

## LESSON 8: LABOR

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### ***Focus Question: How is the workplace and what workers do changing?***

#### Objectives

##### ***Students will be able to:***

- Draw conclusions about the occupations that are projected to experience the greatest increases over the next ten years.
- Examine the major contractual issues of contention between labor unions and management.
- Draw conclusions about how changes in the economy have led to changing relations between labor and management.

#### Standards

**NES:** 13, 17, 18, 19

**ELA:** 2, 3

#### Materials

Text, pp. 313-320.

#### Teaching Strategies

##### ***Introduction:***

- Distribute Worksheet 8A, “Labor Poster.” Have students complete the exercise on the worksheet for homework. In class, as part of the introductory discussion, have students explain their answers to the following:
  - What were some of the titles you gave to the conference?
  - What are some of the topics that you think should be discussed at such a conference?
  - How different from before will the nature of work and the workplace be in the twenty-first century? Give some examples.
  - What questions does this worksheet raise for our class discussion?

##### ***Body of lesson:***

- Distribute Worksheet 8B, “Jobs in the Future.” Ask students to complete the exercise on the worksheet. Then, as part of the whole-class discussion, have students explain their answers to the following:
  - What information do we get from this chart?
  - What lessons can those who are choosing future careers learn from the chart?
  - What lessons can an employer learn from studying this chart?
  - To what extent should one rely on projections like this in making business decisions?
- Distribute Worksheet 8C, “Union Contract Issues.” Have students complete the exercise on the worksheet. Then, as part of the whole class discussion, have students explain their answers to the following:
  - Why are these issues considered of greatest importance in contract negotiations?
  - As a worker, which would be most important to you?
  - As an employer, which would be most important to you?
  - Which kind of issue is the most difficult to resolve between labor and management?
- Distribute Worksheet 8D, “Update on Capitalism.” Have students complete the exercise on the worksheet, then have them explain their answers to the following:
  - How can you explain the title of the article?
  - What does this article tell us about the changing attitude of workers toward their employers?
  - How do you think employers would respond to the criticisms against them that appear in this article?
  - What lessons can we learn from this article as members of a VE management team?
  - Who is more to blame for conflicts at the work place, labor or management?
  - Do you think that the future will bring greater peace or greater struggles between workers and owners? What should employers do to ensure fewer conflicts with their workers?

##### ***Summary/Assessment:***

Have the class plan and hold a conference for two or three other VE firms on the changing nature of work and the workplace. Among the presenters could be students, representatives of organized labor, and business managers.

Worksheet 8A

**Labor Poster**

**Exercise:** Fill in the poster below announcing a conference about how jobs and relations between workers and employers will change in the twenty-first century. First, do some research about the issue on the Internet, in the library, using newspapers, speaking to labor leaders etc. Then:

1. Create a title for the conference and write in the box below labeled, "Title," and
2. Suggest three topics that would be discussed at such a conference. Write these in the large box labeled "Topics."



Title:

[www.nhtsa.dot.gov/.../nhtsanow/v6.11/html/NNow6\\_11.htm](http://www.nhtsa.dot.gov/.../nhtsanow/v6.11/html/NNow6_11.htm). Permission pending.

Topics:

1)

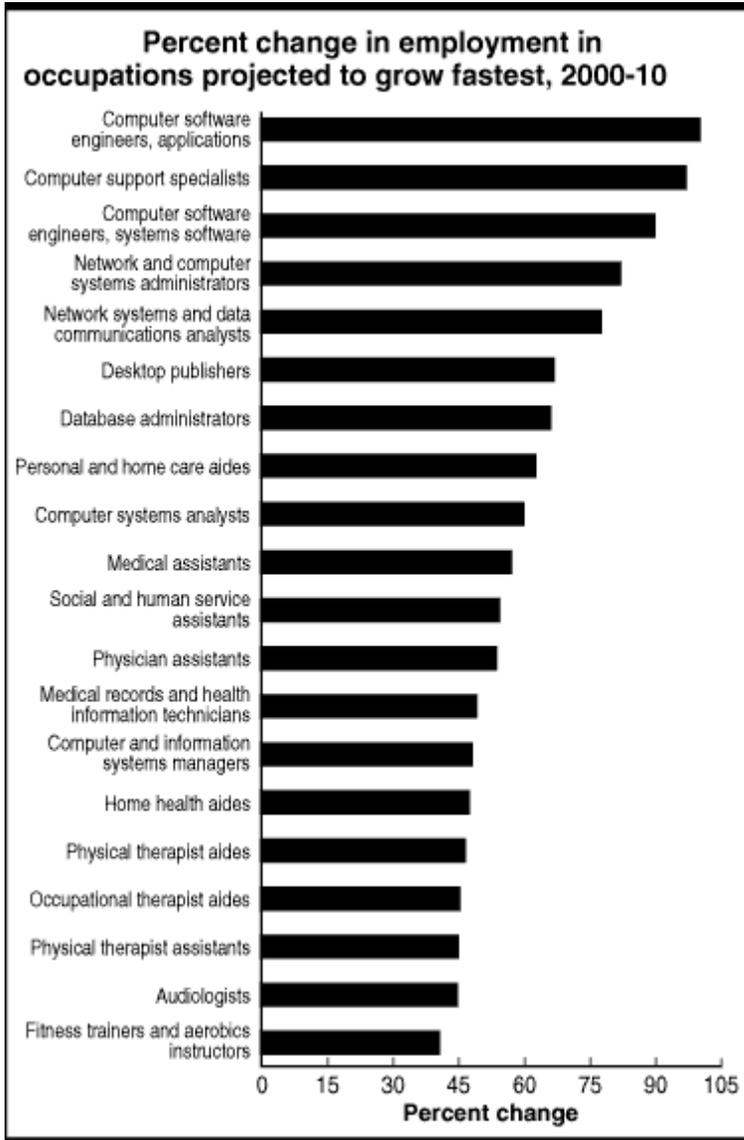
2)

3)

Worksheet 8B

**Jobs in the Future**

Study the chart below and complete the exercise that follows.



Bureau of Labor Statistics.

**Exercise.**

1. What is the title of this chart? \_\_\_\_\_
2. What do the numbers at the bottom of the chart indicate? \_\_\_\_\_
3. Why are certain job titles listed on this chart? \_\_\_\_\_

Worksheet 8B, "Jobs in the Future" (continued)

*Exercise (continued)*

*In the space below, write a memo to your VE Human Resources Department. In the memo discuss at least two conclusions you draw from the chart, supporting your conclusions with data in the chart.*

**To: Human Resources Department**  
**From: Me**  
**Subject: Fastest Growing Jobs, 2000-2010**

Worksheet 8C

**Union Contract Issues**

**Exercise:** Rate these issues in terms of their importance to workers and employers. First assume you are a worker. In the space before the letter "W," indicate the importance of each issue to you by writing a number from 0-5, with "0" meaning the issue has little or no importance and a "5" meaning the issue has the greatest importance to you. Then, assuming you are an employer, do the same thing for each issue, writing a number from 0-5 in the space in front of the letter "E."

ISSUE	DESCRIPTION
<b>Wages</b> _____W _____E	Most labor agreements provide for wage increases of a specific percentage for the period of the contract. Other contracts also have cost-of-living increases that give additional salary increases based on how much the general level of prices rise.
<b>Hours of work</b> _____W _____E	Contracts set the number of hours that make up either a workday or week. Some workers, who put in more than the required number of hours, receive overtime pay.
<b>Fringe benefits</b> _____W _____E	These are payments made to or on behalf of workers for important needs, such as health and life insurance, retirement pay, vacation, and holidays.
<b>Working conditions</b> _____W _____E	These often deal with health and safety issues related to the place of work or job site. This issue is particularly important to those who work with dangerous machinery or with poisonous substances.
<b>Job security</b> _____W _____E	Many contracts establish procedures that employers must follow in laying off workers. For example, those with the least amount of time in a job category are usually laid off first.
<b>Grievance Procedures</b> _____W _____E	Grievance procedures are rules that must be followed to resolve disputes between union members and management. Union members have the right to file grievances when they believe that the terms of their contract are being violated.

Roger LeRoy Miller, *Economics: Today and Tomorrow* (Columbus, Ohio: Glencoe McGraw-Hill, 2001), p. 330. Permission pending.

Worksheet 8D

**Workers and Capitalism**

September 1, 2002

*Update on Capitalism: What Do You Mean 'Us,' Boss?*

By STEVEN GREENHOUSE

**N**OT LONG AGO, before the accounting scandals at Enron, WorldCom and other companies, workers often saw themselves as management's best buddies. Gone was the old, us-against-them mentality in which workers viewed C.E.O.'s as robber barons intent on squeezing them for every last dollar.

In its place was a new world in which workers, with their stock options and 401(k) plans loaded with company stock, saw themselves as allied with management, not opposed to it. Pointing to the dot-com phenomenon, management theorists talked of a New Economy paradigm [model] in which workers would link arms with executives because they were just as eager as their bosses to maximize company profits and stock prices.

The notion of worker exploitation was largely forgotten, at least among white-collar and high-technology employees, because it seemed so Old Economy. Corporate executives fostered an egalitarian atmosphere by using the same cafeterias and parking lots as their subordinates. They embraced an inclusive vocabulary in which workers were partners, associates, even fellow entrepreneurs, and to make workers identify with them, managers rewarded their new partners with stock options, bonuses and discount stock purchase plans.

"In the 90's, half of American households became investors, so the line between being an employee and an investor began to blur," former Labor Secretary Robert B. Reich said. "People were happy because it looked as if a rapidly rising tide was lifting all boats." Workers hardly seemed to worry about the need for workplace protections. With the economy and Wall Street booming, it seemed silly to fret about layoffs. Workers were busy boasting about, not worrying about, the size of their retirement nest eggs.

To this new species of investor-worker, unions seemed irrelevant. Unions made little headway as they sought to lure workers by promising the basic protections coveted in decades past, like health coverage and defined-benefit pensions. Union membership remained flat even as the 1990's boom created more than 15 million jobs. For many workers, the collective approach seemed anachronistic because they were confident that management would protect them or they could protect themselves.

This logic seemed unassailable during the boom. But the paradigm began to crack with the high-tech bust and resulting layoffs, and crumbled with the recession and the Enron-led wave of scandals. At Enron, 4,200 workers were laid off; at WorldCom, 17,000.

Cara Alcantar, who accumulated 1,600 stock options in her four years at WorldCom, said she was naïve to identify with WorldCom's chief executive. "I felt on the same side as Bernie Ebbers, on the cutting edge of technology," she said. "I worked extremely hard, and I couldn't imagine layoffs would ever happen to me."

But on July 3, she was laid off. Now her stock options are worthless, WorldCom says it cannot pay her severance benefits, and the half of her retirement savings that were in WorldCom stock are virtually worthless. "Not only were they not looking out for our interests," Ms. Alcantar said, "they were so greedy they made sure the money went into their pockets."

Before, she said, joining a union had never crossed her mind, but now she says she wishes WorldCom were unionized. With a union, she says, she might have had a defined-benefit pension that, unlike her vaporized 401(k) plan, would have guaranteed her benefits even after the stock market plunged. Labor leaders say that if Enron or WorldCom were unionized, unions would have won better pensions and severance benefits for the workers and, through their prying, might have forced the companies to be more honest about their books.

"We're seeing a real waking up across the nation because millions of workers are seeing that their economic futures are far less secure than they had been led to believe," said Harley Shaiken, a specialist in labor issues at the University of California at Berkeley.

*(continued)*

**Worksheet 8D, "Workers and Capitalism" (continued)**

**A** SURVEY released last week by Peter D. Hart Associates found that 66 percent of workers said they trusted their employers just some or not much at all. Such numbers, labor experts say, suggest that the nation may have reached a watershed in which workers conclude that they need collective protections to safeguard them from predatory executives and economic downturns.

It is unclear whether a deus ex machina will materialize to rescue the beleaguered workers. The most likely candidates are Washington, which seems uninterested, and organized labor, which is weak.

Since the Enron scandal, President Bush and Congress have done little to protect workers even as they have rushed to protect investors. That is a far cry from 1963, when the Studebaker automobile company went under and more than 4,000 workers lost their pensions. In response, Congress, with a Republican senator, Jacob K. Javits, taking the lead, passed legislation that created strict pension protections.

The post-Enron Congress has shunned even modest protections like rules to require companies to make promised severance payments or to let workers elect representatives to the board of their 401(k) plans.

The Hart survey showed that workers are warming to unions, with 50 percent of nonunion workers saying they wanted to join a union, the highest level in two decades.

It was labor's clout in Congress and collective bargaining that created the nation's system of worker protections, including the 40-hour week, pensions, health coverage and job safety rules. But unions are weak, representing less than 10 percent of the private-sector work force, down from 35 percent in the 1950's. Unions have been notably unsuccessful in wooing workers from New Economy industries, like software.

The A.F.L.-C.I.O.'s president, John J. Sweeney, said he saw a pendulum swing in favor of collective protections. "One Enron worker told me, 'We trusted our employer, and liked our job, but when they threw us on the street, we lost all trust,' " Mr. Sweeney said. "A lot of workers are saying to themselves, 'The same thing can happen to me.' "

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**Exercise. Fact or Opinion?**

*The four statements below were taken from this reading. Place a check in the appropriate box to indicate whether these statements are presented as facts or opinions.*

Statement	Fact	Opinion
Union membership remained flat even as the 1990's boom created more than 15 million jobs.		
"We're seeing a real waking up across the nation because millions of workers are seeing that their economic futures are far less secure than they had been led to believe," said Harley Shaiken, a specialist in labor issues at the University of California at Berkeley.		
The A.F.L.-C.I.O.'s president, John J. Sweeney, said he saw a pendulum swing in favor of collective protections.		
It was labor's clout in Congress and collective bargaining that created the nation's system of worker protections, including the 40-hour week, pensions, health coverage and job safety rules.		