

University of Guelph
College of Management and Economics
DEPARTMENT OF ECONOMICS

ECON*3520 Labour Economics

Fall Semester 2011

Instructor: Louise Grogan, Rm. 743, Ext. 53473

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Monday, Wednesday and Friday, 12:30-1:20 pm LA 204

Office Hours: Mon., Wed., 10:00-11:20 am

Final Exam: Dec. 13th, 11:30-1:30 pm

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.economics.uoguelph.ca/student-responsibilities-policies.asp>

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*. Sixth Edition, McGraw-Hill Ryerson, 2007.

OPTIONAL:

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

istudy On-line Study Guide with the sixth edition

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 four in-class **quizzes** each worth 15% of the final grade. The quizzes are multiple-choice format. The quizzes are not cumulative. Each quiz test material discussed only since the preceding quiz was written.

The final exam is 30% of the grade and it is a mix of multiple-choice questions and problems (including short answers). The final exam is cumulative.

I will assign three short-essay type submissions, each consisting of one or two paragraphs only, from topics of current public policy relevance (for example, male-female pay differentials). You have one week to complete each assignment. You get half the marks (worth 5% in your final grade) from submitting all three assignments. I will grade one of the three submissions only, at random, for the other half of the essay grade (worth another 5%).

Quiz 1:	Wed. October 5 th , in class	15%
Quiz 2:	Fri. October 21 st in class	15%
Quiz 3:	Fri. November 4 th , in class	15%
Quiz 4:	Fri. November 25 th , in class	15%
Essays:		10%
Final Exam:	Tues. Dec. 13 th , 11:30-1:30 pm	30%

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

There will be **no make-ups** for the quizzes. A missed quiz 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.

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.economics.uoguelph.ca/course-evaluation.asp>

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 | Ch. 14, 16 |
| 12. Unemployment | Ch. 17, 18 |