

**LABOUR ECONOMICS
ECONOMICS EC2155B-001
Department of Economics
Western University**

January 2025

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Office hours: Mondays, 3:00 PM–4:00 PM (in SSC 4048)
Wednesdays, 3:00 PM–4:00 PM (in SSC 4048)

Delivery mode: In person

Meeting time(s): Mondays, 12:30 PM–2:20 PM
Wednesdays, 1:30 PM–2:20 PM

Classroom: HSB 35

Course website: <https://westernu.brightspace.com/>

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 for this course is **Economics 2150** (Intermediate Microeconomic Theory I). There are antirequisites for this course are **Economics 3344** (Labour Economics I) and **Economics 3345** (Labour Economics II).

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 in particular. 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 with 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 the reasons wage differentials among workers exist 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:

Upon successful completion of the course, the student will be able to:

- Analyze demand and supply behaviour in labour markets and understand how the interaction between them determines wages and employment.
- Explain wage structures across markets and why wage differentials among workers exist.
- Evaluate the effects of government policies, such as minimum wage laws and income maintenance schemes.
- Apply human capital theory to explain the decision to invest in human capital.
- Explain causes and consequences of unemployment.
- Describe empirical findings on the theory of labour demand, labour supply, and their interaction.

Textbook and Other Learning Materials:

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

Students are welcome to purchase second-hand or earlier editions of this textbook, but registration on McGraw Hill's Connect is required.

The textbook for this course is required. There are two modes for purchasing the textbook. You can buy electronic access to McGraw Hill's Connect website, which provides access to the e-text and other learning materials, or you can buy the bundle plus a physical copy of the textbook.

Bookstore link: https://bookstore.uwo.ca/textbook-search?campus=UWO&term=W2024B&courses%5B0%5D=001_UW/ECO2155B

Topics Covered:

The relevant chapters from the textbook are listed.

Unit 1: Introduction to Labour Markets and Labour Supply

- Introduction to Labour Market Economics (Chapter 1)
- Labour Supply: Individual Attachment to the Labour Market (Chapter 2)
- Labour Supply and Public Policy: Work Incentive Effects of Alternative Income Maintenance Schemes (Chapter 3)
- Labour Supply Over the Life Cycle (Chapter 4)

Unit 2: Labour Demand and Wages

- Demand for Labour in Competitive Labour Markets (Chapter 5)
- Labour Demand, Nonwage Benefits, and Quasi-fixed Costs (Chapter 6)
- Wages and Employment in a Single Labour Market (Chapter 7)
- Compensating Wage Differentials (Chapter 8)
- Human Capital Theory: Applications to Education and Training (Chapter 9)

Unit 3: Wage Differentials and Unemployment

- Wage Structures Across Markets (Chapter 10)
- Discrimination and Male-Female Earnings Differentials (Chapter 12)
- Unemployment: Meaning, Measurement, and Canada's Experience (Chapter 16)
- Unemployment: Causes and Consequences (Chapter 17)

Notes:

- There are no classes or office hours between February 15 and February 23 because this period is Western's Spring Reading Week.
- The course schedule is tentative. Any changes to this schedule will be provided in class. Some chapters will not be covered entirely. Please see the course website for details on the material covered for each chapter. Students will be held responsible for all material presented in lectures, regardless of whether the material appears in the textbook.

Assessments and Grading:

Your final grade will be calculated based on your performance on three tests and your class participation. The weights and tentative dates of these assessments for this course are found in this table:

Assessment	Date and Time (tentative)	Topics	Weight
Midterm 1	February 3 12:45 PM–2:15 PM	Unit 1	20%
Midterm 2	March 10 12:45 PM–2:15 PM	Unit 2	20%
Final Exam	TBD by the Registrar's Office	Units 1, 2, & 3	50%
Class Participation	Throughout semester	All	10%

The duration of each midterm will be 90 minutes. The duration of the final exam will be 120 minutes.

Notes:

- The tests are closed-book. The tests will be a combination of multiple-choice and short-answer questions.
- Class participation will be monitored through answering iClicker questions. See the iClicker heading below.
- If a student misses a midterm exam for an approved reason or with an eligible self-attestation and its makeup midterm exam with an approved reason, the weight of the midterm exam will be shifted to the final exam.
- Self-attestation may not be used to adjust marks for class participation.

Makeup Exam Policy

Students with an absence from an assessment (i.e., either a midterm or the final exam) approved by Academic Counseling and the instructor and who email the instructor no later than 48 hours after the beginning of the assessment will be able to write the makeup assessment, which will be written at a time scheduled by the Department of Economics. There will be one time slot available for each makeup assessment, which may have a different format or length than the originally scheduled assessment. If these deadlines are missed, the instructor will assign a grade of zero.

iClicker

Every lecture (except for test dates) will have at least one iClicker question, but the number will vary between lectures. iClicker points depend only on whether the student answers the question, not on correctness.

iClicker is a free app that allows students to use laptop, smartphones, or tablets to answer questions in class. iClicker will be used in class to ask a variety of questions. More information will be provided in class.

Importantly, students may only use their own “virtual clicker.” The use of someone else’s “virtual clicker” in class will constitute a scholastic offence, and the possession of another student’s virtual clicker will be interpreted as an attempt to commit a scholastic offence. There

will be no “makeups” or reweights for missed iClicker sessions. It is your responsibility to properly initialize your account through OWL. It is also your responsibility to notify the instructor on the same day during class the session has occurred if there have been any technology issues. During the iClicker sessions, the instructor will announce the last warning to submit your answers. If a student does not submit answers by then, no adjustment will be made to their grade.

Professionalism, Privacy, and Copyright:

- Students 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. Students may take notes and make copies of course materials for their own educational purposes only.
- Students 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.

Technical Requirements:

- **Laptop or computer:** McGraw Hill’s Connect will host practice materials, so you will need to access to that website and to OWL.
- **Laptop or smart phone:** Because we will be doing iClicker questions in class, you will need to have a device that can access the iClicker website. Laptops and smart phones are suitable devices.

Email Policies:

- When you send an email to me, please use your @uwo.ca email address. I am not allowed to respond to emails from non-UWO email addresses.
- It would be helpful to me if you included “Economics 2155” in your email subject line.
- My aim is to respond to all emails within 48 hours of receiving them. As is standard in professional environments, the 48-hour response time does not include weekends and holidays.
- If you send an email with a question that is answered in the course outline, I will almost certainly respond to you with a link to the course outline.

PLEASE NOTE
DEPARTMENT & UNIVERSITY POLICIES FOR WINTER 2025

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>. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated policies and procedures.
2. A [*new academic consideration and flexibility in assessment*](#) policy is in effect starting September 2024. Students can miss one assessment per course per term without medical documentation. Faculty can designate one assessment per course for which students **cannot** self-attest.
3. Students must familiarize themselves with the “**Rules of Conduct for Examinations**” http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf.
4. **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.
5. **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 4.

6. It is a Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students must submit assignments to the instructor.
7. **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. **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. 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.

8. **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.
9. **ADD AND DROP DEADLINES:**
 - Deadline to **ADD** second term full or half course: **January 14, 2025**
 - Deadline to **DROP** second term full or half course: **March 31, 2025**

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

- Academic accommodation will not be granted automatically on request. Students must demonstrate by documentation that there are compelling medical or compassionate grounds before academic accommodation will be considered. The Faculty of Social Science's policies on academic accommodation are found at 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), 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](#).
- **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. Students must also book travel arrangements AFTER final exam dates have been posted as they must not conflict with test or final exams.
- Unless medically incapable of doing so, students must notify their instructor prior to the test date or at least within **48 hours** when requesting a makeup exam. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment as soon as possible to meet with their instructor. If the instructor is not available, send an email message to the instructor, copying the Undergraduate Coordinator at econugrd@uwo.ca. **Notifying instructors of a missed exam does not automatically entitle students to a makeup.**

- For medical illnesses, students may consult Student Health Services and request a Student Medical Certificate from the physician. If assessed by an off-campus doctor, students must obtain a certificate from his/her office at the time of the visit/assessment. Student Medical Certificate (SMC) is available here:
https://www.uwo.ca/univsec/pdf/academic_policies/appeals/medical_certificate.pdf
- **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.
- **Western University policy on Consideration for Student Absence** is available here:
https://counselling.ssc.uwo.ca/procedures/academic_consideration.html
- **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 2024 Diversity Calendar available at <https://www.edi.uwo.ca/> (see bottom right of page).

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 Gender-Based and Sexual Violence: Western is committed to reducing incidents of gender-based and sexual violence (GBSV) and providing compassionate support to anyone who is going through or has gone through these traumatic events. If you are experiencing or have experienced GBSV (either recently or in the past), you will find information about support services for survivors, including emergency contacts at the following website: [Get Help](#). To connect with a case manager or set up an appointment, please contact support@uwo.ca.

Statement on Mental Health and Support Services: Students who are in emotional/mental distress should refer to Mental Health@Western <http://www.uwo.ca/uwocom/mentalhealth/> for a complete list of options about 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.