

## **Handout for March 2021 Newsletter** **Mapping the Minimum Wage in GeoFRED®**

### **Purpose.**

1. Create a state-level geographical map of the minimum wage.
2. Edit the map by modifying its legend and color.
3. Interpret the information displayed in the map.

**Pedagogical Rationale.** This assignment requires that you first search for data online, select a particular series, and display it in the form of a geographical map. Next, you will edit the format of the map. Lastly, you will interpret the economic information displayed in the map. These tasks will develop your proficiency in searching for, transforming, and interpreting data.

**Grading.** Your grade will be determined by (a) how precisely you complete the search and transformation data tasks and (b) how accurately you interpret the data.

### **Steps to Search for and Transform the Data.**

1. Access <https://geofred.stlouisfed.org> and click on “Build New Map.”
2. Click on “Choose Data” and under “Region Type” select “State.”
3. Under “Data:” search for “State Minimum Wage Rate.”
4. Select “Frequency: Annual,” “Units: Dollars,” and “2020” as the date.
5. Click on “EDIT LEGEND” and select from “Interval method” the option “User Defined.”
6. Set the “Number of Color Cases” to 2.
7. Define the maximum interval values by typing the following values in each interval box:
  - 7.25
  - 15
8. Click on “CHOOSE COLORS” and under “Divergent,” select the second left-most color scheme (tagged “piyg”).

### **Discussion Prompts.** Answer the following questions:

1. Examine the map you created. Name three states where the minimum wage was above the federally mandated \$7.25 per hour in 2020.
2. Seven states (Alaska, Florida, Minnesota, Montana, Ohio, South Dakota, and Vermont) automatically increase their minimum wages based on an index measuring the cost of living. Compare Minnesota and Ohio. Which state mandates a higher minimum wage? Describe how the difference in wage rates might reflect differences in the cost of living across states.
3. Compare the minimum wage in the District of Columbia (\$15 per hour), Maryland (\$11 per hour), and Virginia (\$7.25 per hour). Describe how those differences would influence individual job search efforts across the region.

NOTE: Although, at the time of this writing, the states of Alabama, Louisiana, Mississippi, Tennessee, and South Carolina did not have a minimum wage law, employers subject to the Fair Labor Standards Act must pay the federal minimum wage. Currently, \$7.25 per hour.