

School of Government

ECON 307 PUBLIC SECTOR ECONOMICS (15 pts) PUBL 303 PUBLIC SECTOR ECONOMICS (20 pts)

Trimester Two 2011

COURSE OUTLINE

Names and Contact Details

Lecturers contributing to ECON 307 / PUBL 303 are Professor Claudia Scott, Geoff Lewis from the Productivity Commission, and Matt Benge and Hamish Slack from the Inland Revenue Department. Professor Scott is the course coordinator.

Name: Claudia Scott

Room: Rutherford House, Level 8, Room 805, Pipitea Campus

Phone: (04) 463 5377 (office) Email: Claudia.Scott@vuw.ac.nz

Name: Geoff Lewis Phone: 04 903 5157

Email: Geoff.Lewis@productivity.govt.nz

Name: Matt Benge Phone: (04) 890 6063

Email: Matt.Benge@ird.govt.nz

Names: Hamish Slack Phone: (04) 8901449

Email: Hamish.Slack@ird.govt.nz

The course coordinator and teaching staff will not have regular office hours, but will organise appointments with students, as required.

Administrator: Kerry Pert

Rutherford House, Level 8, Room 821

(04) 463 6599

Kerry.Pert@vuw.ac.nz

Note:

- 1. ECON 307 or PUBL 303 are recognised as satisfying one of the majoring requirements for Economics.
- 2. Please ensure that <u>e-mails</u> use ECON 307 or PUBL 303 <u>as the first words</u> in the Subject Line, otherwise they risk being deleted as SPAM.

Trimester Dates

Teaching Period: Monday 11 July – Friday 14 October Study Period: Monday 17 October – Thursday 20 October

Examination Period: Friday 21 October – Saturday 12 November (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before 22 July 2011.

2. The standard last date for withdrawal from this course is Friday 23 September 2011. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an 'Application for Associate Dean's Permission to Withdraw Late' including supporting documentation

The application form is available from either of the Faculty's Student Customer Service Desks.

Class Times and Room Numbers

Lectures: Wednesday and Friday 3.40pm – 4.30pm RH LT3, Pipitea Campus

Tutorial: Wednesday 4.40pm – 5.30pm RWW128, Pipitea Campus

Friday 4.40pm – 5.30pm RWW129, Pipitea Campus

Tutorials will begin in the second week of the course.

Course Content

Public economics provides an examination of the economics of collective decision making and the public framework around private decisions. The perspective is primarily microeconomic, focusing on the scope, form, level and method of government involvement in the economy, as well as the appropriate methods of raising the necessary revenue to finance public expenditure. Some discussion of national aggregates and indicators will be presented.

The second half of the course will be considered with various topics relating to the theory and practice surrounding tax policy.

These topics will be addressed from both a theoretical and applied perspective. The issues will be linked to issues in the New Zealand public sector, although experience in other countries will also be considered.

Readings

The textbook for the course is:

Connolly, Sara & Alistair Munro (1999) Economics of the Public Sector, Prentice Hall Europe.

Students will require regular access to the course text and to supplementary readings the latter will be made available on Blackboard. Copies of the text have been ordered through Vic Books and second hand copies may also be available. A copy of the book is also available on closed reserve at the VUW Central Library at Kelburn and at the Commerce Library in Railway West Wing.

<u>Part 1 Government and Market Failure: the respective roles of markets and government in</u> the economy; government spending and regulation

Lecturers: Claudia Scott and Geoff Lewis

Claudia Scott: 13 July, 5 August, 10 August, 12 August, 17 August, 19 August

Geoff Lewis: 15 July, 20 July, 22 July, 27 July, 29 July, 3 August

Topics and Readings

July 13 The role(s) of government

What states do – spend, tax, regulate, own - roles – stabilisation, allocative/regulatory, distributive; growth of the state: Wagner's law, the Baumol effect, fiscal illusion. Changing role of the state in NZ relative to the OECD

July 15 Market Failure- the economic rationale for government

Public goods, externalities, merit goods, transactions costs; myths about government.

Reading:

Connolly, Sara & Alistair Munro (1999). *Economics of the Public Sector*, Prentice Hall Europe, Chapters 1 & 2.

Additional Readings (available on Blackboard):

- Bailey, S. (1995). "The Economic Rationale for Government", Ch. 2 of *Public Sector Economics: Theory, Policy and Practice,* London, MacMillan, pp. 16 41.
- Stiglitz, J. (1989). "On the Economic Role of the State", in A. Heertje (ed.) *The Economic Role of the State*, Basil Blackwell, pp. 11 85.
- Gill, D. (2010). "Appendix A: Changing Role of the New Zealand State during the Past 20 Years", IPS working paper 2010 08
- Rea, D. (2009). "Government Expenditure and Revenue in New Zealand: A Brief Overview", Policy Quarterly 5(3): pp. 58–67.
- Maani, S. (1997). "Access to Higher Education", Ch. 7 of *Investing in Minds: The Economics of Higher Education in New Zealand*, Wellington, Institute of Policy Studies, pp. 152 181.

- Barr, N. (2004). "Higher Education Funding", *Oxford Review of Economic Policy*, Vol. 20, No. 2, pp. 264 283.
- Dunleavy, P. (1991). "Existing Public Choice Models of Bureaucracy", Ch. 6 of *Democracy, bureaucracy and public choice : economic explanations in political science*, Prentice Hall, pp. 147 162.
- Shleifer, A. (1998). "State versus Private Ownership", *The Journal of Economic Perspectives*, Vol. 12, No. 4, pp. 133 150.
- July 20 Welfare Economics how and when markets produce desirable outcomes
 Efficiency and equity; the 'invisible hand'; the first and second fundamental theorems of welfare
 economics including when, and when they are not, likely to apply; concepts of social welfare

Reading: Connolly & Munro, Chapters 2 and 3

July 22 Public Goods – definition and provision of public goods

Pure public goods and publicly-provided public goods Why markets struggle to provide public goods. What can be done about it? The "free rider" problem.

Reading: Connolly & Munro, Chapter 4

Additional Readings (available on Blackboard):

- Barr, N. (1998). *The Economics of the Welfare State*, 3 Edition, Oxford, Oxford University Press.
- Grout, P. & M. Stevens (2003). "The assessment: Financing and managing public services", *Oxford Review of Economic Policy*, Vol. 19, No. 2, pp. 215 234.
- Barnett, R.R. (1993). "Preference revelation and public goods", in P.M. Jackson (ed.) *Current Issues in Public Sector Economics*, London: Macmillan, pp. 94 131.

Wikipedia "Public Good", http://en.wikipedia.org/wiki/Public_good

July 27 Externalities and solutions to the externality problem

Types of externalities, social and private benefits and costs, Pigouvian taxes, the Coase theorem

Reading: Connolly & Munro, Ch 5.

Additional Readings (available on Blackboard):

- Arrow, K. (1969). "The Organization of Economic Activity: Issues Pertinent to the Choice of Market versus Non-market Allocations," in *Analysis and Evaluation of Public Expenditures: The PPP System*. Washington, D.C., Joint Economic Committee of Congress. PDF reprint, pp. 1 16.
- Coase, R. (1960). "The Problem of Social Cost", Journal of Law and Economics 3: 1 44.

- Parisi, F. (2008). "Coase theorem", Steven N. Durlauf and Lawrence E. Blume (eds), The New Palgrave Dictionary of Economics, Second Edition, Palgrave Macmillan.
- Hardin, G. (1968). "The Tragedy of the Commons", *Science*, Vol. 162, No. 3859, pp. 1243 1248.

July 29 Asymmetric information

The market for 'lemons', adverse selection, moral hazard, the economics of insurance and health systems

Reading: Connolly & Munro, Ch 6

Additional Readings (available on Blackboard):

- Ackerlof, G. (1970). "The market for 'lemons': quality uncertainty and the market mechanism", *Quarterly Journal of Economics* 84, pp. 488 500.
- Arrow, K. (1963). "Uncertainty and the Welfare Economics of Medical Care", *The American Economic Review*, Vol. 53, No. 5, pp. 941 973.
- Rees, R. (1989). "Uncertainty, information and insurance", in J. Hey (ed.) *Current Issues in Microeconomics*, Ch. 3, Oxford: Macmillan, pp. 47 78.

August 3 Case Study: Climate-change policy in New Zealand

Problem definition, efficient abatement of greenhouse gases: how does New Zealand's emissions trading scheme (ETS) measure up? The international dimension – competitiveness, trading in emission units; political economy – industry, taxpayer and citizen perspectives

Reading: Connolly & Munro, Ch 23

Additional Readings (available on Blackboard):

- Heal, G. (2008). "Climate Economics: A Meta-Review and Some Suggestions", NBER Working Paper 13927, http://www.nber.org/papers/w13927.pdf
- Kerr, S. and W. Zhang. (2009). "Allocation of New Zealand Units within Agriculture in the New Zealand Emissions Trading System", *Motu Working Paper* 09-16. http://www.motu.org.nz/publications/detail/allocation_of_new_zealand_units_within_agriculture_in_the_new_zealand_emiss
- Kerr, S. (2009). "Climate change policy: stepping back and moving forward", Motu Economic and Public Policy Seminar, May.

 http://www.motu.org.nz/publications/detail/climate_change_policy_stepping_back_and_moving_forward

August 5 Cost-Benefit Analysis

Financial and economic cost-benefit analysis, valuing benefits and costs, time discounting, cost-effectiveness analysis

Reading: Connolly & Munro, Ch 7

Additional Readings (available on Blackboard):

Layard, R. & S. Glaister (1994). "Introduction" in R. Layard & S. Glaister (eds.), *Cost-Benefit Analysis*, CUP, pp. 1 – 56.

Watkins, T. "An Introduction to Cost-Benefit Analysis", Department of Economics, San Jose University, http://www.sjsu.edu/faculty/watkins/cba.htm

The Treasury (2005), *Cost Benefit Analysis Primer*, http://www.treasury.govt.nz/publications/guidance/planning/costbenefitanalysis/primer

Office of Best Practice Regulation, Australian Department of Finance and De-regulation, "Cost Benefit Analysis", http://www.finance.gov.au/obpr/cost-benefit-analysis.html

August 10 & 12 Government Failure and Public Choice

Reading: Connolly & Munro, Ch 8

Additional Readings (available on Blackboard):

Weimer, D. L. and Vining, A(1999) Policy Analysis: Concepts and Practice, Prentice Hall, ch 8.

Le Grand, J. (1991) "The Theory of Government Failure", *British Journal of Political Science*, Vol. 21, No. 1, pp. 423 – 442.

Self, P. (1993) "Economic Interpretations of Politics", Ch. 1 of *Government by the Market? The Politics of Public Choice*, Basingstoke, MacMillan, pp. 1 – 20.

August 17 & 19 Government Failure and Bureaucratic Supply

Reading: Connolly & Munro Ch 9 & 21

Additional Readings (available on Blackboard):

Dunleavy, P. (1991). "Existing Public Choice Models of Bureaucracy", Ch. 6 of *Democracy*, bureaucracy and public choice: economic explanations in political science, Prentice Hall, pp. 147 – 162.

Shleifer, A. (1998). "State versus Private Ownership", *The Journal of Economic Perspectives*, Vol. 12, No. 4, pp. 133 – 150.

Part 2: Taxation and Tax Policy

Lecturer:

Matt Benge and Hamish Slack: 7, 9, 14, 16, 21, 23, 28, 30 September; 5, 7, 12, 14 October

Topics and Readings

There is no textbook which examines the tax policy issues that will be discussed in this course. The textbook Connelly, S. and A. Munro, *Economics of the Public Sector*, FT Prentice Hall, 1999 will be useful reading for about half of the tax issues covered. This will be supplemented by additional readings and notes provided on Blackboard. At times the additional readings available on the Blackboard will be the most critical readings for a topic. In all cases the most critical readings will be marked with an asterisk (*). Many Tax Reform documents are lengthy. Blackboard readings will only include relevant sections of various reports but fuller references are provided for those interested.

Note: readings are provisional. Some readings may be added to the following list. The allocation of topics to particular lectures is intended as a rough guide.

September 7 Introduction

This topic provides an outline of what will be covered in the course together with some facts and figures on the New Zealand tax system, how we compare with other countries and key policy challenges identified by Inland Revenue, the Treasury and by the recent VUW Tax Working Group. We outline key tax reforms introduced in Budget 2010 and also briefly discuss directions of reform suggested by Australia's Henry Review.

Reading: Connolly & Munro Ch 10

Additional Readings (available on Blackboard):

- * New Zealand Inland Revenue, 2008, *Briefing for the Incoming Minister of Revenue 2008*, Chs 3 and 4: http://taxpolicy.ird.govt.nz/sites/default/files/2008-other-bim.pdf
- * Victoria University of Wellington Tax Working Group, 2010, Final Report: *A Tax System for New Zealand's Future*, Summary and Ch 1: http://www.victoria.ac.nz/sacl/cagtr/pdf/tax-report-website.pdf.
- New Zealand Treasury, 2008, *Medium Term Tax Policy Challenges and Opportunities*, http://www.victoria.ac.nz/sacl/cagtr/pdf/treasury_s-medium-term-tax-advice.pdf.
- Gemmell, N., 2010, 'Tax Reform in New Zealand: Current Developments', Paper prepared for the Australia's Future Tax System: A Post-Henry Review' Conference, Sydney, 21-23 June, 2010.

September 9, 14 & 16 Tax incidence and economic efficiency

This topic discusses tax incidence (i.e., who bears the burden of a tax). In this topic we discuss the difference between the economic and legal incidence of a tax, examine the partial equilibrium incidence of taxes in both closed and open economies, discuss taxes on economic profits, land tax and tax capitalisation and briefly touch on general-equilibrium incidence. We consider practical attempts to measure the fairness of tax changes in New Zealand. We also discuss the economic costs of taxation and optimal taxation.

Reading: *Connolly & Munro Ch 11, Ch 12 pp. 214-215 and Ch 14, pp. 245-251.

Additional Readings (available on Blackboard):

- Australia's Future Tax System Review Team, December 2010, *Australia's Future Tax System: Report to the Treasurer*, Part 2, Volume 1 of 2, Appendix C2. Link to full document: http://taxreview.treasury.gov.au/content/downloads/final_report_part_1/00_AFTS_final_report_consolidated.pdf.
- Burman, L.E., J Gravelle, and J. Rohaly, 2005, 'Towards a More Consistent Distributional Analysis', Paper Prepared for National Tax Association Annual Conference on Taxation, November.
- New Zealand Tax Review Issues Paper, June 2001, (McLeod Review Issues Paper), Chapter 1, Frameworks, http://www.treasury.govt.nz/publications/reviews-consultation/taxreview2001. (NB Link is to full document).
- New Zealand Tax Review Final Report, October 2001, (McLeod Review Final Report), Chapter 2, Frameworks, http://www.treasury.govt.nz/publications/reviews-consultation/taxreview2001. (NB Link is to full document).

September 21, and 23 Taxes and saving

In this topic we discuss how incentives to save can be affected by different types of tax including taxes on comprehensive income, labour income and on expenditure. [Warning: your textbook is more difficult than necessary in its discussion of this topic! The discussion in Rosen and Gayer is clearer for this topic.]

Reading: Connolly & Munro Ch 12

Additional Readings (available in Library or on Blackboard):

- *Rosen, H.S. and T. Gayer, 2008, *Public Finance*, 8th edition, McGraw-Hill Irwin,.Ch 18, 'Personal Taxation and Behavior', pp. 424-437.
- Australia's Future Tax System Review Team, December 2010, *Australia's Future Tax System: Report to the Treasurer*, Part 2, Volume 1 of 1, Section A1-3, Taxation of Income from Savings, pp. 62-85. For link to full document, see earlier.
- Auerbach, A.J., 2010, 'The Taxation of Savings and Superannuation', Paper prepared for a conference on Australia's Future Tax System: A Post-Henry Review, Sydney, June 21-23, 2010.
- Meade, J.E. et al, 1978, *The Structure and Reform of Direct Taxation*, Chapter 3, 'The Tax Base', pp. 30-45, , Allen and Unwin, London, 1978.

September 28 and 30 Taxes and housing

One of the most important forms of savings is housing. In this topic we examine how taxes can affect incentives tenure choice (whether households rent or live in their own house), on the quantity of investment in housing and on housing affordability. We also discuss some possible ways of reducing tax biases affecting housing.

Additional Readings (available in Library or on Blackboard):

*Class notes, 2010, 'Taxes and Housing Decisions'.

New Zealand Tax Review Issues Paper, June 2001, chapter 2, 'Tax Bases', pp. 27-43.

October 5 and 7 International tax policy and company taxation

A key tax policy issue is how best to tax international capital flows. We discuss this issue in this topic discussing some recent changes to New Zealand's international tax regime and the policy implications. A very important feature of company taxation is its implications for the taxation of international income flows. But another important feature is in the way it protects the personal income tax base. Up until the late 1980s, New Zealand had a classical company tax system where companies were taxed and shareholders taxed a second time when dividends were paid. This was replaced with New Zealand' full imputation system where domestic shareholders receive credits for company tax payments so that company profits are ultimately taxed at the tax rates of shareholders. Partly because of its effects on international capital flows, an Allowance for Corporate Equity (ACE), company tax system has been suggested in Australia. We explore the economic effects of these different possible company tax systems.

Additional Readings (available on Blackboard):

*Class notes, 2010, 'International Tax Issues and Company Taxation'.

New Zealand Tax Review Issues Paper, June 2001 (McLeod Review Issues Paper). Corporate tax rate, pp. 103-110, and International tax: taxing income from inbound and offshore investment, pp. 125-165. For link to full document, see earlier.

Australia's Future Tax System Review Team, December 2009, *Australia's Future Tax System: Report to the Treasurer*. B1, Company and other investment taxes, and B2, The treatment of business entities and their owners, pp. 149-204. For link to full document, see earlier.

October 12 & 14 The personal tax and transfer systems and their effects on labour supply In this section we discuss the effects of taxes on labour supply. We examine how taxes can have offsetting income and substitution effects on labour supply and consider efficiency consequences. We also consider how transfers can affect labour supply.

Reading: *Connolly & Munro Ch 13

Additional Readings (available on Blackboard):

Kalb, G., 2010, 'Modelling Labour Supply Responses in Australia and New Zealand', Claus, I., N. Gemmell, M. Harding and D. White (eds.), *Tax Reform in Open Economies: International and Country Perspectives*, Edward Elgar.

Rosen, H.S. and T. Gayer, 2008, *Public Finance*, 8th edition, McGraw-Hill Irwin, Ch 18, 'Personal Taxation and Behavior', pp. 415-424.

Additional Readings (available in the Library):

Kay, J.A and M.A. King (1986). *The British Tax System*, Oxford University Press, Oxford, Fourth Edition (HJ2619.K39). (This provides a good readable overview of tax policy issues).

Course Learning Objectives

ECON 307/PUBL 303 T2

Course Objectives: By the end of this course, students should be able to:		Major Attributes
C1	describe the important schools of thought within public	MA4, MA5
	economics and the economics of politics	
C2	explain and evaluate the current level, form and methods of	MA6, MA7
	government involvement in the New Zealand economy	
C3	discuss the theoretical reasons for that involvement, and the	MA9, MA11
	appropriate design of economic instruments to achieve the	
	objectives of involvement	
C4	Describe the influences of economic theories on the design of	MA2, MA3
	public policy and management reforms in New Zealand and	
	overseas	
C5	discuss the extent to which there is a trade-off between equity	MA2, MA4
	and efficiency, and the degree of complementarities between	
	efficiency and equity	
C6	use the concepts of efficiency and equity in the development	MA2, MA4
	of policies for the public sector	
C7	explain the strengths and weaknesses of schools of thought	MA5, MA7
	and economic theory for analysing tax and expenditure	
	policies in the public sector	
C8	use economic techniques to analyse policies in the public	MA3, MA5
	sector.	

Major Attributes: PUBL majors will be able to		
MA1	Judge the defining features of good policy analysis and advice and appraise how they are best produced	
MA2	Demonstrate an understanding of the influence of political ideas and philosophies, and of constitutional and political institutions on public policy	
MA3	Demonstrate an understanding of the contribution of quantitative and qualitative methods in policy analysis	
MA4	Identify the nature and respective roles of state and civil society in the development, implementation and evaluation of public policy, and demonstrate an understanding of the distinction between government and governance	
MA5	Appraise different disciplinary contributions to the development, implementation and evaluation of public policy	
MA6	Judge the relevance and importance of evidence in policymaking	
MA7	Apply the comparative method to policy analysis, and identify insights that might be drawn from other policy jurisdictions	
MA8	Judge and articulate the relevant criteria that might be used in assessing the advantages and disadvantages of particular policy options	
MA9	Analyse complex policy issues from multiple perspectives and identify opportunities	

	for innovation	
MA10	Express ideas succinctly and persuasively both in written form and orally	
MA11	Construct and articulate rationales for public policy intervention	
MA12	Demonstrate an understanding of the significance of ethics and accountability in the	
	study and practice of public policy	
MA13	Interpret the significance of the Treaty of Waitangi (Te Tiriti o Waitangi) in the study	
	and practice of public policy in New Zealand	

Course Delivery

This course will be delivered as a series of lectures on specific topics, supplemented by tutorials to assist understanding and application of the topics. Attendance at all lectures and tutorials will enhance learning outcomes from the course.

Expected Workload

One point should equate to 10 hours of work, which means a total of 150 hours for a 15-point course, which will typically be spread over a 15 week period (the 12 teaching weeks, midtrimester break, study week and the examination period). Time spent on work outside class has to be an estimate for an average student.

Group Work

Other than group discussion in tutorials, no group work is anticipated and will not form part of the assessment in the course.

Assessment Requirements

ASSIGNMENT	DUE DATE	WEIGHT
1st Essay (all course objectives)		
Word limits: ECON 307 2000 words	Monday 22 August	20%
PUBL 303 2500 words		
2nd Essay (all course objectives)		
Words limits: ECON 307 2000 words	Friday 7 October	20%
PUBL 303 2500 words		
Final exam 3 hours (all course objectives)	Check schedule	60%

Assessment in the course will consist of two essays (20% each) and a final examination worth 60%. Further details on each of these assessments, including topics, will be provided by lecturers in class.

Further information on the nature of the final examination will also be provided to students in class and on Blackboard.

Essays are to be submitted to <u>sog-assignments@vuw.ac.nz</u> by email attachment. These will be marked electronically using the 'track changes' function in Word, so you should send your papers in a format that allows this (no pdf documents, thanks).

You will also need to complete a School of Government Assignment Cover Sheet for each essay. The cover sheet can be downloaded from Blackboard. Please indicate your document's word count on the cover sheet and don't forget to include your name.

Students should keep a copy of all submitted work. Examinations

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period.

The final examination for this course will be scheduled at some time during the period from Friday 21 October – Saturday 19 November.

Penalties

Essays not handed in by the due date or by the date of extension will have a mark out of 100 reduced by 5% for each late day. Essays handed in more than 5 days after the due date, or after the date of extension, will not normally be accepted.

If ill-health, family bereavement or other personal circumstances beyond your control prevent you from meeting the deadline for submitting a piece of written work or from attending class to make a presentation, you can apply for and may be granted an extension to the due date. You should let your lecturer and course coordinator know as soon as possible in advance of the deadline (if circumstances permit) if you are seeking an extension.

Extensions will be granted to those who meet the University's aegrotat rules (eg. medical certificate, personal bereavement, critical personal circumstances involving the health of a close relative or personal circumstances beyond your control). If you are having troubles let your lecturer and course coordinator know.

Mandatory Course Requirements

To fulfil the mandatory paper requirements for this paper you must:

- (a) complete the two essay assignments specified above;
- (b) attend at least **70%** of the weekly tutorials;
- (c) sit the final examination.

Students who fail to satisfy the mandatory requirements for passing this course, other than the requirement to obtain a C grade overall, will not receive a graded result, and their records will show a "K" (fail due to not satisfying mandatory course requirements, even though the student's course requirements reached the level specified for a pass).

To pass ECON 307 or PUBL 303, a student must meet the mandatory requirements and achieve at least a total of 50% over all the assessments.

Class Representative

A class representative will be elected in the first class, and that person's name and contact details will be available to VUWSA, the Course Coordinator and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

Communication of Additional Information

Additional information or information and on any changes to the nature and timing of assessments will be conveyed to students in class and also through notices on Blackboard. Additional supplementary readings will also be put on Blackboard. Note that if students do not use their vuw email address, they must ensure that this address, they must organise for mail from this address to be forwarded to another email account.

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

'Someone else's work' means anything that is not your own idea. Even if it is presented in your own style, you must still acknowledge your sources fully and appropriately. This includes:

- material from books, journals or any other printed source
- the work of other students or staff
- information from the Internet
- software programs and other electronic material
- designs and ideas
- the organisation or structuring of any such material.

Acknowledgement is required for *all* material in any work submitted for assessment unless it is a 'fact' that is well-known in the context (such as "Wellington is the capital of New Zealand") or your own ideas in your own words. Everything else that derives from one of the sources above and ends up in your work – whether it is directly quoted, paraphrased, or put into a table or figure, needs to be acknowledged with a reference that is sufficient for your reader to locate the original source.

Plagiarism undermines academic integrity simply because it is a form of lying, stealing and mistreating others. Plagiarism involves stealing other people's intellectual property and lying about whose work it is. This is why plagiarism is prohibited at Victoria.

If you are found guilty of plagiarism, you may be penalised under the Statute on Student Conduct. You should be aware of your obligations under the Statute, which can be downloaded from the policy website (www.victoria.ac.nz/home/about/policy/students.aspx). You could fail your course or even be suspended from the University.

Plagiarism is easy to detect. The University has systems in place to identify it.

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine http://www.turnitin.com. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

There is guidance available to students on how to avoid plagiarism by way of sound study skills and the proper and consistent use of a recognised referencing system. This guidance may be found at the following website http://www.victoria.ac.nz/home/study/plagiarism.aspx

If in doubt seek the advice of your course coordinator.

Plagiarism is simply not worth the risk.

Use of Turnitin (if applicable)

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine http://www.turnitin.com Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

For the following important information follow the links provided:

Academic Integrity and Plagiarism

http://www.victoria.ac.nz/home/study/plagiarism.aspx

General University Policies and Statutes

Find key dates, explanations of grades and other useful information at www.victoria.ac.nz/home/study

Find out about academic progress and restricted enrolment at http://www.victoria.ac.nz/home/study/academic-progress.aspx

The University's statutes and policies are available at www.victoria.ac.nz/home/about/policy, except qualification statutes, which are available via the Calendar webpage at http://www.victoria.ac.nz/home/study/calendar.aspx (See Section C).

Further information about the University's academic processes can be found on the website of the Assistant Vice-Chancellor (Academic) at www.victoria.ac.nz/home/about victoria/avcacademic/default.aspx

AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support

http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx

Faculty of Commerce and Administration Offices

http://www.victoria.ac.nz/fca/studenthelp/

Te Putahi Atawhai Maori and Pacific Mentoring Programme

http://www.victoria.ac.nz/st_services/tpa/index.aspx