

# Minimum Wage

Greg and Todd debate the necessity of minimum wages. First, let's review vocabulary from the lesson.

**proper minimum wage** Minimum wage is the smallest amount of money that an employer is legally allowed to pay someone who works for them. In this case, proper means fair. Notice the samples:

1. Most American students with a part time job are paid a proper minimum wage.
2. A proper minimum wage should allow people to afford basic necessities such as food, shelter and transportation.



**markets find an equilibrium** Markets find an equilibrium when the supply of something is equal to how much or how many people want to buy. Here are two samples:

1. Markets find wage equilibrium when the wage rate produces neither excess supply nor excess demand for workers.
2. Todd believes that market equilibrium should determine wage rates, not the government.



**in theory** If something is possible in theory, it should happen a certain way, but it often does not. Notice the samples:

1. In theory, the trip should take two hours, but it usually takes longer because of the traffic.
2. In theory, a college degree should get you a better job, but that's not always the case.



**sweatshops** A sweatshop is a shop or factory where employees work long hours at low wages under poor conditions. Notice the samples:

1. The existence of sweatshops has caused debate over fair wages and reasonable working conditions.
2. Nowadays, most sport shoes are made in sweatshops in Asian countries.



**unhealthy conditions** In sweatshops, unhealthy conditions can include verbal and physical abuse, sexual harassment, forced overtime, work place safety violations, and poor medical care. Notice the following:

1. Sweatshops are most often found in developing countries.
2. In the late 18th and early 19th centuries, sweatshops were common in America.



**abject poverty** People who live in abject poverty are extremely poor. Here are some samples.

1. Sub-Saharan Africa is the only region where the number of people living in abject poverty has grown over the past 20 years.
2. Lack of education is a major cause of abject poverty.



## Vocabulary Quiz

minimum wage • equilibrium • in theory • sweatshops • conditions • abject poverty

1. \_\_\_\_\_ I will arrive a few hours before the wedding, but that depends on a lot of things.
2. He had a few \_\_\_\_\_ jobs when he was going to school, but since he graduated he has had executive positions.
3. I try not buy clothes that were made in \_\_\_\_\_.
4. It will take a few years for the market to reach an \_\_\_\_\_.
5. Because she grew up in \_\_\_\_\_ she appreciates everything that she has now.
6. Workers should not have to survive these unhealthy \_\_\_\_\_.
7. Answer the following questions about the interview.

## Comprehension Quiz

- 1) Greg thinks \_\_\_\_\_ should choose the minimum wage.
- 2) Todd thinks all markets find \_\_\_\_\_.
- 3) Greg says Todd is wrong in \_\_\_\_\_.
- 4) Todd thinks the problem is \_\_\_\_\_.
- 5) Children are exploited by people with \_\_\_\_\_.
- 6) They agree about \_\_\_\_\_.