Chapter-1: Industrial Relations

Self Assessment Questions

1. Industrial relations are used to denote the collective relationships between management and the workers.
   a. True
   b. False

2. Which of the following is usually not an objective of industrial relations?
   a. Connectedness
   b. Collective wisdom
   c. Conflict prevention
   d. None of these

3. Identify the major actor of industrial relations from the following.
   a. Employers
   b. Unions
   c. Government
   d. All of these

4. That the authority rests solely with the management with no right to anyone to challenge it is the basis of the
   a. Pluralist approach
   b. System approach
   c. Unitary approach
   d. Social action approach

5. The balance of power is not vested with any one group; rather, it is maintained between the parties to the industrial relations.” This is the essence of the
   a. Pluralist approach
   b. System approach
   c. Unitary approach
6. That the behavior, actions and role of the individuals are primarily shaped by the cultures of the society is the basic assumption in the
   a. Pluralist approach
   b. System approach
   c. Unitary approach
   d. Social action approach

7. Industrial relations mean relationship between management and employees and their organization that characterize or grow out of employment.
   a. True
   b. False

8. “Organizations are made up of people and the success of management lies in its dealings with these people.” This is the fundamental of the
   a. Marxist approach
   b. Gandhian approach
   c. Human relations approach
   d. Giri approach

9. Maintenance of harmonious industrial relations is of vital importance for the survival and growth of the industrial enterprise.
   a. True
   b. False

10. In explaining why employees join unions, what term is used to describe employee dissatisfaction with their work situation?
    a. The frustration-aggression thesis.
    b. Interactions explanation.
    c. The rational choice explanation.
11. Management is not sufficiently concerned to ascertain the causes of inefficiency and unrest following the laissez-faire policy, until it is faced with strikes and more serious unrest.

   a. True
   b. False

12. What is meant by the term 'union density'?

   a. The total number of workers who are union members.
   b. The proportion of workers who are union members.
   c. The proportion of workers who are not members of a trade union.
   d. The number of workers whose pay is set by collective bargaining.

13. Which of the following is not typically a component of partnership agreement?

   a. Commitment to information and consultation.
   b. Commitment to high levels of pay.
   c. Sharing success with employees.
   d. Commitment to employment security.

14. Which of the following statements are true?

   a. Partnership agreements have been more common in the public sector than in the private sector.
   b. Partnership agreements have been more common in the private sector than in the public sector.
   c. Partnership agreements have been equally common in both the public sector and private sector.

15. Industrial conflicts are the results of several socio-economic, psychological and political factors.

   a. True
b. False

16. Which of the following definitions reflects a 'bleak house' strategy?
   a. Where an employer invests in staff development and human resource management practices.
   b. Where an employer seeks to build the loyalty and commitment of staff through consideration of employee welfare.
   c. Where an employer attempts to minimize labor costs and avoid unionization.

17. Good and harmonious industrial relations create a sense of belongingness and group-cohesiveness among workers, and also a congenial environment resulting in less industrial unrest, grievances and disputes.
   a. True
   b. False

18. The scope of industrial relations includes all aspects of relationships such as bringing cordial and healthy labor management relations, creating industrial peace and developing industrial democracy.
   a. True
   b. False

19. The personnel manager should be not remove any distrust by convincing the union of the company’s integrity and his own sincerity and honesty.
   a. True
   b. False

20. The major objectives of industrial relations are to maintain sound relations between employees and employers to develop harmonious relations and establish the industrial democracy.
   a. True
b. False

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Chapter-2: Trade Unions

Self Assessment Questions

1. A trade union is an organization of employees formed on a continuous basis for the purpose of securing diverse range of benefits.
   a. True
   b. False

2. Which of the following is not a characteristic of trade union?
   a. voluntary association
   b. common goals
   c. intermediary
   d. individual actions

3. Which union is focused on making the skills of its members valuable and not easily replaceable in organizations?
   a. industrial union
   b. occupational union
   c. general union
   d. white-collar union

4. A union meant to protect the interests and rights of the non-manual employees is called a
   a. white-collar union
   b. blue-collar union
   c. brown-collar union
   d. None of the above

5. Trade unionism is a worldwide movement and the highly strategic position occupied by trade unions in modern industrial society has been widely recognized.
   a. True
6. Employees join unions to fulfil their …………. needs.
   a. social
   b. esteem
   c. economic
   d. All of the above

7. What should be the minimum number (of persons) required to register a trade union?
   a. five
   b. six
   c. seven
   d. eight

8. A European directive which helps establishes employer/employee consultation procedures for EU multinational companies in the EU.
   b. The Part time Worker’s Directive
   c. The Directive
   d. The Parent Leave Directive

9. The term ‘labor movement’ is generally applied to all the various types of long-term association of workers/employees that the formed in industrialized or industrializing economies.
   a. True
   b. False

10. A process or method by which management attempts to widen the skills of its employees.
    a. Functional flexibility
    b. Single-table bargaining
c. Partnership agreements
   d. Performance related pay

11. A state of the labour market which is often linked to a lower wage for those employed.
   a. Seniority wage
   b. National Minimum Wage
   c. Monopsony
   d. Cost of living

12. The short-run aggregate supply curve is upward sloping because
   a. a lower price level creates a wealth effect.
   b. lower taxes motivate people to work more.
   c. money wages do not immediately change when the price level changes.
   d. most business firms operate with long-term contracts for output but not labor.

13. A change in the full-employment quantity of labor .......... the short-run aggregate supply curve and .......... the long-run aggregate supply curve.
   a. shifts; shifts
   b. shifts; does not shift
   c. does not shift; shifts
   d. does not shift; does not shift

14. The principles and practices of trade unionism are embedded in the economic systems of most industrial countries.
   a. True
   b. False

15. According to the wealth effect, an increase in the price level .......... real wealth and .......... consumption expenditure.
   a. increases; increases
   b. increases; decreases
   c. decreases; increases
d. decreases; decreases

16. Economic growth will occur and the price level will be constant when the increase in aggregate demand

   a. exactly equals the increase in long-run aggregate supply.
   b. is more than the increase in long-run aggregate supply.
   c. is less than the increase in long-run aggregate supply.
   d. is accompanied by a decrease in short-run aggregate supply.

17. Which of the following would lead to a downward shift in the nation’s production function?
   a. Workers have more physical capital to work with
   b. Workers have engaged on in on-the-job training
   c. Workers have less human capital than before
   d. The size of the labor force has decreased

18. Because the marginal product of labor decreases as the quantity of labor employed increases, the quantity of labor a firm demands
   a. rises as the real wage rate falls.
   b. rises as the money wage rate rises.
   c. can either rise or fall as the real wage rate changes depending on what is happening to the money wage rate.
   d. none of the above because the marginal product of labor is independent of the quantity of labor demanded.

19. Trade unions can be structured in any number of ways and this will differ depending on the country and the industry that is involved.
   a. True
   b. False

20. The strength of the labor movement at any given moment has been linked to general economic conditions.
   a. True
   b. False
Answers for Self Assessment Questions

1. (a) 2. (d) 3. (b) 4. (c) 5. (a) 6. (d) 7. (c) 8. (a) 9. (a) 10. (a) 11. (c) 12. (c) 13. (a) 14. (a) 15. (d) 16. (a) 17. (a) 18. (c) 19. (a) 20. (a)
Chapter-3: Industrial Disputes

Self Assessment Questions

1. Dispute resolution is the process of resolving a dispute or a conflict by meeting at least some of each side’s needs and addressing their interests.
   a. True
   b. False

2. Which of the following statements is not true about an industrial dispute?
   a. The dispute may relate to employment.
   b. The dispute may relate to non-employment.
   c. The dispute may be between worker and worker.
   d. The dispute may be between employer and government.

3. Which of the following is not a cause of industrial dispute?
   a. demand for pay and benefits hike
   b. demand for hygienic and safer working conditions
   c. demand for better labour welfare
   d. None of the above

4. When employees resort to unauthorized strike in violation of the labour contract or agreements, it is called
   a. pen-down
   b. tools-down
   c. sit-in strike
   d. wild-cat strike

5. Which of the following is a specific form of protest organized with the intention to prevent or dissuade the non-striking employees from attending to their work during the strike period?
   a. hunger strike
b. work-to-rule strike  
c. picketing  
d. sick-out strike

6. The strike organized to express solidarity with the striking employees in the same organization, industry or region is called
   a. hunger strike  
b. sympathy strike  
c. tool-down strike  
d. None of the above

7. Which of the following dispute settlers cannot make a binding decision?
   a. arbitrator  
b. adjudicator  
c. conciliator  
d. industrial tribunal member

8. Dispute resolution is the process of resolving a dispute or a conflict by meeting at least some of each side’s needs and addressing their interests.
   a. True  
b. False

9. Industrial disputes are organized protests against existing terms of employment or conditions of work.
   a. True  
b. False

10. Prevention of Industrial disputes is not a pro-active approach in which an organization undertakes various actions through which the occurrence of Industrial disputes is prevented.
    a. True
b. False

11. A person using an "avoiding" style of engaging in conflict is likely
   a. irresponsible.
   b. trying to ignore a problem.
   c. trying to manipulate another person.
   d. unlikable.

12. Collaborating is
   a. other-oriented.
   b. education-oriented.
   c. self-oriented.
   d. competition-oriented.

13. Understanding exactly why one is angry can help one to
   a. manage it.
   b. hide it.
   c. unleash it.
   d. direct it.

14. The first stage of conflict resolution is to
   a. choose a solution.
   b. define the problem.
   c. analyze the problem.
   d. think through possible solutions.

15. What drives conflict?
   a. Unreasonable rules
   b. Interpersonal relationships
   c. Goals
   d. Angry people
16. Which of the following is the most likely consequence of avoiding a conflict?

   a. Everyone wins.
   b. The issue can resurface in another guise.
   c. It will go away permanently.
   d. Resentment will build.

17. When a conflict is defined, what needs to be attended to in addition to any obvious issues?

   a. The relationship
   b. Accommodation
   c. Evaluation
   d. Where the conflict will be resolved

18. The dispute resolution process is a participatory and creative process and is required prior to filing a grievance to a decision maker.

   a. True
   b. False

19. Appropriate Dispute resolution (ADR) as it is commonly called

   a. comprises Arbitration
   b. Mediation
   c. Conciliation and Negotiation
   d. All of these

20. A “common law system” is a legal system that gives great precedential weight to common law, on the principle that it is unfair to treat similar facts differently on different occasions.

   a. True
   b. False

**Answers for Self Assessment Questions**

1. (a) 2.(d) 3.(d) 4.(d) 5.(c)
Chapter-4: Collective Bargaining

Self Assessment Questions

1. Collective bargaining is the process by which employers and organized groups of employees seek to reconcile their conflicting goals through mutual accommodation.
   a. True
   b. False

2. What is meant by the term `collective bargaining’?
   a. A process by which a union negotiates with an employer on behalf of its members on matters concerning the terms and conditions of employment.
   b. A process by which a union negotiates with suppliers for the provision of e.g. office furniture.
   c. A process by which a union meets with another union to discuss recruitment.
   d. A process by which a union recruits new members.

3. Which of the following is not an `industrial tort’?
   a. Inducement.
   b. Intimidation.
   c. Gross misconduct.
   d. Conspiracy.

4. Which of the following can a union do once it is `recognized’?
   a. Apply for union status.
   b. Apply to engage in the `closed shop’.
   c. Apply to be referred to as a `workplace union’.
   d. Engage in collective bargaining with an employer.

5. Collective bargaining includes not only negotiations between the employers and unions but also includes the process of resolving labor-management conflicts.
   a. True
b. False

6. When will the actions of a union attract statutory immunity?
   a. When they are discussed with the Certification Officer.
   b. When they are in contemplation or furtherance of a trade dispute.
   c. When the government allows this to be the case.
   d. When they are in contemplation of mass union recruitment.

7. Collective bargaining is specifically an industrial relations mechanism or tool, and is an aspect of negotiation, applicable to the employment relationship.
   a. True
   b. False

8. Industrial relations concern the relationship between ............... of an industry.
   a. the management
   b. the employees
   c. Both a and b
   d. None of these

9. ............is called participative because it is a formal programmed involving every employee in the organization; making each one responsible for improving quality every day.
   a. TQM
   b. SC
   c. SCM
   d. None of these

10. Employees trust that with the presence of QWL initiatives they feel safe, relatively well satisfied and able to grow and thus can develop as human beings.
    a. True
    b. False
11. Predicting or studying QWL variables depends on approaches adopted to improve QWL situation at the .................
   
a. Industrial level  
b. Business level  
c. Organizational level  
d. None of these

12. Empowerment occurs when authority and responsibility are passed on to the employees who then experience a sense of ownership and control over their jobs.
   
a. True  
b. False

13. Collective bargaining involves discussions and negotiations between ............. as to the terms and conditions of employment.
   
a. One groups  
b. Two groups  
c. Three groups  
d. None of these

14. Collective bargaining includes not only negotiations between the ............. but also includes the process of resolving labor-management conflicts.
   
a. Employers  
b. Customer  
c. Unions  
d. Both a and c

15. Participation must work as complementary body to help collective bargaining, which creates conditions of work and also creates legal relations.
   
a. True  
b. False
16. The benefits of QWL initiative go to both ............
   a. employees
   b. customer
   c. employers
   d. Both a and c

17. Deregulation of economy, organizations in developed and developing are demanding for more autonomy in labor related decisions, provisions and mechanism of implementing QWL initiatives should come from the .........................
   a. labor laws
   b. customer laws
   c. labor laws
   d. None of these

18. QCs can be an excellent bridge between participative and non-participative approaches.
   a. True
   b. False

19. Staff councils or works councils are bodies on which the representation is entirely of the employees.
   a. True
   b. False

20. Collective bargaining tends to improve the relations between workers and the union on the one hand and the employer on the other.
   a. True
   b. False

Answers for Self Assessment Questions
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Chapter-5: Labor Legislation

Self Assessment Questions

1. The Contract Labor (Regulation & Abolition) Act aims at regulating employment of contract labor so as to place it at par with labor employed directly, with regard to the working conditions and certain other benefits.
   a. True
   b. False

2. Section 2(n) of the Factories Act, 1948 defines .......
   a. Occupier
   b. Employee
   c. Owner
   d. Manager

3. The Power or exempt, any factory, during public emergency is given in which section of the Factories Act, 1948?
   a. Section 5
   b. Section 6
   c. Section 4
   d. Section 3

4. An occupier, before using any premises as a factory, should send a written notice to the Chief Inspector at least ....... days in advance.
   a. 30
   b. 20
   c. 15
   d. 10

5. If a new manager is appointed and takes charge on a given day, the Occupier must send a written notice to the Inspector within ......... days.
6. Section 9 of the Act provides that the Principal Employer, to whom this Act is applicable, fails to get registered under the Act, and then such Principal Employer cannot employ contract labor.
   a. True
   b. False

7. If a Manager is not appointed for a factory then the Occupier of the factory will be considered as the Manager of the factory as per the Factories Act, 1948.
   a. True
   b. False

8. General duties of the Occupier are mentioned in which section of the act?
   a. Section 7-D
   b. Section 7-C
   c. Section 7-B
   d. Section 7-A

9. The term “Inspectors” is discussed in which section of the Factories Act, 1948?
   a. Section 7
   b. Section 8
   c. Section 9
   d. Section 10

10. The State Government cannot appoint Joint Chief Inspectors.
    a. True
    b. False
11. Powers of Inspectors are discussed in the Section .......... 
   
   a. 8  
   b. 10  
   c. 11  
   d. None of these 

12. Section 10 of the Factories Act, 1948 speaks about ............  
   
   a. Certifying Surgeons  
   b. Certifying Doctors  
   c. Certified Employees  
   d. Certified Examiners 

13. The first Factories Act was enacted in  
   
   a. 1881  
   b. 1895  
   c. 1897  
   d. 1885 

14. Who has completed 18 years of age3, A person who has ultimate control over the 
affairs of the factory under Factories Act, 1948 is called as ...............  
   
   a. Occupier  
   b. Manager  
   c. Chairman  
   d. Managing Director. 

15. The factories ............... is one of the most important legislations covering the 
manufacturing sector.  
   
   a. Act of 1946  
   b. Act of 1947  
   c. Act of 1948  
   d. Act of 1949
16. An industrial dispute may be defined as a conflict or difference of opinion between management and workers on the terms of employment.
   a. True
   b. False

17. ................. may also be liable to compensate his customers with whom he may have contracted for regular supply.
   a. The customer
   b. The business
   c. The employer
   d. None of these

18. The Rules provide for appointment of a dispute subcommittee or a board for the settlement of disputes and or a panel, of arbitrators for the purpose.
   a. True
   b. False

19. The Payment of ............... is a central legislation which applies to the persons employed in the factories and to persons employed in industrial.
   a. Wages Act, 1934
   b. Wages Act, 1935
   c. Wages Act, 1936
   d. None of these

20. The Payment of Bonus Act, 1965 was enacted to provide for the payment of bonus to persons employed in certain establishments on the basis of profits or productivity and for the matters connected therewith.
   a. True
   b. False

Answers for Self Assessment Questions
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Chapter-6: Conciliation

Self Assessment Questions

1. In the present volume, the term ‘conciliation’ is often used in a broad sense to denote various means to settle cases without a court judgment.
   a. True
   b. False

2. Adjudication is usually binding on the person making the complaint, so can take our case to court if do not agree with the adjudicator’s decision.
   a. True
   b. False

3. If the arbitrator makes a decision to settle a dispute between an employer and the trade union, this instrument that settles the dispute is called:
   a. An award.
   b. A regulation.
   c. A declaration.
   d. A recommendation.

4. Awards apply to which employment relationship:
   a. Employer – contractor.
   b. Employer – employee.
   c. Employer – agency worker.
   d. All of the above.

5. Adjudication and arbitration can be used for a range of problems, including tenancy deposit disputes and complaints about .....................
a. goods  
b. Business  
c. Services  
d. Both a and c

6. The arbiter weighs the evidence and draws a conclusion, either deciding for one of the parties or proposing a ...............  
   a. unique solution  
   b. not unique solution  
   c. Both a and b  
   d. None of these

7. ............... has become one of the most delicate and complex problems of modern industrial society.  
   a. Business relations  
   b. Organization relations  
   c. Industrial relations  
   d. None of these

8. Industrial progress is impossible without cooperation of labors and harmonious relationships.  
   a. True  
   b. False

9. An industrial relations system consists of the whole gamut of relationships between ............... which are managed by the means of conflict and cooperation.  
   a. employers  
   b. employees  
   c. Both a and b  
   d. None of these

10. ................. certain rights vis-à-vis labors.
a. Government process  
b. Employers possess  
c. Industrial relations process  
d. None of these

11. Trade unions have responded to the crisis by calling for greater government intervention to support ………………

   a. Industrial level  
   b. Business level  
   c. Employment level  
   d. None of these

12. Direct conflict in organizational decision making is discouraged in favor of a more informal group consensus building.

   a. True  
   b. False

13. A conservative government, led by the then Prime Minister Margaret Thatcher, was elected …………… on an anti-trade union, neo-liberal platform.

   a. in 1959  
   b. in 1969  
   c. in 1979  
   d. None of these

14. Large-scale enterprises were particularly successful in forestalling the formation of unions, and several developed alternative “Japanese” models of paternalistic management.

   a. True  
   b. False

15. The …………… may by notification extend the provisions to any class of person employed in any establishment or class of establishments.
a. Government  
b. State Government  
c. Public sector  
d. None of these

16. Trade associations often have ............... for dealing with disputes between consumers and organizations that are members of the association.
   a. adjudication schemes  
b. arbitration schemes  
c. Both a and b  
d. None of these

17. Adjudication and arbitration can be used for a range of problems, including
   a. tenancy deposit disputes  
b. complaints about goods  
c. services  
d. All of these

18. The courts have developed adjudication law so that the process could easily be considered as arbitration under the Arbitration ...............  
   a. Act 1976  
b. Act 1986  
c. Act 1996  
d. None of these

19. Arbitration is a method of settling disputes by referring the issue to a tribunal of one or more persons appointed for that purpose by the agreement of the parties.
   a. True  
b. False

20. ............... Code of Civil Procedure gave him the power to order the parties to appear in court in order to promote a settlement.
   a. Article 19 of the 1836  
b. Article 19 of the 1837  
c. Article 19 of the 1838
d. None of these

Answers for Self Assessment Questions

1. (a)  2. (b)  3. (a)  4. (b)  5. (d)
6. (a)  7. (c)  8. (a)  9. (c)  10. (b)
11. (c) 12. (a) 13. (c) 14. (a) 15. (b)
16. (c) 17. (d) 18. (c) 19. (a) 20. (c)
Chapter-7: Labor Welfare

Self Assessment Questions

1. The current realities of the world remain a significant requirement for any company or organization that deals with labor related strategies.
   a. True
   b. False

2. The employee welfare facilities available inside the organization are called
   a. intra-mural facilities
   b. extra-mural facilities
   c. extravagance
   d. None of the above

3. Who among the following has the responsibility for employee welfare?
   a. Employers
   b. Central government
   c. State government
   d. All of the above

4. In the absence of statutory requirements, the employers may not provide even the basic facilities to the employees. This is the basic assumption of the
   a. Religious theory
   b. Policing theory
   c. Appeasement theory
   d. Benevolence theory

5. According to which theory, employee welfare is an investment which would multiply and return to the employers in some other forms?
   a. Religious theory
   b. Policing theory
   c. Appeasement theory
   d. Benevolence theory

6. An inclination to do something good for others can influence the employers to undertake welfare facilities. This is the assumption of the
   a. Religious theory
b. Policing theory
c. Appeasement theory
d. Benevolence theory
7. The labor market is a key part of the economy and long-term trends have major implications not only for the economy but also society more generally.
   a. True
   b. False
8. Which of the following benefits is covered under social security schemes?
   a. Retirement benefits
   b. Compensation facilities
   c. Medical facilities
   d. All of the above
9. In which year was the Employees’ State Insurance Act enacted?
   a. 1948
   b. 1976
   c. 1923
   d. 1961
10. In which of the following years was the Workmen’s Compensation Act introduced?
    a. 1948
    b. 1976
    c. 1923
    d. 1961
11. The Maternity Benefit Act was introduced in the year
    a. 1948
    b. 1976
    c. 1923
    d. 1961
12. The Payment of Gratuity Act was introduced in the year
    a. 1972
    b. 1976
    c. 1923
    d. 1961
13. Employees’ Deposit Linked Insurance Scheme was introduced in the year
14. If any article is stored in a cold storage, is it considered as a Manufacturing Process under the Act?

a. Yes  
b. No

15. As per the Act, a person who has not completed his 15th year of age is a/an............

a. Adolescent  
b. Teenager  
c. Child  
d. Adult

16. Fair wage is understood in two ways. In a narrow sense, wage is fair if it is equal to the rate prevailing in the same trade and in the neighborhood for similar work.

a. True  
b. False

17. "Welfare" is not part of the Factories Act, 1948.

a. True  
b. False

18. As per the act, the floor of every work room should be cleaned once every........

a. day  
b. month  
c. week  
d. hour

19. Minimum wage is the one which provides, not merely for bare sustenance of life but also for the preservation of the efficiency of the workers.

a. True  
b. False

20. .................. is a qualitative measurement and production refers to quantity.
a. Productivity  
b. Contribution  
c. Effective  
d. None of these

Answers for Self Assessment Questions

1. (a)  2.(a)  3.(d)  4.(b)  5.(a)  
6. (d)  7.(a)  8.(d)  9.(a)  10.(c)  
11. (b) 12.(a) 13.(b) 14.(a) 15.(c)  
16. (a) 17.(b) 18.(c) 19.(a) 20.(a)
Chapter-8: Labor Market

Self Assessment Questions

1. The current realities of the world remain a significant requirement for any company or organization that deals with labor related strategies.
   
   a. True  
   b. False

2. All of the following increase the wage paid to carpenters except
   
   a. an increase in the demand for new houses.  
   b. a new belief among workers that carpentry is a less desirable job.  
   c. a fall in the price and marginal revenue of new houses.  
   d. the introduction of new saws that increase the marginal productivity of carpenters.  
   e. an increase in the demand for carpenters.

3. If the supply curve for a factor shifts to the right, the price of the factor will .................. while the quantity employed will .................
   
   a. rise; rise  
   b. rise; fall  
   c. not change; not change  
   d. fall; rise  
   e. fall; fall

4. The labor market is different from other factor markets for all of the following reasons except that
   
   a. slavery is against the law.  
   b. people care about the jobs at which they work.  
   c. workers can engage in alternative activities such as household production.  
   d. unions may be formed.  
   e. the number of people willing to work does not depend on their wage.
5. Other things equal, wages in less desirable jobs are ............. wages in more desirable jobs.
   a. more than
   b. equal to
   c. less than
   d. sometimes more than and sometimes less than
   e. not comparable to

6. Productivity and unit labor costs in combination with hourly compensation costs can be effective if used to assess the international competitiveness of a labor market.
   a. True
   b. False

7. Which of the following is best described as an investment in human capital?
   a. The purchase of a new machine tool that only skilled workers can use.
   b. Saving an additional $20,000 in a savings account that pays a higher interest rate.
   c. Learning how to use a word processing program on a computer.
   d. Quitting work to take a vacation.
   e. None of the above are examples of acquiring human capital.

8. The marginal product of labor tells us
   a. which employee is the most productive.
   b. the average output produced by each employee.
   c. the additional output produced by the last employee hired.
   d. how much money the firm can make from hiring each employee.

9. Diminishing marginal returns occur because
   a. hiring more employees means that each has less capital with which to work.
   b. it is more difficult to manage a firm as the size of the workforce and
capital stock both grow.
c. the best employees will always be hired first.
d. hiring more employees means that they will subdivide tasks and therefore become more efficient.

10. The labor market is a key part of the economy and long-term trends have major implications not only for the economy but also society more generally.
   a. True
   b. False

11. If the firm hires to a point where the marginal expense of labor is greater than the marginal revenue product of labor, then
   a. profits could be increased by increasing employment.
   b. profits could be increased by reducing employment.
   c. profits are maximized.
   d. total cost must be greater than total revenue.

12. When deciding the salary of a sports star,
   a. the team must consider how much money the sports star should earn.
   b. the team must consider how much the sports star will cause revenues to increase.
   c. the team estimates the sports star's marginal product; because this is a guess, sports stars are generally underpaid.
   d. the team will hire the sports star if doing so will increase the team's revenues.

13. The firm's labor demand curve in the short run
   a. is upward sloping.
   b. is horizontal.
   c. is the downward sloping segment of the marginal revenue schedule.
   d. is the downward sloping segment of the marginal product of labor schedule.

14. If a tax is placed on an employer
   a. workers will not have to pay the tax.
   b. both wages and employment levels will usually decrease.
   c. customers will not have to pay the tax.
d. wages will decrease but employment levels will increase.

15. An employer who is a monopolist in the product market will probably

a. hire more employees than a perfect competitor would.
b. hire fewer employees than a perfect competitor would.
c. hire the same number of employees as a perfect competitor, due to competitiveness in the labor market.
d. hire fewer workers at a higher wage than a perfect competitor would.

16. A rent ceiling below the equilibrium rent will encourage

a. a larger number of apartments rented.
b. a more efficient allocation of housing.
c. no change in the number of apartments rented.
d. increased search time and black markets.

17. Generally the demand for farm products is

a. perfectly inelastic.
b. inelastic but not perfectly inelastic.
c. perfectly elastic.
d. elastic but not perfectly elastic.

18. Most farm products have

a. inelastic demands.
b. unstable demands.
c. demand curves with positive slopes.
d. elastic demands.

19. If demand is inelastic, a leftward shift of the supply curve will

a. have no effect on total revenue.
b. decrease total revenue.
c. shift the demand curve leftward.
d. increase total revenue.
20. Wage and Salary Administration presents the analytical framework for reward systems them.
   a. True
   b. False

Answers for Self Assessment Questions

1. (a)  2. (c)  3. (e)  4. (e)  5. (a)
6. (a)  7. (c)  8. (c)  9. (a)  10. (a)
11. (b) 12. (b) 13. (d) 14. (b) 15. (b)
16. (d) 17. (b) 18. (a) 19. (d) 20. (a)
Chapter-9: Role of Industrial Court

Self Assessment Questions

1. The industrial court (the Court) is a Tribunal …………….. Public Body with statutory powers.
   a. Departmental  
   b. Non-Departmental  
   c. Both a and b  
   d. None of these

2. The Industrial Court Ordinance 1948 was enacted to establish an arbitration system.
   a. True  
   b. False

3. The Industrial Court at that time was a voluntary arbitration body, which heard disputes on an ad hoc basis between ……………….. only 4 disputes were heard.
   a. 1928 -1954  
   b. 1938 -1944  
   c. 1948 -1964  
   d. None of these

4. The International Court of Justice (ICJ) is the main judicial tribunal of the United Nations, to which all member states are parties.
   a. True  
   b. False

5. The ……………. should be among the first criteria since it is of upmost importance for the workers that they be paid in exchange for their work.
   a. payment of stage  
   b. payment of court  
   c. payment of wages  
   d. None of these

6. This is the convention that the ILO used most often when intervening in CIS countries in the …………..
   a. 1970s  
   b. 1980s
c. 1990s
d. None of these

7. The Industrial Relations Commission of New South Wales may hear and determine appeals against decisions relating to the discipline and promotion of NSW ………….. employees.

a. public sector
b. government sector
c. marketing sector
d. None of these

8. The Commission retains jurisdiction in relation to the terms and conditions of …………….. 

a. employment of State government
b. Local government employees
c. Both a and b
d. None of these

9. A party to proceedings before the Commission may appear personally or be represented by a practicing legal practitioner or by an agent who is not such a practitioner.

a. True
b. False

10. The industrial Court (IC) is a specialized court, established as a court of low and equity, under section 15 of the trade dispute …………………

a. Act no. 14 of 2003
b. Act no. 15 of 2003
c. Act no. 15 of 2004
d. None of these

11. The ………………….. was established in 1940 under the Industrial Court of Inquiry Rules but it did not function due to the Japanese Occupation.

a. Industrial Court
b. Business Court
c. Organization Court
12. This Act applies to international commercial arbitration, subject to any agreement which is in force between Canada and any other state or states and which applies in British Columbia.
   a. True
   b. False

13. During the ................. activities were carried out illegally as many trade union leaders were influenced by communist subversive elements.
   a. Emergency period
   b. trade union
   c. Both a and b
   d. None of these

14. The Industrial Court ................. was enacted to establish an arbitration system.
   a. Ordinance 1946
   b. Ordinance 1947
   c. Ordinance 1948
   d. None of these

15. Disputes may be placed before the court by parties upon conditions prescribed by the U.N. Security Council.
   a. True
   b. False

16. Nonpayment of wages can take three possible forms:
   a. Simple non-payment of wages, representing part of or all of a wage that is due but never paid;
   b. Delays in the payment of wages, representing a wage payment that will eventually be paid but with a considerable delay (of a few weeks or months);
   c. Underpayment of wages, representing a payment that is made, but well below the legal or expected rate.
   d. representing part of or all of a wage that is due but never paid
   e. all of the a, b and c
17. The dispute may be about the performance of a specific contract, a claim of unfair or illegal treatment in the……………. , a faulty product, among other various issues.

a. worker  
b. work size  
c. workplace  
d. None of these

18. The Industrial Relations Commission is established under the Industrial ………….. with conciliation and arbitral functions.

a. Relations Act 1994  
b. Relations Act 1995  
c. Relations Act 1996  
d. None of these

19. To prevent and eliminate discrimination in the workplace and in particular to ensure equal remuneration for men and women doing work of equal or comparable value.

a. True  
b. False

20. The Commission also has an appellate jurisdiction considering matters dealt with by single Members of the Commission, the Industrial Magistracy and the Registrar.

a. True  
b. False

Answers for Self Assessment Questions
1. (b)  2.(a)  3.(c)  4.(a)  5.(c)  
6. (c)  7.(a)  8.(a)  9.(a)  10.(c)  
11. (a) 12.(a)  13.(c)  14.(c)  15.(a)  
16. (e) 17. (c) 18. (c) 19. (a) 20. (a)