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### Minimum Wage: Group Paper

One of the first instances of wage being controlled within society takes place under the rule of King Edward the III around 1349. In England around this time the black plague was killing hundreds daily. When mass amounts of people started dying from disease the price of labor skyrocketed. King Edward, in response to the high labor cost, made a decree called the "Ordinance of Laborers." This decree set a wage ceiling so prices of labor could stay relatively affordable. The "Ordinance of Laborers" was put into place because King Edward himself, and some of his trusted lords, depended on serfs (laborers) to work their lands. Since people were dying from disease, it was hard to get laborers to work the land for cheap. Labor was scarce. To avoid the problem of high wages during this pandemic, the King enacted a price ceiling where laborers were paid at set amount for their time. Later, the price ceiling gets transformed into a living wage. In 1389, the "Ordinance of Laborers," was amended to change the wages to reflect the price of food. Shortly after the rule of King James I, minimum wage was enacted and price ceilings were no longer. Governments will continually plan to adopt more minimum wage laws to help govern a fair labor wage within society.

Years later, two countries pave their roads for future Government's minimum wage practices. In 1894, New Zealand became the first country to pass minimum wage laws. Then in 1896, Australia followed. Both the countries originally enacted this law to offset the malpractices of sweatshops used for manufacturing. This way, fair wages could be granted. After the success of the enactment in both New Zealand and Australia, the United Kingdom adopted minimum wage laws in 1909.

Soon after, in 1938, The United States adopted the idea of minimum wage. The federal minimum wage started at 25¢ an hour. Since then, it has rose to \$7.25 an hour. Although the federal minimum wage is \$7.25 an hour, individual States within

the country have set their own laws higher than the federal minimum wage. For example, the current hourly minimum wage rate in California is \$9.00 an hour. However, in California, individual cities have set their own minimum wage laws. For instance, San Francisco has a minimum wage law set at \$11.05 an hour. Minimum wage in San Francisco is expected to raise to \$15.00 an hour by 2018 too. A huge reason for such a high minimum wage in San Francisco is the living expenses. Not only do tourists love this town, but also in general, housing, food, services, and entertainment are more expensive to obtain compared to other cities in California.

Governments and cities have always had a very large influence on the hourly working wage. However, another factor that influences is competition between corporations and private businesses. For example, a private business that influences the wages earned at jobs is Wal-Mart. Wal-Mart has over 1.3 million employees between stores. For a long time, they provided low hourly wages barely offering enough money to live even after working full time. This went on for years until employee dissatisfaction reached an all time high. Strikes and protests soon began. With a high negative criticism regarding wages, Wal-Mart decided to make a change. They recently decided to raise their starting wages to \$9.00 an hour. In California this isn't revolutionary, but in States where minimum wage is lower than \$9.00 an hour, this is a huge pay increase. This will allow employees to earn more compensation for their work. When companies as large as Wal-Mart enacts a higher starting pay, it creates a ripple effect. To stay competitive in the labor market, other business' need to offer the same wages or offer a higher starting wage than Wal-Mart so employees seek employment at that business instead of working at Wal-Mart.

Minimum wage originally was implemented as a wage ceiling by a monarchy to avoid high cost of labor during times of disease and misfortune. It was later reformed so workers could earn wages that would allow them to purchase their everyday essentials. Soon after, the wage ceiling was changed to minimum wage. Even after monarchy rule, today, minimum wage is still used by governments to enforce fair compensation among the workforce. Not only does the Government affect minimum wage, large employers also do too. Minimum wage laws are still continually changing throughout society

## Works Cited

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