



Wages, Minimum Wages, and Price Pass-Through: The Case of McDonald's Restaurants

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Research Question

- ▶ The research question for this study is whether the minimum wage increase affects the prices of McDonald's products.

Justification of Research

- ▶ This study provides insight into whether increases of the minimum wage affect the prices of products and determine its elasticity.
- ▶ The study also provides whether the introduction of labor saving technology like touch screens ordering kiosks affects the price of products.

Literature Review

- ▶ Minimum wage hikes are often associated with a positive spillover (or "ripple effect") on wages above the new minimum [2].

Data Characteristics and Data Sources

Methodology

Method Justification

Results Figures

Descriptive Statistics

Results

Graphs

Conclusions

[1]

Bibliography

- [1] Orley Ashenfelter and Štěpán Jurajda. “Minimum wages, wages, and price pass-through: The case of McDonald’s Restaurants”. In: *Journal of Labor Economics* 40.S1 (2022), S179–S201.
- [2] Doruk Cengiz et al. “The Effect of Minimum Wages on Low-Wage Jobs*”. In: *The Quarterly Journal of Economics* 134.3 (May 2019), pp. 1405–1454. ISSN: 0033-5533. DOI: 10.1093/qje/qjz014. eprint: <https://academic.oup.com/qje/article-pdf/134/3/1405/29173920/qjz014.pdf>. URL: <https://doi.org/10.1093/qje/qjz014>.