

Minimum wage should be abolished essay sample



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Firstly, minimum wage will result in high prices of products. If the minimum wage continues to be a mandate which is a relatively expensive amount for a minimum wage, the businesses will have to increase their product prices. For example if Hungry Jack employs 10 people for \$15.95 hourly each because of the minimum wage, with the abolishment it can employ 15 people for \$10 hourly each. This therefore will increase the work efficiency and decrease the price of the goods. Minimum wage sectors increases the retail price of 0.5 to 2% each year. These firms will cope with the minimum wages by raising prices of goods and services. To my second argument. Long-service leave, superannuation, carbon tax, work safety and now minimum wage! There are so many regulations and restrictions put on businesses and employers, that if the minimum wage is still enforced to employers, businesses and companies would no longer stay local or within Australia, they would globalise. These companies would move to countries which will give them the freedom of paying their employees the money they want to pay.

These countries such as china, India with cheap labour are nowadays very appealing choices to companies in Australia which are strained to challenging requirements. As a direct result unemployment in Australia would increase and the exporting will decrease. For example the Dunlop Company moving to a county with cheap labour left hundreds of Australians jobless. Thirdly, ongoing the idea of minimum wage is economically unsustainable for some small businesses and charitable organisations.

People may believe that businesses have a wide range of money to supply a good amount of money however this is certainly not the case for the small businesses. This legislation means that small businesses and franchises

would not be able to keep up with the minimum wage and will therefore raise the prices. Imagine a small, local florist who doesn't own so much. If he or she employs 2 workers he or she will have to pay \$1212. 80 totally in a week, excluding his or her own expenses which are far too high for such a small business to cope.

Therefore the florist will raise the prices of his or her plants. This may not be a problem in affluent areas but the consumers of the less prosperous areas will not buy flowers with an expenditure of \$15. This florist will certainly go bankrupt, considering that 90% of businesses fail in the first few weeks!

Therefore, small business would be put under great tension by having minimum wage. On the other hand the minimum wage is a danger for the charitable organisations. These people who work in non-profit organisations do not and should not have any sort of money incentives. If this legislation is still enforced in the future the charity organisations will defeat their purpose by receiving some sort of good payment which is deserved more to the purpose of the organisation. Therefore minimum wage should be abolished.

To my last point. Introducing minimum wage quickens the pace of automation. With the growing health concern of the negative effect of foods that come to our tables from robots, minimum wage is certainly not the right way to go.

Also considering that America has a huge part in the world's food industry. Rather than having to pay no less than the minimum wage the employer will choose to pay the money to install automated business without the need of paying this wage to the employee. So as a direct result the minimum wage will mechanise the duties once held by humans and therefore increase

unemployment. Ladies and gentlemen will it really work? Minimum wage is something we, you and Australia say no to! Australia needs strong businesses that will compete globally. Australia needs the best economy and exporting. Australia needs fresh food delivered to the Australians tables. Australia needs the best support for small businesses to survive. In order to cater its needs Australia needs to abolish the minimum wage. Like the West Republican John Raise say “ It’s an archaic system that has never worked.”