

MISSOURIANS PETITION TO RAISE MINIMUM WAGE



A group aptly named "Missourians for Responsible Lending and Give Missourians a Raise," along with faith leaders, workers, community leaders, submitted a signed petition of more than 173,000 signatures to the secretary of State that will allow them to vote on measures to fix the rate on predatory loans and raise Missouri's minimum wage. The people are seeking to raise the state's minimum wage from the national average per hour to \$8.25 in 2013, and provide for annual cost-of-living adjustments in subsequent years. The payday loan proposal, seeks a capping at 36 percent on annual rates on short-term loans, inclusive of interest, fees and finance charges. Missouri currently follows the federal minimum wage of \$7.25 per hour. The national minimum wage is the highest in Washington at \$9.04 and lowest in Georgia and Wyoming at \$5.15. Currently, those employees who receive tips are receiving 50 percent of the state's minimum wage. The petitioners are seeking an additional 10 percent for them. Moreover, if the federal minimum wage increases more than the state's minimum wage, then the cost-of-living adjustments would be calculated at the federal rate and not at the state rate. Analysts believe that the chances of the measures going through are very high. Rev. James Bryan, Treasurer of Missourians for Responsible Lending, said, "The thousands of Missourians involved with these campaigns are completely devoted to making sure voters have a chance to be heard in November. We expect all the valid signatures submitted today to be counted." He further alleged that the lending industry had used all methods, include threats, to try and silence the petitioners, but they prevailed in overcoming them. "As payday lending executives and other CEOs get richer, regular people in Missouri are struggling to make ends meet across Missouri. It's wrong to pay people less than \$8 an hour and charge them 400% interest rates. These initiatives are important step forward to an economy that works for all of us," he said. However, not all Missourians are supportive of it. Kansas City, restaurant owner, Victor Allred, has filed a suit over the proposed ballot measures, two of which he finds, "insufficient and unfair." He finds willing allies in the Missouri Restaurant Association, which endorses his action. Many economists insist that raising the minimum wage can adversely impact employment numbers, especially among the younger employees, suggesting that a high minimum wage may deter employees from employing fresh and inexperienced workers. Scott Brown, chief economist Raymond James Equity Research, in St. Petersburg, Fla., said that he did not see that impacting Missouri, "It's probably not going to matter much," he said. "The typical concern is that it will lead to less-entry level jobs for young people. That's the fear. But again—what's the going wage and what are the typical starting salaries in an office or fast food? Very often those are well above the minimum wage in some areas."