**Chapter 9 Vocabulary Notes**

**Section 1 (Labor Market Trends) Key Terms:**

* ***Labor force-*** all nonmilitary people who are employed or unemployed
* ***Learning effect-*** theory that education increases productivity and results in higher pay
* ***Screening effect-*** completion of college says to employers that a job applicant is smart and hard-working
* ***Contingent employment-*** a temporary or part-time job

**Section 2 (Labor and Wages) Key Terms:**

* ***Productivity-*** value of output
* ***Equilibrium wage-*** rate that produces neither excess in supply of workers nor demand of workers
* ***Unskilled labor-*** labor that requires no special skill, education or training (dishwashers, factory and farm workers)
* ***Semi-skilled labor-***labor that requires little special skill and education (lifeguards, short-order cooks and some construction workers)
* ***Skilled labor-*** labor that requires special skills and education (car mechanics, firefighters and carpenters)
* ***Professional labor-*** labor that requires advanced skills and education (teachers bankers and doctors)
* ***Labor union-*** an organization of workers that tries to improve working conditions, wages, and benefits for its members
* ***Featherbedding-*** negotiating labor contracts that keep unnecessary workers on payroll

**Section 3 (Organized Labor) Key Terms:**

* ***Strike-*** an organized stopping of work that forces the employer to address union demands
* ***Right-to-work law-*** bans mandatory union membership
* ***Blue-collar worker-*** someone who works in an industrial job often in manufacturing (factory workers, machine shop workers) usually earns a wage
* ***White-collar worker-*** someone in a professional or clerical job, usually earns a salary (computer engineer, lawyer)
* ***Collective bargaining-*** process where union and company meet to negotiate new labor contracts
* ***Arbitration-***a third party looks at a case and makes a decision that is legal for both sides
* ***Mediation-*** a neutral mediator comes in and meets with each side to try and find a solution that both sides will accept