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Key Vote NO on Increasing the Federal Minimum Wage

As one of our over 6 million FreedomWorks members nationwide, I urge you to contact your senators and ask that they vote NO on any increase in the federal minimum wage. Sponsored by Senator Tom Harkin (D-IA), the latest Senate bill, S. 2223, would raise the minimum wage nationwide from \$7.25 per hour to \$10.10 per hour. Furthermore, it would provide for permanent automatic wage increases, indexed to inflation.

Wages are just like any other price in an economy – they adjust to reflect the value of the labor provided. The sort of jobs that pay at or below the minimum wage are generally completely unskilled, entry-level jobs. These are the first rungs on the economic ladder, which allow people with zero skills or experience to get their start. Raising the minimum wage is akin to pulling this ladder higher, until that bottom rung is too high for many people to reach.

A large majority of minimum-wage workers earn more than that wage within a year after starting their job, because their accrued experience has increased their value. But these people must have somewhere to start.

In addition to eliminating opportunities for workers just getting started, raising the minimum wage would have major consequences for people currently in the workforce. If businesses suddenly have to start paying more per hour for unskilled labor, that extra money must come from elsewhere in the business. Whether the necessary savings are found by cutting the number of workers, their hours, or from raising prices or decreasing services, businesses lose resources they could have used to support themselves and expand. As a result, the Congressional Budget Office has estimated that the wage increase currently being considered will cost at least half a million jobs from the existing economy.

For these reasons, I urge you to call your senators and ask them to vote NO on S. 2223 or any other bill to increase the federal minimum wage. We will count their vote as a KEY VOTE when calculating FreedomWorks' Economic Freedom Scorecard for 2014. The Scorecard is used to determine eligibility for the FreedomFighter Award, which recognizes members of Congress who consistently vote to support economic freedom.

Sincerely,

Matt Kibbe
President and CEO,
FreedomWorks