Year and Semester: 2012 Semester 1

Unit convenor: Mr Craig MacMillan

Credit points: 4

Prerequisites: 4cp in ACST or AFAS or ECON units at 600 or 800 level

NCCW(s): ACCG849, ECON822, ECON823, ECON860, ECON861

Students in this unit should read this unit guide carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult one of the teaching staff in the unit.

ABOUT THIS UNIT

• Welcome to ECON991 Economics for Actuaries. The aim of this unit is to provide a postgraduate level foundation in modern economic analysis with applications to decision making in business, for postgraduate actuarial students. The course provides students with the knowledge and tools to use microeconomic and macroeconomic theory and concepts in analysing business decision-making and an understanding of the broader social, economic and regulatory environment in which businesses operate.

• Students in ECON991 will attend the same lectures and workshops and complete the same assessment tasks as students in ECON649. However, students in ECON991 will also complete an additional assignment based on material not covered in lectures. Consequently, the weighting of assessment tasks is different in ECON991 compared to ECON649 – please see the table on page 7 for more information on the assessment structure for ECON991.

TEACHING STAFF

<table>
<thead>
<tr>
<th>Room</th>
<th>Email</th>
<th>Consultation Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>E4A 427</td>
<td><a href="mailto:craig.macmillan@mq.edu.au">craig.macmillan@mq.edu.au</a></td>
<td>Friday 1-3. Ph: 98507290</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E4A 437</td>
<td><a href="mailto:alison.vicary@mq.edu.au">alison.vicary@mq.edu.au</a></td>
<td>By appointment. Ph: 98508591</td>
</tr>
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<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td><a href="mailto:pauline.mcalary@mq.edu.au">pauline.mcalary@mq.edu.au</a></td>
<td>By appointment.</td>
</tr>
</tbody>
</table>
CONTACTING STAFF

- Consultation times
  You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours. Staff will not conduct consultations by email. You may, however, phone staff during their consultation hours.

  Students experiencing significant difficulties with any topic in the unit must seek assistance immediately.

CLASSES

- There is one 3 hour lecture per week that you must attend.

- You are expected to attend the lecture group you are formally enrolled in. Changes are not permitted. If you have any questions or issues regarding your timetable please see the staff at the Business and Economics Graduate Centre on Level 2, E4A for assistance.

- The timetable for classes can be found on the University web site at: http://www.timetables.mq.edu.au/

- There will be three workshops held during the semester. These workshops are designed to review and reinforce the material covered in lectures and in the required reading.

- These workshops will be held during normal lecture times during weeks 5, 7 and 13.

- Details concerning the questions to be covered during the workshops can be downloaded from the unit web page.

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

- The textbook for this course is:

- The textbook can be purchased from the Co-op bookstore located on campus.
The textbook is available to borrow from the Macquarie University library.

The publisher provides access to a website (MyEconLab) which contains a collection of practice questions, quizzes and study tools. Information on how to access this website is provided in the front of the text. You may find it useful to devote some of your study time to the questions and quizzes. They will provide you with some feedback on how your understanding of the course is progressing.

**Technology Used and Required**

- Students will require a non-programmable calculator for completion of workshop tasks, test 1 and the final exam. A calculator is non-programmable if it does not have any memory, or if it is capable of storing only numerical data within its memory.
- Students will also require access to a computer to view the unit website, view the publisher’s website for the set text, and for email communication with staff. The University provides students access to computers on campus – for more information please enquire at Business and Economics Student Services centre (BESS) in E4B 106.

**Unit Web Page**

- Course material is available on the learning management system (iLearn)
- The web page for this unit can be found at: 
  [https://ilearn.mq.edu.au/login/MQ/](https://ilearn.mq.edu.au/login/MQ/)

**Learning Outcomes**

The intended learning outcomes of this unit are for students to:

1. Understand the key economic concepts, models and theories of introductory microeconomics and macroeconomics
2. Explain, compare, contrast and analyse these concepts, models and theories logically and coherently
3. Apply, analyse, evaluate, and suggest solutions using these concepts, models and theories to real world economic problems or practical situations
4. Identify and then use relevant economic diagrams to assist with explanations and applications
5. Understand the behaviour of individuals and firms and the operation of markets in the economy
6. Understand the role of the government and the central bank in the economy and the instruments available to them to manage the economy

**Graduate Capabilities**

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop the capabilities the University’s graduates will need to
develop to address the challenges, and to be effective, engaged participants in their world.

This unit contributes to this by developing the following graduate capabilities:

1 Discipline Specific Knowledge and Skills
2 Critical, Analytical and Integrative Thinking
3 Problem Solving
4 Effective written communication, in particular, the development of the ability to describe data presented in graphical form and link this to their written responses
5 Capable of Professional and Personal Judgement and Initiative

**LEARNING AND TEACHING ACTIVITIES**

- This unit will be taught using a combination of both lectures and workshops.

- It is expected that students will:
  - Attend all lectures and workshops
  - Read the set chapters from their textbook and any supplementary readings – preferably in advance of lecture attendance
  - Attempt practice questions in their textbook (and/or MyEconLab) for personal revision
  - Prepare for workshops in advance

- A comprehensive calendar of topics to be covered on a week by week basis can be found below:
<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Required Reading</th>
<th>Reminders</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Feb 27 – Mar 2</td>
<td>Introduction and The Economic Way of Thinking</td>
<td>Chs 1 (including appendix), &amp; 2 Ch 11 (pp.324-332 only)</td>
</tr>
<tr>
<td>2</td>
<td>March 5 – 9</td>
<td>Reasons for Government Intervention and Demand and Supply</td>
<td>Chs 3, 5 (pp.131-136) &amp; 11 (pp 324-332 only)</td>
</tr>
<tr>
<td>3</td>
<td>March 12 – 16</td>
<td>Demand and Supply Applications and Elasticity</td>
<td>Chs 4 &amp; 5 (pp.131-146)</td>
</tr>
<tr>
<td>4</td>
<td>March 19 – 23</td>
<td>Demand and Supply Applications and Production and Costs</td>
<td>Ch 6</td>
</tr>
<tr>
<td>5</td>
<td>March 26 – 30</td>
<td>Perfect Competition</td>
<td>Ch 7</td>
</tr>
<tr>
<td>6</td>
<td>April 2 – 5</td>
<td>Perfect Competition (cont.) and Monopoly</td>
<td>Ch 8</td>
</tr>
<tr>
<td></td>
<td>April 6 - 20</td>
<td><strong>Mid Semester Break</strong></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>April 23 – 27</td>
<td>Monopoly (cont.)</td>
<td>Ch 8</td>
</tr>
<tr>
<td>8</td>
<td>May 1 – 4</td>
<td>Introduction to Macroeconomics</td>
<td>Chs 12 &amp; 13 (pp. 396-404)</td>
</tr>
<tr>
<td>9</td>
<td>May 7 – 11</td>
<td>The Keynesian I-E Model</td>
<td>Ch 13 Appendix</td>
</tr>
<tr>
<td>10</td>
<td>May 14 – 18</td>
<td>Money and Interest Rates</td>
<td>Chs 15</td>
</tr>
<tr>
<td>11</td>
<td>May 21 – 25</td>
<td>AD-AS Model</td>
<td>Ch 13</td>
</tr>
<tr>
<td>12</td>
<td>May 28 – Jun 1</td>
<td>Monetary Policy and Fiscal Policy</td>
<td>Chs 16 &amp; 17</td>
</tr>
<tr>
<td>13</td>
<td>Jun 4 - 8</td>
<td>Revision</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Jun 12 – 29</td>
<td><strong>Final Exam Period</strong></td>
<td></td>
</tr>
</tbody>
</table>

**RESEARCH AND PRACTICE**

- This unit uses research from external sources (references)
- This unit gives you practice in applying research findings in your assignments
RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The purpose of the assessment tasks within this unit is to assist you in achieving the learning objectives and graduate capabilities set out. These tasks are also used to determine your final grade for this course.

Assessment will be based on the three tasks listed below.

If you experience serious misadventure and are unable to attend a test or submit the assignment on the set date you must contact Mr Craig MacMillan (craig.macmillan@mq.edu.au) and, in addition, will be required to complete an application for Special Consideration. Information about the special consideration process is available at: http://www.mq.edu.au/policy/docs/special_consideration/policy.html

These forms should be submitted to the Business and Economics Graduate Centre on Level 2, E4A.

Assessment in the course is set out in the table below:
<table>
<thead>
<tr>
<th>Name of Task</th>
<th>Test 1</th>
<th>Assignment 1</th>
<th>Assignment 2</th>
<th>Final Exam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description of Task</td>
<td>Multiple Choice Questions</td>
<td>Details will be provided in a separate handout available in week 4</td>
<td>Details provided in a separate handout available in week 4</td>
<td>Multiple Choice and Essay Style Questions</td>
</tr>
<tr>
<td>When</td>
<td>Saturday 24 March</td>
<td>Wk 9 – handed in during class May 7-11</td>
<td>To handed in at BESS on the 1st of June</td>
<td>End of Semester Exam Period</td>
</tr>
<tr>
<td>% weighting</td>
<td>10</td>
<td>15</td>
<td>15</td>
<td>60</td>
</tr>
<tr>
<td>What will the Assessment be on?</td>
<td>All material up to and including week 3</td>
<td>All material from weeks 1-7</td>
<td>Selected topics specified in the assignment handout.</td>
<td>All material from weeks 1-13</td>
</tr>
<tr>
<td>Grading Method</td>
<td>University Grading Guidelines</td>
<td>University Grading Guidelines</td>
<td>University Grading Guidelines</td>
<td>University Grading Guidelines</td>
</tr>
<tr>
<td>Feedback</td>
<td>Grade due week 6</td>
<td>Grade and written comments, due week 12</td>
<td>Grade and written comments available from BESS on 8 June</td>
<td>Final Overall Course Result</td>
</tr>
</tbody>
</table>

### Learning Outcomes Assessed

| | | | | |
|---|---|---|---|
| 1 | ✔ | ✔ | ✔ |
| 2 | ✔ | ✔ | ✔ |
| 3 | ✔ | ✔ | ✔ |
| 4 | ✔ | ✔ | ✔ |
| 5 | ✔ | ✔ | ✔ |
| 6 | | | | |

### Graduate Capabilities Assessed

| | | | | |
|---|---|---|---|
| 1 | ✔ | ✔ | ✔ |
| 2 | ✔ | ✔ | ✔ |
| 3 | ✔ | ✔ | ✔ |
| 4 | ✔ | ✔ | ✔ |
| 5 | ✔ | ✔ | ✔ |
Test 1
The purpose of this test is to examine your understanding of the concepts and models learnt in the first few weeks. This task’s aim is also to provide you with some early feedback about your progress in the course. The test will consist of a series of multiple choice questions.

You are expected to present yourself for examination at the time and place designated on the unit web page. The only exception to not sitting Test 1 at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University’s policy on the Special Consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

No supplementary test will be offered for the Test 1.

Assignment 1
The purpose of the assignment is to examine your ability to understand and apply concepts learnt in the microeconomic section of the course (weeks 1 – 7). The assignment will consist of a number of calculation based problem solving questions. The assignment will be available to students in week 4 on the unit web page.

The assignment is due in week 9 of semester – May 7 to 11 – and must be handed in during your class.

No late assignments will be accepted. If an assignment is submitted late it will receive a mark of zero.

If you cannot submit your assignment on time because of documented illness or unavoidable disruption please consider applying for Special Consideration. The University’s policy on the Special Consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

We will endeavour to return your marked assignment with comments in Week 12.

Assignment 2
The purpose of the assignment is to examine your ability to understand and apply concepts learned through independent study on a variety of topics. The assignment will consist of a number of calculation based problem solving questions. The assignment will be available to students in week 4 on the unit web page.

The assignment is due on the 1st of June and must be handed in at BESS (E4B 106).

No late assignments will be accepted. If an assignment is submitted late it will receive a mark of zero.
If you cannot submit your assignment on time because of documented illness or unavoidable disruption please consider applying for Special Consideration. The University’s policy on the Special Consideration process is available at http://www.mq.edu.au/policy/docs/special_consideration/policy.html

Marked assignments can be collected from BESS from the 8th of June.

**Final Exam**

A 2 hour final examination for this unit will be held during the Macquarie University final examination period.

All topics studied during the semester are examinable. The exam will consist of multiple choice questions and written essay type questions (more detail about the structure will be provided towards the end of the semester). The final exam will give you an opportunity to demonstrate the depth and breadth of your knowledge of basic economic concepts, the economic way of thinking and in using your knowledge to solve economic problems.

The University Examination period for Semester 1, 2012 is from **12 June to 29 June**.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

http://www.timetables.mq.edu.au/exam

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University’s policy on the Special Consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period.

The Macquarie University examination policy details the principles and conduct of examinations at the University. The policy is available at:

http://www.mq.edu.au/policy/docs/examination/policy.html

**Academic Honesty**

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty.
Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at [http://www.mq.edu.au/policy/docs/academic_honesty/policy.html](http://www.mq.edu.au/policy/docs/academic_honesty/policy.html)

**GRADES**

Macquarie University uses the following grades in coursework units of study:

HD - High Distinction  
D - Distinction  
CR - Credit  
P - Pass  
F - Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at: [http://www.mq.edu.au/policy/docs/grading/policy.html](http://www.mq.edu.au/policy/docs/grading/policy.html)

**GRADING APPEALS AND FINAL EXAMINATION SCRIPT VIEWING**

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.


**SPECIAL CONSIDERATION**

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at: [http://www.mq.edu.au/policy/docs/special_consideration/policy.html](http://www.mq.edu.au/policy/docs/special_consideration/policy.html)
STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Support Services. Details of these and other services for students can be accessed at http://www.student.mq.edu.au.

IT CONDITIONS OF USE

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when using University IT facilities. The following regulations apply to the use of computing facilities and online services:

● Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved units is deemed inappropriate.
● Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.