7.RP The Price of Bread

Task

Inflation is a term used to describe how prices rise over time. The rise in prices is in relation to the amount of money you have. The table below shows the rise in the price of bread over time:

YEAR	Cost of 1 lb. of Bread	Percent Increase
1930	$0.09	N/A
1940	$0.10	
1950	$0.12	
1960	$0.23	
1970	$0.25	
1980	$0.50	
1990	$0.75	
2000	$1.99	
2010	$2.99	

For the price in each decade, determine what the increase is as a percent of the price in the previous decade. Is the percent increase steady over time?

Under President Roosevelt, the Fair Labor Standards Act introduced the nation's first minimum wage of $0.25 an hour in 1938. The table shows the rise in minimum wage

over time:

YEAR	Federal Minimum Wage	Percent Increase
1930	None	N/A
1940	$0.30	N/A
1950	$0.75	
1960	$1.00	
1970	$1.60	
1980	$3.10	
1990	$3.80	
2000	$5.15	
2010	$7.25	

For hourly wage in each decade, determine what the increase is as a percent of the hourly wage in the previous decade. Is the percent increase steady over time?

Consumers are not affected by inflation when the amount of money they make increases proportionately with the increase in prices. Complete the last column of the table below to show what percentage of an hour's pay a pound of bread costs:

YEAR	Cost of 1 lb. of Bread	Federal Minimum Wage	Percentage Cost
1930	$0.09	None	
1940	$0.10	$0.30	
1950	$0.12	$0.75	
1960	$0.23	$1.00	

1970	$0.25	$1.60	
1980	$0.50	$3.10	
1990	$0.75	$3.80	
2000	$1.99	$5.15	
2010	$2.99	$7.25	

In which decade were people who earn minimum wage most affected by inflation? Explain.