

CANADIAN LABOUR MARKET AND SKILLS RESEARCHER NETWORK

CALL FOR PROPOSALS ON LABOUR MARKET ADJUSTMENT

This is a Request for Proposals (RFP) for research studies in the area of Labour Market Adjustment. This is one of several areas where papers are being commissioned as part of the Canadian Labour Market and Skills Researcher Network (CLSRN) supported by Human Resources and Social Development Canada. The co-ordinators of this research program are Stephen Jones (McMaster University) and Thomas Lemieux (University of British Columbia).

CLSRN plans to provide funding for 5 to 10 research papers in this area. Funded studies will generally provide new empirical evidence to support evidence-based policy decision making. They are to be of the quality of papers submitted to peer-reviewed, refereed journals and authors are encouraged to ultimately submit them to such forums (with appropriate acknowledgement to the funding source). The normal budget for such research studies is \$15,000 (plus GST if applicable).

For the purposes of research support, the product of the research will be a peer-reviewed working paper. Copyright of the research paper remains with the author(s). The working paper will appear in the CLSRN research paper series, and will also be posted at the HRSD web site. The findings may also be reported in HRSD's research newsletter.

Working papers are expected to be 20-40 pages in length, although they could be somewhat longer than this standard in order to provide sufficient detail on methods used, results obtained, and discussion of policy implications.

Proposals must involve new research that is not supported by other organizations. However, the proposed research may be related to, or an extension of, research supported elsewhere.

The budget can be used for any purposes deemed appropriate by the researchers to meet the legitimate expenses associated with carrying out the research. Such expenses can include: teaching or administrative release (at the relevant local university rates for such release); research assistance; data collection; honorarium for the author(s); and travel associated with conducting the research. Travel associated with presenting the paper at workshops and conferences organized by CLSRN will be covered separately. Larger amounts could be requested for specific unusual needs (e.g., conducting a survey, extensive data collection or a lab experiment) if justified. In all cases, a brief justification of the budget should be provided.

Payments will normally be scheduled as follows: (i) upon submission of a preliminary outline for the paper, including planned methodology; (ii) upon submission of a satisfactory first draft; and (iii) upon submission of a satisfactory final draft.

All proposals *and* papers will be peer reviewed. Academic reviewers will assess the quality of the proposed research and the potential contribution to knowledge. Representatives of selected Canadian government departments will assess proposals and papers for their policy relevance (broadly defined). Only proposals that meet both criteria – academic excellence and policy relevance – will be funded.

Since one of the objectives of CLRSN is to help ensure the emergence of a new generation of researchers with an interest in labour market policy, proposals from new researchers are especially welcome. For established researchers, proposals that involve graduate students or recent graduates in a significant role are also encouraged.

Government researchers are also invited to submit proposals, either as principal investigators or as co-investigators. However, government researchers are not eligible for financial support.

Given the need to have deliverables within the first year of the project, strict timelines will have to be followed. Please do not submit a proposal if you cannot adhere to those timelines since missing them can jeopardize future funding, both individually and collectively to the project.

The timelines are:

July 31, 2006	Proposals due
August 31, 2006	Researchers are informed of decision and given feedback from peer reviews
October 31, 2006	Preliminary outline of paper due
March 31, 2007	First draft of paper due
April 30, 2007	Feedback on first draft provided to authors
June 2007	Conference on labour market adjustment
July 2007	Peer review of final draft; revisions to working paper completed

The proposals can be brief (e.g., 3-4 pages) and can take the form of the proposed outline of the research paper. Proposals and final working papers may be written in English or French. The proposal should outline the rationale for the study, situating it in the relevant literature and indicating the gaps in our knowledge that it proposes to fill. The proposal should also explain the relevance of the proposed research for public policy. Finally, the proposal should describe the data to be used and the proposed methodology. The CVs of all co-investigators should be included with the proposal.

If the proposed research is to be carried out in a Research Data Centre (RDC), applicants should note that proposals that are approved for funding by CLSRN will not also be required to go through the SSHRC review process that is normally required for RDC access. Such proposals will, however, still be reviewed by Statistics Canada. The Statistics Canada review focuses on two issues: (i) demonstrated need for access to confidential micro-data (could the proposed research be carried out with public use data?)

and (ii) the viability of the methods to be applied given the data to be analyzed (is the data up to the task?). Researchers wishing to use data housed in an RDC should ensure that their proposal addresses these issues.

More than one paper may be commissioned on a particular topic and none may be commissioned in others. The suggested topics (listed below) may also be combined and researchers may propose alternative topics. Researchers may be involved in more than one topic and in different areas.

Proposals should be sent to: Katherine Meredith
Canadian Labour Market and Skills Researcher Network
Department of Economics
University of British Columbia
#997 – 1873 East Mall
Vancouver, BC V6T 1Z1

Proposals can also be submitted by email to: ine2@interchange.ubc.ca

Enquiries about this research project can be directed to:

Stephen Jones
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Thomas Lemieux
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Call for research proposals on labour market adjustment

CLSRN is seeking proposals for a project on labour market adjustment in Canada. The initial emphasis is on the three main areas listed below, but we are open to related submissions. The proposals may involve entirely new projects or extensions of ongoing research. The completed projects, along with papers from international researchers designed to help expand our knowledge of practices in other countries, will be presented at a conference in June 2007.

The main areas of focus are:

- 1) Mismatch and labour mobility. How do changing patterns of the supply of skills match or mismatch with changing patterns of labour demand? Dimensions to assess such mismatch include, but are not limited to, regional considerations, skill group differences, and mismatch according to age/experience levels. How does endogenous mobility, in these various dimensions, respond to mismatch? Do workers bear the full burden of the adjustment, or do firms also adjust by going where labour is available? And what roles does labour market policy play in affecting the extent of mismatch and the response of mobility?
- 2) Labour market policies and adjustment. How do Government active labour market initiatives, such as EI Part II, affect labour market adjustment? Does policy aid or inhibit adjustment at the individual, household, community and firm levels? Does policy exhibit heterogeneity in returns? Where does it work, and where does it fail? And how does active policy interact both with more traditional "passive" policy, such as EI Part I, and with private sector training? While the primary interest is the Canadian labour market, international comparisons may prove useful.
- 3) Dimensions of labour market adjustment. What are the ways in which adjustment occurs? Beyond the standard analysis of regional mobility, there is interest in adjustment in various directions. How do hours of work and evolving patterns of employment, including precarious employment, enable firms to adjust to changing economic conditions? Do workplace practices and internal labour market policies within firms play an important role? How do households adjust to changing conditions, and how is the behaviour of multi-person households different from that of individuals? How long does it take to displaced workers to find a new job, and how do post-displacement wages compare to pre-displacement wages? How do local economies adjust to changing patterns of labour supply and demand, including the inflow of immigrants to Canada? And what role do government policies, particularly EI, play in mediating these dimensions of adjustment?

To further elaborate on the issues that can be addressed by research in this area, you may wish to consult the following documents: HRSDC Policy Research and Survey Plan (November 2005) and HRSD Medium-Term Policy Research Priorities (March 2006).