

Simon Quach

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Office Contact Information

Industrial Relations Section
Louis A. Simpson International Bldg.
Princeton University
Princeton, NJ 08544

Education

Princeton University

2015-present

PhD Candidate in Economics

Dissertation: “*Essays in Overtime Regulation, Wage Rigidity, and Unemployment Insurance*”

Expected Completion Date: July 2021

University of Toronto

B.Ed. in Education

2015

B.Sc. in Economics and Mathematics (with High Distinction)

2014

Fields

Labor Economics, Public Economics

Publications

1. “Are Sufficient Statistics Necessary? Nonparametric Measurement of Deadweight Loss from Unemployment Insurance.” with David S. Lee, Pauline Leung, Christopher J. O’Leary, and Zhuan Pei, *Journal of Labor Economics* 2021 39:S2, S455-S506

Job Market Paper

“The Labor Market Effects of Expanding Overtime Coverage.”

This paper evaluates the impact of overtime coverage on the US labor market and offers new insights into the wage-hour setting process. While overtime was originally intended to raise employment by encouraging firms to hire more workers for fewer hours per worker, a competing theory predicts that employers would instead reduce base pay to offset the cost of the overtime premium. Leveraging recent changes in state and federal salary thresholds for overtime coverage of salaried employees, in conjunction with high-frequency administrative payroll data, I find evidence inconsistent with both views. On one hand, rather than increasing headcount, expansions in overtime coverage led to a net loss in employment. On the other hand, rather

than reducing base pay, the increased overtime eligibility thresholds led firms to either raise base pays above the threshold to keep jobs exempt from the new overtime provisions, or pay an overtime premium without changing base salaries. Comparing the costs and benefits, these responses imply a large negative elasticity of employment with respect to wages. Moreover, the rise in income is largest for jobs paying near the new threshold, whereas the employment loss is greater among lower paying jobs. As a result, the policy amplifies, rather than reduces, inequality. Viewing these effects through the lens of a wage-bargaining model suggests that there are large costs to firms for offering overtime.

Working Papers

“The Extent of Downward Nominal Wage Rigidity: Evidence from a Natural Experiment.”
[Draft Available Upon Request]

This paper studies employers’ wage responses to the unexpected suspension of a labor market reform that would have granted overtime coverage to all salaried employees earning less than \$913 per week. Leveraging detailed monthly administrative data, I find that although the policy was nullified one week before it was supposed to go into effect, employers nevertheless behaved as if it was binding. Firms raised incumbents’ base pay right above the overtime eligibility threshold and continued bunching workers at that cutoff even up to two years after the policy was terminated. Employers also did not compress workers’ future wage growth to offset the rise in labor costs. Similarly, firms continued to raise new hires’ salaries to the threshold, and I show that this bunching of new hires cannot be explained by changes in worker composition. Overall, these results are consistent with the existence of long-run downward nominal wage rigidity among both stayers and new hires.

Works in Progress

1. “The Labor Market Effects of Predictive Scheduling Rules.” with Decio Coviello, Felix Koenig, and Nicola Persico
2. “The Welfare Effects of Conditioning the Potential Duration of UI Benefits on Prior Work History.”

Research Experience

Research Assistant to Prof. Ilyana Kuziemko, Princeton University	<i>2017</i>
Research Assistant to Prof. Christopher Neilson, Princeton University	<i>2016</i>
Research Assistant, Innovations for Poverty Action	<i>2014</i>
Research Assistant to Prof. Michelle Alexopoulos, University of Toronto	<i>2013</i>

Teaching

Princeton University

Assistant Instructor for Prof. Christopher Neilson, Junior Independent Work	2019–2020
Assistant Instructor for Prof. Jonathan Payne, Junior Independent Work	2019–2020
Assistant Instructor for Prof. Kelly Noonan, Junior Independent Work (4.9/5)	2017–2018
Assistant Instructor for Prof. David Price, Junior Independent Work (4.5/5)	2017–2018

Ontario Institute for Studies in Education

Student Teacher at Etobicoke School of the Arts, Economics (High School)	2015
Student Teacher at Harbord Collegiate, Mathematics (High School)	2014

University of Toronto

Teaching Assistant for Prof. Anthony Lam, Calculus I and II	2012–2015
Peer Mentor, Economics Study Centre	2012–2014
Volunteer Notetaker, University of Toronto Accessibility Services	2012–2013
Foreign Exchange Teacher, Taiyuan No.5 Middle School	2011
Volunteer Teacher's Aid, Lawrence Heights Middle School	2010–2011

Professional Activities

Affiliations

U.S. Census Bureau Special Sworn Status (SSS)	2019–Present
Canadian Research Data Centre	2018–Present

Refereeing

Review of Economics of the Household

Honors, Scholarships, Fellowships, and Grants

SSHRC Doctoral Fellowship	2016–2020
Richard A. Lester Fellowship for Industrial Relations, Princeton University	2018–2019
Louis A. Simpson *60 P90 Fellowship, Princeton University	2015–2016
Princeton Graduate Economics Fellowship	2015–2020
Vari Scholarship for Future Teachers, University of Toronto	2010–2015

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