

## Minimum-wage study touts benefits

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Due to factors such as increased productivity and lower employee turnover, Oregon's small businesses would actually stand to benefit more than lose from a minimum wage hike, according to a new study.

The Silverton-based Oregon Center for Public Policy (OCP) released the study Wednesday, days before public hearings are scheduled to begin on a series of bills that would raise Oregon's minimum wage to \$15 an hour.

The standout piece of legislation among them: House Bill 2009, which would increase the minimum wage in increments over the next three years before settling on \$15 by 2018.

"We just simply can't live in a state that allows people to work full time and allows people to live in poverty while trying to support their families," said Sen. Sara Gelser, D-Corvallis. "Regardless of what number we land on, we need to keep having this conversation as much as possible."

According to the report, the proposed increase would directly raise wages for an estimated 589,000 Oregon workers.

Business owners have previously voiced their concerns about the proposal, arguing that a minimum wage hike will just impose more of a financial burden on those already struggling under the costs of running a business.

But in the study, researchers with OCP claimed that a wage hike would actually benefit these companies' bottom line.

"Higher minimum wage will lead to better worker productivity, lower turnover, and small businesses know that," said Chuck Sheketoff, director of the center, during the media availability. "That means more money for the small business employers when they have savings from increased productivity and lower turnover. The productivity gains reduce the cost and reduce their bottom line."

Besides, it's not the small businesses that are going to be most impacted, researchers said. It's the big ones.

There is no standard definition of what constitutes a small business, although the general agreement is that a small business has 50 employees or fewer.

But the number of Oregon small business jobs that aren't already paying \$15 per hour or more is relatively few — just 16 percent of the state's 1.9 million jobs, the study found.

Where a minimum wage increase will truly take hold, researchers noted, is among businesses with 100 or more employees. Those companies are responsible for 52 percent of the jobs that are currently paying below \$15 an hour.

Gelser said that legislators have been open to hearing from business owners about the potential impact of the bills. But she was concerned about hearing from working families, too.

"Their voices have to be as loud in the discussion as business owners," she said. "They're all valid contributors to our economy."

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