

Seconds After Newsom Raises Minimum Wage – California Gets Hit with Devastating Reality

By [Mick Farthing](#)

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For years, Democrats have demanded an increase in the minimum wage. The federal minimum wage hasn't budged in years. However, many blue states have rushed to force businesses to increase their wages to employees through legislation.

Democrats seem to think companies have endless cash to pay workers higher wages. They don't realize that these "big chains" are run by small, local business owners.

Most of them can't afford wage hikes, especially during Biden's stagnating economy. In California, Gov. Newsom signed a law forcing restaurants to pay their workers \$20 an hour—higher than the \$15 an hour most have demanded. Just days after this law went into effect, the predictably happened.

From The Post Millennial:

Since California Gov. Gavin Newsom's \$20 minimum wage law took effect in April, nearly 10,000 jobs have been slashed from the state's restaurant industry. Struggling franchises have been forced to cut labor and spike prices to survive the costly wage increase, resulting in mass layoffs and a decrease in consumerism...

“California businesses have been under total attack and total assault for years,” said Manzo. “It’s just another law that puts businesses in further jeopardy.” ...

A number of well-known restaurants, such as McDonald’s, Burger King, and even the Golden State’s famous burger chain In-N-Out Burger, had to raise prices to make up for the increased pay. Many were forced to reduce employee hours, and some transitioned to automation, per the New York Post.

Businesses are being devastated by Newsom’s new \$20 an hour minimum wage. Democrats claimed business could “afford” such a massive wage hike. But they ignored how restaurants are struggling, thanks to enormous inflation. Americans have cut back on eating out, thanks to hamburgers being \$15.

Inflation is destroying most industries, but restaurants are feeling the brunt of the worst. Locations have already been forced to raise prices and reduce employee hours. With this new law, hundreds of restaurants are just shutting down. An estimated 10,000 employees have already lost their jobs.

Other locations must raise prices even more and cut back workers’ hours. Some have switched to alternatives to human workers, like automated systems and apps. This will only increase in the blue state as businesses panic over losing revenue.

It is a perfect storm of Biden’s incompetence and Newsom’s stupidity. But, as usual, Democrats’ bad decisions are hurting regular Americans.

Key Takeaways:

- California passed a law forcing restaurant minimum wages to \$20/hour.
- Over 10,000 employees have already lost their jobs as restaurants close.
- This comes as Biden’s inflation heavily impacts the restaurant industry.