Faculty of Liberal Arts and Professional Studies
Department of Economics
AP/ECON 3240 B Labour Economics: Theory
Fall 2019

Prerequisites: AP/ECON 1000 3.00 and AP/ECON 1010 3.00 or equivalents. Course credit exclusions: AP/ECON 3249 3.00, GL/ECON 3540 3.00.

Note: HRM majors should NOT select this section; the sections of ECON 3240 designed for HRM majors are Section C (Fall Term) and Section M (Winter Term).

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Course Instructor

Name: Matias Cortes
Office: 1088 Vari Hall
Office Hours: M W 2:45-3:45pm
Email: gmcortes@yorku.ca

Lecture Time and Location

Time: W 7:00-10:00pm
Location: ACW 006

Expanded Course Description

The aim of this course is to introduce students to a number of topics in labour economics. Students will learn about a range of stylized facts related to various labour market outcomes for Canada and other developed countries, both in the long term and over the business cycle. Students will also learn about a number of recent theoretical models that have been developed by economists to analyze these trends. By the end of the course, students will have a solid understanding of how the labour market works. They will be familiar with the main recent trends in variables such as unemployment, wages, and wage inequality in Canada and other developed countries, as well as the theoretical frameworks that are used to study these variables. The topics we cover will help students to develop a critical understanding of a number of policy-relevant current labour market issues.

Course Text / Readings

The main (required) text for the course is **Benjamin, Gunderson, Lemieux, and Riddell, *Labour Market Economics,* 8th edition** (abbreviated **BGLR** below). Some of the topics we will cover will be based on **Cahuc, Carcillo, and Zylberberg, *Labor Economics,* 2nd Edition** (abbreviated **CCZ** below). The coverage in the CCZ book is highly technical; however, the topics will be covered in class in a less technical manner. The relevant chapters from the CCZ book will be made available through Moodle. Additional readings (also required) will be indicated on the course website. The course website will also include links to additional resources, including suggested research papers, newspaper articles and podcasts that are relevant to each topic.

Evaluation

The breakdown of the course grade is as follows:

Problem Sets (4 in total, 2.5% of the final grade each)	10%
Group Project	35%
Midterm and Final Exam	55%

The weight of the **Midterm and Final Exam** will be calculated as follows:
(1) **25%** for the Midterm and **30%** for the Final, if your performance on the Midterm is better than your performance on the Final; or:
(2) **15%** for the Midterm and **40%** for the Final, if your performance on the Final is better than your performance on the Midterm.

Please note:

- Everyone is expected to attend class and participate regularly.

- The **problem sets** will be due **in class** on **September 18th, October 2nd, November 6th, and November 27th.**

- Students will work on a **group project** in groups of 3**.** Students are free to form their own groups until **September 18th**; students who are not part of a group by this date will be randomly allocated into groups.

- The **group project** (35% in total) consists of the following components:
News article report, due on **October 2nd**	5%
Project outline, due on **October 23rd**	5%
Draft for peer-review, due on **November 6th**	0%
Peer-review feedback for another group, due on **November 13th**	5%
Final submission, due on **November 29th**	20%

- Full details on the assessment criteria for the group project will be provided in a separate document.

- The **midterm** will be held on **October 9th** during class time. **There will be no make-ups for the midterm exam**. If a student misses the midterm for a reason deemed acceptable by the instructor, the weight from the midterm will be transferred to the final exam, i.e. the final will account for 55% of the student's final grade.

- The **final exam** will take place during the official exam period and will include the material covered during the **entire semester**.

Grading, Assignment Submission, Lateness Penalties and Missed Tests

Grading: The grading scheme for the course conforms to the 9-point grading system used in undergraduate programs at York (e.g., A+ = 9, A = 8, B+ - 7, C+ = 5, etc.). Assignments and tests will bear either a letter grade designation or a corresponding number grade (e.g. A+ = 90 to 100, A = 80 to 90, B+ = 75 to 79, etc.)

Assignment Submission: Proper academic performance depends on students doing their work not only well, but on time. Accordingly, assignments for this course must be received on the due date specified for the assignment. Note that Problem Sets must be handed in at the start of class.

Lateness Penalty: Problem Sets received later than the due date will not be accepted. Exceptions to the lateness penalty for valid reasons such as illness, compassionate grounds, etc., may be entertained by the Course Instructor but will require supporting documentation (e.g., a doctor's letter). The penalties for late submission for the group project are detailed in a separate document.

Missed Tests: There will be no make-ups for the midterm exam. If a student misses the midterm for a reason deemed acceptable by the instructor, the weight from the midterm will be transferred to the final exam. A deferral for the final exam will be granted **only for medical reasons**. In such cases students should submit a deferred exam application together with the supporting documents (attending physician's statement) to the Economics Department to my attention. The date and time of the deferred exam will be set at a later date. Students who may require further extensions or accommodation will have to submit a formal petition to the Faculty.

Important Course Information for Students

All students are expected to familiarize themselves with the following information, available on the Senate Committee on Academic Standards, Curriculum & Pedagogy webpage (see Reports, Initiatives, Documents): http://secretariat-policies.info.yorku.ca/
- Senate Policy on Academic Honesty and the Academic Integrity Website
- Ethics Review Process for research involving human participants
- Course requirement accommodation for students with disabilities, including physical, medical, systemic, learning and psychiatric disabilities
- Student Conduct Standards
- Religious Observance Accommodation

Course Add/Drop Deadlines

	Fall Term 2019 (F)	Winter Term 2020 (W)
Last date to add a course **without permission** of instructor (also see Financial Deadlines)	Sept. 17	Jan. 19
Last date to add a course with permission of instructor (also see Financial Deadlines)	Oct. 1	Feb. 3
Last date to drop a course without receiving a grade (also see Financial Deadlines)	Nov. 8	March 13
Course Withdrawal Period (withdraw from a course and receive a grade of "W" on transcript – see note below)	**Nov. 9 - Dec. 3**	**March 14 - Apr. 5**

Policy and Guidelines on Withdrawn from Course: http://secretariat-policies.info.yorku.ca/policies/withdrawn-from-course-w-policy-and-guidelines/
https://registrar.yorku.ca/enrol/dates/fw19

Course Outline and Approximate Schedule
The following is a guide to the lecture schedule, time permitting.
Exact dates and coverage may vary.

Date	Topics	Key Reading *(Detailed Reading List on Course Website)*	Deadline
Sep 4	Introduction	BGLR ch 1	
Sep 11	Labour Supply	BGLR ch 2	
Sep 18	Labour Supply and Public Policy	BGLR ch 3	**Problem Set 1 due in class;** *Deadline to form groups for group projects*
Sep 25	Labour Demand	BGLR ch 5	
Oct 2	Labour Market Equilibrium	BGLR ch 7	**Problem Set 2 due in class; News Article Report due**
Oct 9	**Midterm**		
Oct 16	**Reading Week – No Class**	*Note: No Office Hours during Reading Week*	
Oct 23	Wage Inequality	BGLR ch 10; Acemoglu and Autor (2011)	**Project Outline due**
Oct 30	Unemployment Patterns; Job and Worker Flows	BGLR ch 16; CCZ ch 9.1	
Nov 6	Job Search	BGLR ch 17; CCZ ch 5	**Problem Set 3 due in class; Group Project Draft due**
Nov 13	Equilibrium Search and Matching Model	CCZ ch 9.3	**Peer-Review Feedback due**
Nov 20	Equilibrium Search and Matching Model (continued)		
Nov 27	Minimum Wages	BGLR ch 7; CCZ ch 12.2	**Problem Set 4 due in class; Group Project Final Report due Nov 29**