

## Information for Applicants

### Labour Policies for Inclusive Growth

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Most advanced economies have struggled to deliver inclusive growth in recent decades. Many voters are fearful about the impact on their lives of technological change, of large-scale immigration, and a shifting balance of power in the labour market that seems to have benefitted employers at the expense of workers. There is a widening gap in economic fortunes between ex-industrial areas and dynamic cities with service-based economies. The stakes are high: we should not be that surprised if some voters no longer support growth-enhancing policies if they do not see themselves as benefitting from that growth.

While it is easy to identify the problems, diagnosing the causes and finding solutions that can deliver inclusive growth is more difficult. This proposal aims to improve our understanding of the causes to deliver cutting-edge research with the ultimate aim of improving policies.

The following Table gives the initial list of proposed projects. This may be subject to change as the research evolves and there may be some work on different but related projects.

| Project  | Question   |
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| P1: Technology, Job Polarization and Inequality            | What has been the impact of job polarization on wage inequality?   |
| P2: Job Polarization and Skill Formation                   | P2a: What is the appropriate skills policy in a polarizing labour market?", and P2b: "How do labour market entrants choose education and occupation in a polarizing labour market?"                        |
| I1. Immigration Through the Lens of Occupation             | What has been the impact of immigration on wages, employment and unemployment?   |
| I2. Immigration and Imperfectly Competitive Labour Markets | I2a: If labour markets are imperfectly competitive, how does this affect our assessment of the labour market impact of immigration?<br>I2b: What has been the impact of immigration on prices and profits? |
| I3. The Evaluation of Immigration Policy                   | How does immigration policy affect labour markets?   |
| M1. The Elasticity of Labour Supply to Firms               | How is the flow of recruits to a firm affected by the wage paid?   |
| M2. Estimating Employer Market Power in the Labour Market  | What is the gap between wages and the marginal revenue product of labour?  |