

YouTube Title: “The Unemployment Song” <http://www.youtube.com/watch?v=r73Qz3eXe8c>

Video Length: 2:01 minutes

Chapter 16: The Labor Market, p. 342

Topic: Market Equilibrium, p. 355

Key Terms: Labor market, unemployment, minimum-wage, wage floor

Learning Objective 1: What factors shape labor supply and demand.

Summary

Students from the University of Alaska, Fairbanks wrote and dynamically performed this humorous song on minimum wage as part of an Economics class presentation.

Economic Application

The song depicts the demand-side effects of minimum-wage legislation on low-skilled, inexperienced workers.

Multiple-Choice Question

Which of the following is NOT an effect of government-imposed wage floors?

- a) Workers receive more fringe benefits and on-the-job training.
- b) The quantity of labor demanded is reduced.
- c) The quantity supplied of labor is increased.
- d) A market surplus of labor is created.

Discussion Question

When the minimum wage is raised, who are the winners and who are the losers?