Learning Tree Schools

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2/3/2016

Dear State Legislators,

The proposal for minimum wage increase will have dramatic impact on working families in Oregon, but not necessarily the impact intended.

We have been operating child care centers in Clackamas and Washington counties for the last 22 years and understand very well the connection between wages and rates we charge parents. 50% of every dollar we charge parents goes to wages and benefits for our staff. In our low margin industry as wages increase so must the rates we charge.

If the minimum wage increases as planned the very people that it is intended to assist with rising costs of housing, food and child care will pay the majority their new wages to increased child care costs. Ratio of staff to children are mandated by the state and we have no ability to reduce staff or replace them with machines.

Currently the rate for a full time infant averages over \$1,000 per month. With the proposed minimum wage rates will increase to almost \$1,400 per month. Preschooler rates average around \$800 per month and will increase to almost \$1,000. Many working families have several children in child care and will face an increase anywhere from \$200 to \$600 per month.

This proposed increase will not help the working families of Oregon; they could easily lose ground in their fight to make ends meet. Many families currently face the tough decision whether to work or not due to child care costs, or the decision to use non-licensed child care, these decisions will be even tougher with the increased cost of child care.

If you truly want to help working families, then this minimum wage increase is the exact opposite of what needs to be done. Please look for other ways to control costs for workers so they can meet the needs of their families.

Jim Blackwell Maisie Chin Troy Blackwell Owners