

Dear House Committee:

I am an ophthalmologist in Ontario, Oregon. I employ 5 full time persons and 10 part time persons. No one in my office earns the minimum wage, but when the minimum wage increases, all of my employees expect a raise, too. I am not able to pass these increased costs on to my patients since I see mostly Medicare patients and Welfare patients, where my prices are set by the federal or state governments. My prices have continually decreased since 1984. At this point, an increase in the Oregon minimum wage as proposed will force me to consider laying off one employee or terminating their health care benefits. Another viable option is for me to move my office to Idaho. The Idaho minimum wage of \$7.25/hour is only 2 miles away. Wages comprise 50% of my overhead, so this is a very serious issue.

Increasing the minimum wage does not help the people at the minimum wage. Increasing the minimum wage reduces their eligibility for food stamps and other state benefits, which negates the impact of the wage increase. Raising the minimum wage has many unintended consequences and is economically a very negative thing to do. What about the impact of increased prices on our fixed income elderly citizens? The best solution for minimum wage workers is training for higher wage jobs, or incentives for employers to create higher paying jobs.

Please vote against this proposal.

Thank you.

Jeffrey Pitts, MD