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| Understand the concept of labour being derived from the demand for a product. Influenced by the productivity (MRP) |
| Draw and explain demand for labour curves (appreciate what factor changing leads to a movement along a demand curve and what factors leads to a shift in the demand for labour curve) |
| Draw and explain a labour supply curve. Understand what factor changing leads to a movement along a supply curve and what factors leads to a shift in a labour supply curveExplain that the supply of labour is influenced by both monetary and non-monetary factors |
| Use labour market equilibrium diagrams to explain how wage rates are determined in competitive labour markets. Also, be able to use these diagrams to explain how demand and supply shifts will influence employment and wage rates |
| Be aware that the majority of labour markets are not perfect i.e. they are imperfect |
| Understand (using diagrams) how monopsony power, trade unions and imperfect information contribute to labour market imperfections |
| Explain how a range of factors influence the ability of TU’s to influence wages and employment levels in labour markets. Appreciate their differing impact on competitive labour markets against monopsony employers (with use of diagrams) |
| Understand using a diagram the effect of a national minimum wage on labour markets |
| Understand the conditions necessary for wage discrimination and assess the advantages and disadvantages of this in terms of impact on wage rates and employment |