

Mission: To eliminate hunger and its root causes...because no one should be hungry.

February 15, 2016
Testimony in support of SB 1532A
HOUSE BUSINESS & LABOR COMMITTEE
Oregon Food Bank
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Hunger is an epidemic in Oregon. In an average month, an estimated 260,000 people eat food they received from the Oregon Food Bank Network, which is composed of 21 regional food banks that serve the entire state and Clark County, WA. Lack of income is the single biggest risk factor for hunger. Our biennial Hunger Factors research shows that most access food assistance to stretch their household budget because their income is not sufficient, including people who are employed full time.

It's well documented that working full time is not enough to afford a living. The age of minimum workers have become older. The average minimum wage worker in the U.S. is 35 years old, female, white, and a fifth are breadwinner in their household. Over a quarter of these workers are parents. Communities of color are overrepresented.1

Oregon Food Bank holds people facing hunger in the center of all we do. Because of this, we support an increase in Oregon's minimum wage, phased in over time with increases indexed to inflation. Oregon Food Bank understands that increasing the minimum wage alone doesn't end hunger; it is not a panacea. But it is a necessary part of the tool box of policies like the EITC and partnerships such as our grocery recovery project to effectively fight hunger.

Oregon Food Bank did not take the question of increasing the minimum wage lightly. We know that the food industry, growers and small business would be impacted by it. Our Board members understand this well. Several come from professional backgrounds within the food industry: retail grocery, food processing, food distribution, restaurant, farming, and agriculture financing. We also have Board members that come from the traded sector, healthcare, as well as nonprofits.

Our Board undertook a thoughtful and inclusive process. Last spring, we invited proponents and opponents from the food industry to present their perspectives. After listening and discussing the pros and cons, the Board unanimously agreed that an increase in the minimum wage was necessary to fight hunger and that it should be phased in carefully so that employers can adjust, especially in rural communities. Senate Bill 1532A accomplishes this.

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¹ Bernstein, Jared. "Minimum Wage: Who Makes It?" New York Times, June 9, 2014



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This is not the first time Oregon Food Bank weighed in on the minimum wage. In 2002, Oregon Food Bank supported raising the minimum wage by indexing it to inflation. And over a year ago, Oregon Food Bank, as a nonprofit employer of nearly 150 employees spread out in eastern Oregon, the coast, and the Portland metro area, decided that it needed to raise its internal minimum wage to a rate commensurate with 185% of poverty for a family of two, or \$14.25 an hour in 2016. We knew that it would not be easy. We increased our fund raising goals and cut costs all the while making sure that it would not come at the expense of the food insecure families we serve.

Senate Bill 1532A's regional approach and longer phase-in period, are much preferable than what the current initiatives offer. We thank you for crafting a compromise. Hunger is complex, but it is solvable. Increasing the minimum wage in Oregon is a needed step in achieving this goal.

Thank you for your consideration.