# AQA Economics A-level
## Microeconomics

## Topic 6: The Labour Market

### 6.7 Discrimination in the labour market

**Notes**

Sometimes, even in the same job, workers can be paid different amounts. This is due to:

- **Formal education.** On average, those with a degree earn more over their lifetime than those who gain just A Levels.
- **Skills, qualifications and training.** Jobs which require more training and education offer higher wages. Training workers is expensive for firms, so they compensate for this by offering workers, who have already undergone education and training, higher wages.
- **Pay gaps.** The wage gap between skilled and unskilled workers has increased in the UK recently. This is due to technological change and globalisation, which has shifted production abroad.
- **Wages and skills.** Skilled workers produce higher outputs than unskilled workers because they are more productive, so the demand for their labour is higher. This means they can demand higher wages.
- **Gender.** Even with equal pay laws, women still earn less than men on average. This could be due to career breaks and fewer hours worked on average than men, or because women are crowded into low-paid or part-time jobs, which may only require low skill levels. Women could also be discriminated against when it comes to promotions, which effectively locks out higher paying jobs. There are inequalities with paternity and maternity leave. 26% of 1500 workers felt that they had been held back from a promotion because they had children. Although a wage gap still exists, it is narrowing, albeit slowly. This article highlights the issue of women missing out on top jobs http://www.bbc.co.uk/news/mobile/uk-wales-12676564
- **Discrimination.** Workers might be discriminated against due to age, disabilities, gender and ethnicity. Workers from ethnic minorities have faced prejudice and discrimination. This article highlights some of the issues which could arise: http://www.bbc.co.uk/news/uk-31856147