

8.3 Labour market forces and government intervention

Name: _____ Class: _____ Date: _____ Total: 26 marks

KEY WORDS minimum wage 最低工资 • national minimum wage 全国最低工资
• discrimination 歧视 • monopsony 买方垄断 • derived demand 派生需求

Objective

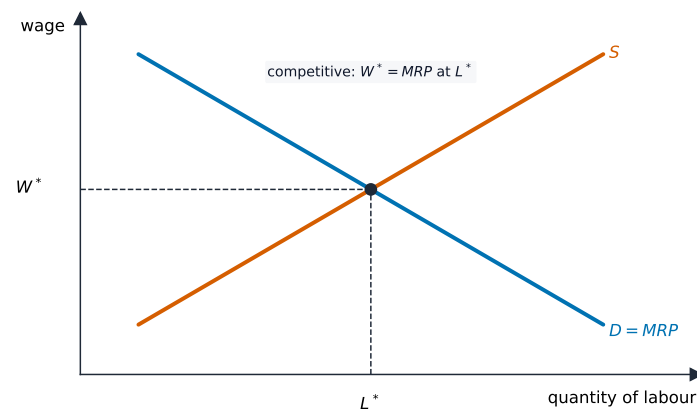
Build the skills to answer exam questions on **labour markets** 劳动力市场 — the **demand for labour** (derived demand, **MRP** 边际收益产品), the **supply of labour**, **monopsony** 买方垄断, **trade unions** 工会, the **minimum wage** 最低工资, and **wage differentials** 工资差异.

You must be able to:

- explain labour demand as a derived demand based on MRP
- draw a competitive labour market and a minimum wage
- analyse monopsony, trade unions and wage differentials

1 Worked examples

■ The competitive labour market



A wage is the price of labour — set by demand and supply

- **Demand for labour** = a **derived demand** 派生需求 based on the **marginal revenue product** 边际收益产品 (MRP).
- **Monopsony** 买方垄断: a single dominant **buyer** of labour → lower wage, fewer hired.
- **Trade union** 工会: can raise the wage above the competitive level (but may cut jobs).
- **Minimum wage** 最低工资 above equilibrium → unemployment; but in a monopsony it can raise **both** wage and jobs.

3.3 Discuss whether a national minimum wage is good for an economy. [12]
