



OREGON
ASSOCIATION OF
NURSERIES

SB 1532A

The Oregon Association of
Nurseries recommends
voting

NO

The Oregon Association of Nurseries (OAN) is a non-profit trade association that represents more than 800 wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill and Multnomah Counties.

The OAN is the main voice for Oregon's nursery and greenhouse industry.

The nursery industry is Oregon's #2 agricultural sector, ranking #3 in the nation with annual sales exceeding \$830 million.

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Senate Bill 1532A

Relating to minimum wage increases

From The Desk Of
Representative Vic Gilliam

The Oregon Association of Nurseries (OAN) opposes Senate Bill 1532A and believes that the legislation, as crafted and passed by the Senate Committee on Workforce and General Government, will harm agriculture and its ability to compete in a national and global market, create untenable compression of wages, and will damage the state's economic growth.

Agricultural companies are price takers, not price makers

Oregon's nursery and greenhouse industry competes against states with significantly lower minimum wage rates. Many competitors in those states are closer to the markets our members serve. Labor, transportation and geography are all significant factors in the nursery industry's ability to compete and bring back traded sector dollars to Oregon. For example, if SB 1532A goes into effect, Oregon's minimum wage rate will be \$6 more an hour than North Carolina.

In agriculture, operations are typically price takers, not price makers. High quality producers find it difficult to pass on additional labor costs to consumers. This means Oregon agriculture will become less competitive, will lose market share, and will be forced to reduce its workforce.

Missed opportunities and economic consequences

The legislature has missed out on a critical opportunity to craft a proposal that supports employees, keeps employers competitive, and assists those workers at the lowest wage scale who want to lift themselves out of poverty. The Oregon Legislative Revenue Office has estimated that the state will see employment loss with a significant raise in the minimum wage. The loss of benefits to those Oregonians most at risk will be harmful. Senior citizens' buying power will be reduced, and agriculture will lose jobs and productivity.

The legislature should pursue a multi-pronged effort to help those in most need. This proposal does not help with education and training, youth entry to the workforce, or recognize the economics for employers who compete against other states.

Crude tools such as ballot measures are a terrible way to make public policy. Equally bad in our opinion are legislative concepts devoid of any economic reality. Much of the public debate so far has devolved into getting a "number" rather than getting people back to work, training and educating, and maintaining competition in the marketplace. Ignoring the sincere warning signs by employer groups could lead to significant job loss. That does not help anyone.

The OAN urges you to vote NO on Senate Bill 1532A