

Chapter 9 Test, Form A

Labor and Wages

DIRECTIONS: Matching Match each item with the correct statement below.

- A. civilian labor force
- B. collective bargaining
- C. equilibrium wage rate
- D. fact-finding
- E. injunction
- F. modified union shop
- G. real or constant dollars
- H. seizure
- I. set-aside contract
- J. union shop

- _____ 1. level of pay that creates neither a surplus nor a shortage of workers in the market
- _____ 2. arrangement under which union membership is optional
- _____ 3. non-institutionalized persons, aged 16 and over, either working or seeking employment
- _____ 4. negotiation between union and management representatives
- _____ 5. agreement in which a neutral third party investigates a union/management dispute
- _____ 6. court order instructing a side to act or not act during a labor dispute
- _____ 7. temporary government takeover of a company
- _____ 8. measure of price that has been adjusted for inflation
- _____ 9. government program that attempts to overcome unfair hiring practices
- _____ 10. arrangement under which union membership is mandatory

Chapter 9 Test, Form A *cont.*

Labor and Wages

DIRECTIONS: Multiple Choice Indicate the answer choice that best completes the statement or answers the question.

- _____ 11. During the Great Depression, union promoters _____ .
- A. renewed their efforts because hard times united workers
 - B. stopped organizing labor because the economy slowed
 - C. tried to organize labor but workers refused to cooperate
 - D. had no success because most people did not have jobs
- _____ 12. Which of the following were the first types of unions formed in the United States?
- A. craft unions and industrial unions
 - B. craft unions and independent unions
 - C. company unions and industrial unions
 - D. company unions and independent unions
- _____ 13. Which of the following was a response to the growing strength of unions?
- A. the Wagner Act
 - B. the closed shop
 - C. right-to-work laws
 - D. the modified union shop
- _____ 14. Which of the following tactics is used **only** by management?
- A. picket
 - B. lockout
 - C. boycott
 - D. negotiation
- _____ 15. Which statement is the **best** explanation of the market theory of wage determination?
- A. Management tends to pay a lower wage to workers who support unions.
 - B. A worker's pay rate is set by supply of and demand for that worker's skills.
 - C. Management is more willing to pay a high wage to a worker with advanced education.
 - D. A worker's value in the labor market is determined primarily by that worker's seniority.
- _____ 16. Which of the following **best** expresses the idea that higher education often results in higher earnings?
- A. fact-finding
 - B. signaling theory
 - C. the theory of negotiated wages
 - D. the market theory of wage determination
- _____ 17. The income earned by females has only been a fraction of that earned by males partially because of _____ .
- A. the uneven distribution of men and women among various occupations
 - B. differences in human capital
 - C. discrimination
 - D. all of these
- _____ 18. Which kind of union organization was stopped by the Taft-Hartley Act?
- A. union shop
 - B. modified union shop
 - C. closed shop
 - D. agency shop

Chapter 9 Test, Form A *cont.*

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- _____ 19. Which of the following illustrates why the wage gap between women and men is discriminatory?
- A. giveback
 - B. two-tier wage system
 - C. glass ceiling
 - D. Equal Pay Act of 1963
- _____ 20. Which of the following is **most** responsible for increases in the federal minimum wage?
- A. supply of labor
 - B. demand for labor
 - C. two-tiered wage system
 - D. inflation

DIRECTIONS: Essay Write a short essay for each of the following questions.

21. Analyze the development of unions and the reasons for their growth in the United States, and explain how unions brought about change in industries that were not themselves unionized.
22. Identify the incident President Reagan is addressing below, and analyze his statement as it relates to a) the Norris-LaGuardia Act of 1932, and b) National Labor Relations Act (Wagner Act) of 1935.

"It was in recognition of this that the Congress passed a law forbidding strikes by government employees against the public safety. Let me read the solemn oath taken by each of these employees, a sworn affidavit, when they accepted their jobs: 'I am not participating in any strike against the Government of the United States or any agency thereof, and I will not so participate while an employee of the Government of the United States or any agency thereof.'

It is for this reason that I must tell those who fail to report for duty this morning they are in violation of the law, and if they do not report for work within 48 hours, they have forfeited their jobs and will be terminated."

—President Ronald Reagan, August 3, 1981