



As Price  
Drops





Quantity Demanded  
Increase

Wage

Quantity hired

\$5



7

\$10



6

\$20



5

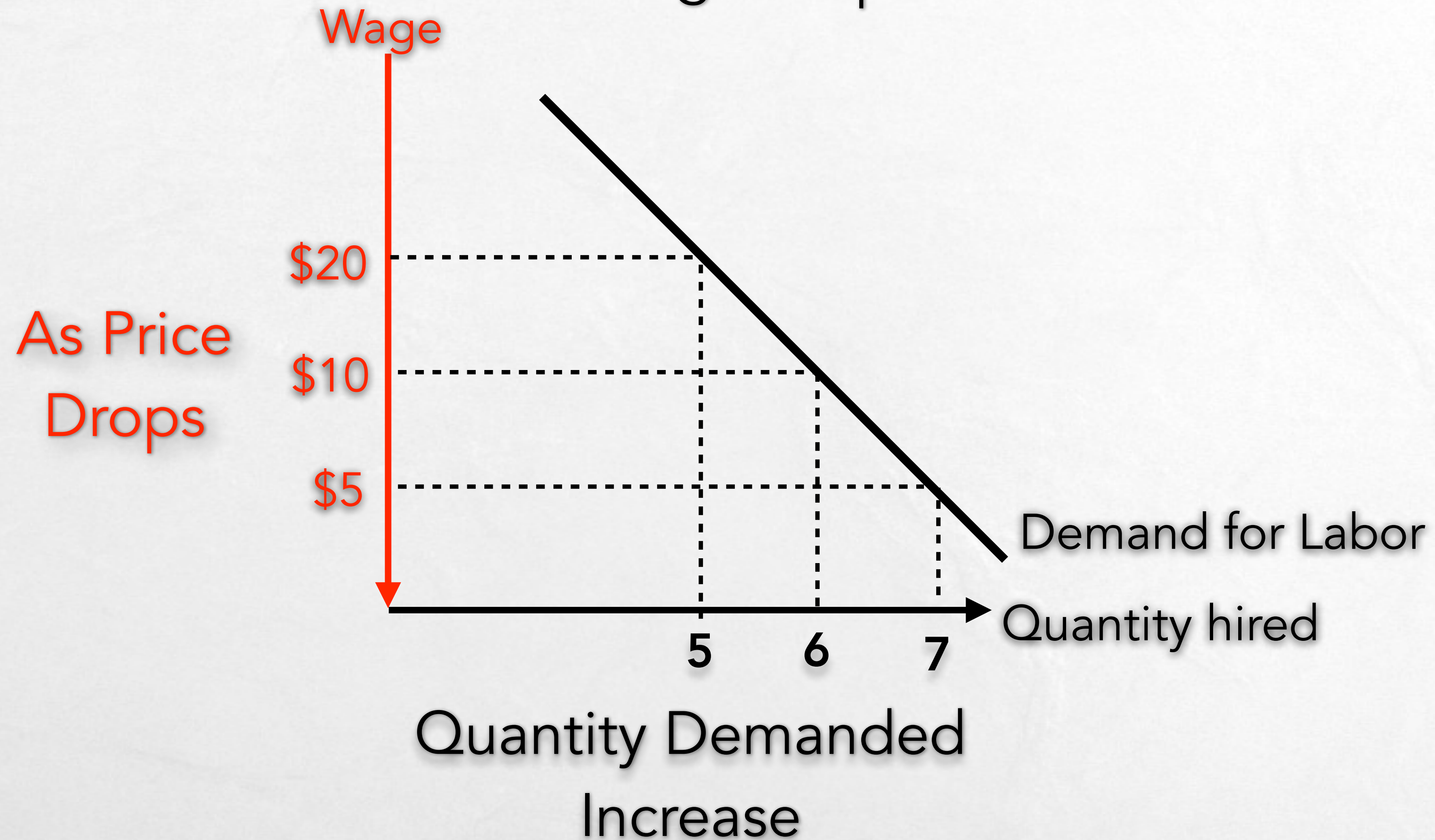




Firms hire more workers as the  
wage drops

Demand for Labor

Firms hire more workers as the wage drops





Fast food restaurants **hire the same** the number of minimum wage workers even if the minimum wage increase