No 2

i) Labour supply = $W = 3E$

$MRP_E = 192 - 18E$

$MFC = 6E$

Employment = $\frac{MRP_E}{\text{Labour supply}}$

$= \frac{192 - 18E}{3}$

Optimal employment = $\frac{192 - 18E}{3E}$

ii) wage rate paid

$= \frac{\text{Optimal employment}}{\text{marginal product}} = \frac{192 - 18E}{3E} \Big/ 6E$

$= \frac{(192 - 18E)6E}{3E}$

No 3

EQ wage = $10

EQ employment = 15

when there is increase in household there is demand for a dog groomer so supply labour will reduce there will be a negative change in wages supplies is down

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No 4

Eq wage = ₹20
employment level = 50

change in wage = 18
employment = 60

level of Surplus = $\frac{\text{Change in employment level}}{\text{Change in wage}}$

$= \frac{2c - 1\%}{50 - 60} = \frac{2}{10}$

$= 0.8$

The Surplus will rather because there is relationship between the Change in the employment and wage rate

NO 7

MRP = $14 per hour

(a) Average wage

$$= \frac{14+11}{2} = 12.50$$

This is a good idea because it's the average of trained and untrained workers wages. The average will not cause any loss to Gamma Co-operation. It's fair to trained and untrained employees is entered.

(b) If Gamma is paying $14 per hour to the trained employee and $12.50 is not a good idea as per MRP because the workers will differ wages in the Corporation.