

Economics of Labour Market

1. Indifference curve of labour deals with

- a. Work and leisure
- b. time of work and remuneration
- c. persons of work and remuneration
- d. excess labour vs shortage of labour

Ans: a

2. Which of the following can be termed as wage discrimination?

- a. Two workers with same qualification receiving different wages
- b. Two workers of different level of experience receiving differing wages
- c. Two workers who work for same hours receiving same wages
- d. Two workers of differing qualifications receiving different wages

Ans: a

3. Industrial Disputes Act 1947 puts restrictions on

- a. Reducing excess staff
- b. Recruiting more staff
- c. Recruiting competent staff
- d. Recruiting incompetent staff

Ans: a

4. Which of the following cannot be termed under classical theory of labour ?

- a. The just wage of the Middle Ages
- b. Labour theory of value
- c. Theory of comparative advantage
- d. Marxian theory of labour

Ans: a

5. Janet, a Receptionist, working with a firm has rigid daily work schedule varying from 8.00 am to 5.00 pm. However, due to expansion of the firm in the forthcoming month, she is busy at office till 7.00 pm. The extra payment secured by her can be termed as

- a. Time wages
- b. Piece time wages
- c. fringe benefits
- d. over time wages.

Ans: d

6. The subsistence theory of wages was first formulated by

- a. Marxian school
- b. Physiocratic school
- c. Classical
- d. Neoclassical

Ans: b

7. Average wage is the ration between

- a. Wage fund and population
- b. Wage fund and female workers
- c. Wage fund and male workers
- d. Wage fund and child labour

Ans: a

8. In residual claimant theory, who is termed as the claimant of residuals ?

- a. Worker
- b. Landlord
- c. Entrepreneur
- d. Money lender

Ans: c

9. The demand curve for labour is similar to

- a. Indifference curve of labour
- b. Supply curve
- c. Backward sloping supply curve
- d. Marginal revenue product curve

Ans: d

10. During short run, supply curve of labour will be

- a. More elastic
- b. Less elastic
- c. Infinitely elastic
- d. Unitary elastic

Ans: b

11. How many reasons did Adam Smith assign for wage differentials, assuming labour of the same efficiency and perfectly mobile between occupations and places ?

- a. 8
- b. 4
- c. 5
- d. 11

Ans: c

12. When other things remain equal, when woman bear a disproportionate share of the burden of unemployed, it can be termed as

- a. Underemployment
- b. Unequal employment
- c. Disguised employment
- d. Wage discrimination

Ans: d

13. Who authored the book titled "Economics of Discrimination" which was published in 1957

- a. Mrs. Joan Robinson
- b. Arthur Lewis
- c. Gary Becker
- d. Karl Marx

Ans: c

14. Majority of the strikes among labour class happened in India owing to which of the following reason?

- a. Economic
- b. Social deprivation
- c. Harmonious relation among workers
- d. Peaceful working environment

Ans: a

15. The employer counterpart of the strikes is known as

- a. Lay-off
- b shut down
- c closure
- d lock out

Ans: d

16. If a company has total number of workers in the range of (50-100) , the minimum number of workers considered for retrenchment is

- a. 25
- b. 20
- c. 15
- d. 10

Ans: d

17. Out of the following, which one is economically not active

- a.home makers
- b. A factory worker
- c. A lawyer employed with a law firm
- d. A school teacher

Ans: a

18. when compared to economically backward countries, in economically forward countries, the female participation in the labour force will be

- a. Constant
- b. Higher
- c. Lower
- d. Negative

Ans: b

19. If the total number of male workers are 149,075, 137 and total male population is 283,936,615, what is the crude labour force participation rate?

- a. 66.89
- b. 71.45
- c. 52.50
- d. 88.90

Ans: c

20. Who devised the theory based on the concept that in all labour markets information is imperfect ?

- a. Stigler

- b. Shave lol
- c. Nicelini
- d. Hopenhayn

Ans: a

21. Which one of the following represents the lowest remuneration one job seeker will accept

- a. Bonus
- b. Fringe benefits
- c. Royalty
- d. Reservation wage

Ans: d

22. What is represented by $H(\cdot)$?

- a. Cumulative distribution function of all possible wages
- b. The grant total of wages paid
- c. Grant total of reservation wages
- d. The balance of payments to be made over the receipts

Ans: a

23. If the reactions of employers are introduced into the basic job search model, the outcome is necessarily a labour market equilibrium in which the distribution of wages is concentrated at a single point is termed as

- a. Diamond's critique
- b. Critical paradox
- c. Analytical equivalence
- d. Labour market convergence

Ans: a

24. Subsistence theory of population is wrongly based on :

- a. Harris- Domar theory
- b. Standard of living theory
- c. Malthusian theory of population
- d. Marginal distribution theory

Ans: c

25. Some classical economists of the late 19th Century presented a modified version of subsistence theory of wages as

- a. Marginal distribution theory of wages
- b. Residual claimant theory
- c. Standard of living theory
- d. Wage fund theory

Ans: c