

York University
Faculty of Liberal Arts & Professional Studies
Department of Economics

AP/ECON 3240 3.0 C
Labor Economics: Theory
Fall 2019 Course Outline

Course Instructor Contact:

Instructor: David K. Lee, Ph. D.

Office: DB 2043

Email: dklee@yorku.ca

Phone: 416-736-2100 Ext.

Course Consultation Hours: F: 9:30 am – 11:00 am

Course Web Site: Moodle

Calendar Description / Prerequisite / Co-Requisite

Applies economic theory to labour markets. Topics include labour force participation, hours of work, investment in education and training, worker mobility, demand for and supply of labour, the effects of market structure on wages and employment, and theories of trade unions and collective bargaining.

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. PRIOR TO FALL 2009: Course credit exclusions: AK/ECON 3610 3.00, AS/ECON 3240 3.00, AS/ECON 3249 3.00, GL/ECON 3550 3.00.

Lecture Time and Location

Lecture: Th: 4:00pm – 7:00pm VH C

Teaching Assistants

TBA

Organization of the Course

This course involves formal lectures presented by the course instructor. The classroom technology will be used extensively, such as PowerPoint, or MS word format presentation. There will be extensive usages of the course web site. Reading assignments, practice problems, problem solving, etc., for each lecture session, tutorial sessions or TA availability, etc., will be announced on the course web site.

Course Learning Objectives

This course focuses the critical thinking about labor markets, the developments of facility for both theoretical and empirical critical thinking. This course will also focus on public policy, a consistent theoretical framework applied not only to current policy issues but also to new policy issues emerging over time.

Upon completing this course, students should be able to:

- a. Identify a set of core labor economics ideas. Using the core ideas students build a theoretical framework for various labor market analyses.
- b. Perform real world applications. A main challenge for economics students is the application of economic ideas to real world scenarios. Throughout the study of the rich variety of applications explained in this course, students should be able to explain how the real world issues, such as labor force participation, employment or unemployment and wage, education and training, union and collective agreement, etc., are explained by core economic concepts.
- c. Think critically. The core of labor economics is the neoclassical supply and demand model. Students construct logical, consistent arguments concerning various labor market variables such as employment and earning.

Course Text / Readings

Textbook/Required Course Materials:

Benjamin, Dwayne, Morley Gunderson, Thomas Lemieux, and W. Craig Riddell, *Labour Market Economics*, 8th edition, (Toronto: McGraw-Hill Ryerson).

Useful Reference:

Modern Labour Economics, Ehrenburg and Smith, 12th Edition, Addison-Wesley 2015.

Labour Economics, George Borjas, 7th Edition, McGraw Hill, 2016.

Contemporary Labor Economics, McConnell, Brue & MacPherson, 10th edition, McGraw-Hill, 2013.

Microeconomics, McConnell, Brue, Flynn, Barbiero, 14th edition.

Evaluation *

The grade for this course is composed of the mark received for each of the following components:

Type of Assessment	Percent/Weight	Date
Midterm Exam I (24 hr take-home)	25	Oct 3
Midterm Exam II (24 hr take-home)	25	Nov 14
Final (in-class 150 minutes)	50	Dec 5 – Dec 20
TOTAL	100%	

The following conversions will be used in converting percentage grades to letter grades:

90-100 (A+), 80-89 (A), 75-79 (B+), 70-74 (B), 65-69 (C+), 60-64 (C), 55-59 (D+), 50-54 (D), 40-49 (E), 0-39 (F).

Please note that I strongly believe that the best learning experiences occur when there are healthy attendance and discussions in the classroom. Therefore, I have a policy to give some bonus points based on **class attendance and participation (usually maximum of 5%)** in order to encourage attendance and classroom discussion. Feel free to ask any questions or simply make comments on relevant topics at any time.

Problem sets will be posted in the course web site throughout the semester. Some of them may be solved in class. These problems will not be graded, however, I encourage you to work through them. It will help you understanding the course material and consequently, increase the probability that you will do well in the course. Practice may not always make perfect, but it's a good start.

Deferred Exam Policy:

NO multiple deferrals allowed: Students can defer only one of the three exams. If students defer more than one exams, the successive deferred exams will be marked zero.

No makeup midterm exam will be given: If a student misses a midterm the weight of the midterm will be added to the final exam (i.e. the final exam will be worth 75% of the final grade).

Deferring the Final Exam:

The deferred final exam policy will be applied only for those who completed all of the course requirements but the final exam.

Students who do not complete all of the course requirements during the semester **MUST** attend the regular final exam session to complete the course. If a student were to miss a course requirement during the semester and has to defer the final exam as well then the student may submit a formal petition to the Faculty.

Tentative Sequence of Topics Covered and the Lecture Schedule

Session	Topics, Reading and Activity
01 Sep 5	Topics: Review of Consumer Choice and Income Leisure Model, Introduction and Overview of Canadian Labour Market. Readings: Lecture Notes, Benjamin* Ch 1. Jobs Report: The State of the Canadian Labour Market* www.budget.gc.ca/2014/docs/jobs-emplois/pdf/jobs-emplois-eng.pdf

02 Sep 12	Topic 1: The Theory of Labour Supply: Decision to Work Readings: Benjamin* Ch 2, Ehrenburg Ch 6, Borjas Ch 2.
03 Sep 19	
04 Sep 26	
	Topic 2: Topic: Labour Demand in Competitive Labour Markets Readings: Benjamin* Ch 5, Ehrenburg Ch 3 and 4, Borjas Ch 3.
05 Oct 3	Midterm Exam I (Weeks 1-4 Covered) (Drop deadline: Nov 8)
06 Oct 10	Topic: Wage Determination Readings: Benjamin* Ch 7, McConnell, Brue, Flynn, Barbiero, 14th edition, Ch 11 and 15. (Reading Week: Oct 12 – 18)
07 Oct 24	
08 Oct 31	Topic: Compensating Wage Differentials Readings: Benjamin* Ch 8, Ehrenburg Ch 8, Borjas Ch 5.
09 Nov 7	Unemployment Readings: Benjamin* Ch 16 & 17
10 Nov 14	Midterm Exam II: (Weeks 6-9 Covered)
11 Nov 21	Topic: Union Readings: Benjamin* Ch 14 and 15
12 Nov 28	
Final Exam	Dec 5-20

New Information and Changes:

The schedule is subject to change –sometimes there are unexpected absences or we bog down on an issue. Check your class notes, or contact me for up-dated work schedules.

It may be very possible to make some adjustments of lectures and/or exams schedules. Students may also have handouts for the topics discussed in the class. It is students' responsibility to be aware of any policy (or schedule change), or to collect handouts from classes. If you miss classes, contact the instructor before or immediate after, and check if there is any policy change or handout distributed.

There is no excuse for not knowing course policies or schedule changes, or for not having handouts.

Additional Information / Notes

Important Course Information for Students

All students are expected to familiarize themselves with the following information, available on the Senate Committee on Curriculum & Academic Standards webpage (see Reports, Initiatives, Documents)
- http://www.yorku.ca/secretariat/senate_cte_main_pages/ccas.htm

- York's Academic Honesty Policy and Procedures/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

IMPORTANT COURSE INFORMATION

The Senate Academic Standards, Curriculum and Pedagogy (ASCP) provides a [Student Information Sheet](#) that includes:

- [York's Academic Honesty Policy](#) and Procedures / [Academic Integrity Web site](#)
- [Access/Disability](#)
- [Ethics Review Process](#) for Research Involving Human Participants
- [Religious Observance Accommodation](#)
- [Student Code of Conduct](#)

Additional information:

- [Academic Accommodation for Students with Disabilities](#)
- [Alternate Exam and Test Scheduling](#)
- [Grading Scheme and Feedback Policy](#)

The Senate Grading Scheme and Feedback Policy stipulates that (a) the grading scheme (i.e. kinds and weights of assignments, essays, exams, etc.) be announced, and be available in writing, within the first two weeks of class, and that, (b) under normal circumstances, graded feedback worth at least 15% of the final grade for Fall, Winter or Summer Term, and 30% for 'full year' courses offered in the Fall/Winter Term be received by students in all courses prior to the final withdrawal date from a course without receiving a grade.

- Important University Sessional Dates (you will find classes and exams start/end dates, reading/co-curricular week, add/drop deadlines, holidays, University closings and more.
<http://www.registrar.yorku.ca/importantdates/index.htm>
- "20% Rule"
No examinations or tests collectively worth more than 20% of the final grade in a course will be given during the final 14 calendar days of classes in a term. The exceptions to the rule are classes which regularly meet Friday evenings or on Saturday and/or Sunday at any time, and courses offered in the compressed summer terms.
- Final course grades may be adjusted to conform to Program or Faculty grades distribution profiles.
- Services for Mature and Part-time Students
The Atkinson Centre for Mature and Part-time Students (ACMAPS) maintains and strengthens York University's ongoing commitment to welcome and to serve the needs of mature and part-time students. For further information and assistance visit: <http://www.yorku.ca/acmaps>