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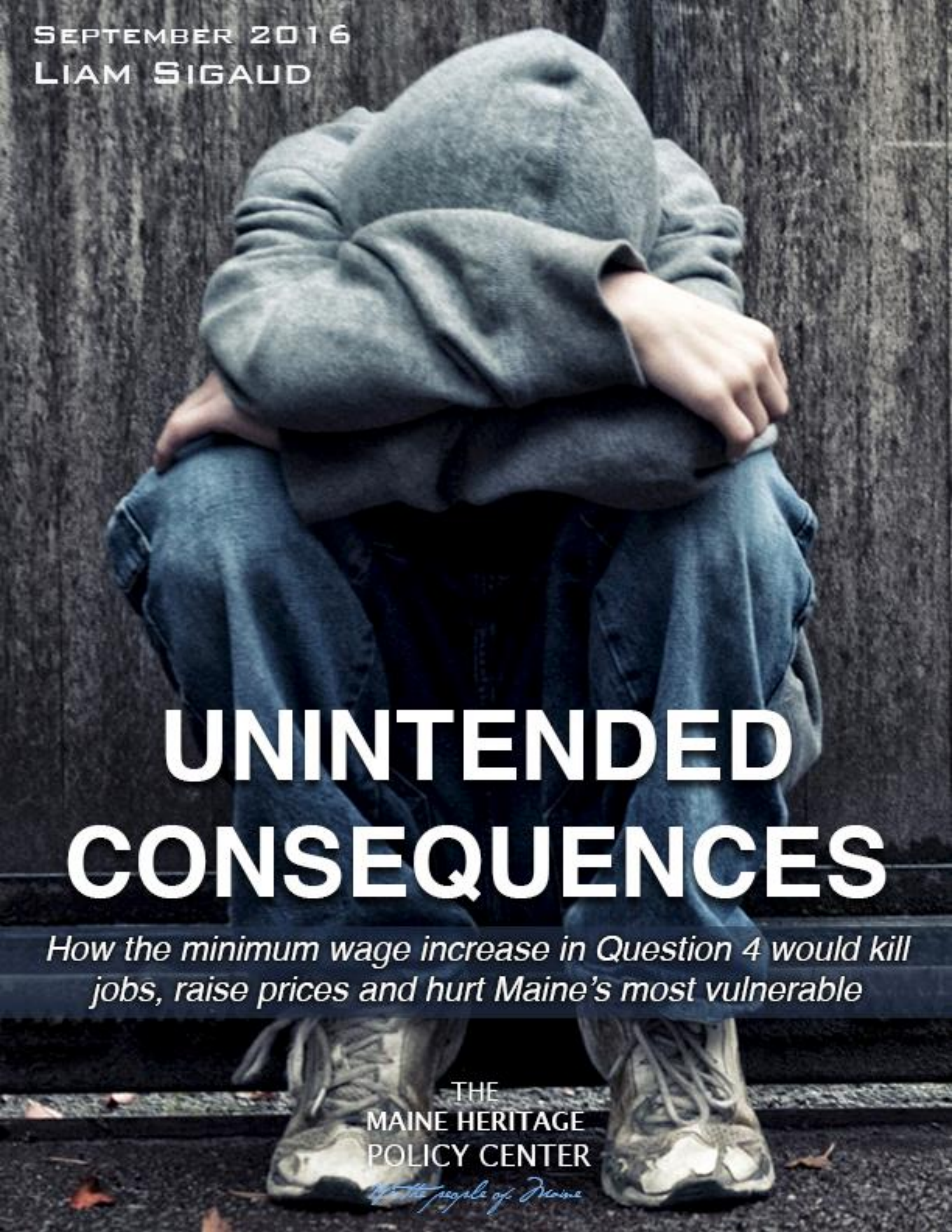

UNINTENDED CONSEQUENCES

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Liam Sigaud, Policy Analyst

EXECUTIVE SUMMARY

Over the last several years, minimum wage increases have become hotly debated in the United States. Supporters see them as an effective way to boost the earnings of poor, hard-working families who struggle to pay basic expenses while earning the minimum wage (which, for a full-time worker, generates about $15,000 per year). Opponents warn that government-mandated minimum wages reduce employment, increase prices, and do little to alleviate poverty.

Recently, several states – including California and New York – have passed laws to increase their minimum wages to $15 per hour, more than twice the federal minimum wage and double Maine's current level. Supporters of a higher minimum wage in Maine, led by the Maine People's Alliance and the Maine AFL-CIO, have succeeded in gathering enough signatures to put their proposed $12 minimum wage on the ballot this November, which will appear as Question 4.

The proposal consists of three main parts:

- Increasing the minimum wage from $7.50 an hour to $12 an hour by 2020
- Eliminating the tip credit, which allows employers of tipped workers to pay a cash wage of $3.75 an hour, as long as the employee's tips are sufficient to ensure cumulative earnings of at least $7.50 an hour
- Indexing the minimum wage to the Consumer Price Index so as to automatically adjust for inflation

This report examines the potential repercussions of Question 4 on Maine's workforce and business sector, showing that raising the minimum wage would cost jobs, increase prices, and damage our regional competitiveness without meaningfully helping our poorest workers.

WHO EARNS THE MINIMUM WAGE?

Proponents of Question 4 believe that minimum wage increases help to boost the incomes of full-time adult workers, many of whom are supporting children. In 2011, the Maine Center for Economic Policy published a report stating: “Minimum wage workers are adults and heads of households.”[1] A political action committee in support of Question 4, Mainers for Fair Wages, states on its website: “Low wages mean that working parents in Maine can’t support children…” and emphasizes that “it’s about moms, kids, and families.”[2] The Maine People’s Alliance also attempts to characterize minimum wage workers as struggling parents: “Maine families work hard and should be able to earn a fair wage. It’s not right that a single mother of two can work full time and still not make ends meet for her family.”[3]

These statements, however, are largely inconsistent with the realities of Maine’s workforce. Here are some of the characteristics of minimum wage workers in Maine, according to the Maine Department of Labor[4]:

- 52 percent of workers at or below minimum wage were under age 25 (26 percent were under age 20). Certain types of workers—like taxicab drivers, agricultural laborers, summer camp counselors, and others—are not subject to Maine’s minimum wage laws
- 12 percent of workers under age 25 were paid at or below minimum wage
- Just 1 percent of workers age 25+ were paid at or below the minimum wage
- 28 percent of minimum wage workers did not have a high school diploma, and 92 percent did not have a post-secondary degree
- 44 percent of minimum wage workers were in food preparation and serving occupations; many of these workers receive the minimum cash wage from their employers, but earn substantially more than the minimum wage through tips
- 15 percent worked in sales-related occupations, some of whom customarily receive tips, most of which have low skill requirements
- 71 percent worked a part-time schedule in their primary job, many of whom were students
- **Only about 5,800 workers, 1 percent of Maine’s labor force, work full-time in their primary job making minimum wage**

According to the Employment Policies Institute, “because so many minimum wage earners live in households where they’re either a second- or third-earner, the average family income of a beneficiary [of a minimum wage increase to $12 per hour] in Maine is $57,316 per year.”[5] In fact, as Table 1 shows, just 6 percent of beneficiaries would be single parents. The majority of beneficiaries would be teenagers and young adults living with their parents and married people whose spouse also works.

Table 1: Percentage of Workers Affected, by Family Status	
Single parent	6%
Married sole earner	8%
Married dual earner	18%
Living with family or relative	38%
Single adult	30%
Source: Employment Policies Institute	

Many minimum wage earners are mentally or physically disabled. Most work part-time and receive assistance from the Department of Health and Human Services. For many, work is an opportunity to generate extra income while gaining a sense of normalcy, dignity, and purpose. Under Question 4, many of these jobs would disappear in the face of rising labor costs.

Many high schoolers and college students work minimum wage jobs to learn work-related skills. As the Maine Grocers and Food Producers Association reports, "An estimated 65% of employees in grocery retail making less than $10.00 an hour are less than 22 years old. Of that cohort, typically only entry level employees, with limited work experience, are paid at the State's minimum wage level."[6]

It is also important to note that the minimum wage is not (and should never be) meant to be a living wage—it serves as a training wage for new entrants into the workforce whose skills are insufficient to command higher pay. Very few workers earn minimum wage for an extended period of time. Most retail store employees, for instance, get their first raise after approximately four months on the job.[7]

A study of 28 states that raised their minimum wages between 2003 and 2007—including Maine—found little associated reduction in poverty, largely due to the fact that minimum wage policies are not well-targeted to people living in poverty. Last year, the Federal Reserve Bank of San Francisco noted that "a large share of the higher income from minimum wages flows to higher-income families" and calculated that only 15 percent of the benefits of a $12 minimum wage would go to poor families while 35 percent of the benefits would go to families with incomes at least three times the poverty line.[8]

In fact, many Mainers living in poverty do not work. For them, an increase in the minimum wage does nothing to increase their income and only makes it harder to find a job by reducing demand for low-skill workers. According to the Employment Policies Institute, about 54 percent of Maine's working-age poor are unemployed.[9]

By reducing employment and skills training opportunities for the most vulnerable workers, minimum wage increases actually hurt the very people they are intended to help. For instance, a study in 1995 which compared states with high minimum wages to states with lower minimum wages found that "increasing the minimum wage resulted in a 44% longer duration on welfare."[10] The Maine Department of Labor warns that "raising the minimum wage addresses the symptom, not the cause of poverty—a lack of work skills combined with barriers to employment (substance abuse, generational poverty, low educational attainment, mental illness) that prevent that worker from moving from poverty to prosperity."[11] The National Federation of Independent Businesses, of which thousands of Maine businesses are members, recently noted that "mandating a higher minimum wage will result in more pay for some workers, less pay for others, and higher prices for consumers. And, a higher minimum wage does nothing for unemployed workers who have no paychecks."[12]

EFFECTS ON EMPLOYMENT AND BUSINESSES

Question 4 would raise the minimum wage to a level that mainstream economists recognize as dangerous. The Brookings Institution suggested in a recent report that "one way to gauge what constitutes a reasonable target level [for a minimum wage] is to consider the ratio of the minimum wage to the median wage: a value of 50 percent is in line with the international average and with the U.S. historical average during the 1960s and 1970s."[13] Although many economists contend that the 50 percent threshold is still too high to avoid disemployment effects, Question 4 even fails to satisfy that requirement. By 2020, when Maine's minimum wage would reach $12 per hour under the proposal, the median hourly wage in Maine will be approximately $20.21, according to projections by the Consensus Economic Forecasting Commission.[14] Therefore, in 2020, the minimum wage would equal nearly 60 percent of the median hourly wage, 20 percent higher than the recommended level.

> *"The main finding of economic theory and empirical research over the past 70 years is that minimum wage increases tend to reduce employment."*
>
> *— Cato Institute*

Another important consideration is that economic conditions are not the same everywhere in Maine. A thriving shopping center in Saco does not face the same challenges as a struggling convenience store in Bethel or a declining fishery in Lubec. Consider, for example, that the median hourly wage in Sagadahoc County ($22.81) was 67 percent higher than the median hourly wage in Piscataquis County ($13.62) in 2015.[15] Also, note that the proposed minimum wage under Question 4—$12 per hour—would be more than 72 percent of the median wage in Piscataquis County, even accounting for wage growth until the $12 minimum wage takes effect in 2020. Given the enormous variation found in Maine's business sector and the disparities of poverty and income that exist between our communities, applying the same minimum wage across the state doesn't make sense. Regions that are already struggling with high rates of unemployment and surging levels of poverty would face greater obstacles to business growth and job creation.

In the face of rising minimum wages around the country, more and more businesses are turning to automation to replace workers. As the Maine Department of Labor warns, "Advances in technology now have produced devices that are poised to displace many… low-skill, low-wage jobs… A tablet, like an iPad, can take your order at a fast food or even a casual dining, sit-down restaurant. It doesn't call out sick, it doesn't need a break, it doesn't need to be paid, and if it breaks it can be quickly and cheaply replaced."[16]

In 2014, the Congressional Budget Office—a nonpartisan research organization—developed a model for predicting the impact of minimum wage increases. Using this model, the Employment Policies Institute conducted an analysis of how Question 4 would affect Maine's economy. The authors found that "3,832 jobs would be lost in the state as a consequence of the higher labor costs. The policy would disproportionately impact women, who represent roughly 63 percent of the jobs lost, and teens, who make up just under 50 percent of the jobs lost."[17]

> *Many businesses are taking it upon themselves to boost wages in order to attract and retain good employees. They are doing this without government telling them to do so. The market is driving the decision.*
>
> *— Maine Department of Economic and Community Development*

Maine's unemployment rate among 16-19 year-olds is already 14.5 percent, and increasing the minimum wage would likely push the number higher. California and New York, which have recently raised their minimum wages, have teen unemployment rates of nearly 20 percent, while New Hampshire—with a minimum wage of $7.25—has the second-lowest teen unemployment rate in the country at 6.7 percent.[18]

In many ways, Maine already makes it difficult for teenagers to participate in the workforce by requiring the permission of the local school superintendent before acquiring a work permit or prohibiting 14- and 15-year-olds from working in occupations relating to amusements rides, including ticket collection and sales. Given these existing impediments to teenage employment, Question 4 would only further restrict their job prospects.

Entry-level, low-paying jobs are opportunities to learn valuable skills needed to have a successful career later in life. Work experience is vital to resume building and provides the starting point for upward economic mobility. Research has shown that a financially successful adult life is strongly dependent on the behaviors and habits formed in childhood and adolscence. The lessons learned from teenage employment—often in minimum wage jobs—help to instill responsibility, integrity, and the value of hard work.

Although relatively few workers in Maine earn exactly the minimum wage, a much larger share earn wages near the minimum wage—$8 or $9 an hour, for instance. Some of these employees may also experience higher earnings under Question 4. Some economists argue that a minimum wage increase would trigger a “ripple effect” through the wage distribution as employers adjust pay scales to account for a higher wage floor.

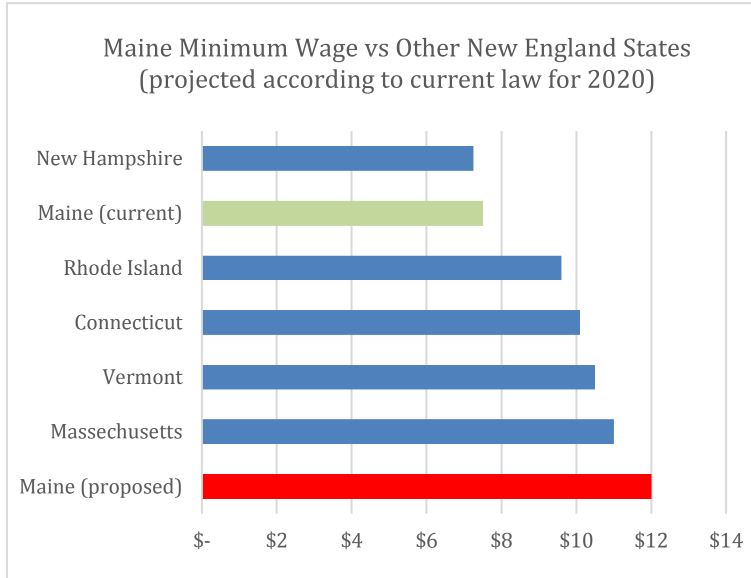
> *Increasing the minimum wage will cost retailers thousands of dollars in additional taxes and salaries paid to their employees, most of whom receive their first raise after approximately four months.*
>
> *— Maine Chapter of the New England Convenience Store Association*

Consider an employee at a convenience store who has 20 years of professional experience and earns $14 an hour. If 16-year-olds at her store start earning $12 an hour, she may consider it unfair to be making merely $2 an hour more than entry-level employees and demand higher wages. If the employee is given a raise, the business will have to compensate elsewhere, perhaps by cutting hours or raising prices. If the employee isn’t given a raise, they may feel disgruntled and resentful. It is estimated that as many 102,000 workers in Maine fall within a wage bracket slightly above $12 an hour. Few employers, however, will be capable of accommodating such a wage increase, placing an unbearable strain on many businesses. Many stores and restaurants will increase prices in response, reduce their workforce, or be driven out of business, negating any positive benefits from an increase in the minimum wage.

It is also important to note that many of the 102,000 workers earning slightly above $12 an hour—some of whom might experience higher wages under Question 4—already earn more than $35,000 a year and likely have family incomes in excess of $70,000. On the other hand, almost all of the job losses would occur among low skill workers—many of whom are just starting out in the workforce—in need of job training and work-related experience.

When wages rise artificially due to a minimum wage increase, payroll costs on businesses increase without compensating growth in productivity or sales. With a majority of businesses operating on razor-thin profit margins, Question 4 would give many companies no choice but to reduce their operations, lay off workers, transition to automation, or relocate to another state. When minimum wage hikes drive businesses to reduce costs, the first victims of are low-wage, low-skill workers.

Maine has an exceptionally large proportion of small- and medium-sized businesses. These firms are vulnerable to large increases in payroll costs. Question 4 would drive many of our struggling mom-and-pop stores out of business.



Question 4 would also damage Maine's regional competitiveness. According to current state laws, Maine would have the highest minimum wage in New England by 2020. As operating costs mount for small businesses around the state—particularly in the hospitality and restaurant industries—many are likely to relocate to more business-friendly states like New Hampshire.

PRICE INCREASES

In addition to a reduction in hiring and employment, Question 4 would force many businesses to raise prices for goods and services to help offset additional labor costs. Since most low-wage labor is concentrated in the hospitality and retail sectors, price hikes in these industries would be most substantial.

Other states and cities that have recently enacted minimum wage increases have seen prices skyrocket. When San Francisco increased its minimum wage last year to $12.25, Chipotle enacted "across-the-board price increases averaging over 10%" in that region.[19] In Seattle, which raised its minimum wage last year, restaurants have been compelled to increase menu prices by up to 8 percent, according to researchers at the University of Washington.[20]

Many studies have quantified the impact of minimum wage increases on consumer prices. A review of more than 20 minimum wage studies found that a 10 percent increase in the minimum wage raises food prices by up to 4 percent and overall prices by up to 0.4 percent.[21] Using these figures as estimates, we can evaluate the impact of Question 4 on prices in Maine's economy. In 2014, the average American household spent $6,759 on food (this is likely an underestimate of what households in Maine spend, since food prices in the northeast are higher than the national average). As a result, the average family could face an annual increase of $1,622 in food prices. Further, overall prices would increase by approximately 2.4 percent, costing the average household an additional $1,228.[22] These price increases would have a substantial impact on household budgets, especially among low-income families, retirees living on fixed incomes, and welfare recipients. Thousands of Maine's most vulnerable citizens would face high prices with no compensating increase in revenue.

Although raising prices might be a viable response to Question 4 in some industries, others—where consumer pressure and competitive forces are strong—will not be able to adopt that solution. The Maine Chapter of the New England Convenience Store Association, for instance, stated: "Why not pass the additional costs [of a minimum wage increase] on to consumers? Some stores will. But, today's retail marketplace is highly competitive and customers are very price conscious. Customers would simply drive elsewhere to purchase items for less money."[23]

> *If we were to increase that price by as little as $1.00 - no one would purchase that from The Back Burner. We charge $10.95 for a heaping portion of Fish & Chips and local customers "boycotted" us for months because that price was increased from $10.25.*
>
> *— Kate Rowe, co-owner of The Back Burner*

Many consumers, of course, will pare back spending on restaurant and hospitality services in response to higher prices. While food away from home as a share of household food expenditures has risen steadily since 1970[24], contributing to Maine's large restaurant industry, sharp increases in food prices in restaurants and fast-food establishments could halt or reverse this trend.

TIPPED WORKERS

One of the most harmful and misguided aspects of Question 4 is its provision to eliminate the tip credit, which allows employers to pay tipped staff a lower minimum wage (currently $3.75 an hour) as long as that amount combined with the worker's tips equals at least $7.50 an hour.

> *[Servers and bartenders] are commissioned sales people…if they provide friendly and efficient service and sell more, they make more money…it's a pretty simple concept and a proven one.*
>
> *— Steve DiMillo, manager of DiMillo's On the Water*

Mainers for Fair Wages mischaracterizes Maine law in arguing for the elimination of the tip credit. According to its website, "Currently, tipped workers make a subminimum wage of just $3.75/hour from their employer, and are expected to make the rest of their wages in tips."[25] It fails to mention that employers are legally obligated to ensure that service employees make at least $7.50 per hour—if a worker's tips are inadequate, the employer is required to increase the cash wage to make up the difference.

The tip credit is a common practice across the United States. It ensures that service employees make at least minimum wage while using tips to incentivize good customer service and limit payroll costs for restaurant owners. In addition, servers and bartenders in Maine typically earn far more than minimum wage. According to payroll records provided to the Legislature by more than a dozen restaurant owners from across Maine, the average hourly wage for servers is about $25, with bartenders earning about $20 an hour. Under Question 4, many servers and bartenders would receive fewer tips and a net decline in their wages.

The servers in my restaurant are, by far and away, the highest-paid hourly workers in my operation. They work hard, possess good skills, and deserve every penny they receive…. My servers regularly earn 3X or more than minimum wage during their shifts.

— Geoff Houghton, restaurant owner in Hallowell and Saco

Eliminating the tip credit—thus increasing the cash wage employers must pay their employees from $3.75 to $12 an hour—would increase annual payroll expenses per server by about $13,000 for most restaurants.[26] For hundreds of small establishments in Maine, this additional burden would threaten their ability to earn a profit.

"Most restaurants bring 3 to 5 percent to the bottom line, which could be as little as $10,000…. With 10 tipped employees, the cost could be as much as $130,000 for a restaurant if the tipped wage became $12 per hour."

— Greg Dugal, Maine Restaurant Association

Another repercussion of the Question 4's tip credit provision would be a decline in the wages of "back-of-the-house" employees in restaurants—cooks, dish washers, and other workers who don't directly interact with customers. By increasing payroll costs for tipped staff, Question 4 would leave restaurant owners with less money to pay back of the house staff.

Raising tipped employees wage to a full minimum wage will eventually obliterate tipping, will force restauranteurs to choose technology over employees, restaurants will have to raise menu prices and many independent restaurants will close.

— Wendyll Caisse, owner of Buck's Naked BBQ

In order to attract talented, motivated workers, many restaurants in Maine provide their employees benefit packages including health insurance and retirement contributions. If Question 4 passes, many establishments—especially small restaurants operating on thin margins—will be compelled to reduce benefits to compensate for a substantial increase in payroll costs.

> *I offer health insurance, dental and 401(k), besides many other well-being benefits. If we raise [the] server minimum wage, I will no longer be able to do so for the entire company.*
>
> *— Michelle Corry, co-owner of five fifty-five and Petite Jacqueline*

To predict the effects of Question 4 on tipped workers and their employers, there is no better source of information than business owners in Maine's restaurant and hospitality industries. When a bill to eliminate Maine's tip credit was introduced in the Legislature in 2015, dozens of employers testified about its potential impact on their operating costs and employees' earnings. Restaurant owners across the state have made it clear that the elimination of the tip credit would increase their operating costs and reduce the earnings of their service employees.

> *Eliminating the tip credit alone would cost our company $550,000 a year and cause our company to seriously consider eliminating the service positions in our restaurants and going to a counter service only, putting close to 373 employees out of work.*
>
> *— Frederick Saul, Capital Pizza Huts, Inc.*

A study in 2014 found that "the bulk of the evidence suggests that higher tipped minimum wages reduce employment at full-service restaurants and reduce the aggregate hours of tipped employees."[27] According to economists from Miami University and Trinity University, "a 10 percent increase in the tipped minimum wage causes employment in the full-service restaurant industry to fall by 0.3 to 0.8 percent."[28] Since Question 4 would raise the tipped minimum wage from $3.75 to $12—a 220 percent increase—this implies that employment in the full-service restaurant industry would fall by between 6.6 and 17.6 percent. According to the Bureau of Labor Statistics, 23,814 workers were employed in full-service restaurants in Maine in 2015—a number that has remained fairly stable since 2010. As a result, as many as 4,191 restaurant workers would lose their jobs (see Table 2). This loss of jobs would mostly be borne by tipped workers in the restaurant industry.

> *I do not know if the larger restaurants can absorb this increase; I do know the smaller mom & pops cannot. If this legislation passes [we] will be forced to close and displace 10 local people who rely on us to give them a job.*
>
> *— Kate Rowe, co-owner of The Back Burner*

Table 2

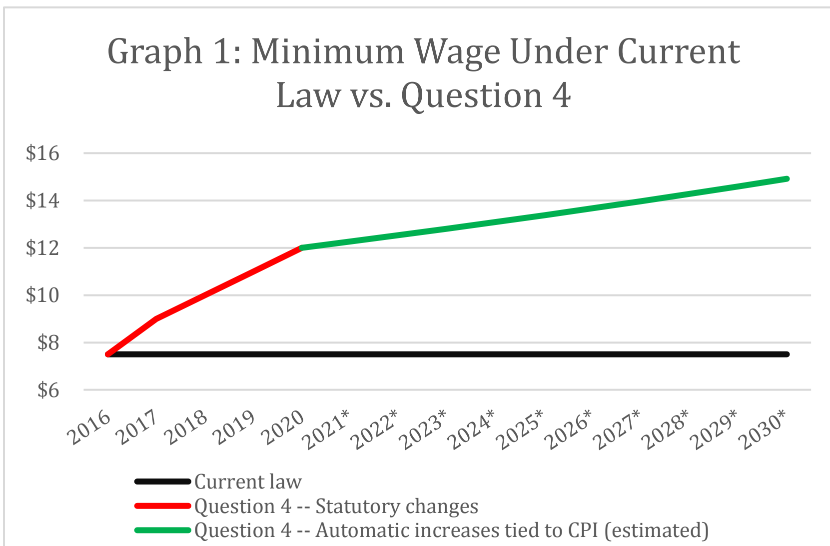
Outcome	**Number of jobs lost**
Best case scenario (6.6% fall in employment)	1,572
Worst case scenario (17.6% fall in employment)	4,191

The effort to eliminate the tip credit ignores the reality that Maine's tipping culture works well to provide livable earnings for workers, allow employers to manage overall payroll costs, and incentivize excellent customer service. As many Maine restaurant owners have noted, "if it ain't broke, don't fix it!"

> *If the minimum wage is raised, and the tip credit is eliminated, I predict that inside of 36 months we would have to become a seasonal business. This would result in the loss of approximately 15 year-round jobs.*
>
> *— Heather Higgins, co-owner of the Clay Hill Farm Restaurant*

INDEXING TO INFLATION

In addition to raising the minimum wage and eliminating the tip credit, Question 4 would index the minimum wage to inflation. Under the proposal, the minimum wage would increase every January 1st to reflect the percentage change in the Consumer Price Index (CPI), a statistic calculated by the Department of Labor to estimate changes in the cost of living. As Graph 1 shows—using inflation projections calculated by the Congressional Budget Office—Maine's minimum wage would reach $15 an hour in 2030 under Question 4.



Supporters of indexing argue that the provision is necessary to prevent the purchasing power of the minimum wage from eroding over time. For instance, if the minimum wage had kept up with inflation since it was last increased to $7.50 in 2009, it would stand today at about $8.43 an hour. "Inflation indexing guarantees low-wage workers a wage that keeps pace with the rising costs of goods and services and provides a sustainable solution to the problem of declining real wages for the lowest-paid workers," wrote the Maine People's Alliance in 2012.[29]

However, as the Employment Policies Institute pointed out in a 2009 report, "indexing puts into motion an unending cycle of rising labor costs and reduced job growth, the annual disappearance of job opportunities for entry-level workers, and constant pressure on prices."[30]

Despite its intuitive appeal, indexing would severely exacerbate the minimum wage's detrimental effects. Given costly capital investment and transition costs, businesses may be reluctant to dramatically change their workforce and production methods in response to a nominal minimum wage increase under the expectation that such an increase will be gradually eroded by inflation. A small business is unlikely to invest in expensive automation to replace low-skill workers if the impact of a minimum wage increase will wane after a few years. On the other hand, if firms think they will have to cope with higher minimum wages over the long-term, they will be more willing to adjust their operations, especially their labor forces, in response to the increase. Businesses' decision to enter or exit the market will also be influenced by the prospect of permanently higher labor costs.

A seminal study by the American Enterprise Institute in 2016 found that "the disemployment effect of indexing minimum wages to inflation is over 2.5 times the magnitude of the disemployment effect associated with nominal minimum wage increases" in the restaurant industry.[31] Since a nominal increase in the minimum wage would cause a loss of up to 4,191 jobs among full-service restaurants, indexing the wage would potentially lead to an additional 6,287 jobs lost, causing a total of 10,478 restaurant workers to lose their jobs.

Historical data also point to the detrimental effects of indexing. Eleven states currently index their minimum wages to inflation, while an additional four states have passed legislation to begin the practice in the next few years.[32] Examining the experiences of these states is useful in predicting the effects that indexing might have in Maine, especially during economic downturns.

> *[Our] members have been...concerned about proposals to create a mechanism for automatic minimum wage increases in the future. When asked the indexing question a few years ago:*
>
> *20.8% - Yes   69.0% - No   7.9% Undecided*
>
> *— David Clough, State Director of the National Federation of Independent Business*

Indexing the minimum wage to inflation would also have devastating consequences during recessions, when low-skill workers have the hardest time finding or retaining employment. While the rate of inflation tends to fall in response to economic downturns, the Consumer Price Index consistently reported positive inflation rates in the aftermath of the financial crisis. As economists from the Federal Reserve noted in 2013, "inflation remained remarkably stable in the face of serious economic weakness over the last five years."[33] Raising the minimum wage in the midst of upheaval in the business sector is a recipe for significant job losses, an experience familiar to several states which indexed their minimum wage prior to the 2008 crisis. In Oregon—which indexed its minimum wage in 2002—unemployment grew from 5.4 percent in December 2007 to 9 percent in December

2008, a 67 percent spike that significantly outpaced the national job loss. Florida, which indexed its minimum wage in 2004, saw an 80 percent increase in unemployment from December 2007 to December 2008, exceeding the national trend by more than 25 percent.

The Employment Policies Institute warns that "no matter how attractive it may be to index the minimum wage while the economy is booming, setting wages to go up automatically inevitably leads to calamitous results when the economy softens."[34]

> *It is bad policy to put wage increases on automatic pilot without the opportunity to review the broader economic conditions, wage rates in other states, and unemployment factors.*
>
> *— The Maine Grocers and Food Producers Association*

It is unwise to put a policy as impactful as the minimum wage on auto-pilot, allowing for periodic increases without legislative approval or public debate. Minimum wage increases should only be possible after thorough deliberation and careful analysis of the state of the economy and the health of the business sector. Automatic adjustments to the minimum wage would strip control and accountability from legislators and jeopardize Maine's long-term economic growth.

CONCLUSION

Supporters of Question 4 see a government-imposed increase on the minimum wage as an effective strategy to boost Mainers' stagnant incomes. But wealth must be created to lift wages in a real sense—artificial government mandates cause a cascade of negative ripple effects. Far from helping our neediest citizens, Question 4 would cause thousands of vulnerable workers to lose their jobs, have devastating effects on Maine's business community, and reduce Maine's regional competitiveness. Poverty in Maine is real, but increasing the minimum wage is not the answer. To foster prosperity, the people of Maine should demand free-market reforms to expand opportunities and tear down impediments to job growth.

[1] http://www.workingpoorfamilies.org/pdfs/ME_Minimum_Wage.pdf
[2] http://fairwagemaine.com/why-raise-the-minimum-wage-in-maine-2/
[3] https://www.mainepeoplesalliance.org/fairwagemaine
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[25] http://fairwagemaine.com/why-raise-the-minimum-wage-in-maine-2/
[26] http://www.mainelegislature.org/legis/bills/getTestimonyDoc.asp?id=21245
[27] http://www.trinity.edu/dmacpher/Pdfs/Tipped_Minimum_Wage.pdf
[28] http://tippedwage.com/wp-content/uploads/2014/10/Empl-effects-of-elim-NY-tip-credit.pdf
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