

# THE LABOR FORCE

By

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Teacher: Madison Central High School

Grade: 12<sup>th</sup>

Course: Economics

Number of Participants: 120

Length of Project: 3 days

Economics is a required course for all graduating seniors. It is a semester course. In my class, I try to encourage students in the study of Economics. I try to make the class interesting, breaking away from the traditional way of teaching every now and then as to encourage them to participate and get involved in the course. With 1404 students enrolled in grades 10-12, MCHS is one of the four largest public high schools in the state. In addition to a strong college-preparatory curriculum, Madison Central offers the following extracurricular activities: 22 varsity sports, varsity band program, varsity dance, AFJROTC and over 40 clubs. Madison Central is recognized as one of the "Top Ten Best High Schools in America" by Redbook magazine, which considered such factors as superior academic and extra-curricular achievement coupled with parental and community involvement. Madison Central is the home of the State Champion Academic Competition Team, the State Champion Economic Council Team, and the Academic Decathlon State Champion Team. The Academic Decathlon Team also brought home to Madison Central the National Academic Decathlon Championship. Madison Central boasts two All Superior Marching Bands and an All Superior Choir. The highest all around sports honor that can be bestowed upon a school is the All Sports Award. The Jaguars were winners of this prestigious All Sports Award for 2005-2006.



## **ABSTRACT:**

“Labor Force” is one of my favorite units to teach. Not only is this one of my favorite units to teach but I feel as if this is one of the most important units for the seniors who are in my classes—majority who are either entering into the labor force/work field after high school or continuing their education. This unit focuses on the labor force – characteristics of the labor force, definition of the labor force (this is important for the next unit as well when the students study unemployment rate), and characteristics of unions. Within this unit, I stress the correlation between skilled jobs/wages versus unskilled jobs/wages. With Mississippi leading the nation in high school dropout rate and dependency on government aid, I feel as if my role as a teacher, especially with this unit, has increased dramatically. I want the students to take away with them the appreciation of education – rather they continue education at a vocational/trade school or continuing education at a university. I stress the need of a skilled work force in our state, which would hopefully bring jobs to our state, thus improving our state economically. I do not teach content; I teach students. I must remember that not all my students will attend a four year university but some will be the plumbers and electricians whom I will hire one day to complete a job at my house.

There are a variety of skills incorporated within this unit. First, the students will have to analyze various examples and determine if the person is or is not included in the labor force. Beginning with this unit until the end of course the students must know the definition of the labor force. Second, students correlate previously studied material (U.S. History) with economics concepts. The students have studied much of the material in this unit; however, the material is usually taught more from a history perspective without much emphasis placed on economic concepts. Many students have their “ah- ha” moment as we study the labor force, “seeing” that connection between the two subjects. Last, the students participate in a simulation where they have to collectively bargain a new contract. Even though this simulation is nowhere near the difficulty in the real world, it gives the students a glimpse into the technicalities of collective bargaining.

There are various activities I have included in this unit which breaks up the monotony of class. After studying the definition of the labor force (who is included and who is not included...which is important in calculating the unemployment rate) and characteristics of the labor force, we focus on the history of labor unrests (child labor, government legislation, etc.), the rise of unions, and effect of unions today. This is done through the

PowerPoint. I try to present the material in an interesting, entertaining way. After the PowerPoint, the students participate in a collective bargaining simulation. The last part of the unit, other than the unit test, is a computer research activity done in class where the students research the career they are considering. Within the research, the students will learn if there is a need for that particular field (labor demand) and approximate salary they can expect to earn. The students always ask to keep this assignment because it includes a plethora of information that they feel is important for their future studies.

I feel this unit is very successful. Not only do students do well on the test but great discussions are held in class. Through later discussions, I have realized the effectiveness of this unit through the remembrance of details such as the labor force definition. When studying how the unemployment rate is calculated, the students remember that only those ages sixteen years or older who are actively seeking work are considered to be unemployed.

## **LESSONS:**

### **Day 1:**

#### **Lesson Description:**

On the first day of the “Labor Force” unit, the students learn the specifics parts of the labor force definition. I do not teach the definition from a “vocabulary” standpoint but rather teach it in a methodical way. I break the definition down into five parts: 1) all non-institutionalized individuals, 2) ages 16 years or older, 3) who are actively seeking work, 4) working for pay, or 5) awaiting recall from temporary layoff (within 90 days). I have found it to be more successful breaking the definition into five parts. It is crucial that students know who is considered part of and who is not considered part of the United States labor force because with the next unit, they will use this definition to calculate unemployment rate. After a discussion of the labor force definition, I review the students by telling them various examples and they have to tell me “yes, part of the labor force,” or “no, not part of the labor force.” For example, I may tell them that Mac is prisoner #2349875 and works on the penal farm. The students should reply that he is not part of the labor force because he is institutionalized. Once I have evaluated the students on the labor force definition, we discuss the characteristics of the labor force – skilled versus unskilled jobs, blue-collar versus white-collar jobs, and so on. The last part of this lesson is the analysis of wages in the labor force. The students recall former definitions they have studied – law of demand and law of supply – to determine wages in particular industries. We compare wages in an unskilled job market versus wages in a skilled job market. I also emphasize the importance of becoming skilled in a job because a skilled workforce attracts businesses to our state, helping the overall economy of our state.

**Grade Level:** 12<sup>th</sup>

#### **National Economic Content Standards and Benchmarks:**

##### Standard 13: Role of Resources in Determining Income

Income for most people is determined by the market value of the productive resources they sell. What workers earn depends, primarily, on the market value of what they produce and how productive they are.

#### **Mississippi Economics Framework:**

*Standard 1. Identify and apply basic economic concepts.*

- a. Describe how the laws of supply and demand interact.

*Standard 6. Demonstrate the ability to apply and interpret social studies tools.*

- d. Utilize primary and secondary sources.

#### **Student Objectives:**

*Students should be able to...*

- Define labor force.
- Distinguish difference in wages between skilled jobs and unskilled jobs.
- Apply Law of Demand and Law of Supply to the labor force when determining wages

**Time Required:** 90 minutes

**Materials:**

- Teacher made materials (transparencies)
- Reading Handout
- Newspaper article

**Procedure:**

- 1) Bellringer: Students should read and answer the questions to the article “Minimum Wage.” Discuss answers to articles.
- 2) Place Labor Force definition transparency on overhead. Discuss the five parts of the definition.
- 3) Review students by giving various examples and the students determining if the person is part of the labor force or is not part of the labor force. After each answer, the students should explain why the person is or is not part of the labor force.

Labor Force examples:

- a) Mac is prisoner #459384 who is working on penal farm. ANSWER: no, institutionalized
  - b) Susie is a college graduate who goes back packing in Europe for a year. ANSWER: no, not actively seeking work
  - c) Joe is a 17 year old who has a part time job. ANSWER: yes, working for pay (can be full or part time)
  - d) Matt is a 14 year old paperboy. ANSWER: no, not 16 years old
- 4) After ensuring each student fully understands the parts of the labor force, take notes on the various categories of workers.
  - 5) Place on overhead job comparison/wages transparency. Compare the wages earned in work force if you were skilled versus unskilled. Discuss the importance of advancing education or going to trade school to become skilled.
  - 6) Read the article “Supply and Demand in Labor Markets.” Answer questions from overhead. Review the law of supply and law of demand and implication with the labor market.

**Closure:** Review students on the labor force definition. Discuss with students how a skilled workforce will help the economy of Mississippi.

**Assessment:**

- Teacher Observation (students’ answers to review examples)

## Day 2:

### Lesson Description:

The basis of this lesson is the PowerPoint I show to the students. The PowerPoint begins by showing students various pictures of labor unrests/child labor. The first part of the PowerPoint is timed (each slide advancing after a few seconds) and set to Bon Jovi's "Living on a Prayer" song. This reviews students on material studied in the previous year in U.S. History. The next part of the PowerPoint (after the song) discusses a timeline of events – rise of unions, major strikes, and legislation. Through the time line, the students see pictures of major events such as the Triangle Shirtwaist factory fire and the Homestead Strike. The last part of the PowerPoint focuses on characteristics of unions today – types of unions, parts of union contract, collective bargaining procedure, and the type of shops. Within this part of the PowerPoint, the students watch two different clips. One clip is from a Seinfeld segment where Kramer announces that he is going back to work after bagel strike; this allows for a laughable moment for the students before we "dive" into the material. Another clip is from United Streaming – an animation of Click Clack Moo, Cows That Type. I usually read this children's book to the students but I found it on United Streaming and show them the cartoon instead. My students may be seniors but they love children's literature! This book/cartoon shows the process of collective bargaining and how third parties sometimes intervene to settle a dispute. At the conclusion of the PowerPoint, the students participate in a collective bargaining simulation – half of the students representing management and half in the group representing labor. They must negotiate a new contract.

**Grade Level:** 12<sup>th</sup>

### Mississippi Economics Framework:

*Standard 3. Discuss relationships among the various economic systems (e.g., households, business firms, banks, government agencies, labor unions, and corporations, etc.).*

- a. Evaluate the role of organized labor on the United States economy.

*Standard 6. Demonstrate the ability to apply and interpret social studies tools (e.g., timelines, maps, globes, graphs, charts, a compass, technology, primary and secondary documents, political cartoons, etc.).*

**(C, H, G, E)**

- b. Analyze information on graphs, charts, tables, and timelines.
- c. Analyze political cartoons.
- d. Utilize primary and secondary sources.

### Student Objectives:

*Students should be able to:*

- Recall past labor unrests and labor issues of early 20<sup>th</sup> century in the United States.
- Analyze impact of legislation on unions and collective bargaining process.
- Identify the various types of unions.
- List the parts of the union contract.
- Define the various types of shops (closed shop, union shop, agency shop, open shop).

**Time Required:** 90 minutes

**Materials:**

- PowerPoint (pictures taken from internet)
- United Streaming video: [Click Clack Moo, Cows That Type](#) (can use children's literature book if you do not have United Streaming)
- Seinfeld clip from [www.tbs.com](http://www.tbs.com)
- Collective bargaining handout (I created this assignment by reading through other similar simulations)

**Procedure:**

- 1) Bellringer: Students read and answer questions to article "Wal-Mart pays out \$75 million"; discuss article
- 2) Review labor force definition.
- 3) Begin PowerPoint (first half is timed to music); review students on previous material learned in U.S. History.
- 4) Discuss history of strikes and government legislation towards labor unrests/unions (timeline on PowerPoint).
- 5) Discuss Triangle Shirtwaist factory fire and its implications on government legislation.
- 6) Begin third part of PowerPoint – discussion of unions today and how they operate.
- 7) After students watch United Streaming clip, discuss the following questions with the students:
  - a) Who went on strike? (cows)
  - b) What were demands of the cows? (electric blankets)
  - c) What was reaction by Farmer Brown? (said no)
  - d) Who had to intervene in order to resolve dispute? (Duck)
  - e) Duck would be considered what? (third party)
  - f) This process of negotiation is called what? (collective bargaining)
- 8) Discuss, through PowerPoint, types of third parties that can intervene in case of labor dispute.
- 9) Complete discussion of PowerPoint.
- 10) Divide students into groups of four. Two students should represent management and two students should represent labor. Give each group a handout of demands from labor. Give groups fifteen minutes to negotiate a new contract that both labor and management will agree.

**Closure:** Ask students if they agree if unions should have as much power as they do today? Ask students if they feel that there is a need for unions today (compare/contrast with unions in the past). Support their opinions. This is a good time to lead into a discussion on why some businesses would want union workers (unions supply skilled work force, thus saving them money when needing to replace a skilled worker).

**Assessment:**

- Teacher Observation
- Student Discussion
- Collective Bargaining activity – participation grade

**Day 3:****Lesson Description:**

This is the last activity in the labor force unit. In this activity, students research careers that interest them, using various websites. Items they will research will include: demand for job, low/median/high wage, skills needed for job, and so on (see handout). This is an activity my students have grown to enjoy. They see its applicability in their lives because it deals with what they are about to face in the real world. I used to keep this assignment; however, I have begun to give the completed handout back to the students because of large requests by the students.

**Grade Level:** 12<sup>th</sup>

## **National Economic Content Standards and Benchmarks:**

### Standard 13: Role of Resources in Determining Income

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*Standard 6. Demonstrate the ability to apply and interpret social studies tools.*

- d. Utilize primary and secondary sources.

## **Student Objectives:**

*Students should be able to...*

- Locate places on website that will provide job information.

**Time Required:** 90 minutes

## **Materials:**

- Teacher made handout
- Computers

## **Procedure:**

1) Bellringer: Students should read and answer questions to article “Finding meaningful work”; discuss importance of doing career research and setting career goals.

2) Give each student a “My Future!” handout to complete using laptop computers (this assignment can be assigned to students for homework or in a computer lab). Students will turn in handout once completed.

**Closure:** Discuss career findings – length of study, wage/salary, demand for job, and so on. Discuss if any student had a change in mind over career interest after they completed the research.

## **Assessment:**

- Student worksheet (after graded, the worksheet was handed back to the students since so many requested to keep the work done).

## EVALUATION:

I find this unit to be very successful. The students enjoy the various activities that are incorporated within this unit. With this unit, I do not administer a pretest; I only give a posttest. I evaluate the students various ways: unit test (posttest), simulation, student discussions, and questioning.

Prior to beginning the unit, I ask the students who they would consider to be unemployed. I ask this question to evaluate how they view unemployment. Many will answer incorrectly. Students usually will say stay at home moms, disabled, or those who choose not to work are considered unemployed. They find it interesting when I inform them that they are not considered unemployed because they are not considered part of the labor force (this will be looked into more in depth with the next unit) (*MS Standard 1*). This question leads into the discussion of the labor force definition. Once I have presented the definition to the students, a review follows. Majority of the examples the students get correct; however, one that seems to always stump the students is the teacher who takes a vacation in the summer. Most students answer that she is not part of the labor force; however, teachers can't work when there is no school in the summer. Therefore, teachers are a unique case where they are considered part of the labor force even in the summer. On the unit test, the students are given examples of people – some who are in the labor force and some who are not in the labor force. They have to state if each person is considered part of the labor force. When I reviewed the students prior to the test, it seemed as if everyone understood the definition. However, I had few students who still missed the “non-institutionalized” example on the test. Many put that the prisoner working on a penal farm is considered part of the labor force (correct answer: he is not part of the labor force because he is institutionalized). After seeing the mistake by the students, I make sure to go over the correct answers. They are later tested on this same example on the semester final exam to reevaluate their understanding.

I feel as if the collective bargaining activity was successful. Although not as detailed as the real world, it gave the students a glimpse at the different opinions and goals from each side (management and labor). Some groups were able to negotiate very quickly; other groups took a little more time because of disagreements over wages and health care.

Other than the unit test and the collective bargaining simulation, which counted as a participation grade, most evaluations made during this unit come from student discussions within day two's lesson. I have realized

many students have experiences with unions they can share with the class. For example, I had one student discuss her dad who went on strike and how the union provided small compensation to him for his loss wages. This was very interesting to me and the class since the South is not heavily unionized (*MS Standard 3*). I have also had students who work in a local grocery store who either are part of the union at the store or who have chosen not to be part of the union. I personally did not realize that teenagers could be part of a union but apparently they can join. Also, students always find it interesting that Mississippi, particularly the South, is a right to work state (open shop) (*MS Standard 1*), meaning that even if the union negotiates higher wages for union members the non union members receive same benefits. I relate this law to why this attracts businesses to our state (for example, Nissan and Toyota); unions do not want to negotiate for nonunion members so they do not push to unionize businesses in our state.

Questioning throughout the unit proved to be as successful as well. Through questioning, you can learn of students' misunderstandings or unique insights. Questioning also leads into students discussions. One question I posed to students is why businesses would *want* to hire union workers (*MS Standard 3*). This seems to baffle the students. They normally think that businesses would be against unions. I inform the students that Pascagoula's shipyard likes hiring union workers because unions train their members to be VERY skilled in that particular field, thus making them more highly qualified than a nonunion member (thus competing for the jobs). Training shipyard workers is very expensive. If the Shipyard spends much money training a worker and the worker moved a few years later, they will have to spend more money training a new worker. However, the union can provide workers who are already skilled, thus saving the businesses money in the long run. This seems to interest the students. Another question posed to the students is asking them what impact a "right to work" state (like Mississippi) may have on businesses (this law attracts businesses to our state, helping our state economically). Again, posing questions as this one makes the students think about the material learned in class and their own perceptions on unions.

I believe the "My Future" handout proved to be more successful than all other evaluations. This activity forced the students to research supply/demand of labor in a particular career and how that may impact wages/salary (*National Standard 13*). Many of my students realized how they must apply those two concepts (supply and demand for labor) (*MS Standard 1*) to their futures. So many students enter into a field of study without

researching to see if there is a demand for that career. After this activity is completed, a discussion is held on the students' findings. We discuss the effects of low demand – such as low pay or hard finding a job. We compare that to high demand for that particular field (also comparing low supply and high supply to wages/salaries). Many students ask me to return this work back to them so they can keep for future references, which I do.

## BIBLIOGRAPHY

- "Minimum-wage issue concerns some firms." Clarion Ledger. November 2006.
- Schepp, David. "Finding meaningful work eludes many college graduates." Clarion Ledger. 7 October 2007.
- Dale, Mary Dale. "Jury: Wal-Mart to pay workers \$78M-Plus." Yahoo! News. 13 October 2006.
- Lori Alden. "Supply and demand in labor markets." <http://econoclass.com>. 31 October 2006.
- PowerPoint – teacher made
- Collective Bargaining Student Worksheet - teacher made
- Notes/Transparencies – teacher made
- "My Future" worksheet – teacher made

# LABOR FORCE includes:

- all non-institutionalized <sup>(prison, mental)</sup> <sup>he</sup>
- <sup>(ages)</sup> 16 yrs. or above  
(who are...)
- actively seeking employ
- working for pay <sup>(or)</sup>
- awaiting recall <sup>(or)</sup> temp. <sup>from</sup> layoff (w/in 90 days)

# \* Labor Force \*

## Categories of Workers

- During 1800s, many farm workers moved to cities due to higher wages & decreased demand for their skills due to farm machinery; they found blue-collar jobs

- ① Blue-collar jobs = craft workers, manufacturing, nonfarm laborer
- ② White-collar jobs = office workers, salespeople, professionals
- ③ Service workers = cooks, piano tuners, barbers, etc.

Classify by ~~training~~ training / education:

- 1) unskilled - no specialized training
- 2) semiskilled - some training
- 3) skilled - vocational or college deg

## Supply & Demand in Labor

- suppliers = workers who offer their services
- demand = employers who require workers
- Factors that affect wages:
  - skill
  - ~~type~~ type of job
  - location
- minimum wage law = affects wages as well
- labor unions = affects wages

# \* Reading Guide Questions

## Supply - Demand in labor mkt

- 1) What is purpose in labor supply curve?
- 2) What is labor demand curve?
- 3) Why are firms careful in making sure they hire the appropriate number of workers? (hint: labor productivity)
- 4) Why does demand curve slope downward? (hint: card activity)
- 5) Identify factors that determine wages

### ANSWERS

- 1) shows # of workers who are willing & able to work in an occupation @ different wages
- 2) # of firms who are willing and able to hire @ different wages
- 3) will hire a worker only if the addt. revenue it gets from doing so covers the addt. costs (Marginal Revenue Product)
- 4) Law of Diminishing Returns: as a firm hires more & more workers, each addt. worker contributes less & less addt. output & revenue to the firm
- 5) technology, education, risk, talent, demand, (training) supply / future events (attributes)

