

## Economics 355(01) Canadian Public Finance

Instructor: Dr. David R. Sabiston  
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Lecture Location: EDC 388  
Lecture Days/Time: T, R / 16:00 – 18:45

Office: SS338  
Office Hours: By appointment

Summer 2019

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### Course Description:

Public finance examines the role of government(s) in the economy. Combining theory, applications, and policy, this course focuses on the two central roles of governments: public expenditures and taxation. From a theoretical perspective, this course looks at the *microeconomic* roles of governments, namely the allocation of resources and the distribution of income. Applications and policies address important topical issues such as health care, employment insurance, education and progressive income taxation.

### Course Objectives/Learning Outcomes

The objectives and learning outcomes in this course are developed (i) using theoretical frameworks constructed from basic economic principles, and (ii) by critically analyzing specific government policies at all levels (municipal, provincial, and national). In this context, students enhance and improve their technical skills – mathematical, graphical, and intuitive – and recognize the merits and short-comings of the various models and government policies/programs. Recognizing the distinction between theory and practice – particularly in view of the implications for economic efficiency vs. equity – are key learning outcomes in this course.

Some of the specific course competencies and outcomes include:

- i. critical thinking through demonstrated quantitative literacy, including working with data, statistics, and algebra;
- ii. critical thinking through demonstrated written literacy;
- iii. independent thinking through demonstration of the ability to explain and analyze economic/political arguments for logical consistency and sequence of argument;
- iv. communication through use of mathematical language and graphical presentation as well as through sequential verbal and written arguments;
- v. information evaluation through the ability to use economic models and specific economic principles.

**Course Description:**

Topics covered may include, but are not limited to:

Externalities and Public Goods

Public Expenditures

Income Inequality and Redistribution

Public Education

Health Care

Public Pensions

Social Welfare Programs

Taxation

Equity vs Efficiency

Personal vs Corporate Income Taxation

**Prerequisites/corequisites**

Econ 201 and 203.

**Required Textbook:**

None.

There is no required textbook for the course; this is a readings/lecture-based course and students are responsible for attending all the lectures and completing all of the readings. Readings and relevant course material will be posted on D2L.

**Recommended Texts:**

Rosen, Harvey S., Wen, Jean-François, and Tracy Snoddon (2012). *Public Finance in Canada* (4<sup>th</sup> ed). McGraw-Hill Ryerson Limited.

Gruber, Jonathan. (2019). *Public Finance and Public Policy*. (6<sup>th</sup> ed). Worth Publishers.

**Desire2Learn:**

This course will make use of the Desire2Learn (D2L) platform. Students who are registered in the course can log on at <http://d2l.ucalgary.ca> through their student centre. Please note that D2L features a class e-mail list that may be used to distribute course-related information. These e-mails go to your University of Calgary e-mail addresses only.

**Additional required readings will be posted on the D2L site as we progress through the course.**

**Grade Determination and Final Examination Details:**Mid-term Examination

There will be one mid-term examination and may consist of theoretical, mathematical, graphical, applied, and/or “readings” questions. **Make-up tests will not be given.** In cases of documented illness, documented family emergency, or documented religious observance, the weight of the mid-term will be allotted to the final exam.

Group Presentation/Essay

Groups (minimum of three and maximum of five) will present a topic and submit a short essay dealing with a (Canadian) public finance issue at the end of the semester. The framework, expectations, and content of these presentations will be discussed in class.

Final Exam

The final exam is cumulative and is 2 hours as scheduled by the Registrar's office. More information will be provided towards the end of the term.

<u>Assessment</u>	<u>Due Date</u>	<u>Value</u>
Mid-term Exam	July 18 <sup>th</sup> , 2019	25%
Group Presentations & Essay	August 6 <sup>th</sup> , 8 <sup>th</sup> , and 13 <sup>th</sup> , 2019	35%
Final Examination	Registrar Scheduled: August 15 <sup>th</sup> - 19 <sup>th</sup> , 2019	<u>40%</u>
		100%

The official grading system will be used. See <http://www.ucalgary.ca/pubs/calendar/current/f-1-1.html>.

If a student's letter grade on the final exam exceeds their midterm(s) letter grade, the weight of the midterm(s) is (are) transferred to the final exam. The student must have written the midterm(s) or provided supporting documentation for the absence(s) such as a medical note or statutory declaration.

As per the Writing Across the Curriculum Statement in the Calendar, writing and grading thereof will be a factor in the evaluation of student work.

Any student work which remains undistributed after the last day of classes will be available to students through the instructor's office during the instructor's office hours.

The final examination will be comprehensive, scheduled by the Registrar, held in a classroom, and last 2 hours. If a student cannot write their final exam on the date assigned by the Registrar's Office, they need to apply for a deferred exam [www.ucalgary.ca/registrar/exams/deferred\\_final](http://www.ucalgary.ca/registrar/exams/deferred_final). Under no circumstance will this be accommodated by the Department.

THERE WILL BE NO MAKEUP OR DEFERRED QUIZZES/TESTS/EXAMS under any circumstances, nor may the quizzes/tests/exams be written early. Students unable to write the quizzes/tests/exams because of documented illness, family emergency, religious observance, or university-sanctioned event will have the weight shifted to the final examination; otherwise a grade of zero will be assigned.

Note: Non-programmable calculators will be allowed during the writing of tests or final examinations and all tests and quizzes will not involve multiple choice questions.

***Lap tops (and tablets) are permitted for note-taking. Cell phone and other electronic cameras, however, are NOT an acceptable form of note-taking.***

**Reappraisal of Grades and Intellectual Honesty:**

*For reappraisal of graded term work, see Calendar I.2*

<http://www.ucalgary.ca/pubs/calendar/current/i-2.html>

*For reappraisal of final grade, see Calendar I.3*

<http://www.ucalgary.ca/pubs/calendar/current/i-3.html>

*Statement of Intellectual Dishonesty, see Calendar K.4*

<http://www.ucalgary.ca/pubs/calendar/current/k-4.html>

*Plagiarism and Other Academic Misconduct, see Calendar K.5*

<http://www.ucalgary.ca/pubs/calendar/current/k-5.html>

**Academic Accommodations:**

The student accommodation policy can be found at: [ucalgary.ca/access/accommodations/policy](http://ucalgary.ca/access/accommodations/policy).

Students needing an accommodation because of a disability or medical condition should communicate this need to Student Accessibility Services in accordance with the Procedure for Accommodations for Students with Disabilities [ucalgary.ca/policies/files/policies/student-accommodation-policy](http://ucalgary.ca/policies/files/policies/student-accommodation-policy).

Students needing an Accommodation based on a Protected Ground other than disability should communicate this need, preferably in writing, to the course instructor.

**Important Dates:**

Please check: <http://www.ucalgary.ca/pubs/calendar/current/academic-schedule.html>

**Student Organizations:**

Faculty of Arts Students' Association (F.A.S.A.):

Economics Department Representative

Office: SS 803, E-mail: [econrep@fasaucalgary.ca](mailto:econrep@fasaucalgary.ca) and Web: [www.fasaucalgary.ca](http://www.fasaucalgary.ca).

**Society of Undergraduates in Economics:**

<https://www.ucalgarysue.com/>.

Society of Undergraduates in Economics is a student run organization whose main purpose is to assist undergraduate economics students to succeed both academically and socially at the University of Calgary. Services include access to the exam bank, career events such as Industry Night and information sessions, mentorship programs, and social events for members. They invite you to join by contacting SUE at [societyofundergradsineconomics@gmail.com](mailto:societyofundergradsineconomics@gmail.com).

**Faculty of Arts Program Advising and Student Information Resources:**

- Have a question, but not sure where to start? The Arts Students' Centre is your information resource for everything in Arts! Drop in at SS102, call them at 403-220-3580 or email them at [artsads@ucalgary.ca](mailto:artsads@ucalgary.ca). You can also visit the Faculty of Arts website at <http://arts.ucalgary.ca/undergraduate> which has detailed information on common academic concerns, including program planning and advice.
- For registration (add/drop/swap), paying fees and assistance with your Student Centre, contact Enrolment Services at 403-210-ROCK [7625] or visit them in the MacKimmie Library Block.
- Online writing resources are available at <http://www.ucalgary.ca/ssc/resources/writing-support>

**Evacuation Assembly Point:**

In case of an emergency evacuation during class, students must gather at the designated assembly point nearest to the classroom. The assembly point for this class is Scurfield Hall - Atrium.

**Safewalk:**

The safewalk program provides volunteers to walk students safely to their destination anywhere on campus. This service is free and available 24 hrs/day, 365 days a year. **Call 403-220-5333**

**Freedom of Information and Protection of Privacy (FOIP) Act:**

Personal information is collected in accordance with FOIP. For more information, see <http://www.ucalgary.ca/legalservices/foip/foip-hia>.

**Internet and Electronic Communication Device information:**

The use of cell phones for any purpose in class is prohibited. Computers and tablets may be used for note-taking only.

DRS

2019-04-25