

UNIVERSITY OF CAPE COAST

DEPARTMENT OF ECONOMICS

QUIZ ONE 2010/2011

Attempt all questions. Time one hour

1. Demand and supply analysis of labour works well in.....
 - a. Competitive market
 - b. Monopsony market
 - c. Monopoly market
 - d. All the markets
2. Name the two ways in which a change in wage would affect quantity demand of labour.
3. Name two causes of shift in a firm's labour demand.
4. What is a reservation wage?
5. What is moon-lighting?
6. Name four factors that cause a shift in labour supply
7. Name four causes of imperfect competition in the labour market
8. Name the three basic elements in the theory of individual labour supply
9. Name three assumption underlying preferences of labour
10. What do you understand by infra marginal worker
11. Why do we say there cannot be equilibrium in the Ghanaian labour market
12. Fill in the table: indicate whether positive or negative

	Wage increase	Wage decrease
Effect on leisure		
Substitution effect		
Income effect		
Effect on labour hours		
Substitution effect		
Income effect		