LABOUR ECONOMICS: THEORY
ECONOMICS EC2155B-001
Department of Economics
Western University

January 2022

Instructor: Phuong Vu
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Must be addressed from your uwo.ca account. Please put ECON2155 in your email subject.

Office hours: Fridays 1:00 PM to 3:00 PM Eastern Time (ET)
  • Office hours will be held online using Zoom (please sign in using your uwo.ca account)
Delivery mode: In-person
Classroom: Mondays 2:30-3:30 NSC7 and Wednesdays 1:30-3:30 UCC146
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/Antirequisite Note:

The prerequisite(s) for this course is (are) Economics 2150A/B
The antirequisite(s) for this course is (are) Economics 3344A/B and Economics 3345A/B

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 Description:
Labour economics encompasses the questions of the supply of and demand for labour in the aggregate and of various skills. Alternative approaches to these questions will be discussed as well as their effects on the distribution of earnings and the level of unemployment.

Course Objectives:

The goal of the course is to introduce students to 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 investigate 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 familiarize 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 behaviors in labour markets and understand how the interaction between supply and demand determines wages and employment.
2. Explain why there are 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. Describe empirical findings on the theory of labour demand, labour supply and their interaction.

Textbook(s) and Course Materials:

Required: Labour Market Economics, 9th edition, by Benjamin, Gunderson, Lemieux, Riddell and Schirle

The physical copy or e-Text can be purchased from Western’s Bookstore at: https://bookstore.uwo.ca/textbook-search?campus=UWO&term=W2021B&courses%5B0%5D=001_UW/ECO2155B

Important notes:
1. Access to Connect is not required for all assessments.
2. I will assign readings and practice questions based on the 9th edition.

Communication:

- You should check the course OWL site every 24-48 hours for newly posted course material.
- You should check OWL announcements multiple times per week. You are responsible for any announcements made including any changes made to the syllabus as well as
test date changes.

- **For questions related to course content**, you should either post them on the OWL forum so that everyone can access answers to questions or ask them during office hours.

- **For questions unrelated to course content**, you should contact the instructor via email from your UWO email account. You will typically receive a response within 24-48 hours except for weekends and holidays. Please note that I might NOT respond to email such as the following:
  - Any questions about information that are already on this syllabus or elsewhere on OWL such as exam/quiz dates, exam/quiz times, course materials, makeup policy etc. If you have not received a reply to your question, please check the syllabus and OWL.
  - Requests for extra assignments, reweighting of exams, assignments etc. which are different from what is stated in the course syllabus.

- **Students are encouraged to answer each other’s questions on the forums.** The forums will be monitored by the instructor or teaching assistant to correct and/or supplement answers provided by students. Questions not answered by other students will receive a response from the instructor or teaching assistant.

- **During virtual office hours**, your questions will be answered on first come first served basis. Each student will have a 15-min time slot which can be extended if there are no other students in the waiting room for office hours.

**Technical Requirements (delete or add, as applicable)**

- Laptop or computer
- Stable internet connection
- Microphone for participating in online office hours
- Webcam (optional) for participating in online office hours

For technical support, see the OWL help page or contact Western Technology Services Helpdesk (https://wts.uwo.ca/about-wts/contact.html). Google Chrome or Mozilla Firefox are the preferred browsers for OWL; update your browser frequently.

**Assessments and Grading:**
Your course grade will be based on two assignments, two midterms, and a final exam as listed on the assessment table below.

Please note that all dates and times are tentative. The Registrar’s office will be approving the schedule of all assessments. You will be notified if there are any changes. The exact coverage of material is also tentative and will be confirmed ahead of each assessment.
<table>
<thead>
<tr>
<th>Assessments</th>
<th>Tentative Date and Time</th>
<th>Tentative material</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assignment 1</td>
<td>Due on Feb 9, 2022</td>
<td>Chapters 1, 2, 3</td>
<td>5%</td>
</tr>
<tr>
<td>Assignment 2</td>
<td>Due on March 9, 2022</td>
<td>Chapters 5, 6, 7, 8</td>
<td>5%</td>
</tr>
<tr>
<td>Midterm 1</td>
<td>2:00PM – 3:15PM Eastern Time, February 16, 2022</td>
<td>Chapters 1, 2, 3, 4</td>
<td>25%</td>
</tr>
<tr>
<td>Midterm 2</td>
<td>2:00PM – 3:15PM Eastern Time, March 16, 2022</td>
<td>Chapters 5, 6, 7, 8, 9</td>
<td>25%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>Set by Office of Registrar</td>
<td>All chapters: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 16, 17</td>
<td>40%</td>
</tr>
</tbody>
</table>

**Important notes:**

- All exams are closed book. Nothing is permitted unless they are authorized by the instructor and such authorization must be stated explicitly during the examination.
- Tentative Midterm Exam Details: Midterm exams will be held in class during regular class time. They are mixed format and 75-minute-long. Test timing will be confirmed, and additional test details will be provided one week prior to each test date.
- Tentative Final Exam Details: The Final Exam will be cumulative and will be mixed format. The Final Exam will be scheduled by the Registrar. Once the time and date of the Final Exam is available, it will be announced on OWL.
- Policies regarding missed exams, late assignments:
  - If you miss any assessments, request academic consideration either through a self-reported absence (SRA) or an absence approved by the Academic Counselling office. Students who miss any assessments must follow Western University’s procedures for approval of their absence AND email me no later than 48 hours after the commencement of the exam to receive an accommodation (i.e., make-up exams). Please see the Please Note Department Policies for Winter 2022 section of this syllabus for details on these procedures. If Western University announces any procedures for the approval of absences during Winter 2022 that supplement or supplant the information provided on this syllabus, please follow those procedures.
  - Missed assessments without illness self-reports or approved, documented official accommodation will be given a mark of zero.
- Missing two or more assessments during the term is likely to result in an inability to meet the course learning outcomes and/or to pass the course.
- If you are a student with a disability and require extra time accommodation, please ensure your accommodation are active on the Accommodated Exams websites for this course 10 days before the assessment. Any accommodations posted there will be applied to your assessment.

**Topics Covered and Readings:**

Below is the tentative outline for this course with references to book chapters in parentheses. Modifications should be expected.
1. Introduction
   Introduction to labour market economics [Ch. 1]

2. Labour Supply
   The theory of labour supply [Ch. 2]
   Labour supply and public policy [Ch. 3]
   Labour supply over the life cycle [Ch. 4]

3. Labour Demand
   Demand for labour in competitive labour markets [Ch. 5]
   Labour demand, non-wage benefits, and quasi-fixed costs [Ch. 6]

4. Wages and employment in a single labour market [Ch. 7]

5. Wage differentials
   Compensating wage differentials [Ch. 8]

6. Human capital theory and application
   Human capital theory: Applications of human capital theory to education and training [Ch. 9]

7. Wage structures across markets [Ch. 10]

8. Discrimination and male-female earnings differentials [Ch. 12]

9. Unemployment
   Meaning, measurement, and Canada’s experience [Ch.16]
   Causes and consequences [Ch. 17]

Professionalism, Privacy and Copyright:

- You are expected to follow the Student Code of Conduct.
- All lectures and course materials, including slides, presentations, outlines, and similar materials, are protected by copyright. You may take notes and make copies of course materials for their own educational purposes only.
- You may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, assessments, or any other course materials publicly and/or for commercial purposes without written consent of the instructor.
- Recordings (audio or video) are not permitted without explicit, written permission of the instructor. Permitted recordings may not be distributed or shared.
- You are expected to follow online etiquette expectations provided on OWL (if applicable; otherwise delete this bullet point)

Online Etiquette:

Some components of this course will involve online interactions. To ensure best experience of both you and your classmates, please honor the following rules of etiquette:
- Self-identify when asking question or participating on forum discussion.
- Keep in mind the different cultural and linguistic backgrounds of the students in the course.
- Be courteous toward the instructor, teaching assistant and other classmates.
- Be respectful of the diversity of viewpoints that you will encounter in the class and in your reading. The exchange of diverse ideas and opinions is part of the scholarly environment.
- Be professional and scholarly in all online postings. Cite the ideas of others appropriately. Note that disruptive behavior of any type during online classes, including inappropriate use the chat function, is unacceptable. Students found guilty of serious online offenses may be subject to disciplinary measures under the Code of Student Conduct.

**Tips on How to Be Successful in this Class:**

Students in this class should understand the level of autonomy and self-discipline required to be successful.
- Start each week by reading the assigned textbook readings. Do all practice questions for the chapter, check answers, and redo the questions if necessary.
- Make it a daily habit to log onto OWL to ensure you have seen everything posted to help you succeed in this class.
- Follow weekly checklists created on OWL or create your own to help you stay on track.
- Connect with others. Try forming an online/in-person study group and meet on a weekly basis for study and peer support.
- Do not be afraid to ask questions. If you have questions or are struggling with a topic, check the online discussion boards or contact your instructor(s) and or teaching assistant(s).
Please Note
Department & University Policies for Winter 2022

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, policies, and your academic rights and responsibilities** are posted online in the current Western Academic Calendar at: [http://westerncalendar.uwo.ca](http://westerncalendar.uwo.ca). Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated policies and procedures.


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 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](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 to the instructor.

6. **Appeals:** University policies and procedures for appealing a mark can be found in 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](http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14). **Please note the relevant deadlines.**

Department of Economics procedures for appealing a mark can be found here: [https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals](https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals). 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 to submit an appeal to econugrd@uwo.ca. Please follow the instructions and use the appeal form shown in the above link.
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 **add** a second term half course:  
   **Tuesday January 18, 2022**

   Deadline to **drop** a second term half course:  
   **Monday March 14, 2022**

**Policy Regarding Makeup Tests and Final Examinations**

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.

**Policies Regarding Academic Accommodation**

- The Faculty of Social Science’s policies on academic accommodation are found at [https://counselling.ssc.uwo.ca/procedures/academic_consideration.html](https://counselling.ssc.uwo.ca/procedures/academic_consideration.html)

- **Accommodation for Students with Disabilities**: Students with disabilities or accessibility challenges should work with Accessible Education (formerly SSD, see [http://academicsupport.uwo.ca/accessible_education/index.html](http://academicsupport.uwo.ca/accessible_education/index.html)), which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here: [Academic Accommodation for Students with Disabilities](https://counselling.ssc.uwo.ca/procedures/academic_consideration.html).

- **Rewriting Exams and Retroactive Reweighting are NOT Permitted**: 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. Self-Reported Absences cannot be used once a student has proceeded to start to write a test or exam.

- **Self-Reported Absences**: Students will have two opportunities during the fall and winter terms to receive academic consideration if they self-report a missed assessment using the online self-reported absence portal, provided the following conditions are met: the assessment is missed due to an absence of no more than 48 hours in duration, and the assessment for which consideration is being sought is worth 30% or less of the student’s final grade. Students are expected to contact their instructors within 24 hours of the end of the period of the self-reported absence, unless noted otherwise on the syllabus. Students are not able to use the self-reporting option in the following circumstances:

  - for exams scheduled by the Office of the Registrar (e.g., final exams)
  - absence of a duration greater than 48 hours
  - assessments worth more than 30% of the student’s final grade
  - if the student has opened or started the test or exam
  - if a student has already used the self-reporting portal twice during the fall/winter terms
If the conditions for a Self-Reported Absence are not met, students will need to provide a Student Medical Certificate (SMC) if the absence is medical or provide appropriate documentation if there are compassionate grounds for the absence in question. Students are encouraged to contact their Faculty academic counselling office for more information about the relevant documentation. It is strongly recommended that students notify the instructor as soon as possible, ideally before the assessment, when they become aware of an absence. University policy is that students must communicate with their instructors no later than 24 hours after the end of the period covered by the SMC or immediately upon their return from their documented absence. Failure to follow University policy and procedures may result in denial of academic accommodation and a grade of zero.

- **Documentation for Accommodation:** Individual instructors are not permitted to receive documentation directly from a student, whether in support of an application for consideration on medical grounds or for other reasons. All required documentation for absences that are not covered by the Self-Reported Absence Policy must be submitted to the Academic Counselling office of a student's Home Faculty.

- **Western University policy on Consideration for Student Absence** is available here: Policy on Academic Consideration for Student Absences - Undergraduate Students in First Entry Programs.

- **Student Medical Certificate (SMC):** This form is available here: http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf

- **Religious Accommodation:** Students should consult the University's list of recognized religious holidays and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the Western Multicultural Calendar.

**Policy Regarding Class Attendance and Engagement:** If the instructor deems a student’s attendance or engagement in the class to be unsatisfactory, that student may be prohibited from writing the final examination. Examples of unsatisfactory class engagement include frequent absences from an in-person or synchronous online class, lack of assignment submissions, and inadequate use of online course materials. Instructors who intend to make use of this policy will notify the student in advance.

**Statement on Mental Health and Support Services:** Students under emotional/mental distress should visit https://uwo.ca/health/mental_wellbeing/ for more information and a complete list of resources on how to obtain help.

**Statement on Remote Proctoring:** While Western intends to hold most classes, mid-terms and finals in-person, the London-Middlesex Health unity may require western to teach in a remote format. If this occurs, all assessments will be done remotely and may involve the use of remote proctoring software (i.e., Proctorio, ProctorTrack). Instructors will provide information on the details should the need arise.