



32788 Tangent Loop  
Tangent, Oregon 97389

Ph: 541-928-8662  
Fax: 541-967-7588

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Testimony in opposition to  
House Bills: 2008, 2009, 2012, 2004  
Senate Bills: 327, 597, 682, 130, 332, 610

Monday, April 13, 2015

**To the House Committee on Business and Labor and the Senate Committee on Workforce:**

My name is Shelly Boshart Davis. My family farms grass seed, wheat and hazelnuts, we own a trucking business since 1983, and export grass straw overseas. But what we do and what we've always done is Agriculture.

1 in 8 jobs are rooted in Agriculture and is an important part of Oregon's economy. 80% of Oregon's Agricultural product leaves the state. That could end up anywhere from Taiwan to Utah. Oregon Agriculture brings \$5.4 Billion into the state of Oregon. I think everyone in this room, by these facts, would agree that Oregon's farms are important to Oregon. It might be often times forgotten, but not disputable. Even our former Governor acknowledges our well-earned reputation for producing safe, wholesome, high-quality farm products is an advantage Oregon can capitalize on in the national and international marketplace and noted a majority of Oregonians have lost touch with farming. Us in rural Oregon have not, and these minimum wage bills will have lasting consequences on the Agricultural community.

Because Oregon's Agriculture leaves the state, that means that both our competitors and our customer base don't reside in Oregon. One of Ag's top expenditures is labor – it is a high-labor intensive industry. When you increase your labor, you increase your costs. When you increase your costs, you have to increase the price of your product. We have to be profitable to survive every year, and to make it to the next harvest. Whether it's my grass straw industry competing with Australian Oaten Hay or Chinese Rice Straw or Oregon's wheat competing with Ukraine – their costs did not go up. Our competition nationally and internationally would love for Oregon's wages to increase!

As a small business and farm, here are our concerns: Companies are going to leave Oregon, plain and simple. Don't we want business here? Healthy private enterprise needs to be able to compete for labor. A healthy business environment will thrive, businesses will increase, and the result will be more chances for employment. Even Representative Kurt Schrader notices that Oregon is bad for business! The Government cannot create a demand for labor. Only business can do that. What Oregon needs is a healthy and thriving business community. Those, like us, that are rooted here in Oregon will stay. But do you know what we will be doing if minimum wages increase? We will buy bigger equipment and hire less people. It's simply a sad reality in order for us to survive. Instead of paying low-skilled employees more, businesses will invest in automation and machinery.

Speaking specifically to the idea of Minimum Wage, I'll close with quoting Forbes: *The goal of minimum wage policy is not to reduce employment, but rather poverty. Twenty-eight states raised minimum wages in the four years prior to passage of the last federal minimum wage increase. Economists from Cornell and American Universities, writing in the Southern Economic Journal, found no associated reduction in poverty rates. One reason is poor targeting. According to the Census Bureau, roughly 60% of people living in poverty don't currently work, and thus can't benefit from a raise. A study published in the Journal of Human Resources found that a higher minimum wage can actually increase the proportion of families living at or near the*

*poverty line, as the resulting reduction in work hours or a loss of employment altogether leads to less take-home pay rather than more.*

Committees, my farm and businesses enjoy teaching the next generation about hard work and we want them to leave summer with a sense of satisfaction and money in their pocket. We sacrifice part of our slim profits and use a lot of our patience in order to do this because it's important to us. Raising the minimum wage hurts Agriculture, and our up and coming youth entering the workforce drastically. We're already 3<sup>rd</sup> in the nation for Minimum Wage – I can think of other areas that we should focus our attention on being #1.

Thank you for your time on this very important matter. I am available for any questions, please feel free to contact me.

A handwritten signature in blue ink that reads "Shelly Boshart Davis". The signature is written in a cursive, flowing style.

Shelly Boshart Davis