

# HB2012

## MINIMUM WAGE

### Testimony to [House Rules Committee](#)

17 June 2015

OPPOSITION: Minimum wage increases imposed by the State of OREGON

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background Industrial Engineering and Manufacturing Management  
Linn County appointments: County Budget Committee and Citizen Review Board (foster children)

Chair Hoyle and Committee members,

Thank you for the opportunity to address the committee regarding the potential imposition of minimum wage increases in the State of Oregon.

The increase in the minimum wage in the State of Oregon is more than a two sided coin. It is a many faceted issue and the range of impacts and unintended consequences are numerous.

The legislators in Oregon are wrangling with the decisions that will either result in a greater number of jobs under the existing indexing of the minimum wage or an unknown number of jobs after a legislatively imposed increase.

A minimum wage is an entry level wage that corresponds with few skills, little or no experience and an unknown competency in a new position. This is not a living wage discussion, it is the stepping stone, first rung on the ladder of economic security for every employable person.

Ratcheting up the minimum wage in the increments mandated by HB2012 does not change the purpose of a minimum wage.

### **UNINTENDED CONSEQUENCES**

The cost of services to the public are going to be increased as a result of HB2012 and will create shortfalls in budgets across the state.

School boards will have to revisit budgets. County budgets lack substantial contingencies.

Counties are NOT seeing empty real estate return to the tax roles. The jobs are not there for these homes to re-inhabited by families.

In Linn County, unemployment has not rebounded to the peak 2007 levels, we're still more than 3,000 jobs short and in the past few months I an increase in foreclosure notices on the windows of vacant homes. I have to ask myself, "Does this bill do anything to return prosperity to communities across all areas in the state of Oregon?"

## HUMAN COSTS

In case after case before the Citizen Review Board, there are recurring themes. Children in foster care are often from families who are not financially secure. Every child deserves a safe and stable home, the common denominator missing many times is stable employment of the parents. Sometimes these parents are recovering their own lives and re-learning the life skills that will help them successfully parent.

During reviews of the cases of children in foster care, we sometimes get to meet and speak with the parents working to re-unite with their children and it is often a highly emotional situation for them. One of the things that is visibly comforting to them is when they are able to say that they have a job, even if it's part-time or a new experience for them. They know it's the place to begin and not their final destination.

From my perspective, what we need to cultivate and encourage in the State of Oregon is a greater number of jobs, not fewer jobs at the entry level.

I firmly believe that the people who will be able to enter the labor market will improve their level of skill and competency which will enhance their hourly wage and future employability.

Wages will rise when the number of jobs recovers in every Oregon County. Businesses will have to compete with each other for the best workers.

I thank the committee for the opportunity to share my experience and perspective on the impact of HB2012. Please vote no on this bill.

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