

University of Guelph
College of Management and Economics
DEPARTMENT OF ECONOMICS AND FINANCE

ECON*3520 Labour Economics

Fall Semester 2012

Instructor: Miana Plesca, Rm. 742, Ext. 53524

E-Mail: miplesca@uoguelph.ca

Office Hours: Monday and Wednesday from 4:00 – 5:00

Final Exam: **7:00-9:00 PM December 8, 2012**

It is your responsibility as a student to be aware of and to abide by the University's policies regarding academic misconduct, e-mail communication, maintaining copies of out-of class assignments, what to do when you cannot meet a course requirement and the drop date for this semester. To better understand these policies, visit:

<http://www.uoguelph.ca/economics/node/1115>

COURSE OUTLINE

COURSE DESCRIPTION:

This course introduces students to the economics of labour markets. We start by presenting the basic theoretical tools of modern labour economics built around the neo-classical model of labour supply and demand. By combining theory and empirical evidence we learn how to address issues like what makes some people earn more than others, to what extent does the investment in education pay off, what causes unemployment, what are the labour market effects of immigration, and how do unions affect wages and unemployment. We study how government policies and public institutions shape the Canadian labour market.

PREREQUISITES: Intermediate Microeconomics (ECON*2310)

REQUIRED TEXTBOOK:

D. Benjamin, M. Gunderson, C. Ridell. *Labour Market Economics*.
Seventh Edition, McGraw-Hill Ryerson, 2012.

OPTIONAL:

Student On-line Learning Centre www.mcgrawhill.ca/olc/benjamin

D. Gray. *Study Guide for Use with Labour Market Economics – Theory, Evidence and Policy in Canada*. Fifth Edition, McGraw-Hill Ryerson, 2002.

ASSESSMENT:

There will be three in-class **quizzes** each worth 15% of the final grade. The quizzes are multiple-choice format and test only new material (since the last quiz). The **final exam** is 40% of the grade and it is a mix of multiple-choice questions, analytical problems, and short answer, policy-related questions. The final exam is cumulative.

There will be **no make-ups** for the quizzes. A missed test is assigned 0% weight in the final grade, unless there are extenuating circumstances such as illness. In case you missed a test for valid reasons, you need to contact me as soon as possible with adequate documentation, and then the weight of the missed test will be re-assigned to the final exam.

I will assign three short **essays**, each of them worth 5%. Each essay should be only two or three paragraphs long, on a topic of current public policy relevance which I will announce in class and on Courselink (for example, income inequality or male-female pay differentials). You will have one week to complete each short essay from the time the topic is announced, and no extensions will be given. You need to hand out a printed copy in class on the deadline for each essay assignment; electronic submissions are not acceptable. I will mark carefully only one of the three essays, at random. The other two essays I will read to make sure they are on the topic, but I will not give or take marks for exposition.

Quiz 1:	Monday October 1st, in class	15%
Quiz 2:	Monday October 29, in class	15%
Quiz 3:	Monday November 19, in class	15%
Essay 1:	assigned October 1 st / due October 15	5%
Essay 2:	assigned October 29 / due November 5	5%
Essay 3:	assigned November 19 / due November 26	5%
Final:	December 8 from 7:00-9:00 PM, location TBA	40%

It is your responsibility to make sure you have no scheduling conflicts regarding test times.

WEB SITE:

Announcements and grades will be posted on the course website at Courselink.

EVALUATION: You will be asked to complete an evaluation of this course at some time during the last two weeks of the semester. The Department of Economics policy regarding the conduct and use of these evaluations will be found at

<http://www.uoguelph.ca/economics/academics/courses/course-evaluation>

TOPICS:

I. LABOUR SUPPLY

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| 1. Introduction to Labour Market Economics | Ch. 1 |
| 2. Labour Supply: Labour Force Participation | Ch. 2 |
| 3. Labour Supply and Public Policy: Work Incentive Programs | Ch. 3 |
| 4. Labour Supply Over the Lifecycle | Ch. 4 |

II. LABOUR DEMAND

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| 5. Labour Demand | Ch. 5, 6 |
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III. LABOUR SUPPLY AND DEMAND TOGETHER

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| 6. Labour Market Equilibrium | Ch. 7 |
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IV. QUALITY OF LABOUR SUPPLY

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| 7. Wage Structures | Ch 13, 10 |
| 8. Human Capital | Ch. 9 |
| 9. Immigration | Ch. 11 |
| 10. Discrimination and Male-Female Earning Differentials | Ch. 12 |
| 11. Unions (time permitting) | Ch. 14, 15 |