## Labour Market Institutions and Outcomes: The Canadian International Labour Network

Letter of Intent for the SSHRC Major Collaborative Research Initiatives Program

> Total Budget: \$3 090 690 Total SSHRC Budget: \$1 768 526

> > January 2001

Stephen R.G. Jones, Principal Investigator Telephone: (905) 525-9140 ext 23812 Fax: (905) 521-8232

Email: sj@jsbach.economics.mcmaster.ca ciln@mcmaster.ca

Web: http://jsbach.economics.mcmaster.ca/sj.html

http://labour.ciln.mcmaster.ca

Stephen R.G. Jones, PI

Stuart Mestelman, Chair, Department of Economics

Rhonda Lenton, Associate Dean, Faculty of Social Sciences

Emmi Morwald, Director, Research Services

Gerhard Gerber, Vice-President (Research & International Affairs)

Peter George, President

McMaster University 1280 Main Street West Hamilton, Ontario L8S 4M4

## Team Membership of the Canadian International Labour Network (CILN)

[Program directors are denoted in **bold face**.]

#### Research Theme 1

## Wages, Job Quality and Labour Market Institutions

Antecol, Heather Economics University of Illinois **Baker, Michael** Economics University of Toronto

Benjamin, Dwayne Economics University of Toronto

Blau, Francine D Industrial & Labor Relations Cornell University

Blundell, Richard Economics University College London Burbidge, John Economics McMaster University

Fortin, Nicole Economics University of British Columbia

Friesen, Jane Economics Simon Fraser University
Frost, Ann Organizational Behaviour University of Western Ontario
Green, David Economics University of British Columbia

Gregory, R G Economics Australian National University

Hunt, Jennifer Economics Yale University

Kennan, John Economics University of Wisconsin, Madison Kuhn, Peter Economics University of California, Santa Barbara

Lewchuk, Wayne Labour Studies McMaster University
Machin, Stephen Economics University College London

Parent, Daniel Economics McGill University
Picot, W Garnett Economics Statistics Canada
Schuetze, Herbert Economics Dartmouth College
Shearer, Bruce Economics Université Laval

Smith, Jeff Economics University of Western Ontario

Yates, Charlotte Labour Studies McMaster University

# Research Theme 2

## **Unemployment Dynamics and Policies**

Abbring, Jaap Economics Free University of Amsterdam
Albak, Karsten Economics University of Copenhagen
Banting, Keith Political Science Queen's University

Bowlus, AudraEconomicsUniversity of Western OntarioCard, DavidEconomicsUniversity of California, Berkeley

Crossley, Thomas F Economics York University, Australian National University

Grogan, Louise Economics McMaster University

Jones, Stephen R G Economics McMaster University

Lemieux, Thomas Economics University of British Columbia

Lowe, Graham S Sociology University of Alberta

Riddell, W Craig Economics University of British Columbia

Robin, Jean-Marc Economics L'Ecole Polytechnique, ENS and CREST-INSEE

Sweetman, Arthur Economics Queen's University
Van Audenrode, Marc Economics Université Laval

Van den Berg, GerardEconomicsFree University AmsterdamVeall, MichaelEconomicsMcMaster UniversityWestern, BruceSociologyPrinceton University

Wong, Ging Economics Policy Research Secretariat, Government of Canada

# Research Theme 3 Family and Social Policies

Browning, Martin Economics University of Copenhagen Chiappori, Pierre-André Economics University of Chicago

Corak, Miles Economics Statistics Canada, Carleton University

Curtis, Lori Economics Dalhousie University **Dooley, Martin** Economics McMaster University

Gruber, Jonathan Economics Massachusetts Institute of Technology

Harris, Kathleen Mullan Sociology University of North Carolina Kaplan, Hillard S Anthropology University of New Mexico

Lacroix, Guy Economics Université Laval
Lechene, Valérie Economics University of Oxford
Lundberg, Shelly J Economics University of Washington

Myles, John Sociology Florida State University (CRC at Toronto, 2001-)

Ornstein, Michael Sociology York University Phipps, Shelley Dalhousie University **Economics** Robb, A Leslie **Economics** McMaster University Seitz, Shannon **Economics** Queen's University Siow, Aloysius **Economics** University of Toronto Woolley, Frances **Economics** Carleton University

## Labour Market Institutions and Outcomes: The Canadian International Labour Network

#### Introduction

The team of interdisciplinary researchers and policy makers known internationally as the Canadian International Labour Network (CILN) was brought together by a SSHRC MCRI grant that started in January 1996. CILN has operated very successfully over the past five years and now stands as an important element of Canadian and international infrastructure that has significantly altered the nature of research and policy analysis related to the labour market, especially in a Canadian context. A separate document details CILN's research results and impact to date.

This Letter of Intent proposes a renewal of CILN's support under the MCRI program, based on a vigourous interpretation of the concept of renewal. We propose renewal of the three themes of research within CILN, responding both to research progress and accomplishments over the 1996-2000 period, and to new research and policy issues that have emerged in light of rapidly changing global institutions and policy structures. We propose a renewal of the team direction, diversifying the team management to include two directors for each of three research themes with CILN, with four Canadian universities actively involved in sponsorship of the team research and dissemination plan. Relatedly, the team composition is renewed, with 20 new researchers, many of whom have participated as guests in various CILN events to date, now included in CILN as formal co-investigators, resulting in a set of team members drawn nationally and internationally from several related disciplines. We propose a renewal of the nature of research collaboration, with plans for two types of innovative workshops as well as for internet-based seminar series and discussion groups on research and policy questions, while building on our success in promoting standard academic research output that is published at the highest levels. We have thoroughly revised and renewed our plans for integrating graduate student and postdoctoral researchers within the program, and propose a number of new initiatives, notably an annual graduate student research workshop to bring together all of the CILN graduate and postdoctoral fellowship holders across Canada. Our aim with this collaborative enterprise is to attain a synergy for research questions within CILN's mandate that isolated groups of students and researchers at different universities could not achieve. Finally, we will renew our means of dissemination, using internet-based seminars and discussion groups to reach the broader research and policy community, and using a newsletter, public lecture series and co-sponsored policy forums to disseminate our research findings within and beyond the research community. Overall, we have taken the notion of renewal literally in all aspects of our operations, while building on our proven success in the generation of internationally recognized research results. The consequence of this renewal is a proposed CILN that will continue to generate innovative research of a fundamental nature and that will use innovative means to generate collaboration within the research community and outreach beyond it.

#### **Research Overview**

A central channel through which individuals experience economic change is the labour market, and issues such as job security, wage determination, employment growth, regional unemployment disparities, and their effects on family behaviour and welfare are important in research and policy. CILN's mandate is to address these issues, with the particular focus on the role played by labour market *institutions* in determining labour market *outcomes*. To the extent that more variation in such institutional structures is available by considering a range of countries, with a concomitant range of legislation, customs and institutional traditions, much of the initial thrust of CILN's research has been internationally comparative, using microdata on individuals to address key research and policy questions quantitatively.

Consistent with the renewal that runs through this application, this research focus is developed and reinterpreted in the planned set of questions to be addressed over the five year term. The issues are divided into three research themes, each coordinated by two program directors, although we should underline that cross-fertilization across these three themes was a central part of CILN's collaborative experience over the initial five years and will remain so in this renewal. We present a brief account of each theme and give some mention of the expertise of proposed research team in each area.<sup>1</sup>

## 1. Wages, Job Quality and Labour Market Institutions

Program directors: Baker, Green

Research team: Antecol, Benjamin, Blau, Blundell, Burbidge, Fortin, Friesen, Frost, Gregory, Hunt, Kennan,

Kuhn, Lewchuk, Machin, Parent, Picot, Schuetze, Shearer, Smith, Yates

<sup>&</sup>lt;sup>1</sup>Although many individuals will participate in more than one of the three research teams, we list each individual only once by primary thematic affiliation.

The main research questions in this component of the project include:

- 1) the role of social and economic institutions in affecting the distribution of wages;
- 2) the way in which these various institutional impacts interact with one another;
- 3) the interaction of technology, labour market outcomes, social outcomes and the policy setting (i.e., the formation and maintenance of the institutions we wish to study); and
- 4) the role of cross-country analysis of labour market institutions in refining estimates of their effects.

A major theme of CILN in its first term was to examine the impact of institutions on the wage structure, documenting and investigating the roles of movements in unionization rates, minimum wages, and other labour market institutions on the distributions of wages and earnings. The next step in this research is to focus on interactions: interactions between institutions and technological change, interactions among social, political and economic outcomes related to institutions; and interactions among the various institutions affecting the labour market.

There are two main driving forces behind changes in wage inequality within developed countries over the last quarter century: technological change, and changes in institutions that are directly related to the labour market. To this point, however, technological change and institutional change have been treated as exclusive, competing forces. Clearly, these two forces do not belong in such separated spheres. As Banting's work on dis-embedding liberalism points out, descriptions of technological change as an irresistible force have led to pressures to alter both social policy and labour market regulations. At the same time, social and labour market institutions regulate the way in which new technologies alter workplace practices and, thus, ultimately wage setting, as the work of Frost and Lowe makes clear. Thus, the most innovative work to be done on the evolution of wage structures lies at the intersection of economics, sociology and political science.

Our goal is to extend the standard economic approach for the study of the impacts of technology and institutions on the wage distribution in two ways. First, the contributors will examine the interactions of institutions and technology as they affect wages. Second, combinations of economists, sociologists and political scientists will investigate how forms of technological change, institutions and wages are all jointly determined. This will involve examinations of how workplace arrangements both respond to and mediate technological forces and institutional constraints as part of wage setting, which will draw upon the expertise of the sociologists and the labour relations experts. It will also involve larger issues of how changes in technology and wage distributions affect political will to support particular institutions, which will draw upon the expertise of political scientists.

As in earlier CILN work, effective investigation of these issues requires an international perspective since there is simply not enough variation in institutional forms to permit identification of all these forces within one country. Both the questions being asked and the methodologies indicate substantial overlap and potential integration with the other components of the CILN project. Workplace outcomes need to be set against a wider investigation of societal response, indicating direct links to the component of CILN examining family decision making. In addition, technological and institutional forces have impacts on employment as well as wages and so we expect considerable overlap with the unemployment theme.

A key goal will be a more complete understanding of how labour market institutions interact and how their effects vary across different political and social contexts. Thus, a second component of this theme is cross-country comparison and reconciliation of the estimated effects of specific labour market institutions. One important initial application, in which a number of team members have expertise, will be the web of income support programs erected for seniors in many countries, and impacts of an aging population on their fiscal health. Many countries are contemplating reform of the parameters of these programs in hopes of affecting the age at which individuals retire. In turn, the predicted effects of these reforms are often founded on empirical evidence of their effects in other countries. Team members are involved in existing, national research programs in this area, and thus bring knowledge and ongoing research to submit to cross-country comparison. In future work, analogous comparative analysis of the impacts of labour market training programs, ethnic and gender equity programs and employment standards legislation (e.g., minimum wages, maternity leaves) are contemplated.

## **Expertise of the Research Team in this Area**

Many CILN members have written on the impacts of institutions on the wage distribution, often in an international context (e.g., DiNardo, Fortin and Lemieux (1996) and Donald, Green and Paarsch (2000)). The project also includes considerable expertise in the area of technological impacts on wage and employment outcomes, again in an international context (for example, Murphy, Riddell and Romer (1998), and Beaudry and Green (1998)). Perhaps not surprisingly, skill levels play a prominent role in how these impacts emerge and the team has a very large contingent of experts on labour market effects of training and education. The project also calls for expertise on remuneration practices

and firm organization, the direct research interest of Shearer (e.g., Shearer and Ferrall (1999)) from economics and Lowe (e.g., Hughes and Lowe (2000)) from sociology. Unions are of considerable importance in understanding labour market outcomes in many countries and we have leading experts on union issues, including Kuhn from economics, Frost from sociology and Lewchuk and Yates from industrial relations. Finally, Banting's research relating political support for the welfare state to larger economic and technological forces will play a central role in the project's development.

Baker and Benjamin (1999), Burbidge (1996) and Myles (with Pierson, 2000) have written extensively on Income Security programs for seniors in Canada, while Gruber (with Wise 1999) is a prolific contributor to the corresponding literature on the US Social Security system. Baker, Gruber and Blundell have recently been involved in an international project comparing the incentives in the social security systems of major industrialized countries. Benjamin is currently investigating retirement issues in China and Vietnam. Baker and Fortin have written a number of papers on the economic status of women in Canada, and the effects of pay equity legislation. Blau has written extensively on the status of females in the US, and is a pioneer exploiting cross-country differences in institutions and labour market structure in analysis in this area (with Kahn, 1996a, 1996b). Gregory has written papers on the gender equity concerns of age councils in Australia and the success of comparable worth legislation in that country. Smith has extensive knowledge of training programs in Canada and the US, and has written papers both on their impacts and the appropriate econometric techniques to use in any analysis (Heckman and Smith (1999)). Baker and Benjamin (with Stanger 1999) and Friesen (with Pedakur 1998) have contributed to the minimum wage literature in Canada, while Card (with Krueger 1994) and Machin (with Dickens and Manning 1999) have analyzed the effects of these regulations in the US and UK.

# 2. Unemployment Dynamics and Policies

Program directors: Bowlus, Jones

Research team: Abbring, Albak, Banting, Card, Crossley, Grogan, Lemieux, Lowe, Riddell, Robin, Sweetman,

Van Audenrode, Van den Berg, Veall, Western, Wong

The central research goals here include:

- 1) analysis of current unemployment trends across various developed countries, including trends in the stocks of unemployed, short-term and long-term, patterns in the duration of unemployment and the structure of flows into and out of unemployment;
- 2) study of the effects of different labour market institutions and policies, particularly unemployment insurance systems, on unemployment levels, the living standards of the unemployed, and the return to employment; and
- 3) advance in the pursuit of a variety of approaches to the above questions, including structural and non-structural modelling and estimation methodologies, with the intention of comparing and contrasting the approaches and results.

CILN research to date has addressed many aspects of the first question, but with the passage of time and the development of new trends and patterns, it is important that such careful analysis continue as an on-going part of the research agenda. The late 1990s saw economic expansion in many developed economies, and much interest attaches to investigation of international differences in unemployment experience during the period. One particular issue is the international comparative experience of alternative measures of unemployment and labour force attachment, stemming from the work of Jones and Riddell in CILN's first term, studying why degrees of attachment to the labour force can vary significantly across economies with relatively similar overall economic performance.

Building on these findings, a main focus in the renewal is on the interactions, causes and consequences—intended and not—of labour market institutions and policies as they affect unemployment. One particular topic will be continued study of unemployment insurance and related programs. Many national governments have made recent changes to their unemployment insurance and welfare programs that affect the unemployed. For example, Canada has gone through a period of UI/EI reform and general tightening of many labour market programs through most of the past decade, although some measures are being reversed more recently, while the US has instituted active measures that seek to move individuals from welfare to work. The research team will approach these institutional changes both non-structurally and structurally, recognising explicitly that there are many ways to study the effects of labour market programs.

The third goal, therefore, builds on the success of research by CILN members from the first term and incorporates strengths from the addition of new team members. We seek to acknowledge explicitly that within economics, across disciplines, and between policy and academic arenas, it is important for researchers to inform and to be informed about different modelling and estimation techniques and results. CILN will bring together some of the best structural and non-structural researchers in economics, researchers from other related disciplines and researchers working in policy centres, from Canada and around the world, to build these research bridges. The outcome of this

innovative approach will be disseminated research containing a variety of approaches such that comparisons and contrasts can be made across disciplines, techniques and outcomes as well as across countries and labour market programs. In this way we expect conclusions to be well grounded and well tested and therefore of particular use to policy makers.

## **Expertise of the Research Team in this Area**

The composition of the unemployment research team reflects the above goals. In particular we have gathered together researchers within economics with both structural and non-structural backgrounds with an interest in policy as well as researchers from outside economics and from policy centres who also focus on unemployment issues and policies.

Jones and Riddell have been engaged in a large project concerned with measuring unemployment and labour force attachment. In particular, Jones and Riddell (1998a, 1998b, 1999) investigated whether institutional and measurement differences are important for the understanding of unemployment. Their current CILN work expands this analysis to the US (2000a), extends the Canadian work using important new data sources (2000b) and will address the comparative experience of the UK and Australia in future work.

Cross-country analyses are crucial to much of the work proposed, and many CILN researchers have worked on documenting differences in the unemployment experience across countries. Card and Riddell (1993), Bowlus (1998a, 1998b), and Storer and van Audenrode (1998) compare the US and Canada; Card, Kramarz and Lemieux (1999) study the US, Canada and France; Albak et al. (2000) examines the Nordic countries; and Ridder and van den Berg (1998) study the OECD as a whole. In addition Grogan and van den Berg (forthcoming) have documented unemployment patterns for Russia.

Several of the team members have conducted important research on unemployment insurance and other labour market programs. Corak and Jones (1995) consider the importance of regional variation in UI benefit levels and duration in Canada. Browning and Crossley (2001) examine the timing relationship between consumption and UI benefits. For The Netherlands, Abbring, van den Berg and van Ours (1997) look at the effect of UI sanctions on the unemployed. Storer and Van Audenrode (1995) examine UI take-up rates in Canada while Kuhn and Sweetman (1998) look at quit behaviour in relation to changes in the Canadian UI legislation. Wong directed the major research effort in Canada on the effects of UI and EI throughout the 1990s and brings an active policy-centred contribution to the team's work. The innovative panel data set, the Canadian Out of Employment Panel (COEP), was initially developed by Browning, Jones and Kuhn, in collaboration with Wong and his then colleagues at HRDC, and future CILN research will exploit these data to study the evolution of EI and its labour market effects.

Structural methodologies commonly model unemployment using job search models (Mortensen (1986), Devine and Kiefer (1991) and Burdett and Mortensen (1998)) and then proceed to structurally estimate the underlying parameters of the model and conduct policy experiments within the model. Ridder and van den Berg (1998), Bowlus, Kiefer and Neumann (1995, forthcoming), and Bontemps, Robin and van den Berg (1999, 2000) have written a series of papers developing estimation methodologies for such models. Examples of the application of this research include the studies of differences in labour market behaviour across males and females by Bowlus (1997) and Bowlus and Grogan (2000), discrimination by Bowlus and Eckstein (forthcoming), inequality by Bowlus and Robin (2000), and minimum wages by van den Berg (1998).

## 3. Family and Social Policies

Program directors: Dooley, Siow

Research team: Browning, Chiappori, Corak, Curtis, Gruber, Harris, Kaplan, Lacroix, Lechene, Lundberg,

Myles, Ornstein, Phipps, Robb, Seitz, Woolley

The main research questions include:

- 1) the effects of different labour market institutions on the labour supply and earnings of individuals and families;
- 2) how labour market institutions affect inequality both between and within families;
- 3) the role played by labour market institutions in affected decisions concerning fertility and family formation and dissolution; and
- 4) the effects of labour market institutions on the health and development of children and youth.

CILN researchers have long standing interest in how hours of paid work are influenced by the following factors: individual characteristics, such as education; family characteristics, such as the number and ages of children; labour market characteristics, such as the unemployment rate; and public policy parameters such as ease of access to, and the

level of benefits paid by, public income support programs such as welfare, disability compensation and unemployment insurance. A major motive for this work is to understand more fully the major changes that have occurred in the hours of paid work in most developed economies by groups such as women with young children. Another rationale comes from the need to assess the impacts on families of the major restructuring of income support programs, especially welfare, that has occurred in Canada, the US and other countries. This policy focus will play a prominent role in CILN's research, building on existing expertise in the team and taking advantage, in particular, of maturing longitudinal data sets such as the Canadian Survey of Labour and Income Dynamics.

The economic approach to labour supply has traditionally assumed a "single decision maker" ("unitary") model of household behaviour. Recent fundamental work, conducted principally by members of CILN, has cast doubt on this premise, and emerging results have important implications for both positive and normative analyses of the household. For example, "non-unitary" studies can allow for intra-household inequality in making inequality and poverty measurements across populations. These innovative models of family decision-making are also being extended to cover other facets of household behaviour such as saving, labour supply, and expenditures on children. Such work is critical for assessing the manner in which public policy and other variables affect the distribution of well-being within the family and constitutes a major focus of the CILN family theme agenda.

A third closely-related set of issues concerns the composition of the family itself. All developed economies have witnessed major changes in the age at which individuals enter marital unions, the legal nature of those unions (registered or common-law), and the likelihood of marital dissolution and remarriage. Recent research in Canada and other countries indicates that a wide variety of economic factors have potential impacts on these phenomena, including the relative earnings potential of women and men, the relative supply of marriageable females and males, income support programs for single parents, the nature of laws governing divorce, child support and child custody. Active areas of research include the impact of welfare programs on the incidence of single parenthood and the effect of the introduction of no-fault divorce law on the well-being of women and children. The level and timing of fertility have also undergone major shifts, influence in part by new birth-control technologies and new medical techniques for extending the fertility of older women. Economists have begun to explore the impact of such changes in reproductive technologies on gender roles, including the rise of single parenthood and the increase in female labor force participation rate. CILN will extend and broaden these studies on the composition of the family.

Finally, several CILN members have recently begun investigating the socio-economic determinants of the health and development of children and youth in various countries, prompted both by strong public policy interest and the availability of new longitudinal data sources. Outcomes of interest include the physical, behavioural, emotional and cognitive health and development of children and, where long panels are available, the educational, labour market, marital and childbearing behaviour of young persons as they enter adulthood. The principal determinants of interest have been family income and hours of paid work, modes and amounts of child care, family structure, parental education and health, and neighbourhood characteristics. CILN will hold a workshop on the determinants of the health and development of children and youth, to bring together researchers from various countries and disciplines. CILN research will also improve our understanding of the links between child and youth well-being, and the other outcomes of interest to our team including patterns of paid work, within-family inequality, and family composition.

## **Expertise of the Research Team in this Area**

Most team members have recently worked on topics that directly or indirectly involve family labour supply decisions. Harris (1996, 1997), Gruber (2000b), Lacroix, Fortin and Thibault (1999), Dooley (1999), Dooley and Stewart (1999), and Dooley and Finnie (2001) have investigated patterns of labour force and welfare participation among lone mothers in the US and Canada. Ornstein (1999) provides a socio-political analysis of recent transformations of the welfare state. Gruber (1998, 2000a) and Browning and Crossley (2001) have considered the effect of unemployment insurance on labour supply, consumption and savings. Phipps, Burton and Lethbridge (2001a, 2001b) have studied the impact of parental-leave benefits and the long run impacts of interruptions in paid work. Myles (2000) and Myles and Pierson (2000) provide a sociological perspective on the impact of the retirement income system on both labour supply and poverty among seniors.

Browning and Chiappori (1998), Lechene and Browning (2000b), and Woolley and Chen (2001) have on-going research programs on intra-household allocation. Lundberg, Pollak and Wales (1997), and Phipps and Burton (1998) consider the impact of income pooling on patterns of household expenditure using data from the UK and Canada. Lundberg (2000) also studies the impact of family bargaining on retirement decisions. Chiappori, Fortin and Lacroix (2001) have analysed the link between household sharing rules and labour supply. Lacroix, Picot and Sofer (1998) have written on labour specialization within the extended family and Lacroix and Fortin (1997) have published tests of unitary

and collective models of labour supply.

CILN researchers who have done recent work on family formation and dissolution in both Canada and the US include Seitz (2000), Seitz and Bowlus (2000) and Dooley, Gascon, Lefebvre and Merrigan (2000). Siow (1998) and Siow and Hamilton (2000) analyse the impact of differential (between women and men) fecundity on labour market behaviour and gender roles. Lundberg and Rose (2000) have studied the impact of children on the earnings of men and women whereas Lechene and Browning (2000a) consider the impact of children on consumer demand.

Child and youth health and development have been investigated recently by Corak and Heisz (1999) who used linked Canadian tax records to examine inter-generational income mobility and by Corak (2001) who analysed the impact of parental loss on child outcomes. Harris (1999), Harris et al. (1998), Gruber and Currie (1996), Gruber and Cutler (1996), and Gruber (2001) have analysed the impact of public health care programs on child health and health care utilization. Dooley et al. (1998) and Curtis and Phipps (1999, 2000) have used the Canadian National Longitudinal Survey of Children and Youth to investigate the link between family socio-economic characteristics and childhood behavioural and emotional outcomes. Phipps, Burton and Lethbridge (2001b) has compared the determinants of child-well being in Canada, Norway and the US. Curtis and Phipps (2000) have also analysed differences between Canada and the US more extensively. Siow (1998) have studied the impact of differential fecundity on gender-biased parental investments. Kaplan (1998) and Kaplan, Anderson, Lam and Lancaster (1999) bring the anthropological perspective to bear on parental investments in traditional and modern societies, and parental care by genetic and step fathers respectively. Myles, Picot and Pyper (1998) consider trends in low income among both children and seniors in Canada.

## Collaboration, Integration and Networking

CILN is an existing research team and network that functions effectively in a number of important respects, and we propose building on this foundation. We will renew the collaborative nature of the team research endeavour with several significant new initiatives.

First, the new team structure will have major CILN sites at McMaster, Toronto, Western and UBC, with program directors and multiple graduate student fellowship holders at each site. Each site also has other senior CILN researchers, in addition to the program directors. We plan on seminars, one-day workshops, public lectures and other CILN activities at *each* site, creating a set of CILN activities that is not institution-specific.

Second, the renewed team membership has CILN researchers at many other institutions across Canada, including Laval, McGill, Dalhousie, York, Queen's, Simon Fraser, Statistics Canada, the Policy Research Initiative of the Privy Council, and the Work Network within Canadian Policy Research Networks Inc. Internationally, CILN has team members from the US, the UK, France, the Netherlands, Australia and Denmark.

Third, CILN has researchers in the team from many disciplines. While the primary thrust of the initiative was and remains quantitative research, based on economics and econometric modes of analysis, the team also includes leading Canadian and international researchers in political science, sociology, industrial relations, labour studies, organizational behaviour and anthropology. We encourage participants to engage in cross-disciplinary debate and collaboration, organizing conference sessions with multi-disciplinary participants, and we seek to adapt the insights of one discipline to the needs of another. That said, we concur with the SSHRC MCRI site visit Committee that success in such interdisciplinary efforts may represent a more challenging goal for economists than for many other social scientists. We take up this challenge by retaining active non-economist team participants from our first term and adding a number of non-economists who work on closely related research issues, often employing similar quantitative techniques, we are trying to further inter-disciplinary debate around CILN's themes in a serious way. We expect that the thematic one-day workshops will be an important element in this process, particularly in view of their anticipated informal and free-ranging nature.

Lastly, we propose some particular innovative mechanisms to enhance the integration of graduate student and postdoctoral researchers in the overall research endeavour of CILN; these are detailed in the next section.

## **Graduate Student and Postdoctoral Training and Research Integration**

A principal success in CILN's first term was its training of graduate student researchers and its ability to integrate this training into the overall research program, as the appended report on the first term indicates by data on research output and subsequent performance on the academic job market. We propose a renewal of this commitment to innovative training with a number of further specific initiatives that will enhance the role played by the junior members of CILN, extending the mentoring role of senior scholars and integrating graduate student and postdoctoral fellows into the overall research plan.

Overall, the budget allocation is for a total of 14 CILN graduate student fellowships annually. Designed to enable

doctoral students to engage in collaborative research projects with senior CILN members, these competitive fellowships actively train young Canadian researchers in the practice of international comparative microdata research. Each sponsoring university has made a commitment to share the cost of these annual fellowships on a 50% basis with SSHRC, with 5 fellowships annually at McMaster, 4 at Toronto, 3 at UBC, and 2 at Western Ontario. In addition to close involvement in research, such students will also have ready access to data sets and policy information which might otherwise be problematic for graduate students, regular exposure to international scholars visiting CILN sites across Canada under the program, provision for research-related visits to other Canadian and foreign universities and government departments, participation in CILN-sponsored internet seminars and discussion groups, and involvement in the actual planning and coordination of the research by a (rotating) student representative to the steering committee.

Moreover, building on a recommendation of the SSHRC site visit Committee for CILN's first term, we propose an innovative graduate student and postdoctoral seminar that would bring together all CILN graduate and postdoctoral fellowship holders for a research-focused workshop. To be held annually, this workshop would showcase the various graduate student and postdoctoral research projects, either individual or collaborative, within CILN, and would create a community of student peers that could overcome the isolation experienced by many graduate students working on microdata research projects, an isolation that extends even to the largest doctoral programs in the country. Moreover, this workshop would provide graduate students and postdoctoral fellows with the opportunity to interact with CILN faculty researchers at other affiliated institutions, integrating these more junior researchers into the broader research setting. We think this integration is crucial for the development of future independent researchers.

#### **Dissemination Plans**

Our plans for dissemination continue existing successes and propose a number of innovative initiatives. First, since our primary goal is and must always remain top quality research on important issues related to CILN's central themes, all team members will naturally aim to continue publication in the best international journals and other key peer-reviewed outlets. Second, CILN members will continue participation in invited seminars and lecture series at other institutions, both academic and policy-related. Along with the CILN working paper series that is distributed on the internet, the presentation of seminars and research workshops provides early opportunities for dissemination and feedback when research is in its early stages. Third, we will continue to hold major conferences once every two years, building on the growing success experienced by the first three conferences held in 1996, 1998 and 2000. We will continue this sequence with major conferences in 2002, 2004 and 2006. Fourth, we will continue to sponsor public lecture series, policy panels, and sessions at Learned Societies' Annual Meetings, and to participate in related networks focused on similar policy issues. Finally, our biannual newsletter *CILNews* and our evolving web site will continue to provide a broad international community with reader-friendly information and links related to CILN's themes.

We also propose a number of innovations in dissemination and collaboration. First, we intend to sponsor a number of independent one-day workshops at various CILN sites on specific topics within a research theme; an example might be "Family Formation and Dissolution Issues as Seen by Different Disciplines." Including junior student researchers, senior CILN members, and other invited researchers, such highly focused workshops can lead to rapid crossfertilization and research advance. Second, research director Siow is the founder and current organizer of the Society for Labor Economics (SOLE) Internet Seminar series, and CILN will take over and develop this international seminar series, web-mastered by CILN. The model for this series is that of a weekly seminar, with a specific paper being discussed, except that the discussion takes places over the web. Third, we relatedly plan to initiate a number of moderated internet discussion groups on research themes, these being more open-ended than the seminar series (rather than being focussed on one research paper). Fourth, we plan on a series of CILN-national seminar series, whereby an international researcher, often a CILN collaborator, makes a seminar tour to all four CILN major sites, and possibly to one or two other Canadian sites where CILN co-investigators are active. This cost-effective plan also exposes junior and senior team members at different sites to the same current research ideas, exposure that can develop into a continuing debate over the internet and in future workshops and conferences. Lastly, we are investigating co-sponsorship of a number of research and policy workshops and conferences, such as with the Centre for the Study of Children at Risk based at McMaster, the Torontobased C.D. Howe Institute, and with the HRDC-sponsored Social Research and Demonstration Corporation in Ottawa that conducts innovative social experiments in Canada. These and related forums will link CILN researchers to a broader public through proactive outreach.

#### **Budget and Institutional Support**

The program budget is shared among SSHRC and four sponsoring universities, with contributions from partners. The institutional support for the team is broad-based and substantial. As host institution, McMaster has committed to

support release time for two directors, two two-year postdoctoral positions, secretarial support, use of the Statistics Canada-McMaster Research Data Centre, data library funding (covering part of the salary, workstation, software and data purchases), contributions towards the cost of conferences, one-day research workshops and the annual graduate student workshop, contributions towards undergraduate research assistance, and 50% funding of 5 CILN graduate fellowships. In addition, it has committed a Senior Canada Research Chair, funded at \$200000 annually, to an external hiring in labour economics related to CILN, as well as an entry-level tenure-track position in the same field, both to start in July 2002. Note, however, that neither of these positions enters into the monetary total commitment of \$816 349. It also provides space for the CILN data library. Co-sponsoring institutions have committed to provide release time for directors and 50% funding of CILN graduate fellowships, in addition to provision of space. Finally, we expect partners including HRDC, the Centre for the Study of Children at Risk and the C.D. Howe Institute to commit to modest support for workshops and dissemination activities.

# **Budget Overview**

Year	SSHRC	McMaster	UofT	UWO	UBC	Partners	TOTAL
1	515514	207000	46050	22638	30475	0	821677
2	285360	152330	46050	22638	30475	5000	541853
3	355360	152330	46050	22638	30475	5000	611853
4	285360	152330	46050	22638	30475	5000	541853
5	326932	152359	46050	22638	20475	5000	573454
TOTAL	1768526	816349	230250	113190	142375	20000	3090690

# **Breakdown of SSHRC Budget**

Item	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
CILN graduate fellowships (50% costing)	94038	94038	94038	94038	94038	470190
Postdoctoral fellowships (2)	28428	56856	56856	56856	28428	227424
Equipment (PCs, software)	121200	0	0	0	0	121200
Data library equipment – workstation	17334	0	0	0	0	17334
Data librarian salary/benefits	21186	21186	21186	21186	21186	105930
Data purchases (non-Canadian data)	45048	0	0	0	0	45048
Web master salary (part-time)	16000	16000	16000	16000	16000	80000
Secretarial support	3160	3160	3160	3160	3160	15800
Research assistant salaries	15840	15840	15840	15840	15840	79200
Major conferences (2002, 2004, 2006)	70000	0	65000	0	65000	200000
Graduate student workshops (annually)	31200	31200	31200	31200	31200	156000
One-day research workshops (7)	10080	5080	10080	5080	10080	40400
Seminar series (4 sites)	19000	19000	19000	19000	19000	95000
Supplies	3000	3000	3000	3000	3000	15000
Collaborative research travel	20000	20000	20000	20000	20000	100000

TOTAL 515514 285360 355360 285360 326932 1768526

MCRI Application Stephen R.G. Jones January 2001

# **Bibliography**

Abbring, Jaap H., Gerard J. van den Berg and J.C. van Ours, 1997, "The Effect of Unemployment Insurance Sanctions on the Transition Rate from Unemployment to Employment," mimeo, Free University of Amsterdam.

Albæk, Karsten, et al., 2000, "Dimensions of the Wage-Unemployment Relationship in the Nordic Countries: Wage Flexibility without Wage Curves," mimeo, University of Copenhagen.

Baker, M., and D. Benjamin, 1999, "Early Retirement Provisions and the Labor Force Behavior of Older Men: Some Evidence from Canada," Journal of Labor Economics, 17, 724-756.

Baker, M., D. Benjamin and S. Stanger, 1999, "The Highs and Lows of the Minimum Wage Effect: A Time Series-Cross Section Study of the Canadian Law," <u>Journal of Labor Economics</u>, 17, 318-350.

Beaudry, P., and D. Green, 1998, "What is Driving U.S. and Canadian Wages: Exogenous Technical Change or Endogenous Choice of Technique?" NBER Working Paper 6853.

Blau, F.D., and L.M. Kahn, 1996a, "International Differences in Male Wage Inequality: Institutions versus Market Forces," <u>Journal of Political Economy</u>, 104, 791-837.

Blau, F.D., and L.M. Kahn, 1996b, "Wage Structure and Gender Earnings Differentials: an International Comparison," Economica, S29-S62.

Blundell, R.W., A. Duncan and C. Meghir, 1998, "Estimating Labour Supply Responses using Tax Policy Reforms," <u>Econometrica</u>, 66, 827-61.

Bontemps, Christian, Jean-Marc Robin and Gerard van den Berg, 1999, "An Empirical Equilibrium Search Model with Continuously Distributed Heterogeneity of Workers' Opportunity Costs of Employment and Firms' Productivities, and Search on the Job," International Economic Review, 40, 1039-1074.

Bontemps, Christian, Jean-Marc Robin and Gerard van den Berg, 2000, "Equilibrium Search with Continuous Productivity Dispersion: Theory and Nonparametric Estimation," <u>International Economic Review</u>, 41, 305-358.

Bowlus, Audra J., 1997, "A Search Interpretation of Male-Female Wage Differentials," <u>Journal of Labor Economics</u>, 13, 625-657.

Bowlus, Audra J., 1998a, "U.S.-Canadian Unemployment Rage and Wage Differences Among Young, Low-Skilled Males in the 1980's," <u>Canadian Journal of Economics</u>, 31, 437-464.

Bowlus, Audra J., 1998b, "A Panel Data Analysis of the U.S.-Canadian Nonemployment Rate Gap Among Young, Low Skilled Males," <u>Canadian Public Policy</u>, 24, S192-209.

Bowlus, Audra J., and Zvi Eckstein, forthcoming, "Discrimination and Skill Differences in an Equilibrium Search Model," International Economic Review.

Bowlus, Audra J., and Louise Grogan, 2000, "Equilibrium Job Search and Gender Wage Differentials in the UK," mimeo, University of Western Ontario.

Bowlus, Audra J., Nicholas Kiefer and George R. Neumann, forthcoming, "Equilibrium Search Models and the Transition from School to Work," International Economic Review.

Bowlus, Audra J., Nicholas Kiefer and George R. Neumann, 1995, "Estimation of Equilibrium Wage Distributions with

Heterogeneity," Journal of Applied Econometrics, 10, S119-S131.

Bowlus, Audra J., and Jean-Marc Robin, 2000, "Using Search Theory to Compute Life-Time Labor Values: Does This Change Our Knowledge About Labor Market Inequality?" mimeo, University of Western Ontario.

Browning, Martin, and Pierre-André Chiappori, 1998, "Efficient Intra-Household Allocations: A General Characterisation and Empirical Tests," Econometrica, 66, 1241-1278.

Browning, Martin, and Thomas Crossley, 2001, "Unemployment Insurance Levels and Consumption Changes," <u>Journal of Public Economics</u>, forthcoming.

Burbidge, J.B., 1996, "Public Pensions in Canada," in Richards J., and W.G. Watson, eds, When We're 65: Reforming Canada's Retirement Income System, C.D. Howe Institute, Social Challenge Series No. 13, Toronto, pp. 93-128.

Burdett, Kenneth, and Dale Mortensen, 1998, "Wage Differentials, Employer Size and Unemployment," <u>International Economic Review</u>, 39, 257-273.

Card, D., 1996, "The Effect of Unions on the Structure of Wages: A Longitudinal Analysis," Econometrica, 64, 957-79.

Card, David, Francis Kramarz and Thomas Lemieux, 1999, "Changes in the Relative Structure of Wages and Employment: A Comparison of the United States, Canada, and France," Canadian Journal of Economics, 32, 843-877.

Card D., and A. Krueger, 1994, "Minimum Wages and Employment: A Case Study of the Fast Food Industry in New Jersey and Pennsylvania," American Economic Review, 84.

Card, D., and T. Lemieux, 1994, "Changing Wage Structure and Black-White Wage Differentials," <u>American Economic Review</u>, (Papers and Proceedings), 84, 29-33.

Card, David, and Phillip Levine, 1994, "Unemployment Insurance Taxes and the Cyclical and Seasonal Properties of Employment and Unemployment," <u>Journal of Public Economics</u>, 53, 1-29.

Card, David, and Craig Riddell, 1993, "A Comparative Analysis of Unemployment in Canada and the United States." In D. Card and R. Freeman (eds.), <u>Small Differences That Matter</u>. Chicago: University of Chicago Press.

Chiappori, Pierre-André, 1988, "Rational Household Labor Supply," Econometrica, 56, 63-90.

Chiappori, Pierre-André, 1992, "Collective Labor Supply and Welfare," Journal of Political Economy, 437-467.

Chiappori, Pierre-André, Bernard Fortin and Guy Lacroix, 2001, "Household Labor Supply, Sharing Rule and the Marriage Market," Journal of Political Economy, forthcoming.

Corak, Miles, 2001, "Death and Divorce: The Long-Term Consequences of Parental Loss on Adolescents," <u>Journal of Labor Economics</u>, forthcoming.

Corak, Miles, and Andrew Heisz, 1999, "The Intergenerational Earnings and Income Mobility of Canadian Men: Evidence from Longitudinal Income Tax Data," <u>Journal of Human Resources</u>, 34, 504-533.

Corak, Miles, and Stephen R.G. Jones, 1995, "The Persistence of Unemployment: How Important Were Regionally Extended Unemployment Insurance Benefits?" Canadian Journal of Economics, 28, 555-567.

Curtis, Lori, Martin Dooley, Ellen Lipman and David Feeny, 2001, "The Role of Permanent Income and Family Structure in the Determination of Child Health in the Ontario Child Health Study." <u>Health Economics</u>, forthcoming.

Curtis, Lori, and Shelley Phipps, 1999, "The Missing Link Between Income and Child Health and Well-Being: Are We

Measuring Income Adequately?" Working paper, Dalhousie University.

Curtis, Lori, and Shelley Phipps, 2000, "Poverty and Child Well-Being in Canda and the United States: Does It Matter How We Measure Poverty?" Working paper, Dalhousie University.

Devine, Theresa J. and Nicholas M. Kiefer, 1991, <u>Empirical Labor Economics: The Search Approach</u>. New York and Oxford: Oxford University Press.

Dickens, R., Manning, A., and S. Machin, 1999, "The Effects of Minimum Wages on Employment: Theory and Evidence From Britain", <u>Journal of Labor Economics</u>, 17, 1-22.

DiNardo, J., N.M. Fortin and T. Lemieux, 1996, "Labor Market Institutions and the Distribution of Wages, 1973-1992: A Semiparametric Approach," <u>Econometrica</u>, 64, 1001-1044.

Donald, Stephen G., David Green and Harry J. Paarsch, 2000, "Differences in Wage Distribution Between Canada and the United States: An Application of a Flexible Estimator of Distribution Functions in the Presence of Covariates," <u>Review of Economic Studies</u>, forthcoming.

Dooley, Martin, 1999, "The Evolution of Welfare Participation Among Canadian Lone Mothers from 1973 - 1991". <u>Canadian Journal of Economics</u>, 32, 589-612.

Dooley, Martin, Lori Curtis, Ellen Lipman and David Feeny, 1998, "Child Psychiatric Disorders, Poor School Performance and Social Problems: The Roles of Family Structure and Low Income in Cycle One of the National Longitudinal Survey of Children and Youth." In Miles Corak (ed.), <u>Labour Markets, Social Institutions</u>, and the Future of Canada"s Children. Ottawa: Statistics Canada.

Dooley, Martin, and Ross Finnie, 2001. "An Analysis of Differences in Labour Force Participation and Welfare Participation Among Lone Mothers Using Longitudinal Data," Working Paper, McMaster University.

Dooley, Martin, S. Gascon, P. Lefebvre and P. Merrigan, 2000, "Lone Female Headship and Welfare Policy in Canada." <u>Journal of Human Resources</u>, 35, 587-602.

Dooley, Martin, and Jennifer Stewart, 1999, "The Duration of Spells On Welfare and Off Welfare Among Lone Mothers in Ontario." <u>Canadian Public Policy</u>, 25, Supplement, S47-S72.

Friesen, J., and K. Pendakur, 1998, "The Effect of Increases in the Minimum Wage on the Employment Durations of Low-wage Workers," mimeo, Simon Fraser University.

Grogan, Louise, and Gerard van den Berg, forthcoming, "The Duration of Unemployment in Russia," <u>Journal of Population</u> Economics.

Gruber, Jonathan, 1998, "Unemployment Insurance, Consumption Smoothing, and Private Insurance: Evidence from the PSID and CEX," Research in Employment Policy, 1, 3-32.

Gruber, Jonathan, 2000a, "Does Unemployment Insurance Crowd Out Spousal Labor Supply?," <u>Journal of Labour Economics</u>, 18, 546-572.

Gruber, Jonathan, 2000b, "Cash Welfare as a Consumption Smoothing Mechanism for Single Mothers," <u>Journal of Public</u> Economics, 75, 157-182.

Gruber, Jonathan, 2001, "Public Health Insurance and Medical Treatment: The Equalizing Impact of the Medicaid Expansions," <u>Journal of Public Economics</u>, forthcoming.

Gruber, Jonathan, and Janet Currie, 1996, "Health Insurance Eligibility, Utilization of Medical Care, and Child Health," Quarterly

Journal of Economics, 111, 431-466.

Gruber, Jonathan, and David Cutler, 1996, "The Effect of Expanding the Medicaid Program on Public Insurance, Private Insurance, and Redistribution," <u>American Economic Review</u>, 86, 368-373.

Gruber, J and D. Wise, 1999, "Social Security Programs and Retirement Around the World," <u>Research in Labor Economics</u>, 18, 1-40.

Harris, Kathleen Mullan, 1996, "Life After Welfare: Women, Work and Repeat Dependency," <u>American Sociological Review</u>, 61, 407-426.

Harris, Kathleen Mullan, 1997, Teen Mothers and the Revolving Welfare Door. Philadelphia: Temple University Press.

Harris, Kathleen Mullan, 1999, "The Health Status and Risk Behavior of Adolescents in Immigrant Families." In Donald J. Hernandez (ed.), Children of Immigrants: Health, Adjustment, and Public Assistance. Washington, D.C.: National Academy Press.

Harris, Kathleen Mullan, et al., 1998, "Protecting Adolescents From Harm: Findings from the National Longitudinal Study on Adolescent Health," Journal of the American Medical Association, 278, 823-832.

Heckman, J., and J. Smith, 1999, "The Pre-Program Earnings Dip and the Determinants of Participation in a Social Program: Implications for Simple Program Evaluation Strategies," Economic Journal 109, 313-348.

Hughes, K.D., and G. S. Lowe, 2000, "Surveying the 'Post-Industrial' Landscape: Information Technologies and Labour Market Polarization in Canada," <u>Canadian Review of Sociology and Anthropology</u>.

Hughes, K.D., G.S. Lowe and A.L. McKinnon, 1998, "The Future of Work: Implications for Unions," <u>Relations industrielles/Industrial Relations</u>, 53, 235-57.

Hunt, Jennifer, 1995, "The Effect of Unemployment Compensation on Unemployment Duration in Germany," <u>Journal of Labor</u> Economics.

Jones, Stephen R.G., and Craig Riddell, 1998a, "Gross Flows of Labour in Canada and the United States," <u>Canadian Public Policy</u>, 24, S103-S120.

Jones, Stephen R.G., and Craig Riddell, 1998b, "Unemployment and Labor Force Attachment: A Multistate Analysis of Nonemployment." In *Labor Statistics Measurement Issues*, J. Haltiwanger, M. Manser & R. Topel, eds., NBER Conference on Research in Income and Wealth Series, University of Chicago Press, 123-52.

Jones, Stephen R.G., and Craig Riddell, 1999, "The Measurement of Unemployment: An Empirical Approach," <u>Econometrica</u>, 67, 147-161.

Jones, Stephen R.G., and Craig Riddell, 2000a, "The Dynamics of Labour Force Attachment in the US Labour Market." Working Paper, McMaster University.

Jones, Stephen R.G., and Craig Riddell, 2000b, "Unemployment and Labour Force Attachment: A Study of Canadian Experience 1997-1999." Working Paper, McMaster University.

Kaplan, Hillard, 1998, "A Theory of Fertility and Parental Investment in Traditional and Modern Societies," <u>Yearbook of Physical Anthropology</u>, 39, 91-135.

Kaplan, Hillard, K. Anderson, D. Lam and J. Lancaster, 1999, "Parental Care By Genetic and Step Fathers: Reports by Men in Albuquerque, New Mexico," <u>Evolution and Human Behavior</u>, 20, 405-451.

Kuhn, Peter, 1998, "Unions and the Economy: What We Know; What We Should Know," Canadian Journal of Economics, 1033-56.

Kuhn, Peter, and Mikal Skuterud, 2000, "Internet and Traditional Job Search Methods, 1994-1999," Working Paper, University of California, Santa Barbara.

Kuhn, Peter, and Arthur Sweetman, 1998, "Unemployment Insurance and Quits in Canada," <u>Canadian Journal of Economics</u>, 31, 549-572.

Lacroix, Guy, and Bernard Fortin, 1997, "An Empirical Test of the Unitary and Collective Labour Supply Models, <u>Economic Journal</u>, 107, 933-956.

Lacroix, Guy, Bernard Fortin and J.-F. Thibault, 1999, "The Interaction Between U.I. and Welfare, and the Dynamics of Welfare Participation of Single Parents," Canadian Public Policy, 25, Supplement.

Lacroix, Guy, M. Picot and C. Sofer, 1998, "The Extent of Labour Specialization in the Extended Family: A Theoretical and Empirical Analysis," <u>Journal of Population Economics</u>, 11, 223-237.

Lechene, Valérie, and Martin Browning, 2000a, "Children and Demand: Direct and Non-Direct Effects," Working paper, University of Copenhagen.

Lechene, Valérie, and Martin Browning, 2000b, "Caring and Sharing: Tests Between Alternative Models of Intra-Household Behavior," Working paper, University of Copenhagen.

Lowe, G., H. Krahn and J. Tanner, 1988, "Young People's Explanations of Unemployment," Youth & Society 19, 227-249.

Lundberg, Shelley, 2000, "Family Bargaining and Retirement Behavior." In Henry Aaron (ed.) <u>Behavioral Dimensions of</u> Retirement Economics, Russell Sage/Brookings Institution.

Lundberg, Shelley, Robert Pollak and Terry Wales, 1997, "Do Husbands and Wives Pool Resources?," <u>Journal of Human Resources</u>, Summer, 463-480.

Lundberg, Shelley, and Elaina Rose, 2000, "Parenthood and the Earnings of Married Men and Women," <u>Labour Economics</u>, November, 689-710.

Machin, Stephen, R. Dickens, and A. Manning, 1999, "The Theory of Minimum Wages on Employment: Theory and Evidence From Britain," <u>Journal of Labour Economics</u>, 17, 1-22.

Mortensen, Dale, 1986, "Job Search and Labor Market Analysis." In O. Ashenfelter and R. Layard (eds.) <u>Handbook of Labor Economics vol. 2.</u> Amsterdam: Elsevier.

Murphy K.M., W.C. Riddell, and P.M. Romer, 1998, "Wage Skills and Technology in the United States and Canada," in <u>General Purpose Technologies and Economic Growth</u>, edited by E. Helpman, Cambridge: MIT Press, pp 283-309.

Myles, John, 2000, "The Maturation of Canada's Retirement Income System: Income Levels, Income Inequality and Low Income Among the Elderly," <u>Canadian Journal on Aging</u>, Forthcoming.

Myles, John, Garnett Picot and Wendy Pyper, 1998, "Markets, Families and Social Transfers: Trends in Low Income Among the Young and Old, 1973-1995." In Miles Corak (ed.), <u>Labour Markets, Social Institutions</u>, and the Future of Canada's Children. Ottawa: Statistics Canada.

Myles, John, and Paul Pierson, 2000, "The Comparative Political Economy of Pension Reform," In <u>The New Politics of the Welfare State</u>, N.Y.: Oxford University Press.

Phipps, Shelley, and Peter Burton, 1998, "What's Mine Is Yours? The Influence of Male and Female Incomes on Patterns of

Household Expenditure," Economica, 65, 599-613.

Phipps, Shelley, Peter Burton and Lynne Lethbridge, 2001a, "In and Out of the Labour Market: Long-Term Income Consequences of Interruptions in Paid Work," <u>Canadian Journal of Economics</u>, Forthcoming.

Phipps, Shelley, Peter Burton and Lynne Lethbridge, 2001b, "Maternity and Parental Benefits in Canada: Are There Behavioural Implications?" Canadian Public Policy, Forthcoming.

Phipps, Shelley, Peter Burton and Lynne Lethbridge, 2001c, "Values, Policies and the Well-being of Young Children in Canada, Norway and the United States." In K. Vleminchkt and T. Smeeding, <u>Child Well-Being in Modern Nations</u>, Bristol: The Policy Press.

Ornstein, Michael, 1999, <u>Politics and Ideology in Canada: Elite and Public Opinion in the Transformation of a Welfare State</u>, Montreal and Kingston: McGill-Queen's Press.

Ridder, Geert, and Gerard J. van den Berg, 1998, "Estimating Measures of Labor Market Imperfections for Five OECD Countries, Using Aggregate Data in an Equilibrium Search Framework," mimeo, Free University of Amsterdam.

Seitz, Shannon, 2000, "Labor Supply, Divorce and Remarriage," Working paper, Queen's University,

Seitz, Shannon, and Audra Bowlus, 2000, "The Economics of Abuse," Working paper, University of Western Ontario.

Shearer, Bruce, and Christopher Ferrall, 1999, "Incentives and Transactions Costs Within the Firm: Estimating an Agency Model using Payroll Records," Review of Economic Studies, 66: 309-338.

Siow, Aloysius, 1998, "Differential Fecundity, Markets and Gender Roles," Journal of Political Economy, 106, 334-354.

Siow, Aloysius, and Gillian Hamilton, 2000, "Class, Gender and Marriage," Working paper, University of Toronto.

Storer, Paul, and Marc van Audenrode, 1995, "Unemployment Insurance Take-up Rates in Canada: Facts, Determinants and Implications," Canadian Journal of Economics, 28, 822-835.

Storer, Paul, and Marc van Audenrode, 1998, "Exploring the Links Between Wage Inequality and Unemployment: A Comparison of Canada and the US," <u>Canadian Public Policy</u>, 24, 233-253.

Van den Berg, Gerard J., 1998, "Multiple Equilibria and Minimum Wages in Labor Markets with Informational Frictions and Heterogeneous Production Technologies," mimeo, Free University of Amsterdam.

Van den Berg, Gerard J., and Geert Ridder, 1998, "An Empirical Equilibrium Search Model of the Labor Market," <u>Econometrica</u>, 66, 1183-1221.

Woolley, Frances, and Zhiqi Chen, 2001, "A Cournot-Nash Model of Family Decision Making," <u>Economic Journal</u>, Forthcoming.

Woolley, Frances, and Xiaodong Zhu, 1998b, "Differential Fecundity and Gender Biased Parental Investments," Working paper, Carleton University.