1. How many stores were surveyed? how many in NJ? how many in PA? how many in each survey? How many of each store type? Show your results in a table or a graph.
2. Show the distribution of starting wages before and after the rise of the minimum wage in PA and in NJ.
3. The full-time equivalent employment (FTE) is calculated as the number of full-time workers plus 0.5 times the number of part-time workers. Compute FTE for each store.
4. Compute the average of FTE for each state before and after the change of the minimum wage law.
5. Using the results from the previous part, compute the Diff in Diff estimator.
6. Estimate the effect of the increase in the minimum wage by estimating the appropriate DiD regression.
7. Redo the previous parts this time controlling by the type of chain and ownership. Do your results change?
8. How would you compare the predictions of the neoclassical model of the labor market with the data generated by the rise in the minimum wage in New Jersey? Is this model a good representation of the fast-food labor market?