

7. How is income tax used in most of the countries?
8. What was the reason of the Boston Tea Party (December 16, 1773)?

*Define the following words and expressions.*

convert	tangible items
impose	in lieu
prominent	levy
target at	revenue
stump up	amount
excessive	toll
trace	whereas

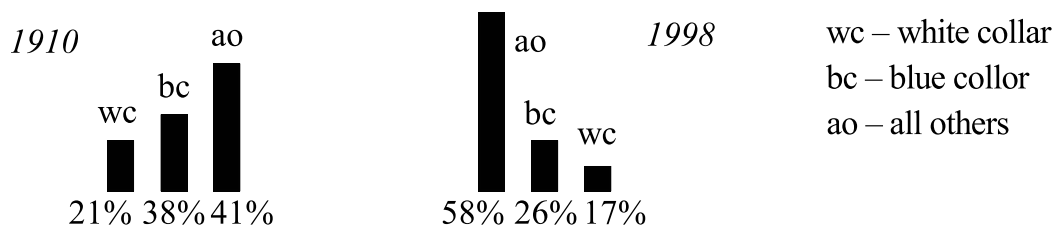
**TASK:** Match the following words with their corresponding meaning:

<i>convert</i>	to impose a tax
<i>stump up</i>	to bring over to a new faith
<i>lieu of</i>	to pay up money
<i>toll</i>	objective, definite
<i>target at</i>	instead of
<i>excessive</i>	a tax or charge
<i>liability</i>	aimed at
<i>tangible</i>	going beyond the limit
<i>levy</i>	debt

## 1.12. LABOR AND WAGES

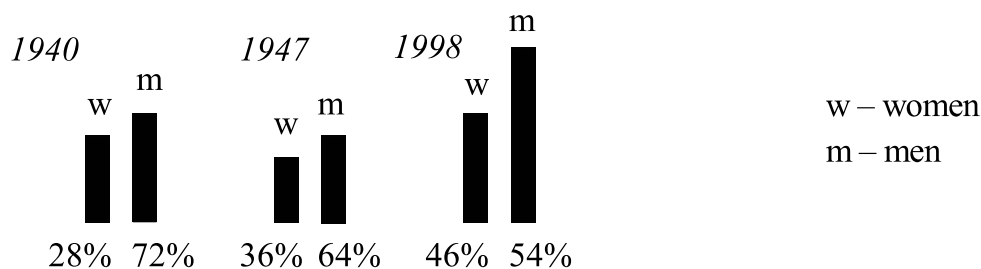
Sooner or later every young man starts thinking about his or her future. Some day they will enter the labor force which consists of all those people 18 years of age or older who are currently **employed** or looking for work. Our labor force has been changing in the 20th century. These changes include:

**1. The number of “blue-collar” jobs has declined, and the number of “white-collar” jobs has increased.**



2. White-collar and service industry employment has been increasing, because technological developments have enabled machines to complete tasks that once could only have been performed by people. Some of the major service industries include: retail trades, transportation, financial, food, hotel industries; and such professions as law, education and medicine.

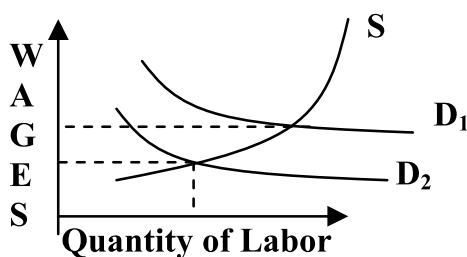
3. The proportion of women in the labor force has been increasing.



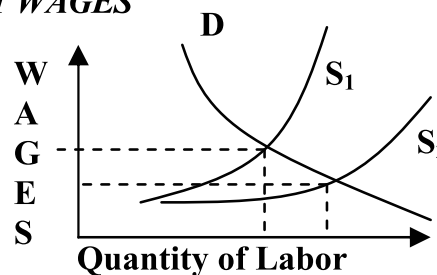
4. **Workers have been leaving the farm. In different countries reasons are also different.** In the D. countries small farms are **consolidated** into large farms and the **advanced technology** reduces the need for farm labor. In the L.D.C.- because of the higher living standards in the cities.

5. **Education has become increasingly important.** Technology has given us microcomputers, fiber optics and robots. It has also created a need for a highly trained labor force. Students who finish high school earn 67 % more than those who **drop out**, while college graduates earn about 285 % more than high school dropouts.

#### HOW MARKET FORCES AFFECT WAGES



$D_1$  – for Rock Musicians,  $D_2$  – for Classical



$S_1$  – for Laborers,  $S_2$  – for Craft Workers.

The supply of top quality rock and classical musicians is about the same. The difference lies in demand, which is far greater for rock than it is for classical musicians.

The demand for the two categories of workers is about the same. Supply is another matter. The supply of craft workers is far less than that of laborers who earn less than those working in the craft.

#### Answer the following questions.

1. What are the changes in labour force in the number of “blue collar” and “white collar jobs”?