CARLETON UNIVERSITY  
Department of Economics  
ECON 3820 A – Topics in Canadian Economic Policy  
2012 Fall  

Instructor: Brian Glabb  
Office: B-840 Loeb  
Office phone: 613-520-2600 ext. 3769  
Home phone: 613-591-3659  
Cell phone: 613-720-3659  
Hours: By Appointment  
E-mail: brian_glabb@carleton.ca or cuLearn e-mail facility at https://www.carleton.ca/culearn  

PREREQUISITE  
The prerequisite for this course is ECON 1000 or FYSM 1003. Students who believe they have taken a similar background course or courses from another university must provide appropriate documentation to the Department of Economics Undergraduate Advisor, Amanda Wright.  

COURSE DESCRIPTION  
This course will examine the following major economic policy issues of the day:  

1. Health Care in Canada  
2. Global Debt  
3. International Competitiveness  
4. Canada’s Energy Policy  
5. Equalization Payments  

The course is designed to maximize the interaction with government policy advisers on the above current issues and policy options listed above. For each issue, the course will examine how to bring economic theory to bear in developing sound policy including questions such as:  

1. what the economic problem really is;  
2. what part of economic theory applies to it, if any;  
3. the current approaches of federal and provincial governments;  
4. the linkage between those approaches and theory, if any;  
5. journalistic and popular fallacies clouding the issue;  
6. improvements that might be possible, given economic theory;  
7. gaps in knowledge that need filling for better policy.  

Cost-Benefit Analysis and Risk Analysis will form part of the overall lectures on implementing public policy.  

Course Outline – ECON 3820 A – 2012 FALL 1
EVALUATION

The basis for determining your fall term grade (out of 100%) in this course is as follows:

Class Participation in Class Discussions  10%
Midterm Examination (October 26th)   35%
Five Assignments (5 marks each)   25%
Policy Discussion Paper (November 30th)  30%

Students are expected to present their views and comments supported by economic theory and applied approaches of government and business on a number of assigned class readings. The assignments will be due on the following dates:

- Assignment #1 - September 28th
- Assignment #2 - October 12th
- Assignment #3 – October 26th
- Assignment #4 – November 9th
- Assignment #5 – November 23rd

Policy Discussion Paper is to be 4 to 6 pages in length that provides an analytical assessment of a recommended policy position on an approved topic.

REQUIRED READING

READING LIST --Note that additional readings may be required as assigned throughout the term.

3. R. G Evans, Strained Mercy: The Economics of Canadian Health Care at Commission on the Future of Health Care in Canada (Romanow Report); www.healthcarecommission.ca
7. IMF Warning on Debt Crisis, Cuts Global Forecasts
9. Federal Transfers Provinces and Territories
10. A Short History of Equalization. Policy Options March 2007,Courchene, Thomas J.
COURSE REQUIREMENTS

Students who can document a compelling reason for missing the mid-term examination will be excused and their final grade will be based on their performance in the rest of the course—i.e., the weight of each of the remaining evaluation instruments will rise by a factor of 20/13 in the case of a missed mid-term (e.g., the Policy Discussion paper weight will become $30\% \times \frac{20}{13} = 46.15\%$). Students must inform the instructor of such an absence in advance, if possible. The mid-term exam will cover everything from the first class of the term up to, and including, the class prior to the examination.

SATISFACTORY PERFORMANCE CRITERIA

Students must fulfil all of the preceding course requirements in order to achieve a passing grade (D- or higher). Failure to submit one or more of the assignments or failure to write the mid-term examination (without a documented compelling reason) will result in a grade of FND (“Failure with No Deferred final examination allowed”). See Academic Regulation 2.3 for the official meanings of these grades, and note that it stipulates that no course grades are final until approved by the Faculty Dean. Note also that course grades may be scaled upwards or downwards in a rank-preserving manner to better fit the relevant departmental distributional norm. Application to write a deferred final examination must be made at the Registrar’s Office.

ACADEMIC INTEGRITY

Please be aware that plagiarism is serious offence at Carleton and should be recognized and avoided. For further information on how to do so, please see “Pammett on Plagiarism and Paraphrasing” at www.carleton.ca/economics/courses/writing-preliminaries/.

ACADEMIC ACCOMMODATION

Students with disabilities requiring academic accommodations in the course need to contact a coordinator at the Paul Menton Centre to complete the necessary letters of accommodation. After registering with the PMC, students need to make an appointment to meet and discuss their needs with the instructor at least two weeks prior to the first mid-term examination. This is necessary in order to ensure sufficient time to make the necessary arrangements.

Annex A – Additional References and Reading List


**Equalization**


*Fiscal Capacity and Provincial Budgets*. Available at [www.fin.gov.bc.ca/archive/budget00/reports/bgt2000_report_g.htm](http://www.fin.gov.bc.ca/archive/budget00/reports/bgt2000_report_g.htm)

**Energy Policy**


Ontario Power Authority: [www.powerauthority.on.ca](http://www.powerauthority.on.ca). See, in particular, the proposed Integrated Power System Plan.

*Under Supply Mix Advice Report read Volumes 1 to 5 inclusive.*

Ontario Ministry of Energy: [www.energy.gov.on.ca](http://www.energy.gov.on.ca)

*Under Electricity find:*
*Electricity Conservation and Supply Task Force Report*
*Electricity Transmission and Distribution in Ontario: A Look Ahead (Dec. 2004)*
*Report of the Pickering A Review Panel*
*Transforming Ontario’s Power Generation Company*
*Report on August 14, 2003 Outage*
*Preliminary Assessment of the Potential for a Clean Energy Transfer between Manitoba and Ontario*
*MacDonald Report: A Framework for Competition (May 1996)*
*Direction for Change: Charting a Course for Competitive Electricity and Jobs (Nov.1997)*
*Electricity Restructuring Act, 2004 (Bill 100)*
*Ontario Energy Board Amendment Act (Electricity Pricing) 2003*

See also [www.ontarioenergyboard.ca/OEB](http://www.ontarioenergyboard.ca/OEB) and [www.theimo.com](http://www.theimo.com)
On Peak Oil see the following: www.energybulletin.net ; www.odac-info.org

**Other energy related reading:**

www.centreforenergy.com ; www.ksg.harvard.edu/hepg/ ; www.nrcan.gc.ca

**Health Care in Canada**

R. G Evans, Strained Mercy: The Economics of Canadian Health Care at

Senate Standing Committee on Social Affairs, Science and Technology (Kirby Report)
www.parl.gc.ca

**Health System Financing**

Federal-provincial arrangements
User fees
A. Maslove, “National Goals and the Federal Role in Health Care,” National Forum on
Ottawa Spends, 2005-06.

**Competitiveness**

Expenditure Management System of the Government of Canada

House of Common Standing Committee on Finance, February 2008, Taxing To Prosper:
Canada’s System of Taxes, Fees and Other Charges at

Paul Martin, “The Canadian Experience in Reducing Budget Deficits and Debt,” Paper for the
Federal Reserve Bank of Kansas City for a Symposium on “Budget Deficits and Debt: Issues and

Jack Mintz, “Tax Competitiveness Report: A Call for Comprehensive Tax Reform,
www.cdhowe.org/pdf/commentary_254.pdf