



ST. FRANCIS XAVIER UNIVERSITY

ECONOMICS

Econ 361: Labour Economics

F. SUMMERFIELD

WINTER 2018

Office: NH 508

Email: fsummerf@stfx.ca

Office Hours

Tuesday & Thursday 13:00 – 15:00

Lectures

Tuesday & Thursday 17:15 – 18:30

COURSE DESCRIPTION

The course will introduce students to the Economics of the labour market. Basic theoretical models will be established and used to analyze the supply and demand for labor and their subsequent effect on wages. The course will then examine wage differentials across demographic groups, discuss the unique effects of collective bargaining and finally understand theories behind unemployment. Some topics will include the effects of taxes and transfers on labour supply, the impact of education on earnings and education as a signal of ability. The course will combine economic theory and empirical evidence.

COURSE MATERIALS

LECTURE NOTES

Lectures overlap textbook chapters **imperfectly**. Students are responsible for lecture content and all content in assigned text chapters, unless otherwise stated. Do not ask whether to study from the text or your notes – the answer is both.

REQUIRED TEXT:

“Labour Market Economics” (8th ed) by: Benjamin, Gunderson, Lemieux, & Riddell. McGraw-Hill Ryerson – (note that the 7th edition is also fine.)

COURSE OUTLINE & READINGS

Part A)	INTRODUCTION Chapter I + Appendix and lecture notes	(1 Week)
Part B)	LABOUR SUPPLY Chapters 2-4 and lecture notes	(2 Weeks)
Part C)	LABOUR DEMAND Chapters 5-6 and lecture notes	(2 Weeks)
Part D)	WAGES AND EQUILIBRIUM Chapters 7-9 and lecture notes	(2 Weeks)
Part E)	WAGE TOPICS Chapters 10-13 and lecture notes	(1.5 Weeks)
Part F)	UNIONS Chapters 14-15 and lecture notes	(1.5 Weeks)
Part G)	UNEMPLOYMENT Chapters 16 & 17 and lecture notes	(1.5 Weeks)

This schedule is approximate and progression through the material may vary

EVALUATION

Midterm Exam	In Class: Feb. 13 th	30%
Problem Sets (4)	(best 3 of 4 worth 10% each) Due in class on Jan 23 rd ; Feb 6 th ; Mar 6 th ; 29 th	30%
Final Exam	TBD	40%

EXAMS:

Students who miss the Midterm exam will have the weight transferred to the final, regardless of the reason for missing the exam. There will be no second sitting for the midterm exam. In the event of winter closure, the midterm exam will be moved to the next scheduled class. Students should be prepared for this eventuality.

The final exam for the course is cumulative and will cover material from the whole term. Standard StFX policies apply in the case of illness during final exams.

PROBLEM SETS:

Problem sets will include a mixture of textbook questions and applied questions that make use of publicly available data such as the Labour Force Survey, The Canadian Census and aggregate data from CANSIM. Some of the more basic questions can be completed using Microsoft Excel and the more involved data analysis can be completed using R, which is freely available at r-project.org. Although these programs are recommended, students may choose to complete these problems using any other software they are comfortable with.

Problem sets will be distributed in class at least one week in advance of the due dates. You may work in pairs, or submit your **own** set of answers. In the case of team work, both team members will receive the exact same mark. Late problem sets will not be accepted and will receive a mark of zero with no exceptions. In case of a winter closure, assignments are due **in the drop-box outside NH516 at 9:00 am on the next full day on which StFX reopens.**

To accommodate sickness and other compassionate reasons why students may be unable to submit a problem set, only the best 3 of 4 assignments will count towards your mark. Students are **highly discouraged** from intentionally skipping a problem set since further accommodation is generally not possible. Furthermore, problem sets serve as the best practice for exam questions. Students who face particular difficult circumstances that may need to miss more than one problem set should consult with me before missing more than one problem set so that an appropriate accommodation can be made.

Please note that requests for extra work to make up for low grades, including assignments and essays, will not be possible. It is your responsibility to track your progress over the term and seek help on difficult subjects. I am approachable and very happy to help throughout the semester.
