

School of Economics and Finance

## **ECON 333 ECONOMICS OF WORK AND PAY**

Trimester One 2008

### **COURSE OUTLINE**

---

#### **Contact Details**

##### Lecturer

Dr. Malathi Velamuri (course co-ordinator)

Room RH 314

Tel: (04) 463-6413

Email: [malathi.velamuri@vuw.ac.nz](mailto:malathi.velamuri@vuw.ac.nz)

*Preferred method of contact: email*

#### **Class Times and Room Numbers**

Lectures: Monday, Tuesday & Thursday: 11:30-12:20 in RH LT3

Tutorials: Wednesday: 10:30-11:20 in RWW313

Thursday: 10:30-11:20 in RHG01

#### **Course Objectives**

The labour market is the central concept of the course. We will examine the determinants of labour supply; labour demand; wages and employment; education and training; immigration; discrimination; incentives; and labour market policies. Alternative approaches will be outlined and evaluated. We will be searching for theories which are relevant to New Zealand and will consult New Zealand research findings on labour market issues.

In addition to understanding the theoretical concepts in labour economics and the frameworks used in the literature to model labour market decisions, understanding the issues involved in the estimation of key parameters in the labour market is an integral part of the course. This empirical content will cover basic statistical concepts like random sampling and regression analysis.

#### **Required background**

While this is not a particularly technical course, a basic understanding of microeconomic concepts and methods will be assumed. If you are not familiar with concepts such as indifference curves, then you probably need to do some background reading. I will also be making use of some elementary statistical concepts such as linear regression and t-statistics, but a brief review of these concepts will be provided in the course.

Expectations for the course reflect the fact that written English skills are essential. Like most economics courses, you need to be able to identify key issues and to present well-structured written analysis succinctly and cogently.

## Course Content

## Chapter(s) in Textbook

### Topics

1. Introduction	Ch 1
2. Labour supply I	Chs 2-3
3. Labour supply II	Chs 2-3
4. Labour demand	Ch 4-5
5. Compensating wage differentials	Ch 6
6. Human Capital I	Ch 7
7. Human Capital II	Ch 7
8. Pay and incentives	Ch 12
9. Discrimination I	Ch 10
10. Discrimination II	Ch 10
11. Immigration I	Ch 9
12. Immigration II	Ch 9

The lecture material will extend beyond the textbook, so missing lectures and relying on the textbook is **not** a safe strategy for passing the exam. I will post summary material of the lectures on Blackboard. But if you intend to make a regular practice of missing lectures, please be advised that in the past years, students who have missed many lectures have not done well in this course.

I will hand out tutorial assignments every week, based on material covered in that week's lectures. These assignments are intended to reinforce the conceptual issues covered in the lectures. You can hand in your tutorial assignments the following week, but they will not count towards your assessment. I will go over the assignment problems in the weekly tutorial sessions. Tutorial attendance is not compulsory, but is highly encouraged. Solutions to tutorial assignments will **not** be posted on Blackboard.

## Readings

*Textbook:* George J. Borjas, Labor Economics, 3rd edition, McGraw Hill. Any other textbook on Labo(u)r economics will also be useful. Some readings will be made available via Blackboard.

## Materials and Equipment

Silent non-programmable calculators will be allowed in the exam.

## Assessment Requirements

You will be required to complete **two assignments** for this course. The first assignment will be a set of problems, requiring basic mathematical or graphical analysis, and interpretation. The second assignment will be based on a labour issue, and you will be asked to write out a concise and well-structured argument in favour of, or against, the position stated in the assignment. I will give more detailed instructions when I hand out the assignments.

### Due Date

Assignment 1	Friday, 28 March 4:00pm	worth 25% of final grade
Assignment 2	Mon, 5 May 4:00pm	worth 25% of final grade
3 hour final exam	during 6 June - 25 June	worth 50% of final grade

Assignments can be handed in at the end of the lecture, or handed in at the reception desk on level 3, Rutherford House, on the due date. After the assignments are marked, they will be available for collection from Alice Fong in room RH 318, level 3, Rutherford House.

### **Penalties**

Late assignments will attract a penalty of 5% a day.

### **Communication of Additional Information**

Copies of announcements, assignment questions, tutorial questions and other course information will be posted on Blackboard.

### **Faculty of Commerce and Administration Offices**

#### Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

#### Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building on the ground floor (EA005). This counter is the first point of contact for:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

### **Notice of Turnitin Use**

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <<http://www.turnitin.com>>. Turnitin is an on-line plagiarism prevention tool which identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. Turnitin is used to assist academic staff in detecting misreferencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. *At the discretion of the School, handwritten work may be copy typed by the School and subject to checking by Turnitin.* You are strongly advised to check with your tutor or the course coordinator if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

### **General University Policies and Statutes**

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student

Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to [www.victoria.ac.nz/home/about/policy/students.aspx](http://www.victoria.ac.nz/home/about/policy/students.aspx)

For information on the following topics, go to the Faculty's website [www.victoria.ac.nz/fca](http://www.victoria.ac.nz/fca) under Important Information for Students:

- Academic Grievances
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

### **Academic Integrity and Plagiarism**

Academic integrity is about honesty – put simply it means *no cheating*. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

*The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other students or staff.*

It is still plagiarism even if you re-structure the material or present it in your own style or words.

*Note: It is however, perfectly acceptable to include the work of others as long as that is acknowledged by appropriate referencing.*

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website: [www.victoria.ac.nz/home/studying/plagiarism.html](http://www.victoria.ac.nz/home/studying/plagiarism.html)

### **Manaaki Pihipihinga Programme**

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email [manaaki-pihipihinga-programme@vuw.ac.nz](mailto:manaaki-pihipihinga-programme@vuw.ac.nz) or phone (04) 463 6015. To contact the Pacific Support Coordinator, email [pacific-support-coord@vuw.ac.nz](mailto:pacific-support-coord@vuw.ac.nz) or phone (04) 463 5842.