2012
[July]
ECONOMICS
Labour Economics

Full Marks: 75; Time: 3 hours
The figures in the margin indicate full marks for the questions

Answer **five** questions, selecting at least **one** from each Credit

CREDIT – I

1. What happen to the hours of work when the wage rate increases? Decompose the change in hours of work into income and substitution effects. (9+6)
2. Describe the trends in wages and employment implied by the Cobweb model for the engineering market. (15)

CREDIT - II

3. Discuss the implication of a decline in aggregate demand for goods and services on the aggregate demand for labour. What policy measures can be adopted to tackle such problems? (8+7)
4. What factors have been responsible for the alleged simultaneous existence of primary and secondary labour markets? (10+5)

CREDIT – III

5. Discuss how the wage-schooling locus is determined in the labour market, and why is it upward sloping and concave. (9+6)
6. Write short notes on the following: (i) Deferred Payment Schemes (ii) Fringe Benefits. (7.5+7.5)

CREDIT – IV

7. Derive the Oaxaca measure of discrimination. (15)
8. Discuss Chamberlin's model of the bargaining process. (15)