I would be pleased to accept a version of your paper into the Journal upon some largely editorial changes. In addition to the changes which you already indicate you will undertake I am hoping that you will also consider the following:

1. In response to the referee’s comment 1a you give some additional background – it would be nice to have some of this included in the paper.

2. Given that we are not faced with page constraints I’m fine with leaving Section 2 in the paper. However, it would be good if you could also clearly indicate in the revision where your model departs from the previous literature (especially Barry and Waldfogel). This will make it easier for readers who know the Barry framework to access your thoughts.

3. You give replies to the reviewer’s thoughts in points 3a and 3b – you should include these in some form in the revised version.