



# Alliance for Worker Freedom

---

*Ryan Ellis, Executive Director*

## **Liberal Labor Lies: Kerry-Edwards Campaign Book**

*August 2, 2004*

The Kerry-Edwards campaign today released their campaign book detailing their extreme anti-worker, liberal agenda for the next four years. In particular, they were very wrong about two areas: competitive sourcing of government bureaucrats and increasing the minimum wage.

### **Kerry Version of Cost Savings: Hire 100,000 New Bureaucrats**

One of the “cost-savings” planks in Kerry-Edwards’ *Plan for America* is to “reduce the number of government contractors by 100,000” (page 73). How this is a cost savings, though, is a mystery. Those contractors would be replaced by unionized government bureaucrats (i.e. useful drones for Big Labor). This is despite the fact that when government jobs are opened to competition, the now-efficient federal worker wins 89% of the time.

According to the Office of Management and Budget, each government job that was “competitively sourced” last year saved over \$12000 per employee over the next several years. ***That means that the Kerry-Edwards plan to re-bureaucratize these workers will actually cost \$1.2 billion over his first term.***

### **Kerry Plan for Working Poor: Make It Harder to Get a Job**

Kerry-Edwards wants to raise the minimum wage to \$7.00 per hour by 2007 (Page 78). This is a whopping 36% increase over current levels. That would inflict a staggering loss on businesses that hire minimum wage workers. A fast food restaurant or a pizza delivery store cannot absorb a 36% increase in their payrolls. As a result, marginal workers and those trying to climb the ladder to labor wealth and success will be cut off from the American dream. ***Young people in their first job, recent immigrants, and racial minorities will be the first and hardest hit.*** Kerry also has no mention of state flex—the common-sense notion that the minimum wage in Manhattan ought to be different than in Mobile, AL.

---

1920 L Street, NW Suite 200 Washington, DC 20036 Phone (202) 785-0266 Fax (202) 785-0261 [www.atr.org](http://www.atr.org)

*Alliance for Worker Freedom is a special project of Americans for Tax Reform*