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STATE REPRESENTATIVE • TWENTY-FIFTH ASSEMBLY DISTRICT

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“Minimum Wage”

Background Information:

The Wisconsin Minimum Wage General Rate is currently \$6.50, implemented in June 2006. [Chapters 104.01-12 Wisconsin Statutes](#) requires the Department of Workforce Development (DWD) to promulgate administrative rules, [Chapter DWD 272 Wisconsin Administrative Code](#), to establish a living wage and take enforcement action. DWD website: <http://www.dwd.state.wi.us>

Legislation, LRB-0805, is expected to be introduced in January 2009 which would raise the state’s minimum wage from \$6.50 an hour to \$7.60 an hour effective 6/1/09; indexed for inflation effective 6/1/10; and eliminate the current prohibition against allowing a city, village, town or county from enacting an ordinance establishing a living wage.

Rep. Ziegelbauer’s View:

Increasing the minimum wage is an extremely popular, well intentioned, very bad idea. Despite the good intentions, it hurts young people and the poor throughout Wisconsin, ironically the people who we really want to help.

Whether we like it or not, the fact is that in a market economy, minimum wage jobs are most often short time starter jobs for new entrants into the workforce, the first rung on the ladder of economic opportunity, rarely a source of family supporting income. Employers hire entry level workers so long as they can generate as much in productivity as they cost in pay. Raising the minimum wage creates an additional barrier to that entry level first job learning opportunity for young low skilled prospects by limiting the chances for those with insufficient skills to get a job.

The false impression, sadly reinforced by the overheated partisan political rhetoric accompanying this debate, is that raising the minimum wage helps poor families. The truth is actually that it hurts those who need help most. An overwhelming majority of these low wage jobs are held by first time workers desperately in need of work experience, most often for a short time, rarely heads of households trying to support a family. Raising the minimum wage will only succeed in making it much harder for those needing that first job opportunity to enter the work force and gain the valuable work experience that will allow them to move up the ladder to get a better job, most often fairly quickly.

This isn’t about protecting profits for business. It’s about creating opportunity for those who need it. Making these jobs harder to get will hurt the anonymous poor, the countless young workers who need a job the most. Knocking out another one or two of the bottom rungs on the ladder of economic opportunity by raising the minimum wage makes it harder for those who deserve the opportunity to climb aboard and share in the prosperity of America.

I oppose increasing the minimum wage in Wisconsin because it hurts all of us by depriving people the opportunity to work.

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