AQA Economics A-level

Microeconomics

Topic 6 - The Labour Market

Flashcards

Bilateral monopoly

Bilateral monopoly

Market in which there is a single seller and a single buyer

Human capital

Human capital

The economic value of an individual's skills, experience, training, etc.

Labour exploitation

Labour exploitation

Employers benefitting off of treating employees unfairly

Marginal physical product (MPP)

Marginal physical product (MPP)

Additional output each unit of labour can produce

Marginal productivity theory

Marginal productivity theory

Theory stating demand for labour is derived from MRP

Marginal revenue productivity (MRP)

Marginal revenue productivity (MRP)

Additional revenue derived per extra unit of labour

Monopsony power

Monopsony power

The ability to set prices based on bargaining power

National minimum wage (NMW)

National minimum wage (NMW)

The legal minimum hourly wage set by the government. Is age dependent

Negative discrimination

Negative discrimination

When employers undervalue the marginal revenue productivity of a worker

Positive discrimination

Positive discrimination

When employers overvalue the marginal revenue productivity of a worker

Trade union

Trade union

Organisation in/ out of a firm campaigning for the rights of the workers

Trade union wage gap

Trade union wage gap

The difference in wages between those in a trade union and those not in a trade union; an indicator of trade union power

Wage differentials

Wage differentials

Differences in wages of different groups of workers, or workers in the same occupation

Wage discrimination

Wage discrimination

Paying females and/or those of ethnic minorities less for the same job