

April 13, 2015

To: Senate Workforce and House Business and Labor Committees  
From: Bob Hollander  
Re: Support of SB 610 and HB 2009

Good evening, Chairs Dembrow and Holvey and Committee Members,

My name is Bob Hollander. I am from Pleasant Hill, Oregon – near Eugene. I am here to support raising the minimum wage.

Professionally, I have been a retirement planner and investment advisor for the past 22 years and I just retired as of January 1st of this year. Most of my 350 clients were “blue collar.” For the prior 19 years I was a special education teacher of students with academic, emotional, and behavioral challenges. My particular background of knowledge comes from making professional visits to some of my students’ and financial clients’ homes.

So let me tell you about one of my clients, Sophie, an office clerk for a local saw mill. She had no retirement saved, even though she was 50 years old when I first started working with her. She was not covered by a union, the mill had no retirement plan, and the owner refused to start one. Sophie’s wages were minimal because she had moved from mill to mill and thus from minimum wage to minimum wage job. As mills closed, during the 1980’s and 1990’s, she lost seniority in the places she worked.

Sophie did contribute \$2000 a year from her low wage income because she was frugal. She planned and worked hard until age 70 to get maximum Social Security. She paid down her debts and at retirement had a nest egg of \$80,000. Last I heard, she had managed for 12 years in retirement, drawing down her nest egg to \$35,000 because she had to get her 1,200 square foot house painted and the roof patched, and property taxes needed to be paid. Social Security wasn’t enough. But will her nest egg be enough?

When I was a teacher, I had a student, Jake, whose family struggled with jobs that did not pay a living wage. When I went to Jake’s home, clothes were often heaped on the couch, the carpet was dirty, dishes were piled everywhere, refrigerator half full, car not working in the driveway. When the parents were not at work in their minimum wage jobs, the stresses on the family were all-consuming. Mom and Dad did not have the time or the means to engage and guide their active, high-needs kids. So Jake and students like him also lost track of what to focus on at school and got in trouble there and with the law. They cost our state time, taxes and resources.

One time I helped start a program that placed high school age students in a kind of work-experience situation. The students got school credit and experience for learning job-related skills and were paid for after-school work. The families and the students benefitted from their work because the pay contributed to their family income which helped pull them all out of poverty.

So I say this to you:

Let us raise the minimum wage NOT because it is the right thing to do, but because it gets people to do the right thing. It motivates them to work hard and see their hard work pay off.

Let us raise the minimum wage, not simply because it pays some people more, but because it allows low wage workers to invest their earnings in our economy: They can buy what they need with their own money and it saves us taxes.

Let us raise the minimum wage to a living wage, not because it makes some of us feel good, but because it is good for all of us.

Sincerely,

Bob Hollander