



JSGS 802 – Public Finance

UNIVERSITY OF SASKATCHEWAN CAMPUS	
INSTRUCTOR:	Haizhen Mou
PHONE:	306-966-5305
E-MAIL:	haizhen.mou@usask.ca
TERM:	Winter 2022
ROOM:	Online – http://canvas.usask.ca/
DATE AND TIME:	Course materials available January 5 – April 29, 2021
OFFICE HOURS	By appointment

LAND ACKNOWLEDGEMENT

The University of Saskatchewan campus of the Johnson Shoyama Graduate School of Public Policy is situated on Treaty 6 Territory and the Homeland of the Métis, while the University of Regina campus is situated on Treaty 4 Territory and the Homeland of the Métis. We pay our respect to the First Nation and Métis ancestors of this place and reaffirm our relationship with one another. As we engage in Remote Teaching and Learning, we would also like to recognize that some may be attending this course from other traditional Indigenous lands. I ask that you take a moment to make your own Land Acknowledgement to the peoples of those lands. In doing so, we are actively participating in reconciliation as we navigate our time in this course, learning and supporting each other.

INTELLECTUAL PROPERTY ACKNOWLEDGEMENT

We acknowledge the prior work of Haizhen Mou and Yang Yang in the development of this online course.

HONOUR CODE

At the Johnson Shoyama Graduate School of Public Policy (JSGS), we believe honesty and integrity are fundamental in a community dedicated to learning, personal development, and a search for understanding. We revere these values and hold them essential in promoting personal responsibility, moral and intellectual leadership, and pride in ourselves and our University.

As JSGS students, we will represent ourselves truthfully, claim only work that is our own, and engage honestly in all academic assignments.

Since articulated standards and expectations can influence attitudes, and because each of us shares the responsibility for maintaining academic integrity (see below for details on academic integrity at the JSGS), we are committed to upholding the Academic Honour Code.

Academic Honour Pledge

As a member of the JSGS community, I pledge to live by and to support the letter and spirit of JSGS's Academic Honour Code.

CALENDAR DESCRIPTION

This course provides a survey of Canadian public finance. Students will examine rationales for government intervention in a market economy, the assessment of public policy, how government decisions are made and the impact of government expenditures and taxation on the economy and the well-being of Canadians, in terms of economic efficiency and interpersonal equity. The course will also examine fiscal policy in a federated system and how fiscal matters affect federal/provincial relations in decision making.

LEARNING OBJECTIVES

Upon completion of this course, students should be able to:

1. Use a provided framework to explain how government revenues are collected and spent in Canada.
2. Apply this framework to analysis of public finance issues and decisions, including:
 - rationales for government intervention,
 - sources of government revenues,
 - allocation of funds, and
 - interactions between different levels of government.
3. Analyze current policy debates related to public finance in Canada.

JSGS CORE COMPETENCIES

Through the development of the following competencies, JSGS MPA graduates will be prepared to meet the policy challenges of a rapidly changing world:

- **Analysis and Use of Evidence** – how to use evidence and develop the necessary analytical skills to succeed in a public administration career;
- **Politics and Democracy** – ensuring that students have a deep understanding of the role of politics and democracy in public policy development including the roles of the various institutions and policy actors; and
- **Policy Delivery** – the importance of effective service delivery and the ongoing management and evaluation of public policy.

Textbook

Harvey S. Rosen, Jean-Francois Wen, Tracy Snoddon (RWS, 2016). Public Finance in Canada, 5th Edition. Toronto: McGraw-Hill Ryerson.

Note that students will NOT need electronic access to the McGraw-Hill “Connect” platform (ebook) for any graded components of the course. They are available only as an option for students who wish to access additional interactive ebook and study resources. Purchasing options:

- Connect / ebook version only (note: this is the lowest-cost option, but access to the online book is temporary, i.e., 1 year)
- Connect / ebook version with print edition
- Print version only

EVALUATION

Component	Due dates	Percentage
Online discussion forum	Due on Mar 27 by 11:59 PM	10%
End-of-Module Quizzes	Due on the last day of each module	20% (2% × 10)
Assignment 1 – group assignment	Due on Feb 27 by 11:59 PM	20%
Assignment 2 – group assignment	Due on Mar 20 by 11:59 PM	20%
Final Exam – individual exam	Due on April 10 by 11:59PM	30%
Total		100%

* All times are Central Standard Time, which is the time zone for Saskatoon and Regina.

ONLINE LIVE SESSIONS

This course includes multiple live (i.e., synchronous) sessions. The first live session will be to welcome you to the course and review the syllabus. The other sessions are more substantive and will consist of reviewing course material, discussing applications of the course material, and creating opportunities for interactions more akin to an in-person class. All live sessions will be held online via Zoom and will be recorded. It is required that students either attend in person or view the recordings. Students are highly encouraged to attend these sessions in person.

- Live Session #1: Welcome and walk through the syllabus, Wednesday, Jan 12, 6 pm – 7 pm
- Live Session #2: Discussion Forum and Review of Materials, Wednesday, March 23, 5 pm – 7 pm.

* All times are central standard time (CST), aka Saskatchewan time.

COURSE OUTLINE (Subject to Changes)

Week	Module	Readings	Due date
Part I: Introduction			
Week 1 Jan 10 – Jan 14	1. Setting the Stage: Financing and Spending in a Multilevel Political System	Textbook Ch. 1, 2, 3 Live Session #1 – Course Overview and Introduction	Quiz 1 due
Week 2 Jan 17 – Jan 21	2. Public Choice and Fiscal Federalism	Textbook Ch. 7, 8 Supplementary Readings: <ul style="list-style-type: none"> • Tiebout, Charles M. 1956. A Pure Theory of Local Government Expenditures. <i>Journal of Political Economy</i>, 64(5), 416–424. www.jstor.org/stable/1826343 • The O’Brien Report (2006). Achieving a National Purpose: Putting Equalization Back on Trac. Expert Panel on Equalization and Territorial Formula Financing. https://central.bac-lac.gc.ca/.item?id=F2-176-2006E&op=pdf&app=Library • Marchildon, Greg. P. and Haizhen Mou (2014). A needs-based allocation formula for Canada Health Transfer. <i>Canadian Public Policy</i>, (40)3, 209–223 https://www.jstor.org/stable/24365125?seq=1 	Quiz 2 due
Part II: Public Expenditure in Canada			
Week 3 Jan 24 – Jan 28	3. Health Care	Textbook Ch. 9 Supplementary Readings: <ul style="list-style-type: none"> • Usher, Dan (1977). The welfare economics of the socialization of commodities, <i>Journal of Public Economics</i>, 8(2) 2, 151-168. https://doi.org/10.1016/0047-2727(77)90016-0. • Advisory Council on the Implementation of National Pharmacare (2019). A Prescription for Canada: Achieving Pharmacare for All. https://www.canada.ca/en/health-canada/corporate/about-health-canada/public-engagement/external-advisory-bodies/implementation-national-pharmacare/final-report.html 	Quiz 3 due
Week 4 Jan. 31 – Feb 4	4. Education	Textbook Ch. 13 Supplementary Readings: <ul style="list-style-type: none"> • Card, David, Martin D. Dooley and A. Abigail Payne (2010). School Competition and Efficiency with Publicly Funded Catholic Schools. <i>American Economic Journal: Applied</i> 	Quiz 4 due

		<p><i>Economics</i>, 2(4), 150-176. https://www.aeaweb.org/articles.php?doi=10.1257/app.2.4.150</p> <ul style="list-style-type: none"> Hendren, Nathaniel and Ben Sprung-Keyser (Aug. 2020). A Unified Welfare Analysis of Government Policies. <i>The Quarterly Journal of Economics</i>, 135(3), 1209–1318. https://doi.org/10.1093/qje/qjaa006 	
Week 5 Feb 7 – Feb 11	5. Public Pensions	<p>Textbook Ch. 11</p> <p>Supplementary Readings:</p> <ul style="list-style-type: none"> Wolfson, Michael (2011). Projecting the Adequacy of Canadians' Retirement Incomes. <i>Institute for Research on Public Policy Study</i>, No. 17, http://www.irpp.org/pubs/IRPPstudy/IRPP_Study_no17.pdf Milligan, Kevin and Tammy Schirle (2014). Simulated Replacement Rates for CPP Reform Options. <i>SPP Research Papers</i>. http://www.policyschool.ca/wp-content/uploads/2016/03/milligan-cpp-options-final.pdf 	Quiz 5 due
Week 6 Feb 14 – Feb 18	6. Employment Insurance and Other Expenditures	<p>Textbook Ch. 10, 12</p> <p>Supplementary Readings:</p> <ul style="list-style-type: none"> Courchene, Thomas J. and John R. Allan (2009). A Short History of EI, and a Look at the Road Ahead. <i>Policy Options</i>. http://www.irpp.org/po/archive/sep09/courchene.pdf. Heller, Nathan (July 2, 2018). Who Really Stands to Win from Universal Basic Income? <i>The New Yorker</i>. https://www.newyorker.com/magazine/2018/07/09/who-really-stands-to-win-from-universal-basic-income 	Quiz 6 due
Week 7 Feb 21 – Feb 25		Winter break	A1 due on Feb. 27 by 11:59pm
Part III: Government Revenue in Canada			
Week 8 Feb 28 – Mar 4	7. Personal Income Tax	<p>Textbook Ch. 17, 18</p> <p>Supplementary Readings:</p> <ul style="list-style-type: none"> Hoffmann, Florian, David S. Lee, and Thomas Lemieux (2020). Growing Income Inequality in the United States and Other Advanced Economies. <i>Journal of Economic Perspectives</i>, 34 (4), 52-78. DOI: 10.1257/jep.34.4.52 	Quiz 7 due

		<ul style="list-style-type: none"> Baker, Michael, Jonathan Gruber, and Kevin Milligan (2008). Universal Child Care, Maternal Labor Supply, and Family Well-Being. <i>Journal of Political Economy</i>, 116(4), 709-745. http://www.jstor.org/stable/10.1086/591908 	
Week 9 Mar 7 – Mar 11	8. Consumption Tax	Textbook Ch. 19 Supplementary Readings: <ul style="list-style-type: none"> Smart, Michael (2011). The Impact of Sales Tax Reform On Ontario Consumers: A First Look at the Evidence. <i>SPP Research Papers</i>. https://www.fin.gov.on.ca/en/publications/2011/smart.pdf Layton, Carol and Steve Orsini (June 18, 2020). What can Ontario’s HST Experience Teach Us about Economic Recovery? <i>Policy Options</i>. https://policyoptions.irpp.org/magazines/june-2020/what-can-ontarios-hst-experience-teach-us-about-economic-recovery/ 	Quiz 8 due
Week 10 Mar 14 – Mar 18	9. Other Taxes	Textbook Ch. 20, 21 Supplementary Readings: <ul style="list-style-type: none"> Kitchen, Harry M., and Enid Slack (2003). “Special Report: New Finance Options for Municipal Governments.” <i>Canadian Tax Journal</i> 51(6), 2215-2275. https://munkschool.utoronto.ca/imfg/uploads/139/kitchenslack_new_finance_for_municipal_governments_2003.pdf Holmes, Thomas J. (2000). “The Location of Industry: Do States’ Policies Matter?” <i>Regulation</i>, 23(1), 47-50. https://www.cato.org/sites/cato.org/files/serials/files/regulation/00/4/holmes.pdf 	Quiz 9 due A2 due on Mar 20 by 11:59pm
Week 11 Mar 21 – Mar 25		Live Session #2 – Discussion Forum and Review of Materials	Discussion Forum due on Mar 27 by 11:59pm
Part IV: Bringing It All Together			
Week 12 Mar 28 – Apr 1	10. Government Budget, Deficit/Surplus and Debt	Textbook online supplement: Deficit Finance Supplementary Readings: <ul style="list-style-type: none"> Furman, Jason and Lawrence Summers (Nov. 30, 2020). A Reconsideration of Fiscal Policy in the Era of Low Interest Rates. https://www.piie.com/system/files/documents/furman-summers2020-12-01paper.pdf Mou, Haizhen, Michael M. Atkinson and Stephen Tapp (2018). Do Balanced Budget Laws Matter in Recessions?” <i>Public</i> 	Quiz 10 due

		<i>Budgeting & Finance</i> , 38(1), 28 – 46. http://onlinelibrary.wiley.com/doi/10.1111/pbaf.12163/full	
Week 13 Apr 4 – Apr 8	Final Exam		Final exam due on April 10 by 11:59pm

REMOTE LEARNING CONTEXT

This course takes place under exceptional circumstances. As you know, we have no in-person meeting opportunities, some of you may be taking this course from other countries and continents, and we all are concerned about our mental and physical well being. We also acknowledge that remote teaching and learning context is probably new to many if not most of you. With that in mind, I urge everyone to participate fully in the course – take advantage of the virtual office hours and live sessions, reach out to me (i.e., your instructor) via email, interact with your fellow students, participate fully in the discussion forums, and do all of that with empathy, care and patience.

THE LEARNING MANAGEMENT SYSTEM

This course is offered through the Canvas learning management system (LMS). It is USask's new mobile-friendly learning management system. While many of you will choose to use the LMS on your desktop computer, you can also use the free [app](#) on your Android or iOS devices. Please ensure your Canvas Notifications are set to receive **Announcements**, **Conversations**, and **Messages** from us about grades and appointments.

If you are not yet seeing this course in Canvas yet, please go to canvas.usask.ca and log in with your NSID to see your course(s) on any of your browser or devices. Please note that the course will not be visible until your instructor(s) have published it. Based on experience to date, the Canvas LMS seems best suited to Google Chrome and Mozilla Firefox.

If you need help with Canvas, please consult the following resources:

- USask's Canvas webpage for students: <https://students.usask.ca/study/canvas.php>
- This short [Canvas Overview for Students](#) video shows you the look and feel of Canvas.
- Access other and [Canvas Videos](#) and [Canvas Student Guide](#) for easy to follow instructions.
- USask has a 24/7 Canvas Support Hotline at 1-855-382-5556 and [Live Chat for Students](#); this information is also on the Help menu on your Canvas Dashboard.
- If you experience technical difficulties where you're unable to access Canvas, or if a feature isn't working as it should, then visit itsupport.usask.ca to search their Knowledge Base and/or submit a request to [IT Support](#).

Finally, please watch your PAWS Announcement feed and your USask email for updates on Canvas student resources.

DESCRIPTION OF ASSIGNMENTS

Discussion Forums

There will be one discussion forum. The forum is worth 10% of the final grade. The forum closes at 11:59pm on March 27.

Students are responsible for providing thoughtful comments on the discussion board. Participation will be graded based on the quality and frequency of the comments, the degree to which the comments integrate and demonstrate understanding of class material, the quality of the writing, and the extent to which students show genuine engagement with the material and their fellow classmates' posts. In other words, this should feel like a real, respectful and intellectually engaging conversation. Formulaic and "paint-by-number" response will not earn a good grade. More details are available in a document on the discussion board in the Canvas platform.

End-of-Module Quizzes

There will be ten quizzes at the end of each module. Each quiz closes at the last day of the module. Each quiz is worth 2% of the final grade for a total of 20%. Students are responsible for reviewing the module content and completing quizzes on time.

Group Assignments

In addition to the quizzes, students must also complete two group-based assignments.

- **Assignment #1** – Government Expenditures: DUE on Feb 27 by 11:59 PM
- **Assignment #2** – Government Revenues and Taxation: DUE on Mar 20 by 11:59 PM

Each group consists of *no more than five* students. Each group will submit only one assignment and every member will receive the same grade. In the Canvas LMS, click the "People" link and look under the "Groups" tab to sign-up to join a group. See the "Assignments" area of the course for more details on the assignment requirements and to submit your completed work. All completed assignment should be submitted electronically by uploading a **single Word document** to the Canvas LMS.

Final Exam

This class will have a final exam, consisting of multiple choice (online) and short/long answer questions. Both are individual exams. You will be able to access them under the "Assignments" area of the course during the exam week (Saskatchewan time). The exam takes about 2 hours. A student can start the exam at a time suitable to his or her schedule during the exam open period, but has to complete the entire exam and submit all answers within 3 hours of the starting time. All the answers have to be received before 11:59PM, April 10 2022 (Saskatchewan time).

LATE ASSIGNMENTS

Late assignment will be assigned a penalty of 10% of the full mark of the assignment. Assignments more than a week late will lose the full mark of the assignment. Students who feel they need a deadline extension due to unforeseen circumstances should submit their request prior to the due date.

USE OF VIDEO AND RECORDING OF THE COURSE

Video conference sessions in this course, including your participation, will be recorded and made available only to students in the course for viewing via Canvas after each session. This is done, in part, to ensure that students unable to join the session (due to, for example, issues with their Internet connection) can view the session at a later time. This will also provide students with the opportunity to review any material discussed. Students may also record sessions for their own use, but they are not permitted to distribute the recordings (see below).

Please remember that course recordings belong to the instructor, the University, and/or others (like a guest lecturer) depending on the circumstance of each session, and are protected by copyright. Do not download, copy, or share recordings without the explicit permission of the instructor.

For questions about recording and use of sessions in which you have participated, including any concerns related to your privacy, please contact your instructor. More information on class recordings can be found in the Academic Courses Policy at <https://policies.usask.ca/policies/academic-affairs/academic-courses.php#5ClassRecordings>.

COPYRIGHT

Course materials are provided to you based on your registration in a class, and anything created by your professors and instructors is their intellectual property, unless materials are designated as open education resources. This includes exams, PowerPoint/PDF slides and other course notes. Additionally, other copyright-protected materials created by textbook publishers and authors may be provided to you based on license terms and educational exceptions in the Canadian Copyright Act (see <http://laws-lois.justice.gc.ca/eng/acts/C-42/index.html>).

Before you copy or distribute others' copyright-protected materials, please ensure that your use of the materials is covered under the University's Fair Dealing Copyright Guidelines available at <https://library.usask.ca/copyright/general-information/fair-dealing-guidelines.php>. For example, posting others' copyright-protected materials on the open web is not covered under the University's Fair Dealing Copyright Guidelines, and doing so requires permission from the copyright holder.

For more information about copyright, please visit <https://library.usask.ca/copyright/index.php>. For information on students' rights, see <https://library.usask.ca/copyright/students/rights.php>, or contact the University's Copyright Coordinator at copyright.coordinator@usask.ca or 306-966-8817.

STUDENT RESOURCES

- As an MPA student, you are entitled to five hours of free help per academic year with Heather McWhinney, JSGS Student Writing Advisor. Please contact Heather at heather.mcwhinney@mail.usask.ca for writing help.
- DEU Writing Centre – Quality writing help for free! Anyone taking a distance class (online, independent studies, televised, or multi-mode delivery) administered by the DEU can use this free service. The Writing Centre provides tools and support to help you write effective essays, reports, or reviews. Simply submit a project draft, and a qualified tutor will assess your work and offer advice to improve your project. Contact the DEU Writing Centre at <http://distanceeducation.usask.ca/support/writing-centre.php>.
- Netiquette information resources for faculty, instructors and students highlight the basics of internet etiquette including how to appropriately connect and communicate in a remote teaching and learning context. See <https://teaching.usask.ca/remote-teaching/netiquette.php> and <https://studentstest.usask.ca/articles/netiquette.php>.
- Remote learning readiness tutorial for students. This resource engages students in learning about the skills associated with remote learning success. Feel free to send this to students or embed it in your Canvas or Blackboard course as a recommended or required activity. See – see https://libguides.usask.ca/remote_learning.
- Remote learning resources have been pulled together for students on the usask.ca website. This site is updated regularly. See <https://students.usask.ca/remote-learning/index.php>.
- Academic integrity tutorial for students. This resource introduces students to the concept of academic integrity and guides them to better understand their responsibilities regarding academic work, their rights, and the supports and services available to ensure they succeed within the larger scholarly community. Feel free to embed this in your Canvas or Blackboard course as part of your course-based activities on academic integrity. See <https://libguides.usask.ca/AcademicIntegrityTutorial>.
- Be Well at USask is a podcast for all members of the university community highlighting campus initiatives and resources designed to engage and support. Included are episodes on how to thrive at university, transitioning to remote learning, academic supports, career planning in a crisis, as well as many other student supports. See https://www.youtube.com/playlist?list=PLQptLdMDrox2_HZ0XAfHQW6DZoQOhoXes.
- Information on the Academic Courses Policy on course delivery, examinations and assessment of student learning can be found at: <http://policies.usask.ca/policies/academic-affairs/academic-courses.php>.
- The University of Saskatchewan Learning Charter is intended to define aspirations about the learning experience that the University aims to provide, and the roles to be played in realizing these aspirations by students, instructors and the institution. A copy of the Learning Charter can be found at: <http://teaching.usask.ca/about/policies/learning-charter.php>.

STUDENTS WITH SPECIAL NEEDS

Students in this course who, because of a disability, may have a need for accommodations are encouraged to discuss this need with the instructor and to contact one of the following:

USask: Disability Services for Students (DSS) – 966-7273.

U of R: Coordinator of Special Needs Services – (306) 585-4631.

STUDENTS EXPERIENCING STRESS

Students who are experiencing stress can seek assistance from one of the following:

USask: Student Affairs and Outreach – <https://students.usask.ca/health/centres/student-affairs-and-outreach.php> or call (306) 966-5757.

U of R: Counselling Services – <http://www.uregina.ca/student/counselling/contact.html> or call (306) 585-4491 between 8:30 a.m. to 4:30 p.m. Saskatchewan time Monday to Friday.

ACADEMIC INTEGRITY AND CONDUCT

Understanding and following the principles of academic integrity and conduct is vital to your success in graduate school. Ensuring that your work is your own and reflects both your own ideas and those of others incorporated in your work is important: ensuring that you acknowledge the ideas, words, and phrases of others that you use is a vital part of the scholarly endeavour.

If you have any questions at all about academic integrity in general or about specific issues, contact any faculty member and we can discuss your questions. For more information, please see:

USask: Guidelines for Academic Conduct – www.usask.ca/university_secretary/council/reports_forms/reports/guide_conduct.php.

U of R: Academic Misconduct – <https://www.uregina.ca/president/executive-team/ed-governance-univ-secretary/student-appeals/student-behaviour.html>

JSGS GRADE DESCRIPTORS

85+ Excellent

A superior performance with consistent strong evidence of:

- a comprehensive, incisive grasp of the subject matter;
- an ability to make insightful critical evaluation of the material given;
- an exceptional capacity for original, creative and/or logical thinking;
- an excellent ability to organize, to analyze, to synthesize, to integrate ideas, and to express thoughts fluently; and
- an excellent ability to apply theories to real-world problems and intersect with related disciplines.

80-85 Very good

An excellent performance with strong evidence of:

- a comprehensive grasp of the subject matter;
- an ability to make sound critical evaluation of the material given;
- a very good capacity for original, creative and/or logical thinking;
- an excellent ability to organize, to analyze, to synthesize, to integrate ideas, and to express thoughts fluently; and

- a strong ability to apply theories to real-world problems and intersect with related disciplines.

75-80 Good

A good performance with evidence of:

- a substantial knowledge of the subject matter;
- a good understanding of the relevant issues and a good familiarity with the relevant literature and techniques;
- some capacity for original, creative and/or logical thinking;
- a good ability to organize, to analyze, and to examine the subject material in a critical and constructive manner; and
- some ability to apply theories to real-world problems and intersect with related disciplines.

70-75 Satisfactory

A generally satisfactory and intellectually adequate performance with evidence of:

- an acceptable basic grasp of the subject material;
- a fair understanding of the relevant issues;
- a general familiarity with the relevant literature and techniques;
- an ability to develop solutions to moderately difficult problems related to the subject material; and
- a moderate ability to examine the material in a critical and analytical manner.