

Guided Reading Activity

Labor and Wages

Lesson 3 *Employment Trends and Issues*

Review Questions

Directions: Read each main idea and complete the statements below. Refer to your textbook as you write the answers.

A. Decline of Union Influence

Main Idea: A significant trend in today's economy is the decline in union membership and influence.

- One reason for the decline in unions is that _____ have made a determined effort to keep unions out of their businesses; some have hired consultants to map out _____ strategies to fight unions, while others have set up _____ - _____ plans to reward employees.
- New additions to the labor force—especially _____ and teenagers—traditionally have little loyalty to unions; additionally, more Americans work _____ - _____ jobs to make ends meet and lack time to join or support a union.
- In an effort to bring union wages down, employers ask for _____ when negotiating contracts. Some companies also claim _____ to get rid of labor contracts.
- A _____ - _____ system keeps wages high for current workers, but brings new workers in at a _____ wage.

B. Lower Pay for Women

Main Idea: Overall, women face a substantial gap between their income and the income received by men.

- One-third of the wage gap is due to differences in the skills and _____ that women bring to the labor market; this is partly because women tend to drop out of the labor force to _____ more often than men.

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- Another third of the wage gap is due to _____ distribution of women and men in various occupations; occupations where more men work tend to be _____ than jobs where more women tend to work.
- The final third of the wage gap is attributed to _____; women and minorities often encounter what is called a _____, which obstructs their advancement up the corporate ladder.

C. The Federal Minimum Wage

Main Idea: The minimum wage—the lowest wage that can be paid by law to most workers—was intended to prevent the exploitation of workers and to provide some degree of equity and security to those who lacked the skills needed to earn a decent income.

- The minimum wage was first set at _____ per hour in the year _____.
The current minimum wage, set in the year _____, is _____ per hour.
- Supporters of the minimum wage argue that it supports the economic goals of _____ and _____; opponents object to it based on economic _____.
- Some states have minimum wages higher than the _____ minimum wage; cities like Los Angeles have instituted a “_____.”
- If the growth of the minimum wage is presented in _____ dollars, which are not adjusted for _____, the wage appears to have increased dramatically.
- Economists use _____ or _____ dollars, which are adjusted for inflation, to better understand the _____ power of the minimum wage.
- The minimum wage will increase at some point in the future when _____ and elected officials decide it is too low. Some people want to link the minimum wage to inflation so it will automatically increase as _____ rise.

Guided Reading Activity *cont.*

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Summary and Reflection

Directions: Summarize the main ideas of this lesson by answering the question below.

Which employment trends have helped average workers and which have hurt them?
