing services for City and County Law Enforcement the Industry finds itself in a fairly flat revenue stream. With the exception of the temporary reduction in fuel prices all of our other costs are increasing. The diesel emissions requirements imposed in 2008 and increased in 2011 have driven the cost of tow trucks up much faster than inflation. We just priced a truck that was a \$70,000 truck in 2007 and now is \$105,000 for essentially the same product.

A light duty tow operator typically starts around \$10 / hour and can work his way up to \$14 / hour – wages are seeing some upward pressure as the industry seeks to find qualified drivers. Overtime is plentiful during weather extremes which can cause a spike in business. Dispatchers and office personal typically are paid \$9.50 to \$12.00 per hour working for mostly family owned small businesses'. I'm very concerned about the financial viability of many small businesses along with the towing industry in Oregon should you impose aggressive raises in the minimum wage ranging from \$10 to \$15 per hour. Many small business owners finding themselves unable to raise prices will close the doors. This reality has been occurring in areas where these aggressive and regressive policies have been implemented.

Increasing the minimum wage will also trigger an inflationary spiral as workers who previously made \$10 to \$15 per hour seek raises equal to the spike in the minimum wage. The economic health of Oregon small businesses is fragile and many will not survive the artificial manipulation of the wage scale by State Government. I strongly urge a no vote on increasing Oregon's minimum wage already the nations second highest.

*Thank you,*  
Cindy Wagner  
Mike Wagner

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