

# Re: Effects of raising minimum wages in USA

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- *From:* "Sgt.Sausage" <nobody@xxxxxxxxxxxx>
  - *Date:* Thu, 22 Jun 2006 15:03:48 -0400
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"Nospam" <nospam@xxxxxxxxxxxx> wrote in message  
<news:14590081.qsx4shvdPs@xxxxxxxxxxxxxxxx>

Michal Gancarski wrote:

Yes, there are. Minim wage is an important factor among less educated and less paid workers. For example I do not think anybody would propose that minimu wage influences unemployment level of well-paid specialists and freelancers.

It does. Better wage means more spending into economy.  
More demand create better jobs.

Better wage means I, as the employer, have to spend more to pay those wages. Either I make cutbacks (which likely won't happen — we run a pretty lean machine in my shop) OR, alternatively, I raise my prices so I can now afford to pay the higher wage.

So ... You've got an extra dollar an hour in your pocket, but everything you buy from me and all the other shop owners who have to support the higher wage costs more so you what do you have: a net null effect. More money in your paycheck being cancelled out by higher prices at the cash register. You've gone nowhere.

How does that solve anything for anyone?

Then, you're back next year saying the inflation monster is taking over, as evidenced by the higher prices at the cash register, and demand still higher wages, and we start the whole she-bang all over again.

I ask again: How the hell does this solve anything for anyone?

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