

Solutions

IGCSE Economics answers are marked by **level of response**: award **K** knowledge, **App** application, **An** analysis and **Ev** a justified judgement.

Each answer shows the steps, then the **result**.

2.1

- a **wage factor** is the **pay**; a **non-wage factor** is everything else (hours, safety, enjoyment, promotion) (K)

2.2

- any **two** of: **skill/qualifications** / **danger of the job** / **trade-union strength** / **discrimination** (K, K)

2.3

- **division of labour** is splitting a job into small tasks, with each worker doing **one task repeatedly** (K)

3.1 C

- **working hours and holidays** are **non-wage** factors (K)
- A, B and D are all forms of pay

3.2

- for **each** of two reasons: K + An
- e.g. a surgeon needs **years of study** and rare skills → few can do the job → the wage is high
- e.g. a cleaner's job needs **little training**, so many can do it → plentiful supply keeps the wage low

3.3

- **advantages**: workers get faster and more skilled; less time is wasted; **output per worker rises**, lowering unit cost (K + An)
- **disadvantages**: the task is boring → mistakes and high labour turnover; if one worker is absent the line can stop (An)
- the firm gains higher output but risks **low motivation**