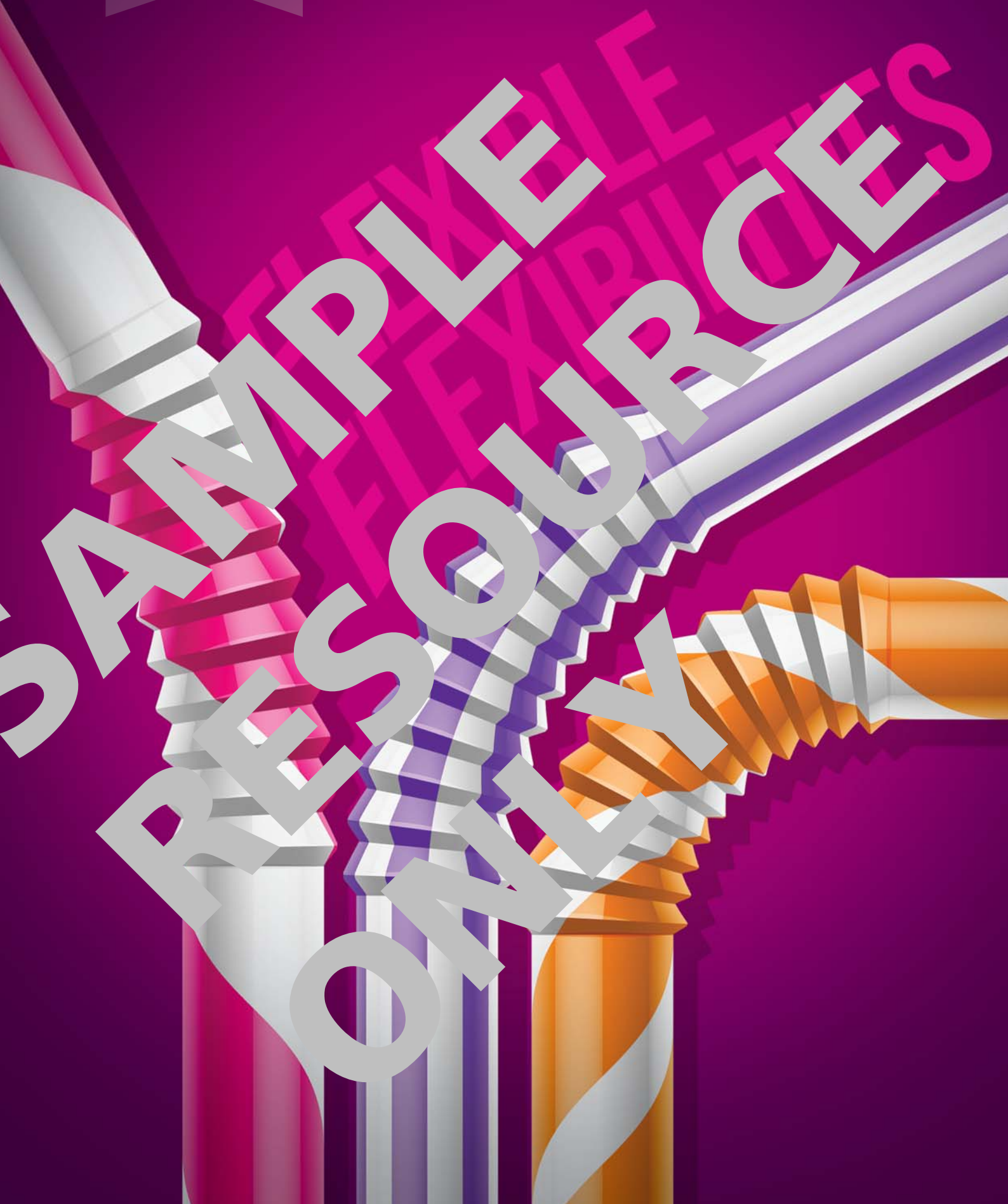


New A Level
Economics

Labour
Markets

tutor2u 
Resources for Courses



Teacher Instructions

This resource is designed to allow students to evaluate whether the UK's labour market is flexible or not, and the extent to which that flexibility might have changed over recent years.

Below, you can find some key background information on labour market flexibility – you may want to share this with your students before starting the main activity.

The resource contains 28 cards. On each card is a fact or figure relating to the UK labour market.

Working individually or in pairs, students should first organise the cards into two piles – one pile for factors that increase labour market flexibility and one pile for factors that decrease labour market flexibility. Next, students should sort the cards in each pile from “most likely to have an effect” to “least likely to have an effect” – in other words, moving from building knowledge and understanding to developing evaluative skills. Finally, students should decide which pile “wins” the other i.e. which of the piles has stronger arguments in favour of more or less flexibility. The teacher should then lead a whole-class discussion to determine whether everyone is in agreement or not. Students could write up their key points for their notes, or stick the cards onto A3 paper for their notes. It could also look like a “tug of war”.

Key background information

Labour market flexibility refers to the speed with which the labour market can adjust to changes in the economy or industry in question. Flexibility can refer to:

- **Internal numerical flexibility** – the ability to change the hours and days worked, the ability to do flexi time, part-time or full-time, shift work, overtime, parental leave
- **Functional or task flexibility** – the ability to move employees between different tasks and jobs and locations; it can be achieved through, say, outsourcing, increasing skills etc, or allowing homeworking
- **Financial flexibility** – the ability to change wages easily, or pay different workers different amounts to react to changes in demand or productivity of workers
- **External numerical flexibility** – the ability to change the number of people trained / working in a particular occupation, or the number of people looking for a particular job

FLEXIBILITY CARD

Agency workers now receive the same rights as regular employees, in terms of pay, holiday entitlement and working conditions

FLEXIBILITY CARD

Young people must stay in some sort of education or training until their 18th birthday

FLEXIBILITY CARD

Parents can share the 52 weeks of parental leave following the birth of a child

FLEXIBILITY CARD

All employees, not just those with children, now have the right to request flexible working

FLEXIBILITY CARD

The default retirement age of 65 has now been phased out, and people can work for as long as they choose to

FLEXIBILITY CARD

The internet allows people to work from home or other place of their choosing

FLEXIBILITY CARD

Employers are increasingly using zero-hour contracts, in which employers do not need to pay employees unless they specifically request them to work

FLEXIBILITY CARD

The majority of civil servants and government employees are able to work on "flexi time"

FLEXIBILITY CARD

The National Minimum Wage is currently £6.50 per hour for people over the age of 21

FLEXIBILITY CARD

The government plans to launch an online tool to make it easier to find out what people in different occupations are paid, in order to increase pay transparency

FLEXIBILITY CARD

As part of the EU, any EU citizen has the right to live and work in the UK – and UK citizens have the right to live and work anywhere in the EU

FLEXIBILITY CARD

The Living Wage is being introduced from April 2016 and will be £7.20ph for people over the age of 25

FLEXIBILITY CARD

Employees are protected by the Employment Rights Act 1996

FLEXIBILITY CARD

More people in the UK are now paid through Performance Related Pay (PRP) systems, including teachers in the state system

FLEXIBILITY CARD

Around 4m people in the UK are members of trade unions, or 25% of the labour force – compared with the peak of 10m in 1979

FLEXIBILITY CARD

The UK has independent judicial “Employment Tribunals” which hear claims regarding unfair dismissal, redundancy issues etc – there can be significant costs involved for people who lose at tribunal

FLEXIBILITY CARD

Firms must pay redundancy pay – half a week’s pay for each year worked for under 21, one week’s pay for each year worked for 21-40 year olds, and 1.5 weeks’ pay for over 40s

FLEXIBILITY CARD

The Working Time Regulations limit the number of weekly hours worked to 48, unless employees have specifically “opted out” of the regulations. These regulations do not apply to company directors or the self employed.

FLEXIBILITY CARD

The Working Time Regulations limit the number of hours that night workers can do to 8 hours per 24 hours, and a maximum of 8 hours in 24 hours for people doing “hazardous” work

FLEXIBILITY CARD

The government has recently changed the law so that employers must only give 45 days’ notice, rather than 90, if they want to consult employees / unions about possible redundancies

FLEXIBILITY CARD

Since 2008, most employers will only pay the minimum Statutory Sick Pay of £88.45 per week, for employees who take more than 4 days off in a row, rather than more generous benefits

FLEXIBILITY CARD

The Employment Rights Act 1996 prevents part-time workers from being treated less favourably than their full-time counterparts

FLEXIBILITY CARD

There has been an increase in the use of “contracting out” and “outsourcing” by firms who provide services such as security and events management

FLEXIBILITY CARD

It has become more difficult for UK companies to employ workers from outside the EU with a “points based system” and limited quotas. This has reduced the number of skilled migrants

FLEXIBILITY CARD

Reforms of disability benefits and sick pay benefits has pushed many people back into the labour force

FLEXIBILITY CARD

For young people to access Universal Credit, they must be willing to accept jobs even if they are zero-hours contracts or low-skilled

FLEXIBILITY CARD

Small businesses can claim up to £2000 a week from their National Insurance contributions for employees

FLEXIBILITY CARD

Proposed government legislation will make it unlawful for a union to call a strike if fewer than 50% of union members turned out to vote

FLEXIBILITY CARD

FLEXIBILITY CARD