

## **Op-Ed: Raising the minimum will hurt 325,000 Mainers**

Make no mistake: if you vote on Question 4 to raise the minimum wage, you will be hurting your grandparents and your elderly neighbors.

The socialists at Maine People's Alliance are pushing hard to arbitrarily increase the minimum wage, claiming it will improve the lives of workers. They don't tell you it will harm our most vulnerable residents: the elderly and those on fixed incomes.

Raising the minimum wage so quickly will put immediate upward pressure on labor costs for businesses. To cover these dramatic new labor costs, your favorite restaurant, coffee shop and corner store will be forced to lay off employees or raise prices—or both.

Prices on everything, ranging from milk, bread and eggs to fixing your toilet, repairing your roof and snowplowing your driveway, will increase. Despite the rising prices for all goods and services, your grandparents and your elderly neighbors will not get an increase in their fixed incomes.

The average cost-of-living increase in Social Security will be four dollars a month. But the Maine People's Alliance wants to increase the minimum wage by four dollars an hour.

Mike Tipping and Ben Chin, the highly paid leaders of the Maine People's Alliance, are trying to enact income redistribution through the ballot box. They do not care what kind of damage it does to the local economy, and they certainly do not care that steep price increases will drive the 325,000 Mainers who live on Social Security deeper into poverty.

Tipping and Chin operate in the liberal urban enclaves of our state. They don't know what it's like to struggle in Machias or East Millinocket or Fort Kent. They don't know what it's like to live on a four-dollar-a-month increase.

Furthermore, a dramatic hike in the minimum wage is not needed.

According to the U.S. Bureau of Labor Statistics, approximately 14,500 Mainers earned minimum wage in 2015. Of those, about half worked in food service. With the Maine labor market tightening, wages have been rising and the number of low-wage workers has been declining.

In fact, during the past four years the overall number of people making the minimum wage has fallen by almost 6,000. When 2016 figures are available, we expect to see the number of low-wage earners continue to decline.

In addition, many of those working in food service get tips. But Tipping and Chin's plan will devastate the restaurant industry. They will get rid of the tip credit and essentially eliminate tipping.

Not only will menu prices increase dramatically to cover the new labor costs, but restaurant workers who now make \$20 to \$30 an hour will get \$12 an hour with no tips.

With an employee shortage across the state, most places are already paying more than the minimum wage to attract workers. The minimum wage is really a starter wage for entry-level or unskilled workers. It is also used to pay the mentally or physically disabled, who cannot work at 100% capacity and otherwise would not get a job.

Raising the minimum wage to \$12 will eliminate jobs for teens and other low-skilled workers. No business owner wants to pay \$12 an hour for an unskilled teen in an entry-level job or a mentally disabled Mainer who cannot work at full capacity. On the other hand, Maine people are generous and will help where they can.

Finally, the proposal by the Maine People's Alliance mandates that the minimum wage go up every year. During a downturn in the economy, businesses will still be forced to pay higher and higher wages.

So don't be fooled by Tipping and Chin's agenda. This is not about economics; it is about a socialist ideology—the kind that has failed in Greece and other similar countries.

Well-paid, non-profit employees like Tipping and Chin do not understand simple economics—and they don't care. They don't care about raising prices on your grandparents or elderly neighbors. They don't care whether your teen can't get a job or mentally disabled people lose their jobs.

They don't care that a single mother who works as a waitress will see her pay plummet from \$20 an hour to \$12. They only care about tricking Mainers into voting for their socialist agenda at the ballot box, all the while using out-of-state money to do so.

Before you cast your vote, please educate yourself on the Maine People's Alliance and their anti-elderly, anti-job proposal.

Paul R. LePage  
Governor