

Overview of the Labour Market Theories

*Labour Market Statistics: Harmonization and
Analysis of Administrative Data Sources*

*22-24 October 2019
Putrajaya- Malaysia*

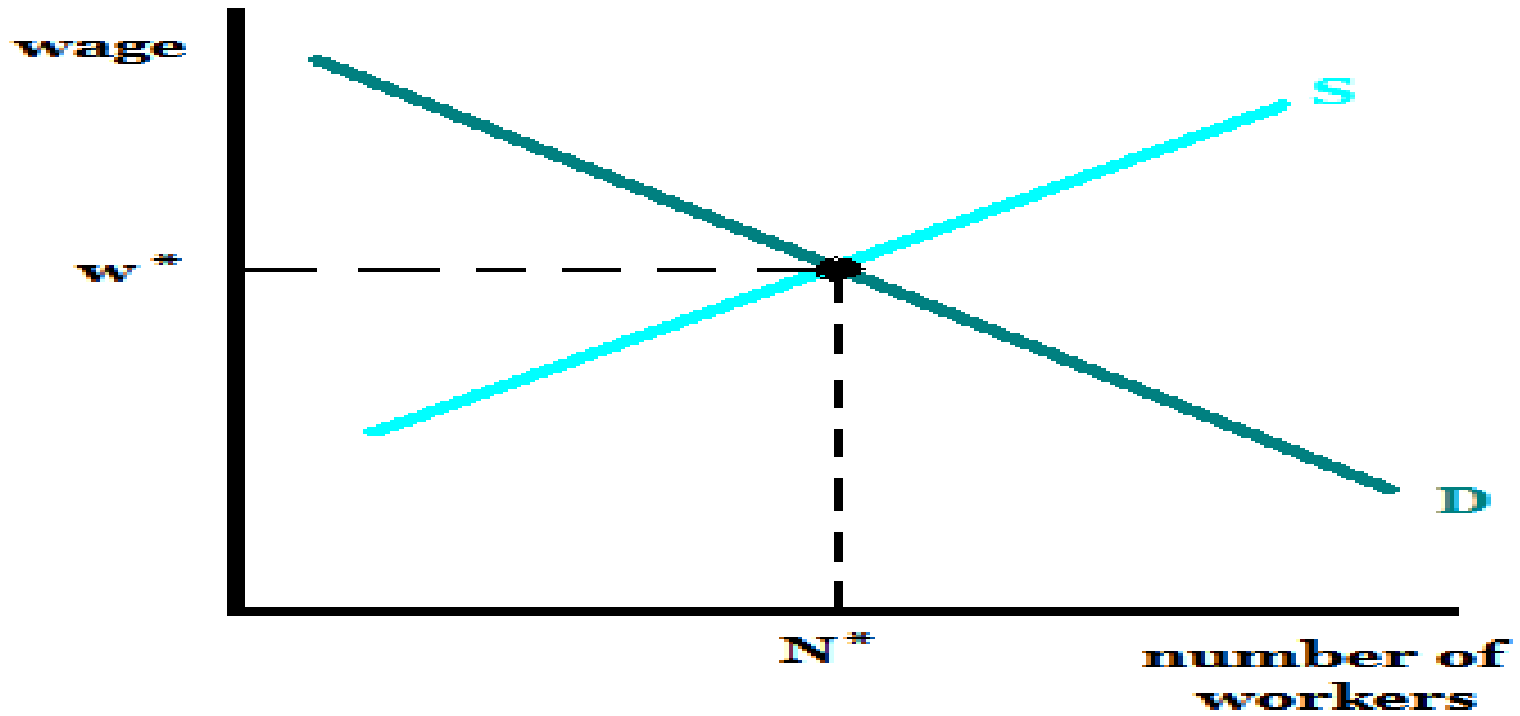
Labour Market

- Labour market refers to the supply and demand for labour
- Also known as job market
- Employees provide the supply and employers the demand
- Supply and demand affected by domestic and international dynamics

Labour Market

- Firms employs labour force – hires and/or fires
- Raise or cut the hours they worked
- Raise or cut their wages
- Supply and demand affects
 - Employment
 - Hours worked
 - Wages, salaries and other benefits
 - Labour costs
 - Productivity

Labour Market



Labour Market

Structure of labour market

- Generally when an employee applying for a job has disadvantages against employer
- Governments intervenes the labour market by
 - Setting minimum wages
 - Setting max. Hours of work
 - Prohibiting child labour
 - Regulating health and safety conditions within the workplace
 - Preventing discrimination (race, gender, ethnicity, etc.)
 - Requiring employers to provide family leave
 - Resuiring employers to give advance notice of layoffs
 - Covering workers with unemployment insurance
 - Setting limits to immigrant workers

Labour Market

Pay/Earning Gaps

- An earnings gap between average wages, in and of itself, does not prove that discrimination is occurring in the labor market.
- Employers pay workers with the same characteristics because of their gender, race, religion, disability.

- Gender pay gaps (GPG)
 - Occurs when employers pay women less than men despite having comparable levels of education, experience, and expertise.
 - ILO Equal Remuneration Convention – C 100

Labour Market

Unemployment

- Employed
- Unemployed
- Out of the labour force
- Labour force

Hidden Unemployment

- Has a part time or temporary job and seeking for a full time and permanent employment
- Works in a job that doesn't utilize his/her skills and low payment – underemployment

תודה
 Dankie Gracias
 Спасибо شكراً
 Köszönjük Merci Takk
 Grazie Dziękujemy Terima kasih
 Ďakujeme Vielen Dank Děkojame
 Kiitos Täname teid 谢谢
Thank You Tak
 感謝您 Teşekkür Ederiz
 Σας ευχαριστούμε 감사합니다
 Bedankt ඔබට
 Děkujeme vám
 ありがとうございます
 Tack