

Econ 2T03: Economics of Trade Unionism and Labour

Winter 2023

Instructor: Stephen Jones

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Office Hours: tba

Lectures: Mon 3:30-4:20, Tue 4:30-5:20, Th 3:30-4:20 ABB102

Course Website: Avenue to Learn

Note: Some of the details in this course outline may change. Please check Avenue to Learn for the most up-to-date information for this course. The course outline on Avenue to Learn will supersede previously published outlines until published course outlines are updated.

COURSE DESCRIPTION

The objective of the course is to train students in economic analysis of trade unions and their operation on labour markets. It will address the determinants on union coverage and membership and the effects of unions on wages, employment and other economic outcomes. While the principal empirical focus will be on Canadian experience, international comparisons are informative and will be used throughout the course.

This course will be taught in person. Lectures will not be recorded and in person attendance is expected. See course evaluation below.

PREREQUISITES

Prerequisite(s): ECON 1B03 and ECON 1BB3 3 (or ARTS&SCI 2E03)

Cross-list(s): LABR ST 3B03

COURSE MATERIALS AND TEXTS (REQUIRED)

- *Labour Market Economics*, 9th edition, by Dwayne Benjamin, Morley Gunderson, Thomas Lemieux, Tammy Schirle, and William Craig Riddell (McGraw-Hill Ryerson, 2021) [BGLSR]

AVENUE TO LEARN

Course content and announcements will be uploaded to the A2L course website which should be checked regularly.

Students should be aware that, when they access the electronic components of this course, private information such as first and last names, usernames for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in this course will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

COURSE EVALUATION – OVERVIEW

1. Class participation - 10%
2. Midterm exam 1: **February 9, 2023** – 25%
3. Midterm exam 2: **March 23, 2023** – 25%
4. Final exam - 40%

COURSE EVALUATION – DETAILS

Class participation (10%)

Students are expected to attend each class and participate actively in learning. Attendance and participation will be monitored and assessed.

Two midterm exams (25% each)

The midterm exam will consist of true/false/explain questions, multiple-choice questions, and analytical problems. Materials covered in the midterm exam will depend on the pace of the class up to that point in the term. The midterms will be in-class (dates above) and there neither make-up exams nor early writes will be provided. If you cannot attend the midterms, you should not take the course. With valid documentation of an absence, the 25% weight in the course grades will be transferred to the final exam.

Final Exam (40%)

The final exam will consist of true/false/explain questions, multiple-choice questions, and analytical problems. The exam will be cumulative covering the whole term's material. The final exam date will be determined by the Registrar's Office.

COURSE POLICIES

Grades

Grades will be based on the McMaster University grading scale:

MARK	GRADE
90-100	A+
85-89	A
80-84	A-
77-79	B+
73-76	B
70-72	B-
67-69	C+
63-66	C
60-62	C-
57-59	D+
53-56	D
50-52	D-
0-49	F

I reserve the right to adjust marks upwards in order to standardize the median score. Marks will never be adjusted down for this procedure.

Absences, Missed Work, Illness (MSAF)

This course follows the Faculty of Social Sciences' policies on absences and missed work, which can be found at <https://socialsciences.mcmaster.ca/current-students/absence-form>. It is the student's responsibility to be aware of these policies and follow them accordingly. As outlined in the Faculty of Social Sciences' policies, students are responsible for contacting the instructor as soon as possible in the event of missed academic work in order to be given consideration. Failure to do so may result in no consideration given for the missed work (i.e., a zero grade).

If you are unable to submit an online MSAF, then you must follow the procedures outlined at <https://socialsciences.mcmaster.ca/current-students/absence-form> with appropriate documentation.

UNIVERSITY POLICIES

Academic Integrity

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. **It is your responsibility to understand what constitutes academic dishonesty.**

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university. For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](https://secretariat.mcmaster.ca/university-policies-procedures-guidelines/), located at <https://secretariat.mcmaster.ca/university-policies-procedures-guidelines/>

The following illustrates only three forms of academic dishonesty:

1. Plagiarism, e.g. the submission of work that is not one's own or for which credit has been obtained.
2. Improper collaboration in group work.
3. Copying or using unauthorized aids in tests and examinations.

Authenticity / Plagiarism Detection

Some courses may use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. A2L, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software. **All submitted work is subject to normal verification that standards of academic integrity have been upheld** (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to www.mcmaster.ca/academicintegrity.

Courses with an On-line Element

Some courses may use on-line elements (e.g. e-mail, Avenue to Learn (A2L), LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

Online Proctoring

Some courses may use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

Conduct Expectations

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the "Code"). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students' access to these platforms.

Academic Accommodation of Students with Disabilities

Students who require academic accommodation must contact Student Accessibility Services (SAS) at 905-525-9140 ext. 28652 or sas@mcmaster.ca to make arrangements with a Program

Coordinator. For further information, consult McMaster University's Policy for [Academic Accommodation of Students with Disabilities](#) policy.

Requests for Relief for Missed Academic Term Work

McMaster Student Absence Form (MSAF): In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar "Requests for Relief for Missed Academic Term Work".

Academic Accommodation for Religious, Indigenous and Spiritual Observances

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the [RISO](#) policy. Students should submit their request to their Faculty Office **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

Copyright and Recording

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

Faculty of Social Sciences E-mail Communication Policy

Effective September 1, 2010, it is the policy of the Faculty of Social Sciences that all e-mail communication sent from students to instructors (including TAs), and from students to staff, must originate from the student's own McMaster University e-mail account. This policy protects confidentiality and confirms the identity of the student. It is the student's responsibility to ensure that communication is sent to the university from a McMaster account. If an instructor becomes aware that a communication has come from an alternate address, the instructor may not reply at his or her discretion.

Course Modification

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and

communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check his/her McMaster email and course websites weekly during the term and to note any changes.

Extreme Circumstances

The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, A2L and/or McMaster email.

WEEKLY COURSE SCHEDULE

The following schedule may change depending on the progress of the course.

Week 1

Topic: Introduction to Labor Economics

Readings: BGLSR Ch. 1

Weeks 2 & 3

Topic: Labor Supply: Individual Behavior and Public Policy

Readings: BGLSR Chs. 2 & 3

Week 4

Topic: Labor Demand and Equilibrium in Competitive Labor Markets

Readings: BGLSR Chs. 5 & 7

Weeks 5 & 6

Topic: Union Incidence, Growth and Decline

Readings: BGLSR Ch. 14, pp421-437

Riddell, Chris, 2010, "The Causal Effect of Election Delay on Union Win Rates: Instrumental Variable Estimates from Two Natural Experiments," Industrial Relations; A Journal of Economy and Society, 49(3): 371-386.

Johnson, Susan J.T., 2010, "First Contract Arbitration: Effects on Bargaining and Work Stoppages." *Industrial and Labor Relations Review*, 63, 585-605.

Scott Legree, Tammy Schirle, Mikal Skuterud, 2017. "The Effect of Labor Relations Laws on Unionization Rates within the Labor Force: Evidence from the Canadian Provinces." *Industrial Relations*. 56:4, 605-639.

Weeks 7 & 8

Topic: Union Objectives: Theory and Evidence

Readings: BGLSR Ch. 14, pp438-460

Lawson, Nicholas P., 2011, "Is Collective Bargaining Pareto Efficient? A Survey of the Literature," *Journal of Labor Research*, 32, 282-304.

<https://www.canada.ca/en/employment-social-development/services/collective-bargaining-data.html>

Week 9

Topic: Union Impacts on Wages

Readings: BGLSR Ch. 15, pp461-482

Week 10

Topic: Union Impacts on Non-Wage Outcomes

Readings: BGLSR Ch. 15, pp487-502

Week 11

Topic: Union Impacts on Inequality

Readings: BGLSR Ch. 15, pp482-487

David Card & Thomas Lemieux & W. Craig Riddell, 2020. "Unions and wage inequality: The roles of gender, skill and public sector employment," Canadian Journal of Economics/Revue canadienne economicus, vol 53(1), pages 140-173.

Weeks 12 & 13

Topic: Disputes in Collective Bargaining – Strikes and Alternatives

Readings: BGLSR Ch.14 Online Appendix

Gunderson, Morley, Bob Hebdon, and Douglas Hyatt, 2009, "Strikes and Dispute Resolution," Ch.12 in Canadian Labour and Employment Relations, 6th edition, Toronto: Pearson, pp322-360.