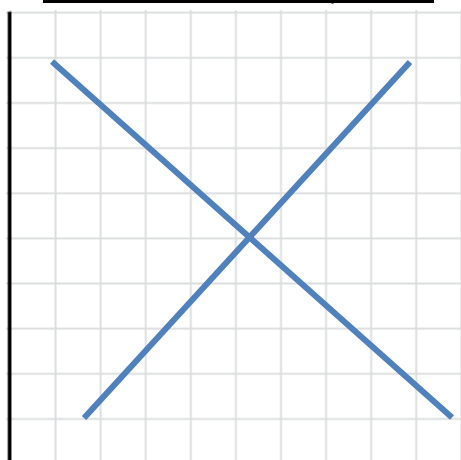


CONCEPT: LABOR UNIONS

- **Labor unions** are organizations that try to raise wages and improve working conditions for their members
 - *Collective bargaining* – negotiating with an entire group of workers rather than individual workers
 - The need for labor unions spawned from worker abuses by industrialists (i.e. long hours, low pay, bad conditions)

Union Effect on Labor Equilibrium



Influence on Labor Supply → _____

- Controlling entry into apprenticeship programs
- Influencing job qualification standards

Influence on Labor Demand → _____

- Improving MP_L with training and certification programs
- Encouraging purchase of unionized goods
- Supporting minimum wage laws (increases demand for high-skilled labor)

- In general, labor unions lead to a _____ equilibrium wage and a _____ equilibrium quantity
- Union membership has been on a general _____ in the United States

