

LABOUR ECONOMICS - THEORY
ECONOMICS EC2155A-001
Department of Economics
Western University

September 2019

General Information:

Instructor: Phuong Vu
Office: 4046 SSC
Phone: 519-661-2111 ext. 85886
E-mail: pvu6@uwo.ca
Office hours: Mondays: 4:30 – 6:30 p.m. in UCC 37
Classroom meeting time(s) & location: Mondays 10:30 - 11:30 a.m. Wednesdays 10:30 - 11:30 a.m. Fridays 10:30 - 11:30 a.m.
Course website: <https://owl.uwo.ca/portal>
Undergraduate inquiries: 519-661-3507 or SSC Room 4075 or econugrd@uwo.ca

Registration:

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

Prerequisite Note:

The prerequisite(s) for this course is (are) **Economics 2150 A/B**
Prerequisite(s) for your course can be found in the Western Calendar at:
<http://westerncalendar.uwo.ca/Courses.cfm?Subject=ECONOMIC&SelectedCalendar=Live&ArchiveID>

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken any anti-requisite courses. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

Course Objectives:

This course is designed to inform students with traditional and contemporary topics in labour economics. The class provides students a systematic development of the theory of labour demand, labour supply, and the interaction of labour demand and labour supply that determines wage and employment. This course also aims to develop reasons for wage differentials to exist among workers and to equip students with knowledge on human capital theory, wage structures across markets, and unemployment. Another purpose of the course is to equip students with empirical findings on discussed topics.

Course Learning Outcomes:

By the end of the course, as a successful student, you will be able to:

1. Analyze supply and demand behavior in labour markets and how the interaction of these two markets determines wages and employment.
2. Explain the wage differentials exist among workers and the wage structures across markets.
3. Evaluate the effects of government policies, such as minimum wage laws and income maintenance schemes.
4. Apply human capital theory to explain the decision to invest in human capital.
5. Explain causes and consequences of unemployment.
6. Recall empirical findings on the theory of labour demand, labour supply and their interaction.

Textbook(s):

Labour Market Economics, 8th edition, by Benjamin, Gunderson, Lemieux and Riddell.

Grading:

There will be three midterms worth 15% each, and a final exam worth 55%.

Midterm 1: Monday, September 30, 2019, 10:30-11:20 a.m.

Midterm 2: Monday, October 21, 2019, 10:30-11:20 a.m.

Midterm 3: Friday, November 15, 2019, 10:30-11:20 a.m.

Final Examination: Set by Registrar

Students who fail to sit for the mid-term exams and have valid documented reasons will have their final examination reweighted accordingly depending on the number of missed exams.

Topics Covered and Readings:

Topics covered include the theory of labour supply, labour demand, and the interaction of the demand and supply that generates the outcomes in the labour market. In this course, we also study factors contributing to wage differentials, human capital theory, wage structures across markets and unemployment. The course emphasizes on the interaction of theoretical modeling and empirical findings. In particular, the course covers these following chapters:

- Chapter 1: Introduction to Labour Market Economics
- Chapter 2: Labour Supply: Individual Attachment to the Labour Market
- Chapter 3: Labour Supply and Public Policy
- Chapter 4: Labour Supply over the Life Cycle
- Chapter 5: Demand for Labour in Competitive Labour Markets
- Chapter 6: Labour Demand, Nonwage Benefits, and Quasi-fixed Costs
- Chapter 7: Wages and Employment in a Single Labour Market
- Chapter 8: Compensating Wage Differentials
- Chapter 9: Human Capital Theory: Applications to Education and Training
- Chapter 10: Wage Structures across Markets
- Chapter 12: Discrimination and Male-Female Earnings Differentials
- Chapter 16: Unemployment: Meaning, Measurement, and Canada's Experience
- Chapter 17: Unemployment: Causes and Consequences

Further readings will be provided later on OWL during the class.

Copyright:

Lectures and course materials, including power point presentations, outlines, and similar materials, are protected by copyright. Students may take notes and make copies of course materials for their own educational purposes. Students may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, wiki material, and other course materials publicly and/or for commercial purposes without written consent.

Please Note
Department Policies for 2019-2020

Remember that the University expects all students to take responsibility for their own Academic Programs. Students should also check their registration to ensure they are enrolled in the correct courses.

1. Guidelines and policies for the Faculty of Social Science and the Department of Economics are posted online in the current Western Academic Calendar at:
<http://westerncalendar.uwo.ca>.
2. Students must familiarize themselves with the “Rules of Conduct for Examinations”
http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf.
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat”. The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other Economics courses or programs. The University may impose further penalties such as a notation on an official academic transcript, suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. When taking an idea/passage from another author, it must be acknowledged with quotation marks where appropriate and referenced with footnotes or citations. Plagiarism is an academic offence (see Scholastic Discipline for Undergraduate Students in the Western Calendar at http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20).

Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3.

5. It is a Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students must submit assignments in class or to the instructor during office hours.
6. When appealing a mark, students should refer to the Student Academic Appeals section in the current Western Academic Calendar at:
http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14

Please note the relevant deadlines.

The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may proceed with a written appeal (e-mails are not acceptable) to the Undergraduate Director in Economics, stating the reasons for their appeal. A checklist is provided at:
http://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals.

7. Systematic adjustments of a class grade distribution (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following add and drop deadlines:

Deadline to <u>add</u> a first term half course:	Wednesday September 13, 2019
Deadline to <u>drop</u> a first term half course:	Tuesday November 12, 2019
9. Faculty of Social Science policy states that oversleeping or misreading an exam schedule is NOT grounds for a makeup. This rule applies to midterm and final exams in the Department of Economics.

Policy on Tests, Final Exams and on Missed Academic Responsibilities

Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or retroactive reweighting of marks, is **not** permitted. Students must book travel arrangements AFTER final exam dates have been posted; travel is not an acceptable excuse for absence from a final exam.

Students who are temporarily unable to meet academic requirements due to extenuating circumstances can follow Western University procedures to request academic consideration through the following routes:

- a) Submit a Self-Reported Absence form if the conditions for submission are met (e.g., only for exams or assessments worth 30% or less of the course mark; not applicable to final exams; maximum 2 self-reported absences per academic year; see [link](#) for full list of conditions and info).

If the conditions for submission of a Self-Reported Absence form are not met, then:

- b) For medical absences, submit a Student Medical Certificate (SMC) signed by a licensed medical or mental health practitioner along with a request for academic consideration to Academic Counselling in the student's home Faculty (see [link](#) for full info) ; or
- c) For non-medical absences (e.g., religious or compassionate), submit appropriate documentation to Academic Counselling in the student's home Faculty (see [link](#) for full info).

It is strongly recommended that students notify their instructors as soon as possible. University policy is that students **must** communicate with their instructors no later than **24 hours** after the end of the period covered by either the self-reported absence or SMC, or immediately upon their return following a documented absence. Failure to follow University policy and procedures may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment to meet with their instructor as soon as possible. If the instructor is not available, send an email message, copying the Undergraduate Coordinator at econugrd@uwo.ca.

Note: Academic consideration is not normally intended for long-term, recurring absences, an existing disability, or high levels of stress related to academic performance. In such cases, students should consult their academic counsellor. See [link](#) for full information. In all cases, if the documentation submitted to request academic consideration is not acceptable, students will receive a grade of zero for the missed test, exam, or assignment.

For full information about Western University’s policies and procedures for student absences and requests for academic consideration, please visit this [link](#).

Policies Regarding Academic Accommodation

The Faculty of Social Science’s policies regarding academic accommodation is found at http://counselling.ssc.uwo.ca/procedures/having_problems/index.html.

“Academic Rights and Responsibilities” are also outlined in the Western Calendar at <http://westerncalendar.uwo.ca/PolicyPages.cfm?PolicyCategoryID=1&command=showCategory&SelectedCalendar=Live&ArchiveID=>. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated procedures.

Policy Regarding Class Attendance

If the instructor deems a student’s class attendance as unsatisfactory, that student may be prohibited from writing the final examination. If there is intent to make use of this University policy, the student will be notified in writing.

Statement on Mental Health and Support Services

Students under emotional/mental distress should visit http://uwo.ca/health/mental_wellbeing/ for more information and a complete list of resources on how to obtain help.