

# Economics - Labour

## Answer key and audioscript

### A - Vocabulary

- |      |      |
|------|------|
| 1. F | 5. G |
| 2. D | 6. E |
| 3. B | 7. C |
| 4. H | 8. A |

### B - Comprehension

1. the relationship between those who sell and those who buy. (para 1)
2. want to increase their production. (para 2)
3. wages for increases in labour supply. (para 4)
4. the demand for labour falls. (para 3)
5. a change in the cost of labour (for example higher wages), a change in the demand for the final product, new technology and a fall in workers' productivity. (paras 3, 5, 6)

### C - Listening

Why does the productivity of a worker fall? Well, there are all sorts of reasons. After all, we're only human! Productivity will change according to the time of day, the weather and the health of the worker. However, productivity also changes because of something called the law of diminishing returns. To understand this law, let's look at an example. A company that makes pens has a factory, machines and workers for production. Imagine there is one big room in the factory and ten machines. This puts a limit on how many workers the company can employ. At first, more workers will mean more output. Eventually, though, there will be too many workers in the factory. When this happens, each worker's productivity falls. After this point, every increase in the number of workers causes a decrease in productivity for each worker.

### D - Vocabulary

- |                   |               |
|-------------------|---------------|
| 1. switch off     | 6. balance    |
| 2. play an / role | 7. influences |
| 3. Compensation   | 8. complex    |
| 4. Substitution   | 9. rate       |
| 5. leisure        | 10. skills    |

### E - Comprehension

1. B    2. A    3. B    4. C    5. A

## F - Listening

Why do some jobs get paid more than others? Why do some people get paid more than other people for doing the same job? There are lots of reasons. One is the available supply of workers in the local labour market. One town may be full of office cleaners. Another town may only have a few. Office cleaners will get paid more in the second town because the labour supply is inelastic.

Another reason is length of service. In other words, how long you've been doing the job. A mechanic who's been doing the job for thirty years will earn more than the one who's just started.

A third reason is the amount of risk or danger involved in the job. Window cleaners for a company on the 55<sup>th</sup> floor of a skyscraper will earn more than the office cleaner for the same company.

Another reason, unfortunately, is discrimination, that is not treating everybody as if they are equal. Even today, women are less well paid than men for doing the same job. Race and age are other kinds of discrimination that still exist in many industries today.

1. available supply of workers in the labour market
2. length of service
3. risk or danger involved in the job
4. discrimination, not treating people as if they are equal.

## H - Writing

*Dear Madam,*

I am writing in response to your advertisement in the *Daily News*. I would like to apply for the post of summer camp team leader.

As you can see from my CV, I am a primary school teacher. I am also a qualified climbing instructor. In addition, I hold certificates in English and German and I am fluent in French and Italian.

Furthermore, I have the relevant experience you are looking for. For the last five years I have been working in a primary school. For the last two years I have been team leader for the school summer camp.

There are a number of reasons why I would like to work for the Summer Fun Camps. Firstly, I enjoy working with children and secondly I would enjoy the opportunity to work with people from other countries.

Thank you for your attention, I look forward to hearing from you soon.

*Yours faithfully,*

*Julia Salyga*