



Missouri Mayors and the Minimum Wage

Published on *Show-Me Institute* (<https://showmeinstitute.org>)



By: Patrick Tuohey

Kansas City Mayor Sly James and St. Louis Mayor Francis Slay recently [called for a statewide minimum wage increase in Missouri](#) when efforts to do so in their own cities met with resistance.

Their media release includes the following from Mayor James:

Workers in our cities and across the entire state work at one, two, or sometimes even three jobs, but they still cannot earn enough to provide for themselves and their families. This injustice creates a burden on state and city resources and stalls economic activity in Missouri. While we weren't able to implement a local ordinance to raise the minimum wage in Kansas City, my commitment to pursuing this policy change has not wavered.

Not to be outdone, Mayor Slay discussed the statewide implications:

A living wage rewards work and alleviates taxpayers from the burden generated by employers who pay too little and whose employees must rely on government subsidies to fill the gaps created by the current minimum wage. Not only would a higher minimum wage benefit employers of our cities by attracting the best workforces, but also I believe that a higher statewide minimum wage would help Missouri attract the best workers in the region.

[Kansas City](#) and [St. Louis](#) have some of the highest taxes in the region. Both cities tax food, one

of the most regressive forms of taxation and the most damaging to the poor. As we've written previously, not only does Kansas City levy regressive sales taxes, but its poor areas actually have [a higher rate of sales taxes than wealthier areas](#) . While some may argue that an equitable tax structure should broaden the base, what's clear is that these tax policies are not written with any concern for the working poor. In fact, both cities also saddle workers with an additional 1% earnings tax, a tax imposed on the first dollar earned. There are no exemptions to spare the poor. And if a low-skilled worker in Kansas City is able to get a job in a restaurant, the city requires that they pay a food-handlers fee, something almost unheard of in the rest of the country.

Both cities' [public school districts suffer because the mayors and tax increment financing \(TIF\) commissions are eager to redirect property taxes](#) to wealthy developers and away from the classrooms that would otherwise get the funds. [Developers take the money and use it to build in the nice parts of town](#) , away from the poor and legitimately blighted neighborhoods of Kansas City's East Side and St. Louis' North Side. Because of the disincentives of high city taxes and low city services, the city governments give out massive subsidies to businesses in the hope that they'll stick around.

While it's nice that the Mayors take time away from doggedly pursuing such "touristy frou frou" as streetcars, convention hotels, and airport terminals to consider the needs of workers, it is not enough. The need for sound economic policies in Kansas City and St. Louis requires a more serious approach. If mayors want to be advocates for the poor, they should focus on running their cities effectively and efficiently, rather than passing the buck in the form of wage controls. After all, increasing the minimum wage [will likely hurt the very people it is intended to help](#) .

About the Author



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Patrick Tuohey works with taxpayers, media, and policymakers to foster understanding of the conse

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