



Push For Minimum-Wage Increase Intensifies

Insights

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Last week, Rep. Jesse Jackson, Jr. (D-Ill.) introduced a bill to raise the federal Fair Labor Standards Act's minimum wage to \$10.00 per hour beginning 60 days after enactment. Beginning one year after the new minimum took effect, the rate would be subject to annual increases indexed to rises in the Consumer Price Index.

Rep. Jackson's bill also proposes to raise the minimum cash wage for employees for whom an employer takes the FLSA "tip credit". The hike would be from today's \$2.13 per hour (the tips themselves must make up the difference to \$7.25) to 70% of the FLSA minimum wage, that is, to \$7.00 per hour if the bill becomes law as written. It is surely not happenstance that this corresponds to one of the policy prescriptions in a report also issued last week by the "Food Chain Workers Alliance", supported in part by Saru Jayaraman of the University of California's "Food Labor Research Center", who has urged similar measures about which we have written previously.

Also, Rep. George Miller (D-CA) is reportedly putting together a bill that would take a less-abrupt approach to a minimum-wage increase. Whether this will seem moderate only by comparison to Rep. Jackson's proposal remains to be seen.

Meanwhile, over in the Senate sits the still-pending bill introduced by Senator Harkin in late March calling for a 35% spike in the minimum wage, a \$590-per-week increase in the salary amount required for exempt "white collar" workers, an immediate 41% rise in the cash wage required for tipped employees, and a new paid-time-off entitlement.

Obviously, these developments are being closely coordinated to take advantage of what proponents judge to be a favorable political environment. And it is not beyond imagining that an election-year deal might bring about some compromise version of these contending visions. In the past, for example, substantial minimum-wage increases have been exchanged for measures like a "training wage" and an "opportunity wage". Readers will have trouble calling these to mind, because neither of them proved to be of any practical or offsetting value to anyone.

Those who are troubled by the direction matters are taking would be well-advised to remain vigilant and to waste no time making their views known to Congress.

Hat tips to [The Hill](#) and [CNSNews.com](#).