

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

AP/ECON 3240 3.0 B
Labor Economics: Theory
Fall 2020 Course Outline

Course Instructor Contact:

Instructor: David K. Lee, Ph. D.

Office and Phone: N/A

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Virtual Course Consultation Hours: Fridays/Saturdays 10:00-11:00 (Zoom connection information will be available through Moodle)

Course Web Site: Moodle

Calendar Course Description / Prerequisite / Co-Requisite:

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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:

- Online delivery format.
- Course Materials will be delivered on Moodle every **Wednesdays 7:00 pm-10:00 pm.**
- This is an online course. The entire course, including the submission of assignments, participation/discussion and test-taking, will take place on the course's Moodle.

Teaching Assistants: N/A

Expanded Course Description

This course will summarize the modern theory of labour economic model, empirical evidence supporting or contradicting hypotheses, the usefulness of the theory of public policy analysis. Studying the extensive use of detailed policy applications will be a major benefit for this course.

Organization of the Course

This course is an online lecture delivery format. Lectures will be delivered through lecture notes and audio files and/or virtual lectures with Zoom. Office hours will be held in a virtual space with Zoom. All students must have a Zoom account.

Technical requirements for taking the course:

A computer with microphone and webcam, and a high speed and reliable internet connection, and/or a smart device with these features. These technical features are required for students in order to fully participate in the course. There are some live information sessions including Q & A that will be conducted through Zoom video conferencing, where students are expected to participate. Also, you may be required to appear on video for exams/tests proctoring purposes. If you are not comfortable with these requirements, you should not enroll in this section of the course.

Students shall note the following:

- Zoom is hosted on servers in the U.S. This includes recordings done through Zoom.
- If you have privacy concerns about your data, provide only your first name or a nickname when you join a session.
- The system is configured in a way that all participants are automatically notified when a session is being recorded. In other words, a session cannot be recorded without you knowing about it.

Here are some useful links for student computing information, resources and help:

[Student Guide to Moodle](#)

[Zoom@YorkU Best Practices](#)

[Zoom@YorkU User Reference Guide](#)

[Computing for Students Website](#)

[Student Guide to eLearning at York University](#)

To determine Internet connection and speed, there are online tests, such as [Speedtest](#), that can be run.]

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.

Evaluation *

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

Type of Assessment	Group/Individual	Percent/Weight	Date
Midterm Exam (120 minutes)	Individual	40	Oct 28
Final Exam (150 minutes)	Individual	60	Dec 9-23
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).

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:

There are no makeups for missed midterm exams. Anyone missing the midterm exam will automatically have their final exam reweighted to be worth 100%.

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

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 one 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 9	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 16	Topic: The Theory of Labour Supply: Decision to Work Readings: Benjamin* Ch 2, Ehrenburg Ch 6, Borjas Ch 2.
03 Sep 23	Topic: Labour Supply and Public Policy Reading: Benjamin* Ch 3, Borjas Ch 2.
04 Sep 30	Topic: Labour Supply over the Life Cycle Readings: Benjamin* Ch 4, Ehrenburg 7.
05 Oct 7	Topic: Labour Supply over the Life Cycle Readings: Benjamin* Ch 4, Ehrenburg 7.
Fall Reading Week	
06 Oct 21	Topic: Labour Demand in Competitive Labour Markets Readings: Benjamin* Ch 5, Ehrenburg Ch 3 and 4, Borjas Ch 3.
07 Oct 28	Midterm Exam: (Weeks 1-5 Covered) (Nov 6: Last day of Drop)
08 Nov 4	Topics: Labour Demand and Nonwage Benefits, Wages and Employment Readings: Benjamin* Ch 6 and 7.

09 Nov 11	Topic: Compensating Wage Differentials Readings: Benjamin* Ch 8, Ehrenburg Ch 8, Borjas Ch 5.
10 Nov 18	Topic: Human Capital Theory Readings: Benjamin* Ch 9, Ehrenburg Ch 9, Borjas Ch 6 Lemieux,*Thomas and David Card, 2001, Education, Earnings, and the 'Canadian G.I. Bill' <i>CJE</i> 34 (May) : pp. 313-344.
11 Nov 25	Topics: The Economics of Immigration, Readings: Benjamin* Ch 11, Ehrenburg Ch 12, and 10, Borjas Ch 8 and 9 Bloom*, David E., Gilles Grenier and Morley Gunderson, 1995, The Changing Labour Market Position of Canadian Immigrants, <i>CJE</i> 28, (pp. 987-1005)
12 Dec 2	Topics: Male-Female Earnings Differentials, Readings: Benjamin* Ch 12, Ehrenburg Ch 12, and 10, Borjas Ch 8 and 9 Baker*, Michael and Nicole M. Fortin, 2001, Occupational Gender Composition and Wages in Canada, 1987-1988, <i>CJE</i> , 34 (May): pp. 345-376.
Final Exam	Dec 9-23

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. 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;
<http://www.yorku.ca/secretariat/policies/index-policies.html/>

- York's Academic Honesty Policy and Procedures/Academic Integrity Website

Academic Honesty and Integrity: Conduct that violates the ethical or legal standards of the University community or of one's program or specialization is subject to severe penalties. Students are responsible for understanding the nature and consequences of these offences, as contained in the Senate Policy on Academic Honesty, found on the York University Senate WEB page: <http://www.yorku.ca/secretariat/policies/document.php?document=69>

- Ethics Review Process for research involving human participants
<http://www.yorku.ca/secretariat/policies/document.php?document=94>
- Course requirement accommodation for students with disabilities, including physical, medical, systemic, learning and psychiatric disabilities
<http://www.yorku.ca/secretariat/policies/document.php?document=68>
- Student Conduct Standards
<http://www.yorku.ca/oscr/standards.html>
- Religious Observance Accommodation
<https://w2prod.sis.yorku.ca/Apps/WebObjects/cdm.woa/wa/regobs>