

Econ 3D03: Labor Economics

Fall 2019

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COURSE DESCRIPTION

This is an undergraduate-level course in labor economics. The goal of this course is to provide students with the training to effectively analyze labor market issues. The course will cover core topics in labor economics such as labor supply and demand, the determination of wages and employment, topics in the analysis of wages such as compensating differentials, human capital, immigration and discrimination, and issues in the analysis of unemployment.

PREREQUISITES

ECON 2G03 or ECON 2X03. This course is not open to students with credit or registration in ECON 2A03.

COURSE MATERIALS AND TEXTS

- *Labour Market Economics*, 8th edition, by Dwayne Benjamin, Morley Gunderson, Thomas Lemieux, and William Craig Riddell (McGraw-Hill Ryerson, 2017) [BGLR]

AVENUE TO LEARN

Course materials (e.g., lecture slides) and announcements will be posted on the Avenue to Learn website (<http://avenue.mcmaster.ca>). Students are responsible for checking the Avenue to Learn website regularly in order to be up to date with any changes to the course.

Students should be aware that, when they access the electronic components of this course, private information such as first and last names, usernames for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in this course will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

COURSE EVALUATION – OVERVIEW

1. Homework assignments - 15%
2. Midterm exam - 35%
3. Final Exam - 50%

COURSE EVALUATION – DETAILS

Homework assignments (15%)

There will be three homework assignments that are due *in-class* on the following dates: September 30th, October 28th, and Nov 25th. Each homework assignment accounts for 5% of the grade and will be a mix of true/false/explain questions, multiple-choice questions, and short analytical problems. Homework assignments should be regarded as an opportunity to prepare for the midterm and final exams.

Midterm exam (35%), October 10th, in-class

The midterm exam will consist of true/false/explain questions, multiple-choice questions, and analytical problems. Materials covered in the midterm exam will depend on the pace of the class up to that point in the term. There will be no make-up exams nor early writes provided.

Final Exam (50%)

The final exam will consist of true/false/explain questions, multiple-choice questions, and analytical problems. The exam will be cumulative. Final exam dates are designated by the Registrar's Office and will be announced once the final exam date for this course becomes available.

COURSE POLICIES

Grades

Grades will be based on the McMaster University grading scale:

MARK	GRADE
90-100	A+
85-90	A
80-84	A-
77-79	B+
73-76	B
70-72	B-
67-69	C+
63-66	C
60-62	C-
57-59	D+
53-56	D
50-52	D-
0-49	F

Grade Adjustment Techniques

The university grading system will be relied as a benchmark but a combination of distributional and absolute adjustments may be used to determine the course grades.

Submission of Assignments

All assignments should be submitted in-class on the due date. Students may also submit homework assignments in advance of the due date during office hours or by scheduling a date and time to drop by the instructor's office. Electronic submissions (e.g., scanned copies sent via email) will not be accepted.

Late Assignments

Late assignments will not receive any credit unless the missed work is due to legitimate reasons (refer to the following subsection on absences, missed work, and illness).

Absences, Missed Work, Illness (MSAF)

This course follows the Faculty of Social Sciences' policies on absences and missed work, which can be found at <https://socialsciences.mcmaster.ca/current-students/absence-form>. It is the student's responsibility to be aware of these policies and follow them accordingly. As outlined in the Faculty of Social Sciences' policies, students are responsible for contacting the instructor as soon as possible in the event of missed academic work in order to be given consideration. Failure to do so may result in no consideration given for the missed work (i.e., a zero grade).

Calculators

Calculators are not allowed during exams.

UNIVERSITY POLICIES

Academic Integrity Statement

You are expected to exhibit honesty and use ethical behavior in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity.

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behavior can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university.

It is your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](#).

The following illustrates only three forms of academic dishonesty:

1. Plagiarism, e.g. the submission of work that is not one's own or for which credit has been obtained.
2. Improper collaboration in group work.
3. Copying or using unauthorized aids in tests and examinations.

Academic Accommodation of Students with Disabilities

Students who require academic accommodation must contact Student Accessibility Services (SAS) to make arrangements. Academic accommodations must be arranged before classes or academic work begins, and for each term of study. Student Accessibility Services can be contacted by phone 905-525-9140 ext. 28652 or e-mail sas@mcmaster.ca. For further information, consult McMaster University's Policy for [Academic Accommodation of Students with Disabilities](#).

Academic Accommodation for Religious, Indigenous and Spiritual Observances

Students who require academic accommodation due to an Observance must submit a RISO form to their Faculty office, electronically or in person, normally within ten working days from the beginning of each term in which they are anticipating a need for Accommodation. For further information, consult McMaster University's [Policy on Academic Accommodation for Religious, Indigenous and Spiritual Observances](#).

Faculty of Social Sciences E-mail Communication Policy

Effective September 1, 2010, it is the policy of the Faculty of Social Sciences that all e-mail communication sent from students to instructors (including TAs), and from students to staff, must originate from the student's own McMaster University e-mail account. This policy protects confidentiality and confirms the identity of the student. It is the student's responsibility to ensure that communication is sent to the university from a McMaster account. If an instructor becomes

aware that a communication has come from an alternate address, the instructor may not reply at his or her discretion.

Course Modification

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check his/her McMaster email and course websites weekly during the term and to note any changes.

WEEKLY COURSE SCHEDULE AND IMPORTANT DATES

The following schedule may change depending on the progress of the course.

Week 1 (Sept 4th – Sept 6th)

Topic: Introduction to Labor Market Economics

Readings: BGLR Ch. 1

Week 2 & 3 (Sept 9th – Sept 20th)

Topic: Labor Supply: Individual Behavior and Public Policy

Readings: BGLR Ch. 2 & 3

Week 4 (Sept 23th – Sept 27th)

Topic: Labor Demand in Competitive Labor Markets

Readings: BGLR Ch. 5

Week 5 (Sept 30th – Oct 4th)

Topic: Wage and Employment Determination in a Single Labor Market

Readings: BGLR Ch. 7 *Assignment 1 due on Sept 30th.*

Week 6 (Oct 7th – Oct 11th)

Topic: Compensating Wage Differentials

Readings: BGLR Ch. 8 *Midterm in-class on Oct 10th.*

Week 7 & 8 (Oct 21st – Nov 1st)

Topic: Human Capital Theory: Education and Training

Readings: BGLR Ch. 9 *Assignment 2 due on Oct 28th.*

Week 9 (Nov 4th – Nov 8th)

Topic: The Economics of Immigration

Readings: BGLR Ch. 11

Week 10 (Nov 11th – Nov 15th)

Topic: Labor Market Discrimination and Male-Female Earnings Differential

Readings: BGLR Ch. 12

Week 11 & 12 (Nov 18th – Dec 4th)

Topic: Unemployment: Measurement, Causes, and Consequences

Readings: BGLR Ch. 16 & 17

Assignment 3 due on Nov 25th.

Final exam date: TBA