DALHOUSIE UNIVERSITY

Econ 3345: Public Finance, Fall 2026

Dalhousie University operates in the unceded territories of the Mi'kmaw, Wolastoqey, and Peskotomuhkati Peoples. These sovereign nations hold inherent rights as the original peoples of these lands, and we each carry collective obligations under the Peace and Friendship Treaties. Section 35 of the Constitution Act, 1982, recognizes and affirms Aboriginal and Treaty rights in Canada.
We recognize that African Nova Scotians are a distinct people whose histories, legacies, and contributions have enriched the part of Mi'kma'ki known as Nova Scotia for over 400 years.

Instructor: Casey Warman

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Lectures: The class will be in person unless there are further covid restrictions or other interruptions. There is a possibility of a few lectures conducted online. The course content will be available on Dalhousie's Brightspace.

Office location: 6214 University Avenue, Room A14

Class location: Studley MCCAIN ARTS&SS 2118

Office hours: After class or by appointment.

Course Description
The course will focus on expenditure decisions (including fiscal debts, health care, education, employment insurance, social assistance, and public pensions) and the federal-provincial dimension of the public sector in Canada. It will also cover basic public finance theory and related microeconomics.

Course Prerequisites
Intermediate Microeconomics. Econ 2200 or equivalent with a minimum C grade.

Course Exclusion
None

Learning Objectives

- Students will attain, through lectures, readings and problem sets, knowledge of the building blocks of economic analysis in public finance.
- Students will develop, through lectures, readings and problem sets, some tools to analyze, critically assess, and develop creative solutions to public policy problems.
- Problem sets and exams will enable students to apply basic principles of critical thinking, problem solving, and technical proficiency in economics.
- This course will introduce students to expenditure decisions in Canada related to health care, education, employment insurance, social assistance, and public pensions.

At the end of the course, students should:

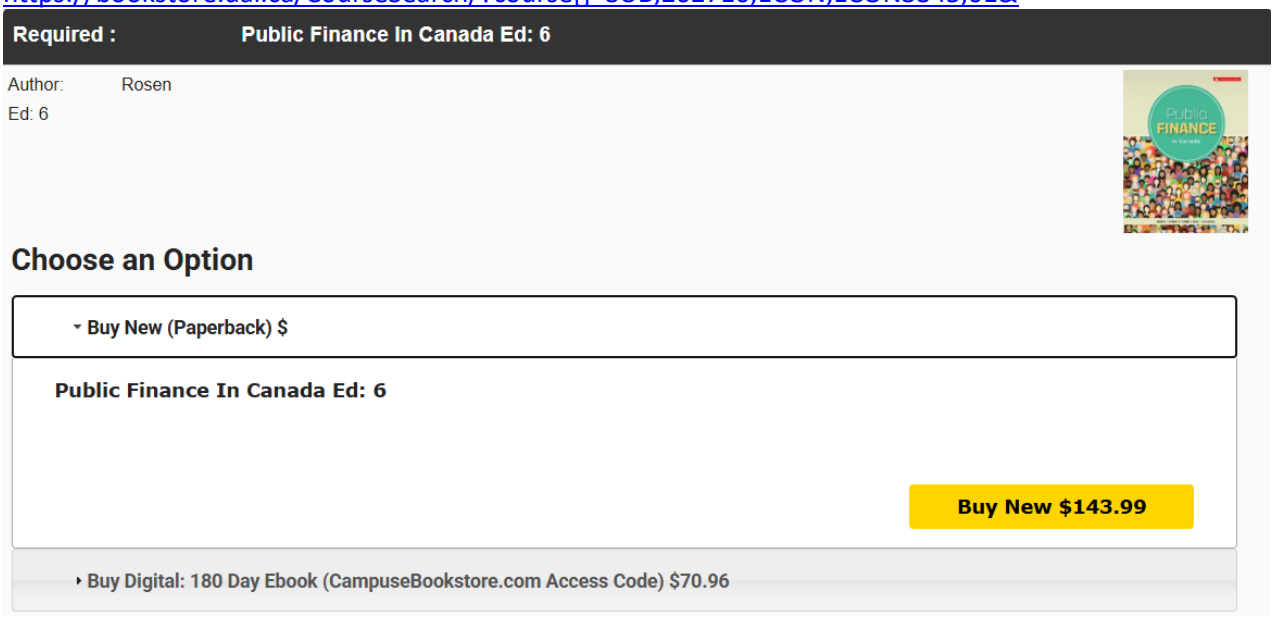
- Have a general understanding of Canada's governmental structure.
- Be able to understand the fundamentals of welfare economics and cost-benefit analysis.

- Be able to understand of public goods as well as externalities and when there should be public or private response to such externalities.
- Be able to determine the implications of given public expenditure programmes including issues such as externalities, moral hazard, and adverse selection.

Course Materials

- **Required Text:**

Rosen, Tedds, Tombe, Wen, and Snoddon, (2023), Public Finance in Canada (6th Ed), Toronto: McGraw-Hill Ryerson
For purchase in the bookstore or
E-book online access at:
https://bookstore.dal.ca/CourseSearch/?course[]=SUB,202710,ECON,ECON3345,01&



Around 92% of the course will follow the textbook and I highly recommend that you read the sections covered in class. Additional supplementary material and information will make up the remaining 8%, such as issues related to the implications of Covid-19 for public finance.

I will post partial notes and other items on Brightspace.

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Course Assessment

Component	Weight (% of final grade)	Date
Midterm Exam	(2X20%=) 40%	October 19th and November 16th
Final exam	50%	Scheduled exam period by Registrar's Office
Attendance[1]	5%	
Assignments	(5 X 1% =) 5%	

Assignments: There will be 5 assignments containing problem-solving questions online. They are to test your understanding of the content of the class and readings. There will also be additional practice questions.

Midterms: There will be 2 midterms for the course, each counting for 20% of your grade. It will have multiple choice and problem-solving exercises. The exams are currently scheduled to be in class unless something changes with Covid restrictions or other events.

Final Exam: The final exam will be cumulative and schedule by the Registrar's Office.

Conversion of numerical grades to Final Letter Grades follows the Dalhousie Common Grade Scale

A+ (90-100)	B+ (77-79)	C+ (65-69)	D (50-54)
A (85-89)	B (73-76)	C (60-64)	F (<50)
A- (80-84)	B- (70-72)	C- (55-59)	

Course Policies

Late assignments will not be accepted.

Missed Exams: The midterms are mandatory and count if written. There is a very strict policy concerning any missed exam. (See notes on **Student Declaration of Absence form**). If an exemption is not granted, a grade of zero will stand. If an exemption is granted, the weight, material and length of the midterm will be allocated to a final exam. If at least one midterm and the final are missed then a grade of *Incomplete* may be given.

If you miss a midterm due to medical reasons, the weight will be placed on the final exam.
You must pass the final to pass the course. To earn an A+ in the course, you must earn at least an A on the final exam.

[1] Miss at most two classes (for illness etc.), 5 out of 5; Miss three classes, 4.5 out of 5; Miss four classes, 4 out of 5; Miss five classes, 3.5 out of 5; Miss six classes, 3 out of 5; Miss seven classes, 2.5 out of 10; Miss eight classes, 2 out of 5; Miss nine classes, 1.5 out of 5; Miss ten classes, 1 out of 5; Miss more than ten classes, 0 out of 5. Please do not email me to tell me you will be away (unless for an extended period). **If you sign another student in, you will receive 0 out of 5. If someone signs you in, you will receive 0 out of 5.**

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Cell Phones, Blackberries etc. must be **turned off** and put away during lectures. Recording of lectures is prohibited.

Note - Student Declaration of Absence form:

The Faculty of Science follows the University policy for missed or late academic requirements due to short term student absences. The link to the policy is included in the course syllabus, and can be accessed here https://www.dal.ca/dept/university_secretariat/policies/academic/missed-or-late-academic-requirements-due-to-student-absence.html Course sites (Brightspace) will have a link to the **Declaration of Absence form**, and online submission of the forms will be enabled this fall via the widget on Brightspace.

Note that students are not able to obtain medical notes from the Dalhousie Student Health and Wellness Centre for short term absences (3 consecutive days or fewer) during term. Students may submit a MAXIMUM of 2 separate forms per course per term. Students with recurring absences should be referred to the Assistant Dean Student Affairs. Students with long term absences may need to be referred to the Student Accessibility centre. Please note students with an Accommodation Plan in place do not need to submit Student Declarations of Absence.

The policy does not apply to final coursework or exams scheduled by the Registrar's Office.

Outline (Order of chapters covers subject to change):

Introduction

Introduction to Public Finance in Canada Ch 1

Fundamentals of Welfare Economics Ch 2 (Micro theory)

Cost-Benefit Analysis Ch 3 (**Not** covering: Uncertainty on page 48 or Games Cost–Benefit Analysts Play on page 49).

Market Failures

Public Goods Ch 4

Externalities Ch 5 (shortened version)

Information Asymmetries

Debt

Deficit Financing and Public Debt Ch 7

Federal System

Fiscal Federalism Ch 8

Programs

Provincial Income Assistance Programs Welfare Ch 12

Eissa, Nada and Jeffrey B. Liebman (1996) "Labor Supply Response to the Earned Income Tax Credit," *Quarterly Journal of Economics*, 111(2): 605-637. Read only pages 605-613 and 635-636. Access journal article through the library

(Un)employment Insurance Ch 10

Public Pensions Ch 11

Education Ch 13

Health Care Ch 9

Response to Covid-19 Class notes and supplementary material (merged in with other sections).

Public Choice

Supplement from Version 5 (124, 128 (median voter theorem), 133 to 143. 2 Page PDF on Niskanen model.) - if we cover this, I will put the notes on Brightspace.

Market Shortcoming

Income/Wealth Distribution Ch 6

Tax Analysis

Taxation and Income Distribution Ch 14

Taxation and efficiency Ch 15

Personal Income Tax Ch 17

Other readings may be assigned during the course.

Syllabus Appendix Link

Syllabus Appendix: Student Supports & University Statements, Policies, and Guidelines