

RAISING THE MINIMUM WAGE HOLDS PROMISE FOR MASSES OF WORKERS

PART ONE

They spoon up casseroles in cafeteria lines, scrub floors and flip burgers. They watch after children and take care of animals. They are minimum wage workers. In the United States, they are 2.5 million strong. At the end of the day, before taxes are taken out, a minimum wage worker would have \$34 in his pocket - enough to buy some bread, milk, a package of diapers and a few other sundry items. To many workers, minimum wage jobs only mean a half step out of poverty, if that.

Portland, Ore., native Felicia Jeter works for minimum wage at a Columbus pizza parlor. She still needs government assistance to provide for her two children.

"You cannot make it off minimum wage," she said. "It's a hell of a lot cheaper here than Portland, but I am still not making a living."

The Clinton Administration is proposing raising the minimum wage from \$4.25 to \$5.15 an hour. Will that really benefit the lives of those who are struggling at minimum wage?

To 33-year-old Jeter, you bet it would. "That would be more than \$30 more a week," Jeter said in the living room of her public housing apartment. "You could buy a pair of shoes with that."

Many employers, however, say raising the minimum wage will hurt entry-level workers in the long run.

"Historically, whenever we've had a raise in the minimum wage, we've had to look for other ways to do business," said Jack Pezold, owner of local McDonald's restaurants, which starts workers between \$4.30 and \$4.50 an hour. "We can't keep going to the menu board and raising prices."

Minimum wage increased to \$3.80 in 1990, to \$4.25 in 1991. Those were the first increases since the floor was set at \$3.35 in 1981.

During that time, employment among low-wage earners dropped more than for the rest of the work force. After netting out the job market devastation of the recession, the hardest hit were teens, whose employment dropped 7 percent for males and 11 percent for females, according to Fortune Magazine.

"Clearly, raising the minimum wage has always just pushed up inflation," Pezold said. "And this doesn't do anyone any good."

"What happens, too, when you raise the minimum wage is that people who were otherwise not working come back into the work force," Pezold said. "And this displaces another worker who really needs the job, especially those with no

experience who need a job at McDonald's to get them started in the work force."

Richard Dulaney, manager of Joy Industries, a Columbus sewing plant, said hiking the minimum wage would raise havoc in the textile industry.

The North American Free Trade Agreement, passed in 1993, has already had "a staggering effect," he said. "As it is now, we're losing a tremendous amount of business to the Caribbean and Mexico because their labor prices are lower. We would have to increase the prices of our goods again. We can't increase the base rate without increasing the price to customers."

At Joy Industries, workers are paid on a piecemeal basis for the number of shirts sewn - on top of a base salary. "A few people can make as much as \$10 an hour," Dulaney said.

First, employees must undergo eight to 12 weeks of training, and only 30 percent succeed.

"If they raise the minimum wage, we'll have to evaluate how many people we are willing to train," he said.

Wal-Mart in Phenix City raised its starting salary a couple of years ago to \$5 an hour. "We felt we weren't attracting good applicants with the minimum wage," said store manager Tim Faulhaber. "We were competing with the fast-food chains and so forth."

Although he wouldn't divulge exact figures, Faulhaber said turnover is half what it was last year. He attributes this partially to competitive wages.

Economists and sociologists have long debated the effect of raising minimum wage. Some say wage erosion among the less educated has been disastrous.

A study published by the Economic Policy Institute "Raising the Floor" by William Spriggs and Bruce Klein, shows that official counts of minimum-wage workers are greatly underestimated because workers who make slightly higher than the minimum aren't counted.

They also found these workers to be disproportionately nonwhite and female. Spriggs and Klein estimate that two-thirds of women and half of men recently out of high school are paid at levels tied to the minimum wage.

Spriggs and Klein found no job loss at fast-food establishments in the South when the minimum wage was raised in 1990 and 1991.

David Neumark of Michigan State and William Wascher of the Federal Reserve Board, on the other hand, find that not only

does a higher minimum hurt employment among teens but it also hits high school enrollment - encouraging students to drop out. In most labor markets, most

people who work at minimum wage jobs, don't work at it for long, maintains Jeff Humphreys, director of economic forecasting at Georgia's Selig Center for

Economic Growth.

"Unfortunately, the jobs that will be lost (if minimum wage is raised) will be most suited to those working low-skill, part-time

jobs...and the value of labor is not very high," Humphreys said. "Minimum wage is not relevant until it's time to get tough."

(To be continued)

CLASSIFIED ADVERTISING

LEGAL NOTICES

**LEGAL NOTICE
CITATION AND NOTICE
OF PERMANENCY HEARING.
DEPENDENT CHILD**
(Welf. & Inst. Code Sec. 366.26)
J-439708

NOTE: The Social Worker is recommending termination of parental rights. Superior Court of the State of California, for the County of Orange, Sitting as the Juvenile Court.

In the Matter of BARKER, Travis, a Minor.

To: CHRIS SALVAORE, FATHER
YOU ARE HEREBY CITED AND NOTIFIED THAT:

(1) This matter has been set for hearing before the Orange County Juvenile Court, 341 The City Drive South, Orange, California, on December 8, 1995, at 8:30 A.M. in Department 301.

(2) You are hereby cited to appear at the time place mentioned in paragraph (1) above to show cause, if any you have, why the recommendation of the Social Service Agency should not be adopted by the Court. If you fail to appear the Court may terminate your rights to the control and custody of the minor child, and go forward with the adoption of the minor child or with such other permanent plan as the Court deems appropriate.

(3) The person named in the above caption and his parent or guardian is entitled to be present at the above hearing. If the parent or guardian desires counsel and is indigent and for that reason cannot employ an attorney, the Court will appoint counsel. If the minor, parent or guardian desires to be represented by an attorney he/she shall promptly notify the Clerk of the Juvenile Court.

(4) This is to advise you of the rights and procedures set forth in California Welfare and Institutions Code Section 366.26; "(a) This section applies to minors who are adjudged dependent children of the juvenile court pursuant to subdivision (e) of Section 360 on or after January 1, 1989. The procedures specified herein are the exclusive procedures for conducting these hearings. Section 4000 of the Civil Code is not applicable to these proceedings. For minors, who are adjudged dependent children of the juvenile court pursuant to subdivision (e) of Section 360, this section and Sections 224, 224m and 7017 of the Civil Code specify the exclusive procedures after January 1, 1990, for permanently terminating parental rights with regard to, or establishing legal guardianship of, the minor while the minor is a dependent child of the juvenile court."

PLEASE REFER TO SAID CODE SECTION FOR FURTHER INFORMATION AS TO THE RIGHTS AND THE PROCEDURES.

DATE:
ALAN SLATER,
Executive Officer and Clerk of the Superior Court of the State of California in and for the County of Orange.

By: Dorothy Hollis
Deputy Clerk
LAURENCE M. WATSON, CHIEF ASSISTANT COUNTY COUNSEL and JANELLE M. BROCK,
Deputy Bar #162791
10 Civic Center Plaza
P.O. Box 1379
Santa Ana, California 92702-1379
Telephone (714) 935-6152
Attorneys for Petitioner Orange County Social Services Agency
Published: Las Vegas Sentinel-Voice
October 12, 1995

**Save Your Life—
Stop Smoking**
Call toll-free 1-800-ACS-2345

THERE'S NOTHING
BRIGHTER THAN THE SWORD
AMERICAN
CANCER
SOCIETY

Sprint Wants Your Business!

If your company's owners are culturally diverse, women, physically challenged, or veterans, we need to hear from you. Please contact Dawn Davidson, supplier diversity coordinator, at 244-7598.



Where the power of communication with diverse business owners rings loud and clear.

Mind your own business.

If you are your own best boss and looking for a great career opportunity, let's talk. As one of our Allstate Exclusive Agents, you would select your own office site (with Allstate approval). We offer important start-up assistance such as furniture, equipment and signs. You hire your support staff and run day-to-day operations. We provide ongoing training, education and marketing support. Plus, you'll receive a base compensation plan and office expense fund for a full eighteen months while you're establishing your business.

Grab this great chance to join a recognized insurance industry leader offering a multi-line portfolio of products, while you enjoy the flexibility of an independent business owner. When you're in charge, your future is bright, your potential limitless!

You're in good hands.
Allstate

Call Traci Gamble-Peterson at (702) 736-8350 for more information