

Section 1: Guided Reading and Review

Labor Market Trends



A. As You Read

As you read Section 1, fill in two supporting facts or details under each main idea by answering each question.

Main Idea: The Bureau of Labor Statistics (BLS) tracks changes in the labor force.

1. How do economists define *labor force*? _____

2. What criteria define unemployment? _____

Main Idea: The changing economy has brought along a changing job market.

3. How did the electronics boom of the mid-twentieth century impact the job market?

4. What new jobs were created beginning in the 1970s? _____

Main Idea: Changes in the labor force can be traced to a number of causes.

5. How has higher education contributed? _____

6. Why are there more women in the labor force? _____

Main Idea: For about the past 20 years, the trend in average wage earnings can be described as slightly downward.

7. Have all workers received lower wages? _____

8. How has competition affected wage earnings? _____

B. Reviewing Key Terms

Answer each of the following questions in a complete sentence.

9. How might the *learning effect* influence wage trends? _____
10. According to the *screening effect*, how may employers view job applicants who have a college education? _____
11. To what kinds of jobs does *contingent employment* refer? _____



Section 2: Guided Reading and Review

Labor and Wages

A. As You Read

As you read Section 2, complete each of the following sentences.

1. Employment in a labor market depends on how closely the demand for workers meets _____.
2. The price of labor (earnings) depends on _____.
3. Professional labor requires _____.
4. In a competitive market, workers are usually paid according to _____.
5. Higher labor prices decrease the _____.
6. Firms can respond to higher wages by replacing _____.
7. Higher wages increase the _____.
8. Jobs in the skilled labor category require _____.
9. A high equilibrium wage is the result of _____.
10. The Equal Pay Act of 1963 provided that _____.
11. Title VII of the 1964 Civil Rights Act forbids job discrimination on the basis of _____.
12. Lack of human capital and possible discrimination contribute to low wages for _____.
13. Negative effects on nonunion wages can be reduced when unions _____.

B. Reviewing Key Terms

Define the following terms.

14. labor force _____

15. equilibrium wage _____

16. glass ceiling _____

17. featherbedding _____

Section 3: Guided Reading and Review

Organized Labor



A. As You Read

As you read Section 3, supply the information requested by the heading in each box.

Major U.S. labor organizations formed between 1869 and 1955:

1. (1869) _____
2. (1886) _____
3. (1938) _____
4. (1955) _____

Anti-union strategies used by U.S. employers before the 1930s:

5. _____
6. _____
7. _____
8. _____

Economic changes that have affected unions:

9. _____
10. _____
11. _____

Ways in which unions have declined in traditional strongholds:

12. _____
13. _____
14. _____
15. _____

Major issues covered under a union contract:

16. _____
17. _____
18. _____

B. Reviewing Key Terms

Match the definitions in Column I with the terms in Column II. Write the letter of the correct answer in the blank provided. You will not use all of the terms.

Column I

- ____ 19. union and company representatives meeting to negotiate a contract
- ____ 20. worker in a professional job receiving a salary
- ____ 21. measure banning mandatory union membership
- ____ 22. worker in an industrial job
- ____ 23. settlement technique using third party reviews
- ____ 24. organized work stoppage

Column II

- a. arbitration
- b. strike
- c. blue-collar worker
- d. collective bargaining
- e. white-collar worker
- f. mediation
- g. right-to-work law