

OREGON AFSCME

1400 Tandem Ave. NE, Salem, OR 97301 503-370-2522/800-521-5954/Fax 503-370-7725 www.oregonafscme.com

To: House Business and Labor Committee From: Jeff Klatke, President, Oregon AFSCME

Re: Support for SB 1532 increasing Oregon's minimum wage

Date: Febuary 15, 2016

Dear Chair Holvey and Committee Members,

My name is Jeff Klatke and I am the president of Oregon AFSCME representing over 25,000 public services workers in Oregon.

I am here to encourage your support for Senate Bill 1532 to raise the minimum wage to give hardworking Oregonians a chance to lift their families *and* their communities, including area businesses.

We need to increase workers' wages to keep up with the growing unaffordability of living in Oregon as a minimum wage worker.

According to the 2015 Report on Poverty by the Oregon Housing and Community Services and Community Action Partnership of Oregon over 600,000 Oregonians were living in poverty as of 2013 and rural communities were often hit the hardest -with poverty rates of over 20% in several counties. The cycle of poverty is incredibly difficult to end not just for families but for entire communities, especially if minimum wage jobs are the primary employment options.

A path toward family self-sufficiency and community economic growth is the essence of this minimum wage proposal. Economic self-sufficiency is the best possible outcome of working for more livable wages. And just like families, what small businesses need most is not lower operating costs, but more revenue in this case in the form of more customers in the community with more disposable income. We need to grow the economy, not constrain the economy. Raising the minimum wage allows everyone to win, businesses and workers, and neither at the expense of the other.

To be clear, the bill before you already has a longer phase in period, lower amounts, and doesn't allow local control of minimum wage rates as we originally would like to have seen, but it does create a higher minimum wage in the generally higher-cost areas of the state, and it gives workers a *very* much needed raise sooner rather than later. But most importantly, it provides a path for financial self-sufficiency for working families and economic stimulus for our local economies.

Oregon AFSCME strongly encourages your support of SB 1532.

Jeff Klatke, President of Oregon AFSCME Council 75