



## **Idaho Democrats introduce legislation to raise minimum wage**

By Dustin Hurst  
February 10, 2014

Expanding a national dialogue on pay levels that's taken the country by storm, Democrats in the Idaho Legislature have introduced legislation to increase the state's minimum wage to \$9.75 an hour.

Led by Sen. Michelle Stennett, D-Ketchum, Democrats introduced the bill in the Senate State Affairs Committee Monday. The bill would raise the wage to \$9.75 per hour through a two-year process and then tie the rate to the consumer price index after that.

Sens. Elliot Werk and Cherie Buckner-Webb, both Democrats from Boise, are co-sponsoring the bill with Stennett.

Idaho's minimum wage matches the federal rate at \$7.25 an hour.

Several western states, including Washington and Oregon, have already coupled their minimum wage rates to the index. Residents earning minimum wage in Washington received a 13-cent raise earlier this year thanks to the law, making the minimum wage there \$9.32 per hour. Oregon residents saw a 15-cent increase in their minimum wage pay, which became \$9.10 per hour on Jan. 1.

The bill is backed by United Vision for Idaho (UVI), a consortium of groups including labor unions and public interest organizations.

While UVI and its allies, notably the Idaho Education Association and the Idaho AFL-CIO, believe raising the minimum wage will left some Idahoans out of poverty, scholars have doubts.

Academics Joseph J. Sabia and Richard V. Burkhauser argued in this 2010 "Southern Economic Journal" article that the minimum wage is not a key driver to reducing poverty.

“While an increase in the minimum wage will lift out of poverty the families of some low-skilled workers who remain employed, other low-skilled workers will lose their jobs or have their hours significantly cut, reducing their income and dropping their families into poverty,” the duo wrote.

Sabia and Burhauser argued that the idea is simply not effective in achieving its aims. “While reducing poverty among the working poor is a laudable policy goal, the evidence suggests that minimum-wage increases have thus far provided little more than symbolic support to this population,” they wrote in the document.

William Poole, a senior fellow with the Cato Institute, suggested earlier this year that the wage increase proposal—President Barack Obama pitched \$10.10 an hour to Congress earlier in his State of the Union address—actually hurts young and low-skilled workers because employers would be less likely to hire more expensive help into entry-level positions.

“Who are the workers not hired?” Poole asked. “They are the least skilled, most disadvantaged members of society. The bottom line is that those who advocate an increase in the minimum wage are willing to trade the higher wages of those who remain employed for reduced employment opportunities for the least skilled.”

About 97 percent of the country’s workforce earns more than minimum wage, according to the Heritage Foundation. The group also pointed out earlier this year that more than 66 percent of minimum wage-workers earn a raise within their first 12 months on the job.